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# The Growth Gap: Unlocking the Full Potential of Female Entrepreneurs



# Introduction



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**Female entrepreneurs are not a niche within the UK economy, they are central to it.**

Across every region and every sector, women are building businesses that create jobs, drive innovation and strengthen communities. They are starting companies from full-time employment, from part-time roles, from parental leave, and often while carrying significant caring responsibilities.

This research reinforces something we see every day at Small Business Britain: women are not short on ambition.

**Over 80% of respondents aim to grow their business in the next year.** More than half have seen revenue growth over the past 12 months. Nearly **57% say entrepreneurship has made managing life's external responsibilities easier.**

The drive is there. The resilience is there. The appetite for growth is there.

But this research also shows something more uncomfortable.

The majority of female entrepreneurs remain at micro scale. Over half are not planning to hire. Many report that their household income has not increased, and in some cases has fallen, since starting their business.

Too often, women are building businesses that deliver flexibility but not financial security.

Financial education and support remain fragmented. **Nearly 40% are not aware of government support services.** Almost half have never received structured financial training. Many rely on informal sources or their own judgement.

This is not a lack of capability; it is a lack of coherent infrastructure.

If we want women-led businesses to scale, employ and contribute more substantially to GDP, we must shift from celebrating participation to enabling progression.

That means:

- Embedding practical financial capability at scale.
- Designing support around real behavioural needs.
- Making business banking smarter and more proactive.
- Recognising that flexibility and growth must coexist.

Women are building the businesses. The question is whether we are building the system that allows them to thrive.

# Executive Summary

Female entrepreneurs across the UK are ambitious, resilient and growth-focused, yet many are operating at small scale, with constrained incomes and limited access to structured support.

This survey of women business owners across the UK reveals a sector that is mature, established and determined to grow:

**82%** aim to grow their business in the next 12 months  
(64.06% moderately; 17.28% significantly).

**52.67%** report revenue increased over the past year  
(12.99% significantly; 39.68% a little).

This is not a story of fragility. It is a story of sustained commitment and growth ambition.

However, this ambition is not yet translating into scale or income security.

**51.58%** do not plan to hire in the next year.

**51.45%** report their household income is either lower (37.18%) or only slightly higher (16.97%) than before starting their business.

For many women, entrepreneurship offers flexibility, and it delivers.

**57.93%** say running their business has made managing external responsibilities easier.

But flexibility often comes with financial volatility and slower scale.

Financial confidence is improving but remains uneven:

**64.75%** agree or strongly agree that they understand their key financial metrics.

Yet **55.92%** describe themselves as beginner or intermediate in financial confidence.

**44.25%** have not received any financial education or training.

**39.85%** are not aware of or have not used any government support service.

Women entrepreneurs are self-starting and resourceful:

**26.03%** turn to accountants for financial advice.

**15.05%** rely on Google.

**11.87%** use AI tools such as ChatGPT.

**6.26%** rely solely on their own judgement.

The picture that emerges is clear:

Women are starting businesses from a position of capability and ambition. They are sustaining them over years. They are seeking growth. But they are disproportionately concentrated at micro scale, financially exposed, under-supported and often self-reliant.

The opportunity is significant. With better financial capability infrastructure, clearer pathways into support, stronger digital tools and scalable business banking innovation, women-led businesses could unlock greater turnover, employment and household security.

This is not just about increasing participation. It is about unlocking scale, stability and sustained economic impact.





# Key Insights from the Data

1

## Women-led businesses are growth-focused

Over **80%** of female founders aim to grow their business in the next year.

Revenue growth is more common than decline.

This is an eco-system that is starting to grow.

2

## Growth ambition is high, but scale remains constrained

**51.58%** do not plan to hire.

Ambition exists, but progression to employer status remains limited.

3

## Entrepreneurship supports flexibility, but not always income security

**57.93%** say running their business has made managing external responsibilities easier.

Yet **37.18%** report household income is lower than before they started.

Flexibility is being achieved, but financial reward is uneven.

4

## Financial understanding is improving, but structured education is lacking

**64.75%** agree they understand their key financial metrics.

However, **44.25%** have received no financial education or training.

**39.85%** are unaware of or have not used government support.

There is self-confidence, but inconsistent formal capability-building.

5

## Women rely on informal and digital self-help mechanisms

Accountants are the most used financial support source [26.03%], followed by Google [15.05%] and AI tools [11.87%]. Only 7.14% use government support services.

The support system is fragmented and reactive rather than structured and proactive.



# Recommendations

**Based on this report we make the following recommendations to government to support female entrepreneurs on their growth journey**



## **Prioritise financial education to improve financial literacy**

With 44% of those surveyed having never received financial education and 56% considering themselves below proficient, the government should leverage the Business Growth Service to prioritise boosting financial literacy among SMEs.



## **Implement segmented and targeted support to move women from sole trader to employer**

Over half of those surveyed said that they are not planning to hire in the near future...

To be effective in supporting solo and micro firms to move to employers, support must be tailored to align with the specific needs and barriers faced. For example, support offered should consider toolkits to support hiring readiness, financial modelling support for recruitment and peer networks focused on first hires.

It is essential to equip entrepreneurs with digital tools to save time, which can then be dedicated to supporting hiring and enabling more time to focus on growth activity. [As highlighted by Starling's research](#), SMEs already using digital tools for financial tasks report an average time saving of 41%.



## **Prioritise the adoption of digital financial tools to support productivity**

As SMEs spend an average of 34% of their time on financial tasks, at an estimated cost of £63,000, it's essential the government prioritises the uptake and effective use of core digital financial tools.

As shown in [Starling's previous research](#), the biggest barrier to digital adoption is a drastic overestimation of the cost; for digital tax software, this stands at fifteen times the price of solutions. We propose the creation of a Financial Tool Calculator to tackle the misbelief that such tools are "too expensive".



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1,025 female founders surveyed in 2026.

If you are interested in finding out more get in touch

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