

Women entrepreneurs are less likely to quit their business than men are, research says

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Women entrepreneurs are less likely to quit their business than men are, new research shows.

Men are 14 percent more likely to leave the businesses they set-up than women, the study found.

Muntasir Alam, and Dr. Dilani Jayawarna, of the University of Liverpool Management School, analyzed data on 1,523 [business owners](#), taken from 2009-16.

He told the British Academy of Management's annual conference in Birmingham this week that, on average, 16.3 percent women business owners left their business each year, compared to 18.6 percent of male, a gap of 14 percent (2.3 percentage points).

A further analysis revealed that women stay longer in business compared to men before making an exit, even though they get less income from their businesses than their male counterparts.

Although the Understanding Society survey data

did not list why these business owners had left, common reasons could include that the business was not a success, or was taking too much time to run, or that the director had fallen ill.

Mr Alam told the conference that [women entrepreneurs](#) often had husbands who were the main breadwinner, so they could still run the business even if the income from it was low. They often worked from home, so they had more flexibility over their schedule to carry out household responsibilities and run a business.

"The analysis found that running the business from home gives women flexibility, and also being the secondary breadwinner meant their business was subsidized by their husbands or partners," he said.

Mr Alam then adjusted the figures to compare men and women running the same size business, who had the same level of health and were working in the same market conditions. This allowed him to study the effect of gender in isolation, and he found that the gap between men and [women](#) directors still persisted.

The researchers also found that:

- Owners of smaller businesses were more likely to quit than those owns larger businesses
- Owners who were more highly educated and trained were less likely to leave their businesses
- Older owners were less likely to quit their business
- The further the business premises were from their homes, the more likely the owners were to leave their businesses
- Owners whose income was supplemented by their spouse's wages were less likely to quit their [business](#).

Provided by British Academy of Management

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