



# WOMEN TOWARDS OWNERSHIP, IN BUSINESS AND AGRICULTURE



*National Report  
Norway*

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**Women towards Ownership, in Business and Agriculture.**

**Norwegian country report**

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## **Section 1: Introduction**

In a European perspective Norway is considered as a country with large degree of gender equality and Norway has been hailed as one of the most “women-friendly” societies in the world (see e.g. UNIFEM 2002). The actual position of women and men in Norwegian society, in terms of female labour participation, education, political representation etc. is more equal than in most countries. Regarding the first of these variables, 69 per cent of Norwegian women were employed in 2002, compared to 74 percent of males. Female labour participation has increased from about 45 per cent in 1972 to 69 per cent in 2002 (Statistics Norway). Also in politics women have a strong presence. In the Norwegian Parliament (Stortinget) women have occupied almost 40 percent of the seats during the last decade - as an average. At present (2004) 37 per cent of the members are women. The female rate in Government has been somewhat higher. From Gro Harlem Bruntland’s government in 1986, the standard female representation of cabinet ministers has been 40 per cent. At present 7 of 18 of the ministers are women. But high rate of women in politics has not spread to management positions in the (private) business sector or to company boards and there are still important gender differences. While women constitute half of the Norwegian workforce, the sex segregation in the labour market is high. Many women are part-time workers (43 per cent of all employed women in 2003), and only a few men (10 percent). Employed men and women work within different sectors and occupations. Women dominate in public sector and within health and social work.

The proportion of women with higher education has increased rapidly through the last two decades, but male and female students still make very different choices when it comes to fields and subjects. And even though Norwegian women are just as well educated as men, and women’s labour force participation is among the highest in Europe, women are extremely underrepresented as managers, owners of business and as entrepreneurs. Women are underrepresented in positions of power and authority in the labour market.

Work as an entry point to understanding the position of women in society early became a central theme in Norwegian feminist research. Women and work came to constitute a significant part of the new women’s studies which emerged at Norwegian universities during the 1970s. The focus was on women as *labour force*, both paid and unpaid. The research gained momentum as a result of both actual changes in women’s employment situation and

development of new political women's organisations, which also supported this interest. The right of women to employment and money of their own was among the main political issues. The sexual division of labour, both as origin and consequences for wage differences and hierarchies between men and women, were important research questions. A second set of problems was the *private – public dimension*, which define the market as male and the household as a female area. Within feminist research a lot of attention has been paid to the negotiations between these two areas, how women are commuting between market and family, during the working day and during their life-course (Leira 1992).

During the 1980s there was an increasing awareness of non-economic factors in studies of the economic sector-- that *politics matter*. Institutional conditions are of great importance for the effect of the market forces, and also for gender divisions and hierarchies. There was a shift from the dualism *market – family* to triangle *state – market – family* (Ellingsæter 1995).

In the 1990s women and management becomes a new field of study. The focus was on the absence of women managers and on what could be the particular female contribution on management. But this research did not take the *economic context* for achieving management positions and positions in company boards in consideration. Ownership as a basis to achieve influence and power has had little focus. The topic of women ownership has largely been neglected both in society in general and in the social sciences (Delmar & Holmquist 2004).

To put focus on women as owners are important because it is a question of influence and power. If women are to be on an equal footing in business and agriculture, access to ownership is vital. However, we have little knowledge about women's ownership, about how they achieve access to ownership and how they perform their ownership. The lack of both quantitative and qualitative information in this field is striking.

The aim of this report is to put focus on women's ownership and leadership and the report presents a descriptive, statistical overview of the situation for women as managers and owners in business and how it is relatively to men.

### **1.1 Availability of statistics**

When we describe what we know about women's ownership an important source of knowledge is the statistics that are available. Statistics Norway is the central agency that compiles, processes and publishes Official Statistic of Norway

Achieving an overview of company statistics is not easy, partly because statistics on businesses are compiled in different types of registers with some what different definitions, and partly because different government agencies are responsible for different types of company statistics. The two main sources are: Statistics Norway and The Brønnøysund Register Centre.

#### *Statistics Norway*

The Norwegian statistical system is centralised and all but a few official statistics are produced by Statistics Norway. The production of statistics is organised in three departments, economic, social and industry statistics, and in all areas data collection is now increasingly done by using administrative registers linked together by three central identification systems for persons, legal units/businesses and buildings/housing. The Central register of Establishment and Enterprises at Statistic Norway is the main source for information about the business sector in Norway.

#### *The Brønnøysund Register Centre (Brønnøysundregistrene)*

The Brønnøysund Register Centre is a government body under the Norwegian Ministry of Trade and Industry, and consists of several national computerised registers. *The Central Coordinating Register for Legal Entities* coordinates information on business and industry. This register only contains information that is stipulated by law.

*The Register of Business Enterprises* is responsible for registering all Norwegian and foreign business enterprises in Norway. The register shall ensure legal protection of business names and provide a financial overview of a business of a business enterprise.

All enterprises operating business activities - both those with unlimited as well as limited responsibilities – are obliged to register with the Register of Business Enterprises. This also applies to sole proprietorships operating a trade with purchased goods or which employ more than five persons in primary positions. Other sole proprietorships may register on a voluntary basis.

None of these sources produces any official business statistics including the gender dimension. This means that in Norway until now we have no *official* gender-oriented business statistics. Statistics Norway does not provide statistics on start-ups. This means that we have little information about development over time. Longitudinal data are needed to

understand survival and growth among entrepreneurs both men and women. However this is now changing:

## **1.2 What's on?**

Statistics Norway has in 2004 started a project with the aim to develop new official statistics on roles and ownership in business life and with a special focus on women and immigrants. The main arguments for this project are the growing demand for statistics in the field, from both politicians and researchers, and also that it is important indicators on gender equality.

The statistics is based on the Central Coordinating Register for Legal Entities, which provides information on roles of persons, Statistics Norway's Central Register of Establishments and Enterprises and data from Statistics Norway's Social statistics.

The plan is to publish statistics yearly. This statistics will make it possible to observe change and development over time. The statistics include information on topics such as women and immigrants in trade and industry, and focus on ownership and roles, information about entrepreneurs and description of qualifications, age and gender in different industries. Important variables on firm level are: number of employees, industry, firm type and geographical location. And on individual level: sex, age and nationality. This statistics will also make it possible to analyse the economic significance of women's ownership, identify the characteristics of women owners and to compare business owned by women and men.

This first official statistics on women ownership and roles in trade and industry is published 1 December 2004 and the figures are included in this report. In addition we will make use of two analyses of women and ownership (see Spilling 2002, 2004). These studies combine data between different registers and analyses women's roles in the Norwegian business life from 1997 and onwards. This data will be used in this report.

## **Section 2:**

### **Institutional framework**

#### **2.1 Milestones in Norwegian women's history**

In 1842 all women who were not financially provided for were given the right to conduct business. Not financially provided for were widows, wives living completely separate from their husbands and unmarried spinsters. In 1854 sons and daughters were given the same right of inheritance. Before this date sons inherited twice as much as their sisters.

However, there was still the exception of inheritance to farm property. Norway is the only country in the world having a legal *Act of Allodial Rights*. And according to the old Act of 1821, the first born *son* in the family had the first option of taking over the family farm and its forest. But after the revision in 1974 the first born child, (born after 1965) regardless of sex, was allowed the first priority to allodial possession (Follo 2002). And sons and daughters (born after 1965) are now equally placed with regard to the order of inheritance of allodial property.

And finally, in 1990, the Constitutional Law was changed so that women can become heirs to the Norwegian throne on the same terms as men.

The first law that gave women the right to vote came in 1910 when women obtained the right to vote in the municipal elections. In 1913 all women obtained the right to vote in general elections.

At the end of the 19<sup>th</sup> century education became more accessible for women. In 1884 women were given the right to study and achieve final examination at all faculties at the University. After completing the examination women could open practice as medical doctors and dentists, but in other respects they were not given access to work in public offices. In 1888 a new Marriage Act was passed by which married women retained their majority and had the right to separate ownership. A new Marriage Act came in 1927 that, in principle, gave equal economic and legal rights to husband and wife. In 1939 The High Court decided that that marriage does not constitute ground for dismissal. And in 1959 an Act was passed allowing separate income tax assessment of husband and wife on certain conditions.

In 1959 Norway ratified the ILO Convention no. 100 on equal pay for men and women. This was in a sense the first "law" on equal rights. In 1979 the Equal Status Act entered into force, including Gender Equality Ombudsman and Appeals' Board. It was the world's first Gender Equality Ombudsman that was appointed.

The primary goal for Norwegian equal opportunity policy during the last decades has been that women and men shall have the same rights, responsibilities, and opportunities in all spheres of society.

The Ministry of Children and Family Affairs is responsible for the public policy on gender equality and is responsible for legislation relating to gender as well as the Gender Equality Ombudsman and the Centre for Gender Equality as affiliated agencies.

## **2.2 The Gender Equality Act**

The Norwegian *Gender Equality Act* was adopted in 1978 and entered into force in 1979. The objective of the act is to promote equal status between men and women and aims in particular at improving the position of women. Public authorities are obliged to promote gender equality in all areas of society. And women and men shall be given equal opportunities in education, employment and cultural and professional advancement. The objective of Gender Equality Act is two-fold. On the one hand it is to ensure substantive gender equality in most areas, and on the other, to influence attitudes to the roles of women and men.

The Norwegian Gender Equality Act is unique in the sense that it not only applies to working life, but is also of a more general nature and covers all sectors, including education, political life and family life. Wherever discriminatory treatment of men and women on grounds of gender occurs, it will be in conflict with the law.

The Equal Status Act was strengthened in 1988: there must be at least 40 per cent representation of each sex in all public committees. And in October 1999 the Ministry of Children and Family Affairs proposed a total revision of the Act. The new Act passed in April 2002 and entered into force July 1<sup>st</sup>, 2002.

### *The revision of the Gender Equality Act*

The revised Act entails that all employers, employers' organisations and employees' organisations have a duty to actively promote gender equality within its own organisation. All businesses should produce an annual report on issues relating to gender equality. The report must include statement about which efforts have been made or have been planned to obstruct discrimination and promote gender equality.

- Women and men employed by the same employer shall have equal pay for work of equal value.

- If different treatment of men and women can be established in cases concerning recruitment, promotion, notice of leave, temporary lay-offs or in cases of equal pay, the employers bears the burden of proof, and has to demonstrate that this is not due to the sex of the applicants or employees.
- The Act allows positive action in favour of women or men when it is clear that this will promote gender equality.
- The revised Act establishes a right to compensation for discrimination, which you have experienced, regardless of fault.

At a more general level the objectives of the gender equality policy are:

Equal rights, opportunities and obligations for woman and men in all areas of society, freedom from sexual violence, equal distribution of power and influence between women and men, equal opportunities in the labour market, shared responsibility for work and family life, equal opportunities for girls and boys, women and men to education, and to develop and realise their talents and ambitions (Ministry of Children and Family Affairs).

### **2.3 The Government wants more women on company boards**

Limited companies in Norway, including the state-owned enterprises, are required by law to have an executive board with at least three members. With the exception of employee representatives board members are normally elected by the company's generally assembly of shareholders. The relatively low level of female representation on company boards in private enterprises has frequently been subject to debate and controversy in Norway. And the issue of gender representation on company boards has been on the political agenda for some time. The share of women on board is low, 13 per cent in December 2004 in public limited companies (ASA) (Brønnøysundregisteret).

The Norwegian government approved in March 2003 measures to increase the number of women on the board of private enterprises. From 1 January 2004 at least 40 percent of the board members in state-owned enterprises must be women. And here there has been a change; the share of women in is now about 45 per cent.

A 40 percent quota will also be imposed by law in public limited companies in 2005, if this level of women's representation has not been achieved voluntarily by then. If, however, satisfactorily levels of women's representation are reached, the regulations will not

take effect. But if it will, Norway will become the first country in the world to insist on female quotas for public limited company boards (ASA).

This revision of the Companies Act has clear parallel in The Gender Equality Act (Article 21) regulating the composition of gender balance in public boards and commissions.

## **2.4 Social benefits**

Norway is known to have a good welfare system including unemployment benefit, sickness allowance/payment and paid parental leave etc. These are welfare services which self-employed not are fully included in if they have businesses with legal status as sole proprietorship – as is the most common legal status.

### *Parental leave*

The parental leave arrangements in Norway are quite generous. *The Worker Protection and Working Environment Act* states that workers are entitled to 12 months of leave in case of maternity. Each parent is also entitled to up to one year's unpaid leave for each child in addition to parental benefit period. However, payment during parental leave is established by the *Social Insurance Act*. Entitlement for payment during leave before and after birth is dependent on employment and income: In order to be entitled to parental benefit the mother (and father) must have been employed and earning a pensionable income for at least 6 of the 10 months immediately prior to the commencement of the benefit period. The parents are compensated 100 percent (of their former wage income) for a period of 42 weeks or 80 percent for a period of 52 weeks.

Parental benefits are calculated on the basis of the income of the parent who takes leave of absence. If the parent's income exceeds NOK 294,540 (six times the national Insurance basic amount), parental benefit will not cover excess amount. Agreement may be reached with the employer to provide full pay.

The mother is obliged to take 3 weeks before the birth. After the birth she is obliged to take a leave of 6 weeks. A father living together with the mother is entitled to 4 weeks of welfare leave. This is a father quota which is not transferable to the mother. Except for the mother's and father's quota, the rest of the leave is open for both parents. However, very few men have more than the father quota.

A more equal sharing of paid and unpaid work between mother's and fathers has been an important objective in Norwegian work-family policy the last decade. It has been an

important political aim to increase fathers' share of parental leave. Whereas the father's leave entitlements previously were partly dependent on the mother's employment and earnings prior to the birth, he acquired more independent rights in 2000.

In 1994 a time account scheme was introduced in order to make possible a more flexible use of parental leave. This schema allows parents with young children to combine parental benefits with reduced working hours. The total remains the same, but it can be stretched over a longer period.

#### *Parental benefit for self-employed persons*

In the case of self-employed persons, parental benefits are calculated on the basis of pensionable income (net income) during the last three year for which tax assessments have been completed. Parental benefits are then calculated on the basis of 65 per cent of net annual income during the parental benefit period.

Self-employed persons who have taken out voluntary additional insurance to cover sickness benefit at the full rate are entitled parental benefit equivalent to 100 per cent of net income, provided that the voluntary additional insurance agreement was entered into at least 10 months prior to the birth of the child.

To improve the rights to paid parental leave for self-employed persons is an issue on the political agenda. It is acknowledged that an improvement of rights for paid parental leave among self-employed will give greater economic security for families where the mother is self-employed. However, the government suggested no changes in the 2005 National Budget.

The *Worker Protector and Working Environment Act* also states that employees with responsibility for small children (10 years and younger) are entitled to leave during children's illness, 10 days per year per employee with one child, 15 days with more children. However, self-employed persons are not entitled to these benefits. In the case of self-employed persons, parental benefits are calculated on basis of pension able income (net income) during the last 3 years for which tax assessments have been completed.

#### *Unemployment benefits for self-employed persons*

There are no rights to unemployment benefits and with regard to sick pay the self-employed (sole proprietor) need to buy insurances which usually do not cover the first 14 days of sick leave. To be included in the welfare system self-employed has to buy expansive insurances .

### *Child care*

During the past decades we have witnessed an increase in the numbers of kindergartens. At the beginning of the 1990s about one-third of all children aged one to five had a place in kindergarten. In 2000 it had increased to almost two thirds. The kindergartens receive significant subsidies from the state as well from the municipalities.

All children start compulsory school at the age of six and many attend school-age childcare programmes after the school day ends. The municipalities are required to offer school-age childcare to all children up to the age of eleven.

### *Cash benefit scheme for families with small children*

All families with children aged 13-36 months, who do not have a governmentally subsidized childcare arrangement (kindergarten), may receive *cash for childcare benefit* amounting to NOK 3000 per month.

## **2.5 Programmes to foster ownership among women**

A key-body in the industrial-policy system is the *Innovation Norway* (previous: The Norwegian Industrial and Regional Development Fund). It has since its formation in 1993, been an important source of financing for small and medium-sized companies. Innovation Norway focuses on small and medium-sized enterprises, new enterprises and also in particular on female participation in industry, women in leadership and women entrepreneurs.

Since 1999, Innovation Norway has focused on women in business through the program "*Women in focus*". The objective for this program is to encourage, inspire and provide women to enter into management positions, board positions and start their own business. All programs within the Women in Focus aims at establishing women with new business network, management skills and knowledge in order to both organise and run their own business and also to become managers of business. The program has four focus areas: *Board competence*: network and education, and a web based database for registration of CV of men and women, the *Mentor program* (Ledermentor) to encourage women to enter management positions, the *Lighthouse program* (Fyrtårnprogrammet) focusing on leadership and to promote entrepreneurship among women by make visible best practices, and help women entrepreneurs building network. *Micro-credit scheme* (Nettverkskreditt): is an informal, non-bureaucratic bank where the participants themselves decide how the capital shall be administered. This mean is gender neutral, but so far women have been the users and

participants. The last program *Innovative Women* (Innovative Kvinner) is a pilot project arranged as a competition. Innovation Norway will highlight 6 innovative Women Businesses with an international potential. The objective is to find role models in order to inspire other women to develop their business potential to an international level.

In Norwegian regional development policy much emphasis has been put on stimulating women to act as entrepreneurs. The aim is to keep young women in the rural districts and to help them find an economic basis in rural districts. *Ministry of Local Government and Regional development, Ministry of Trade and Industry and Ministry of Agriculture* has the main responsibilities to bring in action the Governments policy in the area.

To improve job prospects for rural women, a scheme grants for rural development has been set up. The purpose of this funding is to secure the growth of small-scale businesses within, and associated with, agriculture. Young people and women also receive higher production subsidies, and women taking over family farms receive larger establishment grants than their male counterparts (Ministry of Agriculture 1998).

*The Women's Talent Bank* (Kvinnebasen) was established in 1999 and is run by the Centre of Gender Equality in Norway. The goal of the women's talent bank is to make women's competence more visible. The main objectives are recruitment of women for management positions and recruitment of women for boards.

## **2.6 Financing**

Financing is one of the questions faced by every person who wants to start a business. Although capital requirements vary greatly among different sectors, a certain amount of start up capital is required. Women who want to start their own business may get capital from two main sources: governmental institutions and private institutions/firms like banks and private owned funding businesses. Data indicates that privately owned venture firms priorities growth, i.e. firms already established, while governmental institutions mainly finance new firms, i.e. start-up firms (Ljunggren and Foss 2004).

Ljunggren and Foss (2004) study of venture capital firms shows that the investment profile of the private venture firms are focused on different type of technology development/innovation within e.g. space technology, electronics, energy technology and ICT. Knowing that industries in Norway are strongly gender segregated (see section 3), where women's businesses are mainly found within the service sector, women owned business are

not target groups for the private venture capital firms. Privately owned firms also seem to prioritize growth (already established firms) and private venture funds also invest in high tech innovative firms, which have a lower degree of women employees, entrepreneurs and owners.

In Norway different governmental levels are appointed to support entrepreneurs economically. The main level is the Ministry of Regional Development. The ministry distributes money to county administrations and local communities' administration for this purpose. Innovation Norway is also a main actor. This fund is financed by several ministries (Fishery, agriculture, industrial and trade, regional development and environment).

Innovation Norway administrates and distributes start-up grants for businesses, to entrepreneurs. The amounts range from NOK 50.000 to maximum NOK 400.000. The grants are supposed to be used during the early phases of the entrepreneurial process either in the preparation part (developing the business idea) and/or in the entering phase (investments, income support). During the period 1994-1998 the total amount of start-up grants was 138 million NOK and the total amount of grants were 5899. Of these grants women entrepreneurs received 25 per cent of the total amount and 31 per cent of the grants while male entrepreneurs received 59 per cent of the amount and 65 per cent of the grants. After a 40 per cent quotation rules was introduced in 1998 the ratio of grants to women increased

## **2.7 Requirements for achieving ownership and register a company**

The authorities must be notified when a person found a company, when employees are hired and when the company start selling goods and/or services liable to VAT and other taxes. If at least one of the mentioned conditions applies, the business must be registered in the Register for Legal Entities.

There are different ways of organising a company or enterprise; the two main types registered in the National Firm Register are sole proprietorship (enkeltpersonforetak) and private limited company (aksjeselskap).

Figures issued by the National Firm Register (Brønnøysundregisteret) in 2003 shows that 56 per cent of all firm registered were sole proprietorship, 26 per cent were private limited companies and others 18 per cent.

There are different requirements to register for different companies. A liable company is a company where each of the participants has unlimited personal liability for the obligations of the company. A single or several people may own a liable company. Depending on the owner situation, the company is denoted: *Sole proprietorship (enkeltpersonsforetak)*, *liable*

*company (ANS) or liable company where the personal liability is limited relative to each participants share (DA).*

Sole proprietorship is the most common and is a form of business where one person is responsible for the company, and there can be only one owner. The only formal requirement to establish a sole proprietorship is that the person must be over the age of 18 and not be in “konkurskarantene” (bankruptcy quarantine). The owner is personally responsible for any debts incurred by the business. There are no costs involved in establishing a sole proprietorship with less than five employees. But, as mentioned earlier, the owner do not have right to social benefits as right to paid parental leave, or leave during children’s illness or sick leave.

*Public limited companies (ASA) or limited liability companies (AS):* are enterprises where none of the participants are personally liable for the company’s obligations. The establishment and operation of a limited liability company is governed by Act no. 44 1997 “On companies with limited liability” (aksjeloven).

In a limited liability company none of the owners is responsible for more than the sum paid as share capital. You may, however, be required to secure the company loans by personal guarantee, collateral or some other surety. In case of bankruptcy, the liability is then the share capital plus the security.

The company is an independent entity that is required to operate with defined bodies. These are: The general assembly, the board and the managing director. If the share capital is less than NOK 3 million, the board may determine that the company shall operate without a managing director.

Private companies with limited liability are required to start with a share capital of minimum NOK 100 000. In addition to cash, the share capital may consist of assets, such as machinery, cars and office equipment. The founders must prepare a statement of such share capital entries. An Auditor must confirm the statement. One shareholder is sufficient.

The company must be founded, must prepare company articles and hold the forming general assembly in accordance with the law on companies with limited liability. The company has to keep accounts, have an accountant and make an annual report to the National Firm Register. There is a clear dividing between the company and the owner(s). One advantage with this type of company compared to sole proprietorship is that you have the same rights to social benefits as an employee.

There has according to the National Firm Register been a decline in the number of new registered limited companies. One possible reason for the lower number of registrations

may be the requirement for higher share capital. The minimum capital to be paid is now NOK 100 000 compared to 50 000 previously. At the same time there is an increase in new registrations in sole proprietorships where no capital is required.

## Section 3:

### Employment, education and income

#### 3.1 Employment

Labour force participation among Norwegian women is almost equal to men. In 2002 the number of people in employment reached approximately 2.3 million, or 50 per cent of the population. Women accounted for 47 per cent of the workforce.

Labour force participation for women has grown significantly from the 1970s until 1986. During the economic recession from 1987 to 1993, the participation rate for women remained steady but fell for men. After that the numbers have increased for both men and women, though most for women.

From table 3.1 we can see that labour force participation in Norway is somewhat higher among men than among women. The gender difference is decreasing from 1990 to 2000: the participation rate for women aged 16-66 increased from 67 per cent to almost 76 per cent, while it decreased for men from 85 to 84 per cent.

Unemployment is decreasing in the decade and unemployment is higher among men than among women: 3.7 per cent vs. 3.2 per cent of the labour force aged 16-66 in 2000.

*Table 3.1 Labour force and employment age 16-66, national level indicators, 1990 and 2000*

	1990			2000		
	All	Women	Men	All	Women	Men
Population (1000), persons aged 16-66	2 766	1 405	1 361	2 914	1 435	1 479
Labour force (1000), persons aged 16-66	2 107	947	1 160	2 332	1 085	1 246
Labour force, percent	76	67	85	80.0	76	84
Employment rate (Employment/popul.)	72	64	80	77	73	81
Unemployment rate (unemp./labour force)	5	5	6	4	3	4

Source: Barth et al. 2002

In the last decades the public sector has experienced strong growth and now employs almost 730 000 people, compared to only 200 000 in 1962. Its share of employment has increased from 13 to almost 30 per cent. The strong growth in recent years has primarily been in health and social care, and education. Today approximately one-third of all those employed work in the public sector. And more women than men work in the public sector: 53 per cent of women compared with 21 per cent of men (see table 3.2)

Women are more often employed in the local government sector while there is a more equal distribution of men and women in the central sector.

*Table 3.2 Employment persons aged 16-66, by sex and sector, 1990 and 2000. Per cent.*

	1990			2000		
	All	Women	Men	All	Women	Men
In private sector	64	49	76	64	47	79
In public sector	36	51	24	36	53	22

Source: Barth et al. 2002

### *Working hours*

Many women continue to work part-time, though the numbers are declining. While 47 per cent worked full-time in 1980, the figure had increased to 57 per cent in 2002 (see table 3.3). The percentage of men in full-time employment remains steady at around 90 per cent and those who work part-time are mainly students (Statistics Norway 2002)

*Table 3.3 Working hours, men and women. 2002.*

	Women	Men
- Part time		
1-9 hours	19	6
20-29 hours	14	3
30-36 hours	10	2
Part time total	43	11
- Full time		
32-36 hours	8	6
37-44 hours	46	70
45 hours +	3	13
Full time total	57	89

Source: Statistics Norway, the Norwegian Centre for Gender Equality.

#### *Employment by sector and gender*

Norway has, as pointed out in the Introduction one of the most sex segregated labour markets in Europe. The main areas of activity for women are health care and social services, education public administration and retailing. Men's employment is less concentrated.

Typical female professions are teachers in primary and lower secondary schools, nurses, cleaners and secretaries. Typical male professions are craftsmen, building and construction workers, drivers and engineers.

Both the relative degrees of concentration of women's and men's employment in terms of sector activity and the specific areas in which women and men tend to work have not altered greatly during the last decade and were much the same in 1990 as in 2000, the main change being a relative decline in the importance of manufacturing for the employment of men.

*Table 3.4 Employment by sex and industry. 2003. Percent.*

Industry	Women	Men
Agriculture, forestry and fishing	26	74
Oil and gas	19	81
Manufacturing, mining and quarrying	25	75
Electricity, gas and water supply	20	80
Construction	8	92
Wholesale and retail trade, restaurants and hotels	51	49
Transport and communication	26	74
Financial intermediation	52	48
Real estate, renting and business activities	40	60
Public administration, defence and social insurance	53	47
Education	66	34
Health and social services	82	18
Other personal and social services	54	46

Source: Statistics Norway,

*Table 3.5 Percentage of women and men working in different industries 2003.*

Industry	Women	Men
Agriculture, forestry and fishing	2	5
Oil and gas	1	2
Manufacturing, mining and quarrying	7	17
Electricity, gas and water supply	0	1
Construction	1	11
Wholesale and retail trade, restaurants and hotels	20	17
Transport and communication	4	10
Financial intermediation	2	2
Real estate, renting and business activities	8	11
Public administration, defence and social insurance	7	7
Education	11	5
Health and social services	32	6
Other personal and social services	5	3
SUM	100	100

Source: Statistics Norway,

If the labour market is segregated, then ownership will also be segregated. Women and men will mostly engage in entrepreneurial activities where they have some previous experience and knowledge (Delmar & Holmquist 2004).

### *Management*

The Norwegian labour market is not only characterized by a horizontal segregation there is also a vertical segregation. Many more men than women are classified as managers of various kinds. Moreover, the relative number of men employed as managers tend to be greatest compared with that for women in the highest level categories of management.

There is, as stated earlier, still a male dominance in the top of the Norwegian business life. Changes in gender representation are marginal from one year to another. In top-management positions in private sector the share of men is about 93 per cent.

The role of women as managers of business is to a great extent reflected by their roles in the labour market. Thus, there are more women managers in the public sector and within in sectors like personal services and retail.

Data issued by the National Register of Firms (Brønnøysundregisteret) shows that in 2000 18 per cent of the businesses registered (535 000 units) were managed by women, and 82 per cent by men. If we look at the largest companies listed at the Oslo Stock Exchange (180 firms) only two were managed by women in 2004. In companies affiliated to The Confederation of Norwegian Business and Industry (NHO) only 7 per cent of the top-mangers are women.

As we have seen more women than men are employed in the public sector. And there are more female managers in public than private sector. But men hold highest positions also in the public sector. In central government administration 28 per cent of the senior mangers were women in 2001, while 41 per cent of the work force in this sector is women. In local government administration 20 per cent of the top mangers were women in 2001, while almost 80 per cent of the work force in this sector is women (table 3.6).

*Table 3.6 Percentage of women in management positions by sector. 2002.*

Sector	Percentage of women in management positions
- private sector	24
- public sector	44

Source: The Norwegian Centre for Gender Equality

*Table 3.7 Percentage of women at top-management positions. 2001.*

Managing directors, Confederation of Norwegian Business and Industry	7
Senior managers municipalities and counties	19
Senior managers state	28

Source: The Norwegian Centre for Gender Equality

*Table 3.8 Percentage of women at various levels, Municipalities and County municipalities. 2001.*

	Percentage of women
Senior managers	20
Administrative functions total	66
Administrative functions, managers	42
Engineers and technicians, total	20
Engineers and technicians, managers	26
Health sector, total	82
Health sector, managers	48
Service sector, total	83
Service sector, managers	48

Source: Statistics Norway

In private business there are, as mentioned earlier, few female managers. And table 3.9 shows that companies managed by women are smaller than those managed by men. However, doing this comparison it is important to notice that most Norwegian companies are small, whether men or women manage them. However, as table 3.9 shows when comparing the share of managers for different size groups, it turns out that the larger the firms are, the smaller is the share of female managers. Among the firms without employees, the share of women managers is 22 per cent. For the two largest groups the shares of women managers are 7 per cent (Spilling 2004).

*Table 3.9 Managers by sex and size of firm (number of employed)*

Size	Managers	
	Women	Men
One	22	78
1-2	17	83
3-4	18	82
5-9	14	86
10-19	11	89
20-49	9	91
50-99	7	95
100+	4	93
Total:	21	79

Source: Spilling 2004

Generally, we find female and male managers in all sectors, but the extent to which they occur within different sectors will vary. The most important sectors for female managers are social and personal services, health and social work, education and retailing. For men the most important sectors are business services, construction, real estate and retail trade. There is a tendency that men are more dispersed on many sectors than the case for women (Spilling 2004).

The pattern in table 3.10 shows a strong gender segregation in which fields women and men are managers. And the pattern is very similar to the gender segregation of the labour market.

*Table 3.10 Managers by sex within industries*

Industry	Women	Men
Agriculture and forestry	13	87
Fishing	2	98
Mining and quarrying	8	92
Manufacturing	17	83
Electricity, gas, water supply	4	96
Construction	2	98
Wholesale and retail trade	26	74
Hotels and Restaurants	31	69
Transport and communication	8	92
Financial intermediation	8	92
Real estate, renting and business activities	16	84
Education	26	74
Health and social work	46	54
Other community, social and Personal services	52	48

Source: Spilling 2002

In Norway, the political goal has, as mentioned earlier, been gender equality in all areas of society, including the domestic division of labour. However, it seems fair to say that Norway has been less successful implementing equal opportunities within the labour market, in particular within the private sector. The family-friendly policy, (see section 2.4) has caused several researchers to argue that statistical discrimination is a likely outcome in Norway (Birkelund & Sandnes 2003). This will affect women more than men since it is still the case that women more than men are enjoying benefits related to parenthood.

The work-family-friendly policy has allowed women to take absence due to childbirth without severely damaging them their possibilities for re-entry into the labour market. But it is also possible that that the family-friendly policy, together with high levels of part-time work and public employment among women, have had negative effects on holding managerial jobs (Kalleberg & Reskin 1994, Birkelund & Sandnes 2003). A worker-care

model seems to conflict most structures and cultures in the private sector labour market. The public sector accommodates the greatest flexibility in its workforce. Typical female work patterns are more difficult to practice in the private sector (Ellingsæter 1999).

### 3.2 Education

During the last decades there has been an increase in higher education. Since 1980 the total number of students has increased from approximately 850 000 to more than 1 million. This means that more than one out of five Norwegians is pursuing studies. Three times as many Norwegians now have a degree from a university or college compared with 1970. And there are no longer differences between men and women. Approximately 22 per cent of both men and women have a college or university degree.

There are now far more women than men with higher education in the group under 50 years. This is particularly evident in the 25-29 age groups where 43 per cent of the women have higher education, compared with 31 per cent of men (Statistics Norway 2002).

*Table 3.11 Education by level and sex. Percent persons aged 25-66*

	1990			2000		
	All	Women	Men	All	Women	Men
Primary education (ISCED level 0, 1)	18	18	18	16	17	15
Secondary education (ISCED level 2, 3, 4)	55	56	53	54	53	55
Tertiary education (ISCED level 5, 6)	26	25	27	31	31	30

Source: Barth, et al. 2002

Female students have been in the majority since the mid-1980s, representing almost six in ten students. Women now accounts for the majority (60 per cent) of those graduating from universities and colleges. The predominance of women is particularly true of colleges (63 per cent).

*Table 3.12 Percentage of women among students. 2002.*

Upper secondary school	51
Colleges	63
Universities	56

Source: The Norwegian Centre for Gender Equality

Even though men and women take higher education to about the same degree, there is still gender differences in subject areas studied. Men dominate within engineering, manufacturing and construction as well as maths and computing. Women are more likely to study Health and Social studies, Educational sciences, humanities and arts.

*Table3.13 Percentage of women among students in higher education. Some colleges and Universities. 2002.*

Agriculture University of Norway	56
Norwegian College of Economics and Business Administration	37
The Norwegian College of Fishery Sciences	42
Norwegian School of Management	49
College of Sámi Studies	81

Source: The Norwegian Centre for Gender Equality

*Table 3.14 Percentage of women among students. Some university subjects. 2002.*

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Architecture	54
Nutrition	93
Economic administrative	42
Fisheries	40
Health studies	80
Humanities	62
Law	57
Art	58
Medicine	57
Odontology	61
Pedagogy/educations studies	82
Psychology	73
Natural sciences	39
Social sciences	63
Technology	25

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Source: The Norwegian Centre for Gender Equality

*Table 3.15 Percentage of women by higher education colleges 2002*

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Teaching	71
Pre-school teaching	93
Child welfare studies	89
Social work	83
Nursing	90
Bioengineering	85
University level engineering	17
Maritime studies	11
Higher level business studies	42

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Source: The Norwegian Centre for Gender Equality

### 3.3 Income and shares

Total income consists of wages and salaries, property income such as interests and dividends, and transfers received. Approximately 74 per cent of the average income in Norwegian households is work-related (i.e. wages and income from self-employment). This proportion has fallen somewhat in recent years, while transfers such as family allowance and pensions account for a larger degree than earlier. Property income increased sharply in 2000 but fall again in 2001.

*Table 3.16 Women's total income in per cent of men's total income*

	1993	1996	1999
All aged 17-66	64	63	65

Source: Statistics Norway

While average monthly earnings for women in full-time employment represent about 86 per cent of men's, women's gross annual income is less: 60 per cent of men's. The differences in annual income are much larger than in monthly earnings primarily because women more often take leaves and they more often work part-time.

#### Shares

Spilling (2002) identified owner shares worth a total of 1332 billion NOK. A significant part of this owner shares are held by institutional owners and only a smaller share is controlled by individuals. In Norway we lack reliable information on how much capital individual holds through companies. When focusing on individual shareholders Spilling (2002) found that the distribution between men and women was 19.4 percent for women and 80.6 percent for men.

Figures issued by AksjeNorge about individual shareholders at the *Oslo Stock Exchange* confirm the male dominance: In 2003 there were 348 000 individual shareholders in joint stock companies and 69 per cent were owned by men. 70 per cent of private investor's value at the Stock Exchange was owned by male shareholders. In average each male shareholder owned shares for approximately NOK 130 000 while female shareholders in average owned shares for NOK 62 000.

This figures confirm an imbalance between men and women as business owners, and consequently as actors of importance in the economy.

## **Summary**

To sum up this section we have seen the Norwegian labour market is strongly gender segregated, and men and women take different education. As a result, their competence differs. Some types of education and work experience may give better access to knowledge, which is useful to have when starting and running a business. Women also have shorter experience from the private sector, and less management experience than men. This gender segregation may therefore be an important explanation for the few women business owners (see next section). We have also shown that wealth is unevenly distributed between women and men in Norway, which may imply that men have better access to equity than women. Access to equity increases the ability to get debt financing and this implies that women generally may have less access to private financial capital than men and this might restrict their possibilities to start and run a business.

## **Section 4:**

### **Business sector: Structure and Ownership**

There are several types of business systems in Europe, and they should be understood in the light of each country's history, culture and political system. The Norwegian business system is characterised by a 'double structure', with an active state builder on the one and a private sector with a large amount of small and medium sized firms on the other. The Norwegian business structure is then based on dispersed ownership in the private sector and a strong state acting as a guarantor for a well function infrastructure and solutions of collective action problems (Engelstad et al. 2003).

The Norwegian capitalism has been characterized as a "democratic capitalism" (Francis Sejersted 1993). This means a capitalism characterized by (i) a very large proportion of small-scale companies, (ii) with strong ties to local communities, and (iii) a strong state securing infrastructure and solving collective action problems. A dispersed, democratic ownership system with low capital intensity, locally based, and a close connection between family and ownership, such as the Norwegian "democratic capitalism", might be expected to pave the way for female owners. However, it seems that the absence of women owners in business life is a common feature of the different capitalism systems and ownership systems.

#### **4.1 Structural changes in the labour market**

Raw materials such as fish, wood and iron have been the base for the industrialisation of Norway. In the early 20<sup>th</sup> century, hydropower was an important basis for starting Norway's extensive, energy-intensive manufacturing industry. After the 1970s the oil and gas industry has played a key role in the Norwegian economy.

From 1950 until 1970 Norway had a high rate of productivity growth, stable employment and low unemployment. In these decades the industrial expansion meant that many people (men) abandoned farming as a way of life and moved away from rural areas. From the 1980s there was a decrease in the employment in manufacturing and an increase in the service sector and in the public sector, both in value creation and in employment. And there has been a growth of fish-farming and fish processing industries.

Oil production is today a capital-intensive industry, with most employees working in major companies. Of a total of 23 000 employees, more than 17 000 were employed in

companies with more than 100 employees. In the manufacturing industry around 65 per cent, or just over 19 000 persons work in companies with more than 50 employees. There are, however, differences between sectors: most employees in metals, pulp and paper, chemicals and petroleum industries work in large companies while there are many small companies in for instance the textile and ready-made clothing industry.

The number of enterprises amounted to 355 332 in 2001 (Statistics Norway). Most enterprises were registered within other business activities, construction and retail trade. In the Central Register of Establishments and Enterprises (CSR) at Statistics Norway there are available figures by activity code, size group, counties and municipalities, but not on gender. However, Statistics Norway is currently working on improving their statistics in field.

#### **4.2 The size and type of companies**

Most Norwegian firms are small meaning that they employ few people. More than one half of the registered firms had no employees. And only 2 613 registered firms had 100 or more employees.

*Table 4.1 Companies by size group. 2004.*

Size group	Total number of establishments
No employees	273 859
1-4	85 035
5-9	34 228
9-19	21 996
20-49	13 537
50-99	4 343
100+	2 613
<b>Total</b>	<b>435 611</b>

Source: Statistics Norway

Companies with more than 100 employees are few. In 1996 figures for companies with more than 100 employees showed that only 22 companies had more than 1000 employees.

*Table 4.2 Companies with more than 100 employees. 1996.*

Size group	Total number of establishments
100-199	75
200-499	383
500-999	77
1000+	22

Source: Spilling 2000

#### *Type of companies*

As mentioned in Section 2, sole proprietorship and private limited companies are the two main types of companies. Figures issued by the National Firm Register show that in 2003 these two types amounted for 82 per cent of the registered companies. 56 per cent of entities in the Central Coordinating Register for Legal Entities were sole proprietorships. There was a large increase in the number of sole proprietorships in 2003, more than 20 000 entities. According to the National Firm Register the main reason for this increase is most likely that more people choose to register as sole proprietorship rather than limited liability companies because the required minimum share of capital for limited liability companies is NOK 100 000 (see also section 2).

*Table 4.3 Companies registered in the Central Coordinating Register for Legal Entities, by main groups 2003*

Sole proprietorship	56
Private limited companies etc	26
Others	18

Source: Brønnøysundregistrene

However, in the Central Coordinating Register for Legal Entities there is much dormant sole proprietorship that has not notified the register to be struck off.

Statistics Norway has a closer control with active entities and therefore also has different figures, but the picture is the same: the two main types of companies are sole proprietorships and private limited companies. According to Statistics Norway more than half of all companies were sole proprietorships, but they employ only 14 per cent of all employees. 35 percent of all companies were private limited companies, and they accounted for two thirds of all employees (Statistics Norway 2003).

However, even though the majority of companies that are established are organised as sole proprietorship there are differences between women and men in type of ownership. In 2003, 39 000 enterprises were started in Norway. 27 000 of them were sole proprietorship and of the sole proprietorship one in three was owned by a woman (Statistics Norway 2004).

Sole proprietorship is the typical way for both men and women to organise their firm, among all starters, as many as 70 per cent have chosen this form of organisation, thus. For women the tendency is even stronger, as more than 80 per cent of all women start their new business as sole proprietorship. Among the rest of the female starters, the most common way of organising is as limited company (Spilling 2004). For men the situation is different: 66 per cent have started sole proprietorship, 28 per cent have started limited companies (Spilling 2004).

*Table 4.4 Registrations by sex and type of ownership, accumulated data 2001-2003.*

	Women	Men	Total
Sole proprietorship	82	66	70
Other body corporate	3	4	4
Limited companies	14	28	25
Joint stock companies	0	0,1	0,1
Other types	0,5	0,9	0,8
Total	100	100	100
<i>Distribution women- men (%)</i>	<i>26</i>	<i>74</i>	<i>100</i>

Source: Spilling 2004

### 4.3 Family companies

We can identify three main ways of attaining ownership: *inheritance, entrepreneurship and acquisitions*. The private business sector in Norway consists, as pointed out, of a large number small firms, many of them family owned. A family business is a business where one or a few families control the business through active and long-term ownership. In Norway we estimate that at least 2/3 of all businesses are family owned (NHO 2002). Family owned businesses may take many different forms: personal partnership, general partnership, limited company etc. The families, however, will have dominating ownership. Family companies that are organised as private limited companies differ from other limited companies in that the ownership is *concentrated*, e.g. that the family owns more than half of the shares.

In family owned business there is a close interaction between ownership, family and company. Many family owned are run by members of the family, other hire their managers and exercise their ownership through the board and general assembly (NHO 2002).

In virtually all businesses owned or controlled by a single family, more than one family member is involved at least some, if not all of the time. Even when it appears that only a single family member is formally the owner; the person depends on other family members supporting the business (Row & Gong 2000). Often, the supporting family members are women, the wives, mothers, daughters or sisters of the business owner. In many family companies, the women become almost invisible, and others within or outside the business do not view them in the same way as male family members. This situation is frequently in the case with female partners in husband-wife businesses. The male partner is seen as the owner - it is "his" business while the female partner does the book-keeping in the back room. It is also pointed out that the strength of traditional family roles, both within society and within individual families have kept women's business contribution from being acknowledged (Dumas 1998).

Even though family owned firms constitute a large part of the Norwegian businesses the literature regarding women in family business is extremely sparse. And we also have little statistics about family owned companies and the statistics available are not divided by sex.

As pointed out in Section 2, in Norway equal rights to inheritance for women and men has existed since 1854, meaning that there should be no differences between what sons and daughters inherit. An exception is the earlier mentioned Act of Allodial rights that until 1974 gave the first born son right to inherit the family farm. However, this law was reserved for farming. Companies owned by families should therefore be expected to be more favourable to women. In general, this seems not to be the case. As in the business life in general, women are

strongly underrepresented also among owners and managers in family firms. Admittedly, there are female front figures in the Norwegian business life, who have acquired their position through family ownership, but they are surprisingly few. It would be interesting to know if there has been an informal “Act of Allodial rights” that have given the eldest son right to inherit the family firm.

A survey conducted by The Confederation of Norwegian Business and Industry (NHO) (1996/97) shows that in family firms, where a representative for the family was manager, 7 per cent of the firms had a female manager. In family firms with employed manager 9 per cent had a female manager, while nonfamily firms had 5 per cent female managers.

#### 4.4 Entrepreneurship

There is an increasing focus on entrepreneurship in Norway and it is regarded as an important way to achieve the goal to keep the dispersed settlement in the rural areas. In 2004 Olav Spilling presented a statistical overview and gave an updated picture of current situation for women and men in Norwegian business. His analyses is based on the National Register of Firms and The VAT (the value added tax register) administered by the tax authorities.

As pointed out entrepreneurship is one path to achieve ownership. The majority of firms started are organised as sole proprietorships, i.e. there is one person alone who owns the firm. Among the female starters as many as 82 percent has chosen this form of organisation and it is ‘typical’ way for women to organise their firms. However, the majority of those who start a new firm are men.

*Table 4.5 Registrations by sex, accumulated data for 2001-2003.*

	Women	Men	Total
Number of firms (N)	26 858	76 213	113 325
Distribution women-men %	26	74	100

Source: Spilling 2004

A study from 1998 indicates that women are present in 16 out of 23 industries while men are present in 22 (Ljunggren 1998). This is obviously related to the fact that more men than women start-up businesses, but it is also a result of the gender segregated education system and labour market.

An important question is why people start a new firm. Have workers been pulled into self employment by a growing entrepreneurial culture and the desire for independency and autonomy? Or have they been pushed into such work as restructuring, downsizing and flexible employment practices have eroded once secure jobs? Those interested in women's entrepreneurship have added an important gender perspective to this debate, questioning whether women have been attracted to entrepreneurship as an emancipatory route to bypass barriers and discrimination in paid employment.

There is then possible to distinguish between two types of entrepreneurship: *necessity entrepreneurship* and *opportunity entrepreneurship*. Necessity entrepreneurs are the people who believe they have no better choices for work. Opportunity entrepreneurs are the people who perceive a business opportunity and take advantage of it. According a survey issued by GEM Norway entrepreneurship of necessity does nearly not exist in Norway.

The small number of women entrepreneurs in Norway arises partly from the large proportion of women employed in the public sector; in communal services, in health, education and public administration. Women have, and have had, secure jobs, with good working conditions and high social security rights in the public sector. The public sector has also been the "growth sector" in the Norwegian labour market, and the need for labour has been relatively high. And as we have seen the unemployment rate for women in Norway is small. On this background one might argue that the "pull" towards starting a firm therefore has been weaker for women than men.

The role of women as owners of business is to a great extent reflected by their roles in the labour market. When women set up their own business, they choose traditional industries. There is majority of women in health and social services and personal services. The other industries are still dominated by men. There are very few women in the construction industry, and this also applies to new established enterprises. If we look at sole proprietorships, women are behind 3 per cent of the new established enterprises in the construction industry, whereas they own two out of three sole proprietorships within health and social services (Statistics Norway 2004).

According to Spilling (2002) the most important sector for starting up a new business for women is the retailing industry. The second most important is personal services followed by primary agriculture. Among male entrepreneurs construction is the most frequent sector followed by retailing, primary agriculture producer services and transport.

Most of these firms are small. Those started as sole proprietorship or self-employed are not associated with any employment at all. The general picture is that most new firms are small, and firms started by women are smaller than those started by men.

Table 4.6 Size structure of registrations (employment) by sex

Size	All start ups	Size distribution, (%) of registrations by gender	
		Women	Men
0	71	80	69
1-2	12	9	12
3-4	6	5	6
5-9	6	4	6
10-19	3	2	3
20-49	2	1	2
50-99	0	0	0
100+	0	0	0
Total 100	100	100	
N	61.714	12.929	48.785

Source: Spilling 2002

The third way to ownership we have identified is *acquisition*. Analyses by Spilling (2004) for the period 2001-2003 show that the share of women based acquisitions of firms is slightly higher than the share of start-ups. While the share of women based registrations of start-ups (2002-2003) amounts to 26 per cent the share of women based acquisitions amounts to 30 per cent for the years 2001-2003.

#### 4.5 Female representation on company boards

To have more women on company boards is, as mentioned earlier, at present the most important gender equality issue in Norwegian politics. The Norwegian Companies Act introduced in 2003 a regulation requiring that at least 40 per cent of each gender should be represented in state-owned and municipal companies – and in public limited companies (ASA) provided they do not reach the goal within 2005. This is not very likely. At the

beginning of 2004, the 552 public limited companies in Norway had 2 813 board members. Only one in ten (254) is a woman (Statistics Norway). The latest figures from 2004 show that the proportion of women in boards of public limited companies was 13 per cent (Brønnøysundregisteret). The proportion of women chairmen is even lower, at 3 per cent (14 out of 546). Fourteen new public limited companies were established in 2003. Only 10 per cent of their board members are women, and only one of the fourteen chairmen is a woman (Statistics Norway 2004)

Of the companies listed on the Oslo Stock Exchange a total of 844 board positions women held 112. And 51 per cent of the boards had no women members. And only two boards had female chairman (Økonomisk rapport 5/2004).

The representation is considerably higher in state-owned companies with about 45 per cent.

What has not been discussed is *ownership* as a key factor to achieve positions as members of company boards and as board chairman. Most owners want to be represented either as managers of the firm (small firms) or as members in the board (larger companies). To argue therefore that women have the required competence to be member of company boards is not sufficient: it neglect the importance of ownership.

## **Section 5:**

### **Agriculture, forestry, fishery and reindeer herding**

As pointed out in the introduction rising employment rates among women have been intimately connected with structural changes in the labour market. During the last 30 years, a decline in jobs in the primary sector (agriculture, fishery and forestry) and in manufacturing is the main structural change in the Norwegian labour market. While in 1972 12 per cent was employed in the primary sector it was 5 percent in 1992 and 4 per cent in 2002 (Statistics Norway).

Traditionally, a farm in Norway was a family concern worked basically by a couple, with the women working together with her husband with numerous daily tasks. But the farm would most probably be registered on the man. One problem concerning agriculture properties in particular is the fact that only the name of the registered farmer is documented.

As for family businesses (section 4), even though a single family member is formally the owner, more family members are often involved in running the business. And often the supporting family members are women, particularly the wife of the farmer. A major problem with the Norwegian register system from a gender perspective is that only data about one registered farmer per farm is collected. This is due to the registration procedures that only allow the farm to be registered on one person regardless of whether several people run the business together. A likely consequence of this is that behind many male farmers, a farm wife is concealed behind the statistics. This should be kept in mind when we present the official statistics on ownership in the agricultural sector below.

#### **5.1 Agriculture**

Since 1949 the number of farm holdings has fallen by more than two-thirds, from 213 000 holdings to 61 500 in 2002 (Statistics Norway 2002). However the total agricultural area is unchanged because the land belonging to these abandoned farm holdings have been taken over by other farms. As a result, the average farm holding area has grown from 5 hectares to almost 17.

Employment in agriculture has also decreased. Whereas 20 per cent of the labour force was employed in agriculture in 1950 the proportion in 2001 was 3 per cent. There are a high

percentage of part-time farmers. On family farms it is common for one or more of the family members, often the women, to work full time or part time off the farm.

*Table 5.1 Labour input in agriculture 1000 årsverk*

	1980	1990	1995	2000
Men	90.7	73.2	67.8	59.8
Women	33.9	25.6	22.7	19.7
Total (N)	124.7	98.7	90.5	79.5
Distribution women-men (%)	27	26	25	25

Source: Statistics Norway

Private farms properties are generally not sold on the open market. They are mainly transferred from one generation to another as inheritance (see also section 2 about the Allodial right). The majority of farm transfers in Norway are between close relatives, mainly from parents to a son or daughter. Agriculture has traditionally been a male-dominated industry and in the majority of cases it is men who take over family farms. Although legally speaking women and men in Norway have equal allodial rights (since 1974 see section 2) men still take over most family farms. The census of agriculture from 1999 shows that even though more women are invoking their allodial rights, they still lag behind men.

*Table 5.2 Share of women who take over holdings with allodial right*

-1969	1970-79	1980	1990-94	1995-99
9	12	15	17	22

Source: Statistics Norway (Jordbrukstelingen 1999)

In the years after 1999 there has continued to be an increase in women who take over farms (with and without allodial right). Figures from 1999 to 2001 show that the percentage of women taking over farms was 35 per cent compared to 62 percent men. (3 percent was taken over by impersonal owners). And from 2001 to 2003 there was a small increase in women taking over farms (with or without allodial right): 37 percent compared to 62 percent men (Norwegian Agriculture Economics Research Institute 2003).

Women's opportunities to ownership in agriculture seem to be limited, not only when they marry a farmer but also when the woman's family owns the farm. Women seem to take over as owners when there are no sons as heirs, or by becoming widow of a farmer. Figures show that the percentage of women who become farm owners after the age of 60 is 37 percent compared to only 14 percent men. And only 27 percent of women farm owners are under the age of 40 compared to 42 percent of the men farm owners (ref).

#### *Women farm owners*

Women owned 26 per cent of all agriculture holdings in 1999. However, women own a larger proportion of smaller holdings than of the larger. 30 per cent of holdings less than 50 decares are owned by women, while 17 per cent of holdings over 200 decares are owned by women. There are also more women owning properties than holdings in use.

*Table 5.3 Number of farmer holdings and owners 1999*

Size (decares)	Holdings		Owners	
	Total	Men (%)	Women (%)	
5-50	105435	70	30	
50-100	37782	77	23	
100-200	25557	81	19	
200-300	6972	83	17	
300-5000	3058	83	17	
5000-	850	83	17	
Total	179654	128736 (74%)	45356 (26%)	

Source: Statistics Norway (Jordbrukstillingen 1999)

Table 5.4 Number of holdings and users 1999

Size (decares)	Holdings		Users	
	Total	Men (%)	Women (%)	
5-50	13788	82	18	
50-100	16720	85	15	
100-200	22286	88	12	
200-300	10367	91	9	
300-5000	5273	92	8	
5000-	1577	94	6	
<b>Total</b>	<b>70 011</b>	<b>57707 (87%)</b>	<b>8547 (13%)</b>	

Source: Statistics Norway (Jordbrukstelingen 1999)

As can be seen from table 5.5 there are also differences between male and female farmers regarding production:

Table 5.5 Production form by gender. Number and per cent.

	Number				Per cent			Share of women
	Total	Men	Women	Impersonal	Men	Women	Impersonal	Per cent
Milk	17.228	15.155	1.696	377	25	19	48	10
Milk/pig	1.863	1.686	126	51	3	1	7	7
Milk/sheep	2.256	2.005	243	8	3	3	1	11
Grain	16.179	14.280	1.831	68	23	20	9	11
Grain/pig	961	863	95	3	1	1	0	10
Grain/egg	256	221	33	2	0	0	0	13
Grain/milk	556	515	37	4	1	0	1	7
Sheep	13.648	11.263	2.366	19	19	26	2	17
Goat	386	302	80	4	1	1	1	21
Other	17.740	14.624	2.538	245	24	28	31	15
<i>Sum</i>	<i>70.740</i>	<i>60.914</i>	<i>9.045</i>	<i>781</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>13</i>

Source: Rogstad 2002.

The table shows that more women are represented in sheep herding (26 percent women compared to 19 percent men). There are more male farmers in milk production: 25 percent compared to 19 percent female farmers. Traditionally, milk production used to be a female task (ref) but this has changed and one explanation for this might be that the mechanisation of traditional farming i.e. milk production have led to a masculinisation of the activity.

More women are represented in ecological production. While the percentage of women users in 2000 was 13 per cent the share of women users in ecological production was 21 per cent. This means that women are overrepresented as users of holding with ecological production, compared to female users in general (Rogstad 2002).

### *Financing*

A scheme of grants for rural development has been set up to improve particularly women's situation in the agricultural sector. The purpose of this funding is to secure small-scale businesses within, and associated with, agriculture. 7 per cent of the grants awarded in 1996 went to women. In 2003 38 per cent of grants rewarded went to so called women projects i.e. projects primarily directed at women aiming at employment for women or projects with women applicants (Cf. to the 2003 report on the rural development scheme (Bygdeutviklingsmidlene) administered by the Norwegian District and Development Fund (SND)).

### *Entrepreneurship in the farm sector*

Agriculture is often disregarded without comment when people study entrepreneurship. And as mentioned earlier, farmers are often excluded from statistical reports on businesses and entrepreneurship. However, it has been argued that farmers are primarily business owners and that studies of farmers may give important insight to entrepreneurship (Carter and Carter and Rosa 1998).

The entrepreneurship tradition in agriculture is related to an old practice of combining farming activities with other sources of income. And recently it has been widely acknowledged that farmers who start new business activities in addition to their existing agricultural business can be considered as entrepreneurs (Alsos et. al.2004).

And over the last years the promotion of entrepreneurship has also been an important part of European, (and Norwegian), agricultural policies as an instrument to increase the profit of agricultural production (Alsos et al. 2004). This is probably partly due to the restructuring

of the agricultural sector followed by changes in national and international policies. Changes that demands increased entrepreneurial activities among farmers.

It has been pointed out that the farm resources can be utilized in entrepreneurial activities such as tourism and food processing. Even though we lack gendered data, both tourism and food processing are traditionally women's tasks. And figures from Spilling (2002) on start-ups by industry show that retail is the most frequent industry with 38 per cent of all start-ups by women, followed by personal services (13 per cent) and agriculture (10 per cent).

Studies conducted on entrepreneurship in the agricultural sector in Norway are few, and they have a household perspective, arguing that the household is the basic unit of production and organization in agriculture (Alsos et al. 2004). It is also argued that decisions regarding the development of family owned micro businesses often are made within the household (Wheelock et al. 1999). A household perspective may be the appropriate unit to study, but as we have mentioned earlier statistics at this level tend to make women's contribution in the business invisible as the man most often is the formal owner.

Results from a study conducted by Alsos et. al. (2004) indicates that intentions of starting new business activities are more likely among farmers which are younger, well educated and who already own and manage at least one business activity in addition to the farm. A gender perspective is lacking in this study and it would have been interesting to analyse or examine if there are differences between male and female farmers.

## **5.2 The Federation of Norwegian Agriculture Co-operatives**

The federation of Norwegian Agriculture Co-operatives is the professional organization and meeting place for agriculture co-operatives, owned by 50.000 farmers throughout the country. The co-operatives are engaged in comprehensive commercial activities, food processing and sales of raw materials from farming and forestry as well as insurance, financial services, livestock breeding and purchasing equipment (Norsk Landbrukssamvirke 2004).

Total sales amount to NOK 52 billion, employing over 20.000 people. The agriculture co-operatives as one business entity are the 4<sup>th</sup> largest business organisation in Norway. On the Boards in the cooperatives there have traditionally been a male dominance but they are now actively working to recruit women to the boards, through the campaign "More women in the boards". From 2003 to 2004 the percentage of women board members (eiervalgte

styrerepresentanter) has increased from 16 percent to 23. The aim is to reach 40 percent women within 2009.

### **5.3 Forestry**

Forest covers 12 million hectares – about 37 per cent of Norway’s land area. Of this 7.4 million hectares or 22 per cent of the country’s land area are covered by productive forest. Norwegian forestry is small-scale industry: in 1999 there were about 120.000 forestry holdings averaging a good 50 decares in size. 44 per cent of the forest owners were also farmers (Statistics Norway 2001). The Norwegian forestry case is unique. This is because about 80 per cent of the total forested area in Norway is family owned and because, as mentioned earlier, Norway is the only country in the world having a legal Act of Allodial Rights. The amendment to the Act of Allodial Rights implies the theoretical possibility that in the future half of the private forest owners will be women.

However, forestry is still male dominated: women are under-represented as active practitioners in the trade, whether as forest owners, entrepreneurs, employees, or in forest trade organisation and public administration.

The increasing use of harvesters and the decreasing self-activity among forest owners suggests that forest management will be more important for forest owners than practical, heavy work. And this may create new opportunities for women owners. Women forest owners have been depicted as the “silent owners” as they have been invisible in most site of forestry (Strupstad 1991). If the man has been regarded as the main operator in a family farm context that is even more so in relation to the forest.

In 1986 there was established a network organisation by women “Women in Forestry”. The goal is to “stimulate girls of all ages to participate and engage at all levels within forestry”. Building networks among members, working to change attitudes to women in forestry and to obtain equal opportunity is seen as important tasks. They work to motivate women co-owners to register as forest owners. Actions and work to increase the involvement of women in managing forests has been given higher priority. They recommend that both in public and private forestry the names of both husband and wife should be used in the correspondence with the forest owners.

In the forest owners’ cooperative, Norges Skogeierforbund, the property is registered as a member of the organisation, and traditionally there has been one vote for each property. The organisation Women in Forestry believes that introducing two votes per

property can stimulate women the women who are normally passive to become more actively involved.

Figures over employment in the industry clearly show the male dominance. In 2003 the total number of employees in forestry was 5 875, 4 788 men and 1 087 women, or 81 per cent men and 9 per cent women. And there is also a male dominance of owners:

*Table 5.6 Forestry owners in 2003 men and women. Per cent.*

Forestry properties	Owners		
	Men	Women	Impersonal/Independent
118 469 (N)	75	22	3

Source: Statistics Norway

#### **5.4 Fishery**

Around 1950 there were about 100 000 fishermen in Norway, whereas in 2001 the number was 13 700. However fishery is still economically important and the *fish farming* industry is growing fast, and is today considered as one of the most expansive industries in Norway. But as the traditional fishermen were a man, work is highly gender segregated in this industry. Women work on the line processing the fish while men work on the key, drive trucks, handle the stocks and work with the freezing process.

Fish farming is also a strongly male dominated industry and few women take part of its expansion, neither as employees, managers, board members or owners. Women's ownership in the industry is low and the recruitment of women to fish farming has decreased during the 1990s. Women's share of employment in fish farming was 18 percent in 1994 and 13 per cent in 1999 (Alsos & Petersen 2001).

In fish farming ownership to licenses (konesjoner) is vital because it gives the right to perform business. Most licenses are owned by companies. From a total of 844 licenses, women owned 3 per cent, men 32 percent and companies' 64 per cent in 2000. Most fish farming companies do not have female representation in the company board. 70 per cent is without female representation at all. Those that have, are small family owned companies where women are represented through their owner interests (Alsos & Petersen 2001).

## 5.5 The reindeer herding

The Sámi-people live in four countries: Finland, Norway, Russia and Sweden, the majority live in Norway, about 40-50 000. In Norway, in 1987 The Sámi Act was passed by Parliament. It states: “The Sámi people shall have its own national Sámi assembly, elected by and among the Sámi people”. The aim of the Act is “to ensure favourable conditions to enable the Sámi people of Norway to maintain and develop its language, culture and social life.”

Traditionally reindeer husbandry has been the main way of living for the Sámi people. The reindeer husbandry industry in Norway is broadly as follows: In 2000 there were 558 herding units in operation and about 2 800 people were involved in them (i.e. members of household directly associated with the industry). The herding units were divided among 490 families, consisting of about 1 700 family member, of whom 45 percent were women (Karlstad et al. 2002).

According to Karlstad et. al. (2002) the economic and legislative development during the last three decades have had meant wide-ranging changes in the reindeer industry, particularly for women. Campaigns during the 1960s and 1970s to get people to move into permanent housing and get their children to attend compulsory school resulted in the migration of the population from outlining areas to centres. Women were cut off from their daily contact with the herds. As pointed out earlier an expanding public sector in the 1970s and 1980s brought women into the labour market. Technological developments in the reindeer industry led to need for cash income and the money earned by women from wage work was a need contribution to the household economy.

The introduction of the institution named the *herding unit* in the Reindeer Act of 1978, a licensing system to control the emergence of new business, have been criticised for undermining women’s historical standing. Since the great majority of herding unit were registered initially on male owners, and parents tended to transfer holding rights to one of their sons, the role women could play depended on their relationship to the owner of the unit. Further complicating factors were marital breakdowns, and the payment of reindeer husbandry grants to the unit proprietor. Other reindeer owners had no formal right to any part of these funds. In 1996 the Act was amended: both spouses now have the right to and responsibility for the unit in which they both hold animals.

The number of female unit owners in Norway grew from 11 percent in 1988 to 17 percent in 2000 (Karlstad et al. 2000). About a quarter of the female owners are over 60 and the proportion is growing. For both sexes, the rate of young unit owners has been falling. The average female owner is now (in 2000) 47, the average male owner 44.

## **Section 6:**

### **Cultural attitudes and traditions towards women as business owners**

Norwegian women have increased their participation in many important areas of society during the last three decades: in politics, in education and in the labour market. But women are still almost invisible in economic life as managers, as business owners and members of company boards and board chairman. The conclusion is that the business sector still represents a very male dominated field of society and that there is a long way to go before an acceptable balance between women and men is found in Norwegian economic life.

The cultural tradition that places women and men in different social positions, with gender based definitions of work and home responsibilities plays a large part in keeping women invisible in businesses life. Historically, women's work responsibilities outside the home were secondary to their obligation to organise the domestic, emotional and social life of the family. Men, on the other hand, have organised their lives around the demands of their work. However, this is changing great numbers of women have entered the world of paid employment. Working for pay, or "market work" is now an integral part of most women's lives. However, cultural beliefs about gender have shown to be persistent and difficult to change.

As we have seen, the norm within family businesses and farmers has traditionally been of transferring ownership (and leadership) from the father to the first born son. The socialization is important. Family influence, support and role modelling along with long-term training at the firm or farm, were important to women's participation in the family firm and farm.

In family owned businesses women have often been invisible successors. This invisibility is part of traditional family business configurations, which have focused on the male founder and his heirs. The strength of traditional family roles, both within society and within individual families, kept women's business contributions from being acknowledged (Dumas 1998).

The idea that women can own and run a business has been more accepted but there is still a long way to go. In family owned business, parents, fathers in particular, who have interacted with women business owners may be gradually growing used to the idea that their daughters can be good candidates for family business employment, leadership and ownership.

With more women business leaders as role models, daughters and wives may be asserting themselves more and demanding their rightful place in the family firm (Dumas 1998).

The Swedish professor Carin Holmquist (2004) writes that women's ownership depends both on the situation of women in society and the role of ownership in that same society. Both the factors that affect the genders system and factors that affect access to ownership in society are involved. As we have seen historically there is not a strong entrepreneurial culture in Norway. As pointed out the Norwegian state has been, and still is, an important and active business owner. And we have seen that for women the public sector is a very important employer. And we have argued that it is possible that Norway has been successful in creating equal opportunities in the public sector, making it possible for women to combine work and family, but less so in the private sector.

Ownership to businesses and entrepreneurship has still the flavour of "being different" in Norway. And like pursuing top management jobs ownership and entrepreneurship is still viewed as a male thing. As we have shown, both education and labour market is strongly sex-segregated. Young women and men study different fields and work in different occupations and sectors. One reason for this is what we can label *the gender belief system* (Holmquist 2004). Cultural beliefs about gender and needed competence influence the movements of young women and men along educational and career paths and are leading men and women into different sectors.

Many studies have shown that people in general view entrepreneurship and business life in general as masculine and perceive it to be a male domain (Holmquist et al. 2002, Berg & Foss 2002). The work task and the work description related to a business owner or manager such as leadership, high commitment, risk taking, performance and achievement orientation, independence, flexibility, sense of adventure and aggressiveness do define ownership and management as a task that can be seen as "masculine".

### *Motivations*

The motives for women are complex regarding motivation to become an entrepreneur i.e. start up a new business. One reason to set up a business might be as an alternative to being unemployed. As we have seen this is not a large group in Norway. On the other hand it is women, who are drawn to ownership by a wish to be independent, pursue their own goals, who feel they have hit the corporate "glass ceiling" and therefore start their own business.

In an earlier study of women entrepreneurs the need for self-fulfilment did score high and also the need to pursue a good business idea. The need for income did score as middle

important which is supported by the fact that entrepreneurs in Norway are opportunity driven rather than necessity driven (see also section 4). Berg (1994) found three reasons for business start-up among women: to create a job, to achieve more freedom regarding work-situation and to be able to take care of the family.

We also found these motivations among the focus groups participants. They pointed out they wanted to realise an idea on their own terms, and also that they wanted to be in full control over their working conditions and their life. In addition there were also individual reasons for starting your own company. Some women owners who had inherited their firm expressed that they wanted to, but also felt obliged to, follow the family tradition.

### *Barriers*

Significant for the women owners in all focus groups was that that they did not want to focus on barriers and problems. However, they had all experienced some difficulties. The lack of, and access to, finances, the lack of role models, the lack of experience, gendering of business ownership, competing demands on time were some common issues.

Participants in the focus groups pointed out the absence of private investors and also the absence of women in senior positions in the financial institutions as a problem. They also talked about the bureaucracies, or the regulations surrounding the establishment of a company as problematic.

Several of the participants stated that they had lacked confidence in their own ideas and their ability to run a business. They also pointed out that women maybe less likely to take risks than men. And some also had lacked the support from those around, family and friends.

## **Section 7:**

### **Summary and conclusions**

During the past decades, Norwegian women have been employed in new positions in a range of areas, within the labour market, education and politics. However, as this report shows this trend has not been seen in business life. It appears that business remains a largely male-dominated arena. This report, through the statistical picture it gives, raises an important question: Why are there not more women owning and administering companies in a business world that become less restrictive, and where there are no longer formal barriers for women in regard to administering assets and owning companies?

This report attempts to describe the situation for women's company ownership in Norway. We started by accounting for the institutional framework (Section 2). Norwegian legislation is generally gender neutral, like the inheritance law, and some legislation has been adapted to improve the position of women as the Gender Equality Act.

In a European perspective Norway is considered as a country with a large degree of gender equality. And there is a basic assumption that the family-friendly policy has a positive effect on women's employment and ownership because it allows women to freely manage their time and to combine family and career. And we find a high employment rate among women, over 70 per cent. Another feature is that public sector employment among women is high and so is the share of women working part-time. One conclusion could be that the family-friendly policy has allowed women to combine family and work but also that typical female work patterns, like part time, are more difficult to practice in the private sector. As a result less management experience and shorter experience from the private sector may make it more difficult for women to start and run their own business.

We have also seen that there is strong gender segregation in both education and labour market (Section 3). Women are more likely to study health and social studies, educational studies, humanities and arts, while men dominate within engineering, maths and computing. As a result, women and men's competence differs and some types of education and work experience may give better access to knowledge which is useful to have when starting and running a business. The labour market is also gender segregated both horizontal and vertical, meaning that women and men work in different occupations and sectors and women dominate in lower levels within the organisational hierarchies. This indicates that women in general have less experience from private sector and less management experience than men and the

gender segregation may therefore be an important explanation for few women business owners.

The role of women business owners is to a great extent reflected by their roles in the labour market. Women tend to own and organise businesses in sectors like personal services and retail (Section 4). In the report we have seen that most Norwegian firms are small meaning that they employ few people. However, women businesses tend to have fewer employees than men's businesses. One explanation for this could be, as we have seen, that women and men own businesses within different industries, and that it is industry rather than gender that explain the difference. We have also seen that both men and women tend to organise their business as a sole proprietorship but women more so than men.

Also the primary industries (Section 5) including agriculture, forestry, fishery and reindeer herding are all male dominated areas. In 1999 women owned 26 per cent of all agriculture holdings. Private farms properties are generally not sold on the open market but mainly transferred from one generation to another as inheritance. Although legally speaking women and men in Norway have equal allodial rights (since 1974) men still take over most farms. Since 1999 there has been an increase in women who take over farms with allodial rights but they still lag behind men.

However, a source of error regarding women's ownership in agriculture is related to the fact that women are often not registered as formal owners. And we have pointed out that in both family owned businesses and farms women traditionally have played an important role but partly invisible because they have been without formal ownership. This has also to do with gender roles and cultures (Section 6). Ownership to businesses and entrepreneurship is still viewed as a male thing. Traditionally, women have taken the main responsibility at home and men are the main breadwinners. These patterns of traditional gender roles are changing as more women participate in the labour market and are more inclined to be economic independent than before. But as this study shows gender roles change slowly, particularly in business life.



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# **Report from the Norwegian focus groups**

By Mette Mørch

## **Participants**

In total, 16 women business owners took part in the focus group meetings, divided into three different focus groups. Two of the meetings took place in Oslo and one in Trondheim. The focus groups were held, and organised, by three different national organisations; Confederation of Norwegian Business and Industry (NHO), The Federation of Norwegian Professional Associations (Akademikerne) and Confederation of Norwegian SMB (Bedriftsforbundet).

The women attending owned companies in all different kinds of branches, and business of varying size, both in number of employees and in economical perspective. The businesses were primarily organised as sole proprietorships and limited companies. In age the participants ranged from 28 to 60 years, and they had from only a few years up to 20 years of experience from managing their own company (the present or another).

Most worked full-time with their companies, but there was also some who combined running their own company with for example being employed somewhere else.

## **Overall impression**

The overall impression from the focus groups is that the women are generally content with being an owner. The driving forces were the possibility to make your own decisions, over your work and life, to make your business idea come true, to make money or to make a living out of your hobby. The female owners with limited companies especially focused on the importance of being the largest share holder and thereby having the final say in the running of the business. They all had plans for furthering their business and some had new business ideas.

The participants pointed to the importance of female role models in their community, and the necessity of young entrepreneurship and education.

Further the women refused to spend much time talking about hindrances; these were just obstacles to be expected; and seen as possibility to triumph. However, when asked, the three different focus groups identified the lack of capital and general scepticism towards female owners (in banks, in public opinion and in the public framework) as the most challenging.

**I Focus group, The Federation of Norwegian Professional Associations (Akademikerne)  
June 7 2004**

*The informants:*

Woman 1:

Dentist. Started her business fresh out of university, as she could not find a job. Her husband later joined her in her business as an employee. 6 employees and 5 million in annual turnover. The ownership is equally divided between herself and her husband.

Woman 2:

Owns a branding company focusing on the agricultural sector. Owns the major part of the shares, the others are held by another women.

Woman 3:

Doctoral degree in engineering. Owns 70% of the company she started in 1986. Turnover related to project at hand and varies between 1 and 15 million. One employee and several project related staff.

Woman 4:

Social anthropologist. Started and owns a business consultant firm with two other women. Annual turnover 2.5 million. Started a travelling agency to get money to start the business consultant firm.

Woman 5:

Have had different types of ownership in different companies, also a family owned business. Mostly businesses related to computer science. Is member of five different boards.

Woman 6:

Lawyer. Started and run a company that develops and sells medical instruments. Is CEO and owns 2/3 of the company with her husband. Previously had top positions in internationally large companies.

*Motivations behind the ownership:*

- By fluke, my idea won Venture Cup and I got so much positive response I just had to do it.
- I started because I was sick of always ending as the next in line when it came to power. I have seen many bad moves and judgments from my superiors. There is no specific reason; it kind of developed.
- I started because I could not find a job. It was hard; I had no knowledge about economics or keeping the books. When I married suddenly all the papers related to my business started being addressed to my husband; apparently I had to report it if I planned to own my own company in my name after getting married.
- I have used a lot of energy to free me from mental barriers; I see that now. When I started my business it was like learning to live in a different culture; the language was different, the dress code different, topics of interest was different.
- I never took a business education; I was afraid it would give me values I did not want; money and numbers has always been bad where I come from.
- Norway is, in many ways, a paradise for women. At the same time there are extreme cultural differences when it comes to the meeting of men and women. Men own, women work. Why do we only see male owners portrayed? The same with investments, do we know more than a handful of women who act as investors?
- To inherit is a nightmare! There seems to be an eternal thing of linking all success to those you inherited it from, no matter how well you do it. Better than to be a female entrepreneur; at least no one can say you did not do it yourself.
- Being a female entrepreneur is hard; there is not much support to find. It takes an enormous amount of willpower!
- To be able to own your own time is of essence. I happily work a thousand hours, if I can only decide when and where myself.

- It is about owning your own destiny, to take charge of your own life. Not leaving it up to someone else to decide.

*Hindrances for female ownership:*

- I must say bureaucracy! There is also a phenomenal lack of knowledge in those working for business development in the Norwegian government.
- I had to lend money from my grandmother to start my own business; of course money or the lack of funding is essential.
- I experience that there is something cultural going on; if I talk like a man I am taken seriously. I must signalize that I am a man; in how I talk, how I dress, how I argument. One is no longer a woman but someone outside trying to be a man.
- Why is it that you are taken more seriously when you apply for the big money? This holds true even for those funds targeted for SMB. I am serious; I just don't need big money to make my big idea come true.
- In some ways there seems to be more trust towards a male entrepreneur than a woman; women tend not to have a network that will state your case.
- Women as being the primary caretaker must get the same social benefits as an employed woman would. I don't get why this is such a big issue; just make it happen!
- It is essential that your family support you. I often get comments about my wonderful man that allows me to do what I want. I can't imagine men getting the same comments about their stay-at-home wife's.

*What promotes ownership?*

- Female role models.
- Removing some of the obstacles, like the social benefit programs not related for women owners.
- Funding also for the smaller projects.

## **II Focus group, Confederation of Norwegian SMB (Bedriftsforbundet)**

**June 10 2004**

### *The Informants:*

Woman 1:

Industrial Designer. Own two companies, one focusing on jewellery and furniture design started by her, and one recently inherited by her father.

Woman 2:

Started her company four years ago, organised as a sole proprietorship focusing on business counselling. Married, adult children.

Woman 3:

Own a data computing company. Applied for state loans and received  $\frac{1}{4}$  of what she needed. Married, one child. Turnover 1 million NOK. No intention of hiring staff.

Woman 4:

Educated as a housewife, started her business 9 years ago, in the social sector. Have 6 employees. Married, adult children

Woman 5:

Own parts of farm and has own beauty parlour business on the side. Received some funding from Innovation Norway. Organised as a sole proprietorship. Married, adult children.

Woman 6:

Have started two businesses, both in health sector. Educated nurse. Sell natural light-lamps. Bought the company, has received some funding from Innovation Norway, and participated in different programs to further her knowledge about leading and running the company. Was contacted by an elderly woman who acts as her business angel; with only one interest; to see the informant succeed.

*Motivation behind the ownership:*

- There exist no risk capital, and the banks have no knowledge on SMB, and no interest for learning either.
- The larger the company and the asking funding, the better the chance for getting it.
- Woman are more concerned with what they create, more into their employees, men are not that focused on relationships, but more into the money?
- It is the law of Jante that in many ways govern my actions concerning my little business. I don't dear market my business, my family has repeatedly been "punished" for me starting my own business; it is just not done in my community. At the same time; I know who not to talk to and whom I can trust. I think many people just can't stand me having a different role than the traditional one.
- I don't want to work too much; a man would perhaps work more, but not necessarily harder.
- Real work in the regions means getting dirty and wearing farm-clothes. Selling is not perceived a real and honest occupation.
- There is a marked difference between living at the countryside and in the bigger cities; also this comes true when running a business.
- Not all communities are the same; some places it is very OK to run your own business.
- The thing is, working to the job is done, and not going home at four o'clock is frowned upon; you just don't do that.
- I am very aware of what I tell my clients and friends about how my business is doing. It is obvious that the community is very into discussing my pay check and turnover.
- It is no fun having to hide your success.
- Woman that take a stand are not popular, we must get better at promoting our own knowledge
- I know I see opportunities where other people only see problems. I face the challenge head on; that is why I am where I am today. I am tired of people asking how I think I am going to do this or that.
- There must come to a change in attitude towards women owners.
- Men tend to do one thing at the time, women do many things at the same time; I'm guessing this is frustrating and at the same time intimidating for men, they just don't

get how we do things. I guess they are scared we are challenging they're way of working?

*Hindrances for female ownership:*

- Risk willing capital!
- Women are good with thinking consequences: what happens if I do this? Perhaps this is why many women don't want to start or run or own a business; they see to many varieties of the future.
- When men tend to apply for bigger loans they are seen as more serious. This is a hindrance for women; we are not unserious just because we don't need 500 millions in start capital.
- Women tend to think about other people based in their own position; "gosh, this product is too expensive for me, I bet no one else would pay this kind of money for my product".
- Women have a strong sense of guilt and responsibility. This may cause problems.
- If women need a sense of comfort or security to start their business, they should start limited companies. This requires a sum of 100.000 NOK in start capital, a lot of money for someone who is starting at scratch. I am amazed that the government can't recognise this; there is a reason why people start sole proprietorships.
- There is something about the male dominated words used as well; it is a real challenge just trying to figure out what they are saying. I more often than not, find their vocabulary limited and pointless, still I must utilise it for them to understand me.
- I am actually very proud of myself, I quit a safe job to start my own business, I don't get why other people don't give me credit for that! At the very least give me some credit for creating jobs and contributing to the society!

*What promotes ownership?*

- Positive attitudes towards my results.
- Entrepreneurship education is vital! It should be part of education from the very start. One must teach the children to think of another way of career than being an employee.
- Role models are of the essence. I need to see other strong women doing it; it inspires me to believe that I can do it to. I mean real role models; people from my own community, not the four or five women that is referred to in the mass media.

- The USA has some sort of buying-women-products act why not in Norway as well? See us and understand and recognise our contribution!
- There are some important network areas where women are excluded. Just look in the papers, why are there not more women having a say?
- I have experienced telling a male owner about better utilising his network. He just did not get it, he was not aware of that he was networking when he called upon his football mates to discuss an issue; it just happened as a natural part of doing his business.

### **III Focus group, Confederation of Norwegian Business and Industry (NHO)**

**November 25 2004**

*The informants:*

Woman 1:

Owner of a car sales-company. Educated in business. Took over the company after her father in 1990 and led the company to 2001. Merged with other car sales-company, owns 50%.

Active member of the board. Turnover 550 million NOK. 110 employees,

Mother of three children, husband a stay-at-home-dad for a period of one year.

Woman 2:

Originated from Iran, grew up in the USA. Pilot education. Started a healthy fast-food chain in cooperation with a bakery and the owner of the building where she had her first store.

Received a fund of 200.000 NOK from Innovation Norway. Owned 44% when she sold out and started a new business as sole owner. No children.

Woman 3:

Owns 85% of a used car-sales company. Educated in business. Mother of three children. Was recruited to the companies' board after a few years in an investor company. After some time she was offered the job as CEO, which she accepted after purchasing 50% of the companies stocks. Are now the main share holder and CEO since 1996.

Woman 4:

Second generation in a family owned business in graphic designs. Took over the role as CEO in 1998, then a dominantly male working environment. She was not accepted as a leader being a young woman and resigned after a period of time. Today her father is the CEO, and none of his children wants to take over the business. Has started an investment company and is planning a new business in the health sector.

*Motivation behind the ownership:*

- Was the oldest of two sisters and inherited from her father
- Started her own company
- Was recruited to the board of the company through a network meeting where she came in contact with the family owned business. Bought her shares.
- Was second generation in the family owned business.
- Economic growth. The success criteria, and the best tell-tell sign that one does the right things.
- Wanted to make a difference. To do something one could be proud of.
- Wanted to make things happen, have great expectations for the business.
- It is important to do something good, to have a good brand name in the sector.
- Fun working with people.
- The business is my baby.
- It is not the money itself that is the motivation factor, but being able to create something with value, to be a success.
- Satisfied clients.
- Likes to have responsibility and to be the manager.
- Likes crises; something happens.

*Hindrances for female ownership:*

- One informant felt she could have taken the business further as a CEO, but in respect of her family she decided not to spend so much time working.

- Hard to combine work and family life.
- The ownership swallows you whole and leaves little time for other parts of life. One informant stated that she was not going to let her ownership affect her family, therefore she consciously did not attend networking-meetings, late dinners or other form of social events that was not entirely of necessity.
- One informant said she never gained enough respect, not only from her staff but also from the other family members that hold shares in the family owned company. In particular she had issues with one of her leaders. After backing out of the company, clearly stating to her family the reasons why, she felt her issues with both staff and other shareholders would not have occurred had she been a boy.
- One informant stated that the ambivalence attached to the legacy and the duty. When the family and the business are so intervened it is extremely hard to take over and run the business.
- One informant stated she had never believed that gender is an issue, but that the personal traits are. At the same time she pointed to the lack of capital with woman business ideas often as coherent to the men “sitting on the money”. Women must ask men for money, she said, and women are not though enough.

*What promotes ownership?*

- It is important to know what you want and to be though about it.
- I had good goals and was crystal-clear about them.
- To stay focused and work strategic.
- If you can brag about good results, you are accepted and are “as good as a man”.
- Good education.
- Family support.
- To own is a tool to do more of what you really like to do.
- When it comes to inheritance there should be a clear leader; it is hard dividing one company on four individuals, even if they are siblings.
- Women often invest more of themselves in the company, in their colleagues. They develop other relationships than men and may come across as more vulnerable.

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