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# Investigation of the gender gap in access to equity financing

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# Preface

This master thesis is a product of a 2-years master's degree program at the NTNU School of Entrepreneurship, which is offered by the Department of Industrial Economics and Technology Management.

The thesis has been carried out during the spring of 2018 in USA and Norway, with guidance from Professor Candida Brush from Babson College, Boston, and Øystein Widding from NTNU, Trondheim. Before the thesis was carried out, a project thesis was written during the fall of 2017 as part of the course TIØ4530.

The title of the thesis is "investigating the gender gap in equity financing", and the purpose is to gain a better understanding of the gender gap in equity financing. In order to investigate this, three research questions concerning human capital, social capital and gender characteristics, have been defined.



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# Executive summary

Today, there is an overwhelming gender gap in the equity funding rates in the U.S. Last year, only 6% of the entrepreneurs that received funding from business angels were women, though 27% of the entrepreneurs seeking angel investments were female. Today, 17% of the male and 11% of female population is working in startups. This means that the equity funding is disproportionately divided among men and women. As women are majority owners of 10 million businesses, with an economic impact of \$3 trillion, they have an enormous impact on the economy. Due to the lack of research, and the importance of understanding the underlying reasons for the gender differences, the purpose of this study is thus: *“To gain a better understanding of the gender gap in equity financing.”*

According to research, the importance of skills and knowledge (human capital), and the use of strategic networks (social capital) differ for male and female entrepreneurs. In addition, research shows that traits entrepreneurs show through behavior (gender characteristics) influence investors' perceptions of them. As the existing literature uses gender neutral measures to explain these phenomenon, it overlooks the effect of gender biases. This study takes this into account when investigating human capital, social capital and gender characteristics. When using “gender lenses” on these factors, an increased understanding of the gender gap in equity financing is achieved. By doing so, this study contributes with building new theory, as the theoretical frameworks are applied in a unique way.

A qualitative, multiple case study approach was followed, with multiple sources of evidence to allow for triangulation. The data was analyzed using software, and by comparative pattern matching. It showed that the importance of human capital is situation dependent, and the importance could therefore not be decided. The findings showed, however, that female entrepreneurs and investors had more clear opinions than men. In terms of social capital, it was seen that women used networks to a higher degree than men to collect resources. Lastly, it was seen that male and female entrepreneurs showed mostly masculine and androgynous characteristics. This study has implications for scholars, entrepreneurs and investors, as it shows that gender biases need to be taken into account. The strength of the findings was, however, limited by biases, language and cultural barriers, calculations of gender characteristics, criteria and cases.

# Sammendrag

I dag er det et overveldende kjønnsgap i investeringsratene av eierkapital (private equity) i USA. I fjor var det kun 6% av entreprenørene som mottok investeringer fra forretningsengler som var kvinner, selv om 27% av de som søkte var kvinner. I dag jobber 17% av den mannlige og 11% av den kvinnelige populasjonen i oppstartsbedrifter. Dette betyr at det er et misforhold i fordeling av eierkapital blant menn og kvinner. Siden kvinner er hovedeiere av 10 millioner selskaper med en økonomisk innvirkning på 3 billioner dollar, har de en enorm innvirkning på økonomien. På grunn av den manglende forskningen, og betydningen av å forstå de underliggende årsakene til kjønnsforskjellene, er formålet med denne studien: *“Å få en bedre forståelse av kjønnsgapet innen eierkapital.”*

I følge forskning er viktigheten av ferdigheter og kunnskap (humankapital), og bruken av strategiske nettverk (sosial kapital), ulik for mannlige og kvinnelige entreprenører. I tillegg viser forskning at trekkene entreprenører viser gjennom oppførsel (kjønnskarakteristikk) påvirker investorers inntrykk av dem. Siden eksisterende litteratur bruker kjønnsnøytrale målinger for å forklare disse fenomenene, overser den effekten av kjønnsfordommer. Denne studien tar dette med i beregningen i undersøkelsen av humankapital, sosial kapital og kjønnskarakteristikk. Ved å bruke “kjønnslinser” på disse faktorene oppnås en økt forståelse for kjønnsgapet innen eierkapital. Ved å gjøre dette bidrar denne studien til å bygge teori, siden de teoretiske rammeverkene er anvendt på en unik måte.

En kvalitativ, multippel “case studie”-tilnærming har blitt fulgt, med flere beviskilder for å kunne triangulere. Dataen har blitt analysert ved bruk av en programvare, og ved komparativ mønstergjenkjenning. Dette viste at viktigheten av humankapital er situasjonsavhengig, og at viktigheten derfor ikke kunne avgjøres. Derimot viste funnene at kvinnelige entreprenører og deres investorer hadde flere klare meninger enn menn. Med hensyn til sosial kapital kunne det sees at kvinner brukte nettverk i større grad enn menn til å hente inn ressurser. Avslutningsvis kunne en se at kvinnelige og mannlige entreprenører hovedsakelig viste maskuline og androgyne kjønnskarakteristikk. Denne studien har implikasjoner for forskere, entreprenører og investorer siden den viser at kjønnsfordommer må tas høyde for. Styrken til funnene ble imidlertid begrenset av bias, språk og kulturelle barrierer, beregning av kjønnskarakteristikk, kriterier og casene.

# Content

Chapter 1: Introduction	1
Chapter 2: Theoretical framework	7
2.1 The investment context	7
2.2 Human capital	8
2.2.1 Definition	8
2.2.2 Education	9
2.2.3 Experience	9
2.3 Social capital	10
2.3.1 Networks	10
2.4 Gender role theory	11
2.4.1 Defining roles	11
2.4.2 Descriptive and injunctive norms	11
2.4.3 Communal and agentic attributes	12
2.4.4 Stereotypical occupations	12
2.4.5 Gender role congruity theory	12
2.5 Expectation states theory	13
2.5.1 Performance expectation states	13
2.6 Theoretical limitations	16
Chapter 3: Methodology	17
3.1 Research methodology	17
3.1.1 Sources of evidence	18
3.1.2 Multiple cases	18
3.2 Research design	19
3.3 Preparation for data collection	20
3.3.1 Desired skills	20
3.3.2 Training and preparation	20
3.3.3 Case study protocol	20
3.3.4 Screening	21
3.3.5 Pilot case study	24
3.4 Data collection	25
3.4.1 Sources for data collection	25
3.5 Software analysis	28
3.5.1 Analysis strategy and technique	28
3.6 Data analysis	31
3.6.1 Interviews	31
3.6.2 Direct observations	32
3.6.3 Triangulated data	34
3.7 Research quality	35
3.7.1 Construct validity	35
3.7.2 Internal validity	35
3.7.3 External validity	36
3.7.4 Reliability	36
3.8 Methodological limitations	36
3.8.1 Biases, language and cultural barriers	36
3.8.2 Calculation of gender characteristics	36
3.8.3 Criteria	37
3.8.4 Cases	37
Chapter 4: Findings	38
4.1 Findings from interviews	38
4.1.1 Human capital	38
4.1.2 Social capital	50
4.1.3 Gender characteristics	58



4.2 Findings from direct observations	63
4.2.1 Human capital	63
4.2.2 Social capital	65
4.2.3 Gender characteristics	67
Chapter 5: Analysis	71
5.1 Human capital	71
5.1.1 Female entrepreneurs and investors	71
5.1.2 Male entrepreneurs and investors	72
5.1.3 Female and male entrepreneurs	73
5.2 Social capital	73
5.2.1 Female entrepreneurs and investors	73
5.2.2 Male entrepreneurs and investors	74
5.2.3 Female and male entrepreneurs	74
5.3 Gender characteristics	75
5.3.1 Female entrepreneurs and investors	75
5.3.2 Male entrepreneurs and investors	75
5.3.3 Female and male entrepreneurs	76
Chapter 6: Discussion	77
6.1 Human capital	77
6.1.1 General overview	77
6.1.2 Education	78
6.1.3 Industry and startup experience	80
6.1.4 Management experience	82
6.2 Social capital	85
6.2.1 General overview	85
6.2.2 Investor network	86
6.2.3 University and personal network	89
6.2.4 Professional and startup network	90
6.3 Gender characteristics	92
6.3.1 General overview	92
6.3.2 Masculine	93
6.3.3 Androgynous	94
6.3.4 Combination of masculine and androgynous	94
Chapter 7: Conclusion	96
Chapter 8: Other findings	99
Chapter 9: Future research and implications	101
References	103
Appendix A: Case study protocol	i
Appendix B: Questionnaires	iv
Appendix C: Interview guides	vii
Appendix D: Focus sheets	xi
Appendix E: Bem Sex-Role Inventory (BSRI)	xv
Appendix F: Interview comparisons	xvi
Appendix G: Direct observations comparisons	xxiii
Appendix H: B-categories and data structure	xxvii
Appendix I: Comparisons tables and calculations	xxviii
Appendix J: Triangulated data tables	xxix

# Chapter 1: Introduction

Growth oriented startups are often challenged by a lack of financial resources, knowledge and connections (Björgum & Sørheim, 2015). Though there is an underlying assumption that entrepreneurs have equal access to resources, research has shown that this is not always the case (Brush et al., 2018a). Today, there is an overwhelming gender gap in the funding rates. Only 6% of the entrepreneurs that received funding from business angels in 2017 were women (Sohl, 2017), and of all the businesses funded by US venture capital between 2011 and 2013, only 2.7% had a female CEO (Brush et al., 2018b). It has been argued that the gender gap is a result of the lower participation of women in entrepreneurship, but today, 16.7% of the men in the U.S. and 10.7% of women work in startups (GEM, 2017/2018). Female entrepreneurs in the U.S. are majority owners of about 10 million businesses (SBA, 2014), companies which show significant revenue gains and positive track records (Greene et al., 2001). In fact, the women owned businesses in the U.S. have an economic impact of \$3 trillion annually (SBA, 2014), which translates into 23 million jobs (Brush et al., 2014). Of the entrepreneurs seeking business angel investments, 26.9% were women (Sohl, 2017). This means that the equity funding in the U.S. is disproportionately divided among men and women. With 36% of all US firms being owned by women (SBA, 2014), and since access to capital is key to growing a venture, it is therefore important to understand if gender biases exist (Eddleston et al., 2016). The purpose of this thesis is thus:

(P) To gain a better understanding of the gender gap in equity financing.

The debate around the gender gap is swirling, not only with regards to the size of the gap, but also around whether the gender gap is fair or not (Lips, 2013). A part of this discussion is concerned with the importance of education and experiences for men and women (Tinkler et al., 2015). These factors are described in the literature as human capital (Becker, 1994), and they are investigated because they have been found to be among the most important resources an entrepreneur brings to a startup (Brush et al., 2001). Research has shown that there is positive relation between amount of human capital, and performance of a startup (Gimeno et al., 1997), and that investors evaluate human capital of entrepreneurs thoroughly before investing (Smart, 1999). The debate has, however been criticized, because scholars have used gender neutral measures to assess the importance of human capital. This suggest that the measures are evaluated objectively, and ignores the social psychological issues, like expectations, self-views and stereotyping (Lips, 2013).

When looking at the importance of human capital, some scholars have found it more important for women than men to have high degrees of human capital. This is because women are held to a higher standard of competence than men, because they suffer from doubts about their leadership abilities. They must, therefore, give clearer evidence of their abilities compared to men (Eagly & Carli, 2003). An explanation for this, is that women are expected to lack the required education and experiences needed to build a company. This is because women are more likely to have education within liberal art (Brush, 1992), and experience within the retail and service sectors (Birley et al., 1987). This is opposed to backgrounds from sectors dominated by men, such as business, science and engineering, which are more valued by investors (Carter et al., 2003). Research has also shown that women with the required human capital by investors, are evaluated differently than male entrepreneurs with the same human capital (Brush et al., 2017a). This could mean that human capital is more important for women than it is for men. There is, however, little consensus among researchers concerning these findings, as other studies have shown that when experiences and education are equal among women and men, there is also parity in entrepreneurship (Brush et al., 2017a).

Given the importance of human capital in overcoming the resource constraints startups usually face, there is surprisingly little research that examines gender differences in evaluation of human capital. In addition, research shows inconsistent findings with regards to the role gender biases play in overcoming the resources constraints. Therefore, the gender gap is addressed by examining the importance of human capital with a use of “gender lenses”. The first research question is thus:

(RQ1) How important are female and male entrepreneurs' skills from experience and education (human capital) perceived, in access to equity financing?

The debate concerning the gender gap also uses women entrepreneurs' absences from strategic networks as an explanation (Tinkler et al., 2015). This is because the success of an entrepreneur is highly dependent on whom the entrepreneur knows, as social networks can provide information, moral support and resources needed to build a company (Carter et al., 2003). The resources available to people through their social networks are also known as social capital (Adler & Kwon, 2002). Previous studies have shown that there is a positive relation between the social capital of entrepreneurs and their access to financing (Brush et al., 2017b), and that having an overlapping network with investors increases the likelihood of receiving equity investments (Carter et al., 2003). When investigating social capital, this factor has also normally also been investigated objectively. This means that the social psychological

issues, like expectations and stereotypes have been ignored (Lips, 2013). As with human capital, these comparisons assume that women and men are evaluated under equal conditions, and ignore that there can be gender biases.

When looking at how entrepreneurs use their social capital, research has shown that women are less likely than men to use strategic networks to collect resources, and that they do not have the relations needed to connect with investors, while men do (Carter et al., 2013). This is supported by research which has found that women turn to family and friends, which is a smart strategy in the early phases, but also restricts their access to resources at later stages, and prevents them from connecting to investors (Carter et al., 2003). Men have on the other hand been found to utilize a wide variety of networks other than their personal networks (Marsden, 1987). There is, however, a lack of consensus among scholars who are investigating social capital, as growth oriented women have been found to have more professional networks (Bogren et al., 2013). Also, some studies have suggested that men and women receive different rewards for their social capital (Ibarra, 1997). This can be seen in a study by Burt (1998), who found that women with strategic network relations were evaluated differently than men with comparable social capital. This means that having the access to the same strategic networks may not yield the same result for men and women, with regards to gaining access to resources, or to connect with investors.

Given the importance of social capital in overcoming the resource constraints startups face, and to connect with investors, social capital should be further investigated. This is, however, incomplete without accounting for how gender biases influence it differently for men and women. As there is a lack of research on this topic, with a use of “gender lenses”, the second research question is thus:

(RQ2) How do female and male entrepreneurs perceive their use of social networks (social capital), in access to equity financing?

Lastly, previous research has shown that there is a connection between how entrepreneurs present themselves and their companies, and their chances of receiving investments. This is because pitching is a critical component in the investment process, as the entrepreneurs' abilities to the lead is evaluated based on the investors' perceptions of the entrepreneurs' behaviors (Mason & Harrison, 2003). This is because entrepreneurs are often seen as people who are dominant and independent (Balachandra et al., 2017). These are qualities a person shows through behavior, which can be described in terms of gender characteristics (Koestner & Aube, 1995).

When looking at how men and women can be described by gender characteristics, research has shown that women suffer from biases concerning gender stereotypes. More specifically, women are challenged by expectations, because they are expected to show feminine behaviors (Eagly & Karau, 2002). An entrepreneur is, however, expected to show masculine characteristics (Balachandra et al., 2017). Showing masculine characteristics have been found to yield different results for men and women. Women have for instance been shown to face more negative reactions when they show dominance, if they disagree, or if they behave assertive. This means that when female leaders behave in a stereotypical masculine way, they are viewed negatively, while men receive more favorable reactions (Eagly & Carli, 2003). This perspective is, however, not fully supported by other scholars. Johnson et al. (2018) state that women benefit from showing feminine characteristics when they are in the process of gaining financial resources, because it increases their trustworthiness. For men, showing a feminine characteristic has however been found to yield negative results in the funding context (Balachandra et al., 2017). This means that men and women may be evaluated differently, though showing similar characteristics.

Given the influence gender characteristics have on receiving financial resources, it should be further investigated. This is, however, incomplete without accounting for how gender biases influence perceptions of characteristics differently for men and women. As there is a lack of research on this topic, with a use of “gender lenses”, the last research question is thus:

(RQ3) How do female and male entrepreneurs' perceived gender characteristics affect, in access to equity financing?

## **Contributions**

This study enriches current entrepreneurship literature in several aspects. First, this study is a response to the call for research from Brush et al. (2002) who encourages studies to include female capital providers and entrepreneurs, as most research on entrepreneurship focuses on men. The consequence is that theory development is not fully generalizable (Brush et al., 2002). This study thereby contributes with theory building (Eisenhardt & Graebner, 2007), as it adds nuances to the theoretical understanding of human and social capital, as well as characteristics, for entrepreneurs based on their gender.

Further, this study extends prior work that has concentrated on the influence of human and social capital, as well as gender characteristics, on access to capital. This is achieved by taking gender biases into account. This is in response to Lips' (2013) critique of using gender neutral model. This study is, thereby, contributing with theory building (Eisenhardt & Graebner, 2007) as it extends to existing theoretical frameworks. More specifically, this study responds to the call for future research from Gupta et al. (2009), who encourage scholars to acknowledge the invisible masculinity of entrepreneurship that influences theoretical models, and to address the complex effect gender characterization has. Though there are studies that look at men and women in entrepreneurship, few researchers use the "lens of gender", (Gupta et al., 2009). Traditionally, research on the gender gap has been analyzed from the view of biological sex (Pérez & Hormiga, 2015). This study, therefore, seeks to overcome biologists approaches by focusing on the social construction of gender, and to thereby build new theory (Eisenhardt & Graebner, 2007). This is a unique contribution to the literature, because it adds to the understanding of the gender gap, by applying the theoretical frameworks of gender role (Eagly & Karau, 2002) and expectations state theory (Correll & Ridgeway, 2006). The manner in which this builds new theory is that it utilizes parts of these frameworks, which are presented in the theoretical framework chapter, on the research questions concerning human capital, social capital, and gender characteristics. The use of these frameworks is done in a manner which has not been seen in the literature until now.

This study has practical contributions for both male and female entrepreneurs. This is because it provides insights to what effect the different factors have on access to funding. This knowledge can be used to convince investors to invest. For investor this study contributes with knowledge about how gender biases form their perceptions, which they should be aware of since it can affect their funding decisions.

### **Structure of the study**

This study proceeds in the following way: initially, the financial context the entrepreneurs operate in is presented, and the theoretical frameworks used to answer the research questions are given deeper explanations. The purpose of explaining the theoretical foundations is to provide an in depth understanding of the context specific dimensions of human and social capital, as well as gender characteristics. These are investigated with a use of “gender lenses” which are explained in the theory chapter as gender role and expectation states theory. It is the use of these “lenses” which lays the foundation for the theory building.

This is followed by the methodology chapter, which gives a thorough explanation of the rigorous design followed in this study. In this chapter, the reader will find explanations of and reasons for choosing the different steps. This includes the research methodology, design, preparations, data collection, software analysis and data analysis. This chapter also explains how the research quality was assured, and limitations of the study.

The findings are then presented in the same order as the research questions, for both interviews and direct observations. This is followed by an analysis of the triangulated data, where comparisons have been drawn as described in the methodology chapter. The analysis summarizes the most significant findings, and is also divided based on what research question is being answered.

The main findings are then discussed in accordance with existing literature in the discussion chapter. This is where the use of “gender lenses” becomes evident. The discussions on the different findings converge into implications. These implications lay the foundation for how scholars can use this study as a useful tool to take gender biases into account in future research. The implications also provide useful knowledge to entrepreneurs in the process of acquiring equity funding, and to investors who need to become more aware of how their investment decisions are formed by gender biases.

## Chapter 2: Theoretical framework

The following chapter presents the theoretical frameworks that have been used to analyze the data from the analysis in chapter 5. The investment context has been presented first, in section 2.1. This section is developed with a basis in the entrepreneurs' perspective, by explaining when equity funding is needed, and where it can be gained from. The information provides an understanding of the selection criteria used to select what entrepreneurs and investors were relevant for the study. This is presented in the methodology in chapter 3. Section 2.2 presents the theoretical framework of human capital, with focus on capital from education and experience. The types of experience have been selected based on what has been considered to be important types of experiences for entrepreneurs (Carter et al., 2003). Section 2.3 presents the theoretical framework of social capital, with focus on different types of networks. The types of networks have been selected based on the networks that were highlighted in the interviews. The two next sections, section 2.4 and 2.5, present gender role theory and expectation states theory respectively. These theories were selected after the data collection process, to ensure that they fitted with the findings. The last section, section 2.6, presents theoretical limitations of the selected frameworks.

### 2.1 The investment context

The financing stages a startup goes through can be separated into 1) seed stage, 2) startup stage, 3) early stage and 4) later stage. There are different types of financing associated with each stage, and the money is spent differently in accordance with the maturity of the business. In the first stages, the companies are normally unprofitable and in need of outside funding (Ramadani, 2012). When companies have exhausted their initial sources of capital from personal savings, friends and family, they typically seek equity financing (Brush et al., 2012), which is the type of financing investigated in this study.

Equity financing refers to the sale of ownership in a company to raise funds (Investopedia, n.d.a), and it can come from business angels and venture capitalists (Amatucci & Sohl, 2004). Business angels are high net worth individuals who invest personal assets (WBAF, 2016), who often combine their capital and knowledge with each other in angel groups (Mason, 2006). They typically invest small amounts in the seed, startup and early stage (Ramadani, 2012). By investing in stages, the entrepreneurs only get enough money to reach the next stage, and the investors reduce their risk by getting the chance to not re-invest (Bonnet & Wirtz, 2012). After the seed stage investors look at the progress the company has made with the seed capital, and they are offered to get involved at the series A stage (Investopedia, n.d.b). It



should however be noted that the line between seed and series A rounds are becoming increasingly blurred, as the investors are focusing more on the amount of capital the entrepreneur is raising, opposed to the title of the round (Owens, n.d.). The equity financing investigated in this study is therefore around series A.

At series A, venture capitalists typically have a much higher influence than business angels (Investopedia, n.d.b). They invest on behalf of venture capital firms (Sahlman, 1990), and control larger amounts of capital which comes from institutional funds, with sources such as pension funds, banks, university endowments, etc. (Ramadani, 2012). Venture capital firms are typically organized as a limited partnership, meaning that the venture capitalists are serving as general partners and the investors are limited partners (Bonnet & Wirtz, 2012). As business angels and venture capitalists both provide equity financing around series A, they are both included in this study.

## 2.2 Human capital

### 2.2.1 Definition

Many people think of their bank account when hearing the word capital. However, there are many forms of capital, such as financial, physical and human, that can provide useful outputs (Becker, 1994). The latter type capital, human capital, is presented in this study. From interpretation of Becker's (1994) explanation of human capital, the term can be explained as the knowledge and skills a person embodies. Human capital is derived from investments a person makes in themselves, which can come through education, occupational experience and training (Carter et al., 1997). Becker (1994) states that training and education are in fact, the most important investments a person makes in human capital. In terms of occupational experiences, there are three types of experiences that are important for entrepreneurs; industry experience, management experience and startup experience (Carter et al., 2003).

Knowledge can further be separated into two types; tacit and explicit knowledge. The first type of knowledge is words, manuals, task descriptions, data and number specifications, while the other type type are intuition, subjective insights and feelings. Explicit knowledge can easily be transferred between people, regardless of time and space, while tacit knowledge is less transferable and anchored in a person's experience (Widding, 2007). With these definitions, knowledge from education is considered to be explicit, while knowledge from occupational experiences and training are considered tacit.

## 2.2.2 Education

Education provides a person with knowledge, skills (Jiang et al., 2012), problem-solving ability, discipline, motivation and self-confidence (Cooper et al., 1994). Education is related to the capacity in which the person process information (Jiang et al., 2012), and cope with problems (Cooper et al., 1994). The level of education also becomes an indicator of a person's cognitive ability and skills (Jiang et al., 2012).

## 2.2.3 Experience

Experience provides a person with knowledge and cognitive biases, and influences how a person makes strategic choices. This could come from prior knowledge of patterns of action, where successes and failures have been experienced. With these experiences, decisions about when and how to take action, could be influenced and decided more efficiently. The level of experience becomes an indicator of a person's qualification, reputation and credibility (Jiang et al., 2012).

### **Industry experience**

Industry experience provides a person with specific know-how about the industry or the line of business, and influences the liability of newness. The latter could arise in situations when there are problems collecting resources, insufficient processes or unstable suppliers. With industry know-how, tacit knowledge about technologies, processes, products, suppliers, customers and stakeholders are embodied in a person. The level of industry experience becomes an indicator of an individual's possibility to reduce the liability of newness (Cooper et al., 1994).

### **Management experience**

Management experience provides a person with know-how about how to manage a business enterprise (Cooper et al., 1994). This know-how is tacit, and helps a person prepare for a wide range of problems, monitor diverse functions, interact with constituents and develop relationships. The know-how could be obtained from using professional advisors or partners, observing their own family that owns a company, having work experience in a company, or from having management experience (Cooper et al., 1994).

### **Start-up experience**

Startup experience provides a person with tacit knowledge. This knowledge helps a person with making unsure and time pressured decisions about entrepreneurial opportunities. This can lead a person to exploit more opportunities, because the experience helps the person to

see that an opportunity is desirable (Shane, 2003). The experience is obtained from founding and managing new firms (Batjargal, 2007).

## 2.3 Social Capital

Kim and Aldrich (2005) define social capital as *“The resources available to people through their social connections”* (pp. 3). These resources can be categorized as information and influence, as well as goodwill gained from others in form of trust and sympathy (Adler & Kwon, 2002). According to Putnam (1995), social capital describes aspects of social organizations such as networks, norms, and social trust that can ease collaboration. People with contacts in more places have greater access to resources (Granovetter, 1973).

The relations people form can be described in terms of tie strength (Burt, 1992). Analytically it is equal to zero if there is no relationship, and the value increases when the relationship gets stronger. The chances that a contact will deliver value increases as the strength of the tie increases (Kim & Aldrich, 2005). In this study, university networks, personal networks, professional networks and investor networks are examined, because they were highlighted in the interviews.

### 2.3.1 Networks

#### **Personal Networks**

Personal networks include connections to friends and kin, and these networks are characterized by strong ties with high trust and social support (Renzulli, 2000). In this study, personal networks include friends, spouses, parents, siblings and other family members, as well as family friends.

#### **Professional Networks**

Professional networks, or business networks, are defined by Powell and Grodal (2005) as *“purposive, strategic alliances between two parties”* (pp. 61). These networks are more likely to be characterized by multiple relations with weak ties, and are therefore known for providing non-redundant information (Powell & Grodal, 2005). In this study, this includes relations to lawyers, customers, suppliers, people in the industry, as well as to board members and advisors.

#### **Investor Networks**

Investor networks bring financial resources, management know-how, intelligence about market trends, as well as discovery of valuable partners through their informal networks (Lee

et al., 2001). These networks are characterized by a lot of cross-referrals since the investors are strongly tied to each other (Bygrave, 1988). In this study, investor networks include relations entrepreneurs have to business angels and venture capitalists.

### **University Networks**

University networks bring knowledge, research facilities, and access to financial capital. University networks are characterized by strong ties, because the relations are derived from shared backgrounds (Soetanto & van Geenhuizen, 2015). In this study, university networks include relations entrepreneurs have to other students, alumni students, professors and other faculty members.

### **Startup Networks**

Startup networks bring financial resources, mentoring opportunities, as well as connections to other founders and potential employees (Miller & Bound, 2011). The relations between entrepreneurs and organizations that facilitate entrepreneurship are characterized by weak ties. The ties founders have to other founders are described as weak, though they can turn into strong ties if they build contractual relations (Ebbers, 2014). In this study, startup networks include relations entrepreneurs have to incubators, accelerators and other founders.

## **2.4 Gender role theory**

### **2.4.1 Defining roles**

Socially shared expectations about a member of a social category, or a person that holds a specific social position, are called social roles. Gender roles are, on the other hand, linked to beliefs about attributes men and women have (Eagly & Karau, 2002). Gender role theory argues that there are differences in what is considered acceptable behavior for men and women, due to differences in roles in the society (Balachandra et al., 2017). Social role theory says that beliefs about attributes linked to gender, are more normative expectations about behavior and qualities (Eagly & Karau, 2002). Social role theory and gender role theory are therefore the same in gender literature (Balachandra et al., 2017).

### **2.4.2 Descriptive and injunctive norms**

In social role theory, there are two kinds of expectations linked to the role, where gender role is the collection of both. These roles are descriptive and injunctive norms, which means respectively consensual expectations about what a person in a group does, and what they ideally would do. Descriptive norms are also known as stereotypes, and come from

assumptions based on activities men and women perform in their social roles, and the attributes which are needed to perform the activity (Eagly & Karau, 2002). These stereotypes can create norms and expectations of what is considered to be appropriate behavior for men and women, and this can influence other people's perceptions (Balachandra et al., 2017).

### 2.4.3 Communal and agentic attributes

Attributes can be separated into communal and agentic attributes. Examples of communal attributes are helpful, kind, sympathetic, gentle and affectionate, while examples of agentic attributes are aggressive, dominant, independent, and self-confident. The first type is often connected to women, while the second type is connected to men (Eagly & Karau, 2002). The reason why the first types of attributes are more often connected to women than men, is because women are considered to be responsible for the family role, while men focus on work (Balachandra et al., 2017).

### 2.4.4 Stereotypical occupations

People often have expectations about which occupations are appropriate for men and women. The result of this is that certain occupations become marked as feminine or masculine. An example of a feminine occupation is nursing, while a masculine occupation is construction. Another example of a masculine occupation is entrepreneurship, where the attributes aggressive, bold and a risk-taker, often are associated with what constitutes a successful entrepreneur (Balachandra et al., 2017).

### 2.4.5 Gender role congruity theory

Role Congruity Theory comes from social role theory, but elaborates on the congruity between different roles and the factors and processes which affects perceptions (Eagly & Karau, 2002). In terms of gender, when a person's sex interacts with the gender stereotypical behavior, expectations conflict and the person may be poorly served. For example, women are expected to have communal traits, but when they have a leadership role, the expected attributes of the role are agentic. If a woman were to display agentic attributes in this role, she would receive strong negative reactions. The reason for this is because perceived gender role is inconsistent (Balachandra et al., 2017).

## 2.5 Expectation states theory

The expectation states theory explains how status hierarchies are created in situations when actors are working towards a common goal. This theory only applies in situations where actors are task oriented, which means that they believe that it is necessary that other actors contribute to complete the task. Three processes affect performance expectations (Correll & Ridgeway, 2006), and these are listed in figure 1.

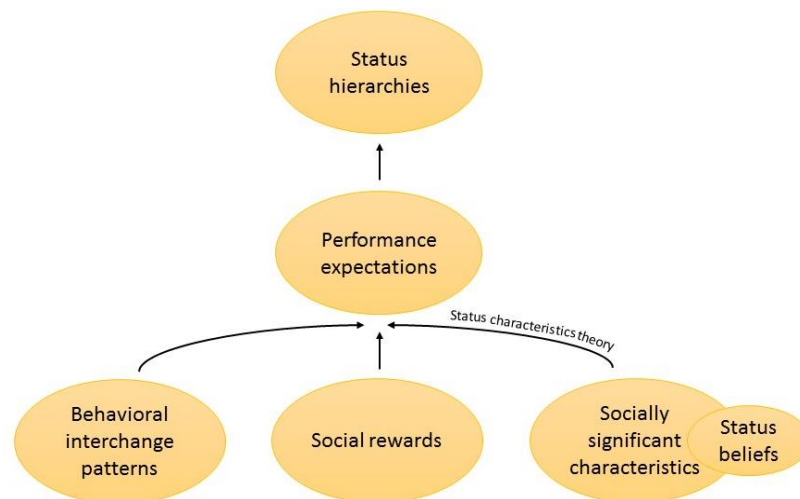


Figure 1: Theoretical overview of expectations states theory. Adapted from *Expectation States Theory*, by S.J. Correll. & C.L. Ridgeway, 2006, Boston, MA: Springer. Copyright (2006) by Springer Science and Business Media

### 2.5.1 Performance expectation states

Within a group, there are certain expectations about the quality of the performance of actors that are contributing to complete a task. This is referred to as performance expectation states, and can lead to status hierarchies. An example of this is if one person's contribution is more valuable, the other actors are more likely to rely on this person and provide him/her with more opportunities to participate. The effect of this is that the person is more likely to say his/her opinion, which among the other actors are evaluated more positively. If disagreements were to occur, the chances for him/her to be influenced are minimal. A person with lower performance expectations, will however experience the opposite situation (Correll & Ridgeway, 2006).

#### **Behavioral interchange patterns**

Actors can form patterns when one actor behaves as if he/she has a higher status, and the other actor behaves as if he/she has a lower status. This can lead to common beliefs about

high-status and low-status behaviors. Behaviors can occur verbally and non-verbally, where examples of the latter can be to speak confidently, having eye contact and a relaxed posture. An example of a behavioral interchange pattern, is when the assertiveness between male and female actors changes when the tasks switches from masculine to feminine (Correll & Ridgeway, 2006).

### **Social rewards**

When actors in a group have an unequal distribution of social rewards, the actors base their rewards on performance expectations. This can contribute to create status hierarchies. In a work setting, this is quite common in terms of for example pay, and corner office. Salient status characteristics, such as gender, can affect the level of rewards. Women disadvantage from this characteristic, and therefore feel less entitled to obtain a reward, opposed to men (Correll & Ridgeway, 2006).

### **Socially significant characteristics**

Socially significant characteristics, or *status characteristics*, can be used to anticipate the quality of the task performances. This could for example be attributes such as gender and computer expertise, where cultural beliefs associate these attributes with competence level. If continuing with the same example, men are often associated with being computer experts, and women with being computer novices (Correll & Ridgeway, 2006).

Status characteristics can be specific or diffuse. Computer expertise is an example of a specific status characteristic, and gender is an example of a diffuse characteristic. For specific characteristics, the tasks are defined and the cultural expectations of competence are therefore limited. For diffuse characteristics, expectations are more general. It can however be specific for certain tasks. An example of a diffuse characteristic, could be that men are in general competent at most things. An example of a specific characteristic could be that men are more competent to perform mechanical tasks, while women are more competent to perform nurturing tasks (Correll & Ridgeway, 2006).

Status beliefs evaluate a group to be more competent than another group, in consensus. This forms a status element, which for stereotype sets, such as gender, race or occupations, are associated with a category that has higher competence than another. Though the content of these stereotypes differs, “white” and “professionals” are associated with more competence than “working-class” and “women of color” (Correll & Ridgeway, 2006).

### Status characteristics theory

To explain how beliefs about status characteristics are translated into performance expectations, status characteristic theory can be applied (Correll & Ridgeway, 2006). Within this theory, the following five assumptions link beliefs with behavior:

*The salience assumption* says that an attribute must be socially significant for actors in order for the attribute to affect performance expectations. A status characteristic is salient if it is significant for completing the task, or if it separates actors. The characteristic can be positive, neutral or negative for the other actors, depending on the circumstances. For example, a positive effect could be having a college degree in a group where there are no actors with college degrees (Correll & Ridgeway, 2006).

*The burden of proof assumption* looks at how an attribute affects the performance expectations when separating actors, but without affecting how the group performs on a task. This could be in situations where a salient status characteristic, such as gender, affect performance expectations, even though gender does not affect how the group performs on a task (Correll & Ridgeway, 2006).

*The sequencing assumption* looks at what is happening with performance expectations when actors leave or enter a social setting. When an actor enters a new setting, the performance expectations formed in that setting will be transferred to the new setting (Correll & Ridgeway, 2006).

*The aggregation assumption* looks at how multiple characteristics are combined to create aggregated performance expectations. In a group where actors have different status characteristics, the performance expectations for the group might be inconsistent. An example of this is when a group consist of members who are both Harvard lawyers and women of color (Correll & Ridgeway, 2006).

*The fifth assumption* looks at how aggregated performance expectations are linked to behavior. When actor A has higher expectations for themselves than actor B, actor A will more likely obtain and accept more opportunities than actor B. This will, as mentioned earlier, decrease the chances for the actor to be influenced if disagreements occur (Correll & Ridgeway, 2006).



## 2.6 Theoretical limitations

Social and human capital are often used to explain gender differences, but are criticized for overlooking other contributing factors. This includes “soft” variables like values, norms and expectations (Lips, 2013). Expectations have therefore been included to reduce the amount of theoretical limitations. Gender role theory has, however, also been criticized for denying that individuals have free will, and for ignoring that people can control the roles they play (Gustafson, 1998). Though the BSRI classification (Bem, 1974) is widely applied in social sciences, it has been criticized (Pérez & Hormiga, 2015). This framework can be found in appendix E, and gives an overview of which characteristics are listed as feminine, masculine and androgynous. Even though expectation states theory is one of the most applied theories within sociological social psychology, it has been criticized for several reasons. This includes limitations such as treating humans as rationalistic information processors. Also, it does not take into account that people interpret information differently in different situations. Lastly, it does not take into consideration that stereotypes can change over time (Knottnerus, 1988). The consequence is therefore that this study can suffer from an overly black and white perspective on gender roles.

# Chapter 3: Methodology

The following chapter presents the methodology. The selected research methodology and research design have been presented in section 3.1 and 3.2 respectively. This is followed by section 3.3 and 3.4, where information about the preparation of data collection and the data collection process are presented. The next section, section 3.5, presents how the data was analyzed in a software program, while section 3.6 presents how the findings were analyzed through comparisons. The final sections, section 3.7 and 3.8 present how the quality of research was ensured, and the methodological limitations that were identified.

## 3.1 Research methodology

There are several types of research methodologies, and to find the applicable methodology, three conditions must be considered; the type of research questions asked, the amount of control of the behavioral event, the focus on historical or contemporary event (Yin, 2003). In this study, the research questions (RQ) were *how* questions. They served the purpose of the study, which is to gain a better understanding of the gender gap in equity financing. These questions were created based on an extensive literature review, which was conducted during the fall of 2017. The research questions are the following:

- RQ1 How important are female and male entrepreneurs' skills from experience and education (human capital) perceived, in access to equity financing?
- RQ2 How do female and male entrepreneurs perceive their use of social networks (social capital), in access to equity financing?
- RQ3 How do female and male entrepreneurs' perceived gender characteristics affect, in access to equity financing?

According to Yin (2003), asking a *how* question means that the study is more explanatory. If the behavioral event can not be controlled, and the focus is on contemporary events, the study becomes a case study (Yin, 2003). This study is a case study, because the investigators could not manipulate the behavioral events directly, because the study focused on perceptions from entrepreneurs and investors. Also, the study relied on asking people, through interviews, about their recent investment processes, and through observing pitching events. This means the process took place in a contemporary time.

### 3.1.1 Sources of evidence

A case study gives a thorough description of instances of a phenomenon, by using several sources of evidence (Eisenhardt & Graebner, 2007). The multiple sources of evidence used in this study were surveys, interviews, and direct observations, which are combinations of qualitative and quantitative evidence. The interviews and direct observations represent the qualitative data, and the surveys represent the quantitative data. The quantitative data was used to describe the interviewee, and to correct potential misunderstandings from the interviews. Having both quantitative and qualitative evidence is, according to Yin (2003), a possibility in a case study. In fact, the combination is said to be synergetic, because quantitative evidence can prevent misunderstandings, and strengthen findings in the qualitative data, while qualitative data can explain relationships discovered in the quantitative data (Eisenhardt, 1989).

### 3.1.2 Multiple-cases

The evidence was collected from multiple-cases, which increased the chances of having a robust study with analytical benefits. With multiple-cases, the conclusions are more powerful and similarities can lead to more generalized conclusions (Yin, 2003). A total of 20 cases were selected in this study, in addition to direct observations. The data was collected from female and male entrepreneurs and investors. This could increase the chances for finding cross-case patterns (Eisenhardt, 1989). When identifying patterns of relationships, there is also a chance to build new theory. This is particularly for cases answering research questions that address *how* questions (Eisenhardt & Graebner, 2007). Since there is a lack of research on the demand side (Brush et al., 2017b), and the existing theoretical frameworks do not address the research questions adequately enough (Lips, 2013), there is a possibility for building theory (Eisenhardt & Graebner, 2007). According to Eisenhardt (1989), the key to a good cross-case patterns is to look at the data in many divergent ways. This can be done by selecting categories, and investigate similarities and differences within the group and divide data by data source (Eisenhardt, 1989). In this study, the categories were: human capital, social capital, and gender characteristics. The findings were presented by the data source, i.e. interviews and direct observations.

## 3.2 Research design

According to Yin (2003), the research design can be defined as “A logical plan for getting from here to there, where here may be defined as the initial set of questions to be answered, and there is some set of conclusions (answers) about these questions” (pp. 20). The research design consists of five parts, where the three first parts are presented below. These are case study questions, case study propositions and unit of analysis (Yin, 2003). The case study questions were presented in the beginning of this chapter. This was an important step because it helped the investigators find a focus, and prevented them from becoming overwhelmed (Eisenhardt, 1989). The propositions (P) helped guiding the research in the right direction (Yin, 2003), and were based on the research questions. The propositions were formed as follows:

- P1 Female and male entrepreneurs’ skills from experience and education (human capital) are perceived as important in access to equity financing.
- P2 Female and male entrepreneurs perceive that they use social networks (social capital), in access to equity financing.
- P3 Female and male entrepreneurs’ perceived gender characteristics have an effect, in access to equity financing.

The unit of analysis explains the case being studied (Yin, 2003). In this study, the unit of analysis was cases concerning companies that had successfully acquired equity financing in the series A range. The cases were presented by the entrepreneurs and investors in the interviews. The cases from the direct observations concerned companies that were in the process of acquiring equity financing. All the cases provided perspectives about the investment process, specifically how human capital, social capital and gender characteristics affected the process. This is illustrated in figure 2.

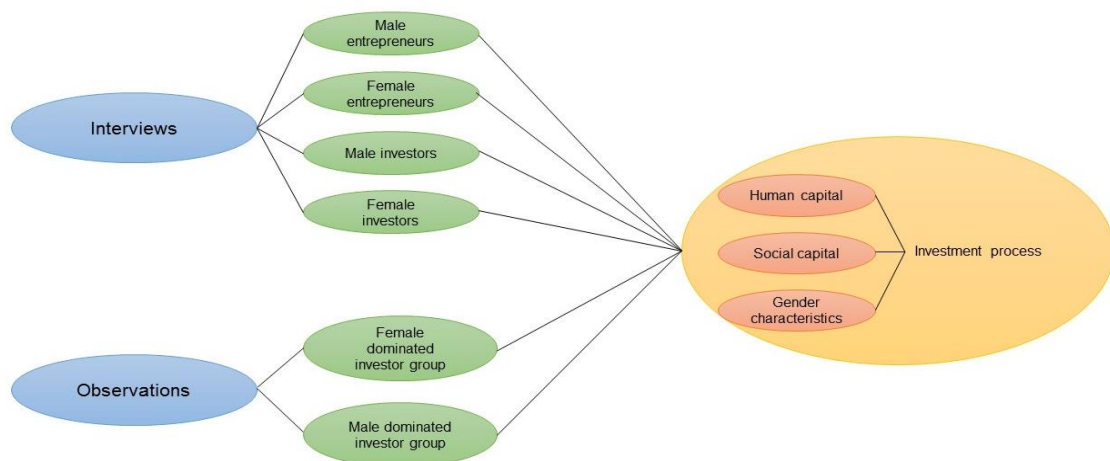


Figure 2: Overview of how the investment process is studied. (Source: Personal Collection).

## 3.3 Preparation for data collection

Several steps were taken to prepare the data collection from interviews. Yin (2003) suggest ensuring the right skills of the investigator, training for a specific case study, to develop a case study protocol, screen the case studies and to conduct a pilot case study.

### 3.3.1 Desired skills

According to Yin (2003), a more experienced investigator is better able to detect and take advantage of the opportunities throughout the interview session. Traits which make this possible include being adaptive, flexible, a good listener, unbiased to the evidence, as well as being good at asking questions and have an understanding of the issues that are being investigated (Yin, 2003). The investigators tested these skills in a pilot case study, where feedback was given about the performance of the investigators. This helped the investigators become aware of the skills that had to be improved.

### 3.3.2 Training and preparation

Training for a specific case study begins with defining the research questions and develop the case study design (Yin, 2003). These have been presented in the beginning of this chapter. The study has relied on two investigators, which is beneficial since each case calls for intensive data collection at the same site (Yin, 2003). Having multiple investigators have also helped with finding new and different insights in the data, and brought confidence in the findings when the investigators have had coinciding opinions (Eisenhardt, 1989). Since both investigators have been part of the process of defining the research questions and the case study design, there was no need for conducting any formal training (Yin, 2003).

### 3.3.3 Case study protocol

As part of preparing for data collection, a case study protocol was developed and used to guide the investigators through the data collection process (Yin, 2003). The protocol was planned after finishing the interview guide, and written down during the data collection process. The written information still coincided with the planned information. The study protocol consists of four parts (Yin, 2003), as listed below:

1. An overview of the case study project
2. An overview of the data collection procedures
3. An outline of the case study questions
4. A guide of the case study report

The first part (1) presents the background information of the study, which entails the purpose, the criteria and the research questions and propositions investigated. The second part (2) presents the field procedures, which entails the sites of the interviews, when the interviews will be conducted, how long the interviews will last, the different roles of the investigators and the expected preparations for the interviews. The third part (3) presents the case study questions, and the source of information for answering them. The fourth part (4) presents the case study report, which explains how the data is expected to be presented in the report. The case study protocol can be found in appendix A.

### 3.3.4 Screening

Before the screening process began, the potential candidates had to be found and contacted. When the initial contact was made, a set of criteria helped guiding the screening process (Yin, 2003).

#### **Contacting potential candidates**

To connect with entrepreneurs and investors, several networks were utilized. Among these, the network through Babson College and Boston University provided most of the interviewees. Another efficient approach was to ask investors and entrepreneurs that were interviewed, to provide introductions to new and other possible interviewees. Other sources were also used, such as networking events and meetups. These provided mostly knowledge about the investor industry, and were less efficient for connecting with possible interviewees.

Since it was crucial that all of the interviews were booked before going back to Norway, a large amount of attention was directed towards contacting potential interviewees. Finding and planning a meeting with them turned out to be a challenging process, but mutual connections and email introductions made the process more efficient. This was because it led to more trust and credibility among the interviewees. Without a mutual connection, it was almost impossible to persuade them to contribute to the research. Despite having a mutual connection, some of the interviewees were hesitant to be interviewed. This resulted in meeting the interviewees over several short meetings. After spending some time in Massachusetts, it became clear that ensuring a good relationship with the investors, was highly valued. The process of booking interviews took four months to complete, and several hundred of emails. The last interview was completed in the beginning of May, one week before the departure to Norway. The logistics of the interviews, such as the duration of the interviews, can be found in the case study protocol in appendix A.

## **Interview criteria**

The criteria for the entrepreneur sample:

- Must have successfully acquired series A within the last two years
- Must be located in Massachusetts
- Must be the primary contact to the investor

The criteria for the investor sample:

- Must have several years of experience
- Must have invested in more than one deal
- Must have conducted a series A investment in the last two years
- Must be located in Massachusetts

Over the duration of the data collection process, it became necessary to allow more flexibility in the criteria. The criteria that were given some flexibility were the “series A investments”, “primary contact person” and “two-year limitation”. The “series A” requirement was given flexibility, because the definition of the different types of funding has become diffuse, as mentioned in chapter 2. The “primary contact” requirement was given flexibility, because the interviewees were still heavily involved in their investment processes. Lastly, the two-year limitation was set in order to ensure that the interviewees remembered the investment processes well enough to answer the questions from the interview guides. This was given flexibility in cases where the interviewees stated that their memory was better for examples that were older than 2 years.

Despite having a thorough screening process, there were a few cases that did not fit the criteria. This was discovered after the interview had been conducted. The interviewees that did not fit the criteria had obtained the wrong type of investments (not series A, nor late stage seed funding) or lacked the amount of investment experience that was required. The data from these cases has therefore not been used in the study.

## **Interview sample**

After the screening, the total sample consisted of 20 people, two sub-samples of ten entrepreneurs and ten investors. Half of the investor and entrepreneur sample were women, and the other half were men. The sample is shown in table 1.

	Male	Female	Total
<b>Investors</b>	5	5	10
<b>Entrepreneurs</b>	5	5	10
<b>Total</b>	10	10	20

Table 1: Overview of the total sample. (Source: Personal Collection).

An overview of the investor sample is given in table 2. All the interviewees were protected by pseudonyms, which are displayed in the first column in table 2. The following columns state the type of investor (business angels = BA, venture capitalists = VC), the gender of the investor, the number of years of experience, the number of deals per year, and the gender of the entrepreneurs that the investors talked about during the interviews.

	Gender investor	Type of investor	# years of experience	# deals per year	Gender entrepreneur
Investor 1	Female	BA	40	1	Male
Investor 2	Female	BA	15	2	Female
Investor 3	Female	BA	4	1	Female
Investor 4	Female	VC	20	4	Male
Investor 5	Female	VC	5	3	Male
Investor 6	Male	BA	18	3	Male
Investor 7	Male	BA	30	2	Male
Investor 8	Male	BA	9	9	Male
Investor 9	Male	BA	22	2	Female
Investor 10	Male	BA	13	2	Male

Table 2: Overview of the investor sample. (Source: Personal Collection).



An overview of the entrepreneur sample is shown in table 3. The first column displays the pseudonyms of the entrepreneurs. The following columns state the genders of the entrepreneurs, the types of industries the companies work in, the amount of funding the companies have received within the last 2 years, the type of investors that made these investments, and the genders of the investors the entrepreneurs talked about during the interviews.

	Gender entrepreneur	Company industry	Amount funding	Type of investor	Gender investor
Entrepreneur 1	Female	Finance	\$6M	VC	Male
Entrepreneur 2	Female	Pharmaceutic	\$4M	BA	Male
Entrepreneur 3	Female	Education	\$1.1M	BA	Male
Entrepreneur 4	Female	Education	\$200k	BA, VC	Male
Entrepreneur 5	Female	Marketing	\$1.2M	BA	Male
Entrepreneur 6	Male	Food & beverages	\$350k	BA	Male
Entrepreneur 7	Male	Beauty supplies	\$2M	BA	Male
Entrepreneur 8	Male	Entertainment	\$325k	BA	Male
Entrepreneur 9	Male	Consumer goods	\$100k	BA	Male
Entrepreneur 10	Male	Manufacturing	\$4.5M	BA, VC	Male

Table 3: Overview of the entrepreneur sample. (Source: Personal Collection).

### 3.3.5 Pilot case study

To improve the design of the interview guides, and to practice the desired skills for conducting an interview, a pilot case study was conducted. According to Yin (2003), a pilot case study can be used to refine the data collection plans in terms of the content of the data, but also the procedures. A big difference between a pre-test and a pilot case study is that a pilot case study helps to develop relevant lines of questions, while a pre-test is more of a final rehearsal of the interview where the guides are assumed to be finished (Yin, 2003).

The first part of the purpose of conducting a pilot case study was to improve the content of the interview guides. A test-interview was conducted with one female investor, one male investor, and one female entrepreneur. Based on the feedback from the interviewees, more open-ended questions were created, the order of the questions were changed and some questions were reworded. The feedback included: 1) they did not understand the question or misunderstood some of the questions, 2) they could not understand if they should speak in general or about a specific case, and if the latter, which case they should present, 3) some of the questions revealed the purpose of investigating the gender gap, which led to biases in their responses. In addition to improving the interview guides, the pre-questionnaire was also improved after testing it with a female entrepreneur.

The second part of the purpose of conducting a pilot case study was to practice the desired skills for conducting an interview. By keeping in mind the case study questions listed in the case study protocol, while conducting the test-interviewee, a document called the “focus” sheet was created. The “focus” sheet listed the relevant factors the second investigator would look for, for each question in the interview guide, i.e. human capital, social capital, gender characteristics. The “focus sheet” can be found in appendix D.

## 3.4 Data collection

### 3.4.1 Sources for data collection

Several sources have been utilized to collect evidence for this study, including direct observations, surveys and interviews. When using multiples sources of evidence, the data can be triangulated. Triangulation means using several sources of evidence on the same set of research questions, and when applying this approach, the information is more likely to be accurate and believable (Yin, 2003).

#### **Interviews**

According to Yin (2003), there are three types of interviews, which were utilized in the data collection process; open-ended-, focused-, and survey interviews. In advance of the interview sessions, the entrepreneurs received a survey called a “pre-questionnaire”. After the interview they received a survey called the post-questionnaire. The pre-questionnaire was created with Google Forms and asked general questions about the company, equity received, and the entrepreneur’s educational background and previous experience. The post-questionnaire asked a gender specific question. The purpose of the pre-questionnaire was to shorten the interview session, and to provide the interviewers with background information. The purpose

of the post-questionnaire was to prevent gender biased responses in the interviews. The questionnaire was designed as a survey, which means that the questions are usually more structured and quantitative (Yin, 2003).

Interviews are according to Eisenhardt and Graebner (2007), an efficient way to collect rich and empirical data. The interviews in this study were designed based on the two types of interviews: open-ended and focused. Open ended interviews ask for facts and opinions about events, while focused interviews follow certain sets of questions (Yin, 2003). The combination of focused and open-ended questions was carefully put together in two separate interview guides: one for the entrepreneurs and one for the investors. The guides mirrored each other, and were directed towards the importance of human and social capital of the entrepreneur in the acquisition process. Even though the questions focused on these aspects, some of them were also designed to reveal gender characteristics. Semi-structured interviews usually open-up for specific personal views and lead the interviewees to issues which they do not mention spontaneously. The questions initiate a dialogue by allowing interviewers to deviate from the sequence of questions and the exact formulation (Flick, 2015). The design of the interview guides is presented in more detail in the next part. The final versions of the pre-questionnaire and the interview guides can be found in appendix B and C respectively.

### Interview guides

The interview guides have been created based on six iterations, and the final versions of the interview guides have been approved by the institutional review board (IRB) at Babson College. Changes have been made after discussing with experts in the field, and after conducting a pilot case study. The main changes from the first iteration to the sixth iteration were to limit the number of questions and to change the formulation of the questions. Some important considerations were how to address human and social capital, detect gender perceptions and avoid gender biased answers. The final interview guide questions were directly linked to the research questions, propositions and case study questions.

In the investor guide, the first two questions were designed to warm-up the interviewees, and to create a trusting and comfortable environment. The questions were focused and asked about how many years they had invested, and how many investments they did per year. By asking focused questions that were easy to answer, the interviewees became more relaxed and open to answer the next questions. The third question was open-ended and asked about the most memorable investment around series A in the last two years. This question might have felt more intimidating, because it gave no guidelines to how the interviewee should answer it.

The second part of the guide focused on the pitch, and consisted of one focused and one open-ended question. The first question was focused, in order to balance between focused and open-ended questions in the guide, and to relax the interviewee about the new topic asked. The first question asked about who held the pitch, while the second asked about the presentation style of the entrepreneur who was pitching.

The third part focused on the affecting factors of the investment process, specifically with regards to the entrepreneur's educational background and previous experience. The first questions were open-ended, which were opposite to the other structures. Nevertheless, the question asked about the affecting factors which led the investor to invest, which was a comfortable question because the investor knew this before making an investment. The next questions asked a *how* question about the importance of the credibility of the entrepreneur. Posing a *how* question instead of a *why* question, creates a friendlier and less threatening environment (Yin, 2003). The following questions were also open-ended questions, and asked about how important the educational background and experience of the entrepreneur were.

The entrepreneur guide was designed in a similar way as the investor guide, but the differentiating part was that the entrepreneur guide started asking more direct questions. This was because the entrepreneurs received a pre-questionnaire in advance of the interviews. Those who forgot to fill it out, were given the opportunity to answer it before the interview began, which helped warming-up the interviewees. Those who had already filled-out the questionnaire, were warmed-up with casual conversation.

### **Direct observation**

Data from the direct observations was collected from two real pitching events. The events were organized by two different business angel groups, where one group consisted of only men, and the other group consisted of 20% men. The data from the direct observations was used to provide additional information about the topic and to substantiate the findings.

#### Direct observation sample

Table 4 gives an overview of the sample from direct observations, and table 5 give provides more details about the sample. In table 4, the columns show the number of pitches and number of female and male presenters in the male and female dominated investor groups.

	# of pitches	Male & female	Female	Male
Male dominated group	5	2	1	2
Female dominated group	3	1	2	0

Table 4: Overview of the sample from the direct observations. (Source: Personal Collection).

Table 5 gives the pseudonyms and genders of the entrepreneurs presenting in front of the investor groups. The first five pseudonyms are from the male dominated investor group, while the three next are from the female dominated group.

Male dominated investor group	Gender
Entrepreneur A	Female & Male
Entrepreneur B	Male
Entrepreneur C	Female & Male
Entrepreneur D	Male
Entrepreneur E	Female
Entrepreneur F	Female & Male
Entrepreneur G	Female
Entrepreneur H	Female

Table 5: Sample from the investor groups. (Source: Personal Collection).

## 3.5 Software analysis

### 3.5.1 Analysis strategy and technique

The strategy of following theoretical propositions, which led to the design of the case study, and the pattern matching technique, was used to analyze the data. The pattern matching method is the most desired techniques because it compares the predicted data with the

empirical data (Yin, 2003). The method called Grounded Theory, was used to build theory. Further, the results driven approach was applied, which means that the findings control the order of how the data are presented. The theoretical influence is measured in six steps, where the first and lowest influence is meeting the informants, followed by interview references step, quotes step, A-category step, B-category step, and lastly the C-category step. The last step has the highest theoretical influence (Widding, 2006).

Within the A-Category, empirical data was divided into subcategories and then compared based on similarities and differences. This is called open-coding, where the hope is to find more dimensions or hidden characteristics in the data. In the B-category, the empirical data was divided into categories based on theory. This is called selective coding. By further comparing the data and looking for similarities and differences, the third analysis step, C-category, was achieved. This step can lead to new theory (Widding, 2006). In this study, this step is seen in the discussion in chapter 6, where the theoretical frameworks are applied in a way which has not been seen in the entrepreneurship literature until now.

Open and selective coding were conducted by using the analysis software called NVivo. All the interviews were transcribed, and the data was coded with nodes, a tool that allows for collections of references about specific topics (QSR International, n.d.).

### **Selective coding**

The data concerning human capital, social capital and gender characteristics, were coded directly into B-categories. These B-categories can be found in appendix H. The process of defining these categories directly is referred to as selective coding, which according to Corbin and Strauss (1990) means: *“the process by which all categories are unified around a central “core” category and categories that need further explication are filled-in with descriptive detail”* (pp. 424). Human capital was coded in terms of education, startup, management and industry experience. Social capital was coded in terms startup-, university-, investor-, professional- and personal networks. Lastly, gender characteristics were coded in terms of feminine, masculine and neutral characteristics.

### **Combining open and axial coding**

Other findings were scattered and more difficult to categorize, were coded first by finding A-categories and then B-categories. The processes of finding A-categories and B-categories can be referred to as open and axial coding respectively. According to Corbin and Strauss (1990), open coding is *“the interpretive process by which data are broken down analytically”*

(pp. 423). Axial coding is defined as “the process of creating categories and subcategories from the 1st-order nodes” (Corbin & Strauss, 1990).

Gioia et al. (2013) suggest doing the coding in several steps. With this approach, other findings that did not belong to the theoretical framework or the nodes from the selective coding process, were revealed. The first step in the process was to conduct a 1st-order analysis of terms, earlier called A-categories, where several nodes emerged from the first ten interviews based on what was being said. Similar events were conceptually labeled, and categories were broken down into properties based on the words used by the participants. This made it possible to do constant comparisons, and place concepts in appropriate classifications (Corbin & Strauss, 1990). As the research emerged, similarities among the nodes made it possible to merge these nodes into overarching categories, called 2nd-order nodes (Gioia et al., 2013), or B-categories. These nodes gave an overview of the emerging themes. From these nodes it became possible to distill the core categories, which are called aggregate dimensions.

Once there was a full set of 1st-order terms, 2nd-order themes and aggregate dimensions, there was a basis for a data structure. This data structure is a representation of the raw data, and is a key component in demonstrating that the research is rigorous (Gioia et al., 2013). The data structure can be found in appendix H. Further, in order to keep track of the categories and findings from the coding sessions, memos were written for each data set. This is because a great deal of conceptual detail can be lost or left undeveloped if an analysis moves directly from coding to writing. If this occur, the results could yield a less satisfying integration of the analysis (Corbin & Strauss, 1990).

Corbin and Strauss (1990), says a diagram is a useful tool in integration of categories. The diagram which was used in coding process in this study is shown in figure 3.

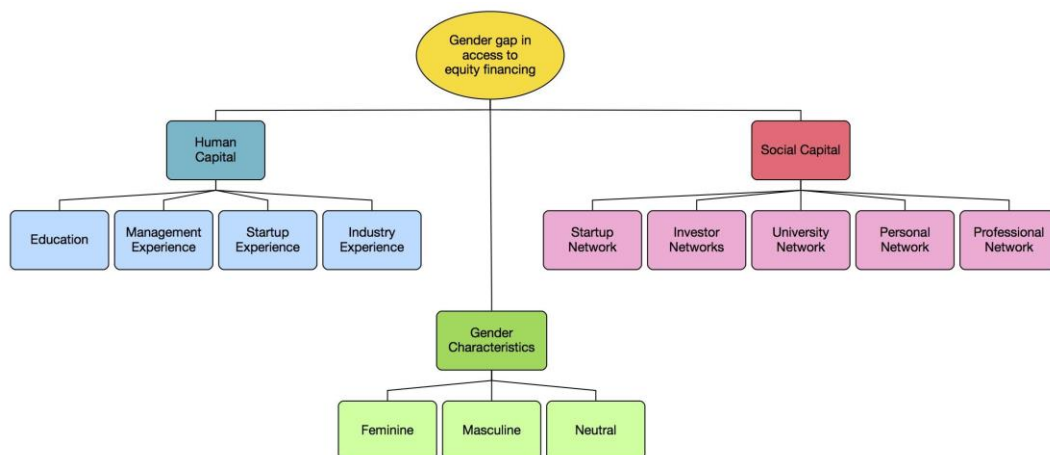


Figure 3: Diagram of selective coding nodes. (Source: Personal Collection).

## 3.6 Data analysis

### 3.6.1 Interviews

The data was compared in three different ways, within human and social capital and gender characteristics. The gender characteristics have been calculated based on the Bem Sex-Role Inventory (BSRI) classification system (Bem, 1974), presented in appendix E.

1. Comparisons between the entrepreneurs and investors' perceptions
2. Comparisons between the investors' perceptions
3. Comparisons between the entrepreneurs' perceptions

#### First comparison

In the first comparison, similarities and differences were found between investors and entrepreneurs. The different situations are listed below and shown in figure 4.

- Female investors that invested in female entrepreneurs, were compared with female entrepreneurs that received investments from female investors.
- Female investors that invested in male entrepreneurs, were compared with female entrepreneurs that received investments from female investors.
- Male investors that invested in female entrepreneurs, were compared with female entrepreneurs that received investments from male investors.
- Male investors that invested in male entrepreneurs, were compared with male entrepreneurs that received investments from male investors.

The numbers over the arrows represent the number of interviews. Two situations are marked with a red X in the figure, because there was no data to make these comparisons.

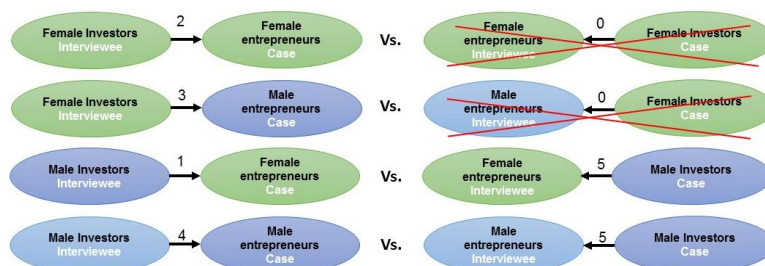


Figure 4: Comparisons between entrepreneurs and investors. (Source: Personal Collection)



## Second comparison

In the second comparison, similarities and differences between the investors were identified. The different situations are listed below and shown in figure 5.

- Female investors that invested in female entrepreneurs, were compared with male investors that invested in female entrepreneurs.
- Female investors that invested in male entrepreneurs, were compared with male investors that invested in male entrepreneurs.

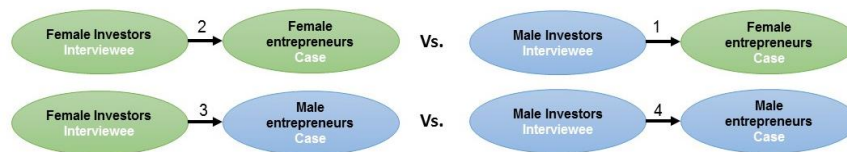


Figure 5: Comparisons between investors. (Source: Personal Collection)

## Third comparison

In the third comparison, similarities and differences between the entrepreneurs were identified. The different situations are listed below and shown in figure 6.

- Male entrepreneurs that received investments from male investors, were compared with female entrepreneurs that received investments from male investors.
- Male entrepreneurs that received investments from female investors, were compared with female entrepreneurs that received investments from female investors.

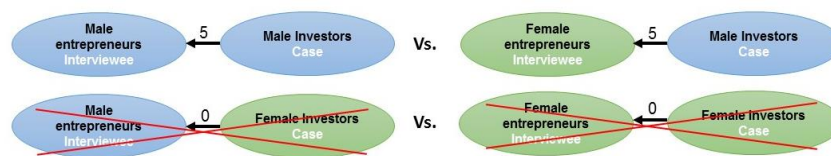


Figure 6: Comparisons between the entrepreneurs. (Source: Personal Collection).

### 3.6.2 Direct observation

The data has been investigated within human and social capital and gender characteristics. The gender characteristics have been calculated based on the BSRI classification system (Bem, 1974), presented in appendix E. The investors' perspectives and the investigators' perspectives have been presented, where the latter is also said to be the entrepreneur's' perspective in this study.

Three comparisons have been presented:

1. Comparisons between the entrepreneurs' perspectives across the gender of the investor groups
2. Comparisons between the investors' perspectives across the gender of the investor groups
3. Comparisons between the entrepreneurs' perspectives across the gender of the entrepreneur

Comparisons between the investor's perspectives across the gender of the entrepreneurs were not presented, because it does not triangulate with the data from the interviews.

### Comparison of human and social capital

In the comparisons of human and social capital, only comparisons between single presenters, and not teams, were drawn. Human and social capital was analyzed based on what the presenters said and displayed in their slides. Since the slides were made by the teams, it was not possible to separate by gender what the presenters would present separately. This was because, when deciding on what to highlight in the presentations, the team members might have affected each other. Figure 7 shows cases compared within human and social capital. The numbers over the arrows represent the number of presenters. The situation marked with a red X does not exist, and was therefore not compared.

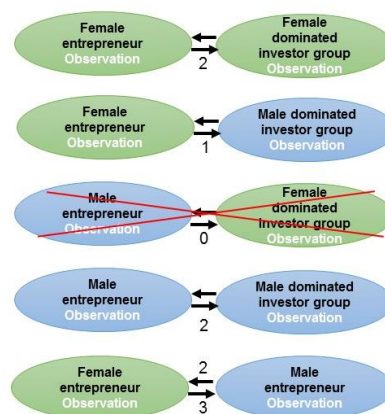


Figure 7: Comparisons of human and social capital. (Source: Personal Collection).

## Comparison of gender characteristics

In the comparisons of gender characteristics, comparisons between all presenters, both teams and single presenters, were drawn. This was because the investors' and investigators' were able to analyze the team members independently. Figure 8 shows cases compared within gender characteristics. The numbers over the arrows represent the number of presenters.

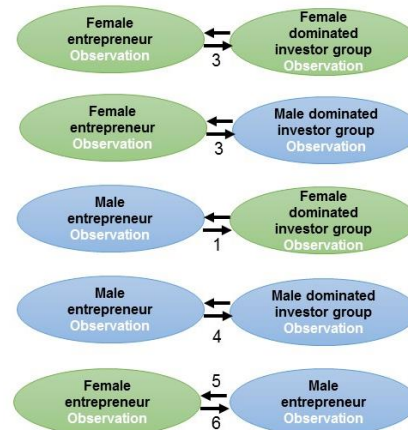


Figure 8: Comparisons of gender characteristics. (Source: Personal Collection).

### 3.6.3 Triangulated data

In order to draw comparisons across the different sources of data, the data set from each source had to be analyzed, i.e. interviews and direct observations. The analysis of the data from each source, was based on the findings presented in chapter 4. The comparisons from the interviews and direct observations were structured as presented in section 3.6.1 and 3.6.2 respectively. Appendix F and G presents the analysis of these comparisons, and appendix I gives the overview of the comparisons tables and calculations of gender characteristics used in these analyses.

After analyzing each source, the findings were again collected in tables, called triangulated data tables, as shown in appendix J. Based on the collected tables, three categories were created:

1. Female entrepreneurs and investors
2. Male entrepreneurs and investors
3. Female and male entrepreneurs

Within the first and second category, four perspectives were presented.

- Male investors investing in female/male entrepreneurs
- Female/male entrepreneurs receiving investment from male investors
- Female investors investing in female/male entrepreneurs
- Female/male entrepreneurs receiving investments from female investors

The data sources within each of these perspectives differ, because there were some cases that were not represented, as marked with a red X in the figures. In addition, the amount of data from human capital, social capital and gender characteristics, is unbalanced. The data sources for each perspective is presented in the triangulated data tables in appendix J.

The triangulated data forms the basis for the discussion, presented in chapter 6. In this chapter, the pattern matching technique was applied, where predicted data is compared with empirical data (Yin, 2003). Theory from human capital, social capital and gender characteristics was used to find patterns, while theory from the expectation state theory and gender role theory was applied to explain differences in responses.

## 3.7 Research quality

Four tests that were applied to ensure quality of the research design (Yin, 2003).

### 3.7.1 Construct validity

Construct validity means that the right operational measures are established (Yin, 2003). This was ensured by having multiples sources of evidence, such as interviews, direct observations, and surveys, by drafting a case study report, and by having a pilot case study.

### 3.7.2 Internal validity

According to Yin (2003) internal validity can be threatened in two different ways. By not discovering additional factors affecting the relationship between two other factors, and by having incorrect inferences in the situations where the event has not been directly observed. Internal validity was ensured by applying pattern matching technique, where the empirical pattern coincided with the predicted pattern.

### 3.7.3 External validity

External validity means that the results from the findings can be applied to other studies (Yin, 2003). External validity was ensured by having cases from different industries, and different types of investors, such as business angels and venture capitalists. Further, with a strong theoretical framework, findings were compared to see if they coincided.

### 3.7.4 Reliability

Reliability means that another investigator obtains the same findings as the initial investigator if conducting the same type of study and following the same procedures (Yin, 2003). This was ensured by having a case study protocol and by conducting a pilot case study. The latter ensured that the questions in the interview guide did not inspire responses past boundaries where patterns would be difficult to recognize. Further, the two investigators discussed all cases in terms of gender characteristics, to make sure that the right characteristics were selected. In addition, the transcriptions were checked to see if they match the recordings. Lastly, sample tests of manually coding the data were conducted, in order to make sure that the coding process was conducted correctly.

## 3.8 Methodological limitations

### 3.8.1 Biases, language and cultural barriers

The investigators could have gender biases, language barriers and cultural biases, because the investigators are female, speak Norwegian as their native language, and come from another culture. This could have an effect on the interpretation of the findings, particularly during evaluation of gender characteristics. Further, since the investigators were not allowed to use recording devices during the direct observations, they had to rely on their notes.

### 3.8.2 Calculation of gender characteristics

Further, in terms of calculation of gender characteristics, the most dominating gender characteristics were selected to represent the entrepreneur. This means that the score could be wrong, and that other characteristics were neglected. The characteristics were also based on what the entrepreneur/investor said, and not on what action they did.

### 3.8.3 Criteria

The examples the interviewees presented in the interviews were based on events from the past. This means that the interviewees could have forgotten parts of the investment processes. Further, by allowing flexibility in some of the criteria, there could be a possibility that the results are not as accurate as if the criteria were consistent for all cases. Also, there should have been a criterion for the type of the investor. Lastly, entrepreneurs from the direct observations are in the process of obtaining equity financing, which means the criteria from the interview and direct observations do not match.

### 3.8.4 Cases

Only one industry was represented more than once. Having more than one case for each industry could lead to more powerful conclusions. In addition, it might be easier to detect similarities, which can lead to more generalized conclusion (Yin, 2003). There are also cases in the sample which mirror each other, which could affect the generalized conclusions. Further, there is an unbalance in the number of situations in which the entrepreneur/investor talk about a female or male case. In single situations, the conclusions might be less general. Lastly, there are no cases from the interviews where a female and male entrepreneur talk about obtaining equity financing from a female investor.

# Chapter 4: Findings

The following chapter presents the findings from the interviews, in section 4.1, and direct observations, in section 4.2, within the categories human and social capital and gender characteristics. The findings have been structured based on the situations presented in chapter 3. Human capital is based on the importance of education and experiences, social capital on the type of network used to connect or collect resources, and gender characteristics on the type of characteristics the entrepreneur display in the investment process. The gender characteristics can be found in the BSRI classification system (Bem, 1974) in appendix E. Appendix H gives the overview of the quotes from the interviews presented in this chapter, and appendix I give an overview of the findings from the direct observations.

## 4.1 Findings from interviews

### 4.1.1 Human capital

#### **Female entrepreneurs that received investments from male investors**

In this situation, there were five entrepreneurs that received investments from male investors. Three entrepreneurs thought education was important in the investment process, while all the entrepreneurs valued industry experience. Further, four entrepreneurs valued management experience, while only one entrepreneur thought startup experience was important in the investment process.

#### Education

The three entrepreneurs who thought education was important in the investment process were entrepreneur 1, 2 and 4. Entrepreneur 1 and 4 said that the reason for this was because it gave them credibility. Entrepreneur 4 also added that her MBA degree was important for obtaining this credibility, since she did not have any management experience from any large companies in her industry. Entrepreneur 1 felt that the name of the school she attended gave her this credibility. She further stated that she felt her education was important in the investment process because it gave her a common language with the investors.

*“I think they were impressed I went to HBS, Harvard Business School. It gives them credibility coming in the door, probably helps especially as a woman, I think. And then there's also if you've gone to a school like that there's sort of an assumption that there's a shared language and a shared way of thinking about problems.” - Entrepreneur 1 (Sheet 1:A1)*

Entrepreneur 2 felt that her education was important in the investment process because it taught her how to learn, while entrepreneur 4 felt it was important because the investors organized their meetings at the school she attended, and because many of these investors were part of the school's alumni network.

Entrepreneur 3 and 5 did not think education was important in the investment process. Entrepreneur 3 lacked the relevant education, but the team members had it instead. This helped her gain credibility, while entrepreneur 5 did not think that her education mattered, simply because of her age.

*"I think that really helped, because when you're pitching for investors, you want a very clear message. So just to say, "Oh, my business partner is Columbia MBA, and worked in two startups that exited the [Company X], a huge education company." - Entrepreneur 3 (Sheet 1:A3)*

#### Industry experience

All of the entrepreneurs thought that their industry experience was important in the investment process. Entrepreneur 1, 3 and 5 reasoned this by saying that they could not have understood the industry their company operated in, if they did not have any industry experience.

*"We wouldn't get money without it. You couldn't. You have to be in this business to understand what's going on" - Entrepreneur 5 (Sheet 1:D5)*

Entrepreneur 2 and 4 had no industry experience, and said that this made their investors question their ability to build their companies. Based on this, they felt industry experience was important.

*"People did not wanna give us money because they were like, "You've never built a product before. You're about to go into this expensive manufacturing process."" - Entrepreneur 4 (Sheet 1:D4)*

#### Management experience

All the entrepreneurs, except entrepreneur 3, thought management experience was important in the investment process. Entrepreneur 1 and 2 said it showed the investors that they had experience in managing people, which for entrepreneur 2 also gave her credibility.



*“That was probably the one thing that offered the most credibility, because I did have an experience in management and building company prior to this. It made up for the fact that I didn't have the science or the medicine.” - Entrepreneur 2 (Sheet 1:B2)*

In the situation for entrepreneur 4 and 5, the investors never asked about their management experience, but they felt that it had been an important factor. Entrepreneur 4 said that it helped them lead the team forward, while entrepreneur 5 said it helped her talk intelligently about labor law and other things a manager needs to understand.

*“I think in terms of actually being able to do it and lead the team forward, it's definitely helped. Probably, it's the reason why we are where we are” - Entrepreneur 4 (Sheet 1:B4)*

The reason why entrepreneur 3 disagreed with the other entrepreneurs, was because investors were more focused about the performance of the company. She did however emphasize that it mattered for the first round of investments.

*“I think a lot of these things in the first round, you're getting tested on a lot. And then, as you show good stewardship of their capital, and you do what you say you're gonna do or if you don't do it, you have a good explanation as to why it didn't happen, that's what matters more.” - Entrepreneur 3 (Sheet 1:B3)*

### Startup experience

Only one entrepreneur, entrepreneur 5, thought startup experience was important in the investment process. The reason for this was because it taught her how to hire people, how to take companies public, and how to raise money. The latter was important for her, because this helped her know what the investors were looking for.

*“Both of us have had careers in start-up organizations where we have been with companies from inception to public offering and acquisition. We have a number of those. We have both been very successful. People trust that we're hiring the right people.” - Entrepreneur 5 (Sheet 1:C5)*

Entrepreneur 4 and 3 thought that startup experience was unimportant in the investment process, because they were not asked about it. Entrepreneur 2 said that it would only have an effect if she had experience from the same industry as her company was operating in, while entrepreneur 3 felt her freelancing experience was similar to working as an entrepreneur.

*"Oh, I'm good at freelancing because I don't hear no." I hear, "Oh, that wasn't the right story for today or maybe next time," and I also would never say no [...] So very similar traits that I did talk about when I was first raising money, but now that I have a company that's five years old and raised multiple rounds, I don't get questions about that" - Entrepreneur 3 (Sheet 1:C3)*

### **Male entrepreneurs that received investments from male investors**

In this situation, there were five entrepreneurs that received investments from male investors. Three entrepreneurs thought education and industry experience were important in the investment process, while four and five entrepreneurs thought management and startup experience respectively were important.

#### Education

The three entrepreneurs who thought education was important in the investment process were entrepreneur 6, 7, 8. Entrepreneur 6 and 8 argued that the courses they undertook at school helped them start a business and raise money.

*"Actually, it's amazing because last semester, I took two classes. One is called Finance for New Ventures and the other one is called Entrepreneurial Finance. That was exactly how to raise capital. So, I think that helped me a lot, first of all, in understanding the numbers and the language. And then just understanding general matters, how does this work, and what points should I negotiate, etc. So, of course, it's been really, really useful, my education." - Entrepreneur 6 (Sheet 1:A6)*

Entrepreneur 7 agreed with the other entrepreneurs that the skills from his education was useful when starting his own company. He also added that it helped him show the investors that he could lead.

*"The engineering background was crucial because he could actually prove that he could lead the engineering team, to do what they did. They prominently cared less about the MBA, but the MBA background was what enabled him to create the pitch deck, and the financials, and the plans around all of these. So, yes, I'd say, it's very important." - Entrepreneur 7 (Sheet 1:A7)*

The entrepreneurs who did not think education was important, were entrepreneur 9 and 10. They argued that learning by doing was more important, and that it mattered less since they had several years of experience from the industry.

*"I don't think, for me personally, it was a factor in what I've been doing. Because I started years ago. All the things I already am learning in the classes that I'm taking here, I already learned years ago, by doing it."* - Entrepreneur 9 (Sheet 1:A9)

### Industry experience

Entrepreneur 6, 7 and 10 thought industry experience was important in the investment process. Entrepreneur 7 said that his knowledge within one industry was an important factor, and that the experience they lacked could be obtained by hiring people. Though entrepreneur 6 had no industry experience, he felt that the fact that he lacked this type of experience had hurt his company. Entrepreneur 10 felt that his industry experience was relevant, and very important for what the company was doing.

*"I think that even though I had five years in manufacturing, it wasn't really manufacturing. It was an aerospace, I was a mechanical engineer. I kind of spun it a little bit to be manufacturing. I think it is relevant. I think for what we're doing, which is a very vertically orientated product, it's very important."* - Entrepreneur 10 (Sheet 1:D10)

This was the opposite to what entrepreneur 8 and 9 said, who also lacked industry experience. They felt that their understanding of the problem came from being long time users of existing solutions. Entrepreneur 8 also mentioned that he used his lack of experience to his advantage.

*"I think the fact that we didn't have that industry experience is part of what made people interested in investing in us, because we were sort of coming at it like, "Hey, listen, the industry is looking at this all wrong [...] we understood that we didn't have the industry experience that a lot of traditional VCs needed to invest in a company, and we tried to use that to our advantage."* - Entrepreneur 8 (Sheet 1:D8)

### Management experience

Entrepreneur 6, 7, 9 and 10 thought their management experience was important in the investment process. Entrepreneur 7 felt that it helped him with being efficient and disciplined, and entrepreneur 10 thought it helped him recognize what investors were looking for.

Entrepreneur 6 said it helped him communicate with stakeholders, and to build-up his leadership skills. The latter was backed-up by entrepreneur 9.

*“I think they are confident in my ability to lead, especially the team, because again I think the most important part of any business is more importantly your team and who’s around you, the people.”* - Entrepreneur 9 (Sheet 1:B9)

Entrepreneur 8 was the only entrepreneur that did not think that management experience was important. He said that the fact that he did not have any management experience was positive, because he was able to look at the industry with a new perspective.

*“I think people liked that I didn’t have a lot of that experience, you know, obviously not everyone liked it. You know, it definitely made it harder to close investors after [Investor X]. But at least getting that initial investment, it wasn’t an issue. It actually might even have helped me.”* - Entrepreneur 8 (Sheet 1:B8)

#### Startup experience

All the entrepreneurs thought that their start-up experience was important in the investment process. Entrepreneur 7 and 10 said that the reason for this was because it gave them credibility.

*“It’s showed that he’d taken another company and made it into a success. There weren’t a lot of questions about that company in the Q&A, interestingly enough. Maybe they had done their homework and knew that it was a successful company, but experience helps, for sure. [...] Because I think, it’s part of the underlying fabric that you created the credibility that made people believe, that this was going to work.”* - Entrepreneur 7 (Sheet 1:C7)

Entrepreneur 6 felt it had helped his company go faster to market, and to show results.

*“We have been able to deliver results very quickly because we know how to make things happen whenever we are starting. So, I think it has helped us to go to market fast and show results fast who brings investors excited.”* - Entrepreneur 6 (Sheet 1:D6)

Entrepreneur 8 and 9 said that startup experience helped them gain entrepreneurial skills. Entrepreneur 9 felt that it helped him run a successful business, and make decisions. Entrepreneur 8 felt it helped him throughout the whole process and when he pitched.

*"I've already sold my first business and second as well. So that plays a part in when you're putting in investment, because you wanna make sure that the person has experience, or at least knows what they're doing somewhat" - Entrepreneur 9 (Sheet 1:C9)*

### **Female investors that invested in female entrepreneurs**

In this situation, there were two investors that invested in female entrepreneurs. Both investors thought that education, industry and startup experience were important in the investment process. In terms of management experience, the investors disagreed.

#### Education

Both investor 2 and 3, thought education was important in the investment process. They based this on the name of the schools the entrepreneurs went to. Investor 2 said that the fact that the entrepreneur went to MIT, made her trust the technology, and investor 3 said that the school name gave confidence in the entrepreneur's ability to build a successful company.

*"You sort of believe in the brand that somehow that's going to translate into a gazillion dollar business which is even any of us can sit here and say that is the most ridiculous thing ever." - Investor 3 (Sheet 2:A3)*

#### Industry experience

Investor 2 and 3 valued industry experiences.

*"They've done this before [...] You're betting on the jockey. Because a lot of these companies also pivot " - Investor 2 (Sheet 2:D2)*

#### Management experience

In terms of management experience, investor 3 said that it showed that the entrepreneur knew how to manage a team.

*"You believe that they know how to lead a team" - Investor 3 (Sheet 2:B3)*

Investor 2 thought on the other hand, that management experience was less significant. The entrepreneur she invested in had no management experience, but the investor felt that this did not matter, because she was coachable and passionate.

*“Passion and coachability matters, otherwise it won’t work.” - Investor 2 (Sheet 2:B2)*

### Startup experience

Both investors thought that previous startup experience was important in the investment process because the entrepreneurs had previously had exits. In addition, investor 2 felt it gave her confidence, while investor 3 emphasized that it gave the entrepreneur knowledge of where to hire.

*“I wouldn’t have looked at them twice if they hadn’t done it before. [...] the fact that they have done this before and exited gave me confidence that that’s what they wanted to do again.” - Investor 2 (Sheet 2:C2)*

### **Female investors that invested in male entrepreneurs**

In this situation, there were three investors that invested in male entrepreneurs. None of the investors thought that education was important in the investment process, but all of them valued industry experience. In terms of management experience, two investors thought this type of experience was important, while only one investor valued startup experience.

### Education

The three investors who thought that education was unimportant in the investment process were investor 1, 4 and 5. Investor 5 felt that experience was much more important, and investor 4 said that the reason for this was because the name of the school did not indicate how good the entrepreneur was at building a company. The latter was supported by investor 1.

*“Where you got your degree from doesn’t build the company. The person builds the company. I think people can misinterpret the signal that comes from an IVY League school, and project on an individual more merit than they deserve” - Investor 4 (Sheet 2:A4)*

### Industry experience

All investors valued industry experience, but for different reasons. Investor 4 said that the experience mattered, because the solution the company was building was technical, while investor 1 appreciated that the entrepreneur had a track record.

*“They are technical so that’s why they were able to build the solution themselves and then that kind of grew” - Investor 4 (Sheet 2:D4)*

Investor 5, on the other hand, appreciated that the entrepreneur understood the industry they were operating in.

*“In this particular company, they're selling to one industry. And so, understanding that industry is very important to be able to sell.”* - Investor 5 (Sheet 2:D5)

### Management experience

Two of the three investors, investor 1 and 5, thought management experience was important in the investment process. Investor 1 appreciated that the entrepreneur had a track record, while investor 5 felt it showed that the entrepreneur could be a leader.

*“Being a CEO is a really difficult job, and so you want to see or at least reference whether he was an effective leader in other roles.”* - Investor 5 (Sheet 2:B5)

Investor 4 was the only investor that did not appreciate management experience. The reason for this was because the entrepreneur was a fast learner. She did, however, emphasize that management experience normally is important.

*“Normally it is, but not here, since this is a team that's doing this for the first time [...] I think in [Entrepreneur X]'s case he is one of the fastest learning CEOs I have worked with who is a first-time CEO”* - Investor 4 (Sheet 2:B4)

### Startup experience

Investor 1 was the only investor who valued startup experience, as he thought it helped him prepare for different types of challenges.

*“I think it was helpful, because he knew how hard it would be. He was going in with his eyes open. [...] When you have a start-up, you know, it's not a smooth. It's definitely more difficult than to work for somebody else. Different challenges.”* - Investor 1 (Sheet 2:C1)

Investor 4 and 5 on the other hand, did not think startup experience was important in the investment process. Investor 4 felt that it did not matter for the case she was talking about, but emphasized that this was an exception, while investor 5 felt that experience in larger companies was more important, because the goal for the company was to grow.

*“I actually think it's more important to have experience with larger companies because the goal is for this company to become larger. And so, there's likely more nuances in your goal when you're leading a bigger team.” - Investor 5 (Sheet 2:C5)*

### **Male investors that have invested in female entrepreneurs**

In this situation, only one investor invested in a female entrepreneur. This investor did not think that the female entrepreneur's education, industry, management nor startup experience, were important in the investment process.

#### Education

With regards to education, investor 9 thought that educational background did not affect the entrepreneur's ability to understand the industry her company was operating, in because she had understood the problem by having experienced it herself. The investor did, however, mention that the team's education was important when explaining the technology to people, and when design changes needed to be implemented.

*“Well, it was because most people said, “What does she know about engineering, pharmaceutical suppositories?” But she was a patient. [...] So it's a real person's experience. [...] So out of need came the solution to it.” - Investor 9 (Sheet 2:A9)*

#### Industry experience

In terms of industry experience, the investor substantiated his argument by emphasizing that though the entrepreneur did not have any industry experience, she was able to attract people with industry knowledge.

*“The experience was really more her ability to bring on a group of advisors. So I brought medical device experience, another board member was an operational person [...] So she surrounded herself with board members who had an expertise that she didn't have. And she listened, or argued.” - Investor 9 (Sheet 2:D9)*

#### Management experience

The investor's argument about management experience was substantiated by saying that the entrepreneur was able to learn by doing, even though she did not have any management experience.



*“She was learning on the go. You’ll have to talk to her because it’s very hard to explain who she is and why people listen to her. And they’ll write a check.”* - Investor 9 (Sheet 2:B9)

### Startup experience

Lastly, the investor argued that the entrepreneur’s startup experience was not important, by using the same argument about management experience. Further, he explained that his best investments had been made in companies with founders that had no previous startup experience. He explained that it came down to the entrepreneur’s ability to communicate with investors.

*“It’s that ability to take something that’s complex and turn it into something that an investor can understand. That’s really the key. And I think, if an entrepreneur can do that, the rest is almost in the details.”* - Investor 9 (Sheet 2:C9)

### **Male investors that invested in male entrepreneurs**

In this situation, there were four investors that invested in male entrepreneurs. Only one investor thought that education was important in the investment process, but one investor said it depends. The group was further divided 50/50 in terms of the importance of industry experience, but management experience was valued by all of the investors. Lastly, startup experience was considered important for three of the investors.

### Education

Investor 6 said that education only matters to a certain extent, but for the case he talked about, the fact that the entrepreneur was an engineer made the investor believe that the product worked. Investor 7 thought education was important in the investment process, because it proved that the entrepreneurs were overachievers who were capable of reaching their goals. He further said that the important parts were the name of the school the entrepreneur attended, and his grade point average.

*“It’s more a sign, for me, how committed you are to be successful in what you have touched [...] it’s a sign that you set a goal, and you do everything in your power to achieve this goal in situations where it just doesn’t come automatically and easy. That’s exactly the same kind of skills that I want to see in an entrepreneur, because every morning something gets thrown at you that makes it tough to make it through the day.”*  
- Investor 7 (Sheet 2:A7)

Investor 8 and 10 disagreed with investors 7 on the importance of education. Investor 10 meant that the entrepreneur's understanding of the industry did not come from the school he attended, while investor 8 felt that the entrepreneur's experiences were more important.

*"He had a knowledge of the construction industry. And so it was more experience than education."* - Investor 10 (Sheet 2:A10)

### Industry experience

The group was divided in half, when asked about the importance of industry experience in the investment process. Investor 6 and 10 meant that it was important because of the the knowledge they gained, and the connections they made.

*"And so, the fact that we had confidence in his ability to market this to the construction industry and find customers was a big factor. Achieving early sales revenue is one of the most important things in the success of a startup. And we felt he had an advantage in doing that because he knew everyone in the industry that he was going to be selling this to"* - Investor 10 (Sheet 2:D10)

Investor 7 and 8 did not value industry experience, but for two very different reasons. Investor 8 said that it was not that important that the entrepreneur had industry experience, if a member in the investment group have it, while investor 7 thought that performance of the company mattered more, and trusted that the entrepreneur knew what he was doing because he had raised money before.

*"At series A level, you think more about what have they actually accomplished. You have hard data. You don't have to guess how they will be doing. You kind of know it"* - Investor 7 (Sheet 2:D7)

### Management experience

All of the investors that invested in male entrepreneurs, valued management experience. These were investor 6, 7, 8 and 10. Investor 8 felt it was important to keep the company going, while investor 6 said it was important because it showed that he knew how he could build a company. Investor 7 meant it was important because business knowledge could not be taught in school, while investor 10 said that it showed that he could lead teams.

*“Even if they had excellent education, there are certain things that how business works you can’t learn in school. I’d rather have a real employer educate them than I would my money.” - Investor 7 (Sheet 2:B7)*

### Startup experience

Investor 6, 8 and 10, felt that startup experience was important in the investment process for different reasons. Investor 8 and 10 argued it was important because the entrepreneur had then experience in raising money. Investor 6 and 10 felt it mattered, because it showed that the entrepreneurs could start companies.

*“We liked the team because the CEO had done it before, he had started the company, he had built it and sold it.” - Investor 6 (Sheet 2:C6)*

Investor 7, on the other hand, did not think previous startup experience was important because it did not reflect how successful the company would be in the future.

*“I have seen entrepreneurs that have failed in the past and have done very well at their second or third venture. I’ve seen entrepreneurs that have done fantastically in their first two ventures and totally failed in their third venture. I think it is pretty much a random outcome.” - Investor 7 (Sheet 2:C7)*

## 4.1.2 Social capital

### **Female entrepreneurs that received investments from male investors**

In this situation, there were five female entrepreneurs who received investments from male investors. Two of the entrepreneurs met their investors through investor networks, two of the entrepreneurs met their investors through startup networks, while one entrepreneur met her investor through her professional network. In addition, four of the entrepreneurs mentioned their networks in other settings. They all mentioned the value they gained from their professional networks, one entrepreneur highlighted her startup network, two entrepreneurs described how they leveraged their investor networks, and two of the entrepreneurs described the value they gained from their university networks. In addition, one entrepreneur explained how her personal network was of no help.

### Investor network

Entrepreneur 1 and 5 met their investors through investor networks. Entrepreneur 1 was contacted by investors directly at a conference, while entrepreneur 5 was working as an active

angel before, and therefore knew a lot of investors. She did, however, say that it did not help, because the business angels were men, and because the investors were looking for deals that were further along. She felt that she was poorly treated by the angel group, and she therefore invited selected individuals to the company. This resulted in almost all of the individuals ending up writing a check. These investors played off the due diligence from a female investor group.

*“We were both active angels before we did [Company X], and we ran an angel group [...] We knew the group, and it barely helped us. I was going to say it didn't help us. [...] It's a lot of old white men” - Entrepreneur 5 (Sheet 3:A5)*

Entrepreneur 3 and 4 explained the value their investor networks brought to their companies. Entrepreneur 3 used her relations to existing funders when she wanted to gain confidence from new investors coming in. This was because when she got support from her original investors, it proved to the new investors that she was doing well. Entrepreneur 4 did on the other hand deliberately build relations with investors early on, to get advice on how to shape the company. This made her stay in touch as it could potentially lead to future investments.

#### Startup network

Two of the entrepreneurs met their investors through startup networks. Entrepreneur 3 met a female investor at an industry specific accelerator. The investor later brought the entrepreneur into her angel group to pitch in front of the other investors, and they became her funders. Entrepreneur 4 also met her investors through an accelerator. This was a woman focused accelerator, which provided her with a mentor. This mentor worked with the entrepreneur through the program, and she introduced the entrepreneur to the business angels who later became her investors.

*“Through the [Accelerator X], I had my coach, who was really well connected in Boston [...] I chose to work with her, met with her once every two weeks for the entire program. Towards the end, she started to think, “Maybe you're ready to meet some of these angel investors.”” - Entrepreneur 4 (Sheet 3:B4)*

Entrepreneur 4 also highlighted the value she gained from having relations in a startup network. She deliberately built a network of founders in her industry to get advice. One of the founders she met decided to invest in her company. She said that this was helpful because it sent signals to other investors that someone in the industry thought that the idea was good.

### Professional network

One entrepreneur met her investor through her professional network. Entrepreneur 2 was introduced to the investors through her attorney, because this attorney represented the investor.

*“I was introduced to him through my corporate attorney. [...] The corporate attorney represented companies that this angel investor was involved in, so the corporate attorney gave introduction for other potential startups.”* - Entrepreneur 2 (Sheet 3:E2)

The three entrepreneurs 3, 4 and 5 also highlighted the value their professional networks brought to their companies through industry networks. Entrepreneur 3 highlighted her network in the industry, because it made up for her lack of education and business experience, while entrepreneur 4 said that she networked for a year to test the idea and to become known by people in the industry. Entrepreneur 5 stated that her relations in the industry gave her credibility. In addition to relations in the industry, entrepreneur 3 also highlighted her professional network in terms of how her board had a positive impact in the investment process. She explained that she gained credibility from investors, since she had recruited people with stature and knowledge to her board.

### University network

Two of the entrepreneurs highlighted their university networks. Entrepreneur 1 said that her university network showed the investors that she was one of the guys, which helped her gain credibility. Entrepreneur 4 said that it helped to have affiliation to her university, because several of her investors were alumni students there. She also used one of her team member's university network, to learn more about edtech from researchers. This gave her knowledge of a different market segment than she normally targeted.

*“Yeah, it's really hard to know, right, because it's so subtle. Sort of like you've checked a box. Where you have that, like you're a member of a club. So, something like that. You can put it that way. I mean, qualitatively it's hard to say [...] I think it's almost like you're one of the guys in a way. Sort of like you're in the club.”* - Entrepreneur 1 (Sheet 3:C1)

### Personal network

The only case where a female entrepreneur highlighted a personal network, was when entrepreneur 5 said that the fact that she had a personal network did not help in the investment process. She said that even though she had a friend in the investment panel, her abilities to run a business were questioned, and that her relation did not make a difference.

*“We were pitching a group, and we had a friend in the audience. After we left the room, the leader of the group had said, “Boy, that’s the best pitch we’ve ever seen.” [...] There were men in the room that stood up and said, “Why do we think these two women could run a business?” Now, this is two women with 30 years of business experience [...] these same men relied on each of us separately at different times [...] They knew us on a very personal level in a business environment, and it didn’t make a difference”-*  
Entrepreneur 5 (Sheet 3:D5)

### **Male entrepreneurs that received investments from male investors**

In this situation, there were five male entrepreneurs who received investments from male investors. Two entrepreneurs met their investors through personal networks, one entrepreneur met his investors through his investor network, one was through a startup network, while the last entrepreneur met his investor through his university network. In addition, three entrepreneurs highlighted their networks in other settings. Two entrepreneurs utilized their personal networks, one entrepreneur described how he leveraged his investor network, and one entrepreneur described how he used his university network.

### Personal network

Entrepreneur 7 and 8 both used their personal networks to initiate contact with their investors. Entrepreneur 7 got the investment after the director of his company reached out to a closed network for founders and informed the group about the company. The investors came on-board because of the director’s credibility in the group.

*“I belong to an organization called [Organization X] that has an internal network, dedicated to raising money for businesses. So, when I first joined the board of this company, I put the company’s information out in a network [...] It generated quite a bit of interest, and then, in the follow up rounds, the same people wanted to participate [...] The investors that came in from [Organization X] came in on my credibility. The fact that they trusted who I was, and the story I told was a true one” - Entrepreneur 7*  
(Sheet 3:B7)

The two entrepreneurs 8 and 9 also leveraged their personal networks to get investments. Entrepreneur 8 leveraged his personal network to gain credibility, while entrepreneur 9 did on the other hand get mentors through his personal network, and they invested in his company. He met these mentors through his educational institutions, and through his personal network.

#### Startup network

One of the entrepreneurs met his investors through an accelerator. This was entrepreneur 10, and his investor later brought him into an angel group to pitch.

*“I think the accelerator really did have influence because [Investor X] from [Angel Group X] was involved in that accelerator and I think he was introduced to us there.” - Entrepreneur 10 (Sheet 3:B10)*

#### Investor network

One of the entrepreneurs used his investor network to meet his investors. Entrepreneur 6 got introduced to his investors through a business angel who made an early investment in the company. He met this investor at an industry event when he was showcasing his products, and the investor brought him in to pitch to the rest of the angel group.

*“I was showcasing our brand. We had a booth, and I offer samples, and I talk to people about it. Then she just walked by, and I told her the story, and I told her about the product. She was really, really interested. The next day, we had breakfast. Literally three weeks later, I was pitching in front of her angel group.” - Entrepreneur 6 (Sheet 3:A6)*

Entrepreneur 8 used the fact that he had one of the world’s best venture capitalists invest in his company as his main selling point when he was approaching other investors. This investor also introduced him to other investors and helped him get most of his meetings.

#### University network

One of the entrepreneurs met his investor through his university network. Entrepreneur 9 got an investment after he won a pitching competition at his university. The investor was an MBA graduate from the same university. He wished to invest after the competition, even though entrepreneur 9 was not looking for an investment.

*“My experience is unique because I didn't look for investment. The investor came to me. And it was actually because of the [Pitch Competition X] here. It's our business plan competition at [New England Business School X], which I won last year. And yeah, they saw us pitch and they wanted to invest, and it took a few months because we weren't interested in the investment.”* - Entrepreneur 9 (Sheet 3:C9)

Another entrepreneur who managed to leverage his relations at his university was entrepreneur 6. He went to events, and reached out to speakers and professors to get in touch with people that could be relevant for his business.

### **Female investors that invested in female entrepreneurs**

In this situation, two investors invested in female entrepreneurs. These investors met the entrepreneurs through their investor networks, and one of them highlighted the entrepreneurs' use of her professional network.

#### Investor network

Both the investors met the female entrepreneurs through their investor networks. Investor 2 and 3 met the entrepreneurs for the first time when they were pitching to their angel groups.

*“At [Angel Group X] we listened to her pitch, we talked about it in table groups [...] we went into due diligence and asked for all the specific information that we wanted around the company, and that's how I invested in them”* - Investor 3 (Sheet 4:A3)

#### Professional network

Investor 3 mentioned the entrepreneur's professional network, because she had relevant contacts in the industry since she had previous startup experience. This gave the investor confidence in the entrepreneur's chances of selling the company, and to get information from people in the industry so that she would be able to pivot the company. In addition, she mentioned that the entrepreneur had a team member who also had relations in the industry, which was helpful because it increased the chance of reaching people.

*“You believe that she'd done it before, that she was familiar with the industry, that she was familiar with a company that might want to buy this company. And I think that that actually is important because if you've done it before, you have this network out there [...] So, if you've done it before you do have that network that can give you the support to be able to shift gears and sort of change the emphasis of the company”* - Investor 3 (Sheet 4:D3)



### **Female investors that invested in male entrepreneurs**

In this situation, three female investors invested in male entrepreneurs. All of these investors met the entrepreneurs through their investor networks, and one of them highlighted the entrepreneurs' use of his professional network.

#### Investor network

Investor 1, 4 and 5 all met the entrepreneurs through their investor networks. Investor 1 went with her business angel group to a tech transfer meeting at a university. There she met a female founder, who later introduced her to the CEO that got brought in later. Investor 4 was introduced to an entrepreneur by a business angel at an accelerator, while investor 5 was introduced to an entrepreneur at a networking event.

*“One is that this investor had invited us to some event that they hosted, and that company was there, and so we got to know the company through that event. And then when it came time for fundraising, that investor emailed us and said "Hey, they're fundraising, are you interested?"” - Investor 5 (Sheet 4:A5)*

#### Professional network

The only comment made on the how social capital of the male entrepreneurs was used to something other than to connect, was made by investor 5. She argued that the entrepreneur gained credibility because the background checks they did on the entrepreneur came out strong.

*“It was really memorable because the CEO was really impressive, but also when we're doing background checks and referral calls about him, what came back was incredibly consistent and just very enthusiastic. People that we spoke to that didn't work for him, wanted to work for him, and so it was just a very overwhelmingly positive response about the CEO.” - Investor 5 (Sheet 4:D5)*

### **Male investors that invested in female entrepreneurs**

In this situation, only one investor invested in a female entrepreneur. This investor met the entrepreneur through his startup network, and he highlighted the entrepreneurs' use of her professional network.

### Startup network

Investor 9 met the entrepreneur by getting an introduction from another entrepreneur whom he had previously invested in. The entrepreneur who gave the introduction had met the entrepreneur through a female CEO group, and she recommended him to talk to her.

*“This all came from another entrepreneur, a person I knew, and had invested in her company and then joined the board that was moving along very well”* - Investor 9 (Sheet 4:B9)

### Professional network

Investor 9 also highlighted the entrepreneur’s use of her professional network. He argued that he did not care about her lack of industry experience in the investment process, because he appreciated how she was able to attract knowledgeable relations to her board.

*“So she surrounded herself with board members who had an expertise that she didn’t have. And she listened, or argued.”* - Investor 9 (Sheet 4:D9)

### **Male investors that invested in male entrepreneurs**

In this situation, four male investors invested in male entrepreneurs. All of them met the entrepreneurs through their investor networks. Two of the investors highlighted the entrepreneurs’ use of their networks in other settings. One of the investors valued the entrepreneur’s investor network, while two other investors appreciated the entrepreneurs’ professional networks.

### Investor network

Investor 6, 7, 8 and 10 all met the male entrepreneurs through their investor networks. Investor 7 and 8 met the entrepreneurs when other angels brought them into their angel groups, while investor 6 mentored the startup and joined the due diligence with other angels before he invested. Investor 10 originally met the entrepreneurs through the angel group when he was asked to lead the due diligence for the entrepreneurs’ previous startup, so that when the entrepreneurs needed funding for their new startup he already knew them.

*“I met the company through a mentoring process and followed them for about a year, and then they got to a point where a seed round of financing was available to us. And so we joined some of our other friends who had already invested in the company and they were kind enough to share some of their due diligence with us, which made the process a little bit easier.”* - Investor 6 (Sheet 4:A6)

One of the investors also mentioned that the entrepreneur was well connected in the venture capital network. Investor 7 said that this made it easier for the entrepreneur to raise money, so that the chances of the company running out of money were reduced, which lowered the investor's risk.

#### Professional network

Two of the investors mentioned the entrepreneurs' professional networks. Investor 6 and 10 said that the entrepreneurs were well connected in the marketplace, which gave them a huge advantage in attracting customers. Investor 10 also said that this gave the entrepreneur credibility.

*"We felt he had an advantage in doing that because he knew everyone in the industry that he was going to be selling this to."* - Investor 10 (Sheet 4:D10)

### 4.1.3 Gender characteristics

#### **Female entrepreneurs that received investments from male investors**

In this situation, there were five entrepreneurs that received investments from male investors. Three of the entrepreneurs were characterized, by the use of the BSRI classification system (Bem, 1974), as 50/50 masculine/androgynous, one entrepreneur was predominantly androgynous, and one entrepreneur was 50/50 feminine/androgynous.

#### Feminine characteristics

Entrepreneur 4 was characterized as 50/50 feminine/androgynous. She showed the feminine characteristic of being sympathetic by adapting to the needs of the investors she was speaking to. She described the investors as senior of age, and she therefore talked in a way that made it easier for her them to follow what she was saying.

*"I was more focused on slowing down and breathing, and just being excited, but not too fast, 'cause also it's an angel group of a lot of older people. I think the first time, I talked way too fast for any of them "* - Entrepreneur 4 (Sheet 5:B4)

#### Masculine characteristics

The three entrepreneurs who were characterized with 50/50 masculine/androgynous profiles were entrepreneur 1, 3 and 5. They were all assertive, which they showed through their confidence. Entrepreneur 1 was presenting in a relaxed way, and showed a big presence in the room. Entrepreneur 3 said that she looked like she knew what she was talking about, even

when she did not. She also said that she was ambitious and self-sufficient. Entrepreneur 5 said that she presented in a confident way, because she was proud of the performance of her company. She also showed that she was defending her own beliefs.

*"I go to the bathroom and I do a Superwoman stance. So I do this. And I wear red. And I just try to feel like I own this space and this is my space. Men do that automatically, women just don't. I wanna feel like I command the room when I'm up there, and that's hard to do, and I'm nervous and I'm all these things. So I literally go into a quiet space, usually it's the bathroom, and I just open up my shoulders and just feel like, "Let the power begin."" - Entrepreneur 3 (Sheet 5:C3)*

### Androgynous characteristics

The three entrepreneurs who were characterized with 50/50 masculine/androgynous profiles were entrepreneur 1, 3 and 5. They were all truthful. This is something they showed by being honest. Entrepreneur 1 and 5 informed their investors of the problems they were facing, while entrepreneur 3 did not over promise. Entrepreneur 5 was also adaptable, which she showed by being an open presenter, and entrepreneur 3 was also characterized as theatrical and happy.

*"I remember the first time I went out and fundraise, my mentor here, who's a woman, said, "[Entrepreneur 3], this is not what a man would project. You have to raise the numbers." I said, "There's no way I'm gonna make \$25 million in five years." She's like, "Do you think a man would?" I said, "No." She goes, "Well, a man would say it." I'm like, "Okay, I'm gonna say it." [...] It's just I don't like to over predict, over project things, over predict them, over promise. I just don't over promise" - Entrepreneur 3 (Sheet 5:A3)*

### **Male entrepreneurs that received investments from male investors**

In this situation, there were five entrepreneurs that received investments from male investors. Two of the entrepreneurs were characterized with 50/50 masculine/androgynous profiles, two of the entrepreneurs were predominantly androgynous, while one of the entrepreneurs showed a masculine gender profile.

### Masculine characteristics

Entrepreneur 6 was characterized with a masculine gender profile, while the two entrepreneurs who were 50/50 masculine/androgynous were entrepreneur 7 and 8. Entrepreneur 7 was characterized as individualistic. This was because he showed that he was

entrepreneurial in the sense that he would not want to work a large organization. Entrepreneur 6 and 8 were both competitive, which is something they showed by focusing on being best, and by being able to win. Entrepreneur 6 was also assertive, which he showed through his confidence because of the performance of his company.

*“The entire day we reminded each other that we have already won, that this was our day, that we’re killing it. It was just this, I would guess, psychological support, kind of saying, “Let’s go because we are the best.”” - Entrepreneur 6 (Sheet 5:C6)*

### Androgynous characteristics

The two entrepreneurs who showed 50/50 masculine/androgynous characteristics were entrepreneur 7 and 8, while entrepreneur 9 and 10 were predominantly androgynous. Entrepreneur 7 and 10 were both truthful. They appeared this way by being honest, and by not overselling their companies. Entrepreneur 9 was characterized as happy, because of his appearance when he has was presenting his business, since he was smiling and laughing. The same entrepreneur was also characterized as conceited, since he was acting nonchalant when he met with the investor. Entrepreneur 8 was characterized as sincere, because he was genuinely upset about the existing products, and he felt that the solution would be to simply make a better product.

*“So I think that’s what [Investor X] saw in me, is that I was genuinely upset about mobile games, and how they weren’t as good as Gameboy games, and how there really wasn’t an excuse for that, and how I felt like the solution was just to make a game that was so awesome that everyone else would be forced to try to keep up and compete.” - Entrepreneur 8 (Sheet 5:A8)*

### **Female investors that invested in female entrepreneurs**

In this situation, there were two investors that invested in female entrepreneurs. One of the investors described an entrepreneur with mostly masculine gender characteristics, while the other described an entrepreneur who was 50/50 masculine/androgynous.

### Masculine characteristics

Both of the entrepreneurs described by investor 2 and 3 showed masculine characteristics. This was because they were both acting assertive, since they appeared competent and answered questions with full confidence. In addition, the entrepreneur described by investor 3 was savvy and looked like she had it all. Investor 3 also described the entrepreneur as dominant, forceful and self-reliant. This was because she was commanding of the space when

she was presenting her business, and since she could take rejections. She was always clearly prepared for meetings, and was able to anticipate questions and give solid answers.

*“She’s somebody that was commanding of the space. So, it isn’t somebody sort of back to my earlier comments that was sort of you felt that if you asked a tough question you’re going to see in their body language that they are uncomfortable answering it. She’s somebody who is in total command of using her body language probably to the optimum return”* - Investor 3 (Sheet 6:B3)

#### Androgynous characteristics

The entrepreneur described by investor 2 was also characterized as androgynous, which she showed by being truthful. This was something she exuded by communicating her sense of beliefs, and by explaining the opportunities in terms of what the technology could do.

*“She was much more expensive in terms of being able to talk about the technology and what it could do. So, I wouldn’t say that she was optimistic, but she was positive and communicated her sense of belief and the opportunities.”* - Investor 2 (Sheet 6:C2)

#### **Female investors that invested in male entrepreneurs**

In this situation, there were three female investors that invested in male entrepreneurs. Two of the investors described entrepreneurs with masculine characteristics, while the third one described an entrepreneur who showed 50/50 masculine/androgynous characteristics.

#### Masculine characteristics

The two entrepreneurs who were described by investor 4 and 5 were characterized as masculine, and the entrepreneur described by investor 1 was 50/50 masculine/androgynous. All three entrepreneurs were described as assertive. Investor 1 described the entrepreneur as comfortable with the presentation setting, and investor 5 explained that the entrepreneur was confident, poised and analytical. Investor 4 said that the entrepreneur conveyed confidence, and described the entrepreneur as ambitious, which the entrepreneur showed by being passionate and visionary.

*“He conveyed confidence, even though we know that he hates doing pitches, I think for the other people there, the other partners, they didn’t feel that, didn’t see that. I mean you know, sometimes you’ve got to fake it. And he did.”* - Investor 4 (Sheet 6:B4)

### Androgynous characteristics

Investor 1 described the entrepreneur as 50/50 masculine/androgynous. What made the entrepreneur androgynous was that he was sincere. This is something he conveyed by showing that he was passionate about what the company was doing.

*“He really was passionate about what this company was doing, and you can imagine why somebody would be”* - Investor 1 (Sheet 6:C1)

### **Male investors that invested in female entrepreneurs**

In this situation, there was only one investor that invested in a female entrepreneur. This investor described the entrepreneur as someone with predominantly androgynous characteristics.

### Androgynous characteristics

The entrepreneur who was described by investor 9 was characterized as androgynous, because he described her as happy and likable. She showed these traits by smiling and through being charming.

*“It was that charming knowledgeable-ness. [...] It's hard to describe because she had a great smile when we talked and she was vivacious about it”* - Investor 9 (Sheet 6:C9)

### **Male investors that invested in male entrepreneurs**

In this situation, there were four investors that invested in male entrepreneurs. Three of the investors described entrepreneurs that showed mostly masculine characteristics, while one of the investors described an entrepreneur who was 50/50 masculine/androgynous.

### Masculine characteristics

The entrepreneurs who were described by investor 6, 8 and 10 were characterized as masculine, while the entrepreneur described by investor 7 was characterized as 50/50 masculine/androgynous. All of them described the entrepreneurs as assertive, which was something investor 6, 8 and 10 explained through the entrepreneurs show of confidence, while investor 7 described it in terms of how the entrepreneur radiated experience. Investor 6 also explained that the entrepreneur was defending his own beliefs, by saying that the entrepreneur was stubborn. Investor 8 also said that the entrepreneur was analytical and someone with leadership abilities.

*“They were cockier and very confident. [...] Because they felt they were giving us the opportunity to invest. And they were very confident that they would raise what they needed, and were turning away other angel groups and individuals who might have had an interest.” - Investor 10 (Sheet 6:B10)*

### Androgynous characteristics

Investor 7 characterized the entrepreneur as 50/50 masculine/androgynous, which shined through because he described the entrepreneur as conceited. This impression was a result of the entrepreneur being arrogant, and by behaving in a manner that made the investor think that the entrepreneur thought that he was better than him.

*“They radiate a certain level of, “I’m not admitting it, but I think I’m so much better than you are.” There’s a certain level of arrogance that tends to be coming through. [...] It’s always a little bit along, “I’m going to make you so much money. You should be happy that I’m talking with you.” [...] Oh, they were so convinced that they’re going to change the world.” - Investor 7 (Sheet 6:C7)*

## 4.2 Findings from direct observations

### 4.2.1 Human capital

#### **Male dominated investor group**

There were five companies pitching at the first investor meeting. Three of the entrepreneurs mentioned their industry experience, one mentioned management experience, three of them highlighted their education, and two of them mentioned startup experience. The investors asked questions or made remarks about three of the founders’ education, and about two of the company’s team member’s startup experiences. Lastly, two of the investors mentioned the industry experience of the entrepreneurs. In the following part, the use of human capital by the individual entrepreneurs is highlighted. In addition, the corresponding questions and remarks made by the investors are presented.

The female entrepreneur A1, and the male entrepreneur A2, highlighted the number of years in the industry one of the team members had. The investors asked the entrepreneurs where they had gotten their education.

Entrepreneur B started his presentation by saying that one of the co-founders had an MD/MPA, while the other had been certified in internal medicine. He said that they both went



to prestigious universities on the east coast. He also mentioned that the team had many years of industry experience, and that there were two Ph.D.s on the team. This was something the investors said that they valued, since they said that in general, the team had good credentials.

The female entrepreneur C1, and the male entrepreneur C2, started their presentation by talking about their industry experience. They also mentioned later that they had 25 years of design experience on their team. When the investors asked if the founders had designed the product, entrepreneur C2 told them his number of years of experience with industrial design, and his education as a mechanical engineer.

Entrepreneur D said that one of his team members had co-founded an app company that had a successful exit. The investors had no questions regarding the human capital. They said that they liked the entrepreneur and that he was believable, as he had good credentials.

Entrepreneur E started off the presentation by saying that the company was a spin out from MIT. She said that her team had backgrounds from Harvard Business School, that there was a postdoc at her team, and that one of her team members had startup and management experience from being CTO of a unicorn company. The first question by the investors was if the team came from MIT and Harvard, to which the answer was yes. When it came to the session after the questions, an investor made a statement about the startup experience as he believed in track records. The investors also said that they liked that she had studied at Harvard, and that one of the team members had experience in raising money. The investors did however say that they were concerned with the entrepreneur. They questioned why she should be leading the company, a concern they explained by stating that her background in the industry was short.

### **Female dominated investor group**

There were three companies pitching at the second investor meeting. All of the entrepreneurs highlighted their industry and management experience. In addition, one of the entrepreneurs highlighted the team's education, while another entrepreneur talked about her startup experience. The investors valued the industry experience of one of the entrepreneurs and the startup experience of another entrepreneur. In the following part the use of human capital by the entrepreneurs is highlighted. In addition, the corresponding questions and remarks made by the investors with regards to social capital is presented.

The female entrepreneur F1, and the male entrepreneur F2, highlighted the team members' industry and management experience. They also mentioned that the president, and the CEO

of the company had MBAs, while the vice president of the research and development department had an engineering degree. The investors made no remarks and asked no questions about the human capital of the team.

Entrepreneur G started and ended her presentation by highlighting her management experience. She stated that she had 30 years of industry experience, and that she had won prizes for her leadership. She also said that the vice president of engineering had 10 years of industry experience. The investors did not ask her any questions about the human capital of the team, but they said that they liked that she was an expert in the field.

Entrepreneur H started her presentation by saying that it was her 4th startup, that she had an MBA, and that she was an engineer. Further, she highlighted her team's startup experience in terms of how many startups they had done, the number of years with industry experience they had, as well as their management experience. The investors said that they liked the entrepreneur's startup experience, because she was a serial entrepreneur with an impressive track record.

## 4.2.2 Social capital

### **Male dominated investor group**

There were five companies pitching at the first investor meeting. Four of the entrepreneurs highlighted professional networks, two mentioned investor networks, while one mentioned a personal network. The investors made remarks about one of the entrepreneur's investor network and professional network. In the following part, the use of social capital by the individual entrepreneurs is highlighted. In addition, the corresponding questions and remarks made by the investors with regards to social capital is presented.

The female entrepreneur A1, and the male entrepreneur A2, highlighted their professional network and their personal network. They stated that the company had relations in the industry because of the team's years with work experience in the industry. They also said that they had access to a lab, because one of the founders had a roommate with a mom who ran a business in their industry. The investors made no remarks or questions regarding the social capital of the founders.

Entrepreneur B mentioned his professional network, when he said that the company had an advisory board with members with management positions in companies relevant to the

industry. The investors made no remarks or questions regarding the social capital of the founder.

The female entrepreneur C1, and the male entrepreneur C2, highlighted their professional network by giving an overview of their advisors and their backgrounds and positions. The investors made no remarks or questions regarding the social capital of the founders.

Entrepreneur D highlighted his investor network by starting off the presentation by saying that he was there because he had been brought in by two of the investors in the panel. The investors made no remarks or questions regarding the social capital of the founder.

Entrepreneur E mentioned her investor and professional network. She said that someone in the investment panel had already invested in her company. As she continued, she talked about her co-founder, and said that most of the investors probably knew him. This was because he had previously been successful in his space. She then briefly mentioned her board of directors. She also provided a list of her stakeholders, and talked about how involved the company was with all of them. The investors had no questions regarding her social capital, but they said in the post-session that they valued the entrepreneur's professional and investor network. They liked the company's relations to potential buyers in the industry, and their relations to other investors. The latter was because it made the investors feel more comfortable with investing, since it was possible to join another group's due diligence.

### **Female dominated investor group**

There were three companies pitching at the second investor meeting. One of the entrepreneur teams highlighted their professional network. The investors questioned or made remarks about the professional network of all of the entrepreneurs. In the following part the use of social capital by the entrepreneurs is highlighted. In addition, the corresponding questions and remarks made by the investors with regards to social capital is presented.

The female entrepreneur A1, and the male entrepreneur A2, talked about their professional network, more specifically about their current testing partners. This was something the investors valued, as they highlighted the value this could bring to both marketing and testing of the product.

Entrepreneur G did not highlight her social capital, and the investors did not ask about it. The investors did however value her professional network, because she was well connected to the company the startup was a spin off from.

Entrepreneur H did not highlight her social capital. The investors did not ask about her social capital, but they liked her use of her professional network. More specifically, they said that they valued how successful she had been at getting introductions, and that they liked how they used lobbyists to implement the solution. They also liked that the company was good at collaborating, which had helped them mitigate risk.

### 4.2.3 Gender characteristics

#### **Male dominated investor group**

There were five companies pitching at the first investor meeting. The following part presents the gender characteristics of the entrepreneur, and the corresponding questions and remarks made by the investor. The characteristics are based on the perceptions, and could therefore be misrepresented.

The female entrepreneur A1, and the male entrepreneur A2, alternated when they talked. The female entrepreneur started the presentation, and used her hands to explain. She talked in a medium loud voice, and stood for the most part still. The male entrepreneur also talked in a medium loud voice, and stood still. This gave the impression that they were both confident/assertive. In the question session, after the pitch, the male entrepreneur answered most of the question. He answered with confidence, and gave direct and quick answers. He had an answer to all the questions, and provided a lot of details. His way of responding made him appear dominant, and it supported the impression that he was confidence/assertive. The woman was more passive, but she tried to answer some of the questions. She was, however, interrupted by the investors, which led the male entrepreneur to take over. She talked slower than the man, and in a lower voice. The latter was commented on by the investors, as she was told to speak-up. Based on this, the female entrepreneur showed a more yielding and gentle behavior. In total, the male entrepreneur showed only masculine attributes, while the female entrepreneur showed a combination of masculine and feminine characteristics. When looking at the investor's perception, the group thought the team was sharp, and that they seemed to understand what they went after. This showed that the investors thought that they were confident/assertive and self-reliant, which are both masculine characteristics.

Entrepreneur B was a male entrepreneur. When presenting, he had a loud and confident voice. He stood still when he presented, but talked to the whole room and used his hands when he explained. He finished the presentation with a joke. Based on this behavior, he appeared confident/assertive. When he was given questions, he gave confident answers, but seemed unsure at times of what the investors were asking. He did not answer the questions

directly, and he provided a lot detail. He also spoke quite fast, and used his hands when explaining. In total, the male entrepreneur showed masculine characteristics. The investor group thought the male entrepreneur was impressive, though they also thought that he seemed a little bit too optimistic of what the company could accomplish. This showed that the investors thought the entrepreneur was ambitious, which is a masculine characteristic.

The female entrepreneur C1, and the male entrepreneur C2, alternated their talking in the presentation. Entrepreneur C1 spoke in a calm, monotonous voice with a medium volume. Her expression was serious, and she did not walk around in the room, nor did she use her hands when she was explaining. This gave the impression that she was confident/assertive and serious/solemn. Entrepreneur C2 was calm, and based on this, he appeared confident/assertive. He talked slowly with the same volume as the woman, and stood still. Based on this, the male entrepreneur gave the impression that he was gentle. Both of the entrepreneurs said they were passionate about their company, but their body language did not coincide with this characteristic. When answering questions, the male entrepreneur spoke with a less confident voice and talked in a slower pace than the female entrepreneur. This gave the impression that he was soft spoken. Both he and the female entrepreneur answered the questions with a lot of detail. The female entrepreneur did, however, answer the questions more directly and faster than the male entrepreneur. This gave the impression that she was independent. In total, the male entrepreneur showed masculine and feminine characteristics, while the female entrepreneur showed masculine and androgynous characteristics. The investor group liked the team, and also emphasized that the male entrepreneur seemed to have passion for the product. This showed that the investors thought the male entrepreneur was sincere, which is an androgynous characteristic. The investors made no remarks on the personality of the female entrepreneur.

Entrepreneur D was a male entrepreneur. When presenting, he spoke in a low and monotonous voice, and he used the room to move around. He held a glass during the presentation, and spoke in a relaxing voice, which gave the impression that he was confident/assertive. He also criticized other companies, which made him appear conceited. When answering questions, the entrepreneur answered them in an arrogant way and defended his own beliefs. In total, the male entrepreneur showed both masculine and androgynous characteristics. The investor group thought that the male entrepreneur was believable and had a high integrity, but they did not like his presentation skills, and were not satisfied with the way he answered their questions. This showed that the investors thought that the entrepreneur was defending his own beliefs, which is a masculine characteristic.

Entrepreneur E was a female entrepreneur. When presenting, she did not walk around in the room, though she moved into the center of the room after a while. She used her hands when explaining, but talked very fast. An investor commented that she had to speak-up. Her presentation did not seem well prepared, as her slides were neither updated, nor structured. This gave the impression that she was unsystematic and unpredictable. When she answered questions, she laughed and seemed insecure. This gave the impression that she was nervous and trying to hide it by showing confidence/assertiveness. In addition, she answered the questions fast and interrupted the investors in the middle of their questions. She answered the questions with some arrogance, and talked other companies down. This made her seem conceited. However, she was truthful about questions she did not know the answer to, and made sure to highlight that her team would find an answer to the questions. In total, the female entrepreneur showed masculine and androgynous characteristics. The investor group had a hard time understanding the entrepreneur, and felt she spoke too fast. They questioned her leadership abilities and did not think she was strong enough to lead, as they were disappointed in her ability to answer questions. This showed that some of the investors thought she was ambitious, but also unsystematic, which are masculine and androgynous characteristics respectively.

### **Female dominated investor group**

The female entrepreneur F1, and the male entrepreneur F2, alternated their talking. Entrepreneur F1 started the presentation, and she spoke very fast, loud and used her hands to explain. Entrepreneur F2 behaved in the same matter. Both of them stood still. Based on their presentation style, both appeared confident/assertive. The male entrepreneur showed interest in the female entrepreneur by looking at her when she presented, which showed that he respected the female entrepreneur and was showing friendly characteristics towards her. The female entrepreneur seemed a little bit nervous and serious/solemn when she spoke, and her carefulness made her appear shy. Both entrepreneurs answered the questions from the investors, and helped each other by adding on information if needed. The female entrepreneur answered most of the questions, and was eager to answer the questions. She gave direct and fast answers to the questions, which was opposite to the man who spoke in a much slower pace. In total, the female entrepreneur showed masculine, feminine and androgynous characteristics, while the male entrepreneur showed masculine and androgynous characteristics. The investor group liked the team and the way they worked together. This showed that the investors thought that the entrepreneurs were friendly and helpful, which are both androgynous characteristics.

Entrepreneur G was a female entrepreneur. She spoke with a low and calm voice, and was very careful. She did not walk around in the room, and did not use her hands when explaining, but she made sure to look at all members in the room when she spoke. Based on this, she can be characterized as gentle. She answered questions well, but sometimes she gave very long answers. In total, the female entrepreneur showed only feminine characteristics. The investor group liked that the entrepreneur could relate to the problem and that she was an expert in the field, but wondered why she had a small team and did not share the benefits in the company with them. This showed that the investors thought that the entrepreneur was ambitious and individualistic, which are both masculine characteristics.

Entrepreneur H was a female entrepreneur. When she presented, she spoke in a loud voice and made sure to look at all members in the room when she spoke. She used the room a lot when she explained, and had a lot of humor and confidence. Based on this, she appeared very confident/assertive, and ambitious about her project. The entrepreneur talked about how challenging her childhood had been because of her uninvolved parents, and that despite her tough upbringing she had managed to build several companies. This made her appear independent. When answering questions, she answered confidently that there were a lot of uncertainties. She was not able to answer all the questions with certainty and gave a lot of excuses. In addition, she made a few jokes which emphasized her confident attributes, but also her cheerful traits. In addition, she showed that she was truthful. In total, the female entrepreneur showed masculine, feminine and androgynous characteristics. The investors from the investor group thought the entrepreneur seemed smart, and liked her team and the fact that she had worked with them before. They did however think that she buried some of the issues the investors were addressing. This showed that the investors thought that the entrepreneur was ambitious, showed leadership abilities, but that she was also secretive. Based on these remarks, the investors characterized the entrepreneur as both masculine and androgynous.

# Chapter 5: Analysis

The following chapter presents the analysis of the triangulated data. The analysis is based on the separate analysis of each data sources, interviews and direct observations, which are presented in appendix F and G. Appendix I gives the overview of the comparisons tables and calculations of gender characteristics used in these analyses.

The data in this chapter follows the structure presented in chapter 3, section 3.6.3, and an overview of the triangulated data tables can be found in appendix J. This chapter forms the basis for the discussion chapter, chapter 6, where pattern matching technique has been applied (Yin, 2003).

## 5.1 Human capital

### 5.1.1 Female entrepreneurs and investors

Female entrepreneurs in connection to male investors were in overall agreement that education was important, but they were split in half in terms of the importance of startup, management and industry experience.

The women who presented in front of the male dominated investor group, and those who received investments from male investors, were in total agreement with each other that education and management experience were important, but they were split in half in terms of the importance of startup and industry experience. The investors from the male dominated investor group, and those who gave investments to female entrepreneurs, were in total agreement with each other that management experience was not important, but were split in half in terms of the importance of education, startup and industry experience.

By taking the sum of perceptions from the entrepreneur side, and comparing it to the sum of perceptions on the investor side, there were many mixed opinions. Entrepreneurs and investors were both split in half with regards to their thoughts about the importance of startup and industry experience, but there was an agreement around management experience. Though the entrepreneurs found it important, and the investors found it to be not important, there was at least a consensus in the perceptions between the entrepreneurs and between the investors.



Female entrepreneurs in connection to female investors were having mixed thoughts about the importance of education, startup, management and industry experience. The investors from the female dominated investor group, and those who gave investments to female entrepreneurs, were split in half in terms of the importance of education, and had mixed feelings about the importance of startup, management and industry experience. By taking the single source of perceptions from the entrepreneurs' side, and comparing it to the sum of perceptions on the investors' side, there were many mixed opinions. This made it difficult to draw generalized conclusions for this comparison.

### 5.1.2 Male entrepreneurs and investors

Male entrepreneurs in connection to male investors were split in half in terms of the importance of management experience, and there were mixed opinions in terms of the importance of education, startup and industry experience.

The men who presented to the male dominated group, and those who gave investments to male entrepreneurs, were split in half in terms of the importance of management experience, and had mixed feelings about the importance of education, startup and industry experience. The investors from the male dominated investor group, and those who gave investments to male entrepreneurs, were also split in half in terms of the importance of management experience, and had mixed opinions about the importance of education, startup and industry experience.

By taking the sum of perceptions from the entrepreneur side, and comparing it to the sum of perceptions on the investor side, there were many mixed opinions, but also an agreement around management experience. Though entrepreneurs and investors from the interviews found it important, while the entrepreneurs and investors from the direct observations did not, there was at least a consensus in the perceptions between the entrepreneurs and investors from the interviews, and between the entrepreneurs and investors from the direct observations.

Since there was only one source of perceptions from male entrepreneurs in connection to female investors, it was not possible to draw any generalized analytical conclusions.

### 5.1.3 Female and male entrepreneurs

Female entrepreneurs were in overall agreement that industry experience was important, but they were split in half in terms of education, startup and management experience. Male entrepreneurs were split in half in terms of the importance of management experience, and the opinions were mixed in terms of education, startup and industry experience.

By taking the sum of perceptions from the male entrepreneurs and the sum of perceptions from the female entrepreneurs, there were mixed opinions, but also an agreement around management experience. Though entrepreneurs from the interviews found management experience important, while the entrepreneurs from the direct observations did not, there was at least a consensus in the perceptions between the female and male entrepreneurs from the interviews, and between the female and male entrepreneurs from the direct observations.

## 5.2 Social capital

### 5.2.1 Female entrepreneurs and investors

Female entrepreneurs in connection to male investors were in overall agreement that investor networks were needed to connect, and that university and personal networks were useful in order to gain access to other resources. Their opinions of the professional and startup networks were on the other hand split in half, in terms of whether they were used to connect or to gain access to resources. The female entrepreneurs who pitched to the male investors, and the female entrepreneurs who received investments from male investors, agreed that the university networks were useful to gain access to resources. They had mixed opinions with regards to how they used their investor networks, and were split in half in how they used their professional and startup networks. The investors from the male dominated investor group, and those who gave investments to female entrepreneurs, were also split in terms of whether they described the entrepreneurs use of professional and startup networks to connect or to gain access to resources. By taking the sum of perceptions from the entrepreneur side, and comparing it to the sum of perceptions on the investor side, there were many mixed opinions. Entrepreneurs and investors were split in half with regards to how they used their startup and professional network, but there was an agreement in their thoughts around how they used their university and personal networks. In fact, there was a consensus among entrepreneurs and investors in using these networks to collect resources, opposed to using it to connect.

Female entrepreneurs in connection to female investors disagreed about what networks were needed to connect with investors. There were, however, an agreement that university, professional, personal and startup networks were useful in order to gain access to resources. The investors from the female dominated investor group, and those who gave investments to female entrepreneurs, were split in half in terms of how they described the entrepreneurs' use of investor networks, and they had mixed remarks about how the entrepreneurs used their professional network. By taking the single source of perceptions from the entrepreneurs' side, and comparing it to the sum of perceptions on the investors' side, there were many mixed opinions of the use of professional networks. There was however a consensus around how they used their university, personal and startup network, and split opinions regarding the use of investor networks.

### 5.2.2 Male entrepreneurs and investors

Male entrepreneurs in connection to male investors were in overall agreement that the investor networks were needed both to connect and to get access to resources, and that university, personal, professional and startup networks were useful in order for the entrepreneur to gain access to other resources. The male entrepreneurs who pitched to the male investors, and the male entrepreneurs who received investments from male investors agreed that the investor networks were needed both to connect and to get access to resources. They were split in half in terms of how they used their startup networks, and there were mixed opinions on how they used their university and personal networks. The investors from the male dominated investor group, and those who gave investments to male entrepreneurs, agreed on the use of professional networks, but were split in terms of whether they described the entrepreneurs use of investor networks. By taking the single source of perceptions from the entrepreneur side, and comparing it to the sum of perceptions on the investor side, there were many mixed opinions. This made it difficult to draw generalized conclusions for this comparison.

Since there was only one source of perceptions from male entrepreneurs in connection to female investors, it was not possible to draw any generalized analytical conclusions.

### 5.2.3 Female and male entrepreneurs

Female entrepreneurs were in overall agreement that university and professional networks were useful to gain access to resources, while they were mixed in how they used their investor networks, and split in half in terms of how they used their startup networks. Male entrepreneurs were in overall agreement that the investor networks were needed to get access to resources

and to connect with investors, mixed in their use of university and personal networks, and split in half in terms of how they used their startup networks. By taking the single source of perceptions from the entrepreneur side, and comparing it to the sum of perceptions on the investor side, there were many mixed opinions. Though entrepreneurs from the interviews found startup networks useful to connect, and the entrepreneurs from the observations found them useful to collect resources, there was at least a consensus in the perceptions between the female and male entrepreneurs from the interviews, and between the female and male entrepreneurs from the direct observations.

## 5.3 Gender characteristics

### 5.3.1 Female entrepreneurs and investors

Female entrepreneurs in connection to male investors were in overall agreement that they displayed mostly androgynous attributes. The women who presented to the male dominated investor group, and those who received investments from male investors, were in total agreement with each other in their perception that they displayed mostly androgynous characteristics. The investors from the male dominated investor group, and those who gave investments to female entrepreneurs, were however not in agreement with each other, and thought they displayed masculine and androgynous attributes respectively. This means that investors from the male dominated investor group, had perspectives that deviated from the rest of the data.

Female entrepreneurs in connection to female investors were in overall agreement that they displayed mostly masculine attributes. The investors from the female dominated investor group, and those who gave investments to female entrepreneurs, were however partly in agreement, and felt they displayed both masculine and androgynous, and masculine attributes respectively. This means that investors from the female dominated investor group, had perspectives which deviated from the rest of the data.

### 5.3.2 Male entrepreneurs and investors

Male entrepreneurs in connection to male investors were in overall agreement that they displayed mostly masculine attributes. The men who presented in front of the male dominated investor group, and those who received investments from male investors, were however in partial agreement with each other in their perception that they displayed mostly masculine characteristics, and that they displayed masculine, and masculine and androgynous attributes respectively. This means that the entrepreneurs who talked about investments from male

investors in the interviews, had perspectives that deviated from the rest of the data. The investors from the male dominated investor group, and those who gave investments to male entrepreneurs, were in total agreement with each other in their perception that they displayed mostly masculine attributes.

Male entrepreneurs in connection to female investors were in overall agreement that they displayed mostly androgynous attributes. The investors from the female dominated investor group, and those who gave investments to male entrepreneurs, were however not in agreement with each other, and felt they displayed androgynous and masculine characteristics respectively. This means that investors from the female dominated investor group, had perspectives which deviated from the rest of the data.

### 5.3.3 Female and male entrepreneurs and investors

Female entrepreneurs were in overall agreement that they displayed mostly androgynous attributes. The women who presented in front of the investor groups, and those who talked about investments they received in the interviews, were however in partial agreement with each other in their perception that they displayed mostly androgynous attributes, and felt they displayed androgynous and masculine, and androgynous attributes respectively. This means that the entrepreneurs who presented to the investor groups, had perspectives that deviated from the rest of the data.

Male entrepreneurs were in overall agreement that they displayed mostly masculine attributes. The men who presented in front of the investor groups, and those who talked about an investment they received in the interview, were however in partial agreement with each other in their perception that they displayed mostly masculine attributes, and felt they displayed masculine, and androgynous and masculine attributes respectively. This means that the entrepreneurs who talked about an investment they had received in the interviews, had perspectives that deviated from the rest of the data.

# Chapter 6: Discussion

The following chapter presents the discussion concerning human capital in section 6.1, social capital in section 6.2, and gender characteristics in section 6.3. The discussion is based on the triangulated data presented in chapter 5. Theory from human capital, social capital and gender characteristics was used to compare empirical data with predicted data, while theory from the expectation state theory and gender role theory was applied to explain differences in responses. Only the clearest data has been discussed in order to apply theory from the theoretical framework and literature. This means that answers where there were mixed opinions about the human capital factors and split opinions about networks that were used to both connect and to collect resources, have not been commented on. An overview of the clearest data can be found in appendix J, and is called aggregated data overview.

## 6.1 Human capital

As a reminder, the first research question was: how important are female and male entrepreneurs' skills from experience and education (human capital) perceived, in access to equity financing? The discussion below provides an answer to this question.

### 6.1.1 General overview

When looking at all the data in the aggregated data overview in appendix J, an interesting observation can be seen. Female entrepreneurs, and investors connected to them, showed clearer opinions regarding the different human capital factors. Male entrepreneurs and investors connected to them, only showed clear opinions about management experience.

A possible explanation to why there are more clarity regarding evaluation of management experience, could be because this human capital factor is necessary to have when building a new company. Education, industry experience and startup experience are less necessary because these factors give knowledge that can be taught over a duration of time. To know how to lead a team to success, becomes crucial from the start. Female entrepreneurs, and investors connected to them, could have clearer opinions because they are more observant of what is expected of them. This could be because gender is a diffuse status characteristic, which contributes to anticipate the quality of the task performance. This means for example that men are assumed to be more competent at most things. This connects well with status beliefs, which evaluate a group to have higher competence. In other words, men seem to get a lot for "free" because of their gender, while women are burdened by it. The latter is referred

to as the burden of proof assumption, and can be found in status characteristics theory. This assumption explains that a salient status characteristic, such as gender, affect the expectations people have to the performance (Correll & Ridgeway, 2006). To summarize, women have to prove they are “worthy” to a higher extent than men, because of their gender.

Importance of education, startup and industry experience, can be investigated on a deeper level with the data from female entrepreneurs, and investors connected to them, because they showed clear opinions about these factors. Since male entrepreneurs, and investors connected to them, have little consensus, it is difficult to investigate the different perspectives. Management experience will however, be discussed on a deeper level with the data from both female and male entrepreneurs, and investors connected to them. The following parts will therefore first present perceptions and draw parallels about education, industry and startup experience, based on data from female entrepreneurs and investors connected to them. While management experience will be discussed afterwards, based on data from both female and male entrepreneurs and investors connected to them.

### 6.1.2 Education

Female entrepreneurs that received investments from male investors thought that education was important, while the investors were split in half in their opinions. In order to understand why there are differences, the two perspectives must be presented and compared, i.e. those who find it important and those who are split in their opinions. Explanation of perspectives from female entrepreneurs and investors, were combined in the “education is important” part because they are assumed to match each other.

#### **Education is important**

A possible explanation for why female entrepreneurs and the investors considered education to be important could be because the specific status characteristics, education, is associated with competency levels. This is due to cultural beliefs, and connects well to status beliefs which evaluate a group to have higher competence (Correll & Ridgeway, 2006). This means that educated people are viewed as more competent than others. Female entrepreneurs and investors, could therefore consider education to be important in the investment process because they might be perceived/perceive entrepreneurs as more competent. This could help the entrepreneurs gain access to equity financing, and the investors to open up for investments opportunities. This argument is supported by Jiang et al. (2012) who found that female entrepreneurs highlighted their education to gain credibility.

Other reasons for why they find it important could be explained by the salience assumption and the fifth assumption in status characteristics theory. Education can be a socially significant for the actors, and can therefore affect performance expectations positively. It can also help entrepreneurs with obtaining more expectations for themselves, which could affect them to accept more opportunities (Correll & Ridgeway, 2006). This argument is indirectly supported by Forbes (2005), who stated that financial providers got better impressions of entrepreneurs with high levels of education, because it provided them with knowledge that made them efficient in seeking opportunities, and in gathering and analyzing data. It has also been found that several years of education in management and economics increases the probability of obtaining investments (Colombo & Grilli, 2009), and that higher levels of education have a positive impact on the chance of obtaining equity financing (Carter et al., 2003).

### **Education is not important**

A possible explanation for why some investors think that education is not important could be because of stereotypes, which comes from assumptions based on activities men and women perform (Eagly & Karau, 2002). This means there could be stereotypes about the type of education female entrepreneurs have, which perhaps do not match with education male investors prefer. Since these stereotypes can influence other people's perceptions (Balachandra et al., 2017), male investors could already have expectations that female entrepreneurs' education is not relevant, before even meeting the entrepreneur. If they already believe it is not relevant, they might also think it is not important in the investment process. This is supported by the literature, because investors have been found to value educational backgrounds from business, science and engineering (Carter et al., 2003), which are fields where it is less likely to find women. The tendency is that women often obtain educational degrees in liberal art, opposed to the fields valued by investors (Brush, 1992).

### Drawing parallels

When comparing the two perspectives, one can see that the importance of education is explained by what it provides/show, and how it is met by other people. To elaborate on this, one sees that education becomes important because it contributes to paint a picture that the female entrepreneur is knowledgeable. On the other side, women are met with expectations that they do not have the relevant education, and it can therefore be considered to be not important.



### 6.1.3 Industry and startup experience

The findings from industry and startup experience are identical. More specifically, female entrepreneurs that received investments from investors, when disregarding the gender of the investor, thought that industry experience was important. Female entrepreneurs that received investments from male investors, and male investors who invested in female entrepreneurs, were however split in half in their opinions. In order to understand why there are differences, the two perspectives must be presented and compared, i.e. those who find it important and those who are split in their opinions. Explanation of perspectives from female entrepreneurs that received investments from male investors and investors in general, and perspectives from male investors who invested in female entrepreneurs, were combined in the “industry/startup experience is important” part. This is because their arguments are assumed to match each other.

#### **Industry experience is important**

A possible explanation for why some female entrepreneurs and male investors considered industry experience to be important, could be because specific status characteristics, relevant industry experience, could help the investor anticipate the quality of the task performance. Other reasons for why they found it important, could be explained by the salience assumption in status characteristics theory, where industry experience can be socially significant for the actors, and affect performance expectations positively (Correll & Ridgeway, 2006). This is supported in the literature, as studies have shown that industry experience has helped entrepreneurs become industry experts, which has contributed to get people to trust them with information and referrals (Roomi, 2012). Lastly, they might think it is important because it counteracts with the burden of proof assumption, which says that a salient status characteristic, such as gender, affect performance expectations (Correll & Ridgeway, 2006). This argument is supported by Jiang et al. (2012), who found that female entrepreneurs had to tell investors about the number of years with industry experience they had in order to gain credibility.

#### **Industry experience is not important**

A possible explanation for why some female entrepreneurs and male investors think it is not important could be because of stereotypes connected to occupations. People often have expectations for what occupation is appropriate for men and women, which mark an occupation as feminine or masculine (Balachandra et al., 2017). This means that in cases where women have industry experience that is connected to a masculine occupation, the attributes expected in the role, do not match with the expected attributes of the gender. Since

women are connected to communal attributes (Eagly & Karau, 2002), they are not expected to have the relevant experience. If they already believe it is not relevant, they might also think it is not important in the investment process. The argument that women are not expected to have the relevant industry experience is supported in the literature. Investors have been found to prefer industries like agriculture, finance, real estate, construction and insurance, which matches well with the experiences a man is most likely to have (Brush, 1992). It does, however, not match the preferred industries of women, which are service and retail (Greene et al., 2001). In addition, research indicates that not only do women engage in less preferable industries, but they are also more likely to interrupt their careers more frequently and thereby gain less industry experience than men (Carter et al., 1997).

### **Startup experience is important**

A possible explanation for why some female entrepreneurs and male investors consider startup experience to be important, could be explained by the sequencing assumption in status characteristics theory. If the female entrepreneurs have performed well in their previous ventures, the performance expectations will be transferred to their new settings (Correll & Ridgeway, 2006). This can benefit the entrepreneurs because it can give them credibility among investors. This finding is supported in the literature, as others have found that investors value startup experience (Greene et al., 2001). The entrepreneur can gain tacit knowledge, which can further help in strategic decision making, in deployment of resources, in identifying opportunities from startup experience, which can contribute to investors' decisions to invest (Patzelt, 2010). In fact, research has shown that higher levels of investments are associated with prior startup experience (Coleman & Robb, 2009).

### **Startup experience is not important**

A possible explanation for why some female entrepreneurs and male investors think it is not important could be because of stereotypes connected to occupations. People have often expectations for what occupation is appropriate for men and women, which mark an occupation as feminine or masculine. Entrepreneurship is for instance marked as a masculine occupation (Balachandra et al., 2017). Since women are expected to have communal attributes (Eagly & Karau, 2002), the expected attributes in the role do not match with the attributes women have. This could mean that they do not believe they have the necessary attributes to be entrepreneurial, which might also make them think that having startup experience is not important in the investment process. The assumption that women are not expected to have startup experience is backed by studies on women's participation in entrepreneurship. Women have been found to start fewer businesses (Carter et al., 1997), have less resources when they start (Coleman & Robb, 2009), and are less likely to have been

part of startup companies characterized by high growth (Carter et al., 1997). In addition, women are more likely to start companies within the retail or service sector (Birley et al., 1987), which are industries less valued by male investors (Brush, 1992).

#### Drawing parallels

When comparing the two perspectives, one might see that the importance of industry/startup experience by what it provides/show, and how it is met by others. To elaborate on this, one can see that industry/startup experience becomes important, because it contributes with showing that the female entrepreneur has relevant skills. In contrast, women are met with expectations about attributes they have, based on their gender, and these do not match with attributes which are expected from people in the role as an entrepreneur. Industry/startup experience can therefore be considered to be less important.

### 6.1.4 Management experience

Female entrepreneurs that received investments from male investors thought that management experience was important, while male investors who invested in female entrepreneurs did not. Male entrepreneurs who received investments from male investors, male investors who invested in male entrepreneurs, as well as male and female entrepreneurs who received investments from investors, were split in half in their opinions. In order to understand why there are differences, the three perspectives must, therefore, be presented and compared. More specifically, comparisons must be made about those who found it important, not important and those who were split in their opinions.

#### **Management experience is important**

A possible explanation for why some of the female entrepreneurs found management experience important, could be because it forms behavioral interchange patterns. When the female entrepreneur has previous management experience, she might act as if she has a higher status. This could lead to beliefs that she deserves a higher status (Correll & Ridgeway, 2006), which could benefit her in an investment process. Other reasons for why they found it important, could be explained by the sequencing assumption in status characteristics theory. If the female entrepreneur has been a good leader before, the performance expectations will be transferred to her new setting as a nascent entrepreneur (Correll & Ridgeway, 2006). This finding is in agreement with existing literature, as scholars have found that management experience increases the probability of receiving investments (Colombo & Grilli, 2009).

A possible explanation for why some male investors and male entrepreneurs find management experience to be important, could be explained by the sequencing assumption in status characteristics theory. If a male entrepreneur has been a good leader before, the performance expectations will be transferred to his new setting as a nascent entrepreneur (Correll & Ridgeway, 2006). This could benefit him in an investment process because it shows that he can lead a team to success. This is supported by Muzyka et al. (1996), who found that management experience was directly linked to receiving investments, as it showed the entrepreneur's leadership potential.

### **Management experience is not important**

A possible explanation for why male investors did not think management experience was important for female entrepreneurs, could be because expectations are linked to descriptive norms/stereotypes. These stereotypes come from connecting gender to certain activities and the attributes needed to perform these activities (Eagly & Karau, 2002). Since the expected attributes in a leadership role are agentic (Balachandra et al., 2017), female entrepreneurs' characteristics do not match with this, because they are expected to have communal attributes (Eagly & Karau, 2002). The finding that management experience is not important is supported by Carter et al. (2003), who did not find any correlation between management experience and access to equity financing. Another reason could also be that male investors do not expect women to have management experience. This is simply because female business owners are less likely to have had any prior managerial experience (Boden & Nucci, 2000).

A possible explanation for why some female entrepreneurs found management experience to be not important in the investment process, could be because of gender role congruity theory. A female entrepreneur is expected to have communal attributes, but since characteristics for a leadership role are agentic, investors could react negatively (Balachandra et al., 2017). This could potentially hurt the entrepreneur in the investment process, and affect her to think that management experience is not important. This is supported by the burden of proof assumption in status characteristics theory. In this assumption, gender is a salient status characteristic, which is said to affect performance expectations (Correll & Ridgeway, 2006). This means that women are burdened by expectations because of their gender. The fact that many of the female entrepreneurs did not think management experience was important, could also be in accordance with Stevenson (1986) who found that many women obtained their first management experience when they were running their own venture.

A possible reason for why some male investors and entrepreneurs did not find management experience to be important for male entrepreneurs, could be because of stereotypical

occupations. Since a leadership role is considered to be a masculine role (Balachandra et al., 2017), and men are connected to agentic attributes, men are stereotyped to have the attributes needed to perform the activity (Eagly & Karau, 2002). This is supported by the diffuse status characteristics, gender, which is associated with competency levels. This is due to cultural beliefs, and connects well with status beliefs, which evaluate a group to have higher competence (Correll & Ridgeway, 2006). This means that men are viewed as more competent than others because of their gender. These arguments can also be supported by the burden of proof assumption from status characteristics theory, where a salient status characteristic, such as gender, affect performance expectations (Correll & Ridgeway, 2006).

To summarize these arguments, male investors and entrepreneurs could find management experience to be not important because they are already expected to have the necessary attributes for a leadership role, and their gender gives expectations that they are already competent at things.

#### Drawing parallels

When comparing female entrepreneurs who received investments from male investors, with male investors who invested in female entrepreneurs, one might see that the importance of management experience is explained by what it provides/show, and how it is met by others. To elaborate on this, one can see that management experience is important, because it contributes to paint a picture that female entrepreneurs know how to lead teams to success. In contrast, women are met with expectations to their attributes based on their gender, which do not match with attributes expected to have in the role.

When comparing female entrepreneurs with each other, explanations show indecisiveness about whether management experience is a positive or negative attribute. Management experience can be important because it helps entrepreneurs gain confidence in themselves, and prove to investors that they can lead their team to success. On the other hand, having management experience can also be perceived with negative reactions, because the attributes women have, do not match with the attributes expected in a managerial role.

When comparing male entrepreneurs with each other, explanations show indecisiveness about whether or not it is a necessary attribute to have. Management experience can be good to have, because it proves to investors that they can lead their team to success. On the other hand, because of their gender, male entrepreneurs are given a lot for “free” and do not necessarily have to prove that they need this type of experience.

When comparing male entrepreneurs with female entrepreneurs, the results are perhaps not too surprising. The data correlates well with diffuse status characteristics in expectation states theory, where cultural beliefs associate gender with competency level (Correll & Ridgeway, 2006). It also correlates well with stereotypes in gender role theory, where there are assumptions based on activities men and women should perform, and attributes needed to perform these activities (Eagly & Karau, 2002). Despite having equal explanations for why management experience is important in the investment process, there are significant differences for why it is not. Findings show that men benefit from their gender, and the attributes connected to it. Women, on the other hand, are instead burdened by it, and the attributes which are connected to it. This finding correlates well with existing literature concerning how human capital is evaluated. Researchers have found human capital to be evaluated differently for female and male entrepreneurs with the same human capital (Brush et al., 2017a). Also, women are held to a higher standard of competence than men, because they must give clearer evidence of their abilities compared to men (Eagly & Carli, 2003).

## 6.2 Social capital

As a reminder, the second research question was: how do female and male entrepreneurs perceive their use of social networks (social capital), in access to equity financing? The discussion below provides an answer to this question.

### 6.2.1 General overview

When looking at the data presented in the aggregated data overview in appendix J, an interesting observation can be seen. Female entrepreneurs, and investors connected to them, took advantage of their networks to a higher extent, than male entrepreneurs and investors connected to them.

A possible explanation of this could be found in gender role theory and expectation state theory. Expectations are often linked to role, where one of the roles is known as stereotypes. These expectations constitute thoughts about activities, and the attributes needed to conduct these activities, for men and women (Eagly & Karau, 2002). The result of having these expectations is that certain activities become marked as feminine and masculine. An example of an activity could be entrepreneurship, where attributes associated with success in this activity, are characterized as masculine (Balachandra et al., 2017). These attributes are also called agentic, and since women are not connected to communal attributes (Eagly & Karau, 2002), the expectations to female entrepreneurs' attributes and role do not match. This means that female entrepreneurs could be burdened by their gender, even though gender does not

affect the performance of the task. This is referred to as the burden of proof assumption in expectation states theory (Correll & Ridgeway, 2006). Female entrepreneurs might therefore use their network to a higher extent than men, because they need to overcome stereotypes connected to their occupation, and expectations connected to their gender.

Nevertheless, having communal attributes might not be considered as all negative within entrepreneurship. In fact, it could give reasons for why women use their network more than men. Since communal attributes could for instance be helpful, gentle, or kind, it can give an impression that the entrepreneur is more approachable. This might have a positive effect on her network, and lead to more opportunities, which could explain why women would use their networks to a higher extent than men.

When looking at this finding in comparison to findings from the literature, it is a little surprising that women use their networks to a higher degree than men. As women have been shown to have lower levels of trust in people they do not know (Farr-Wharton & Brunetto, 2007), they are more likely to confide in their personal relations, opposed to using multiple networks (Kim & Aldrich, 2005). This is supported by Marsden (1987), who found that women used their personal networks, or more specifically their families, to discuss important matters. Men have on the other hand been found to prefer networks with many weak ties (Kim & Aldrich, 2005). They therefore tend to nominate individuals from a wide variety of networks, other than their personal networks, as people they discuss important matters with (Marsden, 1987).

In general, it seems that the networks are mostly used to collect resources, more than they are used to connect. The university and personal network were for instance, only used to collect resources. The entrepreneurs, and investor connected to them, said that the entrepreneurs used their professional, startup, university, personal networks to collect resources. The investors did, however, say that the entrepreneurs used the investor network mostly to connect. The following parts will present perceptions and draw parallels concerning the use of investor, university, personal, professional and startup network.

### 6.2.2 Investor network

The majority of female entrepreneurs used their investor network to collect resources, while the majority of investors who talked about female entrepreneurs, said that they used it to connect. This shows that there is a mismatch in how entrepreneurs and investors felt the entrepreneurs used the network.

In order to understand why there is a difference, one would have to first investigate reasons for why female entrepreneurs think they can not connect through the investor network. As mentioned, there are stereotypes concerning the entrepreneurship occupation, as well as the necessary attributes to be a successful entrepreneur. This could create a barrier for female entrepreneurs to connect through the investor network. The finding that women do not connect through investor networks is also supported by the literature. Other scholars have found that even though women have large networks, they are unlikely to have direct ties to the investment community (Brush et al., 2004). In addition, Tinkler et al. (2015) found that men and women with the same human capital had comparable career positions, but that women were excluded from the most resourceful networks despite their positions. This is further supported by research, which has shown that women face barriers to connect to networks dominated by men, such as the investor network, which is sometimes referred to as the “old boys club” (Jiang et al., 2012).

When it comes to investors, a possible explanation for why they thought that the entrepreneurs they talked to connected through their investor network, might be due to behavioral interchange patterns. These patterns are formed because they might meet entrepreneurs with higher status behaviors (Correll & Ridgeway, 2006). By diving further into the data, it seemed like the female entrepreneurs connected to female investors used the network to collect resources, while those who were connected to male investors used it to connect. Both male and female investors talked mostly about how the network was used to connect, though there were a few female investors who talked about how it had been used to collect resources. This shows that there are differences in perceptions between the entrepreneurs and the investors. The finding that investors used their investor networks to connect with entrepreneurs is supported by the literature. The investor network is described as highly interconnected, and investors have been found to share knowledge about promising investment opportunities among each other (Bygrave, 1988). This is further supported by Carter et al., (2003), who found that investors invest in people whom they already know, or entrepreneurs who have been recommended to them. This tendency is confirmed by research, which has shown that there is a high degree of cross-referrals between investors, and that having an overlapping network with an investor increases the chances of gaining equity funding (Tyebjee & Bruno, 1984).

When it comes to the male entrepreneurs, it seems that male entrepreneurs do not use their investor network to connect, nor to collect resources. A possible explanation for this could be because of their gender. It is known that this salient status characteristics burdens women, but benefits men. This means that a woman might feel less entitled to obtain a reward, while



a man might feel the opposite (Correll & Ridgeway, 2006). If applying this in the setting of social networks, one might say that men think they should be connected by the investors because of performance expectations. This could affect their engagement in reaching out themselves.

Investors, on the other hand, said that male entrepreneurs used the network to connect. An explanation of this mismatch could come from behavioral interchange patterns, where investors might “sense” the male entrepreneurs’ expectations of social rewards, as explained earlier. This could create patterns where the investors behave as if they have a lower status than male entrepreneurs (Correll & Ridgeway, 2006). This explains why they would think that the entrepreneurs used their investor network to connect. There were however some differences in perceptions between the investors. Most male and female investors talked about male entrepreneurs who used it to connect, through some male investors talked about it in terms of collecting resources. As previously noted, literature shows that investors commonly use their investor network to connect with entrepreneurs, as there is a high degree of cross-referrals among investors (Tybee & Bruno, 1984). As the investment industry is described as overwhelmingly male (Brush et al., 2002), and research has shown that men have mostly men in their networks (Aldrich et al., 1989), the finding that investors connect with male entrepreneurs through the investor network is not surprising.

### **Drawing parallels**

When comparing the overall results, there seemed to be an agreement between investors who invested in female entrepreneurs and male entrepreneurs. The entrepreneurs, on the other hand, seemed to be affected by social rewards and stereotypes, which could explain why there were no similarities between them and the investors. As for the investors, who talked about entrepreneurs using the network to connect, there seemed to be behavioral interchange patterns that affected the situations. By digging deeper into these patterns, one might say that an underlying reason why these high-status and low-status behaviors occur, could be because of status beliefs. Investors might evaluate entrepreneurs as more competent than other groups (Correll & Ridgeway, 2006), which could affect their perception that entrepreneurs use their investor networks to connect.

### 6.2.3 University and personal network

Female entrepreneurs that received investments from both male and female investors used their university and personal network to collect resources. This corresponds well with male and female investors who talked about female entrepreneurs. This means that there is an agreement in perceptions between entrepreneurs and investors.

One could ask why they would not use these types of networks to connect, and a possible answer to this could come from status beliefs. As status beliefs evaluate a group to be more competent than others (Correll & Ridgeway, 2006), one could speculate that the entrepreneurs do not believe that their university and personal network can provide good connections. As for using it to collect resources, one might say that a reason could be that they provide positive status characteristics. An example of this salience assumption, could be for instance knowledge from a specific education (Correll & Ridgeway, 2006). This argument could also be used to give reasons for why the investors felt that the entrepreneurs used their university and personal network to collect resources and not to connect. The fact that women used these networks to gain access to resources, is in correspondence with studies on entrepreneurial networks. Kickul et al. (2007) found that using both personal and more formal networks, such as the university network, increased the entrepreneurs' chances of growing their businesses. The fact that women used their personal network to collect resources is also of no surprise, as the literature states that women prefer strong ties with emotional intensity, which makes them more likely to confide in personal networks (Kim & Aldrich, 2005).

Only male entrepreneurs who received investments from male investors, used the university and personal network to collect resources. The perceptions investors had, corresponds well with this. These perceptions were, however, only represented by male investors who invested in male entrepreneurs. Nevertheless, there is agreement between entrepreneurs and investors. Reasons for why these perceptions exist could be explained with the same arguments used about female entrepreneurs and investors connected to them. When looking at why they talked about their personal networks, this finding is a little surprising, as men have a tendency of having networks with many weak ties (Kim & Aldrich, 2005), and they therefore normally do not highlight their personal networks. In fact, they tend to nominate more non-kin as people with whom they discuss important matters (Marsden, 1987). Research does, however, show that successful entrepreneurs have increased their chances of growing their businesses by using both personal and formal networks to gain access to resources (Kickul et al., 2005). This supports the finding that men use both the university and the personal network.

### **Drawing parallels**

There seems to be an agreement between the entrepreneurs and the investors in using the university and personal network to collect resources. Both entrepreneurs and investors could be affected by status beliefs, which prevent them for talking about using the network to connect, and the salience assumption, which could affect them to use it to collect resources.

### **6.2.4 Professional and startup network**

The majority of female entrepreneurs, and investors who talked about female entrepreneurs, said they used their professional and startup network to collect resources. This shows there is a match in how entrepreneurs and investors felt they used these networks. As for why they would not use these networks to connect, one might think that status beliefs could have an effect, as mentioned in the university and personal network part. Besides this, one could also speculate that it could be the networks themselves that create barriers based on stereotypes and burden of proof, as mentioned in the beginning of the chapter. If people in the professional and startup networks do not believe the female entrepreneurs have what it takes to be successful, they might not believe it is worth to provide them with introductions.

To explain why female entrepreneurs would use the networks to collect resources, one might use the argument about status beliefs again, but to the entrepreneurs' advantage. If the professional and startup network is viewed as more competent than other groups, the entrepreneurs might think they should take advantage of them to collect resources. The finding that the female entrepreneurs used their startup and professional networks to collect resources corresponds with the literature on entrepreneurial networks. A substantial body of research has shown that entrepreneurs are more likely than others to have contact with other entrepreneurs, and that they use these connections to get resources such as business contacts, social support and entrepreneurial knowledge (Klyver & Grant, 2010). It should however be noted that women entrepreneurs are expected to have fewer direct connections to successful entrepreneurs who have acquired equity financing than men (Brush et al., 2014).

To explain why the investors talked about entrepreneurs that used the networks to collect resources, one could argue that the sequencing assumption in expectation state theory might had an effect. The investors could have performance expectations about female entrepreneurs, because their expectations from previous settings were transferred to new settings (Correll & Ridgeway, 2006). This could for instance be the entrepreneur's ability to collect resources in a previous setting. By diving deeper into the data, it seems that female entrepreneurs connected to both female and male investors, used the network to collect

resources, though a few entrepreneurs, who had received investments from male investors, talked about it to connect. In contrast, both male and female investors talked about how the network was used to collect resources, though a few male investors talked about how it was used to connect. This shows that there are differences in perceptions between entrepreneurs and investors. The finding that the investors talked about the resources the entrepreneurs gained from their startup and professional networks are in correspondence with findings from existing literature. Other scholars have found that investors gain confidence in the entrepreneurs when they have relevant social ties, such as professional relations and connections to other entrepreneurs. This is because it makes the investor perceive them as more trustworthy and more competent than those without (Tinkler, 2015).

When it comes to male entrepreneurs, it seems that no male entrepreneur used their professional or startup network to connect or collect resources. Investors, on the other hand, seem to talk about the entrepreneur using these networks to collect resources. This is however, only represented by male investors. To give explanations for these perceptions, one could use the same arguments as presented when talking about male entrepreneurs and investors connected to them in the investor network. With regards to the match with existing research, it is a little surprising that the male entrepreneurs did not use their professional or startup networks to a higher extent. This is surprising because these networks enhance their chances of growing their businesses (Kickul et al., 2007), and men are considered more efficient at using these networks than women (Brush et al. 2014).

### **Drawing parallels**

When comparing the overall results from the male entrepreneurs with the overall results from the female entrepreneurs, there seems to be an agreement between investors who invested in female and male entrepreneurs. Both seem to talk about the network in terms of using it to collect resources. Explanations for why the entrepreneurs would not use these networks to connect could be explained by outside barriers, such as stereotypes and burden of proof, or expectations the entrepreneurs have to themselves, due to status beliefs. Though the latter, in addition to social rewards, could also be used as arguments for why they would use the networks to collect resources. The investors, could also be affected negatively by status beliefs in terms of not using the network to connect, but positively by the sequencing assumption in terms of using it to collect resources.

## 6.3 Gender characteristics

As a reminder, the third research question was: how do female and male entrepreneurs' perceived gender characteristics affect, in access to equity financing? The discussion below provides an answer to this question.

### 6.3.1 General overview

When looking at all the data presented in the aggregated data overview in appendix J, an interesting observation can be seen. None of the entrepreneurs evaluated themselves, or were perceived by others, with feminine characteristics. The findings indicate, however, that masculine characteristics are the dominating attributes entrepreneurs have, followed by androgynous characteristics, and a combination between masculine and androgynous characteristics.

A possible explanation for this could come from descriptive norms in gender role theory. This is also referred to as stereotypes, which comes from assumptions based on activities men and women do, and the attributes they need to do these activities (Eagly & Karau, 2002). Stereotypes are closely connected to occupations, where an example of a masculine occupation is entrepreneurship (Balachandra et al., 2017). Further, attributes connected to a masculine occupation are agentic, and are often connected to men, while women are often connected to communal attributes (Eagly & Karau, 2002). Since expected attributes for the entrepreneurship occupation are agentic, entrepreneurs are normally not characterized with feminine characteristics. This could explain why feminine characteristics have not been used to describe entrepreneurs, and that there is a dominance of masculine characteristics. This is supported by scholars, who have found that men think society considers it desirable that they distance themselves from feminine values (Péres & Hominga, 2015). It can further be seen from the literature that women have greater difficulties in adapting to areas where there is no emotional component, and that female entrepreneurship is stereotyped with features which are incompatible with the observed features of successful entrepreneurs (Rubio-Bañón & Esteban-Lloret, 2016). Also, scholars who have used the BSRI classification system, have found that the adjectives used to define entrepreneurs match with traits used to define masculinity, and certainly not femininity. The traits connected to femininity, such as passivity and risk-aversion, do not correspond with the words used to describe entrepreneurs (Perez & Hominga, 2015). It is therefore not surprising that male and female entrepreneurs share similar characteristics. This is supported by Amacucchi and Sohl (2004), who stated that women entrepreneurs share traits with their male counterparts.

When further diving into the ratio of masculine and androgynous characteristics, it can be seen that male entrepreneurs dominate over the female entrepreneurs with the amount of masculine characteristics. It is the opposite situation for androgynous characteristics, where female entrepreneurs have a slight dominance over the male entrepreneurs. The combination of both masculine and androgynous is presented equally by the male and female entrepreneurs.

### 6.3.2 Masculine

Male entrepreneurs who received investments from male investors, and female and male investors who invested in male entrepreneurs, perceived themselves/male entrepreneurs as having masculine characteristics. The same occurred for female entrepreneurs who received investments from female investors, and female and male investors who invested in female entrepreneurs, but to a lower extent than the male entrepreneurs. The finding that the entrepreneurs came across as masculine is in correspondence with existing research, which has found that both men and women with strong masculine orientations are better suited to undertake entrepreneurial tasks, such as leading and persuading others (Mueller & Conway, 2008).

Based on the information given above, an interesting observation can be seen. Masculine characteristics are perceived clearer in situations where female entrepreneurs are connected to female investors, and where male entrepreneurs are connected to male investors. This shows that masculine characteristics are evaluated differently based on the gender of the investors. In order to explain why this occurs, one would have to dive into gender theory and expectation states theory. As mentioned before, entrepreneurship is a masculine occupation, and the expected attributes are agentic (Balachandra et al., 2017). This can further be combined with behavioral interchange patterns. These patterns occur when an actor behaves as if he/she has a higher or lower status, which can lead to common beliefs about the high and low status behavior (Correll & Ridgeway, 2006). This means that when a female entrepreneur pitches to a female investor, the expectations to her attributes are the same. Despite entrepreneurship being a masculine occupation, the women meet on the same level of attributes and therefore evaluate on the same level. To make this clearer, one can think of an example where female entrepreneurs pitch to male investors. In this example, there would be an unbalance in expectations of role and attributes, because women are connected to communal attributes (Eagly & Karau, 2002), and entrepreneurship is a masculine occupation (Balachandra et al., 2017). This unbalance seems to not occur when female entrepreneurs

pitch to female investors. The same goes for male entrepreneurs when they pitch to male investors.

### 6.3.3 Androgynous

Male entrepreneurs who received investments from female investors, and female investors who invested in male entrepreneurs, perceived themselves/the male entrepreneurs as having androgynous characteristics. The same occurred for female entrepreneurs who received investments from male investors, and male investors who invested in female entrepreneurs, but to a higher extent than for male entrepreneurs. The fact that women entrepreneurs were perceived as androgynous corresponds well with the findings from Amatucchi and Sohl (2004). They found that successful, female entrepreneurs communicated in an open and honest way, which according to the BSRI classification system (Bem, 1974) used in this study, falls under the category as being androgynous. The finding that male and female entrepreneurs have androgynous characteristics, corresponds well with existing research. This is because it has been found that androgynous individuals have similar chances of becoming leaders as those who are characterized as masculine (Kent & Moss, 1994), and that people with this type of psychology are especially prepared for entrepreneurship (Perez & Hominga, 2015). Androgynous individuals are found to be more creative, to have a better understanding of managerial ethics, and to have higher self-esteem. They are also found to have a more flexible behavior, which is considered essential to succeed as an entrepreneur (Mueller & Conway, 2008).

Based on the information given above, an interesting observation can be seen. Androgynous characteristics are perceived clearer in situations where female entrepreneurs are connected to male investors, and where male entrepreneurs are connected to female investors. This shows that androgynous characteristics are evaluated differently based on the gender of the investor. This can be explained with the same arguments as in the masculine characteristics part. Take the example where female entrepreneurs pitch to male investors, there is an unbalance in expectations of role and attributes, because women are connected to communal attributes (Eagly & Karau, 2002), and entrepreneurship is a masculine occupation (Balachandra et al., 2017). The results of this unbalance leave investors and entrepreneurs to evaluate themselves as androgynous.

### 6.3.4 Combination of masculine and androgynous

Male entrepreneurs, who received investments from male investors and investors in general when disregarding the gender of the investor, perceived themselves as having a combination

of masculine and androgynous characteristics. The same occurred for female entrepreneurs who received investments from male investors in general, and female investors who invested in female entrepreneurs. The entrepreneurs who were characterized as a combination of androgynous and masculine, are also found by scholars to exhibit more desirable traits. This includes higher self-esteem and higher beliefs in personal capabilities to perform particular tasks. These are necessary traits for entrepreneurs, since individuals will not start new ventures if they believe they are going to fail (Mueller & Conway, 2008).

Based on the information given above, an interesting observation can be seen. The combination of androgynous and masculine characteristics is perceived clearer in situations where female entrepreneurs are connected to female investors, and where male entrepreneurs are connected to male investors. This shows that the combination of characteristics is evaluated differently based on the gender of the investor. An explanation for why this occurs is presented in the masculine characteristics part.

### **Drawing parallels**

As it has been discovered, female and male entrepreneurs evaluated themselves, and were perceived by others, differently based on the gender of the investor. If discluding the findings from the combination of masculine and androgynous characteristics, it seems that situations where male investors are connected with female entrepreneurs, were perceived as mostly androgynous. Male investors connected with male entrepreneurs were, on the other hand, perceived as mostly masculine. Situations where female investors were connected with female entrepreneurs were on the other hand, perceived as masculine, while situations where female investors were connected with male entrepreneurs were perceived as androgynous. To summarize, women evaluated women as masculine and men as androgynous, while men evaluated men as masculine and women as androgynous.

As explained in the masculine characteristics part, a possible explanation for why this occurs could be due to stereotypical occupations and behavioral interchange patterns. When male investors evaluate male entrepreneurs, they behave as if they are on the same level. Further, the entrepreneur's attributes connected to gender, match with the attributes expected from the role. This results in the perception that male entrepreneurs show masculine characteristics, while female entrepreneurs show mostly androgynous characteristics. The same occurs when female investors evaluate female entrepreneurs. Despite the fact that entrepreneurship is a masculine occupation, female investors evaluate the female entrepreneurs on the same level. This results in the perception that the female entrepreneur has mostly masculine attributes, and that male entrepreneur has mostly androgynous attributes.



## Chapter 7: Conclusion

### **Research question 1: How important are female and male entrepreneurs' skills from experience and education (human capital) perceived, in access to equity financing?**

Female entrepreneurs, and investors connected to them, had clear opinions about the different human capital factors. Male entrepreneurs and investors connected to them, had only clear opinions about management experience. This could be because knowledge about how to manage a company to success is crucial from the beginning, while other sources of knowledge can be taught. In addition, women might be observant of what is expected of them, because gender, as a diffuse status characteristic, and status beliefs, burden women and benefit men. If diving into the human capital factors, female entrepreneurs could view education as important because it is a specific status characteristic, and due to status beliefs, gives assurance that they are smart. On the other hand, it might not be important, because stereotypes about the type of education female entrepreneurs have, might not match with the education investors prefer. Industry experience has been viewed as important because relevant industry experience, as a specific status characteristic, and salience assumption, contradicts burden of proof, and gives assurance that female entrepreneurs are skilled. Also, it might not be considered important, because stereotypes connected to occupations do not match with the expected attributes women have. Startup experience has been viewed as important, because the sequencing assumption gives credibility that the female entrepreneur has startup skills. It may also not be considered important, because stereotypes connected to entrepreneurship, do not match with the expected attributes women have. Lastly, female entrepreneurs and connecting investors could value management experience, because the sequencing assumption and behavioral interchange patterns gives the female entrepreneurs credibility, as it shows that they are skilled. Also, it might not be considered important because stereotypes about leadership, do not match with the expected attributes women have. From gender role congruity theory, and supported by the burden of proof assumption, it might hurt female entrepreneurs. Credibility from sequencing assumption can also explain why male entrepreneurs and connecting investors find management experience important. For male entrepreneurs and connecting investors, gender, as a diffuse characteristic, status beliefs and stereotypes connected to occupations, benefits male entrepreneurs and thereby make it less significant.

**Research question 2: How do female and male entrepreneurs perceive their use of social networks (social capital), in access to equity financing?**

Entrepreneurs and investors talked mostly about using networks to collect resources, instead of connecting. Networks this includes are the university, personal, professional, and startup network. Status beliefs could explain why they did not use the university or personal network to connect. This could be due to the salience assumption, which means a positive status characteristic is formed, which could affect them to use it to collect resources. When it comes to the professional and startup networks, the entrepreneurs might experience barriers from stereotypes, burden of proof and status beliefs. Though the latter, in addition to social rewards, could also be used as arguments for why they would use the networks to collect resources. As for the investors, they might experience that status beliefs affect them to not use the professional or startup network to connect, but sequencing assumption could explain why they would use it to collect resources. For the investor network, entrepreneurs seem to be affected by social rewards and stereotypes, while behavioral interchange patterns and status beliefs could explain why investors talk about entrepreneurs that use their investor network to connect. As a general observation, it seems that female entrepreneurs and connecting investors take more advantage of their networks than male entrepreneurs and connecting investors. This could be due to a mismatch in expectations people have to the role as an entrepreneur, and the attributes connected to gender. To overcome stereotypes and expectations, female entrepreneurs might feel a need to use their network more. They could also be perceived as more approachable than men, because of their communal attributes.

**Research question 3: How do female and male entrepreneurs' perceived gender characteristics affect, in access to equity financing?**

No entrepreneurs evaluated themselves, or were perceived by others, with feminine characteristics. Masculine characteristics were the dominating attributes, followed by androgynous characteristics and a combination between masculine and androgynous. This could be because stereotypes about entrepreneurship as an occupation, is connected to masculine characteristics. It can further be seen that men controls the bigger portion of masculine traits, while women have more of the androgynous characteristics. Characteristics are further evaluated differently based on the gender of the investor. Women evaluate women as masculine and men as androgynous, while men evaluate men as masculine and women as androgynous. This could be because stereotypical occupations and behavioral interchange patterns lead the entrepreneurs to evaluate each other on the same level.

To summarize, the importance of human capital could not be decided, as it turned out to be situation dependent. It was however seen that the female entrepreneurs, and investors in connection to female entrepreneurs, had clearer perceptions than men. Further, social capital was used more by female entrepreneurs to collect resources than by male entrepreneurs. Lastly, the male and female entrepreneurs did not show feminine characteristics, as they were both perceived as masculine and androgynous. Though these conclusions are the result from a rigorous methodology, the strength of the study is challenged by limitations such as biases, language and cultural barriers, calculations of gender characteristics, criteria and cases.

## Chapter 8: Other findings

When analyzing the data, it was seen that several of the findings did not fit with the theoretical framework, but that they could increase the understanding of the gender gap in access to equity financing. These findings can be seen from the data structure in appendix H. Some of these findings appeared to be “gender neutral”, as they were described similarly for men and women. This includes remarks about the investment process, the importance of the team, the investment drivers and barriers.

From the interviews it was also seen that some of the entrepreneurs received entrepreneurial training. This training is part of the human capital (Carter et al., 1997), but has not been included in the findings chapter, as it has not been part of the theoretical framework. It has, however, been seen from other studies that entrepreneurial training is important to ensure growth (Kickul et al., 2007). It should also be noted that research has shown that the gender gap is reduced slightly when women gain training, as they have shown to have greater benefits from it than men (Cheraghi & Schøtt, 2015).

It was further seen from the research process that the investment environment was dominated by men. In the interviews, no entrepreneurs described investments from female investors, and it was also more challenging to get ahold of female investors to interview. This was supported by the direct observations, where it was seen that the “gender neutral” investment group had no female members. This finding is consistent with the existing literature on the field, as the investment industry is described as overwhelmingly male (Brush et al., 2002). In fact, Tinkler (2015) showed that investment firms with female partners were more likely to invest in female entrepreneurs. This poses challenges for female entrepreneurs, since there are few women participating in the investment industry (Brush et al., 2014). It was also seen that female entrepreneurs were connected to investors through women focused accelerators, CEO groups for women, or through female mentors. Though these findings belong to social capital, they have not been included in the analysis, as it did not belong to the theoretical framework. The finding is supported by research, which has shown that people prefer to interact with people like themselves (Brass, 1985). This results in a higher chance for male entrepreneurs to receive investments, since the majority of investors are male (Carter et al., 2003).

A potential reason why the female entrepreneurs found it challenging that the investor networks were predominantly male, could also be the different focus of the groups. From the observations it was seen that the female investors started their meeting by talking about the

importance of asking promoting questions focusing on hopes, opposed to prevention questions concerned with security. The male investors did not pay any attention to their communication style. Another challenge could be that the male group was evaluating companies that were creating products for women, which could make it harder for them to understand the problem the company was trying to solve. This corresponds with research on gender differences among investors, which shows that male and female investors utilize information differently (Graham et al., 2002).

In addition, a challenge seemed to be the discrimination the female entrepreneurs faced. One investor said that the entrepreneur he invested in was treated as a non-person when she was negotiating in China, because of her gender. A female entrepreneur said that a male investor had told her to have hot babes walk in, tell everyone in the room to shut their eyes, and then she could pitch and tell the investors to open their eyes. She had also been asked to prove to the male investors how mean she could be. The problem with being treated this way, was that she could not call the investors on it, as she did not want to come across as being snarky. Another female entrepreneur said that she brought in a male team member when she was pitching, to see who the investors were responding to, so that she could see if the investors were open to collaborate with a female CEO. In contrast, another female entrepreneur did not bring her male team members to pitch, because she felt that it undermined her leadership. The discrimination of female entrepreneurs is documented in existing research, and these findings are in correlation by other scholars who have found that women, unlike their male counterparts, report discrimination during the capital formation stage (Greene et al., 2003)

In addition, it was seen from the observations and the interviews that the investors focused on how the female entrepreneurs looked, and not on how the male entrepreneurs looked. This was seen from remarks the male and the female investors made on how attractive the female entrepreneurs were, and on how they were dressed. It was also seen from the direct observations, when the male investors made remarks about one of the female entrepreneurs choice of shoes. This corresponds with research that has shown that how female entrepreneur look have an effect on their entrepreneurial activities (Kevehazi, 2016).

Lastly, an interesting finding was that all the female interviewees highlighted their gender in the interviews, while none of the male entrepreneurs mentioned the fact that they were male.

# Chapter 9: Future research and implications

## **Theory Building**

Our findings show that investigation of the gender gap in access to equity financing needs to take gender biases into account. This is because much of the existing literature assumes that entrepreneurs have equal access to resources (Brush et al., 2018a), and that women and men are evaluated under equal conditions (Lips, 2013). As this study shows that this is not the case, future research should seek to come up with generalized findings regarding the importance of human and social capital, as well as behavior, using a “gender lens”. As noted, there is an opportunity to build new theory when there is a lack of research (Eisenhardt & Graebner, 2007). By utilizing and presenting human and social capital, as well as gender characteristics, with expectation state and gender role theory, this study contributes with theory building. This is because this study has shown how these frameworks can be used as effective tools to analyze gender differences, in a combined framework. This has not been seen in existing entrepreneurship literature until now.

## **Implications for scholars**

This study is based on data from startups from a wide variety of industries. To get a better understanding of the gender gap, it would therefore be interesting to look at the differences between entrepreneurs from sectors dominated by women, compared to sectors dominated by men. Women are expected to have education within liberal art (Brush, 1992), and experience within the retail and service sectors (Birley et al., 1987), and it would therefore be interesting to see if their human capital is equally important in sectors dominated by men. This includes sectors such as agriculture, finance, real estate, construction and insurance (Brush, 1992). This would give an understanding of whether or not female entrepreneurs face gender biases to the same extent when their sector is marked as “feminine”. It would also be interesting to see if there are gender differences in how the entrepreneurs use their social capital when comparing across different sectors, to see if the patterns are the same for sectors dominated by men, compared to sectors dominated by women.

A challenge for future scholars is also to study the effect the gender the investors have when they evaluate entrepreneurs. It is seen from the data, and from the literature that women and men evaluate entrepreneurs differently (Graham et al., 2002). It is also seen from the findings that entrepreneurs and investors have several mismatching opinions depending on gender. By understanding why and how this occur, a deeper understanding of the gender gap in access to investments can possibly be achieved. This research should also take

entrepreneurial training into account, as it was seen from the other findings that this was an influencing factor. Lastly, it has been seen from the other findings that discrimination is an affecting factor. Scholars are therefore encouraged to study different approaches on reducing discrimination among investors, to see what has the largest effect.

### **Implications for entrepreneurs**

This study provides practical implications for entrepreneurs, as there are several measures they could take to increase their chances of gaining access to investments. First, the female entrepreneurs seem to be more dependent on using their networks to provide them with resources, than men. Though both genders need to use their networks to succeed as entrepreneurs, women seem to benefit more from being aware of how they use their social capital. Lastly, it seems like both male and female entrepreneurs benefit from showing a masculine and/or androgynous behavior. Entrepreneurs should therefore seek to practice on their presentation styles and become self-aware with regards to how they present themselves.

### **Implications for investors**

Given the findings, educating investors about biases in decision-making is imperative. As they evaluate male and female entrepreneurs differently, they need to become more self-aware. One measure which could be taken to achieve this, could be to integrate biases into training sessions for investors. This could be helpful, since they are taught to recognize competence and leadership abilities, and this information could therefore improve the quality of their decision making. Also, as prior research has shown that female investors are more likely to fund female entrepreneurs, increasing the number of female investors could help women entrepreneurs gain access to strategic networks. These measures do, however, need to be measured, to see if they have any effect on closing the gender gap in access to equity financing.

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# Appendix A: Case study protocol

This case study protocol has been created as part of preparation for the data collection process, and serves as a guide for the investigators to use before and during the data collection process.

## **Background information**

The purpose of this case study is to gain a better understanding of the gender gap in equity financing, by looking at education, experience and network when acquiring equity financing. Both male and female entrepreneurs and investors will be interviewed, and the entrepreneurs who will be interviewed must have successfully acquired equity financing within the last two years. The entrepreneurs must be the primary contact to the investor and be located in Massachusetts. The investors must have several years of experience, have invested in more than one deal, conducted a series A investment in the last 2 years, and be located in Massachusetts.

To investigate the purpose, three research questions and three propositions have been defined. The research questions (RQ) are based on the literature review conducted during the fall of 2017, and the propositions (P) are based on the research questions:

- RQ1 How important are female and male entrepreneurs' skills from experience and education (human capital) perceived, in access to equity financing?
- RQ2 How do female and male entrepreneurs perceive their use of social networks (social capital), in access to equity financing?
- RQ3 How do female and male entrepreneurs' perceived gender characteristics affect, in access to equity financing?
  
- P1 Female and male entrepreneurs' skills from experience and education (human capital) are perceived as important in access to equity financing.
- P2 Female and male entrepreneurs perceive that they use social networks (social capital), in access to equity financing.
- P3 Female and male entrepreneurs' perceived gender characteristics have an effect, in access to equity financing.

The interviewees must not be compensated, but should be offered an exclusive summary of the key findings for contributing to research. The interviews must be recorded for quality purposes, but the responses are strictly confidential. No single respondent should be identified as names, and company names will be confidential.

## **Field procedures**

### Visited sites

The sites visited should be in Massachusetts, USA. The location of the interviews might vary depending on the preference of the interviewee. The investigators should strive to conduct the interview at a location with limited background noise.

### Time

The interviews should begin March 2018, and should not take more than 40 minutes.

### Description of roles

Two investigators should be present during the interview to ensure that the data is collected thoroughly. One of the investigator should be the lead interviewer, which entails providing background information about the study to the interviewee, requesting the interviewee to fill out the pre-questionnaire (if they have not done this already), getting a signature on the consent form, asking questions from the interview guide and asking follow-up with questions during the interview based on the response of the interviewee.

The second investigator's task entails keeping track of the questions asked during the interview, asking questions which were not asked, asking follow-up questions based on the response of the interviewee, looking for key factors in their answers, i.e. human capital, social capital and gender characteristics (see "focus" sheet). The second investigator should only speak after the lead investigator has finished asking all the questions in the guide.

The investigators must take turns on being the lead interviewee, and both investigators should conduct the same number of interviews. Since each sample consist of five interviewees, there will be an unbalance in how many interviews each investigator will conduct in each sub-sample, i.e. male and female investors, male and female entrepreneurs.

### Expected preparation

The investigators must print and bring the interview guide, the "focus" sheet and the consent form in an envelope to the interview. They must also bring a recording device and a pen for the interviewee to sign the consent form and for taking notes. To ensure redundancy if one



device were to fail, the investigators should use two recording devices. Further, the investigators must bring a computer for the those who have not submitted the pre-questionnaire. Lead investigator must look at their answers before the interview begins.

### **Case study questions**

The study questions are created to remind the investigators of the information that must be collected during the data collection process, and why this information needs to be collected (Yin, 2003). The questions reflect the propositions and the theoretical framework. The “focus sheet” list factors to be investigated for each question in the interview guide. The potential sources of information for answering the study questions are based on the interview guide for the entrepreneurs (IGE) and investors (IGI). The case study questions are listed below:

1. Was the entrepreneur’s education and experience perceived as important in the investment process? IGE: Q1, Q3, Q4, Q5, Q6, Q7. IGI: Q3, Q6, Q7, Q8, Q9, Q10, Q11
2. How has the entrepreneur perceived the use of his/her social relations when successfully acquiring equity financing? IGE: Q1, Q3, Q4, Q5, Q6, Q7. IGI: Q3, Q6, Q7, Q8, Q9, Q10, Q11
3. How was the gender characteristics of the entrepreneur perceived in the investment process? IGE: Q2. IGI: Q5

### **Case study report**

Among the written form of case studies that exist, the form which should be used for this case study report only applies to multiple-case studies. The form allows for sections with information from all narratives to covers cross-case issues (Yin, 2003). In this study, the issues studied are human capital, social capital and gender characteristics. The structure that is most suitable for the whole study is the linear-analytic structure. The linear-analytic structure begins with a description of the problem being studied, presents the relevant literature, method used, findings, analysis, conclusion and lastly the implications from the findings (Yin, 2003). Theory building might the outcome from cases, though the structure of the report will not follow a theory-building structure.

# Appendix B: Questionnaires

## Pre-questionnaire

Dear Sir or Madam,

Our names are Martine Gripp Bay and Ingrid Skrede. We are writing a master thesis in entrepreneurship for the Norwegian University of Science and Technology, School of Entrepreneurship in Norway, with guidance from Prof. Candida Brush at Babson College. This study focuses on the importance of entrepreneurs' experience, education and networking in the process of acquiring equity financing. We are interviewing entrepreneurs who have successfully acquired equity financing (around series A) within the last two years. We are also interviewing experienced investors.

Voluntary Nature of the Study:

Participation in this pre-questionnaire is voluntary. If you decide to participate, you are free to refuse to answer any question or withdraw from the survey at any time. You can change your answers by pressing "back" any time.

Statement of Consent:

This pre-questionnaire is confidential. Companies or individual participants will not be identified by name or initials in the master thesis. All results will be aggregated and no single respondent will be identified. By answering the questions and by pressing "submit", you agree to the terms presented above.

As a thank you for contributing to our research we will offer you an exclusive summary of the key findings.

### General questions

1. What is the name of your company?
2. What year was your company founded?
3. What is the company's major product/service?
4. Which industry does the company operate in?
5. What is your role in the company?

#### Equity investments received within the last 2 years

1. What was the name of the company you received the equity investment from?
2. What was the type of the equity investment (i.e. business angel, venture capital etc.)?
3. How much funding did the company receive from this investment?
4. Did the company have positive or negative cash flow at the time of the investment?
5. How many pitches did the company hold to the investment company before they agreed to invest?
6. Who on the team held these pitches?

#### Equity investments received more than 2 years ago

7. Has the company received equity investment from a business angel prior to this investment?
  - 7.1 Yes (If yes, answer next question section)
  - 7.2 No (If no, skip the next question section)

#### Equity investments received more than 2 years ago

8. What year did you receive this funding?
9. Did the company have positive or negative cash flow at the time of the investment?
10. What was the type of the equity investment
11. How much funding did the company receive from this investment?
12. How many pitches did the company hold to the investment company before they agreed to invest?
13. Who on the team held these pitches?

#### Unsuccessful attempts to secure investments

14. How many pitches has the company held to investor companies without receiving equity financing?
15. Who on the team held these pitches?

#### Education background

10. What is your highest educational degree?
11. Which university/college did you attend?
12. Which fields did you study?

### Experiences prior to your current start-up

#### Industry experience

13. Which fields of industries do you have experience from?
14. How many years did you work in this/these industry/industries?

#### Management experience

15. Which fields of industries do you have experience from?
16. What was your position/role?
17. How many years did you have this position in this/these industry/industries?

#### Start-up experience

18. Which fields of industries do you have start-up experience from?
19. How many years in this/these industries have you worked in the start-up?
20. What was your role in the start-up company?

Thank you for answering this pre-questionnaire!

By pressing "Submit" you agree to the voluntary nature of the study and the statement of consent. If you wish to make changes to your answers you can press "Back"

### **Post-questionnaire**

1. What gender does the investor have that you talked about during our interview?

# Appendix C: Interview guides

## Interview guide for entrepreneurs

Name:		Date:	
Company Name:		Place:	

Dear Sir or Madam,

Our names are Martine Gripp Bay and Ingrid Skrede. We are writing a master thesis in entrepreneurship for the Norwegian University of Science and Technology, School of Entrepreneurship in Norway, with guidance from Prof. Candida Brush at Babson College. This study focuses on the importance of entrepreneurs' experience, education and networking in the process of acquiring equity financing.

As part of our data collection we are interviewing both investors and entrepreneurs, where each interview will last 30-40 minutes. The entrepreneurs we are interviewing have successfully acquired equity financing within the last two years. As a thank you for contributing to our research we will offer you an exclusive summary of the key findings. This interview will be recorded for quality purposes.

### Voluntary Nature of the Study:

Participation in this study is voluntary. If you decide to participate, you are free to refuse to answer any question or withdraw from the survey at any time.

### Statement of Consent:

The interview, pre-questionnaire and post-questionnaire data will be confidential. Companies or individual participants will not be identified by name or initials in the master thesis. All results will be aggregated and no single respondent will be identified. I have read, understood and agreed to the information above, asked any questions I might have, and have received answers. I voluntarily consent to participate in the study.

Signature

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Typed name

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## General

1. Can you please tell us about your experience in obtaining equity funding from company X within the last two years?

## The Pitch

2. Did you hold a pitch in the investment process with company X?
  - 2.1. If yes, could please talk about how you feel your presentation style was for your most memorable pitch without focusing on the content of the pitch (i.e. body language, voice, use of the space)?

## The Investment Process

3. How do you feel that your credibility (def: the quality of being convincing/believable) affected the investment process?
  - 3.1. How did you gain this credibility?
  - 3.2. Was the credibility of the team important? Yes/no If no- why not?
4. Do you feel that your educational background was important in this investment process? If yes, how? If not, why not?
  - 4.1. Was the educational background of the team important? If yes, how? If not, why not?
5. Do you feel that your industry experience was important in this investment process? If yes, how? If not, why not?
  - 5.1. Was the industry experience of the team important? If yes, how? If not, why not?
6. Do you feel that your management experience was important in this investment process? If yes, how? If not, why not?
  - 6.1. Was the management experience of the team important? If yes, how? If not, why not?
7. Do you feel that your previous startup experience was important in this investment process? If yes, how? If not, why not?
  - 7.1. Was the start-up experience of the team important? If yes, how? If not, why not?
8. Would you like to receive a summary of the key findings from this study?
9. Would you be willing to answer a short post-questionnaire (1-3 questions) by email after the interview?

## Interview guide for investors

Name:		Date:	
Company Name:		Place:	

Dear Sir or Madam,

Our names are Martine Gripp Bay and Ingrid Skrede. We are writing a master thesis in entrepreneurship for the Norwegian University of Science and Technology, School of Entrepreneurship in Norway, with guidance from Prof. Candida Brush at Babson College. This study focuses on the importance of entrepreneurs' experience, education and networking in the process of acquiring equity financing.

As part of our data collection we are interviewing both investors and entrepreneurs, where each interview will last 30-40 minutes. The entrepreneurs we are interviewing have successfully acquired equity financing within the last two years. As a thank you for contributing to our research we will offer you an exclusive summary of the key findings. This interview will be recorded for quality purposes.

### Voluntary Nature of the Study:

Participation in this study is voluntary. If you decide to participate, you are free to refuse to answer any question or withdraw from the survey at any time.

### Statement of Consent:

The interview, pre-questionnaire and post-questionnaire data will be confidential. Companies or individual participants will not be identified by name or initials in the master thesis. All results will be aggregated and no single respondent will be identified. I have read, understood and agreed to the information above, asked any questions I might have, and have received answers. I voluntarily consent to participate in the study.

Signature

-----

Typed name

-----

## General

1. How many years have you been investing?
2. How many deals do you invest in per year?
3. Can you please tell us about the most memorable investment around series A that you made within the last two years?

## The Pitch

4. Who delivered the pitch?
  - 4.1. Was the team present at the pitch? If so, why?
5. Without focusing on the content of the pitch, how do you feel the presentation style (i.e. body language, voice, use of the space) of the entrepreneur/team was when he/she/they pitched the business?

## The Investment Process

6. In the investment process, what were the affecting factors that led you to invest?
7. How important was the credibility of the entrepreneur/team (def: the quality of being convincing/believable) in the investment process?
  - 7.1. How did the entrepreneur/the team gain credibility in your perspective?
8. Was the educational background of the entrepreneur/team important in the investment process? If so, how? If not, why not?
9. Was the previous industry experience of the entrepreneur/team important in the investment process? If so, how? If not, why not?
10. Was the previous management experience of the entrepreneur/team important in the investment process? If so, how? If not, why not?
11. Was the previous start up experience of the entrepreneur/team important in the investment process? If so, how? If not, why not?
12. Would you like to receive a summary of the key findings from this study? If yes, please provide your email.
13. Would you be willing to answer a short post-questionnaire (1-3 questions) by email after the interview?



# Appendix D: Focus sheets

## For entrepreneurs (in Norwegian)

### Forberedelse:

- I spørsmålene ønsker du å få vite entreprenørens inntrykk av seg selv, og ikke hva de tror investoren tenker om de.
- Se over pre-questionnaire før intervjuene for å sile ut relevante spørsmål.
- Se over arket med fokusområder før intervjuene for å vite hva du ser etter og være bedre rustet til å stille oppfølgingsspørsmål.
- Varm opp med hyggelig småprat

### Fokusområder:

1. Can you please tell us about your experience in obtaining equity funding from company X within the last two years?
  - a. Se etter human og sosial kapital
    - i. Kunnskap/ferdigheter fra utdanning og erfaringer
    - ii. Hvordan de kom i kontakt med investoren/hvilket nettverk brukte de
2. Did you hold a pitch in the investment process with company X?
  - a. If yes, could please talk about how you feel your presentation style was for your most memorable pitch without focusing on the content of the pitch (i.e. body language, voice, use of the space)?
    - i. Se etter humankapital og kjønnsforskjeller
      1. Kunnskap
      2. Kommunikasjonsegenskaper
      3. Selvtillit
3. How do you feel that your credibility (def: the quality of being convincing/believable) affected the investment process?
  - a. How did you gain this credibility?
  - b. Was the credibility of the team important? Yes/no If no- why not?
    - i. Se etter human og sosial kapital
      1. Kunnskaper/ferdigheter fra utdanning og erfaringer
      2. Gjennom relasjoner i nettverket deres/anbefalinger o.l.
4. Do you feel that your educational background was important in this investment process? If yes, how? If not, why not?
  - a. Was the educational background of the team important? If yes, how? If not, why not?

- i. Se etter human kapital
    - 1. Skole de gikk på
    - 2. Studielinje/program
    - 3. Grad/utdanningsnivå
- 5. Do you feel that your industry experience was important in this investment process? If yes, how? If not, why not?
  - a. Was the industry experience of the team important? If yes, how? If not, why not?
    - i. Se etter human og sosial kapital
      - 1. Type industri
      - 2. Relevans i forhold til produkt/tjeneste
      - 3. Antall år i industrien
      - 4. Nettverk det har gitt
- 6. Do you feel that your management experience was important in this investment process? If yes, how? If not, why not?
  - a. Was the management experience of the team important? If yes, how? If not, why not?
    - i. Se etter human og sosial kapital
      - 1. Rolle/posisjon
      - 2. Type industri
      - 3. Relevans i forhold til produkt/tjeneste
      - 4. Antall år i industrien
      - 5. Nettverk det har gitt
- 7. Do you feel that your previous startup experience was important in this investment process? If yes, how? If not, why not?
  - a. Was the start-up experience of the team important? If yes, how? If not, why not?
    - i. Se etter human og sosial kapital
      - 1. Type industri
      - 2. Relevans i forhold til produkt/tjeneste
      - 3. Antall start-up erfaringer og fasen til startupen
      - 4. Nettverk

## For investors (in Norwegian)

### Forberedelse:

- I spørsmålene ønsker du å få vite investorens inntrykk av i investeringsprosessen.
- Se over arket med fokusområder før intervjuene for å vite hva du ser etter og være bedre rustet til å stille oppfølgingsspørsmål.

### Fokusområder:

3. Can you please tell us about the most memorable investment around series A that you made within the last two years?
  - a. Se etter human og sosial kapital
    - i. Hvordan de kom i kontakt med entreprenøren
    - ii. Trekker investoren frem kvaliteter som utdanningen/erfaringer deres
5. Without focusing on the content of the pitch, how do you feel the presentation style (i.e. body language, voice, use of the space) of the entrepreneur/team was when he/she/they pitched the business?
  - a. Se etter kjønnsforskjeller
    - i. Kjennetegn som karakteriserer som kvinnelige og mannlige
7. How important was the credibility of the entrepreneur/team (def: the quality of being convincing/believable) in this pitch process?
  - a. How did the entrepreneur/the team gain credibility in your perspective?
    - i. Se etter human og sosial kapital og kjønnsforskjeller
      1. Kunnskaper/ferdigheter fra utdanning og erfaringer
      2. Gjennom relasjoner i nettverket deres/anbefalinger o.l.
8. Was the educational background of the entrepreneur/team important in the investment process? If so, how? If not, why not?
  - a. Se etter human og sosial kapital
    - i. Skole de gikk på
    - ii. Studielinje/program
    - iii. Grad/utdanningsnivå
    - iv. Nettverk det har gitt
9. Was the previous industry experience of the entrepreneur/team important in the investment process? If so, how? If not, why not?
  - a. Se etter human og sosial kapital
    - i. Type industri
    - ii. Relevans i forhold til produkt/tjeneste
    - iii. Antall år i industrien
    - iv. Nettverk det har gitt

10. Was the previous management experience of the entrepreneur/team important in the investment process? If so, how? If not, why not?

- a. Se etter human og sosial kapital
  - i. Rolle/posisjon
  - ii. Type industri
  - iii. Relevans i forhold til produkt/tjeneste
  - iv. Antall år i industrien
  - v. Nettverk det har gitt

11. Was the previous start up experience of the entrepreneur/team important in the investment process? If so, how? If not, why not?

- a. Se etter human og sosial kapital
  - i. Type industri
  - ii. Relevans i forhold til produkt/tjeneste
  - iii. Antall start-up erfaringer og fasen til startupen
  - iv. Nettverk

## Appendix E: Bem Sex-Role Inventory (BSRI)

Bem Sex-Role Inventory (BSRI) is used to distinguish between masculine, feminine or androgynous features. The personality characteristics are shown in table 6 (Bem, 1974).

Feminine	Masculine	Androgyny
Flatterable	Defends own beliefs	Inefficient
Gentle	Dominant	Jealous
Gullible	Forceful	Likable
Loves children	Has leadership abilities	Moody
Loyal	Independent	Reliable
Sensitive to the needs of others	Individualistic	Secretive
Shy	Makes decisions easily	Sincere
Soft spoken	Masculine	Solemn
Sympathetic	Self-reliant	Tactful
Tender	Self-sufficient	Theatrical
Understanding	Strong personality	Truthful
Warm	Willing to take a stand	Unpredictable
Yielding	Willing to take risks	Unsystematic
Affectionate	Act as a leader	Adaptable
Cheerful	Aggressive	Conceited
Childlike	Ambitious	Conscientious
Compassionate	Analytical	Conventional
Does not use harsh language	Assertive	Friendly
Eager to soothe hurt feelings	Athletic	Happy
Feminine	Competitive	Helpful

Table 6: Inspired by Bem (1974). Overview of gender characteristics

# Appendix F: Interview comparisons

## Human capital

### Comparisons between entrepreneurs and investors

In the following part, male investors that have invested in female entrepreneurs, have been compared with female entrepreneurs that have received investments from male investors. Findings from this comparison indicate that there are both similarities and differences between the two situations when looking at education, startup experience and management experience, and no similarities when looking at industry experience.

In terms of education, the minority of the female entrepreneurs agree with the male investors that education is not important. For startup experience, almost all of the female entrepreneurs agree with the male investors that it is not important. When looking at the unimportance of management experience, there is only one female entrepreneur that agree with the male investors, which means the majority of the female entrepreneurs think it is important. In terms of industry experience, there is a consensus among the female entrepreneurs that industry experience has been important for them in the investment process, while the male investors think the complete opposite. It should however be noted, that there is only one male investor in this comparison. The results can therefore not be as generalized.

In the following part, male investors that have invested in male entrepreneurs, have been compared with male entrepreneurs that have received an investment from male investors. Findings from this comparison indicate that there are similarities between the two situations when looking at education and industry experience, and both similarities and differences when looking at startup experience and management experience.

In terms of education, male investors and male entrepreneurs seem to be in agreement that it is in fact, not important. This perception is backed-up by almost all of the male investors, but only the minority of the male entrepreneurs. Though the majority of the male entrepreneurs believe that their education has been important in the investment process, only one male investor seem to agree with this perception. When looking at startup experience, there is a consensus among the male entrepreneurs that it is in fact, important. This is also backed-up by almost all of the male investors. There is also a consensus among the male investors that management experience is important, and almost all of the male entrepreneurs seem to agree with this. Lastly, when looking into industry experience, male investors are divided 50/50 in their opinion about the importance of it, and the male entrepreneurs think similarly. Since there

is one more male entrepreneur that have received investments from a male investor, than male investors who have invested in a male entrepreneur, there is a slight majority of opinions that think industry experience is important. Nevertheless, it is difficult to say for certain if industry experience is important or not.

#### Comparisons between investors

In the following part, female investors that have invested in female entrepreneurs, have been compared with male investors that have invested in female entrepreneurs. Findings from this comparison indicate that there are both similarities and differences between the two situations when looking at management experience. There are however, no similarities when looking at education, startup experience and industry experience.

Though some female investors seem to agree with male investors that management experience is not important, the same number of female investors also think that it is important. It should however be noted, that there is only one male investor in this comparison. The results can therefore not be as analytically generalized.

In the following part, female investors that have invested in male entrepreneurs, have been compared with male investors that have invested in male entrepreneurs. Findings from this comparison indicate that there are only similarities between the two situations when looking at startup experience, and both similarities and differences when looking at education, management experience and industry experience.

In terms of education, there is a consensus among female investors that male entrepreneurs' education has not been important in the investment process. Almost all of the male investors agree with the female investors. When looking at startup experience, male investors and female investors are inconsistent about the importance it in the investment process. Almost all of the male investors believe it is important, while almost all of female investors believe it is not. Only one investor of each gender disagrees with the rest of the group, which results in similarities between the two situations. This is however, not a strong similarity. In terms of management experience, there are much more agreement between the two situations. In fact, it is consensus among the male investors that having management experience is important, and this is backed-up by almost all of the female investors. Lastly, when looking into industry experience, male investors are divided 50/50 in their opinion about the importance of it, while there is a consensus among the female investors that it is in fact important.

### Comparisons between entrepreneurs

In the following part, male entrepreneurs that have received investments from female investors, have been compared with female entrepreneurs that have received investments from female investors. Findings from this comparison indicate that there are only similarities between the two situations when looking at education and management experience, and both similarities and differences when looking at startup and industry experience.

In terms of education, there are equally many male and female entrepreneurs that believe education is important and equally many who think it is not important. The majority of the entrepreneurs believe that it is important, while the minority believe it is not. The same occurs for management experience, where there are equally many male and female entrepreneurs that believe it is important, and equally many that think it is not. Compared to education, there is however much more consensus about the importance of it across the genders of the entrepreneurs. Only one male and female entrepreneur disagrees with the rest of the group, and believe it is not important. In management experience, there is a consensus among male entrepreneurs that this type of experience is valued, but only one female entrepreneur agrees with this. This means there are similarities, but they are not very strong.

### **Social capital**

#### Comparisons between entrepreneurs and investors

In the following part, male investors that have invested in female entrepreneurs, have been compared with female entrepreneurs that have received investments from male investors. Findings from this comparison indicate that there are similarities and differences between the two situations in the way they used their startup network and professional network, while there are no similarities in the way they used their investor, university and personal network.

In terms of startup networks, both situations mentioned that this type of network was used to connect. In relation to other networks used to connect, there were equally many female entrepreneurs who used their investor network, but less who used their professional network. The male investors only talked about startup networks used to connect. They represented less people than the female entrepreneurs that said they used their startup network to connect. In terms of professional network, there were no coinciding opinions between the two situations in using this network to connect. The female entrepreneurs did however mention that they used their professional network to connect, but the male investors did not.

In terms of professional networks, both situations mentioned that this type of network was used to collect resources. In relation to other networks used to collect resources, there were



equally many female entrepreneurs who used their investor and university network, but less who used their startup network. The male investors only talked about professional networks used to collect resources. They represented less people than the female entrepreneurs that said they used their professional network to collect resources. In terms of startup network, there were no coinciding opinions between the two situations in using this network to collect resources. The female entrepreneurs did however mention that they used their startup network to collect resources, but the male investors did not.

In the following part, male investors that have invested in male entrepreneurs, have been compared with male entrepreneurs that have received investments from male investors. Findings from this comparison indicate that there are similarities between the two situations in the way they used their investor network, while there are no similarities in the way they used their university, personal, professional and startup network.

In terms of investor networks, both situations mentioned that this type of network was used to connect. In relation to other networks used to connect, there were equally many male entrepreneurs who used their university network and startup network, but more who used their personal network. The male investors only talked about investor networks used to connect. They represented more people than the male entrepreneurs that said they used their investor network to connect.

In terms of investor networks, both situations mentioned that this type of network was used to collect resources. In relation to other networks used to collect resources, there were equally many male entrepreneurs who used their university network, but more who used their personal network. The male investors talked about investors network and professional networks used to collect resources, where more male investors talked about professional networks than investor networks. The number of male investors that talked about investors network, was equal to the number of male entrepreneurs that used this network.

#### Comparisons between investors

In the following part, female investors that have invested in female entrepreneurs, have been compared with male investors that have invested in female entrepreneurs. Findings from this comparison indicate that there are similarities between the two situations in the way they used their professional network, while there are no similarities in the way they used their investor and startup network.

In terms of investor networks and startup networks, there were no coinciding opinions between the two situations in using these networks to connect. The female investors did however mention that the female entrepreneurs used their investor network to connect, while the male investors did not. The male investors did instead mention that the female entrepreneurs used their startup network to connect, while the female investors did not. The number of male investors that talked about startup networks, was higher than the number of female investors that talked about investor networks.

In terms of professional networks, both situations mentioned that this type of network was used to collect resources. The number of male investors was equal to the number of female investors.

In the following part, female investors that have invested in male entrepreneurs, have been compared with male investors that have invested in male entrepreneurs. Findings from this comparison indicate that there are similarities and differences between the two situations in the way they used their investor network, while there are no similarities in the way they used their professional network.

In terms of investor networks, both situations mentioned this type of network was used to connect. The number of male investors was higher than the number of female investors.

In terms of investor and professional networks, there were no coinciding opinions between the two situations in using these networks to collect resources. The male investors did however mention that the male entrepreneur used their investor and professional networks to collect resources, while the female investors did not. The number of male investors that talked about professional networks, was higher than the number of male investors that talked about investor networks.

#### Comparisons between entrepreneurs

In the following part, female entrepreneurs that have received investments from male investors, have been compared with male entrepreneurs that have received investments from male investors. Findings from this comparison indicate that there are similarities and differences between the two situations in the way they used their investor network, university network, and startup network while there are no similarities in the way they used their personal and professional networks.

In terms of investors and startup networks, both situations mentioned that this type of network was used to connect. In relation to other networks used to connect, there were equally many female entrepreneurs who used their investor network and startup network, but less who used their professional network. Further, there were equally many male entrepreneurs who used their investor-, university-, and startup network, but more who used their personal network. The female entrepreneurs represented more people than the male entrepreneurs that said they used their investor and startup networks to connect.

In terms of investor and university networks, both situations mentioned that this type of network was used to collect resources. In relation to other networks, there were equally many female entrepreneurs who used their investor, university and professional network, but less who used their startup network. Further, there were equally many male entrepreneurs who used their investor network and university network, but more who used their personal network. The female entrepreneurs represented more people than the male entrepreneurs that said they used their investor and university networks to connect.

## **Gender characteristics**

### Comparison between entrepreneurs and investors

In the following part, male investors that have invested in female entrepreneurs, have been compared with female entrepreneurs that have received investments from male investors. Findings from this comparison indicate that male investors described female entrepreneurs with mostly androgynous characteristics. They also said that they had some feminine and masculine attributes. In fact, they felt that the female entrepreneurs had equally much of feminine and masculine characteristics. The female entrepreneurs agreed with the male investors, and felt they showed most androgynous characteristics. They also highlighted some of their feminine and masculine characteristics, but emphasized their masculine characteristics to a higher extent than their feminine characteristics. It should however be noted, that there was only one male investor in this comparison. The results can therefore not be as analytically generalized.

In the following part, male investors that have invested in male entrepreneurs, have been compared with male entrepreneurs that have received investments from male investors. Findings from this comparison indicate that male investors described male entrepreneurs with mostly masculine characteristics. They also said that they had some feminine and androgynous attributes, though the latter characteristics were highlighted to a higher extent than their feminine characteristics. The male entrepreneurs agreed with the male investors, and felt they showed masculine characteristics. They did however, highlight their androgynous

characteristics equally, but did not think that they had any feminine characteristics. The latter characteristics show that the male investors and male entrepreneurs have conflicting interpretations.

#### Comparison between investors

In the following part, male investors that have invested in female entrepreneurs, have been compared with female investors that have invested in female entrepreneurs. Findings from this comparison indicate that female investors described female entrepreneurs with mostly masculine attributes. They also said that they had some androgynous attributes. Male investors disagreed to some extent with the female investors, and felt that the female entrepreneurs showed mostly androgynous characteristics. They did highlight some masculine characteristics, but indicated also that they had some feminine characteristics. The latter characteristics show that the male investors and female investors have conflicting interpretations. It should however be noted, that there is only one male investor in this comparison. The results can therefore not be as analytically generalized.

In the following part, male investors that have invested in male entrepreneurs, have been compared with female investors that have invested in male entrepreneurs. Findings from this comparison indicate that female investors described male entrepreneurs with mostly masculine characteristics. They also said that they had some feminine and androgynous attributes, though the latter characteristics were highlighted to a higher extent than their feminine characteristics. Male investors agreed with the female investors, and felt that the male entrepreneurs showed mostly masculine characteristics. They also highlighted some of their feminine and androgynous characteristics, and as the female investors also said, the latter characteristics were highlighted to a higher extent than their feminine characteristics.

#### Comparison between entrepreneurs

In the following part, male entrepreneurs that have received investments from male investors, have been compared with female entrepreneurs that have received investments from male investors. Findings from this comparison indicate that female entrepreneurs felt they showed most androgynous characteristics. They also highlighted some of their feminine and masculine characteristics, but emphasized their masculine characteristics to a higher extent than their feminine characteristics. The male entrepreneurs agreed with the female entrepreneurs, and felt they showed androgynous characteristics. They did however, highlight their masculine characteristics equally, but did not think that they had any feminine characteristics. The latter characteristics show that the female entrepreneurs and male entrepreneurs have conflicting interpretations.

# Appendix G: Direct observations comparisons

## **Human capital**

### Comparison between the entrepreneurs' perspectives across gender of the investor group

In the following part, the female entrepreneurs who pitched to the male investor group have been compared with the female entrepreneurs who pitched to the female investor group. Findings from this comparison indicate that there are both similarities and differences when looking at which factors they chose to highlight. There were both similarities and differences with regards to education and startup experience, and similarities when looking at management experience, as well as differences when looking at industry experience.

Half of the entrepreneurs who pitched to the male group, and the one entrepreneur who pitched to the female group, highlighted their education and startup experience. The other half who pitched to the female group did however differ from the entrepreneurs who pitched to the male group. This was because they did not highlight their education or startup experience. With regards to the management experience, all the entrepreneurs highlighted this factor to both the investor groups. Lastly, when looking at industry experience, all the entrepreneurs who pitched to the women highlighted this factor, while the one entrepreneur who pitched to the male investor group did not highlight this experience.

### Comparison between the investors' perspectives across gender of the investor group

In the following part, the remarks made by the investors about the female entrepreneurs who pitched to the male investors have been compared with those who pitched to the female investors. Findings from this comparison indicate that there are no similarities with regards to education, that there are similarities when looking at management experience, and lastly that there are both similarities and differences in terms of startup and industry experience.

When looking at education, there were no similarities in the extent to which the investors highlighted this factor. The difference was that the male investors highlighted the female entrepreneur's education, while none of the female investors did. With regards to management experience, neither the female nor the male investor groups made any remarks about the female entrepreneurs. In terms of startup and industry experience, the male group made remarks about these factors for the female entrepreneur, as did the female investor group for half of the female entrepreneurs. The female investor group did however differ from the male investor group to some extent, as they did not highlight the startup or industry experience for half of the female entrepreneurs.

### Comparison between the entrepreneurs' perspectives across the gender of the entrepreneur

In the following part, the male and female entrepreneurs that were observed pitching have been compared. Findings from this comparison indicate that there is a lot of similarities between the two genders. There are similarities when looking at education, startup experience and industry experience, while there are no similarities when looking at management experience.

In terms of education, startup experience and industry experience, the majority of the female entrepreneurs did like half of the male entrepreneurs, which was to highlight these factors in their pitch. A minority of the female entrepreneurs and half of the male entrepreneurs did however not highlight these factors. With regards to the management experience, there were no similarities between the male and the female entrepreneurs, as all of the female entrepreneurs highlighted their management experience, while none of the male entrepreneurs did.

### **Social capital**

#### Comparison between the entrepreneurs' perspectives across gender of the investor group

In the following part, the female entrepreneurs who pitched to the male investor group have been compared with the female entrepreneurs who pitched to the female investor group. Findings from this comparison indicate that there are similarities when looking at the way they used their university, personal and startup networks, and that there are no similarities when looking at the way they used their investor and professional networks.

In terms of university, personal and startup networks, none of the female entrepreneurs talked about any of these factors to any of the investor groups. The female entrepreneur who pitched to the male group talked about investor and professional networks, which was different from all the female entrepreneurs who pitched to the female group, as they did not highlight any of these networks.

#### Comparison between the investors' perspectives across gender of the investor group

In the following part, the remarks made by the investors about the female entrepreneurs who pitched to the male investors have been compared with those who pitched to the female investors. Findings from this comparison indicate that there are no similarities between the two investor groups in the way they talked about how the entrepreneurs used their investor networks, that there are both similarities and differences when looking at professional networks, and similarities with regards to university, personal and startup networks.

In terms of investor networks, the male investors mentioned the use of this network for the female entrepreneur, while none of the female investors mentioned it for any of the female entrepreneurs. With regards to professional networks, the male investors mentioned it for the female entrepreneur. As did half of the female investors for half of the female entrepreneurs, while the other half did not mention it. When looking at university, personal and startup networks, none of the investor groups mentioned it for any of the entrepreneurs.

#### Comparison between the entrepreneurs' perspectives across the gender of the entrepreneur

In the following part, the male and female entrepreneurs that were observed pitching have been compared. Findings from this comparison indicate that there are no differences between the two genders in the way they used their networks.

In terms of investor and professional networks, both genders mentioned that these types of networks were used to collect resources. There were equally many female entrepreneurs who highlighted their investor and professional networks, though the majority of the female entrepreneurs did not mention these networks. Also, there were equally many male entrepreneurs who talked about these networks as there were male entrepreneurs who did not. In terms of university, personal and startup network, none of the entrepreneurs talked about any of these networks.

#### **Gender characteristics**

##### Comparison between the entrepreneurs' perspectives across gender of the investor group

In the following part, the female entrepreneurs who pitched to the male investor group have been compared with the female entrepreneurs who pitched to the female investor group. Findings from this comparison indicate that women who pitched to the male group showed mostly androgynous characteristics. They did however also show masculine characteristics to almost the same extent, in addition to showing a few feminine characteristics. These women differed from the female entrepreneurs who pitched to female investors, as these women showed mostly masculine characteristics. They did however show an equal amount of feminine and androgynous characteristics, which were close to the amount of masculine traits that they showed.

In the following part, the male entrepreneurs who pitched to the male investor group have been compared with the male entrepreneurs who pitched to the female investor group. Findings from this comparison indicate that the men who pitched to the male group showed mostly masculine characteristics. They did however also show feminine and androgynous characteristics, but to a much lower extent. This was different from the male entrepreneur who

pitched to the female group, since he showed mostly androgynous characteristics, and no feminine characteristics. He did however show masculine characteristics, but to a lower extent than masculine traits.

#### Comparison between the investors' perspectives across gender of the investor group

In the following part, the remarks made by the investors about the female entrepreneurs who pitched to the male investors have been compared with those who pitched to the female investors. Findings from this comparison indicate that the male investors described the entrepreneurs with mostly masculine attributes. They also highlighted that the women showed androgynous characteristics, but to a lower extent. The female investors described the women similarly, in the sense that they also characterized the women as masculine, though they equally described the women as androgynous.

In the following part, the remarks made by the investors about the male entrepreneurs who pitched to the male investors have been compared with those who pitched to the female investors. Findings from this comparison indicate that the male investors described the entrepreneurs with mostly masculine attributes. They also highlighted that the men showed androgynous characteristics, but to a much lower extent. The female investors differed in their remarks, as they described the men purely with androgynous characteristics.

#### Comparison between the entrepreneurs' perspectives across the gender of the entrepreneur

In the following part, the male entrepreneurs that were observed pitching have been compared with the female entrepreneurs who were pitching. Findings from this comparison indicate that the male entrepreneurs showed mostly male characteristics, but also that they had some feminine and androgynous attributes. The female entrepreneurs differed from the male entrepreneurs, in the sense that they were characterized as equally masculine as androgynous. They were however similar in the sense that they also showed feminine characteristics, but to a higher extent than the male entrepreneurs.



# Appendix H: B-categories and data structure

The information in this appendix has been presented in the following order:

1. Human capital - Entrepreneurs
2. Human capital - Investors
3. Social capital - Entrepreneurs
4. Social capital - Investors
5. Gender characteristics - Entrepreneurs
6. Gender characteristics - Investors
7. Data structure

	A	B	C	D
	Education	Management Experience	Startup Experience	Industry Experience
1	<p>Entrepreneur 1</p> <p>I think these particular investors valued my educational experience. I mean, I've gone to a lot of good schools and I've worked for a lot of good firms or brand firms and I think they valued that [...] I think they were impressed I went to HBS, Harvard Business School. It gives them credibility coming in the door, probably helps especially as a woman, I think. And then there's also if you've gone to a school like that there's sort of an assumption that there's a shared language and a shared way of thinking about problems. [...] I think these particular investors valued my educational experience. I mean, I've gone to a lot of good schools and I've worked for a lot of good firms or brand firms and I think they valued that. I don't think that's important to every investor</p>	<p>I think that it showed that I had experience running a business and it wasn't a stand-alone business.</p>		<p>My company is solving a problem that I had personal experience of, and I think that's really important. I have experience with the problem, I understand how the problem works and that's what prompted me to start the company</p>
2	<p>Entrepreneur 2</p> <p>I taught myself plastics manufacturing and silicone molding on a small scale and how to invent medical devices, and researched patent law, and wrote the FDA application on the first technology myself. I didn't have consultants to do all of that. I learned it. How did I learn it? I went to the library, I went to Boston Public Library, I researched online, I watched YouTube videos. So my education taught me if you don't know the answer to something, go and find someone who does, ask them, and research</p>	<p>Oh, absolutely. That was probably the one thing that offered the most credibility, because I did have an experience in management and building company prior to this. It made up for the fact that I didn't have the science or the medicine.</p>	<p>I think that investors are more used to looking at a leader of a startup who is doing something that they were doing before, someone who is in technology, worked for a technology startup, and then goes and does another technology startup.</p>	<p>It was challenged, for sure. What made me qualified to do what I was going to do? I was out to raise a considerable amount of money, and there was concern if I was the right person to do that</p>
3	<p>Entrepreneur 3</p> <p>I think that really helped, because when you're pitching for investors, you want a very clear message. So just to say, "Oh, my business partner is Columbia MBA, and worked in two startups that exited the [Company X], a huge education company."</p>	<p>It definitely asked about it. Now again, the last round no, but the first round yes. I think a lot of these things in the first round, you're getting tested on a lot. And then, as you show good stewardship of their capital, and you do what you say you're gonna do or if you don't do it, you have a good explanation as to why it didn't happen, that's what matters more.</p>	<p>I guess, in my case, it didn't hurt that I didn't have necessarily ed-tech or entrepreneur experience. I would sometimes draw on my very early... When I was first starting out, I drew on my very early career as a journalist. I was a freelance reporter. [...] I just thought, "Oh, I'm good at freelancing because I don't hear no." I hear, "Oh, that wasn't the right story for today or maybe next time." and I also would never say no. [...] So very similar traits that I did talk about when I was first raising money, but now that I have a company that's five years old and raised multiple rounds, I don't get questions about that. But I certainly feel like my education in this was on the ground, overseas.</p>	<p>my industry experience in public radio was definitely important because I pushed the fact that I could get these special relationships and leverage the content in a way [...] I think that makes up for everything that I don't have any background in education or in business. It just makes up for the fact that I got something unique because of my years in public radio.</p>
4	<p>Entrepreneur 4</p> <p>I have an MBA from [New England Business School X], which is great. [...] Probably because just the business experience... Without me being able to say, "I've been on the management team... The former VP of Lego or something." I don't have that background, but to be able to say, "I've studied, I did the MBA with this in mind, to start this company," and that's helpful. Yeah, I don't know if it's necessary, but definitely helpful</p>	<p>I don't think they've ever asked about that stuff, so it doesn't... They don't know about... I'm sure that they know that I've never led on a team outside of [New England Business School X] before, but... Yeah, it's interesting, they've never asked me about it. But I think in terms of actually being able to do it and lead the team forward, it's definitely helped. Probably, it's the reason why we are where we are.</p>	<p>Zero. Well, for me, it gave me the experience, for sure, but I've never talked about it at all.</p>	<p>People did not wanna give us money because they were like, "You've never built a product before. You're about to go into this expensive manufacturing process."</p>

	A	B	C	D
	Education	Management Experience	Startup Experience	Industry Experience
5	Entrepreneur 5 I think for a younger entrepreneur it is, but for us, no.	Nobody has asked... Well, the fact that I've been a CEO before, definitely. That's a check mark. I think where it has not been important, people haven't looked and said, "What's her management experience?" but what it has allowed us to do because we're very experienced is build the company very leanly, know what the pitfalls are. We can talk intelligently about labor law and all the things that a good manager needs to understand.	Both of us have had careers in start-up organizations where we have been with companies from inception to public offering and acquisition. We have a number of those. We have both been very successful. People trust that we're hiring the right people.	We wouldn't get money without it. You couldn't. You have to be in this business to understand what's going on.
6	Entrepreneur 6 Actually, it's amazing because last semester, I took two classes. One is called Finance for New Ventures and the other one is called Entrepreneurial Finance. That was exactly how to raise capital. So, I think that helped me a lot, first of all, in understanding the numbers and the language. And then just understanding general matters, how does this work, and what points should I negotiate, etc. So, of course, it's been really, really useful, my education.	I think it helps. Usually, I've been communicating with directors from our board or investors for the past years. I think you develop a sense on how to deal with these stakeholders, so I think that has helped. I think it brings seniority, it brings attitude. I think that's about it. [...] When I went to that company, there was already a team working there that I had to get in and manage them. They were all there with more experience than me. So, I think being able to handle that has, for sure, built up my leadership skills that are evidenced in the fundraising process, first of all. Second of all, that was not my company. I was answering to the board of directors. That gives you a lot of formality because people do not know you, and you just see them once each quarter to show them how you are making them win money or lose money. So, it's a very intense relationship sometimes. I learned through that experience how to handle the board. For example, how to sell my ideas, where the company should go, where it shouldn't go, where to play, and how to win. I think those skills on communicating your vision and how do you expect to perform in different environments to more experienced people and all their people, for sure, gives you some communication skills that you didn't have before that now in the investment process you can see them, and more business confidence whenever you are talking about your ideas and how to back them up in business terms so everybody feels comfortable. So, I think all of that was key for this fundraising process.	That, I think I'm very strong in that area. My entrepreneur suit, I think, is my strongest suit. The way it has affected the investment process is that we have been able to deliver results very quickly because we know how to make things happen whenever we are starting. So, I think it has helped us to go to market fast and show results fast who brings investors excited.	I don't have any industry experience in food and beverage. This was my first time that [...]. I had three companies before. One was in advertisement, the other one was in e-commerce, and the other one was an edtech startup. I totally switched into another industry. I think that has probably hurt us. No one has told me yet, "[Entrepreneur 6], you don't have the experience we require." But probably, it's just one thing that they say, "This guy hasn't worked in the industry before, so maybe we will hold." I think, probably, it has hurt us, but definitely has not helped us because we don't have experience.
7	Entrepreneur 7 the engineering background was crucial because he could actually prove that he could lead the engineering team, to do what they did. They prominently cared less about the MBA, but the MBA background was what enabled him to create the pitch deck, and the financials, and the plans around all of these. So, yes, I'd say, it's very important.	So, he's a very good project management type of person. He brings complex engineering projects in. He completes them on time and on budget, and that discipline, I think, to a great extent, came from his prior management experience.	it's showed that he'd taken another company and made it into a success. There weren't a lot of questions about that company in the Q&A, interestingly enough. Maybe they had done their homework and knew that it was a successful company, but experience helps, for sure. [...] Because I think, it's part of the underlying fabric that you created the credibility that made people believe, that this was going to work.	Well, it's interesting because he actually married two industries, right? He married the industrial use of a laser with a consumer product. So, the fact that he understood the laser technology was important. The fact that he perhaps didn't understand the consumer market was probably a weakness, but it was made up by recruiting other people with that kind of a background, I being one of them.

	A	B	C	D
	Education	Management Experience	Startup Experience	Industry Experience
Entrepreneur 8	<p>I went to [Private Boarding School X] [...] it's a really prestigious, fancy private school, and just an awesome education. And I think one of the things that it taught me how to do really well was, to learn about whatever it is I was interested in, you know, the process in which I go about learning and taking notes and studying something. And obviously, in school, we're applying those to things like history, and math, and things, you know, at the time, I'm like, "Aw, I don't care about any of these things." But when I was able to apply those skills to the video game industry, I was able to learn a lot really quickly. And, you know, the way that I thought about it, the way that I try to solve problems, I think, was heavily influenced and shaped by my high school education, and ultimately my college education at [College X], too. And that was more directly applicable, because, at Miami I was in business school, learning how to put together slide decks, and how to formulate businesses. And one of the things that was so great about Miami, is, it wasn't... You know, I was an entrepreneurship major, but I learned a lot about other types of businesses, not necessarily just startups, how to fund those. [...] And then, you combine that with [University X], which was completely, 100% focused on startups and entrepreneurship. I think my education was extremely influential in all of it.</p>	<p>Let's see, I was 20 after I graduated university, so how many executive management opportunities was I really going to have? Going into it, right? But yeah, so, I think people liked that I didn't have a lot of that experience, you know, obviously not everyone liked it. You know, it definitely made it harder to close investors after [investor X]. But at least getting that initial investment, it wasn't an issue. It actually might even have helped me.</p>	<p>I had a huge advantage over everyone else in the competition, because I had experience, sort of, pitching investors when first coming into the program, working with startups and things like that [...] I was working with a lot of kids who were really, really smart: kids who went to Stanford, MIT, Cal Tech, great schools all over the country. But they didn't have the same type of entrepreneurial experience background that I had. So that was sort of something that I think I was able to leverage pretty well throughout the whole process. To do well on the pitch competition at the end, and also to ultimately win the whole thing</p>	<p>I didn't start out as somebody who was a programmer, or who built games. I came at it from somebody who played games, and loved games, and really knew a lot about what a great game looked like and felt like from a customer perspective. Right? But I didn't know very much about building games, or what went into it. So, you know, I think that was sort of where my passion came from, is just, I felt like I knew what I was talking about from a business perspective, and the industry and the numbers. And I knew what the game should look like, and what the end result should be. [...] It was of the utmost importance, I would say. I mean, I founded the whole company based on my experience playing video games. [...] I think the fact that we didn't have that industry experience is part of what made people interested in investing in us, because we were sort of coming at it like, "Hey, listen, the industry is looking at this all wrong. And it needs a fresh perspective, and there's too many people in the space who can't see the forest for the trees, and so we're going to come in with this fresh perspective, we know what great games should be, and that's sort of our approach." So, we understood that we didn't have the industry experience that a lot of traditional VCs needed to invest in a company, and we tried to use that to our advantage.</p>
Entrepreneur 9	<p>I don't think, for me personally, it was a factor in what I've been doing. Because I started years ago. All the things I already am learning in the classes that I'm taking here, I already learned years ago, by doing it. So, for a non-experienced entrepreneur, I think the education here is perfect, it's amazing. But for someone who's been doing it for years on a legitimate scale, it's very different.</p>	<p>I think they are confident in my ability to lead, especially the team, because again I think the most important part of any business is more importantly your team and who's around you, the people. And so we're trying to run the business that way and I think that that person would agree, that our investor would agree with that</p>	<p>I think if I didn't have previous experience, especially selling my first business, it'd be very different 'cause I wouldn't know what to do, a lot of the times [...] I've already sold my first business and second as well. So that plays a part in when you're putting in investment, because you wanna make sure that the person has experience, or at least knows what they're doing somewhat</p>	<p>I had a previous business where we were cleaning and repairing shoes for local university sports teams, in Philadelphia. And one of my competitor's products, of what we do now at [Company X], was what we were using in that old business. And the product was really bad. It never worked. It never even came for that matter. Very harmful, and all these other negative factors. So I ended up selling the business at the end of my freshmen year of high school, and I started researching nanotechnology. And that's how I ended up doing all the research to come up with this business, and that's when we launched.</p>

	A	B	C	D
	Education	Management Experience	Startup Experience	Industry Experience
Entrepreneur 10	<p>At the time I had experience, I had been in the industry more than 10 years. I think it is more relevant if you're right out of college trying to start something. Having an educational background helps if you don't have industry experience and it shows that you've put your head down and you've worked hard and you've achieved a goal. That's really important. But as you've been in the industry awhile, it becomes less and less important.</p>	<p>I think it helped because the investors that we got money from are very traditional, and they were looking for that, so we need to show some kind of management experience, which I have.</p>	<p>Actually, I thought it would be a little bit easier because I had successfully sold a company, so I... it really... But there was various levels. You've got these entrepreneurs that raised \$100 million and sold it for \$1 billion, that you're competing against. Again I'm kind of referring to more of wherever I am now with series A, so it's a little less relevant now than it was at the very beginning. At the seed round the reason why I didn't have to pitch hardly anybody is because I was successful, I had a company, I sold it. I did well with it. So, for that the early conversations actually went pretty easy because of that. I think where I am now is kind of like... I don't know what do you wanna call it? Raising amongst the best companies in the country. A 100 or so that are going really big, and it's not only what's your experience and your background, what about your team? How many people have exited? How much money have you raised total? So, and then I'm actually not really at the forefront with my background as some others that are raising money. So, it has a big impact, but I realized that where I am now it's... So it's... It's just that my experience isn't necessarily enough for that process to go very easy without having the numbers to back it up. That made it easier. [...] yeah, definitely. Yeah, that made it easier. Not as much now, series A, but for the seed, the early investment, definitely.</p>	<p>I think that even though I had five years in manufacturing, it wasn't really manufacturing. It was an aerospace, I was a mechanical engineer. I kind of spun it a little bit to be manufacturing. I think it is relevant. I think for what we're doing, which is a very vertically orientated product, it's very important.</p>

	A		B		C		D	
	Education	Management Experience	Startup Experience	Industry Experience				
1	Investor 1 They went to school in India, which I'm not sure the reputation of the school. It was really more what they've accomplished in their career that I focused on, and frankly I would focus on, although I always give Babson kids, you know, more than an even break, just because I went here	Yes. Because he had the track record.	I think it was helpful, because he knew how hard it would be. He was going in with his eyes open. [...] When you have a start-up, you know, it's not a smooth. It's definitely more difficult than to work for somebody else. Different challenges.	Yes, because he had run these other companies. So, he had a very impressive track record.				
2	Investor 2 This is Boston. If you didn't go to MIT or Harvard, it's really hard. [...] You don't tend to feel you're looking at smoking mirrors if somebody has gone to MIT. You feel there's probably... They've gone to MIT. They've got a few MIT professors on the board. The technology is you assume it's solid. It's a huge strength to Boston. It's a huge disadvantage to Boston.	Passion and coachability matters, otherwise it won't work	I wouldn't have looked at them twice if they hadn't done it before. [...] the fact that they have done this before and exited gave me confidence that that's what they wanted to do again.	They've done this before. And, I think when you... I'm sure that other people that you've interviewed had said this to you. You're betting on the jockey. Because a lot of these companies also pivot. And, when I look an investment, this investment is unusual and that it's a pure play. But most of the time when I look at investments, I look at what else could be done with that. Because if the first application doesn't work, what's next?				
3	Investor 3 It's conscious bias versus unconscious bias. In that, you look at people's pedigree, or the schools they go to, and so somehow it's the brand of that. And so you sort of believe in the brand that somehow that's going to translate into a gazillion dollar business which is even any of us can sit here and say that is the most ridiculous thing ever.	You believe that they know how to lead a team	I think she knew some people in advertising. She had individuals out there that believed in her and were willing to invest in her again. So, she had that piece of it, and I think that she also had knew where to go and hire people	She was familiar with a company that might want to buy this company [...] You do have that network that can give you the support to be able to shift gears and sort of change the emphasis of the company				
4	Investor 4 Where you got your degree from doesn't build the company. The person builds the company. I think people can misinterpret the signal that comes from an Ivy League school, and project on an individual more merit than they deserve	Normally it is, but not here, since this is a team that's doing this for the first time. And sometimes you make those bets, when you see the exceptional talent. One of the things, and maybe this will come up in a further question, but with a first-time CEO, one of the things I like to look for is how quickly do they learn, how quickly do they grow, because if they are a first time they have to figure out how to accelerate their own learning curve, and if you've never done it before you have a lot to learn, and I think in [Entrepreneur X]'s case he is one of the fastest learning CEOs I have worked with who is a first-time CEO	They didn't have a lot, and I still made the investment even though they didn't have a lot so I'm going to have say no. Not in this case. This is a little bit of an exception. You probably hear a lot of investors say "Oh I look for repeat entrepreneurs," which we do too, but sometimes you make the exception.	They are technical so that's why they were able to build the solution themselves and then that kind of grew				
5	Investor 5 He was experienced and old enough that he had a lot of experiences after his education, and those were the experiences we were focused on.	Being a CEO is a really difficult job, and so you want to see or at least reference whether he was an effective leader in other roles	I actually think it's more important to have experience with larger companies because the goal is for this company to become larger. And so, there's likely more nuances in your goal when you're leading a bigger team.	In this particular company, they're selling to one industry. And so, understanding that industry is very important to be able to sell.				

	A	B	C	D
	Education	Management Experience	Startup Experience	Industry Experience
Investor 6	To a certain extent it does not matter what somebody has as a background. The fact that he had had a successful business before was important, but we knew that the product worked because he was an engineer. Oftentimes we like to find entrepreneurs who have felt personally the pain in the marketplace that they're trying to alleviate.	I mean he built a 12-person software company, and I think he grew it to a couple of million, maybe 3 million dollars in revenue a year. He sold it for ten million bucks, so I thought that was good enough experience. He sorts of did it in the small town in western Massachusetts, but that's good enough.	We liked the team because the CEO had done it before, he had started the company, he had built it and sold it.	And I think, if he had been the owner of a machine shop, and had tried to build the products that his company was building we would have appreciated his domain expertise, but we would have questioned the ability to build a product. With this CEO, we knew he could build the product, and we knew he was pretty well connected to the marketplace. So, we felt that was a good combination. And secondly, we wanted the business model of this company to be software as a service. He was familiar with the software space and knew that business model. So I think that gave us a lot of confidence as well.
6				
Investor 7	It's more a sign, for me, how committed you are to be successful in what you have touched [...] It's a sign that you set a goal, and you do everything in your power to achieve this goal in situations where it just doesn't come automatically and easy. That's exactly the same kind of skills that I want to see in an entrepreneur, because every morning something gets thrown at you that makes it tough to make it through the day	Even if they had excellent education, there are certain things that how business works you can't learn in school. I'd rather have a real employer educate them than I would my money.	I have seen entrepreneurs that have done very well at their second or third venture. I've seen entrepreneurs that have done fantastically in their first two ventures and totally failed in their third venture. I think it is pretty much a random outcome	At series A level, you think more about what have they actually accomplished. You have hard data. You don't have to guess how they will be doing. You kind of know it
7				
Investor 8	Not very. It really depends on the situation and I'll answer it by an analogy. A lot of times people like you or students they'll ask, "Which is better: backing young entrepreneurs or old entrepreneurs?" I always say that's a red herring because it depends on the opportunity. If you're going after a problem that's buried deep in the industry where it's an evolutionary solution to an existing market and it's sort of a next-gen solution, probably having grey hair and a big network of people in the industry, and having deep deep market knowledge is probably much better, and that's the more backable CEO in that context. But, if you're coming up with some totally disruptive new technology and you're essentially creating a market from scratch that didn't exist before, you probably want a young CEO who's too crazy to realize it's impossible, right? Because, an old experienced person would say, "That can't be done." You want the CEO who's like "I'm going to do this." The reason I bring that up is that in those later stage opportunities like this one it's much more about what they know, then where they went to school. They say that the importance of your college degree pretty much evaporates after your first job and with evolutionary industrial solutions like this, it's much more about if they ran a hardware startup before, do they know people in the oil and gas industry, do they have depth in photonics, have they published patents. In fact, I know our diligence people probably looked at this as part of our diligence, but I don't even know where either of the CEO and the founder went to school. I don't even know, if I had to guess, I would guess that the technical guy went to a prestigious University in the Northeast, and was some sort of an electrical engineer or mechanical engineer or physics person if I had to guess, maybe with a photonics major. But I don't know. He's an older guy he's in his mid-late sixties, right? He went to school like 4 decades ago, so who cares? And if I had to guess the CEO probably was educated in Germany. That's where he's from, and I imagine he went to a technical university in Germany. But it's totally irrelevant	It has to come from somewhere, sometimes we joke and we call it adult supervision. In some cases, we need a COO who can just make the trains run on time [...] The more naturally thin the margins are in a company, the more expensive the sales cycle is, the more important I think business experience is	The CEO had done three previous startups, and had raised a fair amount of money and was a very experienced and credible CEO	One of the key ingredients of the deal was that our member who had been in that industry his whole life was going to be joining the board [...] He had a tremendous number of connections in the industry and he's already been making valuable introductions. So sometimes industry knowledge is often very important but it doesn't necessarily come from the team
8				
Investor 9	Well, it was because most people said, "What does she know about engineering, pharmaceutical suppositions?" But she was a patient. [...] So it's a real person's experience. [...] So out of need came the solution to it.	She was learning on the go. You'll have to talk to her because it's very hard to explain who she is and why people listen to her. And they'll write a check	It's that ability to take something that's complex and turn it into something that an investor can understand. That's really the key. And I think, if an entrepreneur can do that, the rest is almost in the details."	The experience was really more her ability to bring on a group of advisors. So I brought medical device experience, another board member was an operational person [...] So she surrounded herself with board members who had an expertise that she didn't have. And she listened, or argued
9				

	A	B	C	D
Investor 10	<p><b>Education</b></p> <p>It was more his experience and that he had been responsible... He'd had a major sales role in a software company that gave us a sense of his credibility in the first investment. And his partner had an architecture degree from Harvard and had worked in the construction industry in Hungary, putting in the first Four Seasons Hotel in Budapest. He had a knowledge of the construction industry. And so it was more experience than education.</p>	<p><b>Management Experience</b></p> <p>Yeah, in both cases. In both cases, the fact that the one founder had led a sales team, in software sales, and another had a major role in building and completing this hotel in Budapest.</p>	<p><b>Startup Experience</b></p> <p>That was the fact that this was a startup in an industry that he knew very well. He'd had a successful exit. We knew that Company X, that had bought his first company, was a potential candidate to buy this one down the road. And that's been now demonstrated by the fact that Company X made an investment in the series A, which was the third round of investment.</p>	<p><b>Industry Experience</b></p> <p>And so the fact that we had confidence in his ability to market this to the construction industry and find customers was a big factor. Achieving early sales revenue is one of the most important things in the success of a startup. And we felt he had an advantage in doing that because he knew everyone in the industry that he was going to be selling this to</p>
	10			



		B	
		A	B
Investor Network		Startup Network	
1	Entrepreneur 1	I met the investors because I spoke at a conference and they introduced themselves to me.	
2	Entrepreneur 2		
3	Entrepreneur 3	When I began fundraising before, in the previous rounds, I always try to look for a lead who was a previous funder. It gives confidence to current investors to come back into the round, as well as other investors, new investors, who feel like, "Okay, they're doing well. Their original investors support them." I've been lucky in that every time we open a new round, we've had the support of our original leads. And that also makes it easier because they are an organized group that does due diligence for their group, and then they'll share that with other people outside their group. [...] And typically what happens is, you hopefully get a warm introduction from one member, who then does a screening with you. And it usually is a screening call with somebody else, another member, and then they take it to a committee that determines whether you're interesting enough to pitch before the whole group. It's quite a big screening process before you even get to the group. And then you give an in-person pitch to... in fact, they have two different... They're so big that they would have two meetings. So you have one meeting with 50 people, another meeting with 50 people. That was all in the very beginning. But they're a very well-organized group in that they have these things called, "follow-on forums." And for companies like mine that have already received money from them and need more, they have every... twice a year, you can pitch before them again, and just explain where you are and why you need money. So rather than having to chase every single one, you still do have to a large degree, but you get in front of new members, and you see your old investors.	First investment I got that was outside of family and friends was with [Accelerator X]. It really helped to be part of an accelerator program, where we were in for six months, and I was alone at the time. And they gave us a small amount of capital, and they gave us a working space, and then we had classes. I learned how to make a pitch deck. Actually, the entire purpose of [Accelerator X] was to get you ready for your pitch, to raise money. And then they helped introduce me to these people who became my funders. So I had a lot of help in framing the pitch and making the presentations. [...] I approached them. It was through a contact in this space, a woman who belongs.
4	Entrepreneur 4	And then investors, I definitely look meetings early on with some ed tech investors that helped me shape how are we gonna enter this market. And I still am in touch with some of them, and then I'm still trying to get an investment from them on the next round, who's longer... They're a much later stage investors, but yeah, that was it	And also, other founders. I met a ton of other edtech founders in the early days that were just willing to take a meeting and have been super helpful since then. One of them is actually now investing in this round, who I met through [Team Member X] early on and who knows the market really well. That was helpful, 'cause when you're starting a company in a new market, you wanna make sure that the people and the thought leaders in that market... That's a good sign if they actually think what you're doing is a good idea. That was helpful. [...] Through the [Accelerator X], I had my coach, who was really well connected in Boston. She was a banker. I specifically chose her 'cause I knew I was gonna have to raise money and then it was completely new for me, and I knew she was very financially oriented. She's done all of this before, she's worked with startups through that, and we also really clicked on a personal level. I chose to work with her, met with her once every two weeks for the entire program. Towards the end, she started to think, "Maybe you're ready to meet some of these angel investors."
5	Entrepreneur 5	We were both active angels before we did [Company X], and we ran an angel group. We were members of [Angel Group X], as well. I sat on the board of the [Angel Association X] with one of the heads of [Angel Group X], and Entrepreneur 5 sits on the board of [Angel Group X] with other members. We knew the group, and it barely helped us. I was going to say it didn't help us. [...] It's a lot of old white men. Yeah, it is. I'm going to answer it in a couple of ways. I think that the investing environment has really changed. I think that more and more, angels who should really be funding companies at earlier stages want more perfect deals. If you're investing as an angel, these deals are not perfect. They're missing something or they need help with something. We were not active members. We weren't attending [Angel Group X] meetings when we pitched to them. Actually, we had a bad experience with [Angel Group X] to start with. The leaders of [Angel Group X] are very supportive of us, and they pushed us into coming into [Angel Group X] too early. We didn't think we were ready. We didn't have any... They were like, "You could just show screenshots. [...] We invited a select group of [Angel Group X] to our office and then took them through the business in a smaller group setting. I think virtually everyone but that [Investor X] and [Investor Y] didn't end up, but everybody else wrote a check the next week. Then there were some other people from that group who we also knew who we picked off and spent time with one at a time. They wrote checks. They did zero due diligence at that point. Well, they played off the [Angel Group X]'s due diligence. That was our strategy with them. Over time we brought more and more and more of their investors on board. The same thing for [Angel Group X].	

	C			D		E
	University Network	Personal Network		Professional Network		
1	Entrepreneur 1 Yeah, it's really hard to know, right, because it's so subtle. Sort of like you've checked a box. Where you have that, like you're a member of a club. So, something like that. You can put it that way. I mean, qualitatively it's hard to say [...] I think it's almost like you're one of the guys in a way. Sort of like you're in the club.					
2	Entrepreneur 2					
3	Entrepreneur 3					
4	Entrepreneur 4 How did I initially connect with them? Someone at [University X], I believe, put me in touch with them, because they meet at [University X] once a month. It's an angel group. It's a bunch of different high net worth individuals that meet up and they have deal flow. [...] I think there was some affinity to [New England Business School X] from the group. I think the [New England Business School X] name had a good [...] They meet there. They have a bunch of members from the [New England Business School X] community, so that definitely helped. I have several angels who are [New England Business School X] alumni too. Right now, in the early stage, I think it's definitely helped to have the [New England Business School X] affiliation					
5	Entrepreneur 5	We were pitching a group, and we had a friend in the audience. After we left the room, the leader of the group had said, "Boy, that's the best pitch we've ever seen." We left the room. There were men in the room that stood up and said, "Why do we think these two women could run a business?" Now, this is two women with 30 years of business experience, and yet these same men will turn around and invest in two college students. I'm going to add to that, because these same men relied on each of us separately at different times for marketing information, marketing background... They knew us. They worked with us. They knew us on a very personal level in a business environment, and it didn't make a difference. We've heard it all				

		B	
		A	Startup Network
6	Entrepreneur 6	<p>I met her in an industry event. There are a few companies that just organize industry events in the Boston area. I went to one, and I showcased our brand. I had a booth, and I was talking to people about us. She got really engaged on what we are doing, and she ended up investing one month later. [...] She has been helping. But I would say that the angel group, I met it through one of the founders of the angel groups. I met her through industry events. [...] I was in a show. Basically, that way, I was showcasing our brand. We had a booth, and I offer samples, and I talk to people about it. Then she just walked by, and I told her the story, and I told her about the product. She was really, really interested. The next day, we had breakfast. Literally three weeks later, I was pitching in front of her angel group. One week later, she was investing in us.</p>	
7	Entrepreneur 7		<p>So, some of them are friends. I belong to an organization called [Organization X] that has an internal network, dedicated to raising money for businesses. So, when I first joined the board of this company, I put the company's information out in a network, and this is two money raises to go, actually, and asked if there was interest. It generated quite a bit of interest, and then, in the follow up rounds, the same people wanted to participate. So, that's how it goes. [Organization X] is... you're selected. So, you have to be invited in, you have to be the Chief Executive Officer of a company with, I think, it's not more than 75 employees and seven or eight million dollars in sales. I've been a member of this organization since 1990. I was a chairman of the local chapter here, so, I sort of got to know the organization well. It's a great... There's only one member in Norway, his name is [Person X]. So, I took the local group from here to Norway three years ago, for 17th of May Celebration, and [Person X] showed up with his whole family. So, we had an unbelievable trip for about a week in Norway with all these people. So, anyway, yes, a good group to belong to you, if you're sort of on your way as an entrepreneur. The investors that came in from [Organization X] came in on my credibility. The fact that they trusted who I was, and the story I told was a true one. [...] I actually did not know them personally before this happened, but there's a network, and a way to check out inside the network, who you are, and we must have passed the test.</p>
8	Entrepreneur 8	<p>I mean he's, you know, just like [Cousin X] was a sort of a brand that I was attached to, from being my cousin, once [Investor X] invested in the company, I mean, we had [Investor X]'s brand attached to our company. So, for a long time it was the main selling point, maybe even still is the main selling point. That, hey, we're an [Investor X]-backed company. So, it was enormous. I think, it got us into the door for most of the meetings that we got. Like, oh, this [Investor X] investment's coming in, [...] I reached out to investors on my own, and say, "Hey, we're an [Investor X] backed company," and [Investor X] introduced me to companies, saying, "Hey, I invest in this company, you should meet with them, they're really cool."</p>	
9	Entrepreneur 9		
10	Entrepreneur 10	<p>There was a very small startup ecosystem in the western part of the state, so part of that is I had some of my connections from my previous company that I had, which I'd never raised equity financing for my previous company, so no experience coming into [Company X], but I did have a connection with [Investor Group X] and [Investor Group X] who was our first investor, so I reached out to him and their firm and they decided to invest. [...] So, I already had my connections.</p>	<p>But I also, as part of an accelerator of theirs, so at [Mentor Group X], which helped in just... Actually it was kind of a good timing, because during that accelerator is when I was actually pitching to investors, so I refined the pitch and was able to... In this case I was so focused on the company, I essentially said "Okay, this sounds good." I took the money and went; I didn't actually go out and really try to find a whole bunch of different investors, and be super selective, at least for the first. And then after the first investor, then they brought in the other [Investor Group X] who also came in, and then they brought in the other, it was [Angel Group X], and then we did a second seed round after the first seed round a year and a half later, so it was like one point four million the first and I think it was 1.6 million the second. And the second seed round we added a couple of other investors. [...] For the second one, I think the accelerator really did have influence because [Investor X] from [Angel Group X] was involved in that accelerator and I think he was introduced to us there.</p>

	C	D	E
	University Network	Personal Network	Professional Network
Entrepreneur 6	At the beginning, it was a lot based on [New England Business School X]. So, I would go to events and just reach out to speakers that came. Through them and professors, I would start asking each time I finish a meeting, I would say, "Which person do you think would be valuable for us to talk with right now?" They will say, "Oh, I have a friend that worked in Pepsi for 15 years that probably I can connect you with." I would follow up on that to get connected. So, [New England Business School X] was a big part of it on how we opened the network.		
Entrepreneur 7			
Entrepreneur 8	He would talk to us in the morning, we would have a morning meeting, he would introduce all the speakers. So, I mean, I saw him almost eight hours a day, every day, for a month. So, I spent a lot of time with him. And, I don't think the program... I don't think he's as involved in the day-to-day anymore, now that the program is a little bit more established, and up and running, which was part of what made it such a great experience for me to go when I did. Was that, he was so heavily, and I personally, invested at the time. So, I was able to take advantage of that obviously. [...] So, if you ever get the chance to meet [Investor X], [Investor X] initiates, drives, all conversations. So, basically, the nature of our relationship was, I was just trying to learn as much as I could from him. And, part of the program was, I had multiple chances to pitch him. So, the first time I ever pitched him was, we went out to lunch, and this was [Investor X]'s routine, is he would bring four or five of us out to lunch, and we'd all take turns pitching our startup. [...] So, I pitched him once. You know, he had some feedback, I pitched him again, got some more feedback, and by the end of the program, I had, I guess, refined my pitch enough to the point where he really liked it, and liked what we were doing, and liked the people I had surrounded myself with. So, at that point, then he approached me about investing. So, my goal really was nothing more than just to have a good relationship with [Investor X], at a personal level. Because he was somebody who I look up to, and obviously had accomplished a tremendous amount [...] I moved to San Mateo, California, for a month, lived at [University X], it's a boarding school, it's a converted hotel. And I just spent the month going to the classes that [Investor X] had put together, building a relationship with [Investor X], I played a lot of games. And it just so happened that [Investor X] was a big fan of the board game, Risk.	Most of my entrepreneurial experience before this came from my dad. So, my dad, with my [Cousin X], they co-founded [Company X] together. And after [Company X], my dad went on to help a number of different startups. And so, I would usually intern for those startups over the summer, just to get experience. And, one of my dad's biggest mentors in his life was this guy, [Mentor X], who took two companies public, he's now a CEO coach and mentor. So, my dad introduced me to him, and I was working with him, talking to him about my game idea and what I wanted to do. And he said, "Oh, well, I know... I have a good relationship with this guy [Investor X], you know, he's starting this program, [University X], I think you're a good fit for it, if you want I can get you an application. So I applied. Because I had [Mentor X] recommending me, I got in. And the rest is history. [...] [Investor X] had a great relationship with [Cousin X], who was, like, the public face of [Company X], he was the 18 year-old genius whiz-kid. He invested in a couple of [Cousin X]'s other companies. So I think that had a big part to do with it. You know, he was a big fan of [Cousin X], and I got [Cousin X] to come actually speak at [University X]. So, yeah, I don't know how things might have been different if I didn't have that connection. [...] Well, at one point, he was like, one of the most famous people, like, in the country, 1999, 2000, [Company X] was a huge store here. And particularly in Silicon Valley, you know, San Mateo, he was like a rockstar out there. So, I mean, it was just like having the same last name as a famous person that you're related to [...] he had the relationship with [Investor X]. So, his notoriety got him an introduction to [Investor X]. So, he already had a favorable disposition towards [Cousin X], so when I come in, "Oh, I'm [Cousin X]'s cousin", he's like, "Oh, well, I already like [Cousin X], so..." That's sort of how I think it paved the way	
Entrepreneur 9	My experience is unique because I didn't look for investment. The investor came to me. And it was actually because of the [Pitch Competition X] here, it's our business plan competition at [New England Business School X], which I won last year. And yeah, they saw us pitch and they wanted to invest, and it took a few months because we weren't interested in the investment. And then in the summer of last year, we ended up closing the deal. [...] There's a few of them, some of them have been introduced through other people. Some of them were introduced because I was in youth entrepreneurship programs. Long story short, it's just meeting through connections whether it's [New England Business School X], or back home in Philadelphia [...]. Except for the one who saw us pitch at the [Pitch Competition X] and invested. That was an MBA graduate here.	I met one of my advisors who introduced me to a different investor here at [New England Business School X]; he's a professor here, so he introduced me to one of my investors out of Philadelphia, who also has a son with my best friend so it happens. It's all interconnected, and they happen to be friends with my other investor who I've known for years, so they all knew each other and that's how it ended up working out. That's why I didn't have to pitch, I didn't really have to convince anyone, because they've known me for years. [...] They all knew each other. Yeah, yeah. Except for the one who saw us pitch at the [Pitch Competition X] and invested. That was an MBA graduate here.	There was a second investor that we brought on who was a mentor of mine, advisor. So we just offered it to any of my mentors or advisors that have been helping out in the last few years as a thank you for the support. So we gave them a premium price on the equity investment, and we closed on that.
Entrepreneur 10			

	A	B	C	D
	Investor Network	Startup Community	University	Professional Relations
1	<p>I worked with a fellow [Angel Group X] member, so she was part of this angel investing group that invests in women entrepreneurs. And so, I'm the funniest person, and took the CEO around to meet all these other angel investors, and said "This is why we think this is a great deal", and so they sold to another company after you know we raised over 2 million dollars. [...] I was passionate about it, which is why I was taking him all over the place, and you know, introducing him to the other angels I know. And then other people in that [Angel Group X] were bringing other angel groups in.</p>		<p>So, I was taking a group of angels. I had arranged a sort of a road trip to some of the tech transfer offices here in Boston. And [Investment Group X] is a national organization. Some of our members were visiting from our New York office. And so, I said "okay". So, I arranged one group to come to Boston University, Harvard, MIT, Tufts, UMass. And so, we would go, and then they would have, we would meet with the person who is running the tech transfer so that would be the people you know, doing their Ph.D. programs there. Plus, as well as sometimes he would say that we have some entrepreneurs who can come and do a presentation. And so [Entrepreneur X] was one of the people who did their presentation, and I was like "oh, yeah".</p>	
2	<p>[Angel Group X], so I was at a summit and they presented. I saw them at [Angel Group X]. They came in and pitched to [Angel Group X] [...] At [Angel Group X] we listened to her pitch, we talked about it in table groups. We did the... What I mentioned earlier being a deep dive where we sort of learned a little bit more about the company, answered the questions that were raised in the group and our personal questions. And then we went into due diligence and asked for all the specific information that we wanted around the company, and that's how I invested in them. [...] in this area a group like [Angel Group X] is fairly well known. So, specifically I don't really know how that would have been, but she knew we were a good place to raise money. It was a female in the C-suite, it looked like an easy get to raise \$250,000. So, that's how I guess she found out about us.</p>			<p>I'll tell you though the interesting thing was coming out. That's what I think back about that meeting was that the woman that was going to head sales came in, and she had relationships that a lot of these large firms in the consumer products area. And I thought, well that's another plus because she already has relationships, now they're going to answer the phone. [...] This is a while ago, but in this company, the woman that was coming in that was running sales had a track record, so she had done it before, she had relationships. Think about how you're just so overwhelmed with information these days you're not going to answer the phone for me, so you need to believe that there is somebody on that team where someone on the other end is going to answer the phone or respond to an email. So, it is important. [...] It was important as I said that she had had a company and sold to Microsoft. Yes, all of these things sort of appeared to add value, not to the explicit that well, I guess to some extent to the value proposition. [...] you believe that she'd done it before, that she was familiar with the industry, that she was familiar with a company that might want to buy this company. And I think that that actually is important because if you've done it before, you have this network out there. And what we know is that you're not going to start a company, and I don't know where the statistic is, but the number of the vast, vast majority, let's say 90 percent directionally again just for fun of companies that what they start out doing and what they end up doing are two different things. There may be a relationship, but they're completely very different things. So, if you've done it before you do have that network that can give you the support to be able to shift gears and sort of change the emphasis of the company. If you don't have that network it's just a much tougher, it's much, much tougher. You have to then sort of create that network in some other way. [...] in other words, in this particular instance and I wish I could remember the company that she'd had before, but it was also in the same space, so it was in tech. For some reason, I think she knew some people in advertising. She had individuals out there that believed in her and were willing to invest in her again. So, she had that piece of it, and I think that she also had knew where to go and hire people. So, there's all those different pieces they've had. Lots of times if somebody started a company and they started another one, who do they pull around them? The people they work well with, they don't have to go through that process of you figuring out my psychology. You are now my psychology. So, we already know how to work together and most people, why do you work? Because you'd sort of, yes, maybe it's the end game, but it's the satisfaction of succeeding and doing something with people and all that energy that you get from it. [...] And I would say to the same extent that you have to believe you're going to hire a salesperson and you're in a startup. And in this particular situation, as I said, this woman had relationships in a lot of the big industries. You don't want somebody learning how to sell at your startup, you want them to be able to know how to sell when they walk in the door, and that's typically somebody that you should be willing to give the six-figure salary to because what's important is the revenue. There's nothing more important than that revenue. A lot of the things you could fix or something or maybe somebody could learn about customer service, but because it might be more intuitive, but sales is sales. Have you done it before? Do you know how to get out there and shoot the bear?</p>
3				

	A	B	C	D
	Investor Network	Startup Community	University	Professional Relations
4	<p>Investor 4</p> <p>Someone connected us and said "you two should meet". They felt we would get along very well. His personality and my personality, so they said you should meet. Then I met, and right on the spot I said I will invest, and then he wanted me to join his board. [...] My investment network. It was someone in the investment ecosystem.</p>	<p>He had been part of [Accelerator X]. The company has been part of [Accelerator X] [...]. I had made a little angel investment in his company at [Accelerator X]. It was just a handful of people who invested out of [Accelerator X]. I had an advantage in that I was an individual personal investor in his company, and he had wanted me to go on the board way back then and I didn't have the time. I had a new job and I didn't have the time, but we would meet every 8 or 9 months, so that's how I found him.</p>		
5	<p>Investor 5</p> <p>We were introduced to that company through one of their existing investors. [...] So, well it actually came two ways but all through an existing investor. So, one is that this investor had invited us to some event that they hosted, and that company was there, and so we got to know the company through that event. And then when it came time for fundraising, that investor emailed us and said "Hey, they're fundraising, are you interested?" [...] Just in Boston, you just get to know other venture capitalist, and you just like to say "Hey, can we get lunch or coffee?" and then you just start building a relationship.</p>			<p>Okay, so we recently invested in a company called [Company X]. It's a company here in Massachusetts, and it was really memorable because the CEO was really impressive, but also when we're doing background checks and referral calls about him, what came back was incredibly consistent and just very enthusiastic. People that we spoke to that didn't work for him, wanted to work for him, and so it was just a very overwhelmingly positive response about the CEO. [...] We did reference or background checks on him and his references came out really strong.</p>
6	<p>Investor 6</p> <p>There is also an angel group in that area called [Investor network X]. And they also made an investment to this [Company X]. So, I met the company through a mentoring process and followed them for about a year, and then they got to a point where a seed round of financing was available to us. And so we joined some of our other friends who had already invested in the company and they were kind enough to share some of their due diligence with us which made the process a little bit easier. And we got involved in the company and made our investment. [...] I had known him for over a year before I considered presenting him to the group. So, I had met him, you know, three or four times over the span of that period. And the group in that area had already invested in the company very early on. And, so I was in a way, following the investment through them a little bit.</p>	<p>I've met the company four years ago through something called the [Mentor Group X]. [...] It's a cross between an accelerator and a mentorship activity, and it's focused in the region of the state of Massachusetts, which has been largely depressed for about 50 years because they used to be a manufacturing focused part of the state. And a lot of those jobs went away when labor was outsourced to China and India some time ago. But there has been a concerted effort by a small group of people to build up the entrepreneurial ecosystem to help develop new industries that will bring economic vitality to that particular part of Massachusetts. So, I've been participating in that for a few years as a mentor.</p>		<p>With this CEO, we knew he could build the product, and we knew he was pretty well connected to the marketplace. So, we felt that was a good combination. [...] He had an early investor who he put on his board, who had recently sold a family business that was a machine shop, and done extremely well. And he was a second-generation operator of the machine shop. He made an investment in the company. He joined the board and then he became basically the head of sales. And so, the combination of the CTO, the CEO, and the head of sales made for really a pretty strong combination of expertise on the team.</p>

	A	B	C	D
	Investor Network	Startup Community	University	Professional Relations
Investor 7	<p>the very first one? I was part of an angel investment group. That angel investment group we had two managing directors. We as members helped out in due diligence, in screening, and things like that. One of the managing directors got approached by this company, [Company X]. He asked me to say, "You know, [Investor 7], I am very busy right now. Can you take a look at those boys?" I ended up making the investment; the angel group did not. [...] I met those people as a seed investor. I kept liking them, and they did not raise a lot of money early on. I was able to keep my ownership intact. At each round, I pretty much participated, including at the series A where I did not participate in the total pro-rata. [...] Now, from the risk return basis, an entrepreneur that has a résumé of having done some successful startups that made the investors some money will have an easier time to raise money from people for whom he already made some money. Therefore, the new guys like me coming in, the risk return that the person is going to run out of cash is somewhat reduced, because a successful entrepreneur with a history of good efforts tends to have a good enough network of VCs that like him. It's easier for him to raise money when he needs it.</p>			
Investor 8	<p>One of our members had met the company because he had deep industry expertise in the industrial instrumentation space. He had been introduced to the company and felt that the time was right to bring the company to us, to [Angel Group X]. [...] A member introduced the entrepreneur to the [Angel Group X]. He was headhunted as a potential new CEO because he had deep industry expertise in the industrial instrumentation space. He had said no and joined as an advisor. [...] Probably ordinary networking. It was a technical founder, who sort of late career and was very strong on the technology bouncing light around and analyzing it, but didn't really know much about business, so they did a CEO search. The CEO they found was terrible. I think in the process of that search, they approached our guide to be the CEO and he said, "No, but I'll stay involved as an adviser." Then he's now on the board and we upgraded the CEO to a new guy before we invested. [...] I think, the company was doing a search for a new CEO to commercialize this idea, and they approached our member to say, "Would you be the CEO?" and he said, "No, I won't." So, they found a crappy CEO instead, and our guy attached as an advisor, and try to fundraise, and realized he wasn't going to be able to fundraise with that CEO so he went and found a third CEO candidate, and he's the one we invested in.</p>			

	A	B	C	D
Investor 9	<p>Investor Network</p> <p>So, unless there's a cost to it, there's no value, but I'm always happy to meet. And I think most of the angel investors are. There's a network. So the people I met today were through a company in Calgary that I invested in. He said, "Oh, I have a friend who's starting a company. Maybe you can help." And you get to learn something all the time. That's the best part, I get to learn something.</p>	<p>Startup Community</p> <p>This all came from another entrepreneur, a person I know and had invested in her company and then joined the board that was moving along very well. [...] Well, I was on the board of a company that had a product for Crohn's Disease, irritable bowel disease, systemic. [...] The company eventually failed after raising \$40 million. But she said, "You need to talk to [Entrepreneur X]. She's looking for somebody who knows medical devices." Her two current investors were financial people in New York and she said, "I need someone I can talk to about devices, the marketing, the business and the negotiation." So when I met with her, it was usually, "Okay, I need you to help me raise money." She said, "Don't need money. I need somebody on my board who understands the business side and the industry." And that was fine because usually it's, okay, now who can I call? What angel group can you get involved with? But this is one... These guys have an enormous amount of funds as we need it. You need another million dollars? "[Entrepreneur X], come to dinner. Let me introduce you to some people." And the money just appeared. [...] Well, it was through another CEO or a company in the gastrointestinal space who they must have met. There are several women CEO organizations here in the Boston area. I mean, one is [Organization X], and I'm not sure that's where they met. But through that network, it's, "Oh, do you know anybody that can help me with a medical device?" And if you have a credible reputation as an investor, someone will say, "Yeah, call [Investor 9] or call this person. And they'll be happy to help."</p>	<p>University</p>	<p>Professional Relations</p> <p>The story is that the patent was not getting approved. It was delayed with the lawyers. So as she said, "I got dressed. I put on my best business clothes and I went to the US Patent office without an appointment in Washington and walked in to see the head of the patent office." And her comment was to the secretary saying, "She'll see me. This is very important." And some guy came out of the office, an assistant, listened to the story, said, "I'm gonna give you my cellphone number. Don't ever share it, and destroy it by Friday. If you don't hear from me, then call." Patent was approved on Thursday. [...] But the experience was really more her ability to bring on a group of advisors. So I brought medical device experience, another board member was an operational person. So supply chain. So she surrounded herself with board members who had an expertise that she didn't have. And she listened, or argued. There were times when we'd say something, and she says, "You know what? Let's keep talking 'cause I'm not sure I wanna do that." And you look at the company's experience and my experience or the other board directors experience, and say, "You know what? I see what she's talking about. Let's find something." So it's good.</p>
Investor 10	<p>And the founder had a successful exit in a company that I invested in in 2005. [...] I led the due diligence team at [Angel Group X] in 2005, that made the decision to invest in his first company. And I sat on the board of his first company. He was aggressively contacting all the angel groups in Boston. And [Angel Group X] actually led the seed round. We were the people that showed the most interest and the ability to respond.</p>			<p>And so the fact that we had confidence in his ability to market this to the construction industry and find customers was a big factor, and achieving early sales revenue is one of the most important things in the success of a startup. And we felt he had an advantage in doing that because he knew everyone in the industry that he was going to be selling this to. Because he knew the chief technical officers at the various large construction companies, like Skanska and Turner, that he would be approaching, [...] they had a knowledge of the industry. It's very interesting because on the first company, they had to kind of find their way. They networked into introductions, into major construction companies. In the second company, they already had. They were known from their first company and they didn't have to network because they already had a full Rolodex, so to speak. Rolodex is an old term. But they had what's called in today's parlance, they had all their LinkedIn contacts in the industry and were known and recognized. So, it was very different from first investment to the second investment, to the second company.</p>



	A	B	C
	Androgynous	Feminine	Masculine
1	<p>Entrepreneur 1</p> <p>I think I'm just kind of easy to talk to and down to earth. I'm super honest or transparent. Like, I will tell all the bad things, not just the, like, "Everything is perfect and wonderful!"</p>	<p>Entrepreneur 1</p> <p>I smile as I talk, and it's... I have a very expressive... I've been told I have a very expressive face. And as you can see, I've had some facial paralysis so I'm learning to bring that back, but I engage with people by looking them in the eye, using expression in my face, and I also speak with my hands</p>	<p>Entrepreneur 1</p> <p>So, in this case all the pitches were really on the phone, but I think when I was speaking at the panel, I think I was very, kind of relaxed, and conversational. I think I had a kind of a big presence in the room, which I don't always do. So, this partner, you know this is not modest, but since you're women doing this project I'll tell you he went back to his other partners, this was an InTech conference in London, and he said, "She's the smartest person in the room. You have to talk to her". You have to try to spiral a little bit, but I think also just be real and concrete, not formal and not, you know, don't use jargon. Don't talk about, you know, technical things about either technology or regulations. Just talk about sort of... Be the person who just knows how things really work. [...] And just really like, kind of confident, relaxed.</p>
2	<p>Entrepreneur 2</p> <p>Thoughtful, and if I don't know the answer, I say right off the bat that I don't know the answer. And some questions are impossible. There is no answer for it and I'll acknowledge that, but I'll always explain why and what other answers could be found instead of that particular question. And if I don't know the answer, of course, I usually get back to people within 12 hours, 24 hours max, with a response. Even if I feel the pitch didn't go well, I want to offer whatever insight that I have, be it a research paper, something to follow up on. [...] I think that people find me to be honest and upfront and very knowledgeable about what I'm speaking to.</p>	<p>Entrepreneur 2</p> <p>I just think more about how I'm presenting myself, and how I'm presenting the company, and being very optimistic about it [...] I have a gonna make it, and I maybe over promising, but I actually see the path to get there. [...] Every time we do a raise, I think, we gotta push the projections higher, we have to just be more, because people wanna invest in the dream. The reality is nine out of 10 of us are gonna fail, but the dream has to be big enough to be attractive. And that's where, I think, women have a hard time being that ballsy about it.</p>	<p>Entrepreneur 2</p> <p>I always try and make the focus of the attention be on me, myself. Yes, data is important, technology is important, but I want people to spend time listening and focusing on what I'm saying [...] Oh, I like to stand and I like to walk around. [...] The slides that I use, I always go in an order that's not presented to them, so I never go through the pitch in the order of which the book is created. I force the conversation to skip around and I already... I know where we're gonna go and I know the steps that we're gonna go through, but they don't. So they have to pay attention to me, otherwise they're not paying attention to the pitch [...] Yeah, I walk in the room. I also, when I do walk into a room, I know enough about the interaction of people and your first impression is very important. So when I walk into a room, I pause when I first walk in, and I look and I assess, and not everyone does that, but it does call people's attention to you, so...</p>
3	<p>Entrepreneur 3</p> <p>I remember the first time I went out and fundraise, my mentor here, who's a woman, said, "[Entrepreneur 3], this is not what a man would project. You have to raise the numbers." I said, "There's no way I'm gonna make \$25 million in five years." She's like, "Do you think a man would?" I said, "No." She goes, "Well, a man would say it." I'm like, "Okay, I'm gonna say it." [...] It's just I don't like to over predict, over project things, over predict them, over promise. I just don't over promise. [...] Other people would just be just straightforward, "This happened, and then this happened. And I'm this person and..." But I tend to sell it a little more. So that's what I meant by upbeat. [...] I've been told many times that I'm too honest. Meaning, I'm not making stuff up. [...] Mine, I'd say is very upbeat. And I think I'm pretty good at it, because I come from a journalism background, I used to be a reporter. So I am using actually a lot of my skills from being on-air. I know how to present well.</p>	<p>Entrepreneur 3</p> <p>I just think more about how I'm presenting myself, and how I'm presenting the company, and being very optimistic about it [...] I have a gonna make it, and I maybe over promising, but I actually see the path to get there. [...] Every time we do a raise, I think, we gotta push the projections higher, we have to just be more, because people wanna invest in the dream. The reality is nine out of 10 of us are gonna fail, but the dream has to be big enough to be attractive. And that's where, I think, women have a hard time being that ballsy about it.</p>	<p>Entrepreneur 3</p> <p>I look like I know what I'm talking about, even when I don't. [...] One of my opening lines is, that I saw there was gonna be a great business here, and that we could be on the significant revenue, and it's happening and you gotta get on board. So I start off with this message of just success and come on board, and not everybody does that [...] I think about my body language, for sure, especially as a woman [...] I go to the bathroom and I do a Superwoman stance. So I do this. And I wear red. And I just try to feel like I own this space and this is my space. Men do that automatically, women just don't. I wanna feel like I command the room when I'm up there, and that's hard to do, and I'm nervous and I'm all these things. So I literally go into a quiet space, usually it's the bathroom, and I just open up my shoulders and just feel like, "Let the power begin." So that I can get up there. And I think it helps with my presence. I've never asked other people that, but I just feel like, "Oh, yeah, I feel like all eyes were on me." I make eye contact. I'm also like that. I don't know whether that was through journalism or not, but I don't have trouble making eye contact. I know that some other entrepreneurs are... They just get scared. And I know that as much as I'm selling my financials, I'm selling myself. And "Can I connect with them?" That's how I describe my presentation style, Superwomanish. [...] And then I moved to Brazil and worked for two years as a freelance reporter. And all you hear is no. 'No, no, no. We don't want this. We don't want that.' You're on your own completely trying to make it work." And it is really similar, I've seen how in my personality that just existed. I never thought that would make me an entrepreneur. I just thought, "Oh, I'm good at freelancing because I don't hear no." I hear, "Oh, that wasn't the right story for today or maybe next time," and I also would never say no [...] It's through the confidence. It's almost like back to the confidence-building stance and just feeling like, "I am worthy of your investment and I'm gonna ask you for it directly." And I've become much more comfortable with this over time, I'm not gonna be shy about it, I'm gonna own... And I've had just a lot of mentoring really, I go to my mentors and I get pep talks to get going again on fundraising. Because when you're running the business and your head's in it and you see like, "Ah, it's not going as well as I want it. That's why I need to raise money." So you have to step outside of it and get back into that frame of mind of just everything is gonna work out great, and here is the five-year plan that's gonna be \$25 million. I go to my mentors and talk through it and they'll say to me, "Don't go in there like the dog ate your homework." [...] I like a woman, I'm just like, "We didn't hit our revenue target." "So what?" Do you think anybody out there raising money has hit their revenue targets? No. That's why they're raising money. So I go to my mentors and I get psychologically ready to do this. And that's just around setting off on the pitch, and then I work on the pitch, and I practice the pitch. But it is also this mindset of like, "We are doing great." I gotta be able to look you in the eye and say with an absolute confident straight face even when inside I might be feeling, "Oh, my God. We just lost this huge deal," and I'm worried about this and I'm worried about that. But I think men, again, you just put on your game face. You're selling the vision of what this will be.</p>
4	<p>Entrepreneur 4</p> <p>I knew exactly why we needed the money for every second, for every penny that we were gonna use, and I knew who was gonna do everything that we were doing, and it was just a much more easier story to tell when it was all there. But at the same time, some people are really successful at just raising on the idea of it and the fact that they can do it and they don't have all those pieces in line, and that's probably a female founder thing of just I definitely always have to be telling the truth and be telling exactly the facts of what happened and the exact facts</p>	<p>Entrepreneur 4</p> <p>This one, I was more focused on slowing down and breathing, and just being excited, but not too fast, 'cause also it's an angel group of a lot of older people. I think the first time, I talked way too fast for any of them. Yeah, I was trying to be a little bit more simplified.</p>	<p>Entrepreneur 4</p> <p>I'm not gonna be shy about it, I'm gonna own... And I've had just a lot of mentoring really, I go to my mentors and I get pep talks to get going again on fundraising. Because when you're running the business and your head's in it and you see like, "Ah, it's not going as well as I want it. That's why I need to raise money." So you have to step outside of it and get back into that frame of mind of just everything is gonna work out great, and here is the five-year plan that's gonna be \$25 million. I go to my mentors and talk through it and they'll say to me, "Don't go in there like the dog ate your homework." [...] I like a woman, I'm just like, "We didn't hit our revenue target." "So what?" Do you think anybody out there raising money has hit their revenue targets? No. That's why they're raising money. So I go to my mentors and I get psychologically ready to do this. And that's just around setting off on the pitch, and then I work on the pitch, and I practice the pitch. But it is also this mindset of like, "We are doing great." I gotta be able to look you in the eye and say with an absolute confident straight face even when inside I might be feeling, "Oh, my God. We just lost this huge deal," and I'm worried about this and I'm worried about that. But I think men, again, you just put on your game face. You're selling the vision of what this will be.</p>

	A	B	C
	Androgynous	Feminine	Masculine
5	<p>I would say it's authoritative. It's clear. It has command of the material both in terms of what's going on in the market and what it is that we're doing to fix the problems that exist [...] I think I'm very strong; I'm very open; I'm very, as [Person X] said, authoritative. We know our stuff, and we've done the business. We've done amazing things with the money that we've got. We're very proud of what we've done. I am not a nervous presenter, and I am not a quiet presenter.</p>	<p>"You know what? We may have some problems, but being mean and aggressive is not one of them."</p>	<p>You have to own it. Trust me. When we go into pitch, we own it. [...] We don't back down. It's very interesting. When you pitch in these environments, people will say things like, "I don't think you're charging enough for the product." Well, we've only spent 12 months validating our pricing, and your perspective is coming from where? Generally, it's like, "It just doesn't feel like you're charging enough." Great. That's the kind of stuff we deal with. [...] I think I'm very strong; I'm very open; I'm very, as [Person X] said, authoritative. We know our stuff, and we've done the business. We've done amazing things with the money that we've got. We're very proud of what we've done. I am not a nervous presenter, and I am not a quiet presenter.</p>
6	<p>I think I was very confident, first of all. It's funny. My other partner who is not in the day-to-day operations of the company, he is an older guy, wiser, he called me that day and he said like, "I feel you're nervous." And I told him, "Yes, I'm nervous I because it's an important day." And he was like, "[Entrepreneur 6], regardless of if you do a good pitch or not, we will continue our way no matter how. So, just go for it, relax because it would not change anything." I think that took the stress out of me. And then the other part was that, I don't know, it felt that day my confidence was really high. I even made jokes with the audience. I don't know what particularly made me feel this confident, but it was good. [...] As I told you, I did jokes whenever we were there. I was really confident because our numbers were very good, too. I mean, the company is growing fast, so I can show how much progress we have been doing. So, no, my body language and my confidence were great. [...] my partner was here. I think, obviously, when you are a team, I don't know, you are better because you have two brains and two everything, so it's better. Third, we have a champion. Our current investor was part of the crowd. Fourth, the partners of the group already met us and already liked us. So, I think all of that adds up for you to feel more confident. [...] The entire day we reminded each other that we have already won, that this was our day, that we're killing it. It was just this, I would guess, psychological support, kind of saying, "Let's go because we are the best."</p>		<p>I think I was very confident, first of all. It's funny. My other partner who is not in the day-to-day operations of the company, he is an older guy, wiser, he called me that day and he said like, "I feel you're nervous." And I told him, "Yes, I'm nervous I because it's an important day." And he was like, "[Entrepreneur 6], regardless of if you do a good pitch or not, we will continue our way no matter how. So, just go for it, relax because it would not change anything." I think that took the stress out of me. And then the other part was that, I don't know, it felt that day my confidence was really high. I even made jokes with the audience. I don't know what particularly made me feel this confident, but it was good. [...] As I told you, I did jokes whenever we were there. I was really confident because our numbers were very good, too. I mean, the company is growing fast, so I can show how much progress we have been doing. So, no, my body language and my confidence were great. [...] my partner was here. I think, obviously, when you are a team, I don't know, you are better because you have two brains and two everything, so it's better. Third, we have a champion. Our current investor was part of the crowd. Fourth, the partners of the group already met us and already liked us. So, I think all of that adds up for you to feel more confident. [...] The entire day we reminded each other that we have already won, that this was our day, that we're killing it. It was just this, I would guess, psychological support, kind of saying, "Let's go because we are the best."</p>
7	<p>It's factual, he's actually an engineer by background, so, it's a factual presentation of the company. It's real, there's an obligation to be honest, right? So, you try as best you can to present the case in an honest, open and transparent way, without overselling at all, so, that there's always this thing of under promise and over-deliver. So, that's what we've attempted to do all along, and I think, that's why investors have stayed with us to this whole process. [...] Truthfully, accurately and without over promising. [...] I think, he comes across as honest, credible. A guy that delivers what he's promising.</p>		<p>He starts up companies, now he's done two and he's on his way to do the third. He is convinced he cannot work for a large organization, as sort of a cog in the wheel anymore.</p>
8	<p>So I think that's what [Investor X] saw in me, is that I was genuinely upset about mobile games, and how they weren't as good as Gameboy games, and how there really wasn't an excuse for that, and how I felt like the solution was just to make a game that was so awesome that everyone else would be forced to try to keep up and compete.</p>		<p>I think he would say that I'm a very competitive person, and that, you know, hopefully he would say that I'm fun, and sort of a gamer, and he's confident in my ability to play something and win. Because that was sort of the foundation of our experience, was playing the games together, and you know, me trying to win them, basically.</p>
9	<p>Yeah, I consider myself a pretty enthusiastic person. We smile a lot, we laugh and make jokes in the middle of our pitch. It's a funny presentation because the nature of it is just kind of funny in the sense that we're talking, I might be talking, and then the other person who's pitching with me might come and interrupt me and pretend to spill water on me. It's funny, it's interactive, and it helps people get engaged. Very different than a typical tech start-up pitch. [...] He was obviously meeting with me with the interest of getting investment. I was meeting with him just for the interest of hearing him. So that kind of relaxed, nonchalant, I don't know, experience I guess, made it work.</p>		<p>Yeah, we definitely walk around, I'm not a quiet person, so we project our voices. And the room that we pitched in was quite small, so it was like a classroom in [New England Business School X], so it was fine. It was very straightforward. We controlled the room by walking around, looking around; we were loud. Just anything important that's engaging the viewer is what's important, I guess.</p>

		C	
		B	Masculine
		Feminine	
A			
Entrepreneur 10	<p>Androgynous</p> <p>I think it's very much factual with real data from the company. Vision of the company and the facts to back it up. [...] I think that my personality... I am definitely the operational CEO. I'm not one to be standing in front of the window point to the stars, and then, "This is all visionary" without having the facts to back it up. So that could actually be an issue when you're trying to raise a big round. But, it could also affect a perception of the company. So I've learned myself how to be a little bit better about that. So I'm much more like I said, "Hey, I'm an executor. I'm an operational CEO. This is what I built. This is the value proposition that we have, the problem that we're solving, and this is the team" and I'm relatively conservative in terms of my projections, which there's a lot of pitching out there that's pie in the sky, "we're gonna be a million dollars next year." I tend to be much more on the... This is the evidence. This is what we can really fit for a projection</p>		
10			

	A	B	C
	Feminine	Masculine	Androgynous
1	Investor 1	He walks around the room, extremely comfortable	He really was passionate about what this company was doing, and you can imagine why somebody would be
2	Investor 2	In some ways, they were very awkward, but when they answered questions, there was no hesitation and it was quite clear that if you ask the second-level questions or even the third-level questions, they had the answer. So, they projected a huge amount of competence around their subject. [...] Absolutely. And, they also got over it because they absolutely understood their markets and so the reason that they're just selling both into China and into the West, and they could talk about the different requirements for the different markets. [...] I would say that he was almost somewhere on the autistic spectrum in terms of his responding very factually.	She was much more expensive in terms of being able to talk about the technology and what it could do. So, I wouldn't say that she was optimistic, but she was positive and communicated her sense of belief and the opportunities.
3	Investor 3	She's very savvy, in the due diligence meetings like all the information was there, it looked fantastic, she looked fantastic, she'd been successful before. [...] Slick. Well, you will see. That sounds critical and it isn't meant to be. It was very smooth. It was very smooth [...] She's very businesslike. Think about it how first impressions capture you, they just plain all do. And so her whole presentation was if she was as crisp as the substance of her presentation, yes, so she also sort of exuded this competence that you think "could you see her being able to carry this company through an exit strategy and meeting with potential buyers or investment bankers?" You could see her being able to hold her own in those settings so you don't worry about that. [...] it takes a certain individual to be able to take a lot of rejection to be able to get out there and ask for money. I think you have to have so much confidence in yourself and therefore in your idea that you can have that tenacity to withstand what you need to. [...] So, she exuded all of that really [...] I would say not explicitly, but I can tell you what my guess is. It's probably 90 percent accurate is that, yes, she's somebody that was commanding of the space. So, it isn't somebody sort of back to my earlier comments that was sort of you felt that if you asked a tough question you're going to see in their body language that they are uncomfortable answering it. She's somebody who is in total command of using her body language probably to the optimum return [...] This person happened to look like she had it all. She was just holding up a full house in her hand. She looked like she had it all. [...] With confidence. She was somebody that clearly knows how to be prepared for meetings, can anticipate the questions, has thought about them, has good solid answers that she knows each one is a hit. She was not unprepared or did not have an answer for any of them	The same time if you're somebody that's come up with the idea, you also need to have the creativity to be able to say that I can morph this into something else [...] So, she exuded all of that really, that you could see that she could be in any setting and be able to hold it, be able to sell it, be able to pivot it, you believe that she'd be able to pivot.
4	Investor 4	He's a self-proclaimed introvert, he doesn't really like public speaking, or pitching, but he did a great job so he's learned to power through that.	He's a unique Entrepreneur. I would describe his style as very earnest. He is passionate about his customers, and he believes that if he serves his customers well, then the business and the revenues and the profits will flow. He is a product first CEO, as opposed to sometimes you have sales, very sales-oriented CEOs, or sometimes you have very technical engineering technical CEOs. He is a product CEO, and he cares deeply about his product and so that came through in his presentation. [...] When I say he's earnest, what came through the most in the pitch is that he is a genuine, it wasn't slick and smooth and salesy, very genuine person that's what came through.
5	Investor 5	Really thoughtful, data-driven, provided a lot of detail, provided a lot of examples, well spoken. [...] He's pretty, kind of, I don't know. He is just very calm and confident. Uses space regular, like he wasn't particularly out there. He's just very confident I guess, and poised, would be the adjectives I would use. [...] When he answered our questions, it was really well-thought out, and it made a lot of sense. And also, it was supported by data.	
6	Investor 6	He was very good at answering questions. He seems to take feedback well. So, I think he was, we felt he was coachable. A little bit stubborn, but coachable [...] But he had, you know, showed confidence that he was able to do it. So, a bit of passion, a bit excitement, and confidence, and those are all good good things. And he gave a very competent presentation. He didn't try to bullshit us. He didn't, you know, try to oversell the opportunity. And I think that approach was well received.	He showed a reasonable amount of passion in presenting the opportunity, and I think he communicated excitement about attacking this opportunity and that he might have been a little bit early, and there might be some education involved in educating his clients about the benefits of putting more technology in their plans

	A	B	C
7	<p><b>Feminine</b></p> <p>Investor 7</p>	<p><b>Masculine</b></p> <p>Like everybody else in that class of entrepreneurs, they made it through a long time. They had the biggest battles. From now on it's okay. "Can I make it real big and real successful?" They tend to be pretty relaxed. They have experience. They radiate experience</p>	<p><b>Androgynous</b></p> <p>They radiate a certain level of, "I'm not admitting it, but I think I'm so much better than you are." There's a certain level of arrogance that tends to be coming through. To some extent it's always... They would kill me if I say that. It's always a little bit along, "I'm going to make you so much money. You should be happy that I'm talking with you." This is not... It very often backfires, but that tends to be the style of the successful entrepreneur. He radiates, "I'm better than you are." If not, he or she would get you very far. No, being overly aggressive and overly arrogant, particularly if your business plan is still not... I'm talking about series A, if it's an early series A, the company is barely ready to talk about real institutional investors, big money, big future, whatever else, VCs tend to shut those people down. It can go either way. It's difficult to jump over your own genes. If you have the genes of a successful entrepreneur you radiate that, "I'll take over the world." [...] Oh, they were so convinced that they're going to change the world. I mean, they radiated, "Come on. This is so fantastic. Just think about it, [Investor 7]." You see, with successful entrepreneurs, you do see... You don't see many successful entrepreneurs that are humble and "Yes, sir." "Thank you." "You're so kind," and whatever.</p>
8	<p>Investor 8</p>	<p>the other guy was quite a bit more experienced as a CEO, had done it 2 or 3 times before, was very Germanic in actual point of fact but also in style. [...] In America when you say someone is Germanic you mean that they're very precise, well organized, structured and humorless. This guy was somebody clearly with a plan and he was able to talk in the language that investors need to hear. [...] The second person was more measured, thoughtful, analytical, precise and detailed. And leaned into the question instead of leaning back, to steal from Sheryl Sandberg [...] He just was engaged and wasn't intimidated by the back and forth. He had confidence, and felt he knew the answers and he wanted to have the conversation [...] We look for things like sense of humor, and perspective, and grace under pressure and some of those intangibles around leadership presence and leadership charisma. I'm always uncomfortable with the word charisma because at least to me, I'm not sure if this is actually correct, but it has some much of a male connotation to it, and I don't mean it in that sense at all. When I think the word charisma, you typically think of it being applied in historical terms to men and not women and I don't mean it in that sense. I just mean someone who's able to sort of synthesize a lot of stuff quickly, form a vision, articulate the vision in a way that motivates other people, and just someone who was very good at getting things done through others. [...] The new CEO candidates in this company, was probably a little more on the introversion scale. He's very analytical, was very precise very thoughtful, but had his own presence in the sense that he spoke with confidence, and certainty and assuredness that sort of inspired confidence in his listeners [...] I think probably the words I used in previous questions, that exuding that sense of competence, and the confidence in terms of how he dealt with people, the apparent knowledge that he had, the fact that he had done it before. All those things sort of lead us to believe we were dealing with someone who had a lot of self-awareness, and was going to be able to spot, analyze and solve problems in a proactive way, in a timely and proactive way.</p>	<p>He could be self-deprecating at times, and he could be very unashamed about admitting when he didn't know an answer, and it was clear when we sort of said, "These dynamics with this founder worry us." And looking at me and say "Yes I understand the issue I've already started to work on it, I believe I can control it and here's why." [...] He wasn't at that extreme cheerleader end of the spectrum, he didn't have as much of that stuff. He really had substance and convinced people that he was someone who was fundamentally competent, he knew what he wanted to do, understood what was going to be required, was just very businesslike. He wasn't like, you know a lot of founders are like, "Give me some money and I'll let you know how it goes." He was just like, "I need exactly this much for exactly this reason, I'm going to do this thing and this thing." So, it worked out that way</p>
9	<p>Investor 9</p> <p>She's a guest lecturer at a law school that a friend of mine was talking about, negotiation as an entrepreneur using your womanly skills properly, which is phenomenal. [...] And then she used all her feminine charm, she's an attractive woman to start with. And someone who gets dressed all the time for a meeting</p>	<p>But she's also very smart and that's what makes a difference [...] It was over coffee. We're sitting there and no matter, she went through her little slide deck which was at that point very, very basic. But no matter what questions I asked, she had the answers to, without thinking. How big is the market? Where are the competitors? What is the regulatory process. And she just knew the answers. So, the pitch can be simple and she made it so clear as to suppository applicators. So that when I walked out I went, "That's a big market. I didn't know that." So it's that knowledge, the real depth of knowledge so that you're not sitting there saying, "Okay. Do they really know what they're talking about? [...] but very knowledgeable about the technology and the market. So it was very clear that she knew what she was talking about. [...] You kinda do your little bit of research. But it's the fact that no matter what question was asked, she didn't kinda stumble and say, "I'll have to go look that up." She had an answer. And the answer was right.</p>	<p>It was that charming knowledgeable-ness. [...] It's hard to describe because she a had great smile when we talked and she was vivacious about it</p>

	A	B	C
Investor 10	Feminine	Masculine Well, the first time, they were very humble. And worked very hard to answer all the questions. And I would say... We'd use the expression, and say they kind of leaned in. So, very responsible. The second time, they were very confident. And this deal was being put in the seed round only to [Angel Group X], which had become [Angel Group Y], and to [Angel Group Z], because both groups had invested in the first round, and then a few select individuals. And they had a minimum investment size of 25,000, which is unusual in the seed round, but they wanted to restrict the number of individual investors and just have a larger investment unit size. And they were able to do that because they had a track record. [...] They were cockier and very confident. [...] Because they felt they were giving us the opportunity to invest. And they were very confident that they would raise what they needed, and were turning away other angel groups and individuals who might have had an interest.	Androgynous
10			

## 1st order concepts

- Additional funding after closing investment
- Got FDA approval before they wanted to raise more money
- Break even and did not need VC
- Started to look for funding after closing the first customer
- Financing prior to investment
- Self funded the company until the first customer

- Entrepreneurs are coached by investors before they pitch
- Entrepreneurs go to screening before pitch
- Deep dive is after pitch and before due diligence
- Deep dive agendas are tailored to a company's weaknesses
- Investment groups have industry experts that evaluate ideas
- Entrepreneurs have to do a screening pitch and then a formal pitch
- Entrepreneurs go to office hours before they get invited to screening
- BA groups have industry experts that have not worked in the field for years
- Pro-rata rights let investors maintain ownership if they re-invest

## 2nd order themes

Steps before seeking investment

Investment funnel

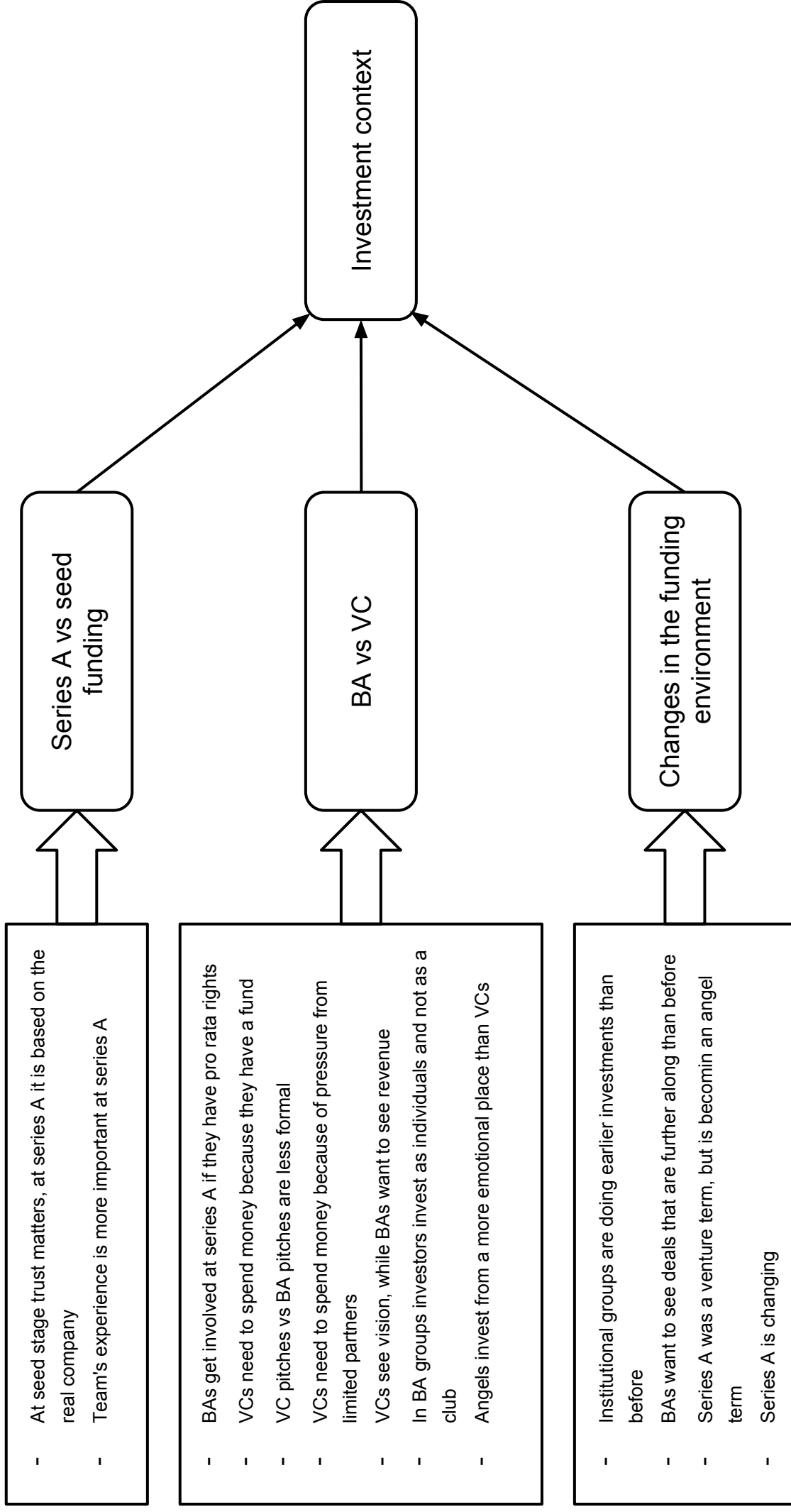
Investment process

## Aggregate dimensions

## 1st order concepts

## 2nd order themes

## Aggregate dimensions

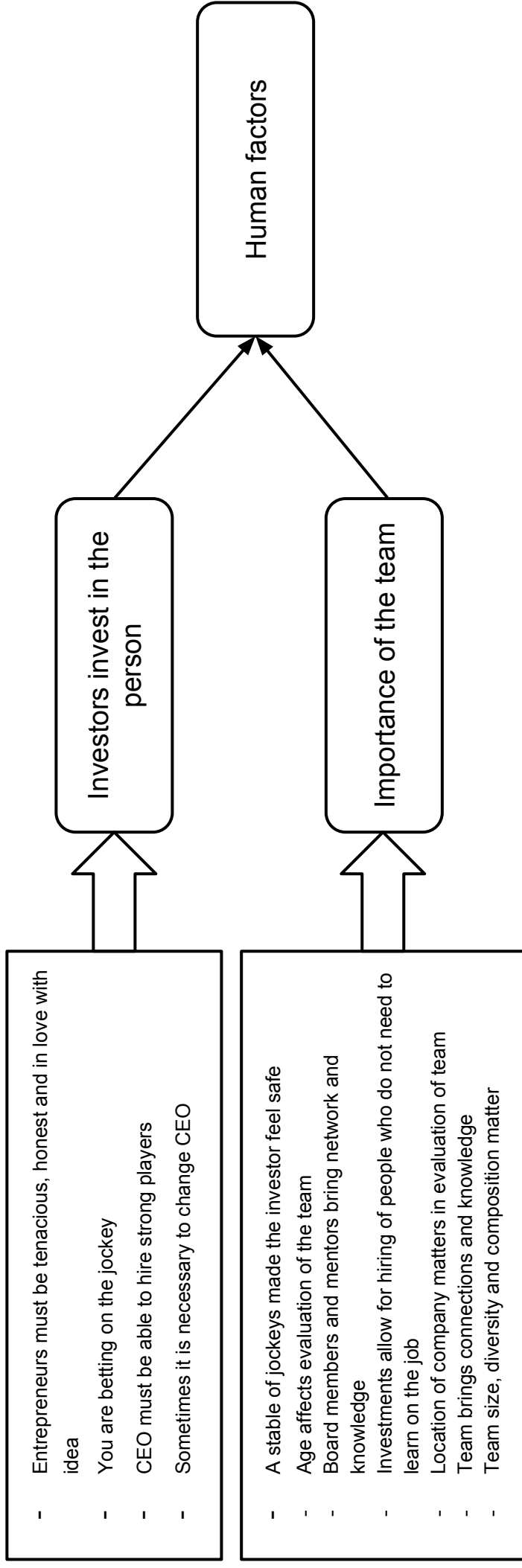




## 1st order concepts

## 2nd order themes

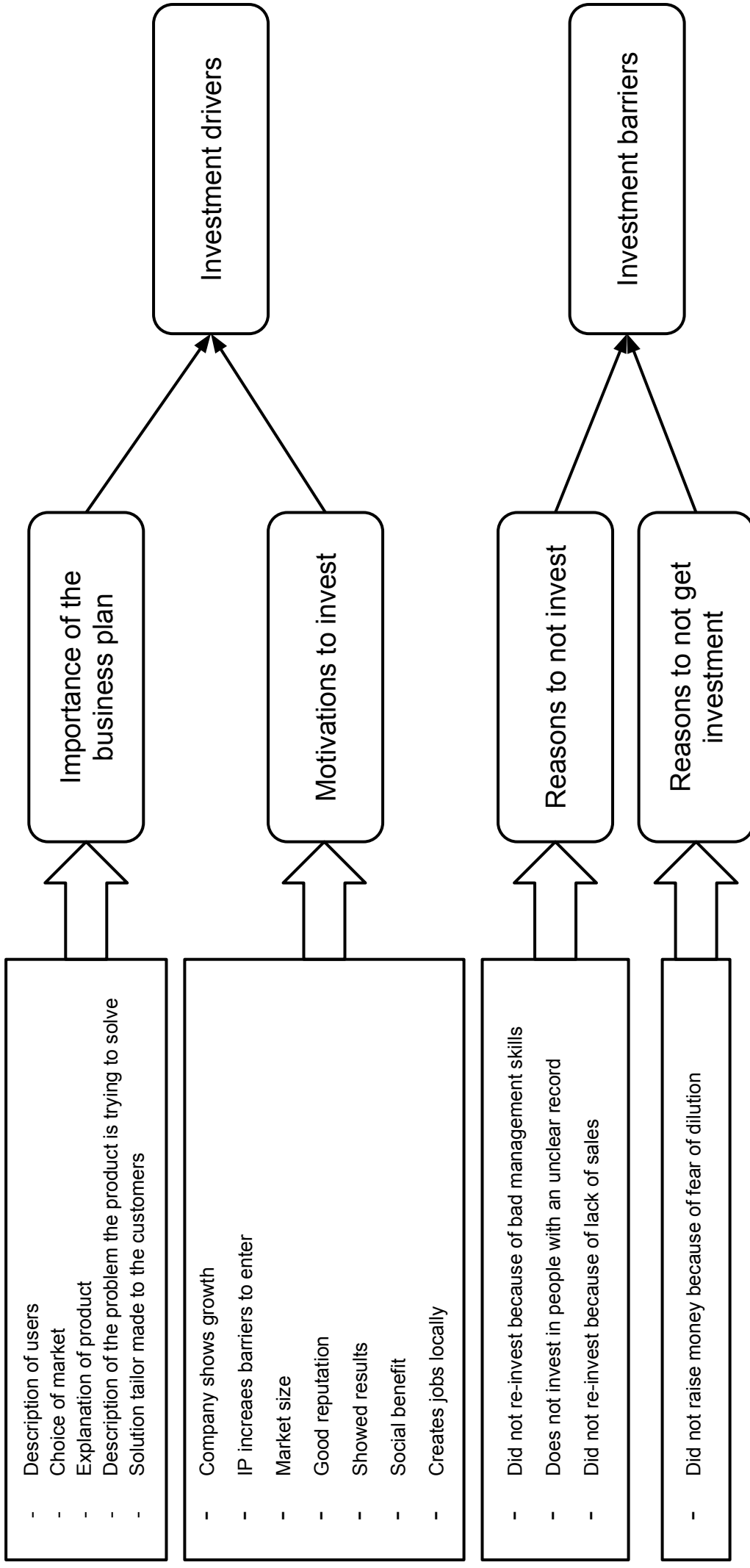
## Aggregate dimensions



## 1st order concepts

## 2nd order themes

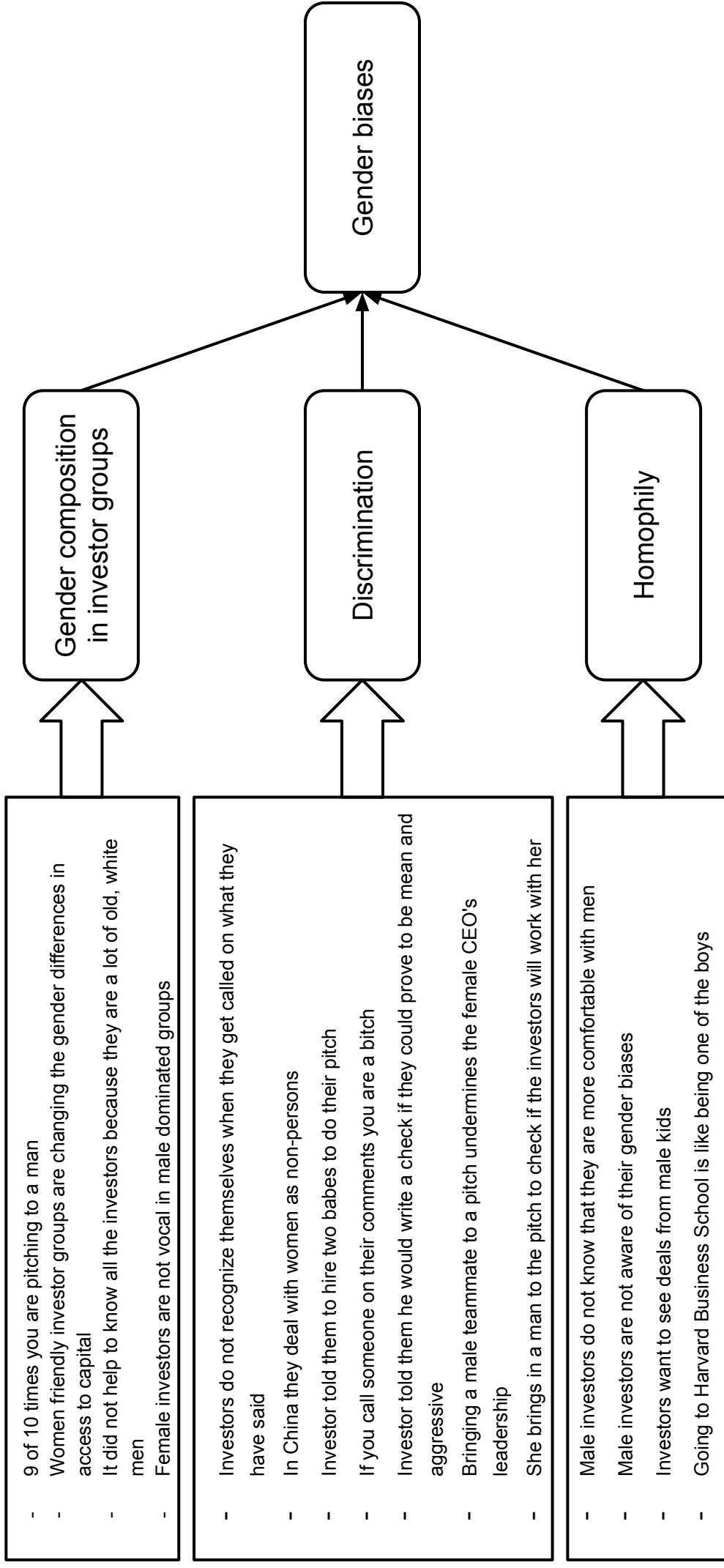
## Aggregate dimensions



## 1st order concepts

## 2nd order themes

## Aggregate dimensions



# Appendix I: Comparisons tables and calculations

The information in this appendix has been presented in the following order:

- Interview data
  - Human capital comparisons table
  - Social capital comparisons table
  - Gender characteristics comparisons table
  - Independent gender characteristics scores
  - Total gender characteristics score
  
- Direct observation data
  - Human capital findings and comparisons table - Investigators/Entrepreneurs
  - Human capital findings and comparisons table - Investors
  - Social capital findings and comparisons table - Investigators/Entrepreneurs
  - Social capital findings and comparisons table - Investors
  - Independent gender characteristics scores - Investigators/Entrepreneurs
  - Independent gender characteristics scores - Investors
  - Total gender characteristics score - Investigators/Entrepreneurs
  - Total gender characteristics score - Investors

Comparisons table - Human capital

	Education		Startup Experience		Management Experience		Industry Experience	
	Important	Not important	Important	Not important	Important	Not important	Important	Not important
<b>Comparison between entrepreneurs and</b>								
Male investor to female entrepreneurs	0	1	0	1	0	1	0	1
Female entrepreneurs from male investors	3	2	1	4	4	1	5	0
Male investors to male entrepreneurs	1	3	3	1	4	0	2	2
Male entrepreneurs from male investors	3	2	5	0	4	1	3	2
<b>Comparison between investors</b>								
Female investors to female entrepreneurs	2	0	2	0	1	1	2	0
Male investor to female entrepreneurs	0	1	0	1	0	1	0	1
Female investors to male entrepreneurs	0	3	1	2	2	1	3	0
Male investor to male entrepreneurs	1	3	3	1	4	0	2	2
<b>Comparison between entrepreneurs</b>								
Female entrepreneurs from male investors	3	2	1	4	4	1	5	0
Male entrepreneurs from male investors	3	2	5	0	4	1	3	2
	<b>Education</b>		<b>Startup Experience</b>		<b>Management Experience</b>		<b>Industry Experience</b>	
	Important	Not important	Important	Not important	Important	Not important	Important	Not important
<b>Comparison between entrepreneurs and</b>								
Male investor to female entrepreneurs	-	x	-	x	-	x	-	-
Female entrepreneurs from male investors	x	x	x	-	x	-	x	x
Male investors to male entrepreneurs								
Male entrepreneurs from male investors								
<b>Comparison between investors</b>								
Female investors to female entrepreneurs	-	-	-	-	-	x	-	-
Male investor to female entrepreneurs								
Female investors to male entrepreneurs	-	x	x	x	x	-	x	-
Male investor to male entrepreneurs								
<b>Comparison between entrepreneurs</b>								
Female entrepreneurs from male investors	x	x	x	-	x	x	x	-
Male entrepreneurs from male investors	x							
	Match							
	No match							



Comparisons table- Gender characteristics

	Masculine	Feminine	Androgynous
<b>Comparison between entrepreneurs and investors</b>			
Male investor to female entrepreneurs	1	1	2
Female entrepreneurs from male investors	7	3	9
Male investors to male entrepreneurs	7	1	4
Male entrepreneurs from male investors	5	0	5
<b>Comparison between investors</b>			
Female investors to female entrepreneurs	5	0	2
Male investor to female entrepreneurs	1	1	2
Female investors to male entrepreneurs	5	1	2
Male investor to male entrepreneurs	7	1	4
<b>Comparison between entrepreneurs</b>			
Female entrepreneurs from male investors	7	3	9
Male entrepreneurs from male investors	5	0	5
	Masculine	Feminine	Androgynous
<b>Comparison between entrepreneurs and investors</b>			
Male investor to female entrepreneurs	x	x	x
Female entrepreneurs from male investors			
Male investors to male entrepreneurs	x	-	x
Male entrepreneurs from male investors			
<b>Comparison between investors</b>			
Female investors to female entrepreneurs	x	-	x
Male investor to female entrepreneurs			
Female investors to male entrepreneurs	x	x	x
Male investor to male entrepreneurs			
<b>Comparison between entrepreneurs</b>			
Female entrepreneurs from male investors	x	-	x
Male entrepreneurs from male investors			





Calculations - Total gender characteristics score

	<b>Masculine</b>	<b>Feminine</b>	<b>Androgynous</b>
<b>Investor 1</b>	1	0	1
<b>Investor 2</b>	1	0	1
<b>Investor 3</b>	4	0	1
<b>Investor 4</b>	2	1	1
<b>Investor 5</b>	2	0	0
<b>Investor 6</b>	2	1	1
<b>Investor 7</b>	1	0	1
<b>Investor 8</b>	3	0	2
<b>Investor 9</b>	1	1	2
<b>Investor 10</b>	1	0	0
<b>Entrepreneur 1</b>	1	0	1
<b>Entrepreneur 2</b>	1	0	2
<b>Entrepreneur 3</b>	3	1	3
<b>Entrepreneur 4</b>	0	1	1
<b>Entrepreneur 5</b>	2	1	2
<b>Entrepreneur 6</b>	2	0	0
<b>Entrepreneur 7</b>	1	0	1
<b>Entrepreneur 8</b>	1	0	1
<b>Entrepreneur 9</b>	1	0	2
<b>Entrepreneur 10</b>	0	0	1









Masculine characteristics																								
	act as a leader	aggressive	ambitious	analytical	assertive	athletic	competitive	defends own beliefs	dominant	forceful	has leadership abilities	independent	individualistic	makes decisions easily	masculine	self-reliant	self-sufficient	strong personality	willing to take a stand	willing to take risks	S			
																						U	M	
Entrepreneur A1					1																			1
Entrepreneur A2					1				1															2
Entrepreneur B					1																			1
Entrepreneur C1					1						1													2
Entrepreneur C2					1																			1
Entrepreneur D					1																			2
Entrepreneur E					1																			1
Entrepreneur F1					1																			1
Entrepreneur F2					1																			0
Entrepreneur G					1																			0
Entrepreneur H			1		1						1													3
Feminine characteristics																								
	affectionate	cheerful	childlike	compassionate	does not use harsh language	eager to soothe hurt feelings	feminine	flatterable	gentle	gullible	loves children	loyal	sensitive to the needs of others	soft spoken	sympathetic	tender	understanding	warm	yielding	S				
																					U	M		
Entrepreneur A1									1														2	
Entrepreneur A2																								0
Entrepreneur B																								0
Entrepreneur C1									1															0
Entrepreneur C2														1										2
Entrepreneur D																								0
Entrepreneur E																								0
Entrepreneur F1													1											1
Entrepreneur F2																								0
Entrepreneur G									1															1
Entrepreneur H		1																						1
Androgynous characteristics																								
	Adaptable	cancelled	conscientious	conventional	friendly	happy	helpful	inefficient	jealous	likable	moody	reliable	secretive	sincere	solemn	tactful	theatrical	truthful	unpredictable	unsystematic	S			
																						U	M	
Entrepreneur A1																								0
Entrepreneur A2																								0
Entrepreneur B																								0
Entrepreneur C1															1									1
Entrepreneur C2																								0
Entrepreneur D																								0
Entrepreneur E																								0
Entrepreneur F1																								1
Entrepreneur F2					1																			4
Entrepreneur G																								2
Entrepreneur H																		1						0



Comparisons table - Total gender characteristics score - Investigators/Entrepreneurs

	Masculine	Feminine	Andogynous
Entrepreneur A1	1	2	0
Entrepreneur A2	2	0	0
Entrepreneur B	1	0	0
Entrepreneur C1	2	0	1
Entrepreneur C2	1	2	0
Entrepreneur D	2	0	1
Entrepreneur E	1	0	4
Entrepreneur F1	1	1	2
Entrepreneur F2	1	0	2
Entrepreneur G	0	1	0
Entrepreneur H	3	1	1
	Masculine	Feminine	Andogynous
Comparison across gender			
Female entrepreneurs	8	5	8
Male entrepreneurs	7	2	3
Comparison across investor groups			
Female entrepreneurs pitching to male group	4	2	5
Female entrepreneurs pitching to female group	4	3	3
Male entrepreneurs pitching to male group	6	2	1
Male entrepreneurs pitching to female group	1	0	2
	Masculine	Feminine	Andogynous
Comparison across gender			
Female entrepreneurs	x	x	x
Male entrepreneurs			
Comparison across investor groups			
Female entrepreneurs pitching to male group	x	x	x
Female entrepreneurs pitching to female group			
Male entrepreneurs pitching to male group	x	-	x
Male entrepreneurs pitching to female group			



Comparisons table - Total gender characteristics score - Investors

	Masculine	Feminine	Andogynous
Entrepreneur A1	2	0	0
Entrepreneur A2	2	0	0
Entrepreneur B	1	0	0
Entrepreneur C1	0	0	0
Entrepreneur C2	0	0	1
Entrepreneur D	1	0	0
Entrepreneur E	1	0	1
Entrepreneur F1	0	0	2
Entrepreneur F2	0	0	2
Entrepreneur G	2	0	1
Entrepreneur H	1	0	0
	Masculine	Feminine	Andogynous
Comparison across gender			
Female entrepreneurs	6	0	4
Male entrepreneurs	4	0	3
Comparison across investor groups			
Female entrepreneurs pitching to male group	3	0	1
Female entrepreneurs pitching to female group	3	0	3
Male entrepreneurs pitching to male group	4	0	1
Male entrepreneurs pitching to female group	0	0	2
	Masculine	Feminine	Andogynous
Comparison across gender			
Female entrepreneurs	x		x
Male entrepreneurs			
Comparison across investor groups			
Female entrepreneurs pitching to male group	x		x
Female entrepreneurs pitching to female group			
Male entrepreneurs pitching to male group	-		x
Male entrepreneurs pitching to female group			

# Appendix J: Triangulated data tables

The information in this appendix has been presented in the following order:

- Triangulated data tables
  - Human capital comparisons table
  - Social capital comparisons table
  - Gender characteristics comparisons table
  
- Aggregated data overview

Human capital	Women	Education (scaled)		Startup experience (scaled)		Management experience (scaled)		Industry experience		Management experience	Not important	Important
		Important	Not important	Important	Not important	Important	Not important	Important	Not important			
Male investor to female entrepreneur	MI-FE	I1	0	0	1	0	0	0	0	1	0	1
Female entrepreneurs from male investors	FE-MI	I2	0.6	0.4	0.8	0.2	0.8	0.2	1	0	0	0
Female investors to female entrepreneurs	FI-FE	I3	1	0	1	0	0.5	1	0	0	1	0
Female entrepreneurs pitching to male group (investors' perspective)	MI-FE	D1	1	0	1	0	1	1	0	0	1	0
Female entrepreneurs pitching to female group (investor's perspective)	FI-FE	D2	0	1	0.5	0	1	0.5	0	1	0.5	0.5
Female entrepreneurs pitching to male group (investors' perspective)	FE-MI	D3	1	0	1	0	1	0	0	1	0	1
Female entrepreneurs pitching to female group (investigators' perspective)	FE-FI	D4	0.5	0.5	0.5	0.5	0.5	0	1	0	1	0
Male investor to female entrepreneur	MI-FE	I1	Not important	Not important	Not important	Not important	Not important	Not important	Not important	Not important	Not important	Not important
Female entrepreneurs pitching to male group (investors' perspective)	MI-FE	D1	Important	Important	Important	Not important	Not important	Important	Important	Match: management		
Female entrepreneurs from male investors	FE-MI	I2	Important	Not important	Important	Important	Important	Important	Important	I2 og D3: No match startup, industry, Match: management, education		
Female entrepreneurs pitching to male group (investigators' perspective)	FE-MI	D3	Important	Important	Important	Important	Important	Important	Important	I2 og D3: No match startup, industry, Match: management, education		
Female investors to female entrepreneurs	FI-FE	I3	Important	Important	Important	Equal	Equal	Important	Important	I3 og D2: No match: education, Mixed: Startup, management, industry		
Female entrepreneurs pitching to female group (investor's perspective)	FI-FE	D2	Not important	Equal	Not important	Equal	Not important	Equal	Equal			
Female entrepreneurs pitching to female group (investigators' perspective)	FE-FI	D4	Equal	Equal	Important	Important	Important	Important	Important			
Male investor to male entrepreneur	MI-ME	I1	0.25	0.75	0.75	0.75	0.75	0.25	0	0	0.5	0.5
Male entrepreneurs from male investors	ME-MI	I2	0.6	0.4	1	0	1	0	0.8	0	0.6	0.4
Female investors to male entrepreneurs	FI-ME	I3	0	1	0.33	0	1	0.67	0.67	0.33	1	0
Male entrepreneurs pitching to male group (investors' perspective)	MI-ME	D1	0.5	0.5	0.5	0.5	0.5	0	0	1	0.5	0.5
Male entrepreneurs pitching to male group (investigators' perspective)	ME-MI	D3	0.5	0.5	0.5	0.5	0.5	0	0	1	0.5	0.5
Male investor to male entrepreneur	MI-ME	I1	Not important	Important	Important	Important	Important	Important	Important	Important	Important	Important
Male entrepreneurs pitching to male group (investors' perspective)	MI-ME	D1	Equal	Equal	Not important	Not important	Not important	Equal	Equal	I1 og D1: No match: management, Match: industry, Mixed: industry, education, startup		
Male entrepreneurs from male investors	ME-MI	I2	Important	Important	Important	Important	Important	Important	Important	I2 og D3: No match: Management, Mixed: education, startup, industry		
Male entrepreneurs pitching to male group (investigators' perspective)	ME-MI	D3	Equal	Equal	Equal	Not important	Equal	Equal	Equal			
Female investors to male entrepreneurs	FI-ME	I3	Not important	Not important	Important	Important	Important	Important	Important			
Female entrepreneurs from male investors	FE-MI	I1	Important	Not important	Important	Important	Important	Important	Important	Management experience (scaled)	Not important	Important
Female entrepreneurs from male investors	FE-MI	I2	0.6	0.4	0.2	0.2	0.8	0.8	0.8	0.2	1	0
Female entrepreneurs from male investors	ME-MI	I2	0.6	0.4	1	0	0.8	0.8	0.8	0.2	0.6	0.4
Female entrepreneurs (investigators' perspective)	FE	D1	0.3	0.7	0.7	0.7	0.3	0	0	0.7	0.7	0.3
Male entrepreneurs (investigators' perspective)	ME	D2	0.5	0.5	0.5	0.5	0.5	0	0	1	0.5	0.5
Female entrepreneurs from male investors	FE-MI	I1	Important	Not important	Important	Important	Important	Important	Important	I1 og D1: No match: education, startup, Match: industry		
Female entrepreneurs (investigators' perspective)	FE	D1	Not important	Important	Not important	Not important	Not important	Important	Important			
Male entrepreneurs from male investors	ME-MI	I2	Important	Important	Important	Important	Important	Important	Important	I2 og D2: No match: Management, Mixed: education, startup, industry		
Male entrepreneurs (investigators' perspective)	ME	D2	Equal	Equal	Equal	Not important	Equal	Equal	Equal			

	Investor network		University network		Personal network		Professional network		Startup network		
	Connect	Use	Connect	Use	Connect	Use	Connect	Use	Connect	Use	
<b>Social capital</b>											
<b>Women</b>											
Male investor to female entrepreneur											
Female entrepreneurs from male investors	MI-FE	I1	0	0	0	0	0	0	1	0	
Female investors to female entrepreneurs	FE-MI	I2	0.4	0.4	0	0.4	0	0.4	0.4	0.2	
Female entrepreneurs pitching to male group (investors' perspective)	FI-FE	I3	1	0	0	0	0	0.5	0	0	
Female entrepreneurs pitching to female group (investor's perspective)	MI-FE	D1	1	0	0	1	0	1	0	1	
Female entrepreneurs pitching to male group (investors' perspective)	FI-FE	D2	0	1	0	10.5	0.5	0	0	1	
Female entrepreneurs pitching to female group (investors' perspective)	FE-MI	D3	1	0	0	1	1	0	0	1	
Female entrepreneurs pitching to female group (investigators' perspective)	FE-FI	D4	0	1	0	1	0	1	0	1	
<b>MI-FE</b>											
Male investor to female entrepreneur	MI-FE	I1	-	-	-	-	-	-	-	-	11 and 12: Match: professional, startup. No data: investor, university, personal
Female entrepreneurs pitching to male group (investors' perspective)	MI-FE	D1	Connect	Use	Connect	Use	11 and D1: No match: professional, startup. No data: investor, university, personal				11 and D3: No match: professional, startup. No data: investor, university, personal
<b>FE-MI</b>											
Female entrepreneurs from male investors	FE-MI	I2	Equal	Use	-	Use	12 and D3: No match: professional, startup. Match: university, mixed: investor. No data: professional				D1 and 12: No match: professional, startup. Mixed: investor, Match: University. No data: professional
Female entrepreneurs pitching to male group (investigators' perspective)	FE-MI	D3	Connect	Use	Use	Connect					13 and D4: No match: investor, Match: professional. No data: university, personal, startup
<b>FI-FE</b>											
Female investors to female entrepreneurs	FI-FE	I3	Connect	-	-	Use	13 and D2: No match: investor, mixed: professional. No data: university, personal, startup				D2 and D4: Match: investor, university, personal, startup. Mixed: Professional
Female entrepreneurs pitching to female group (investor's perspective)	FI-FE	D2	Use	Use	Use	Equal					
Female entrepreneurs pitching to female group (investigators' perspective)	FE-FI	D4	Use	Use	Use	Use					
<b>Men</b>											
Male investor to male entrepreneur	MI-ME	I1	Connect	Use	University	Personal	Professional	Startup			11 and 12: Mixed: investor. No data: university, personal, professional, startup
Male entrepreneurs from male investors	ME-MI	I2	1	0.25	0	0	0	0.5	0	0	
Male investors to male entrepreneurs	FI-ME	I3	0.2	0.2	0.2	0.2	0.4	0	0.2	0	
Male entrepreneurs pitching to male group (investors' perspective)	MI-ME	D1	0	0	0	0	0	0	0	0	
Male entrepreneurs pitching to female group (investors' perspective)	ME-MI	D3	0.5	0.5	0	1	0	1	0.5	0	1
<b>MI-ME</b>											
Male investor to male entrepreneur	MI-ME	I1	Connect	-	-	Use	11 and D1: No match: investor, Match: professional. No data: university, personal				
Male entrepreneurs pitching to male group (investors' perspective)	MI-ME	D1	Use	Use	Use	Use					D1 and 12: No match: startup. Mixed: investor, university, personal. No data: professional
<b>ME-MI</b>											
Male entrepreneurs from male investors	ME-MI	I2	Equal	Equal	Equal	Equal	12 and D3: No match: startup. Match: investor, mixed: investor, university				
Male entrepreneurs pitching to male group (investigators' perspective)	ME-MI	D3	Equal	Use	Use	Equal					
<b>FI-ME</b>											
Female investors to male entrepreneurs	FI-ME	I3	Connect	-	-	-	-	-	-	-	
<b>Women and Men</b>											
Female entrepreneurs from male investors	FE-MI	I1	Connect	Use	University network	Personal	Professional	Startup			
Male entrepreneurs from male investors	ME-MI	I2	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.2	
Female entrepreneurs pitching to male group (investors' perspective)	FE-MI	D2	0.2	0.2	0.2	0.2	0.4	0	0.7	0	1
Male entrepreneurs pitching to female group (investors' perspective)	ME-MI	D3	0.3	0.7	0	1	0	10.3	0	1	
Male entrepreneurs pitching to female group (investigators' perspective)	ME	D2	0.5	0.5	0	1	0	10.5	0.5	0	1
<b>FE</b>											
Female entrepreneurs from male investors	FE-MI	I1	Equal	Use	-	Use	11 and D1: No match: startup. Match: investor, university, No data: personal, professional				
Female entrepreneurs pitching to male group (investors' perspective)	FE	D1	Use	Use	Use	Use					
Male entrepreneurs from male investors	ME-MI	I2	Equal	Equal	Equal	Equal	12 and D2: No match: startup. Match: investor, mixed: investor, professional				
Male entrepreneurs pitching to female group (investors' perspective)	ME	D2	Equal	Use	Use	Use					

Triangulated data tables - Gender characteristics

Gender Characteristics				Masculine (scaled)	Feminine (scaled)	Androgynous (scaled)
<b>Women</b>						
Male investor to female entrepreneur	MI-FE	I1	Androgynous	1	1	2
Female entrepreneurs from male investors	FE-MI	I2	Androgynous	1.4	0.6	1.8
Female investors to female entrepreneurs	FI-FE	I3	Masculine	2.5	0	1
Female entrepreneurs pitching to male group (investors' perspective)	MI-FE	D1	Masculine	1	0	0.33
Female entrepreneurs pitching to female group (investor's perspective)	FI-FE	D2	Masculine & Androgynous	1	0	1
Female entrepreneurs pitching to male group (investigators' perspective)	FE-MI	D3	Androgynous	1.33	0.67	1.67
Female entrepreneurs pitching to female group (investigators' perspective)	FE-FI	D4	Masculine	1.33	1	1
<b>MI-FE</b>						
Male investor to female entrepreneur	MI-FE	I1	Androgynous	11 og D1 = No match	11 og I2 = Match	
Female entrepreneurs pitching to male group (investors' perspective)	MI-FE	D1	Masculine		11 og D3 = Match	
<b>FE-MI</b>						
Female investors from male investors	FE-MI	I2	Androgynous	12 og D3 = Match	D1 og I2 = No match	
Female entrepreneurs pitching to male group (investigators' perspective)	FE-MI	D3	Androgynous		D1 og D3 = No match	
<b>FI-FE</b>						
Female investors to female entrepreneurs	FI-FE	I3	Masculine	13 og D2 = Partial match	13 og D4 = Match	
Female entrepreneurs pitching to female group (investor's perspective)	FI-FE	D2	Masculine & Androgynous		D2 og D4 = Partial match	
<b>FE-FI</b>						
Female entrepreneurs pitching to female group (investigators' perspective)	FE-FI	D4	Masculine			
<b>Men</b>						
Male investor to male entrepreneur	MI-ME	I1	Masculine	Masculine (scaled)	Feminine (scaled)	Androgynous (scaled)
Male entrepreneurs from male investors	ME-MI	I2	Masculine & Androgynous	1.75	0.25	1
Female investors to male entrepreneurs	FI-ME	I3	Masculine	1.7	0.3	0.6
Male entrepreneurs pitching to male group (investors' perspective)	MI-ME	D1	Masculine	1	0	0.25
Male entrepreneurs pitching to female group (investor's perspective)	FI-ME	D2	Androgynous	0	0	2
Male entrepreneurs pitching to male group (investigators' perspective)	ME-MI	D3	Masculine	1.5	0.5	0.25
Male entrepreneurs pitching to female group (investigators' perspective)	ME-FI	D4	Androgynous	1	0	2
<b>MI-ME</b>						
Male investor to male entrepreneur	MI-ME	I1	Masculine	11 og D1 = Match	11 og I2 = Partial match	
Male entrepreneurs pitching to male group (investors' perspective)	MI-ME	D1	Masculine		11 og D3 = Match	
<b>ME-MI</b>						
Male entrepreneurs from male investors	ME-MI	I2	Masculine & Androgynous	12 og D3 = Partial match	D1 og I2 = Partial match	
Male entrepreneurs pitching to male group (investigators' perspective)	ME-MI	D3	Masculine		D1 og D3 = Match	
<b>FI-ME</b>						
Female investors to male entrepreneurs	FI-ME	I3	Masculine	13 og D2 = No match	13 og D4 = No match	
Female entrepreneurs pitching to female group (investor's perspective)	FI-ME	D2	Androgynous		D2 og D4 = Match	
<b>ME-FI</b>						
Male entrepreneurs pitching to female group (investigators' perspective)	ME-FI	D4	Androgynous			
<b>Women and Men</b>						
Female entrepreneurs from male investors	FE-MI	I1	Androgynous	Masculine (scaled)	Feminine (scaled)	Androgynous (scaled)
Male entrepreneurs from male investors	ME-MI	I2	Androgynous & masculine	1.4	0.6	1.8
Female entrepreneurs (investigators' perspective)	FE	D1	Androgynous & masculine	1.3	0.8	1.3
Male entrepreneurs (investigators' perspective)	ME	D2	Masculine	1.4	0.4	0.6
<b>FE</b>						
Female entrepreneurs from male investors	FE-MI	I1	Androgynous	11 og D1 = Partial match	11 og I2 = Partial match	
Female entrepreneurs (investigators' perspective)	FE-MI	D1	Androgynous & masculine		11 og D2 = No match	
<b>ME</b>						
Male entrepreneurs from male investors	ME-MI	I2	Androgynous & masculine	12 og D2 = Partial match	D1 og I2 = Match	
Male entrepreneurs (investigators' perspective)	ME	D2	Masculine		D1 og D2 = Partial match	

Aggregated data overview

Education	Triangulated	Startup	Triangulated	Industry	Triangulated	Management	Triangulated
FE<-- MI	Important	Fe (Tot)	Important	Fe (Tot)	Important	FE<-- MI	Important
MI--> FE	Split	FE<-- MI	Split	FE<-- MI	Split	MI--> FE	Not
FI--> FE	Split	MI--> FE	Split	MI--> FE	Split	ME<--MI	Split
FE<-- FI	Mixed	FE<-- FI	Mixed	FE<-- FI	Mixed	MI-->ME	Split
ME<--MI	Mixed	FI--> FE	Mixed	FI--> FE	Mixed	ME (Tot)	Split
MI-->ME	Mixed	ME<--MI	Mixed	ME<--MI	Mixed	Fe (Tot)	Split
ME (Tot)	Mixed	MI-->ME	Mixed	MI-->ME	Mixed	FE<-- FI	Mixed
Fe (Tot)	Mixed	ME (Tot)	Mixed	ME (Tot)	Mixed	FI--> FE	Mixed
ME<--FI	NA	ME<--FI	NA	ME<--FI	NA	ME<--FI	NA
Androgynous	Masculine	Androgynous &					
FE<--MI	ME<--MI	ME<--MI					
FE<--MI	ME<--MI	ME					
MI-->FE	MI-->ME	FI-->FE					
ME<--FI	MI-->ME	FE					
FI-->ME	FI-->ME						
FE	FE<--FI						
	FI-->FE						
	MI-->FE						
Investor		University	Personal	Professional		Startup	
Connect	Use	Use	Use	Connect	Use	Connect	Use
	FE<-- FI	FE<-- FI	FE<-- FI		FE<-- FI		FE<-- FI
FE<--MI		FE<--MI (x2)	FE<--MI	FE<--MI	FE<--MI	FE<--MI	FE<--MI
	FE	FE (x2)	FE		FE (x2)	FE	FE (x2)
MI-->FE		MI-->FE	MI-->FE	MI-->FE	MI-->FE	MI-->FE	MI-->FE
FI-->FE	FI-->FE	FI-->FE	FI-->FE		FI-->FE		FI-->FE
		ME<--MI	ME<--MI				
		ME	ME				
MI-->ME	MI-->ME	MI-->ME	MI-->ME		MI-->ME (x2)		MI-->ME
FI-->ME							