



Women-Led Businesses

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DESCRIPTION

In recent decades, many male-dominated jobs have contracted, while many female-dominated jobs have increased. Scholars have tied these changes to men's declining employment rates; yet, little attention has been paid to unemployed men's consideration of work associated with women. The impacts of crises are never gender-neutral, and the COVID-19 pandemic is no exception. Using a brand-new dataset covering 24 countries, we document that women-led businesses are subject to a higher likelihood of closure and a longer closure duration than men-led businesses during the pandemic. The ongoing COVID-19 pandemic and its resulting business closures have inflicted tremendous losses to the global economy. Moreover, the pandemic has wreaked havoc on global businesses in the aspects of corporate finance policy outcomes, stock price fluctuations environmental and social policy responses.

One special concern people have is that the pandemic may have a disproportionate gendered implication in the economy. The impacts of crises are never gender-neutral, and the COVID-19 is no exception. Although every individual is facing unprecedented challenges, women are probably bearing the brunt of the economic and social fallout of the COVID pandemic.

Social norms among developing economies tend to place a heavier caregiving burden on women. As a result of the pandemic, many countries have mandated stay-at-home orders and closed schools and small businesses. The mandates and closures may further induce gender inequality, given the evidence that women are more burdened with household responsibilities. Using a brand-new dataset from the World Bank, the COVID19 follow-up enterprise surveys, we investigate whether and how women-led businesses are affected differently than men-led businesses in 24 countries.

First, are women-led businesses more likely to close during the pandemic than men-led businesses? Second, are women business leaders more pessimistic about the future than men business leaders? Third, how would a country's gender inequality environment or its economic development affect the gender-closure and gender-expectation relationships? Last but not least, what are the possible mechanisms that help to explain the disproportionate difficulties faced by women-led businesses?

First, to the best of our knowledge, we are the first to examine whether and how women-led businesses suffered more during the pandemic than men-led businesses. Second, the gender environment plays an important role in determining the fate of women-led businesses. Third, we examine the channels through which women-led businesses are disadvantaged. The main disadvantages suffered by women-led businesses mainly come from finance and labor channels, instead of government or technology channels.

Our results further indicate that finance and labor factors are likely to be the major contributors to these disadvantages. Our results further indicate that finance and labor factors are likely to be the major contributors to these disadvantages.

Our goal is to draw attention to women entrepreneurs' imposter fears in order to understand how women think about and construct their identity as entrepreneurs and subsequently contemplate the success and growth of their ventures. We also propose mitigating factors that can disrupt gendered norms and facilitate self-efficacy for women entrepreneurs in the pursuit of business growth.