Exploring the Link Between Gender and Entrepreneurship

Professor Jennifer E. Jennings
Exploring the Gender Gap

Gender roles have shifted considerably over the past decades, with women now having more access to a broader range of professions and job roles. However, in the vast majority of fields, women remain disadvantaged in their career prospects compared to their male counterparts. To further reduce this inequity, there has been much research exploring the ‘gender gap’ in different industries and fields.

So far, many studies have looked at gender-based economic inequalities and labour market segregation – which describes the tendency of women and men to predominantly hold specific types of jobs. Most of these studies suggest that women are still underrepresented in managerial positions and overrepresented in certain sectors.

In addition, past findings suggest that women are less likely to become entrepreneurs. When they do, the capabilities and the qualities they provide to their organisations are often underappreciated.

Despite the growing pool of research investigating gender differences in business settings, the underpinnings of these differences remain poorly understood. Jennifer E. Jennings, a Professor of Entrepreneurship and Family Enterprise at the University of Alberta, has been conducting research to gain an in-depth understanding of gender differences in entrepreneurship and business settings. She aims to paint a more comprehensive picture of the qualities and experiences of female entrepreneurs.

‘My research on gender and entrepreneurship has two key overarching and interrelated objectives,’ says Dr Jennings. ‘One of my goals has been to demonstrate how women’s entrepreneurial activity is influenced by societal structures, practices, and expectations – rather than by their biological sex per se. The other reciprocal goal has been to shed light on whether and how women’s entrepreneurship can, in turn, shape societal structures, practices, and expectations.’

Challenging Assumptions

In many of her studies, Dr Jennings challenges widespread assumptions and beliefs about gender differences in entrepreneurial settings. For instance, in a study published in 2005, she examined the assumption that male and female business leaders tend to organise their firms in ways that reflect stereotypes associated with their gender.

Some past research suggests that women possess archetypically feminine
characteristics that could transform business management practices, such as a greater attentiveness, understanding, and responsiveness to the needs of others. These characteristics are sometimes believed to translate into organisational structures that look more like circles or networks than pyramids or ladders.

To test the validity of this assumption, Dr Jennings and her colleagues interviewed 141 male and 88 female owners of privately held firms in Vancouver, Canada. These interviews were aimed at better understanding the structure of their organisations and the extent to which relationships within the firms were formal or informal.

The researchers also tried to determine the extent to which female and male owners related to their employees in a stereotypically masculine or feminine way. For instance, they tried to determine whether the owners they interviewed hired employees based on their interpersonal qualities, whether they avoided direct confrontation or minimised bad feelings when disciplining employees, and whether they let employees go if they did not get along with other members of the team.

Dr Jennings and her colleagues found that rather than conforming to an archetypically ‘masculine’ or ‘feminine’ model of managing organising their employees, both male and female owners adopted a mixture of stereotypically masculine and feminine approaches. Interestingly, however, they also found that some owners tended to ‘talk’ as if they managed their firms in gender-stereotyped ways, even if that was not the case.

Overall, the team’s findings suggest that the idea that a business owner’s gender affects how they manage their organisation may be more of a myth than a reality.

**Entrepreneurship as Emancipation**

In 2016, Dr Jennings and her colleagues conducted a new study aimed at assessing the so-called ‘entrepreneurship-as-emancipation perspective’. This is a line of thought that re-frames entrepreneurial efforts and activities as a means of liberation.

According to this perspective, entrepreneurial endeavours could also be perceived as a way for individuals to break free from economic, social, technological, cultural, or institutional constraints. This interesting viewpoint is aligned with current studies that view autonomy as the primary motivation behind new business ventures.

While it initially generated considerable interest, very few studies have assessed the value of this theory across genders and in the context of developed countries. Instead, most research on this topic has primarily focused on the ways in which entrepreneurship can empower and emancipate women in developing countries.

In their study, Dr Jennings and her colleagues analysed survey responses that they had collected from 300 female and 300 male entrepreneurs in the province of Alberta, which is known to be an economically developed region.
Answers to the survey questions suggest that only a minority of entrepreneurs initiate ventures that greatly deviate from their present situation, and women are neither more nor less likely to do so. Interestingly, however, when women deviate more from the status quo, they tend to be less satisfied than men as a result.

**Innovativeness and Confidence**

Dr Jennings also explored the extent to which gender can influence the innovativeness and entrepreneurial confidence of business owners. In a 2017 study, she tried to better understand the reasons why an owner’s gender might influence the innovativeness of his or her firm.

After analysing data collected in sectors that are still mostly gender-segregated, Dr Jennings and her colleagues tested the prediction that women-owned firms would exhibit less breadth and depth of innovation than those led by men, primarily because men will more easily resemble a so-called ‘jack-of-all-trades’. In other words, because women’s prior work experiences are likely to result in a lower level of generalist skills relative to those possessed by men, women entrepreneurs might be less likely to introduce innovative products or solutions.

To test this hypothesis, the researchers analysed the results of a survey taken by 300 male and 600 female business owner-managers in Germany. Interestingly, while the results of these analysis supported the team’s prediction, certain types of innovation (namely changes related to the organisation’s structure and marketing strategies) appeared to be equally brought about by female and male owners.

**The Entrepreneurial Confidence Gap**

As part of another study published in early 2022, Dr Jennings questioned common beliefs about how gender can affect entrepreneurial confidence. Specifically, past findings have consistently highlighted that women business owners appear to have a lower confidence in their entrepreneurial abilities than men, also referred to ‘entrepreneurial self-efficacy’.

Dr Jennings and her team set out to frame this common finding under a new light, by exploring the reasons why women might report feeling less confident in their entrepreneurial skills. Specifically, many studies framed this finding as a ‘problem’ that requires fixing, while her study challenges this interpretation.

By analysing data collected in two previous studies, the researchers showed that women are just as likely as men to possess an ‘accurate’ level of entrepreneurial confidence. This is an appropriate measure of confidence that is less often associated with decision-making that can poorly affect business ventures than over-confidence. In other words, Dr Jennings’ findings suggest that women and men are equally likely to be accurately confident about their entrepreneurial skills so as to make good decisions for their firms.

**Valuable Insight and Future Predictions**

In a study published in 2020, Dr Jennings also explored the implications that the segregation of the labour market based on gender could have for entrepreneurship in the years to come. After analysing the survey responses of 15,742 employees in 22 European countries, she and her co-authors predicted that targeting certain job roles to people of a specific gender could ultimately reduce the likelihood of women becoming entrepreneurs.

More specifically, Dr Jennings and her team suggested that such gender-based labour market segregation can reduce women’s exposure to resources, experiences, and networking opportunities that would facilitate their journey towards entrepreneurship. This highlights the importance of changing existing organisational practices such that women have the same opportunities as men to gain work experience relevant to venture creation.

Overall, Dr Jennings and her colleagues have greatly contributed to the current understanding of gender differences in entrepreneurial settings. The team’s findings could soon inspire new studies aimed at re-evaluating common beliefs and assumptions about the gender gap, gender differences in entrepreneurial confidence or innovation proclivities, and gender-specific entrepreneurial styles.

In addition, their research could inform the development of alternative strategies to promote entrepreneurship among women, which reach beyond common and outdated assumptions about the gender gap in business settings.
Meet the researcher

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Dr. Jennifer E. Jennings is a Professor of Entrepreneurship and Family Enterprise at the University of Alberta, where she has worked for over two decades. She holds a PhD in Organizational Behaviour from the University of British Columbia and a BCom from Carleton University. Dr. Jennings’ research focuses on a variety of topics related to business and entrepreneurship, including diversity, inclusion, and gender differences in business settings, as well as family business dynamics, new businesses, and business innovation. Dr. Jennings is currently an Editorial Board Member for the *Journal of Business Venturing* and a Founding Editorial Board Member of the *International Journal of Gender and Entrepreneurship*. Over the past few decades, her work has received numerous honours and awards, including the Foundational Paper Award from the Entrepreneurship Division of the Academy of Management in 2021, the Outstanding Service Award from the *Journal of Business Venturing* in 2015, and the Kauffman Foundation Best Paper Award in 2015.

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**FURTHER READING**


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