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CMO NETWORK 1/04/2017 @ 5:10AM | 184 views

VCs Are From Mars, Female Entrepreneurs Are From Venus

Why is the number of women starting up companies growing faster than the number of male-led start-ups, but women don't get their fair share of venture capital (VC) funding? I asked [Jory Des Jardins](#), cofounder of [BlogHer](#), for answers. She told me there is a "mismatch between the VC process and how women go about growing a company." The gap between them is so significant, you could say, VCs are from Mars and female entrepreneurs are from Venus.

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Credit: Jory Des Jardins

Jory has a unique insider's perspective on the problem. After founding BlogHer, a digital lifestyle platform for women by women, Jory and her partners grew the company into the premiere female media company, generating 100 million unique visitors monthly. In 2014 they sold the company to [SheKnows Media](#) for \$30-40 million. Along the way, they raised \$15 million in funding from Venrock, Peacock Equity, and NBC Universal. Today, Jory advises start-ups and is cultivating a community of entrepreneurs, investors, and executives through her advisory firm [Virago](#) and [The Scale Collective](#), Virago's summit.

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Jory has generally found that female entrepreneurs don't view growing a company the same way VCs do. One of the disconnects stems from the pride women take in running a lean organization. Women tend to brag about how much they've accomplished with how little they've had, she says, and they tend to think that they can continue running lean, that they don't need more. While women may think this shows their ingenuity and resourcefulness, it sends a message to investors that they don't have what it takes to get to the next level. VCs are more likely to think that the founders' scrappiness is holding them back from preparing the runway to grow.

It's the same issue with not taking on staff. Women tend to resist hiring employees in part because they want to prove how productive they can be on their own. But this not only makes VCs wonder if the entrepreneur understands what it takes to grow, it also suggests to them that the founder isn't looking to get out of the business and would be difficult to kick out when it comes time to taking on other leaders who can really scale the business.

Another source of the mismatch between female founders and VCs is their different views on profitability. Jory finds that women tend to think everything is OK if their start-up is profitable. Profitability proves viability, their theory goes. But VCs think settling only for achieving profitability means that the founder isn't focused on what it takes to get big. After all, VCs are looking for companies that can scale and scale fast. So, to an investor, profitability may be a milestone but it's not necessarily a bellwether for the kind of growth they're looking for.

Ultimately women tend to count on growing "by winning over customers' hearts and minds and solving real problems," Jory says, "and they don't work on creating a fundable business." She also attributes some of the mismatch to more typical gender differences, observing that women tend to go for more base hits than home runs because they're generally more risk averse, so they run their operations too conservatively.

Despite all these differences, Jory maintains there are ways to close the gap between VCs and female entrepreneurs, but the solution is not training women to be like men. She does see that women need to be encouraged to take more risks

and invest more in their businesses' growth. She suggests that women allow themselves to chase their aspirations because "VCs love founders whose aspirations are stratospheric."

On the flipside, Jory says the industry needs to learn the unique value of what women do. Too often, she finds investors are only looking for proprietary technology. Instead the priority should be on getting more people to use the product, and VCs should think more broadly about how that can be achieved. That will lead them to see the value of what women do best — generating authentic growth, focusing on really solving problems, and building organic community. This is what made BlogHer so successful and eventually led it to become such an attractive acquisition target.

Above all, Jory is waiting for more women to play a role in producing unicorns. With more examples of how women's strengths play out in success stories, more stars of funding opportunities may align even if VCs and female entrepreneurs remain on different planets.

Denise Lee Yohn is a brand-building expert, speaker and author of [What Great Brands Do](#) and [Extraordinary Experiences](#).

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