National WOMEN'S BUSINESS Council

2003 Annual Report

A Report on the Activities and Policy Recommendations of the National Women's Business Council For Fiscal Year 2003

And A Summary of Other Important Publications Related to the State of Women's Entrepreneurship

Submitted February 2004

To the President, Members of Congress SBA Administrator and the Women's Business Community:

I am pleased to submit, on behalf of its members, the National Women's Business Council's Annual Report for Fiscal Year 2003. The Council is honored to be the Federal Government's only independent advocate for this Nation's 10.1 million businesses with 50% or greater women's ownership.

The unprecedented growth of women-owned businesses during the past decade continues its historic run. Privately-held businesses in which women are majority owners – 6.2 million firms – are growing in number at twice the national average, and adding jobs at 1-1/2 times the national average.

Overall, businesses in which women own at least 50% of the company generate $2.3 trillion in annual revenues and provide jobs for 18.2 million people. Still, there remain numerous obstacles to sustained vitality. Foremost among them are: the escalating cost of small business health insurance, barriers to accessing capital and difficulty entering government markets.

As I look back over this past year, I am gratified that the National Women's Business Council continues to identify, research and advocate for those issues which are most influential to the success of women business owners. Not only have we found new and innovative ways to bring critical facts and research to policy discussions but, most importantly, we have achieved our objective to engage more and more women business owners in those discussions.

During the past year, the National Women's Business Council has published a number of research studies, *Issue in Brief* papers, and other publications on topics of significance to the women's business community, which are summarized in this report. We have expanded our communications outreach activities and launched initiatives to help further connect the women's business community to current public policy debate. Of special note are the following:

- The publication of a background research report and proceedings from a roundtable discussion held on Capitol Hill focusing on access to affordable health care for small business owners;
- The publication of an analysis of the availability and common characteristics of successful mentoring programs available for women business owners;
- A summary of the findings related to women's entrepreneurship contained in the Global Entrepreneurship Monitor research reports from 1999 to 2002;
- A summary and analysis of Federal procurement from women-owned small businesses from FY1997 to FY2002;
- Fact sheets pulling together information on several populations of women-owned businesses (including African-American, Asian American, Latina and Native American) from multiple sources;

- The establishment of a monthly toll-free issues conference call, "Women's Business Connection," which provides a platform for dialogue between policy experts and women business owners; and
- A summary of the state economic networks that exist to promote women's enterprise development and provide policy guidance, including a resource guide with contact information.

And we have only just begun. Research is a vitally important tool for both program development and public policy action and in the coming months, the Council will publish several important studies, including:

- Analysis of the growth, the number, and economic impact of women-owned employer establishments from 1997 to 2000, based on tabulations received from an exclusive agreement with the Census Bureau;
- A summary and analysis of loans and loan guarantees made by the U.S. Small Business Administration to women-owned businesses over the past five years;
- A distillation and summary of the best practices in the public and private sectors of the United States for women's enterprise development, updating a similar report published in 1999 by the Council in advance of an international women's business conference; and
- An analysis of the correlates of success of the SBA's women's business center program, based on an analysis of the information submitted to the SBA by these centers, plus macroeconomic and other data.

New in this year's Annual Report, is a compendium of notable research projects published over the past 12 months on topics related to the state of women's entrepreneurship. As the studies confirm, women-owned businesses are a vital force for growth – making significant contributions to the well-being of our economy.

I look forward to continuing our good work in the year ahead. On behalf of all the members of the National Women's Business Council, I commit the Council to carrying out its mission to promote bold initiatives, policies and programs for women's business enterprises.

Respectfully,

Marilyn Carlson Nelson
Chair, National Women's Business Council

Table of Contents

Executive Summary 1

Introduction 4

FY2003 Programs and Initiatives 5
- Access to Capital – Loan Program Best Practices 5
- Women-Owned Small Businesses in Federal Subcontracting: Measures and Data 5
- Access to Affordable Health Care: Background Research and Issues Discussion 6
- Federal Contracting With Women-Owned Businesses, FY1997 to FY2002 7
- The Existence and Effectiveness of Mentoring Programs for Women in Business 8
- Regional Economic Seminars: Data Analysis 9
- Communications Activities and Accomplishments 10

Policy Recommendations 12

Impending Council Publications 13

Important Publications Related to the State of Women's Entrepreneurship 16
- Access to Markets: Perspectives from Large Corporations and Women's Business Enterprises .. 16
- The C200 Business Leadership Index 2003 17
- A Comparison of Failed and Non-failed Small Businesses in the United States: Do Men and Women Use Different Planning and Decision Making Strategies? 18
- Completing the Picture: Equally-Owned Firms in 2002 18
- Creating Capital, Jobs and Wealth in Emerging Domestic Markets: Financial Technology Transfer to Low-Income Communities 19
- Dynamics of Women-Operated Sole Proprietorships, 1990-1998 20
- Failure Rates for Female-Controlled Businesses: Are They Any Different? 21
- Location, Location, Location 21
- Next Practices: Excellence in Corporate Purchasing from Women's Business Enterprises 22
- Proven Strategies and Corporate Perspectives: Methods that Work for Creating Corporate Clients: A Resource Guide for Women Business Owners 22
- Seizing the Opportunities: A Report on the Forces Propelling the Growth of Women-Owned Enterprises 23
- Social Networks and Entrepreneurship 24
- Teen Girls on Business: Are They Being Empowered? 24
- Women and the Economy: Mapping a Field 25
- Women Business Leaders' Outlook on Healthcare 2003 26
- Women Entrepreneurs, Their Ventures, and the Venture Capital Industry 27
- Women in Entrepreneurship 27
- Women in Family-Owned Businesses 27

Appendix A: Council Mission and Statutory Authority 29
Council Mission 29
Statutory Authority – Women's Business Ownership Act of 1988 (Public Law 100-553) 29

Appendix B: Council Members 33

Appendix C: Council Staff 40

Executive Summary

Fiscal Year 2003 was a busy one for the National Women's Business Council. This Annual Report summarizes an unprecedented level of activity by the Council over the past year. This Executive Summary briefly encapsulates our activities, as well as the policy recommendations which resulted from our research, communications, and outreach activities.

Fiscal Year 2003 saw the publication of six primary research reports conducted with support and direction from the Council, four *Issue in Brief* publications summarizing other important information related to women's entrepreneurship, and five *Fact Sheets* making key information about trends in women's entrepreneurship more accessible and digestible to the women's business community and to public policy makers. They were:

Research Reports

- *Access to Affordable Health Coverage for Women-Owned Businesses: A Summary of Key Issues and Policy Options*
- *Getting to Success: Helping Women Business Owners Gain Access to Capital. A Study of Best Practices in Access to Capital Training Programs for Women Business Owners*
- *Mentoring in the Business Environment*
- *Summary Report: Roundtable on Access to Affordable Health Care Coverage by Women-Owned Businesses*
- *Women-owned Small Businesses in Federal Subcontracting: Measures and Data*
- *Women's Entrepreneurship in the 21st Century: A Summary of Data from National and Regional Summits*

Issues in Brief

- *Federal Contracting With Women-Owned Businesses: FY1997 – FY2002*
- *Legislative Priorities Among Key Women's and Small Business Organizations*
- *Roundtable Discussion on Health Insurance Issues*
- *Support for Women's Enterprise in the United States: Lessons Learned*

Fact Sheets

- *Key Facts About Women Business Owners and Their Enterprises*
- *African American Women and Entrepreneurship*
- *Key Facts About Asian American Women Business Owners*
- *Hispanic Women and Entrepreneurship*
- *Native American/Alaska Native Women and Entrepreneurship*

The Council also undertook new communications initiatives this year, to better inform the women's business community and engage women business owners in policy issues. These included: the publication of a Resource Card for women business owners; the distribution of a bi-monthly electronic newsletter, *Engage!*, featuring news about Council activities and the activities of other women's business organizations; and the hosting of a monthly issues conference call, the *Women's Business Connection*, which features subject matter experts discussing information of value to the women's business community. Topics covered in 2003 included contract bundling, Federal procurement tips, homeland security – tips for employers and for potential contractors, mentoring, and minority entrepreneurship.

Based on research conducted during the year, on numerous discussions with the women's business community at conferences, meetings and roundtables, and on comment letters filed during the course of the year by the Council, the National Women's Business Council makes the following public policy recommendations to the President, the U.S. Congress, and the U.S. Small Business Administration:

Access to Affordable Health Insurance

- The NWBC strongly supports the strengthening of Association Health Plans (AHPs). The Council feels that AHPs will increase access to and reduce the costs of health care for small businesses.

Access to Capital

- Federal policy makers should encourage local control and decision-making with respect to access to capital assistance programs. Successful programs have a strong local focus.
- Continued Federal funding for such programs should require state and local government and/or private sector matching of funds, as well as mechanisms to monitor and report on program effectiveness and response to client feedback.

Access to Federal Procurement Markets

- The Administration should fully implement its October 2002 strategy on contract bundling, to ensure that procurement opportunities remain open to all small businesses, including women-owned businesses.
- An important part of this effort should be to focus on ensuring prime contractor compliance with subcontracting plans and goals.
- Prime contractors should be held accountable for subcontracting goals, and penalized if these goals are not met.
- Continued aggressive efforts should be taken to increase access for women-owned firms in Federal contracting.

Access to Training/Technical Assistance: Mentoring

- E-mentoring (also known as telementoring) programs and their advantages for women business owners should be explored to determine if the reach of mentoring can be extended using the Internet, either for program outreach and marketing or for service delivery.
- Business-to-business mentoring programs sponsored by Federal and state governments should be examined to determine their advantages for women business owners.
- Policy makers should encourage formal and informal evaluation of programs to help build the case for business mentoring and to help determine the extent to which women's program needs differ from those of men.

Access to Training/Technical Assistance: Women's Business Centers

- The National Women's Business Council supports continued Federal support for the Women's Business Center program beyond an initial five-year start-up period – commonly referred to as sustainability support. While mechanisms for program review and evaluation should be integral to continued Federal support, the Council feels that funding for the Women's Business Center program should be looked upon as an investment in the future growth and strength of the women's business sector.

A new element of the Council's Annual Report this year is a section summarizing key research and other publications related to women's entrepreneurship published by other organizations, including links to the publications or to the organizations that published them. It is hoped that the synopsis of

these studies will provide further value for our audiences, and will better inform the debate and discussion of important issues facing women business owners and their enterprises.

As the National Women's Business Council fulfills the mission that the U.S Congress has set before it, the Council endeavors to:

- ***conduct*** research on issues of importance to women business owners and their organizations,
- ***communicate*** those findings widely,
- ***connect*** the women's business community to public policy makers and to one another, and, in so doing,
- provide a platform for ***change*** in order to expand and improve opportunities for women business owners and their enterprises – from start-up to success to significance.

We invite public comment on our new expanded Annual Report, and on the research and other programmatic activities of the Council.

Introduction

Fiscal Year 2003 was a busy one for the National Women's Business Council. This Annual Report encapsulates an unprecedented level of activity by the Council over the past year – including the publication of six primary research reports conducted with support and direction from the Council, four *Issue in Brief* publications summarizing other important information related to women's entrepreneurship, and five *Fact Sheets* making key information about trends in women's entrepreneurship more accessible and digestible to the women's business community and to public policy makers.

The Council has also undertaken new communications initiatives intended to better inform the women's business community and engage women business owners in policy issues, including: the publication of a Resource Card for women business owners; the distribution of a bi-monthly electronic newsletter, *Engage!*, featuring news about Council activities and the activities of other women's business organizations; and the hosting of a monthly issues conference call, the *Women's Business Connection*, which features subject matter experts discussing information of value to the women's business community. Topics covered in 2003 included contract bundling, Federal procurement tips, homeland security – tips for employers and for potential contractors, mentoring, and minority entrepreneurship.

A new element of our Annual Report this year is a section summarizing key research and other publications related to women's entrepreneurship published by other organizations, including links to the publications or to the organizations that published them. It is hoped that the synopsis of these studies will provide further value for our audiences, and will better inform the debate and discussion of important issues facing women business owners and their enterprises.

As the National Women's Business Council fulfills its mission that the U.S Congress has set before it, the Council endeavors to:

- ***conduct*** research on issues of importance to women business owners and their organizations,
- ***communicate*** those findings widely,
- ***connect*** the women's business community to public policy makers and to one another, and, in so doing,
- provide a platform for ***change*** in order to expand and improve opportunities for women business owners and their enterprises – from start-up to success to significance.

We invite public comment on our new expanded Annual Report, and on the research and other programmatic activities of the Council.

FY2003 Programs and Initiatives

The following summarizes the primary research studies supported by the National Women's Business Council and announced during Fiscal Year 2003. They are listed in chronological order by month of publication. In all cases, the full reports of the studies synopsized here are provided free of charge on the Council's Web site, www.nwbc.gov.

Access to Capital – Loan Program Best Practices

A review of over one hundred access to capital programs across the country was completed at the beginning of FY2003. It was found that successful programs share these common characteristics:

- Community Focus: A focus on the local community in which they operate proves to be a strategy for success. This community focus not only is evidenced in the way in which the organizations obtain financial support from local agencies and organizations, but also through an active local volunteer base of trainers, mentors, in-kind service providers, and strategic business support.
- Feedback Response: Successful programs heed not only their own advice, but respond well to the feedback of others: clients, funding organizations, and other strategic partners.
- Realistic Expectations: Successful programs counsel clients on the skills, time commitment, and perseverance required of business ownership, providing essential tools and support, but also providing a necessary vetting process for prospective owners.
- Staff Commitment and Experience: Having not only a dedicated and committed staff, but leaders and trainers with real-world business skills is another essential component of a successful program.

Although published in FY2003, a more detailed discussion of this project may be found in the Council's FY2002 Annual Report.

Women-Owned Small Businesses in Federal Subcontracting: Measures and Data

Women-owned firms continue to be under-represented in the Federal procurement arena. With respect to subcontracting in particular, an analysis of data provided by the Federal Procurement Data Center (FPDC) for fiscal years 1999 and 2000 indicates that approximately 40% of all reported subcontracting dollars awarded during this period went to small businesses, and just under 5% went to women-owned small businesses. This analysis of the capacity of women-owned small firms has disproved the theory that this under-representation may be due to a lower ability of women-owned firms to perform in the Federal procurement arena.

In this analysis, the relative capacity of women-owned small firms compared to all small firms was estimated using data from the 1998 Survey of Small Business Finances, conducted by the Federal Reserve Board. This survey interviewed over 3,500 small firms, and included an over-sampling of women-owned firms. Several measures of firm capacity were derived from the survey, including employment and revenue size of firm, cash on hand, and self-identification of the existence of limiting factors such as problems with financing, cash flow, technology and labor. An analysis of the relative capacity of women-owned small firms to all small firms indicates that between 14% and 24% of the overall business capacity in the U.S. is contributed by women-owned firms. It is decided that

20% is the best estimate of capacity, as cash on hand and the share of firms with nationwide sales may be the best indications of ability to perform. On some measures, women-owned firms were in a relatively stronger position – a smaller percentage of women-owned firms experienced problems in labor, cash flow and technology than other small businesses.

Conclusions:

- The share of measurable Federal subcontract spending with women-owned small firms in 1999 and 2000 was just under 5% as a share of subcontracting among all firms, and was 12% as a share of small business subcontracting. The overall capacity of women-owned firms is approximately 20% of all small businesses. Therefore, there is an underutilization of women-owned businesses in Federal subcontracting. If parity with all small firms is 1, the current disparity ratio of women-owned small firms in the subcontracting arena is 0.6.
- Further research is needed to validate this calculation, as the data sources used were not as precise as desirable. In addition, more information collected on the type and value of subcontracts among firms receiving contracts under $500,000 in value would be extremely useful, as would information at the industry level.

Access to Affordable Health Care: Background Research and Issues Discussion

Access to affordable health care has become one of the most important and urgent issues facing business owners today. It is estimated that 60% of the 41 million uninsured in the U.S. are small business owners. To address this critical issue and proposed solutions, a literature review and analysis of existing research was conducted to determine the differential impact of this issue on women-owned firms and to focus broadly on the issue of access and affordability. Additionally, a roundtable discussion on the issue was convened, involving the leaders of women's business and industry association leaders, women business owners, policy analysts, and elected officials. The issue discussion honed in on several of the proposals now actively under consideration on Capitol Hill, namely Association Health Plans and Medical Savings Accounts.

Key Findings:

- **The Majority of Americans Who Lack Health Insurance Are Working for Small Companies.** Americans who work for firms with fewer than 25 workers were half as likely to have health insurance as those who work for companies with 1,000 or more workers. This poses a major problem for America since 90% of U.S. companies are small businesses that employ fewer than 20 workers.[1] The percentage of small firms offering health insurance to employees was estimated at 61% in 2002 – a decline from an estimated 67% in 2000. These declines came almost exclusively from the smallest of the firms – those with fewer than 25 employees. In comparison, 99% of firms with 200 or more employees offered health benefits in both 2000 and 2002.[2] In a recent study by the National Association of the Self Employed, 70% of respondents did not have health insurance themselves or provide it for their employees.[3]

---

[1] "Health Insurance Coverage 2001", *Current Population Reports*, U.S. Census Bureau, September 2002.
[2] "Employer Health Benefits: 2002 Annual Survey", The Kaiser Family Foundation and Health Research and Educational Trust, 2002. www.kff.org
[3] "Affordability in Health Care: Trends in American Micro-Business", the National Association for the Self Employed, 2002. www.nase.org

- **The Cost of Health Coverage Is Rising.** In 2002, monthly premiums for employer-sponsored health insurance increased by 12.7% – the largest increase in 12 years – with small firms seeing an increase of 13.2% and large firms an increase of 12.5%.
- **Most Small Employers Are Not Offering Health Insurance Coverage Because it is Too Costly.** Eight in ten small employers (84%) who did not offer health benefits cite the high cost of premiums as a very important factor in reaching that decision. Other important reasons include not being able to qualify for group rates (57%) and administrative burdens (30%).[4] Health coverage is generally more expensive on a per capita basis for smaller companies. In 2002, small firms with 3 to 9 employees paid $285 monthly for single coverage compared to $269 monthly for firms with 10 to 24 employees and $239 monthly for firms with 25 to 49 employees.[5] Administrative expenses for insurers of small group health plans are also higher–ranging from 33 to 37% of claims for insurers of small group health plans, versus 5 to 11% of claims for large companies' self-insured plans.[6]
- **Women-owned Businesses Are Affected Significantly by the Lack of Affordable Health Coverage.** With an estimated 9.1 million women-owned firms in the U.S., employing 27.5 million workers,[7] public policy regarding access to affordable health coverage is a major concern for women-owned businesses as well as other small employers. The inability of many women-owned businesses to offer health insurance could mean that an estimated 7.3 million of the uninsured are employees of women-owned firms.[8]
- **When Small Firms Do Offer Health Benefits, There Is Typically a Narrow Range of Choices.** Among small businesses that offer health insurance, few provide their workers with a choice of health plans. Seven in ten (71%) firms that provide health benefits offer their workers only one plan option. The most prevalent reason cited for offering just one option is that the company gets a better deal from insurers by requiring all or most employees to be in the same plan.[9]

Federal Contracting With Women-Owned Businesses, FY1997 to FY2002

In 1994, the Federal Acquisition Streamlining Act (FASA) was established, setting a goal for Federal agencies to award at least 5% of all prime and subcontract dollars to women-owned small businesses (WOSBs). Despite continued growth in the number and economic impact of women-owned firms, the 5% goal has never been achieved on a government-wide basis. Nonetheless, 2.9% of Federal contract dollars were spent with women-owned businesses in FY2002 – the highest share achieved since this information has been recorded. This analysis examined the current state of Federal contracting with women-owned small businesses on a government-wide and agency-specific basis, drawing upon newly-available information on FY2002 agency goaling achievements as well as data for the previous five years. We thus provide information on recent achievements as well as summarize the progress made over the past five years.

Key Findings:

---

[4] "Employer Health Benefits: 2002 Annual Survey".
[5] Ibid.
[6] "Study of the Administrative Costs and Actuarial Values of Small Health Plans" by Rose C. Chu and Gordon R. Trapnell, SBA Office of Advocacy, January 2003. www.sba.gov/advo
[7] Center for Women's Business Research. www.womensbusinessresearch.org
[8] "Employer Health Benefits: 2002 Annual Survey".
[9] Ibid.

- In FY 2002, $6.8 billion in Federal procurement dollars was spent with women-owned small businesses out of a total spend of $235.4 billion. The overall share of dollars spent with women-owned small businesses was thus 2.9% in FY 2002, up from 2.1% in FY 1997.
- Seven of the major Federal agencies met the 5% contracting goal to women-owned small businesses: Department of Housing and Urban Development (HUD) (19.8%); National Science Foundation (NSF) (8.9%); Department of Commerce (8.5%); Executive Office of the President (7.7%); Department of the Treasury (6.1%); Department of Labor (5.1%); and Department of the Interior (5.0%).
- The Federal agencies that have most improved their share of spending with women-owned small businesses over the past five years include: HUD (dollar share increase of 18.1 – from 1.7% in 1997 to 19.8% in 2002); NSF (8.0); Executive Office of the President (5.3); Department of Labor (3.7); Office of Personnel Management (3.3); Department of Commerce (2.8); and Department of Agriculture (2.0).
- More than 270,000 Federal contract actions were awarded to women-owned small businesses in 2002, out of nearly 8.1 million contract actions in total. The overall share of contract actions awarded to women-owned small businesses was thus 3.4% in 2002, down from 3.8% in 1999[10].
- Fully 61% of all Federal contract dollars and 56% of all contract actions to women-owned small businesses in FY2002 came from the Department of Defense.
- In FY2002, the average value of Federal contract actions awarded to women-owned small businesses was $25,069, compared to an average value of $29,222 for all awarded contract actions.
- The average value of Federal contract actions awarded to women exceeded the average value for all awarded contract actions among a number of Federal agencies in FY2002. USAID had the highest average contract value to women-owned small businesses, with an average value of nearly $500,000. Other agencies whose average contract value with women-owned small businesses exceeded the average contract value among all firms include: HUD; Department of Labor; NSF; National Archives; Executive Office of the President; Department of Commerce; Department of the Treasury; Department of the Interior; HHS; Department of State; Department of Justice; and Social Security Administration.

The Existence and Effectiveness of Mentoring Programs for Women in Business

A key element to successful business growth and development is the availability of situation-specific training and technical assistance. While formal programs such as those offered by Small Business Development Centers and Women's Business Centers play a key role, so can the one-on-one assistance offered through mentoring relationships. This study examines existing, formal mentoring programs offered around the country to women and men business owners and also reviews existing research on mentoring for women business owners. It compares program structures and how matches are made between mentor and protégé and among peer groups. It offers insights into the relationship between business stages and program types, and looks at unique characteristics among programs geared specifically to women. The study suggests avenues for additional exploration such as e-mentoring, which we predict will take mentoring to the next level in its evolution and greatly expand its accessibility and immediacy.

[10] Contract action information by agency is not available for FY1997 or FY1998.

Key Findings:

- At given points of a business' maturity, a business owner appears to be best served by a particular type of mentoring program. In addition, there are some specific program elements that may prove especially beneficial for women business owners. The study reviewed three categories of mentoring programs, each of which may best serve a business in a specific stage or phase. These include:
    - Entrepreneurial training programs (which provide subject-specific training to groups of prospective or nascent entrepreneurs) for businesses that are pre-start-up or start-up;
    - Mentor-protégé programs (which match a business owner with a seasoned business mentor to facilitate coaching, knowledge transfer, and the creation of contacts, among other things) for businesses that are start-up or second-stage. Women business owners appear to benefit most from a program that matches one protégée with several mentors, or one mentor with several protégées, and gives each protégée the experience of a realistic stretch via a mentor(s) who is at the very next level up; and
    - Peer-to-peer networking (which gathers non-competitive peers from a variety of industries to confidentially examine significant business challenges that each faces) for businesses that are second-stage or established. Women business owners would appear to benefit most from a structured form of peer-to-peer networking that plans participant composition, develops meeting agendas, and monitors goal achievement.
- Irrespective of whether an organization offers entrepreneurial training, a mentor-protégé program or peer-to-peer networking, there are three key effective practices for business mentoring:
    - Structure that includes a well-planned orientation with discussion of expectations, goals, time commitment and effective communication processes;
    - Participants who are familiar with and embrace the concept of mentoring; and
    - Promotion that consists of word-of-mouth and direct recruitment efforts.

Regional Economic Seminars: Data Analysis

In 2002, the U.S. Department of Labor and the U.S. Small Business Administration (SBA), in collaboration with The Public Forum Institute, hosted a national women's entrepreneurship summit entitled "Women Entrepreneurship in the 21st Century". The national gathering was followed by 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. Attendees were also able to voice their opinions via electronic surveys, providing real-time responses to survey questions. This project summarizes key findings from the electronic surveys of forum participants.

Key Findings:

- Access to capital, affordable health insurance and the state of the economy top the list of concerns for America's women business owners. Overall, access to capital was the most important issue, cited by 28% of respondents. More than half of the women surveyed found it difficult to secure the capital to start their business.

- The majority of respondents were most likely to rely on personal savings as their primary source of start-up capital, followed by reinvested business earnings, loans, or lines of credit.
- Friends and associates, the U.S. Small Business Administration, and private banks were considered to be the most helpful sources of information about business financing options.
- Access to affordable health care coverage was a top concern of attendees, with fewer than half of the respondents reporting being able to provide health care benefits to their employees. The cost of health care coverage was cited as the biggest barrier to offering health insurance. While some women business owners reported being able to absorb increased health care costs, many were either passing the increased costs along to their employees or planned to change the coverage offered.
- Women surveyed overwhelmingly supported reforms – including the use of tax credits and combined bargaining power – that would make offering coverage more affordable.
- Women business owners did not generally view the Federal government and its contracting systems as helpful or easy to navigate, and strong leadership was considered the best way to ensure that women-owned businesses are awarded the Congressionally-mandated goal of 5% of Federal contract dollars.

Communications Activities and Accomplishments

During the past year, the National Women's Business Council expanded its communications outreach activities and launched initiatives to help further connect the women's business community to current public policy debate. Of special note are the following:

- A new, overall "graphic identity" for the Council's publications and web site, including templates for Council press releases, "Research in Brief" articles, "Issue in Brief" articles, the Council's electronic newsletter and announcements for our monthly "Women's Business Connection" calls.
- A newly revamped web site at www.nwbc.gov, which serves as a valuable resource for policymakers, women business owners, the press and others interested in women's entrepreneurship.
- The launch of "Engage!," the Council's bi-monthly electronic newsletter which discusses recent Council activities and provides news about events and opportunities within the women's business community.
- The design and publication of the Council's new "Resources for Women Business Owners" card. This card contains a wealth of information about how women business owners can gain access to information about access to financing, training and technical assistance, international markets, and procurement and certification. The card also includes a few of the most up-to-date facts about women-owned businesses in the U.S. To date, over 25,000 cards have been distributed across the country at women's business centers and regional SBA offices.
- The design and publication of the Council's new brochure, which provides a comprehensive portrait of the Council's work, our history, and the ongoing role we play in fostering the growth of women's entrepreneurship.
- The creation of advertisements for our monthly toll-free issues conference call, "Women's Business Connection," which were published on a *pro bono* basis in five prominent women's business publications.

- A massive updating of the Council's database of contacts, which now includes more than 8,000 people, including an extensive list of policy makers, women business owners, women's business organizations and other entrepreneurship foundations and organizations.
- The distribution of 18 press releases to those listed in our database, which detailed important research announcements from the Council, as well as other important Council events or membership appointments.
- Media coverage on the Council and its work that ran in such publications as *The Orange County Register*, *The Boston Globe*, and *Black Enterprise*.
- The creation and regular distribution of a "master calendar" for the Council, which tracks the many events, holidays, and happenings in the women's business community.
- The hosting and updating of Womenbiz.gov, a gateway for women business owners who are looking to do business with the Federal government.

Policy Recommendations

Based on research conducted during the year, on numerous discussions with the women's business community at conferences, meetings and roundtables, and on comment letters filed during the course of the year by the Council, the National Women's Business Council makes the following public policy recommendations to the President, the U.S. Congress, and the U. S. Small Business Administration:

Access to Affordable Health Insurance

- The NWBC strongly supports the strengthening of Association Health Plans (AHPs). The Council feels that AHPs will increase access to and reduce the costs of health care for small businesses.

Access to Capital

- Federal policy makers should encourage local control and decision-making with respect to access to capital assistance programs. Successful programs have a strong local focus.
- Continued Federal funding for such programs should require state and local government and/or private sector matching of funds, as well as mechanisms to monitor and report on program effectiveness and response to client feedback.

Access to Federal Procurement Markets

- The Administration should fully implement its October 2002 strategy on contract bundling, to ensure that procurement opportunities remain open to all small businesses, including women-owned businesses.
- An important part of this effort should be to focus on ensuring prime contractor compliance with subcontracting plans and goals.
- Prime contractors should be held accountable for subcontracting goals, and penalized if these goals are not met.
- Continued aggressive efforts should be taken to increase access for women-owned firms in Federal contracting.

Access to Training/Technical Assistance: Mentoring

- E-mentoring (also known as telementoring) programs and their advantages for women business owners should be explored to determine if the reach of mentoring can be extended using the Internet, either for program outreach and marketing or for service delivery.
- Business-to-business mentoring programs sponsored by Federal and state governments should be examined to determine their advantages for women business owners.
- Policy makers should encourage formal and informal evaluation of programs to help build the case for business mentoring and to help determine the extent to which women's program needs differ from those of men.

Access to Training/Technical Assistance: Women's Business Centers

- The National Women's Business Council supports continued Federal support for the Women's Business Center program beyond an initial five-year start-up period – commonly referred to as sustainability support. While mechanisms for program review and evaluation should be integral to continued Federal support, the Council feels that funding for the Women's Business Center program should be looked upon as an investment in the future growth and strength of the women's business sector.

Impending Council Publications

Several projects were published early in Fiscal Year 2004, and a number of research studies were launched in the Fall of 2003 and are expected to be published in 2004. These will be highlighted in next year's annual report. Following is a brief summary of these initiatives:

Best Practices for Women's Enterprise Development in the United States: An Update
This project will update the Council's well-received summary of programs and organizations in the public and private sectors that have been acknowledged by the women's business community and others as best practices in women's enterprise development. The original report was published in 2000 in advance of an international women's business conference hosted by the Organization for Economic Cooperation and Development (OECD). The revised report will again inform an important international policy conference – the OECD's Small and Medium Enterprise Ministerial meeting in Turkey in June, 2004, at which women's enterprise development is an important cross-cutting theme.

Enterprising Women: The Legacy and the Future
The Schlesinger Library at the Radcliffe Institute of Advanced Studies has mounted an exhibit highlighting the history of women's enterprises over the past 250 years. Entitled, "Enterprising Women: 250 Years of American Business," the exhibit profiles a variety of women business owners and their stories throughout the history of the United States. The exhibit opened in October 2002 at the National Heritage Museum in Lexington, MA, and traveled to New York, Atlanta and Washington, DC during 2003. During 2004, the exhibit will travel to Los Angeles and Detroit. This traveling exhibit provides a perfect opportunity to convene a series of issues discussions among local women business owners and organizations. The NWBC convened three such discussions during 2003, in Boston, New York, and Atlanta. Drawing upon some of the individual stories of the women profiled, local businesswomen discussed both the progress that women in business have made and the challenges that still remain. These focus group discussions were coordinated with local SBA district offices, and have produced a report containing recommendations for public policy action.

Factors for Success for the Women's Business Center Program
This study will analyze information supplied to the U.S. Small Business Administration by the 80+ women's business centers around the country (detailing programs offered, clients served, jobs created, years in operation and other information) in concert with location-specific economic data (such as overall economic growth and growth in women-owned firms) and other relevant information (such as nature of location, existence of other entrepreneurial training and technical assistance) in order to establish the factors most closely associated with the success of the women's business center program.

Impact of Training and Technical Assistance
The NWBC is one of several supporters of a multi-year study of the effects of training and technical assistance on women-owned firms. During a three-year period, the study has followed a randomly-selected population of nearly 800 clients of four women's business centers - interviewing them four times at six-month intervals. While the study is still underway, preliminary findings indicate that:

- Women's business centers are meeting their mission of reaching out to underserved populations. The clients of the women's business centers participating in the study are more ethnically and economically diverse than are women business owners in general;
- Women's business centers are serving a valuable role in enterprise creation. Four in ten (42%) of the study participants have already started or acquired their own firms;
- Women's business center clients are loyal and regular users of center services, averaging 7.7 visits per year.
- Women's business centers are an important early resource for women thinking about starting a business. In the first round of interviews, women business centers were included in respondents' list of resources. Later interviews indicated the inclusion of additional information sources.
- The business start-up experience is having a positive impact on women's lives. Fully three-quarters (76%) of the business owners interviewed in the second round of interviewing said that their current business ownership experience is positively affecting their personal life.

The final report from this multi-year study is expected in the Spring of 2004.

Issue Roundtable Event
In February, 2003, the Council hosted a very successful issue roundtable discussion on Capitol Hill focused on the issue of access to affordable health care. This event brought together women business owners, issues experts, and elected officials to discuss the issue and bring women business owners' voices to the debate about challenges and possible solutions. A similar such event is planned for 2004. Several issues or topics could be focused upon: 1) taking advantage of the Washington DC showing of "Enterprising Women: 250 Years of American Business," a traveling exhibit at the National Museum of Women in the Arts until the end of February, to discuss the "yesterday and today" of women business owners from a public policy perspective; 2) a symposium bringing together researchers, educators, and public policy officials to discuss a policy-focused research agenda for women's entrepreneurship; or 3) an important upcoming legislative or regulatory issue such as access to capital, access to the Federal marketplace, or another issue of importance.

Micro-Credit Opportunities for Women Business Owners: The Count-Me-In Model
While access to traditional forms of debt capital for women already in business has improved greatly in recent years, access to capital for start-ups remain more difficult. A new micro-credit lending program, Count-Me-In for Women's Economic Independence, offers a new model for credit scoring that may provide insight for public sector micro-lending programs. This project will examine this new model, assessing its structure, client profile, and repayment record. By examining this proprietary model and client database, the Council may uncover implications for broadening the impact of such a micro-credit methodology.

State Economic Networks for Women Business Owners
While there are many women's membership and non-governmental organizations that have a presence at the state or regional level, there has been no systematic compilation of publicly-funded organizations that promote women's business enterprise development. This document and its accompanying resource guide will add to the body of knowledge with respect to support for women's enterprise development by focusing on state-level organizations that support women's entrepreneurship policy development. It is our hope that learning more about these state-level efforts will spur their further development, and increase their focus on women's enterprise development and public policy advocacy.

Trend in Growth of Women-Owned Employer Firms
The NWBC has entered into a ground-breaking agreement with the Census Bureau to produce annual tabulations on the growth in the number and employment of women-owned employer establishments. These are the only data available annually between Census years, and will provide a detailed, more up-to-date picture of trends in women's entrepreneurship. The tables to be produced will include information on establishment growth in number and employment by state, industry, revenue size class and owner ethnicity – and will compare women-owned establishments to all establishments. The first set of tabulations, covering the 1997 - 2000 period, will be published in December 2003. This second phase of the project will provide updates through 2001.

Women's Entrepreneurial Policy Development in the United States: A History
There is a growing body of research-based information on the growth of women-owned firms in the U.S., but there has not yet been a comprehensive compilation and review of the policies and programs that have contributed to this growth. This research project will gather existing case studies, reports, and other information to provide a public policy-focused history of women's entrepreneurial development. It will outline the major milestones in women's business policy, provide an extensive bibliography, and summarize both legislative and programmatic achievements.

Women's Entrepreneurship Around the Globe: An Analysis from the Global Entrepreneurship Monitor, 1999 to 2002
The Global Entrepreneurship Monitor (GEM) research program is an annual worldwide assessment of entrepreneurial activity. Initiated in 1999 with 10 countries, it expanded to 21 in 2000, 29 in 2001 and 37 countries in 2002. The major objectives of the research program are to: measure differences in the level of entrepreneurial activity between countries; probe for a systematic relationship between entrepreneurship and national economic growth; uncover factors that lead to higher levels of entrepreneurship; and suggest policies that may enhance the national level of entrepreneurial activity. GEM has closely examined the link between the demographic make-up of a country and the achieved level of entrepreneurial activity and has found a very strong causal relationship. Several critical demographic dimensions have emerged: the age structure of a population, the level of participation by women in the entrepreneurial process, and anticipated population growth. This analysis will summarize GEM's findings related to women's entrepreneurship, including status by country, differences from men's entrepreneurship, and recommendations for change.

Important Publications Related to the State of Women's Entrepreneurship

During Fiscal Year 2003, there were a number of research studies and publications produced by other organizations. As a service to the women's business community and to key business and policy decision makers, we include brief summaries and links to 18 important publications, organizations and researchers active in women's business research and support. These reports are listed in alphabetical order by title of publication.

Access to Markets: Perspectives from Large Corporations and Women's Business Enterprises

Center for Women's Business Research

In this report, Center for Women's Business Research examines the issue of access to corporate markets from the perspective of both the women business owners selling their products or services and large corporate purchasers, an important market for women-owned firms. The study highlights points of entry and access for women business owners interested in selling their goods and services to large corporations, resulting in a clearer understanding of how to navigate the waters of large corporate purchasing.

The study finds that large corporations are a vital market for women's business enterprises, with nearly half of the revenues of the privately certified women's business enterprises (WBEs) surveyed, on average, coming from this market. More than seven in ten (72%) respondents report that at least some portion of their revenues comes from large corporations and 75% of those interviewed said that they are currently actively marketing their products and services to large corporations. The WBEs surveyed reported an average contract value with large corporations of more than $500,000. Nonetheless, the share of spending to women-owned businesses is still small. While nearly six in ten Fortune 1000 companies surveyed spend $1 billion or more annually with outside suppliers, the median share going to women-owned businesses is just 3%, and one in five corporations spend less than 2% of their vendor dollars annually with WBEs.

Not all corporations are the same when it comes to corporate purchasing practices, however, and there is much to be learned from the corporations who are successfully working with WBEs. Large corporations with strong supplier diversity efforts in place say that doing business with women and minorities is a matter of good business practice, with many citing competitive prices and quality products and services as their primary rationale for doing business with women- and minority-owned businesses.

While showing that many women are successfully selling to large corporations, the study also found that many challenges still remain. The top challenges cited by women entrepreneurs include: learning about opportunities (70%), reduction in the number of opportunities due to the bundling of smaller contracts into fewer large contracts (50%), and the increasing need for corporate cost cutting (45%). The challenges cited by corporations with supplier diversity programs mirror those of the women seeking to sell to them. Fully 86% of corporate purchasing executives interviewed say that the push

to cut costs is having an impact on purchasing and diversity efforts and 81% cite vendor consolidation. In addition, an average of just 38% of each corporation's spending is up for renewal or re-bidding each year, decreasing opportunities for new vendors even more. Bundled contracts result in fewer contracts available for bidding.

Additional information may be found at: http://www.womensbusinessresearch.org/Research/2-4-2003/2-4-2003.htm

The C200 Business Leadership Index 2003

The Committee of 200

Women in America are clearly making progress as leaders in the business world. Stories in business publications highlight individual successes and celebrate cracks in the glass ceiling. Women who have avoided corporate roadblocks by striking out on their own are profiting from record growth. But how real is this progress? Where do women actually stand in the overall business picture? In what areas might women be closing the gap or possibly losing ground? And what criteria are being used to determine success? These are questions that need answers. But until the publication of the first annual C200 Business Leadership Index in 2002, women's clout in the business world had never actually been measured and quantified. Now in its second year, The C200 Business Leadership Index is the only comprehensive, statistically valid, comparison of businesswomen to businessmen using specific criteria. By measuring women's yearly progress, this Index provides opportunities for analysis, discussion and the development of new paradigms. With it, The Committee of 200 strives to initiate conversations on women's clout in business; highlight areas where women are making great strides; identify areas where there are hindrances to success; and raise issues relevant to the perception of women in American business.

Through a weighted aggregate of 10 separate benchmarks, measured on a 10-point scale where 10 represents parity with men, each year The Committee of 200 measures and reports what it believes is the most comprehensive data on women's progress in business. The ten benchmarks considered are: women-owned businesses; Fortune 500 board seats; Fortune 500 corporate officers; company size; venture capital funding; line/staff ratio; gender wage gap; MBA enrollment; keynote speakers; and charity fundraising chairs. For 2003, the C200 Business Leadership is 4.28 on the 10-point scale, up from 3.95 in 2002.

Additional information may be found at: http://www.c200.org

A Comparison of Failed and Non-failed Small Businesses in the United States: Do Men and Women Use Different Planning and Decision Making Strategies?

Stephen C. Perry
Published in Journal of Developmental Entrepreneurship, February 12, 2003

The primary objective of this study was to investigate the influence of gender in U.S. small business failures. A "failure" was defined as a bankruptcy with losses to creditors, and firms with fewer than 500 employees were considered "small." Recently failed firms were selected randomly and matched with non-failed firms on the basis of age, size, industry, and location. The sampling frame was businesses listed in the Dun & Bradstreet credit reporting database. A crosstabulation was used to investigate the influence of gender on firm failure. The main conclusion regarding gender was that it does not appear to be related to the failure of small businesses in the U.S. Gender differences for both failed and non-failed firms were also investigated for contextual variables and variables having to do with planning and problems with strategy.

Additional information may be found at: http://sominfo.syr.edu/eee/JDE/volume7-4-2002.htm

Completing the Picture: Equally-Owned Firms in 2002

Center for Women's Business Research

Center for Women's Business Research is committed to "completing the picture" of women's business ownership by developing and disseminating up-to-date information on groups that are currently excluded from the Census Bureau's definition of women-owned businesses. These groups include privately-held businesses jointly owned by women and men, privately-held businesses in which women own controlling or substantial minority interest, and publicly-traded companies with majority or substantial women's ownership. Excluding these groups means excluding many businesses in which women play a major ownership and management role, including many of the largest women-owned and led firms, thus seriously understating the economic impact of women's entrepreneurship. This research brief begins to fill the gap by profiling one of these critical segments of the women-owned business community – privately-held firms equally owned by women and men.

When firms that are 50% owned by women are added to the picture, the Center finds that:

- As of 2002, there are an estimated 10.1 million privately-held majority or 50% women-owned businesses, representing nearly half (46%) of all privately-held firms in the United States. Taken together, these firms employ 18.2 million people and generate $2.32 trillion in sales.
- These businesses are growing and expanding faster than the economy in general. Between 1997 and 2002, the Center estimates that the number of privately-held majority of 50% women-owned businesses grew by 11% or more than 1½ times the rate of all privately-held firms (6%). Employment growth was about twice the average (18% vs. 8%) and sales growth was also considerably stronger (32% vs. 24%)
- Approximately one in seven U.S. employees is employed by privately-held majority or 50% women-owned firms.

Download a free copy at: www.womensbusinessresearch.org/completingthepicture.htm

Additional information may be found at: http://www.womensbusinessresearch.org/Research/5-6-2003/5-6-2003.htm

Creating Capital, Jobs and Wealth in Emerging Domestic Markets: Financial Technology Transfer to Low-Income Communities

Glenn Yago, Betsy Zeidman, Bill Schmidt

The United States experienced such an extraordinary surge in wealth during the 1990s that even after the stock market decline of 2000-2001, Americans' total net worth in 2002 remains almost 75 percent greater than it was just 10 years ago. As with previous episodes of economic expansion, entrepreneurship and innovation, both technological and financial, fueled much of this growth. However, this growth was unbalanced, with higher-income entrepreneurs more easily accessing the full array of financial technologies and a wider range of sources of capital than smaller firms in emerging domestic markets (EDM).

This circumstance is ironic, since small businesses represent the vast majority of all firms and a driving force behind economic output and job creation. Ethnic-owned firms grew at twice the rate of all firms during the past decade, yet face capital gaps that limit their ability to expand and generate jobs in urban and low-and moderate-income (LMI) markets, home to a disproportionate amount of the increasingly diverse U.S. population.

Resolving the EDM capital gap is critical to national economic health as we experience a seemingly jobless recovery from a recession threatened by the constriction of consumer demand. Closing this gap necessitates the transfer of financial technologies and market-based public policy innovations from mainstream applications to emerging domestic markets, carving channels of capital from investors to entrepreneurs.

Built on extensive research and interviews with a wide range of financial and community leaders, this report demonstrates why companies should invest in such under-invested – and less competitive – markets, from low-income and rural communities to women- and minority-owned small businesses. It includes a compendium of market leaders' activities in low- and moderate-income communities, as well as a list of "best practices" that can help address the gap between capital supply and demand in these areas.

Recommendations include:

- Model One: EDM Data Network – A comprehensive, integrated, reliable repository of information on EDM/LMI businesses and their loan performance, intended to help researchers track market activity and financial services providers price risk and finance entrepreneurs.
- Model Two: Securitization and Credit-Enhancement – The pooling and purchase of individual small-business loans from multiple lenders and packaging these loans into a security to be sold to a third party, reducing lenders' credit risk by providing liquidity and freeing them to make additional loans, thus increasing the size and scope of EDM/LMI lending by mainstream institutions.

- Model Three: EDM-targeted Mezzanine Fund – A privately managed, public purpose equity/mezzanine fund targeting business and project financing in LMI areas and among EDM firms, offering much-needed flexibility to the capital structure of small businesses.
- Model Four: Financial Innovations Lab & Learning Consortium – A structured approach to adapting financial technologies and sharing industry and community expertise, intended to advance innovation, increase learning and build relationships to facilitate EDM/LMI lending and investment by diverse financial services providers.
- Model Five: Bank/Community Lender Exchange – A continuous flow network through which registered banks, community-based lenders (including CDFIs) and service providers (such as technical assistance providers) would exchange information, deal flow and expertise, intended to grow customer bases, improve deal quality, appropriately match investors/lenders with entrepreneurs and reduce financing risk.

Dynamics of Women-Operated Sole Proprietorships, 1990-1998

U.S. Small Business Administration – Office of Advocacy

This report examines patterns in the number, gross receipts, and net income of women-operated sole proprietorships, based on data provided by the Statistics of Income Division, Internal Revenue Service.

Recent data on sole proprietorships provide a look at the recent trends in women's share of this large segment of America's business sector. Most U.S. firms (72.6%) and an even larger share of those operated by women (84.8%) operate as sole proprietorships. These are the smallest of businesses that file tax returns – the average dollar value of their receipts was $58,000 in 1997; for women, it was $31,000.

The women-operated share is growing. Sole proprietorships operated by women in the United States increased dramatically from 1990 to 1998 in numbers, gross receipts, and net income. The number increased from 5.6 million in 1990 (33.5% of the total) to 7.1 million (36.8%) eight years later. Women's sole proprietorship receipts increased over the period from 15.2% of the total to 18.0%; their net income increased from 16.9% to 21.5%.

Most of women's sole proprietorships (87%) are quite small, with receipts less than $50,000. But a significant share (13%) were in the larger-than-$50,000 receipts size that accounted for two-thirds of women-operated sole proprietorships' receipts, and about 55% of the net income. The largest women-operated sole proprietorships – the 2.7% with gross receipts of at least $200,000 – generated one-third of women-operated business receipts, and their number is growing.

Additional information may be found at http://www.sba.gov/advo

Failure Rates for Female-Controlled Businesses: Are They Any Different?

John Watson – University of Western Australia

Previous research has found that female-owned businesses generally under-perform male-owned businesses on a variety of measures such as revenue, profit, growth, and discontinuance (failure) rates. It has been suggested that this finding might be the result of systematic differences between male- and female-owned businesses, particularly industry differences. This paper analyzes data from a representative sample of 8,375 small and medium-sized Australian enterprises that originally were surveyed in 1994–95, with follow-up surveys in each of the subsequent three years for a subsample of businesses. The aim was to determine whether female-owned businesses exhibit higher failure rates than male-owned businesses and, if so, whether this finding persists after controlling for industry differences. The results suggest that while female-owned businesses do have higher failure rates compared to male-owned businesses, the difference is not significant after controlling for the effects of industry.

Additional information may be found at: http://www.blackwell-synergy.com/links/doi/10.1111/1540-627X.00081/abs/

Location, Location, Location

Center for Women's Business Research

Nationwide, women-owned businesses are growing and expanding faster than all businesses. While growth in women's entrepreneurship is clearly a national trend, there are substantial differences in the growth and incidence of women's business ownership among states. In this report, the Center for Women's Business Research explores how state-specific factors might contribute to the growth and expansion of women-owned businesses, and what differentiates the states with the fastest growth in women's entrepreneurship from the rest of the United States.

The Center estimates that between 1997 and 2002, the top five states for growth and expansion in privately-held, majority women-owned businesses were Idaho, Wyoming, Utah, Nevada and Arizona. During this period, average growth in the number of women-owned businesses in these five states was more than twice the rate for the rest of the country, with an average growth rate of 28.8% compared to 14%. Employment and sales also grew at substantially higher average rates; both increased at more than two and a half times the average rate for the rest of the country.

A key economic feature found in the top five states is lower than average wages and salaries. This might contribute to overall business growth, and specifically to growth in women-owned businesses, in several ways. Lower wages and salaries provide an affordable workforce, which can support the establishment and expansion of businesses. It is also possible that women are starting businesses at least in part because the potential financial rewards of business ownership are greater than the available employment opportunities in these states.

Additional information may be found at: http://www.womensbusinessresearch.org/location.html

Next Practices: Excellence in Corporate Purchasing from Women's Business Enterprises

Women's Business Enterprise National Council (WBENC)

In 1998, WBENC conducted research on Best Corporate Practices for Women's Business Enterprises (WBEs) and identified five areas as being key to WBEs' access to and success within corporate supplier diversity programs. The five areas were: CEO and senior management support and involvement; accountability of purchasing personnel, as well as line and staff personnel; recognition – dissemination (internal and external) of information on the company's WBE supplier diversity program and recognition of success in this area; third-party certification; and outreach to WBEs.

This study identifies the policies, processes and programs that have proven to be instrumental for corporations that have made significant progress over the period from 1997 to 2002 in purchasing from WBE firms. These companies' results, both in terms of total dollars spent and percentage of total spend with WBEs, resulted in their selection as America's Top Corporations for WBEs, 2001.The success of the eight companies selected can be attributed to CEO-driven policies and processes that target WBEs by using best practices as a launching pad for the development, integration and implementation of the Next Practices in Corporate Purchasing from WBEs. These WBE programs have earned the right to be categorized as "Best in Class." This paper provides detailed information on the specific strategies of these Best in Class WBE programs and examines how these companies have successfully implemented next practices to achieve Best in Class status. Innovative approaches that other prominent corporations are using to optimize the utilization of WBEs are also included.

The resulting "Next Corporate Practices for WBEs" are:

- Active CEO commitment, support and accountability are the rule;
- Accountability for WBE results and progress at all levels of the CEO's accountability chain;
- The structure of a company's supplier diversity initiative provides maximum access to and support of WBEs, combining internal awareness and commitment with external commitment;
- Active WBE outreach and inclusion to achieve business goals; and
- Managing the supply chain for maximum ROI while increasing WBE participation.

Additional information may be found at: http://www.wbenc.org/research/practices.asp

Proven Strategies and Corporate Perspectives: Methods that Work for Creating Corporate Clients: A Resource Guide for Women Business Owners

Center for Women's Business Research

Using statistics from the Center's study, "Access to Markets: Perspectives from Large Corporations and Women's Business Enterprises," this one-stop resource guide helps women entrepreneurs who are ready to approach the corporate marketplace but may have some questions about marketing, trends, or where to most effectively focus their energies. It is also designed to help those who are

already marketing to corporations to do so more effectively, and to encourage those who are not pursuing this market to consider how they might begin.

This guide partners the techniques used by successful women's business enterprises with the viewpoint of purchasing professionals to create five winning strategies: cultivate relationships; increase your visibility; expand opportunities through subcontracting; get certified; and be responsive, be cost-effective, be creative, and persevere.

Download a free copy at: www.womensbusinessresearch.org/resourceguide/resourceguide.pdf.

Seizing the Opportunities: A Report on the Forces Propelling the Growth of Women-Owned Enterprises

Center for Women's Business Research

Women-owned businesses are growing faster than all businesses. Furthermore, expansion in employment and revenues far exceeds the growth in the number of firms. These trends indicate that business ownership is increasingly providing opportunities for women to achieve greater economic independence and playing a major role in the health of this nation's economy. In order to better understand the impact and ongoing needs of women business owners, this report explores why women-owned firms are emerging and expanding with such momentum. The report seeks to provide insight into this phenomenon by synthesizing data from multiple sources, including descriptive data and research findings on women-owned businesses, as well as trends in the broader environment that have impacted women's entrepreneurship. Specifically, this brief: provides a fact base on the growth in women-owned businesses; considers the motivations women have for starting their own businesses; examines the forces and factors in current society that may be influencing growth rates in women's business start-ups; and explores potential success factors which may contribute to the success of women-owned businesses once they are started.

Women business owners mirror the overall trend of women moving into business leadership. Over the past twenty years, the number of women in professional and managerial positions has more than doubled to almost 21 million in 2002. The trend of women moving into entrepreneurship is equally strong. The forces and factors contributing to this pace of growth in women's entrepreneurship include a higher level of education of today's women, more extensive work experience, and greater access to capital, markets and networks. The newer women business owners – those who started their businesses within the past ten years – are more likely than those who came before them to bring managerial or professional experience to business ownership and to have at least a bachelor's degree.

While access to capital remains a challenge for many women business owners, women today have greater access to capital than ever before. As women advanced into entrepreneurship in unprecedented numbers, both the private and public sectors responded with expanded loan programs specifically targeted towards women business owners. Women are moving into the equity markets and, as of 2002, 40% of women-owned businesses with equity investments received these investments from corporate investors or venture capital firms.

Also contributing to the growth of women-owned firms has been the expansion of programs offering coaching, technical expertise and networking. Today there are more than 80 women's business development centers as well as numerous other local programs that cover the entire range of business life cycle from start up through growth and sell-out. As women business owners have gained economic clout, access to markets has been a key focus. Both the federal government and large corporations have implemented goals and programs to include these fast growing businesses in purchasing. Women's share of the business in both sectors, while still small, is growing.

Additional information may be found at: http://www.womensbusinessresearch.org/Research/6-24-2003/6-24-2003.htm

Social Networks and Entrepreneurship

Arent Greve and Janet W. Salaff
Published in Entrepreneurship Theory and Practice, Fall 2003

This study examines network activities of entrepreneurs through three phases of establishing a firm in four countries. Entrepreneurs access people in their networks to discuss aspects of establishing and running a business. The study finds that entrepreneurs build networks that systematically vary by the phase of entrepreneurship, analyzing number of their discussion partners, and the time spent networking. Entrepreneurs talk with more people during the planning than other phases. Family members are present in their networks in all phases, particularly among those who took over an existing firm. However, women use their kin to a larger extent than men, and even more than men when they take over an existing firm. Experienced entrepreneurs have the same networking patterns as novices. Moreover, these networking patterns are the same in all countries. However, there are country differences in size of discussion networks and time spent networking.

Additional information may be found at: http://www.blackwell-synergy.com/links/doi/10.1111/1540-8520.00029/abs/;jsessionid=eEIN2umD0wu6

Teen Girls on Business: Are They Being Empowered?

The Committee of 200 and Simmons College School of Management

Strengthening the pipeline of girls and young women interested in business careers is a critical lever for change. Recognizing that the influences that affect a woman's career choices begin early in her life, this study investigates and benchmarks how the next generation of potential leaders perceives business. The Teen Girls on Business study provides a rich understanding of how middle and high school girls view business as a career and life opportunity. Key factors affecting girls' attitudes to their careers and their perceptions of business were examined, along with how these attitudes and perceptions differ from those of boys, as well as among girls of diverse racial/ethnic groups. Key sources of influence affecting teen girls in their career aspirations were also identified.

The most striking finding from this study is that despite teen girls' significant economic participation, the power of business as a force for economic and social change remains invisible to them. Other key findings include:

- Girls, like boys, have ambitious and optimistic education and career expectations. They plan on working full time as adults and expect to be responsible for the financial well being of themselves and their families. Not surprisingly, girls, compared to boys, are more likely to say they will interrupt their careers to care for children, but almost all expect to return to their jobs;
- When asked about what they value in a career, both girls and boys highly value job enjoyment, the ability to spend time with family and friends, and being respected. However, girls in general care more than boys about making a difference and helping others, and boys value financial rewards more than girls. Girls of color value all three of these goals highly;
- Girls were more likely than boys to feel that a career in business was in conflict with their career goals and values, and were more likely to use negative terms in describing how they would feel if in a business career. Unlike other professional careers such as medicine and law, girls in general do not connect a career in business with achieving their goals of helping others. However, for African American girls and Latinas, and for girls interested in starting their own businesses, there was a positive correlation between doing good for others and having a career in business; and
- Parents, especially mothers, are a major source of influence for girls, both in general and specifically for career advice. Girls rate their mothers as the person they would most likely go to for advice. This was especially true for girls who lived in single-parent families headed by mothers. Strong indirect effects were also indicated. Girls were more likely to seek the advice of parents who were in professional jobs or who had achieved higher levels of education. Furthermore, girls interested in business were more likely to have parents in business careers, and were also more likely than girls in general to seek the advice of their fathers.

Additional information may be found at: www.c200.org or www.simmons.edu/som

Women and the Economy: Mapping a Field

The Winds of Change Foundation

This research and its resulting report were designed to identify current trends, innovations and under-addressed areas in the field of women's economic advancement in the United States. The report is based on the survey results of more than 450 national, state, and local organizations, as well as the collective results of more than 60 interviews with many of the leaders in the field of women's economic advancement. Key findings, areas of opportunity and a sampling of innovative projects are provided for each of seven strategies: Policy, Advocacy and Legislative Reform; Skills Training and Professional Development; Education, Academia, and Literacy; Philanthropic Development; Access to Credit, Capital and Funding; Personal Economic Self-Sufficiency for All Women; and Social Change and Institutional Reform.

Key findings include:

- Impacting legislative policy on local, state and federal levels was repeatedly identified as one of the most critical components to creating economic opportunity for women;
- Mentoring, networking, and the creation of a "new girls' network" are viewed as critical to overall success;

- The majority of entrepreneurial skill-building programs target women starting small businesses and micro-enterprises. Very few programs exist to support women in the mid-range and high-potential fast growth enterprises;
- A number of innovative business schools now have centers dedicated specifically to women and business where research is conducted, findings are shared and disseminated, and women in business are supported and promoted;
- There has been an increase in the number of women's foundations and effective networks to link them, as well as research and publications concerning the unique needs, strengths, and challenges of women donors;
- Women need greater access to sources of capital – whether through credit, loans, or investors;
- Funding is becoming more available to women, but the supply does not yet meet demand;
- Women with capital to invest are often investing in women-led ventures;
- There is an increasing number of financial literacy programs available across the socioeconomic spectrum, yet the quantity still does not meet the need;
- Work, life and family balance issues are essential elements to any discussion of meaningful change and are becoming increasingly complex; and
- There is recognition that the end goal of women's economic advancement is transforming systems, not merely getting women into positions of leadership.

Additional information may be found at: www.windsofchange.org

Women Business Leaders' Outlook on Healthcare 2003

U.S. Chamber of Commerce

According to research commissioned by the U.S. Chamber of Commerce and unveiled at the Chamber's National Businesswomen's Health Care Summit, women business owners list rising health care costs as a top concern for their companies and oppose government mandates as a solution to coverage. The Chamber survey found that employers forecast premium increases between 18 and 20 percent for 2004, and they expect to absorb about two-thirds of the cost. When considering solutions, most of the respondents supported creating large group purchasing plans for small businesses and opposed requiring employers to pay into a public program that provides health benefits.

The Chamber advocates strengthening and expanding the current health care system through a number of initiatives including: tax incentives for individuals who buy their own health insurance including refundable tax credits for low-income people; pooled purchasing under ERISA for small businesses, the self-employed and other individuals; and expanded use of tax-favored health savings accounts.

Additional information may be found at:
http://www.uschamber.com/press/releases/2003/september/03-143.htm

Women Entrepreneurs, Their Ventures, and the Venture Capital Industry

The Diana Project (Candida Brush, Nancy M. Carter, Elizabeth J. Gatewood, Patricia G. Greene, Myra M. Hart)

This annotated bibliography of nearly 300 articles provides an extensive literature review of women's entrepreneurship and financing from top entrepreneurship journals. The review provides a valuable resource for understanding the interaction between equity providers and equity seekers in terms of human, social, and financial capital; cognitions and goals; and strategic choice. The review also recognizes the facilitators and structural barriers associated with equity capital acquisition and entrepreneurship, providing an overview of the context within which women seek venture capital.

This review extends previous appraisals of women's entrepreneurship that were limited to a particular theme or are now outdated. Additionally the review augments earlier reviews on equity capital that focused on articulating the investment process and the relationships between investors, venture capital firms, and entrepreneurial ventures by including the roles of women, either as participants in the VC industry or as entrepreneurial founder/leaders seeking equity capital.

Additional information may be found at: http://www.esbri.se/diana.asp

Women in Entrepreneurship

Maria Minniti, Ph.D. – Babson College, Pia Arenius – Helsinki University of Technology

Since the beginning of the Global Entrepreneurship Monitor (GEM) project in 1999, data has shown that the participation of women in entrepreneurship is significant, that its range varies significantly from country to country, and that, in spite of national variations, women's participation rates across countries is measurable at about two-thirds that of men. These results suggest that women are influenced by many of the same factors that affect men when making entrepreneurial decisions. On the other hand, the systematically lower rate of female participation indicates that some differences also exist. Unfortunately, the nature and causes for these differences are not fully understood.

This report on Women in Entrepreneurship expands and develops the GEM analysis by discussing some of these differences and examining their causes. Evidence suggests that entrepreneurship contributes in various ways to economic development and job creation. As a result, adult women represent a readily available pool of potential entrepreneurial activity that countries may leverage to improve their economies. Moreover, this potential exists among nations in various stages of development and with different demographic patterns and labor force conditions.

Download a copy of the report at: http://www.kauffman.org/pdf/UN_womens_report.pdf

Women in Family-Owned Businesses

Center for Women's Leadership, Babson College

This ground-breaking study looks at what makes women-owned family businesses different and finds that female-owned family businesses are nearly twice as productive as their male counterparts.

Highlights of the findings on woman-owned family businesses (WOFBs) include:

- The number of WOFBs have increased by 37% in the last five years.
- WOFBs do more with less. Although they are somewhat smaller in size -- $26.4 million -- compared with the average annual $30.4 million in revenues of their male-owned counterparts, they generate their sales with fewer median employees, employing 26 individuals compared with 50 at male-owned firms. This means that female-owned family businesses are 1.7 times more productive than male-owned family firms.
- WOFBs are more than six times as likely to have a female CEO, with more than half of woman-owned firms led by a female chief executive.
- WOFBs experience greater family loyalty to the business, agreement with its goals, and pride in the business. They have a 40% lower rate of family member attrition.

Additional information may be found at: http://www3.babson.edu/CWL/Women-in-Family-Owned-Businesses-Research-Report.cfm

Appendix A: Council Mission and Statutory Authority

Council Mission

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 to one another, and
- providing a platform for ***change*** in order to expand and improve opportunities for women business owners and their enterprises – from start-up to success to significance.

Statutory Authority – Women's Business Ownership Act of 1988 (Public Law 100-553)

Sec. 405. Establishment of the National Women's Business Council.
There is established a council to be known as the National Women's Business Council, which shall serve as an independent source of advice and policy recommendations to the Interagency Committee, to the Administrator through the Assistant Administrator of the Office of Women's Business Ownership, to the Congress, and to the President.

Sec. 406. Duties of the Council.
(a) In general.--The Council shall advise and consult with the Interagency Committee on matters relating to the activities, functions, and policies of the Interagency Committee, as provided in this title. The Council shall meet jointly with the Interagency Committee at the discretion of the chairperson of the Council and the chairperson of the Interagency Committee, but not less than biannually.
(b) Meetings.--The Council shall meet separately at such times as the Council deems necessary. A majority of the members of the Council shall constitute a quorum for the approval of recommendations or reports issued pursuant to this section.
(c) Recommendations.--The Council shall make annual recommendations for consideration by the Interagency Committee. The Council shall also provide reports and make such other recommendations as it deems appropriate to the Interagency Committee, to the President, to the Administrator (through the Assistant Administrator of the Office of Women's Business Ownership), and to the Committees on Small Business of the Senate and the House of Representatives.

(d) Other duties.--The Council shall--

(1) review, coordinate, and monitor plans and programs developed in the public and private sectors, which affect the ability of women-owned business enterprises to obtain capital and credit;

(2) promote and assist in the development of a women's business census and other surveys of women-owned businesses;

(3) monitor and promote the plans, programs, and operations of the departments and agencies of the Federal Government which may contribute to the establishment and growth of women's business enterprise;

(4) develop and promote new initiatives, policies, programs, and plans designed to foster women's business enterprise;

(5) advise and consult with the Interagency Committee in the design of a comprehensive plan for a joint public-private sector effort to facilitate growth and development of women's business enterprise;

(6) not later than 90 days after the last day of each fiscal year, submit to the President and to the Committee on Small Business of the Senate and the Committee on Small Business of the House of Representatives, a report containing--

(A) a detailed description of the activities of the council, including a status report on the Council's progress toward meeting its duties outlined in subsections (a) and (d) of section 406 [this note];

(B) the findings, conclusions, and recommendations of the Council; and

(C) the Council's recommendations for such legislation and administrative actions as the Council considers appropriate to promote the development of small business concerns owned and controlled by women.

(e) Form of Transmittal.--The information included in each report under subsection (d) [of this note] that is described in subparagraphs (A) through (C) of subsection (d)(6), shall be reported verbatim, together with any separate additional, concurring, or dissenting views of the Administrator.

Sec. 407. Membership of the Council.

(a) Chairperson.--The President shall appoint an individual to serve as chairperson of the Council, in consultation with the Administrator. The chairperson of the Council shall be a prominent business woman who is qualified to head the Council by virtue of her education, training, and experience.

(b) Other members.--The Administrator shall, after receiving the recommendations of the Chairman and the Ranking Member of the Committees on Small Business of the House of Representatives and the Senate, appoint, in consultation with the chairperson of the Council appointed under subsection (a), 14 members of the Council, of whom--

(1) 4 shall be--

(A) owners of small businesses, as such term is defined in section 3 of the Small Business Act [15 U.S.C. 632]; and

(B) members of the same political party as the President;

(2) 4 shall--

(A) be owners of small businesses, as such term is defined in section 3 of the Small Business Act [15 U.S.C. 632]; and

(B) not be members of the same political party as the President; and

(3) 6 shall be representatives of women's business organizations, including representatives of women's business center sites.

(c) Diversity.--In appointing members of the Council, the Administrator shall, to the extent possible, ensure that the members appointed reflect geographic (including both urban and rural areas), racial, economic, and sectoral diversity.
(d) Terms.--Each member of the Council shall be appointed for a term of 3 years.
(e) Other Federal service.--If any member of the Council subsequently becomes an officer or employee of the Federal Government or of the Congress, such individual may continue as a member of the Council for not longer than the 30-day period beginning on the date on which such individual becomes such an officer or employee.
(f) Vacancies.--

(1) In general.--A vacancy on the Council shall be filled not later than 30 days after the date on which the vacancy occurs, in the manner in which the original appointment was made, and shall be subject to any conditions that applied to the original appointment.
(2) Unexpired term.--An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(g) Reimbursements.--Members of the Council shall serve without pay for such membership, except that members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council, in the same manner as persons serving on advisory boards pursuant to section 8(b) of the Small Business Act [section 637(b) of the this title].
(h) Executive director.--The Administrator, in consultation with the chairperson of the Council, shall appoint an executive director of the Council. Upon the recommendation by the executive director, the chairperson of the Council may appoint and fix the pay of 4 additional employees of the Council, at a rate of pay not to exceed the maximum rate of pay payable for a position at GS-15 of the General Schedule. All such appointments shall be subject to the appropriation of funds.
(i) Rates of pay.--The executive director and staff of the Council may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and except as provided in subsection (e), may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the executive director may not receive pay in excess of the annual rate of basic pay payable for a position at ES-3 of the Senior Executive Pay Schedule under section 5832 of title 5, United States Code.

Sec. 408. Definitions.
For purposes of this title--

(1) the term 'Administration' means the Small Business Administration;
(2) the term 'Administrator' means the Administrator of the Small Business Administration;
(3) the term 'control' means exercising the power to make policy decisions concerning a business;
(4) the term 'Council' means the National Women's Business Council, established under section 405;
(5) the term 'Interagency Committee' means the Interagency Committee on Women's Business Enterprise, established under section 401;
(6) the term 'operate' means being actively involved in the day-to-day management of a business;
(7) the term 'women's business enterprise' means--

(A) a business or businesses owned by a woman or a group of women; or
(B) the establishment, maintenance, or development of a business or businesses by a woman or a group of women; and

(8) the term 'women-owned business' means a small business which a woman or a group of women--

(A) control and operate; and

(B) own not less than 51 percent of the business.

Sec. 409. Studies and Other Research.

(a) In general.--The Council may conduct such studies and other research relating to the award of Federal prime contracts and subcontracts to women-owned businesses, to access to credit and investment capital by women entrepreneurs, or to other issues relating to women-owned businesses, as the Council determines to be appropriate.

(b) Contract authority.--In conducting any study or other research under this section, the Council may contract with one or more public or private entities.

Sec. 410. Authorization of Appropriations.

(a) In general.--There is authorized to be appropriated to carry out this title $1,000,000, for each of fiscal years 2001 through 2003, of which $550,000 shall be available in each such fiscal year to carry out section 409 [of this note].

(b) Budget review.--No amount made available under this section for any fiscal year may be obligated or expended by the Council before the date on which the Council reviews and approves the operating budget of the Council to carry out the responsibilities of the Council for that fiscal year.

[Section 409 repealed, sections 410 and 411 redesignated as 409 and 410, and amended by Pub.L. 106-554, § 1(a)(9) [Title VII, § 703 to 705], Dec. 21, 2000, 114 Stat. 2763, 2763-___.]

Appendix B: Council Members

Following is a listing of the Council members who served during fiscal year 2003.

Chair
Marilyn Carlson Nelson
Chairman/CEO
Carlson Companies, Inc.

Marilyn is Chairman and Chief Executive Officer of one of the largest privately held companies in the world. Carlson Companies is the parent corporation of a global group of integrated companies focusing on Consumer Services and Corporate Solutions. The companies specialize in travel, hotel, restaurant, cruise and marketing services. With headquarters in Minneapolis, Minnesota, Carlson-related brands employ some 190,000 people around the world. Among the names in the Carlson family of brands and services are: Carlson Marketing Group®, Carlson Wagonlit Travel®, Regent® International Hotels, Radisson® Hotels & Resorts, Country Inns & Suites By Carlson®, Park Plaza® and Park Inn® hotels, Results Travel, Cruise Holidays, Radisson Seven Seas Cruises®, and T.G.I. Friday's® and Pick Up Stix® restaurants.

Marilyn is a regular on *Fortune* magazine's list of the Most Powerful Women in Business, and has been selected by *Business Week* as one of the Top 25 Executives in Business. She has been ranked by *Travel Agent* magazine as "the Most Powerful Woman in Travel" annually since 1997. Under her leadership, in 2001 and 2002 Carlson Companies was named to the 100 Best Companies for Working Mothers list by *Working Mother* magazine, and in 2002 the company was named one of the 100 best companies to work for by *Fortune* magazine.

Marilyn was National Chair of the Travel Industry Association of America in 2000 and currently is a member of the Council of the World Economic Forum and serves on the Forum's Board of Governors for Travel and Tourism. She has led that organization's discussion of the global travel and tourism industry since 1997. In 1996, Marilyn served as a delegate to the White House Conference on Tourism, and as a board member of the USA's National Tourism Organization from 1996-1998.

She currently serves on the boards of Exxon-Mobil Corporation and the Mayo Clinic Foundation. In 2002, she was appointed by President George W. Bush to chair the National Women's Business Council. The council serves as an independent source of advice and counsel to the President, Congress, the U.S. Small Business Administration and the Interagency Committee on Women's Business.

Marilyn holds the Woodrow Wilson Award for Corporate Citizenship from the Woodrow Wilson Center for International Scholars, and currently serves on the International Advisory Council. She has also served on the advisory board of the Hubert H. Humphrey Institute of Public Affairs, the Curtis L. Carlson School of Management and the Juran Center for Leadership in Quality.

In 1982, Marilyn was awarded the Royal Order of the North Star by King Carl XVI Gustaf of Sweden, and in 1983, the Order of the White Rose from Finland President Martti Ahtisaari.

Marilyn graduated from Smith College with a degree in international economics and attended the Sorbonne in Paris and the Institute des Hautes Etudes Economiques Politiques in Geneva, Switzerland, studying political science and international economics.

Other Awards (Partial List)
• Lifetime Achievement Award by International Hotel Investment Forum, Berlin, Germany, 2002
• Responsible Capitalism Award by *FIRST Magazine*, London, England, 2001
• "Businesswoman of the World" by Business Women's Network, 2001
• Cutting Edge Award by American Hotel & Lodging Association (AHLA), 2001
• "Hospitality Executive of the Year" by Penn State Hotel and Restaurant Society, 2000

Women Business Owners

Jean Johnson
President and CEO
LegalWATCH

Jean Johnson is President and Chief Executive Officer of LegalWATCH, a preventive law company that she formed in 1997 after working for a Fortune 50 company, the United States Department of Justice and an international law firm. She uses the knowledge and expertise she acquired practicing law to help companies avoid mistakes that can often force them into settlements or litigation. Johnson has conducted numerous training courses, spearheaded governmental audits, designed compliance programs and negotiated settlements with third parties and governmental regulators across the United States. In addition to her Juris Doctorate Degree, Johnson holds a Masters Degree in Energy, Environmental and Natural Resource Law, a Bachelor of Science Degree in Business Administration and an Associate Degree in Criminal Justice. Johnson is a Past President of the Houston Lawyers Association and Past Chair of the African American Law Section of the State Bar of Texas. She serves on the National Bar Association's Board of Governors as a Board Member-at-Large and is on the Houston Minority Business Council and Women Business Enterprise Alliance Board of Directors. She also represents Halliburton Energy Services on the Women Business Enterprise National Leadership Forum.

Laurie McDonald Jonsson
President and CEO
Stellar International

Laurie McDonald Jonsson is a prominent Seattle businesswoman who has combined a successful travel and business career with a personal commitment to women's leadership globally. For the past 20 years, McDonald Jonsson has built several successful companies.
One of the first women in the cruise ship business, she managed and directed complex operations from negotiating and supervising ship construction, to overseeing all aspects of the business. The multi-tiered cruise line grew to five, one-thousand passenger ships sailing to Alaska, Mexico and the Caribbean. She now owns Stellar Travel, which specializes in cruise ship travel. She also owns Stellar International, a successful investment company focusing on a wide range of entrepreneurial ventures, especially those which give back to the communities they serve. Her recent investment in Pacific Place helped redevelop Seattle's decaying downtown core. In addition, McDonald Jonsson owns M-W Farms, LLC, a 500 acre farm and vineyard. In 1999, McDonald Jonsson received the Leading Woman Entrepreneur of the Year Award, in Monaco. She was a founding director of Expedia.Com, and also serves as a founding director of Commerce Bank, both of which successfully went public while she was a director. She is also a board member of the International Women's Forum, and is the Founding Chair of the Center of Women & Democracy at the University of Washington.

Karen Kerrigan
President and CEO
Women Entrepreneurs Inc.

Karen Kerrigan is president and CEO of Women Entrepreneurs Inc. (WE Inc.) As a well-known small business advocate, she has developed relationships with key individuals in media, government and the private sector that have led to substantive initiatives to help America's entrepreneurial sector. Kerrigan founded the Small Business Survival Committee (SBSC) in 1994, a prominent and respected small business advocacy organization with more than 70,000 members nationwide (www.sbsc.org). She now serves as the group's Chairman. As a small business owner, Kerrigan has a variety of clients in the marketing, communications, and the financial services industry, including WomanTrend, where she serves as managing editor of the firm's newsletter WomenTrends. Kerrigan testifies before Congress on issues that impact American entrepreneurship. She has appeared before various U.S. Congressional Committees, as well as commissions at the federal and state level. She recently participated in the President's Economic Forum in August of 2002 where she served as guest presenter of the "Small Business-Smart Regulation" working session. Kerrigan helped to spearhead "Women Entrepreneurship in the 21st Century," a groundbreaking summit in March of 2002 where more than 1,500 women business owners gathered in Washington, D.C. to discuss their key concerns with our nation's leading political figures.

Claudia Laird
Vice President
Ability Center

Claudia T. Laird has enjoyed a dynamic management career providing operating, technical, strategic, and business leadership to manufacturing companies. Experienced in both turnaround and high-growth corporate settings, Laird has been successful in identifying and capitalizing on critical development phases, creating market-driven synergies, and generating revenue in diversified manufacturing environments. Laird is notably proficient in the management of multi-unit, international manufacturing operations. In 1979, Laird brought her innovative entrepreneurial spirit and manufacturing expertise to LIDCO, Inc., a subsurface drainage pipe manufacturing and construction company with over 100 employees in the U.S. and Mexico. Over a seven-year period, Laird increased sales from $2 million to $8 million. As Chief Operating Officer of LIDCO, Laird was able to effect changes in the manufacturing process, resulting in a 52% increase in monthly production output. In 2002, Laird joined Ability Center, a company dedicated to enhancing the quality of life through increased mobility. Ability Center is headquartered in San Diego with additional locations in Orange County and Las Vegas. Ability Center offers a full line of accessible vans, wheelchairs, adaptive driving equipment and home care medical supplies. Laird is also board member of various civic and non-profit organizations, the Past President of the National Association of Women Business Owners, and the recipient of the BRAVO Award in recognition of her service to the business community.

Terry Neese
President
Terry Neese Personnel Services

Terry Neese made history in 1990 as the first woman nominated by a major political party for Lt. Governor of Oklahoma. Prior to that historic campaign, in 1975 Terry founded Terry Neese Personnel Services which serves as the anchor of her five companies. Terry Neese is a motivator for women's issues and entrepreneurs. One of her companies, GrassRoots Impact (GRI), is a public policy strategies firm with rapid response surveying capabilities. GRI represents a number of business organizations and corporations including the National Business Association (NBA), on Capitol Hill. GrassRoots Impact clients also include American Express, Intuit, IBM and many other top global corporations. GRI's most recent success is the U.S. Department of Labor's Women Entrepreneurship in the 21st Century Conference. As president of WIPP: Women Impacting Public Policy, a national bi-partisan public policy organization advocating for women in businesses, Neese represents the organization's more than 430,000 women business owners and women in business on Capitol Hill. Neese was recognized in the September 2000 issue of Fortune Magazine as one of the Power 30—the most influential small businesspersons in Washington, D.C. She was rated number 6 in the Power 30! Neese testifies on a regular basis before the House and Senate. She led the efforts of the Small Business Advisory Team for the Bush/Cheney Campaign 2000 and has built coalitions in both the Democratic and Republican Parties to get key legislation passed.

Sheri L. Orlowitz
Founder, Chairman & CEO, Shan Industries, LLC
Founder & Owner, OrloVon, LLC

Sheri L. Orlowitz was born in Philadelphia and raised a child of the East Coast, living in Miami, Philadelphia and New York while learning from her family both entrepreneurial skills and a tradition of philanthropy. Orlowitz had an early education in a family copper and commodities business, followed by an acting and modeling career and then several successful years of law practice. She currently leads one of the few majority women-owned holding companies, which acquires and operates manufacturing businesses. She is also a determined advocate for children. In 1993, Orlowitz secured the bulk of financing necessary to fund the highly leveraged buyout of Magnetic Data Technologies/DBI, a $60 million manufacturing group with domestic and international holdings in computer hardware repair and manufacture. She enthusiastically traded the security of her successful legal career for the risks of the business world, agreeing to become CFO and eventually COO of DBI. Currently, Orlowitz is Founder, Principal Owner, Chairman and CEO of Shan Industries, LLC, a holding company headquartered in Washington, D.C., which operates Thermodynamics, a rotational molding company with facilities in Oklahoma and Georgia, and Accurate Forming, a metal stamping company headquartered in New Jersey. She is also founder of OrloVon LLC, a D.C. real estate development company that recently completed a 20 unit upscale condominium project in the historic Adams Morgan neighborhood and is commencing a second project in the Dupont Circle area.

Annie Presley
Principal and Owner
The McKellar Group

Annie Presley has assisted Republican candidates and not-for-profit organizations in raising over $400 million during her 10 year career as a professional fund raiser and political consultant. Presley is currently Principal and Owner of The McKellar Group, Inc., a fund raising and public affairs consulting group. The firm provides advice to corporate and nonprofit clients in political arenas and works closely with organizations wishing to sustain relationships in Congress and the current Administration. The McKellar Group is based in Kansas City, MO, and also practices in Washington, DC, and New York City. Most recently, Presley was a Corporate Vice President and Director of Public Affairs with UBS PaineWebber, Inc., in New York City. At PaineWebber, Presley was extremely active in building relationships with the current Administration, Congress, state legislatures, Governors and Mayors across the country. Presley also served as the National Deputy Finance Director for the "Bush for President" campaign (1999 - 2000), where she worked closely with the Campaign Finance Chairman and the National Finance Director to raise $104 million in personal gifts. Presley worked closely with volunteer and professional fund raisers across the country through completion of the President's inaugural in January 2001. Presley was also the Finance Director for the "Missourians for Kit Bond" campaign (1990 - 1992), where a record amount ($5.2 million) was raised for this U.S. Senator's first re-election campaign. She served on the "kitchen cabinet" to the Senator and implemented the first ever Missouri major donor program to obtain legal maximum amounts from donors.

Women's Business Organizations

Agnes Noonan
Designee
Association Of Women's Business Centers

The Association of Women's Business Centers (AWBC) represents the interests of the more than 100 non-profit women's business assistance centers throughout the United States. Its mission is to develop and strengthen women's business centers and foster the growth and success of women business owners. The AWBC focuses on 4 key activities: advocacy, development of funding sources, facilitation of information exchange, and research. AWBC is represented by Agnes Noonan, Executive Director of the Women's Economic Self-Sufficiency Team (WESST Corp), a women's business center headquartered in Albuquerque, New Mexico.

Whitney Johns Martin
Past President
National Association Of Women Business Owners

The National Association of Women Business Owners (NAWBO) with its 7,500 members, 76 chapters and international affiliate, Les Femmes Chefs d'Entreprises Mondiales, with members in 33 countries, propels women entrepreneurs into economic, social, and political spheres of power worldwide. Its mission is to strengthen the wealth-creating capacity of its members and promote economic development; create innovative and effective changes in the business culture; build strategic alliances, coalitions and affiliations; and transform public policy and influence opinion makers. NAWBO and its members have been active participants in local, state and federal advocacy initiatives on behalf of small business including the 1982, 1986 and 1995 White House Conferences on Small Business. NAWBO's affiliate organizations are Center for Women's Business Research, which has been recognized as the premier source of information and research on women business owners and their enterprises worldwide, and the National Women Business Owners Corporation, a national organization which pioneers initiatives to enhance competition by women business owners for corporate and government contracts. Whitney Johns Martin, NAWBO's Past President and Co-founder/CEO of Capital Across America, is their representative on the Council.

Dr. Lydia Mallett
President
National Coalition Of 100 Black Women

The mission of the National Coalition of 100 Black Women (NCBW), a nonprofit, volunteer organization, is to develop female leaders who will help to rebuild their communities and redirect the energies of younger Black people who live in those communities. In addition, NCBW is dedicated to community service and the enhancement of career opportunities through networking and programming. As an advocacy organization, it seeks to empower African American women through various programs. The NCBW's President, Dr. Lydia Mallett, is their representative on the National Women's Business Council.

Elizabeth Lisboa-Farrow
Chair
U.S. Hispanic Chamber Of Commerce

In 1979, a few dedicated Hispanic leaders realized the enormous potential of the Hispanic business community in the United States and envisioned the need for a national organization to represent its interests before the public and private sectors. Later that year, the United States Hispanic Chamber of Commerce (USHCC) was incorporated in the state of New Mexico, creating a structured organization aimed at developing a business network that would provide the Hispanic community with cohesion and strength. Since its inception, the USHCC has worked towards bringing the issues and concerns of the nation's more than 1 million Hispanic-owned businesses to the forefront of the national economic agenda. Throughout the years, the Chamber has enjoyed outstanding working relationships with international Heads of State. Also, through the network of nearly 200 Hispanic Chambers of Commerce and Hispanic business organizations, the USHCC has effectively communicated the needs and potential of Hispanic Enterprise to the U.S. Government and Corporate America.

Dr. Marsha Firestone
President
Women Presidents' Organization

Dr. Firestone is founder and president of the Women Presidents' Organization (WPO) for women whose businesses annually gross over two million dollars. The WPO is currently operating in 31 locations nationwide and Canada. Dr. Firestone was previously Vice President of Women Incorporated and of Training and Counseling at the American Woman's Economic Development Corporation (AWED). Prior to her involvement in women's economic development, she oversaw all operations and established educational direction as president of a for-profit educational institution. Her career also includes positions as National Executive Director of the Women's American ORT, a volunteer organization with a membership of over 150,000; a full-time faculty member of the American Management Association Competency-Based Management Development Program; and a faculty member at the City University of New York and Adelphi University.

Susan Bari
President
Women's Business Enterprise National Council

The Women's Business Enterprise National Council (WBENC) is dedicated to enhancing opportunities for women's business enterprises. In partnership with women's business organizations throughout the United States, WBENC provides a national certification standard and an Internet accessible database of certified WBEs - WBENCLink. WBENC's goal is to foster diversity in the world of commerce. Its programs and policies are designed to expand opportunities and eliminate barriers in the marketplace for women business owners. WBENC works with representatives of corporations to encourage the utilization and expansion of supplier/vendor diversity programs. Susan Bari, WBENC's President, is their representative on the National Women's Business Council.

Appendix C: Council Staff

Following is a listing of Council staff.

Executive Director
Julie R. Weeks

Julie R. Weeks, Executive Director of the National Women's Business Council, has extensive experience in both the public and private sectors in the field of women's entrepreneurship, small business research, and political and public policy analysis.

She spent nine years at the Center for Women's Business Research leading all of their research programs and activities, and helping to establish the Center as the premier source of knowledge about women business owners and their businesses — worldwide.

Weeks has traveled extensively to conduct research, consult with corporations on expanding their knowledge of the women business owner market, and speak to groups interested in learning more about the characteristics, contributions, challenges and unique perspectives of women business owners. She has conducted research internationally on women business owners in Canada, Latin America, Europe, and in Africa, and has consulted with the Asia Pacific Economic Cooperation (APEC), the Inter-American Development Bank (IADB), the International Labour Organization (ILO), and the Organization for Economic Cooperation and Development (OECD) on issues related to women's entrepreneurship. Ms. Weeks is also an accomplished speaker, having given presentations on political and public policy research topics and on topics related to entrepreneurship, business trends, and women in business.

Ms. Weeks was the Deputy Chief Counsel for Statistics and Research at the U.S. Small Business Administration from 1990 to 1993, prior to which she was Vice President for Politics and Public Affairs at Market Strategies, Inc. of Southfield, Michigan and Vice President of Market Opinion Research of Detroit, Michigan.

Ms. Weeks has a Bachelor of Arts in political science and economics from the University of Michigan, and a Master of Arts from the University of Michigan in political science and research methodology.

Jill A. Baker
Director of Research

Jill A. Baker, Director of Research for the National Women's Business Council, is an experienced research professional, with 10 years of research experience in the private and non-profit sectors. At the Council, Ms. Baker directs a research program that addresses various issues of concern to women business owners and serves as a platform for policy and program recommendations to Congress. Topics addressed in Baker's research program at the Council include: increased access to affordable health care; access to capital; access to federal contracts and international markets; and access to the information and expertise women business owners most need to succeed.

Previously, Baker served as Research Program Manager for the Center for Women's Business Research where she managed the development, execution and delivery of research projects that documented the economic

and social contribution of women business owners and their enterprises worldwide. Prior to joining the Center in 2001, Ms. Baker spent seven years at Information Resources, Inc., a market research firm focusing on the consumer packaged goods (CPG) industry. Ms. Baker has a Bachelor of Arts in psychology from the University of Virginia and an MBA from Yale University's School of Management.

Aileen M. Kishaba
Director of Policy Programs

Aileen M. Kishaba is the Director of Policy Programs for the National Women's Business Council. Her major areas of responsibility include managing the monthly Women's Business Connection conference calls; monitoring and reporting on legislative action on areas of interest to the Council; tracking key activities of external groups on issues and programs related to the Council; and implementing Council policy programs with other public and private organizations.

Previously, Ms. Kishaba was the Founder and President of TTW Consulting Group where she developed short- and long-term strategic plans for small businesses. In particular, she focused on women business owners, government entities (development of grassroots organizations), nonprofits (emphasizing their role as community groups), and community groups (focusing on organizational skills, management techniques, public relations and networking). Throughout her career, Ms. Kishaba has designed and conducted seminars and courses in the following areas: Training of Trainers modules; Project Development for Impact and Results; Strategic Planning; Evaluation; Preparing USAID Training Plans; and Grassroots Strategy and Communication modules. Ms. Kishaba has served as an expert speaker at various SBA workshops and conferences, at an International Management Institute and American University conference, and at USAID conferences. Previously, she served as a legislative aide and committee clerk in the Hawaii State Legislature (both the House and Senate). Ms. Kishaba earned her B.Ed. from the University of Hawaii; Honolulu.

Stephanie Peacock
Director of Communications

Stephanie A. Peacock is an experienced communications professional with a background in designing and implementing strategic campaigns for foundations, nonprofits and corporations.

At the National Women's Business Council, Ms. Peacock's chief responsibilities include creating and executing a strategic communications strategy to position the Council as an independent and authoritative voice for women business owners on matters of economic importance. She conducts message development for the Council and oversees implementation of targeted activities in order to reach the Council's many audiences. She is also directly responsible for the Council's Web site (www.nwbc.gov), Womenbiz.gov (www.womenbiz.gov), informational materials and speaking engagements. Ms. Peacock previously served as the Director of Communications and Marketing for the Center for Women's Business Research. While at the Center, she transformed the Center's communications activities and sought new ways to reach and develop relationships with new audiences. Prior to her position at the Center, Ms. Peacock was a marketing executive with Fenton Communications, a public interest, public relations firm headquartered in Washington, DC. At Fenton, she developed a wide variety of strategic communications proposals and plans for grantees of foundations, as well as for many corporate clients. Ms. Peacock earned a bachelor of arts degree in Russian and Eurasian Studies from Mount Holyoke College.

Katherine S. Stanley
Administrative Officer

Katherine E. Stanley is the Administrative Officer for the National Women's Business Council.

Previously, Ms. Stanley served as a Program Associate for the District of Columbia's Department of Health, HIV/AIDS Administration where she was responsible for developing and managing the "Conditions of Awards" grant calendar. Ms. Stanley has also served as a Program Analyst for the Fannie Mae Corporation where she coordinated the Enterprise Systems Management's office area and grouped department teams according to the services they provided to their clients. She was responsible for tracking requisitions to Fannie Mae's Operations space database, researching and preparing incentive reports for the Staff, Transaction, Operating and Procurement Shop (STOP Shop) a division of the Enterprise Management System. Prior to working at Fannie Mae, Ms. Stanley served as the Executive Assistant to the President and as the Office Manager for Levick Strategic Communications, based in Washington, DC where she was responsible for researching new ventures, and overseeing office functions. Ms. Stanley earned her Bachelor of Science in Organizational Management at Columbia Union College. She is a Certified Travel Consultant (CTC).

National Women's Business Council
409 Third Street, SW, Suite 210
Washington, DC 20024
202-205-3850 ★ 202-205-6825
info@nwbc.gov ★ www.nwbc.gov