



BAKER INSTITUTE

ENTREPRENEURSHIP · CREATIVITY · INNOVATION

The Baker Female Founders Initiative

Our mission: To provide tools, resources and a powerhouse network as a means of leveling the funding/resource/startup playing field, fostering greater self-efficacy, a growth mindset and helping to scale the entrepreneurial endeavors of women during their time at Lehigh and beyond.

Our vision: We look ahead to the time when female entrepreneurs within the Lehigh family are properly equipped to fearlessly pursue their entrepreneurial goals, make bold strides during their journeys as founders and connect with like-minded game-changers, ultimately fostering a unique and supportive tribe of tenacious female entrepreneurial leaders.

Opportunity: How might we help female entrepreneurs overcome challenges they encounter, whether real, implied or imagined and galvanize their ability to level up and claim the opportunities that are available, leverage the networks they build and become successful entrepreneurial leaders.

Missing: the word empowerment. Why? “Empower (verb): to give power or authority to.”
Reference: [Sallie Krawcheck on Empowerment.](#)

The Obvious Landscape: Female Entrepreneurs at Lehigh

37% of students enrolled in Entrepreneurship 101, the “gateway” course, are women.

32% of students enrolled in higher level ENTP courses are women

< 15% of students pitching ideas at EUREKA! Are women

> 50 % of EUREKA! Grand Prize winners are women -Fewer participate but the ones that do, excel.

45-50% of students accepted into LehighSiliconValley, the flagship immersion program, are women. However, a relatively small percentage of women position themselves as standouts among their peers or take on any type of leadership role in the cohort compared to their male counterparts who are, many times, less qualified.

Note: Baker programs focus on curating a diverse group of students, including gender diversity. Programs that students join on their own see a much lower rate of gender diversity

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The Obfuscated Landscape: Female Entrepreneurs in the USA

Reports vary widely about the number of women who are startup founders. Depending on the source, the numbers range from percentage points in the single digits to ten times that.

Comparing data with definitions that are not analogous can make it difficult to know how we're doing. The data point below however, tells a story that compares apples to apples.

Out of a total of 1786 data known data points alone for Seed and Series A Deals, 16% of founders and 14% of CEOs are female, up from 13% aggregated in 2017. With a focus on CEOs, female CEOs account for 15% of all CEOs in the Seed/Series A stages.

(Halo report Annual 2018 Highlights and Trends)

With subsequent citations: definitions of "startups", "women-owned businesses", "entrepreneurs", "founders", "companies", "CEOs", etc all highlighted in red - it is difficult to compare numbers and see trends partly because the citations are not parallel.

- 40% of US **businesses are women-owned.** (Women's Business Enterprise National Council (WBENC))
- There are 114% more **women entrepreneurs** than there were 20 years ago. **Women-owned businesses** added half a million jobs between 1997 and 2007. (Fundera.com)
- The number of women-owned businesses grew 58% between 2007 and 2018—nearly five times faster than the national average—and the trend continues.
- (Bank of America Executive Summary: Beyond the Bucks)
- Venture heavyweight First Round Capital analyzed its entire portfolio going back a decade and saw that **companies with at least one female founder** have performed **63% better than all-male teams.**
- Women receive just 7% of **venture funds for their startups.** (Fundera.com)
- **PitchBook** tracked college graduates over the last five years and found which schools were helping launch **women founders** and their companies, as well churning out entrepreneurs who actually attracted funding. The list is similar between the genders, but there are some notable differences. Both Yale and University of Pennsylvania **appear to provide greater benefits to women founders** than their male counterparts.

Relevant research that uncovers hidden biases, two examples.

This section illustrates, through two small examples, gender inequity and hidden bias at two ends of the startup spectrum: the first, occurs later when women are raising capital and the second occurs much earlier in the pipeline.

1) Dr Dana Kanze co-author of "Male and Female Entrepreneurs Get Asked Different Questions by VCs — and It Affects How Much Funding They Get" joined the Babson Center for Women's Entrepreneurial Leadership (CWEL) roundtable of entrepreneurship program directors at November's meeting, her research ([read full HBR article here](#)) :

... "we learned that venture capitalists posed different types of questions to male and female entrepreneurs: They tended to ask men questions about the potential for gains and women about the potential for losses. We found evidence of this bias with both male and female VCs."

VCs Frame Questions in Two Different Ways

Promotion questions focus on potential gains, whereas prevention questions focus on potential losses. VCs tend to ask the former of men and the latter of women.

TOPIC	PROMOTION	PREVENTION
Customers	Acquisition Example question: "How do you want to acquire customers?"	Retention Example question: "How many daily and monthly active users do you have?"
Income statement	Sales "How do you plan to monetize this?"	Margins "How long will it take you to break even?"
Market	Size "Do you think that your target market is a growing one?"	Share "Is it a defensible business wherein other people can't come into the space to take share?"
Projections	Growth "What major milestones are you targeting for this year?"	Stability "How predictable are your future cash flows?"
Strategy	Vision "What's the brand vision?"	Execution "Are you planning to Turing test this?"
Management	Entrepreneur "Can you tell us a bit about yourself?"	Team "How much of this are you actually doing in-house?"

SOURCE DANA KANZE, LAURA HUANG, MARK A. CONLEY, AND E. TORY HIGGINS

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- PREVENTION questions are asked of female founders 66% of the time
- PROMOTION questions are asked of male founders 67% of the time

2) In an article published in Entrepreneur Magazine by CWEL's executive director Susan Duffy comes at the imbalance from the beginning of the pipeline "[To Increase Gender Diversity We Need To Go Back to School](#)" - here is an excerpt:

"For schools that want to lead the way on gender, the first step is to take stock of how the institution currently represents itself. At Babson, we've analyzed the diversity of the case studies used in our business school core-curriculum, as well as the speakers and panelists featured at major events and the students participating in important programs and leadership roles. That analysis has covered such criteria as:

- *The diversity of the institution's faculty, administrators, speakers, mentors, and student leaders*
- *How gender is represented in the curriculum and language used in the classroom*
- *How professors identify case studies, journal articles and other teaching materials that present gender diversity*

To turn things around, we've:

- *Reached out to professors to help them identify good case studies and articles.*

- *Normalized gender diversity as part of the curriculum, rather than confining discussions of gender to "women-centric" events and activities*
- *Required that school-funded events and conferences represent women in panels and as keynote speakers*

Former, current and prospective students should be asking these same questions of their own business schools."