1. Introduction: the Diana Project International

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The Diana Project, named for the mythological goddess of the hunt, began as a US-based multi-university, multi-year project dedicated to the study of women business owners and their business growth activities. The project has grown to include more than 30 researchers from 20 countries. This chapter addresses the fundamental issues raised by a collaboration of scholars from around the world.

INTRODUCTION

Small firms drive economic growth. Research in the OECD countries consistently shows that job growth in the entrepreneurial sector is substantially higher than it is among established (corporate) incumbents (Audretsch and Thurik, 2001). More recently, the international buzz about entrepreneurship has become even more pronounced with the explosion of new technology, rise in the availability and use of equity capital and breaking down of economic and trade barriers. The Global Entrepreneurship Monitor (GEM) studies find that entrepreneurship is a central source for employment creation (Reynolds et al., 2001; Acs et al., 2005).

Collectively these studies reveal that location matters. The ways that people start and grow businesses vary substantially by country, depending on level of economic development, cultural factors, natural resources and industrial base. In developed countries, entrepreneurial ventures produce innovations and create wealth, as well as enhance economic development in challenging geographic or industrial sectors (Acs et al., 2005). In transitional economies entrepreneurship drives privatization by building market institutions, influencing monetary and fiscal policy, and affecting macroeconomic stabilization and growth. Economic development supporting new venture creation is an

attractive public policy in most countries, but, as new firms are created in increasing numbers, policy emphasis turns to fostering growth of existing businesses. Regardless of location or country context, the increased attention to economic contributions of entrepreneurship, and, in particular, growing businesses, is reflected in the accelerated pace and variety of public and private sector policy initiatives at all levels – local, regional, national and super-national level (Hart, 2003).

How do women participate in this phenomenon? Recent statistics show that women are important drivers of growth in many of the world's economies (Minniti et al., 2005). However, while statistics recording small firm and entrepreneurship activity are available for many countries, there is far less documentation about the contributions women make to the process, particularly in non-OECD countries (Minetti et al., 2005). Further, almost no information is available about women's entrepreneurship as a global phenomenon, specifically, growth-oriented women-led businesses (Brush et al., 2005). Available information generally aggregates and studies all businesses together, without highlighting the sex of the founder or the business sector (Gatewood et al., 2003). Consequently, while entrepreneurship is viewed as a solution to economic development, we have little understanding of the gendered influences on the experience and subsequent contributions. This raises two important questions: Are the experiences similar or different for men and women? What country, venture and personal factors influence the growth experiences of women-led businesses?

Emerging research suggests that there are significant differences, especially with regards to the pathway to growth (Brush et al., 2004). Similarly, the GEM studies show variation across countries between men and women in motivations and business sector (Minetti et al., 2005). With increasing numbers of women starting new businesses worldwide, it is crucial to answer these questions to gain a better understanding of how to promote women's entrepreneurship, eliminate obstacles women may face in business creation, and facilitate the growth process of their businesses. A lack of understanding of the growth of women-owned businesses might ultimately inhibit competitiveness if a country does not understand, recognize and support contributions of all populations of entrepreneurs.

THE DIANA PROJECT

Since the mid-1980s, most research on women's entrepreneurship focused on factors influencing the start-up of ventures (Gatewood et al., 2003). Notably absent was an understanding of factors affecting growth. In 1999, we launched the Diana Project to study the phenomenon of women's entrepreneurship in

the United States. Historically, women-led ventures were smaller than those of their male counterparts, whether measured by size of revenues generated or the number of people employed. The overarching question was: Why do women-owned businesses remain smaller than those of their male counterparts? A multi-method research effort was undertaken to examine supply of and demand for growth capital relative to women entrepreneurs. Our US research showed that women entrepreneurs seldom acquire sufficient funds to grow their businesses aggressively and to reach their full potential. This raised a new question: Do women face *unique* challenges in acquiring growth capital?

While the collective research documents demand by women entrepreneurs for equity capital, there was and still is a mismatch between the women, their ventures and sources of growth funding (Brush et al., 2001; Brush et al., 2004a). The Diana Project findings prompted great interest among the media, policy-makers, practitioners and educators wanting to learn more about ways to increase women entrepreneurs' receipt of growth capital by providing a better infrastructure of programs and curricula for women who wished to grow larger businesses (see for instance: Hart, 2003; Montandon, 2002; Hoover, 2002 and Henry, 2002). All these audiences shared the objective of facilitating the growth of new businesses that could produce innovation and wealth for the benefit of individual entrepreneurs, their families and, ultimately, their communities.

Simultaneous to the Diana Project research, interest in women entrepreneurs and growth of their ventures was rising in most countries around the world. To capture and leverage that interest, the Diana Project team, in partnership with ESBRI (Entrepreneurship and Small Business Research Institute, Sweden), convened an international gathering of scholars in 2003 to develop a shared research agenda (see Appendix 1.A for a listing of participants by country in 2003–04). The goal was to exchange ideas and learn from each other about the current state of research on creation and support for new women-led businesses, and particularly, support and development of growth-oriented businesses. Our purpose in creating the Diana International collaborative was twofold: 1) to provide a platform from which to develop, conduct and share a global research agenda; 2) to create an international community of scholars dedicated to answering the questions about women entrepreneurs and their growth-oriented businesses.

The first step in this collaborative effort was to document the status of women entrepreneurs and business growth in the home countries of each of the initial participants to identify where further research would be needed. Even a cursory search of existing secondary data by the participants quickly revealed that little systematic comparative data were available. Data from ILO, GEM and OECD as presented in Table 1.1 emphasize the disparity

between men and women in self-employment and are useful for pinpointing rates of entrepreneurial activity and macro-environmental influences. For example, one of the GEM measures, TEA (total entrepreneurial activity), shows the number of people per 100 who are engaged in starting a business or who are owners/managers of a business less than 42 months old (Zacharakis et al., 2001). From their examination of start-up activity in 41 countries during 2003, GEM researchers found that men were almost twice as likely to be involved with a new business start-up as women (total entrepreneurial activity of women = 7.005; for men = 12.314 per 100) and that the rate differential varied across countries substantially (Minnetti and Byrave, 2003). Countries participating in both Diana International and GEM illustrate this point, with the TEA for women ranging from 2.79 (Sweden) to 12.02 (New Zealand) (Minnetti and Byrave, 2003).

Table 1.1 Statistics on women and business ownership

	Percent of women in population	Percent of women in workforce	Percent WOB	TEA country	TEA for women
Australia	50	29		8.7	7.76
Bulgaria	51	47	24.0	n/a	n/a
Canada	50	45	15.0	8.8	5.42
Chile					
China					
Denmark	49	47	30.0	6.5	3.62
Finland			33.0	4.6	2.90
Germany		43	27.0	5.2	3.66
Hungary					
Ireland	50	49	17.0	9.1	4.12
Korea				14.5	8.13
Northern Ireland	51	49		5.2	3.50
Netherlands			30.0	4.6	3.18
New Zealand	51	47	38.0	14.0	12.02
Norway			21.0	8.7	4.45
Slovenia		46	17.0	4.5	1.66
Spain		38	26.7	4.6	3.92
Sweden				4.0	2.79
United Kingdom			26.0	6.4	3.61
United States				11.3	8.34

Source: Brush et al., 2005.

While these statistics provided a foundation for our project, they were too generalized to permit a focus on growth activities of women-led businesses. Similarly, other secondary data provided only tangential information regarding growth-oriented women-led ventures. Statistics from around the world show size differences between men-led and women-led venture indicating that businesses led by women are universally smaller than those of men whether measured in terms of revenues generated or employees hired. Examples from countries participating in Diana International illustrate this point. In Norway, only 20 percent of women-led businesses (compared with 31 percent of men-owned business) have one or more employees, and businesses owned by men show stronger financial results. In the Netherlands, about 30 percent of entrepreneurs are female (approximately 250000 female entrepreneurs), but their profile and that of their businesses are quite different from those of male entrepreneurs. In Canada, approximately 45 percent of SMEs have at least some degree of female ownership, but they are smaller in size by number of employees and average annual sales (approximately half were majority male-owned SMEs), and are younger and less likely to be in fast growth stage of business development (9 percent of majority female-owned versus 14 percent of majority male-owned).

The product of our first Diana International Conference in 2003 was a report discussing the importance of growth-oriented women-led businesses and summarizing the state of knowledge about these businesses in the initial countries involved. This report was released in spring of 2005 and provides a summary of the presentations about the state of women's entrepreneurship by country. For the second conference in 2004, participants presented working papers. Following the event, papers were peer reviewed, revised and finally submitted for consideration for this edited volume. This book is the product of our second Diana International Conference, which represents the hard work and dedication of an expanded community of scholars passionate about understanding growth of women's entrepreneurship. The next section presents the framework that organizes the chapters in this volume.

FACTORS INFLUENCING GROWTH OF WOMEN-OWNED BUSINESSES

Of all businesses launched each year, only a select few will grow rapidly. Why? Growth is a choice that is personal and strategic, and it is influenced by a variety of external factors including business sector and country context (Minetti et al., 2005). We organize these into a framework that includes four main constructs: the individual, venture concept, firm resources and financial

resources that represent the factors influencing growth of individual women-led ventures (see Figure 1.1). These factors are contained in an industry sector and country context, within which supply of financial resources also resides. Following is a brief description of each of these concepts.

Figure 1.1 Research framework for women and growth businesses

Individual

All entrepreneurs start with a set of personal aptitudes, then add skills learned through formal education and on-the-job experience. This combination of natural talent and learned skills comprises ‘human capital’ (Becker, 1964). Each entrepreneur, whether they are starting alone or with a partner, has a unique bundle of human capital (Carter et al., 1997). Some bring years of college education and advanced professional degrees to their ventures, while others gain their knowledge through industry experience. Still others gain valuable expertise through specialized training. The package of capabilities that the entrepreneur or her team brings to the table is the foundation of the new venture (Brush, Greene and Hart, 2001). These capabilities are broad-ranging, from functional expertise in marketing, accounting or operations, to abilities in fund-raising, people management or negotiation, and they all make

a difference in whether and how the business will grow (Hisrich and Brush, 1986; Schefczyk and Gerpott, 2001).

Another aspect of the individual is her personal aspirations and ambitions, which are translated into the vision of success for the business venture (Penrose, 1954; Bhidé, 2000). Personal motivations for starting a business vary widely. For instance, some women entrepreneurs start a business because they want to meet a need that exists in the marketplace by providing a new service or product (Hisrich and Brush, 1986). Others become entrepreneurs because they want to work independently, make the decisions and take control of their work lives (Buttner and Moore, 1997). Still other entrepreneurs focus on creating their own work environment and providing family income. The motives for start-up are directly related to the goals for the business (Lau and Busenitz, 2001). Some women entrepreneurs intend to grow their businesses from the start, while others deliberately keep their companies small and manageable (Cliff, 1998; Du Reitz and Henrekson, 2000).

The Venture Concept

The venture concept is what the business does or the product or service it provides (Bhidé, 2000). It starts from an idea, innovation or problem, which is transformed into a concept that is defined by the activities of the organization. The choice of business concept has a direct effect on potential growth. Those companies based on radically innovative ideas that solve a big problem have much greater potential for being scalable and attracting growth capital, while less innovative ideas serving small niche markets that are easily imitated have much lower growth potential (Bhidé, 2000). The extent to which there is big demand for the product or service, and whether or not there are lots of substitutes, directly affect the potential for growth. Innovative concepts that are not easily imitable are more likely to attract growth capital for expansion (Timmons and Bygrave, 1997).

Firm Resources

Firm resources are applied to convert the concept to reality and take the goods and services to market (Penrose, 1954). Resources fall into several categories: social, financial, organizational, physical and technical (Brush, Greene and Hart, 2001). Social capital is a form of non-economic knowledge and emerges from norms, relationships and social structures in an individual's life (Coleman, 1988). This includes the network of contacts, reputation, as well as the skills and expertise that help entrepreneurs and their teams acquire the resources of the emerging organization (Aldrich, 1999).

Other resources include organizational resources, which are those relationships, structure, routines and information of the new venture (Dollinger,

1995). Physical resources include tangible and intangible assets needed for the operations of the business (Dollinger, 1995). These also may include technology and equipment as well as materials and other physical assets of the business. Financial resources are the cash and money assets of the business (Bygrave, 1992). Often personal savings of the entrepreneur and team are the first financial resources available to the firm.

Business Sector

The potential for business growth is also directly influenced by choice of industry sector (Carter et al., 1997). Highly competitive mature industries, such as restaurant, retail clothing or personal care services, are easy to enter and therefore easily imitated (Brush et al., 2004). Many women-led firms compete in saturated, highly competitive industries like consumer retailing and personal services, automatically limiting their growth potential (Brush et al., 2004).

Institutional Financial Resources

As Figure 1.1 reflects, institutional financial resources are outside the venture. These are the composite of external sources of venture financing, both debt and equity. Sources of growth capital include equity providers (angels, venture capitalists) and debt providers (banks, and other commercial lenders) (Mason and Harrison, 1999; Timmons and Bygrave, 1997). In the past, women most often sought debt financing (Riding and Swift, 1990; Coleman, 2000) but recent studies show that growth-oriented women-led firms pursue private equity as well (Brush et al., 2000).

This framework provides a basis for the chapters that follow, which are of two types. First, a series of country reports provides an overview of the state of women's entrepreneurship in seven different countries. These include country labor force overviews that detail women's participation in the workforce and specifically in entrepreneurship. Second, other chapters explore the extent and nature of women's participation in entrepreneurship and their growth orientation relative to demand for resources to grow (social capital, personal goals, strategic choice and financing). Each chapter concludes with a discussion of sources of growth financing, issues and opportunities.

COUNTRY REPORTS ON WOMEN'S ENTREPRENEURSHIP

We begin with the country reports from Australia, Canada, Denmark, Finland, Germany, Norway and the US.

Mary Barrett presents a detailed overview of the state of women's entrepreneurship in Australia. She notes that women's participation in entrepreneurship is comparatively high at 33 percent, and women's total entrepreneurial activity (TEA) based on the GEM reports shows that their rate is increasing. Yet, women are less likely to be employers of other people even though they contribute nearly 40 percent of GDP (excluding general government) in Australia and about 20 percent of private sector net job creation. Barrett argues that even though the growth and contributions of women-owned business in Australia are significant, women are less likely to become entrepreneurs than their male counterparts because of socio-cultural norms, occupational segregation and migration patterns. Considering issues of importance for women, Barrett concludes that financial capital access, networks and strategic choice are challenges for women seeking to grow ventures, and offers research directions for the future.

Jennifer Jennings and Michelle Provorny Cash present a comprehensive overview of women's participation in entrepreneurship in Canada. Women entrepreneurs account for a sizeable proportion of Canada's total entrepreneurial activity and small business sector, but do not yet participate at the same rate as men. In terms of GEM's measure of nascent entrepreneurial activity, for example, the prevalence rate for women was only 3.7 percent in 2002, less than half the 9.7 rate for men in the same year. Jennings and Cash note that the growth and prevalence of women entrepreneurs is recognized by researchers and they present an overview of the relative performance of women-owned businesses and their growth orientation. They point out that the smaller size and slower growth rates of female-owned business in Canada may, to a certain extent, represent deliberate choices of many women entrepreneurs, but empirical substantiation of this causal inference does not yet exist. The authors present a detailed discussion of human and social capital factors, noting that industry context plays an important role in considering differences by gender. Motivations, goals and lower amounts of financial capital are also seen as factors influencing growth of women entrepreneurs in the Canadian context. They conclude this chapter with an exploration of strategic choice and access to financing, suggesting subtle perceptions may be a barrier to explore in the future.

A profile of the participation, growth and challenges of women entrepreneurs in Denmark is provided by Helle Neergaard, Kent Nielsen and John Kjeldsen. They show that Danish women have been actively involved in the labor market since the beginning of the 1960s at steadily increasing rates. Today, women constitute 47 percent of total employment. This development has been facilitated, in part, through liberal childcare facilities and state support of maternity leave. Though actively engaged in work outside the home, relatively few Danish women chose to become entrepreneurs. Only 30

percent of new enterprises are established by women and women account for a mere 25 percent of all self-employed. Neergaard points out that ventures owned by women in Denmark exhibit different growth patterns than those owned by men. Current research provides little information as to the causes of these patterns but there are indications that certain mechanisms such as socio-cultural norms and structures, as well as identity and role perceptions, may underlie the low rate of female entrepreneurship in Denmark.

Anne Kovalainen and Pia Arenius present women's participation and contributions to the Finnish economy. Using GEM data and labor force statistics, they find that approximately 33 percent of all self-employed are women and that their share has remained somewhat stable over past years. Despite public policy programs for day-care, a strong culture of work ethic and a tradition of gender equality, they find the share of women's entrepreneurship has declined over the past decade. Kovalainen and Arenius explore this issue by examining studies on access to start-up capital and growth intentions of women entrepreneurs. Finland does not offer special programs for women, and studies about access to venture capital and angel investors are scarce. Research shows that women on average earn less than men, and therefore it takes longer for them to accumulate start-up funding for a business. Social capital and social networking are essential to success of women-owned businesses, and women entrepreneurs overall are well educated. There is evidence of a glass ceiling in the corporate setting, which the authors suggest might contribute to entrepreneurial start-up. Of the Nordic countries, especially in Finland, the positive expectations of the family's future financial situation increase women's participation in new firm formation. The authors explore sectoral differences, finding that occupational segregation influences choice of women's businesses. The chapter concludes with discussion of education, perceived barriers and role models as influences to women's entrepreneurship in Finland.

The chapter on Germany, authored by Friederike Welter, presents a wide-ranging overview of the state of women's entrepreneurship. Welter documents that women account for approximately 28.5 percent of the East and West German labor force and that the percentage of women's entrepreneurship is growing. Overall, the 1990s saw an above average increase for women start-ups, but, the gender gap remains. Women tend to be clustered in services and retailing and compared with men, are less likely to have employees. Drawing from GEM data, Welter shows that the sector and size are related to lower turnover, profitability and growth. She explores the extent to which women may be 'dreamers' and 'doers' and considers factors that push and pull them into entrepreneurship. Importantly, family life and children are a factor in this decision. German women entrepreneurs with more education are more likely to be growth-oriented. Bank financing is most common for growth capital in

Germany, but little research explores gender differences. In a detailed discussion of financing programs Welter notes that the few studies of women's access to credit programs in Germany show women are less likely to apply for credit and those few who do, seek smaller amounts. Social networks of German women entrepreneurs tend to be both homogeneous and heterogeneous, but the extent to which these affect the likelihood of receiving capital is not well understood. The chapter concludes with an overview of the political and social context showing gender equality as essential in Germany, but nevertheless subject to subtle barriers rooted in traditional social roles and perceptions about women.

Lene Foss and Elisabet Ljunggren review women's labor force participation in Norway including women's rate of entrepreneurial activity. More than 37 percent of women work in the private sector, more than 66 percent work in the public sector, and their entrepreneurial rate is about 27 percent. Women entrepreneurs tend to be slightly older (30–40 years old), are well educated and experienced, but their businesses are typically smaller and they have lower growth aspirations than their male counterparts. The authors describe research findings showing women's growth aspirations in Norway related to motivation, education, industry and a number of organizational variables including previous growth in turnover and in the number of employees. But, another study they profile shows education as positively related to growth aspirations, while experience is not. Foss and Ljunggren find that research on women's access to financial capital is limited, while studies of women's networks are prevalent, and indicate that Norwegian women tend to include more family/kin and social contacts in their network. Women's goals in entrepreneurship are shown to be more opportunity- than necessity-oriented, and gender segregation by industry of women-owned firms is related to lower levels of investment by private investors and venture capitalists. While the venture capital industry and government programs are developing rapidly in Norway, the authors suggest that these are gender biased. They conclude with an overview of the challenges and suggestions for future changes as these relate to gendered-segregated labor market and education systems.

Candida Brush, Nancy Carter, Elizabeth Gatewood, Patricia Greene and Myra Hart profile the state of women business owners in the United States economy. Overall, the rate of women's entrepreneurship in the US is strong and the historical gap between men's and women's participation has narrowed to no longer being significantly different. Approximately 10.6 million privately-held majority-owned firms are women-led, and these employ 19.1 million people and contribute more than \$2.46 trillion to the US economy. Nevertheless, a size differential between US men- and women-owned businesses continues. Women-owned businesses are, on average, still smaller than those owned by men, representing only 9 percent of all revenues for US

businesses. Research shows that the size differential may be related to work and industry experience, women's social networks, especially as related to their ability to access financial resources, their financial reserves and strategies for funding their businesses, their choice of industry, and their reasons for starting businesses. US women frequently become business owners because it provides a way to balance career and family needs. The authors conclude that the number of women with higher aspirations is increasing. But for these women, institutional and cultural barriers provide challenges to successful growth. Specifically, education for women on the role of financing, and encouragement of financial providers to seek out and consider women-owned firms as investments is suggested.

RESEARCH TOPICS ON THE GROWTH OF WOMEN-OWNED BUSINESSES

Seven chapters from Australia, Bulgaria, Ireland, New Zealand, Northern Ireland, Slovenia, Spain and the UK offer focused empirical discussions of factors influencing growth of women-owned businesses. These chapters delve more deeply into relationships between social and human capital, access to financing, issues of risk and control, differences in skills and motivations of women, and subtle perceptions of bankers who make financing decisions about women-led ventures.

John Watson, Rick Newby and Ann Mahuka offer an analysis of demand-side issues related to external funding in Australian small businesses. Using a focus group methodology, they study the extent to which male and female owners are more risk-averse and therefore less inclined to use bank financing. This research finds that overall, risk is related to control of the businesses and that most prefer not to consider external funding if they risk losing control of their venture. Comparisons between men and women show that women are more risk-averse and less likely to access bank financing. However, when women access bank financing, they are inclined to repay it earlier than their male counterparts.

Tatiana Manolova presents an exploratory look at similarities and differences between men and women entrepreneurs in Bulgaria. This chapter examines the effects of human, social and financial capital on start-up and growth in the context of a non-traditional industry in a transitional economy. She posits that there are gender-based differences across human, social and financial capital that constrains growth. Using six case studies of male- and female-owned businesses in the Bulgarian construction industry, she finds that women are equally if not better educated than their male counterparts, and that financing is restricted for both groups. But, men do have more developed

social networks that give them an advantage especially during start-up of their ventures.

Research in the Republic of Ireland reflects relatively lower female entrepreneurship for women than men compared with other developed countries, and therefore, women's entrepreneurship is considered a 'lost resource'. Reasons for this lower participation primarily focus on financial constraints. Colette Henry, Kate Johnston and Angela Hamouda investigate the role of banks, support agencies and venture capitalists in funding the development and growth of women's businesses in Ireland. They focus on supply-side issues, exploring the factors funding agencies look for in small businesses, and investigate the extent to which women are successful at obtaining financing or encounter barriers. The information technology (IT), pharmaceutical/medical and biotechnology sectors are the top three sectors most likely to attract VC funding in Ireland. Just over a third of the VCs surveyed identified the IT sector as the one in which they would 'most likely invest'. In contrast, the banks and support agencies are active across a range of sectors. Factors influencing likelihood of receiving funding include realism of financial projections, market knowledge, growth plans and experience. Women receive a small proportion of financing, which Henry, Johnston and Hamouda find to be caused by a limited capital pool, the sector of business and the nature of the ventures founded by women.

Anne de Bruin and Susan Flint-Hartle present findings of an in-depth study of the demand and supply of private capital for New Zealand women entrepreneurs. Their research explores the experiences of 'successful' women entrepreneurs, that is, those whose businesses had moved beyond the initiation phase and were commercially viable. Because the industry is somewhat undeveloped in New Zealand and research is sparse, the authors chose in-depth interviews using a story-telling methodology to explore the experiences of women in seeking financial capital. In addition, a detailed case study reflects the goals and challenges of a high-achieving woman entrepreneur. To complement the demand-side study, de Bruin and Flint-Hartle conducted a short survey with venture capitalists to explore their investments in women-led businesses. For the supply-side, information was gathered mainly through interviews of key informants especially from the venture capital industry. A simple e-mail questionnaire supplemented these interviews. Forty in-depth interviews with women entrepreneurs provided the principal material to comment on the demand for financial capital. The research specifically attempts to inform on finance-related issues of women's entrepreneurial activity.

Early findings from a study of the supply of finance to women-owned/led businesses in Northern Ireland is presented by Claire Leitch, Frances Hill and Richard Harrison. This research is based on semi-structured interviews

conducted with senior representatives from the main banks and venture capital firms in the region. A number of issues emerging from the research to date are discussed: specifically, few women business owners in Northern Ireland seek funding from formal sources for the purposes of setting up and growing a business. Some possible reasons for this are discussed, and the implications for women's behaviors are identified.

Growth aspirations of women in Slovenia are explored in the chapter by Polona Tominc and Miroslav Rebernik. Considering the importance of economic growth in a transitional economy, they first provide an overview of the current state of female entrepreneurship in Slovenia, and show how business opportunities are perceived by male and female entrepreneurs. They hypothesize that men and women entrepreneurs will differ in their participation, perception of opportunities, capacity (skills) and aspirations for growth. Using data from the GEM study, they find that formal barriers are minimal and the climate is positive for women, yet there are significant differences in participation, involvement and aspirations for growth.

Cristina Díaz and Juan Jiménez explore the effects of gender on availability of resources in young and small firms in Spain. Drawing from current empirical research and theory, they develop a framework that explores the influence of human capital, social capital, financial capital and time, on both economic performance and perceptions of success. The initial sample was selected from CAMERDATA, consisting of new (between one to eight years old), small (with less than 100 employees) and service sector firms, and 112 usable responses were used in the analysis. The authors use parametric and non-parametric tests to examine differences by sex. Results show that female teams are less successful in terms of revenues, however, their owners seem to be more satisfied in a personal sense than other type of owners. Women do not intend to grow their firms to the same extent as men, and they highlight all the reasons for not growing to a greater level than men. Díaz and Jiménez find that for the male-owned firms, their size, the network size of the owner/s and his/their level of education, have a significant and positive effect on revenues. For female-owned firms, although not significant, having managerial experience and having invested their own savings in the firm help to obtain higher revenues.

The chapter by Sara Carter, Eleanor Shaw, Fiona Wilson and Wing Lam extends the investigation of financing of women-owned businesses by examining the influence of gender in the bank lending process in the UK. This chapter adopts a social constructionist perspective, considering the perceptions that are held by male and female entrepreneurs about banks, as well as the perceptions that are held by male and female bank officers about male and female entrepreneurs. The combined effects of these perceptions on the ability of entrepreneurs to mobilize financial resources are explored. The

research presented outlines a comprehensive six-stage methodology that examines cognitive images and processes of bank lending officers using focus groups, interviews and a business plan assessment that replicates the business plan developed by Fay and Williams (1993) for their analysis of gender discrimination among bank lending officers in New Zealand. Carter et al. find that banks in the UK seek to make lending decisions in a bureaucratic and gender neutral manner to avoid biased decisions that may be made by individuals. Gender differences were evident with regard to size of firm and level of capitalization.

ADVANCING KNOWLEDGE ABOUT THE STATUS OF WOMEN'S ENTREPRENEURSHIP AROUND THE WORLD

Entrepreneurship is a critical tool for economic development around the world. Entrepreneurs seize opportunities to develop and deliver new goods and services and, in the process, create wealth for individuals, families, communities and countries. The chapters in this book show that women play an integral part in this economic progress across all countries. The data and insights from the Diana Project International reported here emphasize the need to better understand this important phenomenon. At a macro-level, the research highlights the challenges women entrepreneurs encounter in launching and growing their businesses, and how their experiences vary from country to country. The findings substantiate an apparent mismatch between the number of women-owned firms seeking resources to grow their businesses and the availability of those resources. The gap may represent rational economic decision-making or it may represent a significant market failure. At the micro-level the findings highlight the substantial similarities in the motivations, human capital, social capital and financial resources women bring to the creation and growth of their firms.

Despite the substantial contribution the chapters in this book make to advancing knowledge about women's entrepreneurship, there are still many questions waiting to be investigated. Exploring gender differences requires comparing subjective experiences just as it draws on objective data about revenues, employees and growth rates. There is a need to achieve an even greater understanding of the entrepreneurial dynamics within and across regions. Additional conceptual models need to be developed that account for country differences and that reflect the extent to which gender perceptions held by certain institutions, societal groups, or individuals, affect the entrepreneurial dynamics.

Finally, there is a need to determine the most important issues (from both the research and practical perspectives) for women's entrepreneurship in order

to set an on-going research agenda. These issues are critical not only for theory development, but also for the development of more compatible methodologies. The projects described in this book make noteworthy progress toward this goal.

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 - a. Mary Barrett, University of Wollongong
 - b. John Watson, The University of Western Australia
 - c. Rick Newby, The University of Western Australia
- 2) Bulgaria
 - a. Tatiana Manolova, Suffolk University
 - b. Katia Vladimirova, University of National and World Economy
- 3) Canada
 - a. Jennifer Jennings, University of Alberta
 - b. Devereaux Jennings, University of Alberta
 - c. Megan McDougald, University of Alberta
- 4) Chile
 - a. Olga Pizarro Stiepovic, Universidad del Desarrollo
- 5) China
 - a. Peilan Jane Guan, Wuhan University
- 6) Denmark
 - a. Helle Neergaard, Aarhus School of Business
- 7) Finland
 - a. Pia Arenius, Helsinki University of Technology
 - b. Anne Kovalainen, Turku School of Economics and Public Administration
- 8) Germany
 - a. Friederike Welter, RWI (Rheinisch-Westfälisches Institut für Wirtschaftsforschung) and JIBS (Jönköping International Business School, Sweden)
- 9) Hungary
 - a. Éva Pintér, University of Pecs
- 10) Ireland
 - a. Collette Henry, Dundalk Institute of Technology
 - b. Kate Johnson, Dundalk Institute of Technology
 - c. Angela Hamouda, Dundalk Institute of Technology
 - d. Alison Hampton, University of Ulster
 - e. Pauric McGowan, University of Ulster
- 11) Korea
 - a. Bang Jee Chun, Hoseo University
- 12) Northern Ireland
 - a. Claire Leitch, Queen's University of Belfast
 - b. Frances Hill, Queen's University of Belfast
 - c. Richard Harrison, University of Edinburgh

- 13) Netherlands
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- 14) New Zealand
 - a. Anne de Bruin, Massey University
- 15) Norway
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 - b. Gry Agnete Alsos, Nordland Research Institute, Bodø
 - c. Lene Foss, Norwegian College of Fishery Science, University of Tromsø
- 16) Slovenia
 - a. Polona Tominc, University of Maribor
 - b. Miroslav Rebernik, University of Maribor
- 17) Spain
 - a. Cristina Díaz, Universidad De Castilla – La Mancha
- 18) Sweden
 - a. Magnus Aronsson, ESBRI
- 19) United Kingdom
 - a. Eleanor Shaw, University of Strathclyde
 - b. Sara Carter, University of Strathclyde
 - c. Fiona Wilson, University of Glasgow
 - d. Wing Lam, University of Strathclyde
 - e. Rebecca Harding, London Business School
 - f. Marc Cowling, The Work Foundation, London, UK
- 20) United States
 - a. Candida Brush, Babson College
 - b. Nancy Carter, University of St. Thomas
 - c. Elizabeth Gatewood, Wake Forest University
 - d. Patricia Greene, Babson College
 - e. Myra Hart, Harvard Business School.