

# Barriers to female entrepreneurship – from a perspective of the post-structural feminism theory

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## ABSTRACT

Among authors, there is a consensus that entrepreneurship is heavily male-dominated and men are founding businesses to a greater extent. Female entrepreneurship remains limited due to several gender-related barriers that have been identified by multiple previous studies (Wu, 2019, Ahl, 2006). To gain deeper insights into female entrepreneurship, this paper examines gender-specific barriers that lead to a low female entrepreneurial rate from the post-structural feminism (PSF) perspective. The adoption of PSF allows for analyzing socially constructed gender issues in entrepreneurship as the social environment treats males and females differently (Wu, 2019, Henry, 2015). The specific socially constructed gender varies between countries as different cultures create different gender roles of masculine and feminine (Ahl, 2006). To include the cultural dimension of the PSF approach, Hofstede's (1998) masculinity-femininity dimension was taken into account. Female entrepreneurship is especially limited in masculine countries due to pronounced gender roles (Hofstede, 1998). This paper examines the extent to which gender-related barriers limit female entrepreneurship in masculine countries. A total of nine female founders were interviewed for this purpose and a reflective thematic analysis was conducted to analyze the collected data. Findings revealed that social norms and access to finance heavily limit female entrepreneurship, while family and household responsibilities are not found to be a relevant barrier. The outcomes demonstrate that female founders encounter gender-specific barriers during the foundation of their businesses so gender-related barriers do have a major negative effect on female entrepreneurship in masculine countries. The findings of this paper add to the limited academic literature in the field and deepen the knowledge about gender-related barriers from a PSF perspective. Additionally, the study gives insights to policymakers and may facilitate the creation of appropriate governmental support structures for female founders.

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## Keywords

Female entrepreneurship, Post-Structural Feminism, Barriers, Stereotypes, Social norms, Family and household responsibilities, Motherhood, Access to Finance

# 1. INTRODUCTION

The new millennium experiences a significant increase in published studies on women's entrepreneurship (Henry, 2015). Among authors, there is a consensus that entrepreneurship is a gendered process and remains heavily male-dominated (Wu, 2019, Ahl, 2006, Gupta, 2009, Brush, 2009). Consequently, female entrepreneurs suffer from multiple barriers and constraints when participating in entrepreneurship, which limits the degree of female entrepreneurship (Wu, 2019, Gupta, 2009). Research has shown that men are two times more likely to own a business than women are in most industrialized nations, given the barriers posed to women participating in entrepreneurship (Thébaud, 2010). Also, according to the Global Entrepreneurship Monitor (GEM), men are twice as likely to be involved in start-up activities as women (Brush, 2006). This raises the question of why men are more likely to start new ventures and which factors are limiting women in doing so (Brush, 2014). Existing research identified several barriers to female entrepreneurship, such as motherhood, household responsibilities, social norms, and access to finance among others (Wu, 2019).

Critically important in this context is the definition of gender that is used to analyze gender-related differences in entrepreneurship. In general, the term "gender" can be distinguished in two ways. It may either describe the biological sex that is determined by the human reproductive organs, or the socially constructed sex that is associated with presentations of gender and related expected social practices (Acker, 1992, Henry, 2015). The feminist theory is therefore categorized into the liberal feminist theory, and the post-structural feminism (PSF) respectively (Harding, 1987). In research, authors mainly adopt the liberal feminist theory by referring to gender as the biological sex, which is why socially constructed gender issues are often not taken into account (Ahl, 2006, Henry, 2015, Brush, 2009). However, the stereotypes of masculine and feminine pose requirements on how males and females are supposed to behave and therefore influence the individual's behavior and create differences in life experiences between males and females (Wu, 2019). When comparing socially constructed gender types, women are seen as responsible for childcare and being the caregiver for others (Ahl, 2006, Correll, 2007, Rubio-Banon, 2016, Bruni, 2004). Males on the other hand are expected to focus on independence and power which is why entrepreneurship is associated with masculine characteristics (Murnieks, 2020, Ahl, 2006, Gupta, 2009). Different gender types experience different socialized processes which consequently pose barriers to female entrepreneurs as the social environment treats them differently than male entrepreneurs (Wu, 2019). These gender-specific differences in social interactions require adopting a PSF approach when aiming to properly study differences in entrepreneurship (Henry, 2015).

Authors suggest further research to address the differences in the experiences of entrepreneurs based on their gender as there is a lack of feminist analysis (Murnieks, 2020, Ahl 2006, Henry, 2015, Brush, 2009). As said, authors of previous studies mainly adopted a liberal feminist perspective which refers to the biological sex. By using this approach however, women are expected to adapt to the male-dominated entrepreneurship rather than question the currently existing male norms (Wu, 2019). To develop a deeper understanding of female entrepreneurship, a post-structural feminism approach has to be applied as it assumes that gender is socially constructed (Wu, 2019, Ahl, 2006, Henry, 2015). Authors suggest conducting further research on factors from the environment, such as social norms, to gain deeper insights into the specific hurdles of female entrepreneurs (Ahl, 2006).

According to the PSF approach, the socially constructed gender varies in time and place, as different cultures create different gender roles (Ahl, 2006). Culture in this context can be defined as "a set of shared values, beliefs and expected behaviors" (Hayton, 2002), so culture determines the degree to which entrepreneurial characteristics such as willingness to take risks are expected from entrepreneurs by society (Hayton, 2002). Cultural norms determine to what extent both gender types are expected to comply with specific gender roles (Hofstede, 1998). Consequently, the norms prevailing in a country determine the socially constructed gender and differ between countries (Ahl, 2006, Rubio-Banon 2016).

In the past, several studies analyzed the influence of cultural values on entrepreneurship. The GLOBE study of House et al. (2002) found that cultural values influence leaders in their behavior as cultural norms shape behavior patterns and determine which actions are accepted and required of leaders by society (House, 2002). More applicable to the PSF approach is the masculinity-femininity dimension of Hofstede (1998), as it presents the distribution of gender roles in a society and explains the degree to which women are expected to be modest and tender. Countries that are closer to masculine characteristics such as achievement and competitiveness tend to have more pronounced gender differences, leading to a lower degree of female entrepreneurship (Hofstede, 1998). The barriers to female entrepreneurship may therefore be higher in masculine countries due to the pronounced gender roles which females are expected to comply with.

To conduct further research on barriers to female entrepreneurship in the introduced context, the following research question was created:

## **To which extent do gender-related barriers negatively influence female entrepreneurship in masculine countries?**

Authors of existing literature suggest further studying the influence of the socially constructed gender on female entrepreneurship from a PSF perspective. Therefore, this research aims at deepening the knowledge about barriers to female entrepreneurship that arise from the socially constructed gender and contributes to the expansion of the academic knowledge as this topic was only limitedly explored by existing academic research in the past. The insights of this research help to identify appropriate support mechanisms, actions, and tools to reduce the gender-specific barriers posed to female entrepreneurs.

## 2. THEORETICAL FRAMEWORK

### 2.1 Feminist theory

Critically important when analyzing female entrepreneurship is the definition of gender used (Ahl, 2006, Henry, 2015). According to multiple authors, it requires taking a post-structural feminism (PSF) perspective to be able to properly study the gender-specific differences in entrepreneurship (Ahl 2006, Wu 2019, Henry, 2015). While the liberal feminist theory presumes that men and women are similar and any subordination of women can be explained by differences in access to education, PSF assumes that similarities and differences between male and female are socially constructed by stereotypes of the society (Harding, 1987). PFS is therefore focused on how gender is socially constructed and what effect that has on the social order, rather than simply the differences between both gender types. Feminine and masculine is consequently independent of a person's biological sex, but the result of social interaction (Ahl 2006, Wu 2019).

Ahl's study (2006) on the necessity to adopt new research directions when studying female entrepreneurship suggests expanding research in the field based on the approaches in table 1. Rather than researching differences between the biological gender types, a shift in the epistemological position is necessary to study how gender is produced by society (Ahl, 2006, Brush, 2009). Gender is not seen as something tied to the reproductive organs of the body, but as produced by social interaction and tied to businesses, industries, and jobs. In that sense, gender is used as a starting point for differences between male and female entrepreneurship, and studies how entrepreneurship is gendered according to feminine and masculine stereotypes (Ahl, 2006). This research adopts the constructionist epistemology approach with a combined focus on the individual and the context (quadrants 3 and 4) to develop a deeper understanding of the influence of the socially constructed gender on female founders on an individual and context level.

	Focus on the individual	Focus on context
<b>Objectivist epistemology</b>	1 Individualist focus and essentialist assumptions.	2 More factors. Contingency studies. Comparative studies.
<b>Constructionist epistemology</b>	3 Studies of how women entrepreneurs construct their lives and their businesses, how they "do gender."	4 Studies of how social orders are gendered. Studies of the mechanisms by which this gendering is reconstructed.

**Table 1. Suggestions to expand research on female entrepreneurship (Ahl, 2006)**

## 2.2 Social norms

Among authors, there is a broad consensus that men are starting businesses to a greater extent while female entrepreneurship is limited (Rubio-Banon, 2016, Langowitz 2007, Themudo, 2009, Thébaud, 2010). In general, women are seen as less entrepreneurial due to gender stereotypes created by society (Rubio-Banon, 2016, Brush, 2009). According to the social role theory of Eagly, humans need to develop certain stereotypes to be socially acceptable, some of which are associated with gender. Therefore, gender stereotypes refer to "preconceived ideas and to previous judgments that have a significant emotional charge and reflect the views of society" (Rubio-Banon, 2016). Embedded in stereotypes are social norms which are "value systems specific to a group that motivates individuals to behave in certain manners" (Wu, 2019). These value systems determine the acceptance level of female entrepreneurs and the behavior that is expected of them (Wu, 2019). Women are associated with feminine responsibilities related to nursing, caring and the focus on relationships with a sense of empathy. Men on the other hand are seen to focus on success and achievement which is associated with entrepreneurship (Murnieks, 2020). Due to these societal stereotypes, women are seen as less entrepreneurial and the association of women with female responsibilities reduces the credibility of a woman's intent to found a business. (Bruni, 2004). Males on the other side are seen as optimal for starting businesses due to their inherited characteristics (Rubio-Banon, 2016). Entrepreneurship is seen as "a stereotypically masculine occupation" (Wu, 2019).

Research however has shown that there are no major differences between the two gender types in their scores of personal characteristics such as modesty, weakness and sensitivity, which are associated with females. Therefore, men and women reflect the norm to the same extent. Also, men do not automatically score high on "male" characteristics just because they are men (Ahl, 2006). Still, women are seen as being less entrepreneurial due to the social norms created by society, instead of their actual characteristics (Ahl, 2006). The fact that women are seen as less

entrepreneurial while entrepreneurship is associated with male characteristics creates additional challenges for female entrepreneurs. As achievement and competitiveness are not involved in the stereotypically feminine characteristics, women may need to embrace competitive behavior to appear legitimate to observers. Female entrepreneurs then risk facing backlash as competitive behavior is counter-stereotypically to the characteristics associated with women so competitive behavior conflicts with the values of empathy and community. The gender bias involved in entrepreneurship may pose additional barriers to female entrepreneurs (Murnieks, 2020).

### 2.2.1 The role of culture in social norms

The degree to which stereotypes posed on gender and related social norms are present in a society is determined by the specific culture prevailing in a country (Hofstede, 1998). Even though there is no agreed-upon definition of culture among scientists, culture in this context can be defined as "a set of shared values, beliefs and expected behaviors" (Hayton, 2002). These cultural values determine the degree to which specific entrepreneurial characteristics, such as willingness to take risk, are expected from entrepreneurs by society. Authors suggest that the values prevailing in a country, and therefore determining the degree to which specific characteristics are expected of entrepreneurs, systematically differ among countries. (Hayton, 2002).

In the past, several studies analyzed the influence of culture on entrepreneurial characteristics. In particular, many studies refer to Hofstede's dimensions of national culture, which involves the masculinity-femininity dimension among multiple others. Multiple authors have found that the reasons for starting a business vary with the different degrees of individualism, power-distance and masculinity of a country's culture (Hayton, 2002). According to Hofstede, masculinity stands for societies that expects men to be assertive and focused on success while women are supposed to be modest and tender. Femininity on the other side refers to societies in which both genders are supposed to be modest and tender so feminine societies have smaller differences in gender roles (Hofstede, 1998). Countries with social roles closer to competitiveness and achievement are seen as rather masculine and tend to have more pronounced gender differences (Hofstede, 1998). The degree of female entrepreneurship is lower in masculine countries, as the masculinity-femininity dimension shows the distribution of gender roles in a country's society (Rubio-Banon, 2016, Hofstede, 1998).

Another meaningful study in the context of culture is the GLOBE study of House et. al (2002) which identifies nine dimensions of national culture from which six have their origin in Hofstede's work. Two of them are specifically referring to Hofstede's masculinity-femininity dimension. Gender egalitarianism according to House is referring to the extent to which a society is minimizing gender role differences, while assertiveness is referring to "the degree to which individuals in societies are assertive and aggressive in social relationships" (House, 2002). According to House et al. (2002), societal cultural values influence the practices and actions of leaders in the sense that cultural norms lead to specific patterns in behaviors. This results from the fact that different behaviors are accepted and required by societies in different countries, so that organizational practices can be seen as a reflection of cultural norms (House, 2002).

While the GLOBE focuses on studying how characteristics of national culture influence leadership attributes, Hofstede's study is more applicable to the PSF approach because it gives a clearer implication on how social norms limit entrepreneurship of different gender types. The masculinity-femininity dimension of Hofstede presents how gender roles are distributed in a society, and gives direct insights into the degree to which females are

expected to be modest and tender (Hofstede, 1998). Therefore, the culture's norms in a specific country are limiting the behavior of women entrepreneurs, as norms determine the degree to which cultural expectations are strong or weak to be an entrepreneur and to comply with social roles (Ahl, 2006, Brush, 2014, Hofstede, 1998). Consequently, culture does matter for the barriers to female entrepreneurship (Brush, 2014).

*Proposition 1: Social norms negatively influence the degree of female entrepreneurship in masculine countries*

### 2.3 Family and household responsibilities

Stereotypes created by society associate household, childcare and domestic activity with women rather than with men. Women are considered well-suited for family responsibilities leading to housework and care remaining the female's responsibility (Ahl, 2006, Correll, 2007, Rubio-Banon, 2016). Statistical data from the World Development Report 2021 show that there is a disproportionate responsibility for household activity and childcare between males and females, as this remains a subject for women (Wu, 2019). Family and household responsibilities consequently have a higher impact on women than on men (Brush, 2009). This difference in responsibilities becomes particularly clear when comparing texts about women's and general entrepreneurship, as the literature about women's entrepreneurship often involves the family component, while the literature about entrepreneurship in general does not (Ahl, 2006). The association of women with domestic activities and family responsibilities implies that women's entrepreneurship is "less desirable" (Brush, 2014).

As women are involved in family responsibilities to a higher extent, they are limited in participating in entrepreneurship due to the challenge of balancing these two responsibilities (Wu, 2019, Ahl, 2006). This balancing challenge is entirely female and is a reason why females are not able to engage in entrepreneurship to the same extent that men do (Ahl, 2006). The credibility of women's intent to set up businesses is lower compared to the one of males, as women's primary task is associated with family and household rather than business (Bruni, 2004). At the same time, women are rated as less competent when having children, so motherhood does not only affect their time schedule but also the perceptions of competence. This type of discrimination is not experienced by fathers, but having children may even be of advantage as it leads to men receiving greater advantages at work (Correll, 2007).

Existing literature suggests researchers to "include family dimensions in their conceptualizing and modeling, their sampling and analyzing, and their interpretations and implications" to be able to properly study female entrepreneurship (Aldrich, 2003). When doing so, the degree to which the family and household component influences female entrepreneurship is determined by the societal and cultural context and may differ among countries (Brush, 2014).

*Proposition 2: Family and household responsibilities (FHR) negatively influence the degree of female entrepreneurship in masculine countries*

### 2.4 Accessing finance

In general, women are more likely to be financially constrained than men and need to rely on internal sources, such as family and friends, to a higher extent (Wu, 2019). Access to capital differs between men and women, as female entrepreneurs experience several additional gender-related hurdles when trying to acquire external finance. For that reason, securing external finance has been regarded as one of the main barriers preventing females from starting a business. Studies found that women usually start with lower levels of capital from personal and external sources

(Carter, 2015). Moreover, research has shown that as capital from internal sources is often very limited, women are less likely to meet their capital requirements (Wu, 2019).

In general, women are less likely to receive credits even though access to financial capital is a building block for entrepreneurship (Rubio-Banon, 2016, Wu, 2019, Godwin, 2006). According to Wu (2019), existing literature reports that there is a significant positive relationship between the access to finance and entrepreneurial activity, which highlights the essential role finance plays in setting up a business. Females receiving credits less likely is caused by gender bias as female entrepreneurship is associated with features that are incompatible with those of observed successful entrepreneurs (Rubio-Banon, 2016, Ahl, 2006). Bank loan officers attribute characteristics of successful entrepreneurs, such as leadership and risk-taking, more often to men than to women (Godwin, 2006). As female entrepreneurship is stereotyped with characteristics that are incompatible with successful entrepreneurs, women are seen to be less qualified to manage money (Rubio-Banon, 2016, Bruni, 2004). Research found that women are more likely to be treated disrespectfully by lending officers, as more women reported experiencing gender-related discrimination in the process of acquiring finance (Godwin, 2006). The gender bias involved in the process of acquiring finance leads to female entrepreneurs having a higher risk of being discriminated when trying to acquire capital (Ahl, 2006). Due to this "supply-side gender discrimination" (Carter, 2015), women are less likely to receive a loan than their identical male counterparts. (Godwin, 2006). Next to debt provision, entrepreneurs may also seek growth capital through equity provision by angels and venture capitalists (Brush, 2006). Female entrepreneurs are however also constrained in their ability to engage the interest of angel investors and venture capitalists as both of these industries are heavily male-dominated (Gupta, 2009, Brush, 2014).

Due to the additional gender-related barriers created in the process of acquiring external finance, most women indicate the access to finance as a significant barrier to founding a business (Godwin, 2006). The study of gender-based differences in access to finance has been a major research focus in existing literature (Carter, 2015).

*Proposition 3: The process of accessing finance negatively influences the degree of female entrepreneurship in masculine countries*

## 3. METHODOLOGY

### 3.1 Research design

Existing literature states that research needs to change the applied methodology towards more innovative qualitative methods to properly study PSF approaches (Henry, 2015). In the past, research in the field has been criticized repeatedly for using-male gendered measuring instruments as statistical analysis such as correlations only serve for presenting differences between male and female. Consequently, many quantitative approaches are discriminatory in their nature and not appropriate for appropriately studying gendered processes. Conducting in-depth interviews and case studies are approaches to match the shift in feminist perspective towards PSF with appropriate data collection and analysis methods (Henry, 2015). Interviews allow for an understanding of individual experiences and opinions, which is necessary to properly study PFS approaches (Rowley, 2012).

The suggestions of several authors are applied to this research to properly study gendered processes and develop a deeper understanding of gender-specific barriers. The qualitative design of this research allows reflecting the complex reality of female

entrepreneurship. Primary data was collected through the conduction of interviews with female founders. Semi-structured interviews were designed to give interviewees the possibility to further elaborate on individual experiences and opinions. Moreover, interviewees were allowed to mention aspects that were not yet discovered and therefore not specifically asked for by the interviewer.

For this research, Germany was used as a case study for masculine countries as these have pronounced differences in gender roles (Hofstede, 1998). Consequently, it is expected that female-specific barriers to entrepreneurship are higher in masculine countries, as the pronounced gender roles limit women’s entrepreneurial activity and therefore lead to a lower degree of female entrepreneurship (Rubio-Banon, 2016, Hofstede, 1998). As Germany possesses a masculinity score of 66, it is classified as a medium masculine country and will serve as a representation of masculine countries (Hofstede, 1998).

### 3.2 Data collection

#### 3.2.1 Interview Information

In total, 9 interviews were conducted with an average length of 31 minutes. Due to geographical distances, the interviews were conducted via the software Microsoft Teams. The questions for the interviews and the interviewee data are attached to appendices A and B respectively. The questions were only loosely applied to properly respond to and further ask about the individual experiences of the entrepreneurs. The questions were therefore adapted to individual experiences during the interviews.

#### 3.2.2 Inclusion Criteria

The criteria for the inclusion of participants were based on gender, location, and time in the field. Firstly, the entrepreneurs have to be biologically female so that society associates specific norms and practices with the interviewees. Moreover, the entrepreneurs have to be working in the field for at least a year, allowing for knowledge and sufficient experience within entrepreneurship and the hurdles involved. As Germany is used as a case study for masculine countries, the entrepreneurs have to work in Germany and set up their business in Germany. The location criterion allows studying gender-related barriers specifically in Germany, giving insights into masculine countries with pronounced gender roles.

### 3.3 Data analysis

To analyze the data, a reflexive thematic analysis was conducted which can be defined as “the process of identifying patterns or themes within qualitative data” and is an appropriate method for analyzing multiple different interviewees by highlighting similarities and differences in experiences and generating unanticipated insights (Maguire, 2017, Nowell, 2017). The themes are generated through data engagement by the researcher (Braun, 2020). The emerging themes in the data then become the codes for analysis (Fereday, 2006). Due to the nature of this research, reflexive thematic analysis is an appropriate method to analyze whether, which and to what extent barriers are experienced by female entrepreneurs. The chosen method allows for comparison between the experiences of individual interviewees, giving insights into the extent to which specific barriers limit female entrepreneurship in general, rather than just posing difficulties to one individual entrepreneur.

The latent approach was applied which involves looking beyond what was said by the interviewee to identify underlying ideas and assumptions (Maguire, 2017). This is especially relevant as the influence of stereotypes and the occurrence of gender bias may be unconscious processes that are not observed by the affected

person. The coding was conducted in a hybrid manner, so inductive and deductive coding was applied. Even though reflexive thematic analysis requires themes to be developed from the data, deductive coding was used to build a framework by dividing the codes into the specific barriers. Therefore, deductive coding can be defined as building codes from a theoretical base to test whether propositions are valid according to the collected data (Woiceshyn, 2017). For this research, the categories “social norms”, “family and household responsibilities” and “the process of accessing finance” were developed according to the propositions created. Inductive coding on the other hand was applied to create the sub-codes from the empirical observations, so the codes were developed during the coding process by identifying patterns in the interviews (Woiceshyn, 2017). The subcodes developed from the data significantly overlap with the theoretical framework so a combination of the inductive and deductive approaches was appropriate to match anticipated and unanticipated findings. The category “other emerging barriers and topics” was derived from the collected data and allows to take into account barriers that were not directly asked for by the interviewer but experienced by the entrepreneurs. An overview of codes can be found in table 2 and a detailed explanation of the subcodes in appendix C.

<b>P1: Social norms</b>
1. Gender Bias
2. Internalization of feminine responsibilities and characteristics
3. Male-dominated structures
<b>P2: Family and household responsibilities</b>
1. Temporal flexibility
2. Organizational skill
3. Disadvantages related to motherhood/household
<b>P3: Accessing finance</b>
1. Support structures
2. Gender-related discrimination
<b>Other emerging barriers/topics</b>
1. Women-specific industries
2. Founder network

**Table 2. Table of codes**

Answers of the interviewees were classified to give an overview of the total number of entrepreneurs stating that a barrier currently is or was negatively affecting their work in the past. This is done by a classification scheme consisting of “Y” for “Yes, this barrier is/was negatively affecting my work” and “N” for “No, this barrier is not/was not negatively affecting my work”. The classification relates to whether the entrepreneur has experienced at least one sub-code barrier. There may be overlaps, for example that one entrepreneur experienced two sub-barriers in one category.

## 4. RESULTS

The results of this study are structured into the coding categories. Even though the entrepreneurs reported different experiences, overarching topics developed during the interviews. From these overarching topics, sub-codes were developed that are elaborated per category in the following sub-chapters. The sub-codes do not imply mutual exclusivity due to the significant overlap of the themes.

### 4.1 Social norms

The first sub-code in the category of social norms refers to “gender bias”, which was experienced by seven out of nine interviewees. Even though the reported experiences differ in terms of the context, seven interviewees indicated to were not taken seriously either in their intention to found a business or in

their position as a founder at some point in their career. E4 stated that when taking over new projects, employees often assumed she was the “*new intern to make coffee*” due to her outer appearance. From her experience, the outer appearance of women influences the perception of observers, as she mentioned that “*if a woman looks young and is small in terms of height*”, people may not take her seriously at the beginning. The influence of the outer appearance on the perception of observers was confirmed by three other entrepreneurs who stated that characteristics like perceived age and height determine the degree to which they are taken seriously by observers. E3 reported a similar experience related to the manufacturing company of her products. The entrepreneur indicated that the “*mansplaining*” CEO did not take her seriously in her intention to build a business and treated her with a derogatory attitude. After this experience, she reported being afraid that other employees of the manufacturer thought “*there comes a small Blondie saying she wants to sell cookies*” as she thought her credibility of founding a business was not sufficient. Another entrepreneur who worked in the gastronomy industry stated that male customers often did not take her seriously in her position as a founder and claimed “*miss, let me talk to your boss instead of to you*”. She therefore indicated that social roles influence her work in the sense of how customers perceive her and stated that stereotypes pose an additional hurdle on female founders. E7 reported of not being taken seriously by multiple notaries who were trying to “*explain the world to her*”. Moreover, she has been called “*cheeky*” by observers when perusing her career and stated that “*men would have been called direct, but women are cheeky*”. She believes that observers perceive her as cheeky as she does not fit into the feminine stereotype. She furthermore mentioned that she started to question whether it is valid to “*want so much as a woman*” after this experience. The entrepreneur mentioned that “*speaking at eye level*” is harder for women as they are treated differently from the social environment. E9 reported a similar experience, as male mentors “*approached [her] like a child*” and “*did not take [her] intention to build a business seriously*”. Experiences of gender bias were also reported by E8 who mentioned that she was not taken seriously in her position as a co-founder but was rather perceived as “*a pretty company*”. Even though the majority of interviewees experienced a gender bias in the process of setting up their businesses, two out of nine entrepreneurs reported having made “*only positive experiences*”.

The second sub-code in the category of social norms refers to the “*internalization of feminine responsibilities and characteristics*” and explains that interviewees internalize social expectations of how women are supposed to behave and measure their behavior against it. Five out of nine interviewees indicated to have experienced this specific barrier during the foundation of their business. E1 argued that she internalized expectations from the social environment to the extent that the entrepreneur developed an “*inner blockade*” as she always felt the pressure to meet societal expectations. Preparing for a possible future child created a high degree of pressure for the entrepreneur and discouraged her from starting her business for many years. She however also stated that taking over feminine responsibilities is not only expected by the social environment but women have a natural tendency to be willing to take over feminine responsibilities. E2 confirmed that there are tendencies in how men and women behave and how both gender types are perceived by the environment. She however also mentioned that “*there are women with masculine characteristics and men with feminine characteristics*” so the behavior is not necessarily dependent on the biological sex. From her experience, women who embrace feminine behavior are usually “*less self-convinced but more realistic and honest*” which makes it harder for women to “*fit*

*into masculine structures*” as observers rate them differently than men. According to E2, women need to adapt to masculine structures to appear legitimate to observers. The necessary adaption of their behavior was confirmed by four further entrepreneurs who stated that women need to prove their knowledge to appear legitimate to observers and justify their position. Multiple entrepreneurs furthermore mentioned that they internalized social expectations to the extent that it is a challenge to detach from traditional female responsibilities and developed self-doubts about their role as a woman. E3 mentioned that she internalized the thought of “*as a woman you cannot achieve that much*” which is taught to women by society. In her opinion, women internalize social roles even though a detachment from the stereotype is necessary to appear more confident and credible in front of observers. The entrepreneur reported making a fake email account with a male name in order to appear more legitimate when making requests to suppliers. She however also stated that the reason is rather her internalized insecurity to not be taken seriously instead of experiences of actual discrimination. E7 confirmed that feminine characteristics are internalized and women feel pressure to keep up with social roles. She stated that she acts differently in front of powerful men as she “*belittles*” herself and stated that “*this is related to the way girls are raised*”. She called it a “*daily battle*” to overcome the internalization of being ashamed to pursue a career even though she is a woman, and learn to be confident in doing so.

Lastly, the sub-code “*male-dominated structures*” was created. Four out of nine interviewees reported that founders are judged based on “*male criteria*” in multiple contexts. E2 stated that from her experiences during the foundation of her company and her previous employments, the identity of observers influences how they judge entrepreneurs. As men are usually in the observer positions, they judge based on male criteria. That means “*men tend to choose men*” (E2) as women do not fit into male-dominated structures. The same experience was mentioned by E9, who said that founder scholarships are usually male-dominated and male founders tend to receive more support than females. The support that is granted to female founders is dependent on the industry they found their business in as “*women tend to found in specific industries like cosmetics, but as soon as it gets more complex people question how women should be able to do this*” (E9). According to E2, the biggest challenge while founding the business was adapting to male-dominated structures. She argued that even if a woman is highly competent “*[she] will never achieve a position that is considered great by a man*” as women are systematically disadvantaged by the system. E5 moreover criticized the lack of female role models as “*more men found businesses, more men are part of supervisory boards, more men are in management and leadership positions. There are way more men and we need female role models*”. The entrepreneur argued that women need to be present to a higher degree “*in the whole system*” so it is easier for women to found businesses as structures would be less male-dominated. This aspect was confirmed by multiple other entrepreneurs. E7 furthermore mentioned that “*when you look at successful companies, they always have a specific type of men as CEOs*”. According to her, these CEOs have specific education degrees and CVs and investors are evaluating entrepreneurs based on these specific criteria so that “*women are systematically excluded*” by the system. E9 confirmed that more female role models are needed by mentioning that “*especially when it comes to being a founder and building a family, more role models are needed to show that women can manage both responsibilities at the same time and encourage other women to do so*”. Multiple entrepreneurs mentioned that the degree to which the male dominance is present depends on the type of industry, as the tech industry, the financial services industry and boards of hospitals

are still heavily male-dominated while the female health industry mainly consists of female founders. Another important aspect was mentioned by E3 as she stated that from her experience, men are usually working in higher positions before starting a business which leads to them having a higher degree of knowledge about businesses and fewer difficulties to access high amounts of finance.

## 4.2 Family and household responsibilities

During the interviews, the sub-code “temporal flexibility” was developed for the FHR category as six out of nine entrepreneurs argued that self-employment involves more flexibility in the allocation of work, free time and household responsibilities. The flexibility that comes with self-employment was a major reason to found the business for three of the nine entrepreneurs who reported that they desired to “*break out of the restricted employment relationship*”. E1 and E3 mentioned that self-employment includes the freedom to individually decide on the time period mothers want to take care of their children full-time before returning to work after maternity leave while maternity leave in permanent employment position is heavily restricted. Moreover, there is a higher degree of temporal flexibility for household responsibilities according to multiple entrepreneurs. The extent to which the temporal flexibility is given however depends on the extent to which parts of the business are outsourced. E2 furthermore mentioned a decreased dependency on supervisors and managers so that founders are not responsible for fixing issues last-minutes occurring due to the way of working of other actors. This allows having a higher degree of plannability of free time as the entrepreneur herself can work in a more structured way. It is also easier to plan and structure daily life according to E3, as she is more flexible time-wise. E8 and E9 confirmed having more temporal flexibility since the foundation of their business. E5 however indicated that the degree to which self-employment includes temporal flexibility is dependent on the industry, as for her, founding the business led to having no free time.

Another pattern that occurred during the interviews is concerned with the “support structure”. E1 and E3 argued that women need a better support structure that allows them to delegate tasks to partners, family, friends or external help such as cleaning ladies. Delegation and financial compensation of tasks by outsourcing tasks and hiring external support is determining the degree to which FHR limit the work according to five out of the nine interviewees. If no support structure is available, time for the foundation of the business may be constrained. E8 mentioned that the support structure is essential to manage family and business responsibilities at the same time.

One out of nine female entrepreneurs reported “disadvantages related to family and household responsibilities”, which is represented by the third sub-code. E7 argued that FHR leads to female entrepreneurs being restricted in the time available to spend on the business. It is therefore an extra challenge to manage these two tasks of private and business responsibilities parallel to each other. The huge “*care share*” can be delegated to the partner and financially compensated by support structures, however the entrepreneur remains to have a higher “*care share*” than men making FHR a gender-related challenge. While seven out of nine entrepreneurs mentioned that FHR do not influence their work, E7 argued that the influence is dependent on the living situation, as students may have fewer responsibilities than mothers. This was confirmed by multiple other entrepreneurs in different life situations. Next to the influence of motherhood on entrepreneurship, E2 and E8 stated that entrepreneurship also affects motherhood. According to the E2, women need to take into account whether they want to have children shortly when

founding a business as the time to invest in the start-up would be missing. This statement was confirmed by E8 who said that combining these two responsibilities is the biggest challenge for female founders who want to build a family as the desire to have children heavily influences the intention to found a business. According to her, men do not need to consider this challenge to the same extent, simply given the biological nature of both gender types. Motherhood moreover influences the perceptions of others according to E7 as observers often do not take her seriously in her intention to found a business and deny her career ambitions. She called this a “*societal stereotype*” as mothers are not associated with entrepreneurship. For that reason, she does not mention that she is a mother anymore to appear legitimate to observers.

## 4.3 Accessing finance

Six out of nine entrepreneurs reported not experiencing “gender-related discrimination” in the process of trying to acquire external finance. E5 however reported discrimination when trying to acquire a surety bond from a bank as she required a high starting capital for her business. After introducing her concept, the bank advisor claimed “*I cannot imagine you flirting with men at the bar because you are such a brittle personality. I do not think this is the right business for you*”. Afterwards, she did not receive the surety bond due to his negative recommendation. E7 reported gender-related discrimination related to motherhood as investors appeared to see her as someone who wants to “earn some pocket money” and is unsuitable for founding a business as she has children. E9 reported a similar experience as male bank advisors rejected her idea multiple times but “*interestingly when a woman was the bank consultant sitting on the other side of the table, it worked out with the loan financing*”. She reported that the denial of male bank consultants is dependent on the male-dominated industry she is working in. In total, three out of nine entrepreneurs stated they experienced gender-related discrimination in the process, however the individual experiences differ.

Even though only a minority of entrepreneurs experienced discrimination in the process of accessing external finance, four out of nine interviewees argued that appropriate support structures to fund women’s businesses are missing. E1 mentioned that it is difficult to access smaller amounts of capital even though many women-specific start-ups need small capital amounts rather than high investments. This relates to the women-specific industries, which are further elaborated in a separate sub-code in the category “other emerging barriers and topics”. The small amounts of capital however are not available as funding is only provided for highly innovative, often digital or technical start-ups in specific industries that are heavily male-dominated. E1 argued that her funding requirements were not met leading to the necessity to return to full-time employment. Managing both jobs at the same time presents an additional hurdle for the foundation of her business. According to E1, the huge gap in the financial support structure limits female entrepreneurship as many women do not meet their funding requirements for the foundation of a business. E8 confirmed this by adding that support structures in Germany are missing and self-employment and entrepreneurship are not actively promoted by sufficient funding. According to E8, there is no sufficient financial support for female founders who desire to start a family and are consequently not able to work full-time for a specific period. E1 mentioned that women need to save earnings for a long period before having acquired enough capital to start the foundation, which leads to the risk that at the time when enough capital is saved, the idea is already introduced to the market. E1 and E3 reported the impression of “*falling through all grids*” as financial support is solely offered for specific start-ups in specific

industries. E7 moreover mentioned that these specific industries are heavily male-dominated such as high-tech innovations or chemistry. The inability to access finance disallowed E7 to found her business for many years as she did not have access to the required capital. Without the severance payment from her previous employment, she would not have been able to found her business. Both, E1 and E7, stated that accessing finance represents a main challenge for female entrepreneurs.

#### 4.4 Other emerging barriers and topics

During the interviews, additional barriers and topics emerged that were not specifically asked for but reoccurred in multiple interviews. The sub-codes “women-specific industries” and “founder network” were developed from the reoccurring topics.

Firstly, E1 mentioned that many women are founding businesses in different industries than men do, and foundations in these industries require less capital. Therefore, the sub-code “women-specific industries” was created. This is directly linked to the mentioned difficulty to access small amounts of capital. E1 argued that in the women’s health sector, a majority of start-ups are founded by women. In this context, the entrepreneur stated that women can contribute differently to the market than men can. Multiple entrepreneurs stated that the extent to which barriers posed to females is dependent on the industry they are operating in. According to E6 and E7, the majority of founders in the financial service and tech industries are males making the industries heavily male-dominated. E9 confirms the dependency on the industry and stated that the laundry industry and the boards of hospitals are heavily male-dominated. According to her, the male dominance created additional hurdles for the foundation of her business, such as the inability to access finance or the occurrence of gender bias.

Multiple entrepreneurs mentioned the barrier “founder network” meaning that the entrepreneurs were lacking contact with other founders when setting up their business. According to E3, the absence of contacts increased the difficulty to set up the business as there was no possibility to exchange information about specific issues and processes during the foundation. Multiple entrepreneurs however stated that there are many founder networks, specialized either in specific industries or founded specifically for female founders. According to E3, the exchange with other founders is essential in the process of setting up a business due to the possibility of gaining insights from other industries which may be beneficial for the own start-up. E1 stated that it is difficult to imagine the foundation of a business when not being involved in a network of founders so the absence of a network influences the perception of feasibility before setting up the business. For E7 and multiple other founders, the network was one of the key factors missing when they founded their business. In total, five out of nine interviewees describe access to a network as a barrier to female entrepreneurship.

A summary of the findings according to the classification scheme can be found in table 3. Social norms were found to limit female entrepreneurship to a major extent as seven out of nine female founders reported negative experiences. Accessing finance also heavily limits female entrepreneurship as five entrepreneurs either indicated to have experienced gender-related discrimination or suffered from the inability to access external finance. Family and household responsibilities were not found to be a relevant gender-specific barrier as solely one out of nine interviewees classified FHR as a barrier. Further findings can be requested from the author.

Barrier	E1	E2	E3	E4	E5	E6	E7	E8	E9	Total
P1	N	Y	Y	Y	Y	N	Y	Y	Y	7
P2	N	N	N	N	N	N	Y	N	N	1
P3	Y	N	Y	N	Y	N	Y	N	Y	5

**Table 3. Number of entrepreneurs stating that a specific barrier is/was negatively affecting their work**

## 5. DISCUSSION AND IMPLICATIONS

Among authors, there is a consensus that entrepreneurship is heavily male-dominated and men are founding businesses to a greater extent (Wu, 2019, Ahl, 2006, Gupta, 2009, Brush, 2009). Female entrepreneurship remains limited due to several gender-related barriers that have been identified by multiple authors (Wu, 2019, Gupta, 2009). A post-structural feminism (PSF) approach was adopted in this study to analyze socially constructed gender issues in entrepreneurship as the social environment treats males and females differently (Wu, 2019, Henry, 2015). According to the PSF approach, the socially constructed gender differs between countries as different national cultures create different gender roles of masculine and feminine (Ahl, 2006). For this research, Hofstede’s masculinity-femininity dimension was taken into account to gain insights into the degree to which females are associated with specific stereotypes in different cultures (Hofstede, 1998). As female entrepreneurship is limited in masculine countries due to pronounced gender roles, Germany was used as a case study for masculine countries. This study was conducted to test the extent to which gender-related barriers limit female entrepreneurship in masculine countries. Three propositions have been tested to develop a deeper understanding of the specific barriers to female entrepreneurship in masculine countries.

### 5.1 Social norms

Social norms were expected to limit female entrepreneurship as women in masculine countries are seen as less entrepreneurial due to societal stereotypes which consequently reduces the credibility of their intention to build a business (proposition 1) (Bruni, 2004). The collected data allows a confirmation of P1 as the majority of interviewees indicated that social norms currently affect or have affected their work in the past. Gender bias was found to be tremendously present in several different contexts, namely during the contact with manufacturing companies, customers, notaries and within multiple male-dominated industries. The majority of entrepreneurs experienced a gender bias at some point in their career meaning they were not taken seriously either in their position as a founder or their intention to found a business because they are biologically female. The findings of multiple existing studies indicating that gender bias limits female entrepreneurship can therefore be confirmed by the findings of this study. The fact that the majority of interviewees were affected by gender bias at some point in their career regardless of their personality backs up with the literature which states that women are seen as less entrepreneurial regardless of their actual characteristics but because of the social norms created by society (Ahl, 2006). The outer appearance of female founders was found to be directly linked to the degree to which they are taken seriously by male observers. Characteristics like height and perceived age influence the credibility of their intention to found a business and the perception of their competence. As female founders are perceived as less competent, they need to justify their position in front of observers in the mentioned contexts by proving their knowledge. This misperception of competence arising from gender bias was found



to heavily limit females in their ability to engage in entrepreneurial activities. The context in which gender bias occurs can differ strongly, as it was found to be present in diverse fields. The degree to which gender bias is involved in entrepreneurship is however partly dependent on the industry females are operating in, as especially in male-dominated industries gender bias is limiting female entrepreneurship while social norms have a smaller effect on female founders in women-specific industries. To overcome gender bias, female entrepreneurs need to adapt to male-dominated structures by learning how to deal with gender bias in business contexts. Women need to adapt their behavior to appear legitimate to observers and increase their credibility to found a business. This result coincides with Murnieks' study (2020) that found that women may need to embrace competitive behavior to appear legitimate to observers. However, female founders then risk receiving negative reactions from the social environment as they are behaving counter-stereotypically, as also found by Murnieks (2020).

The fact that entrepreneurship is heavily male-dominated poses additional hurdles to female entrepreneurs as observers judge based on male criteria in multiple contexts, for example when assigning funding to start-ups. The findings however showed that not only the male dominance in entrepreneurship limits the degree of female entrepreneurship but also the lack of women in power positions within the whole employment system. The data revealed that the lack of women in the finance industry, supervisory boards, management boards, leadership positions, mentoring programs and role models poses challenges to women when acquiring the required resources in terms of finances, networks and support. On the one hand, it is more difficult to acquire these resources due to the gender bias involved in entrepreneurship as the competence of women and their intention to build a business may not be taken seriously by male observers. The identity of observers influences how they judge entrepreneurs so that females are systematically disadvantaged due to the lack of females in power positions. A higher presence of women within these contexts would decrease the gender bias present in entrepreneurship and allow women to access required resources easier. On the other hand, the entry into entrepreneurship and the foundation of a business is more difficult when not having the opportunity to build a network and gain know-how in previous employments. The position in the previous employment may therefore have a direct influence on the intention to build a business. The degree to which structures are male-dominated is dependent on the industry and differs among them. Especially the technology, textile and financial industry are found to be heavily male-dominated.

Societal stereotypes that lead to the gender bias present in entrepreneurship were found to be internalized by female entrepreneurs to the extent that the intense pressure to comply with these stereotypes limits their work. Expectations from the external environment are internalized so that an inner blockade is developed that prevents females from starting a business as they feel an intense pressure to comply with feminine responsibilities. It was found that the possible absence of financial stability that comes with the foundation of a business prevents women from starting businesses, as they feel the pressure to have a specific stability at a certain age in case the wish for children will appear. Feminine responsibilities, therefore, have a strong influence on the intention to build a business. When founding a business, many women experience it as a daily challenge to let go of the pressure to comply with the feminine stereotypes to persevere their career confidently and appear legitimate in front of observers. Due to the gender bias involved in entrepreneurship, women need to adjust their

behavior to appear legitimate by being confident and glib. The stereotype however associates modest, tender behavior with females so that women need to behave counter-stereotypically. Due to the internalization of this stereotype, many female entrepreneurs struggle to appear legitimate in front of observers which poses additional difficulties when trying to acquire finance or other resources. The findings can partly be linked to the social role theory of Eagly which indicates that people need to develop certain stereotypes to be socially acceptable (Rubio-Banon, 2016). Also, the results confirm Wu's (2019) statement that stereotypes pose requirements on how females are supposed to behave and therefore influence the individual behavior and create differences in life experience between the biological gender types. The pressure to comply with societal stereotypes to the extent that it limits women's entrepreneurial activity however was not introduced by previous studies.

## **5.2 Family and household responsibilities**

Due to the statistically proven disproportionate responsibility of household and childcare between males and females, it was expected that family and household responsibilities (FHR) present a barrier to female entrepreneurship as women are involved in these responsibilities to a greater extent (proposition 2) (Ahl, 2006, Rubio-Banon, 2016). Unanticipatedly, only one female entrepreneur indicated that FHR are limiting her work so P2 cannot be confirmed by the findings. It however has to be noted that there was only one mother among the interviewees, so the proposition may be incorrectly falsified as the life situation was found to be influencing the relationship between female entrepreneurship and FHR. Living circumstances such as the absence or presence of children are therefore an essential factor in determining the extent to which FHR limit female entrepreneurship as the presence of children may heavily increase the influence. Moreover, the support structure available to delegate care tasks and domestic activities to influences the degree to which FHR limits female entrepreneurship. The more tasks can be delegated to the support structure, the weaker the negative influence of FHR on female entrepreneurship. Living situation and availability of support structure are therefore two key determining factors. The outlier verifies the findings of previous studies which found that it is a challenge to balance business and personal responsibilities at the same time and that this challenge is entirely female (Wu, 2019, Ahl, 2006). Moreover, she confirms the findings of Correll's study (2007) that women are rated less competent when having children as motherhood influences the perceptions of women's competence and their credibility intention to build a business.

Even though FHR are not found to limit female entrepreneurship according to the collected data, the findings still confirm that family responsibilities have a higher impact on women than on men according to Brush (2014). Motherhood and entrepreneurship operate as competing spheres in the sense that when starting a business, women perceive the need to prioritize the foundation over motherhood. The intention to have children shortly may therefore negatively influence the intention to found a business, while when founding a business, it appears less manageable to become a mother at the same time. The prioritization of one of the spheres is perceived as necessary so entrepreneurship was found to limit motherhood. Specifically, the possible lacking financial stability that comes with the foundation of a business negatively influences the intention to become a mother shortly as a specific degree of financial stability is perceived as necessary. This challenge of combining the two competing spheres was found to be entirely female given the biological nature of both gender types. Consequently, findings confirmed that the motherhood aspect has a huge influence on females' businesses and their intention to build one as managing

both responsibilities is perceived as a main challenge by female entrepreneurs.

Unexpectedly, it was found that contrary to the expectation that household limits female entrepreneurship, entrepreneurship increases temporal flexibility which allows female entrepreneurs to schedule work and FHR more flexible. The foundation of a business is therefore not limited by household responsibilities but the opposite effect is the case, meaning that it is easier for female entrepreneurs to manage multiple responsibilities at the same time. Findings showed that the foundation of a business increases the flexibility in how to organize daily life and a higher degree of plannability for both, personal and business responsibilities. One reason explaining the increased temporal flexibility is the decreased dependency on other actors in the business environment, such as supervisors and managers in permanent employment positions. However, the available support structure and the life situation are again essential factors in determining the degree to which the foundation of a business increases temporal flexibility. Delegation of tasks to family and friends and hiring external help determines the degree to which female entrepreneurs are constrained time-wise. The access to a support structure is therefore found to be essential for temporal flexibility in female entrepreneurship as the absence of a support structure leads to more time spent on FHR. Female entrepreneurs therefore already adapted to the challenge of managing the competing spheres by building support structures.

### 5.3 Accessing finance

Lastly, the access to finance was expected to present a barrier to female entrepreneurship as access to finance differs between men and women, and female entrepreneurs are less likely to receive credits from banks and investments from angel investors even though they are more likely to be financially constrained (proposition 3) (Wu, 2019, Brush, 2014, Gupta, 2009). In total, 5 out of 9 female entrepreneurs indicated to have experienced difficulties in the process of acquiring external finance. Consequently, P3 can be confirmed. Findings showed that the main difficulties in the field of accessing external finance are gender-related discrimination and the absence of sufficient financial support structures. The gender bias present in entrepreneurship creates additional hurdles for females in the process of acquiring external finance as they are rated as less competent by observers. A woman's intention to build a business often appears not legitimate to persons with the ability to assign financing due to the female gender of the entrepreneurs. These findings coincide with the studies of Rubio-Banon (2016) and Ahl (2006) stating that the gender bias leads to women receiving external finance less likely as female entrepreneurship is associated with features that are incompatible with those of observed successful entrepreneurs. The outcomes also confirm that women are more likely to be treated disrespectfully by lenders as stated in Godwin's (2006) and Rubio-Banon's (2016) studies as several female entrepreneurs experienced gender-related discrimination in the process of acquiring finance which was directly related to stereotypes posed on both, women in general and female entrepreneurship. The gender bias involved in entrepreneurship therefore creates a hurdle for female entrepreneurs when trying to acquire external finance as it influences the perception of competence and reduces the credibility of a woman's intention to found a business. The industry women are founding a business in was found to be a determining factor for the extent to which gender bias is present in the process of acquiring external finance.

The absence of sufficient financial support structures further limits female entrepreneurs in their ability to receive external finance. Governmental and private funding programs mainly

support start-ups in heavily male-dominated industries as most funding pools are created for digital and technical innovations. Industries in which many females found in, namely cosmetics, fashion and women's health, however lack funding. Therefore, the absence of financial support systems for women's start-ups further increases the difficulty to receive funding which is already given by the gender bias present in the process. A majority of female founders indicated that the inability to access finance either poses major hurdles on their intention to build a business, for example by the need to return to full-time employment, or completely disallowed them to found a business for some time. As the gender bias involved in female entrepreneurship already poses difficulties in acquiring finance, the degree to which gender bias negatively influences female entrepreneurship is increased by the absence of sufficient support structures for female founders.

### 5.4 Other barriers

The absence of a founder network was found to be an unanticipated barrier to female entrepreneurship. While findings showed that the access to a network is essential for setting up a business to exchange information, many female entrepreneurs are not part of a network when founding their business. Moreover, the absence or presence of a network influences the perception of the feasibility of setting up a business. Consequently, the process of setting up a business seems unrealistic and unfeasible when not having founders in the social environment. The absence of a founder network therefore does not only represent a barrier to female entrepreneurship while setting up a business but also negatively influences their perception of feasibility which may lead to fewer females starting businesses.

### 5.5 Implications

#### 5.5.1 Academic implications

Several academic implications can be drawn from the outcome of this research. First, this paper facilitates a deep understanding of barriers to female entrepreneurship as it validates the findings of multiple previous studies which suggest that social norms and access to finance significantly limit female entrepreneurship. Moreover, this research follows the recent requirement for a shift in the epistemological position towards a constructionist approach in order to study how gender is produced by society (Ahl, 2006, Henry, 2015). The outcomes revealed that phenomena like gender bias are results of the socially constructed gender and pose additional gender-specific hurdles to female entrepreneurship. Therefore, this research justifies the need to adopt a PSF approach to properly study gender-related differences in entrepreneurship as female founders are found to be treated differently from the social environment. As suggested by Henry (2015), a qualitative method was applied to prevent using male-gendered measuring instruments such as statistical analysis. A reflexive thematic analysis was used to match the shift towards PSF with an innovative data analysis method that allows gaining a deeper insight into female entrepreneurship. This innovative design suggested by Ahl (2006) and Henry (2015) gives new valuable insights into female entrepreneurship.

#### 5.5.2 Practical implications

Next to the academic contributions, this study offers practical implications for policymakers. Firstly, the outcomes verify the findings of previous studies and give new insights into additional hurdles that give policymakers a greater insight into the phenomenon of female entrepreneurship. Moreover, the outcomes facilitate the creation of appropriate governmental support structures and funding opportunities for female founders. As this study, among multiple others, proves that female

founders are encountering gender-specific barriers, there is a need to introduce governmental support specifically addressing women-specific hurdles in entrepreneurship. According to Wu (2019), many prior policy implications are focused on closing the skills gap between women and men. The findings of this paper however suggest specifically introducing mechanisms aiming at reducing female-specific hurdles. Policy implications to promote female entrepreneurship should therefore focus on reducing gender-related discrimination in the foundation of businesses and enable easier access to external finance by offering funding opportunities specifically for female founders and female-specific industries. The introduction of support mechanisms from policymakers may enable more involvement of women in entrepreneurship and multiple currently male-dominated industries by decreasing gender inequality. As the findings have revealed a relationship between the lack of women in power positions in the whole employment system which negatively influences female entrepreneurship, policy implications should not only focus on promoting the foundation of women's start-ups but also on gender equality within supervisory boards, management and leadership positions and in the finance industry. This allows women easier access to resources required for the foundation of a business and may therefore increase the female entrepreneurial rate.

## **6. LIMITATIONS AND FURTHER RESEARCH**

### **6.1 Limitations**

This study adds to academic literature and gives significant implications for policymakers. However, some limitations have to be taken into account and suggest paths for further research. Specifically, the influence of motherhood on female entrepreneurship was not tested sufficiently as there was only one mother among the interviewees. Therefore, the actual impact of motherhood on female entrepreneurship could not be presented in this paper and is a subject of further research. When conducting further research on this topic, an adjustment of the sample is necessary to ensure that several mothers are present among the interviewees. For this research, motherhood was not an inclusion criterion which disallows to properly study the effect of motherhood on female entrepreneurship, possibly leading to a falsified rejection of proposition 3. Secondly, the outcomes of this paper are based on a case study that only involves female entrepreneurs who started their businesses and still operate in Germany. Therefore, the results have limited generalizability to other masculine countries. As found by previous studies, gender-specific barriers may differ according to national culture so the findings may not be similar among multiple masculine countries. As only German entrepreneurs were included in the sample, cultural differences between different countries were not discovered in this research. Moreover, other cultural dimensions next to the masculinity-femininity dimension of Hofstede (1998) may be relevant to study gender-specific differences in entrepreneurship. The inclusion of multiple cultural dimensions may enhance the insights into the socially constructed gender and its influence on female entrepreneurship.

### **6.2 Further research**

Further research in the field of female entrepreneurship is needed as female-specific barriers with a PSF perspective have only been limitedly explored in an academic setting. Firstly, the influence of motherhood on female entrepreneurship needs to be tested further by including a higher number of mothers in the sample. Motherhood should then be compared to other life situations to analyze which effect the life situation of female entrepreneurs has on their business. To increase the validity of this research,

the study may be repeated with a bigger sample and across multiple countries. When similar findings are made across multiple masculine countries, the generalizability of the findings can be proven. By involving several countries, the national differences may give new insights to develop a deeper understanding of female entrepreneurship. As the cultural differences were not included in this research, further research may focus on how national culture positively or negatively influences female entrepreneurship, and which specific cultural dimensions are relevant next to Hofstede's masculinity-femininity dimension.

## **7. CONCLUSION**

This study was conducted to analyze to which extent gender-specific barriers limit female entrepreneurship in masculine countries and aimed at developing a deeper knowledge about the factors leading to a low female entrepreneurial rate. The following research question was developed:

### **To which extent do gender-related barriers negatively influence female entrepreneurship in masculine countries?**

In specific, the influence of social norms, family and household responsibilities and the access to finance were tested from a PSF perspective which allows taking into account socially constructed gender issues. According to the findings, social norms limit female entrepreneurship to the largest extent as a majority of female entrepreneurs has been negatively affected by social norms at some point in the foundation of their business. Accessing finance is another significant barrier experienced by female founders while FHR not found to be relevant for a low entrepreneurial rate among females. Unanticipated, the data revealed that the absence of a network is another gender-related barrier to female entrepreneurship. The outcomes clearly demonstrate that female founders encounter gender-specific barriers during the foundation of their businesses so it can be concluded that gender-related barriers do have a significant negative effect on female entrepreneurship in masculine countries. The outcome adds to the academic literature by proving that entrepreneurship involves gender-specific hurdles as women make different experiences in interactions with their social environment. The differences in interactions are caused by stereotypes involved in national cultures that influence the perception of observers. This justifies and reinforces the need to adopt a PSF approach when properly studying gender-related differences in entrepreneurship. Moreover, this study gives policy implications by suggesting implementing women-specific support mechanisms and funding opportunities to reduce gender inequality in entrepreneurship.

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## **APPENDIX**

Appendix A: Interview Questions

Appendix B: Interviewee Data

Appendix C: List of operationalization codes

### **Appendix A: Interview Questions**

#### **General questions**

Question 1: How old are you?

Question 2: What state in Germany are you from?

Question 3: What does your company specialize in?

Question 4: When did you start your business? How long have you been running this business?

#### **General/Social norms**

Question 1: What difficulties did you encounter when starting your business?

Question 2: Do you think some of these difficulties were related to being a woman?

Question 3: Have you ever received negative reactions to starting a business? (E.g. questioning why you are not doing another job, not taking your intention to build the business seriously)

Question 4: Do you think these negative reactions were partly related to your gender?

Question 5: Have you ever had negative experiences when starting your business that were in some way related to your gender? (E.g. specific disadvantages, being taken less seriously, etc.?)

Question 6: Do gender roles have an impact on your work?

Question 7: Do you think it is as difficult for women to start a business as it is for men? Or are there differences? If so, why?

#### **Compatibility of family/household and job**

Question 1: What influence do family and household have on your job?

Question 2: Do family and household responsibilities limit your work, e.g. by having less time for the job?

Question 3: Was the flexibility that comes with self-employment a reason to start your business?

Question 4: Have you ever felt difficulties in managing your business and household and/or raising children in parallel?

Question 5: Does being a mother or the plan to have children affect your work? If so, how?

Question 6: Do you think it is more difficult for women to start businesses because they spend more time on household tasks and childcare?

#### **Access to finance**

Question 1: How did you finance the foundation of your business?

Question 2: Did you have difficulties in the process of accessing finance?

Question 3: If yes, do you think this is related to your gender?

Question 4: Have you ever experienced disadvantages in the process of applying for funding?

Question 5: Have you felt less taken seriously by bank advisors and others who can provide financing because you are a woman?

#### **Closing Questions:**

Question 1: What do you think are the biggest difficulties in starting a business for women?

Question 2: Do you have any final additions/suggestions about the topic? (e.g. challenges that have not been asked about already).

## Appendix B: Interviewee Data

Entrepreneur	Age	State	Industry	Founding Year
E1	38	Bayern	Women's health	2020
E2	36	Bayern	Fashion	2020
E3	35	Berlin	Food	2020
E4	38	NRW	Communication agency	2014
E5	35	NRW	1. Gastronomy 2. Beverage	2021
E6	24	Berlin	Financial services	2020
E7	42	Bayern	Tech/Recruiting services	2021
E8	27	Bayern	Design services	2019
E9	44	NRW	Textiles	2017

## Appendix C: List of operationalization codes

Subcodes for P1: Social norms	
Gender Bias	Women are associated with feminine characteristics related to nursing, caring and modesty while men are seen to focus on success and achievement, which is associated with entrepreneurship. (Murnieks, 2020). Women are therefore seen as less entrepreneurial due to the stereotypes posed on both gender types (Bruni, 2004). This gender bias present in entrepreneurship influences the credibility of women's intention to start a business and their position as a founder (Bruni, 2004).
Internalization of feminine responsibilities and characteristics	According to the social theory of Eagly, people need to develop certain stereotypes to be socially acceptable and some of these are related to gender (Rubio-Banon, 2016). These stereotypes of masculine and feminine poses requirements on how females and males are supposed to behave (Wu, 2019). The societal expectations are internalized by female entrepreneurs to the extent that it influences their behavior as they feel a strong pressure to comply with the feminine stereotype.
Male-dominated structures	Entrepreneurship in general is heavily male-dominated as identified by Wu (2019) and Ahl (2006) among multiple other authors. Data revealed that structures involved in entrepreneurship are heavily male-dominated in the sense that there is a lack of females in several contexts, such as mentoring programs, bank consultants, and role models.

Subcodes for P2: Family and household responsibilities	
Temporal flexibility	The subcode explains the ability to allocate business and personal responsibilities more flexible time-wise than in permanent employment. Therefore, the temporal flexibility to plan household and family responsibilities, free time and work is increased in self-employment.
Support structures	Support structure refers to the network available to support in household and family responsibilities by taking over several tasks. The network may consist of family and friends but can also involve external help like cleaning ladies and babysitters.
Female disadvantages related to motherhood/household	Several disadvantages may derive from motherhood and household responsibilities when managing a business at the same time. The challenge of balancing these two responsibilities may lead to females being constrained in their time to spend on the business (Wu, 2019, Ahl, 2006) or a decreased credibility of the intention to build a business due to motherhood (Correll, 2017). Several disadvantages may pose additional hurdles to female entrepreneurship and limit females from participating in entrepreneurship (Wu, 2019).

<b>Subcodes for P3: Access to finance</b>	
Gender-related discrimination	Females are less likely to receive finance due to the gender bias involved in entrepreneurship which leads to females being seen as less qualified to manage money (Rubio-Banon, 2016). Moreover, females are more likely to be treated disrespectfully by lenders as more women report experiencing gender-related discrimination in the process of acquiring finance (Godwin, 2006). The gender bias involved in entrepreneurship and the “supply-side gender discrimination (Godwin, 2006) leads to females receiving external finance less likely.
Support structures	The subcode refers to governmental and private funding opportunities for female founders. The absence or presence of appropriate support structures may influence the extent to which the process of acquiring finance limits female entrepreneurship.

<b>Subcodes for “other comments”</b>	
Women-specific industry	Data revealed that some industries are female-dominated and start-ups within these industries may have different funding requirements than start-ups in male-dominated industries.
Founder network	The subcode refers to the network of founders available to female entrepreneurs when setting up their businesses. The absence of a founder network may present an additional hurdle as no exchange of information is possible.