Start up and beyond: evolving training needs for rural women in small business

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The rural decline in Australian industry restructuring and the withdrawal of infrastructural services (ABS, 1998), gives rise to the hope of a turnaround in regional and rural Australia arising from the growth of new business ventures. There has been a trend towards an increase in both small business and the involvement of women in recent years (ABS 1301.0, 1997). This combination is important for a sustainable rural future, and therefore, a greater understanding is needed of how women stand in relation to sound business preparation, and attitudes to professional training.

This paper presents the results from recent research on 359 women in small business in the Western region of Victoria, and demonstrates an evolution towards recognition of the need for professional training. However, there is also a strong commitment to the importance of experience, hands on training and common sense.

A critical realist approach allows us to acknowledge rural and gendered structured inequality, and explains how as well as objective understanding, some aspects of life need a subjective understanding. Thus using this approach leads us to the position of respecting the perspectives of women. Such an understanding is required if we are to customise appropriate training that utilises the local knowledge and experiences of rural women in enhancing the viability of their small business ventures.

Given the rural decline caused by industry restructuring and the withdrawal of infrastructural services, a main hope for turnaround in regional and rural Australia could lie in the growth of new business ventures. Both small business and the involvement of women in such businesses have increased in importance in recent years (Moore 1999; ABS 1998; AusStats 8127.0, 1998). In Australia while the number of business operators between 1995 and 1997 increased overall by 4.8%, female business operators increased by 9%. (AusStats. 8127.1 1998). This phenomenon may therefore provide a life-line in rural areas experiencing decline. Therefore, “...providing women with the skills and knowledge to start their own business is likely to be an important way to sustain rural communities in the future” (Simpson, Daws & Wood, 2002, p.499).

If the combination of women and small business is to be important for a sustainable rural future, (see Cullinan, 2002) greater understanding is needed of how prepared such women are to adequately sustain or improve their businesses and of what their perceptions of training needs might be. According to Simpson et al., (2002), the rural economic restructure will require the development and enhancement of new and enhanced skills and “geographically isolated women face particular barriers in this regard” (p.499).
A major study undertaken by the authors of 359 women from the Western Region of Victoria gives us greater insight on these questions. The larger study focuses on the nature of female small business in regional and rural in Victoria. A number of aspects related to small business were explored, including issues such as industry sector and type of business, and both business start-up and operation experiences. A major area of interest was women’s general preparedness for small business operation relative to their social and professional backgrounds, including previous work experience, formal education, small business related training and how lack of training was compensated for. In addition perceived training needs and training experiences at both the start-up stage of their business and during operation were examined.

After clarifying some important issues about small business and human resources generally, and setting out the scope of the research project, this paper presents results from recent research that supports the notion that there is evidence of an evolution towards recognition of the need for professional training. This is in spite of a strong residue of commitment to ‘anti-professional’ beliefs through an acknowledgement of the value and significance of personal experience.

In any discussion of small business it is important to recognize that this is an area that is neglected in the Human Resources literature and that these businesses do not necessarily acknowledge the benefits of specialist Human Resources services and training (Hornsby & Kuratko, 1990; Ritchie, 1994; Simpson, et al., 2002). Furthermore, definitions of small business vary quite markedly. There are also different types of small businesses and the type and phase of development will have implications for the type of specialist training needed. Ritchie sets out a smaller firm typology that differentiates between microfirms, family firms, entrepreneurial firms and professional and partnership firms in new or mature stages. Each has a somewhat characteristic employment relationship and concomitant differing need for training and Human Resources input generally. There is no “clear one best way” except to avoid following “ill-customised corporate approaches imported from larger firms outside” (1994, p.119).

A USA study found that in training of their own employees, small businesses of a range of sizes used ‘various combinations of on the job training, coaching, seminars, apprenticeships and computer aided instruction’ (Hornsby & Kuratko, 1990, p.4). Their personnel practices were more sophisticated than anticipated. A finely-grained knowledge of small business is therefore desirable for any planning of future training.

Such an understanding has been positively initiated in a recent study of small business training for Australian rural women. Simpson, et al., in an effort to address the “low participation in completion rates of isolated rural women in vocational education and small business training programs” (2002, p.497), drew on focus group discussions, academic and literature and government and practitioner reports to develop a ‘good practice matrix’. Reference group and case study participants and providers of courses then provided feedback, the latter self-evaluating on the basis of the set good practice elements of marketing, content, delivery, support, impact and innovation. Four important principles were revealed. Firstly, rural women have unique needs, including flexibility in time of delivery and content, relevance of local contexts, practical outcomes, value for money, individual support and feedback, opportunities to exchange views with knowledgeable industry persons and skills recognition leading to accreditation. The authors argue that “recognition of . . . prior learning. . . can be an important factor in increasing women’s self-confidence and desire to participate in training…” (2002, p.507).

The second principle was the recognition of the diversity of rural women and the need to provide locally based opportunities for training to 'promote
their confidence and networking’ (Simpson et al., 2002, p.508). Principle
three was that ‘rural women are best
placed to create their own training
solutions’, in recognition of some
scepticism of city-based solutions and the
significance of ‘authentic understanding of
the local community’. Simpson et al.
underline the need for training that is
‘multifaceted and individual’, providing
for flexible delivery as well as some face
to face component (2002, p.509). The final
principle noted the significance of
strategic alliances between key
stakeholders in developing training

The issue of networks has been recognized
as crucial in the starting up of enterprises
by other scholars (Allen & Truman, 1993,
p.9). Literature in relation to women in
business suggests although they are active
in seeking the information they need
(Soutar & Still, 2000), they may be relying
on non-professional networks and sources
of information (Moore, 1999; Souter &
Still, 2000). Also, a reliance on substantial
practical and moral help from family
members has been reported for small
business generally in Britain as well
(Baines & Wheelock, 1998; Allen &
Truman, 1993).

Lack of access to networks at a business
and professional level has to some extent
been addressed with the establishment of
government-aided networks (Still &
Timms, 2000) including the Rural
Women’s Network. Other networks are
provided through bodies such as the
Australian Federation of Business and
Professional Women and Zonta
International. Similar organizations in
New Zealand (McGregor & Tweed, 2002)
and the US (Dumas, 2001), have
respectively reported business success and
poverty alleviation. For example, in New
Zealand a women’s small business
network, Women Into Self Employment
(WISE) is described by McGregor and
Tweed (2002, p.421) as experiencing
“phenomenal growth”. WISE is an
informal network with no financial costs
to join.

In the USA, the establishment of
specialised entrepreneurship training
designed to prepare low income women to
start their own business and the additional
establishment of a network of women’s
business centres for training, technical
assistance and financial/loan counselling
has proved successful in moving
participants from poverty to self
sustainability and reduced reliance on
welfare (see Dumas, 2001). This program,
called Community Entrepreneurs Program
(CEP), has as its aims to empower women
to become economically self sufficient
through small business and to build
business and life management skills. CEP
offers seminars and workshops, business
mentoring arrangements, facilitation of
peer support networks and subsidized use
of computers, photocopiers and other
business equipment as well as business
operation i.e. market identification,
business planning and financial
management, marketing and advertising.
Most importantly the service provides case
management.

In summary, the limited literature
available on the topic of human resources
and training among small businesses
suggests that there may be some reliance
on personal networks and some negativity
towards specialized professional services.
On the other hand there is also some
evidence of a need to consider a variety of
small business types, of an active interest
in seeking information and of an
application of more complex training
methods than previously posited. Simpson
et al.’s (2002) recent Australian study
underlined the importance of respect for
prior skills and personal links in the
attainment of both confidence and interest
in training. The centrality of strategic
alliances of the people involved, local
contexts and knowledge demonstrate the
significance of asking the women
themselves what their training needs are
and of assessing what their prior
experience and business strategies are. As
yet no specific study delves deeply into
beliefs and practices around this area. The
current research in western Victoria
attempted to address this gap in
knowledge and the need for greater detail
in this area by providing specific and richer understanding on some of these issues.

**Methodology**

Both quantitative and qualitative methods were employed in this research. In addition, the research draws broadly from an epistemological framework of pragmatism, or critical realism (Knight, 2002). Such an approach recognises the significance of structural inequalities in society. While aiming for an objective picture of reality, it also acknowledges the relative and subjective aspects of some parts of our understanding and the scope for agency of individuals and groups of people. Hence our method of research begins with an appreciation of gender and geographical inequities in society and of the efficacy of qualitative understandings of some issues. It is also framed to allow practical outcomes.

A sample of 359 women from the western region in Victoria, who were sole proprietors or in partnership with a man or a woman in small business in 2001, were surveyed regarding a number of aspects of small business start-up and operation. Forty-nine of the women also attended one of eight focus group meetings in various rural towns. The sample was recruited through contact with local government, a state government department responsible for small business, advertisements in local newspapers and professional association publications such as the Rural Women’s Network, and the Australian Federation of Business and Professional Women. In addition women were contacted by networking and personal contact and telephone using lists of regional small businesses.

In general, the questionnaire sought details about the respondents’ current business profile, their experience during the start-up phase of their business, their current business operations and future aspirations and needs. More specifically, in terms of knowledge and skills needed for successful business start-up and operation, the women were asked about:

- Knowledge and skills gained through previous work experience that were found to be relevant their business;
- Their awareness and use of existing training courses, and the usefulness of such courses; and
- How they compensated for lack of training courses.

The following points, also covered in the questionnaire, were found to have training implications and are therefore included in this discussion:

- Applying for finance and reasons given by financiers for refusal of finance; and
- Factors that influenced, helped and hindered start and operation.

Issues discussed during the focus group interviews were similar to those in the questionnaire, however in this forum women were invited to discuss in greater depth their experiences and their feelings about those experiences. The data from the focus groups added a deeper dimension, another layer of information which, as suggested by Reinharz, was used to “validate and refine” questionnaire responses (1992, p.201).

Although the survey was designed for broader, descriptive purposes, it confirmed the variety of motivations for women in small business in rural areas, and allowed a logical clustering of variables ‘after the fact’, that can help us consider the idea of ‘preparedness’ or ‘preparation’ of the women to enable business survival and success (See Newton, Gottschalk & Wood, 2001; Newton, Wood & Gottschalk, 2003). The idea of preparation allows a critical clarification of the assumption of the necessity for training. Questions relating to wanting training were asked directly and the ‘need’ for training was also calculable directly through a question relating to factors hindering start up and operation of the business. The notion of ‘preparation’ was operationalised in this study by considering age, education, background experience, existing training and how women compensated for lack of training. This last measure provided an alternative view, not generally canvassed,
but one which offered deeper insight into the issue.

**Results**
The results are presented around two central issues: ‘preparedness’ and the training wanted or needed by the women.

‘Preparation’ to sustain or improve business
Reflecting almost exactly a Victoria wide sample of women in small business (ABS 8127.0, 1999), those in the western region sample were mostly ‘mature’: 64% between 30 and 50 and 30% over 50. Over half the sample had gone no further than high school (see Table 1).

**Table 1: Education Level of Sample compared with Western Region & Victoria**

<table>
<thead>
<tr>
<th>Education level</th>
<th>Sample %</th>
<th>Western Region %</th>
<th>Victorian Small Business %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not finish High School</td>
<td>35</td>
<td>45</td>
<td>-</td>
</tr>
<tr>
<td>Completed High School</td>
<td>23</td>
<td>30</td>
<td>46</td>
</tr>
<tr>
<td>Basic or Skilled Vocational</td>
<td>8</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Degree or Diploma</td>
<td>21</td>
<td>10</td>
<td>34</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>8</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Currently studying</td>
<td>6</td>
<td>5</td>
<td>-</td>
</tr>
</tbody>
</table>

*(ABS 8127.0 1999, ABS 2901.0, 2000)*

The women who participated in this study were less well-educated than Victorian small business women as a whole (ABS 8127.0, 1999) but more educated generally than women in the region (ABS 2901.0, 2000).

Most of the sample (72%) had work experience before setting up their business and the most useful aspects of this experience for their business were customer service and management skills (34%), same industry experience (27%), and bookkeeping (26%).

During the focus group discussions the women confirmed that prior experience was perceived as very important both in their choice of business enterprise and their operation of the business. The questionnaire responses showed that 31% of women stated that they had experience in a similar or the same industry as their business enterprise. Qualitative comments reflected strong beliefs on the central significance of such experience. The following comments are illustrative: “You can’t beat experience”, “Twelve years retail experience helped me to cope as six years had been in management” and “Although formal training has its place, nothing teaches you more quickly than practice and mistakes and listening to other people. My family had their own small business”.

Respondents were also asked if they were aware of, made use of and found useful a number of specialist services and training courses prior to starting their own business, for the start up phase of their small businesses, and during business operation (see Table 2).
Table 2: Use of professionals, services and training at start-up phase

<table>
<thead>
<tr>
<th>Training Course/ Service Agency</th>
<th>Used %</th>
<th>Found Useful %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountants</td>
<td>39</td>
<td>32</td>
</tr>
<tr>
<td>Solicitors</td>
<td>34</td>
<td>17</td>
</tr>
<tr>
<td>Australian Taxation Office</td>
<td>29</td>
<td>9</td>
</tr>
<tr>
<td>Other eg. Colleagues</td>
<td>25</td>
<td>43</td>
</tr>
<tr>
<td>TAFE</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>NEIS</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Certificate II to IV in Small Business</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Women’s Assoc/networks</td>
<td>5</td>
<td>4</td>
</tr>
</tbody>
</table>

NB: Percentages refer to the valid responses for each column and row category and bear no relation to other rows and columns.

Of particular note is the negative response regarding the use of the Australian Taxation Office and the high response to usefulness of ‘others’, for example colleagues. Those that did attend training courses generally gained valuable knowledge and skills, but reiterated the significance of experience, accountants and personal networks. As one woman said, “At the time of setting up business, minimal help was available – accountant the best. I managed hard work by asking questions.” Other women agreed:

The Diploma of Management was excellent to build my business/management skills. I also learned through trial and error. I had accountant support and network support in the region.

My management certificate provided me with clearer objectives, and allowed me to formulate my business plans. I still use my knowledge re marketing, finances etc. most days. I continue to use my Bus. Grad. Certificate skills as I operate the business.

One woman held a negative view of training courses:

I am very suspicious of courses, I feel that anyone running a course for business needs to have hands on experience. If not, all I have had anything to do with live in a fantasy business world and do more harm than good.

However, in spite of some complaints about inappropriate content, timing, place, cost and eligibility of courses (12%) and a few who thought they were poorly run (4%), most women found the course(s) they did useful.

In particular, the National Employment Incentive Scheme (NEIS) was viewed very positively, although this scheme is eligible to only a minority (the long term unemployed). The following comments are illustrative: “NEIS was most useful in providing bookwork skills and knowledge necessary for our business. NEIS gives us security to get through the teething stages of starting up, and assists us with any unanswered questions we may have”, and “NEIS course was most useful in helping with confidence and forming contacts. Free information and mentoring was great. It was comforting to know NEIS was available if needed”. One further respondent elaborated as follows:

I used the NEIS scheme which helped set out my business plan, helped finance while starting, and provided continual back-up in case of any problems. The NEIS scheme helped us to make a business plan, and showed us how to budget to keep us afloat.

Technical and Further Education (TAFE) and Ballarat Regional and Community Education (BRACE) were also found useful. Those women who lived in or close to Ballarat or close enough to other TAFE colleges found the business related
courses run by these institutions very useful. For example “My first year of marketing at TAFE produced a marketing plan which was useful. Computer technology at BRACE was also very useful,” and “I did a small business bookkeeping management course through BRACE which was excellent and didn’t consume too much time. I did extra hard work, learning the hard way.” One respondent expressed a view that reflected an evolving recognition of the need for professional training:

I made a huge amount of mistakes in the early days of the business. I did a small short business course at TAFE before starting a business that was very basic. It took a long time to learn to get education. Industry courses have been excellent; there is a huge gap in education on delivery of customer service, effective communication, goal setting, etc.

However, many of our sample did not live in areas where TAFE or BRACE provided options. These women had to find other ways to compensate for lack of training. Unlike the recent New Zealand case (McGregor & Tweed 2002), formal networks such as Chamber of Commerce and women’s associations were not greatly used by women in this study.

Of some interest are the open-ended responses from 206 respondents who set out how they compensated for a lack of formal training. The reasons for lack of training may be due to a failure to effectively target need in course content or reflect the inability of women to attend training for various reasons. In terms of accessing courses a number of respondents commented on the difficulty getting to the larger centres where many courses are conducted. At a group meeting the comment was made that, “The main talks, seminars that we’d like to attend, are in Melbourne.” For example “there are some training courses that I would be interested in e.g. Workcare, Workplace relations, awards etc. but they tend to be in Melbourne and expensive for us.” A suggestion for self-paced learning (correspondence and Internet based) was made. The responses were clustered around the categories set out in Table 3, possibly half reflecting an anti-professional stance.

Table 3: Methods used to compensate for lack of training

<table>
<thead>
<tr>
<th>Factor</th>
<th>% of responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience</td>
<td>31</td>
</tr>
<tr>
<td>Self taught</td>
<td>12</td>
</tr>
<tr>
<td>Use/Employment of specialist</td>
<td>11</td>
</tr>
<tr>
<td>Trial and error</td>
<td>11</td>
</tr>
<tr>
<td>Mentor/seeking advice</td>
<td>11</td>
</tr>
<tr>
<td>Instinct/gut feeling</td>
<td>9</td>
</tr>
<tr>
<td>Perseverance/hard work</td>
<td>6</td>
</tr>
<tr>
<td>Professional qualification</td>
<td>4</td>
</tr>
<tr>
<td>Organised own training</td>
<td>4</td>
</tr>
<tr>
<td>Strength of partner relationship</td>
<td>1</td>
</tr>
</tbody>
</table>

Although 11% of respondents mention a specialist or mentor, for many, experience and working through something by oneself or with the use of a personal mentor is the norm. Additionally women spoke of ‘instinct’ and ‘common sense’ and importantly, learning on the job and trial and error.

Women who were in a business partnership with a man could also draw on their husband’s or male partner’s experience. Many of those women commented on the invaluable help this gave them. For example “My husband had prior qualifications,” and “My partner had been in small business before, in the same industry, and had much experience.”

For some the major barrier was finding out how to do things, like use computers. One woman explained how she eventually found a book which,

... took you through 24 steps to create your own web page. Local libraries should stock such user-friendly books but they claim the software changes too quickly. People who do not have the time to attend courses can work through the skills at home by themselves in their own time.
The respondents also used various important sources of information that aided the sample businesses. They sought the help of professionals such as accountants, and solicitors, and read magazines and journals. They also gained information from, in order of significance, newspapers, radio, television and the Internet. While some read local newspapers generally others focused on specific industry related sections of The Age or subscribed to industry specific journals.

In terms of age, education and the significance of experience there is a strong appearance both quantitatively and qualitatively of an anti-professional stance. However the strong reliance and appreciation of accountants and positive feedback on courses may indicate change. This perception is reinforced by the direct responses to questions relating to training.

**Training Wanted and Needed**

At the conclusion of the survey, respondents were asked what courses or training they would like to see available and their responses indicated a willingness to learn and recognition of a new context for small business operation. Table 4 below indicates the percentage of cases requesting various types of course content.

**Table 4: Courses Desired By Sample**

<table>
<thead>
<tr>
<th>Content</th>
<th>% of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td>61</td>
</tr>
<tr>
<td>Finance</td>
<td>50</td>
</tr>
<tr>
<td>Promotion</td>
<td>49</td>
</tr>
<tr>
<td>Computer</td>
<td>38</td>
</tr>
<tr>
<td>Interpersonal Skills</td>
<td>22</td>
</tr>
<tr>
<td>Internet</td>
<td>20</td>
</tr>
<tr>
<td>Staff supervision</td>
<td>16</td>
</tr>
<tr>
<td>E-commerce</td>
<td>16</td>
</tr>
<tr>
<td>Export</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
</tr>
</tbody>
</table>

Training courses in marketing, finance and promotion of goods and services were the most highly desired. When asked about how they would like training to be delivered, the following responses were made. Almost all asked for small face-to-face workshops (94%). Only 8% of cases wanted Internet chat groups. More than half wanted courses at night, 27% wanted day time courses and a little less than half wanted part time courses (49%). However in terms of accessing courses a number of respondents commented on the difficulty getting to the larger regional centres where many courses are conducted.

Respondents were also asked to identify ‘factors hindering business’ during the start up and operation of their business. Their comments about this issue allowed the researchers to assess what type of training may be useful. Lack of finance, lack of confidence and lack of prior experience were the most acknowledged factors inhibiting the start up phase of the business. Comparable proportions (34%-39%) believed that finance, mentors, training courses and financial advice would have helped them in start up. The main inhibiting factor at operation of the business once again was lack of finance, though 50% of respondents, despite reporting lack of finance, had not sought to borrow for on-going business activities such as expansion. Most (82%) of the 50% who had attempted to borrow more money for on-going business activities were successful. The factors that were felt by the sample to hinder them at start up and operation of their business are detailed in Table 5.

Lack of time and childcare reflect entrenched patterns of the sexual division of labour and gender structures in rural areas noted elsewhere (Newton, Gottschalk & Wood, 2001). The failure of banks and professionals to treat the women seriously perhaps further exemplifies a gendered structure of behaviour reflecting the residual sexism of institutional and professional cultures (Marshall, 1995; Kimmel, 2004). Local Government could address lack of infrastructure and community support. Only some of these factors noted in Table 5 (marked with *) could therefore realistically be addressed by training.
Table 5: Factors Hindering Business

<table>
<thead>
<tr>
<th>Factor</th>
<th>Start up % of Cases</th>
<th>Operation % of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>*Lack of finance</td>
<td>43</td>
<td>49</td>
</tr>
<tr>
<td>Lack of time</td>
<td>not asked</td>
<td>47</td>
</tr>
<tr>
<td>Lack of community support</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>*Lack of confidence</td>
<td>30</td>
<td>16</td>
</tr>
<tr>
<td>*Lack of prior experience</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td>*Lack of information</td>
<td>23</td>
<td>-</td>
</tr>
<tr>
<td>*Lack of information and support services</td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td>Bank not treating seriously</td>
<td>17</td>
<td>-</td>
</tr>
<tr>
<td>Lack of child care</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>Lack of infrastructure</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Accountant not treating seriously</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Rejection of finance</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Lack of support from spouse/partner</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>Others noted - Different family priorities</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>- Staffing</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>- Space</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>-Govt./GST/tax office</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

Percentages rounded.

Information about all aspects of starting and running a business is covered in existing courses. Such training can to some extent compensate for lack of prior experience. Confidence is often mentioned in research as being an issue for women in small business (see McGregor and Tweed, 2002).

Confidence too is an issue that can be dealt with through training and development, not only through confidence building activities such as assertiveness training, but by the natural increase in confidence that comes with having gained knowledge and skills needed to negotiate the business world. Confidence at start up is further enhanced by successfully preparing for hurdles such as applying for finance with a well-prepared business plan. It is of interest to note the relationship between the type of respondent partnerships and lack of business confidence. There was a significant difference between type of business partnership and lack of confidence ($\chi^2 = 9.991$, df = 1, p = .002). On this question, of the respondents who did not list ‘lack of confidence’ as a factor inhibiting business, 71% of respondents were in a domestic partnership with a man, (cf 63% overall) compared with 29% who were in sole or female partnerships (cf 37% overall). This may suggest that the women drew additional support and gained confidence from being in business with a male partner, possibly as a result of the male’s skill, experience, access to capital or moral support for example.

Financial issues such as applying for loans and dealing with taxation and GST can be easily dealt with in training programs and such knowledge potentially increases chances for success. In this study it was women in partnership with men who were more likely to seek finance (71%), and more likely to be successful (77%), compared with 29% and 23% respectively for sole female operators. This
supports contemporary studies of gendered barriers to financial access (Still & Timms, 2000; McGregor & Tweed, 2000). Lack of capital forces the women to rely more on their savings, their own labour and efficiency and is cited as one of the reasons the businesses of women start and often remain small (Allen & Truman, 1993; Sykes, 1989). The differing outcomes with respect to gaining finance potentially affects size, growth and profitability of business. Some banks have responded to the alleged discrimination with the offer of specialist services and access to women (Bawden, 2002).

In this study only ten percent of respondents applied for, but were refused finance to start their business, reflecting perhaps that negative perceptions of outcomes may affect applications, but it is still a proportion worthy of concern and clarification. Quite a number of qualitative responses elaborated on financial discrimination, and are illustrated below.

In a number of cases the ‘security’ for start up involved providing a male, or family as guarantor. For example: “I had to have my mother and father’s land as security to borrow $25,000. I was told it was too big a risk even though I provided $10,000 of my own money”, and:

I was 22 years old and told I was too young and inexperienced to own a business. They would however give me a loan if my husband was a partner – who knew nothing about the business. I used my own money. I am still told by the banks that it would be better for my husband to be doing the financial matters.

Others stated: “Their (the bank’s) attitude was very ‘look down the nose’”. “I did a business plan but they (the financier) were still not happy”. “Arrogant bank manager. He was OK while my husband was there”.

Similar responses were made concerning later loans. ‘We were refused a loan later, 10 years into the business, to expand – the reason given that it really only was “just a small women’s business” but was later retracted on discriminatory grounds, when the accountant stepped in”. One other respondent commented:

I have not sought support from a financial institution since becoming a sole parent in 1997, because I know from past association with banks that my present status as a single parent/sole trader makes them consider me to be a poor risk, therefore discrimination.

Table 6 sets out the reasons given by the 36 women who noted that they had finance rejected at start up phase and to those 24 women who were refused a loan to finance on-going business activities such as expansion.

<table>
<thead>
<tr>
<th>Reason given</th>
<th>% of Responses re start up</th>
<th>% of Responses re growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not enough security</td>
<td>33</td>
<td>38</td>
</tr>
<tr>
<td>Insufficient cash flow</td>
<td>33</td>
<td>29</td>
</tr>
<tr>
<td>No business plan</td>
<td>20</td>
<td>17</td>
</tr>
<tr>
<td>Unable to service loan</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Unemployed/other</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

Lack of security and cash flow were important but lack of a business plan, a shortcoming that can be overcome by training, was not insignificant. Furthermore, it was found that a business plan not only helped to get finance but
also contributed significantly to business success while few other variables gave such an indication (See Newton, Gottschalk & Wood, 2001 for further discussion of this issue).

Those who had a business plan had a small, but statistically significant, greater likelihood of meeting the criteria of “success” (operationalised as meeting three of four criteria: profit of $10,000 or more; in business five years or more; reported ‘moderately strong’ to ‘rapid’ sales growth; reported ‘performing well’ than those who did not. Thirty three per cent (one third) of our sample met these criteria of success. Forty per cent of respondents (i.e. more than a third) had a formal written plan and were ‘successful’, whereas only 28% (less than a third) of those without a formal written business plan were “successful” ($\chi^2 = 4.866$, $df = 1$, $p = .05$). A well-developed business plan clearly has implications both for getting the finance needed to start business but is also one of the factors contributing to ongoing business success.

While there is little women can do as individuals to prevent the institutionalised discrimination that some believed they experienced, the skill of writing an appropriate business plan can be considerably enhanced through appropriate training. A more specific need for confidence and financial help may also be warranted for sole female and other female partnerships. Importantly, other quantitative and qualitative data discussed in the next section, point to an evolution of the recognition of a need for professional skills and training to successfully operate a small business, with marketing, finance and promotion given the highest priority.

**Discussion and Implications**
The study has revealed a strong commitment to experience, to hands on training and common sense, but there is also an indication that needs for professional services and training are being recognised. It would seem that there is a ‘potential link’ between business “success” and factors that could be enhanced by training.

While often women have a wealth of skills they can bring to business ventures, sourced from prior professional experience, formal and informal education, training and/or networking, there are also barriers that many women face including business specific knowledge and skills and respect, and acceptance from professionals, especially, as we have seen, financiers. A history of financial discrimination could be internalised as a lack of confidence. For women in rural areas there are additional barriers related to distance.

Accessing programs is problematic for rural women so thought needs to be given to overcoming the distance barrier. Although most women prefer face- to- face contact for business interaction, the wide use of computers and the high email accessibility of the 162 who expressed their wish to be on a database, suggest potential developments in an Information Technology direction.

Many towns, including some smaller towns have neighbourhood houses that could be used to run formal courses. For those unable to personally attend courses the programs could be offered through traditional and web based correspondence.

Barriers to participation in specialised training programs were identified by Still and Timms (2000) as cultural, criteria based and structure based. Firstly courses that were oriented to the culture of male experience were said to cause discomfort to women, and some courses required entry criteria that tended to exclude women, such as previous industry experience or access to large amounts of capital. Importantly structure-based barriers included the timing of courses. The latter in particular was relevant to women in this study and the domestic division of labour.
Education and training policy and programs directed at women, need to capture their heterogeneity (see Still & Timms, 2000) rather than assume that mainstream programs designed primarily around mainstream organising structures are appropriate. The socialisation and lived experiences of women and men are different (Kimmel 2004). Programs aiming to fulfil the needs of women need to take into consideration the social and political contexts in which women live and work. This includes their education and prior experience as well as social roles and responsibilities.

Falk (1999) argues that VET (Vocational and Educational Training) is gendered, classed and urban specific and does not meet the needs or small business and the rural sector. It focuses on large enterprises and corporations and provides little for the small business owner. Though difficult to service in terms of government policy and practice and vocational training, Falk (1999) believes an accelerated convergence of VET with adult community education would be beneficial.

The content of formal programs should include traditional business skills such as finance and planning, including bookkeeping, taxation and information technology and the preparation of comprehensive business plans. Additionally more general skills training around customer service and management, goal setting and networking, self-confidence and assertion is needed. Further there is a need to develop negotiation skills to make dealing with financial institutions easier for women. In addition, the women in this study, like those discussed in the Department of Natural Resources and Environment (1999) publication Assessment of Rural Women’s Business Training Needs, want foremost, marketing and financial planning business skills.

Clearly developing VET at a regional level and in the larger rural towns has the potential to contribute to revitalising rural areas. Many towns have a neighbourhood house or adult community education centres. The use of these facilities for VET means that there can be a convergence of community education. Many skills learned in hobby and special interest type courses can translate into job creation skills including skills for small business. Furthermore hobby and craft type activities are often those that have the potential to become small or micro enterprises.

Extending the eligibility criteria for entry to the NEIS program has the potential to more thoroughly prepare people to start business and enable them to start more viable businesses. That most women who completed these courses found them useful suggests that extension of TAFE and other small business courses could also be considered. Moves have already been made in this direction with the termination of the long-term unemployment criterion.

Conclusion
A pragmatic, critical realist approach takes cognisance of structural inequalities but also recognises the significance of subjective understandings. Such an approach helps us to appreciate the somewhat conflicting messages about attitudes to training and expressed training needs. If the potential regional sustainability is to be addressed through small business, and through women’s increasing involvement in such businesses, a fine-tuned, tailored and customised understanding of needs and constraints is desirable.

This paper provides a step in that direction by reaffirming some of the aspects of the best practice matrix presented by Simpson et al. (2002). Future training should acknowledge and build on local knowledge and respect strong beliefs about ‘experience’, ‘common sense’ and ‘gut feeling’, but also recognise a concomitant desire that is expressed for professional training, within the time constraints of a gendered division of labour, and the spatial constraints of rurality. Making a business plan is correlated with success. Confidence and relationships with financial institutions
are important and appear to be more of an issue for those in business without a male partner. Hopes for rural and regional recovery and sustainability dependent on women in small business are more likely to come to fruition if such factors are considered.

References


Souter, G. and Still, L. (2000). Sources of Assistance, advice and information from small businesses: a gender comparison of start-up to operations. Discussion Paper Series, Graduate School of Management Centre for Women and Business, University of Western Australia.
