

2006

Female Entrepreneurship: An Analysis of Factors Encouraging and Discouraging Female Entrepreneurship in the United States

Katie Patterson
Seton Hall University

Follow this and additional works at: <http://scholarship.shu.edu/dissertations>

 Part of the [Business Administration, Management, and Operations Commons](#), and the [Entrepreneurial and Small Business Operations Commons](#)

Recommended Citation

Patterson, Katie, "Female Entrepreneurship: An Analysis of Factors Encouraging and Discouraging Female Entrepreneurship in the United States" (2006). *Seton Hall University Dissertations and Theses (ETDs)*. 846.
<http://scholarship.shu.edu/dissertations/846>

**Female Entrepreneurship: An Analysis of Factors Encouraging and Discouraging Female
Entrepreneurship in the United States**

By: Katie Patterson

**Thesis Advisor:
Dr. Richard Dool**

**Submitted in partial fulfillment of the requirements for the
Masters of Arts in Corporate and Public Communications
Seton Hall University
South Orange, NJ**

2006

Abstract

Female entrepreneurs currently represent the fastest growing segment of the United States economy. Women have been starting their own businesses in unprecedented numbers in recent years, and as a result, the number of women-owned businesses is growing at an annual rate of 20 percent, compared with 10 percent overall, according to the U.S. Census Bureau. Females are leaving large corporations to “go it alone” for a number of career reasons, such as frustration with the glass ceiling, or a need for more flexible work schedules. However, despite the progress of women in business, female entrepreneurs still have hurdles to jump. The purpose of this research is to explore those possible factors that both encourage and discourage entrepreneurship among women in the United States.

Acknowledgements

I would like to thank Dr. Richard Dool for his knowledge, guidance and leadership. His persevering spirit has been a great source of encouragement and confidence throughout the course of this degree. I also extend my continuous love and gratitude to my family and friends. Any achievement of mine is a reflection of their unremitting support, understanding and faith. Never settle.

Table of Contents

CHAPTER ONE: INTRODUCTION

Introduction.....	6
History and Background.....	7
Research Question.....	8
Subsidiary Questions.....	9
Purpose of the Study.....	9
Limitations.....	10
Definition of Terms.....	10

CHAPTER TWO: LITERATURE REVIEW

The United States Business Environment.....	12
Differentiating Traditional Business from Entrepreneurship.....	12
The Current State of American Business Women.....	14
Gender Stereotyping of United States Business Leaders.....	15
Female Entrepreneurship in the United States.....	17
Growth.....	18
Sex Role Stereotypes & Female Entrepreneurship.....	19
Factors Encouraging Female Entrepreneurship in the United States.....	20
Factors Discouraging Female Entrepreneurship in the United States.....	23
Interviews.....	25
Key Findings.....	27

CHAPTER THREE: RESEARCH DESIGN AND DEVELOPMENT

Design of the Study.....	29
Description of the Survey.....	29
Sample.....	30
Data Collection.....	30
Analysis of Study Results.....	30

CHAPTER FOUR: SURVEY RESULTS

Introduction.....	32
Survey Results.....	32
Conclusion.....	52

CHAPTER FIVE: CONCLUSION & RECOMMENDATIONS

Review of Findings.....	53
Answers.....	55

Future Research Recommendations.....	57
Conclusion.....	58
References.....	60
Appendix A: Survey.....	63

CHAPTER ONE: INTRODUCTION

“Women share with men the need for personal success, even the taste of power, and no longer are we willing to satisfy those needs through the achievements of surrogates....”

Elizabeth Dole

Introduction

According to a 2005 study conducted by the Center for Women’s Business Research, women business owners are a driving force in the U.S. economy, both in terms of numbers and gross revenues. Although males remain a dominant figure in the American workplace, the common perception that women primarily start small hobby-related enterprises that are less likely to grow is contradicted by substantial evidence showing that women own firms in all industrial sectors, and that many do want to grow them in size and scope (Brush, 2001). The women who start these wonderful businesses are not super human captains of the industry, do not all hold MENSA level IQ scores, or have some inside knowledge of how the business world works. Most of the women who start their own business are just everyday adults, living normal lives. But these women all dare to strive for something they’re passionate about, and cultivate the learned abilities that come along with the trial and error of pursuing their own small business and dreams.

Although I recognize and appreciate the feminist movement and the struggle that women in America, and in general, have had to endure - and in many ways continue to do so - I did not set out, nor do I intend to write a thesis from an “I am woman hear me roar” point of view. My

motivation, rather, comes from a more factual and inquiring place. I am a woman, one who has aspirations about business ownership and the road that can lead me to the fulfillment of my own personal and professional goals. So, though I do not support any notion that suggests one gender as being inferior to another, I do recognize that one gender is different from the other and I think the dynamics contributing to that fact are certainly worth exploring. As far as learning experiences go, I anticipate both the research and findings of this study to be a valuable instrument as I advance towards the achievement and actualization of my own dreams.

History and Background

If one wanted to research the actual history of female entrepreneurship in the United States, one would find that American women's involvement in business can be traced back to the earliest days of the colonial era. When women engaged in business outside the home during the seventeenth and eighteenth centuries, their goods or services were usually outgrowths of domestic chores. Many helped their husbands run commercial enterprises or did so in their own names if they were unmarried, became widows, or had spouses who were unwilling or unable to work (Bracken, 2001). From bookkeepers for small businesses to innkeepers during wars, women have almost always made their mark on the business world, and for a long time struggled to have it recognized. Today the great granddaughters of the dress makers and apothecaries of yesterday now design their own clothing lines or have opened their own medical practices.

Generally, when we think of women initiating businesses twenty years ago, a particular image comes to mind. Historically, women entrepreneurs were divorced, widowed, or at home

with small children, starting their businesses out of financial necessity. They often fit the stereotype of working to support the family. Their education was in liberal arts with little or no business experience. The enterprises were usually small service or retailing establishments, started with personal savings or loans from friends or family. The businesses typically remained small, slow-growing, labor-intensive operations (Buttner, 1993). Although some female owners still fit this description, today's modern female entrepreneurs are generally quite different in background and experience.

Today, the term "glass ceiling" still describes the invisible barrier that women perceive as an obstacle to their rising to top positions within business and industry, and the salary gap between women and men, though narrower, continues to exist. But the situation has improved as more enlightened companies attempt to make the best use of their female employees, and as women themselves continue to take the plunge into proprietorship. It is notable that today more people in the United States work for women-owned businesses than are employed by Fortune 500 companies world-wide (Bracken, 2001).

Research Question

What are the factors encouraging and discouraging female entrepreneurship in the United States?

Subsidiary Questions

1. What role does the availability and use of technology play in encouraging or discouraging female entrepreneurship?
2. What role does the glass ceiling play in encouraging or discouraging female entrepreneurship?
3. Does gaining funding and venture capital continue to be an issue for women, namely when launching a new business?
4. What role does informal networking play in the encouragement or discouragement of female entrepreneurship?
5. Are there common characteristics of female entrepreneurs?

Purpose of the study

Studies by the National Organization for Women show that females have been starting their own businesses in unprecedented numbers in recent years. They are leaving large corporations to “go it alone” for a number of career reasons, such as frustration with the glass ceiling, or more a need for more flexible work schedules. The purpose of this research is to explore those possible factors that both encourage and discourage entrepreneurship among women in the United States. Chapter Two will highlight recent research compiled on theories discussing these topics. This thesis will confirm or negate those findings through the interview and survey of female entrepreneurs and also examine some general characteristics associated with female entrepreneurs.

Limitations

Although a brief history of the evolution of female entrepreneurship has been provided, the majority of the literature researched is limited to factors and developments occurring within the past five years (2000-2005). Furthermore, all subjects participating in the study must own or operate a business that has been in service for a minimum of one year. No maximum limit, however, was placed on operation time.

As the trend of female entrepreneurship grows, women of all ages and races are taking a turn with business ownership. Neither age nor race, however, will be a consideration while surveying, interviewing, or researching any of the subjects of this thesis.

Finally, the study will only concentrate on female owned businesses in the United States. No research will be conducted on trends in foreign countries.

Definition of Terms

Entrepreneurship: The organization, management, and assumption of risks of a business or enterprise, usually implying an element of change or challenge and a new opportunity.

Feminism: The theory of political, economic, and social equality between men and women that is organized actively on behalf of women's rights and interests.

Glass ceiling: A term used to describe the invisible barrier that keeps women from advancing to top level positions in their companies.

Networking: The participation in an extended group of people with similar interests or concerns who interact and remain in informal contact for mutual assistance or support.

Venture Capital: Money made available for investment to young small companies in innovative enterprises or research, especially in high technology, in which both the risk of loss and the potential for profit may be considerable.

CHAPTER TWO: LITERATURE REVIEW

The United States Business Environment

According to the United States Chamber of Commerce Statistics and Research Center, as of February, 2005, United States Businesses employ 140.1 million people, or about 94.6 percent of the U.S. civilian labor force (2005). Of these people, the large majority of the workforce (82 percent) is employed full time, while 8 million people are unemployed, yielding a 5.4 percent unemployment rate. This U.S. workforce is comprised of 47 percent females and 53 percent males. Together, they work in a number of industries ranging from professional business services, government and education at the most populous end of the spectrum, and construction, transportation and farming at the lower end. The Bureau of Labor Statistics estimates that in the decade from 2002 to 2012, total employment in the United States will increase by nearly 15 percent while the labor force is only projected to grow by 12 percent. There will be an estimated 56.3 million total job openings due to both this increase in jobs and the 34 million baby-boomers who will be leaving growing occupations. In addition, small businesses represent a large portion of all employer firms and account for 50 percent of the private sector output. They have quickly become the fastest growing segment of the current United States business environment (2005).

Differentiating Traditional Business from Entrepreneurship

A recently completed study – the Global Entrepreneurship Monitor study – examined the relationship between entrepreneurial activity and economic growth internationally. The study indicated that a higher rate of entrepreneurial activity appears to be positively related to economic growth, emphasizing its importance in a country's quest to compete successfully in the

global economy (Bednarzik, 2000, p. 14). But what exactly is entrepreneurship and why is it important the American economy?

The Global Entrepreneurship Monitor study defines entrepreneurship as “any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business” (Bednarzik, 2000).

According to the Office of Advocacy at the U.S. Small Business Administration, small businesses continue to drive the United States economy (2005). The statistics paint a compelling picture of just how important small business is to America. They show that small businesses are America’s job-creators, innovators, and the path to mainstream economic activity for all segments of our society.

According to the study, small businesses represent 99.7 percent of all employer firms. Over the past decade, small business net job creation fluctuated between 60 and 80 percent and these businesses generated more than 50 percent of the non-farm private gross domestic product. The study found that two-thirds of new employer establishments survive at least two years after start-up, and 44 percent survive at least four years. Keeping that in mind, in 2004, an estimated 580,900 employer firms opened while an estimated 576,200 closed. The study also showed the difficulty entrepreneurial start-ups face by finding that very small firms with fewer than 20 employees spend 45 percent more per employee than the largest firms just to comply with federal regulations (United States Small Business Administration, 2005).

So, who are the entrepreneurs starting these small businesses? The Global Entrepreneurship Monitor study found that the largest share of entrepreneurs were men, ages 25 to 54; although there was also a notable percentage of young men and women (18 to 24 years) involved in start-ups. The study continued to list six factors that are most important in fostering entrepreneurial activities (Bednarzik, 2000, p.14):

- Entrepreneurial opportunity
- Entrepreneurial capacity
- Infrastructure
- Education
- Culture
- Demography (age structure, female entrepreneurs, and population growth)

In countries with high entrepreneurial rankings, such as Canada and Israel, such activity was an integral and accepted feature of everyday life, and the number of female entrepreneurs was high, as is the case in the United States. Moreover, the study concluded that most countries would have to increase the participation of women in the entrepreneurial process if they wanted to achieve higher start-up rates (Bednarzik, 2000).

The Current State of American Business Women

As U.S. Secretary of State, Colin Powell once made the following statement:

“It is not just popular opinion, but plain fact: Countries that treat women with dignity, that afford women a choice in how they live their lives, that give them equal access to essential services, give them an equal opportunity to contribute to public life, these are the countries that are the most stable, viable, and capable of meeting the challenges of the new centuries, and these are the countries we will be supporting” (Palmerlee, 2002, p.4).

Although the United States has made great strides, especially in comparison to many other global economies, such as Egypt and many Middle Eastern nations, women in America are

still fighting the battle for complete equality. For example, although women are moving up, men still dominate the earnings race. Almost 95 percent or 2,141 of the top earning corporate officers are men, compared to only 5.2 percent, or 188 of women top earners in the Fortune 500 (Diversity Central, 2003). Moreover, in 2004, women in the United States were paid 76 cents for every dollar men received for comparable work. Similarly, African American women earn only 71 cents and Latinas 59 cents for every dollar men are paid; yet Asian Pacific American women earn 86 cents for every dollar men make. With statistics like these, nationwide, working families lose \$200 billion in income annually due to the wage gap between men and women. If married women were paid the same as men in comparable jobs, their family incomes would rise by nearly 6 percent, and their families' poverty rates would fall from 2.1 to 0.8 percent. Staggering figures continue with statistics about single women and single working mothers. Nearly 65 million women are now in America's workforce, including three-quarters of U.S. mothers of children under the age of 18 (AFL-CIO, 2005). So, in a nation that claims to strive for equality of women, why are there still such discrepancies?

Gender Stereotyping of United States Business Leaders

Generally speaking, social stereotypes, like those about gender, are generalizations we make to differentiate categories or groups of people. In the case of gender stereotypes, these consist of generalizations about how women and men differ (Catalyst, 2005). In business, gender stereotyping can be especially damaging. Stereotypes can limit women's opportunities for advancement into top leadership positions. This is because stereotypes of women often portray them as lacking the very qualities commonly associated with effective leadership. The

following table (See Table 1) from Catalyst (2005) illustrates this point by listing qualities in the American culture that are commonly associated with women and men.

Table 1: *Common Stereotypes of Women and Men Based on Psychological Research*

Common Stereotypes of Women and Men Based on Psychological Research	
Women's Traits	Men's Traits
Affectionate	Dominant
Appreciative	Achievement-oriented
Emotional	Active
Friendly	Ambitious
Sympathetic	Coarse
Mild	Forceful
Pleasant	Aggressive
Sensitive	Self-confident
Sentimental	Rational
Warm	Tough
Whiny	Unemotional

What would happen if one were to contrast each set of traits with what typically comes to mind when thinking about leaders? The common perception is one that views leaders as dominant and ambitious – embodying qualities that closely match the stereotypes of men. On the other hand, the traits that make up the feminine stereotype are seen as less vital to leadership.

These stereotypes result in women being evaluated less positively than men for leadership positions (Catalyst, 2005).

So how does America help women combat such stereotypes and discrimination? The United States offers a number of support initiatives to increase women's economic opportunities. They offer access to education and educational exchanges, especially for girls, and support micro-finance, small grants, and trade initiatives that expand economic growth to traditionally under-represented sectors of society. The American government also works with non-governmental organizations and multi-lateral institutions to expand the role of women in the private sector. Some of the other efforts include encouraging U.S. corporations operating abroad to emphasize best-practice norms, such as non-discrimination and fair compensation for women; and work with communities to improve health care and reduce domestic violence (Palmerlee, 2002). Other organizations, such as the Small Business Administration also work to improve the welfare of women not only domestically, but worldwide and focus on women business owners to ensure they will become competitive players in the global economy.

Female Entrepreneurship in the United States

A 2005 study by the Women's Financial Network found that women are starting businesses at twice the rate of men (Forte Foundation, 2005). With still a long way to go to reach parity with men in top executive positions, it comes as no surprise that women with high potential might seek their own road to power. According to government reports from the House Small Business Committee (Weisband, 2001), it has become evident that women-owned

businesses constitute the fastest-growing segment of the United States economy. Women entrepreneurs own over 40 percent of all firms in the United States (Weisband, 2001).

According to a recent study by the Center for Women's Business Research, the number of women-owned firms expanded by 28 percent between 1997 and 2004, to a total of 10.6 million firms. These firms employ 19.1 million people and generate \$2.5 trillion in sales (Business Banking, 2005).

Growth

Traditional notions of women businesses as retail-dominated and small are giving way as generations of college-educated women turn to entrepreneurship. Today, one in seven employees in the United States works for a woman-owned business, and one in twelve women is an entrepreneur herself; about 75 percent of these women have earned college degrees (Forte Foundation, 2005). Although 15 percent of firms are in retail trade and 9 percent are in finance, insurance, or real estate (National Women's Business Council, 2005), according to a study by the United States Trust Company, 21 percent of all woman owned companies are involved in "non traditional" fields such as construction, trucking and machinery (More entrepreneurial women..., 1996). In fact, between 1997 and 2004, privately-held women-owned firms diversified into all industries with the fastest growth in construction (30 percent growth); transportation, communications and public utilities (28 percent growth); and agricultural services (24 percent growth). Moreover, annual expenditures by women-owned enterprises for just four areas – information technology (\$38 billion), telecommunications (\$25 billion), human resources services (\$23 billion), and shipping (\$17 billion) – are estimated to be \$103 billion. The fastest growth is in the number of 100+ employee women-owned firms. From 1997 to 2000, the

number of 100+ employee women owned firms grew by 44 percent, over 1.5 times the rate of all comparably-sized firms. Regardless of race or ethnic background, the vast majority of women entrepreneurs have growth as a primary goal (Center for Women's Business Research, 2005).

Sex Role Stereotypes & Female Entrepreneurship

Many researchers, such as Deborah Tannen (1995) have demonstrated that entrepreneurs differ from the general working population in such personality characteristics as independence and leadership. Moreover, Tannen reveals that men and women have different characteristics when it comes to general business, as well. But what has research shown about the differences between male and female entrepreneurship styles? Though some studies have shown that there are fewer gender differences between men and women on an entrepreneurial level, a handful have emerged. For example, compared to men, female entrepreneurs are more adaptive, more socially aware, have wider experience in different business areas, delegate more, and engage in longer-term planning (Buttner, 1993).

Moreover, women and men business owners have different management styles. Women emphasize relationship building as well as gathering facts; are more likely to consult with others, including experts, employees and fellow business owners; and may take more time to make decisions. Also, women business owners are more philanthropically active (Center for Women's Business Research, 2005).

Overall, men and women's motivations for business initiation are quite similar. As with male entrepreneurs, females seek independence, autonomy, higher income, and the opportunity

to be their own boss. One difference between men and women in their motivation to initiate a business is that men often cite economic reasons, whereas women often cite family needs. As stated by Barbara Noble, in her report on female entrepreneurs, "For men, being an entrepreneur is a business strategy. For women, it's a life strategy" (National Association of Women Business Owners, 2005, p. A-17).

Comparisons have also been made between female entrepreneurs and their female executive counterparts in large corporations. For both groups, the predominant motivations for working are a need to achieve and the desire for job satisfaction and professional recognition. Female executives and entrepreneurs also gave different reasons for their professional success. The executives saw their ability to work with people as the key to their success, while entrepreneurs saw endurance and hard work as their key success ingredients (Center for Women's Business Research, 2005). Although sustained endurance and hard work can assist in keeping women in business, it is also important to examine the factors that help motivate female entrepreneurs to take the initial leap from employee to employer.

Factors Encouraging Female Entrepreneurship in the United States

Why the surge in female entrepreneurship? Women have always started businesses, of course, but the pace has picked up lately because women are better educated and have more corporate experience than ever before. According to a study completed by the Center for Women's Business Research, more women in the working world are starting their own businesses for the following reasons: need for flexibility, frustration with the glass ceiling, and

the desire to fill lucrative market niches (Fisher, 2004). Other reports show women as being unhappy with or feeling unchallenged in their work environments (Ahuja, 2005). The competitive and tight job market of the past couple of years has led many big companies to do away with “family friendly” policies such as flexible schedules, and the reports show that nearly half (46 percent) of new female business owners fled corporate America for the freedom to set their own hours. Another 23 percent left out of frustration at limited opportunities for growth (Fisher, 2004).

Moreover, even though women now represent 46 percent of the U.S. labor force, the glass ceiling has still not shattered. Some women still face many challenges entering and succeeding in the business world, and as a result women increasingly find professional and financial success by starting their own business (Ahuja, 2005). Deborah Tannen describes the glass ceiling as “an invisible barrier that seems to keep women from rising to the top of corporations” (2005, p. 133). The problem is considered so widespread and serious that a Glass Ceiling Commission was created as part of the Civil Rights Act of 1991, chaired by the secretary of labor (Tannen, 2005). Given the rapid increase in the number of women-owned businesses, there is speculation about the extent to which the glass ceiling has been responsible for the development of women-owned businesses. According to many previous studies, female contributions are not recognized or valued as much as contributions made by male employees. Furthermore, females report they are not taken as seriously as their male counterparts and are excluded from networking/social circles; and as a result, feel isolated (Ahuja, 2005). The corporate world has thrown a tough gauntlet at the feet of women, and it makes sense that many women have found solace by starting their own business ventures.

The internet and use of the personal computer are two of the most important technological innovations of the twentieth century. Trends over the past two decades provide evidence of a positive relationship between home computers and entrepreneurship. Among women, home computers are clearly associated with higher levels of entrepreneurship. In other words, having access to a home computer increases the probability of starting a business. Female entrepreneurs with and without prior access to home computers create businesses in similar industries with the exceptions that women with access to home computers create businesses in the F.I.R.E. (Finance, Insurance, and Real Estate) industries at a higher percentage while a lower percentage of them create businesses in personal services (Fairlie, 2004). Not only does technology allow women to better market their businesses, such as the ability to create web pages, it also beneficial among would-be entrepreneurs for obtaining information about tax codes and legal regulations associated with running a business. Women owners of firms with \$1 million or more in revenues are more likely than their men counterparts to embrace technology as integral to their business strategy (58 percent versus 35 percent) and more likely to have a web site with transaction capability (56 percent versus 38 percent) (Center for women's business research, 2004).

Furthermore, according to the Kauffman Center for Entrepreneurial Leadership (2005), a new category of women business owners is emerging. "Mompreneurs" combine internet technology with previous professional experience to operate a business from home while tending to the needs of their children and family. According to the National Center for Policy Analysis,

the latest statistics show that women run 70 percent of home-based business, which accounts for nearly 17 million women in the United States (Ahuja, 2005).

Of course, many women start companies for the same reasons men do. The Center for Women's Business Research shows that roughly one-fourth of female business owners simply saw a potentially lucrative market niche going begging, and that was all the motivation or encouragement they needed (Fisher, 2004). However, though there are many factors encouraging entrepreneurship among females, women continue to face many obstacles after they have left the corporate world en route to business ownership.

Factors Discouraging Female Entrepreneurship in the United States

As stated previously, the number of women who express an interest in becoming entrepreneurs is rising, yet they are still regularly deterred from taking that path. Many argue that a collective of parents, educators, and the media on the whole offer a more male-centric view of entrepreneurship, leaving women unprepared for the challenges and potential rewards of owning their own business (Kutz, 2005).

Although women enjoy entrepreneurship because they feel it affords them greater opportunities for advancements compared to the opportunities in the corporate world, they are still not on equal footing with men. Networking and the creation of strong business relationships are as important in entrepreneurship as they are in the corporate world, and women have a more difficult time than men entering business social circles as solo business owners. These social

circles are often referred to as “old boy” networks, and it is extremely difficult for women to break into this closed circle, which is comprised of successful, males who graduated from at the top of business schools (Ahuja, 2005). For example, stereotypically, if two men sit at a table, they talk sports preliminarily and then get down to business fast. They develop many loose networks. Women talk about family and relationships, and they don’t get down to business fast. They develop tight relationships (Kurtz, 2005). This lack of networking also leads to another major deterrent of female entrepreneurship. According to the Kauffman Foundation, with so few women in managerial-track positions, the social and professional networks critical for opening the doors to venture funding are all but absent for female entrepreneurs. Lacking such connections, women entrepreneurs have a much less chance of getting to the negotiating table (Brush, 2005).

In the 1970’s and 1980’s, it was a major challenge for women to get a business loan. An unmarried woman could not get a loan from a bank without a co-signature from her husband (National Association of Women Business Owners, 2005). Today, while businesses owned by women have made gains in both credit and equity financing, they still use less commercial credit than their male-owned counterparts, and rely more on business earnings as their primary source. According to a study conducted by the Center for Women’s Business Research, women business owners as a whole are not as comfortable going to traditional sources for capital, and many of them still use their own savings, vendor financing, and friends and family for funding. (The capital gender gap, 2005). For women entrepreneurs desiring to grow their businesses, bank financing is accessible through government initiatives and private banking programs (Brush, 2005). Still, during a series of “Women Entrepreneurship in the 21st Century” summits held

during 2003, access to capital and the current economy were identified as top concerns for women business owners (National Women's Business Council, 2005).

At least three theories have been put forth to explain why women entrepreneurs may use less debt than men. First, some researchers contend that there may be adverse discrimination in the lending process, placing women at a disadvantage. According to this view, women are either unfairly denied credit or discouraged in the credit application process. Others contend that women are more risk averse than men and thus less likely to take on debt. According to this theory, women avoid debt and are reluctant to put up the collateral that may be required to obtain a loan. A third theory says that women-owned firms tend to be smaller and more heavily concentrated in service lines of business, therefore they are better able to finance their needs using personal financial resources (Cohn, 2005).

Yet still, despite their struggle with gaining capital, women-owned businesses are just as financially strong and creditworthy as the average U.S. firm, with similar performance on bill payment and similar levels of credit risk, and are just as likely to remain in business (Center for Women's Business Research, 2005).

Interviews

Aside from information gathered from literature review, the author also interviewed two female entrepreneurs to gain further insight into the factors that encourage and discourage female entrepreneurship in the United States. The subjects, hereafter referred to as "Subject A" and

“Subject B,” work in two very different industries (corporate consulting and creative arts, respectively) and are at different stages in their entrepreneurial careers.

When asked what factors helped encourage their decision for entrepreneurship, both women noted a dislike for working for someone else and a need to do something in which they can take pleasure. “Subject A” responded that she “found that people in high corporate positions were not always the smartest or most successful in the business” and added that she “...hated working for someone else. I wanted to do something not to get rich, but to love what I do everyday. I didn’t want to be just an employee” (personal communication, October 11, 2005). “Subject B” similarly noted, “I liked doing it my way...and I decided to focus on things that I enjoyed” (personal communication, October 21, 2005).

When asked if there were any gender-specific obstacles that were discouraging, both had a negative response. “Subject B” replied “not at all” (personal communication, October 21, 2005), while “Subject A” added “I’m not saying I never failed, but I never believed it was because I was a woman” (personal communication, October 11, 2005).

Elaborating on non-gender related issues; “Subject B” added that “the hardest part was doing things for the first time, which is true to everything in life. For example, registering the business, doing the accounting, researching information about copyrights....” She also weighed her choice with the alternative of corporate life. “When I’m overwhelmed...I think about working a 9 to 5 and how free my nights and weekends would be, how my insurance would be

paid for and how easy my taxes would be...but I also think about how miserable and uncreative I would be. The challenge is what keeps me going” (personal interview, October 21, 2005).

Key Findings

The rise of entrepreneurship has shown to have a positive relationship not only with economic growth in the United States, but with the empowerment of females in business as well. While women still do not have equal footing with men with regard to business, such as in the example of receiving less pay for equal work, research shows that the gap is beginning to close as women continue to succeed as entrepreneurs.

Gender stereotyping still exists, but in the entrepreneurial world, women have found an outlet for making their characteristics work for them, rather than against them, and rather than conforming to the previously held masculine norm. Women’s migration into entrepreneurship appears to result more from their frustration with the “glass ceiling”, a need for more flexible work schedules, and the availability of technology as opposed to encompassing some unique personality attribute.

Research also shows that obstacles also exist to discourage females from taking to the road of entrepreneurship. Such deterrents include access to capital, lack of opportunities and networking difficulties. However, both females interviewed as research for this thesis noted no such obstacles hindering their success.

The next step of this thesis is to adapt the information gathered from previous research and learn if females in entrepreneurial positions agree or disagree and find out which factors they attribute to encouraging and discouraging female entrepreneurship in the United States.

CHAPTER THREE: RESEARCH DESIGN AND DEVELOPMENT

Design of the Study

This study was designed to obtain the opinions of female entrepreneurs about factors that encourage and discourage female entrepreneurship in the United States. Quantitative research was done in the form of a survey aimed at gaining information and perspectives relevant to the topic.

Description of the Survey

The survey included a series of fourteen statements circulated to respondents through the use of Zoomerang, a web-based market research company. The statements were measured using the Likert scale, a psychometric scale used to determine the strength of agreement towards a set of clear statements using a five-point measurement mechanism. The five possible answers on the rating scale consist of Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. The statements provided were based on research findings regarding factors encouraging and discouraging female entrepreneurship and participants were asked to respond to each statement based on their own feelings and attitudes. Two open-ended questions were included for participants to provide additional comments. In addition, two optional demographic questions were included for additional analysis based on age and length of time as an entrepreneur.

Sample

The survey was distributed to X amount of female entrepreneurs in the United States. No other criterion, such as age, race, or industry, was placed on possible respondents. Each respondent simply had to be a female who currently owns and operates a business within the United States. The sample of female entrepreneur participants was found by researching organizations, such as Women's Executives Clubs, and reaching out to their members via email. Members were then asked to forward the survey to female entrepreneurs they knew who may be willing to participate.

Data Collection

An email distributed to participants provided them with a direct link to the survey via Zoomerang, a web-based market research company. All data will be collected and tabulated by Zoomerang and held in an account to which only the author will have access.

Analysis of Study Results

The findings of the study will be tabulated and examined to determine the perceptions of female entrepreneurs regarding factors encouraging and discouraging female entrepreneurship in the United States. By reviewing the results, the author hopes to compare and contrast the participant responses with the research conducted in Chapter Two to discover which factors, if any, continue to influence a woman's decision to become an entrepreneur. In addition, the

results will be used to identify any trends in the data, such as any differentiations or similarities in responses according to age and length of entrepreneurship. The tables and graphs used to illustrate the findings will be accompanied by narratives to provide a more detailed analysis of the raw data collected.

CHAPTER FOUR: SURVEY RESULTS

Introduction

Through the use of this survey, the author seeks to determine which factors were encouraging and discouraging to women as they entered into entrepreneurship. The survey asked female entrepreneurs in the United States to comment on how strongly they agreed or disagreed with statements based on research provided in Chapter Two. The survey was made up of two closed-ended demographic questions, 14 statements to be rated based on the Likert Scale (strongly agree, agree, neutral, disagree, strongly disagree), and two open-ended questions asking for additional encouraging and discouraging factors and comments (*See Appendix A for detailed survey*).

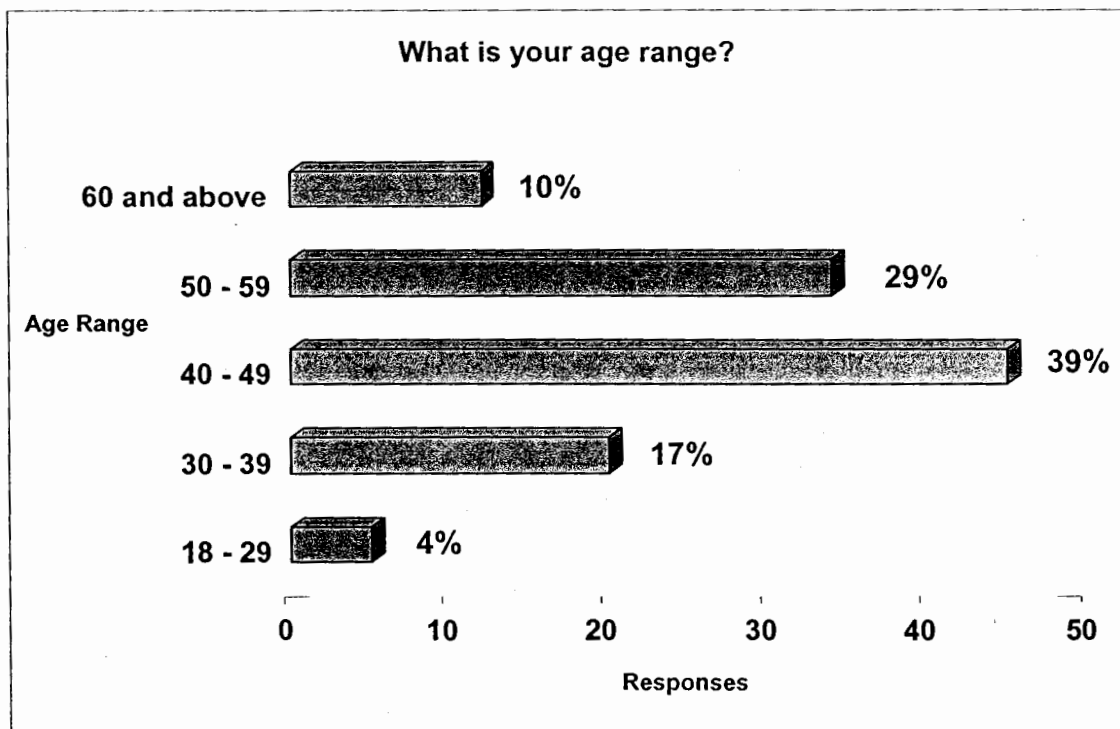
Survey Results

Each of the 118 respondents answered all 16 closed-ended questions, while 86 respondents answered the encouraging factor open-ended question, and 79 respondents answered the discouraging factor open-ended question.

All respondents answered the first two demographic questions regarding age and length of time in entrepreneurship. Based on the survey results, the largest portion of the women surveyed, 39%, were between the ages of 40 and 49 years old. This was followed by 29% between 50 and 59 years old; 17% between 30 and 39 years old; 10% were 60 or older and 4% were between the ages of 18 and 29. Nearly 80% of the women surveyed were above the age of 40 (See Table 1).

Table 1

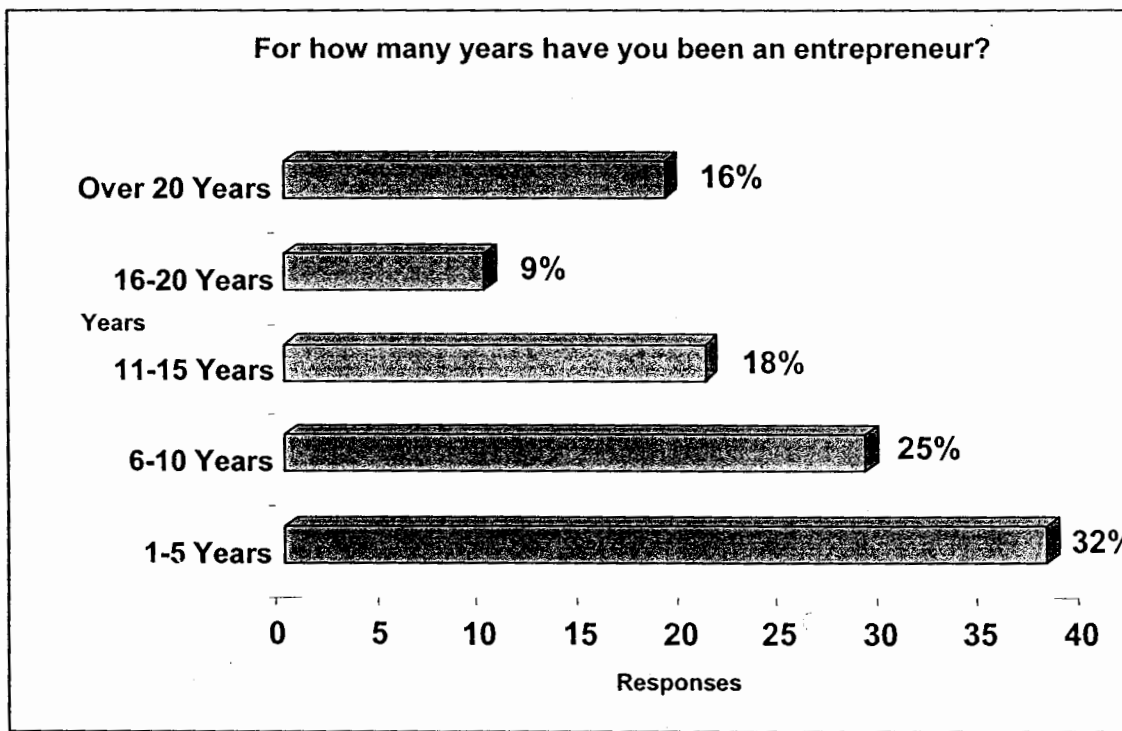
What is your age range?



When asked to respond regarding length of entrepreneurship, 16 % reported owning their own business for over 20 years, 9% from 16 to 20 years, 18% from 11-15 years, 25% from 6 to 10 years, and finally, most of the respondents, 32%, are still in their first five years of entrepreneurship (See Table 2).

Table 2

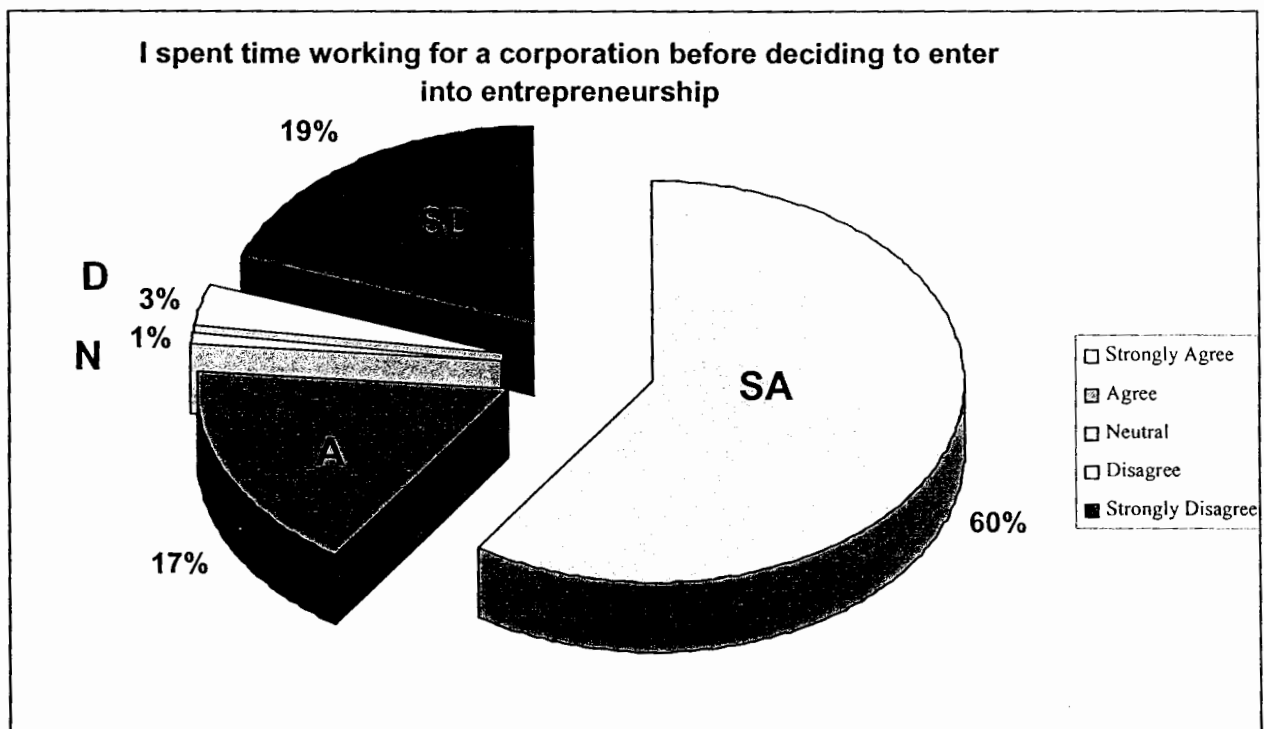
For how many years have you been an entrepreneur?



The following graphs illustrate the responses of participants when they were asked to comment on how strongly they agree or disagree with statements about female entrepreneurship. Each statement is listed about the graph.

Table 3

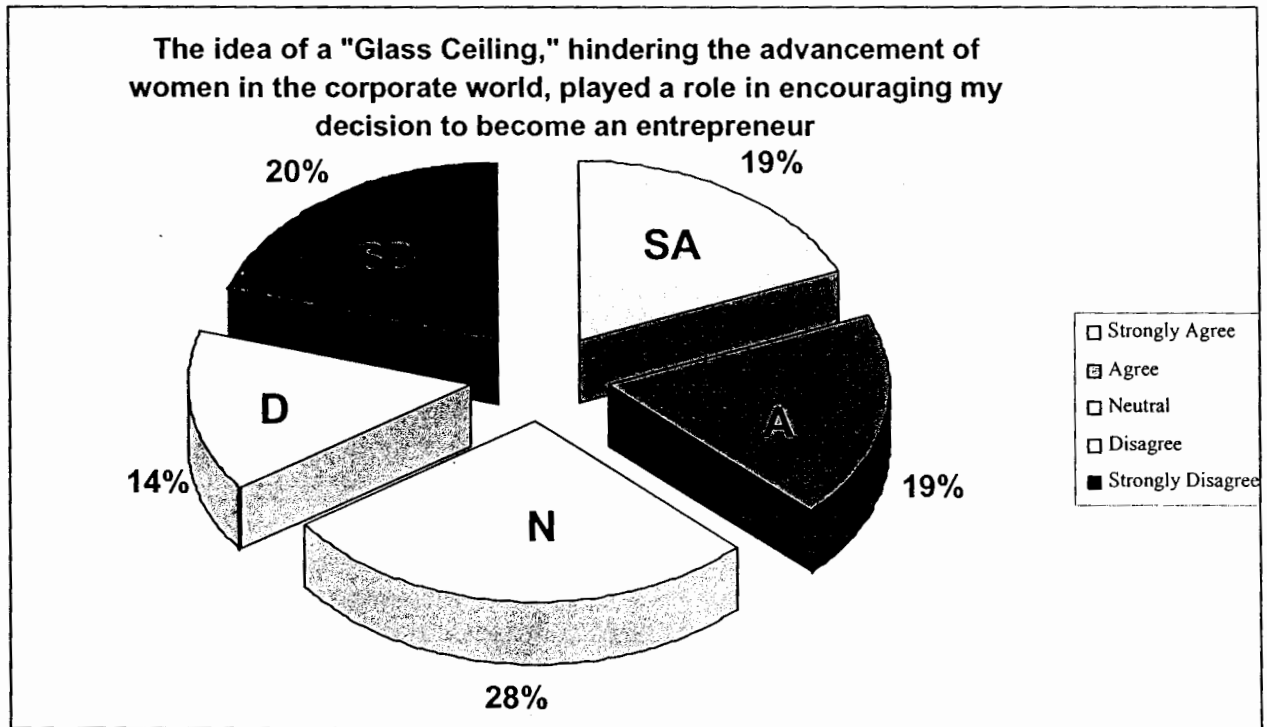
I spent time working for a corporation before deciding to enter into entrepreneurship.



The majority of survey participants, 60%, strongly agreed that they worked for a corporation before entering into entrepreneurship. Seventeen percent of respondents agreed with the statement and only 1% took a neutral position. Three percent of the woman surveyed disagreed with the statement and 19% strongly disagreed to working for a corporation before entering into entrepreneurship (See Table 3).

Table 4

The idea of a "Glass Ceiling," hindering the advancement of women in the corporate world, played a role in encouraging my decision to become an entrepreneur.



In response to the Glass Ceiling statement, the same percentage of women (19%) either agreed or strongly agreed that the Glass Ceiling had something to do with their move to entrepreneurship. Twenty-eight percent of participants were neutral to the statement, 14% disagreed and 20% strongly disagreed that the Glass Ceiling influenced their decision (See Table 4).

Since nearly the same amount of women agreed and disagreed to this statement (38% and 34% respectively), although research from Chapter Two supports this notion, it is inconclusive

from this study that the Glass Ceiling is an major influencing factor in women's decisions to become entrepreneurs. Some participants, however, did provide insight into their experiences with the Glass Ceiling in the open ended portion of the survey. Below are two of their comments:

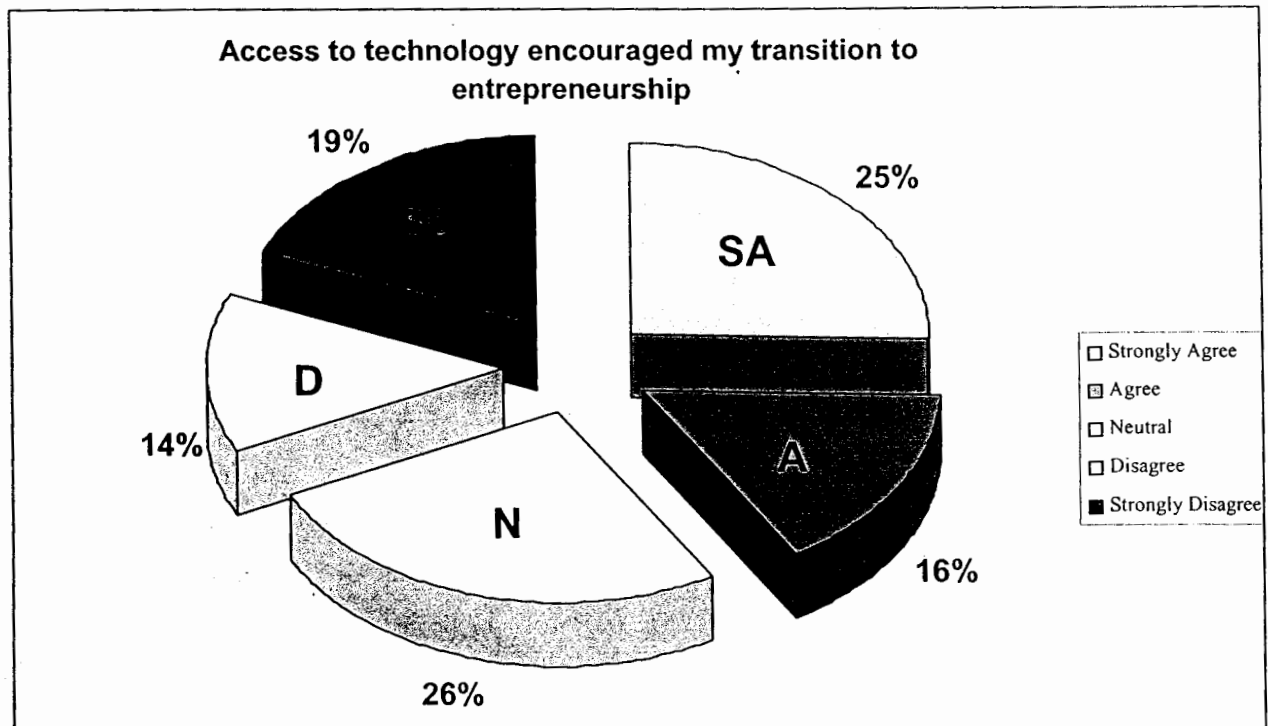
"I was tired of the corporate environment including, the good o' boy network and promotion based on who you know instead of performance...."

"I had the talent and skills to run a branch engineering office but was passed over for consideration because the previous manager had under-reported my involvement...for his benefit. (On confrontation, he admitted that he didn't think it would look good for him if the corporate office knew of my involvement in managing the office.) Therefore, the corporate office had little to no idea of my skills.... When the new manager was hired, he told me I would make a good project manager some day. After having been a good project manager for over ten years, this was unacceptable...."

From these statements, it can be concluded that some women are still affected by the existence of a Glass Ceiling.

Table 5

Access to technology encouraged my transition to entrepreneurship.

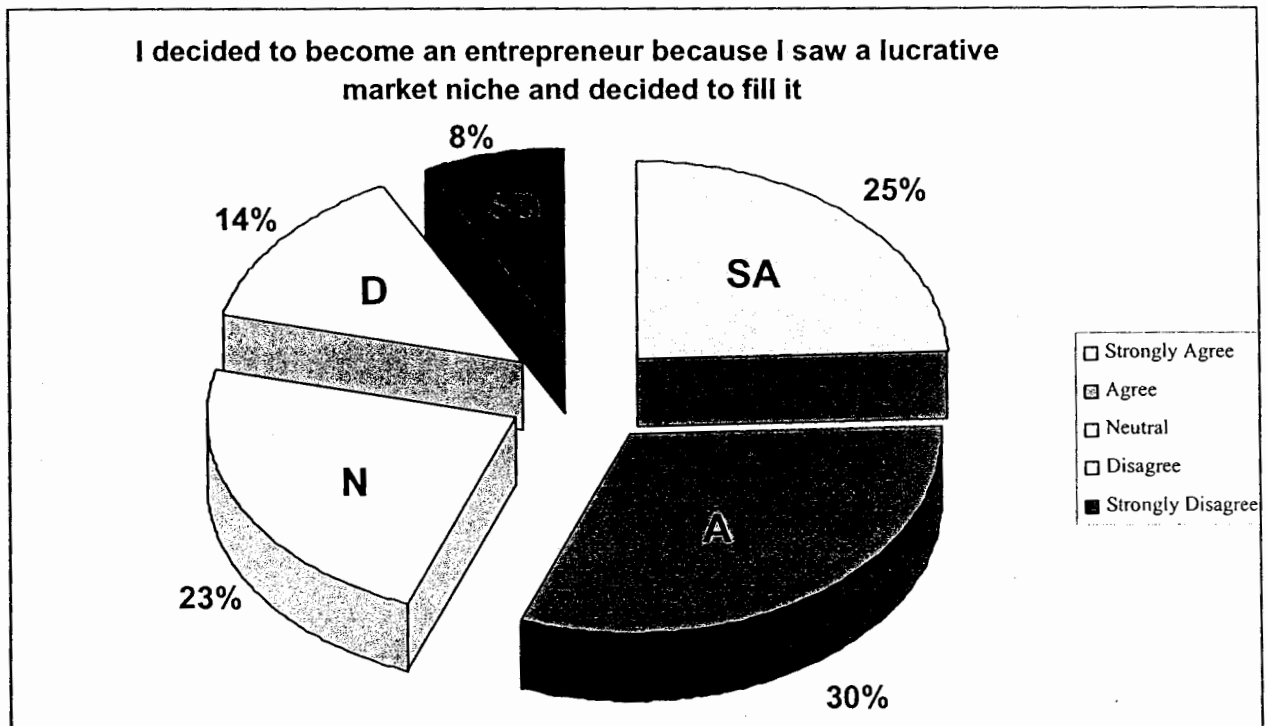


When asked about access to technology, 25% of participants strongly agreed that it encouraged their transition into entrepreneurship, 16% agreed with the statement and 26%, the largest amount of respondents, took a neutral position. Fourteen percent of women disagreed with technology's influence and 19% strongly disagreed (See Table 5).

Given that 41% of participants either strongly agreed or agreed that technology encouraged their transition into entrepreneurship, the results of this survey are in support of Chapter Two findings that there is a positive relationship between computers and entrepreneurship.

Table 6

I decided to become an entrepreneur because I saw a lucrative market niche and decided to fill it.

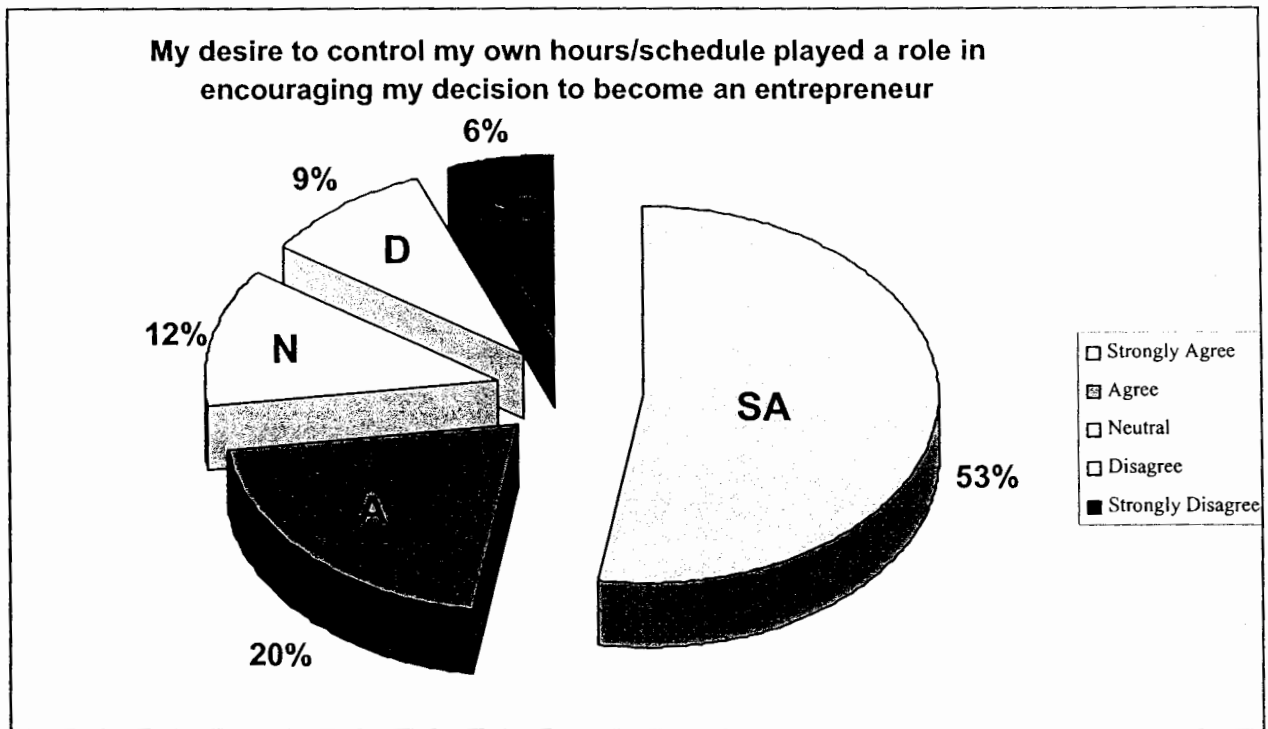


More than half of the women surveyed agreed with this statement about market niches (25% strongly agree and 30% agree). Twenty-three percent of participants were neutral, while 14% disagreed and 8% strongly disagreed (See Table 6).

Given that more than half of the female entrepreneur participants agreed, it can be concluded from this survey that finding and filling a market niche is an encouraging factor for women entering entrepreneurship.

Table 7

My desire to control my own hours/schedule played a role in encouraging my decision to become an entrepreneur.

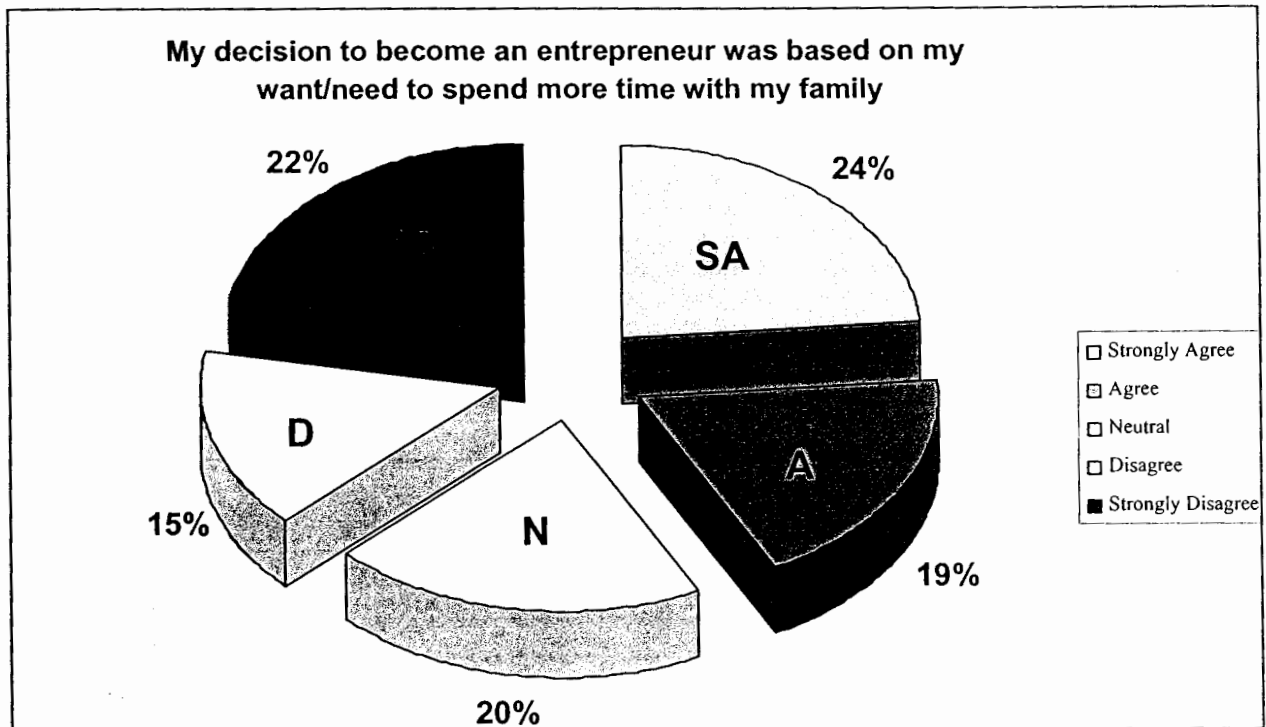


Fifty-three percent of participants strongly agreed and 20% agreed that controlling their own hours played a role in entering into entrepreneurship. Twelve percent took a neutral position and 15% disagreed (9% disagreed and 6% strongly disagreed (See Table 7).

With nearly 75% of women agreeing in total, these results clearly indicate that the ability and desire to control one's own work schedule is a leading factor leading to female entrepreneurship. Many women also commented on this freedom and flexibility in the open-ended portion of the survey.

Table 8

My decision to become an entrepreneur was based on my want/need to spend more time with my family.



Twenty-four percent of participants strongly agreed that their decision to become and entrepreneur was based on family needs. Nineteen percent agreed with the statement, 20% were neutral, 15% disagreed and 22% strongly disagreed (See Table 8).

Although there is only a 6% differentiation between respondents who agreed and disagreed to this statement (43% to 37% respectively), many women also responded to their want or need to spend time with family in the open-ended portion of the survey. Below are three of their responses:

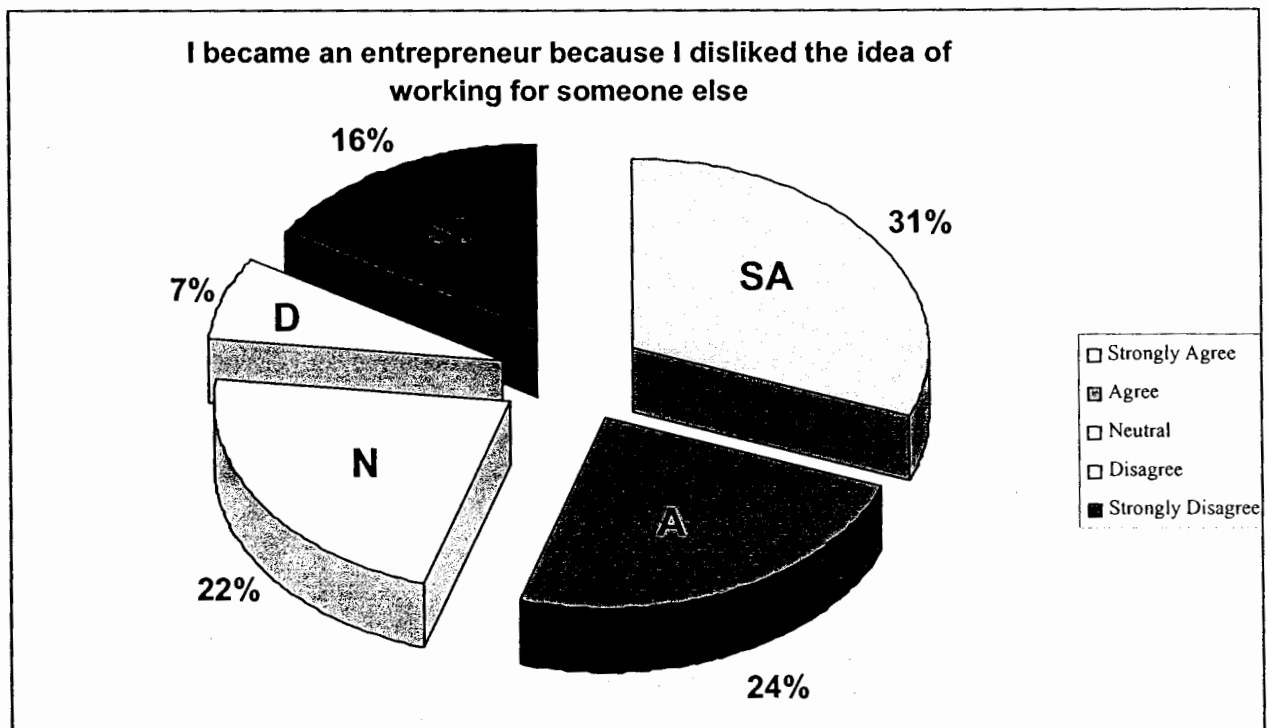
"Biggest factor is being able to manage my own schedule around my kids."

“I was laid off during my federally guaranteed 12 week maternity leave. I found a supportive business associate and we started to company together. I worked 3 days a week for 1 year following the birth of Kate. The balance of my effort was spent at night after the baby was asleep.... I could only obtain this mix of work at my own company.”

“The hours, flexibility to work from home and be with my children when they were small.”

Table 9

I became an entrepreneur because I disliked the idea of working for someone else.

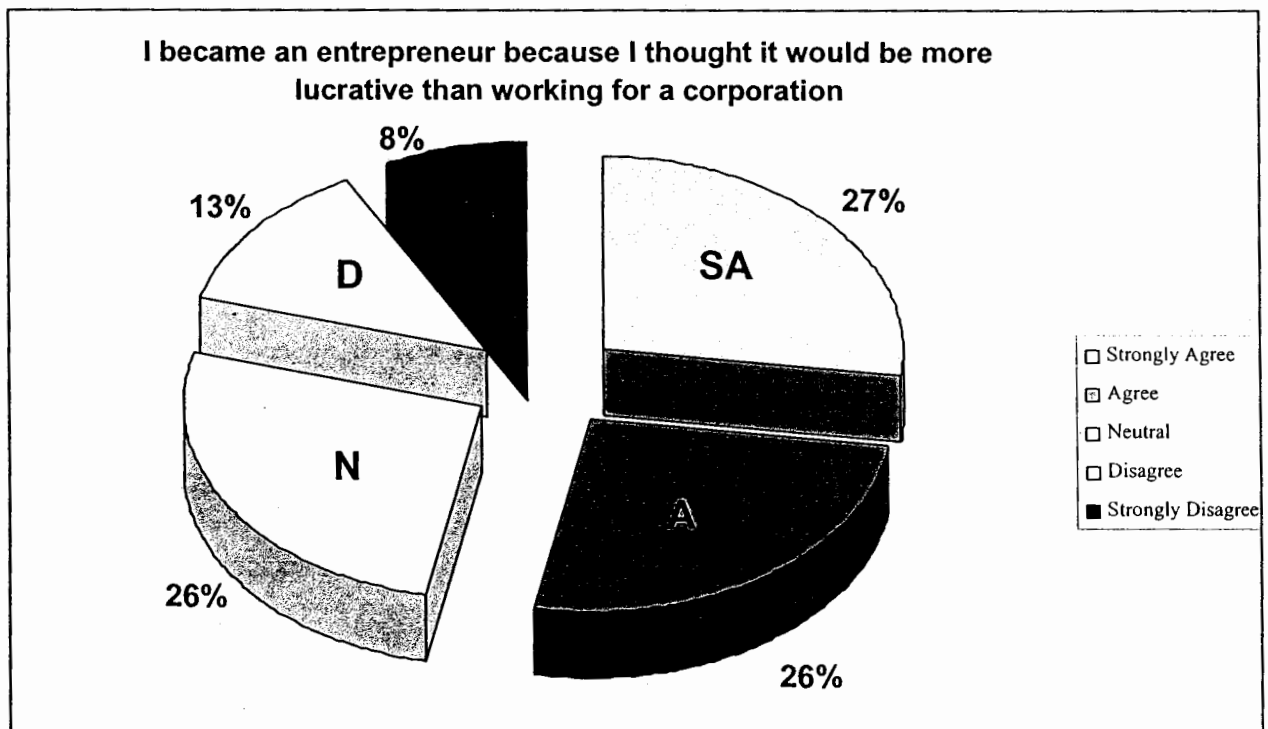


In response to the statement regarding the dislike of working for someone else, 31% of survey participants strongly agreed, 24% agreed, and 22% took a neutral position. Less than 25% disagreed overall with 7% disagreeing and 16% strongly disagreeing (See Table 9).

The 55% of agreeing participants were supported by some responses in the open-ended portion. One woman said she wanted *“to be free and create my own results.”* Other women complained about former superiors, saying, *“I worked for a company with crazy owners and eventually quit”* or *“I worked for a large company owned by a sexist male.”*

Table 10

I became an entrepreneur because I thought it would be more lucrative than working for a corporation.

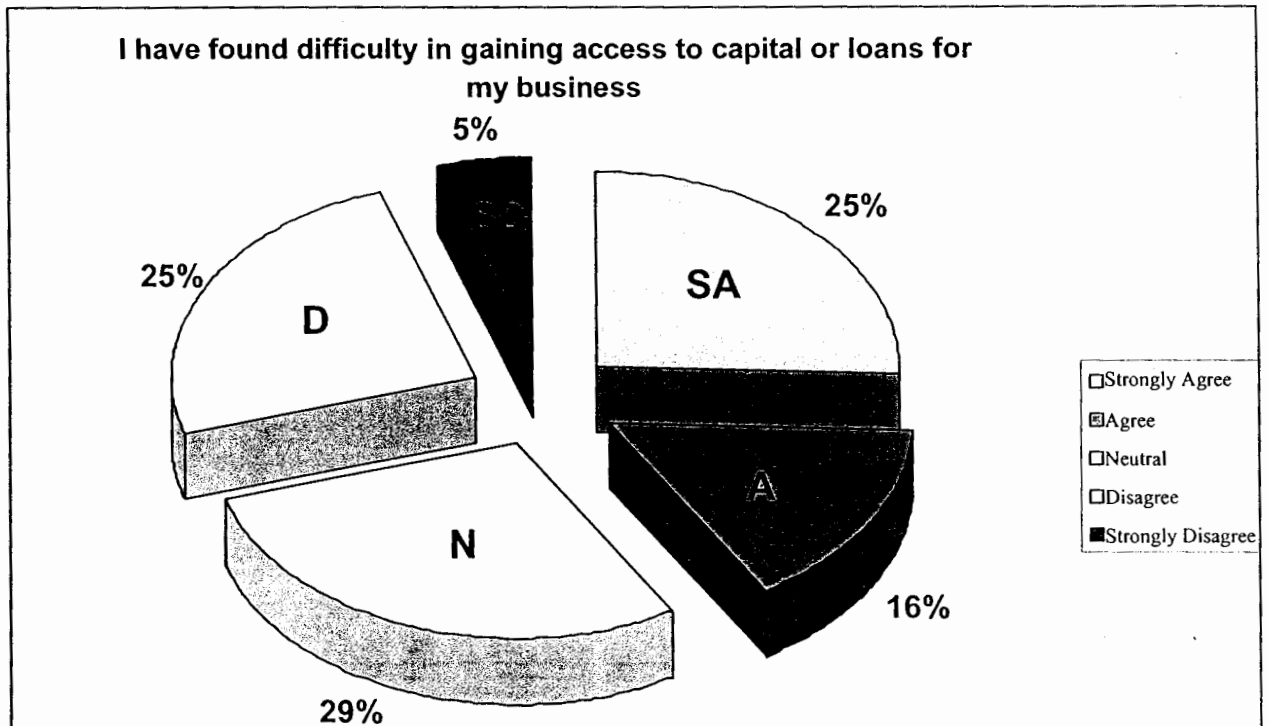


The majority of the women surveyed (53%) entered into entrepreneurship because they believed it to be more lucrative (27% strongly agreed and 26% agreed). Twenty-six percent of participants also had a neutral feeling, while 13% disagreed and 8% strongly disagreed (see Table 10).

It can be concluded from these results that most female entrepreneurs believe they have a better chance of making money as an entrepreneur, than as an employee for a corporation. One participant's idea about this was "*Sales income varies. If I need/want more income, I just sell more.*"

Table 11

I have found difficulty in gaining access to capital or loans for my business.



In regard to gaining capital or loans, 25% of women strongly agreed that they found difficulty. Sixteen percent agreed with the statement; the majority of women, at 29%, were neutral; 25% disagreed and 5% strongly disagreed (See Table 11).

The 41% of women who responded positively to the difficulty in gaining access to capital support the findings in Chapter Two. Furthermore, many women commented on access to capital in the open-ended portion of the survey. Some of their responses were:

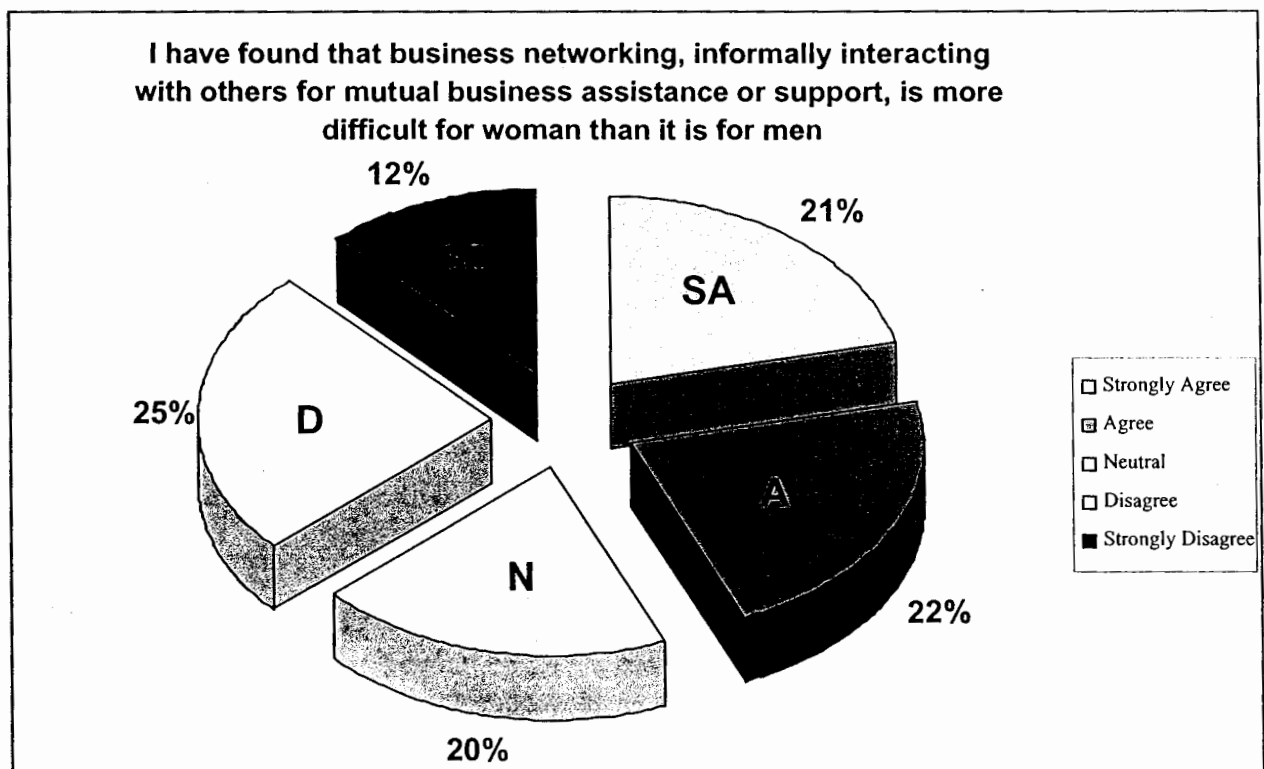
"It is still very much a 'men's' world. The financial business site is not 'women' oriented. I had to put in 100% of my assets to get an SBA loan from my bank. This having very good credit with my bank for over 15 years."

“...it was challenging to get capital, which led me to self-fund the first 12 years of the business, causing lots of personal stress.”

“The chief discouraging factor was financial. Without a partner, I could not obtain, nor solve the cash flow problem that kills a new business....”

Table 12

I have found that business networking, informally interacting with others for mutual business assistance or support, is more difficult for women than it is for men.



In regard to the statement about the difficulty of networking, the results of the surveyed women were fairly evenly distributed. Twenty-one percent strongly agreed that networking is more difficult for women than men; 22% agreed with the statement; 20% took a neutral position; 25% disagreed and 12 % strongly disagreed (See Table 12).

Although the survey results are inconclusive, several women also added comments in the open-ended portion of the survey:

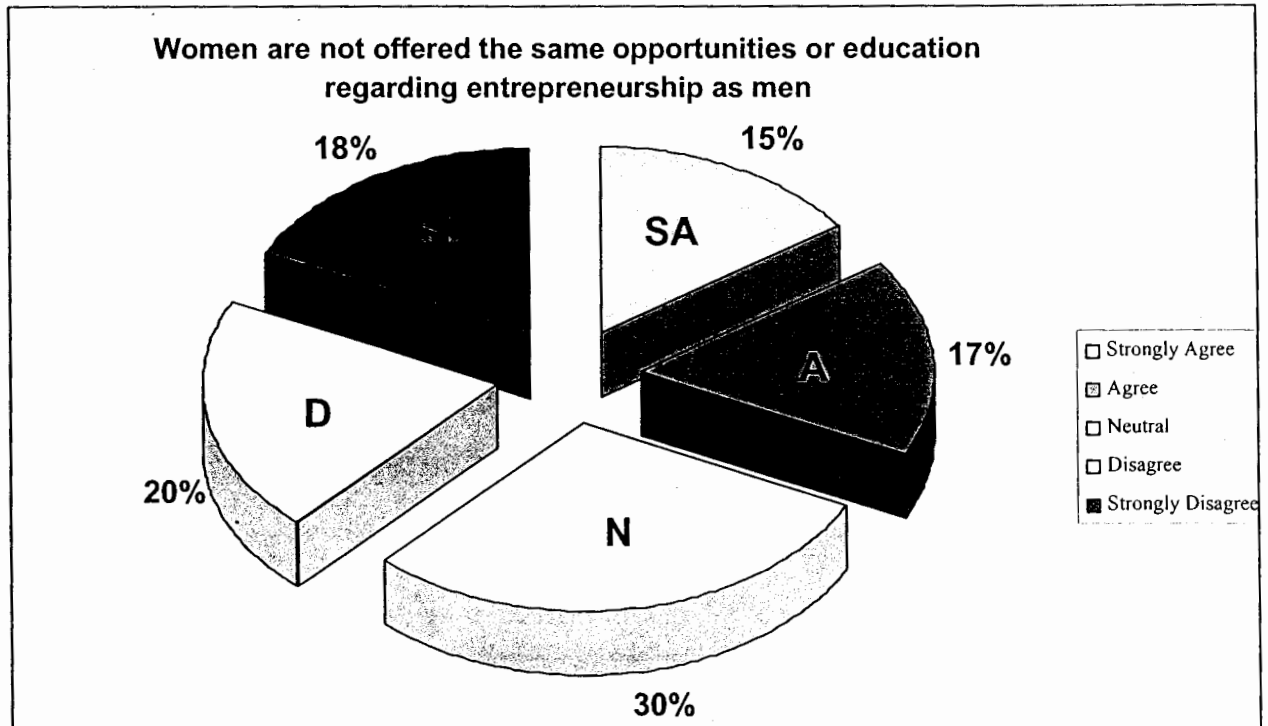
"I was and continue to be very discouraged at the difficulty I have networking. I run a business for the Department of Defense where the bonds between men are particularly strong."

"I found not being encouraged and supported by other business women to be discouraging."

"At the time I started my business there were few role models and other women entrepreneurs to share experiences."

Table 13

Women are not offered the same opportunities or education regarding entrepreneurship as men.

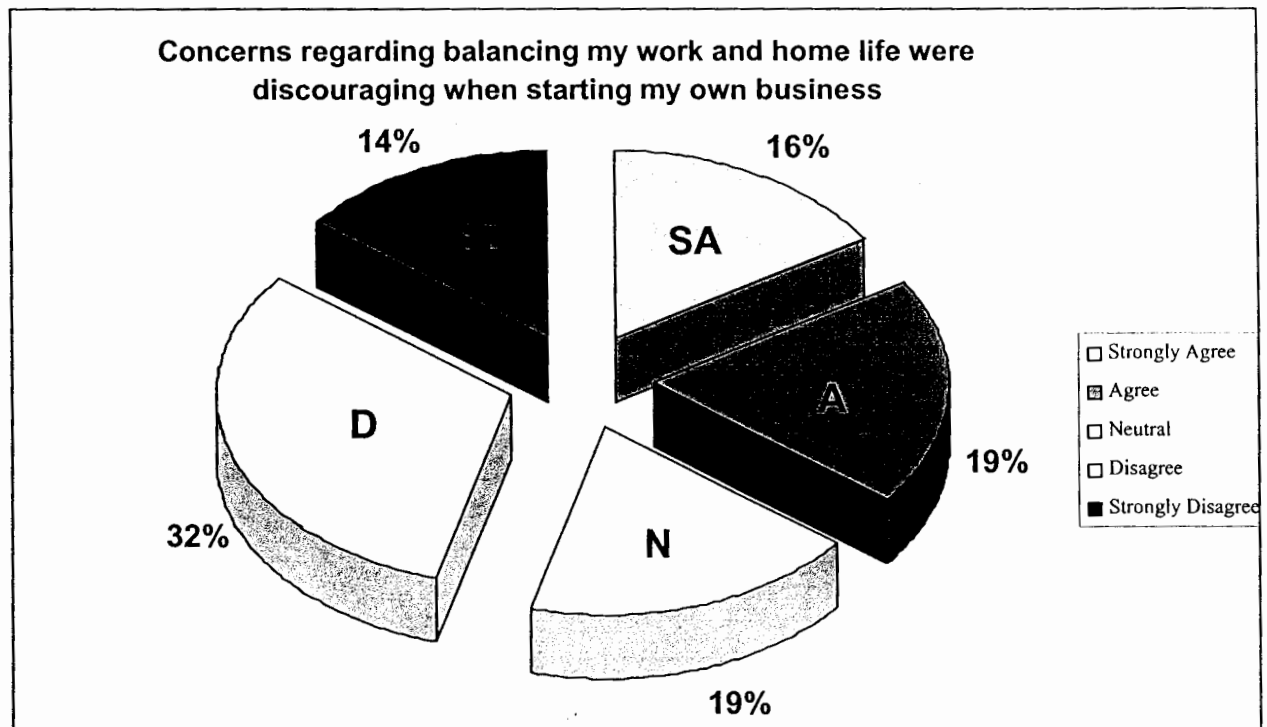


In terms of opportunities and education, 15% of the surveyed women strongly agreed that women are not offered the same circumstances as men. Seventeen percent agreed with the statement, 30% were neutral, 20% disagreed and 18% strongly disagreed (See Table 13).

Given the results of this survey, the majority of female entrepreneurs (38%) do not agree that women are offered different opportunities or education regarding entrepreneurship as men.

Table 14

Concerns regarding balancing my work and home life were discouraging when starting my own business.



Sixteen percent of women strongly agreed that they were discouraged from entering into entrepreneurship due to work vs. home life concerns. An equal amount of women (19%) responded that they either agreed or felt neutral to the statement. Thirty-two percent disagreed and 14% strongly disagreed (See Table 14).

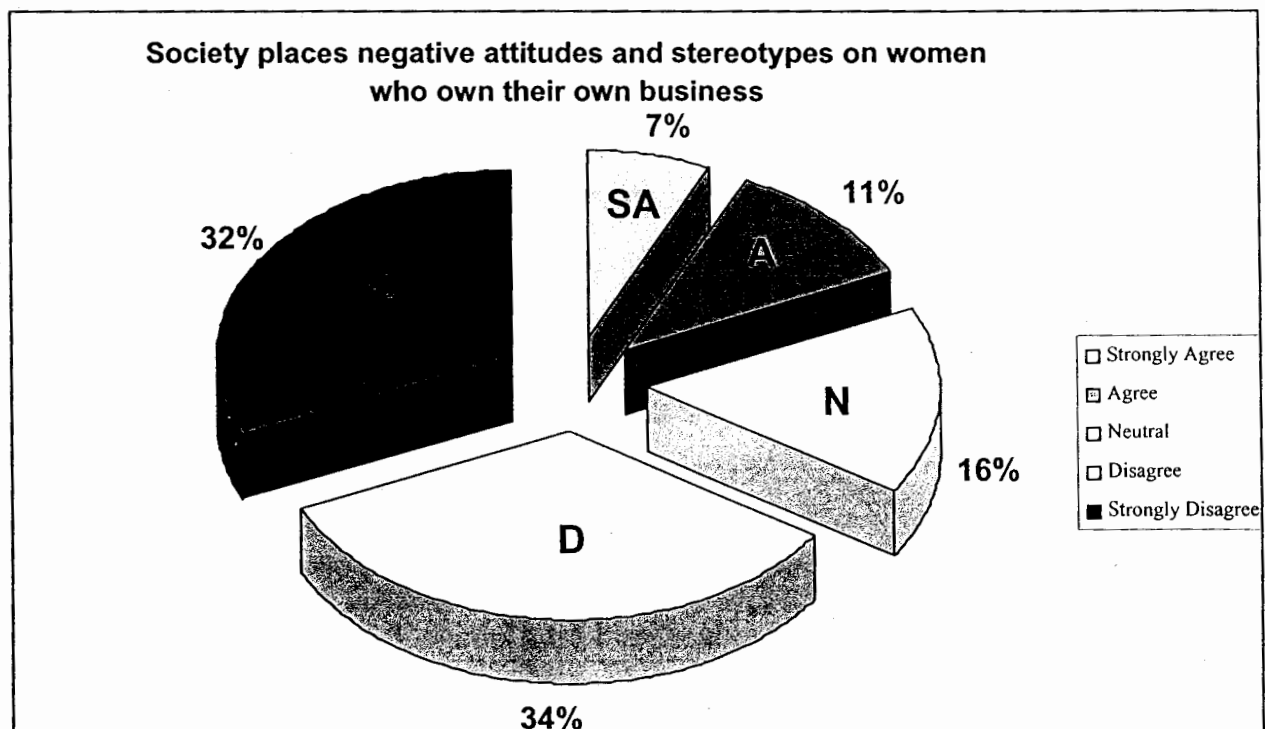
Given that nearly half of the respondents (46%) disagreed with the statement, it can be concluded from this survey that most female entrepreneurs were not discouraged by the concern

of balancing their work and home lives. One woman, however, provided this response in the open-ended portion of the survey:

“I knew the balance between work/home would be worse at first, but didn’t know how bad an effect it would have on my family. I thought that it would eventually be worth it. I didn’t make it to the ‘worth it’ part.”

Table 15

Society places negative attitudes and stereotypes on women who own their own business.

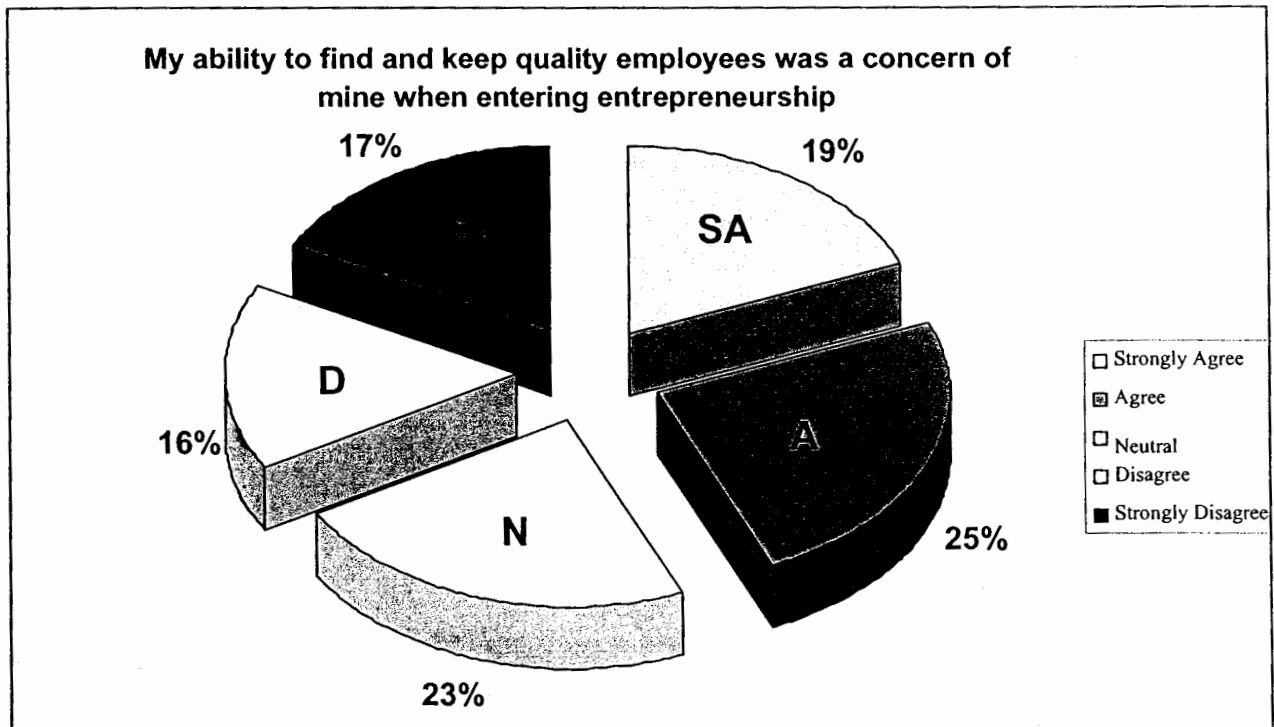


In response to society’s attitudes towards women-owned businesses, 18% agreed (7% strongly agreed and 11% agreed) with the above statement. Sixteen percent took a neutral position, 34% disagreed and 32% strongly disagreed (See Table 15).

These results clearly indicate that the majority of female entrepreneurs (66%) do not believe that society places negative attitudes and stereotypes of women who own their own business.

Table 16

My ability to find and keep quality employees was a concern of mine when entering entrepreneurship.



When asked to respond on their ability to find and keep quality employees, 19% of women strongly agreed that they found it difficult when entering into entrepreneurship. Twenty-five percent agreed, 23% were neutral, 16% disagreed and 17% strongly disagreed with the statement (See Table 16).

Since 44% of women agreed, it can be concluded from this survey that female entrepreneurs are discouraged by their concerns regarding employees. One woman added that the “responsibility for employee’s paychecks and benefits” was also a discouraging factor.

Conclusion

The survey provided valuable insight into this study of factors encouraging and discouraging female entrepreneurship in the United States. While some of the responses were fairly evenly distributed along the rating scale, many facets of the survey also supported the research findings from Chapter Two. It showed that the number one encouraging factor for women entering into entrepreneurship is the ability to set their own schedule. It also showed that although women no longer feel as strongly about the notion of the glass ceiling being a hindrance to their success, they continue to be discouraged by their difficulty in gaining access to capital.

The open-ended question portion of the survey offered respondents the opportunity to voice their own comments and personal experiences, which gave the study additional dimension. The responses of this survey reflected the variety of factors that continue to both encourage and discourage women in their pursuit of entrepreneurship.

CHAPTER FIVE: CONCLUSION & RECOMMENDATIONS

Review of Findings

Female entrepreneurs currently represent the fastest growing segment of the United States economy. The number of women-owned businesses is growing at an annual rate of 20 percent, compared with 10 percent overall, according to the U.S. Census Bureau (Fitzgerald, 2006, p. 52). Based on similar statistics, much research has been conducted by various organizations to determine the factors encouraging and discouraging female entrepreneurship in the United States.

Research revealed in the literature review suggested that the primary encouraging factors leading to female entrepreneurship included frustration with the glass ceiling, the flexibility in work/home scheduling, and the desire to fill lucrative market niches. Difficulty with networking and gaining access to capital were among the discouraging factors for women.

Although some of the survey results were evenly distributed over the measuring scale, and therefore inconclusive, many women responded similarly to scenarios that enabled certain factors to stand out.

- 77% of the women surveyed worked for a corporation before entering into entrepreneurship.
- 73% were driven by their desire to control their own hours and schedule.

- 66% do not believe that society places a negative attitude or stereotype on women-owned businesses.
- 55% disliked the idea of working for someone else.
- 54% were encouraged by finding a lucrative market niche that they wanted to fill.
- 53% thought it would be more lucrative to own their own business, rather than working for a corporation.
- 41% were discouraged by the difficulty in gaining access to capital or loans.

Most of the information gained from the survey was consistent with the research conducted in the literature review. One factor that I thought would stand out more in the survey results was the issue with the glass ceiling. Research suggested that frustration with the glass ceiling was an encouraging factor for women entering into entrepreneurship, however, only 28% of the women surveyed agreed. Therefore, it can be concluded that although the glass ceiling still may exist, it is not as an encouraging a factor for female entrepreneurs as, for example, flexibility.

Other notable factors consistently revealed in the open-ended portion of the survey were more personal encouraging aspects, such as the desire for new challenges, the ability to control one's destiny, and the need to become independent and feel fulfilled. Notable discouraging factors included basic fears – of failing, not getting paychecks or benefits, and of the unknown. The general uncertainty of any new venture can sometimes be enough to deter someone from taking the next step.

Answers

In Chapter One, five subsidiary questions were asked. Within the research conducted, the answers to those questions were found.

1. What role does the availability and use of technology play in encouraging or discouraging female entrepreneurship?

According to the survey administered, 41% of the women surveyed said technology was an encouraging factor in their decision to enter into entrepreneurship. Research shows that among women, home computers are clearly associated with higher levels of entrepreneurship. Not only does the use of technology allow women to better research information that is beneficial to starting a business, it also allows them to better market their business, or run a business from home – which is a key ingredient for female entrepreneurship since the survey revealed that 43% of women said their decision to become an entrepreneur was based on their want or need to spend more time with their families.

2. What role does the glass ceiling play in encouraging or discouraging female entrepreneurship?

Although evidence from the literature review states that a glass ceiling still exists in corporate America, the women who participated in the survey were almost evenly split on their feelings about the influence of the glass ceiling as an encouraging factor leading to female entrepreneurship. Therefore, although it may still play a role in some women's decisions to enter

into entrepreneurship, it can be concluded that the glass ceiling is no longer as much of a driving factor as it perhaps once was.

3. *Does gaining funding and venture capital continue to be an issue for women, namely when launching a new business?*

Both the literature review and the survey results reflect that women business owners continue to have difficulty in gaining adequate funding and loans. However, recent research shows that many lending organizations are recognizing the surge in women entrepreneurship that is outpacing the overall growth of startup businesses. For example, PNC Bank has announced plans to make \$4 billion in loans available to women-owned businesses during the next five years in eight U.S. states. A total of 320 loans went to businesses owned by women from October 1, 2005 through February 28, 2006, which is an increase of 14 percent from 282 during the same period a year earlier (Fitzgerald, 2006).

4. *What role does informal networking play in the encouragement or discouragement of female entrepreneurship?*

Forty-three percent of the women surveyed said they found difficulty in networking. Research also agreed and added that the absence of business networks can also be linked to the difficulty women face in getting to the negotiating table for business loans (Brush, 2005). Also, the struggle women face to balance work and home can leave less time for networking (Fitzgerald, 2006, p. 24).

5. *Are there common characteristics of female entrepreneurs?*

Although the motivation for entering into entrepreneurship differs for each woman, and the survey results were varied, research from Chapter Two shows that female entrepreneurs tend to exhibit endurance and hard working attitudes, along with a mixture of desires to feel independent and responsible for their own outcomes – whether they be business, personal, or both.

Future Research Recommendations

The research conducted in this study provides a preliminary insight into the factors that encourage women to enter into entrepreneurship, as well as those factors that pose as roadblocks hindering and discouraging women from starting their own business. It may be worthwhile for future researchers to explore those individual factors in greater detail. For example, why do so many female entrepreneurs continue to struggle with gaining access to capital? The U.S. government claims to provide equal opportunities and funding to both men and women startups, yet women are still struggling. Is there something about the way in which these government programs are administered and enforced that makes it more difficult for women to complete the process?

Furthermore, it may be interesting to delve deeper into the characteristics that constitute female entrepreneurs. For example, nearly 80% of the randomly selected survey participants were 40 years old or above. Yet, nearly 60% have been in entrepreneurship for less than 10 years, and 32% for one to five years. Based on these statistics, is it easier for older women to

succeed in entrepreneurship? Do factors such as years of corporate experience or spousal support better prepare a woman for entrepreneurship?

Not only did this study not concentrate on age, but the limitations described in Chapter One excluded characteristics such as race or area of inhabitation as factors for research. Further research could be done to compare how encouraging and discouraging factors influence women from different racial backgrounds, or how trends in female entrepreneurship differ in the United States compared to foreign countries.

Finally, it would also be beneficial to conduct the same or similar research five years from now to see if factors have changed. Since female entrepreneurship is booming now, will it be easier for women to start businesses in the future, or will they still be faced with the same societal pressures and problems?

Conclusion

Both the literature review and survey findings provided valuable insight into the mind and motivation of female entrepreneurs. This fastest growing segment of the U.S. economy has proved to be a force to be reckoned with. Some women are motivated by a sense of adventure and a desire to make a better living for themselves. Other women just like the thrill and challenge of it all. Some entrepreneurs start a business out of concern for their fellow human beings, or have been left with a bad taste of the “corporate” world. Although there are many hurdles to jump along the way, many women simply have the desire to leave their mark on the

world in some fundamental way. Whatever their reasons may be, women are no longer working hard and waiting for opportunities to come to them. They are now working hard, taking risks and creating the opportunities for themselves. As entrepreneurs, females have opened doors that in the past have seemed locked. With the rise of female entrepreneurship, we are entering an age where it is no longer women competing and thriving in a man's world, but where women are creating a world of their own.

References

- AFL – CIO. America's Union Movement. (2005). *Facts and Stats 2005*. Retrieved October 27, 2005 from , <http://www.aflcio.org/issues/factsstats/>
- Ahuja, J. (2005, April). Kauffman Center for Entrepreneurial Leadership Clearinghouse on Entrepreneurship Education. *Women's entrepreneurship in the United States*. Retrieved October 3, 2005 from, <http://www.celcee.edu/publications/digest/Dig05-02.html>
- Bednarzik, R.W. (2000, July). The role of entrepreneurship in U.S. and European job growth. *United States Department of Labor. Monthly Labor Review*.
- Brush, C., Carter, N., Gatewood, E., Greene, E., & Hart, M. (2005). Gatekeepers of venture growth: A Diana Project on the role and participation of women in the venture capital industry. [Electronic Version]. *Ewing Marion Kauffman Foundation*. Retrieved October 3, 2005 from, <http://www.kauffman.org/research.cfm?itemID=416>
- Business banking – Women: The key to future growth. (2005, August 31). *Bank Marketing International*. Retrieved September 30, 2005, from LexisNexis Academic database.
- Buttner, E. (2004). Female entrepreneurs: how far have they come? *Business Horizons*. Retrieved October 24, 2005 from, http://www.findarticles.com/p/articles/mi_m1038/is_n2_v26/ai_13815073/print
- Catalyst. (2005). *Women "take care," men "take charge."* New York, NY: Catalyst Publications
- Center for Women's Business Research. (2005). *Top facts about women-owned businesses*. Retrieved October 14, 2005 from, <http://www.nfwbo.org/topfacts.html>
- Cohn, R., Coleman, S. (2005). *Small firm use of leverage: A comparison of men and women-owned firms*. University of Hartford, 2005.
- Diversity Central. (2003). *Women in the workforce*. The GilDeane Group, Inc. Retrieved October 27, 2005 from, http://www.diversityhotwire.com/business/diversity_statistics.html#fem_workplace
- Fisher, A. (2004, July 18). Female entrepreneurs: Why women rule. *Fortune Small Business*. Retrieved October 3, 2005 from,

<http://www.fortune.com/fortune/smallbusiness/managing/articles/0,15114,654759,00.html>

Fitzgerald, B. (2006, March 2). PNC to pledge \$4B in loans to womens's firms by 2011. *The Star Ledger*. p. 52

Fitzgerald, B. (2006, February 22). Whetting women's appetities for leadership. *The Star Ledger*. pp. 17, 24.

Forté Foundation. (2005). *Entrepreneurship offers women path to power*. Retrieved October 3, 2005 from,
http://www.fortefoundation.org/site/PageServer?pagename=home_news

Kurtz, R. (Ed.). (2005, January 5). Engendering female entrepreneurs. *Business Week Online*. Retrieved September 20, 2005 from,
http://www.businessweek.com/smallbiz/content/feb2005/sb20050225_4652_sb013.htm

National Association of Women Business Owners, Cleveland Chapter; Jean Gianfagna, president. (2005, May 16). *Crain's Cleveland Business*, A-17. Retrieved September 30, 2005, from LexisNexis Academic database.

National Women's Business Council. (2005, March). *Women business owners and their enterprises*. Retrieved October 14, 2005 from, <http://www.nwbc.gov>

Palmerlee, A. (2002, July 11). *Text: U.S. underscores women's role in economic development*. United States Embassy. Retrieved October 27, 2005 from,
<http://japan.usembassy.gov/e/p/tp-gl10434.html>

Tannen, D. (1994). *Talking from 9 to 5. Women and men at work*. New York, NY: HarperCollins Publishers, Inc.

United States Chamber of Commerce Statistics and Research Center. (2005, February). *United States Business Facts*. Retrieved October 24, 2005 from,
<http://www.uschamber.com/research/bizfacts.htm>

United States Small Business Administration. Office of Advocacy. (2005, June). *Technology and entrepreneurship: A cross-industry analysis of access to computers and self-employment*. Washington, D.C.: Robert Fairlie. Retrieved October 4, 2005, from
<http://www.sba.gov/advo/research/rs259tot.pdf>

United States Small Business Administration. Office of Advocacy. (2005, September). *U.S. Sole Proprietorships: A Gender Comparison, 1985-2000*. Washington, D.C.: Ying Lowry. Retrieved October 4, 2005 from
<http://www.sba.gov/advo/research/rs263tot.pdf>

Weisband, P.H. (2001, July 31). Jeanette M. Oppedisano, historical encyclopedia of American women entrepreneurs: 1776 to the present. *Feminist Collections*, 22. Retrieved October 1, 2005, from Proquest database.

<http://proquest.umi.com.ezproxy.shu.edu/pqdweb?did=494971391&sid=3&Fmt=3&clientld=5171&ROT=309&VName=PQD>

Appendix A

Survey

Factors Encouraging and Discouraging Female Entrepreneurship in the United States

According to the Center for Women's Business Research, females are starting businesses at a faster rate than ever before. Women owned businesses constitute the fastest growing segment of the United States economy.

The purpose of the following survey is to gain a better perspective on the factors encouraging and discouraging female entrepreneurship in the United States. This survey is being conducted as part of a thesis project for Seton Hall University's Masters of Arts in Corporate and Public Communication. Only females who own and operate a business are required for this survey. If you do not fit that description, thank you for your time, but please do not continue to the next page.

The survey should take approximately ten minutes. Please be sure to complete the survey by answering all questions to the best of your ability. All answers will be kept confidential and final results will be available via email at patterka@shu.edu.

Thank you for taking your time to share your opinions on this topic. Your input is greatly appreciated.

Katie Patterson

Questions 1 and 2 are optional demographic questions. Please select one box for each question.

1. What is your age range?

18-29 30-39 40-49 50-59 60 and above

2. For how many years have you been an entrepreneur?

1-5 years 6-10 years 11-15 years 16-20 years Over 20 years

For questions 3 through 16, please rate the statements, using the below key, based on your experience as a female entrepreneur. Please circle your response.

Key:

SA = Strongly Agree

A = Agree

N = Neutral

D = Disagree

SD = Strongly Disagree

- | | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|---|---|---|----|
| 3. I spent time working for a corporation before deciding to enter into entrepreneurship. | SA | A | N | D | SD |
| 4. The idea of a "Glass Ceiling," hindering the advancement of women in the corporate world, played a role in encouraging my decision to become an entrepreneur. | SA | A | N | D | SD |
| 5. Access to technology encouraged my transition to entrepreneurship. | SA | A | N | D | SD |
| 6. I decided to become an entrepreneur because I saw a lucrative market niche and decided to fill it. | SA | A | N | D | SD |
| 7. My desire to control my own hours/schedule played a role in encouraging my decision to become an entrepreneur | SA | A | N | D | SD |
| 8. My decision to become an entrepreneur was based on my want/need to spend more time with my family. | SA | A | N | D | SD |
| 9. I became an entrepreneur because I disliked the idea | SA | A | N | D | SD |

of working for someone else.

- | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|---|---|---|----|
| 10. I became an entrepreneur because I thought it would be more lucrative than working for a corporation. | SA | A | N | D | SD |
| 11. I have found difficulty in gaining access to capital or loans for my business. | SA | A | N | D | SD |
| 12. I have found that business networking, informally interacting with others for mutual business assistance or support, is more difficult for women than it is for men. | SA | A | N | D | SD |
| 13. Women are not offered the same opportunities or education regarding entrepreneurship as men. | SA | A | N | D | SD |
| 14. Concerns regarding balancing my work and home life were discouraging when starting my own business. | SA | A | N | D | SD |
| 15. Society places negative attitudes and stereotypes on women who own their own businesses. | SA | A | N | D | SD |
| 16. My ability to find and keep quality employees was a concern of mine when entering entrepreneurship. | SA | A | N | D | SD |

For questions 17 and 18, please write your answer in the space provided

17. What, if any, other factors helped encourage your decision to become a female entrepreneur?

18. What, if any, other factors discouraged your decision to become a female entrepreneur?
