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FEMALE FIRMS AND BANKS' LENDING BEHAVIOUR: WHAT HAPPENED DURING THE GREAT RECESSION?

by Francesca Maria Cesaroni^{*}, Francesca Lotti[†] and Paolo Emilio Mistrulli[#]

Abstract

During the financial crisis banks faced liquidity shocks, and lending slowed down. The reduction in credit availability was due to demand- and supply-side factors. The decrease in turnover and investment led to a contraction of financial needs; on the other hand, the tightening of credit supply was the result of banks' greater risk-aversion, difficulties in raising funds, and a worsening in the creditworthiness of borrowers. However, banks do not pass on liquidity shocks to borrowers according to a homogenous pattern: by following a pecking order, they first reduce lending to the marginal segment of borrowers to protect their core customers. Previous studies have shown that banks are less prone to lend to female firms than to others: lending to female firms may have suffered more during the crisis than other segments of the credit market. By using data from the Credit Register at the Bank of Italy for the period 2007-2009, we find that women-owned firms faced a more pronounced credit contraction with respect to other firms.

JEL Classification: J16, G21.

Keywords: financial crisis, banks, loans, women-owned firms.

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1. Introduction*

Due to the financial crisis, banks faced liquidity and capital shocks and bank lending slowed down. The reduction in bank credit growth was due to a combination of demand- and supply-side factors (Del Giovane, Eramo, Nobili, 2010), with a prevalent role ascribed to the decline in demand for bank loans (Panetta, Signoretti, 2010).

On the demand side, uncertainty about future economic conditions and a fierce competition from emerging countries might have undermined firms' performance, so that less external finance was needed. On the supply side, the tightening of credit supply was the result of a greater risk-aversion of banks, an increasing difficulty for banks to raise funds, and a worsening in the creditworthiness of borrowers. It is likely that banks have not passed liquidity and capital shocks through to borrowers according to a homogenous pattern. Indeed, by following a sort of pecking order, they may have first reduced lending to marginal or less desirable segment of borrowers in order to protect as much as possible their core customers.

Previous studies have shown that banks are less prone to lend to female-run firms compared to others (Alesina et al., 2012): thus, female-run firms' lending may have suffered more during the crisis than lending to other borrowers.

According to the 2nd National Report on Women Entrepreneurship¹ in Italy between 2008 and 2009, male businesses suffered most from credit tightening. However, female entrepreneurs applied for bank credit lines less frequently than men. Similarly, only a small percentage of companies were willing to ask for additional bank credit lines in the near future, but this willingness was slightly higher for male businesses. This seems consistent with the view that female entrepreneurs are less confident about their ability to access the credit market, especially during a financial crisis.

A clearcut evidence emerges in the UK. Fraser (2010), using the UK Survey of SME Finance, including data on bank loan applications submitted in 2008, finds that female firms were more likely to be denied overdrafts and term loans than male firms and that female firms were granted overdrafts that were about 58 percent smaller than those obtained by other firms.

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¹ Online at <http://www.unioncamere.gov.it/P42A532C311S144/II-Rapporto-nazionale-sull-imprenditoria-femminile.htm>. This report shows the results of a survey conducted by questionnaires to 3001 male and female businesses.

In this paper, by using bank-firm level data contained in the Central credit register at the Bank of Italy, we investigate whether the gender of the firm owner affects the growth rate of outstanding loans in the period 2007-2009, controlling for all the observable characteristics available.

Our findings indicate that women-owned firms faced *ceteris paribus* a more pronounced tightening in credit supply with respect to non-female firms. This evidence holds true for the total loans and for its short term component, while it does not seem to hold for overdraft facilities.

The remaining of the paper is organized as follows: Section 2 reviews the literature on access to credit, with a particular focus on women-owned firms. Section 3 highlights the methodology and the data used. Section 4 concludes.

2. Female firms and access to credit

There is some evidence that female entrepreneurs may find greater difficulties in accessing the credit market compared to other firms (Hisrich, Brush, 1984), especially in the start-up phase (Orser et al., 2000), and this helps explaining an overall growth which is lower compared to male counterparts (Brush, Carter, Gatewood, Greene, Hart, 2004; Carter, 2000; Carter, Rosa, 1998; Marlow, Patton, 2005; Alsos et. al 2006).

The difficulties faced in assessing the credit market may also affect female businesses financial patterns. Indeed, female entrepreneurs start their firms with a lower level of external funding than male ones (Carter, Shaw, 2006; Coleman, Robb, 2009); they are less likely to raise capital even in the mature phases of their business life cycle (Calcagnini, Lenti, 2008; Coleman, Robb, 2009); they are more likely than men to borrow from their family and friends (Coleman, Robb, 2009) and are less leveraged (Robb, Walken, 2002; Constantinidis et al., 2006; Fairlie, Robb, 2009).

Part of the observed gender differences in the access to credit depends on the demand side of the credit market.

First, it is we documented that there are *structural dissimilarities between man- and women-owned businesses* (in terms of size, age of the firm, sector) which affect borrowers' creditworthiness even if they are only indirectly related to gender. Women-owned firms may be considered more risky by banks since they tend to be younger, smaller, less growth-oriented than male-run firms and working in less capital-intensive sectors (Cole, Mehran, 2009, Fabowale et al., 1995; Shaw, Carter, Brierton, 2001; Marlow, Patton, 2005, p.724; Lee, Denslow, 2005). According to McKechnie, et al. (1998), these factors can explain most of the differences in the level of leverage between male and female businesses. However, other studies have shown that gender differences persist even after having controlled for several structural factors (Verheul and Thurik, 2001).

In a different perspective, another strand of literature states that lower access to debt financing by women-owned firms is the consequence of differences relating to choices, preferences, motivations and behavior (Watson, 2006), that affect their borrowing decisions. Watson and Robinson (2003) suggest that women are more risk averse, others find that they are less self-confident than men, especially in financial and investment decisions (Byrnes et al., 1999; Barber, Odean, 2001; Croson, Gneezy, 2009), and are more concerned about the risk of losing control of their businesses (Constantinidis et al., 2006; Verheul, Thurik, 2001). As a consequence, female entrepreneurs are less prone to borrow, have a lower growth-orientation (Carter, Shaw, 2006; Cliff, 1998; Pelger, 2011), and they prefer to operate in low capital intensive sectors, relying less on external finance.

Recently, some authors have argued that women have a lower financial literacy than men. Cheng et al. (2011), using data from 2004 U.S. Survey of Consumer Finances (SCF), find that women pay more for mortgages than men since they are less prone to search for the lowest interest rate. Since they are less financially skilled, women may face greater difficulties in dealing with lenders and, in the end, they are discouraged from applying for external sources (Coleman, 2002). Sena et al. (2010) confirm that the lack of financial education seems to be the most important factor that prevents women from asking for external debt. The lack of financial education may also entail a lack of confidence: Women may suffer from a kind of “preventive fear”, i.e. they believe that their requests for funding have little chance of being accepted, and as consequence, female entrepreneurs are less prone than men to ask banks for a loan (Robb, Wolken, 2002).

Gender differences in the credit market may also stem from the supply side. Some studies suggest that women suffer from a taste-based discrimination (Buttner and Rosen 1988, 1989; Fay and Williams, 1993; Cavalluzzo et al., 2002). Coleman (2000) shows that banks ask women-owned businesses more frequently for collateral and that women pay higher interest rates, but there are no differences in banks’ willingness to lend to men compared to women. Calcagnini and Lenti (2008) find that the loan denial rates are higher for female borrowers; Muravyev et al. (2009), by using a cross-country survey (*Business Environment and Enterprise Performance Survey – BEEPS*), confirm that banks discriminate against female firms that have a higher probability of being denied a loan and, when they succeed in borrowing, they are charged higher interest rates. The paper also shows that gender-based differences fade out in more financially developed countries. Clear evidence of gender discrimination in Italian credit market comes from Alesina et al. (2012). Their research shows that, even after controlling for the competitive structure of the lending market and for many individual and business characteristics, female businesses pay higher interest rates, even if they are not riskier than men. Bellucci et al. (2010) provide additional evidence on gender discrimination in Italian small-business lending, analyzing credit lines extended by a major Italian bank to sole proprietorships in two Italian provinces in 2004 and 2006. They find that, even though women-owned businesses do not pay higher interest rates, they are significantly more likely to pledge collateral and they also face more severe limits in access to credit. These findings are

confirmed even after controlling for unobservable individual firm effects, suggesting that they are consistent with a taste-based discrimination explanation.

All in all, these studies suggest that female entrepreneurs tend to be viewed by banks as a less important segment of the credit market. As a consequence, it is reasonable to argue that, when banks are hit by a liquidity and capital shock they tend to tighten credit standards to female borrowers by more.

3. Data and Methodology

The data used in our empirical analysis come from the Central Credit Register (CCR), run by the Bank of Italy, and from Infocamere, namely the archive of the Italian Chambers of commerce.

The Credit Register contains detailed information about loans to firms and individuals. Each bank has to report to the CCR information at the borrower level unless the whole amount of money lent is below 75,000 euro (30,000 since January 2009). Banks also report information about the type of loan contract (overdrafts, mortgages, advanced against trade receivables), the quality of loans (performing, non performing and bad debts), whether the loan is secured or not, just to mention the main ones. Finally, we identify male and female-run firms by using Infocamere, following the methodology proposed by Depalo and Lotti (2012).

In order to check whether the gender of applicant enterprises affected banks behavior and decision making in period of financial turmoil, we look at a sample of firms between 2007 and 2009, considering the rate of growth of total loans, of short term loans and of overdraft facilities.

The definition of women-owned firms relies on propriety: for sole proprietorships it is determined by the gender of the owner, for partnerships to be classified as women-owned, over 60 percent of the individuals involved must be women, while for public companies to be considered female, women must own at least 60 percent of the shares. These firms – hereafter defined female firms - were compared with the group consisting of all the other firms (defined non female firms).

Our sample contains nearly 400 thousand firms (Table 1). Women-owned firms account for 7 percent of the sample. This figure is much lower than the share of female firms considered by Infocamere (23 percent, Infocamere, 2010). This difference is partially due to the definition adopted in this analysis, but it can also be due to other factors: in fact, it may reflect either a lower propensity of women to draw on external finance or a lower size of female firms, whose loans are more likely to be below the CCR threshold.

At the sectorial level, female firms are more present in the service sector (nearly 70 percent), and their presence is relatively higher in the Center and in the South of Italy (Table 2).

An underlying hypothesis is that during phases of liquidity shortage, banks reduce loans to marginal or less desirable segment of borrowers, like women-owned firms (Alesina et al., 2012). Table 3 reports the raw average growth rates of loans for the whole sample of firms and for the subgroups of female and not female firms. Our analysis shows that the total credit to firms in our sample decreased by 0.5 percent only, while the short term component decreased by 5.3 percent and

overdraft facilities decreased by 1.2 percent. Although this contraction in credit availability may reflect both a lower demand and a lower supply, it is evident that women-owned firms had a more intense reduction in the period 2007-2009 (-3.4, -8.4 and -5 percent for the total amount of loans, short term loans and overdrafts, respectively). The sole exception is the growth rate of overdraft facilities, much higher for women-owned firms in the industrial sector (3.7 percent and 1.5 for males). At the territorial level (Table 4), the growth rate of loans has been negative in each area, with the sole exception of the South: female firms located in the Southern regions show a positive growth of short-term loans and of overdraft facilities.

Although informative, these averages do not take into account the different characteristics of female- and not female firms, which may be correlated with the attitudes of the banking system, especially in a time of liquidity shortage. In order to tackle this issue, we perform a regression analysis. In turn, the dependent variables are the growth rates of total loans, short-term loans and overdrafts. In addition to a gender indicator, *Female*, firm characteristics that we could recover from CCR are: whether a firm relies on one bank only, a dummy variable *D(onebank)*; the (log) number of banks lending to a firm, *Nbanks*; a dummy variable that is equal to one if the firm is small,² *D(small)*; a dummy for whether a firm is a sole proprietorship, *D(sole prop)*; and a measure of bank competition, *Herf*, the Herfindahl-Hirschman index computed with the loans' share at the province level.

Tables (from 5 to 7) reporting the regressions share the same structure: except for column (1), all the specifications contain 2-digit sectorial fixed effect (23 in total) and 103 province fixed effects. Even though not reported, every regression includes bank fixed effects also. They all contain the gender indicator and we add, one at each time, all the covariates mentioned above, and their interactions with the *Female* variable. In column (13) all the available variables are included in the specification.

In Table 5 the dependent variable is the rate of growth of the total loans; it is evident that the rate of growth of total loans for female firms is lower than for not female counterparts as the coefficient for *Female* is always negative and significant, ranging from -4 to -0.6 basis points, depending on the specification. Interestingly, being a customer of one bank only reduces the growth rate of 9 percentage points on average, but not for female firms (the coefficient for the interaction is 3.2 percentage points). In a symmetric fashion, relying on more banks countervails the credit contraction, but not for female firms. Being either a small or a sole proprietorship firm brings about a significant and sizable credit reduction, less so for women-owned firms. The concentration in banking activity, *Herf*, has virtually no effect on the growth of credit, which is consistent with the occurrence of a liquidity shock that affected the whole banking system.

Coherently, the growth rate of short term loans (Table 6) is lower for women-owned firms with a smaller range: it goes from -4.5 to -2 percentage points. Some of the regressors used loose their significance, but their sign and magnitude are consistent with those of Table 5. The notable

² We use the total amount of loans as a proxy for firm size. A firm is considered small if its loans are less than the 25th percentile of the loans distribution.

exception is the coefficient of *Female*: its magnitude seems not to be much affected by the introduction of further controls in the equation, meaning that the growth rate of short term credit for female firms is consistently lower.

On the contrary, the growth rate of overdrafts seems not to be affected by gender, as it is negatively related to the size of the firm, either measured by effective size or by the sole proprietorship firm dummy variable (Table 7).

3.1 Robustness checks

Even if the period of time we look at is quite short (2007-09) it has been characterized by high levels of firms churning, since the effects of the financial crises were spread to the real economy. From the point of view of our analysis this may have caused a serious selection issue, as we compute the rate of growth of loans on the subset of firms active in 2007 and still alive at the end of 2009. According to our evidence, an “exit” from the sample may occur for four reasons: i) a disruption of the bank-firm relationship, as it may happen with credit restructuring, ii) one or more loans become “bad debt”, i.e. the firm is not able to repay it back. In this case, the bad debt record is reported in another section of the CCR; iii) exit from the market; iv) a strong reduction of the loans which pushes the firm below the CCR threshold. With the exception of the first, all those possible events are bad states, and our estimates are likely to be upward biased, so that the real growth rates may be even lower than our estimates indicate.

The likelihood to exit from our sample turns out to be roughly the same (60 percent) for female and non female-owned firms (Table 8). Nevertheless, female and non female-owned firms may have had different behaviors in terms of exit modes. For this reason, we analyzed the composition of the “exit” group, in order to compare female and non female-owned firms with respect to the alternative exit modes. We collected data from the Chamber of commerce on the firms closing their business during the period 2007-09 and we merged them with our data set: business closure rates are the same for female and non female-owned firms. Moreover, in order to keep track of those loans that became bad debt in that period, we looked for them in a specific section of the CCR. Noticeably, the share of debts deteriorating during that period was very similar for the two groups of firms, somehow higher for non female-owned firms (4.6 vs 4.7 percent).

Since we don't have data on observations with loans below the CCR threshold, we assume that firms we are not able to observe in 2009 - which are not under the conditions i), ii) and iii) - belong to the residual category described in iv). Table 8 reports, for all the alternative exit modes, the share of female and non-female firms. Overall, the exit shares for both group of firms are very similar, leading us to conclude that, even if an upward bias exists, it is likely to be the same for female- and non-female owned firms.

4. Conclusions

The paper is aimed at testing whether banks had a different lending policy during the great recession with respect to female- and non female-owned firms, the underlying hypothesis being that banks hit by a liquidity shock tend to tighten credit conditions to the marginal segment of borrowers. In fact, female-owned firms both possess all those characteristics that are less appreciated by the banking system, and may suffer from discriminating behavior (Alesina et al., 2012). From our analysis, it emerges that female-owned firms suffered from a more pronounced tightening of credit conditions during the 2007-2009 period. The growth rate of total and short term loans was consistently negative in that time frame and sometimes it was so low as to push firms' loans below the CCR threshold.

Results of our analysis, however, do not allow to clearly explain the reasons of the greater credit contraction shown by women-owned firms and to explain this result as the consequence of bank's behavior. Even if in our regressions we control for all the observable characteristics in our data sets, it is still possible that female-owned firms witnessed a contraction in credit availability also due to demand factors, such as a more pronounced fear of rejection that would prevent them to ask for larger amount of loans, or loan terms perceived as too burdensome (as suggested by Stefani and Vacca, 2012). Our results on the credit contraction for female-owned firms, although in line with the evidence from other countries, are not consistent with the evidence suggesting that this category of firms shows a worse performance than non-female firms.

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Table 1 – Number of firms and sectorial distribution

	Number of firms			Percentages		
	Total	Non Female	Female	Total	Non Female	Female
Total	392,909	362,526	30,383	100	92.27	7.73
Agriculture	47,383	42,782	4,601	100	90.29	9.71
Industry	140,921	135,645	5,276	100	96.26	3.74
Services	204,605	184,099	20,506	100	89.98	10.02

Table 2 – Number of firms by gender and geographic distribution

	Number of firms			Percentages		
	Total	Non Female	Female	Total	Non Female	Female
North-West	117,734	110,460	7,274	100	93.82	6.18
North-East	124,731	116,501	8,230	100	93.40	6.60
Center	80,138	72,113	8,025	100	89.99	10.01
South	46,759	42,427	4,332	100	90.74	9.26
Islands	22,547	20,025	2,522	100	88.81	11.19

Table 3 – Growth rate of loans (2007-2009), by industry and gender

	Loans			Short term loans			Overdrafts		
	Total	Non Female	Female	Total	Non Female	Female	Total	Non Female	Female
Total	-0.55	-0.37	-3.45	-5.31	-5.17	-8.45	-1.18	-0.97	-4.98
Agriculture	1.07	1.41	-2.72	-7.21	-6.42	-16.63	-7.78	-7.00	-16.40
Industry	0.89	1.00	-3.11	-5.10	-5.05	-7.31	1.51	1.46	3.71
Services	-1.97	-1.82	-3.78	-5.19	-5.08	-7.05	-1.48	-1.32	-3.78

Table 4 – Growth rate of loans (2007-2009), by location and gender

	Loans			Short term loans			Overdrafts		
	Total	Non Female	Female	Total	Non Female	Female	Total	Non Female	Female
North-West	-0.52	-0.31	-4.93	-5.16	-4.91	-12.65	-0.48	-0.01	-10.51
North-East	-1.09	-0.95	-3.80	-8.11	-8.03	-10.32	-5.08	-5.00	-6.83
Center	0.59	0.86	-2.34	-2.09	-1.64	-9.52	2.78	3.27	-3.75
South	-0.81	-0.61	-3.14	-2.46	-2.72	1.68	3.42	3.34	4.64
Islands	-0.81	-0.67	-2.20	-3.22	-3.44	-0.92	2.39	2.65	-0.09

Table 5 – Growth rate of total loans (2007-2009)

Var Dip: Delta_tot	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Female	-4.0129*** (0.2486)	-2.8525*** (0.2513)	-1.8770*** (0.2509)	-3.8837*** (0.4555)	-1.6069*** (0.2508)	-0.9134** (0.2851)	-2.2718*** (0.2492)	-2.8306*** (0.2620)	-1.3230*** (0.2592)	-5.3228*** (0.6629)	-2.8526*** (0.2513)	-3.3133*** (0.5682)	-0.5939* (0.2564)
D(onebank)			-9.1270*** (0.1564)	-9.3594*** (0.1627)									-6.2663*** (0.3530)
Female*D(onebank)				3.2070*** (0.5367)									
Nbanks					8.4760*** (0.1410)	8.5824*** (0.1452)							5.9068*** (0.1463)
Female*Nbanks						-1.9879*** (0.5393)							
D(small)							-21.7230*** (0.2464)	-22.2197*** (0.2594)					-18.6839*** (0.2524)
Female*D(small)								5.0969*** (0.8162)					
D(sole prop)									-3.3183*** (0.1592)	-3.4732*** (0.1628)			-1.9329*** (0.1599)
Female*D(sole prop)										4.5623*** (0.7182)			
Herf											-0.0205** (0.0073)	-0.0206** (0.0073)	-0.0201** (0.0071)
Female*Herf												0.0004 (0.0005)	
Sectorial fixed effects	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Province fixed effects	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
N. obs.	392909	392909	392909	392909	392909	392909	392909	392909	392909	392909	392909	392909	392909
Adj. R-sq.	0.016	0.022	0.030	0.030	0.032	0.032	0.038	0.038	0.023	0.023	0.022	0.022	0.044

All regressions control for bank fixed effects. Standard errors are robust. * = significant at 10%, ** = significant at 5%, *** = significant at 1%.

Table 6 – Growth rate of short term loans (2007-2009)

Var Dip: Delta short term	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Female	-3.1883*** (0.9497)	-3.3988*** (0.9605)	-3.2513*** (0.9629)	-4.2730** (1.3070)	-3.1881*** (0.9635)	-2.1705 (1.3119)	-2.9673** (0.9610)	-4.5189*** (1.0099)	-2.1862* (1.0034)	-2.6974 (3.6587)	-3.3988*** (0.9605)	-2.6612 (2.2348)	-2.0293* (1.0047)
D(onebank)			-1.0500* (0.5054)	-1.1970* (0.5224)									
Female*D(onebank)				2.0178 (1.8993)									
Nbanks					1.0475** (0.3907)	1.1594** (0.3997)							-0.8873* (0.4142)
Female*Nbanks													
D(small)													
Female*D(small)													
D(sole prop)													
Female*D(sole prop)													
Herf													
Female*Herf													
Sectorial fixed effects	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Province fixed effects	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
N. obs.	216605	216605	216605	216605	216605	216605	216605	216605	216605	216605	216605	216605	216605
Adj. R-sq.	0.006	0.007	0.007	0.007	0.007	0.007	0.008	0.008	0.007	0.007	0.007	0.007	0.008

All regressions control for bank fixed effects. Standard errors are robust. * = significant at 10%, ** = significant at 5%, *** = significant at 1%.

Table 7 – Growth rate of overdraft facilities (2007-2009)

Var Dip: Delta overdraft	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Female	-3.7075*	-1.5860	-1.3697	-2.2070	-1.0595	-1.2257	-1.1995	-2.1368	-0.4660	0.0337	-1.5860	-4.5800	-0.1301
	(1.4720)	(1.4931)	(1.4972)	(2.1309)	(1.4993)	(1.9754)	(1.4940)	(1.5879)	(1.5612)	(5.2848)	(1.4931)	(3.3841)	(1.5636)
D(onebank)			-1.5285	-1.6544									
			(0.8158)	(0.8473)									
Female*D(onebank)				1.6056									
				(2.9514)									
Nbanks					2.6289***	2.6083***							1.0826
					(0.6718)	(0.6888)							(0.7102)
Female*Nbanks						0.3624							
						(2.8668)							
D(small)							-10.6075***	-11.4316***					-9.8019***
							(1.3576)	(1.4287)					(1.4286)
Female*D(small)								8.1173					
								(4.5516)					
D(sole prop)									-2.0888*	-2.0759*			-1.6447*
									(0.8245)	(0.8342)			(0.8292)
Female*D(sole prop)										-0.5466			
										(5.5242)			
Herf											0.0051**	0.0048**	0.0050**
											(0.0017)	(0.0017)	(0.0017)
Female*Herf												0.0028	
												(0.0029)	
Sectorial fixed effe	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Province fixed effects	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
N. obs.	184456	184456	184456	184456	184456	184456	184456	184456	184456	184456	184456	184456	184456
Adj. R-sq.	0.003	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005

All regressions control for bank fixed effects. Standard errors are robust. * = significant at 10%, ** = significant at 5%, *** = significant at 1%.

Table 8 – Exits occurred in the period 2007-2009, by mode and gender.

Exit modes	Females	Non Females
Below CCR threshold	92.8	92.6
Ceased business	0.7	0.7
Bad loans	4.6	4.7
Dropped relation with a bank	1.8	1.9
Total exits	60.9	59.2