



Research Report

Women's Entrepreneurship in the 21st Century – A Summary of Data from National and Regional Summits

★ *June 2003* ★

Foreword

Women own an estimated 9.1 million businesses in the U.S. and they are growing in number and economic clout at rates exceeding the national average. Yet, these women face a myriad of challenges in starting and running their businesses. In 2002, the U.S. Department of Labor and the Small Business Administration, in collaboration with The Public Forum Institute, organized a national women's entrepreneurship summit, as well as a series of regional summits. These conferences were designed to provide women business owners, women's business association leaders, and service providers the opportunity to discuss the issues and challenges facing the women's business community, as well as to learn more about government programs that exist to assist entrepreneurial development.

The National Women's Business Council (NWBC) will use the feedback provided during these conferences—which is summarized in this report—to gain a better understanding of the challenges affecting women entrepreneurs and to help form policy recommendations that address these issues. In addition, this analysis provides an independent assessment of how it can assist women's entrepreneurship through further research, studies or other activities on the issues arising from the various summits.

The National Women's Business Council is a bi-partisan Federal government council 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 National Women's Business Council is committed to:

- conducting research on issues of importance to women business owners and their organizations;
- communicating these findings widely;
- connecting the women's business community to public policy makers; and
- providing a platform for change in order to expand and improve opportunities for women business owners and their enterprises.

For more information about the Council, its mission and activities, contact: National Women's Business Council, 409 3rd Street, SW, Suite 210, Washington, DC 20024; phone: 202-205-3850; fax: 202-205-6825, e-mail: nwbc@sba.gov

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Women's Entrepreneurship in the 21st Century – A Summary of Data from National and Regional Summits

Introduction

In March of 2002, the U.S. Department of Labor and the U.S. Small Business Administration, with the assistance of the Public Forum Institute, hosted a national summit entitled *Women Entrepreneurship in the 21st Century*. Held in Washington, DC, the summit was attended by more than 1,200 women entrepreneurs from across the country. Thousands of others participated via satellite from Bangor, Maine; St. Louis, Missouri; Little Rock, Arkansas; and Orlando, Florida. The national gathering was followed by four regional forums held between July and September in Nashville, Tennessee; Houston, Texas; New Britain, Connecticut; and St. Louis, Missouri.

The meetings provided a forum for women business owners to hear from leaders in the government and in the private sector about the critical issues that they face and current initiatives to support them. The meetings also provided an opportunity for government and industry leaders to hear back from participating women about the issues affecting their own businesses.

Each of the meetings offered sessions which addressed such topics as:

- providing women business owners with access to capital to enable them to stimulate national economic growth;
- enhancing innovation and entrepreneurship as the route to nurturing new small business growth;
- addressing the rising cost to small business owners of providing health care for their employees; and
- exploring progress on efforts to help women small business owners achieve closer to 5% of federal government contract dollars.

In addition to discussing these issues during the sessions, attendees were able to participate in an electronic survey, and using keypads, provided real-time responses to survey questions. Questions covered such topics as the motivation and process for starting a business, operational challenges, and broad national issues facing women business owners around the country.

This report details the findings from the electronic survey.

Summary of Findings

The electronic survey of forum participants included a total of 80 questions. A subset of the questions was asked at each site, and together the data paint interesting picture of women business owners and their current thinking on the challenges to women's entrepreneurship. This report is an analysis of that data. While not each question is presented in the analysis and not all questions were asked in all forum locations, a full set of the survey data—which also presents the data by city—is presented in the appendices.

Highlights of the survey findings include:

- Most women business owners who participated in the survey started their businesses themselves.
- Making a profit was the primary motivation for starting their business, and increasing client base and profits were top objectives for business growth.
- Personal networks and mentoring were cited as the key factors to helping women start and grow businesses.
- Access to capital and the current economy were top concerns for women business owners.
- More than half of women surveyed found it difficult to secure the capital to start their business, and they were most likely to rely on personal savings as their primary source of funding.
- Women business owners did not generally view the federal government and its contracting systems as helpful or easy to navigate.
- Health care reform and tax reform were seen as urgent priorities for the U.S. Congress.
- Costs were the biggest barrier to offering health insurance, and women surveyed overwhelmingly supported reforms that would make offering coverage more affordable.

Conference Participant Background

Participants in each of the sessions included business owners, government and corporate leaders, representatives of organizations that provide services to women business owners, and others. While many of the substantive questions cannot be analyzed by the demographic questions, these background questions paint an overall picture of the conference participants.

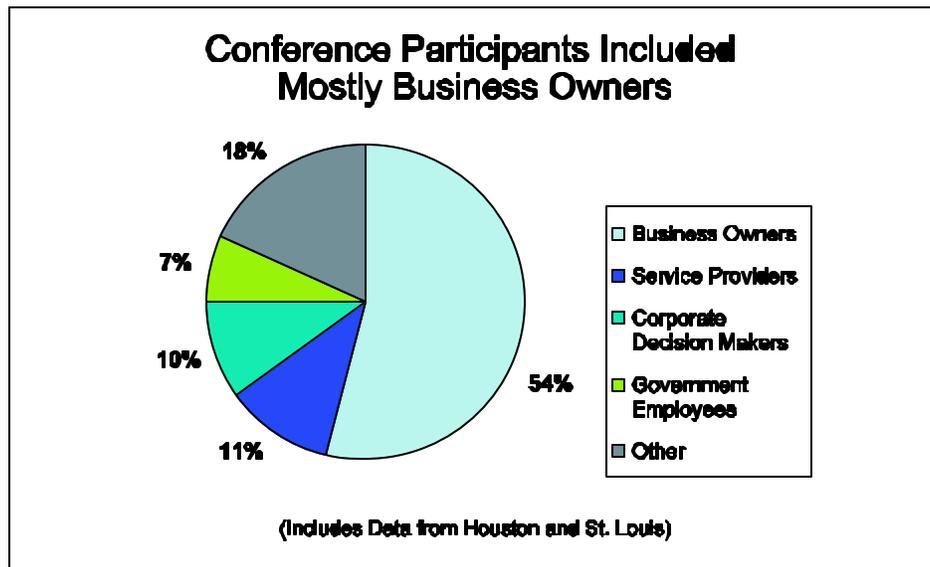
Participants in Houston and in St. Louis were asked to identify themselves by their profession, and more than half (54%) were business owners. Eleven percent (11%) were service providers, 10% were corporate decision makers, 7% were government employees, and the remaining 18% were from other types of organizations.

Participants in all of the sessions except for New Britain were asked how long they had owned their business. While many were new to business ownership, many were veteran business owners—20% were considering or in the process of starting a business, 9% had owned their business for

business for one to five years, 11% had owned their business for six to ten years, and 23% had owned their business for more than 10 years.

Participants in Houston and in St. Louis were asked to identify the industry in which their business operated.

- Among participants in Houston, more than half (52%) responded that their business was in the service industry. Ten percent (10%) had retail businesses, 12% had technology businesses, 6% were in the manufacturing industry, and 20% were in some other industry.
- Participants in St. Louis were given a different set of response choices. The most common responses were finance and insurance (13%) and wholesale or retail sales (13%). Fewer than 10% identified manufacturing, real estate, health care, administrative support, or food service. Almost half (46%) of businesses were in categories that were not offered as options.



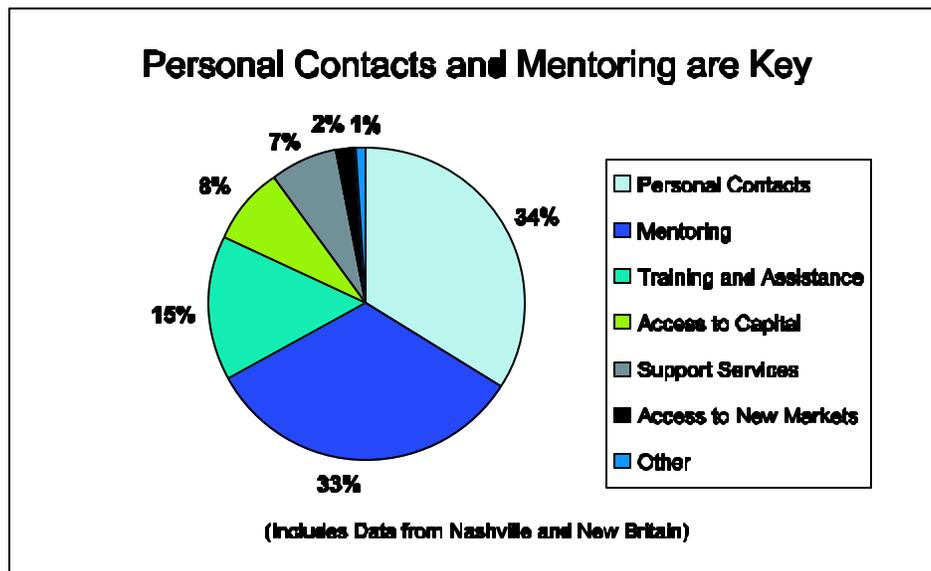
Participants in Houston were asked to identify themselves by educational level and by age. About one-third (34%) had less than a bachelor's degree, one-fourth had completed a bachelor's degree, another 35% had some graduate school or a master's degree, and 7% had a doctorate or other graduate degree. There were not significant differences by age—similar percentages of respondents were from each of the age categories.

Motivation and Process for Starting a Business

The majority of the women business owners included in this survey started their businesses themselves, and most relied on personal contacts and mentoring from other women as they got started. Not surprisingly, the primary motivation for starting a business was making a profit. Being their own boss and having an interest in the field were also important motivations for many women.

- Participants in Washington, DC and in the St. Louis satellite audience were asked whether they agreed that the primary purpose for owning a business was to make a profit. More than 80% either strongly agreed or agreed with the statement.
- Participants in Washington, DC and in Houston were also asked about the primary motivation for starting their own business. Almost one-third—just over 32%—cited being their own boss as the primary reason (31% in Washington and 40% in Houston). Having an interest in the field and making more money were also common reasons, with about 20% of women selecting each of those responses.

Among the business owners who participated in Nashville and in St. Louis, 72% started their businesses themselves (87% in Nashville and 72% in St. Louis). Three percent (3%) purchased their businesses, another 3% inherited their businesses, and 1% acquired their business through marriage or divorce. Twenty-one percent (21%) acquired their business in some other way.



When asked about the most important aspect of helping other women to become entrepreneurs, about one-third of participants mentioned personal contacts (39% in Nashville and 31% in New Britain), and another one-third mentioned mentoring programs (34% in Nashville and 32% in New Britain). Fifteen percent (15%) thought that training and technical assistance programs were key (18% in Nashville and 13% in New Britain). Relatively few mentioned access to capital (8%) or access to services such as day care or insurance (7%).

Most women surveyed reported being at least somewhat afraid of failure when they started their businesses, but just one-third felt discouraged because they were women.

- Women at the national conference were asked how afraid they were that their business would fail when they started it. On a scale that ranged from "Very Afraid" to "Not Afraid At All", more than one-quarter (27%) said that they were very afraid that their business would fail, 34% were moderately afraid, and 39% were either not at all or only slightly afraid.

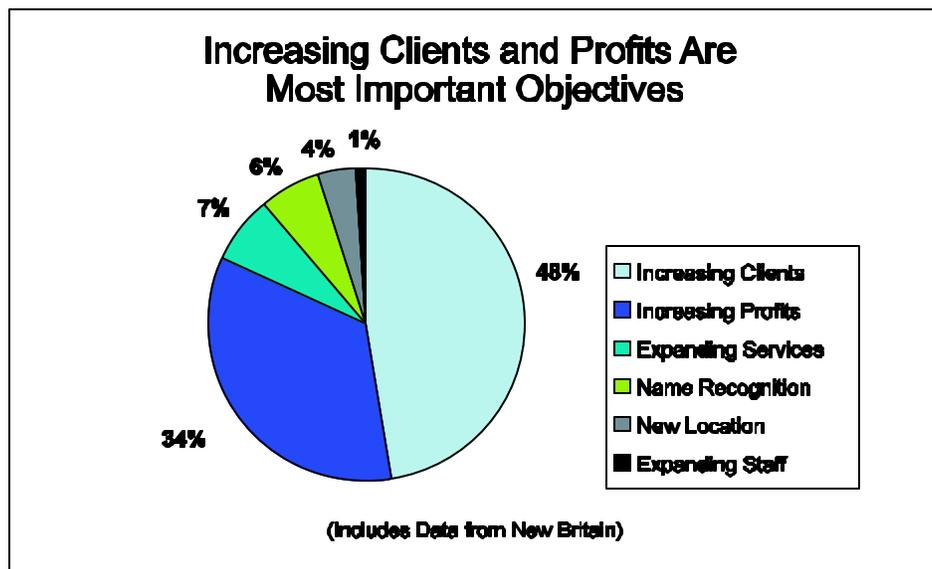
- Among this same group, about one-third (34%) said that they felt discouraged about starting their business because they were women, and two-thirds (66%) said that they did not feel discouraged.

Business Objectives and Financial Goals

Among the women who participated in this survey, increasing their client base and profits were the top business priorities. Most had five-year revenue goals of less than \$1 million.

Participants in New Britain were asked to describe their business objectives, and 47% replied that increasing their client base was their top business priority. Increasing profits was the top priority for about one-third. Expanding services, locations, name recognition, and staff were not considered top priorities.

Participants in St. Louis were asked about their goals for financial growth. More than half (53%) replied that their five-year revenue goal was less than \$1 million. Less



than one-quarter replied reported a five-year goal of greater than \$5 million.

Participants in St. Louis were also asked how they viewed their current business finances. Forty-six percent (46%) replied that their business finances were excellent or very good. Thirty-nine percent (39%) reported that their current business finances were fair, and 16% reported that they were poor.

Employees and Work Environment

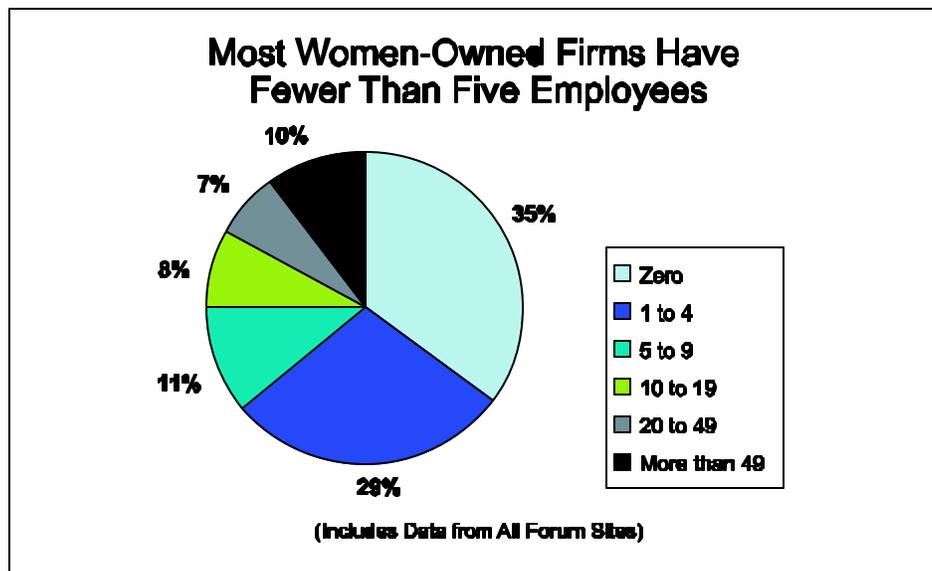
While the sizes of businesses owned by women who participated in this survey were relatively small, creating family-friendly work environments was an important priority.

Participants in each of the sites were asked how many employees they had. Thirty-five percent (35%) of women who participated in the forums had no employees, with site-specific proportions ranging from a high of 63% with no employees in Nashville to a

low of 27% in Washington, DC. A total of 29% had 1 to 4 employees not including themselves, and only 10% had 50 employees or more.

Fifty-nine percent (59%) of participants in Washington were planning to hire additional employees in the next several months. Twenty-eight percent (28%) had no plans to hire additional employees, and 13% were not sure. When asked about the most important consideration in hiring new employees, 69% replied that a good attitude and willingness to learn were most important. Communication skills were most important for 13% of respondents, and experience in the industry was a primary concern for only 11%.

And finally, providing family-friendly work environments was an important concern for most women. Eighty-six percent (86%) of participants in the national forum in Washington, DC rated this as extremely or very important, while only 6% said that it was not important at all.



Issues Facing Women Business Owners

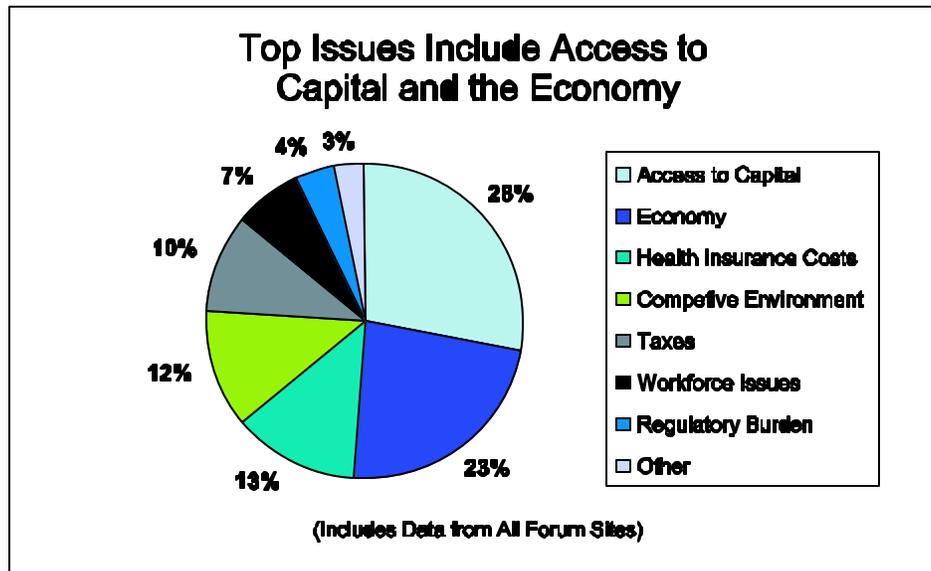
Women at each of the sites were asked about the most important issue they faced as a business owner. Overall, access to capital was the most important issue, cited by 28% of respondents. The current economy was also viewed as important, with 23% of participants choosing that option. Thirteen percent (13%) cited the rising cost of providing health insurance, and 12% cited the competitive business environment. Taxes were cited by 10%. Workforce issues and regulatory burdens were each cited by fewer than 10%.

While access to capital was cited as the most important issue at each location, the

capital ranged from one-quarter in Washington, DC, to 28% in Nashville, to almost one-third (32%) in New Britain.

Participants at each location except for New Britain were also asked which issue the U.S. Congress should address immediately. The most common response was health care reform, with 32% of all participants choosing that option. Tax reform was cited by 23%, and 19% said that improving access to capital was an urgent issue for the Congress. Twelve percent (12%) cited expanding procurement opportunities, 10% cited pension reform, and only 3% cited regulatory reform.

- Health care reform was seen as a bigger



proportion of respondents citing it varied by location.

- In Houston, nearly half of respondents (48%) named access to capital as the greatest problem.
- In other locations, the proportion of respondents who selected access to

issue in the regional locations, with 50% of respondents in St. Louis, 47% in Nashville, and 36% in Houston naming it as a priority. Just 18% of participants in the national survey said that health care reform was a top priority.

- Another regional variation was seen in the proportion of respondents who

suggested that expanding procurement opportunities was a top priority. In the national-level survey, 40% selected this response. In the regions, 21% of respondents in St. Louis, 14% in Houston, and 12% in Nashville thought that expanding procurement opportunities was a top priority.

Participants in St. Louis were asked about the current internal barriers to growing their business. Cash flow was cited most often, with 41% of women citing that barrier. Thirty-nine percent (39%) mentioned time as the greatest barrier to growth. Fewer than 10% mentioned having enough staff.

Access to Capital

Finding and securing funds to start and to grow businesses was a top concern for the women entrepreneurs surveyed.

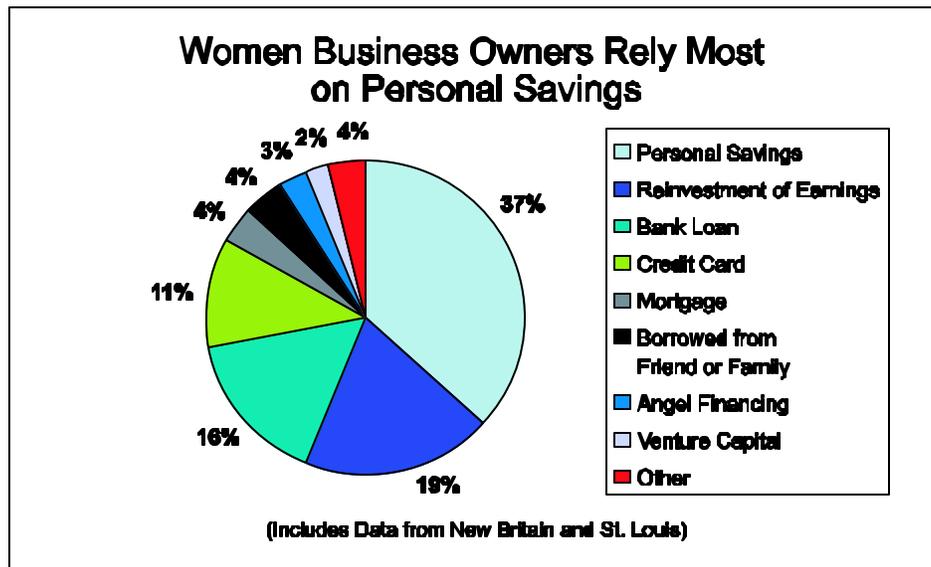
- Participants in Washington, DC and in St. Louis were asked how difficult it was to obtain funding through loans or grants for their business. More than half found it either very difficult or difficult—36% and 18% respectively.

Only about one-third (34%) replied that it was not difficult.

- When asked how difficult it was to raise private investment through venture capital or angel financing, 86% of that same group replied that it was either very difficult or difficult.

While there are a wide range of options for financing businesses, women were most likely to rely on personal savings as their primary source of capital.

- In New Britain and St. Louis, 37% of the women surveyed replied that they relied most on their personal savings. Just under 20% relied the most on reinvesting business earnings, 16% relied most on loans or lines of credit, and 11% relied the most on personal or business credit cards. Fewer than 5% cited a second or third mortgage on their on their homes, borrowing money from family or friends, or venture capital or angel financing as their primary source of capital.
- Participants in Washington, DC and in Nashville were asked the same question,



but without the full range of choices. Answers, however, reinforce the results—52% relied primarily on personal savings, and 22% relied on bank loans. Small percentages cited a second or third mortgages or borrowing money from friends, families, or colleagues as their primary source of capital.

When asked which they had found to be the most helpful source of information about business financing options, more than one-third of respondents (35%) in New Britain and St. Louis cited friends and associates. The SBA was cited by 20%, and private banks were cited by 16%. Government websites were the least cited, with only 3% choosing that option. Fewer than 10% chose Small Business Development Centers and Women's Business Centers.¹

While the question was asked differently in Washington, DC and Nashville, the results were similar. Forty-four percent (44%) of women noted that recommendations from others were the most important source. Twenty-three percent (23%) looked to private sources, and only 10% looked to government offices as their primary information source.

¹ While these options—the SBA, government Web sites, Small Business Development Centers, and Women's Business Centers—overlap, they were in fact, the available response options.

Access to Government Contracts

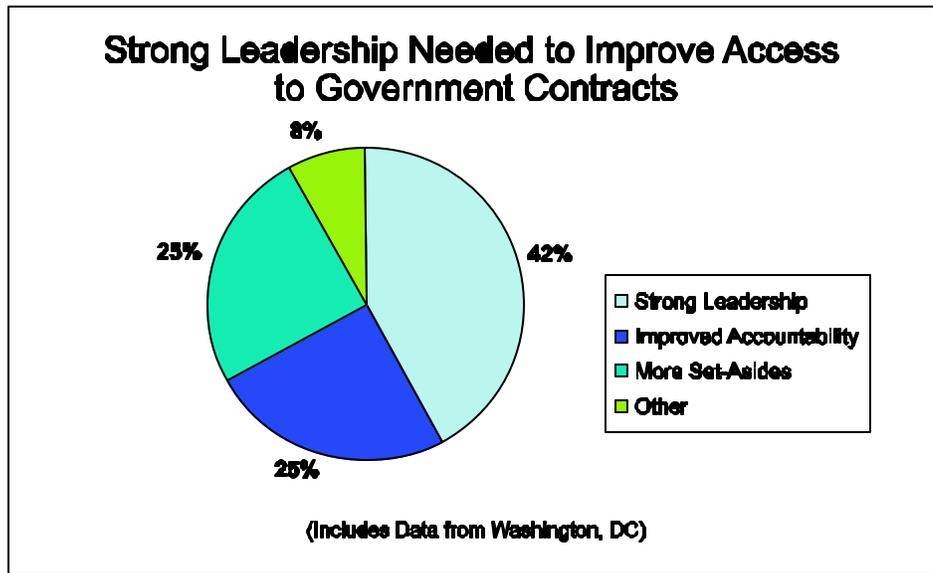
With the federal government purchasing more than \$200 billion in goods and services annually, winning more government contracts remains another critical issue for women business owners.

- Participants in Washington, DC were asked what they thought would be the best way to ensure that women-owned businesses were awarded the Congressionally mandated 5% of federal contracts. Forty-two percent (42%) thought that strong leadership would make the difference. About 25% thought that improving accountability would help, and another 25% favored having more set-asides.
- Women in St. Louis were asked about their recent attempts to do business with the government. Sixty percent (60%) had not tried to do business with the federal government in the past year. Twenty percent (20%) had tried a couple of times, and another 20% had tried more often. Of those who had attempted to do business with the government, only 7% reported being very successful and 57% reported being not successful at all.
- Women in Nashville and St. Louis were asked how much business they expected to do with the federal government over the coming year. Forty percent (40%) expected that their business volume would stay the same (44% in St. Louis and 34% in Nashville), and roughly even proportions (approximately 30% each) expected it to either increase or decrease.
- Finally, when asked about their overall opinion of the federal government, more than four in ten – 44% – of

participants in Houston and New Britain replied that they thought the federal government mostly hinders small business owners. Only 21% thought that the federal government was mostly helpful in its efforts to support small business owners and 35% said that it neither helps nor hinders small business owners.

Participants in St. Louis and Houston were further asked if they offered coverage to all employees or only to full-time employees. Of those who offered coverage, 60% offered it only to full-time employees and 40% offered it to all employees.

When asked what the biggest obstacle was to providing health benefits, 72% of participants in Nashville, New Britain, and



Health Insurance Issues

The cost of health insurance and the ability to take advantage of group purchasing arrangements were also primary concerns for women business owners.

Participants in Houston, St. Louis, and Washington, DC were asked if they provided health care benefits to their employees. Overall, 44% replied that they do offer coverage. The proportions that offered coverage were greater nationally and in St. Louis (49% of respondents in Washington and 41% in St. Louis offered coverage), while only 27% in Houston offered coverage.

St. Louis cited costs. An additional 15% cited the lack of purchasing power—which clearly affects costs. Relatively few, less than 5%, cited administrative and regulatory burdens or federal and state mandates.

The proportions that cited costs as the primary obstacle were greatest at the regional sites, with 83% of respondents in New Britain and 72% in St. Louis giving this response. Nationally, only 56% cited cost as the biggest obstacle. A higher proportion of participants in the national survey cited purchasing power as a barrier (20%, compared to 15% in St. Louis and 11% in New Britain).

Among participants in Houston and St. Louis who offer health insurance coverage, 35% had their annual premiums rate increase by 20% or more last year. Rates increased between 10 and 20% for 40% of respondents. Fewer than 10% did not see an increase in their premiums. When asked if they would be able to continue offering coverage if rates continue to rise at current rates, 86% of participants in Washington, DC said that they would not.

Participants in New Britain and St. Louis were asked how they are handling health cost increases. Twenty percent (20%) replied that they were able to absorb the additional cost. One-third replied that they pass cost increases along to employees. Another one-third replied that they made changes to the coverage they offer—with 20% reducing coverage and 13% changing providers. Only 5% stopped offering coverage altogether.

Women business owners overwhelmingly support reforms that would make offering health insurance more affordable for them.

- 86% of participants in Houston, St. Louis, and Washington, DC supported the use of tax credits to encourage women small business owners to provide health care coverage to their employees.
- 93% of participants in Washington, DC said that it would make a difference in their decisions about offering health insurance if they had the same bargaining power, administrative efficiencies, choice, and reduced cost as large businesses have in the health insurance market.

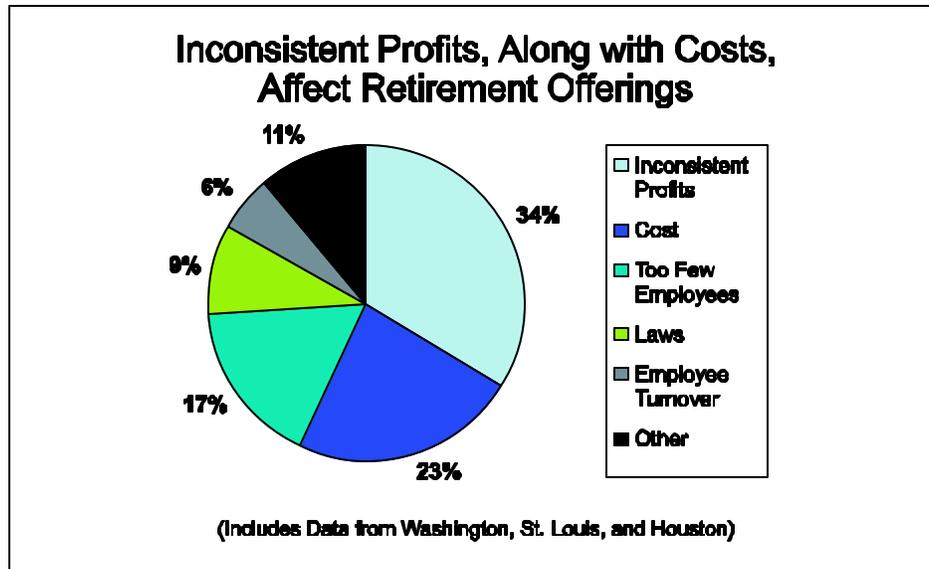
- 95% of participants in St. Louis said that small businesses should be able to combine together as a larger group to be able to offer less expensive health insurance to more employees.
- 57% of participants in St. Louis, however, said that they would be less likely to offer health insurance to their employees if a Patients Bill of Rights were passed.

Finally, participants in Houston were asked what they thought was the most important step that large employers could take to help reduce the number of working uninsured. Forty-two percent (42%) thought that large employers could help by sharing provider networks and discounted rates with smaller firms. About one-quarter (26%) thought that establishing regional purchasing cooperatives with small businesses would help most, and another one-quarter thought that expanding coverage eligibility to part-time workers and others who are not eligible was most important.

Retirement Benefits

Another issue of importance to women business owners and to their employees was the availability of options for retirement security.

Participants in Washington, DC, Houston, and St. Louis were asked about the retirement plans they offer. Over half (52%) did not provide any type of retirement plan to their employees. Participants in the regional surveys were less likely than the national participants to offer retirement plans—73% in Houston and 68% in St. Louis did not offer plans, whereas only 43% of respondents in the national survey did not offer plans.



Of those who did offer retirement plans, the most common type, offered by 22% of respondents, was a 401(K) plan. Another 9% offered SEP-IRAs. Small proportions also offered 403(B), Standard IRA, Defined Benefit Plan, and Keogh Plans.

The same participants were asked about the most important challenge in offering retirement plans. More than one-third of survey participants (34%) replied that the greatest challenge to offering retirement plans was the inconsistency of their own business profits. The cost of retirement plans was cited by 23% of respondents, and another 17% cited having too few employees. Nine percent (9%) noted the complexity of the laws governing retirement plans. Relatively few, about 6% cited employee turnover.

When asked about funding their own retirement, 57% of participants in New Britain, Nashville, Houston, and Washington, DC revealed that they are investing in IRAs or in 401(K) plans. Twelve percent (12%) intended to sell their business and use the money for retirement. Twenty-three (23%) percent had no plans.

Looking Ahead

Participants in Washington, DC and in St. Louis were asked how confident they were that their business finances would improve in the next six months. Sixty-two percent (62%) of respondents in St. Louis and 45% of respondents in Washington, DC reported that they were extremely or very confident that their finances would improve. Overall, only about 16% reported that they were not confident that their finances would improve.

Participants in Washington, DC were also asked their opinion about the current economy, and almost 60% replied that they thought it was either not good or poor. Almost 40% replied that it was good, and fewer than 1% responded that it was excellent.

Recommendations for Additional Research

We conclude by offering recommendations for improving future data collection efforts and additional research issues that are raised by this analysis.

Future efforts to collect descriptive data on women business owners and the issues that they face could be improved by:

- Standardizing the survey methodology such that the same questions are asked of all participants so that answers can be compared and geographic comparisons can be made.
- Using opportunities with women business owners to collect data from business owners only so that results are not skewed by the opinions of participants who do not own businesses. In this data set, for example, most responses could not be segregated by whether or not the respondent was a business owner.
- Gathering such data in settings that include both women and men business owners to allow for gender comparisons. For example, it would be interesting to know if women and men have different motivations for starting their businesses, if they face different issues, or if they offer the same types of benefits to their employees.

This data and analysis also point to several opportunities for future research:

- Survey participants identified access to capital as a critical concern, and the majority said that they found it difficult to raise capital. Additional research could identify the specific barriers related to accessing capital and determine the relationship of those barriers to demographics, geography, and type of business.
- It is also important to note that women business owners did not view the federal government as helpful. There may, therefore, be an opportunity for additional research related to women business owners' views of the federal government and the barriers that they perceive.
- There was also a great deal of support from women business owners for reforms—such as tax credits or purchasing pools—that would make health insurance more affordable. Research on business owners' experience with these options for offering coverage may therefore be valuable to national level discussion about expanding coverage.

This report was prepared for the National Women's Business Council by Synthesis Professional Services under contract. The opinions and recommendations of the authors of this study do not necessarily reflect official policies of the NWBC, the U.S. Small Business Administration, or any other agency of the U.S. government.

Synthesis Professional Services is a woman-owned consulting firm located in Rockville, MD. Synthesis helps government clients to create successful outreach programs—such as public education campaigns, conferences, and Internet database development—as well as the critical underpinnings of these initiatives—such as research and evaluation, strategic planning, and process redesign. For additional information about Synthesis, contact Synthesis Professional Services, 12239 Carroll Avenue, Rockville, Maryland 20857; phone: 301-598-4770; fax: 301-598-4772; email: rgigliotti@synthesisps.com

Appendices

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Demographics

What is the highest level of education you have completed?	n=						1608	852	690
High school or less							4	3	5
Some college							20	20	21
2-year college degree							10	12	7
Bachelor's degree							25	25	23
Some graduate school							10	11	10
Master's degree							25	25	24
Doctorate degree							5	3	8
Other graduate degree							2	2	1
To which of the following age groups do you belong?	n=						1650	846	726
Younger than 35							19	18	20
35-44							28	26	31
45-54							28	33	22
55-64							21	21	21
65 or older							3	1	6
Are you a . . . ?	n=	256					1644		
Business owner		56					54		
Corporate decision maker		8					10		
NGO/Service provider to women business owners		13					11		
Government employee		8					7		
Other		16					18		
How long have you owned your own business?	n=1434	272	14	112	285		1608	858	708
I am considering or in the process of starting a business	16	19	9	32	59		17	13	24
Less than 1 year	8	6	11	0	13		10	17	1
1-5 years	24	29	49	7	13		21	32	8
6-7 years	7	7	8	0	3		3	3	2
8-10 years	7	3	5	0	1		7	10	2
More than 10 years	37	9	14	3	12		15	23	6
None of the above	NA	26	3	57	0		27	1	57

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

If you are a business owner, what share of the business do you personally own?	n=						1428	852	528
100%							45	62	16
51-99%							11	18	1
50%							10	16	1
Less than 50%							5	3	8
Don't know							1	0	2
Other							28	1	72
Which broad category best describes the type of business or services that your company provides?	n=						1464	816	582
Manufacturing							5	6	4
Wholesale/retail sales							13	15	8
Finance and insurance							13	7	23
Real estate, rental, leasing							6	5	8
Administrative support services							7	7	7
Health care, social assistance services							5	7	3
Accommodation and food service							4	5	3
Other							46	47	43
In what industry is your business?	n=	81							
Retail		10							
Service		52							
Technology		12							
Manufacturing		6							
Other		20							

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Starting a Business

What would you say is the main reason you started your own business?	n=348	52							
To make more money	20	17							
To be my own boss	31	40							
To set my own schedule	9	13							
For the challenge of starting a business	9	6							
Because I had an interest in the field or profession?	22	23							
Other	9	0							
Agree or disagree: The primary purpose of owning a business is to make a profit.	n=467								
Strongly agree	54								
Agree	27								
Unsure	1								
Disagree	16								
Strongly disagree	2								
When you started your business, how afraid were you that it would fail?	n=70								
Very afraid	27								
Moderately afraid	34								
Only slightly afraid	26								
Not at all afraid	13								
Were you discouraged from starting your own business because you are a woman?	n=583								
Yes	34								
No	66								
Unsure/can't remember	0								

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Personal Finances

If you are a business owner, how did you acquire ownership of the business?	n=				64		1332	846	420
Start the business					87		72	90	34
Purchase the business					13		2	4	0
Inherit the business					0		3	4	0
Acquire the business without personal investment such as through marriage/divorce					0		1	1	1
Other					0		23	1	64
If you had to choose just one, would you rather have more money or more time?	n=483								
More money	57								
More time	44								
Which of the following best describes your plans to fund your own retirement?	n=435	67			70	97			
Sell my business and use the money	12	12			6	12			
Invest in IRAs and 401(k) plans	57	48			56	62			
Use the money from my savings or low-risk CDs	6	6			3	3			
Use money from my spouses retirement account	2	6			6	4			
Have not yet made specific plans to fund my retirement	22	28			30	19			
Of those who have a home office, did you know that under current law you are supposed to get a tax deduction? Were you able to take the deduction last year?	n=	67							
Yes, I took the deduction		25							
No, I didn't know		6							
No, but I knew about it		27							
I don't have a home office		42							

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

	Would you have taken the deduction if it wasn't so difficult?	n=	57						
	Yes		96						
	No		4						
	Is your current business your sole source of income or a secondary source of income?	n=43					124		
	Sole source	37					46		
	Secondary source	63					54		
	How much do you have put away for retirement?	n=479							
	Less than \$50,000	34							
	More than \$50,000	66							
	Have you provided for your retirement by owning stocks and bonds?	n=370							
	No	44							
	Yes	56							
Business Objectives and Financial Goals	What do you consider the top priority for your business?	n=					94		
	Opening a new location						4		
	Increasing the number of clients						47		
	Expanding services you provide						7		
	Increasing profits						34		
	Expanding staff						1		
	Increasing name recognition						6		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Office and Employees	Thinking about the current state of your business, would you rate your business finances as...	n=							122			
	Excellent								14			
	Good								32			
	Fair								39			
	Poor								16			
	What is your desired annual revenue level in five years?	n=								85		
	Less than \$500K								29			
	\$500K - \$1M								24			
	\$1M - \$2.5M								15			
	\$2.5M - \$5M								9			
	More than \$5M								22			
	Looking forward, how confident are you that your business finances will improve over the next six months?	n=51								123		
	Extremely confident	14								26		
	Very confident	31								36		
	Just a little confident	33								24		
	Not at all confident	22								15		
	Where is your primary office based?	n=	228	144	84					248		
	Home		35	42	24					34		
	Somewhere else		65	58	76					66		
	What kind of connection to the internet do you have for your business?	n=758										
T1 or better	21											
DSL or cable modem	37											
Satellite or other wireless	1											
ISDN	3											

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Dial-up modem	33								
None	1								
Don't know	3								
How important is it for you to provide a family-friendly work environment?	n=52								
Extremely important	65								
Very important	21								
Slightly important	8								
Not at all important	6								
Of the following, which skill do you consider most important in a potential employee?	n=462								
Basic competency in computer skills	2								
Good attitude and willingness to learn	69								
Experience in your industry	11								
Good communication skills	13								
Other	5								
Excluding yourself, how many employees do you have?	n=1235	236	140	96	258	77	1356	846	450
Zero	27	54	40	75	63	42	37	37	36
1 – 4	25	32	43	17	16	21	36	40	29
5 – 9	13	5	8	0	3	10	11	12	11
10 – 19	12	5	6	4	8	8	4	3	5
20 – 49	8	2	0	4	5	10	7	4	11
More than 49	15	2	3	0	5	9	6	4	8
Are you planning on hiring anyone in the coming months?	n=61								
Yes	59								
No	28								
Unsure	13								

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Issues Facing Business

What would you say is the most important issue facing you as a business owner?	n=413	61			88	153			
Access to capital	25	48			28	32			
Health insurance costs	15	5			9	12			
Workforce recruitment and retention	6	5			9	9			
Taxes	10	10			15	8			
Regulatory burden	7	2			2	3			
Current state of the economy	23	18			25	26			
Competitive business environment	13	7			8	7			
Other	NA	7			3	3			
If you were in the U.S. Congress, which one of the following would you address immediately?	n=444	66			87	262			
Pension reform/retirement security	0	9			8	7			
Health care reform/affordable health insurance	18	36			47	50			
Regulatory reform/modernization	4	3			6	1			
Increasing access to capital	26	20			9	9			
Tax reform/relief	12	17			16	11			
More procurement opportunities for women entrepreneurs	40	14			12	21			
Other	0	2			1	<1			
What do you see as current internal (specific to your business) barriers to the growth of your business?	n=					101			
Time						39			
Enough staff						10			
Cash flow						41			
Other						11			

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Access to Capital	Thinking about the current state of the national economy, would you rate it as...	n=400							
	Excellent	1							
	Good	40							
	Not so good	48							
	Poor	11							
	Compared to the national economy, do you think the regional economy is:	n=				129			
	Much stronger					5			
	Stronger					30			
	About the same					40			
	Weaker					23			
	Much weaker					2			
	In your experience, how difficult has it been to obtain funding such as a loan or grant?	n=421					121		
	Very difficult	37					35		
	Difficult	19					13		
	Somewhat difficult	11					15		
	Not difficult	34					37		
	When developing a proposal for a potential investor, which element do you highlight?	n=				64	113		
	Return on investment					31	39		
	The fact that it is a good business idea					17	42		
Financial projections					8	69			
Market analysis					13	9			
Management team					31	15			
Other					0	7			

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

In your experience, how difficult has it been to raise private investment (angel and venture capital financing)?	n=45						94		
Very difficult	64						72		
Moderately difficult	20						15		
Only slightly difficult	11						6		
Not at all difficult	4						6		
Which of the following has you found to be the most helpful source of information about business financing options?	n=346				67	88	104		
Recommendation from a friend or business associate	41				61	30	40		
Government website	NA				NA	3	4		
Banks	NA				NA	16	16		
SBDC/Women business centers	NA				NA	15	6		
The SBA	NA				NA	26	16		
Government offices	8				25	NA	NA		
Private source	27				9	6	11		
Other	NA				NA	5	7		
Does not apply to me	25				4	NA	NA		
Which of the following sources do you currently rely on most for capital necessary to run your business?	n=39				60	111	127		
Personal savings or assets	49				55	40	34		
Reinvestment of business earnings	NA				NA	14	24		
Second/third mortgage	5				5	5	4		
Borrowed money from friend, family, colleague	5				8	5	3		
Venture capital funding	NA				NA	3	1		
Angel financing	NA				NA	5	2		
Personal or business credit card	10				7	8	13		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Government Contracting

Loan or line of credit from bank	31				17	20	12		
Other	0				8	1	7		
In your opinion, does the government contracting system discourage small entrepreneurs?	n=1								
Yes	100								
No	0								
Unsure	0								
What is the best way to ensure that women-owned businesses are awarded the congressionally mandated 5% goal of federal contracts?	n=66								
Strong leadership	42								
More regulation	8								
More accountability	26								
More government set-asides	24								
How often have you attempted to do business with federal agencies in the past 12 months?	n=						108		
Not at all							59		
A couple of times							19		
More than a couple of times							21		
How successful have you been in your attempts to do business with federal agencies in the past 12 months?	n=						80		
Very successful							4		
Somewhat successful							20		
Not at all successful							31		
Not applicable							45		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

In the next 12 months, do you project that the amount of business that you do with the federal government will.....	n=				58		101		
Increase greatly					2		10		
Increase somewhat					28		22		
Unsure					9		3		
Stay about the same					34		44		
Decrease somewhat					28		22		
Which of the following would you say most closely describes your opinion of the federal government?	n=	53					99		
The federal government is mostly helpful in its efforts to support small business owners.		19					22		
The federal government neither helps nor hinders small business owners.		28					38		
The federal government mostly hinders small business owners.		52					40		
What percentage of your sales comes from government contracts?	n=						100		
Zero							73		
Less than 10%							17		
11 - 25%							4		
More than 25%							6		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Health Benefits

What is the biggest obstacle you face in providing health benefits for your employees?	n=	79				143	231		
Federal and state coverage mandates		0				4	1		
Administrative and regulatory burdens		0				2	3		
Cost		56				83	72		
Lack of purchasing power/negotiating ability		20				11	15		
Other		24				0	9		
Do you currently provide health care benefits to your employees?	n=411	78					214		
Yes, to all of my employees	49	12					16		
Yes, but only to full-time employees		15					25		
No	51	73					59		
How much did your premiums increase this year?	n=	58					123		
0%		14					7		
1 - 10%		10					18		
10 - 15%		21					23		
15 - 20%		16					20		
More than 20%		40					33		
If health insurance costs continue to increase, will you be able to continue to cover your employees and their families as you do now?	n=323						152		
Yes	16						10		
No	84						90		
How are you handling health cost increases?	n=					122	142		
Absorbing all of the increases						22	20		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Reducing level of coverage						17	24		
Canceling coverage						7	4		
Changing health care providers						7	12		
Passing it to employees through higher premiums						35	30		
Other						3	10		
Do you support the use of tax credits to encourage women small business owners to provide health care coverage to their employees?	n=429	83					150		
Strongly support	68	67					57		
Support	19	22					26		
Unsure	10	7					13		
Oppose	2	1					2		
Strongly oppose	1	2					2		
If we could give you the same bargaining power, administrative efficiencies, choice, and reduced cost as large businesses in the health insurance market, would this make a difference in your decision to offer health care to your employees and their families?	n=394						123		
Yes	95						89		
No	5						11		
If a Patients Bill of Rights were passed, would you be more or less likely to offer health insurance to your employees?	n=						134		
Much more likely							15		
Somewhat more likely							26		
Somewhat less likely							37		
Much less likely							22		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

What is the most important step that large employers should undertake to help reduce the number of working uninsured?	n=	76						
Establish regional purchasing cooperatives with small businesses		26						
Share provider networks and discounted rates with smaller firms		42						
Expand coverage eligibility to part-time workers and others who are not eligible		24						
Provide incentives to improve take-up rates of low-wage workers		1						
Other		7						
Which of the following comes closest to your opinion?	n=					174		
Small businesses should be allowed to combine together as a larger group to be able to offer less expensive, better quality health insurance to more employees.						95		
Small business owners should not be allowed to combine together as a larger group because the health plans would then fall under federal law and individual states would not be allowed to enforce state patient protection laws.						5		

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Pension Plans	What type of employer-sponsored pension plan do you offer your employees?	n=1357	220	140	80			1398	846	468
	401(k)	28	15	11	20			16	11	22
	403(b)	3	NA	NA	NA			2	1	4
	SEP-IRA	11	5	9	0			8	8	8
	Standard IRA	3	2	3	0			<1	1	0
	Defined benefit	4	NA	NA	NA			1	0	1
	Cash balance	<1	NA	NA	NA			<1	0	1
	Keogh	2	5	3	10			NA	NA	NA
	Other	6	NA	NA	NA			4	3	6
	None	43	73	74	70			68	76	58
	What is the top difficulty in regards to providing a pension plan for your employees?	n=	55			61	90	208		
	Pensions are expensive		18			26	30	20		
	Complex laws are confusing		13			8	19	5		
	Company is new and/or profits are not consistent		36			41	22	36		
	High turn-over/too many new and part-time employees		2			11	10	4		
Too few employees		15			13	14	19			
Other		16			0	4	16			

APPENDIX A

Washington	Houston			Nashville	New Britain	St. Louis		
	Total	WBO	Other			Total	WBO	Other

Supporting Entrepreneurship	What is the most important aspect of helping other women to become entrepreneurs?	n=								
	Provide access to training and technical assistance				67	97				
	Personal contact/networks				18	13				
	Mentoring				39	31				
	Access to services such as daycare, insurance, etc.				34	32				
	Access to capital				9	5				
	Access to new markets				0	13				
	Other				0	3				
				0	2					

Notes: Percentages are rounded and, therefore, may not total 100.

Washington, DC percentages include data from the satellite sites in Little Rock, Arkansas; Bangor, Maine; and St. Louis, Missouri.

Blank cells indicate that no data are available for that question in that city.

Where response options differed by city, all options are listed, and options that weren't offered in a city are noted with "NA".

Where data are displayed separately for women business owners and others, the total *n* may be greater than the sum of the two components.

In these cases, not all respondents to the question also responded to the question which identified them as business owners.

APPENDIX B

Regional Summary Data Houston, Texas

	Total	Women Business Owners	Others
Are you a . . . ?	n=256		
Business owner	56		
Corporate decision maker	8		
NGO/Service provider to women business owners	13		
Government employee	8		
Other	16		
How long have you owned your own business?	n=272	140	112
I am considering or in the process of starting a business	19	9	32
Less than 1 year	6	11	0
1-5 years	29	49	7
6-7 years	7	8	0
8-10 years	3	5	0
More than 10 years	9	14	3
None of the above	26	3	57
In what industry is your business?	n=81		
Retail	10		
Service	52		
Technology	12		
Manufacturing	6		
Other	20		
What would you say is the main reason you started your own business?	n=52		
To make more money	17		
To be my own boss	40		
To set my own schedule	13		
For the challenge of starting a business	6		
Because I had an interest in the field or profession?	23		
Other	0		

	Total	Women Business Owners	Others
Which of the following best describes your plans to fund your own retirement?	n=67		
Sell my business and use the money	12		
Invest in IRAs and 401(k) plans	48		
Use the money from my savings or low-risk CDs	6		
Use money from my spouses retirement account	6		
Have not yet made specific plans to fund my retirement	28		
Of those who have a home office, did you know that under current law you are supposed to get a tax deduction? Were you able to take the deduction last year?	n=67		
Yes, I took the deduction	25		
No, I didn't know	6		
No, but I knew about it	27		
I don't have a home office	42		
Would you have taken the deduction if it wasn't so difficult?	n=57		
Yes	96		
No	4		
Where is your primary office based?	n=228	144	84
Home	35	42	24
Somewhere else	65	58	76
Excluding yourself, how many employees do you have?	n=236	140	96
Zero	54	40	75
1 – 4	32	43	17
5 – 9	5	8	0
10 – 19	5	6	4
20 – 49	2	0	4
More than 49	2	3	0
What would you say is the most important issue facing you as a business owner?	n=61		
Access to capital	48		
Health insurance costs	5		

	Total	Women Business Owners	Others
Workforce recruitment and retention	5		
Taxes	10		
Regulatory burden	2		
Current state of the economy	18		
Competitive business environment	7		
Other	7		
If you were in the U.S. Congress, which one of the following would you address immediately?	n=66		
Pension reform/retirement security	9		
Health care reform/affordable health insurance	36		
Regulatory reform/modernization	3		
Increasing access to capital	20		
Tax reform/relief	17		
More procurement opportunities for women entrepreneurs	14		
Other	2		
Loan or line of credit from bank			
Other			
Which of the following would you say most closely describes your opinion of the federal government?	n=53		
The federal government is mostly helpful in its efforts to support small business owners.	19		
The federal government neither helps nor hinders small business owners.	28		
The federal government mostly hinders small business owners.	52		
What is the biggest obstacle you face in providing health benefits for your employees?	n=79		
Federal and state coverage mandates	0		
Administrative and regulatory burdens	0		
Cost	56		
Lack of purchasing power/negotiating ability	20		
Other	24		
Do you currently provide health care benefits to your employees?	n=78		
Yes, to all of my employees	12		

	Total	Women Business Owners	Others
Yes, but only to full-time employees	15		
No	73		
How much did your premiums increase this year?	n=58		
0%	14		
1 - 10%	10		
10 - 15%	21		
15 - 20%	16		
More than 20%	40		
Do you support the use of tax credits to encourage women small business owners to provide health care coverage to their employees?	n=83		
Strongly support	67		
Support	22		
Unsure	7		
Oppose	1		
Strongly oppose	2		
What is the most important step that large employers should undertake to help reduce the number of working uninsured?	n=76		
Establish regional purchasing cooperatives with small businesses	26		
Share provider networks and discounted rates with smaller firms	42		
Expand coverage eligibility to part-time workers and others who are not eligible	24		
Provide incentives to improve take-up rates of low-wage workers	1		
Other	7		
What type of employer-sponsored pension plan do you offer your employees?	n=220	140	80
401(k)	15	11	20
403(b)	NA	NA	NA
SEP-IRA	5	9	0
Standard IRA	2	3	0
Defined benefit	NA	NA	NA
Cash balance	NA	NA	NA
Keogh	5	3	10

	Total	Women Business Owners	Others
Other	NA	NA	NA
None	73	74	70
What is the top difficulty in regards to providing a pension plan for your employees?	n=55		
Pensions are expensive	18		
Complex laws are confusing	13		
Company is new and/or profits are not consistent	36		
High turn-over/too many new and part-time employees	2		
Too few employees	15		
Other	16		

**Regional Summary Data
Nashville, Tennessee**

	Total
How long have you owned your own business?	n=285
I am considering or in the process of starting a business	59
Less than 1 year	13
1-5 years	13
6-7 years	3
8-10 years	1
More than 10 years	12
None of the above	0
If you are a business owner, how did you acquire ownership of the business?	n=64
Start the business	87
Purchase the business	13
Inherit the business	0
Acquire the business without personal investment such as through marriage/divorce	0
Other	0
Which of the following best describes your plans to fund your own retirement?	n=70
Sell my business and use the money	6
Invest in IRAs and 401(k) plans	56
Use the money from my savings or low-risk CDs	3
Use money from my spouses retirement account	6
Have not yet made specific plans to fund my retirement	30
Excluding yourself, how many employees do you have?	n=258
Zero	63
1 – 4	16
5 – 9	3
10 – 19	8

	Total
20 – 49	5
More than 49	5
What would you say is the most important issue facing you as a business owner?	n=88
Access to capital	28
Health insurance costs	9
Workforce recruitment and retention	9
Taxes	15
Regulatory burden	2
Current state of the economy	25
Competitive business environment	8
Other	3
If you were in the U.S. Congress, which one of the following would you address immediately?	n=87
Pension reform/retirement security	8
Health care reform/affordable health insurance	47
Regulatory reform/modernization	6
Increasing access to capital	9
Tax reform/relief	16
More procurement opportunities for women entrepreneurs	12
Other	1
When developing a proposal for a potential investor, which element do you highlight?	n=64
Return on investment	31
The fact that it is a good business idea	17
Financial projections	8
Market analysis	13
Management team	31
Other	0

	Total
Which of the following has you found to be the most helpful source of information about business financing options?	n=67
Recommendation from a friend or business associate	61
Government website	NA
Banks	NA
SBDC/Women business centers	NA
The SBA	NA
Government offices	25
Private source	9
Other	NA
Does not apply to me	4
Which of the following sources do you currently rely on most for capital necessary to run your business?	n=60
Personal savings or assets	55
Reinvestment of business earnings	NA
Second/third mortgage	5
Borrowed money from friend, family, colleague	8
Venture capital funding	NA
Angel financing	NA
Personal or business credit card	7
Loan or line of credit from bank	17
Other	8
In the next 12 months, do you project that the amount of business that you do with the federal government will.....	n=58
Increase greatly	2
^x Increase somewhat	28
Unsure	9
Stay about the same	34

	Total
Decrease somewhat	28
What is the top difficulty in regards to providing a pension plan for your employees?	n=61
Pensions are expensive	26
Complex laws are confusing	8
Company is new and/or profits are not consistent	41
High turn-over/too many new and part-time employees	11
Too few employees	13
Other	0
Negotiating	
What is the most important aspect of helping other women to become entrepreneurs?	n=67
Provide access to training and technical assistance	18
Personal contact/networks	39
Mentoring	34
Access to services such as daycare, insurance, etc.	9
Access to capital	0
Access to new markets	0
Other	0

APPENDIX B

Regional Summary Data New Britain, Connecticut

	Total
Which of the following best describes your plans to fund your own retirement?	n=97
Sell my business and use the money	12
Invest in IRAs and 401(k) plans	62
Use the money from my savings or low-risk CDs	3
Use money from my spouses retirement account	4
Have not yet made specific plans to fund my retirement	19
What do you consider the top priority for your business?	n=94
Opening a new location	4
Increasing the number of clients	47
Expanding services you provide	7
Increasing profits	34
Expanding staff	1
Increasing name recognition	6
Excluding yourself, how many employees do you have?	n=77
Zero	42
1 – 4	21
5 – 9	10
10 – 19	8
20 – 49	10
More than 49	9
What would you say is the most important issue facing you as a business owner?	n=153
Access to capital	32
Health insurance costs	12
Workforce recruitment and retention	9
Taxes	8

	Total
Regulatory burden	3
Current state of the economy	26
Competitive business environment	7
Other	3
Compared to the national economy, do you think the regional economy is:	n=129
Much stronger	5
Stronger	30
About the same	40
Weaker	23
Much weaker	2
Which of the following has you found to be the most helpful source of information about business financing options?	n=88
Recommendation from a friend or business associate	30
Government website	3
Banks	16
SBDC/Women business centers	15
The SBA	26
Government offices	NA
Private source	6
Other	5
Does not apply to me	NA
Which of the following sources do you currently rely on most for capital necessary to run your business?	n=111
Personal savings or assets	40
Reinvestment of business earnings	14
Second/third mortgage	5
Borrowed money from friend, family, colleague	5
Venture capital funding	3

	Total
Angel financing	5
Personal or business credit card	8
Loan or line of credit from bank	20
Other	1
Which of the following would you say most closely describes your opinion of the federal government?	n=99
The federal government is mostly helpful in its efforts to support small business owners.	22
The federal government neither helps nor hinders small business owners.	38
The federal government mostly hinders small business owners.	40
What is the biggest obstacle you face in providing health benefits for your employees?	n=143
Federal and state coverage mandates	4
Administrative and regulatory burdens	2
Cost	83
Lack of purchasing power/negotiating ability	11
Other	0
How are you handling health cost increases?	n=122
Absorbing all of the increases	22
Reducing level of coverage	17
Canceling coverage	7
Changing health care providers	7
Passing it to employees through higher premiums	35
Other	3
What is the top difficulty in regards to providing a pension plan for your employees?	n=90
Pensions are expensive	30
Complex laws are confusing	19
Company is new and/or profits are not consistent	22

	Total
High turn-over/too many new and part-time employees	10
Too few employees	14
Other	4
What is the most important aspect of helping other women to become entrepreneurs?	n=97
Provide access to training and technical assistance	13
Personal contact/networks	31
Mentoring	32
Access to services such as daycare, insurance, etc.	5
Access to capital	13
Access to new markets	3
Other	2

APPENDIX B

Regional Summary Data St. Louis, Missouri

	Total	Women Business Owners	Others
What is the highest level of education you have completed?	n=1608	852	690
High school or less	4	3	5
Some college	20	20	21
2-year college degree	10	12	7
Bachelor's degree	25	25	23
Some graduate school	10	11	10
Master's degree	25	25	24
Doctorate degree	5	3	8
Other graduate degree	2	2	1
To which of the following age groups do you belong?	n=1650	846	726
Younger than 35	19	18	20
35-44	28	26	31
45-54	28	33	22
55-64	21	21	21
65 or older	3	1	6
Business owner	54		
Corporate decision maker	10		
NGO/Service provider to women business owners	11		
Government employee	7		
Other	18		
How long have you owned your own business?	n=1608	858	708
I am considering or in the process of starting a business	17	13	24
Less than 1 year	10	17	1
1-5 years	21	32	8

APPENDIX B

St. Louis, Missouri

	Total	Women Business Owners	Others
6-7 years	3	3	2
8-10 years	7	10	2
More than 10 years	15	23	6
None of the above	27	1	57
If you are a business owner, what share of the business do you personally own?	n=1428	852	528
100%	45	62	16
51-99%	11	18	1
50%	10	16	1
Less than 50%	5	3	8
Don't know	1	0	2
Other	28	1	72
Which broad category best describes the type of business or services that your company provides?	n=1464	816	582
Manufacturing	5	6	4
Wholesale/retail sales	13	15	8
Finance and insurance	13	7	23
Real estate, rental, leasing	6	5	8
Administrative support services	7	7	7
Health care, social assistance services	5	7	3
Accommodation and food service	4	5	3
Other	46	47	43
If you are a business owner, how did you acquire ownership of the business?	n=1332	846	420
Start the business	72	90	34
Purchase the business	2	4	0
Inherit the business	3	4	0

	Total	Women Business Owners	Others
Acquire the business without personal investment such as through marriage/divorce	1	1	1
Other	23	1	64
Is your current business your sole source of income or a secondary source of income?	n=124		
Sole source	46		
Secondary source	54		
Thinking about the current state of your business, would you rate your business finances as...	n=122		
Excellent	14		
Good	32		
Fair	39		
Poor	16		
What is your desired annual revenue level in five years?	n=85		
Less than \$500K	29		
\$500K - \$1M	24		
\$1M - \$2.5M	15		
\$2.5M - \$5M	9		
More than \$5M	22		
Looking forward, how confident are you that your business finances will improve over the next six months?	n=123		
Extremely confident	26		
Very confident	36		
Just a little confident	24		
Not at all confident	15		
Where is your primary office based?	n=248		
Home	34		
Somewhere else	66		

	Total	Women Business Owners	Others
Excluding yourself, how many employees do you have?	n=1356	846	450
Zero	37	37	36
1 - 4	36	40	29
5 - 9	11	12	11
10 - 19	4	3	5
20 - 49	7	4	11
More than 49	6	4	8
If you were in the U.S. Congress, which one of the following would you address immediately?	n=262		
Pension reform/retirement security	7		
Health care reform/affordable health insurance	50		
Regulatory reform/modernization	1		
Increasing access to capital	9		
Tax reform/relief	11		
More procurement opportunities for women entrepreneurs	21		
Other	<1		
What do you see as current internal (specific to your business) barriers to the growth of your business?	n=101		
Time	39		
Enough staff	10		
Cash flow	41		
Other	11		
In your experience, how difficult has it been to obtain funding such as a loan or grant?	n=121		
Very difficult	35		
Difficult	13		
Somewhat difficult	15		
Not difficult	37		

	Total	Women Business Owners	Others
When developing a proposal for a potential investor, which element do you highlight?	n=113		
Return on investment	39		
The fact that it is a good business idea	42		
Financial projections	69		
Market analysis	9		
Management team	15		
Other	7		
In your experience, how difficult has it been to raise private investment (angel and venture capital financing)?	n=94		
Very difficult	72		
Moderately difficult	15		
Only slightly difficult	6		
Not at all difficult	6		
Which of the following has you found to be the most helpful source of information about business financing options?	n=104		
Recommendation from a friend or business associate	40		
Government website	4		
Banks	16		
SBDC/Women business centers	6		
The SBA	16		
Government offices	NA		
Private source	11		
Other	7		
Does not apply to me	NA		
Which of the following sources do you currently rely on most for capital necessary to run your business?	n=127		
Personal savings or assets	34		

	Total	Women Business Owners	Others
Reinvestment of business earnings	24		
Second/third mortgage	4		
Borrowed money from friend, family, colleague	3		
Venture capital funding	1		
Angel financing	2		
Personal or business credit card	13		
Loan or line of credit from bank	12		
Other	7		
How often have you attempted to do business with federal agencies in the past 12 months?	n=108		
Not at all	59		
A couple of times	19		
More than a couple of times	21		
How successful have you been in your attempts to do business with federal agencies in the past 12 months?	n=80		
Very successful	4		
Somewhat successful	20		
Not at all successful	31		
Not applicable	45		
In the next 12 months, do you project that the amount of business that you do with the federal government will.....	n=101		
Increase greatly	10		
Increase somewhat	22		
Unsure	3		
Stay about the same	44		
Decrease somewhat	22		
What percentage of your sales comes from government contracts?	n=100		
Zero	73		

	Total	Women Business Owners	Others
Less than 10%	17		
11 - 25%	4		
More than 25%	6		
What is the biggest obstacle you face in providing health benefits for your employees?	n=231		
Federal and state coverage mandates	1		
Administrative and regulatory burdens	3		
Cost	72		
Lack of purchasing power/negotiating ability	15		
Other	9		
Do you currently provide health care benefits to your employees?	n=214		
Yes, to all of my employees	16		
Yes, but only to full-time employees	25		
No	59		
How much did your premiums increase this year?	n=123		
0%	7		
1 - 10%	18		
10 - 15%	23		
15 - 20%	20		
More than 20%	33		
If health insurance costs continue to increase, will you be able to continue to cover your employees and their families as you do now?	n=152		
Yes	10		
No	90		
How are you handling health cost increases?	n=142		
Absorbing all of the increases	20		

	Total	Women Business Owners	Others
Reducing level of coverage	24		
Canceling coverage	4		
Changing health care providers	12		
Passing it to employees through higher premiums	30		
Other	10		
Do you support the use of tax credits to encourage women small business owners to provide health care coverage to their employees?	n=150		
Strongly support	57		
Support	26		
Unsure	13		
Oppose	2		
Strongly oppose	2		
If we could give you the same bargaining power, administrative efficiencies, choice, and reduced cost as large businesses in the health insurance market, would this make a difference in your decision to offer health care to your employees and their families?	n=123		
Yes	89		
No	11		
If a Patients Bill of Rights were passed, would you be more or less likely to offer health insurance to your employees?	n=134		
Much more likely	15		
Somewhat more likely	26		
Somewhat less likely	37		
Much less likely	22		
Which of the following comes closest to your opinion?	n=174		
Small businesses should be allowed to combine together as a larger group to be able to offer less expensive, better quality health insurance to more employees.	95		

	Total	Women Business Owners	Others
Small business owners should not be allowed to combine together as a larger group because the health plans would then fall under federal law and individual states would not be allowed to enforce state patient protection laws.	5		
What type of employer-sponsored pension plan do you offer your employees?	n=1398	846	468
401(k)	16	11	22
403(b)	2	1	4
SEP-IRA	8	8	8
Standard IRA	<1	1	0
Defined benefit	1	0	1
Cash balance	<1	0	1
Keogh	NA	NA	NA
Other	4	3	6
None	68	76	58
What is the top difficulty in regards to providing a pension plan for your employees?	n=208		
Pensions are expensive	20		
Complex laws are confusing	5		
Company is new and/or profits are not consistent	36		
High turn-over/too many new and part-time employees	4		
Too few employees	19		
Other	16		

APPENDIX B

National Summary Data Washington, DC

	Total
How long have you owned your own business?	n=1434
I am considering or in the process of starting a business	16
Less than 1 year	8
1-5 years	24
6-7 years	7
8-10 years	7
More than 10 years	37
None of the above	NA
Accommodation and food service	
Other	
What would you say is the main reason you started your own business?	n=348
To make more money	20
To be my own boss	31
To set my own schedule	9
For the challenge of starting a business	9
Because I had an interest in the field or profession?	22
Other	9
Agree or disagree: The primary purpose of owning a business is to make a profit.	n=467
Strongly agree	54
Agree	27
Unsure	1
Disagree	16
Strongly disagree	2
When you started your business, how afraid were you that it would fail?	n=70
Very afraid	27

	Total
Moderately afraid	34
Only slightly afraid	26
Not at all afraid	13
Were you discouraged from starting your own business because you are a woman?	n=583
Yes	34
No	66
Unsure/can't remember	0
If you had to choose just one, would you rather have more money or more time?	n=483
More money	57
More time	44
Which of the following best describes your plans to fund your own retirement?	n=435
Sell my business and use the money	12
Invest in IRAs and 401(k) plans	57
Use the money from my savings or low-risk CDs	6
Use money from my spouses retirement account	2
Have not yet made specific plans to fund my retirement	22
Is your current business your sole source of income or a secondary source of income?	n=43
Sole source	37
Secondary source	63
How much do you have put away for retirement?	n=479
Less than \$50,000	34
More than \$50,000	66
Have you provided for your retirement by owning stocks and bonds?	n=370
No	44
Yes	56

	Total
Looking forward, how confident are you that your business finances will improve over the next six months?	n=51
Extremely confident	14
Very confident	31
Just a little confident	33
Not at all confident	22
What kind of connection to the internet do you have for your business?	n=758
T1 or better	21
DSL or cable modem	37
Satellite or other wireless	1
ISDN	3
Dial-up modem	33
None	1
Don't know	3
How important is it for you to provide a family-friendly work environment?	n=52
Extremely important	65
Very important	21
Slightly important	8
Not at all important	6
Of the following, which skill do you consider most important in a potential employee?	n=462
Basic competency in computer skills	2
Good attitude and willingness to learn	69
Experience in your industry	11
Good communication skills	13
Other	5
Excluding yourself, how many employees do you have?	n=1235
Zero	27

	Total
1 – 4	25
5 – 9	13
10 – 19	12
20 – 49	8
More than 49	15
Are you planning on hiring anyone in the coming months?	n=61
Yes	59
No	28
Unsure	13
What would you say is the most important issue facing you as a business owner?	n=413
Access to capital	25
Health insurance costs	15
Workforce recruitment and retention	6
Taxes	10
Regulatory burden	7
Current state of the economy	23
Competitive business environment	13
Other	NA
If you were in the U.S. Congress, which one of the following would you address immediately?	n=444
Pension reform/retirement security	0
Health care reform/affordable health insurance	18
Regulatory reform/modernization	4
Increasing access to capital	26
Tax reform/relief	12
More procurement opportunities for women entrepreneurs	40
Other	0

	Total
Thinking about the current state of the national economy, would you rate it as...	n=400
Excellent	1
Good	40
Not so good	48
Poor	11
In your experience, how difficult has it been to obtain funding such as a loan or grant?	n=421
Very difficult	37
Difficult	19
Somewhat difficult	11
Not difficult	34
In your experience, how difficult has it been to raise private investment (angel and venture capital financing)?	n=45
Very difficult	64
Moderately difficult	20
Only slightly difficult	11
Not at all difficult	4
Which of the following has you found to be the most helpful source of information about business financing options?	n=346
Recommendation from a friend or business associate	41
Government website	NA
Banks	NA
SBDC/Women business centers	NA
The SBA	NA
Government offices	8
Private source	27
Other	NA
Does not apply to me	25

	Total
Which of the following sources do you currently rely on most for capital necessary to run your business?	n=39
Personal savings or assets	49
Reinvestment of business earnings	0
Second/third mortgage	5
Borrowed money from friend, family, colleague	5
Venture capital funding	0
Angel financing	0
Personal or business credit card	10
Loan or line of credit from bank	31
Other	0
In your opinion, does the government contracting system discourage small entrepreneurs?	n=1
Yes	100
No	0
Unsure	0
What is the best way to ensure that women-owned businesses are awarded the congressionally mandated 5% goal of federal contracts?	n=66
Strong leadership	42
More regulation	8
More accountability	26
More government set-asides	24
Do you currently provide health care benefits to your employees?	n=411
Yes, to all of my employees	49
Yes, but only to full-time employees	
No	51
If health insurance costs continue to increase, will you be able to continue to cover your employees and their families as you do now?	n=323
Yes	16

	Total
No	84
Do you support the use of tax credits to encourage women small business owners to provide health care coverage to their employees?	n=429
Strongly support	68
Support	19
Unsure	10
Oppose	2
Strongly oppose	1
If we could give you the same bargaining power, administrative efficiencies, choice, and reduced cost as large businesses in the health insurance market, would this make a difference in your decision to offer health care to your employees and their families?	n=394
Yes	95
No	5
What type of employer-sponsored pension plan do you offer your employees?	n=1357
401(k)	28
403(b)	3
SEP-IRA	11
Standard IRA	3
Defined benefit	4
Cash balance	<1
Keogh	2
Other	6
None	43