

Entrepreneurship and Gender in Latin America: A comparative study

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Abstract:

Introduction / objectives: Gender discrimination in Latin American societies significantly reduces the effective participation of women in the development of new businesses; therefore, it limits their possibilities for professional advancement, as well as development opportunities for their families. In an even broader context, inequality prevents women from efficiently contributing to business development in countries of the region.

The possibilities of undertaking new ventures are diminished by this reality. Most of the women surveyed for this study mentioned that they have suffered discrimination while doing business because of their gender. In fact, the results of this research paper show that women perceive greater inequality in opportunities to create companies and face more barriers in accessing resources, mainly financial ones, to develop their enterprises. These barriers have a negative effect on the outcomes and growth prospects of businesses created by women. Indeed, they prevent women, who represent more than 50% of the population, from efficiently contributing to the creation of wealth and jobs in Latin American countries.

Review of literature:

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- Schneider, K. (2017). Promoting the Entrepreneurial Success of Women Entrepreneurs Through Education and Training. *Science*, 5(2), 50-59.

Methodology – Agenda: Sample: data for the study were obtained from a survey of 342 entrepreneurs from 15 countries in Latin America.

Hypothesis:

H1: women have less training in business than men and therefore have a lower probability of success in their startups

H2: companies run by women have management teams consisting mostly of women, and this reduces their chance of success

H3: Women tend to take less risk in their decision-making and this reduces their chance of success

H4: women tend to be less innovative than men and this reduces their chance of success

To evaluate hypotheses, we will resort to a definition of success based on the income of companies. Given the nature of this dependent variable, the regression model that will be used is the Logistic Multinomial Regression.

Results and contributions: According to the Gender Gap Index of the 2016 World Economic Forum, it will take at least 170 years to achieve equality between men and women in the world. The same report points out that the fastest way to close the gap is to support women's entrepreneurship, as gender economic equality would bring \$12 trillion to the world economy, or about 11% of global output.

Female entrepreneurs' access to finance, education, mentoring and support contributes to the success of their businesses and generates jobs, thereby helping to close the gender gap, positively impacting economic growth and reducing poverty. The lessons for managers in the public sector are also clear: in order to boost women's entrepreneurship, it is urgent to design training programs in business management, to provide mentoring and counseling services for women, to facilitate access to funding sources, to implement systems that stimulate innovation, and to incorporate new technologies.

Implications and value: According to the Global Entrepreneurship Index (GEI), performance in all 14 GEI pillars is different for each country in the region. However, compared to the performance levels of developed countries, Latin American countries show a much more deficient performance in the internationalization of their enterprises, innovation in processes, and the capacity to absorb new technologies.

Similarly, when comparing the Gross Domestic Product (GDP) and the Global Entrepreneurship Index (GEI) of the world's leading countries with those of Latin American countries, we see a positive correlation between entrepreneurship and generation of wealth. In other words, with greater entrepreneurial activity, there is greater economic growth (Figure 3).

Keywords: Women entrepreneurship, Latin America, developing countries, gender gap.