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“Strong enough to bear the children, then get back to business.”

Beyoncé Knowles-Carter, *Who Run the World (Girls)*

This report is the first in a series of papers about entrepreneurship and motherhood. Here, we present research regarding the economic and social challenges women face, the impact of motherhood on these challenges, and their implications for mothers’ employment and entrepreneurship. We close with a series of policy recommendations to make entrepreneurship more accessible to mothers.¹

¹ We acknowledge in the discussion in this paper that when we refer to motherhood we generally are doing so in the context of families in opposite-gender, two-parent households. While all families do not look alike, policies need to work for all families, including single mothers and same-sex households.
Executive Summary

Mothers often face many challenges in the traditional workplace, including lack of family-friendly policy, pay inequity, and working the “second shift” of household duties. Entrepreneurship is viewed as an attractive option for mothers, as it is perceived to provide greater flexibility to achieve a work-life balance. However, many additional challenges exist for mother entrepreneurs, including increased work-family conflict, cognitive biases, and lack of mentorship and social capital.

We explore mother entrepreneurship within the context of four trends, including:

1. The overall labor force participation and demographic trends, such as the presence of women in the workforce, increasing education levels, and delayed marriage and childbearing;
2. The changing nature of work, which summarizes a shift from traditional employment;
3. The impact of millennials entering the workforce and their priority on work-life balance; and
4. The implications of cognitive biases for mother entrepreneurs, as entrepreneurship is viewed as a masculine, competitive occupation.

The changing nature of work, with a shift away from traditional employment, is beginning to challenge common thinking around what work looks like and the best mechanism for providing workers’ benefits and insurance. Finding policy solutions to support the changing nature of work are not unlike the challenges faced by mother entrepreneurs. Creating policies that go beyond the traditional workforce and into the modern era of work is better for the overall economy.

Policy solutions, outlined in the paper, offer suggestions for policymakers, researchers, entrepreneurship support organizations, and society as a whole.

• Public policy solutions should include rethinking parental leave policies, egalitarian parenting responsibilities, and work expectations.
• Increasing research is needed on the changing nature of work and its implications.
• Entrepreneurship support organizations can provide family-friendly spaces, create mentoring programs for mother entrepreneurs, and offer counseling services.
• Finally, to improve the perception of entrepreneurship as accessible to mothers, stories of entrepreneurs who have been successful in both business and family life should be promoted.

Our society needs to adapt to retain its competitive edge. Policies have not evolved to support women, in particular mothers, to reflect their growing contribution to the workforce. Women are essential to the nation’s economic growth through their contributions as employees, entrepreneurs, and parents.

Introduction

Significant demographic shifts over the past few decades have had an enormous impact on the composition of the American workforce. The shifts have especially affected women workers with their growing presence in the workforce, a decline in marriage rates and delayed parenthood, and an increase in educational attainment. In addition, the changing nature of work, with a shift away from traditional employment, is beginning to challenge common thinking around what work looks like and the best mechanisms for providing workers’ benefits and social insurance.

World War II represented the beginning of women’s large-scale entry into employment, as they stepped up to fill the jobs vacated by men leaving to participate in war efforts. The number of women working outside the home continued to grow at a rapid pace in the decades that followed, with an average growth rate of
The changing nature of work, with a shift away from traditional employment, is beginning to challenge common thinking around what work looks like and the best mechanisms for providing workers’ benefits and social insurance.

2.6 percent per year between 1950 and 2000. In 2010, according to the Department of Labor, women made up 47 percent of the total U.S. labor force. Despite the significant impact women’s presence into the workforce has had on the economy, women today are still facing cognitive biases that limit their opportunities for professional advancement. These cognitive biases play out in the workplace, in entrepreneurship, and in policy.

These changes in labor force participation are closely tied to a parallel shift in traditional family demographics. Marriage rates have been in decline, as Americans are waiting until later in life to marry and as couples choose alternatives to marriage like cohabitation. Americans also are postponing parenthood until they are older. These changes in family structure are related, in part, to women’s new role in the workforce, as well as to a variety of other factors, including the decline of teenage pregnancy and the financial strain of the recession. But these trends also have reinforced women’s growing role in the workforce and contributions to productivity: women are more likely to be working when they are childless. The interactions between these simultaneous changes in labor force participation rate, education, and family structure and their effect on economic growth illustrate the close relationship between families and socioeconomic outlook.

Over the same time period, we also have seen a substantial increase in women’s educational attainment, with women now more likely than men to hold a bachelor’s degree. This influx of new and more highly educated women workers has created considerable benefits for the U.S. economy. Women’s work has resulted in more money to spend in the economy and a higher U.S. GDP. The increase in the hours worked by women is responsible for as much as 11 percent, or more

than $1.7 million, of the 2012 GDP. Between 1979 and 2000, mothers increased their work participation by a median of 960 annual hours worked, compared to an increase of 739 for women overall. 9, 10

While women’s increased labor force participation and its impact on economic growth are cause for celebration, a closer look at the data reveals an important change since 2000: the percentage of women in the workforce has stagnated.11 Figure 1 illustrates the steady climb in the growth of women in the workforce between 1950 and 2000, as well as the decline in women’s participation in the workforce since the Great Recession.

Women’s entrepreneurship rates remain about half that of men. In 2014, the Kauffman Index cited that women’s rate of new business ownership was only 0.22 percent per month (218 per 100,000 adults), while men started businesses at a rate of 0.41 percent per month (409 per 100,000 adults).13 Changes in the nature of work over the last decade are compounding

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10. In 2012, mothers worked an annual average of 1,560 hours, up from 600 annual hours in 1979. Women overall worked an annual average 1,664 hours, up from 925 in 1979.

11. It is worth noting that the rate of men’s participation in the labor force has been on a steady decline since the 1950s, as shown in Figure 1. Although a discussion of this trend and its drivers is beyond the scope of this paper, we note that Pew Research Center explains that the reasons men leave the labor force are different from those for women. Men are more likely to be terminated or laid off, while women exit the labor force more often for family-related reasons. (Morin, Rich. “The disappearing male worker.” Pew Research Center. http://www.pewresearch.org/fact-tank/2013/09/03/the-disappearing-male-worker/)


INTRODUCTION

The significant economic value women have contributed to the United States is *in spite* of the lack of supportive policies.

the decline in both women and men’s labor force participation. Economists have noted that traditional jobs are in decline, and new platforms for work are rapidly creating a new gig economy. The gig economy focuses on peer-to-peer lending for goods and services, where more people are self-employed, finding short-term assignments or renting resources through various platforms, such as Uber, Airbnb, and Task Rabbit.14 Many of these workers are unable to support themselves through one job and often are dependent on unreliable hours. While this new gig economy offers opportunities, it also brings its own sets of challenges. These challenges are similar to those of entrepreneurship and, in particular, mother entrepreneurship, which seeks to achieve worker flexibility that gig economy workers are also seeking.

A review of the literature on the challenges facing working mothers and mother entrepreneurs suggests that policy change is necessary to allow women to continue to increase their contributions to our economy, as both employees and mothers. Women’s contributions to the workforce and women becoming increasingly educated is not a recent development. Decades ago, the addition of women in the labor force was a major demographic shift on par with many other changes—such as the country’s move toward a more educated workforce, the shift from a goods economy to a service economy, and the changes we’ve seen in the manufacturing industry. Despite the increase in women’s presence in the workforce, policy changes have not adapted to support women in tandem with the influx of growth women have brought to our economy. The significant economic value women have contributed to the United States is *in spite* of the lack of supportive policies.

Just as previous eras ushered in new norms as well as new problems, there is evidence that women’s labor force participation has brought challenges that we have not yet fully addressed. Employed mothers face discrimination, stereotypes, and a lack of the flexibility needed to care for their families. While women who start businesses have more autonomy and flexibility, academic research indicates that mother entrepreneurs struggle with another set of challenges, including cognitive biases, greater family conflict, and difficulty achieving the work-life balance that attracted many to entrepreneurship in the first place.

Relatedly, the increasing presence of the millennial generation in the workforce likely will increase the demand for supportive policies that shift the work-family structure. Millennials have different priorities than previous generations did, with parental couples wanting dual careers as well as more equal childrearing responsibilities.15 Despite millennials’ entrance into the workforce coinciding with the Great Recession, which drastically reduced both job security and access to

employee benefits, millennials still prioritize work-life balance.16

Writing and discussion on the topic of work-life balance and its challenges, in particular its effects on mothers, is not limited to academic research. Many popular books and articles on the subject have made it an ongoing subject of public debate and concern. The Lean In movement started by Sheryl Sandberg pushed for a wave of women to be more assertive in the work place.17 Anne-Marie Slaughter’s book, Unfinished Business, countered the call for women to “have it all,” calling for men to take on greater family responsibilities so that women, too, can pursue careers.18 The difficulties at the intersection of gender, motherhood, and work, it seems, are a topic of great interest to a wide range of people.

In this paper, we explore this body of research and writing on working mothers and mother entrepreneurs, emphasizing the limits the traditional work structure and entrepreneurship impose on mothers and their efforts to find work-life balance. We need a policy environment and culture that supports mothers’ efforts to work and start new companies, including helping them counter cognitive bias. As well, we need a strong entrepreneurial ecosystem that enables mother entrepreneurs to thrive. With the millennial shift toward flexible work, and the increase of full-time, full-year working mothers (44 percent of mothers19)20, the changing nature of work challenges workers, employers, and policymakers to rethink how to make work better for everyone. With the decline of the employee-employer relationship, rethinking how work is rewarded, structured, and valued would benefit entrepreneurs, gig economy workers, and workers overall. And the health of our economy depends upon it.

Traditional Work Isn’t Working

Family Policy

The difficulty in balancing work and motherhood begins with a U.S. family leave policy that fails to offer families the support they need. According to the Bureau of Labor Statistics, only 12 percent of U.S. workers have paid family leave.21 The United States is the only industrialized country, in fact, that does not offer paid maternity leave for mothers. Other OECD countries, by contrast, provide mothers with an average of approximately 17 weeks of paid maternity leave.22 New mothers in the United States, therefore, reenter the workforce much earlier than their international counterparts do. Studies show that close to a quarter of employed U.S. mothers are back at work less than two weeks after giving birth.23 One-third of U.S. mothers return to work within three months of giving birth.24

19. “Mothers” for this statistic refers to mothers in households with children under the age of 18.
The United States is the only industrialized country, in fact, that does not offer paid maternity leave for mothers.

The lack of paternity leave for U.S. fathers only increases the pressure on women and families by forcing them to find outside childcare for an infant. Among fathers, 96 percent return to work within two weeks of a child’s birth. In addition, “99 percent of working fathers feel that their supervisor expects no change to occur to their working patterns as the result of their becoming parents.”25 Nearly “half of men surveyed report that the demands of work interfere with family life.”26 Further research shows the influence of peers weighs heavily on fathers’ decisions to take longer paternity leave. In Norway, in addition to parental leave that can be used by either parent, four weeks of parental leave is given for fathers’ use only to encourage fathers to take parental leave. Paternity leave rose from 3 percent to 35 percent almost immediately after this policy was implemented.27,28

The lack of paid parental leave may have negative health implications for new mothers.29 Childbirth, breastfeeding, and caring for a new baby are taxing on women’s bodies. Studies have shown most new mothers (62 percent) were still healing at five weeks after childbirth, exhibiting symptoms such as fatigue and discomfort, particularly if they were breastfeeding.30 Women who had cesarean sections required even more time for a full recovery.31

A lack of recovery time after childbirth also can exacerbate the postpartum depression, experienced by about 13 percent of new mothers during the first year after childbirth.32 While new mothers are at a higher risk for postpartum depression in the first weeks after giving birth, the risk elevates when mothers return to work. Researchers found that longer maternity leaves lower the risk of postpartum depression and, therefore, recommended more generous leave policies of about six months.33 Forcing women to return to work too early has negative implications for their health.

A quick return to the workforce post-delivery also has negative implications for productivity. Postpartum women can have decreased productivity if they return to work too early.\footnote{Dagher, Rada Kamil. A Longitudinal Analysis of Postpartum Depression Among Employed Women. 2007. http://gradworks.umi.com/32/73/3273123.html.} Wellbeing costs are a burden the overall economy takes on in health care costs, employee turnover, and productivity loss. To promote a healthy economy, it is in the best interest of employers and lawmakers to consider policies—including parental leave—that promote workers’ wellbeing.

In addition to compelling some women to return to work too early, the lack of family leave pushes others out of the workforce entirely. Some mothers who may have been comfortable returning to work a few months after their babies’ births leave the workforce for an extended period when faced with the need to return before they are ready. This decision, of course, is based on a wide range of reasons that are specific to each family, but it often includes an interest in staying home, the high cost of childcare, and the difficulty of workplace reentry when the baby is so young.\footnote{Cohn, D’Vera, Gretchen Livingston, and Wendy Wang. “After Decades of Decline, A Rise in Stay-at-Home Mothers.” Pew Research Center. http://www.pewsocialtrends.org/2014/04/08/after-decades-of-decline-a-rise-in-stay-at-home-mothers/.} Extended parental leave policies would allow mothers to work at the same firms they worked in pre-child, which they might otherwise leave due to the abbreviated or non-existent leave policies in place.

The decision to stay home for an extended period will inevitably have a significant impact on parents if and when they choose to return to work. For women, in particular, research indicates that long leaves from employment can negatively affect their accumulation of human capital, making them less-desirable candidates for future jobs.\footnote{Thébaud, S. “Business as Plan B: Institutional Foundations of Gender Inequality in Entrepreneurship across 24 Industrialized Countries.” Administrative Science Quarterly 60.4 (2015), 671–711.} And, despite similar social ties, women receive fewer benefits from their professional networks due to their time off.\footnote{Abraham, Mabel. “Understanding the Role of Evaluators for Gender Inequality: Essays on How Gender Influences Assessment of Men and Women Across Three Empirical Contexts. Dissertation (2014).} Mothers who take time off find their earnings to be lower and lose out on networking opportunities and relationship building that could benefit their career development.\footnote{Correll, Shelley J., Stephen Benard, and In Paik. “Getting a Job: Is There a Motherhood Penalty?” American Journal of Sociology. 2007. http://gender.stanford.edu/sites/default/files/motherhoodpenalty.pdf.} Parental leave policies can help new mothers who are interested in continuing their careers, but may have chosen to leave work altogether due to the lack of family leave policy. The policies allow new mothers the opportunity to return to work and continue to be influential in their professional network—a win for all workers.

Many families intentionally choose to have a stay-at-home parent\footnote{Williams, Joan C. “Hacking Tech’s Diversity Problem.” Harvard Business Review (2014).} and are willing to make the economic and career sacrifices it may involve. However, a majority of non-working parents say they would be more likely to consider going back to work if they were offered jobs that allow them to work from home (76 percent) and have flexible hours (74 percent).\footnote{Hamel, Liz, Jamie Firth, and Molljann Brodie. “Kaiser Family Foundation/New York Times/CBS News Non-Employed Poll.” The Henry J. Kaiser Family Foundation. http://kff.org/other/poll-finding/kaiser-family-foundationnew-york-timescbs-news-non-employed-poll/.} Both families and our
While women often are penalized economically for motherhood, men are typically rewarded financially when they become parents.

Economy as a whole are disadvantaged when women who would otherwise choose to work feel pressured to stay home by the lack of family leave or the high cost of childcare.

**Discrimination in Hiring, Pay, and Promotion**

For women who do return to work—either soon after childbirth or after an extended time at home, motherhood often has a negative influence on their career trajectories. Of course, the challenges specific to women in the workforce even before they have children are well-documented: they are less likely to be promoted, receive lower average salaries, face subconscious negative bias regarding their abilities, and often are placed on less-competitive career tracks than men are. These problems exist across the wide range of employer organizations, from small startups to enormous corporations.

These challenges become only more difficult when women have children. Employers prefer to hire, promote, and educate men or childless women over women with children. One study found, for example, that mothers were discriminated against when employers were evaluating equally qualified candidates: “mothers were 79 percent less likely to be hired, half as likely to be promoted, offered an average of $11,000 less in salary, and held to higher performance and punctuality standards.” Slower career tracks for women when they become mothers—either chosen by or imposed on them—put them at a further disadvantage in decisions regarding raises and promotions.

While women often are penalized economically for motherhood, men are typically rewarded financially when they become parents. Researcher Michelle Budig finds that men’s incomes increase by an average of 6 percent when they have children, while women’s incomes decrease by an average of 4 percent for every child they have.

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have. This positive effect is strongest for men with the highest earnings, while the negative impact on women is most significant for those with the lowest earnings.51 This finding explains, in part, the gender pay gap we see across industries and professions.

Perceptions of Working Mothers

Many of these disadvantages mothers face in the workplace stem from stereotypes, assumptions, and false perceptions. Mothers in the workplace are perceived as less productive and more distracted.52 They are perceived as less-stable employees, whereas men are viewed as more stable when they have children to support.53 Women are seen as less achievement-oriented than their male counterparts.54 And employers may assume that working mothers will not welcome work that involves travel, giving this sometimes important work more often to similarly situated men. When women leave work early, their colleagues often assume they are leaving to handle parenting responsibilities. In contrast, when men leave work early, colleagues assume that they have work-related meetings.55 Finally, a study by Cuddy et al. found that both women and men are perceived to be warmer when they become parents. While perceptions of new fathers’ competence do not change, the perception of greater warmth in women is accompanied by a perception of decreased competence.56

These negative perceptions of work competence are compounded by assumptions and judgments regarding women’s parenting, resulting in a catch-22 that makes it difficult for women to be perceived as both good employees and good parents. Robin Ely, head of the Gender Initiative at the Harvard Business School, explains:

A working mother is more likely to judge herself harshly for spending time away from her family. Her colleagues are more likely to judge her, too—for working long hours or leaving the office earlier.57, 58

Women who choose to continue to work long hours after having children sometimes are perceived as being “bad mothers and bad people.” As a result, they were disliked and held to higher performance standards.60 Taking this assumption to the extreme, there are still those who believe women should be home with their children rather than working, creating a nearly insurmountable barrier for women working with them.61 Each of these assumptions and gender stereotypes—held both by colleagues and management—has negative

ENTREPRENEURSHIP FAILS TO OFFER AN ALTERNATIVE

ramifications for mothers’ evaluation, advancement, and promotion within the workplace.

The Second Shift

Finally, women typically bear the burden of more housework and childcare responsibilities than their male partners do, making it more difficult for them to succeed at their jobs. A study from the OECD found that “among couples where both partners work, women spend more than two hours per day extra in unpaid work, and even among female-earner couples, men only do as much housework as women.”62 This discrepancy may be related to the tendency for dual-earner households to prioritize men’s careers over women’s careers.63 Research indicates that, when men work longer hours, women are more likely to leave their jobs. When a woman works longer hours, however, there is no effect on the likelihood of her partner leaving his job.64

While work-life balance is a challenge for many men, too, research suggests that it is more likely to have a negative effect on women’s trajectories. According to the Pew Research Center, mothers were three times as likely as fathers to say that parental responsibilities made career advancement more difficult.65 Other research finds that more than 40 percent of working mothers have reduced their work hours for family-related reasons, compared to only 28 percent of fathers.66 Women also are more likely to leave the workforce due to family responsibilities. A 2014 survey found that 61 percent of non-working women67 cited family responsibilities as one of the reasons why they were not working, compared to only 37 percent of men.68

Entrepreneurship Fails to Offer an Alternative

Women entrepreneurs face many of the same challenges we’ve discussed for women employees—as well as others specific to new business formation. Women entrepreneurs encounter negative stereotypes regarding their skill level,69 face higher financial barriers,70 and experience difficulty finding encouraging mentors and peers. Women, on average, start businesses with nearly half the financing that men typically have ($75,000 vs. $135,000),71 are more likely to use personal

67. Between twenty-five and fifty-four years of age.
According to the Kauffman Index, a quarter of new entrepreneurs are between the ages of twenty and thirty-four. Nearly three-quarters of mothers of newborns are also in this age range. Women, then, often are considering entrepreneurship and motherhood at the same time in their lives.

savings and credit cards, and are less likely to have venture capital and angel financing than men are.73

As with employed women, motherhood only complicates women's entrepreneurial prospects. According to the Kauffman Index, a quarter of new entrepreneurs are between the ages of twenty and thirty-four. Nearly three-quarters of mothers of newborns are also in this age range.75 Women, then, often are considering entrepreneurship and motherhood at the same time in their lives.

Several studies indicate that mothers who remain in competitive fields do not consider entrepreneurship at the same rates as their male counterparts in the same fields and with the same levels of education. Research on women with STEM Ph.D.s found, for example, that they are significantly less likely to engage in entrepreneurship if they have a child under age two, while there is no statistical difference in entrepreneurship rates of men with STEM Ph.D.s and a child under the age of two.76 Similarly, while women represent nearly half of all new dentistry degrees, men are more likely than women (53 percent vs. 75 percent) to start their own practices. The reason most women cited for not starting practices: having children. Women dentists, who work the same hours as men before they have children, are found to work fewer hours after having children and are more likely to enter part-time work or take career breaks than men.78 This kind of schedule is at odds with business ownership.

When mothers do choose to start businesses, they have different motivations than their male counterparts.

Entrepreneurship fails to offer an alternative
do. When comparing MBA graduates from a top-tier business school, the “differences between female and male entrepreneurs become larger if the entrepreneurs are married with dependent children.” The women MBA graduates who became entrepreneurs cited flexibility and work-life balance as motivating factors for them to become entrepreneurs. In contrast, these factors were among the least important for their male counterparts, who instead were motivated by wealth.

Indeed, autonomy and flexibility are huge motivating factors for those women who become entrepreneurs, offering them greater freedom to care for children. A survey found that women entrepreneurs in their twenties, thirties, and forties list autonomy as one of their top four motivations. Non-entrepreneur women, by contrast, do not list autonomy as a top priority until they enter their forties. Another study finds that more women than men cited the need to accommodate childrearing responsibilities as a reason to become self-employed. And the study of women MBA graduates mentioned above finds that entrepreneurship appeals to mothers because it offers them flexibility and control over their work hours, but that they did not expect a reduction in hours.

Entrepreneurship and Work-Family Conflict

While entrepreneurship promises autonomy and flexibility that appeals to mothers, research suggests that work-life balance is often no easier for mother entrepreneurs than those who are employees. A study by McGowan et al. found that entrepreneurship created stress on women’s personal relationships, had negative effects on their emotional wellbeing, and resulted in feelings of isolation. Conflicts with family members were key drivers of these negative effects.

Family support, in fact, is critical to entrepreneurs facing the challenges and stress involved in starting new businesses. But business ownership for both

While entrepreneurship promises autonomy and flexibility that appeals to mothers, research suggests that work-life balance is often no easier for mother entrepreneurs than those who are employees.

In addition to the stereotypes facing women and mothers, research has documented a cognitive preference toward male entrepreneurs.

Men and women is associated with greater work-family conflict than traditional work is. One study finds that men and women entrepreneurs achieve greater job satisfaction than employees do, but lower levels of family satisfaction.85 Research indicates that family-related factors impact women entrepreneurs more negatively than men entrepreneurs.86 While women business owners cite personal networks as their most utilized resource, women business owners receive less help from their spouses than men business owners do. In businesses started by married men, 60 percent of spouses took on a business support role, such as administrative work, to help the business succeed. By contrast, spouses took on a support role in only 35 percent of businesses started by married women.87 This stark difference in the assistance provided by a spouse can make a huge difference for an entrepreneur’s workload and productivity.

Furthermore, as men are traditionally the primary breadwinners, their motivations for entrepreneurship are more likely to equate entrepreneurship with long hours and the intention of building a high-growth venture. Women, however, are more likely to choose entrepreneurship as a way to mitigate work-family conflict, particularly if their spouses have jobs that have more demanding schedules. Women who passed up a job opportunity in the past due to a lack of flexibility are shown to be more likely to pursue entrepreneurship. This is particularly true if her spouse works full time, and if she is a mother.88

Cognitive Preference

Finally, negative perceptions and assumptions regarding women and mothers affect their success in entrepreneurship, as well. In addition to the stereotypes facing women and mothers outlined above, research has documented a cognitive preference toward male entrepreneurs. A fundamental finding in the relatively new field of women’s entrepreneurship research, in fact, is that gender matters:

Perhaps the most fundamental contribution of women’s entrepreneurship research lies in acknowledging and documenting that entrepreneurship is not a gender-neutral phenomenon. [Emphasis added] Instead, entrepreneurial activity occurs within—and thus is impacted by—systems of socially constructed and widely shared beliefs about the

characteristics typically associated with women and men and the behaviors and roles deemed appropriate for each sex.89

Unfortunately, the characteristics most commonly associated with entrepreneurs are predominantly stereotypically masculine traits.90 Entrepreneurship frequently is represented in the media and throughout society as a career that benefits from traits such as aggressiveness, leadership and dominance, risk-taking, and independence.91 Women—and especially mothers—are much less frequently associated with these traits and, therefore, cannot benefit from the legitimacy and support they confer. Perceptions of women as caretakers and as less ambitious, in particular, burden women trying to enter the competitive field of entrepreneurship. For mothers who seek to create new businesses, these perceptions are compounded by the assumption that they are less committed to their work.

Ironically, there is a body of research documenting that the traits traditionally attributed to entrepreneurs are not necessarily associated with entrepreneurial success. Researchers have found, in fact, that “there is no single ‘entrepreneurial personality.’”92 As the authors explain:

The vast majority93 of personality traits (including traditionally assumed masculine ones) have either a negative or neutral relationship to venture survival—only conscientiousness is positively related,94 and it is difficult to make the case that that is solely a “male” trait.

While these perceptions of women and mothers are often false, these narratives create real barriers. Women themselves may accept them and be deterred from pursuing entrepreneurship as a viable career path.

The perception of “lone warrior” entrepreneurs also lacks research to support it. Entrepreneurship studies consistently have emphasized the advantages of founding new ventures with a team.96

While these perceptions of women and mothers are often false, these narratives create real barriers. Women themselves may accept them and be deterred from pursuing entrepreneurship as a viable career path. And those mothers who start new businesses will meet these challenges when they seek financial or social support for their ventures.

Mentorship/Social Capital

Nearly half of women entrepreneurs cite a lack of available mentors as a challenge facing their businesses.97 Mentorship plays an important role in creating successful entrepreneurs, and an inability to access helpful mentors limits women’s entrepreneurial potential. Taking time off work to care for children can result in disconnection from professional networks. For mothers who continue to work, they may find that other mothers in their network have not stayed, making it more difficult to tap into their own professional networks to find mentors and strengthen their entrepreneurial venture. Furthermore, the more limited supply of successful women entrepreneurs makes it more difficult for women starting new businesses to find women mentors who may be more likely to relate to their circumstances and experiences. Instead, mentors are often older men who have less direct experience with the particular challenges women entrepreneurs face.98, 99 This disconnect may be heightened for mothers, as they seek mentors who understand the unique challenges mother entrepreneurs face as they begin their new ventures.

A New Generation and a Societal Shift

As the millennial generation reaches adulthood, these issues are becoming increasingly salient. Younger Americans, both men and women, desire greater work-life balance. In fact, three-quarters of millennials say that work-life balance determines their career choices.100 Millennials also are demanding a flexibility for parenting responsibilities that we have not seen in previous

generations. The new generation of fathers wants to be more engaged with their children.101

It is also more likely both individuals in a millennial couple work full-time. A recent survey found that “close to 80 percent of millennials surveyed are part of dual-income couples in which both work full time.”102 In contrast, among baby boomers, the generation that “now occupies most top management positions, just 47 percent have a full-time working spouse.”103 Although this shift reflects the changing career goals of young women, it, in part, also may be because both incomes are necessary for these couples. Millennials, as a whole, are still economically unstable due to the effects of the Great Recession, including limited job prospects, lower wages, and high unemployment. Two incomes may be only more important as they become parents.

New parents, and especially millennials, crave opportunities for flexibility in their family lives and work lives.104 Further evidence finds that, when given the choice, young unmarried men and women both would prefer to have a relationship in which they contribute equally to earnings and caregiving. The presence of supportive policies move women, but not men, to dramatically increase their preference toward egalitarian relationships for both earnings and childrearing.105 Millennials seek a better work-life balance with which they can succeed in their careers without having to sacrifice their personal lives.

How to Make Entrepreneurship Work for Mothers

We know people start businesses based on their previous experiences. Supportive policies in the workforce can have a spillover effect for women who want to start their own businesses. To make work work for families and to mitigate the barriers facing mothers with entrepreneurial aspirations, we need a shift in both policy and culture. While these types of changes require a broad range of policies and changed mindsets, we outline some recommendations for baseline changes that are necessary to allow mother entrepreneurs to balance work and family life.

Public Policy

Policymakers’ efforts to create family-focused policies that help parents achieve work-life balance are critical to the health of our economy and population. Specifically, policies that address parental leave, subsidized childcare, and part-time employment would facilitate working parents’ success in both their personal and professional lives. These policies have been found to be associated with better outcomes for women entrepreneurs. Women, and in particular mothers, are able to start better, opportunity-based businesses when policies are supportive.106

In particular, moderately long paid leaves and greater public expenditure on childcare are linked to smaller gender gaps among business owners in terms of their business size, growth aspirations, and propensity to innovate or use new technology.\textsuperscript{107} By providing mothers with the time and resources they need to balance work and family, work-life policies like these help make entrepreneurship a more feasible and attractive career option. Policymakers should find the right balance in creating policies that help mothers receive assistance and encouragement for entrepreneurship.

### Parental Leave Policies

Paternal leave is essential to new mothers. The United States is the only industrialized country to not have a parental leave policy in place. This is damaging to families for both health and social reasons. However, non-federal legislation has been enacted to grant parental leave.

- In April 2016, the city of San Francisco became the first and only U.S. city to provide six weeks of fully paid leave to new parents.
- The state of California, through employee-financial public disability insurance, pays new parents 55 percent of their wages for six weeks.
- The state of New York plans to enact a paid parental leave policy in 2018, which will provide employees with 50 percent of their wages for eight weeks.\textsuperscript{108}

While maternity leave for new mothers is a primary priority, paternity leave policies for new fathers is also important. Extending, and encouraging, parental leave for fathers can help equalize childcare responsibilities within a couple. When men take more parental leave, “the amount of household work fathers and mothers perform may become more gender balanced over time, with the men spending more time per day on household chores and childcare.”\textsuperscript{109} Strong paternity leave policies would allow families to postpone finding external childcare and also would give men more experience with childcare, potentially reducing women’s second shift and strengthening families.

In Sweden, for example, parents are entitled to 480 days of paid parental leave. Parents may choose how to divide the leave between the two parents, but 90 days are reserved for fathers to use. In 2014, Swedish fathers took 25 percent of the total parental leave and reported paternity leave helped them gain confidence in their parenting skills, bond with their children, and better understand their partners.\textsuperscript{110} Interestingly, the

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increase in fathers taking parental leave after this policy was implemented correlates with an increase in mothers’ earnings over time. Paternity leave, then, benefits fathers as well as the larger family. Sweden’s generous parental leave policies have not negatively impacted entrepreneurial success. Sweden is ranked first out of sixty countries on “perceived opportunity” for entrepreneurship. In comparison, the United States ranks twenty-fifth. Sweden is also ranked first in the percentage of entrepreneurs in the information, communications, and technology industry.

Restructure Work Expectations

Millennial Americans and their increasing presence in the workforce might force companies to reconsider the traditional work week. Millennials desire greater flexibility in their work hours. Nearly two-thirds of millennials would like to work from home (64 percent) or shift their work hours (66 percent). But it is not just millennials who value restructuring work. Among all employees, 15 percent of men and 21 percent of women say they would give up some of their pay and slow the pace of promotion in exchange for working fewer hours.

The average American worker works 34.4 hours per week, longer than their international counterparts. For American workers working full-time, the average work week increases to 47 hours per week. This amount of time is not the norm everywhere. In the Netherlands, the average hours worked per week is 29, resulting in a typical four-day work week for many individuals. Among employed Dutch mothers, 86 percent worked 34 hours or less each week last year.

European countries show workers can have shorter work weeks, have a greater work-life balance, and remain productive. Norway, with its 33-hour average work week, has been found to be the most productive country in the world per hour worked. Norway also allows parents of young children to reduce their hours and has generous parental leave. Other countries show working hard does not always mean working long hours.

120. Maternity leave includes forty-three weeks of full pay or fifty-three weeks of reduced pay.
One long-term strategy in helping American workers overall, but especially parents, achieve a better work-life balance is reducing the work week. Sometimes shorter work weeks can help people work more strategically and efficiently. Happy workers are more productive workers.121

Increase Research on the Changing Nature of Work and its Implications

With the changing nature of jobs, and for those who choose entrepreneurship, the flexibility in favor of greater work-life balance may be an economic benefit. As people choose their own hours in favor of the height of their productivity, there may be more efficiency.

This shift toward more independent work, emphasized by the rise of the gig economy, is related to entrepreneurship. As more workers enter into gig economy work, policymakers need to consider their needs and create policies to protect non-traditional workers. Work does not look the same as it did a decade ago. Policies will need to change, not just for parents or entrepreneurs, but for workers overall. Therefore, more research is needed to better understand the economic impact and policy implications of the growing trend of independent, “employer-less” work.

Entrepreneurship Support Organizations

While policy change requires a significant shift in politicians’ goals and expectations, more incremental change in the ecosystem for mothers may come from entrepreneurship support organizations (ESOs). ESOs, whether co-working spaces or venture capital firms, have a unique role to play in offering better support for entrepreneurs who are mothers. We outline below several suggestions to guide this effort.

Provide Family-Friendly Spaces

ESOs can support parents better by considering their needs more thoughtfully. Providing childcare services at events and scheduling events at times that are more likely to work for parents’ schedules would make it easier for parents to attend. Locating ESOs in more residential neighborhoods also could make it easier for parents to take advantage of their services. A relationship exists between commute time and mothers’ labor participation rate.122 For example, “for every half-hour of commute

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time, the labor force participation rate of mothers drops 15 percent.”

Going even further, ESOs could create work spaces with on-site childcare. The WorkAround, a co-working space in Brooklyn, for example, features two separate areas: one for working parents and another for children and their caregivers. A video feed allows parents to observe their children while they work, and proximity allows for easy drop-off and short visits during the day. While the organization is still working on programs for school-aged children, especially during their vacations, this new model eases work-life balance and gives parents greater flexibility.

The Brooklyn Explorers Academy created a similar concept after noticing that parents were using their free Wi-Fi for work while their children played. They created a private office onsite with five desks for parents seeking a quiet space to work while their children play. Entrepreneurs, freelancers, and others who work from home can pay $15 per hour to use the space during the morning.

Create Mentoring Programs

As mentioned previously, women entrepreneurs cite the lack of mentors as a major hurdle. ESOs can actively work to recruit and increase the number of mentors that are responsive to the challenges of mother entrepreneurs. These mentors might be other mother entrepreneurs or other mentors that are tapped into the needs of this community. ESOs should work together to pool their mentors into a universal database to help facilitate better matches. Whether ESOs are brought into a community or established from within a community, they should work with community partners to find mentors relevant to the entrepreneurs they hope to recruit.

Offer Counseling Services to Improve Family and Spousal Dynamics

Affordable counseling services for entrepreneurs alone or with their spouses would be another helpful benefit for ESOs to offer. These services may help families address the barriers to entrepreneurship, resolve the conflicts it creates, facilitate greater family support for women entrepreneurs, and encourage couples to share childcare and household chores more equally. Counseling may create a more egalitarian approach within families and give mother entrepreneurs the family support that is vital to their success.

Celebration of Women Entrepreneurs

Finally, both ESOs and policymakers, as well as the media and others, can improve the perception of entrepreneurship as accessible to mothers by promoting stories of entrepreneurs who have been successful in both business and family life. Research proves diverse teams—both in terms of ethnicity and gender—persistently outperform and are more profitable than non-diverse teams. By sharing the experiences


of these women and the benefit of diversity among entrepreneurs, these stories make entrepreneurship appear more accessible to other women, inspire them to consider entrepreneurship, and shape public perceptions of working women.

These efforts not only affect the current generation of mother entrepreneurs, but also future generations. Positive messages about women entrepreneurs and the examples set by mother entrepreneurs influence the entrepreneurs’ daughters and other young women. Research indicates, in fact, that when mothers are self-employed when giving birth to their daughters, there is a “greater likelihood of the daughter herself becoming self-employed.”

Conclusion

New demographic trends, the increasing participation rate of women in the workforce, and the changing nature of jobs mean our society needs to adapt in order to retain its competitive edge. Workplace inequality for women, and especially mothers, is not a new phenomenon. Being women and mothers, they face a double whammy of challenges in the workplace. They face salary disparity, are misjudged due to cognitive biases, and are put on career tracks that reduce opportunities for advancement. It is apparent these issues mirror challenges facing women entrepreneurs. These challenges will remain, and creating policies and actions that reflect the actual economic landscape of today’s society is beneficial for all.

From a policy perspective, as we identified prescriptions, we realized it is both specific policies, as well as a systemic shift, that is needed. Society needs to adapt to allow women to attain success in their personal and professional lives. This is a shift everyone needs to take part in, regardless of race, gender, or socioeconomic situation. Establishing parental leave policies that promote work-life balance and are on par with the rest of the established world is necessary to create equitable opportunities for new mothers and fathers. Promoting those parental leave policies for fathers, as well, will help create a more equitable workforce for families. Finding policy solutions to support the changing nature of work are not unlike the challenges faced by mother entrepreneurs. Creating policies that go beyond the traditional workforce and into the modern era of work is better for the overall economy.

ESOs also need to adapt to be supportive of mothers. Providing childcare services, offering entrepreneur family counseling, and finding mentors who are sensitive to the concerns of mother entrepreneurs are imperative to providing better entrepreneur support.

Women are essential to the nation’s economic growth, not only as employees and as entrepreneurs, but also as parents. We need to work toward new

ways to break the cognitive biases against women, to create alternative childcare options, and to encourage egalitarian parenting. We need to celebrate mother entrepreneurs and tell their stories to promote entrepreneurship as an opportunity for mothers, and not an insufficient fallback plan. As our society shifts to embrace more non-traditional work, we look forward to both policy and practice creating the space for mother entrepreneurs to succeed.

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