The role of NGOs in supporting women's entrepreneurship

A study of a Quadruple Helix project in the Baltic sea region



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1. Introduction

Since long, entrepreneurial activity and innovation have been seen as an indispensable factor behind societal development and prosperity. Almost all political parties agree upon the necessity of increased entrepreneurial venturing in society – placing the future in the hands of thrifty entrepreneurs rather than relying upon corporate managers and public sector leaders to deliver growth, innovation, jobs and prosperity. At the same time, research has repeatedly shown that entrepreneurial activity is not open for everyone. From a gender perspective we can see a clear 'gender gap' across Europe – often portrayed as a statistical pattern showing differences in prevalence of entrepreneurial activities between the categories of men and women. The reasons for the gender gap can be traced back to the general cultural gender differences in society, where business start-up:s is culturally defined as masculine activities. Moreover, the expectations on entrepreneurship and innovation from policymakers are emphasizing high-tech, high-growth, individualist ventures – i.e. traditional masculine ways of 'doing entrepreneurship'. Behind the statistical gender gap in entrepreneurship, there is thus a cultural gender gap.

This cultural gender gap of entrepreneurship has also found its way into societal models for supporting entrepreneurship and innovation. During the last decade, the role of collaboration between different sectors of society in supporting and catalyzing entrepreneurship and innovation has been emphasized through the introduction of the Triple Helix model (Etzkowitz & Leydesdorff 2000), in which successful entrepreneurial activities are seen as dependent upon the effective interplay between private businesses, governmental agencies and the university sector. At the same time as this model is increasingly used as a core

tool in supporting entrepreneurship and innovation in several Western countries, there is also research indicating that the 'gender gap' has not been alleviated and that Triple Helix innovation systems tend to emphasise and sustain traditional masculine notions of entrepreneurship (cf Lindberg, 2010). In recent research, an extension of the model into a Quadruple Helix model – including also Non-Governmental Organizations – has been proposed to overcome this problem (ref). In this paper, we will inquire into the role of NGOs in supporting women's entrepreneurship in Sweden, Finland and Estonia. By doing that, we intend to complement the theoretical Quadruple Helix model with empirical patterns, and add to the knowledge on NGOs in relation to women's entrepreneurship.

2. The gender gap: Entrepreneurship as a masculine construction

According to the theoretical stream of 'doing gender', gender can be understood as a constitutive part of organizational processes and organizations (Acker 1999). Gender is then regarded as an ongoing activity and interaction performed among and between women and men. This perspective relates everyday practices and activities to an institutional and structural level. The origin and developments of doing gender is found in works by West & Zimmermann (1987) and Fenstermaker & West (2002). For a Nordic overview of doing gender research in organizations, see Gunnarsson et al (2003) and the Fosfor groups works for example, Wahl et al 2001). One of the main contributions of gender research is the exposure of how gender often is done in ways that creates dichotomies e.g. between 'men' and 'women' or between 'femininity' and 'masculinity (Butler 1990; Lindgren and Packendorff, 2006). At a structural level, this leads not only to segregation - e.g. on the labour market - but also to hierarchies where areas associated to 'men' and 'masculinity' often are ascribed higher value - e.g. by higher wages and faster careers. In practice, this implies an uneven distribution of power and resources between women and men. This ongoing construction of segregating and hierarchical gender categories is present in public promotion of joint action networks for innovation in Sweden. In these policy programs, gender is done when distinguishing different actors and branches of industry and ascribing them different value in relation to economic growth (Lindberg 2007 & 2010).

The aspect of change is principal in the doing gender perspective, as the focus on everyday practices underlines the possibility of doing things differently (Gunnarsson et al 2003). It is not compulsory that the doing of gender ends up in segregating and hierarchical patterns. It is quite possible to act in ways that break this trend, opening up for a more dynamic and nuanced perception of the world. Concerning public promotion of joint action networks for innovation, it can be suggested that such a change in the doing of gender could imply that sites of innovation are decentred "from singular persons, places and things to multiple acts of everyday activity" (Suchman 2007, p 1).

The statistical entrepreneurial gap between men and women in the European Union, defined as the difference between firms run by women and men divided by the total number of firms, increased over time: from 46.9% in 2000 to 47.8% in 2005 (Lotti, 2009). The main reasons raised by entrepreneurship researchers tracing these patterns back to constructions of masculinity and femininity as related to entrepreneurship are the following (cf Maxfield, 2005; Holmquist and Sundin, 2002; Lindberg, 2010):

- Perceived necessity of entrepreneurship more important for women than for men. Can imply that women to a larger extent will refrain from starting businesses unless perceived as necessary for survival (women's adjustment to family Sundin & Holmquist, 1989).
- Entrepreneurship as a masculine activity in masculine sectors. Nowadays, the entrepreneur is constructed in society as the savior of the modern economy. The role models presented in mass media are often tough, decisive, growth-oriented billionaires, working within material- and technology-intensive sectors. Women, who already by education and employment are more likely to be found in other sectors and expecting their businesses to be a stable source of modest income, may feel estranged to the concept and stereotypes of entreprenenurship (Lindgren, 2009, Lindgren & Packendorff, 2007).
- Less usage of venture capital. Based in a mutual reluctance of women and financiers to
 engage in venture capital negotiations. Many women as entrepreneurs do not fit into the
 stereotype of the masculine entrepreneur expected by the venture capital providers, and
 they also expect to be seen as deviating as women and also often as representatives of
 less interesting sectors of the economy (Orser & Foster, 1994, Carter & Rosa, 1998).
- Entrepreneurship as integrated with family life. Women as entrepreneurs are part of cultural norms emphasizing women as responsible for household matters. This means that it is hard not to see the possibilities of integrating family and business life as a main issue in entrepreneurship (Sundin & Holmquist, 1989, Lindgren, 2002).
- Smaller and more local social networks. The importance of social networks has since long been emphasized in entrepreneurship research. There are indications that women often have smaller networks consisting of closer relations, and that this may be problematic in an economy where large-scale networking is important for the possibilities of perceiving opportunities and collaborating with knowledgeable actors (Fenwick, 2003, Doyle & Young, 2001).
- Dependence on national culture. Entrepreneurship generally involves risk taking and uncertainty, and the view of these aspects differ between cultures. It has been suggested that it is easier for men to go against such cultural aspects than it is for women.

3. Civil society in innovation systems: From Triple helix to Quadruple Helix

The concepts of Innovation Systems and Triple Helix reflect the fact that innovations increasingly have come to be regarded as dependent on a system of institutional and cultural

context. That is to say that innovation is believed to occur through interaction networks supported by laws, rules, standards, etc (Asheim 2005). In research, this systemic view on innovation and innovation policies was adopted across a broad front at the end of the 1980s and early 1990s (Eklund 2007). However, as Lundvall emphasizes, it is not primarily a broad system approach that has been applied in research and policy. Instead he discerns how a narrow view on the system concept have dominated, only including research-based innovation, formal technical infrastructure and market-driven research (Lundvall 2006).

According to Lavén (2008), the innovation system concept originally built upon a Double Helix emphasizing the interplay between academy and industry, leaving the state a minor role in the development of innovations. The Triple Helix concept was thus introduced as a critique of the Innovation System concept by Etzkowitz & Leydesdorff (2000), including the government as an important player in joint action networks promoting innovation, besides the academy and industry. Analyzes of empirical material concerning the formation of joint action networks in Sweden promoting women's entrepreneurship and innovation expose how these can be interpreted in the light of a broad approach to the innovation system concept (Lindberg 2007 & 2010, Danilda et al 2009). Rather than engaging solely the industry and the academy, as in the narrow approach of Double Helix, they have involved actors from the state as well, as in the broader approach of Triple Helix (c.f. Lavén 2008, Etzkowitz & Leydesdorff 2000).

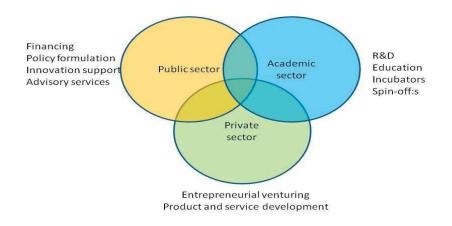


Illustration 1: A Triple Helix innovation system

However, the examination also reveals how a fourth group of actors have been central in the formation of joint action networks, namely the civil sector. This sector is constituted by NGOs running their activities in a non-profit manner, thus reaching beyond the borders of commercial enterprises, political institutions and scientific academy. What the civil society actors seem to contribute with is a complementary function, securing both the survival of the network's member organizations as well as the realization of projects not fitting the organizational logic of the university or the public financiers. Moreover, the civil society actors are important in the knowledge development, thus shaping the organizational strategies somewhat different compared to the emphasis upon universities within Triple Helix model. This encourages a further development of the limiting conception of Triple Helix, introducing a third category of helixes: the Quadruple Helix. See *Illustration 2* below.

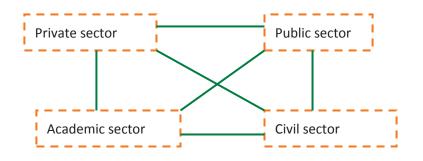


Illustration 2. A Quadruple Helix innovation system (Danilda et al 2009)

In this kind of helix, it is not only the commercial, political and theoretical potentials in the innovation system cooperation that are regarded to be of importance, but also the idealistic ones. The organization of a Quadruple Helix innovation system thus partly overlaps with Lundvall's notion of a broad approach to innovation systems, emphasizing the importance of people, skills, relationships and interactions as well as the role of basic research, workplace development and low technology sectors (Lundvall 2006). NGOs with limited financial resources are not perceived as key actors in the partnerships for local and regional development in Sweden. A broader approach to innovation systems, as e.g. manifested by the Quadruple Helix, acknowledges the important role of the civil sector and might bring about a change in the assessment of NGOs within regional development policies and innovation policies. The concept of Quadruple Helix has also been employed by Carayannis & Campbell (2009 & 2010), Maldonado et al (2009) and MacGregor et al (2010).

The main reasons for extending the view of innovation systems to a fourth helix, incorporating civil society organisations, are the following:

- Most existing triple helix constellations are to be found in established, technologyintensive industries and in major corporations, not in entrepreneurial SMEs
- SMEs do not have resources and competencies needed for initiating innovation collaborations
- At the same time, SMEs hold an important growth and change potential in society
- This is especially important where *marginalised entrepreneurship* is concerned, e.g. services, female-led businesses, 'ethnic entrepreneurship', rural entrepreneurship – and in businesses aimed at breadwinning and survival rather than growth.

Weiss & Gordenkers (1996) discern four different types of non-profit organizations: Non-governmental organisations (NGO:s), Intergovernmental organisations (IGO:s), Quasi-nongovernmental organisations (QUANGO:s) and Government-organised nongovernmental organisations (GONGO:s). NGOs are organized separately from public authorities and private enterprises. Their goals are mainly not economical. IGO:s, on the other hand, are entirely incorporated in the public sector. QUANGO:s manage their activities separated from public authorities, but achieve the main part of their funding from public policy programs. GONGO:s are both initiated and financed by the state and implement activities proscribed by government or public authorities. These types can be expected to influence the formation and function of Quadruple Helix constellations.

4. Empirical data from Quadruple Helix Central Baltic

Quadruple Helix Central Baltic is an Interreg IV A project focusing on gender equality, entrepreneurship and ICT innovations. It runs from October 2009 until December 2011 and has eight partners from three countries. The name, *Quadruple Helix Central Baltic*, derives from the working model where four sectors of society i.e public authorities, researchers, entrepreneurs and civil society actors, have come together to strenghten the central Baltic Sea area. The project is funded by the Central Baltic INTERREG IV-A programme. *Quadruple Helix Central Baltic* experiments with interesting investments in mobile technologies and promote collaboration across borders. It seeks the answer to questions like: How do we focus on entrepreneurship, innovation and clusters in a more gender equal way? And by doing so, what can be gained in terms of development, increased prosperity and innovation? The overall aim defined for Quadruple is to stimulate clusters in the tourist sector in the Central Baltic sea region in parallel with development of innovation support measures and implementation of methodologies for gender mainstreaming in cluster processes. Quadruple combines activities targeting entrepreneurs in the tourist sector with activities targeting, tourist and business promoters and policy makers.

Entrepreneurship and innovation in the tourist sector is promoted in Quadruple with a specific focus on micro enterprises (0-10 employees) and women led businesses. Different mobile technology applications for the tourist sector should be further developed within the project framework taking into account the needs expressed by the entrepreneurs, innovators and end users. The idea is to apply a Quadruple Helix perspective in the project i.e. Triple Helix (interplay between industry, university/academy/research, public sector/government/ politics) combined with a fourth dimension in terms of non governmental organizations/ consumers/citizens – in other words; the civil society. A Quadruple perspective is especially important for development of the tourist sector since the customers often are active in

designing their own service and the sector is dependent on the "local community".

In this paper, we analyze empirical data from eight NGOs in Sweden, Finland and Estonia, all of them participants in the EU funded project *Quadruple Helix Central Baltic*. The data was collected through semi structured interviews, participatory observations and dialogue seminars. In the dialogue seminars, representatives from all four sectors of the Quadruple Helix constellations participated.

5. The role of NGOs in Quadruple Helix constellations – preliminary empirical results

From the empirical data, we have derived several aspects related to the role of the NGOs for women's entrepreneurship in the studied quadruple helix setting.

- NGOs has a clear role as *collaborative platforms* for women as entrepreneurs. They are arenas for non-hierarchical networking and business collaborations between individuals, projects and firms. That also implies that they may serve as 'cluster incubators' where systemic patterns of collaboration and competition can emerge over time.
- NGOs also has the role of *legitimating and linking* SMEs led by women to the other helixes. For example, they may affect the formulation of governmental policies in the direction of gender mainstreaming, and connect SMEs to academic research and education. Being less formalized they can handle different linkages in a pragmatic manner, and they can give voice to marginalized categories of entrepreneurs and firms in non-traditional industries, non-traditional sectors, non-urban areas and with atypical sizes and growth ambitions.
- NGOs tend to *develop competences and process innovations* related to entrepreneurial venturing outside traditional Triple Helix constellations – becoming platforms for developing knowledge on, e.g., women's entrepreneurship, solo venturing, rural entrepreneurship, small-scale service production etc. Based on this knowledge they may also become arenas for developing effective procedures of supporting entrepreneurs and firms usually not considered in dominating societal models – e.g. related to business advisory services or practical cluster building.
- NGOs can also *carry the dimensions of individuals and societal structures* such as the link between gender structures and conditions for individual women pursuing entrepreneurial ambitions – often neglected in traditional Triple Helix constellations focusing on firms and projects.

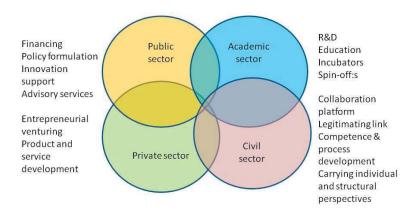


Illustration 3: A Quadruple Helix innovation system

In the empirical material, we also find several examples of challenges and resistance that NGOs become faced with in pursuing the abovementioned roles.

- In the role of being *collaborative platforms* they continuously face the problems of maintaining their ongoing operations on a long-term basis, beyond short-term project financing and commitments.
- In their role of linking and legitimating they are often taken less seriously due to their informal ways of operating and to their character of 'womens' organisations' as such several of the studied NGOs experienced that they became scrutinized in a way that other helix actors were not, and seen as prone to initiate 'disturbing' gender conflicts. Often, they were also seen as competing intruders in existing governmental structures for e.g. business advisory services. The basis of legitimacy therefore often may rest on a regional, national or transnational level rather than on the local one. They also often found it especially hard to link to other helix actors (such as universities) neither used to nor organized for handling entrepreneurial organizations especially not small, female-led ventures.
- Concerning the role of competence and process development, NGOs often experienced that their results were not seen as innovations – unless they could be commercialized. Process innovations concerned with how to support women as entrepreneurs and their collaboration and cluster building were not seen as 'real' innovations.
- Finally, while carrying the perspectives of individuals and societal structures, they were questioned precisely of this allegedly attending to issues of cultural patterns and discrimination rather than 'doing proper business'.

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