



# Research in Brief

Prepared by the National Women's Business Council

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## Best Practices In Supporting Women's Entrepreneurship in the United States:

### A Compendium of Public and Private Sector Organizations and Initiatives

*Women continue to exert enormous influence in today's U.S. business environment. Growth in the number and economic impact of new women-owned businesses outpaces growth among all businesses. Privately-held businesses in which women are majority owners – 6.7 million firms – are growing in number at nearly two and a half times the national average, and adding jobs more than three times faster than the national average (39% vs. 11.6% growth between 1997 and 2004). As of 2004, majority women-owned businesses employ 9.8 million workers. Further, between 1997 and 2002, an average of 424 new women-owned firms were started every day in the U.S., translating into nearly 775,000 start-ups per year and accounting for fully 55% of new firm start-ups.*

*We know from past research that women business owners are more likely than their male counterparts to seek out multiple sources of advice and assistance. It is critical, then, to ensure that available resources are shared with all women business owners at each stage of development. Additionally, information-sharing is encouraged among the organizations actually providing advice and assistance. This study contributes to the greater body of knowledge on the subject of initiatives which foster the growth of women's business ownership. It is our hope that it will be used to extend the understanding, reach, effectiveness, and creation of private and public sector programs that help women business owners in the United States and around the world to reach their goals in building and growing successful businesses.*

#### Criteria and Structure

Who helps women-owned businesses as they start up or as they become more established and seasoned? Where can women entrepreneurs obtain the assistance that they need? How can women-owned businesses obtain access to mentoring, education, capital, markets, and the other things they require to be truly successful? What types of support are available from which kinds of organizations?

This report identifies key organizations in supporting women's entrepreneurship in areas including access to capital, markets, education, networks, and mentoring. We have profiled 24 organizations or initiatives that provide outstanding support for women-owned businesses and that have a wide scope throughout the United States. Strict criteria were used to determine which organizations or initiatives to include. At a minimum, the organizations or initiatives included in this report must:

- Be at least regional, but preferably national, in scope or coverage;
- Have either an exclusive or major focus on women's enterprise development;
- Have a significant, sustainable track record of achievement; and

- Either provide direct assistance to current or potential women business owners in one or more areas, or—by virtue of their programmatic activity—improve the environment for women's entrepreneurship development generally.

The profiles include identifying information, such as: type of organization and client groups served; basic descriptive information including program mission, history, and issues addressed; successful elements and milestones; lessons learned; and contact information.

In addition to profiles of these 24 organizations, brief descriptions of 10 other organizations that contribute to women's entrepreneurship but that did not meet all of the inclusion criteria have also been included. Additionally, we have included a functional matrix of the key organizations and initiatives profiled in this report. This matrix allows cross-organizational comparisons according to the type of assistance that each organization or initiative provides to women entrepreneurs.

We recognize that many organizations, especially government agencies, are focused on entrepreneurship, but if they are not primarily or totally focused on women's entrepreneurship, they have not been included in this

report. In addition, many outstanding organizations that help women entrepreneurs have a local rather than regional or national scope, and such organizations also did not meet the inclusion criteria for profiles. Other organizations, while promising in terms of their early achievements, are too new to have a significant track record, so they were not profiled in this report.

### **Programs Supporting Women's Entrepreneurship**

The 24 organizations profiled can be viewed by both type of organization and nature of support or focus offered by each organization.

The organizations include:

- 9 entrepreneurial support/non-profit organizations;
- 8 membership associations;
- 3 public sector organizations;
- 2 for-profit/corporate organizations; and
- 2 educational organizations.

In terms of organizational focus, most of the organizations profiled in this report provided more than one type of support. For example, many gave access to education, mentoring, or technical assistance as well as access to networking opportunities.

- By far the most frequent emphases of the profiled organizations were on access to education, mentoring, or technical assistance, and access to networks or networking, with 16 of the 24 organizations (67%) offering each of these.
- Access to influencing public policy and opinion was an emphasis of 8 of the 24 organizations (33%);
- Access to capital was a focus of 6 of the 24 organizations (25%);
- Access to research and access to markets are each provided by 5 of the 24 organizations (21%);
- Access to honors for outstanding leadership in the area of women's entrepreneurship or related areas is offered by 4 of the 24 organizations (17%);
- Access to certification of women-owned businesses was a centerpiece of 2 of the 24 organizations (8%).

### **Organizations Profiled**

- Access America
- Association of Women's Business Centers
- ATHENA Foundation
- Business and Professional Women/USA
- Center for Women's Business Research
- Center for Women's Leadership, Babson College
- Committee of 200
- Count Me In for Women's Economic Independence

- Diana Project
- Fleet Women Entrepreneurs' Connection
- Ms. Foundation for Women
- National Association of Women Business Owners
- National Women Business Owners Corporation
- The National Women's Business Council
- Office of Women's Business Ownership, United States Small Business Administration
- Organization of Women in International Trade
- Springboard Enterprises
- Three Guineas Fund
- United States Census Bureau Survey of Women-Owned Business Enterprises
- Wells Fargo Women's Business Services Program
- Women Entrepreneurs, Inc.
- Women Impacting Public Policy
- Women's Business Enterprise National Council
- Women Presidents' Organization

### **Other Organizations Contributing to Women's Entrepreneurship**

- Asian Women in Business
- Boardroom Bound
- Independent Means Inc.
- National Association for Female Executives
- National Education Center for Women in Business, Seton Hill University
- The International Alliance of Women
- United States Women's Chamber of Commerce
- Vital Voices
- Women's Leadership Exchange
- Zonta International

### **Recommendations**

We are delighted to find so many organizations meeting the inclusion criteria, indicating a strong focus on and commitment to women's entrepreneurship. The following recommendations are based on a careful review of all of the organizational profiles, with a special emphasis on the "Lessons Learned" section of each profile.

#### Recognition of Women's Entrepreneurship as a Business Issue

We must increase society's recognition of the fact that maximizing opportunity and advancement for women is a business issue, just as fundamental as productivity, quality, or product development. Business must realize the full potential of everyone in our workforce in order to maximize its fullest potential. Recognition of outstanding organizations fostering the development of women's entrepreneurship can help in this regard. They also spur

the development of other organizations to fill gaps and inspire women's entrepreneurial support organizations to achieve excellence.

#### Research as a Foundation

Many organizations we spoke with mentioned the importance of fact-based information as both providing program direction and increased public awareness. Well-supported, timely, accurate, and reliable research is thus a driving force behind (a) the design and expansion of both public and private sector programs that expand opportunities for women to lead profitable, growth-oriented businesses; (b) the recognition of women-owned businesses as a major contributor to our society; and (c) public policies and the monitoring of these policies.

#### Public-Private Partnerships

Sustainable support for women's business development can best be achieved if there is active involvement not only from women business owners and their organizations but also from government and non-government organizations supporting enterprise development. Therefore, public-private partnerships are invaluable and should continue and expand. The government should continue to provide seed capital for the private sector, while allowing local variation among private sector organizations.

#### Strong Partnerships to Create Collaboration and Reduce Duplication

It is important to nurture strong partnerships across organizations that are working toward the same goals. This will reduce duplication and strengthen each group's efforts. As one organization stated, "Be collaborative, not duplicative." When organizations fostering women's entrepreneurship work together, they can encourage each other, build stronger businesses, and create equity in the workplace.

#### Needs Assessments

Services to women entrepreneurs must be targeted to meet the most important goals. Needs assessments would be very useful to determine, for example, whether – given existing services and organizations – a new online procurement website, a new certifying organization, or another national conference is needed at a given time.

#### Impetus for Action and Implementation

The impetus for action and implementation of programs for women entrepreneurs has historically come from the women business owner community. It is important to ensure that activism continues. It is thus very important for women entrepreneurs to continue to have a voice in public policy matters, not just for the benefit of women entrepreneurs but for all of society. Having an official voice in government for women business owners is important for advancing policy.

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This research was conducted for the National Women's Business Council by Barrera Associates, a 15 year-old woman- and minority-owned firm specializing in the provision of professional administrative and management support services to clients in the public and private sector. A copy of the report is available on the NWBC Web site.

The National Women's Business Council is a bi-partisan Federal advisory body created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. Members of the Council are prominent women business owners and leaders of women's business organizations. The Council's mission is to promote bold initiatives, policies and programs designed to support women's business enterprises at all stages of development in the public and private sector marketplaces, from start-up to success to significance. For more information about the Council, its mission and activities, contact: National Women's Business Council, 409 3<sup>rd</sup> Street, SW, Suite 210, Washington, DC 20024; phone: 202-205-3850; fax: 202-205-6825; e-mail: [nwbc@sba.gov](mailto:nwbc@sba.gov), web site: <http://www.nwbc.gov>.