10. An integrated view of gender, finance and entrepreneurial capital: theory, practice and policy

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INTRODUCTION

Finance has long been recognized as a barrier to women business owners. Prior research reports differences in the financing patterns of businesses owned by men and women (Brush, 1992; Brush et al., 2001; Coleman, 2000) and provides unequivocal evidence that women-owned businesses start with lower levels of capitalisation (Carter and Rosa, 1998), lower ratios of debt finance (Haines et al., 1999) and much less likelihood of using private equity or venture capital (Brush et al., 2001; Greene et al., 1999). Explanations for this bimodal funding pattern are far from satisfactory. Early research attributed gender differences to structural (sector, age, size) factors, but studies that have controlled for structural effects persistently report different financing profiles of male-owned and female-owned businesses. Differences in methodological approach, sampling procedures and country context have all contributed to a conflicting base of evidence regarding the relationship between finance and women-owned businesses (Haines et al., 1999). The research field has also been constrained by weak theoretical development and a lack of cumulativeness (Mirchandani, 1999).

Acquiring business finance is a complex process influenced by a range of economic and social variables many of which are not easily identified and are often misunderstood. Drawing upon the theoretical perspectives of Bourdieu (1977, 1990) and network theory (Granovetter, 1973, 1982, 1985; Mitchell, 1969), this chapter seeks to explore the complex relationship between finance, business ownership and gender by considering the impact of non-financial capital on the initial financing of women-owned firms.

BUSINESS OWNERSHIP, FINANCE AND GENDER

Research studies have often presumed that gender-based differences in finance usage are the result of structural dissimilarities between male- and female-owned businesses (Read, 1998). For example, in a large-scale survey analysing bank loan files, Haines et al. (1999) found differences between male and female entrepreneurs (lower sales levels and liabilities, lower levels of salary and drawings), to be a product of business size, age and sector. Fabowale et al. (1995) similarly argued that structural factors accounted for differences in rates of loan rejections between male and female entrepreneurs. Other studies have been less conclusive. Verheul and Thurik (2000) found that most differences in the use of starting capital by male and female entrepreneurs were explained by 'indirect' effects (size, age, sector); however, some 'direct' gender effects survived. More recent studies have controlled for structural factors, comparing matched pairs of male-owned and female-owned businesses in the same sector and at the same time. These studies have reported significant residual funding differences, with women using on average one-third of the start-up capital used by men, but have attributed the cause to an interaction of demand-side and supply-side factors (Carter et al., 2007).

Studies that have specifically considered the impact that gender of business owners may have on bank lending decisions have found little direct evidence of gender discrimination (Buttner and Rosen, 1989; Carter et al., 2007; Fay and Williams, 1993). Collectively these studies, together with those by Orser and Foster (1994) and Coleman (2000) suggest that while gender per se may not influence bank lending decisions, lending criteria including preferred size of business and education, experience, capital, collateral, character and capacity of the business owner may serve to disadvantage women business owners. As Carter et al. (2007: 440) conclude, 'gender remains an important but often hidden variable within bank lending'.

While the weight of research evidence refutes systematic gender discrimination on the part of banks, it unequivocally demonstrates a bimodal funding pattern which can be somewhat, but not entirely, explained by structural dissimilarities between male- and female-owned businesses. The relationship between business ownership, finance and gender is likely to be more complex and nuanced than previously recognized. Critically, the question of why access to and use of external finance continues to pose such challenges for women business owners remains unresolved. Recognizing that business ownership is predicated on the availability of and access to financial and non-financial capital, the study presented in this chapter sought to contribute to continuing debate by exploring the relationship between gender, finance and entrepreneurial capital.

ENTREPRENEURIAL CAPITAL

The concept of capital is not new to the social sciences (cf. Giddens, 2001) yet its application to entrepreneurship is a recent development (Erikson, 2002; Firkin, 2003; Morris, 1998). While most entrepreneurship researchers would cite the origins of capital theory as a development of the resource-based view of the firm (cf. Carter et al., 2001) both Gorton (2000) and Firkin (2003) provide detailed accounts of the value of Bourdieu's (1986) perspective on capital for entrepreneurship. Bourdieu (1986) identified individuals as possessing four types of capital: economic (financial), social, cultural (including human) and symbolic. He reasoned that the social world is comprised of both objective structures – for example, resources and capitals – and also subjective structures created by the subconscious systems of classification which individuals use as symbolic templates for engaging in and interpreting practical activities (Bourdieu, 1977; Bourdieu and Wacquant, 1992). Social phenomena, for example, business ownership, emerge from the interplay between these structures, suggesting they are malleable, being socially constructed by the outcomes of interactions between individual agents.

Bourdieu's (1977) perspective on structuralism sheds insight into the relationship between business ownership, entrepreneurial capital and gender. Individual positions within emerging social structures are determined by the amounts and forms of capital possessed and the value placed on capital by others. Thus, it follows that certain types of capital may be more valuable than others. Structures created by human interactions reflect tacitly taken-for-granted assumptions which underpin society's 'natural' attitude toward gender differences. Developing this, Bourdieu (1977) argued that these assumptions create attitudes which connote women with negative qualities (for example, weakness) and men with positive (for example, strength). He suggested that as a consequence of this, emerging social structures are hierarchical and can benefit men, for example by creating opportunities for them to acquire greater economic capital, while disadvantaging women.

Support for this is offered by a number of entrepreneurship scholars who have argued for the benefits of contextualising studies of gender and entrepreneurship within wider feminist analyses (Ahl, 2002; 2006; Carter et al., 2007; Marlow, 2002). Marlow (2002: 83) argues that a failure to do so has created an impression of women 'as blemished men who must be assisted to become honorary men, and in so doing will then achieve within the existing paradigm of entrepreneurship'. Mirchandani (1999), Bird and Brush (2002) and Ahl (2002, 2006) similarly stress that gender should not be seen simply as a characteristic of individuals, but as a process integral to business ownership. While the view that gender is socially constructed rather than a biological characteristic is a consistent theme within sociological analyses (Oakley, 1982), it is rarely observed in entrepreneurship studies (Watson and Newby, 2005). Where the value of applying feminist critique to entrepreneurship has been recognized, discussion suggests that the dominant discourse within entrepreneurship continues to evoke positive images associated with a Western, heroic, white male figure symbolizing aggression and assertiveness in seeking out new ventures (Ahl, 2006; Ogbor, 2000).

These arguments are important for understanding the dynamic between entrepreneurship, capital and gender. First, within the field of entrepreneurship, certain types of capital with institutionalized positive meanings might be more sought after than others. Secondly, the 'natural' attitude towards gender differences and assumptions underpinning these suggest that the capital women are able to acquire prior to business ownership may differ in amount and type from that possessed by their male counterparts. Significantly, it may be that the capital which women bring to business ownership does not realize the same value as men or is regarded as less legitimate.

Initial research suggests that an entrepreneur's non-financial capital impacts on their experiences of business ownership (Davidsson and Honig, 2003; Firkin, 2003; Morris, 1998). Research indicates a relationship between gender, the accumulation of non-financial capital and the financing of entrepreneurial ventures (Boden and Nucci, 2000; Brush et al., 2002; Carter et al., 2003). The concept of entrepreneurial capital suggests that in addition to financial (economic) capital, the entrepreneurial process is influenced by human (sometimes referred to as cultural), social and symbolic capital (De Carolis and Saparito, 2006; Casson and Giusta, 2007; Cope et al., 2007; Firkin, 2003; Haber and Reichel, 2007; Shaw, et al., 2008). Boden and Nucci (2000) drew attention to differences in the amount and quality of human capital possessed by new entrepreneurs. Their findings suggest that women's fewer years of work experience, reduced exposure to managerial occupations and different education profiles – all indicators of human capital as defined by Becker (1964) – provide some explanation of the bimodal funding pattern found between male- and female-owned businesses. Similarly, Carter et al. (2003) examined the influence of social and human capital on entrepreneurs' likely access to various forms of finance. Using Becker's (1964) definition of human capital and Coleman's (1988) definition of social capital to establish the influence of the entrepreneur's social network on their access to venture capital, their study found that only human capital, particularly graduate education, had any significant influence. In contrast, Brush et al. (2002)

found social rather than human capital to be significant in formulating venture capital 'deals' and concluded that even when the entrepreneur and their team had the necessary financial and human capital coupled with goals which meet the requirements of equity investors, the deal is unlikely to progress without the necessary social capital, indicated by relevant network connections. Particular to gender, their finding that women are significantly under-represented in both the demand and supply of venture capital in the US, suggests that women in particular may suffer from such social capital or network disadvantages.

Extant research suggests that human and social capital may be relevant to explaining the complex relationship between entrepreneurship, finance and gender. Such research is however at an early stage and, in common with the dominant discource within entrepreneurship, has yet to apply a feminist critique to studies of entrepreneurial capital.

METHODOLOGY AND ANALYSIS

The view of gender as a social construction is not new to the field of entrepreneurship, but few studies have systematically used this approach in methodology and analysis. A common weakness is the 'disappearing' of social structure – studies tend to present gender differences and follow this with suggestions for how to 'control' or 'eliminate' these differences. This is incoherent with the view that gender is socially constructed; continuously shaped, reshaped and institutionalized in the social context. In other words, gender differences are both the cause and effect of social structures. Therefore, attempts to 'control' or even to 'eliminate' these differences contradict the ontological and epistemological assumptions of social theory and risk heading towards conforming to a gender-biased social structure. By so doing, this could restrict our understanding of women's entrepreneurship, and risk excluding and undermining the value of their activities. The task of this study was to uncover and question gender differences in order to present the virtually invisible socially constructed reality of women's entrepreneurship. The rationale being that this knowledge is essential to understanding the implications that gender differences have for entrepreneurs, the financing of small firms, government policies and other relevant parties. The findings presented below are drawn from a wider study investigating the relationship between banks and business owners that explores both demand-side and supply-side perspectives. The methodology designed for this larger study involved multiple stages and the negotiation of access to business owners and bank loan officers. The methodology presented here describes the collection of data from business owners (demand side).

In-depth interviews were undertaken with a sample of 30 matched pairs of business owners (30 male, 30 female) who had established a business services venture in central Scotland within the three years prior to the start of data collection, which commenced in 2004. Basic characteristics including age of firm, location and sector were used to guide the selection and precise matching of the sample. Interviews were structured around a detailed questionnaire which replicated questions and scales used in previous studies designed to collect data on entrepreneurs' possession of and access to economic (financial), human and social capital. SPSS was used to statistically analyse numerical data regarding dimensions of entrepreneurs' human capital (age, education, experience), social capital (indicated by the size, diversity, durability, density, contents, intensity and frequency of their networks and network interactions) and financial (economic) capital (amount initially invested). Interpretation of findings was guided by our theoretical framework and also by the findings of previous research, made possible by our use of questions and scales used in previous studies.

FINDINGS AND DISCUSSION

Economic Capital: Start-up Capital and External Sources of Finance

As indicated in Table 10.1 below, entrepreneurs were found to have established their firms with relatively small amounts of capital: 62 per cent reported using less than £5000 of start-up capital, 18 per cent reported that they had setup without any initial capital and a further 8 per cent had invested less than £1000. This pattern is typical for business service sectors characterized as requiring very low levels of initial investment and exhibiting low barriers to entry.

Of all the components of entrepreneurial capital, economic capital has received most research attention (Baum and Silverman, 2004; Brush et al., 2001; Carter and Rosa, 1998; Carter et al., 2003; De Clercq and Sapienza, 2006; Greene et al., 1999; Verheul and Thurik, 2000). In common with that body of work, the findings of this study identified sex of the entrepreneur to be a differentiating factor. Chi-squared analysis revealed male entrepreneurs to have made: higher levels of initial investment (male mean = £18 683.33; female mean = £6433.33); larger personal investment (male mean = £9603.45; female mean = £4733.33) and, despite significantly less of the male sample making use of external financing (14 per cent of men and 43 per cent of women), to have used a greater total amount of external finance. Considered alongside the finding that in the year prior to establishment, both the male and female entrepreneurs reported broadly similar

Table 10.1 Sources and amounts of start-up finance

		Female N = 30 %	Male N = 30 %	Total N = 60 %	Chi-square test
Start up investment	0	13	23	18	$\chi^2 = 7.279$
	1–500	7	0	3	df = 6
	501–1000	10	0	5	Sig. = .296
	1001–2000	7	10	8	
	2001–3000	10	7	8	
	3001–5000	23	17	20	
	Over 5001	30	43	37	
Personal investment	0	23	30	27	$\chi^2 = 4.230$
	1–500	7	3	5	df = 6
	501–1000	7	0	3	Sig. = .646
	1001–2000	7	7	7	
	2001–3000	13	7	10	
	3001–5000	20	17	18	
	Over 5001	23	37	30	
External source of finance	No	57	86	71	$\chi^2 = 6.273$
	Yes	43	14	29	df = 1
					Sig. = .012*

Note: $^*p < 0.05$.

levels of household income (£56 900 men, £58 803 women), these findings question why, within a small-scale matched-pairs sample that controlled for structural factors, bimodal gender patterns of start-up finance were found. To explore the interplay between gender, non-financial capital and business finance, data relating to the human capital possessed by our match-pairs of entrepreneurs is now considered.

Human Capital

Education, age and experience have been identified as important measures of human capital (Becker, 1964; Boden and Nucci, 2000; Cooper et al., 1988, 1994 Davidsson and Honig, 2003; Manigart et al., 2007). Typical of the business services industry, our results, indicate a highly educated profile of entrepreneurs with 38 per cent holding a postgraduate degree, 32 per cent an undergraduate degree and 22 per cent a professional qualification. Previous research has established that the age and experience of the entrepreneur are dimensions of human capital which can impact significantly on the establishment of their firms (Boden and Nucci, 2000;

Carter et al., 2003; Davidsson and Honig, 2003; Stevenson, 1986; Watkins and Watkins, 1984). Of the participants surveyed, 90 per cent were aged between 30 and 59. Chi-square analysis revealed female entrepreneurs to be significantly younger ($\chi^2 = 13.789$, df $= 4$, $p < 0.001$) with 67 % of female and only 20 per cent of male owners under the age of 39. While only 10 per cent of female owners were older than 50, the majority of male owners (47 per cent) were aged between 50 and 59. As male owners were significantly older, on average 10 years older than their 'matched' female partner, the men in our sample were found to possess significantly more human capital in terms of their number of years of industry and management experience. This finding echoes prior research which has consistently found women to have fewer years of industry experience (Carter et al., 1997) and less senior management experience (Stevenson, 1986; Watkins and Watkins, 1984). While no other human capital differences were found – most owners (70 per cent) had been in full-time employment immediately prior to setting up their firm and most (75 per cent) had no previous experience of business ownership – the implications of which gender differences in the age and industry profiles of entrepreneurs had for their possession of social capital are considered below.

Social Capital

The social capital possessed by entrepreneurs has, in recent years, attracted a wealth of research attention (Cope et al., 2007; De Carolis and Saparito, 2006; Renzulli et al., 2000). Despite this, research is at an early stage with the mixed and inconclusive results generated so far, suggesting scope for research to consider the impact of social capital on entrepreneurship (Baron and Markman, 2000; Baum and Silverman, 2004; Brush et al., 2002; Carter et al., 2003).

Personal Contact Networks (PCNs) Morphology and Relational Dimensions

An entrepreneur's PCN is typically described as the five people with whom they most regularly discuss their business (Aldrich, 1989; Aldrich et al., 1989; Cromie and Birley, 1992; Renzulli et al. (2000). Having identified these five contacts, established indicators of network morphology and relational dimensions were used to ask owners about their relationship with each of these contacts and about any relationship shared between these contacts. The results are shown in Table 10.2.

Aggregate analysis of the composition of owner networks found a greater presence of male contacts: 53 per cent of female and 62 per cent

Table 10.2 Social capital

Personal contact networks: structure and relational dimensions

		Female N = 30 %	Male N = 30 %	Total N = 60 %	Chi-square test
Gender of business contact	Female contact	47	37	42	$\chi^2 = 2.737$
	Male contact	53	63	58	*df* = 1 *Sig* .= .098
Contact same gender as the business owner	No	53	38	46	$\chi^2 = 6.667$
	Yes	47	62	54	*df* = 1
					Sig. = .010**
Prime contact composition by kinship	Friend	30	40	35	$\chi^2 = 12.935$
	Business associate	3	33	18	*df* = 2
	Family	67	27	47	*Sig.* = .002**
Aggregate analysis of network composition by kinship	Friend	50	43	47	$\chi^2 = 4.788$
	Business associate	23	35	29	*df* = 2
	Family	27	22	25	*Sig.* = .091
Network density – 'To what extent do each of these people also know one another?'	Knows all others well	11	16	14	$\chi^2 = 10.674$
	Knows all others slightly	5	12	8	*df* = 4
	Knows some, not all others	69	51	60	*Sig.* = .030*
	Doesn't know others	13	17	15	
	Don't know	3	4	3	

Social interaction content with prime contact – percentage for answering 'yes'

Content	Female N = 30 %	Male N = 30 %	Total N=60 %	χ^2	df	Sig
Finance	87	60	73	5.455	1	.020*
Legal	43	40	42	.069	1	.793
Staff	40	37	38	.071	1	.791
Loan/ investment	33	23	28	.739	1	.390
Premises	43	40	42	.069	1	.793
Marketing	83	73	78	.884	1	.347
Family	77	47	62	5.711	1	.017*

Table 10.2 (continued)

Social interaction content – 'discuss personal matter with contacts?'					
	Female mean	Male mean	*t-value*	*df*	*Sig*
Contact 1 (Prime contact)	4.67	3.30	3.665	40.464	.001***
Contact 2	3.93	3.10	1.952	54.056	.056
Contact 3	3.41	2.75	1.592	55	.117
Contact 4	3.29	2.86	1.089	54	.281
Contact 5	3.23	2.96	.626	48	.534
Aggregate	3.73	3.00	3.882	265.614	.000***

Social network durability – length known (year)					
	Female mean	Male mean	*t-value*	*df*	*Sig*
Contact 1	12.467	11.510	.432	58	.667
Contact 2	12.002	13.493	−.479	58	.634
Contact 3	6.505	14.351	−2.529	55	.015*
Contact 4	7.518	13.011	−1.944	54	.057
Contact 5	9.654	10.855	−.359	48	.721
Aggregate	9.680	12.691	−2.302	281	.022*

Note: *p<0.05 **p<0.01 ***p<0.001.

of male owner networks contained all male contacts. Concurring with the findings of previous research (Cromie and Birley, 1992), analysis of cross-ties by gender found that all owners identified their prime contact (the first contact they mentioned) to be male. Aggregate analysis of network composition by kinship found relationships with family members to comprise approximately 25 per cent of all networks studied. Cross-tie analysis of these kinship relationships by prime contact established that 67 per cent of female and 27 per cent of male owners ($\chi^2 = 12.935$, df $= 2$, $p < 0.01$) identified a family member as their prime contact while 33 per cent of men and only 3 per cent of women identified a business associate as their prime contact. Drawing from Renzulli et al.'s (2000) finding that networks comprised of high numbers of kinship ties disadvantages nascent entrepreneurs, it is possible that the female owners in our sample experienced disadvantages as a consequence of the higher presence of kinship ties identified as their prime contact. Aggregate analysis of the length of time each contact had been known (durability) found significant differences with male owners knowing their contacts for an average of 12.69 years and female owners, 9.68 years (t = 22.302, df = 281, $p < 0.05$). Given the statistically significant differences found across the age and experience profile of our sample, these results might be expected. These findings are also supported by research which has found the network contacts of male entrepreneurs to be both older and to have been known for longer than those of female entrepreneurs (Cromie and Birley, 1992). When asked to describe the networks of each of the five contacts in their PCN (reach), analysis revealed only one statistically significant difference: more women (73 per cent) than men (62 per cent) described the aggregate networks of their contacts as 'large'. From a social capital perspective, it might be argued that as the durability of male owner's networks was significantly higher than that of women; male owners may have particular network advantages including more trusting relationships and greater reciprocity which may impact positively on their business.

To collect data about the contents of their PCNs owners were asked to identify the topics of their conversations with the five key members of their PCN. From the range of options given (finance, legal issues, staffing matters, loans/investments, premises, marketing, family), female owners were significantly more likely to discuss finance (χ^2 = 5.455, df = 1, p < 0.05) and family (χ^2 = 5.711, df = 1, p < 0.05) with their prime contact. Given that for the majority of women their prime contact was both male and a family member, most likely their domestic male partner, this finding is not surprising. What is questionable however is the extent to which this prime contact possessed the necessary know-how and contacts (social capital) and experience (human capital) to be able to offer useful advice on both family and finance. In view of the bimodal funding profile presented and the higher presence of business associates identified by male owners as their prime contact, these findings might be interpreted to suggest that male owners' prime contact may have been able to offer more useful financial advice.

It has been consistently argued that the 'ideal' network position for an entrepreneur is to be centrally embedded within a network of weak contacts (Aldrich, 1987; Granovetter, 1982). Most recently, Davidsson and Honig (2003) found strength of network tie to be a strong and consistent predictor for nascent entrepreneurs progressing successfully to business start-up. We explored the strength of owners' network ties in a number of different ways. Using a five-point Likert-type scale, statistically significant differences were found in response to whether owners would discuss personal matters within their PCN: more female than male owners stated that they would be more likely to do so, both with their prime contact and at an aggregate level, across their PCN (women mean = 3.73, men mean = 3.00, t = 3.882, p < 0.001). Again, as female owners were more likely to identify a family member as their prime contact the former result is unsurprising. However the finding that women entrepreneurs were statistically more likely to discuss personal matters *across* their PCN may have implications for the type of social capital they can acquire from their networks and the value of such capital in supporting and financing their ventures. This is supported by Aldrich et al. (1989) who established that while the networks of male and female owners were similar in several respects, women's networks tended to be organized around spheres of work, family and social life. Significantly, these findings suggest that for many women business owners the context within which they established their businesses differed greatly from that of their male matched partners. Moreover these findings reveal the socially constructed nature of gender, highlighting women entrepreneur's role in the creation of a social structure which benefits men's experiences of entrepreneurship while disadvantaging those of women.

Networking Activity

Networking activity refers to the entrepreneur's frequency of interaction with people in their PCN and with other stakeholders. Research to date has generated mixed results regarding the impact of networking activity on entrepreneurial ventures (Aldrich et al., 1989; Cromie and Birley, 1992; Johannisson, 1988). Analysis of data relating to interactions with other stakeholders revealed two statistically significant differences. First, during the establishment of their firms, female owners were found to have spent more time networking than male owners. Secondly, significantly more female than male owners were found to be members of both mixed-sex business clubs (women 67 per cent, men 30 per cent) and other networking organizations (women 57 per cent, men 30 per cent). Interestingly when asked to identify sources which had helped their business, from the number of options offered (including a variety of business associations and clubs, previous customers, friends/family, bank, lawyer, accountant and others sources) only one statistically significant gender difference was found: despite their higher levels of networking activity and membership of a variety of professional and trade associations, women were significantly more likely to identify friends and family as having helped their business.

Considered collectively, findings regarding owners' social capital appear contradictory. They seem to suggest that women owners identified themselves as 'ideally' embedded within large, loosely connected networks. However, closer analyses of these networks reveals that women were statistically more likely to have more and stronger kinship ties within their network, which have been found to disadvantage nascent entrepreneurs

(Renzulli et al., 2000). Particular to finance, while women were statistically more likely to discuss finance with their prime contact, cross-tie analysis revealed this contact to typically be both male and a family contact, most likely their male, domestic partner. Given the bimodel funding profile found within this matched-pairs study, this questions the financial advice offered to women by their male prime contact. Findings regarding density and durability challenge Granovetter's (1982) strength of weak ties hypotheses suggesting that male owners may have benefited from being embedded within PCNs comprised of durable relationships with mainly friends and business associates.

Findings particular to networking activity add to the confusing profile of women entrepreneurs' social capital found in this study. Despite the time women entrepreneurs invested in networking prior to start-up, they identified friends and family as having helped their business rather than networking organizations. This questions why women entrepreneurs typically joined so many networking organizations. While previous studies have found no statistical differences in the networking activities of male and female owners, they have established that men display a greater propensity to network (Aldrich et al., 1989; Cromie and Birley, 1992; Johannisson, 1988). Our study did not find this. One explanation for this may be the currently large availability of business-owner networks within the UK. However, prior research suggests that men typically would have been more active in these. A more convincing explanation is offered by Bourdieu's (1986) notion of 'symbolic' capital, which has received scant attention within entrepreneurship literature. When asked if they experienced problems being 'taken seriously as a business person', significantly more women (30 per cent) than men (none) expressed that this was something they had encountered. Building on research which has established that within business service industries reputation (a form of symbolic capital) is a key success factor (Baines and Robson, 2001; Silversides, 2001), Bourdieu's (1986) description of perspective on capital suggests that female entrepreneurs recognized that their social capital commanded a lower value than that of male entrepreneurs and that they sought to compensate and legitimize their position as business owners by actively engaging in networks. Put simply, these findings might be interpreted as female business owners seeking to develop network relationships which would convert to valuable symbolic capital thereby legitimizing their activities as entrepreneurs. However, despite these efforts, their activities appear unable to compensate as women owners still identify friends and family as sources of business support and, specific to finance, their firms are established with significantly less finance than those of their matched male partners.

CONCLUSIONS

Bourdieu's (1986) perspective on capital suggests a complex and nuanced relationship between gender, entrepreneurial capital and finance. Applied to this study, this perspective suggests interplay between human and social capital which has implications for entrepreneurship including the possession and acquisition of start-up finance. The finding that male owners were significantly older suggests that age and experience are key components of human capital with implications for social capital. The greater industry experience of male owners suggests they had more time to develop and construct those networks most valuable for assisting the start-up of their firms. Support for this is offered by Bourdieu's (1986) notions of symbolic capital and convertibility of different forms of capital. Bourdieu identifies an interplay between different types of capital and reasons that each type of capital can be converted into other forms of capital. In particular he identifies a strong relationship between social and symbolic capital, suggesting that the more social capital an individual possesses, the more symbolic capital, for example reputation, they are likely to possess. It might be argued that the particular combination of human and social capital possessed by female owners converted to a relatively lesser amount of symbolic capital than their matched male partners and this may have impacted on their experiences of business ownership, including but not restricted to the financing of their firms.

A number of implications for entrepreneurs, future research and government policy can be identified. First, while extant research has sought to explore dimensions of entrepreneurial capital in isolation, it is recommended that entrepreneurs will benefit by recognizing the complex interplay between various forms of entrepreneurial capital. The importance of human capital, especially age and experience is highlighted, emphasizing the benefits to entrepreneurs of setting up in business once they have acquired relevant experience. While this recommendation is unsurprising, the explanation that with more experience, entrepreneurs have time to enhance their industry knowledge and critically, to acquire social and economic capital, provides a deeper insight into the importance of age and experience as key human capital variables for entrepreneurs.

The theoretical and methodological framework developed lays the foundation for further entrepreneurial capital research. In particular it is recommended that future research should seek to better understand the interplay between different types of entrepreneurial capital, gender and business ownership. Moreover, the adoption of a feminist perspective demonstrates the value of considering not *if* but *how* gender impacts on entrepreneurship.

With regard to policy, it is recommended that current UK enterprise policy which has identified women as a key target (HM Treasury/BERR, 2008), acknowledges the interrelationship and implications between social structure and entrepreneurship. This extends to accepting that as meanings of entrepreneurship and entrepreneurs are institutionalized in a historically male-dominated context, gender differences are likely to be interpreted and enacted in ways which benefit men and disadvantage women. For policy-makers the existence of gender differences per se is not problematic. Rather, there is a need to design and deliver enterprise policies which appreciate the differing experiences and contributions of women entrepreneurs. To achieve this, it is essential that policies recognize gender as a consequence of institutionalized social structure which influences the perceptions, attitudes and behaviours of all members of society, including women entrepreneurs. Applied to specific policies, this suggests that efforts, for example, to remove barriers such as childcare and domestic responsibilities, should realize that such duties may be institutionalized and taken for granted by members of society. In other words, it is possible that women entrepreneurs take these responsibilities for granted and, even, that they may not wish to be separated from what they understand to be their 'natural' responsibilities.

Finally, despite the richness of the data collected, limitations of the study include the relatively small sample size and limited industry and geographic coverage. The matching criteria used in this study (age of business, industry subsector, and location) were informed by prior literature on gender and entrepreneurial capital. The results presented demonstrate the importance of also controlling for age of entrepreneur. The differences between male and female entrepreneurs with regard to their network size, density, and industry experience are likely to be influenced by their age as well as their gender. By controlling for age of entrepreneur future studies will be able to more fully explore the nature of the interactions between gender, entrepreneurial capital and finance. Future research should use a larger sample size which can encompass a diversity of firms. Furthermore, it is expected that cross-national comparative studies will have the potential to yield insightful findings to contribute to growing knowledge and interest in entrepreneurial capital and gender.

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