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Copreneurial Women in startups: Growth-oriented or lifestyle?
An aid for technology industry investors

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Structured Abstract:

Purpose – Latin American investors are commonly suspicious of investing in copreneurial ventures (a male and female couple) integrated in working teams and show even higher levels of uncertainty when startups are led by a female founder. This paper addresses issues related to women as leaders in copreneurial tech ventures and analyzes whether these ventures are growth-oriented or conform to limited partnerships that merely meet women's needs for a standard of living.

Design/methodology/approach – A qualitative, inductive and constructive approach was needed for addressing the research question. Three copreneurial women and two divorced copreneurs were interviewed. A grounded theory approach was followed to analyze data, which identified emerging themes.

Findings – Copreneurial teams in technology have similar and complementary high levels of education and skill development. After enough time working together, each partner is well aware of mutual skills and each other's strengths, allowing them to identify their roles. Both divide work and family, and have developed a level of mutual trust that is essential to moving forward. They commonly show a workaholic tendency with a high rational underpinning. All of these factors strengthen collaboration, and in many instances this business liaison can remain intact despite a breakdown in a sentimental relationship. Additional findings show that their growth-orientation take multiple structures.

Practical implications – This study conveys information that can help investors make decisions that support these copreneurial teams.

Originality/value – Although representing an increasingly common type of startup team, copreneurs in technology have not yet been addressed as a specific sample in family business research.

Keywords: entrepreneurship, copreneurs, new high-technology ventures, female founders, Latin America

Article Classification: Research Paper

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Management Area: Entrepreneurship

Introduction

The massive growth of Internet and technologies in the market is significantly inducing the expansion of startups. Startups are temporary organizations which are created with the intention of discovering a profitable and scalable business model. Globally, many social actors, such as business schools, public policies and industries, are enhancing this type of business organization.

In Chile, in 2011, the government created the Start-Up Chile program. It is a public accelerator endeavor intended to expand the entrepreneurial ecosystem and promote a pro-entrepreneurship culture by “importing entrepreneurs” (Leatherbee and Eesley, 2014). Today Chile is considered one of the main innovation hubs in Latin America and around the world, often referred to as “Chilecon Valley” (The Economist, 2012, The Washington Post, 2014).

In parallel, a noted increase in women in the fields of science, technology, engineering and mathematics (STEM) has induced women to create and lead startups. Nonetheless, Robb and Coleman (2009) report that only 5 or 6 percent of high-technology entrepreneurs in the U.S. are women, and as low as 3 to 5 percent of the incubated/accelerated startups are led by women, demonstrating a very low representation in the high-uncertainty, competitive and fast-changing, but high-growth, technology industry.

Due to the increasing participation of women in higher education, not surprisingly, women have begun to lead high-technology ventures in Latin American countries. Some of these women have involved as their cofounders their *significant others*. In the family business literature (Fitzgerald and Muske, 2002), couples that share a romantic relationship and a work relationship in the same business are referred to as *copreneurs*.

The literature shows that family businesses have a tendency to be more risk averse and to secure the family first, then their business ventures and growth potential (Smith, 1967). In a similar vein, when compared with noncopreneurial family firms, Fitzgerald and Muske (2002) suggested that copreneurs are more likely to prioritize the business venture as a way of life – or “lifestyle entrepreneurs” – more than a source of income. This outcome raises the question of whether copreneurial teams in the technology industry see their company as a way of living or as a venture with growth and scalability orientation.

The findings of this study provide new information on technology copreneur couples that can facilitate the decision making of investors, who need to assess the capacity of copreneurial teams, and for engaged couples interested not only in learning strategies to synchronize and improve their personal and business relationships in startup ventures, but also to increase opportunities to access external financing to run their businesses. This analysis starts a necessary overview of the technology industry and a review of the literature about copreneurs’ orientation and the definition of success.

Literature review

The technology industry, initial business stages and growth

A new high-technology venture – NHTV or startup – is defined as a project that is profitable and scalable[1]. Most NHTVs begin as informal businesses with a small team whose objective is to develop and leverage technology to make the startup profitable.

Traditional enterprises can achieve growth by expanding their resources. By hiring more human capital or buying more production inputs, companies can address new markets with

the same or new products. They can acquire or merge with competing companies in the industry. They can also grow geographically by opening new plants, offices and branches. All these kinds of strategies are called “horizontal growth strategies.” On the other hand, if a company acquires an enterprise in the same supply chain – supply, production or a distribution company – it is called a “vertical integration strategy” (Rodrik, 2005). In some countries, vertical integration through a merger is considered illegal (e.g., the Antitrust Acts of 1914 and 1980 in the U.S.), as it may harm the market competition because vertical integration can be used to fix prices for price maintenance.

In spite of the fact that all of these management terms can be applied to big companies as well as to small and medium-sized enterprises (SMEs), these concepts may not suit the reality of an earlier stage NHTV.

Commonly, there are three business stages in an NHTV. The first is “product development.” This stage includes the development of an idea (ideation), prototype design, product development and validation with potential users, business model pivoting and the search for seed capital funding. Second, the growth stage includes raising venture capital (VC) and scaling to an approximately 10 times growth rate. Normally, entrepreneurs pitch^[2] to investors trying to attract interest and showing their traction. At this stage, the NHTV needs to be incorporated to secure funding from private investors. Investors provide copreneurs with access to important networks, mentorship options, boards and assistance in decision making in exchange for equity (business participation) and a specified return on investment. Third, in an advanced stage, startups are recognized as the “heavyweights” that sell the company (*exit strategy*), acquire other startups or make an initial price offer (IPO).

Copreneurs' orientation to business success

Family businesses, which represent a significant segment of production contributing to the economic growth of countries around the world, includes a subcategory called *copreneurial couple*. The term was coined by Barnett and Barnett (1988) and refers to couples who have joint ownership and who are committed to – and have responsibility for – a shared business[3]. An estimation of Dyer, Dyer and Gardner (2013) indicates that at least 80 percent of businesses worldwide employ family members, and one third of these include spouses. A review of the literature on copreneurs reveals the settings of traditional copreneurial businesses, such as farming, high-level crafts, retail, hostelry/tourism, business services, auto sales, and national or local franchises. The literature highlights four main concerns associated with this type of business venture (Cole and Johnson, 2007): 1) the dual relationship theme, 2) emphasis on preserving marriage, 3) coping with a dual relationship, and 4) the role of gender and the division of labor.

Past evidence reveals that copreneurs have more specific, traditional and clearly defined roles as compared to dual-career couples (Marshack, 1994). Danes and Olson (2003) found that the higher the level of a woman's involvement in the business, the higher the degree of conflict between business and family. Successful copreneurs were commonly older and slightly more educated (Fitzgerald and Muske, 2002) as compared to noncopreneurial business managers.

Some descriptive studies suggest differences in orientation and growth expectations of copreneurial businesses which might have contributed to the giving of a derogatory connotation to the sector. Comparing a sample of copreneurs with noncopreneurs, Fitzgerald and Muske (2002) found that in a small sample extracted from the 1997 National Family Business Survey (NFBS), noncopreneurial firms were more successful in financial terms than were copreneurial firms and showed a significant difference indicating that copreneurs, as

compared to noncopreneurs, perceived business as a way of life rather than as a way of earning income and creating a sustainable business. The same study found that copreneurs are more likely than individual entrepreneurs to have a home-based business. Moreover, Muske and Fitzgerald (2006) suggested that the differences noted in a preliminary analysis of copreneurs and noncopreneurs are not consistent across all business types and industries; this creates the need to further study copreneurs in the rapidly evolving technology industry and in Latin America.

Recently, Getz and Petersen (2005) analyzed family business owners' attitudes and goals in the tourism and hospitality industry, and showed that a majority have a particular lifestyle and autonomy orientation, largely in businesses related to arts, crafts and the bed-and-breakfast industry. On the other hand, a small sub-group of business owners abided by profit and growth orientation in the hotel and restaurant sectors. These results open the query of whether there are differences in the technology industry. In the technology industry it is commonly observed that growth- and profit-oriented entrepreneurs who have the capacity to compete will create value and produce scalable ventures that are highly valued. In this industry, job creation and social development are less critical than they are in other productive sectors.

Women entrepreneurship in the technology industry

The literature on companies set up and run by women is largely focused on the difference between males and females, particularly related to business performance. It has been highlighted that women-led businesses commonly are underperforming, that women have lower confidence and that women are underrepresented across business sectors (Martin and Wright, 2005). A recent review of the literature revealed that there is very limited research on

technology businesses run by women and even less conducted in Latin American countries (Kuschel and Lepeley, in press). Fitzgerald and Muske (2002) emphasize the lack of empirical research on copreneurs, while Singh Cassidy (2015) argued about a missing dimension of women entrepreneurs in technology. This study addresses these two issues by conducting interviews and asking copreneur women about their growth expectations in their technology ventures.

There is a need to explore the veracity of the assumption – or hypothesis – that women in NHTVs show a higher tendency to business growth over lifestyle pattern. The returns on investment in capital and labor in this industry are significantly higher than in other traditional industries in which women have been involved because of a fast global demand and the rapid growth of the technology industry.

Since capital investors – seed capital, venture capitalists, etc. – are still unfamiliar with women's participation in the technology industry, there are no guidelines to change old paradigms. This study demonstrates the urgency for change and is, despite the small sample, a pioneer in this subject.

Methodology

This study was conducted to fill the research gap in copreneurial teams in technology and their orientation. It is based on a qualitative, inductive and constructive approach. Qualitative methodology is an appropriate strategy for researching an unknown subject such as copreneurial females in the technology industry in Latin America.

In 2014 a global team integrated by researchers based in business schools in Chile, Argentina and Venezuela started to conduct an analysis of the experiences of female entrepreneurs

around the world. Special focus was placed on Latin American female co-founders, given the aforementioned lack of information.

Sampling

After descriptive selective criteria were established, the researchers invited eight female copreneurs to participate in the study and respond to a set of interviews. Within the selected sample: a) three participants met the full criteria as copreneurs sharing business interests with a sentimental and business partner; b) two participants were separated, but were still running their businesses with their ex-partners and were included in the sample following research guidelines created by Cole and Johnson (2007); c) one participant was divorced and had stopped working with her ex-partner and d) two participants were working in Latin America but came from other world regions.

To meet the particular objective of this study, the authors have selected five copreneurial women leading new high-technology ventures in Latin America; three women were living with their partners and two had split up, but were running a tech business together. The first group of three women is referred to as “copreneurs” and the second group of two women is referred to as “divorced copreneurs.” The authors have coined the term “divorced copreneurs,” meaning a physical distance or separation of couples no longer married or sentimentally attached, regardless of the legal implications of divorce and social status. The sample design considers the incorporation of work-family scholars’ suggestions to capture heterogeneity, including cohabiting couples, divorced couples and couples with and without children (Greenhaus, Calahan and Godshalk, 2000; Parasuraman, Singh and Greenhaus, 1997; Voydanoff, 1988; Watkins and Subich, 1995). Moreover, the study includes women who have or have not participated in an incubation or acceleration program. The sample is presented in Table 1 and Table 2.

Table 1: Characteristics of the business

<< Insert Table 1 about here >>

Table 2: Characteristics of the copreneurial couple

<< Insert Table 2 about here >>

The sample had a total of five female CEOs in technology ventures; within that group, three were copreneurs and two were divorced copreneurs; all were Latin American entrepreneurs – three from Chile, one from Argentina and one from Venezuela. All reported having small founding teams, and said that hiring freelancers over full-time employees was preferred. Three had participated in at least one accelerator program, such as Start-Up Chile. Four of these startups were in a growth stage, while only one was in early product development. On average, the participants were 34 years old, had been in a relationship for 8,2 years, and had worked on their ventures for 4,6 years.

Procedure

The female entrepreneurs in technology included in the sample were contacted by e-mail and invited to attend a meeting (or Skype conversation) to take advantage of four networks based in Chile but with presence abroad: 1) Start-Up Chile, 2) Girls in Tech, 3) Women Who Code, and 4) the business schools where the researchers work. The women who agreed to participate were asked to voluntarily refer other women copreneurs in tech, using the *snowball technique*. This nonprobability sampling technique is quite suitable for use when members of a population are hidden and difficult to locate (Morgan, 2008).

To meet the ethical code, during the meeting the interviewer explained verbally the study and requested a signature of informed consent that included the attributions of researchers and participants and the goals of the research project. The letter was signed by both the researchers and the participants, and participants received a copy. All participants agreed that their interviews could be audio-recorded.

According to the research question, each interview followed a semi-structured script with several questions related to eight topics: 1) motivation and experience as an entrepreneur, 2) funding sources, 3) team structure, 4) most common obstacles, 5) networks used, 6) motherhood expectations, 7) work-family interface, and 8) copreneurs' dynamics.

Here is a sample of the questions included: Why and how did you decide to start a business together? Did you continue working together in the business after your breakdown? What are your future expectations for this business? Did you confront special challenges raising capital as a copreneurial team? What advice would you give to new copreneurial couples to increase their chances of success and sustainability?

The interviews with the women copreneurs lasted between 40 minutes and 1:20 hours. After the meeting, each interview was transcribed *verbatim* and entered into the Atlas.ti v.7.0 software for qualitative analysis.

Analysis

The analysis of data follows a grounded theory approach (Glaser and Strauss, 1967) as a method to arrive at a theory where there are no *a priori* assumptions or existing theoretical frameworks. The theory provides explanatory power, including controllable and access

variables if they do not emerge by themselves. The most important analysis method of the grounded approach is the constant comparison (Glaser and Strauss, 1967), looking for common categories and differences among the data.

First, the researchers conducted an open-coding, inductively, to identify emerging topics. Significant paragraphs (quotes) were selected and categorized into codes. Second, axial-coding was conducted to seek relationships between categories and subcategories. Families of codes were built with related codes. Third, selected-coding identified the central categories to interpret the studied phenomena (see Table 3).

Table 3: Data structure

<< Insert Table 3 about here >>

The “network of codes” in Figure 1 is a visual representation of the type of link (axial coding) relating significant codes.

Figure 1: Axial and selected coding

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Discriminant analysis was conducted to test whether this theory fits a different sample (i.e., from one group of copreneurs to another, from one business to another). Constant comparative analysis was conducted to determine consistency between codes and the data in the five selected women of the sample. Using the constant comparative method (Glaser and Strauss, 1967), a new participant was needed to better understand the opinion of investors on copreneurial ventures and their openness to invest in these types of teams. For this purpose, a high-profile Latin American investor was included in this study.

Results

The axial and selected coding revealed four emerging themes classified as issues related to the copreneurial team composition, the roles at work and at home, growth expectations and

coping strategies. Table 4 shows a selection of illustrating quotations (originally in Spanish) in each of the themes.

Table 4: Data supporting evidence of emerging codes

<< Insert Table 4 about here >>

Copreneurial Team Composition

All the women entrepreneurs shared a similar way of doing business. They fulfilled roles related to business development, marketing and customer acquisition. Beatriz, Carmen and Elena (fictional names assigned by the authors in alphabetical order) met their partners while studying at the university. The similarities these women shared with their partners surpassed the professional domain in terms of multiplicity and diversity of interests.

Andrea's partner had minor involvement – limited to occasional business advising – in the early phase of her venture. When the venture grew, her partner started to provide direct financing and later made his involvement official with an equity stake and responsibilities for marketing and sales.

Elena and her partner were very interested in 3D printing technology; both had the intention to create a new business around it. They met each other while studying industrial design in Venezuela. After a few years of being in a relationship they decided to travel to Chile together and do a six-month internship abroad. Upon their return to Venezuela they decided to break up and continue on different paths. Back in Venezuela, Elena found an opportunity in manufacturing human prosthetics with 3D printing technology. She immediately started building a team and invited her ex-boyfriend to join this new venture, due to his knowledge of and experience with this technology.

A common constraint identified by all the women high-technology venture founders was the hardship of structuring a solid founding team. Although these women valued the skills and knowhow of their partners, they highlighted the fact that trust between the couple was the main reason for working together.

These results confirm a common occurrence in the technology industry: teams are small and have a low number of employees, and there is a clear tendency to hire freelance workers.

Roles at work and at home

Andrea, Beatriz, Carmen, Daniela and Elena, the five female founders, showed a thorough knowledge of the skills, competencies and interests of their partners. With an average of 8,2 years in a formal relationship, they had established strong bonds and effective coordination that expedited work performance. Their husbands and ex-partners may have been compared to an extension of the female founder, with work roles clearly defined.

In the cases of the three women who lived with their partners, the household and domestic responsibilities were shared. Women founders acknowledged that there are traditional gender expectations that women – rather than men – should be the main childcare givers in the family.

Strategic business decisions and important family decisions were always made by the couple; this strategy followed even when copreneur couples ended a marriage or sentimental relationship.

The segmentation or integration style of dealing with and managing work and family varied among copreneur couples; it largely depended on the style the woman imposed in the relationship.

Growth Expectations

Business growth takes place in different stages that range from internationalization or scaling process, new businesses development and massive production.

Andrea, the cofounder of an eCommerce platform, is raising private capital to scale to three other countries in Latin America. The orientation is on geographic reach, user acquisition and brand development.

Educational software is a stable business that at present allows the founders to seek new business opportunities. Although both co-founder copreneurs are involved in other businesses separately, they are considering the opportunity of working together exclusively to develop new products and services.

The agricultural technology venture that produces a sensor to be installed in vineyards, vegetable gardens and greenhouses provides reliable information to growers. The current orientation of this copreneurship depends on the outcome of raising capital. If they succeed in raising capital, they will scale production to a higher rate. If they don't, they plan to break even as they do now based on sales to current customers, big farmers and small gardens. The orientation of this woman copreneur is business growth, while the male partner's orientation is towards working in the business as a way of life.

Daniela is part of the subsample of divorced copreneurs, and receives child alimony from her former husband to support their three children. Her expectations are to construct a successful and sustainable building to ensure a regular monthly income to take care of her children.

Elena and her team, composed of five people, including her ex-boyfriend, have growth expectations in spite of the fact that they are the only startup in this study that is in an early stage of product development.

The five copreneurs with growth expectations support the finding that they are growth-oriented entrepreneurs instead of lifestyle entrepreneurs.

For the moment, none of the goals involved the next generation.

Coping strategies

Several women founders have tried to raise external capital and have become aware that investors in general avoid funding copreneurial start-up teams.

The case of Andrea illustrates how copreneurs overcome this issue. The investors suggested to Andrea that only one member of the marriage should work in the company, not both, and that the couple should decide who would work. In spite of investors' recommendations, Andrea decided to continue working as the main partner with her husband as a shadow partner. Andrea became the CEO and represents the spirit of startups.

Beatriz and Carmen explicitly declared to the interviewer that they preferred not to tell anyone (i.e., investors, customers or suppliers) that their teams contained a wife and husband.

To follow up on this dilemma, an established Latin American investor was interviewed. She declared that investors need to have enough information to ensure that the team will do what it has announced that it will do in terms of commitment and business responsibility.

“I am always politically incorrect. When I assess a team, regardless if it's a man or woman, I will ask them: Does your wife, or husband, know that you are doing this? How much time do you have left until you will run out of cash? Are you making enough money to pay the bills? Does your wife, or husband, work, do you have kids with good health, is everyone alright? (...) The most important thing is that the family is also moving on the right track, that there is enough money to live the first 6 to 12 months, that your husband or wife knows what you are getting yourself into, and that there aren't emotional problems going on in the background. The risk that we take as investors is extremely high. That is why when you are looking at an entrepreneur, you're not concerned by the fact that they are male or female. You're concerned if they are capable of achieving what he or she has planned ahead, if they have the required traits, if that person is willing to suffer, fight and change whatever needs to be changed, and be on the road 360 days in a year. To raise the value of a company to millions of dollars, which is what's expected in a venture capital investment, is something extremely hard to achieve.” Female investor (40)

Discussion

The following section interprets with the current literature the results regarding: 1) the skills of the copreneurial team and 2) the growth orientation of the team.

First, the venture capital literature consistently points to the entrepreneurial team as the most important factor making professional investors decide to enter a company (e.g., Cyr *et al.*, 2000). According to Hmieleski and Ensley (2007), in dynamic industry environments, startups with heterogeneous (functional, educational specialty, educational level and skills) top management teams were found to perform best when led not by empowering leaders but by directive leaders, who have the best performance for homogeneous top management teams. Surprisingly, all of the couples included in the sample have homogeneous educational backgrounds. Entrepreneurial teams evolve during the early phase of a venture (Clarysse and Moray, 2004; Vanaelst *et al.*, 2006) and the five copreneurial teams learned to “divide their tasks” at the beginning. After a while working together, they have specialized their roles, making the team more efficient. Gender diversity in management should enhance performance for firms seeking growth (Dwyer, Richard and Chadwick, 2003). According to upper-echelons theory, senior-level managers (i.e., the copreneurial management team) have a critical impact on firm performance given the significant organizational decisions they are empowered to make (Finkelstein and Hambrick, 1996).

Second, this study supported the idea that copreneurial teams in technology are growth-oriented, and that their growth expectations take different forms. This statement changes the question into “How ambitious is their growth-orientation?” In the high-technology industry, a business venture has the potential to leverage on technology to scale. This global impact makes it easy to be oriented to growth in comparison to other industries. When the business has attained a level of sustainability which is comfortable for both founders, they are able to assign themselves a salary, meaning that the NHTV is attractive to investors and can be sold. This outcome is identified as an “exit strategy” and to “perform an exit” is synonymous with “success” in the technology entrepreneurial ecosystem in Latin America and abroad.

Software companies do not have a scalable business model. Although they leverage on technology, their potential to grow is limited to their employees or freelancers, and they have a limited capacity of customers, which normally are other companies. Beatriz and Daniela both are CEOs of software companies. Beatriz expects to be involved in “new businesses,” while Daniela expects to have “more clients.” In this sector, where software companies compete with bigger software companies, to have increasing revenue orientation might be seen as a “survival strategy” or “slim orientation to growth” rather than an ambitious and aggressive growth orientation. Beatriz and Daniela`s growth orientation is similar to traditional entrepreneurship, in which business owners are focused on the daily activities within a local community. On the other hand, the other three startups analyzed in this study (eCommerce, sensor for agriculture and prosthesis for humans) have a very different type of growth-orientation. In these cases, the growth-orientation may not be determined by the type of the team (copreneurs or divorced copreneurs), but by the growth and scalability potential in the technology industry.

Conclusion

This section includes a summary of this study, its limitations and future research, as well as recommendations for investors assessing copreneurial teams.

Contributions

This study makes a contribution to nascent family business: the copreneurs. The article assesses the motives of copreneurs in technology identifying as growth-oriented or to conduct business primarily as a way of life with low expectations for further development. Results

revealed the characteristics among technology copreneurs, a cohort that until now has been overlooked in the family business research and literature.

Four main themes emerge as a result of this study: copreneurial team composition, the roles at work and at home, the growth expectations and coping strategies.

In terms of differences and similarities with previous analyses of other family businesses, copreneurial teams in high technology attain higher education levels. Couples of copreneurs attain the same level of study and have different fields of specialization, which presents greater opportunities to find complementary knowledge and skills – a necessary condition to building more competitive ventures.

Each partner knows well the skills and strengths of the other, and this awareness allows them to determine their roles more effectively than do copreneurial couples with different educational backgrounds. Both have learned to be structured, to segment work and family, and to develop mutual trust. Both show a workaholic tendency based on a clearly rational underpinning, and these characteristics are strengths that facilitate more successful collaborations. In numerous cases, the business liaison remains in spite of the breakdown of a sentimental relationship. However, those with growth-orientation show a variety of structures: internationalization or scaling, development of new businesses, massive production and new clients. Grounded theory emerging from the data is the main contribution derived from this study.

The findings of this study show that NHTVs are rarely created as a way of living for the founders, but rather as a means of undertaking the challenges associated with a business growth motive. Copreneurial teams in high technology are growth-oriented.

Limitations and future research

This study collected information from a small sample of women copreneurs who had started high-technology businesses and who are or were working with their husbands. Future research is necessary to assess motives and outcomes of copreneurs who rely on external investors to grow and attain business sustainability.

Snowball sampling techniques offer an established method for identifying and contacting isolated or hidden populations (Faugier and Sargeant, 1997), but a limitation of the use of this technique is a selection bias or lack of representativeness. Copreneurial women referred other copreneurial women to participate in this study; therefore, they belonged to the same entrepreneurship acceleration program, Start-Up Chile. New studies and evaluations should include women copreneurs from other accelerator programs, for instance Wayra, Endeavor, etc.

Implications

The results support the following recommendations for investors with interest in the technology industry in Latin America: Investors should support copreneurial teams, but only after a proven period of one to three years of working together, as suggested by Beatriz. This recommendation is aligned with recent evidence that shows that copreneurial identity, commitment and efficiency builds over time (Danes and Jang, 2013). Copreneurial teams that

reach success all share an effective work and family segmentation. Investors should be careful and respect their private lives.

Given the increasing number of women who pursue studies in technology today, this phenomenon increases significantly their chances of meeting male students with whom to develop romantic relationships, which in the long run may lead to marriage or shared interests in new business ventures. This subject, which has received notably little interest in the business literature, grows in importance based on evidence that family businesses account for a high proportion of business activity in any country and all regions of the world. Moreover, there are indications that this trend will continue and expand at an accelerated rate, creating a critical need to advance knowledge on copreneurship worldwide.

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NOTES

[1] Coaching, consulting and freelancing are not considered as technology startups because they do not have the potential of scaling.

[2] A “pitch” is a short presentation of the business model (two to three minutes in length).

[3] For a review of definitions of copreneurs, see Fitzgerald and Muske (2002).

Figure 1

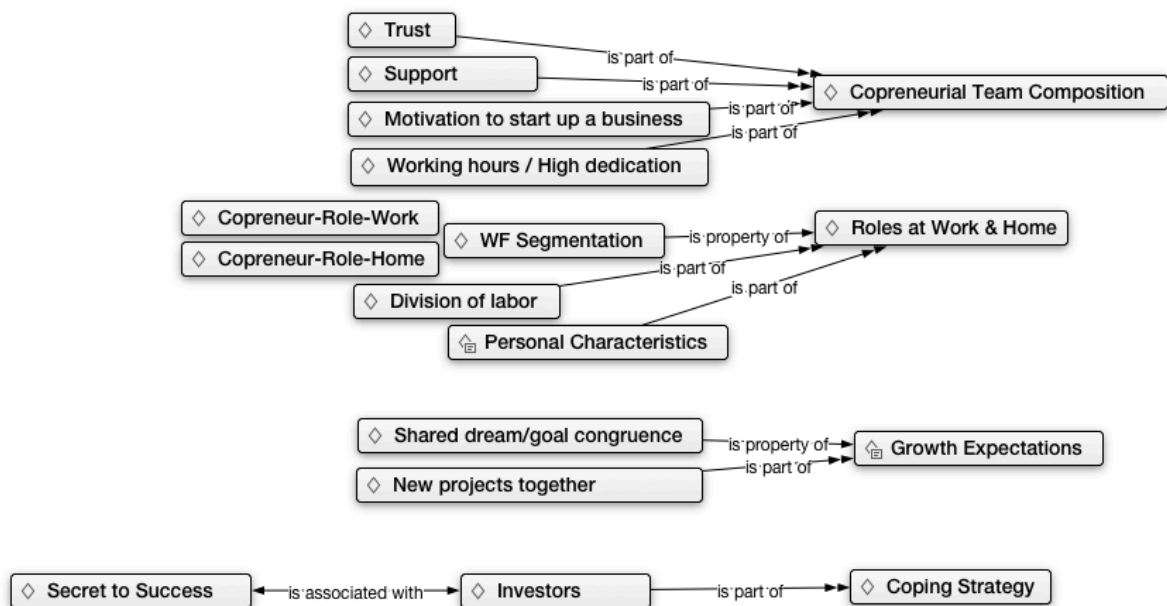


Table 1: Characteristics of the business

Ficicious Name	Country	Industry	Work Role	Cofounders + Employees	Accelerated	Business Stage
Andrea	Argentina	eCommerce	CEO	2+8	Accelerated	Growth stage - Internationalization
Beatriz	Chile	Software	CEO	2+4	-	Growth stage - New ventures Growth stage - Massive
Carmen	Chile	Agricultural technology	CEO	2+3	Accelerated	Production
Daniela	Chile	Software	CEO	2+0	-	Growth stage - New Clients
Elena	Venezuela	Health technology	CEO	5+0	Accelerated	Product development

Table 2: Characteristics of the copreneurial couple

Ficicious Name	Copreneurial status	Age	Educational Background her/him	Marital Status + No. Children	Years in couple	Years divorced or separated	Age of business
Andrea	Copreneurs	32	Business/Business Information Technology Engineering/Information Technology Engineering	Married (0)	5	0	1,5
Beatriz	Copreneurs	31	Technology Engineering	Married (0)	8	0	7
Carmen	Copreneurs Divorced	39	Aerospace Engineering/Aerospace Engineering	Married (0) Divorced	15	0	1,5
Daniela	Copreneurs Divorced	44	Computer Engineering/Computer Engineering	(3)	10	2	12
Elena	Copreneurs	26	Industrial Design/Industrial Design	Single (0)	3	3	1

Table 3: Data Structure

First stage coding	In depth coding	Main themes
	Trust. Support. Motivation to startup a business.	Copreneurial Team Composition
Couple Dynamics	Complementary skills, competences. Rational. Decision-making. Division of labor (household, expectations on child care).	Roles at work & home
Success & Failure	Shared dream/goal congruence. Other projects together. Investors	Growth Expectations Coping Strategies

Table 4: Data Supporting Evidence of Emerging Codes

Emerging Themes	Reference	Quotation
Coprenurial Team Composition	Andrea	He knows the tasks that need to get done
	Beatriz	Having a cofounder join your team in a new venture isn't something simple. I've had issues with it in the past...you have to have a lot of trust on that person, and enough knowledge of them for the relationship to withstand the good and bad times. Both cofounders have to be able to easily divide each others tasks, know their strengths, weaknesses, and be able to say "ok, you will be in charge of this...and how can we complement each other". Its not easy to work from one day to another with a complete stranger in a new startup.
Roles at Work & Home	Beatriz	He always had his mind in the long run. I was always focused in the near future, the core of the company, "our sales forecast should be this, our net revenue should be so and so, this will be our roadmap, etc".
	Carmen	He does the house cleaning and I do the groceries. Although I do them online (giggles).
	Beatriz	A couple takes between 1 and 3 years to get to know each other's work style. After that phase, being copreneurs is a competitive advantage over other teams.
	Daniela	Taking care of the kids has always been my task. We have a nanny that helps me with that.
Growth Expectations	Andrea	My goal is to raise capital and to launch operations in Chile, Colombia and Mexico within the next 2 years.
	Beatriz	Once sales have pick up and things are moving accordingly, you can delegate your work to employees and get involved in other side businesses or projects.
	Carmen	Since I'm well aware of our financial challenges, I would like to begin the manufacturing of our product as it is right now. My husband, who is the CTO, is always finding something about our product that is not perfect. If it were up to him, we would stay being "lifestyle entrepreneurs" for ever.
	Daniela	This year we want to grow and have a new customer base.
Coping Strategies	Andrea	There were a couple of angel investors that were interesting in investing in our company. (...) In our initial conversations with them, one of their conditions was that I should be the only with full-time dedication on our startup (...) they said that only one of us could have full-time dedication in this. (...) many did not invest in startups run by a husband and wife, or within family members.
	Andrea	Deciding who would end up being in charge of our company was a very hard decision. In the end it was me, yet we are both overseeing our startup on a day-to-day basis, my husband was with me on Demo Day and was present when we meet up with all of the investors.
	Andrea	When we were asked to decide who would stay running the company full-time, apart from the fact that our startup is the fashion industry, I think from a strategic standpoint, it is a benefit to have a women as the CEO, considering that the amount of women in tech. entrepreneurship is very little. I am always the one pitching the company.
	Beatriz	It is really uncomfortable when I am asked about my relationship with my husband/cofounder. Why do they care? That is a very personal question, you're not my friend!
	Carmen	If people don't ask, I will simple not tell that we are a couple.