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Gender bias and attitudes towards entrepreneurs

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"Gender bias and attitudes towards entrepreneurs"

<https://hdl.handle.net/2144/49792>

"Downloaded from OpenBU. Boston University's institutional repository."

Abstract

Gender bias is pervasive in business, finance, and entrepreneurship. It is important to assess when, where, and how it occurs. For entrepreneurs, investors' approval is critical for the success of their business. This research looked for potential differences in the appraisal of entrepreneurs based on gender of both the entrepreneurs and the investors. Participants completed a survey with ten fictitious business proposals. Some proposals were written with female pronouns and names, some with male pronouns and names, and some gender neutral pronouns and names. There was no significant difference between the spending habits of participants, regardless of their gender or the gender of the entrepreneur.

Objectives

The purpose of our research is to look for possible gender biases in the perception and support of business owners depending on the gender of the owners. We predict that gender will affect investments. First, men will invest more money overall than women. Secondly, on average, businesses run by men will receive more funds than those run by women. Finally, we hypothesize that men will invest more in male-owned businesses, whereas women will invest more equally.

Method

Participants: There were 90 college-aged participants: 41 women and 49 men (12 participants identified as non-binary but were excluded from the analyses because of unequal sample sizes).

Materials: We designed a survey with fictitious business proposals along with questions from the Gender Bias Scale for Women Leaders.

Procedure: Participants were sent an email and informed consent form. Ten fictitious business proposals contained either she/her pronouns/female names (e.g., Emma), he/him pronouns/male names (e.g., Ethan), and they/them pronouns/gender-neutral names (e.g., Jordan). Participants were instructed to invest \$0 - \$1,000 hypothetical dollars on each business and to describe why they invested that amount. At the end of the survey, participants answered demographic information and questions from the Gender Bias Scale for Women Leaders.

Example Scenario

Emily/Jack/Casey is an environmental protector. She/he/they always tries/try to find some ways to recycle things. One day, she/he/they looked at some data and found that people are using a big amount of resources to produce paper. Thus, she/he/they wants to create seed paper which can be decomposed to a seed by throwing it into land. This seed does not need people to take care of it. It can grow faster to a tree by absorbing nutrients from nature. In this way, people can "recycle" the used paper and save resources.

Results

There was no significant difference in the amount of money invested based on participant gender, $F(1, 127)=2.50, p=.116$, or entrepreneur gender, $F(2, 127)=.45, p=.642$, and no significant interaction, $F(2, 127)=.13, p=.883$ (see Table 1 for means). There was no difference in implicit bias score based on gender (males/females), $F(1, 143) = .02, p=.904$.

Table 1
Means and Standard Deviations for Investment by Participant and Entrepreneur Gender

Entrepreneur Gender	Participant Gender	
	Female (n=41)	Male (n=49)
Female	421.47 (234.33)	496.23 (460.03)
Male	292.41 (157.06)	455.69 (712.30)
Gender Neutral	370.56 (179.25)	474.82 (241.84)

Discussion

We predicted gender would have a significant effect on investments, but the results did not support our hypothesis. Men did not invest more money than women. In addition, male entrepreneurs did not receive more money than females. The nature of the results implies that the investments in the business proposals we constructed were not affected by gender bias. Nevertheless, the justifications participants gave for the amount of money donated provided insight into the business ideas themselves. For those who donated more money, it was more representative of their liking for the idea rather than the gender of the individual. Examples of this include, "This a revolutionary idea for saving trees and recycling paper," to which the participant donated \$1,000 dollars.

Limitations

Length of the survey - several participants began the survey but abandoned it, leaving us with numerous entries that we had to exclude from our analysis. Reducing the number of proposals, as well as decreasing the length of each one, would be more beneficial for future research.

Participants' failure to understand instructions - it was stated in the instructions and in each question that the \$1,000 budget was for each proposal, and yet participants deviated from the \$1,000 budget. Capitalizing and underlining easily misunderstood instructions would prevent misunderstandings in the data collection for potential survey replication.

Convenience sample - while yielding a wide range of participants across different genders, races, and majors, was comprised of predominantly young adults. This reflects our convenience sample, which was almost exclusively recruited from colleges and via Instagram.

Future Research/Practical Applications

Overall this research is important and applicable to different spheres of society. Gender bias is present in many professions, and affects women negatively. Applying this research to a more varied population may yield better results. Intersectionality between race and gender should also be explored since both may lead to negative consequences. Understanding how female-dominated careers, like education, experience bias is key to understanding it as well. If we acknowledge the existence of implicit bias only then can we minimize it and work to equalize the playing field.