

PREFACE AND ACKNOWLEDGMENTS

One of our goals in writing this book was to tie together the research findings on financing women-owned firms with the real-world stories of a sampling of women entrepreneurs. We said to ourselves, “OK, this is what the data say, but how does it really work in practice?” In retrospect, we are so happy to have taken this approach, because it is the stories of our entrepreneurs that really make *A Rising Tide: Financing Strategies for Women-Owned Firms* come alive. To our delight, we found diverse entrepreneurs employing a diverse array of financial strategies in a broad range of industries. In other words, we found plenty to talk about and plenty to share with our readers, be they aspiring entrepreneurs, “practicing” entrepreneurs, or students of entrepreneurship.

In addition to sharing the stories of real-world entrepreneurs, we attempted to ground those stories within a framework of entrepreneurship theory and research, both past and present. In particular, we used Resource-Based Theory, Motivational Theory, and Life Cycle Theory as our guides. Resource-Based Theory contends that the resources an entrepreneur has access to in the form of financial, human, and social capital will shape the type of firm that she starts, as well as the subsequent performance of that firm. Further, human capital in the form of education and experience and social capital in the form of networks and contacts often serve as a “gateway” for sources of financing and the use of specific financial strategies. Motivational Theory suggests that entrepreneurs have different motivations for launching their firms. These, in turn, will help to determine a number of factors, such as industry selection, size, growth rate, and financial strategy. Finally, Life Cycle Theory states that firms at different stages of development have different characteristics. Thus, the financing strategies of a new or nascent firm may be very different from those of an established firm or a firm going through a period of rapid growth. In essence, firms face different types of financial challenges at different points in their development and growth.

The theme of “one size does not fit all” also serves as an underpinning for *A Rising Tide: Financing Strategies for Women-Owned Firms*. The chapters of the book are designed to illustrate many of the different types of entrepreneurial firms, including nascent, home-based, family-owned, growth-oriented, technology-based, minority-owned, and global firms. Each of these chapters gave us the opportunity to present different types of entrepreneurs and different financing strategies. In spite of these differences, however, common themes have emerged regarding the importance of developing sources of financial, human, and social capital, consistent with Resource-Based Theory.

As authors and researchers, we learned many things in the course of writing *A Rising Tide: Financing Strategies for Women-Owned Firms*. For starters, we learned that successful women entrepreneurs are a creative, energized, and proactive bunch. They are not afraid to take risks, but they do not treat risk lightly either. They are also constantly innovating to develop new products, services, delivery systems, and technologies. They are bold in seeking out and seizing opportunities. Often these opportunities require additional financial resources or new financial strategies, and our women entrepreneurs are diligent in securing those resources and creative in developing those strategies. They are the new pioneers, and they are role models for the generations of women entrepreneurs who will come after them.

In addition to blending theory and practice in each chapter, we also provided sections on “What Have We Learned?” and “What Does All This Mean for Me?” In doing so, we attempted to tie the content of the chapter to the needs and interests of our readers. We also explored issues and questions of public policy, particularly those policies that encourage entrepreneurship among women and facilitate the processes of entrepreneurship. In this era of high unemployment, rapid technological change, and growing global competition, entrepreneurship can provide a path to economic empowerment for women, as well as a means for creating new jobs, products, and services both domestically and abroad.

Many people were an integral part of writing this book, and we would like to offer our deepest thanks to just a few of them. First, we thank the wonderful women entrepreneurs who generously gave their time to share their stories with us. Without their input, this book never would have come to pass. We also thank the Kauffman Foundation for access to the invaluable Kauffman Firm Survey data that we presented and analyzed throughout the book. Further, we thank the Kauffman Foundation for its generous financial support,

which allowed us to write *A Rising Tide: Financing Strategies for Women-Owned Firms* and to attend key conferences that were instrumental in the development of our ideas. We want to make it plain that although we drew heavily on the Kauffman Firm Survey data for the research contained in this book, the opinions expressed and recommendations made are our own and not necessarily those of the Kauffman Foundation.

We thank the University of Hartford's Barney School of Business for a summer research grant to support the development of later drafts of *A Rising Tide: Financing Strategies for Women-Owned Firms*. The Barney School also provided graduate assistant support that allowed us to gather and analyze earlier research and data. In particular, graduate assistants Asli Kondu, Esra Gorgulu, and Abdulla Babashov played an invaluable role in the development of individual chapters. We thank the University of Hartford's Women's Education and Leadership Fund for a grant to support data gathering and coordination with our entrepreneurs. A special thank you to our friend and colleague, Dr. Dafna Kariv at the College of Management in Israel, who conducted interviews with global entrepreneurs Gali Ross and Hilla Ovil-Brenner.

We owe a big debt of thanks to our publisher, Stanford University Press, for recognizing the need for a book of this type, and to our truly awesome editor, Margo Beth Fleming who guided us through the process and encouraged us at every step along the way. Similarly, we are indebted to our editorial assistant, Jessica Walsh, and Jay Harward, Newgen project manager, who showed unfailing patience and grace in moving us through production.

We would like to take this opportunity to also recognize and thank our three reviewers: John Becker-Blease at Washington State University, John Watson at the University of Western Australia, and Victoria Sassine at Harvard University. Their painstaking reviews of our manuscript and thoughtful recommendations and suggestions were invaluable in helping us to develop the earlier drafts of *A Rising Tide* into the later, and vastly improved, manuscript.

Last but not least, we thank our families and friends for their support, love, and patience through this process. In particular, Susan thanks her husband, Bill Coleman, for his unfailing love, encouragement, and support. She also thanks her mother, Jane Flint, and her sister, Maureen Distasio, for serving as examples of what smart women are capable of. She also expresses her thanks to the longstanding members of her book club, who rejoiced in every milestone and celebrated every victory along the road to completion. Alicia extends

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As we close this introductory section, we cast our lines and prepare to launch into the stories, theoretical framework, and analysis that helped us to gain a better understanding and appreciation for the rising tide of women's entrepreneurship and the financial strategies that enable women entrepreneurs to navigate vast oceans of opportunity.