



1 Women business ownership

Why investing in women entrepreneurship builds resilient and inclusive economies

Women entrepreneurs are key contributors to economic and social development, yet they still face common barriers to advancement and business success.

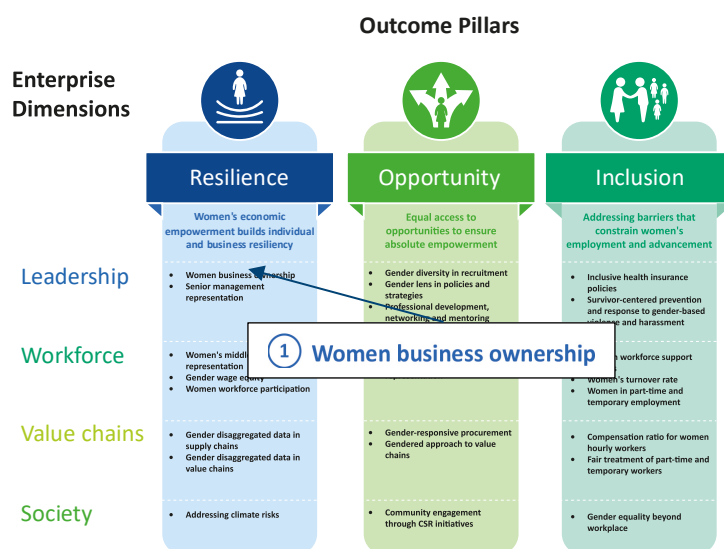
Owning a business allows women to generate their own income, contribute to household incomes and achieve financial autonomy and individual resilience. Women entrepreneurs are taking the lead in creating products and services that address their unmet needs and provide solutions to unique problems facing female consumers, families and communities. Businesses founded by women create more jobs for women, enabling them to participate in economic activities.

For all these promising developments, women still face fundamental challenges in growing their businesses, according to Brianna Losoya-Evora, Sweef Capital’s Head of Impact Measurement and Management. Access to capital remains the primary constraint. Financial barriers include local financial conditions, social and cultural norms underlying gender biases, the tendency for women-owned businesses to be smaller in size, and women’s limited access to business education opportunities and networks.

“Women aren’t getting the funds to grow their businesses and have the impact on innovation and product development that we need.”

- Nicole Denholder, Next Chapter Ventures

Change is happening, albeit slowly. Nicole Denholder, the Hong Kong-based Founder of Next Chapter Ventures, has spent seven years supporting female entrepreneurs and challenging the thinking and practices of financial institutions and investors in terms of funding women-owned businesses.



Sweef Capital Gender ROI™ indicator matrix

“I’ve always been very interested in how women can control their financial position better,” Ms. Denholder said. “Statistics show three per cent of funding goes to women, down to 0.6 per cent in parts of Southeast Asia, so women aren’t getting the funds to grow their businesses and have the impact on innovation and product development that we need.”

The underlying causes of this funding gap are complex. Ms Losoya-Evora said women-owned enterprises often lagged compared to male-owned businesses in terms of size, productivity and profitability. Women may start



businesses to achieve work-life balance and they are usually on a smaller scale, not requiring significant capital outlay and highly concentrated in a few sectors. Traditional funding decision-making processes often overlook or downgrade beneficial socio-economic impacts, focusing solely on financial outcomes.

“When you look at the statistics, women in stereotypically female industries attract more funding than women in deep tech, research or gender-neutral or male-dominated businesses because there’s an expectation women won’t be CEOs or build those companies,” Ms Denholder said. “We have to change that view. There’s a challenge around expectations of what a leader is, what a CEO can be, and that doesn’t need to be gender-defined. That’s where showcasing role models is very important.”

Ms Denholder said the case for change was broader than just current investment practices.

“It’s not just about the funding side, but also how we get more women contributing and innovating and building solutions for women, for families, for people more broadly, in a very male-oriented system,” she said.

“Governments can create a policy environment supportive of female entrepreneurship and address challenges holistically.”

- Brianna Losoya-Evora, Sweef Capital

“If you look at the way products were tested historically, even car test dummies and even medical trials were tested only on men for a really long time. The reality is it’s not just women, it’s all types of people – there’s a broader diversity discussion we need to have.”

Ms Denholder said many women she talked with were trying to achieve some sort of impact through their business. “Theirs is a business to be built with profit but they have impact embedded in their DNA from day one. They’re not starting a business so they can sell it in three years.”

Gender biases are deeply entrenched in economic, financial, social and cultural systems that work to curtail women’s advancement as

entrepreneurs, business leaders, employees, and consumers.

Ms Losoya-Evora believes collective action is necessary to tackle the barriers and biases women entrepreneurs continue to face. “Governments can create a policy environment supportive of women’s entrepreneurship and addressing challenges holistically,” she said. “The private sector can spearhead gender-responsive business practices focused on women’s economic empowerment, because the benefits are increasingly supported by evidence and common sense.”

With 93 per cent of capital controlled by men, according to entrepreneur and author Scott Galloway, how to engage them as part of this process?

“A lot of change we talk about is geared toward women but I think many men would be open to change that complements their life aspirations,” Ms Denholder said. “We can’t move the goalposts and not tell the men. If we don’t shift these goalposts together, and kick the same home goal, we’ll never find the gender element addressed in any meaningful way.”

While acknowledging the statistics have barely moved, Ms Denholder hopes small shifts will lead to a bigger tide of change. The opportunity is too big to ignore.

“I’m a glass half-full person,” she said. “Getting more women commercially literate is key. Let’s look more closely at the ecosystem and what makes a great business and ask how do we support that? Metrics matter; measurement frameworks and language matter. We need to look more positively at investing in businesses that have a dual path goal – being financially viable and having some sort of impact.” #



The **Sweef Capital Gender ROI™** identifies gender equality and diversity gaps and informs interventions to build resilience, equal opportunity and inclusion. This Insight Series explores how each indicator contributes to delivering social, financial and economic returns: <https://sweefcapital.com/gender-roitm/>

About the contributors



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Next Chapter Ventures: Supporting the entrepreneurial ecosystem

Nicole Denholder has witnessed firsthand the powerful impact of successful women business leaders and owners who pave the way for others. A former PwC project leader, Ms Denholder established Next Chapter Ventures to help female entrepreneurs obtain business funding faster, overcoming a much-cited success barrier.

“Technology has transformed the way valuations are done and returns happen, which has been fantastic for many businesses,” Ms Denholder said. “But a lot of female-owned businesses just aren’t going to be in that bucket. There’s a real opportunity to support these businesses in different ways.”

Starting with a rewards-based Next Chapter Crowdfunding Platform that enabled female entrepreneurs to access capital and other resources they needed to launch and grow successful businesses, this has now developed into Next Chapter Raise, offering business bootcamps across all forms of business growth and funding education. Next Chapter works across the entrepreneurial ecosystem, connecting lending institutions, grant giving organisations, angel investors and venture capital firms with female founders.

It also works with corporate organisations such as the Cartier Women’s Initiative (CWI), supporting CWI Fellows in Asia. “They look for strong metrics,” Ms Denholder said. “They select businesses with a clear growth orientation, but those businesses all have a purpose – they’re all doing amazing work.”

More details: Next Chapter Raise - <https://www.nextchapterraise.com/>. CWI - <https://www.cartierwomensinitiative.com/>



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