

EFFECTS OF ROLE MODELS AND FINANCING BARRIERS ON WOMEN ENTREPRENEURSHIP

Ramdas Chandra, Huizenga College of Business and Entrepreneurship, Nova Southeastern University, Ft. Lauderdale, FL, U.S.A.

Ravi Chinta, Huizenga College of Business and Entrepreneurship, Nova Southeastern University, Ft. Lauderdale, FL, U.S.A.

Anne Fiedler, Huizenga College of Business and Entrepreneurship, Nova Southeastern University, Ft. Lauderdale, FL, U.S.A.

[dx.doi.org/10.18374/JABE-20-1.5](https://doi.org/10.18374/JABE-20-1.5)

ABSTRACT

Entrepreneurship has attracted the attention of many and is seen as the economic engine that has the potential to deliver future job growth. Because of this potential, it is crucial to identify what drives entrepreneurship. Extant literature has focused on entrepreneurial wealth--sufficient collateral—as a liquidity constraint hindering small business capitalization. Our study empirically investigates the expected linkage between personal wealth constraints and intention to start a business for women entrepreneurs. Further, we examine the moderating effect of successful women role models on women entrepreneurship. Funded by a research grant, data has been collected in the state of Alabama from 1200 women intending to start a business. The data was analyzed using the Baron and Kelly (1986) methodology to assess the statistical significance of moderating variables. Our results reveal that successful role models can inspire potential entrepreneurial aspirants and significantly mitigate the lack of personal wealth and liquidity constraints that thwart business start-ups. Thus, it is important to widely share the success stories of successful entrepreneurs to potential entrepreneurs, especially those who are limited by constraints of personal wealth. We conclude our paper with implications for women entrepreneurs, policy makers and for future research.

Keywords: *Women entrepreneurship; Personal wealth constraints; Women Role Models*