

Trends in women's entrepreneurship: bridging research and practices

The *Global Entrepreneurship Monitor: Women's Entrepreneurship Report* by [Elam et al. \(2019\)](#) revealed that the total entrepreneurial activity rate globally for women is three-quarters than that of men. That same report indicated that globally the rate of women entrepreneurs who own established businesses is approximately two-thirds than that of men. Drawing on data from the Boston Consulting Group, [Unnikrishnan and Hanna \(2019\)](#) report that in eliminating the gender gap such that women and men participated equally as entrepreneurs, global GDP could increase by 3% to 6%, thereby boosting the global economy by \$2.5tn–\$5tn. It is not surprising then that in recent years, we have seen government, economic development agencies, high schools and other post-secondary institutions directing more attention to women's entrepreneurship as not only a means of addressing a gender gap but also an engine of economic growth. In Canada, for example, in 2019, the Government of Canada revealed the Women Entrepreneurship Strategy with an ultimate goal of doubling the number of women-owned businesses by 2025. Similarly, in response, the UK Government commissioned review of women's entrepreneurship ([Rose, 2019](#)); the UK Government has set a target of increasing the number of women entrepreneurs by 50% by 2030 ([HM Treasury, 2019](#)).

At my own institution, we have directed the focus of our Royal Bank of Canada supported Woman Executive in Residence program to advancing women's entrepreneurship amongst our student body. The support provided by that program in part led to the idea for this special issue on *Trends in Women's Entrepreneurship: Bridging Research and Practice*. In June 2019, we hosted a one-day session with the same title as this special issue. The overall aim was to share recent research and initiatives in women's entrepreneurship and engage with students, faculty, entrepreneurs and the broader community such as financial institutions, women entrepreneur support organizations and economic development bodies. The four invited papers in this special issue stem from that one-day session intended to bridge theory and practice or put another way, to bring together researchers and practitioners of women's entrepreneurship.

The invited contributions in this special issue span research and initiatives across the UK, Canada and the USA. Three of the articles address the importance of the entrepreneurial ecosystem in advancing women's entrepreneurship in Canada and the UK (see articles by Hughes and Yang, Cukier and Hassannezhad Chavoushi and Patterson). These articles also draw attention to the need for inclusive ecosystems, which bridge micro, meso and macro considerations. The articles of Cukier and Hassannezhad Chavoushi and Patterson call for practice-based ecosystems where “markers” of intersectionality are taken into account in the intentional design of entrepreneurial ecosystems. Two of the articles speak directly to initiatives and context-/social-specific considerations that affect women entrepreneurs' ability to “scale up” their businesses (see articles by Balachandra and Hughes and Yang).

The articles

The first article in this special issue, *How Gender Biases Drive Venture Capital Decision-Making: Exploring the Gender Funding Gap*, by Lakshmi Balachandra adopts, in part, an autoethnographic approach as Balachandra weaves in her lived experience as an associate working in venture capital funding organizations. She highlights that women receive less than 3% of all VC funding in the USA and that the dominant perspective in research and



practice is that women do not want to operate in high growth firms or they may not seek funding at the same rates as men. Balachandra goes beyond individual reasons to explain the tiny fraction of VC funding received by women entrepreneurs. She looks to how contextual norms established by the gender imbalance in the VC industry might explain gender bias in this process. She concludes that connection matters and that understanding how this unfolds in the VC funding process is critical. First, Balachandra references one of her studies, [Balachandra et al. \(2019\)](#), where they conclude that in the VC pitch, the bias is not one of sex, that is, this is not a bias against female entrepreneurs. Rather it is a bias against *femininity*. Thus, the bias is a gender bias, not a sex bias. Women and men entrepreneurs who pitched in a more feminine way were less successful in the VC pitch. In addition, they conclude in this study that women were not penalized for pitching in a more masculine way or going against gender role expectations. This is particularly interesting because research across a number of other sectors indicates that when women do not act in alignment with gender role expectations, they are punished, thus the entrepreneurship field may be exception to this. Second, referencing another one of her studies, Balachandra argues gender homophily does play a role in the decisions of men VCs to support women-led businesses. There is a double gender bias if a woman entrepreneur is seeking funding for product/service intended for female market. She argues that the appraisal of growth potential has an inherent gender bias, whereby men VC funders (and more than 90% of VC funders are men) are more likely to assess businesses/ideas that target masculine markets (e.g. technology to detect prostate cancer) with higher growth potential and shy away from businesses that target more feminine markets (e.g. technology related to breast feeding). Interestingly, when a male entrepreneur is leading a business venture intended for female markets, the bias is reduced or removed (and thus more successful pitches). In sum, Balachandra presents a compelling piece that concludes the overwhelming number of men who are VC funders, relative to the number who are women, creates a path and process fraught with gender based bias in different ways than we may have thought.

Karen Hughes and Te Yang (2020) are also interested in the scalability of women entrepreneurial ventures. Their work looks to how women entrepreneurs develop the skills and knowledge to grow their business and the types of supports that aid their entrepreneurial learning and leadership development (ELLD). The focus of their empirical work is upon participants in a growth accelerator program offered through the Alberta Women Entrepreneurs (AWE Peer SparkTM). Grounding their research in a gender-aware framework ([Brush et al., 2009](#)) and entrepreneurial ecosystems ([Isenberg, 2010](#)), they highlight how three activities are central to ELLD. Participants benefit from formal learning (e.g. learning from experts in leadership, strategic planning, finance), informal learning (sharing knowledge and information with each other) and peer and community support (e.g. belongingness and reducing isolation). Hughes and Yang conclude that there is an important dynamic relationship between human capital and social capital that contributes to an effective entrepreneurial ecosystem and that ecosystem can be intelligently designed to incorporate and value a gender aware approach to scaling up women's businesses.

The articles by Nicola Patterson, *Developing Inclusive and Collaborative Entrepreneurial Spaces*, and Wendy Cukier and Zohreh Hassannezhad Chavoushi, *Facilitating Women Entrepreneurship in Canada: The Case of WEKH*, both speak to innovative ways through which to develop networks and hubs of knowledge that bridge academia, government/industry associations and the practice of women's entrepreneurship. Patterson advocates for effective inclusive climates, which create a balance between the need for a sense of belongingness (e.g. shared understandings of gendered entrepreneurial challenges and opportunities) with a value for uniqueness (e.g. considerations of intersectionality,

heterogeneity in experience, sectors). She proposes a helix of stakeholder engagement (academia, government – policy, practicing entrepreneurs) through an engaged-activist scholarship approach (Rouse and Woolnough, 2018), whereby research is more likely to be used if practitioners (e.g. women entrepreneurs) are involved in research design. Similarly, Cukier and Hassannezhad Chavoushi, call for stakeholder diversity in the design of women entrepreneurial ecosystems. Their work details the design of the Women's Entrepreneurship Knowledge Hub (WEKH) based out of Ryerson University in Canada. It is a knowledge hub intended to bridge micro, meso and macro considerations of women's entrepreneurship through partnerships with regional hubs across the country located in post-secondary institutions, as well as an extensive list of women's networks, financial and consulting companies and women-entrepreneur support organizations. It is an inclusive innovation ecosystem based on the work of Cukier *et al.*'s (2014) critical ecological model. While still in its infancy stages, WEKH aims to take a more holistic view in approaching women entrepreneurs' issues and thinking through a networked, inclusive model.

Concluding thoughts

Scholarship in business schools has long been argued to be disconnected from practice. We saw this special issue not only as a way to advance conceptual and empirical research on women's entrepreneurship but also an opportunity to bridge research and practice. In some ways, the one-day session and the papers in this special issue can be viewed as a type of reflection and reflexivity for those involved in how we can ensure research and practice on women's entrepreneurship feed into each other.

As Cunliffe (2003) and Holton and Grandy (2016) note, reflexivity can be triggered through relational or in dialogic conversation with others. The networks discussed by Cukier and Hassannezhad Chavoushi and Patterson, in effect, describe a type of learning that can emerge from dialogic conversations amongst diverse stakeholders in advancing women's entrepreneurship. Hughes and Yang's work also implies a type of reflexivity afforded through dialogic conversation – that which happens between women entrepreneurs and with peers and other community members. These approaches are intended to develop more inclusive and effective entrepreneurial ecosystems with women as integral to them. Balachandra's work is also a call for researchers and practitioners to be reflexive to ensure the VC systems and processes we have in place are altered to address the gender bias that exists within them.

As was the intent with the one-day session we held in June of 2019, the articles in this special issue demonstrate that we can form valuable forums, systems and networks through which scholars interested in women's entrepreneurship engage directly with the entrepreneurs who live it. These efforts can and should inform research and policy agendas and in doing so will do more to unsettle taken for granted assumptions about what it is to be an (woman) entrepreneur and continue the advancement of women's entrepreneurship.

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