

Lessons learned: researching gender and other intersectional influences in venture creation

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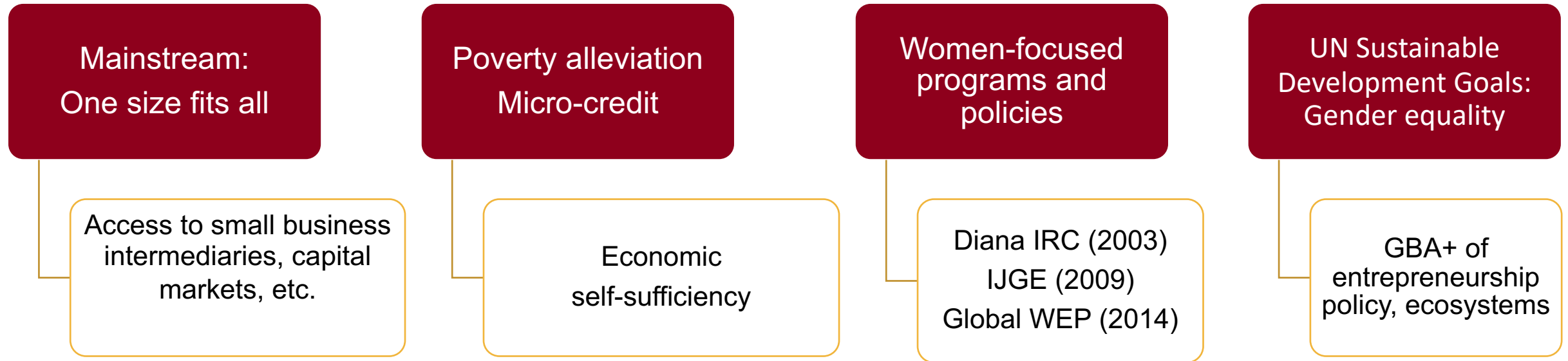
Take-aways

1. Clarify theoretical and temporal context
2. Avoid cherry-picking the literature
3. When reporting 'differences' employ comparative data (Fischer et al., 1993)
4. Account for founder *and* ecosystem influences



How, if at all, does gender influence venture creation?

Evolution of policy and program approaches to start-ups | venture creation (Orser, 2020)



Evolution of theoretical approaches to start-ups | venture creation (Orser, 2020)

Mainstream:
One size fits all

Institutional theory
Theory of change
Neo-liberal economics

Poverty alleviation
Micro-credit

Emancipatory theory
Gender empowerment
Gender planning &
development theory

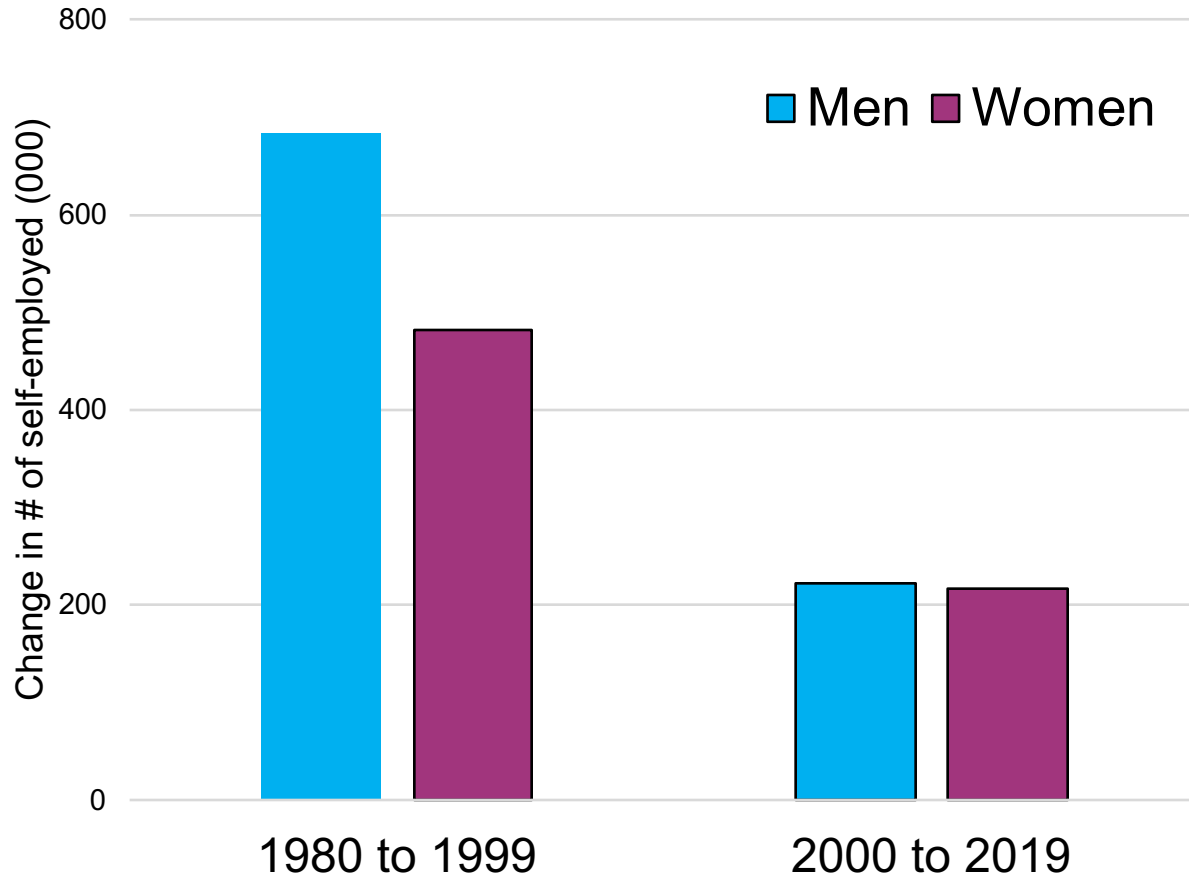
Women-focused
programs and
policies

Black feminist critique
Social feminism
Entrepreneurial
feminism
Post-structuralism

UN Sustainable
Development Goals:
Gender equality

SD theory
Ecological theory

Change in absolute number of self-employed (SE)*



- 1980 to 1999: significant increase in SE over 20-years
- 2000 to 2019: little gender difference in change in absolute number of self-employed
- Clarify temporal period to avoid confusion, misperceptions, exaggeration...

Newcomers: immigrant-owned SMEs

Importance: social richness, skills gaps, entrepreneurial spirit, offset low birth rates, aging population... (Hyder, 2020)

Debate: immigrant vs non immigrant-owned SMEs

- Underperformance: necessity-based, salary substitution, lack track record
- Overperformance: leverage international acumen, networks, credentials

Neville, Orser, Riding & Jung (*Journal of Business Venturing*, 2014)

- Survey of Financing of Growth of SMEs (Statistics Canada)
- Performance measures: longitudinal tax data for each firm (CRA)
 - Annual revenues
 - Salary mass
 - Pre-tax profit
 - Number of employees

**High
performance**

Exporter SMEs

**Low
Performance**

Export status (0,1)

Immigrant-owned
non-exporters
underperform all other
SMEs

Immigrant-owned
exporters outpaced
all other SMEs

Innovation & public procurement

Importance: innovation drives growth,
entrepreneurs seek new markets

Debates about gender of firm ownership and ...

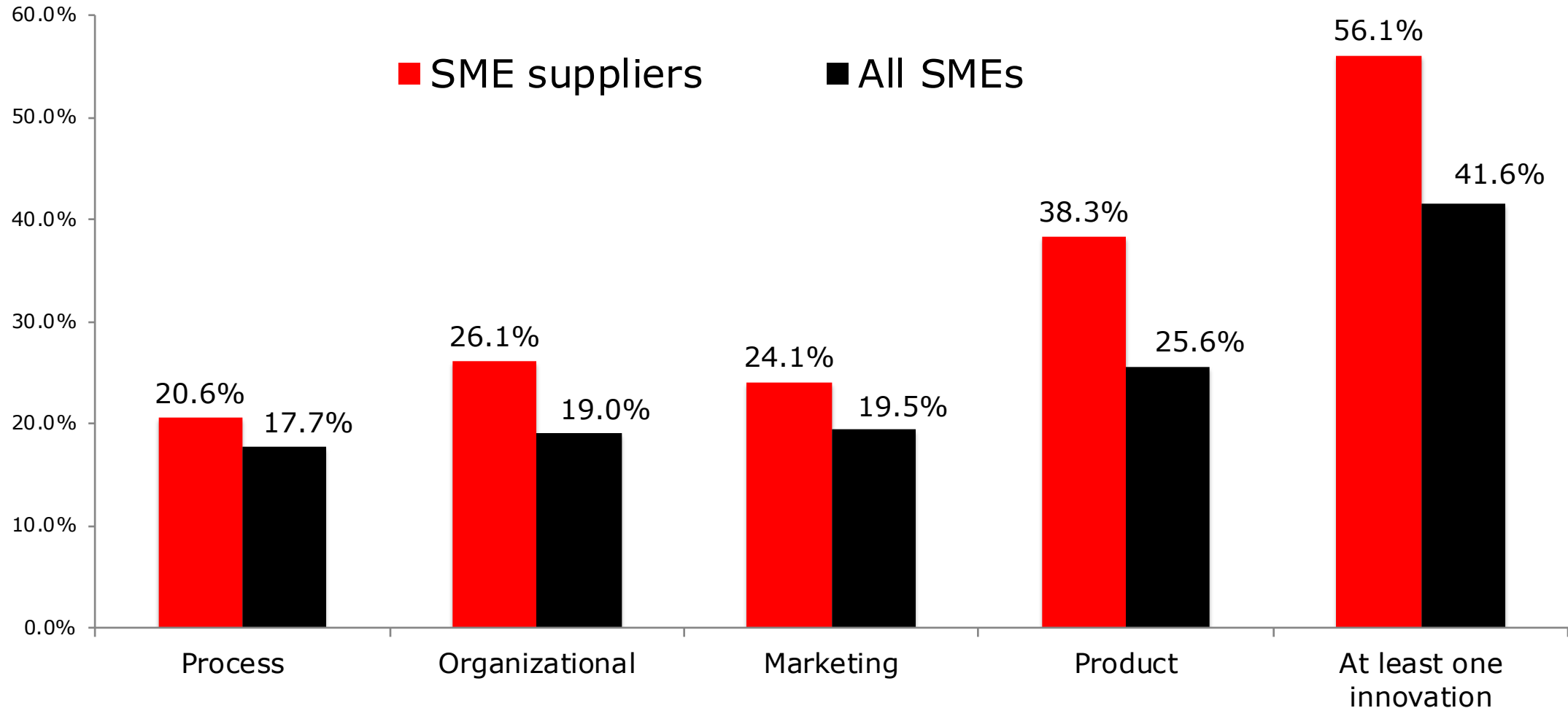
- Types and rates of innovation
- Access to federal SME contracting

Government procurement: 13% GDP

- SMEs account for \$5.5 billion (35.0%) of total value of federal contracts
- Contracts <\$1M, SME share of value equals 80.0% (PSPC, 2019)

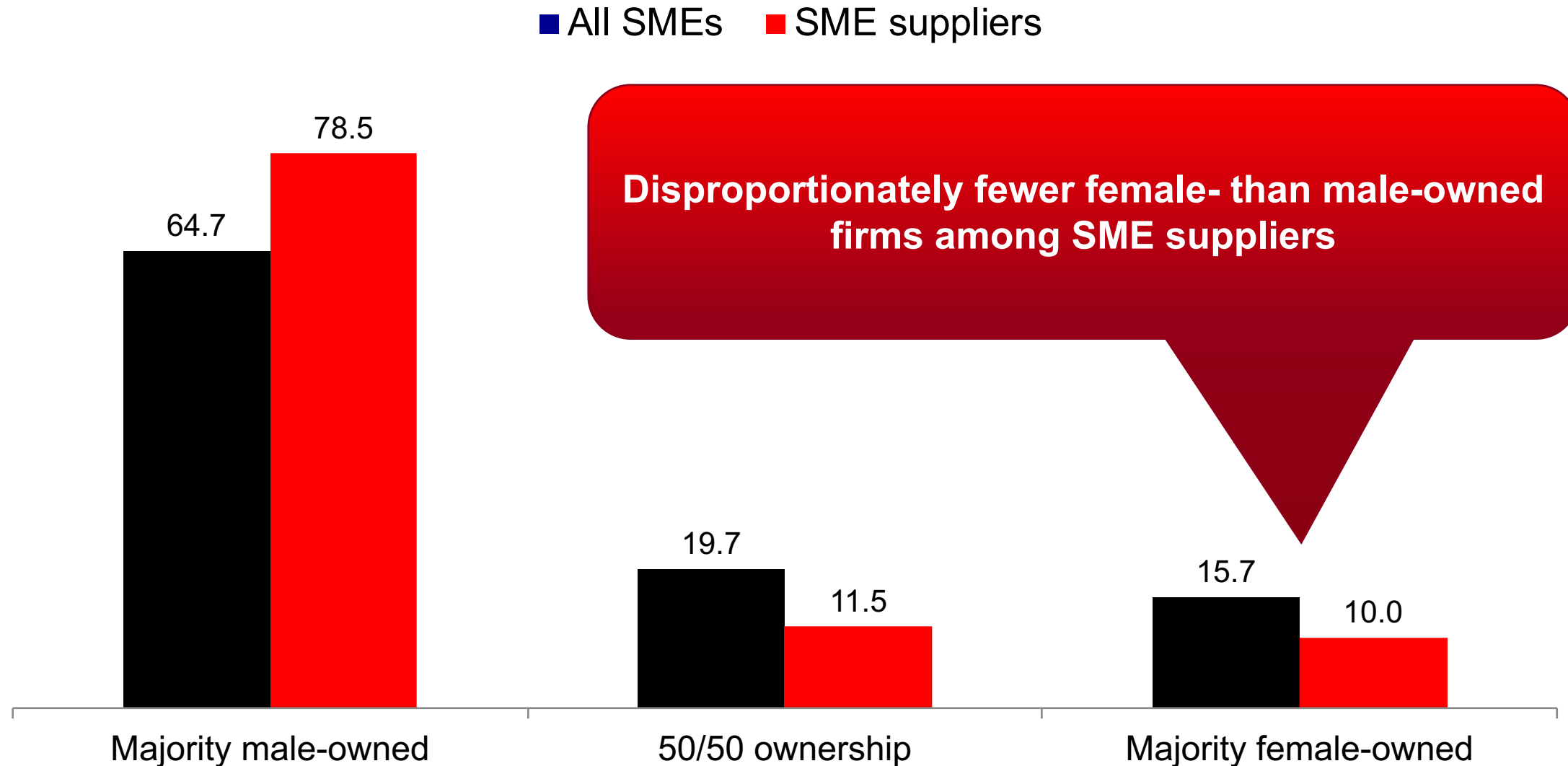


SME suppliers vs all SMEs by type of innovation



Riding, A.L., Orser, B., Liao, D., (2018)

Gender of firm ownership & SME suppliers



Innovation & public procurement findings

Likelihood of innovation is specific to sector, type of innovation...

Accounting for other owner and firm characteristics:

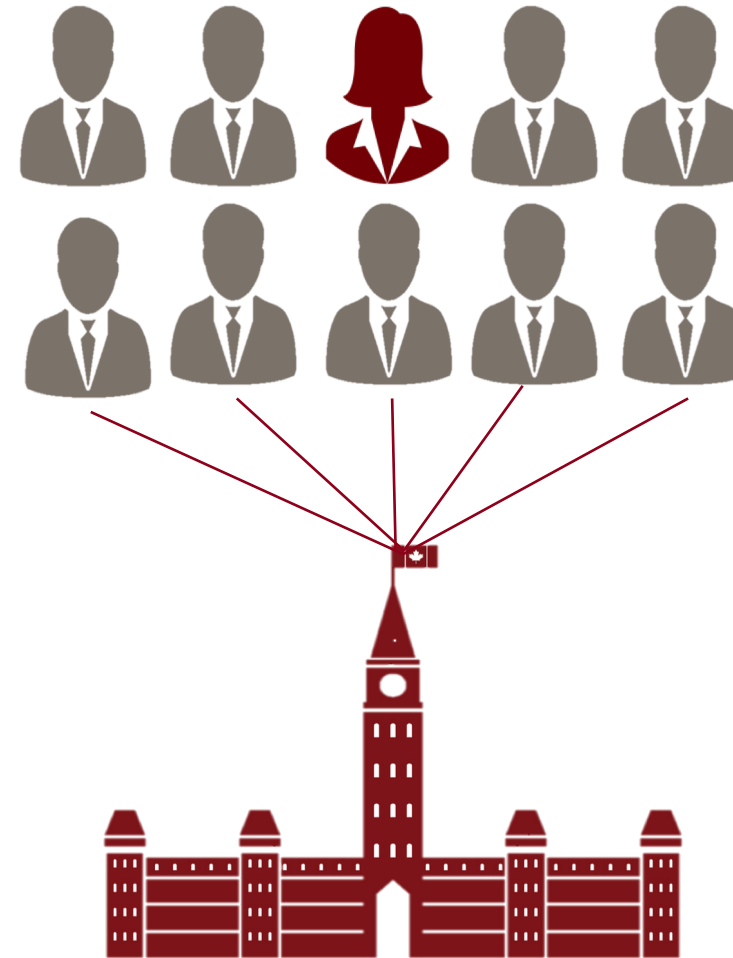
- Maj. women-owned more likely than men-owned SMEs to introduce *marketing innovation* in Whlse. & Retail

Federal SME suppliers: likelihood differs by sector

- No gender differences among Goods Producers, Professional, Scientific & Technical firms
- Gender differences among Retail, Wholesale, Other Service SMEs

Takeaways:

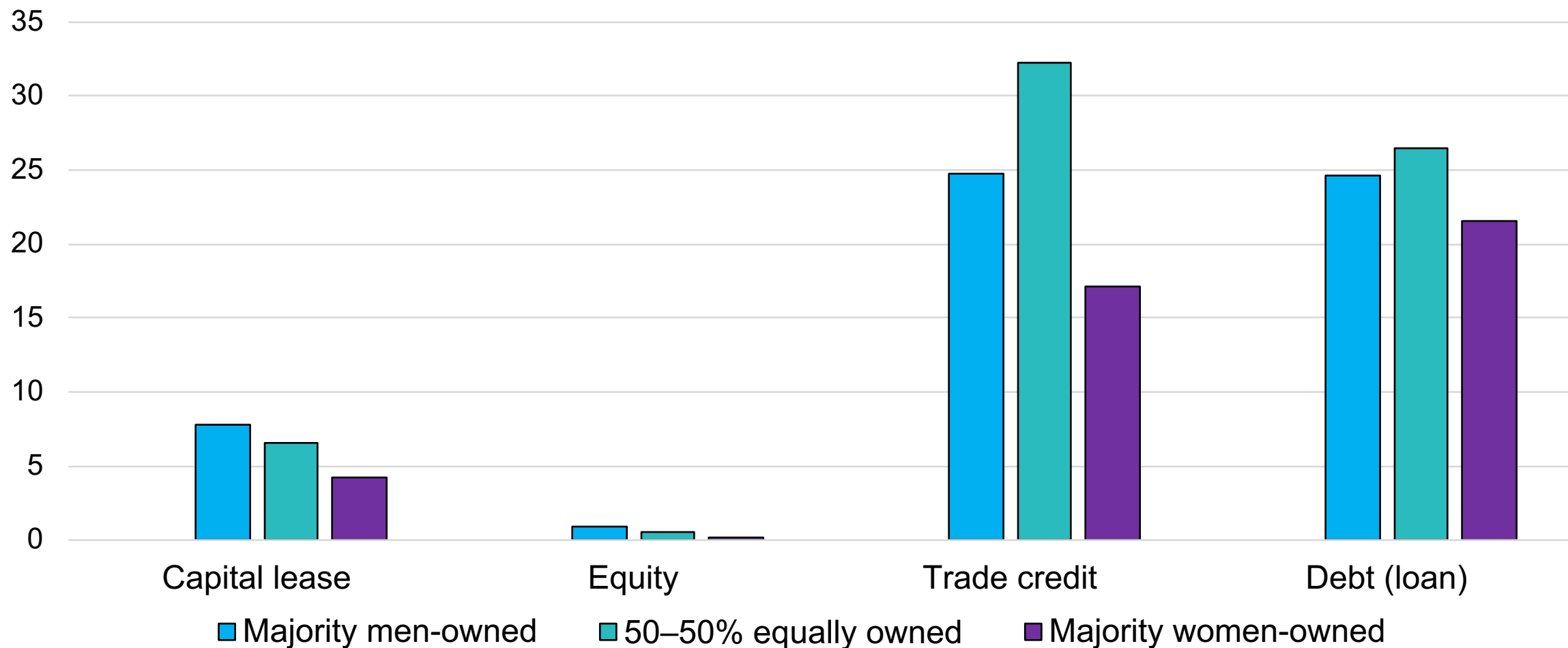
- Avoid generic constructs of innovation, anecdotes, aggregating or averaging data
- Granular data informs targeted interventions



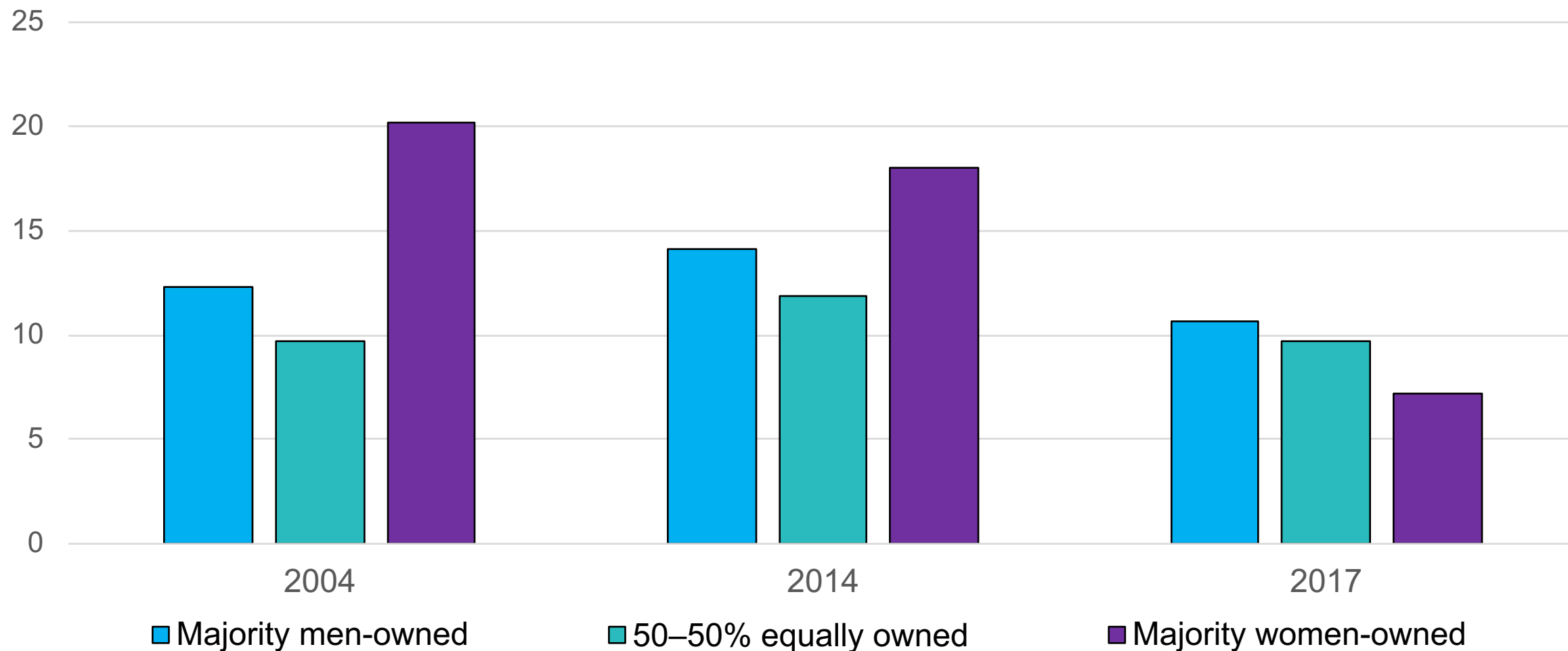
Access to capital



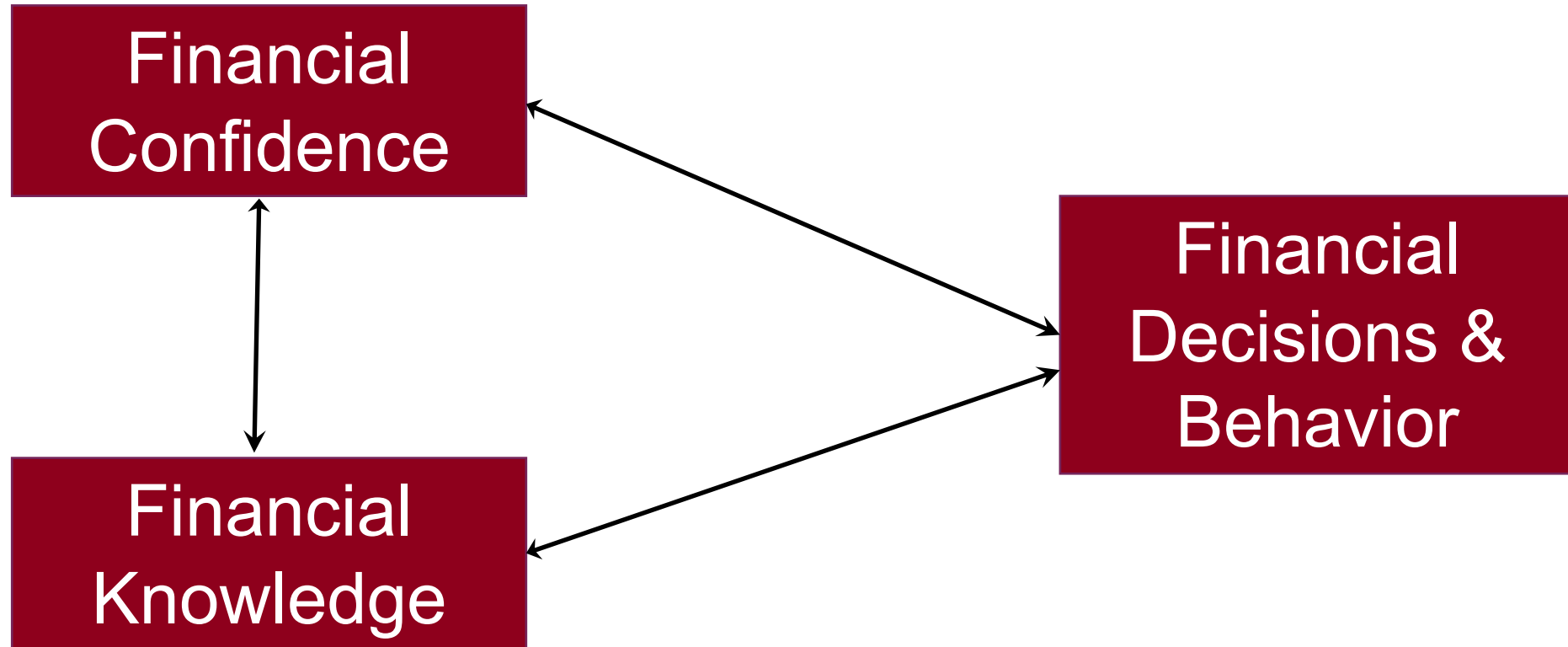
Financing requested (e.g., loan application)



Turndown rate on applications (2004, 2014, 2017)



Financial literacy



< back

The Scotiabank Women Initiative

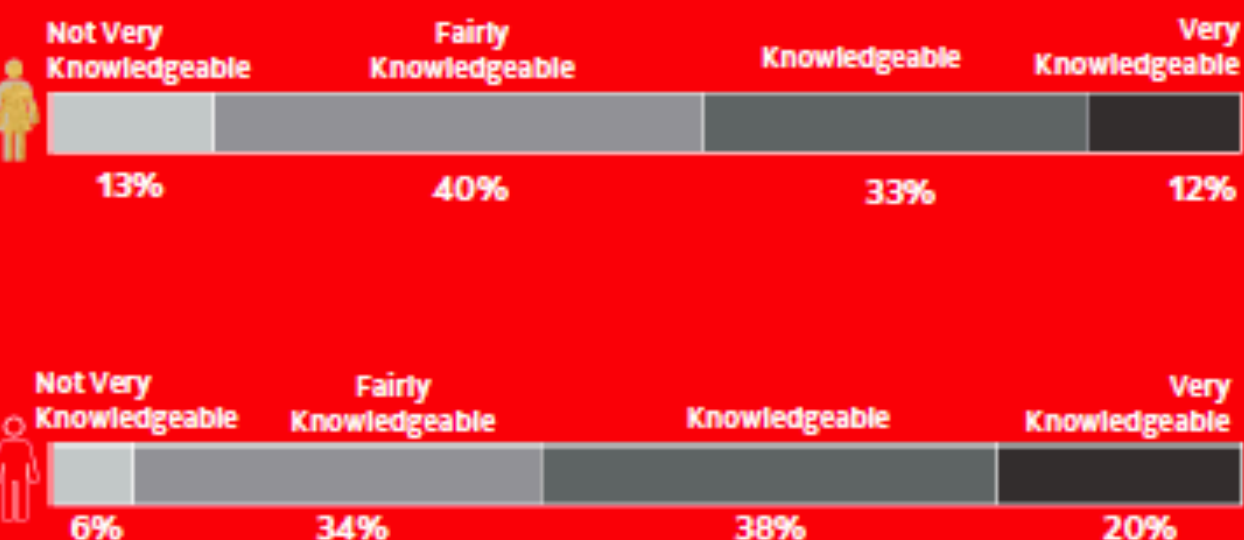
FINANCIALS

Research: Financial Knowledge & Financial Confidence — Closing Gender Gaps in Financing Canadian Small Businesses

Our research identifies financial knowledge needs among women-owned small businesses in Canada. Read the full report.



Overall self-assessed level of financial confidence



Q16. How would you rate your overall level of financial knowledge?

Source: The Scotiabank Women Initiative™
Financial Knowledge & Financial Confidence
Closing Gender Gaps in Financing Canadian Small Businesses (2020)

ScotiabankWomenInitiative.com

Percentage of participants who rated their financial knowledge as high

Concept	Men	Women
Managing cash	70.8%	69.3%
Financial statements	66.0%	62.5%
Credit scores	60.0%	55.5%
Cash flow forecasting	49.6%	42.5%
Payroll taxes	46.6%	39.9%
Ways to improve access to credit	43.2%	37.3%
Liquidity	52.2%	37.3%
Sources of small business financing	39.6%	35.5%
Financial risk management	44.8%	35.5%
Valuing a small business	41.4%	32.9%
Debt financing	39.0%	31.5%
Working capital financing	39.0%	29.1%
Fixed asset financing	38.6%	26.9%
Financial ratios	38.0%	26.7%
Equity financing	36.0%	26.7%
Angel investors and syndicates	21.6%	15.6%
Export financing	19.2%	12.6%

Q17. On a scale from 1 to 7, where 1 means very low and 7 means very high, how would you assess your financial knowledge about the following business concepts? Percentage of men/women participants rating financial knowledge as 'high' (5, 6 or 7 on a seven-point scale).

Scotiabank
WOMEN
INITIATIVE

Recap

1. Clarify theoretical and temporal context
2. Avoid cherry-picking the literature
3. When reporting 'differences' employ comparative data (Fischer et al., 1993)
4. Account for founder *and* ecosystem influences





GENDER-SMART ENTREPRENEURSHIP EDUCATION & TRAINING PLUS GEET+

Dr. Barbara Orser & Dr. Catherine Elliott

Referenced studies

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*Orser, B., (2011). *Action Strategies to Support Women's Enterprise Development*, Canadian Taskforce for Women's Business Growth. <http://sites.telfer.uottawa.ca/womensenterprise/>

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Access slides and reports at

Women Entrepreneurship Research Exchange

- <https://sites.telfer.uottawa.ca/were/>

Scotiabank Women Initiative™

- <https://www.scotiabank.com/women-initiative/ca/en/knowledge-centre/learning-aids.html>

