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I recently spent a Friday in a classroom at Harvard Business School, speaking at three sections of a "Founders' Dilemmas" class. I was on a panel that included two other entrepreneurs and a founder-turned-venture capitalist. We spent the day energetically answering pre-submitted student questions. About a third of the queries related to personal stuff and work-life balance as an entrepreneur. A small subset of these questions were directed at me as a female CEO. About 40 percent of the students in the room were

women.

I dread these questions.

If I complain, I look like a whiner. And I might discourage other women from trying.

If I don't complain, I am a liar.

Here's an example of being between a rock and a hard place. I told one class that the hardest part of being a female entrepreneur is raising capital. Only **four to nine percent** of venture capital goes to women-led ventures. **Under 10 percent** of VC's are women. There is an obvious correlation. (In my own travels I have only met four senior women at VC firms, vs. dozens of men.) But the VC next to me strongly objected saying "That does not square with my experience. We always fund the best teams, with no bias." He's a consumer focused investor, so I have to assume he gets pitched by a lot of women. When I got home and looked at his company website, I saw that his entire investing team was male, as was the vast majority of his funded executive teams. But he genuinely believes he is gender neutral. How can this be?

More importantly, *why* is this the case?

In my own career I did not perceive significant gender bias in any of the giant technology and consumer products companies where I worked. Well there was one exception, but it is ancient history. The board room and C-suites were still behind the times, but I was treated fairly and perceived that my employers were genuinely trying to create equal opportunity. I had a strong female mentor (Meg Whitman). I climbed fast and got where I needed to go in three of the four companies. (I left the "bad" one pretty quickly-my first employer. It was bigger than me, and even as a fresh grad I could see that it would be a losing battle for any woman to succeed there. Among its 60,000 employees there was literally only one senior woman and she cut a very lonely and unenviable picture in her drab grey wool suits and floppy bow tie shirts.) Bottom line, it's slow progress, but I generally experienced a meritocracy in my corporate career and I have no axe to grind about my experiences.

Fast forward to today, and my startup life. While the entrepreneurs I meet are vibrant, open-minded and diverse, it often feels like a 1969 office scene when you visit a VC in their native environment. The offices are swish and modern, but the workforce looks like the cast from *Mad Men*, diversity-wise. The only women you see moving along the corridors are serving admin roles (ie. coffee), or they are 26-year-old associates who are just passing through. One VC I visited made me seriously question my ambition to fund a startup. He was friendly enough. But the office walls were covered with endless pictures of all-male startup teams, and after hearing my pitch he asked, with a vapid grin, "So do you work out of your home?" I had 15 employees. I had impressive angel investors backing me. This was my third startup experience. Seriously? Did I work out of my *home*? And this is a relatively young VC, so he gets no free pass for being over the hill.

Women admittedly are not fully represented among the teams pitching for funding. That is not the fault of the VC industry. But they are certainly showing up far more than four percent of the time. What gives?

I think it is really simple. Startups are hand-to-hand combat. As a VC you are fighting against very tough odds. You are not thinking of the niceties, like discrimination policies or beefing up your recruiting efforts to get women. [Your limbic instincts kick in](#) and studies have shown that gender bias is really deeply seated, far more than racial bias. It originates from pre-historic days when, for men, only other *men* were your obvious competition for food, mates, territory. Women were no threat on any of those fronts. Being a threat means being taken seriously, for better or worse.

So for a man, who is worried about a startup's fierce fight for survival, who is worried about losing his partners' money and his reputation as an investor, and is aware of all the massive hurdles in front of the entrepreneur, he can't help but have some of those deep instincts kick in. He's not investing to be "fair" or change society, or advance women -- nor should he. Rather, he is there to use his best judgment while investing to win. He has to work on his keenly-honed instincts and pattern recognition. When he decides to sponsor a potential investment, he has to defend this startup CEO to a room full of other men. The vast majority of successful CEOs those VC partners know are men. All things being equal, they like to invest in people who already made them money. Second best are entrepreneurs who *look* like previous winner -- i.e. men. It's a vicious cycle. That doesn't make VCs evil. It makes them human, flawed and normal (even when they throw their math skills out the window and claim that having a portfolio in which women-led companies make-up a tiny percentage is "gender-neutral.")

We just need more human, flawed, normal *women* at the VC partner table. That's the problem that needs to be solved. Yesterday.