



Top Challenges Faced by Women in Business

Oftentimes women in business face challenges that their male counterparts typically don't. Along with gender biases, there are also disparities in financing and overall communication.

When thinking about these challenges, leaders and employees should be working together to make changes that aim toward equality—thus leveling out the playing field and closing the gender gap. Here are some of the difficulties women face in business.

Access to capital

Not all new or small businesses seek equity financing beyond their family and friends, but for those that do, outside funding can make a big difference.

Businesses that raised capital were significantly more likely to have at least two employees and rent office space, and their owners were slightly less likely to work a second shift at home in the evening, according to a recent survey of 3,061 design entrepreneurs.¹

Year after year, women-owned businesses receive significantly less venture capital (VC) funding than male-owned businesses—and the gap is anything but small. According to *Fortune*®, VCs invested \$85 million in businesses in 2017. Of that total, 79% went to companies owned solely by men, 12% went to companies with male and female owners, and only 2.2% went to companies owned solely by women.²

Key takeaways



Women-owned businesses receive only a fraction of the available venture capital funds.



Being aware of unconscious gender biases can help women overcome barriers.



Confidence is an important component of success.

The size of the deals was also off-kilter. Women who received funding got just over \$5 million, on average. The comparable figure for men was more than double that—\$12 million.²

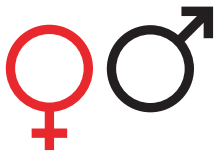
Women entrepreneurs who seek financing should keep these tips in mind:³

- Develop a solid business plan.
- Recruit a strong team of founders and experts.
- Promote the plan.
- Demonstrate how you plan to grow the company.
- Look for investors who are eager to support and inspire women in business.

Gender biases

When it comes to challenges for women in leadership positions, a lot of obstacles revolve around gender

biases.⁴ Women are traditionally seen as caregivers or support. Therefore, when they are in leadership positions, they often face increased scrutiny—they can't be too bossy or demanding, but at the same time, they can't be too soft or sensitive.



Women who are described as supportive and caring tend to be considered more likable.⁵ However, in contrast, men are often looked upon as leaders when they're seen as "driven" or as "providers." If those words were to be associated with women, there may be a negative connotation attached.

No matter what position or title you hold, as a woman in business, there's a stark need to work on communication and confidence. You need to speak out when you see inequalities happening and become advocates for other women in the office. The first step to eliminating gender bias is acknowledging that it exists.

Communication

Many female business owners have experienced gender bias in communication. For example, men are often more analytical in their approach to conversations.⁶ Women, on the other hand, tend to want more support and understanding—a listening ear when communicating.

This challenge can prove so difficult to overcome that at least two women went to the extreme, and unethical, decision of sending email messages from a fake male

business partner. The women found that their imaginary male partner received faster replies, more offers of assistance, and greater respect than they did.⁷

In order to improve communication and avoid some of those gender biases, here are some tips to follow:⁸

- Use the pronoun "I" (not "we") when you present your successes.
- Be prepared to answer questions about your ideas and all aspects of your business*
- Build a network of supportive advisors and mentors.

Female entrepreneurs also suggested:

- Solicit real-time advice from other women in business.
- Have a vision that balances your career and personal life.
- Choose a big market with a big problem to solve.
- Make your company official, not just an idea in your mind.
- Don't wait for the perfect opportunity—take action.

Confidence

Some women also face a lack of self-confidence that can hinder their professional success. One specific challenge, known as impostor syndrome, is a profound and persistent fear that one's success will be found to have been undeserved.⁸

For those who suffer from it, these suggestions might prove helpful:³

- Own your ideas and accomplishments.
- Let go of negative self-talk.
- Join a networking group of women entrepreneurs who inspire you, celebrate your success, and help you grow professionally.

You may also try:

- Having a thick skin when you face disappointment or criticism
- Believing in yourself and staying focused
- Embracing and facing your fears to move forward

The bottom line is that, despite the challenges that may come their way, women in business soldier on, learning from one another as they move forward. When women work together to fight for equality and let their voices be heard, real change can take place.



The support you need

For more Key4Women resources to help you reach your goals, visit key.com/women or [email](#) us to learn more.

Would you like to weigh in on future topics? Please take our [survey](#).



¹ 99designs Team, "Women in business 2018: The march goes on," February 2018, <https://99designs.com/blog/business/women-in-business-2018>

² Valentina Zarya, "Female Founders Got 2% of Venture Capital Dollars in 2017," January 31, 2018, <http://fortune.com/2018/01/31/female-founders-venture-capital-2017>

³ Paula Fernandes, "7 Challenges Women Entrepreneurs Face (and how to Overcome Them)," August 27, 2018, <https://businessnewsdaily.com/5268-women-entrepreneur-challenges.html>

⁴ Key4Women, "Create Real Change by Confronting Unconscious Bias," August 2018, <https://key.com/businesses-institutions/business-expertise/articles/unconscious-bias.jsp>

⁵ Lisa Marie Jenkins, "Unconscious Gender Bias: Everyone's Issue," May 26, 2016, https://huffingtonpost.com/lisa-marie-jenkins/unconscious-gender-bias-e_b_7447524.html

⁶ Dr. Nikki Martinez, "Men vs. Women: Communication Styles Explained," October 10, 2017, https://huffingtonpost.com/entry/men-vs-women-communication-styles-explained_us_59dc8d69e4b060f005fbd6ab

⁷ Nina Zipkin, "These Female Entrepreneurs Created a Fake Male Co-Founder to Work Around Sexism. How Well It Worked is Incredibly Eye Opening." September 1, 2017, <https://entrepreneur.com/article/299649>

⁸ Key4Women, "How to Overcome Impostor Syndrome," August 2018, <https://key.com/businesses-institutions/business-expertise/articles/overcome-impostor-syndrome.jsp>
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