

# Having it all is a myth: Family, personal commitments are pushing women out of their own businesses

August 28 2024, by Janine Swail and Susan Marlow

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Credit: Ketut Subiyanto from Pexels

This year Aotearoa New Zealand saw the highest rate of business closures since 2015, with 10,662 companies removed from the

Company's Office [quarterly register](#).

During the second quarter of 2024, company removals increased by 2,786 (a 35.6% increase) compared to the same period last year. But the closures have not been felt equally.

Female entrepreneurs have been particularly hard hit. High-profile [women](#)-owned businesses such as [Supy](#), [Sunfed](#) and [Mina](#) have all closed their doors.

According to one [global report](#), family commitments, as well as the pandemic, posed bigger hurdles for women entrepreneurs than their male counterparts. In the survey spanning 49 countries, 18% of [female entrepreneurs](#) who quit or exited a business did so for personal and family reasons, compared to just 12.6% of men.

Our [research](#) examined the personal and family reasons behind women entrepreneurs' decision to exit their businesses. While the respondents we interviewed were based in the United Kingdom, the responses reflected experiences seen in New Zealand and elsewhere.

We found [women entrepreneurs](#) often felt they had no option other than to exit or close their business if they wanted to preserve a viable home life.

## Household demands

We interviewed 16 women founders in the UK who exited their startups for personal reasons largely unrelated to financial or performance issues.

These reasons typically involved balancing household and business demands, and often included gendered responsibilities for child- and eldercare.

Frequently, men's careers came first in partner households. For instance, one beauty therapist closed her growing business to look after her children because her husband's medical career was so demanding. As she explained: "If we had both tried to focus on careers, we would have clashed, and the children and [family life](#) would have suffered."

Another woman who had established an Irish dance school franchise, running across seven cities, reluctantly chose to sell. She explained travel demands with two young children meant continuing her successful business was no longer feasible. "Having one, I can travel around the world with him. I used to bring him in his little baby bucket to the dance studio and keep him with me some days. I hated doing that because I felt it was very unprofessional. But sometimes, you've just got to do it, right? But with two, it was like, okay, this is not feasible anymore. When I got pregnant with [my [second child](#)], I was starting to consider what was my next step."

Even women who were childless often cited gendered personal reasons. One woman's harrowing experience of IVF forced her to rethink whether entrepreneurship was the right career for her.

Another had diverted time to support her sister, to whom she had been egg donor, through the loss of premature twins. Her absence from the business resulted in a gradual income decline. She explained grief and emotional toil left her depleted and unable to drive new business: "It was like somebody had taken my batteries out. I just did not work anymore."

Delving into such emotions and how women made sense of their exit decisions was explored and put further flesh and blood into their "personal" reasons. Within the combined 16 interview transcripts, we documented 47 different negative emotions, versus 17 different positive emotions.

This imbalance demonstrates the involuntary nature of business exits. But more concerningly, we draw attention to the potential damaging effects these emotions have on women's well-being and confidence, as well as the broader reconstruction of their career and work identities.

## **Having it all**

The women we spoke with rationalized their exit decisions by pointing to the expectations on them to prioritize family. They blamed themselves for failing to see through this supposed opportunity to "have it all".

Time and time again our societies pedal the myth that entrepreneurship is the panacea for work/life imbalance, and the secret to unlocking that much desired career goal of flexibility over one's work.

As Uma, an ex-entrepreneur, explained: "I was told that [business ownership] would be flexible. I wanted something where I wouldn't have to work full time, but I was completely wrong about that—especially with setting up your own business. It takes over your life and just becomes another baby."

There needs to be a new conversation, recognizing business and personal expectations on female founders are often incompatible.

## **Business comes with costs**

Policies and media should stop presenting [self-employment](#) as a [cost-free solution for women](#).

At times, it is a poor career choice, particularly when talented women could potentially be adding economic and social value in organizations with family-inclusive practices and policies that can support them.

Of course, women should still be encouraged and helped if they do want to build a business. Many, particularly those with high levels of human and entrepreneurial capital, do create successful and sustainable ventures. But the evidence indicates the universal "more (startups) is better" thesis is the wrong approach.

Too often advocates argue governments should focus on creating "cheaper, faster, simpler" ways to set up in [business](#). A more nuanced approach would benefit from firstly understanding the kinds of people who become entrepreneurs, and how peer networks and the financing environment can help.

Entrepreneurship continues to be presented to women as a way to build [work-life balance](#). But this must be balanced with a "[reality check](#)" regarding the poor prospects for those entering crowded, volatile sectors, operating part-time, or who are sole household earners without the benefit of an additional secure income.

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