



Explaining the involvement and investment of women in business angel groups: the impact of organizational context and investment experience

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What the data tells us about women angel investing and women backing women entrepreneurs

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Explaining the involvement and investment of women in business angel groups: the impact of organizational context and investment experience

- We investigate whether women angel behavior in a female-only group (a stereotype-free environment) differs significantly from men and women angels behavior in male-dominated groups
- We compare women involvement and investment behavior in three different types of social contexts : (a) women in a female only group, (b) men in a male-dominated group, and (c) women in a male-dominated group
- The underlying assumption is that organizational context may be the driver of specific women angels' behavior and not gender per se

1. Data collection

Women in a female only group (FBA). 160 active women investors
A final sample of 47 women angels

Men in a male-dominated group (SAMBA)
200 members investors
A final sample of 47 men angels

Women in a male-dominated group
SAMBA includes 8 women investors
Grenoble angels includes 13 women
A final sample of 10 women angels

Questionnaire included 44 questions relating to individual characteristics of angels:

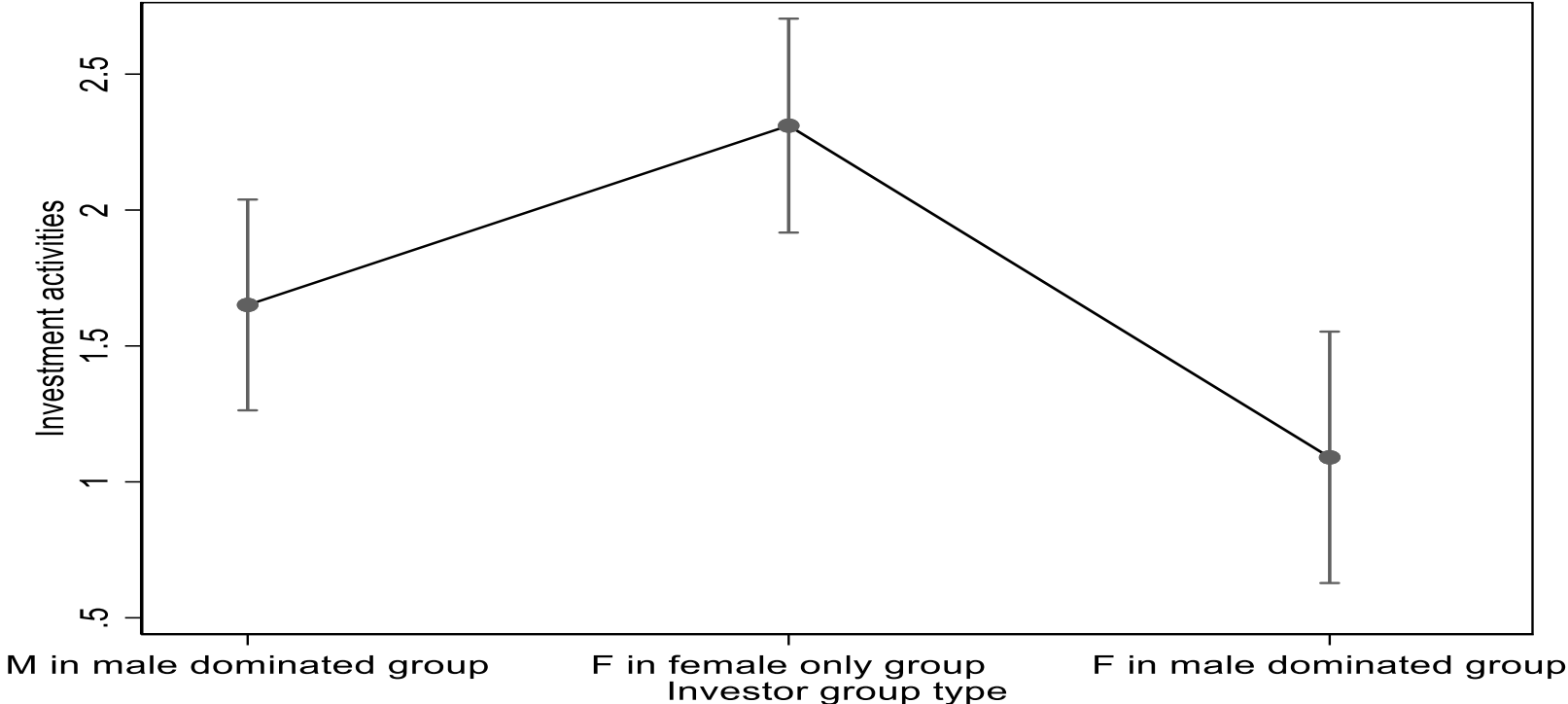
- *human capital features* (age, level of education, actual status, professional and investment experience)
- *involvement in group activities* (investments activities and management activities)

2. Results - Female and Male angels' characteristics

Business angels group	Women in female only	N	Men in male dominated	N	Δ with female in female only		Women in male dominated	N	Δ with Women in female only	
Education Level	3.15	47	3.00	39	0.15		3.40	10	-0.25	
Entrepreneur	0.51	47	0.23	39	0.28	***	0.40	10	0.11	
Finance experience	0.51	47	0.46	39	0.05		0.80	10	-0.29	*
Investment experience	6.32	47	5.79	39	0.52		6.50	10	-0.18	
Cumulative investments	2.89	47	2.77	39	0.12		1.70	10	1.19	***
Prior returns	2.09	47	1.74	39	0.34	**	1.90	10	0.19	
Investment activities	2.38	47	1.74	39	0.64	**	1.30	10	1.08	**
Deal flow	0.64	47	0.23	39	0.41	***	0.20	10	0.44	***
Pre-selection	0.62	47	0.44	39	0.18	*	0.40	10	0.22	
Due diligence	0.79	47	0.51	39	0.27	***	0.70	10	0.09	
Post-investment	0.34	47	0.56	39	-0.22	**	0.10	10	0.24	

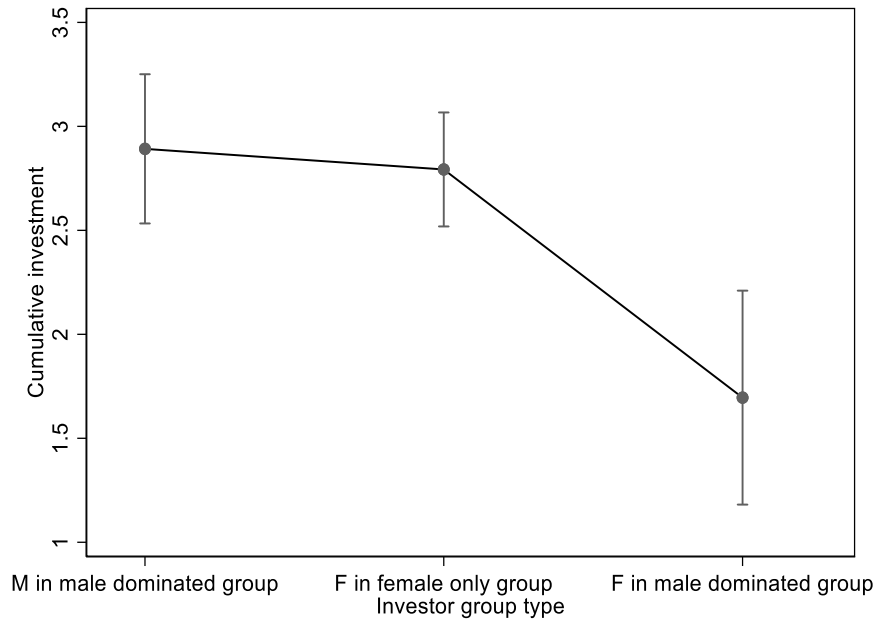
3. Results - The effect of Investment experience on Investment activities in different organizational

The effect of Investor group type on Investment activities

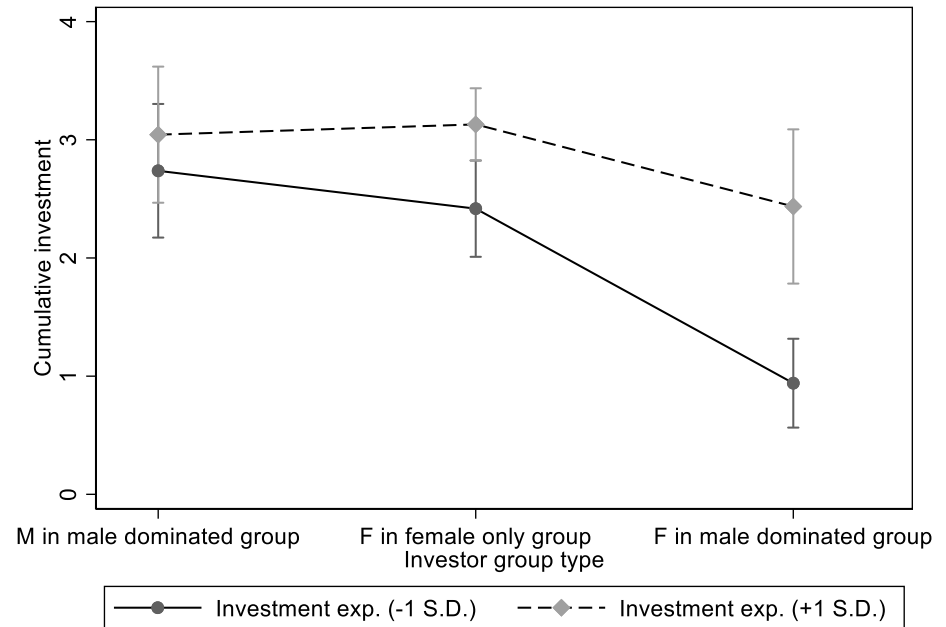


3. Results - The effect of Investment experience on cumulative amount invested in different organizational

The effect of investor group type on the cumulative amount invested



The Interaction effect of investor group type and investment experience on the cumulative amount invested



4. Discussion

- Women in a female-only group do not feature investment behavior that differs significantly from men.
- Women who invest as a minority in a male-dominated environment tend to behave differently

Firstly,

- Women angels in a female-only group are on average, more involved in investment activities than both men and women angels in male-dominated groups
 - And they invest similar amounts when compared to men, but significantly more than women in a male-dominated group
- ⇒ Female-only group context could provide “a safe space” for networking and full participation in angel group activities

Secondly,

- The investment level of women angels in male-dominated groups increases with investment experience
- ⇒ Because the level of confidence increases with the investor's investment experience, women angels gain confidence and feel more comfortable investing
- ⇒ Experience is a potentially strong mitigator to female stereotype threat in male-dominated investment environments.

4. Discussion

Finally,

- For the same human capital characteristics, women get involved in the activities of the angel group and invest just as much as men angels;
- But in a male-dominated angel group, women have to draw on a wealth of investment experience to invest at the same level as men,

Why is it important to study women angels?

- ⇒ Policy-makers and institutional entrepreneurs who seek to support female entrepreneurship and expand angel markets by including more women should consider the importance of angel training
- ⇒ Our study supports the importance of creating stereotype-free spaces in the form of female-only group
By recognizing the potential of women investors and providing supportive environments such as female-only BA groups, we can unlock untapped investment opportunities and promote economic empowerment for women entrepreneurs.

Next step... EUROPE PROJECT -HORIZON-MSCA-2022-SE-01

Does increased representation of female angels improve Investment with an environmental or social positive impact ?