

# SSV releases new research highlighting the stark gender gap in European late-stage venture capital

*Just 10% of late-stage venture capital funds are founded by women and just 2% of Series B investment goes to female founders*

LONDON, UNITED KINGDOM, October 29, 2024 /EINPresswire.com/ -- [Smart Society Ventures](#) (SSV) today announced the release of [The Missing Middle: Gender Disparities in Late-Stage Venture Capital Funding](#), which provides new data on the stark gender imbalance in late-stage venture capital (Series A to Series C funding rounds). The research was produced in partnership with the UK government's [Invest in Women Taskforce](#), M&G, Latham & Watkins, European Women in VC and venture capital funds Octopus Ventures and Plural. The publication also marks that start of SSV's Missing Middle research series, examining structural gaps in Europe's scale-up economy.

SSV's research shows that just 10% of late-stage venture capital funds in Europe are founded by women, and just 13% are led by female Managing Partners, with responsibilities for investment and capital allocation decisions, as well as firm management, highlighting a stark gender gap in those driving strategy and major decisions at the region's late-stage venture capital firms. Overall, just 18% of late-stage venture capital General Partners are women.

The numbers are even worse when looking at the rapidly-growing climate tech investment sector, where SSV focuses. Just 9% of late-stage climate tech venture capital funds are founded by women and just 12% of Managing Partners are women, with 15% of GPs female. More than 85% of European climate tech capital allocation decisions are being made by men - in a sector that is critical to everyone's collective future.

The gender imbalance at late-stage venture capital firms also means that fewer European scale-ups led by women are getting scale-up funding. Statistically, female General Partners are 2X more likely to back female CEOs and Founders across investment asset classes. SSV's research shows that over the past three years, less than 2% of Series B funding went to all female founding teams, with mixed-gender founding team receiving 12% of Series B financing dollars. The gap is again more pronounced in climate tech. Male-only founding teams receive 90% of all climate tech Series B capital, with 8% allocated to mixed gender teams and 1.6% of capital to female-only founding teams.

Overall Europe currently has significant scale-up and climate tech funding and expertise gaps, which The Missing Middle series will dive into further in subsequent research. Europe has just 1/7th the scale-up capital per capita as compared to the US and China. In the US, 60% of venture capital GPs have operating experience, while just 8% of European GPs bring this experience to their portfolios. The operating expertise gap is even more pronounced at the scale-up investment stage where scaling expertise can be critical, compounding Europe's Missing Middle.

The gender gap creates significant missed economic opportunity for Europe and missed return potential for LPs. According to the Invest in Women Taskforce, the UK alone is missing out on £250 billion of annual economic growth due to gender imbalances across the broader economy. Data from European Women In VC shows that each 10% increase in female representation in venture capital senior management drives a 1.3% increase in IRR.

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