5. Gender-inclusive venture selection for ESOs

Does your program have a gender-balanced program participants' portfolio, or is there a majority of founders/ participants of one gender? Do you struggle to attract a diverse pool of applicants? Could your sourcing and selection processes be favouring a specific gender? What could you do to ensure a level playing field for all candidates?

What do we mean by gender-inclusive venture selection?

Gender-inclusive venture selection refers to a process that ensures fair and equal opportunities for founders of all genders, during the sourcing and selection of participants for entrepreneurial support programs such as incubators and accelerators. Simply declaring that a selection process is non-discriminatory is not sufficient to ensure a diverse participants' portfolio. While many programs may claim to evaluate all applicants equally, unconscious biases and structural gender disparities often influence decision-making in ways that systematically disadvantage certain groups. A truly gender-inclusive selection process must therefore proactively address these barriers to create an equitable playing field for all applicants and ensure that women, non-binary and other underrepresented entrepreneurs have equal access to funding, mentorship, and other resources that your program provides. Additionally, designing a gender-inclusive selection process should go beyond ensuring gender diversity among founders, and include broader considerations about how gender inclusive the participating organizations are themselves (e.g. in terms of team and workplace, product/service design, supply chain management, etc.), in order to promote gender equity not just within the entrepreneurial ecosystem you support, but also in the sectors where your program participants operate.

Why does non-gender-inclusive venture selection happen?

Many entrepreneurial support programs struggle with achieving gender-inclusive selection due to a combination of deep-rooted systemic and structural factors that affect each step of the selection funnel, but also the implicit gender biases of the teams running outreach and selection processes.

At the pipeline building stage, a key barrier is the network gap: many entrepreneurial support programs promote their program and source applicants through existing industry networks, investment circles, or university pipelines, where women and gender-diverse entrepreneurs are often underrepresented. This lack of connections and exposure can perpetuate a higher share of men-led ventures among applicants.

At the application stage, strict eligibility criteria (e.g. extensive prior funding, certain types of academic credentials, or specific growth metrics) might create disadvantages for entrepreneurs from diverse backgrounds. Women and gender-diverse founders are more likely to start businesses with alternative funding models or unconventional growth trajectories, meaning that they may not fit neatly into traditional selection checklists.

At the pre-selection and selection stages, one of the most pervasive issues is unconscious bias. Unconscious bias can shape perceptions of leadership, risk-taking, and business acumen, leading decision-makers to favor candidates who fit traditional entrepreneurial stereotypes, often favoring men. As a result, women and gender-diverse entrepreneurs may be judged more harshly or be expected to “prove” their capabilities in ways that their men counterparts are not. These biases can manifest in subtle ways, such as different questioning styles during the selection process, or higher skepticism about the growth potential of women-led businesses.

Additionally, the historical patterns of investment trends can also play a role. Many accelerators and incubators prioritize tech-driven solutions, a sector where men have traditionally been overrepresented due to structural inequalities in education, funding, and leadership opportunities. Women and gender-diverse entrepreneurs may be more likely to lead businesses in sectors such as health, education, and community-driven enterprises, which are often undervalued in traditional investment circles, and therefore also get deprioritized in entrepreneurial support programs.

Why is gender-inclusive venture selection important?

Gender-inclusive venture selection is not just a matter of equity; it also leads to better performing program portfolios, in terms of ventures’ level of innovation, economic growth, and financial results. Research shows that businesses founded or co-founded by women generate more revenue despite receiving less funding, therefore generating a better return on investment [1]. Gender-diverse teams also demonstrate higher innovation, better risk management, and stronger financial performance [2]. Additionally, there is evidence that women entrepreneurs tend to be more engaged in entrepreneurial support programs and apply the learnings more than their men counterparts, and that more diverse cohorts drive a more conducive learning environment for participants of all genders [3].

[1] https://www.bcg.com/publications/2018/why-women-owned-startups-are-better-bet

[2] https://www.spf.org/en/global-data/user47/GLILandscapeReport.pdf

[3] https://www.v4w.org/uploads/documents/Gender-Brief-South-Africa-Nov-26-Final.pdf

How does one implement gender-inclusive venture selection?

If you would like to pursue a more gender-balanced venture portfolio, a key strategy is to design a gender-inclusive selection process, following these given steps:

1. **Inclusive positioning and communication:** Clearly articulate your program's commitment to gender diversity and inclusion in all public materials, including websites, social media, and outreach campaigns. Use gender-inclusive language and avoid stereotypes in your communication materials, making sure that any visual representations and testimonials reflect gender diversity. Carefully choose how you express your positioning, being cognizant of the implicit gendered connotation that some words can have (e.g. focusing on competitiveness and aggressive scaling might resonate more with men entrepreneurs, whereas a focus on sustainable growth, impact and collaboration might attract a more diverse pool of applicants)
2. **Diverse sourcing:** Partner with organizations and networks focused on women and gender-diverse entrepreneurs to promote your program, and make referrals; explore targeted, non-traditional outreach channels to reach underrepresented groups (e.g. local networks, women support groups and clubs).
3. **Inclusive selection criteria and processes:** Pre-define your selection criteria and their respective weighs, and develop a clear rating scale in order to minimize inconsistent, subjective and potentially biased evaluations. Avoid criteria that might favor one gender due to structural disparities (e.g. women-led ventures attract lower funding than men-led ones on average, so requiring a strong fundraising track record puts them at a disadvantage). Conduct a blind first screening, removing information about gender as well as race and other demographic data from application files. Ensure gender diversity within the selection committee, and provide unconscious bias training to reviewers and decision-makers whenever possible.
4. **Gender-sensitive due diligence:** Develop guidelines with a standard set of interview questions, making sure to balance promotion-oriented and prevention-oriented questions, to minimize the impact of unconscious bias in probing candidates of different genders in different ways (men typically receive more promotion questions and women receive more prevention questions). Include questions to explore any initiatives and efforts that the venture may have to improve gender inclusion and equity, both internally (in terms of team and leadership composition, workplace culture, etc.) and externally (in terms of product/service design, customer segments served, supplier management, etc.). Ensure that due diligence processes take into account the unique constraints faced by women entrepreneurs, such as caregiving responsibilities and lower access to networks and resources. Consider avoiding interview formats such as elevator pitches, which are known to favor men founders, or provide specific pitch training to women and gender-diverse founders to mitigate the impact of such biases.
5. **Track, evaluate, report and adjust:** Implement a system to track and report on the gender diversity of your candidate pool throughout each step of your selection funnel. Anchor this process with clear, measurable gender-related targets and metrics at the program participant level, covering both participation and experience (e.g. share of women founders or owners, women in senior management and the workforce of participating ventures; attendance, completion rates, milestone achievement, and satisfaction across genders).

Regularly review this data to identify trends and areas for improvement (e.g. you could detect that the funnel of applicants is gender-balanced until the moment of making the final selection, at which point many women-led ventures are rejected, pointing at a specific issue at this stage of the process); that will also allow you to track the results of changes and adjustments you make. In the longer term, regularly evaluate and adjust your selection practices based on feedback from candidates and reviewers. To learn more, see our resource [#2: Gender-related program target setting.]

Case study

Building a more balanced venture portfolio through gender-inclusive pipeline building and selection by the Swiss Re Foundation

The Swiss Re Foundation (SRF) runs a yearly high-profile Award program. It struggled to get a high proportion of female-led applicant organizations. To address this, it revised its outreach and communication materials and adjusted the selection process to improve the gender balance of its portfolio.

The Swiss Re Foundation is a Swiss corporate foundation dedicated to strengthening the resilience of communities and their ability to survive and thrive in the face of resource stresses, societal adversity and natural disasters. One of its flagship initiatives is the Entrepreneurs for Resilience Award: launched in 2016, it is a global competition for entrepreneurial initiatives that take innovative approaches to building resilient societies and realising the United Nations Sustainable Development Goals. Every year, the Award recognises 3 social enterprises in a given sector, providing them significant grant funding, as well as access to technical support and coaching to help them scale their reach and impact.

Throughout the history of the Award, the majority of winners were man-led ventures: in particular, only 20% ventures recognized between 2019-2023 had a woman as their main founder. While this may reflect a gender imbalance in entrepreneurship in some sectors, the SRF decided to put more intentional efforts toward reducing this gap and achieving a more balanced gender representation among Award winners. To do so, the Foundation:

- conducted a gender analysis of its pipeline building and selection funnel to better understand where the gender gaps were and detect potential biases at different stages of the process
- revised the Award's promotional materials (pictures and language of the call for applications, website, and application form) to strengthen the message of (gender) diversity and inclusion
- started conducting the first screening of applications in a gender-blind manner, to remove any unconscious bias driven by the founder's gender and profile
- made gender-related aspects more prominent throughout the due diligence process, both in terms of questions asked to the candidates, and information provided to the selection committee. This went well beyond the gender of the leadership, including a broader assessment of the ventures' gender inclusion efforts both internally (team and board composition, internal policies, etc.) and externally (product/service design, marketing, sales, relationship with suppliers, etc.).

After implementing these changes, the 2024 Award edition showed promising results: the share of applications from women-led ventures increased from 26% to 34%. Additionally, these results were reinforced across the selection funnel, with 42% female representation in intermediate selection stages (vs. 26% previously), and a majority of women-led ventures among winners (2 out of 3), including one venture specifically focused on serving women.

While these are still early results, which might have been influenced by the sector focus for the 2024 Award [4], the significant increase in gender balance, particularly at later stages of selection, suggests the strong potential of being more intentionally inclusive throughout pipeline building and selection efforts.

In addition to continuing its efforts to improve the gender balance of its Entrepreneurs for Resilience Award portfolio, the Swiss Re Foundation has also incorporated gender inclusion into the Award's offering, by systematically offering winning ventures access to gender mainstreaming training and support to help them identify concrete opportunities to adopt more inclusive practices across their operations, strategy and team.

[4] With the exception of 2020, when it was focused on agriculture, the Award has targeted ventures in the healthcare sector since 2019, but the specific scope has varied: between 2021 and 2023, the focus was on inclusive financial solutions for healthcare, while in 2024 it was on brick-and-click models for inclusive healthcare.