

Asian American Women and Entrepreneurship

Minority women-owned businesses are a growing force in the U.S. economy. Firms owned by women of color now represent 20% of all privately-held, majority-owned firms in the U.S. and they are growing in numbers at four times the rate of all U.S. firms. In recognition of Asian Pacific Heritage Month (May), the National Women's Business Council has compiled the following facts about Asian American and Pacific Islander women business owners.*

- As of 2002, there are an estimated 358,503 majority-owned, privately-held firms owned by Asian and Pacific Islander women in the U.S., employing more than 370,000 people and generating \$49.1 billion in sales.¹
- Between 1997 and 2002, the number of Asian and Pacific Islander women-owned firms increased by 45%, employment grew by 18%, and sales rose by 29%.¹
- Nearly one-third (30%) of minority women-owned firms are owned by Asian or Pacific Islanders. Firms owned by Asian and Pacific Islander women now represent 6% of all privately-held, majority-owned women-owned firms in the U.S.¹
- On a national basis, 8.5% of Asian and Pacific Islander women are entrepreneurs – that is, more than one in twelve adult Asian and Pacific Islander women in the U.S. is a business owner, compared to just one in eighteen of all adult women in the U.S. Asian and Pacific Islander women have the second-highest rate of ownership among the major ethnic groups (American Indian & Alaska Native – 9.3%; Caucasian – 6.0%; Hispanic – 4.2%; African American – 2.8%).²
- Dissatisfaction with corporate job experiences may lead Asian American and Pacific Islander women to start their own businesses. Some reasons offered during qualitative research include race discrimination and having been passed over for a promotion.³
- More than half (52%) of Asian and Pacific Islander women-owned firms are in the service sector and 15% are in retail trade.¹
- The greatest growth by industry in the number of Asian and Pacific Islander women-owned firms from 1997 to 2002 has come in: agriculture/forestry/fishing (70% growth); transportation/communications/public utilities (56% growth); and services (39% growth).¹
- The 10 states with the greatest number of Asian and Pacific Islander women-owned firms as of 2002 are: 1) California; 2) New York; 3) Texas; 4) Florida; 5) Hawaii; 6) New Jersey; 7) Virginia; 8) Illinois; 9) Washington; and 10) Georgia.¹
- The states where Asian and Pacific Islander women-owned firms comprise the greatest share of all women-owned firms are: 1) Hawaii (55%); 2) California (14%); 3) New York (11%); 4) Virginia (9%); 5) Nevada, New Jersey, Maryland and Washington (tied – 8%); and 9) Texas, Georgia, Alaska and the District of Columbia (tied – 6%).¹
- Firms owned by Asian and Pacific Islander women are more likely to have employees than are other women-owned firms. Nearly one-quarter (23%) of Asian and Pacific Islander women-owned firms employ at least one person other than the owner, compared to 16% of women-owned firms overall.⁴
- Among women-owned firms with employees, Asian and Pacific Islander firms employ an average of 5.4 workers, compared to 6.0 employees among Hispanic, 8.1 employees among African American, and 8.5 employees among Native American women-owned employer firms. Overall, women-owned employer firms employ an average of 8.4 workers.⁴

¹ From Center for Women's Business Research (www.womensbusinessresearch.org)

² Calculated using data from the U.S. Census Bureau and Center for Women's Business Research

³ From Leadership Challenges and Opportunities: An Asian American and Pacific Islander Woman's Lens. Asian Pacific American Women's Leadership Institute (APAWLI) (www.apawli.org)

⁴ Calculated using data from the U.S. Census Bureau (www.census.gov)