

RAISE – The Female Founder’s Guide to Securing Investment

A new book on raising investment from a female perspective is a welcome addition to the literature, full of practical and motivational advice.

Temps de lecture : minute

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Equity fundraising expert and the founder and CEO of *Enter The Arena*, Julia Elliott Brown, has released her first book *RAISE – The Female Founder’s Guide to Securing Investment*. *RAISE* is the practical ‘go-to’ handbook for all female founders looking to raise investment for their business but don’t know where to start.

Much has rightfully been of the fact that less than two percent of venture funding *goes to women-led businesses*, and more than half of female founders experience gender bias in the fundraising process. So how do female founders crack the fundraising code and unlock the money from the investment ecosystem which traditionally has been run by, and for, men?

Having worked with hundreds of female founders and successfully raised millions of pounds in equity finance, Julia Elliott Brown shares her advice and experience that will properly prepare you for and take you through the fundraising process, including:

- How to speak the same language as investors
- How to prepare financial information and an investor pitch
- How to build a network of high-calibre investors and confidently have meetings with them

- How to deal with investor questions and gender bias
- How to negotiate an investment deal that builds real, long-term value for you and your business.

Critically, *RAISE* also covers confidence, resilience and having a positive fundraising mindset, sharing the inspiring stories and top tips of dozens of female founders who successfully funded their businesses.



À lire aussi

22 female founders, VCs and leaders share their top tips for aspiring female entrepreneurs

We also asked Julia to share some of her advice and thoughts with our readers.

What are key areas female founders need to assess before pitching for investment?

1. Assess whether you really need investment. Reading the press, you'd think that all start-ups should raise investment. But it really isn't the be-all and end-all for every business. If you're able to scale your company to healthy profitability without taking on external investment, you'll own it 100 per cent, and reap all the benefits in the long term. But if you need to scale fast, see off competitors, benefit from economies of scale, or make major investments into the business for growth that you can't cover from cash flow, then raising investment could be an option to explore.
2. Understand whether you're building a "high-growth" start up. If you're building a business you plan to scale into something much bigger, so you can sell it in the future for a significant amount of money, you could attract investors to the opportunity because of the financial return they could make. At the most basic level, investors are looking for a return on their money, so if you're not planning to scale and exit, then investment might not be right for you.
3. Get clear on what taking investment means for you. Taking on equity finance means bringing in new partners to your business. That brings greater accountability and the pressure to drive towards exit. When you've been a solo founder for a while, this can be a real shift in the way you run and build your business.
4. Know whether your business is investable. Before you pitch to investors, get clear on how they're going to assess your business as an investment opportunity. They want to know you have a great idea and a great team, that there's significant potential for your product or service, that you're proving the concept in the market, and have a sound plan for growth.
5. Assess your fundraising skills. Having an investable company isn't enough. Before you pitch to investors, you'll also need to put together robust financial forecasts, determine your valuation and raise amount and build a stellar pitch deck - so financial acumen and strong communication skills are critical. And in pitching, you'll need to

understand which investors to reach out to, how to speak their language, run effective meetings with them, and negotiate and close your deal, as well as keep your mindset strong through your fundraising journey. Doing this alone or trying to wing it as you go carries a significant risk of failure.

How do you make female led businesses relatable to (mostly) male investors?

Every investor has different goals, priorities and ways of looking at whether your company is the right investment opportunity for them. Most investors are looking to achieve a return on their investment within a reasonable time frame - a good rule of thumb is 10 times the money they put in, over a 7-10-year period. But like all of us, investors think with their hearts as well as their heads. They want to back a business that resonates with them: something they believe in or feel connected to, that makes a difference in the world.

Female founders come under a lot more scrutiny than male founders. We're fighting against conditioned subconscious beliefs that people have held for centuries about the traditional female role in society, and how capable women might be at building and scaling businesses. Investors often have a bias towards backing businesses and founders they understand and relate to. Their conscious and unconscious biases lead them to make their mind up about you before you even walk through the door; and when you do get through that door, they ask you very different questions than they ask a man.

So, be thorough in your preparation, and find evidence and data to support your plan. This approach speaks to the rational decision-making process for an investor, raises your gravitas as a female founder, and gives you bulletproof confidence in your proposition. Ask investors questions. Understand their priorities, then you can speak to those as you

present your business to them.

Their relationship with you, the founder, is key: they want to work with an entrepreneur that they like and respect. So as a female founder, don't be shy in putting your credentials forward, so investors are clear on what makes you the best person to build this business.

Finally, what is 'venturesplaining' and why is it killing the ambition of female-founder led start-ups?

Investors often see female founders as less experienced than their male counterparts, even with the same number of years working in an industry. This unconscious bias can show up directly in the way investors speak to female founders. It's a common complaint among women seeking funding that male investors will patronisingly explain to you how your industry or business works, or how your customers think and feel – when the reality is that you know significantly more about this than they do. They assume you don't understand because you're a woman; they talk at you, don't ask questions, don't listen or show genuine interest in your opinions.

This insidious (and incredibly annoying) behaviour displayed by many men in the venture industry – especially those who believe themselves to be in a position of power – is a term I have coined: 'venturesplaining'. You'll probably recognise it as a derivation of 'mansplaining', a concept outlined by feminist writer Rebecca Solnit, who wrote an essay on how 'men explain things to me' in 2008.

The dangerous outcome of venturesplaining is that female founders can leave the interaction feeling 'less than', with their skills and experience minimised, confidence chipped and questioning their own expertise. This perpetuates the problem of female founders' lack in confidence and struggle to raise investment.

We need to raise awareness of this issue in the industry, encouraging

investors to examine whether they might be venturing, and to enable female founders to spot this behaviour and know how to deal with it.

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