3 Gender-related Differences in the Founding Intention

3.1 Introduction

Whereas in the recent past entrepreneurship education is flourishing (Hisrich, 2006), the global entrepreneurship monitor reports that youth entrepreneurship has not enjoyed similar growth. For example, in 2006 the percentage of start-ups founded by young people sunk in comparison to 2005. And youth entrepreneurship still remains only a minor part of entrepreneurship research and most of literature on the topic focuses on entrepreneurs after the commencement of their business activities - that is during the start-up or the later phases of corporate development. Potential entrepreneurs and the pre-start-up phase seem to be neglected or, at least, they have not attracted the corresponding attention yet. However, there are several models which deal with a corporate life cycle, but it is quite surprising that most of the models begin with the start-up phase and go on to the early development phase, but very few include the pre-start-up phase as a separate stage of the corporate development.

Understanding the consequences of intentions - particularly actions- requires that the antecedents of intention are understood (Krueger et al., 2000). Following Bagozzi et al. (1989), intentions are the best predictors for planned behaviour. Hence, “understanding and predicting new venture initiation requires research using theory-driven models that adequately reflect the complex perception-based processes underlying intentional, planned behaviours such as new venture initiation.” (Krueger & Carsrud, 1993, p. 315). The most common approach in this area is from Ajzen (1991), developed in the context of social psychology. This theory identifies three general antecedents of intention: attitude towards behaviour, subjective norms and perceived feasibility. In this study, special attention is paid to motives, perceived hurdles and family background as antecedents of the founding intention of students. Intention, however, is not activity; therefore, results from several surveys will be presented, in order to see if the intention has become activity and to track down possible changes over time. Further, all of these aspects will be researched under the gender lense, as former scientific literature has found several differences. In general scholars like Fischer et al. (1993) have suggested the use of feminism approaches as theoretical background. They argue that the perspectives of liberal and social feminism can help in understanding the nature and implication of issues related
to gender in the context of entrepreneurship. Hence, the social feminism perspective (rooted from social learning theory to psychoanalysis) will be used as theoretical background for this dissertation. It argues that men and women are fundamentally the same, but differ in their points of view due to different experiences from the earliest moments of life. However, it scientists continue to debate whether gender differences truly exist and, if yes, in which areas and to what extent.

According to the global entrepreneurship monitor (Sternberg & Lückgen, 2005) and the KfW Start-up Monitor 2005 (Hofmann et al., 2005), in Germany fewer women than men are interested in founding their own company (only 29%), although women represent half of the employed population. Over the last twenty years, academics and economic organisations have demonstrated a growing interest in women entrepreneurs, especially in the United States and Canada where the number of women that owned businesses has been rising. Female entrepreneurship is now considered to be an important sources of growth, employment, and innovation. In the United States, women-owned businesses are the fastest growing sector of all new ventures (Becker-Blease & Sohl, 2007). However, very little is known about women entrepreneurs (Orhan, 2001) and less is known about potential female entrepreneurs and above all female students.

3.2 Literature Review

3.2.1 Gender

In the past twenty years, the field of female entrepreneurship, and in extension, gender similarities or differences in the founding behaviour have attracted a lot of attention (e.g. Walker & Joyner, 1999; Mueller, 2004; Birley, 1989), even if the focus was placed upon existing instead of potential entrepreneurs.

A literature review conducted by Brush in 1992 revealed that male and female entrepreneurs have more similarities than differences in individual characteristics. Regarding the reasons for becoming self-employed several motivation variables like independence (Cromie, 1987), avoiding low paid occupation, escaping supervision and the constraint of subservient roles (Goffee & Scase, 1985) were identified. As far as venture performance is concerned, Kalleberg and Leicht (1991) found that businesses founded by women were not more likely to go bankrupt or to be less successful. In the literature, however, some gender-related