

## American Women Entrepreneurs: Achievements and Perspectives

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### Abstract

Struggle for women's economic independence is an issue of primary importance for the rapid progress of the American nation in the 21st century. Gender equality, as a precondition and a result, is an indispensable part of world economic progress. Wider access to information and trade offered by globalization has connected women to markets and institutions and reduced to some extent gender disparities. Freedom of women depends on economic conditions even more than on political. Women economic empowerment is an important requirement for the advancement not only of the women but of the country as well. A significant progress in women entrepreneurship has been taking place in the U.S. since 2000. It is apparent that considerable increase of women-owned businesses has affected almost every sphere of American economy. Lack of adequate education opportunities to women entrepreneurship has been the main obstacle to women's access to business; though, a significant progress has been identified in this direction for the recent period. Increasing access to education, sharing of knowledge and learning skills play the most important role in promoting women's economic opportunities and provide wider access of females to finances and markets. It also helps women to become self-confident and motivated to take more courageous steps in the world of business. The support of the government and society directed towards women's greater access to economic opportunities has brought positive changes and provided strong incentives for women's business activities. The number of firms owned by women has increased sharply; also the size and quality of the enterprises have been modified. Besides a knowledge-enhancing strategy, joint efforts have been taken towards creating various associations, organizations, and community centers to support women initiatives. Such organizations are exceptional resources for women entrepreneurs. The article discusses the roles and functions of several women associations and organizations to demonstrate the importance of assistance they provide to business women to overcome the political, legal and economic barriers they face. Those associations and organizations are instrumental in addressing the following issues: women's education and professional training, access to capital, legal support and counseling, financial assistance, technology and education, energy resources and environment, impact of public policy, and other.

**Keywords:** women entrepreneurs, women in business, women organizations, women's economic opportunities

Gender equality is a core development objective in the 21st century. Equal employment opportunities, greater involvement of women in politics and economy, better access to education will enhance productivity and make the world a better place for future generations. Women now represent 40 percent of the global labor force, 43 percent of the world's agricultural labor force, and more than half the world's university students. Productivity will be raised if their skills and talents are used more fully (World Development Report 2012). Eliminating barriers that impede women's education will empower women and enhance their activities in all spheres of economy. Development has closed some gender gaps, for example, over half a billion women have joined the world labor force over the last 30 years. Though women's participation in paid work has risen, they are mostly unpaid family laborers, work in less profitable small businesses. Women have less control over household resources, as well as over country's budget because of their limited access to politics and world economy.

Wider access to information and trade offered by Globalization has connected women to markets and institutions and reduced to some extent gender disparities. Gender equality, as a precondition and a result, is an indispensable part of world economic progress. "When women's labor is underused or misallocated – because they face discrimination in markets or social institutions that prevent them from completing their education, entering certain occupations, and earning the same income as men – economic losses are the result" (World Development Report 2012: 3).

When the women's movement started to emerge in the beginning of the twentieth century, it was actually supported by wise politicians because rapidly developing economics demanded women's active involvement. More labor forces were needed. For example, Russian Socialist Revolution in 1917 guaranteed equal rights for women in all spheres; in the result, they were fully involved in building and reshaping of Soviet economy and played an exceptional role in this process. In the beginning of the

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21st century, the world faces the same problem: economic growth can be achieved in case women are fully involved in the economic processes on equal basis with male counterparts. The developed countries have acknowledged the reality and are trying to support the process globally.

The findings of the field research conducted in 19 countries in 2011 by the World Bank showed that women and men from all age groups see education, the ownership of assets, access to economic opportunities, and opportunities to earn income as the keys to improving their well-being and that of their families. Gender segregation in economic activity and earning gaps persist across all forms of economic activity. What are the reasons for the gap? The World Bank Report argues that "Gender differences in access to assets and credits, and in treatment by markets and formal institutions (including the legal and regulatory framework) all play a role in constraining women's opportunities." (Source: World Development Report 2012:10) A global agenda for greater gender equality has been outlined among which the increasing access to education, sharing of knowledge and learning skills will play the most important role in promoting women's economic opportunities and in providing wider access of females to finances and markets.

The present article address the following problem: How has gender policy of developed countries and namely of United States of America affected women's promotion as entrepreneurs? The analysis of the latest data and facts has shown that the support of the government and society directed towards women's greater access to economic opportunities has brought positive changes and provided strong incentives for women's business activities. "At present, one of the priority areas for public action is women's access to economic opportunities which has been slow and often unresponsive to global development. In this the governments' policy is often twofold. It can strengthen the relationship between gender equality and economic growth, and it can address the market failure and institutional constraints that stall progress". (World Development Report 2012: 102)

The women entrepreneurship has made a significant advancement in the beginning of the twenty-first century in America. The number of firms owned by women has increased sharply, and according to 2009-2010 survey, the number of women-owned enterprises reached 10.1 million, which is about half of the all existed firms in the US. The firms employ more than 13 million people, and generate \$1.9 trillion in sales as of 2008. The National Association of Women Business Owners (NAWBO) is the unified voice of America's more than 10 million women-owned businesses representing the fastest growing segment of the market. (source: NAWBO.org). A significant change emerged in terms of size and quality of the enterprises run by women. For example, one in five firms of \$1 million or more is now women-owned while small-size firms with 10

to 100 thousand annual dollar turnover were predominant 20 years ago. In the 2010s the picture changed and women are capable of managing million-dollar firms. 3% of all women-owned firms have revenues of \$1 million or more compared with 6% of men-owned firms.

One of the main reasons for emerging these quantitative and qualitative changes is that the number of women studying business management and finances, as well as other science subjects and math at universities has increased radically, and it nearly equals with the number of men at the same departments. The similar tendency can be identified in the developing countries. Besides universities, a fast-growing network of continuing education offers classroom trainings, as well as distance education courses to adult learners. The current policy of the United Nation, World Bank and other international organizations is to support and enhance women education opportunities through training, professional advice and advocacy.

The growth of women's role in American economy has also racial aspects. Today, 1.9 million firms are owned by women of color in the U.S. These firms employ 1.2 million people and generate \$165 billion in revenues annually. Racial discrimination can be significantly reduced in case women of color have equal access to the country's economic resources. (Source: NAUBO. Org). An unprecedented growth of the women-owned firms is a result of the joint efforts taken by women movement activists, business women, society, and the support of the legislative branch. It mirrors global tendencies towards women empowerment, which is more likely to be achieved through free and unrestricted access to economic opportunities.

One of the goals of the article is to highlight America's policy towards the empowerment of women-in-business. The support of the government and society directed towards women's greater access to economic opportunities has brought positive changes and provided strong incentives for women's business activities. Besides the knowledge-enhancing strategy, joint efforts have been taken towards creating various associations, organizations, and community centers to support women initiatives. Such organizations are exceptional resources for women entrepreneurs. One of the examples is The Center for Women's Business Research which recognizes the support to women who wish to start, operate and grow businesses. The Center for Women's Business Research is a nonprofit, tax-exempt organization established in 1989 to validate and accelerate the economic power of women's entrepreneurship by conducting groundbreaking research, sharing valuable information, and creating new knowledge. ([www// http. Center for Women's Business Research](http://www.CenterforWomen'sBusinessResearch.org))

For nearly 20 years, the Center for Women's Business Research has initiated researches which document the challenges, characteristics, and trends of women business owners and their firms. The Center deals with the following

issues: Access to capital financing and risk-taking, growth of firms owned by women of color, access to markets, leadership and decision-making styles, trends in women's entrepreneurship, and other. The Center keeps up with all the changes in the women-owned business marketplace. "Our partnership is not just about getting new business; it's about a relationship that generates new connections and networks." Says Patti Ross, Market Development, Global Women's Business Initiative, IBM Corporation. ([www//http. Center for Women's Business Research -mht](http://www.CenterforWomen'sBusinessResearch-mht)).

The Center offers different services to the clients. Firstly, it helps to the women entrepreneurs to find sponsors, financial assistance from different organizations, or to get loans from banks. Raising money has been one of the huge obstacles for women entrepreneurs, and it still remains as such. Nonetheless, changes in this direction are clearly visible. The trust towards women-owned businesses have risen significantly for the last decade based on annual data which depict high level of financial stability and high level risk management in women-owned organizations; in the result, financing of those companies have increased with the help of different organizations. According to the Center for Women's Business Research, women business owners who obtained capital persevered, making an average of four attempts to obtain bank loans or lines of credit and twenty-two attempts to obtain equity capital. Access to capital is a key tool in the start-up and growth of successful women owned businesses. A good example is a Key Bank, Cleveland, which has surpassed its goal to provide \$3 billion in loans to women-owned businesses by April, 2012 three months ahead of its target. Key Bank provided loans to businesses of all sizes including women business. The Center provides training and consultation, help the start-up businesses to frame the issues and provide on-the-ground insights and experiences. Women, by nature, are more inclined to toil over their continuing education and put a good deal of efforts in training than man do. This, in my opinion, has always been the key to their rapid advancement in rather tough male-dominated world. This statement is a strong opinion that either needs to be backed up somehow or presented as a personal opinion. One of the missions of the Center for Women's Business Research is to: set up the global agenda; create insight on the status and achievements of women business owners; alter perceptions and practice about the economic viability and progress of women-owned enterprises, and identify the value of the economic and social impact of women-owned business sector.

The National Association of Women Business Owners (NAWBO) is the unified voice of America's more than 10 million women-owned businesses representing the fastest growing segment of the market and its aim is to push women business owners into greater economic, social and political spheres worldwide. "NAWBO is a global beacon for

influence, ingenuity and action and is uniquely positioned to provide incisive commentary on issues of importance to women business owners." ([national@nawbo.org](mailto:national@nawbo.org)).

The US government and community interest towards women business owners increases from year to year. This policy is well spelt out in the mission statement of National Women's Business Council "National wide organizations play unique role in encouraging women and help them overcome barriers and impediments in achieving their goals." They mobilize American business community and society at large to address the problem of women political and economic empowerment. ([national@nawbo.org](mailto:national@nawbo.org)) Federal Advisory Council mission is to promote bold initiatives, policies and programs designed to support women's business enterprises at all stages of development in the public and private sector marketplaces. Members of Council are prominent women business owners and leaders of national women's business organizations. The Council is also a center where those prominent women business leaders meet and share their experience with the others.

Women Impacting Public Policy, Inc. (WIPP) is a national public policy organization that advocates for and on behalf of women and minorities in business in the legislative processes of our nation, creating economic opportunities and building bridges and alliances to other small business organizations. Through WIPP, women collective voice makes a powerful impact on the US Administration. Its Government Relations team has a full-time presence on Capitol Hill and conveys the direction and intent of WIPP's membership to members of Congress. ([WIPP.org](http://WIPP.org)) The corporation has Headquarters: in Washington, DC Membership Office in San Francisco, CA, and other. WIPP represents over half a million members, and represents the opinion of republicans, democrats and independents, liberals, conservatives. WIPP educates women business owners on economic policy and current legislative initiatives that impact business health and growth. Through its programming, women learn the tools necessary to become advocates on issues that cover a broad range of current legislation and policies. The members of the Organization work together to determine which issues are priority issues to research and advise WIPP's Government Relations team. Its primary activity is gathering information and disseminating it to members, tracking and reviewing legislation concerning small business owners, and informing its members of legislators' positions on issues. ([WIPP.org](http://WIPP.org)). The problems WIPP deals with mostly focuses on effective dissemination of information, education of business women, advocacy, public opinion formation; it also embraces the minority and black women issues in business.

The Peer Advisory Organization (WPO) aim is to connect top women entrepreneurs who own multi-million dollar companies. In monthly meetings across the US, Canada, Peru and the UK chapters composed of 20 accomplished

women presidents from diverse industries and backgrounds invest time and energy to assist to business-women in many ways. Women do have a lot to share because their experience is unique. Each of those accomplished women have invested enormous endeavor to achieve the summits. The Women Presidents' Organization is supported by a dedicated group of national sponsors who recognize the role which women presidents play in the business and financial communities. Financial assistance, which is instrumental in addressing those problems, is a manifestation of the recognition, trust and support from national sponsors who see the country's future with active and equal participation of women. Education Centers for women provide necessary training and flow of information throughout the network. For example, Women, Money & Opportunity powered by the WIPP Education Foundation brings various resources from experts within the WIPP community to educate women business owners. ([www.giveme5.com](http://www.giveme5.com)) Women Accessing Capital works to break down barriers between women and money. The national program is designed to bring policy, education and resources together to help women secure the money to support and grow business. ([www.Women-AccessingCapital.com](http://www.Women-AccessingCapital.com)) Women and technology (WATT) works to help women business owners understand how technology will change the business environment. ([www.WomenAndTechnologyToday.com](http://www.WomenAndTechnologyToday.com)) Entrepreneurs, Energy & Environment center educates small business owners on how energy and environmental issues affect business. The national program helps entrepreneurs understand and seize opportunities in energy and environment. ([www.EntrepreneursAndEnergy.com](http://www.EntrepreneursAndEnergy.com)).

The analysis of the above mentioned organizations has shown that the nation - wide approach to the business women involvement in the US is supportive and encouraging. The associations and organizations are instrumental in addressing the various issues: women's education and professional training, access to capital, legal support and counseling, financial assistance, the role of, technology and education, energy resources and environment, impact of public policy. The organizations support, assist, encourage, educate and train women entrepreneurs to guarantee high quality of their business activities.

Gender disparities persist in many areas including business and economy. Deeply entrenched gender roles and social norms affect on every aspect of political and social life. It determines who is responsible for raising money, doing business, managing huge budgets, making important economy-related decisions, and taking loans. Above mentioned areas of activities have always been male-dominated but as the 21st century practices of the developed countries, such as the U.S., show that it is also "acceptable" for women. The countries that support women access to economic activities will create stable basis for rapid economic development in highly competitive world.

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