Finance-gender gap: Perceptions of access to finance for female entrepreneurs in Wales

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Issues on gender, entrepreneurship, and access to finance have been identified as problematic in literature. Previous research on access to finance supports the existence of a gender gap within the small and medium enterprise (SME) sector, with access to finance more difficult, particularly for female-owned SMEs. Literature highlights that the gap and disadvantages that women face do not arise as a result of women’s lack of ability. Instead, they arise due to complex and multidimensional constraints occurring as a result of the gender stereotypes of entrepreneurship(women are perceived as less capable entrepreneurs than men). This study draws from the social feminist theory and liberal feminist theory and uses semi-structured interviews to give a‘voice’ to women in the investigation of women’s perceptions of their experience of seeking and successfully obtaining business finance for the creation, growth, and development of their small business in Wales. Findings show that women found sourcing and accessing finance a complicated and frustrating process, being perceived as high risk, not being taken seriously, and problematic relationships with male colleagues and suppliers. To improve their chances of obtaining funding women resorted to improving entrepreneurial traits, appointing men as directors or business angels, and joining knowledge and networking partnerships with some of them having to look for finance further afield. The study highlight that the growth aspirations of female entrepreneurs may be constrained by the perceived difficulties in accessing funding and this may have negative implications for economic development in Wales. This study informs policy and practice with regard to recommendations for policymakers to establish a supportive enabling environment for women entrepreneurs to access and build capacity for and models for financiers to better serve women entrepreneurs.

**Key Words: SMEs, gender, women’s entrepreneurship, equity finance, banks**

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