

Funding challenges of Latin American women start-up founders in the technology industry

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Abstract

Purpose - Women in entrepreneurship can have a significant impact on economic and social development globally and particularly in developing countries. But the challenges entrepreneurial women face are unique and multiple, pressing the need for research and policies to maximize impact. The purpose of this paper is to analyze the challenges women start-up founders face to secure funding in the technology industry. The tech industry was selected because it is a non-traditional industry for women with high potential for role models to bridge an existing gap in information on women start-up founders to secure capital financing to attain business sustainability. It covers venture capital investors' role, Latin American cultural reasons, and gender.

Design/methodology/approach - This study is based on an inductive, qualitative approach and in-depth interviews with 20 women entrepreneurs and start-up founders from Latin American countries who received support from the Chilean Government sponsored accelerator "Start-Up Chile."

Findings - The analysis uncovered ten aspects that impact entrepreneurial women founders' access to capital in three categories: capital needs, networks, and individual characteristics.

Originality/value - This study identifies factors that affect women entrepreneurs in raising capital and in facing the following challenges: first, working in a non-traditional field for women as it is the technology industry, and second assuming a leadership role as start-up founders. The results offer recommendation with potential to drive public policies in Latin America, which

may be scalable to other developing and also to developed countries where market systems prevail. The findings show that women entrepreneurs, but also men, seeking start-up financing and alternatives are a viable source of employment and economic sustainability to mitigate the effects of increasing levels of unemployment worldwide.

Palabras clave

Palabras clave de autor: Latin America; Entrepreneurial ecosystem; Entrepreneurship; New high-technology ventures; Start-Up Chile accelerator; Women start-up founders

KeyWords Plus: SMALL BUSINESS

SUCCESS; GENDER; ENTREPRENEURSHIP; KNOWLEDGE; VENTURES; FEMALE; PERFORMANCE; EXPERIENCE; INVESTORS; SUPPORT