



Accelerating Women-led Startups

**A South African
Perspective**

**A Knowledge Brief by the
Global Accelerator Learning Initiative
and Catalyst for Growth**

NOVEMBER 2020

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Acknowledgments

We are grateful to the many accelerator and incubator representatives as well as entrepreneurs who took the time to participate in roundtables and interviews – this research would not have been possible without your contributions.

Introduction

In 2016, the United Nations established the Sustainable Development Goals (SDGs) as a “blueprint to achieve a better and more sustainable future for all”¹, with goal five focusing specifically on gender equality. While progress has been made, women and girls continue to face a myriad of barriers to achieve the same quality of life as their male counterparts, be it in education, political participation, or business investment to name but a few.

Women entrepreneurs are of particular focus in the international development community; while active in the entrepreneurial space, there is significant evidence that women business owners face unique challenges compared to men business owners - often overlooked in terms of investment and business support services.² This is particularly pronounced in developing economies.³ Acceleration programmes – entrepreneur support programmes that offer training and mentorship to early-stage businesses – offer one potential solution to address these barriers.

In South Africa, entrepreneurship is increasingly being promoted by the government as a solution to the challenges of high unemployment and poor economic growth.⁴ The question of if and how business support programmes – particularly accelerators and incubators – can play a role in entrepreneurial growth is at top of mind for donors and government alike. And while there is some evidence that these programmes do have an impact on early-stage businesses, there is less clarity on how they can best serve the needs of often-overlooked women entrepreneurs.

The Global Accelerator Learning Initiative (GALI), a project of the Aspen Network of Development Entrepreneurs (ANDE) and Emory University, released a knowledge brief in March 2020 entitled “Accelerating Women-led Startups” (hereafter referred to as ‘GALI gender brief’) examining the women entrepreneurs who apply to and participate in accelerators around the world. While GALI research has highlighted important trends globally, there is a lack of specific research conducted on this topic in the South African context. This brief was developed to fill these knowledge gaps by providing a regional review of the intersection of gender and acceleration in South Africa. The brief pulls from GALI’s global findings while highlighting primary analysis of entrepreneur data collected by Catalyst for Growth (C4G), a small and medium-sized enterprise (SME) platform for programme monitoring, analytics, and reporting in South Africa.

1 [“About the Sustainable Development Goals.”](#) United Nations. Accessed July 2020.

2 Aspen Network of Development Entrepreneurs. [“Gender Equality in the SGB Sector.”](#) 2019.

3 Ibid.

4 Global Entrepreneurship Monitor. [“2019/2020 Global Report.”](#) February 2020.

Methodology

Quantitative Analysis

The primary dataset for this knowledge brief is C4G’s member survey. C4G members are entrepreneurs who participate in business development support programmes facilitated by incubators and accelerators whose monitoring and evaluation is housed by C4G. This survey collects quantitative data from these members to investigate questions related to the effectiveness of accelerators and incubators in South Africa. The survey was distributed to 3,787 entrepreneurs between 1 June – 30 August 2019. With a response rate of 29%, the analysis in this brief is based on a dataset of 1,101 South African entrepreneurs.

Throughout the brief, the authors refer to findings from a GALI study published in March 2020 titled “Accelerating Women-led Startups”.⁵ References to this study, which analyses more than 14,000 founding teams that applied to acceleration programmes around the world, are included to add global context and to identify where trends may differ or align in South Africa. The GALI and C4G data were collected using different surveys and therefore are rarely directly compared, but rather general trends from the global data were used to guide analysis of South Africa-specific data.

Qualitative Analysis

ANDE’s South Africa Chapter and C4G hosted a virtual roundtable discussion with representatives from 27 entrepreneur ecosystem stakeholders in South Africa, including academia, accelerators, business development services, capacity development providers, incubators, network organisations, and entrepreneurs to further understand the nuances of gender dynamics in acceleration and the broader entrepreneurial ecosystem. ANDE also conducted structured interviews with seven individuals⁶ from the entrepreneurial ecosystem. The questions addressed in the roundtable and interviews focused on the representation of women business founders, the role of education in the path of an entrepreneur, gender disparities within different sectors, the role of mentors, and how acceleration support services can either negate or contribute to funding and business development opportunities for women.

What is an accelerator?

Accelerators share a set of programme characteristics that distinguish them from other forms of capacity development services. Specifically, they are time-limited programmes that work with cohorts or “classes” of ventures to provide mentorship and training, with a special emphasis on connecting early-stage ventures with investment.* In South Africa, the terms incubator and accelerator are often used interchangeably, and the two often have similar goals and structures. The purpose of this knowledge brief is not to challenge this definition, but to consider the experience of women entrepreneurs who seek this growth support and the role accelerators and similarly structured programmes can play in addressing gender gaps.

**Definition adapted from: Cohen, S. & Hochberg, Y.V. (2014). Accelerating startups: The seed accelerator phenomenon. Available at SSRN 2418000*

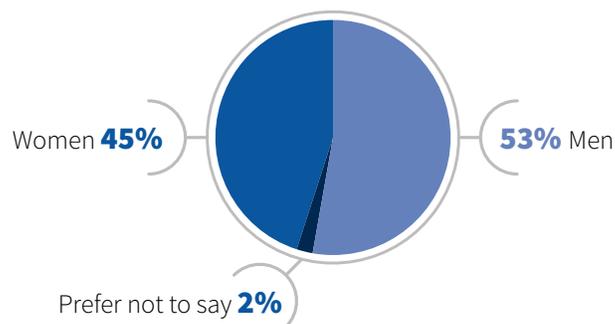
5 Davidson, A. and Hume, V. “Accelerating Women-led Startups: A Knowledge Brief by the Global Accelerator Learning Initiative.” March 2020.

6 Interviewees included: capacity development providers (2), development finance institution (1), accelerator (1), foundation (1), research and advisory services provider (1), and entrepreneur (1).

Representation of women in South African entrepreneurship

Data from the Global Entrepreneurship Monitor (2019-2020) in middle income countries show that women's entrepreneurial activity is slightly less than that of men; this trend is also reflected in C4G's survey of their member entrepreneurs in South Africa. Forty-five percent of C4G members are women, compared to 53% who are men (Figure 1).⁷

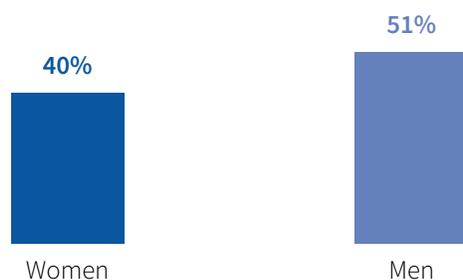
Figure 1: Gender of sample entrepreneurs



Source: C4G entrepreneur survey (n=1,101)

A greater gender imbalance is observed among youth entrepreneurs in South Africa; in the C4G data, only 40% of women survey respondents were considered youth (defined by Statistics South Africa as aged 18 to 34) compared to 51% of male entrepreneurs (Figure 2). Roundtable participants noted that in South Africa there is a clear bias towards youth entrepreneurs, a push motivated by government efforts to encourage entrepreneurship as a solution to burgeoning unemployment. The gender discrepancy among youth suggests that the emphasis on youth-led ventures may create additional challenges for mature women entrepreneurs in South Africa.

Figure 2: Percent of Entrepreneurs considered “youth”, by gender



Source: C4G entrepreneur survey (n=1,101)

As mentioned in the introduction, this brief aims to explore the hurdles faced by women entrepreneurs in South Africa and their experiences with accelerator and incubator programmes. The following sections expand on key trends which were consistently raised by stakeholders in the entrepreneurial ecosystem in South Africa. Wherever possible, this will be complemented by applicable findings from the GALI gender brief.

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It should be noted that the C4G survey results are reflective of SMEs participating in the formal economy.

Sectors of focus for women entrepreneurs

Based on GALI data, globally there is an overt gender split by sector.⁸ All-men founding teams⁹ gravitate towards high growth (and thus high income) sectors, namely financial services, information and communication technology (ICT), and energy. Comparatively, all-women founding teams are disproportionately represented in the artisanal sector.¹⁰ This aligns with other international research on this topic; according to a World Bank study on gender and entrepreneurship in Africa, “women overwhelmingly choose to enter sectors with reduced opportunities for growth.”¹¹ Less clear are the reasons behind this – whether it is driven by preference or is the result of sociocultural and economic constraints faced by women.

Analysis of the C4G survey responses reveal similar trends in terms of gender preferences for certain sectors (Table 1). For instance, there are significantly more women entrepreneurs in both accommodation and food services (64%) and administrative and support (61%). Comparatively, male entrepreneurs are over-represented in financial and insurance activities (83%), information and communication technology (73%), transport and storage (70%), and construction (69%). Despite these striking differences, it was encouraging to see a narrow gap in the C4G sample between men and women entrepreneurs in sectors like mining and manufacturing, which have historically been male-dominated in South Africa.

Table 1: Sector participation, by gender

Sector	Women	Men
Accommodation and food services	64%	35%
Administrative and support	61%	38%
Construction	30%	69%
Financial and insurance activities	16%	83%
Information, communication and technology (ICT)	26%	73%
Manufacturing	48%	52%
Mining and quarrying	50%	50%
Transport and storage	29%	70%

Source: C4G entrepreneur survey (n=1,064)

8 Davidson, A. and Hume, V. “[Accelerating Women-led Startups: A Knowledge Brief by the Global Accelerator Learning Initiative.](#)” March 2020.

9 GALI data is disaggregated based on the gender of the entrepreneurs on each founding team, namely: all-women teams, all-men teams, or mixed-gender teams.

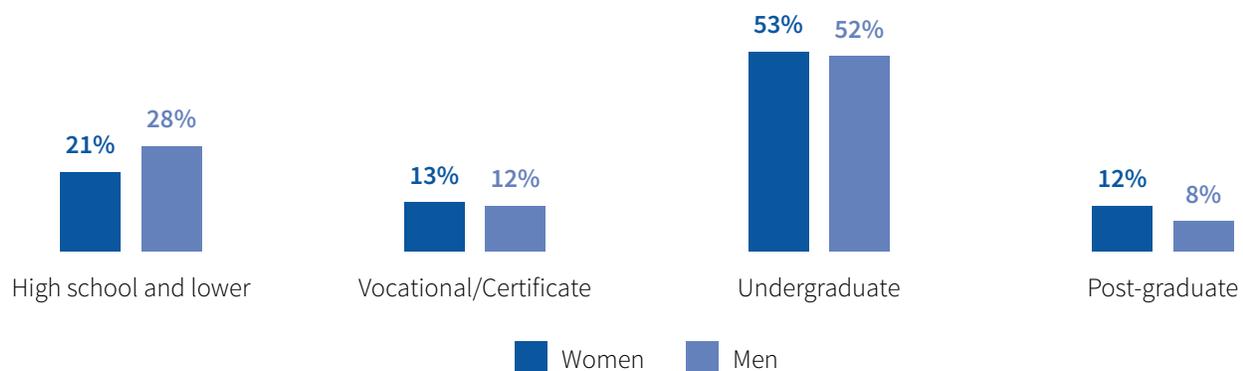
10 The GALI study also included a third category – mixed-gender teams - which were prevalent in agriculture and environment sectors.

11 World Bank Africa Gender Innovation Lab. “[Profiting from Parity.](#)” March 2019.

Education levels of women entrepreneurs

Overall, the C4G data reveal few differences between women and men entrepreneurs concerning educational qualifications. However, women entrepreneurs are slightly more likely to have post-graduate qualifications (Figure 3). Considering that additional study requires more time, this may contribute to the lesser representation of youth women in entrepreneurship, as discussed above. Similarly, higher education is expensive and could contribute to further hurdles (and subsequent delays) for women before they are able to fully commit to running their own business.

Figure 3: Education level achieved, by gender



Source: C4G entrepreneur survey (n=748)

Based on anecdotal evidence shared during the roundtable discussion, more education does not necessarily equate to more successful business performance, nor does it coincide with a greater inclination to pursue a career in entrepreneurship. Accelerators in South Africa noted that in their experience, education is largely only considered during the application phase but is rarely referenced thereafter.

Ironically, some women roundtable participants shared that their high level of education negatively impacted their risk assessment in the eyes of funders or investors. The primary reason for this attitude was that highly educated

“ I wouldn’t necessarily say that the people who are launching successful businesses are highly educated. The more education they have, the more unlikely they are to start a business.

— Accelerator,
Roundtable discussion

“ I was once told that I was high risk because I have a masters-level education; so if things go wrong, I will go back to the corporate world because of the opportunities that space will offer.

— Academic Researcher,
Roundtable discussion

individuals are eligible for good corporate jobs and thus would be at a higher risk of leaving their business early. Comparatively, the Global Entrepreneurship Monitor suggests that education levels are directly proportional to the ability of a person to start and maintain a business beyond infancy.¹²

What motivates women to be entrepreneurs?

In recent years, traditional gender roles in South Africa have shifted as women increasingly find roles in professional settings and contribute a greater proportion to household income levels.¹³ Yet despite this progress, the tension between home and professional life continues to weigh on women entrepreneurs. Accelerators and entrepreneurs noted that based on their experience, women entrepreneurs tend to be more considerate of all components of their life that starting a business may affect: family responsibilities, community responsibilities, and the ability to have children are all factors that women entrepreneurs tend to consider more strongly than men. This can result in business opportunities being missed or ignored in favour of other priorities – a sick child, a death in the family, or a partner’s career demands. Due to the low levels of entrepreneurship in South Africa, there appears to be even less family and community support made available to women to enable them to pursue their business goals. By comparison, one roundtable participant spoke about the experience in Ghana where entrepreneurship is encouraged and cherished.

Contrary to other studies that have shown that men are more likely to be involved in opportunity-driven entrepreneurship than women (who are said to often start a business out of necessity)¹⁴, analysis of the C4G survey did not reveal significant gender differences between opportunity versus necessity-driven motives for entrepreneurship. Men and women ranked all six motivations almost equally (Table 2).

Table 2: Motivations for entrepreneurship, by gender

Motivations for entrepreneurship	Women x̄ (out of 6)	Men x̄ (out of 6)
The desire for independence and financial freedom	4.4	4.3
Need for achievement and success	4.1	4.2
Persistent love for doing something great	3.8	3.9
Opportunity – I took advantage of a new business opportunity	3.7	3.7
Unemployment – I had no better choices for work	3.5	3.6
To live better in a competitive society	3.1	3.2

Source: C4G entrepreneur survey (n= 1,101)

“ Women entrepreneurs tend to be motivated by lifestyle – kids, quality of life, balance, while male entrepreneurs tend to be motivated by acquisitions, sales, access to “boys clubs” and wealth.
 – Entrepreneur,
 One-on-one interview

Interestingly, the experiences shared by the roundtable participants were far more aligned with the international studies than the survey results. They indicated that in their experience, women are more motivated by necessity – be it for basic income or to help change something in their own community. Men on the other hand, are, based on the experiences of roundtable participants, motivated by the promise of wealth.

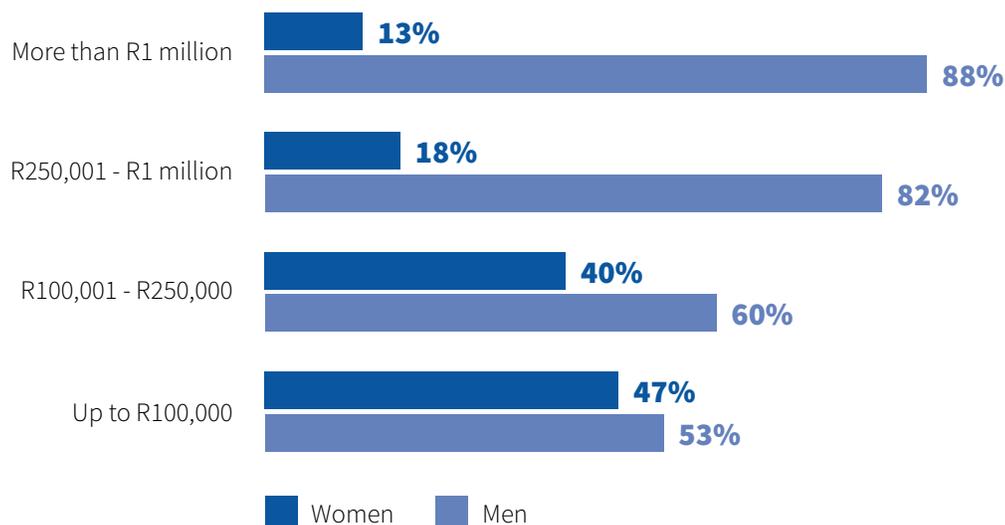
¹³ Barry, B. and Segalo, P. “Eating Burnt Toast: The Lived Experiences of Female Breadwinners in South Africa.” *Journal of International Women’s Studies*, vol. 8, issue 4 (2017).
¹⁴ Herrington, M. and Key, P. “Is there a change in attitude towards the small and medium business sector in South Africa?” 2018.

How pronounced is the gender finance gap in South Africa?

Findings from global GALI data indicate that prior to acceleration, more men-led ventures (21%) have secured equity funding compared to women-led ventures (9%).¹⁵ This discrepancy persists when exploring average amounts raised. The same trend was identified in a Boston Consulting Group study which concluded that women-founded teams raise, on average, 50% less than men-founded teams.¹⁶

In South Africa, the gender financing gap is evident as well. While similar proportions of men and women entrepreneurs applied for funding post-acceleration (42% versus 38% respectively), men were more likely to receive funding, particularly when looking at funds above R250,000 (Figure 4).

Figure 4: Funding amount received, by gender



Source: C4G entrepreneur survey (n= 183)

This funding discrepancy is in part a reflection of demand. As already noted, men-led ventures appear to dominate sectors which are particularly prevalent for venture capital investment – a trend even more apparent in emerging markets.¹⁷ But as indicated in the GALI gender brief, sector does not explain the gap fully. Other factors such as risk appetite and confidence play roles as well. In interviews, entrepreneurs and accelerator representatives agreed that

in general, their experience indicated that women entrepreneurs are far more cautious than their male counterparts. This is consistent with GALI data that show that women entrepreneurs have lower fundraising targets on average.

“There is a very different risk appetite between men and women. It is a core function of our role to encourage young female entrepreneurs.

— Accelerator,
Roundtable discussion

15 All-men teams do not appear to have the same advantage when it comes to debt financing and philanthropic capital.

16 Stevenson, H. “[The gender gap in startup investment is alive and well.](#)” *The Globe and Mail*. November 20, 2018.

17 Kazeem, Y. “[Everything you need to know about African fintech right now.](#)” *Quartz Africa*. November 19, 2019.

Based on experiences from roundtable participants, women entrepreneurs seek to develop a “perfect” product before launching, and this risk aversion can deter women entrepreneurs from aggressively seeking funding or exploring options to grow and develop their businesses. While accelerators see how this more cautious approach can also result in more responsibly managed companies, this is not always embraced by the entrepreneurial community, particularly when it comes to investment.¹⁸

Investment and the gender confidence gap

Based on feedback from accelerators and incubators during the roundtable discussion, women entrepreneurs are often more highly qualified and have significant and relevant experience, yet they still reflect fewer outward displays of confidence than their male counterparts. As noted by one roundtable participant, “Despite high levels of education and years of business experience, women still don’t believe they have what it takes.” While confidence does not necessarily correlate to the value or potential of a business, it does play a role in negotiation techniques – particularly when it comes to investment opportunities. According to a Harvard Business Review article, “deeply ingrained societal gender roles” can hinder women from negotiating assertively.* Roundtable participants shared examples of women choosing not to apply for funding because of a minor criteria they did not meet, whereas men would apply even if they failed to meet any of the criteria. These differences are not just anecdotal, as many studies have explored confidence from a gender perspective, thus accelerator and incubator staff should be aware of both the challenge and opportunity presented by these differences. There is undoubtedly opportunity for women to adjust the way they present themselves confidently, particularly in negotiations with investors, where gender bias is pervasive. At the same time, there is a need in the business sector overall (entrepreneurial and corporate) to shift perceptions about women entrepreneurs and celebrate the strengths that come with better preparedness, realistic expectations, and a sensible level of risk aversion.

*Shonk, K. (2020). *Women and Negotiation: Narrowing the Gender Gap in Negotiation*. Harvard Business Review.

Funding discrepancies can also be clearly tied to bias on the part of investors. When determining with whom to trust or collaborate, both men and women often prioritise the qualities they see in themselves and their peers – a tendency known in the investment world as “interviewer bias”.¹⁹ Multiple research studies have identified this bias; for example a 2019 study of more than 1.5 million start-ups in the United States found that investor bias accounted for 30% of the difference in investment outcomes for women in the sample.²⁰

A common theme that emerged in roundtable discussions and one-on-one interviews was the composition of funding and investment panels. Anecdotally, when panels fail to be appropriately diverse – both gender and race-wise – unequal allocations of funding are unlikely to change. As such, if the goal is to shift the perceptions of women entrepreneurs in South Africa, there needs to be a shift of which qualities are most valued by those who hold financial and other forms of power. Similarly, this highlights a need to ensure that investment committees are diverse.

“The qualities which are well-recognised, appreciated, and praised are generally male qualities. But the truth is, there are many female qualities which can positively impact businesses as well. We need to see more appreciation for these qualities!”

— Entrepreneur,
One-on-one interview

18 Stevenson, H. “[The gender gap in startup investment is alive and well.](#)” *The Globe and Mail*, November 20, 2018.

19 Nikolaus, F. et al. “[What you are is what you like—similarity biases in venture capitalists’ evaluations of start-up teams.](#)” *Journal of Business Venturing*, vol 21, issue 6 (November 2006).

20 Guzman, J. and Kaxperczyk, A. “[Gender gap in entrepreneurship.](#)” *Research Policy*, vol 48 (2019).

What role should accelerators play in reducing the gender gap?



Due to global recognition of the barriers faced by women entrepreneurs, many accelerators have sought to address these inequalities through more inclusive programme designs. However, it is not yet clear how effective these new approaches will be. According to the GALI gender brief, although 37% of accelerators indicated that preference is given to women entrepreneurs, the data indicate that this does not lead to higher proportions of women-led ventures applying to or participating in programmes. On a more positive note, GALI data show that higher proportions of women on selection committees and in mentor pools significantly correlates with greater participation from women, reiterating the challenge of unconscious bias discussed above.

There is less clear guidance for accelerators when it comes to reducing the gender finance gap. A report published by Village Capital and the International Finance Corporation (IFC) in February 2020 found that accelerator programmes actually widen the gender finance gap (specifically with reference to equity financing).²¹ The report went on to suggest that to significantly redress participation and financing to the extent needed, “accelerators have a role to play in helping mitigate investors’ bias and risk perception”.²² This aligns with feedback from the roundtable discussion – specifically as it relates to unconscious bias and the additional hurdles investor bias presents to women entrepreneurs specifically.

C4G survey results provide insight into the negative acceleration experiences reported by women and how those compare to men. Women respondents were similarly likely to report negative experiences related to participation in an accelerator programme (51% compared to 49% of the men entrepreneurs), yet clear differences arise when considering which specific experiences were disappointing. Men entrepreneurs reported that the programmes were not always informative or relevant for their business, while women entrepreneurs were most concerned about the failure of the programme to deliver on their promises (Table 3). These factors may reflect some ambiguity regarding accelerator communications around setting participant expectations.

Table 3: Negative perceptions of accelerator programme experiences, by gender

Negative – Programme Achievement Subthemes	Women	Men
Delivered on promises	61%	39%
Informative and relevant	45%	54%
Financial education	36%	64%

Source: C4G entrepreneur survey (n=126)

Even clearer differences emerged when men and women entrepreneurs were asked about negative perceptions of the mentoring process, with women reporting more disappointment across the board (Table 4).

21 International Finance Corporation, Village Capital. [“Venture Capital and the Gender Financing Gap: The Role of Accelerators.”](#) February 2020.
 22 Ibid

Table 4: Negative perceptions of mentorship, by gender

Negative – Mentoring Subthemes	Women	Men
Number of mentors	100%	0%
Mentor experience	67%	33%
Mentor performance	63%	38%

Source: C4G entrepreneur survey (n= 51)

Despite the similar proportion of women and men in entrepreneurship in South Africa, there are starkly fewer female mentors than male. Yet the gender of mentors was not a factor for the accelerators in the roundtable discussion. Based on their feedback, entrepreneurs, regardless of gender, are looking for a mentor who has experience in their industry and can provide practical, implementable advice and guidance.

“ They [female entrepreneurs] are just looking for someone who has stayed the course before them. They want real-life support from someone who has done it before. That [criterion] has transcended any difference in background, finances, gender, or culture!

— Accelerator,
Roundtable discussion

What it means to host “women-friendly” events

Roundtable and interview participants shared numerous examples of accelerators that specifically target women entrepreneurs or in other ways are attempting to reduce gender bias by ensuring all-female debate panels and a high proportion of female mentors with representation from as many diverse sectors and industries as possible. One participant shared the following story:

The organisation had prioritised female leaders to present at their annual summit. However, shortly before the date they were due to arrive some of the presenters raised the following questions:

- *I am a single mother with an infant, are childminders available during the day?*
- *I am still breastfeeding, are there breastfeeding rooms available?*
- *I am a single mother with a newborn, is there budget and space for my nanny to travel with me so that I can participate?*

Sadly, in this case the logistics were not aligned and none of these options were possible. This shows that even organisations that are trying very deliberately to be inclusive of women can still do more to ensure such events are as welcoming as the programme content.

Implications of COVID-19

It is not yet known the full impact COVID-19 will have on entrepreneurship – and more specifically on women-led businesses. However, globally it has already been recognised that COVID-19 will have a disproportionate effect on women, as evidence suggests that such a widespread human and economic crisis worsens existing gender inequalities.²³ In terms of business support, early research is indicating that “most policy initiatives taken to protect economies... seem to target established corporates”.²⁴ As such, entrepreneurs and SMEs are considered two of the most vulnerable actors in an economy²⁵ - a hurdle that is anticipated to be even more concerning for women entrepreneurs.

A common thread in the one-on-one interviews was that even in the early stages of the pandemic, mothers were taking the brunt of additional childcare, home schooling, and other domestic responsibilities. As such, women entrepreneurs are likely to take more of a hit to their businesses compared to their male counterparts. This is supported by the prevalence of pre-COVID inequalities faced by women entrepreneurs as well as findings from early COVID-19 international studies.²⁶ Additionally, sectors that women entrepreneurs gravitate to – particularly those in the service industry – have been more disrupted by COVID-19 restrictions. In South Africa, stage 5 of lockdown precluded all economic activity beyond that in the food or healthcare industries. The subsequent lifting of restrictions favoured mining and manufacturing (traditionally male-dominated sectors) ahead of service industries which are more women-dominated.

A potential opportunity that may emerge from the pandemic is how the professional community defines a “normal” job. Traditional, corporate employment has historically been viewed as the safer, more stable option. However, given the current climate with high retrenchment rates and all people – self-employed or office-based – turning their dining rooms into offices and sharing zoom calls with colleagues and children alike, the gap between the entrepreneur experience and that of a typical employee has shrunk. The uncertainty of secure employment could potentially present an opportunity for people, and particularly women, to build their own employment solutions in the post-COVID-19 world.

Organisations built to support entrepreneurial communities are also taking steps to ease the burden on businesses. ANDE has joined more than 40 leading global organisations in the COVID Response Alliance for Social Entrepreneurs, which has already mobilised over US \$75 million. Alliance members currently support more than 15,000 social entrepreneurs working to serve the needs of excluded, marginalised, and vulnerable groups – many of whom have been disproportionately impacted by the pandemic.²⁷ ANDE is also participating in the Response, Recovery, and Resilience Investment Coalition (R3 Coalition), which is coordinated by the Global Impact Investing Network (GIIN) and aims to mobilise and coordinate impact investors to quickly fill financing gaps and to direct capital efficiently toward high-impact solutions.²⁸

23 Copley, A. Decker, A. Delavelle, F. “Supporting African women through the economic consequences of COVID-19.” *World Bank Blogs*, May 8, 2020.

24 Kuckertz et al. “Startups in times of crisis – A rapid response to the COVID-19 pandemic.” *Journal of Business Venturing Insights*, vol 13 (June 2020).

25 Walsh, G. and Cunningham, J. “Business Failure and Entrepreneurship: Emergence, Evolution and Future Research.” *Foundations and Trends in Entrepreneurship* (July 2016).

26 Women Entrepreneurship Knowledge Hub. “The Impact of COVID-19 on Women Entrepreneurs.”

27 World Economic Forum. “COVID-19 Action Agenda: Leaders on the Front Line: Why Social Entrepreneurs Are Needed Now More than Ever.” September 2020.

28 “Response, Recovery, and Resilience Investment Coalition.” Global Impact Investing Network (GIIN). Accessed August 2020.

Conclusions and future research

This brief adds to the body of research illustrating the unique barriers faced by women entrepreneurs, particularly in the South African context. Entrepreneurship is increasingly being viewed as a potential solution to high unemployment and slow economic growth, yet questions remain concerning how programmes built to support entrepreneurs are either addressing or exacerbating existing inequalities, in particular regarding gender. COVID-19 has further added to the burdens felt by women – economically and socially on a global scale.

However, work has been done to identify how accelerators can play a role in evening the playing field. Specifically, programmes can focus on building “soft skills” in investment negotiation and pitch development. These are the areas in which entrepreneurs and accelerators commented that women specifically struggle. In addition, efforts need to be made to ensure that traditionally “female” traits are respected and recognised for the value they bring, rather than being viewed as deterrents. This highlights the role accelerators can play in evening the playing field by reassessing how they collaborate with entrepreneurs, which investors they engage, and how risk is measured. Last, programmes can ensure more equal representation of women on selection committees to ensure more equitable opportunity for women and balanced evaluation of their promise.

Based on the GALI gender brief and this South Africa-specific review, it is clear that more research needs to be conducted into how accelerators can assist with closing the gender finance gap, particularly when it comes to women entrepreneurs’ access to investment. As key stakeholders in the ecosystem, it can be argued that accelerators have a responsibility to create a space for dialogue around access and drive change in a collaborative and holistic manner.

It will be important for researchers to continue to build on the analysis of the GALI and C4G data to gain a more nuanced understanding of the drivers of the gender finance gap and the effectiveness of interventions to address it.

Questions of interest include:

- ⦿ How does the acceleration experience differ for women and men participants, and what is the impact of these differences on investment outcomes?
- ⦿ How effective are specific accelerator activities targeted towards increasing investment for women entrepreneurs, especially activities focused on confidence building and negotiation?
- ⦿ How does the cultural context in South Africa influence the accelerator and overall entrepreneur experience for women?
- ⦿ How does the South African entrepreneurial ecosystem differ – in terms of gender equality and social inclusion - to other countries in the region and globally?
- ⦿ Are there specific investment structures or investment decision-making processes that lead to lower gender disparities?
- ⦿ What interventions are effective at boosting the growth orientation of women entrepreneurs to reduce gender disparity in the overall applicant pool?
- ⦿ How does representation of women in specific decision-making roles in the accelerator and investment ecosystem affect outcomes for women entrepreneurs?

Researchers interested in addressing these questions using the GALI data can download the anonymised dataset for free at www.galidata.org/data-request.



Aspen Network of Development Entrepreneurs (ANDE)

The Aspen Network of Development Entrepreneurs (ANDE) is a global network of organisations that propel entrepreneurship in emerging markets. ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs will create jobs, stimulate long-term economic growth, and produce environmental and social benefits. Ultimately, we believe that SGBs can help lift countries out of poverty.

To learn more about ANDE, visit www.andeglobal.org

Catalyst for Growth (C4G)

C4G is a research-technology and Monitoring and Evaluation (M&E) company which provides quality M&E and insights to business development support providers looking to enhance the impact of their support to small businesses in Africa. The goal is to help increase the quality and impact of small business support by developing and measuring industry benchmarks that lead to tangible growth and sustainability outcomes for small enterprises.

To learn more about C4G, visit www.catalystforgrowth.org

Global Accelerator Learning Initiative (GALI)

GALI is a collaboration between the Aspen Network of Development Entrepreneurs (ANDE) and Emory University designed to explore key questions about enterprise acceleration such as: Do acceleration programmes contribute to revenue growth? Do they help companies attract investment? GALI builds on the Entrepreneurship Database Programme at Emory University, which works with accelerator programmes around the world to collect data describing the entrepreneurs that they attract and support. The Global Accelerator Learning Initiative is supported by the Argidius Foundation, Omidyar Network, the Kauffman Foundation, Stichting DOEN, and the Australian Government.

To learn more about GALI and to access related publications, visit www.galidata.org

