**Training Women to Ameliorate Venture Capital Bias**

Ellen Farrell, PhD[[1]](#footnote-1)

[[2]](#footnote-2) Sobey School of Business, Venture Capital & Entrepreneurship

Presented at University-Industry Innovation Network

2024 Annual Conference, May 27–29, Madrid

**Abstract**

There is a gender gap in the Canadian, US & European venture capital (VC) investment sector. VC plays a critical role for start-ups and rapidly growing companies that occupy the small and medium-sized enterprise sector. Toward the goal of improving women entrepreneurs’ access to VC funding, this report provides an overview of a science-based training program, Investor*Q&A,* which informs and equips women entrepreneurs with competencies in addressing investor questions (Q&A) posed by VC investors. Notably, training (not coaching or mentoring) helps women role play situations to secure investment funding in the entrepreneurial ecosystem and has assisted women in raising $20M to date.

Empirical research has repeatedly confirmed the gender gap in accessing VC. Although women and men entrepreneurs demonstrate the same level of need for capital, women start-up entrepreneurs not only obtain fewer rounds of finance, but also receive less funding per round, compounding the detrimental effect on their total raised. Research demonstrates that the expression of unconscious bias by both male and female venture capitalists significantly contributes to the gender gap in venture capital as investors pose different questions to women than they do to men during typical Q&A sessions.

Findings are derived from the pilot participants’ and ecosystem partners’ observations of a program designed to prepare women to manage investor conversations. Forty-seven pilot participants and an additional 152 women founders from across Canada and the US have participated in Investor*Q&A* training. Ecosystem partners who commented on the program include venture capitalists, incubators, accelerators, university entrepreneurship centres (ECs), and government departments and agencies. In total, 60 people from 29 organizations advised and consulted on the science-based objectives, purpose and method of the training.

The report concludes with the following recommendations to improve women’s access to VC funding:

1. At the macro level, policy orientations should recognize and acknowledge the bias with evidence-based professionalized training about unconscious bias for: a) ESOs working with women, and b) limited partners, venture capitalists and competition judges intended to identify and address deep-seated preconceptions.
2. At the meso level, ESOs recognize the growing interest by their funders and donors to advancing diversity and women-oriented founder programming.
3. At the micro level, fund women-focused skills improvement with train-the-trainer and client-oriented programming delivered by ESOs, ECs, incubators, accelerators and private sector firms.

Keywords

Venture Capital, Train, Women, Startup, Entrepreneur, Unconscious Bias, Implicit, Role-Play, Question and Answer

# Introduction

There is a significant gender gap in the venture capital (VC) industry. Fortune Magazine, Harvard Business Review, Academy of Management Review, Tech Crunch, Pitchbook and CB Insights all report the lack of funding for women-led startups. The background of this bias has been well-documented in terms of the proportions of finance aimed at women. Moreover, it has been convincingly traced to unconscious bias (implicit bias) on behalf of both men and women investors. Until just recently, the main problem was modestly addressed by macro actors (governments and large VC funds) allocating small amounts of funding earmarked for women-led startups. To date, this has done little to ameliorate the underlying issue of unconscious bias or its outcomes. This paper investigates a newly created training program, gaining ground in Canada and the US, which has the intent of training women founders about unconscious bias and strategies to deal with it during the investor question and answer sessions following the pitch.

# Structure of the Paper

This paper begins by investigating and documenting the VC decision-making process and the barriers facing women during this process. This is followed by an outline of the evidence-based skills training program designed for women-led startups called Investor*Q&A* and the software created to support the training*.* The program content focusses on the post-pitch investor decision-making question and answer (Q&A) session. The next section is a review of the method byInvestor*Q&A*’s ecosystem partners such as ESOs, venture capitalists and government actors. The report then shares the findings generated from the pilot project using a grounded theory approach to shed light on the outcomes of the training program. Finally, results from more recent editions of the program illustrate further refining improvements.

#  Literature Review

There is increasing concern regarding the dearth of VC raised by women. This section of the paper reviews the literature on the gender gap in VC and identifies some of the factors contributing to this gap—in particular, the unconscious bias that negatively impacts women entrepreneurs’ success—and its influence on the questions posed during Q&A sessions where investment decisions are made. The goals of the Investor*Q&A* program are based in this literature.

Venture capital plays an essential role in dense and innovative entrepreneurial ecosystems. Venture capital is part of the social fabric of interactions that provide the funding, contacts, and networks of financiers needed for growth, research and development, validation, product-market fit, and commercialization. Being denied access to these resources dampens one advances in technology, business, and future community resources.

Education, experience, developed social networks, and industry insight are necessary qualities to be a candidate for VC. Many women-led ventures are represented in high-performing categories such as science, technology, engineering, and mathematics (STEM); information technology (IT); and deep sciences, and they have significant entrepreneurial potential and experience. Yet they continue to be less likely to be awarded VC funding than similarly endowed men-founded firms(Funding to Female Founders’ Report, 2020) The loss of these financing opportunities also affects the lives of women entrepreneurs’ families and diminishes the number of women founders as role models for young girls. Perversely, barriers preventing women from accessing critical financial support exist at all levels of the ecosystem (Cukier, Mo, Chavoushi, Borova 2022). Systemic discrimination and gender stereotyping, for example, even have a negative impact on the success of women and girls in pitch competitions(Why women-owned startups are a better bet 2018).

The funding divide between women and men is an empirically supported phenomenon in the literature and it is rampant in the UK, US and Canada. Crunchbase, a VC and seed technology database, reported that “In 2010, only 3% of invested dollars went to women-only founders, and in 2019, almost 10 years later, that number remained at just 3 percent” (Sheppard, Accessed April 2024).

MassChallenge, an international super accelerator, had BCG review hundreds of previous start-ups and reported that men founders averaged $2.1 million in funding compared to women founders’ average funding of $0.9 million despite showing women-funded ventures had higher revenues and better investment efficiency(Why women-owned startups are a better bet 2018). In the U.K., the *Financial Times* has reported that women-founded start-ups receive less than 1 pence of every 1 pound of VC investment Further results from the British Business Bank show that the odds were better for women-men founding teams, which were represented by 12 percent of the financings, although still Conley2019)only 10 percent of the value. A U.K. Treasury report indicates that teams led by women only represented 4% of U.K. VC deals(UK VC and Female Founders Report.2019).

In Canada, it is estimated that women founders receive less than 4 percent of venture capital (Alrubail, 2022). Women start-up entrepreneurs not only obtain fewer rounds of finance, but receive less funding per round, compounding the effect on their total (Why women-owned startups are a better bet 2018). Founding teams that are composed of only women are the most financially disadvantaged. The nature of the asset class means the likelihood that these ventures will survive is reduced, as they continuously strive to raise funds, spend more resources in the process, and are less likely to raise successive rounds of finance every time they are denied an earlier round.

Researchers at Statistics Canada examined the gender differences associated with a broader group—small and medium-sized enterprises (SMEs) seeking external funding— and found that the capital needs of women and men entrepreneurs are the same. Women and men entrepreneurs require and request similar amounts of funding. Thus, differences in funding levels are driven by the suppliers of equity capital. Women employing equity markets for business growth are financed at a rate of 58 cents on the dollar compared to men, not because that is what they ask for, but because that is what they are given (Statistics Canada, 2019).

The fact that women offer better performance in revenue generation and investment efficiency, yet are offered much less investment, suggests that there are biases discouraging investors from investing in women-led ventures. These biases include venture capitalists investing in men because high-growth funding goals (typical of VC) are considered a masculine trait; there is a perception that competent entrepreneurs are men; and men prefer to invest in men because they are like themselves—a concept called homophily (Brush, Greene, Balachandra, & Davis, 2018).

Proposals for systemic change are slow to alter underlying inclinations accumulated over decades of conditioning. Remedies put in place, in co-operation with the VC industry, encourage more voluntary funding for women. These include pledges to commit more financings and funding for women, or limited partners (venture capitalists’ funders) encouraging minimum-women requirement codicils on funds placed with a VC general partner. Governments and mega-funds are currently establishing women-investor-led funds and women-founder VC funds. Yet the total of these changes is not expected to make a substantial change given the hundreds of billions invested or investable.

It was widely thought that the rate of investment to women would improve as the number of women investors increased. A Canadian report found that in 2019, women constituted just 15.2% of partners, 11.8% of managing partners, and 10.3% of venture partners at VC firms in Canada (Women in Venture Report, 2019). However, because the rate of women investor growth does not match that of the amount of funds under investment, the gap is actually increasing instead of decreasing. Barriers preventing women from accessing critical financial support exist at all levels of the ecosystem (Cukier et al., 2022). Systemic discrimination and gender stereotyping, for example, even have a negative impact on the success of women in pitch competitions(Why women owned, 2018).

# Investor*Q&A* – The Program

Highlighting the importance of improving women entrepreneurs’ access to VC funding, this section describes an effective program that informs and supports women entrepreneurs. The program developed, Investor*Q&A*, was designed to provide skills training to women to help them to succeed in securing VC using scientific findings noted in the earlier section. The program`s intent to facilitate a change in funding for women currently in the entrepreneurial ecosystem.

Investor*Q&A* trains women to a) understand the startup fundamentals and to b) convert obstacle-type questions (playing it safe) into promotion-type answers (vision of the future and aspiring to achievements). It is the visionary leader and competent business builder that the venture capitalist seeks. Using automated role-play to practise circumventing negative Q&A engagements, *InvestorQ&A* equips women and girls with new skills to redirect the types of answers they provide. Investor*Q&A* uses training, role-play, and automated science-based feedback to develop their Q&A skills.

Recently published work highlighting well-known theories and robust methodologies was applied to the VC asset class by a team of scholars with a deep understanding of VC, biases, regulatory focus theory, and content analysis software (LIWC) (Kanze, Huang, Conley and Higgins, 2018). The coherent theory of investor-entrepreneur conversations focussed their analyses on typical investor-entrepreneur conversations following the pitch. Redirecting the focus away from the pitch altered the research emphasis. The entrepreneurial pitch is a well-honed exercise that is a staple instruction in every incubator, accelerator, ESO, EC, and hundreds of other spaces where start-ups are the clients. Whereas the pitch is the subject of much curation, practice, rehearsal, and tailoring by (often) numerous ESO coaches, entrepreneurs frequently describe significant discomfort with Q&A sessions and what they will be asked. Chiefly, founders are adlibbing as there is little prescribed direction (and no known science) about what questions will be asked or how to answer them.

Venture capitalists point out, however, that funding decisions are based on the Q&A, where an entrepreneur’s manner and response reassure venture capitalists that the founder has the requisite depth to build a high-growth start-up. Hence, the investor Q&A is a vital component of raising VC.

The work noted earlier confirmed some suspicions that women were being asked different questions than men (Kanze et al. 2018). Wittingly or unwittingly, investors more often ask men founders questions that incline their answers toward a self-promoting, visionary type of response. The questions asked of women, however, incline their answers toward a preventative/security-type response, situating them defensively and discussing strategies built around avoiding losses. The same research suggested a style of response behaviour that correlates with entrepreneurs who win more funding because they respond to negative questions with positive answers.

**Program Goals & Method**

Based on these findings and a well-developed knowledge of venture capital, venture capitalists, considerable student teaching, and competitive experiences, a research question posed the usefulness of deploying these findings in a role-play scenario. Investor*Q&A*’s creation as a training regime (not coaching or mentoring) was based in the comfort that comes with repetition such as that used in role-play. In this sub-section, we discuss the program goals and learning goals, the software content, the Console, the recruitment process, and the training/coaching approach. Using scientific findings, a team was created with specializations in VC and software to create a program specifically for women.

Investor*Q&A* key program goals inform women about the nature of unconscious bias, and how to manage it. The long-term goal is to find a method that delivers better results for women, putting funding into their hands earlier, and in increasingly larger sums. This requires the system/program/method to be accepted by women, VCs and incubators/ accelerators interested in ultimately working with Investor*Q&A.* We expected to work with a pilot project with later revisions as the prototype was put into practise.

Investor*Q&A* contains elements of delivery, timing, content, practise, and immediate, unbiased feedback using both teaching and training. Investor*Q&A*’s program includes small-group instruction, business self-assessment, instructional materials, role-play software, feedback and small group-support in practicing, learning and supporting one another.

The skills-based role-play Console was designed to enable students to acquire or rehearse a specific skill with specific performance criteria (Bolinger and Stanton, 2020). The specific skill criteria were to prepare and record applied startup fundamentals while deploying conversion techniques whenever possible. These strategic skills allow women to control investor conversations. The Console prompts women to answer typical investor questions, transcribes their answers, rates the type of answers they deliver, the concepts covered, and provides them with a minimum of metrics such as the length of the answer, number of sentences, and its tone. The four goals specific to The Console were:

1. Online presence to reach the widest possible audience of women-led start-ups.
2. Automation was easy to manipulate for participants’ convenience because they would have to role play regularly to make the necessary changes in behaviour.
3. Console had to provide participants with immediate feedback (within 30 seconds).
4. Feedback had to be industry-agnostic.

**Investor*Q&A* Role-Play Mimics Typical Investor Questions**

Building a program and accompanying software, along with a strategy of how the two might be delivered in a scalable model, required the interpretation of well-regarded, long-standing theory and textual analysis methodologies.The well-regarded regulatory focus theory outlines two different strategies that an individual can use to pursue a significant goal (Brockner & Higgins, 2001; Gamache, McNamara, Mannor, & Johnson, 2015; Scholer, Cornwell & Higgins, 2019) such as an entrepreneur starting a business. One strategy considers the venture’s current situation and looks to prevent activities that threaten the safety and security of the new venture (prevention strategy). The other strategy pursues a dream that outlines the potential of a venture and the activities in which to engage that propel the pursuit of bigger opportunities (promotion strategy). Because the two names sound similar and are easily confused, we refer to them with women founders in the VC context as obstacle and aspiration strategies, respectively.

When applying regulatory focus theory to the needs of the VC asset class, aspiration (promotion) strategy questions neatly mapped onto the questions posed to men. Venture capitalists look for rapidly growing ventures with visionary founders whose financial needs exceed their means as they scale and grow to larger and larger firms. Venture capitalists ask aspiration questions to highlight how the (male) entrepreneur intends to achieve their goals.

In the typical investor-entrepreneur conversations experienced by women, more obstacle-type questions were observed. When women answer the obstacle questions as posed, their focus is on issues that do not correlate with funding, thereby putting their ventures in a negative light (Kanze et al, 2018). Venture capitalists use these reasonable, but negative, answers to justify denying funding to women and the lion’s share of the funding is invested in men.

However, it is notable that the Kanze et al. (2018) research indicate that when entrepreneurs addressing obstacle questions converted their answers into aspiration responses, their start-ups went on to raise many times more in investment over the lifetime of their ventures. The skill of being able to convert negative questions into positive answers is a significant potent skill for founders.

In *InvestorQ&A* role-play engages the founder in a Q&A session and helps them develop the conversion skill that becomes increasingly easier when practised out loud. Database questions are delivered to participants with increasing difficulty to encourage founder comfort in earlier sessions (Lund, and Jolly, 2012). The role-play software allows the participant to prepare the answer and deliver it aloud. They practise the key startup fundamentals venture capitalists want to hear, and it provides a safe space for them to practise navigating away from obstacle-type questions. Because women have become accustomed to answering questions asked of them – not challenging the questioner by discussing topics not asked of them – they begin controlling the conversation. Principles of role-play scaffolding are enacted in the Console to improve women’s comfort levels to participate in vocalization (Bolinger & Stanton, 2020).

**The Practice Console**

Investor*Q&A*’s Console design assists women to deliver practiced startup fundamentals during investor Q&A sessions. Women become familiar with the startup fundamentals that correlate with VC funding and demonstrate qualities necessary to build a growth company which combine as the “the narrative” sought after by venture capitalists.

The Console`s private online practice location is where Investor*Q&A* participants train. Participants gain access to the Console after their introductory workshop to ensure they have had adequate preparation about unconscious bias and the Console’s purpose. Women apply their company’s tailored concepts learned from the workshops, instructional material, and regular Mini Meetups. The software enables women to deliver their pitch and respond to text-delivered investor questions. Women have time to prepare answers before beginning to speak.

Feedback is available immediately and includes: the number and question text; the type of question; their conversion ability; the concepts discussed; time in seconds of each answer; number of sentences; transcripts of answers; transcripts of their pitch; and charts and graphs to show their progress over time (Figures 1, 2, 3 & 4). All previous practice sessions are accessible. The recommended role-play and feedback review is 15 minutes daily.



Figure 1 – Participant Scores Over Time

**Pilot Participant Recruiting & Field Tests**

Women founders were invited to participate in free training workshops held by Investor*Q&A* in January 2022. Branded online marketing campaigns recruited potential participants and interested ecosystem supporters by driving traffic to the dedicated website, [www.investoready.org](http://www.investoready.org). Direct mail, email and social media campaigns were directed nationwide to opinion leaders, women entrepreneurs, incubators, accelerators, ECs, and ESOs. The campaign had a heavy emphasis on diversity and inclusion, featuring different ethnicities, ages, and combinations of women.

Field testing was performed by three separate team members to ensure quality control by iterative testing (words/topics/questions were listed in the correct categories), confirming insights and testing assumptions such as randomness, and consistency of transcriptions(Coorevits, Georges & Schuurman (2018). At this stage, relevant insights allowed the team to re-engineer The Console to avoid too much complexity. Two groups of 10 students prepared under the direction of the author to attend the international Venture Capital Investment Competition New England edition in Boston in 2022 and 2023. All students were trained using concepts designed for InvestorQ&A. In the four events over two years, they won 2nd and 3rd in the Undergraduate edition and 2nd and 2nd in the Graduate edition.

The pilot was conducted with five small groups of women. After signing up, participants engaged in a small-cohort two-hour workshop where instruction information was presented. Participants were given a personal account and were led to the home page, where they learned to operate inside the Console. Entry poses four categories to select from:

* Discover - instructions, glossary and workshop collateral;
* Practise - eight minutes of questions are posed to founders;
* Feedback -where the metrics, results, and transcription of their Practice sessions are presented;
* Discord - where participants join the Investor*Q&A* Community.

During the pilot, the Console’s construction lived up to the expected requirements delivering results consistent with the research goals. It was delivered online and was received extremely well by the pilot participants, who at that time were well-versed in online/Zoom operations because of the COVID-19 pandemic. It posed questions to participants and then provided industry-agnostic, unbiased feedback. The feedback was based on the key topics positively or negatively correlated with funding. Transcriptions of the participants’ answers highlighted key concepts observed in their responses. The automated feedback was provided within seconds.

Following their weekly practise, women met in one-hour “meetups” where participants shared their experiences, or recent Console observations, discussed startup fundamentals and/or any recent competitions or investor meetings.



Figure 2 – Practise Response



Figure 3 – Conversion Capability

# Ecosystem Partner Observations ­­­

The women participants and ecosystem partners were consulted about their observations and feelings about the program. Ecosystem partners are those organizations that would be working with, or supporting, women who would be expected to benefit from the training. Because venture capitalists, women founders, their families, and society have much to gain from successful and successive investments into women-led firms, these organizations were consulted for their insights and observations about the method, the findings and the Console. Those observations are solicited from four principal groups: the participants;.ESOs; venture capitalists; government/agency organizations; and national business organizations. Open-ended conversations allowed participants to freely chat about Investor*Q&A*, problems as they saw them, potential improvements, their likely use of the training, and the potential rewards of the program. Table 1 outlines the various constituents consulted about Investor*Q&A* and their comments. A total of 60 different people from the 29 organizations were part of the consultations about the objectives, the purpose of the training, the role-play Console, and its capabilities. This paper outlines the comments of participants, venture capitalists and ESOs.



Table 1 – Ecosystem Partner Organizations

**Participants:** During and after workshops, participants were excited about the opportunity to work with Investor*Q&A*. Zoom’s chat function allowed participants to have conversations while the workshops and meetups were progressing. Many candid conversations were found in the chat function following meetings. Almost all conversations observed among the workshop participants were beneficial and supportive. Here are some notable comments made by participants:

* *I’ve done many pitches; this is absolutely amazing. I went to a lot of pitch workshops, and this alone tops them all! Prepping for Q&A was always something that I struggled [with].*
* *Immediately beneficial feedback. Gotta love that!*
* *It is amazing!!*
* *Q&A always is my challenge in the pitch.*
* *It’s a constant struggle to overcome things that were ‘baked into’ us.*
* *In just this first 10 slides, I have had a radical shift in thinking; I have always been apologizing for raising money because I felt inadequate for not being able to build the company on my own.*



*Figure 4 – Transcript*

**Venture Capitalists:** Eighteen different venture capitalists from nine different venture capital funds spanning from Montreal to New York observed the workings and science of Investor*Q&A*. The objective of training women to lead the conversation, instead of being led, was recognized as a valuable strategy, as was the ability to convert obstacle questions into aspirational answers also endorsed. Two well-known venture capitalists, as well as the New York venture capitalist, indicated very similar sentiments about the lack of a narrative and the need to sell the business rather than the product. One venture capitalist suggested that even if the training did nothing but help develop the narrative, it would be a useful outcome. Men, they recognized, were often not good at this either, but they see *lots of men* so the concept of creating a program specifically for girls and women was seen as a significant value proposition. In terms of getting ahead of the criticism that the industry is facing as a result of the women’s funding crisis (outlined earlier in this report), all but one of the venture capitalists were prepared to endorse an instruction and training regime pilot such as the one created here.

Below are some of the individual comments from venture capitalists:

* *In my view you’re hitting the nail on the head by helping to develop a skill set critical to fundraising.*
* *If this does nothing but help women view the business side of the business, it will have done enough.*
* *Q&A is critical. They need to weave a story rather than jumping all over the place.*
* *They need to visualize their progress; reinforce that they’re moving in the right direction.*
* *I like this approach; I want to help.*
* *It’s a performance, unfortunately. They need to weave other aspects into their answer.*
* *This is a pretty cool focus on Q&A. It takes self-study to a new level.*
* *Responding naturally and quickly to a question gives the VC comfort that the founder has a depth of knowledge.*

**Incubators, Accelerators, and Entrepreneurship Centres:** Incubators, accelerators, and ECs are ESOs financed with government and sponsor funding mandated to support the development of start-ups. These vital ecosystem organizations develop programming that fosters an understanding of the process and necessary steps for startup success. Their programming includes: mentorship, advice, financing, networking, small grants or investments, and competitions.

The 16 participants from eight support organizations provided deep insight into the difficulties that their organizations face. Participants included CEOs, directors, and programming managers. Some have changed their business models or updated their brands, and some are looking for a bigger impact. Their programming sees varying degrees of engagement, application, and progress for the clients they serve.

These organizations are trying to invest in more women programming in light of the controversy about women and VC. One key challenge they share is the difficulty of finding/developing new, or in this case evidence-based, programming. Most of the programs they offer are derived from the experience, background, viewpoints, and suggestions of former successful (or sometimes unsuccessful) entrepreneurs, venture capitalists, and former founders. Participating organizations were optimistic about Investor*Q&A* potential. Their CEOs recognize that their clientele is often more than 50% women; however, their results with women raising funding are nowhere near those proportions.

* *Support groups are defined by their programming; they are always looking for new programming. It helps them justify their funding levels.*
* *Two groups struggle with seeding their companies—newcomers and girls.*
* *We really wanted to make sure that women had an edge when they were pitching for venture capital, and this is the key to adding that piece to our Grow Now program.*
* *I am not surprised that [the author’s] research has led her to develop a program that has the potential to have a major societal impact.*
* *It’s like taking music lessons. You learn new material, you go away and practise it all week, and then you go back to your music teacher and show them what you learned.*
* *You should be showing this to Sheryl Sandberg and Melinda Gates.*

# Limitations

There are several limitations of the study. There is a lack of comparison data for training because most instruction aimed at entrepreneurs is heavily personnel-laden coaching and mentoring. Second, this program has been specifically positioned for women due to the well-documented lack of VC for women-led start-ups. It is unclear whether this program could achieve similar outcomes for other specific equity-deserving groups or mainstream groups. Future studies in this area could be adapted to test outcomes with various groups of entrepreneurs to compare the results.

# Conclusions

Evaluating significant science and interpreting it into a format that is digestible by women addresses the barriers to accessing VC finance. The Investor*Q&A* program highlights one method of improving women entrepreneurs’ access to VC funding focusing on the demand side of the equation – their requests for VC funds. Providing women with strategies to best prepare for and deliver important information about their startups, at the same time as dealing with unconscious bias is a proven model to accomplish this goal. The training model is offered as the remedy to over-coached, over-mentored programs that are easy to listen to but do not require significant effort.

This review of women’s growing successes with professionalized training and their improved experiences with investors and outcomes sheds light on a method that delivers real value. The Investor*Q&A* program provides support for women to prepare for the investor Q&A sessions where investment decisions are made. Using this method, women learn about unconscious bias and how it plays out in VC situations, understand the biases behind certain questions and role-play inside the Console for feedback. Ongoing small-group support helps them develop strategies to manage the key fundamental constructs that venture capitalists want to hear discussed for investable startups. Her ability to control the conversation directs post-pitch Q&A sessions towards meeting investor expectations.

Based on this experience with women entrepreneurs, the following recommendations are intended to suggest practical steps that can improve women’s access to VC funding.

At the macro level, policy orientations should recognize and acknowledge the bias: a) evidence-based professionalized training for ESOs and other ecosystem partners regarding the issue of unconscious bias and potential remedies, and b) evidence-based professionalized education for limited partners, venture capitalists intended to identify and address deep-seated preconceptions.

At the meso level, ESOs recognize the growing interest by their funders and donors to advancing diversity and women-oriented founder programming.

At the micro level, fund women-focused skills improvement with train-the-trainer and client-oriented programming delivered by women business support organizations (ESO), ECs, incubators, accelerators and private sector firms.

# References

Alrubail, R. (2022, July 6). Women entrepreneurs are over-mentored and underfunded. The Globe and Mail. https://www.theglobeandmail.com/business/ article-women-entrepreneurs-are-over-mentored-and-underfunded/

BCG. (2018, June 6). Why women-owned startups are a better bet. https://www.bcg.com/publications/2018/ why-women-owned-startups-are-better-bet

Bolinger, A. R., & Stanton, J. V. (2020). Role-Play Simulations. Edward Elgar Publishing Limited.

British Business Bank, Diversity VC, & BVCA. (n.d.). UK VC and female founders report.

British Private Equity and Venture Capital Association. https://www.british-business-bank.co.uk/wp-content/uploads/2019/01/ UK\_VC\_and\_Female\_Founders\_Report\_British\_ Business\_Bank.pdf

Brockner, J., & Higgins, E. T. (2001). Regulatory focus theory: Implications for the study of emotions at work. Organizational Behaviour and Human Decision Processes, 86, 35–66. https://doi.org/10.1006/obhd.2001.2972 .

Brush, C, Greene, P., Balachandra, L., & Davis, A. (2018). The gender gap in venture capital- progress, problems, and perspectives. Venture Capital, 20(2), 115–136. https://doi.org/10.1080/13691066.2017.1349266­

Coorevits, L., Georges, A., & Schuurman, D. (2018). A framework for field testing in living lab innovation projects. Technology Innovation Management Review, 8(12), 40–50.

Crunchbase. (2020). Funding to female founders’ report. https://about.crunchbase.com/wp-content/ uploads/2020/03/Funding-To-Female-Founders\_ Report.pdf

Cukier, W., Mo, G. Y., Chavoushi, Z. H., Borova, B., Osten, V. (2022). The state of women’s entrepreneurship in Canada 2022. Women Entrepreneurship Knowledge Hub. https://wekh.ca/wp-content/uploads/2022/03/ WEKH\_State\_of\_Womens\_Entrepreneurship\_in\_ Canada\_2022.pdf

Gamache, D., McNamara, G., Mannor, M., & Johnson, R. (2015). Motivated to acquire? The impact of CEO regulatory focus theory on firm acquisitions. Academy of Management Journal, 58(4), 1261–1282.

Highline Beta. (2019). Women in venture report 2019. <https://highlinebeta.docsend.com/>view/9dypfrw

Kanze, D., Huang, L., Conley, M. A., & Higgins, E. T. (2018). We ask men to win and women not to lose: Closing the gender gap in startup funding. Academy of Management Journal, 61(2), 586–614. https://doi.org/10.5465/amj.2016.1215

Lund, Dean and Jolly,J.P. (2012). Student identity, disengagement, and learning. Academy of Management Learning and Education, 11(2) p228 – 243.

Scholer, A., Cornwell, J. & Higgins, E. T.(2019). Regulatory Focus Theory and Research: Catching Up and Looking Forward After 20 Years. In R. M. Ryan (Ed.), The Oxford Handbook of Human Motivation (2nd edition) (Vol. Oxford Library of Psychology). Oxford University Press.

Sheppard, Rachel Accessed April 2024. Only 3% of business investment goes to Women and that’s a problem for everyone. https://about.crunchbase.com/blog/business-investment-to-women

Statistics Canada. (2019, October 7). The gender wage gap in Canada: 1998 to 2018. Centre for Labour Market Information. https://www150.statcan.gc.ca/n1/ pub/75-004-m/75-004-m2019004-eng.htm

Teare, G., & Desmond, N. (2016). The first comprehensive study on women in venture capital and their impact on female founders. https://techcrunch. com/2016/04/19/the-first-comprehensive-study-on-women-in-venture-capital/

1. Sincere thanks to funders, Women’s Entrepreneurship Knowledge Hub under the direction of Wendy Cukier as well as the Change Action Research Lab Initiative at Saint Mary’s University. Thanks also to early edits from the excellent staff and researchers at WEKH. [↑](#footnote-ref-1)
2. Sobey School of Business, 923 Robie Street, Halifax, Nova Scotia, CANADA B3H 3C3 [↑](#footnote-ref-2)