A Solution Or An Illusion: Are Female Entrepreneurs Exempted From Backlashes?

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Financial resource is considered one of the most important factors for the success of entrepreneurship. Unfortunately, research shows that female entrepreneurs receive less funding compared to their male counterparts. There are several potential reasons for this disadvantage such as females’ risk-taking propensity, their business types, and their goals. Among these explanations, one is attracting much attention- a bias against females from financial supporters.

Entrepreneurship is regarded as a male-dominated field that privileges a masculine work ethic. For example, entrepreneurs are described as bold, independent, and aggressive which are stereotypically associated with men. Typically, entrepreneur role models mentioned in the popular media are almost all men. These perceptions bring females some difficulties in entrepreneurship.

Females receive less financial support probably because they don’t present themselves in an “entrepreneurial” way. Some suggested that they should ask for more and be self-promoted. These findings suggest that a possible solution for female entrepreneurs is to show their agency when communicating with funders in pitch, using a masculine style to express themselves to achieve the same funding as men have.

However, such a solution may be simplified. The gender backlash literature finds that people hold prescriptive stereotypes of females being caring, warm, humble, and gentle. If they violate this gender norm, they will be punished with social and economic penalties (e.g. low likeability). Thus, although research suggests female entrepreneurs would benefit from behaving in a masculine way, whether it works remains theoretically and empirically unanswered.

The study we are working on provides some evidence on this question. We found that female entrepreneurs indeed encounter backlashes. When they behave in an agentic way, they would receive some negative responses such as a low level of likeability and people’s unwillingness to invest in their firms compared to their male counterparts with the same behavior. Most importantly, the backlashes that females received vary among occupations. Although corporate management and entrepreneurship are both male-dominated fields where agency is more welcomed, entrepreneurship has its unique characteristics which lead to a higher level of tolerance for females’ counter-stereotype behavior. As a result, female entrepreneurs are found to face less backlash than female CEOs.

But what are the characteristics in entrepreneurship that influence female entrepreneurs’ backlash? Our evidence further suggests that entrepreneurship has one salient feature: non-conformity. It encourages and requires challenging the status quo and norms. People commonly hold this perception about entrepreneurship and thus tolerate the violation of norms, including the
specific gender norms in our study. It is proved that backlash is buffered in entrepreneurship and entrepreneurship is a good outlet for females.

Implications

For the females who are trying to engage in entrepreneurship

Senior female leaders are likely to enter into entrepreneurship to get rid of the glass ceiling. Females are considered as lacking fitness for leadership due to the rooted gender stereotypes. They should be agentic to gain a leadership position. However, being agentic brings a backlash to them. That is, they encounter social and economic penalties resulting from their counter-stereotype behavior, which makes these females unable to be promoted to a higher position. Opportunities available to female professionals persistently are fewer than those available to men. To deal with the disadvantages, many of them are motivated to quit their salaried jobs and pursue entrepreneurship. Is entrepreneurship a good outlet for them? Our results do suggest that the answer is YES.

For the females who have been in entrepreneurship

It also extends the literature concerning how female entrepreneurs should behave when engaging in entrepreneurial activities and explore the outcomes they receive when they present agentic behavior, which is missing in existing studies. The finding provides some cues to understand the crowdfunding context where laymen have the chance to evaluate and invest in entrepreneurs by investigating how people evaluate and respond to female entrepreneurs’ behavior.

This study addresses the following questions: 1) Is being agentic a solution for females to achieve more desirable outcomes in the fields where females are now still disadvantaged? 2) Considering that there is a trend that female managers try to start their own business as their career options and enter into entrepreneurship, is it wise? We confirm that “Entrepreneurism is widely regarded as being one way in which women can sidestep the sexism of male-dominated institutionalized work environments and enter into a world in which men and women operate on a level playing field”.

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