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Date:
2013

Citation:
SAMMARTINO, A. & Gundlach, S. (2013). Australia's Underestimated Resource: Women Doing Business Globally. University of Melbourne & Women in Global Business.

Persistent Link:
https://hdl.handle.net/11343/54673

Australia's underestimated resource:

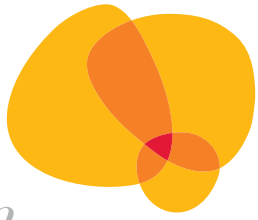
Women doing business globally

2013

WOMEN *in* GLOBAL BUSINESS

A joint Australian, State and Territory Government initiative

THE UNIVERSITY OF MELBOURNE



WOMEN *in* GLOBAL BUSINESS

Australian Government

Sarah Gundlach and Dr. André Sammartino
Department of Management and Marketing
University of Melbourne

in conjunction with

Women in Global Business (WIGB)

2013

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Preface and acknowledgements

The genesis of this report was the occasion when a journalist asked me why government would establish a program to specifically support women to internationalise their business. How did gender affect international business expansion? There is some evidence, mostly from overseas, that points to differences in barriers and motivations, but no Australian research has ever been done on this subject - until now.

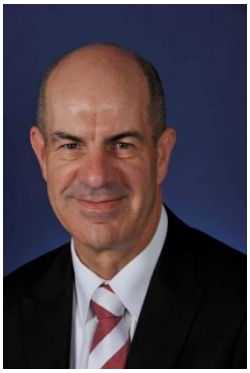
Women in Global Business (WIGB) would like to extend our warmest appreciation and thanks to Ms Sarah Gundlach and Dr André Sammartino of the Department of Management and Marketing, University of Melbourne for their foresight in appreciating the need to fill the gap in Australia's knowledge base about the economic value of women doing business globally. Without their understanding, dedicated focus, perceptive questioning, tenacity and good cheer this collaborative project would not have achieved its purpose. Undertaking a five-year longitudinal study with WIGB confirms our successful partnership over the long term.

To the hundreds of WIGB members and businesswomen of Australia, who identified themselves as global businesswomen and agreed to participate in the survey in mid-2012, our sincerest thanks. It goes without saying that your participation was crucial to generating the data for this report. For businesswomen everywhere, juggling business demands with those of families and dependants means very little extra time left in a normal day. We sincerely appreciate that you allocated some of this precious down time to completing our survey.

My gratitude also goes out to all those associated with the production of this report. To Dr Frances van Ruth, the Victorian WIGB Steering Committee Member who worked tirelessly from original concept to final report; to the WIGB Steering Committee for their guidance and support; to all our Australian, state and territory government stakeholders whose assistance in distributing the survey was invaluable; to all the women in business networks and WIGB allies - too numerous to name here - your support in the promotion and distribution of the survey and belief and support of the WIGB mission is very much appreciated; to the women of Austrade who sacrificed their time to read, proofread, ponder and comment, your input was invaluable and appreciated; to Zahrina Photography for her high quality photographs and finally thank you to our WIGB interns for their dedicated support over the course of the last year.

Cynthia Balogh
National Program Manager

Message from the Parliamentary Secretary for Trade



It is a great pleasure to contribute an introduction to this report on Australia's women in global business. I am delighted that, for the first time in Australia, we have a better understanding and clearer picture of Australia's women who trade in global markets. What has led them to choose this path after running successful businesses in Australia? What is it about their personal journeys, their experiences and their personality that has led them to take on more risk and compete on a global stage? The report analyses and compares two groups of women, those who own their own business and those working as employees responsible for international operations in large companies.

The Women in Global Business program was launched by my predecessor, the Hon Justine Elliot MP, in 2010 as a joint Australian, state and territory government initiative to establish why women business owners were less inclined to expand overseas than their male counterparts, and to develop programs to minimise the gap.

This report is the first of a five year longitudinal study conducted by Women in Global Business and the University of Melbourne, working together to shine a light on our understanding of the motivations and barriers to international engagement. It enriches our understanding of what it takes to make a leap of faith and expand an already successful business into the complex but rewarding world of international trade.

A great deal has been written about women in leadership, women on boards and gender equality for women in the workplace. Not much of it has been about women business owners. Given that they constitute the fastest growing group in the SME sector, it is surprising how little we know about them. This report seeks to address some of these gaps.

The report is highly readable, with excellent graphics. I am certain that many people will gain a lot from this report and that researchers will find it a valuable resource. The corporate sector will gain insights into fostering senior female talent engaged in international trade, as well as strategies to engage better with businesses in Australia owned by women. By reading this report, women business owners and the broader community will better appreciate their significant contribution to Australia's economic growth and job creation.

The Hon Kelvin Thomson MP
Parliamentary Secretary for Trade

Foreword

While women have played a significant role in business in Australia for the last several decades many of their efforts have gone unnoticed or unrecognised. When it comes to global business development the role of women has been an even more unknown.

As the Chief Executive Officer of Blackmores Limited, one of Australia's leading retail brands, with an expansive Asian business presence, I applaud the Women in Global Business initiative for the commissioning and publishing of this ground breaking report – **Australia's underestimated resource: Women doing business globally**.

Blackmores has an interesting workforce demographic with over 80% of our staff being women, with a significant proportion of those staff working in our eight Asian businesses or in Australia servicing our rapidly growing global business presence. The success of our overseas business is underpinned by the commitment, creativity, entrepreneurship and contribution that women make to our company and its unique culture of improving people's health and wellness.

WIGB's survey in partnership with the University of Melbourne firmly directs a much needed spotlight on the exceptional contribution which women from all backgrounds and age groups in Australia make to our global engagement, across diverse industries, markets and strategic directions.

The content of this first ever survey and report point to the vibrant and exciting role that women play and I hope will continue to play in Australia's global business expansion. As noted in the report "while our survey identified two large groups of Australian businesswomen immersed in international markets and keen for further engagement, equally exciting is the pool of women keen on exploring the opportunities of global markets".

I commend you to read this report, absorb its findings and communicate widely within your business and social networks the contribution women make to Australia's global business presence and the significant opportunities that exist for women to be further recognised for their roles in Australia's economic destiny on the global stage.

Christine Holgate
Chief Executive Officer & Managing Director
Blackmores Limited

Introduction

At a time when international engagement by Australian businesses and entrepreneurs is on the rise, there has also been a substantial increase in the number of Australian women who run their own businesses (a 21.7% increase since 2000, compared to 8.2% for men).[1] Along with the growing numbers of women in senior decision-making roles in Australia, these women represent a valuable but underestimated resource, driving greater Australian engagement in the global economy, while gathering little attention in media or government reporting.

This Report reveals, for the first time, the wide-ranging successes of women-owned Australian organisations in the global marketplace, and the speed with which new women-owned organisations are venturing internationally. We also capture the experiences of Australian women contributing to their organisations' global expansion strategies in senior management roles.

Our survey of 423 women identifies an active, well-educated pool of women venturing at high-speed to a wide variety of markets. The rise of Asia is very noticeable.

Our survey identifies an active, well-educated pool of women venturing at high-speed to a wide variety of markets. The rise of Asia is very noticeable.

The motivations for expansion vary, both at a personal and organisation-level, with many women drawing upon their prior work and life experiences internationally, and also recognising the enormous opportunities global markets represent.

The women running their own organisation internationally tend to be 'baby boomers', while those in management roles within organisations are, on average, a decade younger. When we look at the typical personality indicators of entrepreneurial behaviour, these two groups of women are startlingly similar. The pool of potential future global entrepreneurs is thus large, especially given the further generation of currently domestic businesswomen keen to engage internationally.

Despite the fast growing numbers of women engaging offshore, significant barriers remain, such as access to finance, resources and information.

Organisations such as Women in Global Business serve important roles in providing mentors, role models and networks, so as to empower women to overcome these barriers and share knowledge.

It is crucial for growth of the Australian economy that international engagement

[1] ABS, *6105.0 Australian Labour Market Statistics*, July 2012.

by our businesswomen is recognised, encouraged and promoted. These are crucial steps to making the most of this extremely valuable national resource.

Executive Summary

- Women in Global Business (WIGB) partnered with the University of Melbourne to survey 423 Australian businesswomen about their international engagement. The survey reveals an active community of international businesswomen from Australia building markets across the globe. Such women are an important national resource that warrants greater attention and support.
  - There is a large, active group of **women-owned businesses** operating across a wide-range of foreign markets. These are predominantly young, small-medium enterprises that internationalised in last six years
  - Over a quarter (29%) of the women-owned organisations earn more than 50% of their sales revenue internationally
  - Baby-boomers make up the largest demographic (54% are 50+ years of age)
  - These women are very well-educated (over 70% hold a bachelor degree or higher), and
  - Almost half (44%) speak a foreign language.
- The survey also identified a similar-sized group of **women employed in senior roles within internationalised organisations**.
  - These women are younger (only 21% were 50+)
  - They are even more highly educated (85% hold a bachelor degree or higher)
  - Their organisations tend to be much larger, older and more experienced overseas, with a broader network of international operations
  - This group of women represent an extremely promising 'pool' of prospective entrepreneurs, who, with adequate resourcing and encouragement, could become Australia's next generation of international entrepreneurs.
- Our data on personality traits show few differences in the entrepreneurial characteristics between these two groups.
- Australia's women-owned businesses have already achieved significant success overseas and are resolute in their plans to expand further.
  - The majority operate in three or more foreign markets, and a third in six or more
  - There is a strong appetite for further expansion with 70% indicating they are seeking to expand into new markets
  - Only 1% are intending to scale back their global reach.

- The women identified a variety of benefits flowing from their international presence, including:
  - Increased innovation, strengthened strategic positions, and improved workforce capabilities
  - These benefits were significantly higher with lengthier time spent in the global arena.
- Given that so many of these women have only internationalised recently, a 'rush' of benefits to the Australian economy should be forthcoming.
- The countries most frequently identified as the 'most important market' were the US (26%), China (18%), the UK (9%) and New Zealand (7%).
- China was more frequently cited as most important market (20%) for the more international organisations (those operating internationally for over five years).
- The most common first locations for expansion by women-owned organisations were the US (17%), NZ (13%), UK (9%) and Singapore (8%).
- China has been on the rise in recent years. Thirteen per cent (13%) of those businesses where the first international venture occurred in the past five years chose China.
- Prior international work and travel experiences were typically the personal motivations of owner-operators. Twenty-one per cent (21%) of these women felt they had a language or cultural advantage.
- At the business level, the most common motivation (63% of respondents) was the proactive pursuit of new markets. The next most frequent triggers were reactive: responding to approaches from foreign clients, and other unexpected opportunities.
- Owner-operators were more likely to be reactive than their more proactive employed counterparts. This point to the need to build greater confidence in Australia's female entrepreneurs, the crucial importance of international networks for Australia's aspiring global entrepreneurs, and role of government agencies in facilitating such contacts.
- Internationalisation is not an easy task and Australia's businesswomen have encountered, and cleared, a range of hurdles. Among the most substantial barriers are:
  - *Resource issues* (especially relative to the costs), including access to alternative sources of funding
  - *Knowledge issues*, such as awareness of assistance programs; concerns about *risks* from exchange rate variations and the high Australian dollar, and
  - *Personal* challenges of managing family and caring roles.

- The range of barriers encountered and their severity were both higher for owner-operators than for the senior female employees. This is a clear pointer to the large differences in access to resources, networks and information for these two groups of women.
- The survey also identified a pool of Australian businesswomen who are keen to internationalise but yet to do so. These women perceived the barriers to expansion as much higher, and they reported lower risk tolerance. With greater access to resources, networks and examples of success, these women may too embrace global opportunities in the near future, and become the next generation of Australian global businesswomen.
- Our study shows ample opportunities to nurture and assist Australia's businesswomen in their international endeavours.
- There is strong evidence of the positive impact of mentoring in reducing barriers and building confidence and an appetite for more access to mentors.
- There is a clear role for greater information sharing, networking support, publicity around global success stories, and specifically targeted policy.
- Programs such as WIGB are essential to support such activities.

The Survey

The contribution of businesswomen to Australia's global competitiveness is not easily discernible from the typical aggregated national statistics. The aforementioned ABS data on the recent rapid rise in female start-ups hints at a possible global impact.

To explore this contribution more explicitly, in 2012 WIGB partnered with Sarah Gundlach and André Sammartino of the University of Melbourne to conduct the first ever survey of WIGB members and the broader community of Australian international businesswomen.

The project aimed to provide a snapshot of these women in terms of their personal demographics, the characteristics of the organisations they work in and run, the extent of their international engagement, their motivations for internationalization and the barriers they have encountered.

Our online survey was designed to be repeated on a regular basis, so as to capture any shift in demographics and experiences, and to track the progress of women and their international businesses over time. Women were asked to 'opt in' for such longitudinal involvement, and 239 respondents from the 2012 survey indicated their consent to participate in future iterations of this project.

We surveyed 423 Australian businesswomen from several distinct groups (See Table 1):

Owner-Operators – 186 women who owned and operated their own business, of which 70% operated internationally and 30% were not yet international.

Employees with Strategic Role – 237 women who worked as employees within an organization, of whom 58% had significant decision making responsibilities regarding the strategic direction of the organisation. Of these decision-makers, 82% worked in organisations that operated internationally, and 18% worked in organisations that were not yet international.

Employees without Strategic Role – 100 women who worked as employees within an organization but did not have significant decision making responsibilities regarding the strategic direction of the organisation. Of these 80% worked in organisations that operated internationally. Much of our analysis excludes these 100 women.

The two groups of women we sought to profile most closely were those operating internationally and making strategic decisions about international activities, with a distinction drawn between those running their own businesses and those in key decision making roles.

Table 1 – Breakdown of sample.

	Owner-operators	Employees in strategic roles	Employees without strategic roles	Total	Total - strategic
International	130	112	80	322	242
Not international	56	25	20	101	81
Total	186	137	100	423	323

Australia's Women-Owned Global Businesses

Australia's female owner-operators are active in a wide range of countries, drawing upon a considerable depth of life skills.

They run predominantly small-medium enterprises, with service industries prevalent. The organisations are typically young and internationalised very recently.

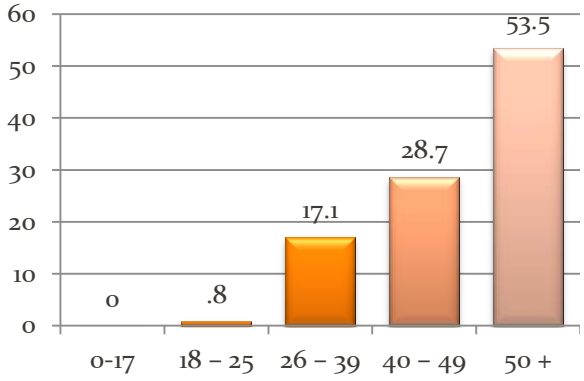
Not only are these women typically older, they are also more highly educated, speak a variety of languages and also work longer hours than their female counterparts who are not running their own businesses.

Demographics: Baby boomers prevail among our sample, with more than half of the internationally active owner-operators 50+ years of age (53.5%), with 28.7% aged 40-49 years (Figure 1). Not only are these women typically older, they are also more highly educated, speak a variety of languages and also work longer hours than their female counterparts who are not running their own businesses.

The sample mirrors the ethnic and language background of the general population. Almost a third (31.8%) were born outside Australia, comparable to national proportion (30.2%).[2] Asia-born women account for 7% of this group, slightly above the national proportion.

Languages: One-fifth (20%) indicated they speak a language other than English at home, mirroring the national proportion (20.4%). Asian languages are spoken at home by 7.1% of the women with Cantonese (2.3%) the most common.

Figure 1 – Age distribution of Owner-Operators engaging internationally (%).



[2] All national business data taken from ABS, *8165.0 Counts of Australian businesses, including Entries and Exits*, Jan 2012

The language resources ran deeper than this, however. Over two-fifths (43.8%) indicated some capacity to speak a language other than English, with European languages predominating – French (20.8% of the group), Spanish (7.7%), German (6.9%) and Italian (5.4%). The most common Asian languages are Mandarin (5.4%), Indonesian (3.8%) and Japanese (3.8%).

Education: Just as importantly, these women are very well-educated. Over 70% of the internationalised owner-operators hold a bachelor's degree or higher. This is double the proportion in Australia's working age population. Business (36.9%), Arts (12.3%) and Education (10%) are the most common educational backgrounds. As such, encouraging higher levels of tertiary attainment for women could produce greater numbers of international businesswomen.

Work/Life Balance: Running an international business is a substantial time commitment. Almost half the women (46.9%) reported that they spend 50+ hours a week working on their business, and 48.4% work more than 5 days a week.

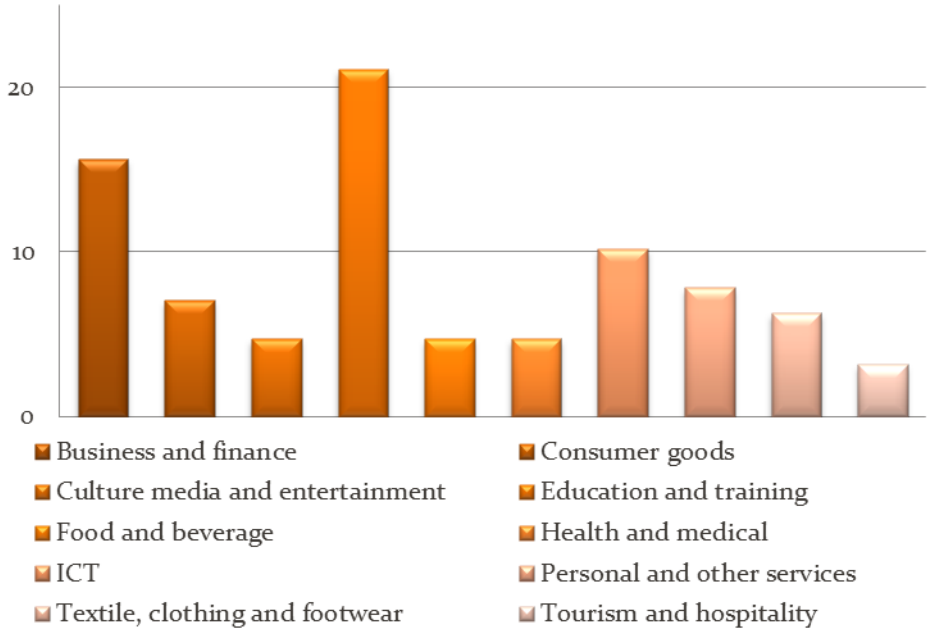
Many of these women are juggling family and their entrepreneurial endeavours, with 43.8% reporting children in their household. These are typically school-age children. Only 7% have children under the age of 5, suggesting that women are finding it difficult to juggle both young families and entrepreneurial activities. A tendency to delay setting up businesses until children leave home looks to be a strong explanation for the older average age of our owner-operator sample.

The Organisations: These women-owned international businesses are typically small-medium enterprises. Most (87%) have less than 20 employees, with 53% employing less than 5 employees (Figure 2). This profile closely matches the Australian business population (89.5% of Australian businesses employ less than 20, 61.6% less than 5).[3]

[3] *All national business data taken from ABS,8165.0 Counts of Australian Business, including Entries and Exits, Jan 2012.*

Figure 2 – Size of the organisations by employee numbers.

Figure 3 – Industry sectors of internationally active women-owned organisations (%).



Industry Sectors: These organisations typically operate in service sectors. Most common are Education & training (21.1%), Business & Finance (15.6%), ICT (10.2%) and Personal & Other Services (7.8%) (Figure 3).

Ownership: Over half (57.7%) of the women within this group indicated their business is solely owned. Within those that are jointly owned (42.3%), the most common joint owner is a spouse/long-term partner (33.3%), followed by a business acquaintance (27.8%) (Figure 4).

Twenty-nine per cent (29%) of the women-owned organisations earn more than 50% of their sales revenue internationally.

Age at Origin: While their owners bring a wealth of life experience, many of these organisations are young. Half (50%) of the women-owned internationally active organisations commenced operations in the past 7 years (i.e. since 2005), while 2% have been operating since the 1990s (Table 2).

International Access: More than a third (37%) only ventured overseas in the past 3 years, and 66% in the past 6 years (Table 3). We found that 29% of the women-owned organisations earn more than 50% of their sales revenue internationally, leading to the conclusion that expanding internationally is effective in diversifying risk and in opening up new, substantial revenue streams.

In the *Seizing International Opportunities* section we examine the global reach of these women-owned organisations, followed by the *Main Markets* they have targeted. In the *Key Drivers & Motivations* section we explore their motivations for expansion.

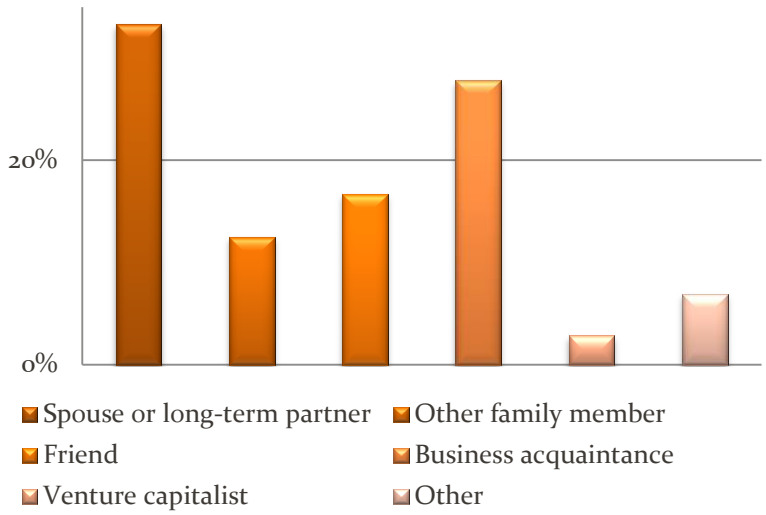
Table 2 – Age of the women-owned organisations.

Year founded	Internationally-engaged (%)	Not internationally-engaged (%)
2010-2012	18	39
2005-2009	32	25
2000-2004	19	11
1990s	22	18
Pre-1990s	10	7

Table 3 – Year of first internationalisation.

	Women owned (%)	Employees in strategic roles (%)
2010-2012	39	14
2005-2009	27	21
2000-2004	13	14
1990s	17	28
Pre-1990s	4	24

Figure 4 – Joint-ownership arrangements of Owner-Operators engaging internationally.



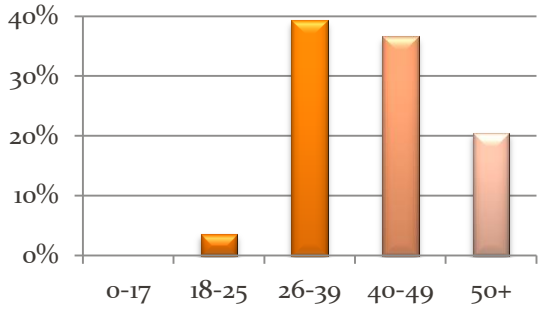
Australian Businesswomen in Key Decision Roles

A second prominent group of Australian businesswomen are those working as employees in key decision-making roles within internationally active organisations.

These women are younger, on average, than the owner-operators. The organisations in which they work are, not surprisingly, much larger, operate in more countries, have been offshore for longer and are typically subsidiaries of large companies.

Demographics: The most common age range for women employees working in strategic roles within internationally-engaged organizations was 26–39 years (39.3%), followed by 40-49 (36.6%). Only 20.5% were 50+ (Figure 5). This is in stark contrast to the international owner-operators where more than half were over 50. Whilst no direct causal relationship can be made, it bears further examination how the global progress of growth in women in senior management roles in corporate Australia reconciles with ongoing pay disparity (at 17.5%), and inflexible workplaces.

Figure 5– Age distribution of Internationally-engaged employees with strategic role (%).



It may be that senior roles serve as a pathway to entrepreneurial endeavours, with highly successful, but disaffected, women leaving corporate Australia to set up their own business. If so, corporate Australia's loss is Australia's entrepreneurial gain.

It may be that senior roles serve as a pathway to entrepreneurial endeavours, with highly successful, but disaffected, women leaving corporate Australia to set up their own business. If so, corporate Australia's loss is Australia's entrepreneurial gain.

Australian-born women predominated (73.2%), with less born overseas than for owner-operators. The most common places of birth outside of Australia were the US (6.3%), the UK (4.5%) and Malaysia (3.6%).

Languages: A slightly lower proportion of these women (16.1%) indicated they speak a language other than English at home, with Italian (2.7%) the most common. Asian languages were spoken at home by at least 8% of the women.

A slightly lower proportion of these women (40.2%) indicated some capacity to speak a language other than English. European languages predominated, with French (17.0% of the group), Spanish (11.6%), and German (7.1%) most common.

Mandarin (7.1%), Indonesian (5.4%), Cantonese (4.5%) and Japanese (4.5%) were the most frequently spoken Asian languages. This is a slight increase on the proportions among owner-operators, suggesting Asian literacy may be on the rise.

Education: This group of women is even more highly educated, with over 84.8% holding a bachelor's degree or higher. Business (46.4%), Arts (13.4%) and Science (12.5%) were the most common educational backgrounds.

Work/Life Balance: These women work even longer hours than the owner-operators, with 52.7% working 50+ hours a week. This is possibly one reason why women are leaving organisations to set up their own business. They are burnt out, underpaid and want more flexibility. Fewer of the women employed in organisations (24.3% compared to 48.4% of owner-operators) work more than 5 days a week. Owner-operators are more likely to work over the weekend if necessary, spreading their work across 7 days. Only 13.4% of this group work hours that might be considered 'part-time' (<40 per week), and only 4.5% work less than 5 days per week.

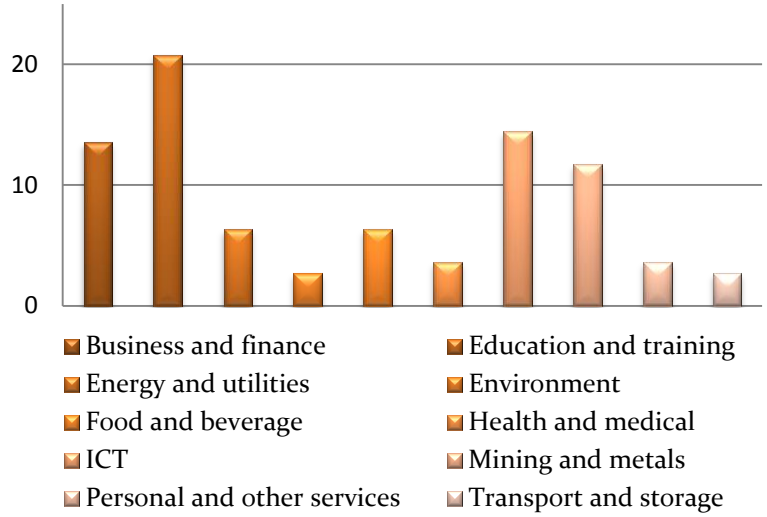
As with owner-operators, many of these women (42%) are juggling their paid work with caring for children. However, double the numbers (14.3%) have children under the age of 5. This may reflect the easier access to maternity leave, job security and regular income that a role in a large organisation affords. As discussed with regards to barriers, lack of such support as owner-operators may be a major impediment to mothers of young children starting their own businesses.

The Roles: Over two thirds (67.9%) of the women are in very senior roles with frequent engagement with international strategy issues, including CEO (12.5%), member of Senior Executive (28.6%), group or division Head (8.9%), or international operations/strategy (17.9%).

The Organisations: The international organisations in which these women perform decision-making roles are typically much larger than those of the owner-operators, with almost half (46%) employing 200+ employees (Figure 2).

These organisations, like the owner-operators, typically participate in service sectors. Most common are Education & training (20.7%), ICT (14.4%), and Business & Finance (14.4%) (Figure 6). A notable exception is the high representation in Mining and Metals (11.7%).

Figure 6 – Industry sectors of organisations employing internationally-engaged Employees with strategic role (%).



International Headquarters: Not all of these organisations are Australian-owned. Just over a quarter (27%) are headquartered outside Australia, with the US by far the most common home country (16%). This presumably provides access to a different range of resources and networks to support further internationalisation.

We did not request information from employees on the age of their organisations. Employees are often an unreliable source of such data, as they are unlikely to have been part of organisation start-up.

Nevertheless, we are confident that these organisations are considerably older than the women-owned organisations, as more than half (52%) internationalised prior to 2000 (Table 3).

As a result of this longer tenure offshore, over half (54.5%) these organisations operate in 10 or more countries, and 35% earn more than half their revenue outside of Australia. Interestingly, this is a smaller proportion than for the women owner-operators.

As with the women-owned organisations, we will explore these trends further, with a focus on the spread of activities, the dynamics of expansion, motivations and barriers in the next section.

Seizing International Opportunities

Almost every woman surveyed (99%) indicated an intention to either expand further internationally or to maintain their current level of engagement. Engaging internationally, however, does not happen overnight. Most organisations expand on a country-by-country, market-by-market basis. Our survey found much of the growth in global reach has occurred in the past 5 years, and these data point to further expansion over the coming years.

Clearly, there is a lot more growth to come in terms of country reach among Australian organisations run or strategically driven by women.

Number of Countries: Not surprisingly, given the substantial differences in the organisation size and likely gap in organisation age, the women employees in strategic roles report their organisations to be operating across a larger number of countries compared to the women-owned organisations (Figure 6).

Over a third (36%) of the women-owned organisations operate in only 1 or 2 foreign countries, compared to 22% of the female employee group. More than half of the latter employees work in organisations engaged in 10 or more countries. These organisations are larger and thus better resourced for the complex challenges of multinational operations.

Recently internationalised organisations are still finding their feet. Of those who first engaged internationally in the last 3 years, half (51%) only operate in 1 or 2 international markets. Nevertheless, 23% are in 5 or more countries, and 10% are in 10 or more.

Organisations appear to build in reach quickly, however. Of those that have been overseas just 3-5 years, 40% are in 5 or more markets. For those operating offshore for more than 5 years, 71% are in 5 or more markets, and 58% operate in 10 or more.

Clearly, there is a lot more growth to come in terms of country reach among Australian organisations run or strategically driven by women.

International Sales: Heading global opens up a world of sales opportunities.

Our data show that, despite it being relatively early days in the international arena for these women-led or –driven organisations, international sales make up a considerable portion of their revenue.

Over two fifths (41.4%) of these organisations earn 50% or more of the total sales revenue in overseas markets. Organisations are reaching the 50% threshold quickly, with 35.7% of organisations who have been international 3-5 years earning more than half their revenue offshore. More than half (52%) of the organisations who have been international more than 5 years exceed the 50% mark, and 30.9% earn 75% or more of their revenue in global markets.

Benefits of International Presence: Internationalisation is not an end in itself. The true test of success is whether an expansion offshore brings benefits to the organisations involved. The respondents were asked to indicate the performance and impact of internationalisation in a variety of different areas (Table 4).

The most consistently high scores were in the area of image, overall strategic positions, and staff capabilities. Owner-operators typically rated the performance and impact slightly lower than the women employees, but still at a very positive level.

The most noticeable areas where the owner-operators 'lagged' were around internationalisation's impact on rapid growth, high volumes of sales, competitiveness and overall strategic position. Again, this may be reflective of the more limited resources available to the typically smaller, women-owned organisations, or perhaps, somewhat of lower confidence about their achievements.

As women-owned organisations had, on average, internationalised more recently, we also broke these responses down by time since internationalisation (Table 5).

In for the long haul: Table 5 clearly indicates the 'transitional' aspect of heading into global markets. More recently internationalised organisations (i.e. in the past five years), consistently reported substantially lower levels of success and impact from their efforts offshore, when compared to their rivals with more than five years experience in the international arena.

Despite what would appear to be some initial setbacks in the early years of internationalisation, expansion of Australian businesswomen into international markets looks to be continuing into the immediate future.

Future International Plans: Despite what would appear to be some initial setbacks in the early years of internationalisation, expansion of Australian businesswomen into

international markets looks to be continuing into the immediate future.

Among the women who were already engaged in international business, 70% indicated they were seeking to expand the number of countries in which they operate, whilst 29% were seeking to maintain their current level of internationalisation.

Only 1% indicated any intention to scale back their overseas efforts (in terms of number of countries). For those respondents who were not yet engaging internationally, 58% indicated they were seeking to expand the number of countries in which they operate (i.e. to internationalise).

Therefore, we can conclude that the appetite amongst Australian women to expand business internationally is robust, strong, and likely to continue for the foreseeable future. We aim to track many of these respondents through future surveys to assess their success in following through on these intentions.

Table 4– Rating of success from internationalisation.

Our international operations...	All international (Mean)	Owner-operators (Mean)	Employees in strategic roles (Mean)
... are very profitable.	5.10	5.02	5.19
... have generated a high volume of sales	4.88	4.48	5.34
... achieved rapid growth	4.65	4.29	5.05
...have improved our competitiveness	5.61	5.35	5.91
...have strengthened our overall strategic position	5.98	5.76	6.23
... have led to increased innovation	5.58	5.43	5.75
... have improved the capabilities of our staff	5.72	5.63	5.83
Internationalisation has had a positive effect on our organisation's image	6.29	6.24	6.35

Table 5– Rating of success from internationalisation by time overseas.

Our international operations...	Internationalised in past 5 years (Mean)	Internationalised 5+ years ago (Mean)
... are very profitable.	4.74	5.38
... have generated a high volume of sales	4.35	5.27
... achieved rapid growth	4.39	4.83
...have improved our competitiveness	5.19	5.92
...have strengthened our overall strategic position	5.65	6.23
... have led to increased innovation	5.36	5.75
... have improved the capabilities of our staff	5.50	5.92
Internationalisation has had a positive effect on our organisation's image	6.10	6.43

Note: These measures are mean scores on a 7 point Likert scale from "Strongly Disagree"=1 to "Strongly Agree"=7.

The Main Markets

Australia's international business focus has turned increasingly towards Asia in recent years, while retaining strong ties to developed world markets. The women we surveyed follow these trends, with markets in the English-speaking world often the initial location for expansion. This is perhaps a reflection of the old world order or a sign of greater comfort associated with dealings conducted in our own language. The recent rise of China as an important market is very visible however. Increasingly, organisations are also launching into China from the outset.

China has been on the rise as a first location across the internationalised organisations.

Most Important Locations:

The US (26.4%) was most frequently identified as the most important international market among our respondents, followed by China (17.9%), the UK (8.5%), and New Zealand (7.0%).

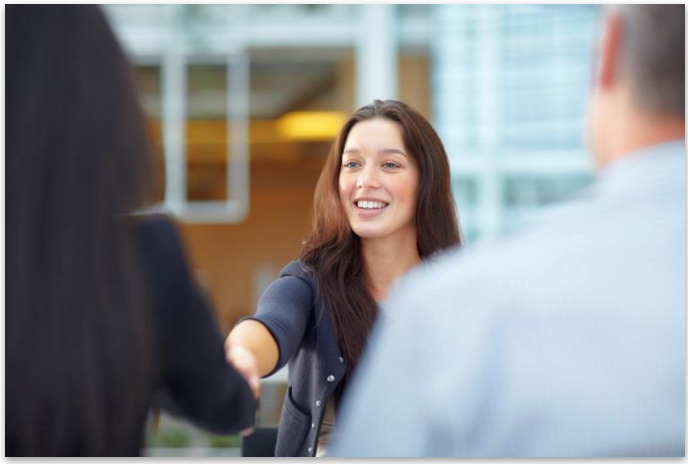
Aggregating up to region level, nations in Asia were most commonly cited (40.3%), followed by the Americas (28.4%) and Europe (19.4%).

More experienced organisations (i.e. those operating internationally for 5+ years) identified China as most important more frequently (20.4%), than less experienced organisations (14.8%). Recent internationalisers (i.e. those operating internationally for less than 5 years) disproportionately reported the UK (12.5%) and NZ (11.4%) as most important. The US figures remained consistent.

Women-owned businesses were much more likely to cite the US (28%), and NZ (11.2%), rather than China (9.3%) as most important. In contrast, China was by far the priority of the women employees in decision-making roles (27.8% versus 18.6% for the US).

These findings regarding the differing importance of China indicate that China's centrality rises with the time an organisation has spent international and the size of the organisation. Once organisations are active in China, it would appear to predominate. As our initial location data suggests, China may be more challenging for less experienced organisations.

The Initial Location: For women-owned organisations the location for their first internationalisation was most typically the USA (16.9%), New Zealand (13.1%), the UK (9.2%), Singapore (8.5%) or China (7.7%). A third (33.1%) ventured first to an Asian location.



The organisations employing women decision-making employees often entered China as their first international venture (13.3%), followed by the USA (12.4%), the UK (9.2%), or New Zealand (7.6%) as the next most common locations for primary ventures.

China has been on the rise as a first location across the internationalised organisations (i.e. both women-owned and female employees in strategic roles). For those organisations who internationalised more than five years ago, China was the fourth most common initial destination (8.5%), behind the USA (15.5%), New Zealand (10.9%) and the UK (9.3%). For more recent internationalisers (i.e. those operating internationally for <5 years), China was the second most common destination (12.5%) behind the USA (14.4%).

Some of this shift towards China appears to be happening at the expense of broader Asia. The proportion of organisations first internationalising into Asian locations has stayed almost constant (37.7% for those more than five years ago, versus 36.7% for those in the past five years.

Key Motivations and Drivers

International engagement is a growth opportunity and a challenge in both a personal and business sense. We were particularly interested in understanding what factors influence and motivate women to internationalise.

Personal Drivers: Of the women employees in decision-making roles within international organisations, 36% indicated their personal motivation was fuelled by their previous international work experiences. Prior international travel motivated 20% of the women, and 32% indicated they were seeking a greater challenge. A perceived language or cultural advantage was mentioned by only 10% (Table 6).

They often noted that their organisation's internationalisation happened prior to their arrival, was outside their control, or that they had no personal motivation.

Owner-operators had a similar rank order of motivations, but at a higher level (Table 6). Prior international work and travel experiences drove more of these women to pursue international business.

Table 6 – Personal motivations for internationalisation.

	Owner-operators (%)	Employees in strategic roles (%)
...previously worked in international context	41	36
Previous travel prompted interest in international opportunities	33	20
Seeking greater challenge	29	32
Had a language or cultural advantage	21	10
Other	28	16

Note: Respondents could identify >1 motivation.

Over a fifth (21%) of the owner-operators indicated a perceived language or cultural advantage. An example of this can be seen with the owner-operators in our sample who speak a Chinese language (Mandarin, Cantonese, Hokkien). Six of the seven reported their first international move was to a nation that speaks a Chinese language (China, Hong Kong, Singapore).

Given Australia's high cultural diversity, there is enormous scope for our nation's businesses to build upon personal, cultural and linguistic ties.

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Organisational Drivers: Taking a business overseas for the first time may be a proactive decision, or somewhat more reactive.

The majority of our respondents (63%) indicated a proactive motivation - seeking new markets - among their primary drivers (Table 7).

Few respondents identified other proactive drivers, such as accessing resources (11%), building efficient value chains (10%), pursuing economies of scale (10%) or reducing costs (6%). This is surprising as such motivations are typically cited in the international business literature as strong motivations for expanding global connectedness.

A substantial proportion of the organisation expansion was more reactive in nature, with 27% approached by overseas clients, 26% following key customers overseas, and 25% responding to an unexpected opportunity.

Accident vs. Design: Owner-operators reported much more reactive triggers for expansion than their employee counterparts, with a high incidence of being approached by an overseas client (33% for owner-operators versus 21% for employees in strategic roles), and responding to an unexpected opportunity (35% versus 13%).

This does beg the question of how often Australia's female owner-operators might not take such chances, perhaps due to a lack of requisite resources or confidence. With more support and empowerment from organisations such as WIGB, Australia's females in business might internationalise more and therefore contribute to job creation and economic growth. We explore this further below with regards to barriers and also differences in risk tolerance between those who have and have not yet internationalised.

The role of unexpected opportunities and overseas clients also speaks to the crucial importance of international networks for Australia's aspiring global entrepreneurs, and role of government agencies in facilitating such contacts.

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Table 7 – Organisational motivations for internationalisation.

	All international (%)	*Owner-operators (%)*	*Employees in strategic roles (%)*
Seeking new markets	*63*	*60*	*67*
Being approached by an overseas client	*27*	*33*	*21*
Following key customers	*26*	*22*	*31*
An unexpected opportunity prompted engagement	*25*	*35*	*13*
Credibility gained from being international	*24*	*21*	*28*
Innovation	*19*	*16*	*23*
Exploiting first mover advantage	*14*	*12*	*16*
Accessing resources	*11*	*5*	*17*
Building staff capabilities	*10*	*5*	*16*
Pursuing economies of scale	*10*	*8*	*13*
Building efficient value chains	*10*	*7*	*13*
Spreading risk	*8*	*5*	*11*
Reducing Costs	*6*	*5*	*6*
Following key competitors	*6*	*5*	*7*
Following key suppliers	*5*	*5*	*5*
Seeking equipment	*1*	*2*	*1*

Note: Respondents could identify >1 motivation

Table 8 – Organisational motivations for internationalisation by first country entered.

	US (%)	NZ (%)	UK (%)	China (%)
Seeking new markets	64	68	71	58
Being approached by an overseas client	36	28	33	17
Following key customers	27	24	42	17
An unexpected opportunity prompted engagement	36	28	25	17
Credibility gained from being international	27	32	29	4
Innovation	15	20	21	21
Exploiting first mover advantage	21	4	13	13
Accessing resources	9	8	21	4
Building staff capabilities	3	16	17	4
Pursuing economies of scale	18	16	13	17
Building efficient value chains	18	8	17	8
Spreading risk	12	8	4	0
Reducing Costs	9	0	4	13
Following key competitors	9	12	8	4
Following key suppliers	3	0	4	13
Seeking equipment	0	0	0	8
Percentage of respondents entering this country first	*14.2*	*10.8*	*10.3*	*10.3*

Note: Respondents could identify >1 motivation

Credibility: A surprising result was the frequent inclusion (24%) of the credibility gained from being international as a motivation. This may reflect the increased pressure felt by Australian organisations as they compete with international players domestically as well as abroad. Internationalisation can be a powerful mechanism to build legitimacy in the eyes of customers, investors and employees.

Organisations that internationalised more recently (i.e. in the past 5 years) shared similar motivations to the older counterparts. The two drivers which have risen considerably are unexpected opportunities (39% for those heading offshore in the past 5 years versus 17% for >5 years), and exploiting first mover advantage (19% versus 11%). Both of these drivers may reflect the increased connectedness between markets and between potential customers, suppliers and competitors. It is becoming easier for global buyers to stumble across Australian products and services, and also easier for Australian organisations to observe any opportunities which might arise. Organisations may also feel greater pressure to pursue any niches before international competitors beat them to it.

International Market Drivers: The motivations for the first international engagement differed considerably by which country an organisation entered (Table 8). Organisations that first ventured to the US reported a higher incidence of unexpected opportunities (36%) and being motivated by an approach from an overseas client (36%). Organisations more frequently indicated a desire to exploit first mover advantage (21%), and build efficient value chains (18%). These are all consistent with the large size and centrality of the US economy. It was thus surprising to see how infrequently a drive to innovate (15%) and accessing resources (9%) were cited as motivations. This may, again, reflect a lack of confidence around access to such networks.

Organisations first entering New Zealand saw it principally as a new market (68%), with potential for building economies of scale (16%). The motivation of building credibility from being international (32%) was highest here. For many Australian businesswomen, New Zealand is also a likely choice for testing out international waters, as New Zealand provides a relatively easy export market for Australians.

Organisations who launched first into the UK reported the highest incidence of seeking new markets (71%), following key customers (42%), and being approached by a client (33%). Britain is clearly still seen as accessible and connected to Australia. High familiarity may explain the strong views that organisations can access resources (21%) and build staff capabilities (17%) in the UK.

One way street: The organisations that entered China first were much less likely to have responded to overseas clients (17%) or unexpected opportunities (17%).

While cost reduction was a relatively strong driver (13%), so was innovation (21%).

This speaks to the growing competitiveness of China, and the move beyond simple cost advantage. It would appear that Australian firms entering China are driven by proactive than reactive factors. However, far fewer of their Chinese counterparts are proactively making contact, especially with smaller Australian businesses. Again, this may be indicative of a lack of networks, or, for many, the impact of language barriers limiting information exchange. It also highlights the importance of trade missions in building such contacts and overcoming such hurdles.

China was also very distinct in that almost no organisations (4%) were driven by credibility motivations. Clearly China expansion is less likely to be an accidental move, and organisations seeking status from international standing may be looking elsewhere for 'easier wins'.

Cut From the Same Cloth

An innovative aspect of the study was our exploration of the personality types of Australia's international businesswomen. We sought to understand whether there were any common personality traits amongst these women. Were they different from other women in any meaningful way?

There is extensive entrepreneurship literature that explores the role of specific behavioural traits and competencies which may be precursors to taking on the challenge of international engagement.

We utilised some well-tested personality scales and measures from the extant research literature to explore these issues, looking specifically at intuition, risk tolerance, proactiveness and perceptions of one's self-efficacy in a variety of managerial areas.

We sought to test whether: (i) the owner-operators were statistically different from the employees, (Table 9) and; (ii) whether those who had embraced international opportunities were different from those not yet international (Table 10).

Comparing Owner-Operators and Employees: Only risk tolerance, proactiveness and management self-efficacy were found to be significantly different between women who were owner-operators and those women employed in strategic decision roles.

Table 9 – Comparing traits of Owner-Operators with Employees in strategic roles.

Personality traits	Mean (Owner-Operators)	Mean (Employees in strategic roles)
Intuition	5.78	5.77
Risk Tolerance**	4.57	4.93
Proactiveness**	5.75	5.57
Efficacy at Management**	5.36	5.58
Efficacy at Marketing	4.95	5.02
Efficacy at Innovation	5.24	5.27
Efficacy at Risk Taking	5.38	5.47
Efficacy at Financial Control	4.97	5.05

Note: scores reflect an average of a variety of items all measured on a 7-point scale

*** - these items show statistically significant difference at the 95% confidence level*

Owner-operators displayed higher levels of proactiveness than decision-making employees. This is consistent with their choice to 'go for it' and take on the heavy emotional, financial and time investment associated with the ownership and operation of new businesses.

The decision-making employees reported higher levels of risk tolerance than owner-operators. Initially this was a

surprise as the typical characterisation is that entrepreneurs have greater bravado and self-confidence than their employed counterparts. On reflection, however, it is clear that the owner operators are risking their own money and the financial future of their own families, therefore they may tread more cautiously. It should be noted, however, that risk tolerance is different from risk appetite – a subject of further study.

In terms of management self-efficacy, the employee group reported higher levels than the owner-operators. This result is unsurprising given women in large organisations are most definitely on the receiving end of constant reinforcement from their management teams, compared to women owner-operators who may be isolated and lonely at the head of their company, with little or no reinforcement.

Our results may also reflect the greater level of resources and support available within the larger organisations in which these employed women work. Such resources may engender self-confidence, and the examples of organisational success may shift risk perceptions.

Comparing Internationalised and Non-Internationalised Respondents: There were some significant differences between those women engaged internationally and those yet to do so.

Risk tolerance was found to be significantly higher for women who had already internationalised compared to those who had not yet engaged internationally. This certainly would explain the former group's willingness to go global. This is also one of the key gaps that government agencies such as WIGB need to address to increase the proportion of women internationalising.

Owner-operators displayed higher levels of proactiveness than employees. This is consistent with their choice to 'go for it' and take on the heavy emotional, financial and time investment associated with the ownership and operation of new businesses.

Internationally active women also reported a significantly higher level of perceived efficacy in innovation.

Notably, proactiveness and management self-efficacy were not significantly different between the two groups. This may reflect a certain 'self-selection' among the not yet international women (in that they chose to complete the survey, indicating some level of interest in the international arena – which may correlate with proactiveness, for example).

We did test to see if these personality traits and efficacy assessments varied between women who had been operating internationally for less or more time, but found no significant differences.

Our overall findings on personality traits indicate there isn't anything strikingly distinctive about Australian businesswomen who have engaged internationally. While those offshore do have a greater appetite for risk, this doesn't then correlate particularly with their choices around employment versus entrepreneurialism.

If anything, the women currently employed in international strategic roles appear to display more entrepreneurial traits than the owner-operators. This leads us to argue, given this group is, on average, a decade younger, that such women may well step into the owner-operator arena in coming years.

As discussed in *The Next Generation of Australian Global Businesswomen* section, the relative similarity in terms of personality traits and competencies of the currently solely domestic women we surveyed to the international groupings also indicates that the 'supply' of new entrants seems assured.

Table 10 – Comparing traits of International with non-International respondents.

Personality traits with regard to international engagement	Mean (International)	Mean (Not yet international)
Intuition	5.78	5.73
Risk Tolerance***	4.81	4.47
Proactiveness	5.68	5.65
Efficacy at Management	5.46	5.44
Efficacy at Marketing	4.97	5.04
Efficacy at Innovation*	5.30	5.10
Efficacy at Risk Taking	5.46	5.29
Efficacy at Financial Control	5.01	4.98

*Note: *** - this item shows statistically significant difference at the 99% confidence level*

** - this item shows statistically significant difference at the 90% confidence level*

Encountering Barriers

Internationalisation requires organisations and entrepreneurs to overcome considerable hurdles. These may include lack of knowledge, scarcity of resources (e.g. finance), procedural constraints, exogenous risk issues, and personal barriers. Our survey asked participants to indicate the extent to which 36 different potential barriers had hindered expansion.

These differences speak to the challenges facing female entrepreneurs in the global arena, especially as smaller organisations are viewed less favourably by providers of crucial funding, and less aware of scope to receive assistance. There is a clear role for greater support for such women, and for their still domestic counterparts from government.

The findings on barriers can be assessed in two ways: (i) the extent to which a barrier hinders *on average*; and (ii) the percentage of women reporting a barrier as hindering significantly (see Table 11 for a selection of the most prominent barriers).

On average the most powerful barriers concern resources, namely the lack of resources to cover the period of time needed to recover investments (4.10), and the high cost of establishing international operations (3.89).

Exogenous risk issues were next most substantive – the high value of the Australian dollar (3.88) and risks from variations in exchange rates (3.66).

Procedural concerns about red tape (3.63), along with the knowledge barrier of lack of information about opportunities abroad (3.47), of relevant assistance programs (3.46), and of potential markets (3.35) were less substantive.

Further resources constraints include the lack of alternative sources of capital (3.46).

A substantial personal barrier hindering international engagement was managing family/caring roles (3.41). We explore this specific barrier in a subsection below.

It is noteworthy that, on average, barriers were typically reported as only "hindering somewhat". Australia's international businesswomen have tackled these issues and continued to increase their international engagement.

Turning to those barriers most frequently cited as "hindering enormously" (6 or 7 on the scale), the high value of the dollar topped the list (27.3% of respondents).

Other barriers that appeared as more substantial hurdles for some included managing family/caring roles (the 5th most frequent at 21.1%), strong overseas competition (8th, 16.9%), locating a distributor (10th, 15.3%) and the reluctance of banks and financial institutions to fund expansion (11th, 14.9%).

There were considerable differences in barriers between the globally active women owner-operators and those employed in strategic roles in internationally-engaged organisations.

Owner-operators reported a much larger number of barriers affecting their expansion, with 17 barriers rated 6-to-7 by at least 15% of these women, as compared to only 6 among those employed in strategic roles. This is a clear pointer to the large differences in access to resources, networks and information for these two groups of women.

Resource issues ranked consistently higher among owner-operators, especially the high costs of establishment (32.3% versus 16.1% for employees in strategic roles), lack of alternative sources of capital (29.3% versus 13.4%) and the reluctance of banks and financial institutions to fund expansion (21.5% versus 7.2%).

Likewise, knowledge gaps hampered owner-operators more frequently, such as knowledge of relevant assistance programs (24.6% versus 5.4%), and information about opportunities abroad (20% versus 8.1%).

Owner-operators were relatively less thwarted by a lack of knowledge of potential markets (11.5% versus 9.8%).

These differences speak to the challenges facing female entrepreneurs in the global arena, especially as smaller organisations are viewed less favourably by providers of crucial funding, and less aware of scope to receive assistance. There is a clear role for greater support for such women, and for their still domestic counterparts from government.

Women are not typically encountering, nor being held back, by barriers which are often presented in the popular press. A lack of female role models, a lack of confidence in pursuing international business opportunities, and acceptance of women in business dealings were consistently in the bottom six barriers of the 36 (Table 12).

The only exception was for those women employed in strategic roles, where lack of female role models was the 14th most cited hindrance (9.8%), and acceptance of women in business dealings was 21st (8.1%). This may reflect some of the internal dynamics of the organisations in which they work (with regards to role models), or the broader range of countries in which they operate (in terms of acceptance). Ongoing experience of such barriers may also be a driver to 'go it alone' as an owner-operator in the future.

A relatively small number of the 'yet to internationalise' women in our survey did rate the barriers they perceive. There was considerable disparity from those reported by the internationally engaged women. General lack of knowledge of how to internationalise (4th highest), lack of confidence in pursuing international business (9th) and the challenges of locating a suitable distributor (3rd) or supplier (10th) were much higher. These, again, indicate areas where support from external bodies and networks such as WIGB could make a substantial difference.

Juggling Family and Caring: As noted above, managing family/care roles was frequently cited as a substantial barrier to international expansion. We explored this issue further by asking the women to indicate the imbalances they may encounter regarding work and family life.

Table 13 shows mean scores across 5 items where work interrupts family life, and 5 items where family life interrupts work, comparing the solely domestic women in our sample and their internationalised counterparts.

There is strong evidence of the greater difficulties faced by the women who are internationally engaged, with scores consistently higher on all measures relative to their domestic equivalents.

Women feel that work is pulling them away from family, rather than family pulling them away work.

This is consistent with the longer hours worked by the international women, and the greater tendency to spread these hours over more days of the week. It may also represent pressures to travel internationally for work.

For all the groups of women, the imbalance was tipped towards work rather than family. Put simply, women feel that work is pulling them away from family, rather than family pulling them away work. The margin of difference was smallest for domestic owner-operators.

The biggest imbalances were for the women employed within strategic roles, whether in domestic or internationally engaged organisations. These women work fewer hours on average than the

owner-operators, so the pressure from work may indicate a sense of lower control over timing of work demands and a lower sense of autonomy around managing such imbalances. Over time this may also be a driver for women to start their own businesses.

Table 11 – The most substantial barriers encountered.

	All international Mean rating *(ranking)*	**All international: Hindered (%)** *(ranking)*	**Owner-operators: Hindered (%)** *(ranking)*	**Employees in strategic roles: Hindered (%)** *(ranking)*
Resource barriers				
Lack of resources to cover period of time needed to recover investments	4.10 (1st)	26.5 (2nd)	33.9 (1st)	17.9 (3rd)
High costs of establishing international operations	3.89 (2)	24.8 (3)	32.3 (2)	16.1 (5)
Lack of alternative sources of capital	3.46 (7)	21.9 (4)	29.3 (4)	13.4 (8)
Insufficient production capacity in your organisation	*3.19 (14)*	*13.6 (13)*	*13.9 (18)*	13.4 (9)
Reluctance of bank/financial institutions to fund expansion	*3.15 (16)*	*14.9 (11)*	21.5 (8)	*7.2 (22)*
Exogenous risks				
High value of the Australian dollar	3.88 (3)	27.3 (1)	30.0 (3)	24.1 (1)
Risk from variation in exchange rates	3.66 (4)	18.2 (6)	20.8 (9)	15.1 (6)
Strong overseas competition	*3.31 (11)*	16.9 (8)	*15.4 (17)*	18.7 (2)
Procedural				
Documentation and red tape required to establish operations	3.63 (5)	17.8 (7)	20.7 (10)	14.3 (7)
Knowledge				
Lack of information about opportunities for products/services abroad	3.47 (6)	*14.4 (12)*	*20.0 (11)*	*8.1 (19)*
Lack of knowledge of relevant assistance programs	3.46 (8)	15.7 (9)	24.6 (5)	*5.4 (29)*
Lack of knowledge of potential markets	3.35 (10)	*10.8 (23)*	*11.5 (24)*	*9.8 (13)*
Locating a suitable distributor or distribution channels	*3.30 (12)*	15.3 (10)	21.6 (7)	*8.1 (18)*
Business confidence	*3.05 (17)*	*11.6 (15)*	*12.3 (22)*	10.8 (10)
Personal				
Managing family/caring roles	3.41 (9)	21.1 (5)	23.8 (6)	17.8 (4)

Note: Respondents rated each barrier on a 7-point scale from 1= "did not hinder" to 7= "hindered enormously". On the above table "Hindered (%)" captures respondents rating a barrier "6" or "7". Scores in italics fall outside the top 10 most substantial barriers encountered.

Table 12 – The least substantial barriers encountered.

	All international Mean rating *(ranking)*	All international: Hindered (%) *(ranking)*	Owner-operators: Hindered (%) *(ranking)*	Employees in strategic roles: Hindered (%) *(ranking)*
Lack of female role models	2.26 (36th)	7.4 (31st)	5.3 (36th)	*9.8 (14th)*
Acceptance of women in business dealings	2.35 (35)	7.0 (33)	6.2 (35)	*8.1 (21)*
Tariff barriers to exports	2.52 (34)	8.3 (30)	*10.7 (28)*	5.4 (32)
Lack of confidence in pursing international business opportunities	2.53 (33)	7.0 (34)	8.5 (31)	5.4 (33)
Mistrust/fear	2.56 (32)	6.4 (36)	6.2 (34)	*6.3 (28)*
Perceived risk associated with global expansion	2.59 (31)	7.4 (32)	7.7 (32)	*7.2 (25)*
Political instability in a destination country	2.63 (30)	7.0(35)	6.9 (34)	*7.2 (26)*
Transportation costs and shipping arrangements	*2.84 (24)*	*10.3 (24)*	*16.2 (15)*	3.6 (36)
Lack of local banks with adequate international expertise	*2.85 (23)*	*10.8 (19)*	*16.9 (13)*	3.6 (35)
Locating a suitable supplier or supply channels	*2.98 (18)*	*10.3 (25)*	*15.4 (16)*	4.5 (34)
Cost of adapting the product to the foreign market	*2.80 (25)*	*9.1 (27)*	*12.3 (23)*	5.4 (31)

Note: Respondents rated each barrier on a 7-point scale from 1= "did not hinder" to 7= "hindered enormously". On the above table "Hindered (%)" captures respondents rating a barrier "6" or "7". Scores in italics fall outside the bottom 7 most substantial barriers encountered.

Barriers over Time: As Australian businesswomen engage in more international markets, work further afield, and become accustomed to international engagement, it is anticipated that although they will still encounter some obstacles, the barriers to internationalisation will become less daunting.

There were significant differences between the barriers identified by the women whose organisations internationalised recently (in the past 5 years), with those who headed offshore more than 5 years ago. The highest rated barrier for recent internationalisers was lack of alternative sources of capital (33.0% "hindering enormously" versus 12.0% for less recent).

Resource barriers predominated for the new global players, whereas for less recent internationalisers, the top barriers were all exogenous risk issues, such as the high value of the $A (35.3% versus 15.6%), risk from variation in exchange rates (23.3% versus 12.7%), and strong overseas competition (23.3% versus 8.7%). This no doubt reflects the scars of surviving the Global Financial Crisis and the shifting tides of currency fluctuations over several cycles, and perhaps also the lessons from engaging with a greater number of markets.

Overall, barriers have definitely fallen for the more experienced organisations. Of the 36 obstacles tested, more experienced organisations reported barriers as being significantly lower for 19 items. Only 8 items were reported as higher for the experienced compared to the newer international engagers, with most of these relating to the exogenous barriers discussed above.

One notable exception was lack of knowledge of potential markets (3.14 for more recent, 3.48 for less recent). This may reflect a greater availability of information in the past five years, rather than any specific learning effect.

Ideally, the experience of barriers would be tracked over time. The current survey did not allow us to do this, but we did find evidence of differing perceptions of barriers by extent of internationalisation, and length of time overseas. Repeating this study on an annual basis will allow us to us to gather longitudinal data and insights into how perceptions of barriers changes over time and with experience.

Table 13 – The struggle to balance work and family life.

	Owner-operators (International): Mean	Owner-operators (Domestic): Mean	Employees in strategic roles (International): Mean	Employees in strategic roles (Domestic): Mean
Work interrupts family life (mean of 5 items below)	*4.51*	*3.73*	*4.53*	*4.22*
The demands of my work interfere with my home and family life	4.59	4.02	4.65	4.76
The amount of time my job takes up makes it difficult to fulfil family responsibilities	4.30	3.55	4.43	3.88
Things I want to do at home do not get done because of the demands my job puts on me	4.78	4.08	4.80	4.36
My job produces strain that makes it difficult to fulfil family duties	4.25	3.35	4.18	3.96
Due to work-related duties, I have to make changes to plans for family activities	4.61	3.66	4.61	4.12
Family interrupts work life (mean of 5 items below)	*3.93*	*3.44*	*3.45*	*2.94*
The demands of my family or spouse/partner interfere with work-related activities	4.04	3.57	4.00	3.16
I have to put off doing things at work because of demands on my time at home	4.28	3.58	3.42	3.24
Things I want to do at work don't get done because of the demands of my family or spouse/partner	4.03	3.42	3.42	2.84
My home life interferes with my responsibilities at work such as getting to work on time, accomplishing daily tasks, and working overtime	3.75	3.39	3.29	2.76
Family-related strain interferes with my ability to perform job-related duties	3.57	3.26	3.13	2.72

Note: Respondents rated each item on a 7-point scale from 1= "strongly disagree" to 7= "strongly agree

The Next Generation of Australian Global Businesswomen

While our survey identified two large groups of Australian businesswomen immersed in international markets and keen for further engagement, equally exciting is the pool of women keen on exploring the opportunities of global markets.

There are three groups within this pool: (i) owner-operators still confined to the domestic arena; (ii) strategic decision-makers working in organisations not yet international; and (iii) employees without a strategic decision role, either within an international or solely domestic organisation. The demographics of each hint at the prospects for international engagement emerging.

More than three quarters (76%) stated an intention to internationalise..... Herein is a strong case for the efficacy of government programs such as WIGB enabling such expansion.

Domestic owner-operators: Women-owned solely domestic organisations are typically very small: 96% have less than 20 employees, and 87% less than 5 employees.

Many are very young, with 39% commenced operations after 2009. Nevertheless, 25% were founded in the 1990s.

While women over 50 still predominate here (54.5%), there is as large pool (27.3%) of owners under 40 in this group. Half of those under 40 founded their organisation in the past 5 years.

These women work fewer hours on their business than the internationally active owners, yet 20% still work 50+ hours a week, and a further 32.7% work 40-49 hours. A comparable proportion (45.5%) spread these hours over more than 5 days.

Although this is a younger group, there are fewer women with child-rearing responsibilities. Less than third (32.7) have a child at home, and only 1.8% have a child under 5.

These women are again very well-educated, with 63.6% holding a bachelor's degree or higher, well above the national average.

Fewer were born overseas than among their internationally active counterparts (21.8% versus 31.8%). Correspondingly, the foreign language skills of this group are weaker, with only 12.7% speaking a language other than English at home (well below the national average), and a considerably smaller proportion (25.5%) capable of speaking any foreign language (versus 43.8% among the internationally active owner-operators).

There is some awareness of this shortcoming, as 27% indicated they see language barriers as a significant barrier to international engagement.

More than three quarters (76%) stated an intention to internationalise. Given we find almost no difference in underlying personality traits that could serve as likely constraints, other than with respect to tolerance for risk, it would seem that such expansion is viable with sufficient support. Herein is a strong case for the efficacy of government programs such as WIGB enabling such expansion.

Domestic employee decision-makers: The women employed in strategic roles in solely domestic organisations are often at the most senior level, such as CEO (8%), member of Senior Executive (28%), group or division Head (12%).

Their organisations are typically much larger than the women-owned businesses: 40% have more than 200 employees, while only 36% have less than 20 employees.

The mix of ages is more evenly spread with 40% over 50, and 40% under 40.

Again, long hours are norm with 28% working 50+ hours a week, and a further 40% work 40-49 hours. This is, however, lower than for international decision-makers, and a smaller proportion (16% versus 24.3%) work more than 5 days. Only 20% work hours that might be considered 'part-time' (<40 per week), and only 8% work less than 5 days per week.

There are more 'working mums' in this group: 40% have a child at home, and 16% with a child under 5.

Although well-educated (60% holding a bachelor's degree or higher), foreign language skills are noticeably absent. Only 4% speak a language other than English at home, and just 24% are capable of speaking any foreign language. This is well below their internationally active equivalents (of whom 40.2% spoke a language other than English).

There is reticence (and perhaps frustration) among these decision-makers regarding their organisation's future intentions. Only 12% indicated their organisation was looking to expand overseas, yet they all chose to complete a survey personally identifying themselves as 'global businesswomen'. It is certainly possible that, with encouragement, these women may seek more international opportunities elsewhere, or seek to shift the strategic mindset of their employer.

Employees without a strategic decision role: The final group of women are a distinct and highly promising as an untapped resource.

These women are much younger: 67.7% are under the age of 40, and 13.5% under the age of 26. They most commonly work in middle management, consultant and policy roles within their organisation.

They are very highly educated: 86.6% hold a bachelor's degree or higher. A third (33.3%) were born outside Australia, 12.5% speak an Asian language at home, and 37.5% speak a foreign language.

Around a quarter (27.1%) have children at home, with 9.4% a mother to a child under 5.

On the personality trait scales, these women were reported significantly lower on each key measure: risk tolerance (4.37), proactiveness (5.26) and the five self-efficacy dimensions (between 4.39 and 4.99).

These latter scales measure a mix of competence and self-confidence. It is not surprising that a younger, and less organisationally advanced, group would report lower scores. With work progression, training, mentoring and exposure there is still considerable scope for these women to embark upon international careers and found international businesses.

The Role for WIGB

Our survey results reinforce the national and economic imperatives to nurture, support and empower Australia's businesswomen in their international endeavours.

Prominent barriers that could be addressed with greater provision of information, specific contacts and networking assistance include:

- Lack of information about opportunities for products/services abroad
- Lack of knowledge of relevant assistance programs
- Lack of knowledge of potential markets
- Locating a suitable distributor or distribution channels

There is clearly also an informational role (and also perhaps policy function) with regards to funding. Given, organisations regularly cite resource constraints as one of the most substantial barriers to expansion, greater awareness of assistance programs is crucial.

More women tapping into these programs would ease the other resource barriers, such as reluctance by banks and financial institutions to fund expansion.

Indeed, greater publicity around the success of such assistance, and of the achievements of Australia's international women-run businesses could also shift perceptions among potential providers of capital and alleviate these barriers further. This is certainly an area in which WIGB plays a crucial role.

More women tapping into these programs would ease the other resource barriers, such as reluctance by banks and financial institutions to fund expansion.

Around 28% of the survey respondents were WIGB members. Of these WIGB members, 74% reported that WIGB's services target the areas of most need for Australian businesswomen. The WIGB national Speaker Series was rated the most useful offering provided by WIGB, followed by domestic networking opportunities and other WIGB events. In terms of online offerings, the WIGB newsletter was considered the most useful tool by WIGB members.

While a lack of female role models was not a specific barrier for most of the women surveyed, it would appear that

'success stories' have strong potential to close knowledge gaps, build confidence, and to serve as examples of how to overcome challenges such as work-family imbalances.

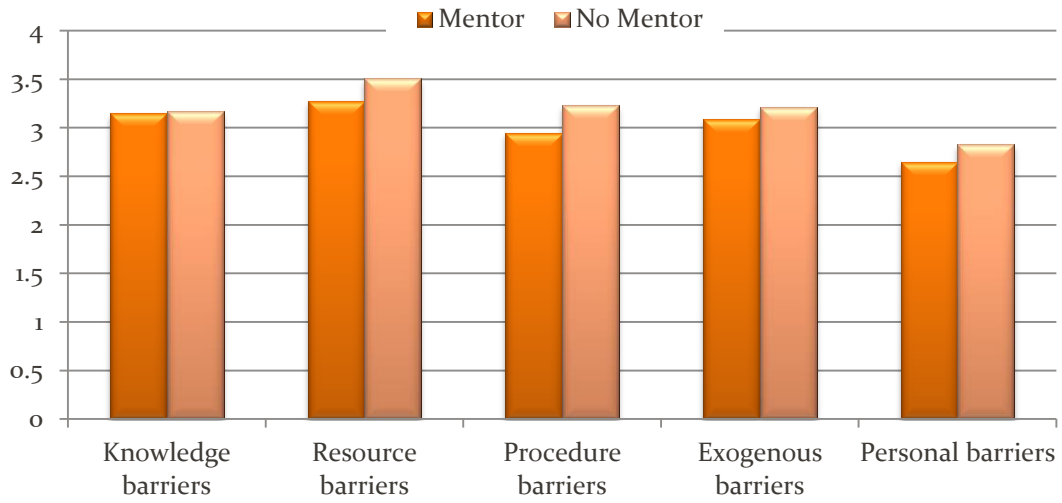
These barriers could also be tackled through mentoring, which would also assist in increasing business confidence.

A large majority (72%) of total respondents indicated that they would like to have a business mentor, but only 41% of respondents currently have a mentor. There is clearly room to increase awareness about the availability of mentors through WIGB, to promote the program and expand it in size and scope in the future.

Success stories have strong potential to close knowledge gaps, build confidence, and to serve as examples of how to overcome challenges such as work-family imbalances.

The survey provides strong evidence of the impact of mentors. Those women with a mentor reported lower perceived levels of barriers to internationalisation (Figure 7).

Figure 7 – Perception of barriers by mentor status (mean scores).



Note: Respondents rated each barrier on a 7-point scale from 1= "did not hinder" to 7= "hindered enormously". This figure provides averages of averages for each group of barriers.

One particular area where WIGB could look to identify prominent exemplars is around the issue of 'responding to unexpected approaches'. As discussed in the *Key Drivers* section, such approaches are often the trigger for owner-operators engaging internationally, and appear to be on the rise in a more connected global marketplace. Providing insight into how women have responded adeptly to such approaches may spur further engagement.

Our survey demonstrates the strong growth in international engagement, and the rewards such endeavours are reaping for these women, their organisations, and the Australian economy.

This needs to be communicated widely so as to encourage and empower the future pool of women so eager to explore such opportunities.

The time is right to explicitly target and encourage Australia's businesswomen to reach their global ambitions. Empowerment of Australia's businesswomen is crucial to the growth of the Australian economy, to job creation and to innovation.

Similarly, examples of women who have exploited first mover advantages would help to build upon a growing driver of international engagement.

The time is right to explicitly target and encourage Australia's businesswomen to reach their global ambitions. Empowerment of Australia's businesswomen is crucial to the growth of the Australian economy, to job creation and to innovation.

WOMEN *in* GLOBAL BUSINESS

A joint Australian, State and Territory Government initiative

About Women in Global Business

The Women in Global Business (WIGB) program is a joint Australian, State and Territory government initiative established in December 2010. WIGB's objective is to increase female participation in international trade and investment, delivering increased economic benefit and job creation. The aims include:

- Bringing together women involved in international trade and investment across Australia and its trading partners to help them develop sustainable business.
- Encourage, support and advance the involvement of women achieving international business success.
- Increase the profile of Australian business women involved in international trade within the local and international business community.
- Connect Australian women to international networks to create business opportunities.

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