



# Holding the purse strings

There are various sources available to finance a start-up business, writes  
**Hugh Oram**

**F**or women seeking to start their own business, various sources of finance are available.

"There are a number of traditional avenues that female entrepreneurs can take when they're looking for finance," says Rosemary Delaney, publisher of *Women Mean Business*.

"Banks provide a number of quite competitive start-up packages that vary from institution to institution. These include no banking charges for an initial period of time and you can apply for an unsecured loan of between €20,000 and €30,000," she says.

Credit unions are another option and Delaney adds that another first port of call should be the local city or county enterprise board.

But she warns that all grants and funding come with strings attached. "It comes back to convincing the lender that you're a serious businesswoman and unless you have a good business plan, it's an uphill struggle."

Bank of Ireland offers a comprehensive package for all new businesses, including its Business Start-up Package and its innovative Developing Business Loan.

As part of the options available with the start-up package, customers get a range of current account banking services free for two years and can apply for a competitive small business loan of up to €200,000.

Bernadette Tracey, business sector manager, retail strategy and marketing in Bank of Ireland, says that with 70,000 women in the early stages of setting up a business in Ireland, the overall feedback to the business start-up package has been exceptionally positive.

But she points out that female-owned businesses have a slightly different profile to other firms. Women entrepreneurs tend to be more cautious and adopt a more conservative approach in growing their businesses; only 3 per cent of venture capital goes to businesses owned by women.

"Businesses owned by women are less likely to apply for institutional and bank finance and are more likely to rely on personal and family savings," says Tracey. "Typically, in new business start-ups by

women, half the money is self-financed, with the balance coming from financial institutions and family."

Delaney says that taking part in decision-making policies at a political level can offer a clearer pathway to more ventures. "The unfortunate reality is that women's participation levels in the political arena remained static in the recent general election. If we don't have a voice, how can we shape our future?"

But while county and city enterprise boards are willing to listen to female entrepreneurs, she asks who in the end gives out the funding?

Enterprise Ireland, which encourages high potential start-ups, is taking a number of initiatives to encourage female entrepreneurs. It organised a high level international female entrepreneurship conference last September and will do so again on September 27th this year, together with the MBA Association of Ireland.

The event, in Dublin's Burlington Hotel, is expected to attract about 350 delegates and is due to be addressed by President Mary McAleese.

Another upcoming event is the annual conference of Network Ireland, the organisation for women in business, due to be held on October 5th in Limerick. Enterprise Ireland also represents Ireland on the EU sponsored Network to Promote Women's Entrepreneurship and continues to sponsor the Gem report on entrepreneurship on the island of Ireland.

This tracks total entrepreneurial activity in Ireland over a range of indicators, including gender.



**Rosemary Delaney, managing director of *Women Mean Business* magazine**