



POLITECNICO
MILANO 1863

Supervisor Expression of Interest

MSCA-IF Marie Sklodowska Curie Action-Individual Fellowship 2020

Supervisor name:	Cristina Rossi
Email address: Link pagina docente:	cristina1.rossi@polimi.it
Department Name: Research topic: (https://www.polimi.it/en/scientific-research/research-at-the-politecnico/departments/)	Department of Management, Economics, and Industrial Engineering SH1_9 Industrial organisation; strategy; entrepreneurship SH3_6 Kinship; diversity and identities, gender, interethnic relations SH1_11 Technological change, innovation, research & development SH1_4 Financial economics; banking; corporate finance; international finance; accounting; auditing; insurance
MSCA-IF Research Area Panels	<input type="checkbox"/> CHE_Chemistry <input type="checkbox"/> ECO_Economic Sciences <input type="checkbox"/> ENG_Information Science and Engineering <input type="checkbox"/> ENV_Environmental and Geosciences <input type="checkbox"/> LIF_Life Sciences <input type="checkbox"/> MAT_Mathematics <input type="checkbox"/> PHY_Physics <input type="checkbox"/> SOC_Social Sciences and Humanities
Politecnico di Milano Areas:	<input type="checkbox"/> Cultural Heritage <input type="checkbox"/> Smart Cities <input type="checkbox"/> Territorial Fragilities <input type="checkbox"/> Health



POLITECNICO
MILANO 1863

	<input type="checkbox"/> Industry 4.0
Brief description of the Department and Research Group (including URL if applicable):	<p>The Department of Management, Economics, and Industrial Engineering (DIG) of Politecnico di Milano was established in 1990. Its mission is to have a positive impact on society by creating and sharing knowledge at the crossroads between engineering, management, and economics. To this end, it engages in outstanding research, high quality education, and service to the community. Specifically, DIG pursues scientific excellence by adopting a tailored approach, which relies on multi-disciplinarity, diverse methodologies, and intense connections with practitioners and policymakers. With approximately one hundred professors, DIG is one of the largest departments of Politecnico di Milano. In 2003, DIG partnered with MIP - Politecnico di Milano Graduate School of Business (which focuses on post-experience education) to form the Politecnico di Milano School of Management (www.som.polimi.it). Nowadays, the School has the EQUIS and the AMBA accreditations and ranks among the best European business schools according to the Financial Times and the QS rankings. Moreover, the School participates in several international partnerships, like PRME, Cladea, ACE and QTEM.</p> <p>The EFI (Entrepreneurship, Finance and Innovation, www.efi.polimi.it) research group of the Department of Management, Economics and Industrial Engineering of Politecnico di Milano investigates topics at the intersection of Entrepreneurship, Finance, and Innovation.</p> <p>On these topics, EFI research group is one of the most reputable and acknowledged voice among leading Universities, public institutions, and private organizations.</p> <p>The group uses a multidisciplinary approach, which embraces state-of-art methodologies (e.g. econometrics, experiments, and machine learning) to advance economic and managerial theories and achieve scientific excellence.</p>

Brief project description: (max 1 page)	<u>The female penalty in the attraction of resources for entrepreneurship</u> The proposed research project aims to study minority issues in
---	--



the attraction of resources by startups, focusing in particular on the gender issues.

Despite representing half of the population, women are still a minority in entrepreneurship across all the entrepreneurial development stages, from the business idea to the exit, passing by the critical stage of entrepreneurial financing.

The project plans to identify the circumstances under which women entrepreneurs suffer a **female penalty** in the accumulation of **critical resources** (i.e., financial, human, and social capital) and **solutions** to mitigate such a penalty.

Not only women are underrepresented among entrepreneurs, but they struggle to access **financial capital**. For instance, the proportion of women-led ventures financed by venture capital is still low compared to male-led ventures. Moreover, existing literature shows that women entrepreneurs have difficulties in accumulating **human and social capital** that are critical in raising and developing the new venture.

Such disadvantages contribute to explain, *ceteris paribus*, that women-led ventures tend to be far lower regarding growth and successes than startups created by men.

The project intends to study the **female penalty** in entrepreneurship from both the *demand-side perspective* of women entrepreneurs and the *supply-side perspective* of resource providers. For instance, women underrepresentation in venture capital-backed startups can appear at the very beginning of entrepreneurial development given that women are less numerous in creating startups and less prone to ask for funding. The causes of these phenomena requires investigation and it is the intention of this project to shed light on the causes of women disadvantages in fundraising. In other words, do women receive less venture capital funding because they *opt out* from the venture capital market? Moreover, empirical research and data reveal that some *supply-side effects* are at work. Women-led ventures mostly fail to receive venture capital backing to develop their startup. Their reject rate at the screening stage of the venture capital process is far higher than for male entrepreneurs. Accordingly, we plan to give an explanation to such discrimination by studying it from the supply-side (capital providers) perspective.

Moving from these premises, the project investigates at different levels, which are the **factors that explain female penalty** in entrepreneurship and how to **design actions and policies** to overcome it. We will explore both institutional (e.g., country culture) and individual factors (e.g., personality traits) of entrepreneurs and resource providers.



POLITECNICO
MILANO 1863

To this end, we propose to apply a dual methodology. First, we will resort to an **econometrics methodology** by exploiting the VICO database, developed by the EFI group, which is the most authoritative source on venture capital financing in Europe. Second, to disentangle precisely the supply from the demand side factors, we will conduct experiments with entrepreneurs and capital providers; a conjoint analysis experiment is considered given the suitability of this method to our research goals. The EFI research group as research collaborations in the US, Asia and the UK with scholars that have agreed upon participating to data gathering so that we could have a cross-cultural approach to investigate the institutional factors.

We expect to develop several papers that we will submit in a FT-ranked review in Entrepreneurship and Management and to targeted conferences (for instance BCERC, AOM, SMS, RENT, DRUID). We also plan to travel to external academic institutions to present our research in research seminars or workshop. We will also consider the possibility to develop training for students in Entrepreneurship, would-be/novice/fundraisers entrepreneurs and VCs, as well as accelerators and incubators, on the basis of our findings.

Therefore, our research project will contribute to bring new knowledge in gender issues in entrepreneurship and strategy, and result in recommendations for managers and stakeholders of these topics.