

Effects of entrepreneurs' appearance on their

on their financial success :

evidence of positive effects for both genders

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EFFECTS OF ENTREPRENEURS' APPEARANCE ON THEIR FINANCIAL
SUCCESS: EVIDENCE OF POSITIVE EFFECTS FOR BOTH GENDERS

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Abstract

Previous research indicates that in many business settings, an attractive appearance produces beneficial effects for men but negative effects for women. Recent findings suggest, however, that entrepreneurs may constitute an exception to this general pattern, with attractiveness producing positive effects for women as well as men. The results of three separate studies provided support for this suggestion. In the first, ratings of the attractiveness of women entrepreneurs were positively related to their actual financial success. In two additional studies (one conducted in the United States and one in France) participants viewed photos of entrepreneurs of both genders and then rated these persons on several dimensions (e.g., past success, potential for future success). The entrepreneurs were either low or high in attractiveness and were described as working either in an industry where attractiveness is relevant (cosmetics) or irrelevant (mining) to entrepreneurs' activities. Results indicated that for both women and men, and across the two industries, attractive entrepreneurs received higher ratings than unattractive ones. Together, the results of all three studies indicate that an attractive appearance can produce beneficial effects for entrepreneurs of both genders.

EFFECTS OF ENTREPRENEURS' APPEARANCE ON THEIR FINANCIAL SUCCESS: EVIDENCE OF POSITIVE EFFECTS FOR BOTH GENDERS

Hubert Humphrey, the Democratic nominee for President in 1968 once remarked: "Much of our American progress has been the product of the individual who had an idea; pursued it; fashioned it; tenaciously clung to it against all odds; and then produced it, sold it, and profited from." Senator Humphrey was, of course, referring to entrepreneurs—individuals who identify business opportunities and then create new companies to develop them (Shane & Venkataraman, 2000). Economic data suggest that the Senator was correct in emphasizing the importance of entrepreneurs: they do indeed appear to make major contributions to the prosperity and well-being of their societies. During the 1980's and 1990's, for example, large corporations in the United States "downsized" more than five million jobs out of existence. Yet in this same period, unemployment in the U.S. fell to its lowest level in three decades and many Americans came to enjoy unprecedented prosperity. How did this seemingly paradoxical set of circumstances emerge? Many experts believe that the explanation lies, at least in part, in the activities of entrepreneurs: the new companies they founded provided more than enough new jobs to make up for shrinking employment in large, existing companies.

As recognition of the importance of entrepreneurs has grown, an independent field that studies such individuals and their activities—the field of entrepreneurship—has emerged (e.g., Shane & Venkataraman, 2000; Venkataraman, 1997). Growth of this new specialty has been rapid, and it has attracted large amounts of research funding from industry and government agencies. The field of entrepreneurship is interdisciplinary in nature, with roots in economics, sociology, and management. Until recently, however, it has not drawn extensively upon the findings of modern psychology. This is somewhat puzzling, because several of the central questions addressed by entrepreneurship focus, at least in part, on the behavior and characteristics of entrepreneurs (e.g., "Why do some persons but not others choose to become entrepreneurs?" "Why are some entrepreneurs so much more successful than others?"). It seems reasonable to suggest that the findings of psychology might shed important light on these issues.

For the past several years, we have sought to create closer conceptual links between these two fields (e.g., Baron, 1998, 2000a). Our basic strategy in this respect has involved two steps. First, we have sought to identify well-established psychological findings that seem relevant to the characteristics and activities of entrepreneurs. Second, we have applied these findings and principles to the basic questions mentioned above (e.g., "Why are some entrepreneurs more successful than others?"). The results of research employing this strategy suggest that psychology can indeed provide valuable insights for the field of entrepreneurship. For example it has been found that entrepreneurs who are high in several social skills (e.g., accuracy in perceiving others) tend to be more successful than those who are low in such skills (e.g., Baron & Markman, 2000; in press). Similarly, additional findings indicate that because entrepreneurs are

strongly future-oriented, they are less likely to engage in counterfactual thinking than other persons (Baron, 2000b).

The research reported in this paper sought to extend this ongoing work by examining the effects of another variable that has been studied for many years by psychologists, but which, to date, has been largely ignored by researchers in the field of entrepreneurship: physical attractiveness. Despite repeated warnings that "Beauty is only skin deep," a large body of empirical evidence suggests that we are, in fact, strongly influenced by others' personal appearance (e.g., Collins & Zebrowitz, 1995). Research findings indicate that individuals perceived to be attractive gain important advantages in many settings. As compared with less attractive persons they are liked to a greater degree, (Chapdelaine, Levesque, & Cuadro, 1999), sought more frequently as romantic partners (e.g., Plessor-Storr, 1995), and perceived as possessing more positive personal characteristics (Dion & Dion, 1987; Wheeler & Kim, 1997).

Additional research indicates that the effects of attractiveness extend to work settings. Attractive individuals are more likely than less attractive ones to be hired for various jobs (e.g., Forsythe, Drake & Cox, 1985; Pingitore, Dugoni, Tindale, & Spring, 1994). Similarly, attractive persons are assigned more favorable performance evaluations than unattractive ones (e.g., Wayne & Kacmar, 1991; Wayne & Liden, 1995). Perhaps even more unsettling, attractive persons actually receive significantly higher salaries—fully fifteen percent higher than those paid to unattractive persons in one study of more than 7,000 employed men and women (Berscheid, 1996).

This relatively clear-cut pattern of findings is rendered more complex, however, by additional research pointing to the existence of important gender differences concerning the effects of physical attractiveness. Several studies indicate that while an attractive appearance is generally beneficial for men in business contexts, it often produces detrimental effects for women. For instance, in a series of carefully conducted studies, Heilman and her colleagues (e.g., Heilman & Saruwatari, 1979; Heilman & Stopeck, 1985a, b) found that attractive women, as compared to relatively unattractive ones, were viewed as less suitable candidates for managerial-level jobs and received lower performance appraisals if they held such positions (e.g., Heilman & Stopeck, 1985a, b; see also Heilman, 1995).

These latter findings suggest that a high level of attractiveness might prove detrimental to women who become entrepreneurs. However, the results of recent research by Baron, Markman, and Hirska (in press) indicate that in fact, such negative effects may not occur. These researchers hypothesized that women who become entrepreneurs may benefit from the effects of attributional augmenting (e.g., Hansen & Hall, 1985; McClure, 1998). Such augmenting occurs when causes that might facilitate a given behavior and causes that might prevent or inhibit that behavior are both present, yet the behavior actually occurs. Under these conditions, the perceived importance of the facilitating causes is enhanced (i.e., such causes are seen as more important or influential).

Because women face greater obstacles to becoming entrepreneurs than men (e.g., Thomas, 1999), Baron et al. (in press) predicted that women entrepreneurs would benefit from attributional augmenting to a greater extent than men. Specifically, Baron et al. (8n press) predicted that women described as being entrepreneurs would be perceived more favorably than women in other business roles (e.g., managers). In contrast, men would benefit to a lesser degree from such attributional augmenting. The results of three related

studies offered support for this reasoning. Women described as entrepreneurs received higher ratings than women described as managers on several different dimensions (e.g., decisiveness, career seriousness, motivation). In contrast, similar effects did not occur for men. Additional findings suggested that overall, women described as entrepreneurs were less subject to negative gender stereotypes than women described as managers.

These findings have direct implications for the potential effects of attractiveness on entrepreneurs' success. One widely accepted explanation for the negative effects of attractiveness on women's outcomes in many business contexts is that attractiveness intensifies gender stereotypes (e.g., Heilman & Stopeck, 1985a, b). Since such stereotypes suggest that women possess traits inimical to success in managerial-level jobs, intensification of such stereotypes by physical attractiveness leads to lowered ratings for women who are highly attractive, relative to ones who are less attractive. If women entrepreneurs are less subject to such stereotyping, it seems possible that the detrimental effects of attractiveness observed in other business contexts might not occur. On the contrary, for such women, attractiveness might well prove beneficial, as is generally the case for men. On the basis of this reasoning, we formulated the following hypothesis:

Hypothesis 1: Attractiveness will be positively related to the outcomes experienced by women entrepreneurs (e.g., their actual financial success, the extent to which they are perceived favorably by others).

Turning to men, the findings of many previous studies (e.g., Berscheid, 1996) suggest that attractiveness is generally a "plus" in business contexts, yielding such benefits as enhanced performance ratings, more rapid promotions, and higher pay. On the basis of these previous findings, we proposed the following, parallel hypothesis.

Hypothesis 2: Attractiveness will be positively related to the outcomes experienced by men entrepreneurs (e.g., their actual financial success, the extent to which they are perceived favorably by others).

To test these hypotheses, we conducted three studies. The first focused on the relationship between women entrepreneurs' attractiveness and their actual financial success; the remaining two investigations examined the effects of attractiveness on perceptions of entrepreneurs of both genders. In all three studies, we anticipated that the greater entrepreneurs' attractiveness, the more favorable the outcomes they would experience. Specific details concerning the procedures of each of these studies are provided below.

STUDY 1: ATTRACTIVENESS AND FINANCIAL SUCCESS

Method

Raters and photos of entrepreneurs. Stimulus materials consisted of photos of 71 female entrepreneurs, all of whom worked in the cosmetics industry. These photos were obtained from a single published source (which was therefore in the public domain), and were of uniform quality and format. The photos were presented to 54 raters, who were

asked to evaluate each person shown in terms of attractiveness—how attractive do you find this person to be? and career success—how successful do you think this person is in her career? These ratings were made on five point scales ranging from 1 (low) to 5 (high), and were completed individually by each rater. These dimensions were employed in the present research because they have been used successfully in previous studies concerned with the potential effects of personal appearance (e.g., Byrne, 1997).

Raters were selected to closely resemble the individuals with whom the entrepreneurs interact while running their businesses. Thus, all were female, but they varied considerably in age (30.8% were in their twenties, 11.5% in their thirties, 30.8% in their forties, 19.2% in their fifties, and 7.7% in their sixties), education (19.2% held a high school degree, 23.1% had some college, 42.3% were college graduates, and 15.4% held a graduate degree), and employment (they worked at a wide range of jobs in many different settings, and, in addition 15.4% were homemakers who were not currently employed outside their homes). No identifying information about the entrepreneurs was provided, and raters all lived in a state geographically distant from the one in which the entrepreneurs' resided. As a result, none of the raters were acquainted with any of the entrepreneurs and the entrepreneurs' anonymity was fully protected. Information concerning each entrepreneur's financial success (yearly earnings during each of three recent years), the length of time they had been involved in running their own business (business tenure), and their current age, was obtained from records of a national sales organization with which these entrepreneurs were affiliated. Thus, we did not rely on entrepreneurs' self-reports concerning financial and other data; rather, we obtained these data from an independent, verified source.

Procedure

Raters were volunteers told that the study involved viewing photos of entrepreneurs (persons who had started their own businesses), and then, on the basis of these photos, rating the entrepreneurs on certain dimensions. Persons who agreed to participate (approximately 96% of those approached) were given a booklet containing the photos and a separate rating form. The photos were presented in random order and were identified by number on the rating sheet. Raters evaluated each photo on two dimensions: attractiveness and career success. These ratings were on five-point scales.

Results

Means and standard deviations for all variables are shown in Table 1.

Insert Table 1 about here

To examine the relationship between personal appearance and financial success, a hierarchical multiple regression analysis was performed in which business tenure, age, and the three appearance dimensions (attractiveness, likableness, career success) were regressed on yearly income. Results (see Table 2), indicated that neither age nor tenure was significantly related to entrepreneurs' financial success. In contrast, both attractiveness and perceived career success entrepreneurs' personal appearance were

significantly (and positively) related to the entrepreneurs' yearly income, as indicated by significant increments in R^2 .

 Insert Table 2 about here

To further examine the magnitude of these effects in terms of financial outcomes, the average business income of entrepreneurs who received the highest ratings of personal appearance (highest 20%) was compared with that of the entrepreneurs who received the lowest ratings (lowest 20%). Results indicated that those with a highly attractive personal appearance earned fully \$53,814 more than those with a less attractive appearance—an advantage of 19.9%; $t(14) = 4.00$, $p < .01$.

Discussion

The results of Study 1 provide support for the prediction (Hypothesis 1) that for women entrepreneurs, attractiveness is positively related to their financial success. Consistent with this hypothesis, ratings of the entrepreneurs' appearance along two dimensions—attractiveness and career success—were positively and significantly related to their yearly income from their businesses. While these findings are consistent with the results of previous studies indicating that an attractive personal appearance yields beneficial effects in many business contexts (e.g., Berscheid, 1996; Kruger, 1994; Pingitore, Dugooni, Tindale, & Spring, 1994), they differ from the findings of other research indicating that attractiveness often yields detrimental effects for women (e.g., Heilman et al., 1979; Heilman & Stopek, 1985a, b; Heilman, Block, Martell, & Simon, 1989). In the present research, in contrast, attractiveness was found to be a definite “plus” for women entrepreneurs, being positively related to their actual financial outcomes. Indeed, the most attractive entrepreneurs in our sample earned almost 20 percent more from their businesses than the least attractive entrepreneurs.

These findings raise an intriguing question: Why should entrepreneurs constitute an exception to the general finding that attractiveness tends to exert detrimental effects on the outcomes experienced by women in business settings? One possible explanation is suggested by the findings reported by Baron et al. (in press), discussed earlier. Briefly, these researchers reported evidence indicating that when women become entrepreneurs, they benefit to an important degree from attributional augmenting and, consequently, are perceived in more favorable—and less gender-stereotyped—terms. Attractiveness may then serve to further strengthen such favorable perceptions (cf., Heilman & Stopack, 1985a, b).

While this explanation is consistent with the present results, other possibilities exist as well. For instance a mechanism known as subcategorization may come into play (see, e.g., Eckes, 1994). Subcategorization refers to the tendency to place individuals whose traits and behaviors are inconsistent with widely held stereotypes into distinct subcategories. Doing so permits persons holding various stereotypes to retain these cognitive frameworks intact by concluding that persons in such subcategories are “exceptions that prove the general rule.” (e.g. Richards & Hewstone, 2001).

It seems possible that subcategorization may occur with respect to women entrepreneurs; they may, in short, be viewed as a “special” group to which typical female

gender stereotypes do not apply. Indeed, they may be perceived as possessing many of the traits included in male gender stereotypes (e.g., decisiveness, career seriousness, ambition; see Hosada & Stone, in press). To the extent women entrepreneurs are viewed as belonging to this special subcategory, attractiveness might well enhance perceptions and ratings of them. While this interpretation is consistent with the present findings, it should, in the absence of direct, confirming evidence, be viewed as largely conjectural in nature. Further research is necessary to identify the processes which contribute to a positive relationship between attractiveness and financial success for women entrepreneurs observed here.

Overall, the results of Study 1 suggest that attractiveness is positively related to the financial success of women entrepreneurs. Interpretation of this finding is rendered somewhat uncertain, however, by the following fact: all the entrepreneurs included in Study 1 worked in an industry (cosmetics) in which physical appearance is directly relevant to the entrepreneurs' business activities and to the products manufactured and sold. This fact raises the possibility that perhaps the positive effects of attractiveness observed in Study 1 would not occur in other industries—ones in which entrepreneurs' attractiveness is largely irrelevant to the products or business activities with which they are involved. To address this important issue (a potential confounding between industry and attractiveness), we conducted two additional studies. These investigations were also designed to obtain evidence on the question of whether attractiveness is also positively related to the outcomes experienced by men entrepreneurs.

STUDIES 2 AND 3: ATTRACTIVENESS AND PERCEPTIONS OF MEN AND WOMEN ENTREPRENEURS

In order to separate the potential effects of industry and attractiveness on outcomes experienced by entrepreneurs of both genders, Studies 2 and 3 adopted an experimental design. In both studies, participants examined standard-format photos of actual entrepreneurs. Then, they rated these persons on a number of dimensions (e.g., past success, potential for future success). The entrepreneurs were of both genders, but were selected (on the basis of previous research) to be either high or low in attractiveness. In addition, participants were informed either that the entrepreneurs worked in an industry in which attractiveness is relevant to business activities (cosmetics) or an industry in which attractiveness is largely irrelevant to such activities (mining). These industries were selected on the basis of a preliminary study in which participants (forty-three MBA students) rated the extent to which entrepreneurs' attractiveness is relevant in each of 12 different industries. The cosmetics and mining industries were selected because they received the highest and lowest ratings with respect to relevance to success ($M = 4.49, 1.92$, respectively, on a five point scale). To extend the generality of the results, the two studies were conducted in different countries—the United States and France. On the basis of the findings of previous research concerning the effects of attractiveness on perceptions of entrepreneurs (e.g., Baron et al., in press) plus many studies indicating that the effects of attractiveness on perceptions of others are both general and robust (e.g., Cuningham et al., 1995), we offered the following hypothesis:

Hypothesis 3: For both men and women, attractive entrepreneurs will receive higher ratings than unattractive ones, and this will be true regardless of the industry in which these entrepreneurs work.

Method

Raters and Photos of Entrepreneurs. In both studies, participants viewed photos of twelve entrepreneurs—six women and six men. Half of the entrepreneurs in each set were selected, on the basis of previous research (Baron & Bollinger, 2001), to be high in attractiveness. The other half were selected to be low in attractiveness. (Mean ratings for the four groups by a sample of 56 raters were as follows: attractive women, $M = 3.79$; unattractive women, $M = 2.43$; attractive men, $M = 3.76$; unattractive men, $M = 1.61$; differences between the high and low attractiveness conditions were significant for both genders, $p < .05$). Participants in Study 2 were 96 business students at a medium-sized private university in the Northeast of the United States; participants in Study 3 were 24 undergraduate students at a public university in the Southwest region of France.

Rating dimensions. Participants rated the entrepreneurs whose photos they viewed on the following dimensions: attractiveness, past success, future success, probability of investing in the entrepreneur's business, entrepreneurs' business reputation, persuasiveness, ability to make a good first impression, general social skill, intelligence, expressiveness, sincerity, assertiveness, decisiveness.

Industry. For half the participants, the rating form indicated that the entrepreneurs worked in the cosmetics industry, while for the remaining half, the rating form indicated that the entrepreneurs worked in the mining industry.

Procedure

Participants (all volunteers) received ratings forms with instructions indicating that they would see photos of entrepreneurs currently working in a specific industry and should rate each entrepreneur on the dimensions listed below. Half of the participants read that the entrepreneurs worked in the cosmetics industry while the others read that the entrepreneurs worked in the mining industry. No participants refused to complete the rating form (however, two participants in Study 2 failed to complete all the ratings).

Results

Study 2. An initial factor analysis indicated that all the items in the questionnaire clustered together as a single factor which accounted for 63.19% of the variance (eigenvalue = 6.94). On the basis of these results, all items were combined into a single measure for purposes of further analyses. A repeated measures analysis of variance was performed in which entrepreneurs' attractiveness was a within subjects factor with four levels (women-unattractive, women-attractive, men-unattractive, men-attractive), and industry and rater gender were between subjects factors. Results indicated that only the effect of attractiveness was significant, $F(2.57) = 76.94$, $p < .001$, $\eta^2 = .46$ (Geiger-

Greenhouse test). None of the other main effects or interactions approached significance. The relevant means for both genders are shown in Table 3. As can be seen from Table 3, entrepreneurs of both genders received significantly higher ratings when they were attractive than unattractive, and this was true regardless of the industry in which they ostensibly worked.

 Insert Table 3 about here

Study 3. As in study 2, all measures were combined for purposes of data analysis. A repeated measures analysis of variance performed on this measure yielded results highly similar to those for Study 2: only the effect of attractiveness was significant, $F(2.64) = 87.29$, $p < .001$, $\eta^2 = .44$ (Geiger-Greenhouse test). None of the other main effects or interactions approached significance. The relevant means for both genders are shown in Table 4. As can be seen from this table, the pattern of findings was identical to that in Study 2: entrepreneurs of both genders received significantly higher ratings when they were attractive than unattractive, and again, this was true regardless of the industry in which they supposedly worked.

 Insert Table 4 about here

Discussion

The results of Studies 2 and 3 are consistent with those of Study 1 in suggesting that attractiveness can yield beneficial effects for women entrepreneurs. In both studies 2 and 3, attractive women entrepreneurs received significantly higher ratings than unattractive ones on a number of different dimensions. Moreover, this was true regardless of the industry in which the entrepreneurs worked. This latter finding suggests that the results of Study 1 did not stem primarily from the fact that the entrepreneurs in that initial investigation worked in the cosmetics industry. In both Studies 2 and 3, attractive entrepreneurs received higher ratings than unattractive ones even when described as working in the mining industry, a business sector for which personal appearance was viewed by raters as being largely irrelevant to products and business activities.

The finding that women entrepreneurs benefit from attractiveness, both in terms of their actual financial success (Study 1) and the ratings they receive from others (Studies 2 and 3), contrasts with previous findings indicating that attractiveness is often detrimental for women in business contexts. When combined with the findings of other research (e.g., Baron et al., in press), these results point to the conclusion that women entrepreneurs represent an important exception to this overall pattern. Again, however, it remains for further research to explicate precisely why this is the case. Attributional augmenting has been shown in previous research (Baron et al., in press) to be one possible mechanism in this regard. However, other mechanisms, including subcategorization (e.g., Richards & Hewstone, 2001) may also play a role. The present research was not designed to differentiate between these potential underlying mechanisms and so cannot address this issue directly.

Results also indicate that attractiveness can be beneficial for men entrepreneurs. This is consistent with a large body of research indicating that an attractive appearance often yields positive effects for men in business settings (e.g., Berscheid, 1996). As noted by Heilman (e.g., Heilman, 1995) and other authors, this may be due to the fact that attractiveness triggers or intensifies gender stereotypes, and these are generally favorable for men in terms of suggesting that they possess the traits required for business success (e.g., gender stereotypes for men suggest that they are aggressive, decisive, assertive, etc.). Regardless of the precise mechanism or mechanisms involved, the present findings extend previous research by indicating that the beneficial effects of attractiveness observed previously for men who are managers also occur for men who are entrepreneurs.

The fact that virtually identical results were obtained in Study 2 (conducted in the United States) and Study 3 (conducted in France) adds generality to the present findings. Attractiveness influenced perceptions and ratings of entrepreneurs of both genders in the same way in the two countries. It is interesting to note, in this respect, that when we planned the present research, our French colleagues expressed skepticism over the use of the same photos of entrepreneurs in both countries; they called attention to the existence of important differences between the two cultures in terms of standards of physical attractiveness (i.e., differences with respect to what, specifically, is viewed as being attractive). The fact that ratings of the entrepreneurs were influenced by attractiveness in the same way in both countries is consistent with the results of previous research indicating that the effects of physical attractiveness are relatively universal in scope: they have been observed in many different cultures (see, e.g., Cunningham et al., 1995). In the light of such previous research, it seems reasonable to suggest that entrepreneurs' attractiveness may well exert positive effects on their outcomes across many different cultures. Clearly, however, this is an empirical question that can only be addressed by further, cross-cultural research.

At this point, several important limitations of the present research should be noted. First, data on actual financial success were obtained only for women entrepreneurs (Study 1). Thus, further research is needed to determine whether attractiveness is also positively related to the financial success of men entrepreneurs. The fact that attractiveness exerted highly similar effects on ratings and perceptions of entrepreneurs of both genders in Studies 2 and 3 suggests that results similar to those of Study 1 might well be obtained for men. However, only additional research can address this issue directly.

Second, the present research does not address the more general question of why attractiveness produces beneficial effects for both women and men entrepreneurs. Previous research on the effects of physical attractiveness suggests that several mechanisms may be involved. For instance, an attractive appearance may generate positive affective reactions in persons who interact with entrepreneurs and positive affect, in turn, may tilt judgments and decisions about the entrepreneurs or their companies in a favorable direction (see, e.g., Forgas, 1995). Alternatively, other findings indicate that attractive persons often develop better social skills than less attractive persons (e.g., Diener, Wolsic, & Fujita, 1995). Several recent studies indicate that entrepreneurs' social skills are indeed positively related to their success (e.g., Baron & Markman, 2000; in press). The relative contribution of these and other potential mechanisms to the beneficial effects of attractiveness observed here can only be established by further research.

Finally, Study 2 and Study 3 focused solely on perceptions and ratings of entrepreneurs; these investigations provide no evidence on the question of whether, or to what extent, such perceptions influence entrepreneurs' actual success. Given the powerful impact of social perceptions in many situations (e.g., Darley & Cooper, 1998) we suspect that this link exists. The present research, however, provides no direct evidence on this relationship.

Despite these limitations, the present findings add to existing knowledge in several respects. First, they extend existing literature on the effects of attractiveness in business settings to a population (entrepreneurs) and setting (new companies) not previously investigated. Further, the present results indicate that attractiveness is related to entrepreneurs' actual financial success. To the best knowledge of the authors, this is the first research to report evidence of such a relationship.

Second, it appears that beneficial effects of attractiveness on perceptions of entrepreneurs occur across very different industries—one in which attractiveness is perceived to be irrelevant to entrepreneurs' activities (mining) as well as one in which attractiveness is perceived to be highly relevant to such activities (cosmetics). These findings suggest that the effects of attractiveness may be quite general in scope for entrepreneurs, occurring across various industries.

Third, the present results indicate that women entrepreneurs may indeed constitute an exception to the general finding that attractiveness is often detrimental for women in business contexts. Being an entrepreneur, it appears, can exempt women, at least to a degree, from the negative gender stereotypes that adversely affect their outcomes in other contexts, and that are often intensified by attractiveness (e.g., Heilman & Stopeck, 1985a,b).

Finally, the present research adds to a small but growing body of evidence suggesting that the findings of modern psychology can be both relevant to, and informative for, the field of entrepreneurship (e.g., Baron, 1998; Baum, Locke, & Kirkpatrick, 1998). In other words, the studies reported here represent an additional step toward establishing closer conceptual links between entrepreneurship and psychology; in our view, the development of such connections can be of considerable value to both fields. Ultimately, it may lead to the development of new techniques for assisting entrepreneurs in their efforts to found new businesses—techniques derived from the empirical findings and well-established theories of psychology. For instance, the present findings suggest that efforts by entrepreneurs of both genders to enhance their personal appearance may indeed prove useful. As another example, previous studies (e.g., Baron & Markman, in press) suggest that improved social skills, too, can assist entrepreneurs in their efforts to launch new ventures. Since successful entrepreneurs create new jobs and other economic opportunities for large numbers of persons, the development of new procedures for assisting them may well constitute an important contribution of psychology to enhanced human welfare.

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TABLE 1

Means and Standard Deviations of Dependent Variables, Study 1

VARIABLE	MEAN	S.D.
Ratings of Entrepreneurs' Attractiveness	2.97	.49
Ratings of Entrepreneurs' Career Success	3.29	.31
Age ¹	1.78	1.29
Business Tenure (Years)	23.23	4.83
Yearly Income (U.S. Dollars)	231,183	133,558

¹ Age was measured on a 6-point scale: 1 = 25 or younger; 2 = 26-32 years old; 3 = 33-39 years old; 4 = 40-46 years old; 5 = 47-53 years old; and 6 = 54 or older.

Table 2
Results of Hierarchical Multiple Regression Analysis

MODEL AND VARIABLES INVLUED	Beta ¹	t	Signifi- cance	Adjusted R ²	Change in R ²
Age	-.03	-.16	.88	-.03	.00
Age	.02	.10	.92		
Tenure	.26	1.42	.17	.00	.06
Age	.02	.12	.90		
Tenure	.30	1.74	.09		
Attractiveness	.36	2.14	.04	.11	.13*
Age	-.07	-.47	.65		
Tenure	.27	1.91	.07		
Attractiveness	.45	1.87	.07		
Career Success	.47	2.18.	.04	.20	.09*

¹Standardized Regression Coefficients

*= Significant Change in R²

Table 3

Mean Ratings of Women and Men Entrepreneurs as a Function
of Attractiveness and Industry, Study 2

	Women		Men	
	Low Attractiveness	High Attractiveness	Low Attractiveness	High Attractiveness
Cosmetics	2.68 (.06)	3.33 (.06)	3.13 (.06)	3.20 (.07)
Mining	2.70 (.08)	3.36 (.08)	3.07 (.07)	3.39 (.08)

Note—Numbers in parentheses are standard deviations. For each gender, differences between the low and high attractiveness conditions are significant, but differences between industry are not significant.

Table 4

Mean Ratings of Women and Men Entrepreneurs as a Function of Attractiveness and Industry, Study 3

	Women		Men	
	Low Attractiveness	High Attractiveness	Low Attractiveness	High Attractiveness
Cosmetics	2.73 (.07)	3.37 (.07)	3.13 (.06)	3.36 (.07)
Mining	2.65 (.07)	3.33 (.07)	3.07 (.07)	3.24 (.08)

Note—Numbers in parentheses are standard deviations. For each gender, differences between the low and high attractiveness conditions are significant, but differences between industry are not significant.