



Vodafone Institute  
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# women entrepreneurs as a catalyst for sustainable growth

challenges and opportunities



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# executive summary

The following research has been conducted within F-LANE 2020, the Female Empowerment Accelerator by the Vodafone Institute for Society and Communications. F-LANE was initiated in 2016 and is the first start-up accelerator in Europe which focuses on supporting early-stage social enterprises using technology and digital solutions to empower women and girls, and up to today, the only corporate accelerator with a tech, impact and female focus worldwide.

Nine tech startups have taken part in the fifth edition of the F-LANE accelerator in 2020. The report explores the challenges, obstacles and hurdles female entrepreneurs are facing when starting or scaling a business and discusses new opportunities and emerging trends that support women in entrepreneurship. Existing research, statistics and interviews with the participating startups, entrepreneurs from previous cohorts as well as experts on female entrepreneurship and gender lens investing show that there is still a huge gender gap in entrepreneurship and especially women in tech still have to fight against unconscious biases and gender stereotypes. The following key challenges could be identified:

## Limited access to funding

Raising capital is more difficult for women. There is a huge funding gap which reasons are manifold: Less female investors, differences in pitching and self-presentation, concentration in lower-growth sectors, stereotypes, sexism and unconscious biases of investors. All in all, it seems that the startup system is a broken system that was built by men and favors male founders with aggressive growth strategies, not letting women participate equally.



## Lack of an adequate support network

A lack of available advisors, mentors and role models hinders women in their professional growth. Apart from receiving advice, confidence and inspiration, female founders can benefit from networks in terms of business exposure and access to funding, customers or partners.



## Perceived lack of entrepreneurial and tech skills

Besides negative self-perceptions that make women believe they lack skills to start a business, there is the feeling (backed by evidence) that women's skills are not being properly recognized and often, women entrepreneurs are perceived as less competent than men, especially in tech.



## Socio-cultural barriers

In many cases female entrepreneurs have dual responsibilities to their businesses and to their families. Women's entrepreneurship is affected by the extent to which women are able to combine family obligations with their businesses. For many women it is nontrivial to find a good balance between the two spheres.



## Covid-19

Covid-19 has disproportionately impacted female entrepreneurs as they tend to run younger, smaller and more vulnerable businesses in industries which have been heavily hit by Covid-19. Moreover, women are more likely to carry the burden of the increase in domestic responsibilities.



**It has become clear that challenges and biases persist - however, a few new opportunities and promising trends are emerging.**

## Digital technologies

Digitalization could work as an opportunity equalizer and emancipatory tool for women. Digital technologies have the potential to provide a more enabling environment for women in terms of increased work flexibility and reduced mobility constraints. Moreover, the digital space provides new opportunities for female entrepreneurs to create new products, services and business models.



## Impact Accelerators

The rise of impact accelerators and accelerators focusing on female entrepreneurship/female empowerment is a promising sign of change. Programmes designed with a female/diversity focus help female founders improve their business skills, establish a wider network and eventually get access to financing.



## Gender lens investing

There has been a huge boom around gender dialogue in the investor space and more and more investors start taking gender into account and integrate it in their decision-making processes.



Including women in entrepreneurship and in the workforce matters for the bottom-line because women are the current and future engines of economic growth. More than that, achieving gender equality constitutes a fundamental human right, essential to achieving sustainable development and peaceful societies in the long-term. Gender equality is not just a women's issue but should also concern and engage men. Only together we can build a more inclusive system where everybody can thrive. **II**

# preface

Gender remains one of the most fundamental sources of inequality and exclusion. Although there are trends towards a more inclusive economy and society, progress on gender equality and women's empowerment is still slow. Driven by the aspiration to accelerate this process and achieve real change, F-LANE is the first start-up accelerator in Europe which focuses on supporting early-stage social enterprises using digital solutions and technology to empower women and girls worldwide. The accelerator was launched by the Vodafone Institute for Society and Communications in 2016 and has supported more than 30 female-focused businesses from all over the world.

**“Our research has shown just how enormous the underrepresentation of female founders is in the tech sector worldwide and their lack of access to venture capital. We launched F-LANE to support social business models which have the potential to change the economic opportunities, wellbeing and future prospects of girls and women globally.”**

**Inger Paus**, Managing Director of the Vodafone Institute

Our ecosystem analysis shows that there is no other corporate accelerator which combines the unique aspects of impact, tech and female. Due to this unique positioning and high demand in the market, F-LANE received more than 450 applications from over 80 countries in 2020.

Finally, 9 exceptional startups joined this year's cohort and received personalized support by dedicated Vodafone mentors and industry experts, bespoke training programmes and access to networking opportunities with impact investors. As part of F-LANE 2020, interviews with the participating social entrepreneurs as well as F-LANE alumni were conducted to better understand the challenges and hurdles women entrepreneurs face when starting a business. Furthermore, these insights were completed with expert interviews to assess promising trends for women in the entrepreneurship ecosystem. **II**

# introduction

Entrepreneurship plays a crucial role in driving economic growth, creating jobs and promoting innovation. Startups and Small and Medium Enterprises (SMEs) represent about 90% of businesses and account for more than half of formal jobs worldwide. These numbers are even higher when informal SMEs are considered. According to the World Bank, 600 million jobs will be needed by 2030 to employ the growing workforce making entrepreneurship and SME development a high priority in many countries around the world.<sup>1</sup>

In addition to promoting economic growth and job creation, entrepreneurship is also a key driver for addressing sustainable development challenges like climate change, poverty or inequality by contributing to the economic, environmental and social dimension of sustainable development. The Sustainable Development Goals (SDGs), which were adopted by all United Nations Member States in 2015, provide a blueprint for a better life for people and the planet, now and in the future. Although significant progress towards the SDGs has been made, further efforts, support and collaboration is required to achieve the Goals by 2030. Besides governments, business and third sector actors, entrepreneurs can be a vital factor in accelerating the progress towards creating a world with fewer inequalities and injustices. However, realizing the economic and social gains discussed above relies on tapping into a vast opportunity that is being underutilized today: women entrepreneurs. No country will achieve its full potential until women have the same opportunities as men and participate equally in the labor force.

**An analysis by Boston Consulting Group (BCG) shows that the global GDP could rise 3% to 6% and the global economy could grow by \$2.5 trillion to \$5 trillion if the power of women entrepreneurs is unleashed.<sup>2</sup>**

However, the impact of women-led businesses goes beyond this. Female entrepreneurship solves problems, transforms communities and gives women a voice, independence and empowerment. Christine Lagarde, ECB President and former IMF Managing Director says: "Empowering women remains a common denominator and a global imperative for all those who care about fairness and diversity, but also productivity and growth of societies and economies that are more inclusive. If we can achieve this, we all gain."<sup>3</sup>

Over the period of 2014 - 2018, only 2.9% of women started a venture in the EU which is almost half of the share for male entrepreneurs

(5.3%).<sup>4</sup> The disparity is even greater in tech where only 5% of Europe's tech founders are female.<sup>5</sup> In Europe, female entrepreneurship stands at only 30%, and even though the gender gap has slightly closed over the past years, the Global Gender Gap Report 2020 says that it will still take approximately 95 years to close the gender gap.<sup>6</sup> This poses a huge missed opportunity, both economically and socially, as the figures stand in stark contrast to statistics that show that women-owned startups tend to perform better than all-male ones.

**For every dollar of funding, startups founded or co-founded by women generate 78 cents, while male-founded startups generate less than half that – just 31 cents.<sup>7</sup>**

So, why the disparity? To answer this question, we spoke to women entrepreneurs and experts on female entrepreneurship and gender lens investing. Early into the process, it crystalized that women founders are subject to interlocking disparities and multidimensional challenges and obstacles, male founders are not confronted with. ■■

# challenges and obstacles for female founders



Why is gender equality far from being achieved in entrepreneurship? Cultural norms tend to show a gender bias against women. The entrepreneurship and Venture Capital space is mainly male-dominated and stereotypes against women often unconsciously emerge. Besides these gender issues, structural barriers also need to be considered when explaining the gender gap in entrepreneurship. Female founders not only face barriers that are experienced by and impact all working women, for instance affordable childcare or family leave, but they also face challenges and obstacles related to limited access to finance and markets, limited training opportunities, biased legal and cultural barriers and inadequate support systems like networks or mentors. Thereby, many of these challenges and hurdles faced by women entrepreneurs are gender related. Maliha Khalid, founder of Doctory and F-LANE Alumna, explains:

**“When I started my journey, I would have said there is no difference between being a male or female founder, as long as you work hard enough. Five years later, I realized gender is still a big thing. Investors and decision makers, who are usually men, were raised in environments with a racial/sexist bias and they end up having more trust in people who look like them.”**

**Maliha Khalid**, founder of Doctory and F-LANE Alumna

Besides Maliha Khalid, eleven other social entrepreneurs shared their views and experiences on the struggles and challenges they face in order to survive in the tough business environment. Thereby, the following main challenges were addressed.





# lack of access to funding



It is obvious that there is not enough Venture Capital (VC) funding available to female entrepreneurs. Recent studies show that women-founded startups only received 2.7% of total VC investment in 2019 worldwide.<sup>8</sup> In Europe, the percentage of venture capital going to all-female founder teams has decreased from 2.5% in 2017 to 0.4% in 2019.<sup>4</sup> To put that into context, in 2019 European all-female teams raised \$10 million whereas UK-based Deliveroo alone raised \$575 million.<sup>8</sup> Leonora Buckland, an expert on gender lens investing who we interviewed for this report confirms that it is not an equal playing field in terms of investment. She says:

**“It’s interesting though, when talking to investors, they would still say that it’s an equal playing field because they don’t really understand what unconscious bias means. So, many really believe that it’s an equal playing field and there is nothing to worry about.”**

**Leonora Buckland**, Gender lens Investing Expert

Moreover, the challenge to secure funding is even higher for female social entrepreneurs. Several entrepreneurs stated that the underrepresentation of women in VCs is the main reason for the gap in venture capital funding. Research shows that investors have a “similar-to-me” bias what leads to the fact that men tend to invest in other men and are half as likely as female investors to invest in women-owned startups.<sup>5</sup> Moreover, women are more likely to invest in sustainable and social areas and thus, consider the impact on society not just profits. Sofie Blakstad, co-founder of hiveonline, says:

**“Getting more women investors would help to cope with the challenges related to funding. I think women investors do have a different approach and they are more long-term oriented.”**

**Sofie Blakstad**, co-founder of hiveonline

Besides the fact that there are fewer female investors, also other reasons were mentioned why women-owned startups receive less funding (considering the fact that there are fewer women-owned startups).



# 1

## Gender bias, stereotypes and higher risk aversion of investors

**“We have a business that has the potential to be highly profitable, we are very careful with money, we have great impact metrics and I know that we have a solid business. And then I speak to my male colleagues who are trying to raise the same amount of money and secured funding after speaking to 2-3 investors. And I think how is that possible? What am I doing wrong? I asked myself these questions a thousand times. I have been smarter and less smart, I have been in different geographical areas, I have pitched in different ways and it hasn’t impacted the outcome. No matter how much I try to escape the fact that I am a woman, it doesn’t work. We are judged by different standards. And it is a great frustration to me.”**

**Sophie Smith**, founder of Nabta Health

**“Male CEOs still get away with things, for example the way they talk to investors, that a woman could never do. Women get judged on completely different criteria and often face unrealistic expectations.”**

**Bonnie Chiu**, founder of Lensational



# 2

## Sexism / Discrimination

**“I experienced investors who made comments about the way we looked, the clothes we wore, the way we spoke. To one woman he said: “Stop pitching like a girl.” He would have never made similar comments towards male founders.”**

**Rocio Perez-Ochoa**, co-founder of Bidhaa Sasa

# 3

## Different communication and self-presentation in pitches

**“I think women have it way harder to raise funds due to the fact that we pitch differently, and investors are used to hear the pitches from men.”**

**Rocio Perez-Ochoa**, co-founder of Bidhaa Sasa

# 4

## Women operate in lower-technology, lower-growth and lower-profit sectors (e.g. service, retail, social or hospitality sector)

**“Investing in women and social enterprises is seen by many as a charitable activity. I think many people see social enterprises as charities. Investing in a company like ours which delivers social good is not seen as a way to generate returns. One of our business angels once said: “I don’t expect to get the money back but at least I did some good with it.”**

**Sophie Smith**, founder of Nabta Health

It is crucial to state that it is generally recognized that several factors combined cause the gender funding gap. It is a broken system that does not let women participate equally. Sofie Blakstad, founder of hi-veonline, states that the main problem is that VCs are motivated to keep investing in the same kind of companies over and over again. They have no motivation to invest in profitable or sustainable companies, but in high-growth companies that have the potential to raise more and more money. Also Renata Albertim, founder of Mete a Colher, argues:

**“The startup world has been built by men and they have built what is good for them. It was not built for people like me. I try to change my perception to feel more comfortable in this world, but sometimes it’s difficult.”**

**Renata Albertim**, founder of Mete a Colher

Moreover, there are some general opinions out there that there are fewer female founders due to women’s lack of self-confidence. However, Lisa Witter, serial entrepreneur, co-founder of Apolitical and member of the F-LANE advisory board sees the problem somewhere else:

**“I don’t buy necessarily that women have less self-confidence. You could say that another way – that men have too much self-confidence. Women have less self-confidence in a broken game that shouldn’t require so much self-confidence.”**

**Lisa Witter**, serial entrepreneur, co-founder of Apolitical and member of the F-LANE advisory board





# lack of an adequate support network

There is long-standing evidence that female founders tend to have smaller, lower quality and less informal networks than male founders what can hinder women from starting or growing a business due to a lack of advice or role models. Networks can play a crucial role in developing the entrepreneurial spirit among women. Being part of a business network or community can boost women's confidence, give them inspiration, support and advice.<sup>9</sup> Sarah Atuhaire, founder of Zoorra, says:

**“Self-esteem and self-confidence is very important. Women need to feel more confident when they talk and learn to “move the masses”. Having role models help to become more confident and just trying things out, making errors and learning.”**

**Sarah Atuhaire**, founder of Zoorra

Also, Bonnie Chiu, founder of Lensational, agrees that having more role models would help women not only establishing a business but especially sustaining and scaling a business, which is more difficult than starting a business.

**“My biggest struggle today is scaling up and taking the plunge into the unknown and higher level of risks, such as hiring more staff when stable revenue streams are not clear.”**

**Bonnie Chiu**, founder of Lensational

Networks can also give female founders business exposure and eventually access to funding, customers or partners. Sophie Smith, founder of Nabta Health, mentioned that networks and in particular mentorship helps entrepreneurs to take better decisions faster what can save money and resources.

**“Mentorship for new entrepreneurs is extremely important. Mentors can help to read the signs. For example, an investor will never say no to you. When they are interested, they often**



**make an introduction to you to show their emotional investment and also as a way to get someone they trust to validate their impression. Knowing the signs and having the courage to write it off no matter how much you invested emotionally in having a certain investor is critical. Female entrepreneurs, but entrepreneurs in general, need handholding from mentors and advisers to avoid wasting time and money.”**

**Sophie Smith**, founder of Nabta Health

Furthermore, Sophie Smith states that the time-consuming and tedious struggle to receive funding hinders women from investing more of their time and resources in mentoring and supporting others. Women have to fight that much harder to secure funding and get their business off the ground that they have less time and energy to support other women while the latter is exactly what would be required.



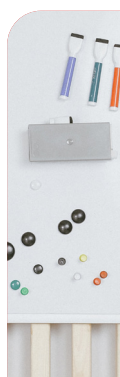
# perceived lack of entrepreneurial and tech skills

The gap in entrepreneurship is also an outcome of individual self-perceptions that make females believe they lack abilities and skills to start a business. Women are generally more likely to perceive a lack of business skills than men.<sup>10</sup> Although women's formal education levels equal or exceed those of men, women are generally less prone to develop skills that are required to cope in a harsh business environment like a competitive attitude or self-confidence.<sup>11</sup> Furthermore, women occupy many fewer management positions.<sup>10</sup> This can act as a barrier to gaining management experience and skills that can be used for entrepreneurship. Moreover, nowadays, not only business skills but also tech skills might be important when starting a business.

However, especially in technology women are largely underrepresented. Only 1 in 3 Science Technology Engineering and Maths (STEM) graduates is a woman, and only 19% of European ICT entrepreneurs are female.<sup>12</sup> Sarah Atuhaire, founder of Zoora, says that we need to change women's attitudes so they stop thinking that they cannot work in tech. On the other side, also men's attitudes need to be changed and a more inclusive system needs to be established where everyone feels comfortable in. The findings from the interviews show that there is a notion of women in STEM that their skills and potential are not being properly recognized or rewarded. Evidence shows that when men evaluate women, they tend to perceive women as less competent than men<sup>11</sup>, a fact that has also been highlighted in our interviews.

**“There is this perception that women are not competent in technology. Investors immediately make the assumption that the guy is the tech person. But the good thing is that it forces you to prove that you should be taken seriously. And I know what I am doing. It's not a joke.”**

**Inas Ismail**, co-founder of Autsera





# socio-cultural barriers

Many women are not just entrepreneurs – they are also mothers and wives with other responsibilities than keeping their business running. A big challenge for women is to balance the different responsibilities in their personal and professional life. Some women can balance the two spheres, while others have more difficulties. This balancing act becomes especially difficult for those who lack social support and thus, need to carry the entire burden by themselves. Thus, women's entrepreneurship is affected by the extent to which women are able to combine family obligations with labour market participation.

**“Balancing work and family is one of the biggest challenges. Being a mother or having a household that you need to care for, makes it really hard to deliver a high level of performance.”**

**Inas Ismail**, co-founder of Autsera

Moreover, family responsibilities hinder women from participating in support programmes abroad like incubators or accelerators. Rocio Perez-Ochoa, co-founder of Bidhaa Sasa, states that it is more difficult for women to participate in programmes like accelerators or also on the “social-side” outside of work. Programmes that are run onsite clearly discriminate against people who have family commitments as they are designed for the traditional man, who has a stay-at-home-wife who can take care of the children.

When it comes to socio-cultural barriers regulatory institutions like tax policies or family policies can greatly influence women's decisions to start businesses.<sup>10</sup> Sofie Blakstad, co-founder of hiveonline, shares the opinion that tax incentives from governments can help to get more women into entrepreneurship. She mentions the example of Canada where the government has started to create all sorts of government-led programmes to incentivize women to create businesses. Ever since, the amount of capital flowing into women-owned businesses has increased remarkably.





# covid-19

The pandemic's impact on female-led businesses has not been sufficiently explored yet. However, it can be said that Covid-19 has disproportionately impacted female entrepreneurs. 73% of women-owned businesses were confronted with a decline in revenue due to lockdowns and restrictions.<sup>13</sup> Moreover, it could already be seen that the funding for female founders has decreased heavily as the pandemic hit the VC market. In the first quarter of 2020, the funding for female startups has fallen to 2017 levels.<sup>14</sup>

The pandemic has caused two major challenges for women entrepreneurs. First, as outlined above, women tend to run younger, smaller and more vulnerable businesses in sectors like hospitality or social – industries which have been heavily hit by Covid-19 and are disproportionately affected by the recession. Second, with schools closed, children at home and elderly people under threat, women are more likely to carry the burden of the increase in domestic responsibilities, while they are struggling to save their businesses.

Nevertheless, women entrepreneurs have been quick in shifting their business models to resist the short-term impact of Covid-19. This includes new products or services, digital sales and delivery channels or reoriented supply chains. Here, the fact that women-owned businesses are often smaller and less capital-intensive has been an advantage, making them more agile and thereby enabling faster adaption to the changing environment.

Although the prospects of the pandemic are daunting, the solutions to gender-linked challenges may capture new opportunities for female entrepreneurs presented by the crisis. Covid-19 can serve as a catalyst to accelerate the shift towards a more inclusive entrepreneurship ecosystem, creating enabling conditions not only for women entrepreneurs but for working women in general. ||



# new opportunities and promising trends for female entrepreneurs



Challenges and biases persist - however, a few new opportunities and promising trends are emerging. Besides digital technologies, accelerator programmes, which provide mentorship and training for early-stage startups and connect them with potential investors, represent a potential model for overcoming the above-mentioned challenges and hurdles faced by women entrepreneurs. Moreover, gender lens investing, which introduces gender considerations throughout the investment process, has become increasingly popular.



# digitalization and technology



Technology and digitalization are changing the way we work by creating shifts towards new forms of collaboration and interactions. Digital technologies have the potential to provide a more enabling environment for women in terms of increased work flexibility and reduced mobility constraints, accelerated through Covid-19. Women who often face competing responsibilities like family and work that constrain mobility, are now able to combine professional and personal life with greater ease. One example is the facilitated access for women to startup support programmes like incubators and accelerators. Since Covid-19 forced startup support programmes to be run in a virtual setup, a more diverse set of participants could be attracted. Women entrepreneurs who have their kids at home and thus, cannot move to another place for several weeks, are now able to participate from home. Julia Ebert, programme lead of F-LANE at the Vodafone Institute comments:

**“The virtual programme structure has shown great potential. The set-up is even more inclusive and we have seen a broader diversity of participants, with start-ups covering a large geographical range and founders arriving with different life situations. Some founders would not have been able to participate in an on-site programme, so going virtual allows a greater flexibility and compatibility.”**

**Julia Ebert**, Programme Lead of F-LANE at the Vodafone Institute

Moreover, digital technologies are not only changing the way we work but also the way business works. New business models ask for holistic customer solutions for the development of which communication skills, social skills and creativity – skills primary attributed to women - are as important as technical knowhow. Furthermore, technology is opening up new, unexplored fields like Artificial Intelligence where women should take the opportunity to co-create and co-define the future. New digital technologies provide a space for new opportunities for female entrepreneurs to create new ventures and also overcome the challenges and hurdles discussed above. For example, the use of digital platforms like crowdfunding or peer-to-peer lending platforms can empower women to get more immediate access to funding opportunities. Thus, digitalization could work as an opportunity equalizer and emancipatory tool for women.



# impact accelerators

There are more and more entrepreneurs, so-called social entrepreneurs, who operate in the area of social or environmental benefit such as poverty reduction, climate change or gender equality. Social entrepreneurs primarily start a business for social good and not just for profits. However, in contrary to NGOs, social enterprises offer financially self-sustaining business models which enable them to reinvest profits in social change. Organizations from the public, private and charitable sectors, which act as so-called impact investors, have started to boost social enterprises aiming to generate social returns alongside (or even instead of) financial returns. However, impact investors typically invest in mature ventures with proven business and revenue models and thus, leave out early-stage enterprises. Impact accelerators, mostly financed by the government, NGOs or corporates aim to close this gap and provide support programmes to early-stage social entrepreneurs. In the past three to five years, there has been a rapidly rising number of impact accelerators worldwide. Moreover, it is interesting to see how the most competitive seed accelerators like Y Combinator or Techstars, but also corporates like Google or Samsung, have started to set up impact programmes.

According to our research and initial assessment of the landscape of accelerators, not only impact accelerators but also accelerators focusing on female founders have become more popular in recent years. The barriers and gender issues faced by female entrepreneurs have attempted to be addressed by an increasing number of accelerators through programme design and process changes. Our landscape analysis shows that accelerators designed for female founders mostly have a tech focus targeting high-growth ventures rather than impact ventures. To-date, there are only very few examples of accelerators



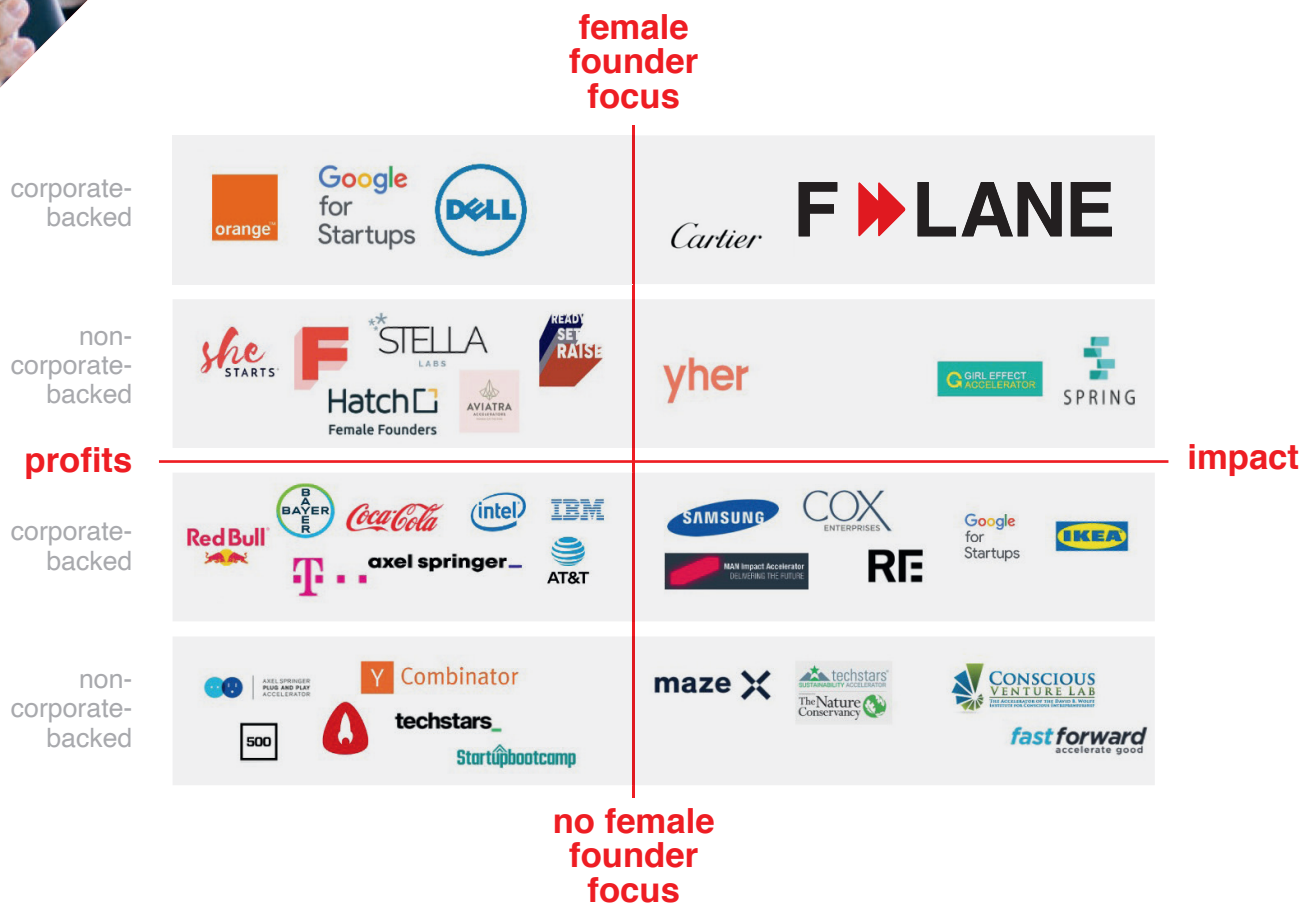


Figure 1: Global Accelerator Landscape Analysis

that combine both the female and impact focus. When looking at the corporate world our analysis indicates that F-LANE is the only corporate accelerator that focuses on tech for good and female empowerment. Rather than offering the programme exclusively to female founders, F-LANE works with a diverse set of entrepreneurs who provide digital solutions to empower women and girls worldwide. Lisa Guggenmos, Programme Lead of F-LANE at Yunus Social Business, mentions that F-LANE is run along the same lines as mainstream accelerators, although it integrates some vital aspects in regard to social and female entrepreneurs, for example impact measurement sessions or leadership trainings with female role models. F-LANE has been evolving from year to year by adapting its programme structure, expanding its networks and partnerships, and immersing more and more in the impact and gender lens investing field. Due to the circumstances of Covid-19, the fifth edition of F-LANE focused on the virtual setting and the 1-on-1 mentoring sessions with carefully curated mentors for each session.

**The feedback from the cohort has been exceptionally positive. The below are a few exemplary quotes from F-LANE 2020 participants:**



**“What really blew our mind was the quality of the mentors. The quality of mentoring of F-LANE is definitely way, way above the quality of mentoring in the other programmes.”**

**Sofie Blakstad & Matt Mims,**  
founders of hiveonline

**“Not only the quality of the mentorship has been very high, but also the quality and richness of the other participating start-ups. It was a great opportunity to meet very interesting people and listen to other great stories.”**

**Cristina & Belén Muñoz,**  
founders of Proyecto Moms

**“I really admire the ability of F-LANE to deliver that much value virtually. It is not easy at all to deliver value virtually, I know these because I participated in other two virtual accelerators which have been very successful and recommended by other founders, but when they switched to online, they lost a lot of value. I haven’t tried F-LANE face-to-face but what I can say is that I honestly got tremendous value and this by being virtual – chapeau!”**

**Inas Ismail,** co-founder of Autsera

**“Programmes like F-Lane are really incredible because they allow you to feel confident in what you do know, and then confident in what you don’t know.”**

**Natasha Bucher,**  
co-founder of Akojo Market

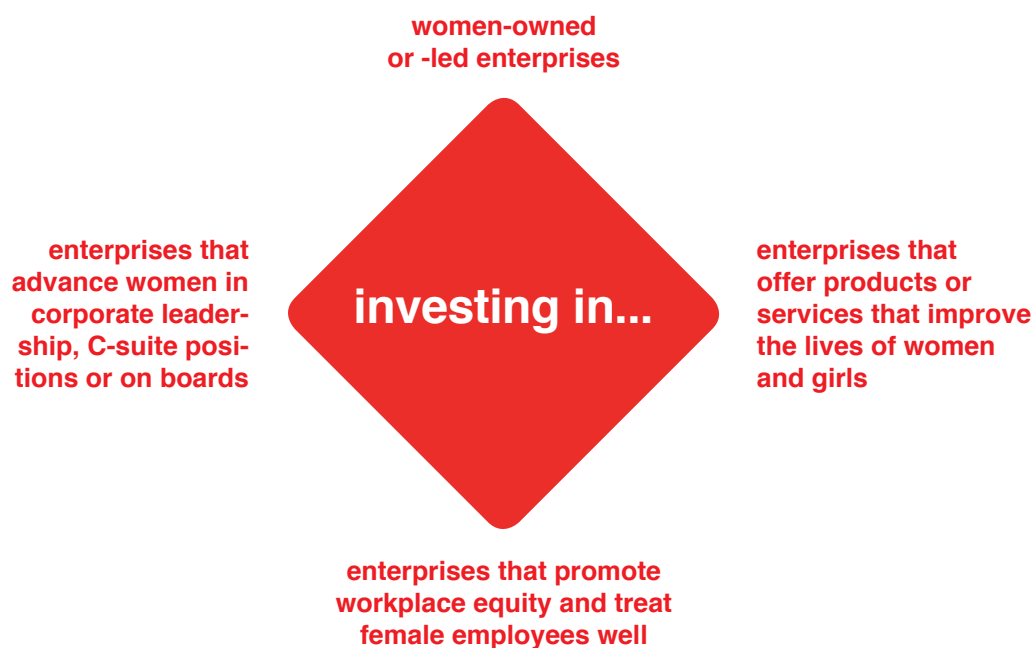
Although accelerators certainly help female founders to improve their business skills and eventually get access to financing, it is unlikely that any “silver bullet” exists to close the gender gap in entrepreneurship. Accelerators are only one part of the entrepreneurship ecosystem and need other actors like policymakers, corporates, educational institutions and investors to address the gap. Particularly investors’ strategies and activities are pivotal to consider when addressing differences in funding between men- and women-owned enterprises.





# gender lens investing

Gender lens investing is a strategy to obtain financial returns while advancing gender equality.<sup>15</sup> Suzanne Biegel, a global leader in gender lens investing, has conducted a global study which shows that the number of funds that deploy capital with a gender lens is growing, although it is increasingly difficult to determine which funds and their impact fall under gender lens investing due to a lack of uniformity in definitions.<sup>16</sup> There are several options for how funds define gender lens investing:



In addition to these definitions, most gender lens investors agree that to achieve a better life for women and girls, it is also necessary to think about where men and boys fit into the picture, which means that investing in initiatives that shift the roles of men and boys might also fall under the term of gender lens investing.<sup>17</sup> In general, other components of diversity beyond gender are showing up in investment criteria, including racial and ethnic considerations.

In Europe, there are still very few examples of dedicated gender lens investing funds – funds that explicitly state their gender lens focus. However, there has been a huge boom around gender dialogue and more and more investors start taking gender into account and integrate it in their decision-making processes. Leonora Buckland, expert on



gender lens investing, mentions that many funds struggle to come up with a story that is appealing to a cross-section of investors, as some people may not mind gender being incorporated, but they may not want to support an entirely gender lens fund. Another major challenge is the lack of performance data and track record of gender lens investing funds. Also, there is a clear lack of sex-disaggregated data in general. If the government started to regulate around gender data, then fund managers could really start to take investment decisions based on this data. So far, the business case for gender lens investing shows a promising future. Maliha Khalid, founder of Doctory, says:

**“We know that female-led companies are at least equally successful as male-led companies, and we know that diverse teams have a statistically significant higher level of performance. So, these facts and statistics need to be brought up and highlighted more often in conversations.”**

**Maliha Khalid**, founder of Doctory

McKinsey & Company's Power of Parity Report estimates that the global GDP could be \$12 trillion higher if gender inequality was solved. And in fact, there are more than 650 reports that prove that diversity enhances performance and thus, support gender focused investing and actions.

Lastly, gender lens approaches should not only be applied to finance but to all kind of areas, organizations and ecosystems. Evidence shows that applying a gender lens helps organizations to better understand customers, take better decisions, be more innovative and retain more talent. And finally, the impact of applying a gender lens to whole ecosystems will lead to less income disparity, inclusive economic growth and more resilience in times like these.

The above-mentioned developments show that there are emerging trends towards more diversity, inclusion and female empowerment. Natasha Bucher, founder of Akojo Market, agrees that there definitely is more talk about the problem, but not so much action yet.

**“I'm not sure if I see any results of these trends. I think it will take a couple of years more to see if these trends have manifested in actual investment.”**

**Natasha Bucher**, founder of Akojo Market

Lisa Witter argues that one positive aspect of this is that she has become more creative around governance, advertising and customer-orientation. Also, Renata Albertim agrees that finding new opportunities and creating ideas to new challenges that pop up on a daily basis is for sure difficult, but it is also exciting and makes her feel alive. ■■



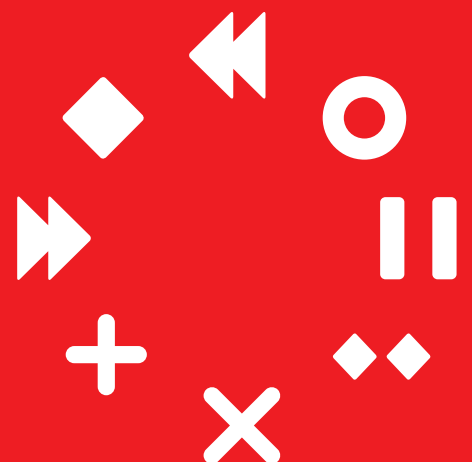
# conclusion

The entrepreneurship and venture capital space is still mainly dominated by men. Stereotypes and biases against women often unconsciously emerge. Besides these gender issues, women struggle with structural barriers like the limited access to financing, adequate networks or training opportunities. Moreover, women are more likely to carry the burden of domestic responsibilities and childcare which has now been increased by Covid-19. In order to establish a more inclusive entrepreneurship system where men and women have equal possibilities to success, the root causes behind these challenges must be better understood and accepted by everyone.

**“What people forget about gender issues is that it’s not only women who have to acquire more skills or build better networks, it’s also about the men who need to learn about these problems and contribute to its solutions. Women can triple their effort, but if no one talks to the men, this is worthless.”**

**Rocio Perez-Ochoa**, co-founder of Bidhaa Sasa

Gender equality matters. Diversity matters. Diversity matters for the bottom-line because women are the current and future engines of economic growth. More than that, gender equality is a valuable goal in itself. A human right. Achieving gender equality constitutes a fundamental human right, essential to achieving sustainable development and peaceful societies in the long-term. And to get there, joint efforts and aspirations to create more inclusive systems, not only in entrepreneurship but in all aspects of life, are needed. From every one of us – men and women. **II**



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# impressum

**women entrepreneurs as  
a catalyst for sustainable growth**

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