Women’s contributions to rural development: implications for entrepreneurship policy

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Abstract

Purpose – Policy for women’s entrepreneurship is designed to promote economic growth, not least in depleted rural areas, but very little is known about the contributions of rural women entrepreneurs, their needs or how the existing policy is received by them. Using a theoretical framework developed by Korsgaard et al. (2015), the authors analyse how rural women entrepreneurs contribute to rural development and discuss the implications for entrepreneurship policy. This paper aims to focus on the aforementioned objectives.

Design/methodology/approach – The authors interviewed 32 women entrepreneurs in rural Sweden representing the variety of businesses in which rural Swedish women are engaged. The authors analysed their contributions to rural development by analysing their motives, strategies and outcomes using Korsgaard et al.’s framework of “entrepreneurship in the rural” and “rural entrepreneurship” as a heuristic, interpretative device.

Findings – Irrespective of industry, the respondents were deeply embedded in family and local social structures. Their contributions were substantial, multidimensional and indispensable for rural viability, but the policy tended to bypass most women-owned businesses. Support in terms of business training, counselling and financing are important, but programmes especially for women tend to miss the mark, and so does rural development policy. More important for rural women entrepreneurs in Sweden is the provision of good public services, including for example, schools and social care, that make rural life possible.

Research limitations/implications – Theoretically, the findings question the individualist and a-contextual focus of much entrepreneurship research, as well as the taken-for-granted work–family divide. How gender and how the public and the private are configured varies greatly between contexts and needs contextual assessment. Moreover, the results call for theorising place as an entrepreneurial actor.

Practical implications – Based on the findings, the authors advise future policymakers to gender mainstream entrepreneurship policy and to integrate entrepreneurship and rural development policy with family and welfare state policy.

Originality/value – The paper highlights how rural women respond to policy, and the results are contextualised, making it possible to compare them to other contexts. The authors widen the discussion on

The authors thank the editors and the reviewers for their constructive comments, and the authors thank the Kamprad Family Foundation (grant number 20160060) for financing this research.
contributions beyond economic growth, and the authors show that policy for public and commercial services and infrastructure is indeed also policy for entrepreneurship.

**Keywords** Entrepreneurship policy, Women’s entrepreneurship, Rural viability, Rural development policy, Gender

**Paper type** Research paper

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**Introduction**

Like rural areas in most of the industrialised world, rural Sweden is subject to continued depopulation. More than half of Sweden’s 290 municipalities were expected to lose inhabitants over the next two decades in 2019 (Mörk et al., 2019), leaving an ageing population behind. Whilst increased opportunities for working remotely following the Covid-19 pandemic may challenge this expectation, 42% of the municipalities were still subject to depopulation in 2020 (SCB, 2020). Not enough businesses and jobs are left to support a viable economy, and not enough people to sustain a viable service sector, often creating a downward spiral (Hedlund and Lundholm, 2015). The situation is similar to that of rural areas in other European countries and also that of the USA (Johnson and Lichter, 2019).

It has been suggested that more women-owned businesses would improve the situation, and policy has been created to encourage it, including general entrepreneurship support, measures tailored specifically for women and measures focusing on rural areas. However, to design effective entrepreneurship and rural development policy to increase women’s entrepreneurship, there is a need for more knowledge of the ways in which women entrepreneurs contribute to rural development, and there is a need to investigate whether current policy initiatives cater to the needs of rural women entrepreneurs as perceived by them.

Our investigation draws on Korsgaard et al.’s theorisation (2015) of two ideal types of entrepreneurship in rural areas; “entrepreneurship in the rural” and “rural entrepreneurship”. These engage differently with rural localities, and differ in motives, strategies and outcomes, with different outcomes for rural development and, by extension, different implications for policy. By analysing the motives, strategies and outcomes of rural women entrepreneurs we ask how they contribute to rural development, and the implications for entrepreneurship policy.

We interviewed thirty-two women entrepreneurs in rural Sweden, representing the many different industries in which rural women are active. We found their contributions to rural development to be substantial and multi-faceted, but current policy initiatives to miss the mark – not only do they largely miss women-owned businesses, the ones specifically targeting women are misplaced in their design. Entrepreneurship and rural development policies need to be revised to also include women-owned businesses. Moreover, we found reason to include policy for service and welfare delivery in the policy toolbox for rural development. Given the local embeddedness of women entrepreneurs, we further suggest policy makers prioritise the local population.

Using Korsgaard et al.’s model (2015) we found that irrespective of whether the businesses were dependent on local resources or not, all firms were deeply embedded in the rural area and in both family and local social relations and could be characterised as “rural entrepreneurship”. These results challenge the conceptualisation of the entrepreneur as an individual, self-interested economic actor, inviting studies on the embeddedness of entrepreneurship while calling for theorising place as an entrepreneurial actor.

In the following sections, we first discuss the scholarly literature on policy for women’s entrepreneurship. To contextualise the study, we then introduce the Swedish context and discuss policy initiatives available for women entrepreneurs in Sweden. The analytical framework follows. We then detail our methodology and introduce the respondents. Findings and discussion ensue.
**Literature review**

*Policy for women’s entrepreneurship*

Policy for women’s entrepreneurship is typically based on the premise that women constitute an untapped resource for economic growth (OECD, 2021). The premise is built on the observation that women constitute half of the population but own only about a third of businesses (Bosma et al., 2021). It is also built on the observation that men outperform women in terms of business size, growth rate and profitability, so “if only a woman could be more like a man” the problem would be solved (Marlow, 2013). Women’s supposed business and other shortcomings are then used as a basis for designing policy measures such as business training, confidence training, mentorship programmes, role models, microfinance programmes and more (Ahl and Nelson, 2015; OECD, 2021).

These premises have been questioned. First, study after study shows that men do not outperform women – profitability is linked to industry, not gender. Women typically own businesses in personal services where economies of scale are hard to obtain, and when controlled for industry, there is no gender difference in performance (DuRietz and Henrekson, 2000; Marlow and McAdam, 2013; Robb and Watson, 2012; Tillmar et al., 2022).

Second, it is patronising (or wishful thinking) in that it assumes business ownership to be a desirable choice for women. Entrepreneurship represents a large risk – 65% of new firms are out of operation within ten years according to US Bureau of Labor Statistics (2022). In Europe, an average of 32% of new firms was out of business after the first year, and in Sweden the figure was 22% (Ekonomifakta, 2020). Employment, if available, may therefore be the better choice. In Sweden, our case country, the average woman employee had a higher disposable income than the average woman business owner (Tillmar et al., 2022). So, a business may be a poor career choice for the individual woman.

Third, it ignores the invisible “elephant in the room”, namely parenting (Henry et al., 2021). In most places, women still take the brunt of the responsibility for parenting and unpaid housework, including household management work (Daminger, 2019). If policy for more women-owned businesses were to acknowledge this, it must also provide solutions for the unequal division of household work. In the absence of such solutions, a business is too often a “plan B” for a woman, namely a way to combine housework and parenting with an income from a business, often home based and with constrained growth prospects (Thébaud, 2015).

Fourth, policy is premised on the notion that success is measured as economic growth and business performance. Contemporary entrepreneurship research asserts that money is just one of many motivations for starting a business, perhaps more often a means rather than an end, and policy which does not acknowledge this will not be effective (Henry et al., 2021). Indeed, a study by Roos (2019) showed that a policy-initiated network of women entrepreneurs became successful only when they explicitly challenged the masculine entrepreneurship norm premised on economic growth.

Fifth, the heterogeneity of women’s entrepreneurship is seldom acknowledged, all women are expected to benefit from the same policies. Women are indeed over-represented in feminine gendered businesses such as education or personal services, but this is not true for all. Given the heterogeneity of women, their backgrounds, choice of industry and their motivations for being in business, one size will not fit all in terms of business support (Henry et al., 2021).

Sixth, policy recommendations must take context into account. Economies differ, as do history, culture, legislation and welfare state arrangements. Experiences from one context do not always translate well into another context (Xheneti, 2017). For example, Tillmar et al. (2021a, 2021b) showed that neoliberal entrepreneurship policy benefitted women in deeply patriarchal states such as Tanzania by providing women with an income of one’s own and escape from dependence on a man, but in the well-developed Swedish welfare state, neoliberal entrepreneurship policy took a different route – it replaced public with private provision of welfare services, which paid women less than when publicly owned. Same economic ideology, but different outcomes.
The current study concerns the rural context. The arguments for supporting rural women entrepreneurs basically echo the arguments discussed above – more women-owned businesses are needed to further rural development and transform depleted communities (Berglund et al., 2016; Statthopoulou et al., 2004; Johnstone and Lionais, 2004). Women entrepreneurs in rural areas have access to the same generic policy measures as any entrepreneur, as well as to policy measures directed specifically to women, but there is also support specifically for rural development. In countries belonging to the European Union, this is largely channelled through CAP, the European Common Agricultural Policy, which includes RDP, the Rural Development Programme. The CAP is sizeable; it amounted to 56 million Euro in 2021, 33% of the total EU budget (EU, 2022). CAP has been heavily criticised for overproduction, pollution and providing little value for money (Erjavec et al., 2009; Erjavec and Erjavec, 2020; Alons and Zwaan, 2016). Despite the policy’s gender mainstreaming ambitions, it has been found to pay lip service to gender inequality, whilst positioning men as the norm (Pettersson et al., forthcoming) and supporting men owned businesses only (Bock, 2015; Shortall, 2015).

Against this background, we need more knowledge about rural women entrepreneurs and how they contribute to rural development, and we need more knowledge about entrepreneurship policy from the receiving end, that is, what do women entrepreneurs think about policies on offer, and have they used them and if so how, and under what circumstances? Such knowledge will be useful for policy formulation and implementation, but it will necessarily be dependent on context and its transferability contingent on comparisons of contexts.

**The Swedish context**

Sweden is an industrialised, digitalised, urbanised, 10 million people and 450 000 km² large country with large, sparsely populated rural areas. We drew our respondents from the region of Småland which, except for the mountainous north, well represents rural Sweden and has a business structure much like many rural districts in Europe (OECD, 2012, 2019). The region is about the size of Belgium, with a population of 763,000 (Belgium has 11.3 million). A third of the population live in predominantly rural areas. These areas are subject to continued population decline and ageing (OECD, 2019), just as other areas in rural Sweden (OECD, 2017). The industry structure is based on low-to medium technology SMEs, predominantly in manufacturing (OECD, 2019). The region has a high proportion of low-skilled workers and a highly male/female segregated labour market (OECD, 2019). Women comprise about 30% of business owners, in rural as well as in urban areas, but it is more common – relative to the population size – to be a business owner in rural areas for men as well as for women (Tillmar et al., 2022).

In Sweden, two distinctive features differ from many other European countries with respect to policy for women’s entrepreneurship and rural development. The first is Swedish welfare policy which affects women’s motivation to start a business and also whether her business is opportunity or necessity based. The literature often discusses women’s self-employment as a way to combine work and family, but in Sweden, where parents have access to paid parental leave (450 days), paid leave for caring for a sick child, subsidised public daycare from age one, free education and health care, this is not the case (Naldi et al., 2019). Nordic welfare systems privilege employment before self-employment, since remunerations in the system are tied to one’s prior income (Klyver et al., 2013). Indeed, 85% of women and 90% of men aged 20–64 are in the labour force and only 1% of women are home makers (Statistics Sweden, 2020). So, unlike in for example the USA or the UK (Thébaut, 2015), a business may not be a Swedish woman’s first choice – she is more likely to return to her job after parental leave (Neergaard and Thrane, 2011). Since a business is not a necessity, if a woman starts a venture, it is more likely to be opportunity based (Markowska et al., 2022; Naldi et al., 2019).
The second difference concerns the rural dimension. The literature on women’s entrepreneurship and rural development largely focuses on farms and farm-based businesses, such as farm diversification or farm tourism (e.g., Åsos et al., 2011; Prūgl, 2004; Seuneke and Bock, 2015; Brandth and Haugen, 2010; Pettersson and Heldt-Cassel, 2014), and much of EU’s agricultural and rural development policy still has the family farm as its policy object. But this is less relevant for Sweden. Swedish agriculture has been fully rationalised for more than half a century and now employs only 2% of the population [1]. Rural depopulation since the 1980s is instead largely due to the closure of the many small manufacturing industries in rural villages and small towns, in the wake of globalisation and outsourcing (Hedlund and Lundholm, 2015). When the jobs for men disappeared, families moved to the cities and so did the tax base. Public sector services in rural areas, such as schools or primary care centres had to close, so workplaces for women also disappeared (Persson and Westholm, 1993). Consequently, policy measures other than those targeted to agriculture may be appropriate.

Policies on offer in Sweden
Rural Swedish women may be eligible for entrepreneurship support from three programme areas: (1) programmes for women’s entrepreneurship, (2) programmes for entrepreneurship in general and (3) programmes for rural development. Sweden had dedicated government sponsored support programmes for women entrepreneurs between 1992 and 2015. Programmes included female business advisors, local and regional resource centres, business training and development projects for women; training of support staff in gender awareness; activities for prospective women entrepreneurs at universities; mapping of and communication of networks for women business owners; an annual "Beautiful Business Award" competition, and a programme in which women entrepreneurs were asked to volunteer as role models inspiring schoolgirls to pursue entrepreneurship as a career (Berghlund et al., 2018). In 2015 a new strategy was launched in which gender awareness was to be integrated into regular entrepreneurship support programmes, but without any targeted funds for gender issues (OECD, 2021). Whilst currently discontinued, the women we interviewed had experiences from these programmes, and also from ongoing projects directed to women that were organised by for example the EU Leader programme, or by local or regional business owner associations.

Sweden’s regular entrepreneurship support started in the late 1970s to counter industry restructuration leading to job losses. Since 1994, the publicly state-owned corporation Almi provides business training, counselling and seed financing. In addition, Swedish Jobs and Society was established in 1985 to stimulate business creation (Ahl and Nelson, 2015). Substantial public funds are channelled to business support; however, men receive most of it (Tillväxtverket, 2012). Ostensibly gender-neutral rules and regulations, such as rules that privilege export industries or manufacturing firms, tend to channel funds to companies owned by men (Nutek, 2007). Companies can apply for funds for innovation projects through Sweden’s Innovation Agency, but again, these are often tailored to male gendered industries, such as high tech. In addition, universities host incubators, and the tax authorities provide counselling for start-ups. Some private business organisations also provide start-up counselling, and these may also provide networking opportunities.

Support for rural businesses is administered by The Swedish Board of Agriculture and the county councils. These forms of support are highly regulated by the European Union. They include direct support for agriculture, including forestry, but also programmes for rural development, such as Leader. The programmes are to be gender mainstreamed, but this has not yet been achieved (Bock, 2015; Shortall, 2015). Agriculture support in Sweden goes largely to male owned farms (Wigren-Kristoferson, 2013), and rural development support primarily goes to the upgrading of agriculture equipment or the development of broadband infrastructure.
(Pettersson et al., forthcoming). In addition to the EU sponsored programmes, professional industry organisations in agriculture and forestry provide fee-based services to their members. Public support for rural businesses that are not in agriculture is thus scarce.

Analytical framework
The study of rural entrepreneurship calls for a conceptualisation of rurality. In human geography, a place is more than just a physical location (Cresswell, 2014; Tuan, 1977). Places are imbued with movements of information, resources, labour and capital, but also with the meanings attached to them (Halfacree, 2007). Drawing on human geography theories, Korsgaard et al. (2015, p. 9) write that places can be seen as “localized material, social as well as economic relations” and that places therefore can be unique and have unique qualities. In essence, it is people, and what people think, say, hear, learn and do, that constructs a place. Entrepreneurship is one aspect of such a process – through entrepreneurship, places may be defined and redefined.

Rural areas are typically enacted as backwards, declining and generally sad places, but they may also be enacted as places where people can thrive and grow, in harmony with each other and with nature (Pettersson, 2020). Building on Max Weber’s concept of ideal types as heuristic devices for theory building, Korsgaard et al. (2015) synthesise extant rural entrepreneurship literature and develop two ideal types that enact rural place in diametrically opposed ways: “Entrepreneurship in the rural” and “Rural entrepreneurship”. We label them Type E and Type R here, for short. The types differ in the way in which they engage with the rural locality, and therefore also in motives, strategies and outcomes. Table 1, developed from Korsgaard et al. (2015) shows the characteristics of the two types.

Type E is the one that most policy makers are looking for: a large or growing company, operating on global markets, that brings new jobs and economic prosperity to a rural location. Large, industrial sized agriculture with little interaction with the rest of the rural context also counts as Type E. But these establishments entail risks. Type E are weakly embedded in the local place – they are there only to profit from local resources that can be obtained cheaper than elsewhere, be it labour, land, material, or distribution. They may also choose a location because of government subsidies or other types of entrepreneurship or rural development support. Type E establishments risk developing two-tier or enclave communities and suboptimal use of local resources – a timely example is the establishment of high-tech manufacturing firms in northern Sweden that drain the local hospitals of workers, thus creating a local health care crisis. Type E companies are also subject to fluctuations on the global market and therefore prone to relocate, which may cause an economic downturn for the community.

<table>
<thead>
<tr>
<th></th>
<th>Type E</th>
<th>Type R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement with the rural locality</td>
<td>A space for profit</td>
<td>A location of meaningfulness and social life</td>
</tr>
<tr>
<td>Motives</td>
<td>To increase profit</td>
<td>To develop one’s person, community, or culture</td>
</tr>
<tr>
<td>Strategies</td>
<td>Same as in urban areas, and independent of the particular place</td>
<td>Developing new ventures, products, or services by recombining and making the most out of local resources</td>
</tr>
<tr>
<td>Outcomes for the rural area</td>
<td>Economic growth, but risks enclave communities, suboptimal use of local resources and long-term job loss due to relocation</td>
<td>Sustainability and resilience rather than economic growth. Optimises local resources</td>
</tr>
</tbody>
</table>

Table 1. Two ideal types of entrepreneurship in rural areas

Source(s): Adapted from Korsgaard et al. (2015)
Type R locate in a particular community for other reasons. The entrepreneurs are personally attached to a certain place and aim for personal, community or cultural development. Strategies include using particular local natural, social, cultural or heritage resources to develop a venture or a product/service offer, which in turn develops the place. Terroir food products such as champagne, produced exclusively in the region of Champagne in France, would be a good example – the taste draws on the quality of the soil in a certain place and cannot be produced elsewhere. Since Type R businesses are bound by place and the limited resources it offers, they may not develop economic growth comparable to Type E, but there are other advantages. Type R optimises local resources, creating a local equilibrium. Since they depend on particular local resources, they are unlikely to relocate. They are also less dependent on fluctuations on the global market. The outcome is greater local resilience, similarly to what Peredo and Chrisman (2006) discuss as community-based enterprise.

Korsgaard et al. (2015) describe the process as a virtuous cycle consisting of codification and re-valorisation. Codification involves (re)combining local resources and commodifying them for the market. Re-valorisation means that the new combination of local resources, if successful, positively feeds back into the place.

As Korsgaard et al. (2015) mention, most, if not all of general entrepreneurship policy is geared towards Type E firms. Much of small-scale, essential rural development may thus be missed. Moreover, given the gendered business landscape, support recipients are mostly men (Bock, 2015; Shortall, 2015; Tillväxtverket, 2012) so policy risks neglecting women’s contribution to rural development. Programmes for women entrepreneurs go, by definition, to women, but we do not know whether rural women entrepreneurs use them or perceive them as useful.

Korsgaard et al. (2015) suggest their model as an analytical framework for empirical research, which is how we use it in this article. We analyse how rural women entrepreneurs engage in the rural locality by analysing their motives, strategies and outcomes. We pay special attention to whether their strategies include the use of entrepreneurship support, and if so which. Finally, we discuss what these findings imply for entrepreneurship and rural development policy.

Method
This study is part of a larger, multi-method project focusing on women’s rural entrepreneurship, on rural development and rural development policy (Sköld et al., 2018; Tillmar et al., 2022; Berglund et al., 2023; Pettersson et al., forthcoming). The current study is based on 32 personal interviews with women entrepreneurs in rural Sweden. We wanted to hear from women entrepreneurs in general, so being a support recipient was not a selection criterion. Instead, we aimed for a sample representing the variety of businesses in which rural women are active.

Selection and description of respondents
Out of Sweden’s working population of 4.6 million people, 14% work in rural areas as defined by population density and distance to a larger town (Tillväxtanalys, 2014). Business ownership is more frequent in rural than in urban areas, but the male-female rate is similar; women own about 30% of businesses in both areas (Tillmar et al., 2022). Rural women are represented in almost 600 industries. The most common are, in order of size; forestry, hairdressing, mixed farming, restaurants, accounting, body care, management consulting, physiotherapy, writer/artist, personal services and retail, accounting for 37% of all rural women-owned businesses (Tillmar et al., 2022). Aiming for a theoretical rather than statistical sample we included the most common industries above in our sample, but also less common ones, such as industrial manufacturing. Through referrals and snowball sampling we contacted 32 women entrepreneurs in rural Sweden who all agreed to be interviewed. Table 2 gives a birds-eye view of the respondents and their firms.
<table>
<thead>
<tr>
<th>Business</th>
<th>Co. Form</th>
<th>Firm age</th>
<th>Type of firm</th>
<th>Turn-over Euro (K)</th>
<th>Employees incl. owner</th>
<th>Premises on farm</th>
<th>Raised in area</th>
<th>Husband is helps out in wife’s firm</th>
<th>Family firm</th>
<th>Inherited</th>
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</thead>
<tbody>
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<td>4</td>
<td>PES</td>
<td>113</td>
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<td>yes</td>
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<td>Firm</td>
</tr>
<tr>
<td>Salon chain</td>
<td>Inc</td>
<td>82</td>
<td>PES</td>
<td>940</td>
<td>14</td>
<td>yes</td>
<td>yes</td>
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<td>X</td>
<td>Farm</td>
</tr>
<tr>
<td>Body therapist</td>
<td>SP</td>
<td>4</td>
<td>PES</td>
<td>25</td>
<td>1</td>
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<td>yes</td>
<td>Business owner</td>
<td>X</td>
<td>Farm</td>
</tr>
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<td>Inc</td>
<td>30</td>
<td>PRS</td>
<td>300</td>
<td>2</td>
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<td>yes</td>
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<td>X</td>
<td>Farm</td>
</tr>
<tr>
<td>Finance consultant</td>
<td>Inc</td>
<td>3</td>
<td>PRS</td>
<td>91</td>
<td>1</td>
<td>yes</td>
<td>yes</td>
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<td>X</td>
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<td>15</td>
<td>PRS</td>
<td>150</td>
<td>1</td>
<td>yes</td>
<td>yes</td>
<td>Business owner</td>
<td>X</td>
<td>Farm</td>
</tr>
<tr>
<td>Forestry 1</td>
<td>SP</td>
<td>40</td>
<td>RRB</td>
<td>5</td>
<td>0</td>
<td>yes</td>
<td>yes</td>
<td>Business owner</td>
<td>X</td>
<td>Farm</td>
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<tr>
<td>Forestry 2</td>
<td>SP</td>
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<td>RRB</td>
<td>7</td>
<td>0</td>
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<td>yes</td>
<td>Business owner</td>
<td>X</td>
<td>Farm</td>
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<td>Riding camp</td>
<td>SP</td>
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<td>RRB</td>
<td>7</td>
<td>0</td>
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<td>yes</td>
<td>Business owner</td>
<td>X</td>
<td>Farm</td>
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<td>Equestrian centre</td>
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<td>6</td>
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<td>40</td>
<td>2</td>
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<td>yes</td>
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<td>Green care 1</td>
<td>SP</td>
<td>14</td>
<td>RRB</td>
<td>120</td>
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<td>Green care host</td>
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<td>Inc</td>
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<td>husband</td>
<td>Farm/forest owner</td>
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<td>Farm</td>
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<tr>
<td>Bed and breakfast</td>
<td>SP</td>
<td>7</td>
<td>PB</td>
<td>55</td>
<td>1</td>
<td>yes</td>
<td>husband</td>
<td>X</td>
<td>(X)</td>
<td>(Continued)</td>
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<tr>
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<td>35</td>
<td>PB</td>
<td>755</td>
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<td>yes</td>
<td>yes</td>
<td>Employed</td>
<td>X</td>
<td>(X)</td>
</tr>
<tr>
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<td>7</td>
<td>PB</td>
<td>15</td>
<td>0</td>
<td>yes</td>
<td>yes</td>
<td>Employed</td>
<td>X</td>
<td>(X)</td>
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<td>15</td>
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<td>Employed</td>
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<td>(X)</td>
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<td>Co. Form</td>
<td>Firm age</td>
<td>Type of firm</td>
<td>Turn-over (Euro K)</td>
<td>Employees incl. owner</td>
<td>Premises on farm</td>
<td>Raised in area</td>
<td>Husband is helps out in wife’s firm</td>
<td>Family firm X: inherited firm (X): family members engaged</td>
<td>Inherited</td>
</tr>
<tr>
<td>--------------------------</td>
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<td>------------------------------------</td>
<td>----------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Café/service coop</td>
<td>SP</td>
<td>7</td>
<td>PB</td>
<td>250</td>
<td>15</td>
<td>yes</td>
<td></td>
<td>Employed (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Design shop/coffee shop</td>
<td>Inc</td>
<td>5</td>
<td>PB</td>
<td>100</td>
<td>2</td>
<td>yes</td>
<td></td>
<td>Business owner (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Country store</td>
<td>Inc</td>
<td>17</td>
<td>PB</td>
<td>411</td>
<td>1</td>
<td>yes</td>
<td></td>
<td>Business owner (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Artist</td>
<td>SP</td>
<td>16</td>
<td>MFG</td>
<td>85</td>
<td>1</td>
<td>yes</td>
<td></td>
<td>Business owner (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Sculptress</td>
<td>SP</td>
<td>10</td>
<td>MFG</td>
<td>15</td>
<td>1</td>
<td>yes</td>
<td></td>
<td>Employed (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Hat maker</td>
<td>Inc</td>
<td>6</td>
<td>MFG</td>
<td>314</td>
<td>4</td>
<td>yes</td>
<td></td>
<td>Co-owner (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Textile designer</td>
<td>Inc</td>
<td>8</td>
<td>MFG</td>
<td>20</td>
<td>1</td>
<td>yes</td>
<td></td>
<td>Business owner (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Woodworker</td>
<td>SP</td>
<td>2</td>
<td>MFG</td>
<td>40</td>
<td>1</td>
<td>yes</td>
<td></td>
<td>Employed (X)</td>
<td></td>
<td>House</td>
</tr>
<tr>
<td>Pie factory</td>
<td>Inc</td>
<td>38</td>
<td>MFG</td>
<td>1 000</td>
<td>6</td>
<td>yes</td>
<td></td>
<td>Business owner X</td>
<td></td>
<td>Firm</td>
</tr>
<tr>
<td>Publisher</td>
<td>Inc</td>
<td>52</td>
<td>MFG</td>
<td>410</td>
<td>3</td>
<td>yes</td>
<td></td>
<td>Employed by wife X</td>
<td></td>
<td>Firm</td>
</tr>
<tr>
<td>Foundry</td>
<td>Inc</td>
<td>62</td>
<td>MFG</td>
<td>4 200</td>
<td>37</td>
<td>yes</td>
<td></td>
<td>Employed by wife X</td>
<td></td>
<td>Firm</td>
</tr>
<tr>
<td>Metal works</td>
<td>Inc</td>
<td>78</td>
<td>MFG</td>
<td>11 600</td>
<td>60</td>
<td>yes</td>
<td></td>
<td>Employed by wife X</td>
<td></td>
<td>Firm</td>
</tr>
<tr>
<td>Bus company</td>
<td>Inc</td>
<td>14</td>
<td>TRP</td>
<td>2 200</td>
<td>45</td>
<td>yes</td>
<td></td>
<td>Co-owner X</td>
<td></td>
<td>Firm</td>
</tr>
</tbody>
</table>

*Source(s):* Authors' own work
As seen in Table 2, their companies are highly heterogeneous. The median firm age is 8.5 years. The youngest firm is just a few years old and the oldest 82. The smallest firm is a part-time operation whilst the largest employs 60 people. Turnover varies from a small side-income of 5,000 Euro [2] to an annual turnover of approximately 11 million Euro. The median turnover is about 100,000 Euro [3]. We categorised the firms into six groups: most of the entrepreneurs in personal and professional services, manufacturing and transport lived comfortably on their business and the larger ones employed others. The rural resource-based firms were typically smaller, often based on or attached to a farm or forest, and the owners had supplemental incomes. The same applied to the place-based firms, that were often tied to a certain building. All except the hotel owner had supplemental incomes.

The respondents were between 33 and 66 years old, with an average age of 50. All but five were born in Sweden, and all but four immigrants had deep local roots – they, or their husbands were raised in the area. In fact, inheritance of a firm, farm, or specific building was in 14 cases the reason or the basis for becoming an entrepreneur.

All except for two divorcees were married, and all but one had children. More than half had children still living at home. Husbands were typically engaged in male gendered occupations, such as contracting, farming, or manufacturing, or they were craftsmen, either in their own firm or employed by someone else. Three were formally employed by their wives, but many contributed on an informal basis – the boundaries between the wife’s and the husband’s occupation were sometimes muddled (italicised text in Table 2), and children contributed too. In fact, even if fully owned by the respondent, 22 firms might be characterised as family endeavours, formally or informally.

The interviews
We developed a comprehensive, open-ended interview schedule including 35 questions about company and demographic data, role and tasks in the company, strategies, motivation, the rural location, value creation, contributions to rural development, competition, gender, family and questions about experiences or attitudes to policy or offers for rural development and support. With some exceptions, interviews took place at the respondent’s business premises. They lasted between 36 min and several hours, with an average length of 76 min. All but one were recorded and transcribed.

Analysis
We received information beyond the interview guide. In order not to miss any important points we therefore chose a largely inductive approach using thematic analysis as our research strategy (Braun and Clarke, 2006). Each research team member read the transcripts and made a preliminary analysis. We then met for a two-day workshop, discussed our readings and collectively identified a list of categories. These were then used as a guide by the first author who reread and coded the transcripts manually. The categories were subdivided during this process as more nuances became visible, resulting in twenty-three different categories. Data from each interview and category, plus demographical data were then entered into an Excel spreadsheet with 30 columns, which printed out to 76 pages.

In addition, a Word document was created with illustrative quotes from each category and interview, comprising 75 pages. The Excel document was read column by column to identify patterns among the respondents, looking for similarities and differences among all respondents as well as within or between lines of businesses. Some of this information was entered in condensed form into Table 2 which enabled a birds-eye view of the material. Through these exercises, we were able to condense the categories into a number of themes that were used to organise a first draft, which was then discussed and further refined in a joint analysis process. The themes were: diversity, local anchoring, family embeddedness,
adjustment, gender, motivation, rurality, rural development and policy. We wrote a comprehensive, and largely descriptive research report detailing the results of the thematic analysis (Ahl et al., forthcoming).

For the purposes of the present study, which concerns women’s contribution to rural development, and the implications for entrepreneurship policy, we needed a theoretical lens focussing specifically on these issues, and we found the analytical framework of ideal types developed by Korsgaard et al. (2015) outlined above useful for this purpose. We began by dividing the companies as Type E or Type R according to their dependence on specific local resources. We then revisited the thematic analysis and our primary data and re-interpreted, or reorganised, the data using the ideal types as the interpretative framework. The richness of our data enabled us to apply the model and analyse the motives, strategies and outcomes for the different companies without any further data-gathering. The framework enabled us to focus and sharpen the analysis, but the richness of our data also enabled us to augment the framework.

Findings
The analytical framework predicts that type E and Type R businesses make different sorts of contributions and entail different sorts of risks for rural development. With the aim of analysing what kinds of contributions women entrepreneurs make to rural development, we used the model to analyse and describe them. The analytical framework predicts that the three analytical dimensions motivation, strategies and outcomes will differ between Type E and Type R firms as detailed in Table 1. We therefore structure the analysis after these three dimensions. Moreover, we used Korsgaard et al.’s (2015) conception of Type R businesses as drawing on specific rural based resources and Type E as not dependent on this, to make a preliminary categorisation of the businesses in our sample.

As Table 2 shows, we had already categorised the women’s businesses according to the industry in which they operated. Theoretically, the firms in personal and professional services, manufacturing and transport could be based anywhere. They do not draw on any specific rural resources. These firms are therefore Type E candidates, according to our analytical framework. The rural resource-based, and place-based firms depend on a certain location and draw on specific rural resources and would therefore be Type R candidates. It should be noted that the separation of the firms into two groups is purely theoretical and heuristic, and a consequence of the analytical framework. We use the framework as a heuristic device for empirical analysis, just as Korsgaard et al. (2015) suggest. In the following we analyse and compare the motivation, strategies and outcomes for these two groups of firms, starting with Type R. We use the term “candidates” to indicate that the categorisation is preliminary – as the following discussion will show, the motivation, strategies and outcomes rather lean towards type R for all of them. We include a discussion of their use of and attitudes toward entrepreneurship support in the strategy section, the reason being that the analytical framework suggests the use of government subsidies as a Type E firm strategy.

Motivation
Type R candidates: the rural resource-based, and the place-based firms. The seven rural resource-based firms we interviewed were based on a farm, or a forest. They include two forest owners that managed their inherited forest as a side business, two that arranged trail riding on horseback combined with B&B or camping, three that provided care farming which is therapy through agricultural work, a dairy farm which produced speciality cheese products, and one who turned the farm into a tourist attraction with a farm shop, a bakery, a café, guided country walks and concerts.
The place-based firms drew on a particular place and a particular building. We interviewed the owners of a B&B, a hotel, a vegan restaurant and an event restaurant. We talked to an entrepreneur who runs a café, an event facility, and a household services co-op at the family estate, and another one who combines a café with an interior design shop in a former barn. We also interviewed a woman best described as a serial, social entrepreneur. She started the local grocery store co-op, a café, a dancehall/disco and a conference centre. She has a kennel, a doghouse, dog assisted education for kids with special needs and she is making plans for a home for seniors, and a hostel.

The primary motivation for all interviewees, irrespective of line of business or location was the desire to be free, be their own boss, make their own decisions and pursue their own passion and ideas – we have quotes from all interviewees that are very similar to the ones below.

It is not about the money . . . it is a passion one has, one likes to do things, one makes decision, and one sells it (forest owner.)

To have my own business and make my own decisions (equestrian center owner).

To make a difference . . . I wouldn’t want a job confined in a space somewhere – I want to feel free (country store owner).

Second most important for the entrepreneurs in this group was to be able to realise their passion in a certain place. Inheritance of a farm or a family estate was instrumental for about half of the entrepreneurs in this group, but not only the physical farm or building, but also the emotions attached to it. These feelings include a responsibility towards the family legacy.

I love the feeling of owning and caring for a forest and want to see it passed through the next generation (forest owner).

The entrepreneurs cite local role models as motivating them to become entrepreneurs. Without them, they would not be entrepreneurs themselves. In most cases these are found within the immediate family – a husband, parent, a sibling, or a cousin – but not necessarily in the same line of business. The owner of the equestrian centre, for example, grew up in a family engaged in motorcycle retail and several had relatives in construction. They could also be their own role model – a few of them were serial entrepreneurs.

As the analytical framework predicted, money was not a motivator for this group; it was just a means to an end. No-one cited competitive resource prices as a reason for their choice of location. In fact, only the vegan restaurant owner said she could only run her business given cheap premises, but it was not the reason for starting the business. Finally, none of our respondents in this group started a business in order to combine work and family responsibilities, on the contrary, they engaged family members in the business, drawing on both paid and unpaid work from partners, children and other close relatives. The motivation of this group chimes with Korsgaard et al.’s (2015) characterisation of Type R companies, “to develop one’s person, community, or culture”, but we could add the more generic “independence and pursue a passion” as well as “follow role models” and “honour the family legacy”.

Type E candidates: the service, manufacturing and transport firms. We interviewed three firms in personal services – two hairdressers and one body therapist; and three in professional services – a law firm, a financial consultant and a copywriter. These businesses could in principle be based anywhere – the rural location is not a prerequisite. In manufacturing we included any type of production. Just like the service firms, these could be based anywhere. The interviewees included a book publisher and a pie factory, both with national distribution. We talked to a wood worker who restored old windows, two established artists and two textile designers/producers – one small scale side business and
the other a hat maker of international repute. The two largest firms in our sample are both in
the metal industry and are subcontractors to the automobile industry. Both operate on a
global market. The last category, transport, includes a bus company which arranges
sightseeing tours all over Europe.

As for the previous group, the desire for independence and the desire to fulfil a passion
came first when we asked about motivation. The lawyer always knew that she wanted her
own law firm, for example. The artists endured many hardships to make a life out of their
passion. The textile designer quit her well paid job to become a creative pattern maker and
textile producer.

This is about freedom. I want to be my own boss, that’s what’s most important for me (body
therapist).

To feel that I do things not because someone else wants it, but because I want it (hat maker).

Most important was to be able to do things my way (woodworker).

Second came the attachment to a certain place. This was in most cases the place where the
entrepreneurs or their husbands grew up and where they wanted to live. The passion for
the business and the passion for the place were intertwined – they wanted to run a certain type of
business, in a certain place, and one could not always say what came first.

I am third generation hairdresser. I’ve spent every day of my life at a salon. I know nothing else (salon
chain owner).

I literally grew up in the factory – our parents sold their house and moved the family to the factory
during my teenage years. We shared kitchen and showers with the employees (metal works owner).

I never understood why anyone would ever want to live in a city. Distances, time . . . here I park my
car outside my house or my office, or I take the bike to work . . . no parking permits, no traffic, forest
next door . . . being able to stay close to home is why I have my business here (lawyer)

As for the previous group, role models were instrumental. For the inherited family firms – the
pie factory, the publisher, the foundry, the metal works and the bus company – the role model
was a parent, or both. The predecessors of the CEOs of the two metal companies were their
mothers, who may have paved the way for their daughters to take over businesses in a male
gendered industry. For many others though, a father, or just anybody in the community
served as a role model.

I have had it in me from start . . . you can create things, it is possible to have a dream and make it
work . . . I grew up in an entrepreneurial family, surrounded by people who have created things from
scratch (artist).

Every other person around here is a business owner . . . you can see that it is not impossible to make it
. . . can they, can I (body therapist).

The family business owners felt a responsibility to honour the family legacy. The owner of
the foundry, one of the largest businesses in our sample, pointed to a picture of her dad and
her granddad and said:

These two are my roots. My business is so attached to them, and to my family, my relatives and to
tradition . . . it has nothing to do with money (foundry owner).

My dad started this business and I want the business to continue to flourish (publisher).

Most of the family business owners (including the farmers) said that their children should be
free to do whatever they want, but, on the other hand, they would really like it if the children
took over the business one day, so there is also a responsibility for the coming generation.
The analytical framework suggests that Type E companies engage in a rural area solely as a space for profit. We do not see this among the interviewees in this group. As for the previous group, money was a means to an end. Getting the finances right was the means to make it possible to do what they wanted to do, and, most importantly where they wanted to do it.

My dad wanted me to work for the company but that was not my plan – I was going to become a simultaneous interpreter. But I was very fond of my home. I had job offers from embassies but said no and came back home (publisher).

No business was home based, and no-one cited the need for business ownership in order to combine work and family. However, family was often an integral part of the decision to become an entrepreneur. The lawyer said she had created exactly the kind of life she wanted: a successful law firm situated in her hometown, a happy marriage, with kids and parents and in-laws close by. She does not feel that she had to forsake anything – she created her firm to suit her ideas of how she wanted to live her life. In many stories the family is not something the entrepreneurs have to adjust to, it is rather the other way around – husbands and kids help, or they are offered jobs, or they take over the business in due time.

We conclude that the motivation for both groups is very similar: they want to be independent and pursue a passion, they follow role models and they honour the family legacy (or create one). The interviews in the second group also stressed that they wanted to “live, work, and raise a family in a certain place” – place was an integral part of the decision to start or take over a business, even for the firms that were not place dependent. Hence, irrespective of size or industry, all entrepreneurs leaned toward Type R in their motivation.

**Strategies**

*Type R candidates: the rural resource-based, and the place-based firms.* The analytical framework suggests that Type R entrepreneurs develop new ventures, products, or services by recombining and making the most out of local resources. This describes the firms in this group very well: they were all adept at recombining and making the most out of local resources. The multifarious farmers were Jacks-of-all-trades: they combined traditional farming endeavours such as agriculture, livestock and forestry with B&Bs, cafés, farm shops, tourist events, camping, trail riding, food production or green care, thus making the most out of the opportunities that the farm provided. The forest owners created B&Bs or camping, or arranged trail riding to make the most out of their forests.

The place-based businesses followed the same pattern. Two cafés were created to make the most out of an inherited family estate, or a large barn on the family farm, and the third started a café in the country store facility thereby creating an additional business. The event restaurant was housed in an old heritage building, thus adding a reason to visit the restaurant.

“Local resources” however, seemed to include family members: making the most out of family members was also part of the strategies of these firms. The owners benefitted greatly from the help of family members, particularly husbands but also parents or children.

My husband is a contractor, and he built this beautiful café at no cost for me (café owner).

My hubby is also the handyman around the hotel (hotel owner).

The firms in this group are active on the local or regional market, fitting the Type R categorisation. However, the B&Bs, the hotel, the camping and the horseback riding businesses also market themselves on international websites and attract many of their customers from countries in Northern Europe.
Moving on to the use of support, we found that agricultural support through the EU CAP programme was essential for the farm based businesses, but only indirectly so. While the businesses we studied did not receive agricultural support, the farms on which they were based did. One of the care businesses said that agricultural support constituted fifty percent of gross earnings of the family farm—they simply could not sustain the farm without it. The forest owners had no such support, except one who got a small contribution for building a wildlife fence.

Some of the placed based businesses used Leader money for various social or cultural projects—the B&B owner built a tennis court for the community, the equestrian centre took part of a Leader network to develop horse tourism, the event restaurant had similar support, and the country store owner enjoyed investment support from both Leader and other local sources. Attitudes to Leader and similar programmes vary, and they seem best fitted to social or cultural endeavours, and for those who have the skills, time and interest to navigate a highly regulated system.

Without these supports or lubricants of different shapes and forms it would not be possible to do rural development (country store owner).

Other find it not worth the effort to apply—the owner of the cheese farm, for example, said it was too little money, too hard to fill in the application and took too long to get a decision. Others found it too limited in its purposes.

Leader networks? Just a lot of cozy meetings and chatting, if you ask me (forest owner).

I do not know of any support I could need, really... I do not want to grow, then I would have to work more (design shop/café owner).

None of these entrepreneurs had used support directed specifically to women, and neither had they used any general support, such as business training through Almi. We found the reasons to be either a lack of need, or a lack of information. The respondents differ in education and professional background. For the B&B owner, a former IT engineer, starting a company was a piece of cake. She took a one-day course at a private business school and learnt everything she needed; she said. She built her own website for almost nothing and her bank advised her to buy a very simple do-it-yourself book-keeping programme, so she could make do without an accountant.

This is sufficient, really, instead of paying a fortune to an accountant. People should be informed of such things! (B&B owner).

The vegan restaurant owner, on the other hand, said she would have been a frequent customer of Almi had she only known about its existence.

There is so much that you have no clue about. How shall I do, what must I do? Oh, must I report there? Must I register this? And there are so many different rules, this is super hard, it is the hardest, really (vegan restaurant owner).

The farmers and the forest owners took business advice from their professional organisations, but the other women did not belong to any organisation. Attitudes to and experience from support are thus mixed. Regarding possible improvements of support forms, the entrepreneurs asked for more information and guidance, easier procedures, more generous eligibility rules and shorter lead times—if anything.

However, it is not access to entrepreneurship support that worries our respondents the most, it is rather access to municipal public services. The entrepreneurs lament the lack of preschools and schools, health care, social care and elder care, post office and bank and a good grocery store and they complain about insufficient public transport and roads that need repair. Altogether this makes rural life more difficult, and rural life less attractive.
In conclusion, with the exception of the entrepreneurs who used Leader money, this group was uninterested in or sceptical towards entrepreneurship support. While the farm-based businesses were indirectly enabled by agricultural support, no firm used support from entrepreneurship or rural development policy as an explicit part of their strategy. All firms used the recombination of local, place-based resources as their main strategy which fits with the Type R characterisation.

_**Type E candidates: the service, manufacturing and transport firms.**_ While the engagement with the rural place was a prerequisite for the first group, this was not so for the second group. In terms of what these women did, they typically followed the business strategies of the industries in which they operated, just as the analytical framework suggested. However, we also found that these businesses adjusted their strategies to the rural location. A rural location was a-typical for several firms. A defence lawyer or a copywriter is seldom found outside the big cities in Sweden, and neither is a publishing house. We found that the entrepreneurs went to great lengths to adjust their strategies so that the business could be operated from a rural area anyway. The lawyer sees both local clients and clients from elsewhere in Sweden, but she spends most days in court, more than an hour’s drive from her office. The publishing house resorts to internet for all her communication – which means she must forgo important meeting places in Stockholm. The financial consultant travels daily to various companies in the region. The artists produce their art locally but exhibit it and sell it internationally. The textile designer exhibits at large trade markets. The hat maker has international distribution – it is a luxury brand, and they can have customer fly in from New York over the day to pick out a hat. The pie factory has national distribution through the big grocery chains – a more central location would have saved costs. The metal manufacturing companies would have been more profitable had they outsourced the production to low-cost countries. This was, however, out of the question. They are bound to their location by family legacy and tradition, by investments in buildings and equipment, and by responsibility for their employees.

I have a deep connection to my town and to my employees. I would rather close the factory than move production to a low-cost country – that is cheating, in my mind (foundry owner).

I am proud to be an employer . . . to give people opportunities to work and live in the countryside (bus company owner).

Those who had employees did not hesitate to lower their own salary if times were harder, in order to keep their employees. They did so both for social and for business reasons – they knew that skilled labour would be in short supply once the business cycle turned up again and having them on board from start was then a competitive advantage.

Even if this group does not depend on particular local resources, they still use local resources. They hire locally, they buy goods and services locally, and since they want their place to flourish they also engage in local development. Like the previous group, the firms drew heavily on help from family members. The larger ones employed husbands or children, the smaller used voluntary help and parents helped with grandchildren.

I am married to an entrepreneur – he provided the start-up capital (textile designer).

One has the benefit of living close to one’s parents. My mom helped with the kids when they were small, and my dad is still building on our house every day (hairdresser).

Both of our parents live close by. When the kids came home, they would call them and ask what’s for dinner, and then go where they liked the food most. My husband and I couldn’t have managed our two firms without their support (lawyer).

Comparing these results to our ideal types model, we find a mixed bag. Yes, the women entrepreneurs used strategies typical of the respective industries as a Type E company would
do, but they did not choose their location as a space of profit and, indeed, they went to great
lengths to adjust their strategies to enable a rural location in spite of the fact that it would not
be the easiest or most profitable choice. Moreover, once invested in a certain place, they
became dependent on local resources in terms of suppliers and workers, and they developed a
commitment to the place and its people. So, also for these companies, place came first,
strategies second, which is more in line with a Type R business.

Moving on to the use of support, the analytical framework suggest that a Type E company
might use government subsidies as part of their strategy. We saw no evidence of this. No
company in this group used government subsidies, or entrepreneurship support as a reason
for their rural location. These firms did not qualify for agricultural support from CAP, and
they did not use support from the Rural Development Programme. It was perceived as too
small-scale and irrelevant for the manufacturing firms, and too bureaucratic for the
service firms.

I looked into EU support, but it was an awful lot of paperwork to get any money. It makes more sense
to spend that time picking up a new customer, who can pay me (copywriter).

Most did not use general entrepreneurship support either. This includes the service firms –
help is seldom needed to get a law business or a financial consulting business going, neither
does a hairdresser normally need start-up assistance. Having your own business is normal in
these professions. However, seven respondents do mention help from Almi. Five received
business counselling or took courses, one received a loan for equipment and one took part of
Almi’s programme for effective board work. Two respondents joined incubators to get their
firms off the ground, and one called on Jobs and Society. The larger manufacturing industries
used business advice and networking through their professional organisations and a few of
the smaller ones sought out small business owner networks in their region. All were
appreciative of the help they received.

There was a distancing from support catering specifically to women. The forms offered
were perceived as irrelevant. The foundry owner said it drove her nuts when business
networks for women have some activity like “learn how to mingle” or “learn how to tie a
wreath”. The copywriter was perhaps the most explicit critic:

... our politicians are naïve. Making jam and pickles and selling it in your farm shop is what is
communicated. And who the heck can live on that? (copywriter).

Since present policy measures were of limited use, we asked what they would like to see
instead. The answers largely concerned lack of reliable public services in rural areas. These
are increasingly discontinued. The manufacturing companies have difficulties recruiting
skilled labour, who are hesitant to move to a small place with limited services. Commuting is
difficult – buses and trains are non-existent, or few and far between, making car ownership
necessary. The textile designer, who used to be able to call the help desk in her prior job
laments the lack of computer services where she lives, as well as the lack of a local post office.

It is almost 20 kilometers to the nearest post office. So, when I send things from my web shop, I need
to take the car there (textile designer).

Broad band fibre optics are essential but not available everywhere. The copywriter
occasionally has to take her car to town to be able to send her files on time. Even when up and
running, her ADSL connection cannot handle pictures. The county council or the local council
are the recipients of the misgivings, since the respondents are of the opinion that the public
sector should provide these services.

In conclusion, the first group is clearly Type R in terms of strategy – they (re)combine
local, place-specific resources. The firms in the second group become Type R firms due to the
entrepreneurs’ commitment to a certain place and its people and adjust their strategies
Accordingly. Both groups see family members as “local resources” and draw heavily on their help. With the exception of the entrepreneurs who used Leader money, no firm used entrepreneurship or rural development support as part of their business strategy, even if advisory services were helpful. The provision of public and private services in rural areas was held as far more important.

Outcome
Type R candidates: the rural resource-based, and the place-based firms. The women entrepreneurs in this group lead prototypical Type R businesses. They recombine and make the most out of local, place-based resources, thereby adding economic value to the rural place and making it more resilient. The farm-based business draw on the resources of the farm and commodify them for the market. The agricultural care businesses constitute a new, farm-based industry. The tourist businesses attract people to the area, which has spillover effects on the local economy. The design shop/café can have several hundred visitors any given day, for example, and the B&Bs and the hotel attract tourists as well as provide lodging for business travellers to the many manufacturing companies in the region. The horse-riding businesses, the cottages and the camping also attract foreign tourists, mostly from Northern Europe.

The businesses moreover constitute a mutually supportive entrepreneurial ecosystem. The farms and the farm-based businesses are invaluable for creating “rurality” in the first place. Their grazing animals and fields keep a bio-diverse landscape open and accessible. Without them, there would be no rural idyll to market to visitors, and no basis for the cafés, the B&Bs and the event businesses. The forest owners cultivate and care for their forests, to which everyone has the right of access in Sweden. The forests, therefore, make up the basis for the trail riding, the wildlife adventure and the camping businesses.

The entrepreneurs in this group also engaged in rural development directly. They were especially keen on making rural areas livable for families and children. An example is the B&B owner who applied for EU sponsorship to build a tennis court and started a local tennis club with classes for children. One of the café owners gave all local teenagers their first summer job.

Over the years we have had 70 school kids working here. When I sit in my rocking chair this will be the most important thing I did; to employ so many kids and give them their first entry into the labor market. I am so proud of this (café owner).

Two respondents exemplified the entrepreneur who first and foremost sees to the needs of local development, social entrepreneurs if you will – the business form is just one avenue. One of them left a large company in the capital with the intention of downshifting, moved to the family farmhouse and opened a summer café in the barn. But various local needs presented themselves, and she responded by starting businesses to fulfil them. A preschool was needed, so she started a teacher owned coop preschool. She ran projects around entrepreneurship in schools. She rented out co-working office spaces to local firms. She arranged occasional music entertainment and a pub for the locals. More job opportunities were needed and there was also a need to provide for older people. So, she started a personnel cooperative that offers household services, primarily to older people. Both problems solved. After the large wave of immigration in Sweden in 2015, she got engaged in a farm project that offers immigrants practical training in gardening and in Swedish. Meanwhile, she manages the family forest, and, on top of it all, she holds a regular job in the city that allows her to take summers off. Due to the many activities, the village has now become an attractive place to live and increased its population. The strategies and outcomes of this group exemplify what Korsgaard et al. (2015) describe as the virtuous cycle of codification and revalorisation of Type R entrepreneurship – the (re)combination of local resources feed positively back into the place, leading to greater rural resilience.
**Type E candidates: the service, manufacturing and transport firms.** While the women entrepreneurs in this group did not build on the recombination of particular local resources, the outcome was still that of Type R companies – greater rural resilience. The entrepreneurs produced jobs for themselves and their employees. None of them contemplated moving, even if their businesses would be more profitable elsewhere. They contributed to the local economy as buyers. They bought products and services locally and thus helped sustain other local businesses. The pie factory, for example, bought 4,500 eggs – every day. They copywriter had a local subcontractor for pictures. The hat maker bought leather details locally, and many bought generic services such as cleaning or bookkeeping locally. Some businesses embodied rural sustainability by the nature of the business – the hairdressers, the body therapist, the lawyer and the consultant, the woodworker and the bus company all contribute to the supply of local services, without which rural life would be hard to sustain.

But the entrepreneurs also invested directly in local development. Very common for the larger firms was sponsorship of local associations, such as local sports clubs or cultural associations, either in cash or in the form of a paid ad in event programmes. To not sponsor was unthinkable for the salon owner – she said it is everybody’s responsibility to support local civil society organisations. She noted that her salons in cities did not get these requests – in her experience it is a predominantly rural phenomenon.

Irrespective of company size, we saw engagement for the coming generation. The metal works welcomed school children on study visits, as did the hat maker, and both artists taught art classes to children. Children, and provision for children, are key in sustaining rural areas, and our respondents were very well aware of it. There simply must be a school – otherwise families cannot live there. All respondents with children at school age spoke specifically about it. When the politicians wanted to close the school in the municipality where the financial consultant lived, she formed an action group to save the school. They arranged torchlight demonstrations and mass protest meetings – 1,000 people, a third of the inhabitants showed up – they had to install an outdoor large screen TV so that everyone could see and hear. They challenged their politicians by developing a full-fledged business plan for a parent owned cooperative school (in Sweden, the municipality would still have to pay for it). The school remained open, and student numbers have grown.

The sculptress provided another example of local development. In want of colleagues and suitable facilities, she opened a collective artist studio in an old glassworks, working closely with (or against) the local politicians. Today it is a cultural centre, a visitor’s destination and it houses art classes for children. It has enabled the children in the area and their parents to envision a future as an artist, which was basically unthinkable before, and the studio is the pride of the town.

We had to struggle to get municipal support, but when they visit us now, they are super proud. We are their little jewel that they want to show, the studios, the fantastic artist . . . so I believe we mean a lot to our community (the sculptress).

Some of the service businesses also provide intangible social services that are not typically included in conceptualisations of rural sustainability. It is best expressed by the salon owner, who has premises both in cities and in rural areas:

I get more engaged in my customers here . . . I know that old Sara will come 20 minutes before her appointment, to have a cup of coffee and read a magazine. And we add some time to her haircut, which actually takes only 25 minutes, but we do some extra . . . that’s her way of being taken care of . . . If I can, I also book her on a time when I know that we have another customer that she knows so they get a chance to chat . . . And we solve problems. If a customer forgets their glasses, we ask the next customer from the same place to take them and leave them at the local gas station (salon owner).

She says that her village salon is perhaps the only informal meeting place left where people get to “sit a spell”, meet other people, and be cared for and listened to. The other hairdresser,
who opened her salon in the tiny village where she grew up says that the simple fact that people see cars parked outside creates a sense of life in the village and that people appreciate it. Her salon is a social hub – she knows everyone and what they are up to, and she solves many practical problems by connecting people with each other. The bus company which has its offices by a rural highway tells a similar story:

A bus company is so much more than a bus company...it is a social hub, in a way; people call in for a chat...you become like the local hair salon...and tourists stop by...you become an ambassador for the countryside (bus company owner).

In conclusion, the strategies of the entrepreneurs in this group, as the previous one, led to a revalorisation of the rural areas, contributing to rural sustainability and resilience, which is the outcome of a Type R firm. They may not produce large economic growth, but neither do they face the risks of Type E firms: enclave communities, suboptimal use of local resources and long-term job loss due to relocation.

Discussion
The analysis showed that even if only about half of the firms drew on the recombination of place-specific resources as their main strategy, all of them could still be more or less characterised as a Type R company – even the high-tech manufacturing firms that operated on a global market. Using the terminology of Korsgaard et al. (2015), the entrepreneurs did not engage in the rural place as a space for profit, but as a location of meaningfulness and social life. The analysis enabled us to specify the motivation, strategies and outcomes of rural women entrepreneurs as detailed in Table 3.

The question arises why all firms could be placed at the Type R end of the spectrum, in spite of the differences in industries and markets. While the ideal types model shows two ends of a continuum thus covering a wide variety of motivation, strategies and outcomes, we think there may be a missing piece: the model still builds on the thought figure of the individual, rational actor who makes calculated choices. It assumes that individuals either go for profit, or they go for personal, cultural or community development.

However, what stands out in the interviews is how deeply embedded rural women entrepreneurs are in family relations and in local, social relations. Close to everyone had prior connections to their rural location and their heart’s desire was to make a life and raise a family there. This, and the desire to be one’s own boss and pursue an idea, were the reasons for starting a business in a rural location, rather than either the existence of rural resources or

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<td>• provision of intangibles – sense of pride, care, social cohesion</td>
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Table 3. Motivation, strategies and outcomes of rural women entrepreneurs

Source(s): Authors’ own work
purely economic reasons. While material reasons were at hand for some of them; a farm, a building, a forest, a family business, these were hard to discern from the emotional reasons— they came in a tightly knit package. This was reflected in the strategies. The rural resource-based, and the place-based businesses did indeed recombine local resources, but the other ones adapted their strategies to enable a life and a business in a rural location. So, the desire for a rural life came first, entrepreneurship and strategies second.

The missing piece in the theoretical framework is, we hold, the degree to which the decisions and actions of any rural entrepreneur (and maybe also urban) are bound by their attachment to a family, a place and its people. This invites studies of the role of emotional attachments, and it invites the theorising of place as an entrepreneurial actor. The use of actor–network theory (Latour, 2007), where also inanimate objects are seen as actors, or “actants”, comes to mind as a possible way forward (Korsgaard, 2011). More than anything, though, it challenges the idea of the entrepreneur as the individual, self-interested economic actor. As many studies before us have shown, this is simply a “false narrative”, leading to inaccurate theory and non-functioning policy (Greene and Brush, 2023).

Another contribution of the study is the degree to which the women used their family members as resources in their enterprises. This challenges the standard view of women entrepreneurs as balancing work and family, a conceptions that in turn assumes that family is the primary responsibility of women. This was not the case in our study and the work–family division was just not applicable for our respondents. Family was a resource, not an obstacle, and the respondents did not see any “division”, rather work and family was an integrated whole. This finding questions the traditional work–family divide and invites a rethinking of the role of family in entrepreneurship studies.

It also cautions us to take context into account when theorising gender and family. As shown by previous studies (Markowska et al., 2022; Naldi et al., 2021), the configuration of the family-friendly Swedish welfare system where the state takes comparatively more responsibility for the “private” sphere than in many other places makes it easier for women to both work and have families. Another effect is that it becomes the taken-for-granted state of affairs. A housewife is actually a denigrated position in Sweden. So, our findings may or may not apply elsewhere.

The results also invite comparative gender studies. It would be all too easy to fall into the essentialist trap of thinking that our findings of family and local embeddedness, a sincere engagement in rural development and building a business from the desires of your heart would be typically feminine, and that one must look for Type E firms among men. We propose that if asking a similar selection of male rural entrepreneurs (or urban entrepreneurs) the same questions; about how their feelings, families and children are entangled with their firms and the place it is located, one may possibly find that our results are rather typically human.

Policy implications

The findings are good news for rural development. All women entrepreneurs contributed to rural resilience of the Type R sort. Besides creating job opportunities for themselves and others and tax income for the municipalities, the study showed many other sorts of contributions. First, the nature of the business. Many women-owned businesses provide services without which rural life would be hard to sustain. Second, economic spill-over effects. We saw how women’s firms acted as buyers in the local economy, and how they attracted visitors who spend money locally. Third, they sustained each other: farmers and forest owners produced “rurality” which the tourist businesses needed for their operations. Fourth, an impressive engagement in local development projects of many different kinds and fifth, intangible social services such as acting as a social hub or putting a place on the map through their company brands.

There are thus good reasons for policy to recognise and support women-owned rural businesses. The research showed, however, that current policy largely overlooked rural
women entrepreneurs. Support provided by private business and industry associations was appreciated, but it is tailored to specific industries and not easily available to any start-up entrepreneur. Networking or business training especially for women tended to miss the target – it was experienced as not serious, and for hobby entrepreneurs only. EU programmes were experienced as too rule based and inflexible, largely not worth the effort, but for the social entrepreneurs. Rural development funds basically missed women. Agricultural support also missed women, unless they were married to a farmer who used it to sustain the farm and indirectly other businesses based on the farm. Only business training and seed financing from Almi was unambiguously well received – given that entrepreneurs had knowledge about the existence of Almi and its services in the first place.

Consequently, the system can be improved. However, our findings also indicate that entrepreneurship and rural development policy cannot be separated from family policy and welfare state policy. These policy areas intersect in important ways, and policy makers must recognise that they need to work horizontally across policy areas. Some suggestions follow.

Improving the existing system. The general support system – advice, courses start-up loans, incubators – was appreciated by some, but irrelevant for others. One size clearly did not fit all. A varied offer, for different types of businesses is needed. On the political level, there is a need to recognise contributions to rural development beyond profit and growth, and adjust eligibility criteria and programmes so that support is available also for the many small businesses that are important for the rural economy even if they stay small. One should also consider that women entrepreneurs have very different backgrounds in terms of education and experience. Some will get off the ground by consulting a web page, whereas others need tailored help. Moreover, for support offers to be of any use, entrepreneurs must know that they exist. A concrete suggestion is to provide comprehensive information on support options to any person who registers a business with the tax authorities, which in turn would require government authorities to collate and continually update this information.

The EU Rural Development Programme largely missed the women we interviewed. There is thus a need to oversee the rules for access to the Rural Development Programme to include women’s businesses – so far, it is limited to agriculture, broadband, or small-scale social projects through the Leader Programme. Relatedly, agricultural policy should redefine what constitutes agriculture. Presently, it is limited to food production and the production of a green environment. However, as discussed earlier, farming in Sweden is fully rationalised – supporting farming alone is unlikely to create more businesses, it is rather a way to protect existing ones. However, many women run viable businesses on farms that are not related to food, but still use the farmland as a resource, such as farm tourism, or green care firms (Pettersson and Tillmar, 2022). Redefining agricultural businesses would make more women eligible for support.

Special programmes for women entrepreneurs were largely dismissed by our respondents. There was no demand for women-only programmes, at least not in the forms offered so far. Given these experiences, reconstructed women-only support, and properly gender mainstreaming regular entrepreneurship and the Rural Development Programme is a better choice.

Integrating family and welfare state policy in rural development policy. Unlike (some) women entrepreneurs in the Anglo-Saxon countries, our respondents did not start a business in order to combine work and family. This indicates that family policy, in terms of parental leave and daycare, is actually also entrepreneurship policy. This makes it possible for both men and women to combine work and family, including business ownership, on equal terms and, indeed, contribute to rural viability. We therefore recommend that family policy be seen as an integral part of entrepreneurship and rural development policy.

We also recommend that welfare state policy be seen as an integral part of entrepreneurship and rural development policy. The majority of our respondents did not request any business support, but all had great grievances about the lack of local services. To our entrepreneurs, the
provision of a good basic infrastructure – schools and preschools, grocery stores, broadband, transport, primary care, elder care, post offices, employment offices – was much more important than targeted entrepreneurship support. We also noted that support from family members was crucially important for our respondents. Policy should therefore provide public services that makes it possible to raise a family also in rural areas. Spending tax money on schools with only a few pupils would mean subsidising public services in rural areas, a critic would argue, to which we respond that policy already subsidises rural areas in terms of gigantic EU subsidies to agriculture – 56 million Euro in 2021 (EU, 2022). Redirecting some of this money to development and support of local social and physical infrastructure to make it easier for both women and men to run a business in rural areas would be money well spent, we suggest.

Finally, noting that virtually all respondents, even those that owned businesses that were not place dependent, had deep local roots, we argue that any municipal money spent on place advertising in order to lure prospective entrepreneurs to move to the community is largely misplaced. The money is better spent identifying and helping prospective or existing entrepreneurs among the local citizens.

Limitations and suggestions for future research
These recommendations are based on responses from rural women entrepreneurs running existing businesses, in a specific welfare state context and may therefore also be limited to this population. Nascent entrepreneurs may benefit from yet other measures, and so may urban entrepreneurs who are active in industries different to those studied here. As previous research asserts, any study on entrepreneurship must take context into account. The present study contributes with an illustration of this, which is both a strength and a limitation of the study. Contexts with different economies, welfare systems and gender roles will face different issues and different policy suggestions will apply. We welcome corresponding studies from other contexts.

Notes
1. https://www.ekonomifakta.se/fakta/arbetsmarknad/sysselsattning/strukturforandringar-i-sysselsattningen/?graph=24339/1,2,3,4,5,6,7,8/all/
2. The authors used 10 as the exchange rate for Euro.
3. The turnover distribution is skewed since the authors selected a few manufacturing firms with comparatively large turnovers so the median turnover in the sample is therefore not representative for the whole population of rural women entrepreneurs.

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