

## **Women Business Owners: Coming On Strong**

If there were any doubt that women owners are an ever-growing force on the independent business scene, new studies of leading female entrepreneurs around the world supplies incontrovertible proof. The National Foundation for Women Business Owners (NFWBO) has been hard at work, researching the small business climate for women and identifying strong trends.

### **Fifty Top Women Show Trends**

In one recent study done jointly with IBM, the NFWBO used as its subjects 50 top women business owners (plus 10 more up-and-coming) to compile these findings:

- These women owners cover a wide range of industry categories, for example: 27 percent in manufacturing, 25 percent in retail trade, and 10 percent in real estate.
- Slightly less than half (46 percent) of these women inherited their businesses, and more than half began their own: 34 percent by themselves, and 17 percent with others.
- As a group, the study subjects generate \$139 billion in revenue and employ more than 150,000 workers.

### **The Majority of Women Owners Prefer "Small"**

More research from the NFWBO shows another picture: that women owners, taken as a whole, prefer pared-down operations. The very smallest, in fact: among the approximately eight million women-owned businesses in the U.S., 75 percent of these are one-person operations with no employees. Ownership of such a small business gives women maximum flexibility with work schedules and offers a better chance of keeping their home lives healthy as well.

Ignoring the big-business gurus who claim that small does not equal successful, women owners continue to prefer keeping their businesses small. Although the NFWBO research reveals that fewer than one percent of these businesses have more than \$1 million in sales, women owners are showing strength in numbers and gaining respect from many quarters necessary for their support and growth. The Small Business Administration, for example, offers a number of free counseling and assistant programs, as well as its loan guarantee program--all helping the woman-owned business to flourish.

### **Women Owners Triumph over Bank Loan Inequities**

Another NFWBO study shows that women business owners, for the first time ever, are experiencing access to business loans from banks nearly equal to that of male owners. A number of U.S. banks, among them BankAmerica and Wells Fargo, offer special loan programs for women business owners. Partly thanks to the rise of women to high bank positions, the woman-owned business is being seen for its untapped potential.

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With easier access to loans, women owners can now be less dependent on high-cost credit card loans for financing, and they have more leeway to reinvest earnings. According to the NFWBO, all this means that women-owned businesses have developed into more sophisticated operations.

Although male and female entrepreneurs may have equal access to loans, a related NFWBO finding shows that the sexes still approach the use of credit differently. Men owners tend to use this money to help out with cash flow or to consolidate debt; women put the dollars towards business growth.

In addition to these specific discoveries, NFWBO studies also showed that, on an international scale, women owners come from similar backgrounds and voice the same concerns about important business issues. They constitute between one-fourth and one-third of the world's independent business owners. They are also vocal, as was evidenced at an international conference in Paris sponsored by the Organization for Economic Cooperation and Development (OECD). Approximately 350 delegates from 35 countries attended the multilingual sessions and workshops.