



Being a Woman Business Owner



Michigan Celebrates
Small Business



Introduction

Today in the United States, women business owners are gaining ground like never before — and there's no letup in sight! But with a series of barriers to face, women entrepreneurs still have a long way to go.

Where We Are

According to the [2017 State of Women-Owned Businesses Report](#)¹,
"As of January 2017, there are an estimated

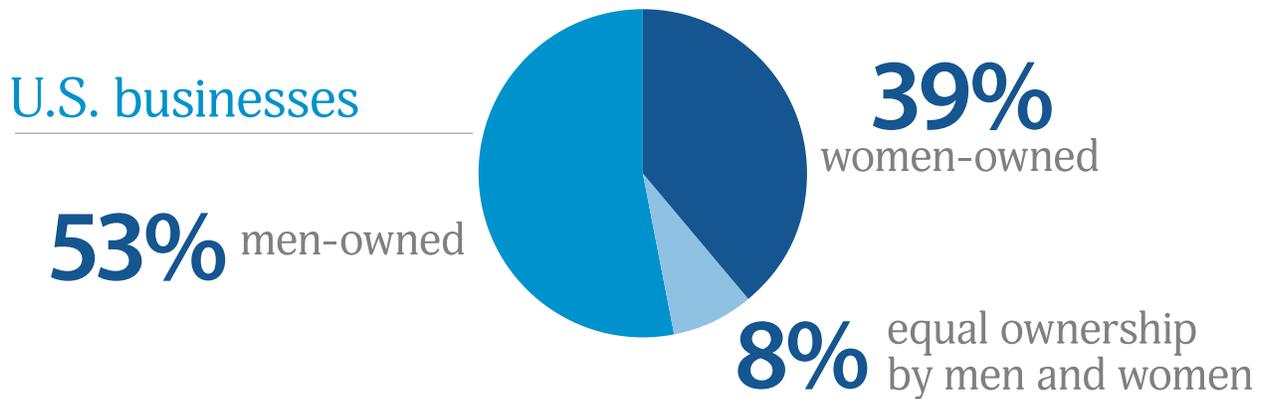
11,600,000
women-owned businesses

in the United States that employ nearly 9 million people and generate more than \$1.7 trillion in revenues."

nearly
9,000,000
employees

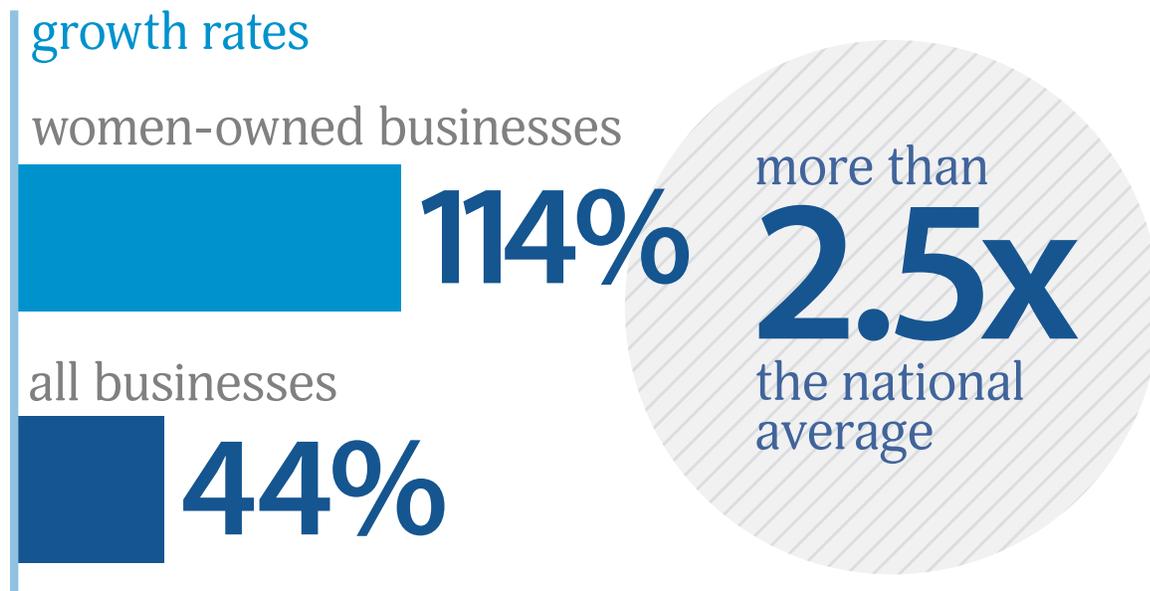
\$1,700,000,000,000+
in revenues

Relative to all U.S. businesses enterprises, the report notes, "Women-owned businesses now account for 39% of all U.S. firms, employ 8% of the total private sector workforce and contribute 4.2% of total business revenues. The combination of women-owned businesses and firms equally-owned by men and women account for 47% of all businesses. These firms employ 14% of the workforce and generate 7% of revenues."



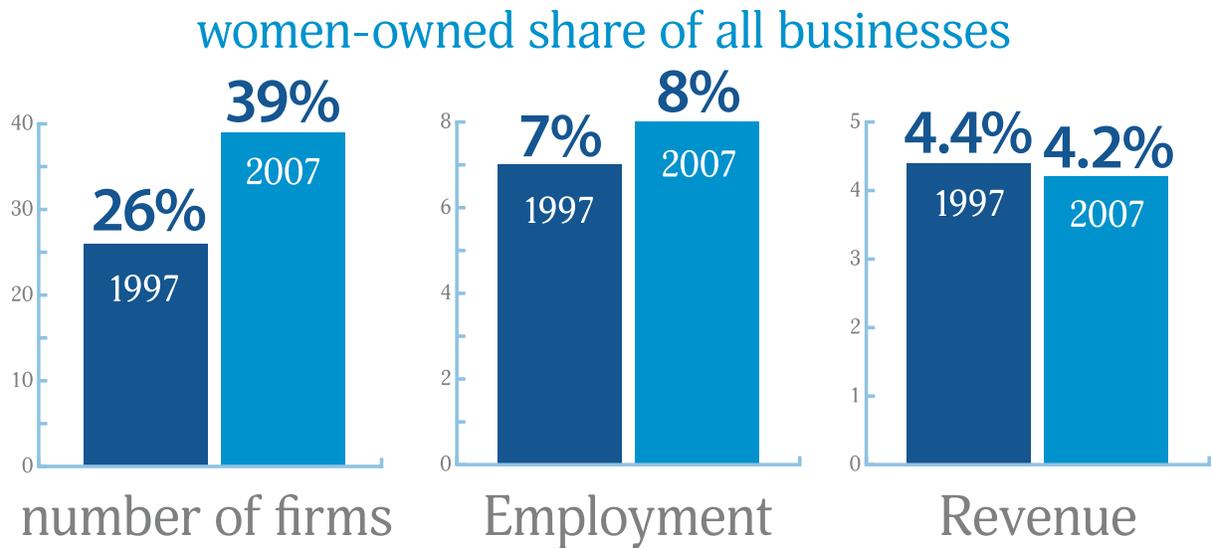
¹The "2017 State of Women-Owned Businesses Report" prepared for American Express by Ventureneer with the support of Core Women.

Overall, the report notes the women-owned business sector has grown 114 percent in just the 20 years spanning 1997 to 2017, which is "a growth rate more than 2.5 times the national average." Aligned with those numbers, says the report, are employment growth rates over the same period which were 27 percent for women-owned businesses versus 13 percent for all businesses combined.



However, the report also shows the number of women-owned firms has far outpaced the growth in both revenue and employment in the sector.

“Indeed, while the share of the number of firms from 1997 to 2017 grew from 26% to 39%, the share for employment only grew from 7% to 8%, and for revenues, the share declined slightly from 4.4% to 4.2%. Closing this gap could be a key to creating more jobs.”



There are
35,963
women-owned
businesses in Michigan

The search was performed by AIM (a women-owned business) using the D&B Hoovers™ database. AIM is certified WBENC and WOSB.



Where We Need to Be

Even as more women are grabbing the brass ring of business ownership, there remain many obstacles and inconsistencies to acknowledge and overcome.

In a report by Senator Jeanne Shaheen, Ranking Member, U.S. Senate Committee on Small Business & Entrepreneurship, several realities and perceptions are examined in the light of this new day.

Titled, "[Tackling the Gender Gap, What Women Entrepreneurs Need to Thrive](#)," the report analyzes what is causing the gender gap that, even in the 21st century, prevents women-owned businesses from earning as much revenue as male-owned businesses and slows the growth of women-owned businesses compared to that of businesses owned by men. These include:

1 A lack of mentors and advisors for women entrepreneurs.

The report [cites research](#) that shows even as few as three hours of counseling can mean increased revenues and higher employment growth for women-owned businesses.

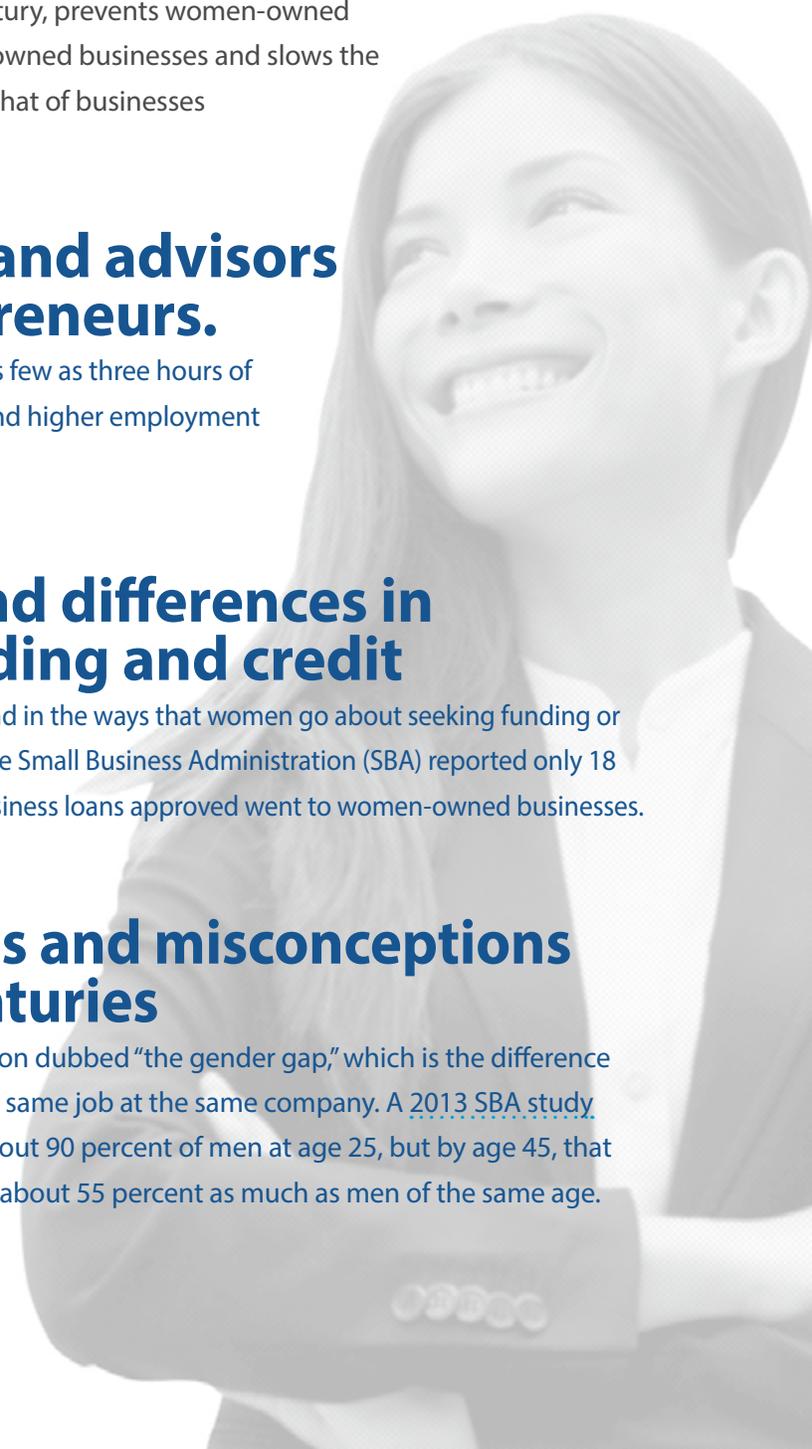
2 Disparities and differences in access to funding and credit

for women-owned businesses and in the ways that women go about seeking funding or resisting it altogether. In 2016, the Small Business Administration (SBA) reported only 18 percent of 7(a) and 504 small business loans approved went to women-owned businesses.

3 Societal perceptions and misconceptions developed over centuries

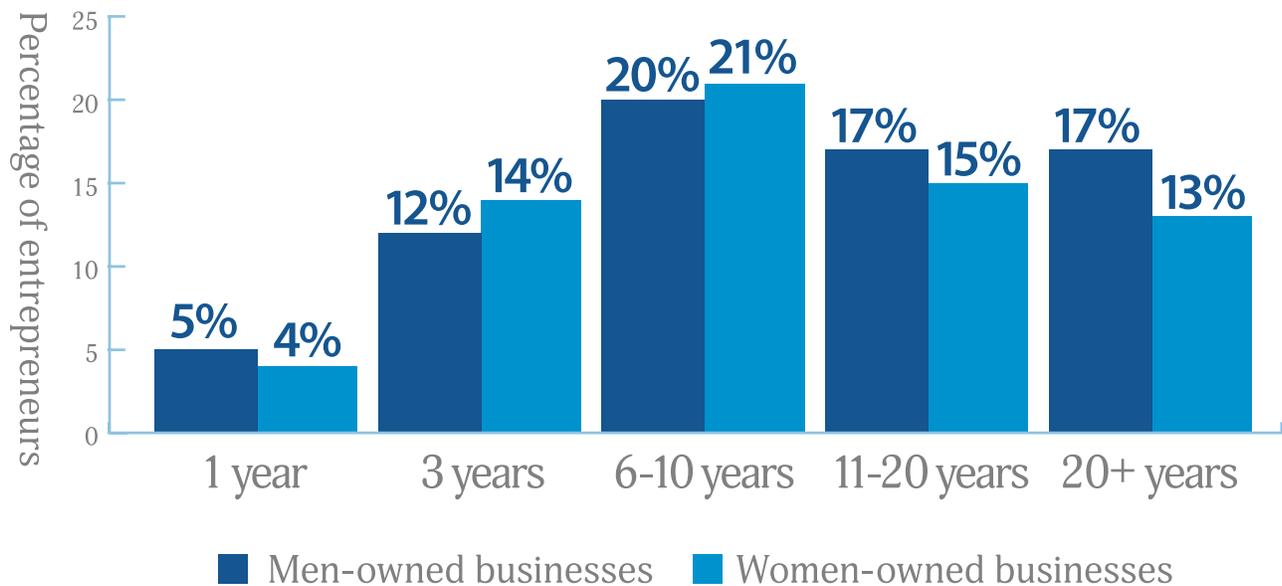
have resulted in an inexplicable phenomenon dubbed "the gender gap," which is the difference in pay between women and men doing the same job at the same company. A [2013 SBA study](#) showed college-educated women make about 90 percent of men at age 25, but by age 45, that disparity widens so that women make only about 55 percent as much as men of the same age.

4 Being a Woman Business Owner



How We Will Get There

business longevity



"The Megaphone Of Main Street: Women's Entrepreneurship, Infographic #1: Women-Owned Business Success."
Score.org, 23 Apr. 2018, www.score.org/resource/infographic/megaphone-main-street-women-business-success.

It's been 30 years since [The Women's Business Ownership Act, H.R. 5050](#) was passed, and women businesses owners have many hurdles to clear. Once these hurdles are acknowledged, we can find ways to get over them. This guide looks at the above topics (and more) that are complicit in making it harder for women to succeed and defines ways to eliminate or minimize them. The goal is to help women rise above the status quo through intelligent, relevant and realistic solutions. Working together, women can realize all the benefits of business success and, in turn, bring forward the next generation to achieve even greater things.

Critical Communication

No matter what your business endeavor is, a time will come when you have to learn how to be a sales person. You may have to sell your product or service to begin your business, or sell a great idea to receive funding. For many, starting out means selling yourself as a viable business woman capable of success in a highly competitive marketplace. In short, to sell is to survive.

Once you've mastered the fundamentals of selling, you can move on to learning negotiating skills, another essential ingredient for success. First, you sell someone on the idea, the product or service, or your capabilities, and then you negotiate the terms of the sales agreement.

Along the way, you will learn to speak confidently with poise and authority, and then to collaborate, which is more relationship based. Let's take a look at each step.

Selling

As a profession, sales has been given a bad rap. Fictional portrayals of salespeople illustrate them as pushy, demanding, and often dishonest. They'll do anything to make the sale. Maybe the stereotype lives on in the movies, but in real life, selling is less push and more pull. Rather than trying to persuade someone they need something, talented sales people strive first to identify those who can benefit from an offering. It's about building rapport, being upfront, and solving a problem.

To better understand how to sell well, think of the last time you had a good experience with a salesperson. Why was it good? Did the salesperson listen to your needs and desires? Did they offer suggestions or take pains to find precisely what product you needed at the price you were able to pay? In the end, did you make the purchase? The goal is to make the customer happy so they come back the next time they need your product, your service, or you.

When honing your sales skills, listen to what other women entrepreneurs have to say about conquering the sales learning curve. The benefit of learning how to sell is that you will know when you have succeeded. While you may not always make the sale, you will certainly gain a bit more expertise each time you try.



“It's about building rapport, being upfront, and solving a problem.”

Negotiating

Negotiating isn't always a part of the sales process, but when it is, you want to know how to do it well; you may only get one chance. You will find the art of negotiation valuable in many areas of life, from dealing with touchy co-workers to raising kids to getting a raise.

Before you begin learning about negotiating, keep in mind that women and men negotiate differently. Historically, men have fared better than women. In an April 2018 Harvard Law School blog titled, "[Women and Negotiation: Narrowing the Gender Gap in Negotiation](#)," the reasons are spelled out:

- 1 Women negotiate better on behalf of those **other than themselves**.
- 2 The less negotiating experience, the **greater the gap** between men and women.
- 3 Women negotiate better when they receive a **bargaining range** and can **research** necessary information.

Additional insights about negotiating can be found in [a video with Susan Packard](#), co-founder of Scripps Network Interactive and former chief operating officer of HGTV. The presentation was made in 2016 at a Women's History Month celebration with PNC Bank and the Committee of 200.

Collaboration

The longer you're in the business world, especially as an entrepreneur, the sooner you will begin to see the correlation between selling, negotiating, and collaborating. Each is a step in the relationship-building process an entrepreneur goes through on the road to success. But collaboration in business is not only between seller and buyer, it should also be between coworkers. Share the intelligence as well as the problems; build a teamwork structure unique to your staff and business situation; share the rewards from sales successes. In short, communicate openly and regularly using the most appropriate technology.

Of course, narrowing the choices of technology that are currently available is no small task, but several online blogs and articles offer useful insights. Three good articles are TechRadar.com's "[6 best team collaboration and communication tools 2018](#)," PC Magazine's "[The Best Online Collaboration Software of 2018](#)," and Business News Daily's, "[14 Collaboration Tools for Small Business](#)." Although no tool is perfect, these three sources look at the best apps and provide advice about choosing one for your team. The SCORE blog also provides a good look at collaboration tools and shows how others are using them in their small businesses.

collaboration
results in
26%
faster growth



& **21%**
higher profits



"Infographic: Online Collaboration Tools for Your Small Business." *Score.org*, 14 Aug. 2017, www.score.org/resource/infographic-online-collaboration-tools-your-small-business.

Fierce Speech

No discussion of critical communication would be complete without addressing the need for women in all walks of business (and life, for that matter) to speak up when they have something to contribute. An idea shouldn't have to be of earthshaking importance for a woman to join in. But, historically, women have not joined in debates and discussions when men have the floor and are often met with criticism when they do.

A woman with curly hair, wearing a dark sleeveless top, stands in a meeting room, gesturing with her right hand as if speaking. She is smiling. Several other people are seated around a table in front of her, listening. The room has a white brick wall and a large window in the background. A blue speech bubble is overlaid on the image, containing text.

A recent Forbes article was written by “brave leadership” authority Margie Warrell. The article, “Women, Use ‘Power Language’ To Speak Up, Stand Out and Get Ahead,” takes a close look at what’s happening, how we can repair what’s broken, and how to move forward. This eye opener forces women to look inward and admit that they can hinder themselves with the wrong words.

Resources

Mentoring is one of the best ways women entrepreneurs can get the knowledge, expertise, and opinions they need to improve their sales, negotiation, and collaboration skills. Here is a list of several tried and true organizations:

SCORE partners with the SBA and has more than **10,000 volunteers**, all experts in business, working through **300 chapters** nationwide. The organization has more than **50 years** of experience mentoring business owners and is one of the best resources available. SCORE also offers [workshops on a variety of topics](#) and has a [resource library](#) you can browse.

C200, a group recognized for “making a profound impact on the advancement of women in business,” provides a “Protégé Program for Entrepreneurs” and other help for women in business.

If real sales training is what you need, this article at [Ambition.com](#), “[12 Amazing Sales and Training Coaching Sites](#),” can point you toward some free resources.

Small Business Development Centers are in every state and provide the knowledge, education, and expertise small businesses need to overcome challenges and discover new opportunities.

In 2017, SBDCs across the nation helped **192,205 entrepreneurs** with business consulting and provided **261,369 entrepreneurs** with training. **46%** of these **small businesses** were women.

The PNC Financial Services Group, Inc.’s [Insights for Women in Business website](#) has a variety of articles in each issue on diverse topics, including negotiating. You can also subscribe to receive three brief articles every other month in your inbox.

The National Association of Women Sales Professionals™ website has a wealth of resources to help improve your saleswomanship.

Decision Making

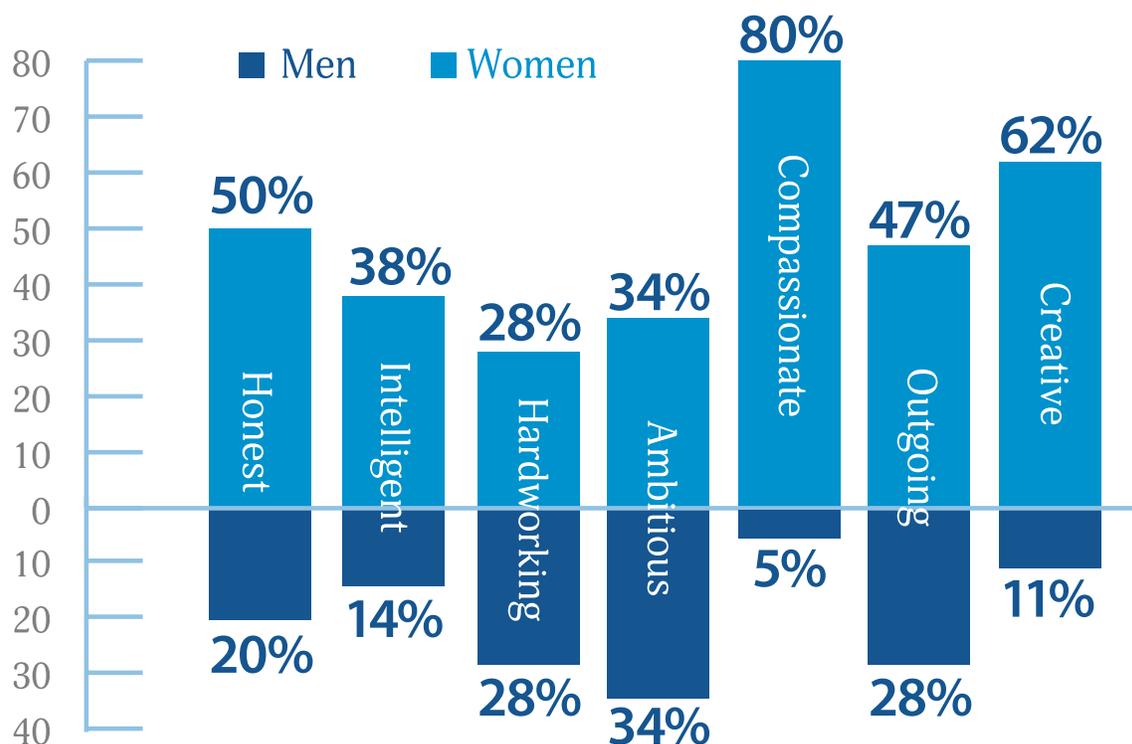
Leadership

According to the 2008 Pew Research Center report, “Men or Women: Who’s the Better Leader,” the public believes women have all the best traits essential to being good political leaders. In fact, the public’s ranking of women exceeded that of men in all but two categories — ambition and hard work — in which women tied men.

Next, however, the public was asked if women make better political leaders than men and just 6 percent said yes. Of the remainder surveyed, 21 percent said men make better leaders, and 60 percent said men and women are equal as leaders.

leadership traits

Percentage saying this trait is more true of...



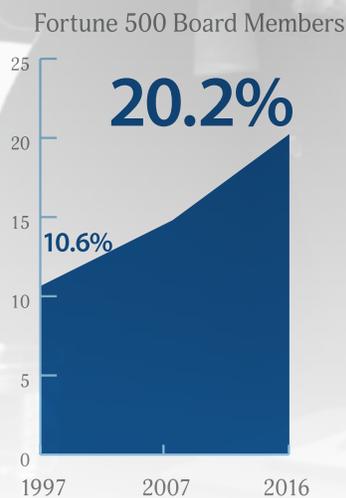
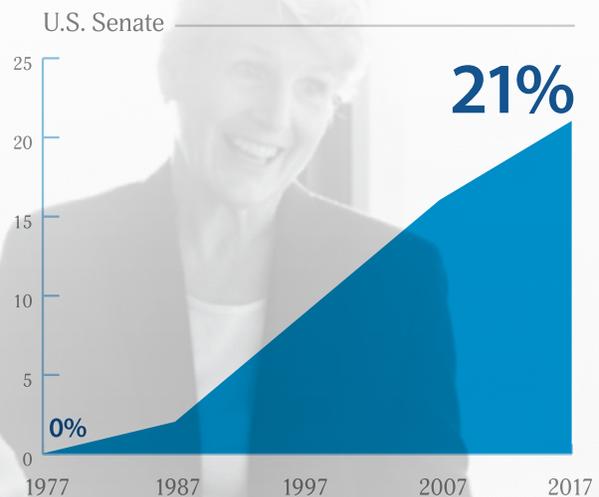
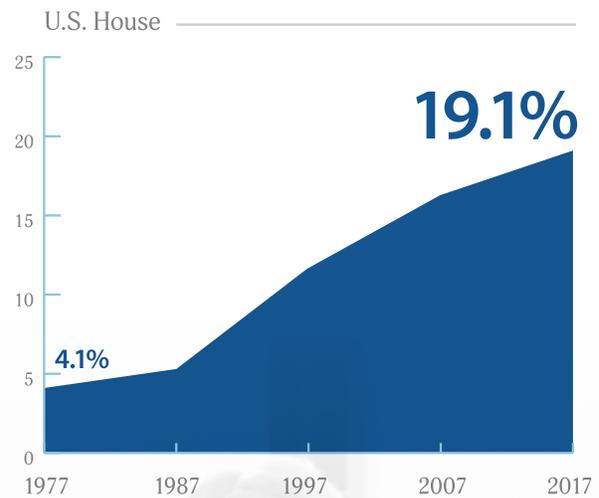
“Men or Women: Who’s the Better Leader?” Pew Research Center’s Social & Demographic Trends Project, 25 Aug. 2008, www.pewsocialtrends.org/2008/08/25/men-or-women-whos-the-better-leader/.

What does this mean for women in business? It means women still struggle for the recognition they deserve and the positions of power they have earned. According to a 2017 Pew Research Center report, “[The Data on Women Leaders](#),” there are 21 women in the U.S. Senate (21 percent) and 83 in the U.S. House of Representatives (19.1 percent). These are at or near historic highs. In the private sector, the numbers are no better. As of 2017, only 5.4 percent of Fortune 500 CEOs were women, and 20.2 percent of Fortune 500 board members were women.

The problem is one of perception. It is ingrained in both women and men to see men as leaders, but not women. Humans are hardwired this way. Study after study shows that even when women speak or act as well as or better than men in the same business situations, women are discounted and men are raised up. To better understand the phenomenon, [Catalyst.org](#) offers several enlightening reports on what they call “[unconscious bias](#).”

The cure begins with getting more women into leadership positions so that the overall perception of normal can change. After all, there was a time when if you asked someone to imagine a car driver, they would picture a man behind the wheel because driving wasn’t yet something women did. It’s time again to change the status quo.

share of women in leadership roles



Risk Management

Women and men are different in so many ways; it's not surprising that we manage risk differently. Or do they? Traditionally women have been considered risk-averse, and men risk takers, but a 2016 Canadian study shows that may no longer be the case. "[A Force to Reckon With — Women, Entrepreneurship and Risk](#)," was published by BMO Bank of Montreal, The Beacon Agency, and Carlton University. While the piece primarily covers Canadian women entrepreneurs, it speaks to all women that things are changing.

For example, the study states the growth of women-owned businesses, even throughout the last recession, has been solid, "more than doubling since 1996." The study notes that this steady growth shows "self-employed women are committed to 'fostering entrepreneurship — investment in large, long gestation, innovative, and risky activities.'" Other indicators include "no significant difference" between the economic growth of women-owned businesses and those owned by men, and that women entrepreneurs were as innovative as their male counterparts during the period from 2008 to 2011. Since economic growth and innovation both require risk-taking, it appears at least one study backs up women as risk takers.

“ Existing literature and studies place too much emphasis on taking risk as the ultimate goal. Such overemphasis on risk mainly stems from the tendency to frame it with an outcome-oriented vocabulary such as ‘take’ risk, ‘avoid’ risk, and ‘averse’ risk, which leads many people to intentionally or unintentionally focus more on the outcome of female and male entrepreneur’s risk-taking behaviour. It is also important to distinguish ‘rational’ decisions pertaining to risk and ‘irrational’ decisions involving risk. ”



Resources

The Michigan Association for Female Entrepreneurs' Leadership Institute is an ongoing leadership training program spanning many facets of women in business by connecting women with their peers to understand and embrace the challenges facing women and to find ways to overcome them.

The SBA offers a free downloadable Financial Education Curriculum that provides general guidance on identifying risk, situations and factors that affect risk, warning signs, and risk management planning.

Inforum, the Mike Ilitch School of Business at Wayne State University, and PNC Bank recently published a look at Michigan women in business in the report, "Women's Leadership in Michigan Top Public Companies." In addition to documenting "the progress of women at the highest levels of leadership in Michigan's largest companies," the study calls on business leaders of both genders "to make a personal commitment to diversity and tie it to measurable, ongoing goals."

The Small Business Association of Michigan (SBAM) offers a unique opportunity for small business owners to collaborate and interact on an on-going basis. SBAM's statewide Leadership Council, for second stage business owners' meetings three times a year. SBAM also offers regional business owner to owner meetings across the state. Visit www.sbam.org for more information.

Financial Business Matters

One of the most problematic challenges facing women entrepreneurs is gaining access to capital. This limitation is, again, uniquely female and one of the leading factors for women-owned businesses to stagnate, rather than grow. In March 2018, the report, [“Women Business Owners’ Access to Capital Literature Review,”](#) was released by the National Women’s Business Council and gathered information from a broad range of peer-reviewed sources to illustrate the problems women face gaining business funding.

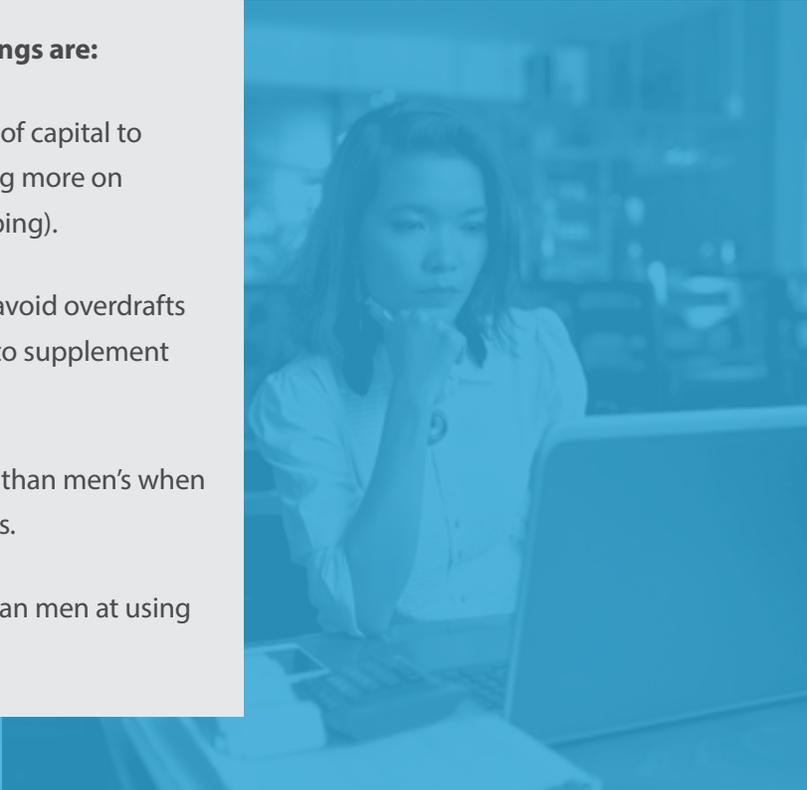
Among the report’s key findings are:

Women raise smaller amounts of capital to finance their companies, relying more on personal financing (bootstrapping).

Women use bootstrapping to avoid overdrafts while men use bootstrapping to supplement overdrafts.

Women’s networks are weaker than men’s when it comes to economic resources.

Women are more successful than men at using crowdfunding as seed capital.



In a 2017 report by Fundera titled, [“State of Small Business Lending: Spotlight on Women Entrepreneurs,”](#) the company compared changes since their 2016 report and came up with some encouraging statistics:

In four of the company’s loan product categories — SBA loans, credit line builder and short- and medium-term lines of credit — women qualified for **larger loans than men.**

In three loan product categories — medium-term lines of credit, invoice financing, and credit line builders — women qualified, on average, for a **lower annual percentage rate (APR) than men.**

However, some things have not improved:

Women entrepreneurs continue to apply for business loans less often than men and at lower amounts than men.

Since the 2016 report, the company determined,

“women have asked for an average of **\$77,000**”

“men have asked for an average of **\$109,600**”

2017 Fundera report, “State of Small Business Lending: Spotlight on Women Entrepreneurs”

There are many theories about why women seek less funding less frequently, including the gender gap in pay and lending, the fear of losing control of the business, and other, more speculative reasons. What’s more important is to zero in on the results of such inaction.

According to the [2017 State of Women-Owned Businesses Report](#), even as women are starting small businesses “at a rate that’s five times the national average,” which equates to about 1,000 new businesses each day, women employ only about 8 percent of private sector workers. In dollars and cents that means that while women-owned businesses generated revenues of \$1.6 trillion, that equaled only 4 percent of the entire revenue of the U.S.

Additionally, the Fundera report states, “Counterintuitively, while this growth rate steadily increases, the proportion of the nation’s total revenue from women-owned businesses hasn’t budged in 20 years.”

The bottom line with business is often as simple as, “It takes money to make money.” Without adequate financing, a business cannot grow, take on more employees, expand product and service lines, or remain up to date with technology and other capital needs. All of those conspire to keep revenues down which helps explain why Fundera reports, “...in the past year, women-owned businesses that applied for funding through Fundera earned an average of \$135,000 in annual revenue while their male counterparts earned an average of \$232,074.”

With the gender gap dragged into the light of day, this may be the best time in history for women in business. But the onus is on women to show they are not risk-averse, just savvy when they take appropriate steps to plan for growth and expansion, and how to gain the capital necessary to make it happen.

Resources

More and more, lending institutions are realizing the importance of serving the financial needs of women entrepreneurs. One of these is [PNC Bank](#) through its [Women's Business Development](#) program that has more than 1,800 PNC-Certified Women's Business Advocates "who work to meet the financial needs and well-being of female financial decision-makers..." You can also connect with PNC on LinkedIn and join the community for advice and expertise.

Another great source is PNC's magazine, "[Insights for Women in Business](#)." The Spring/Summer 2018 issue has a very informative article about myths associated with SBA and nontraditional funding.

There is great diversity in programs for funding women-owned small businesses.

One excellent list of options for loans and grants, especially seed funding, is provided by the [National Women's Business Council \(NWBC\)](#) in its [Alternative Lender Programs](#). For those intrigued by [crowdfunding](#), the NWBC also lists a variety of options.

Grants are a great idea if you and your business needs meet the requirements of the grant solicitation. A 2018 [nerdwallet.com](#) article, "[Small-Business Grants for Women: 10 Go-To Spots](#)," is an excellent place to begin.

For Michigan women-entrepreneurs, the [Amber Grant](#) program offers a small grant option to help women start and expand their businesses.

All women-owned businesses in Michigan should become Certified Women's Business Enterprises by the [Women's Business Enterprise National Council \(WBENC\)](#) or [National Women's Business Owners Corporation \(NWBOC\)](#). Being certified can help your company gain valuable government contracts as well as work with primary government contractors seeking subcontractors. Find out all about it at PNC's [certification website](#).

[The PNC Bank Women's Business Advocates](#) page offers a variety of resources for female financial decision-makers. [Visit the page here](#).

Reputation

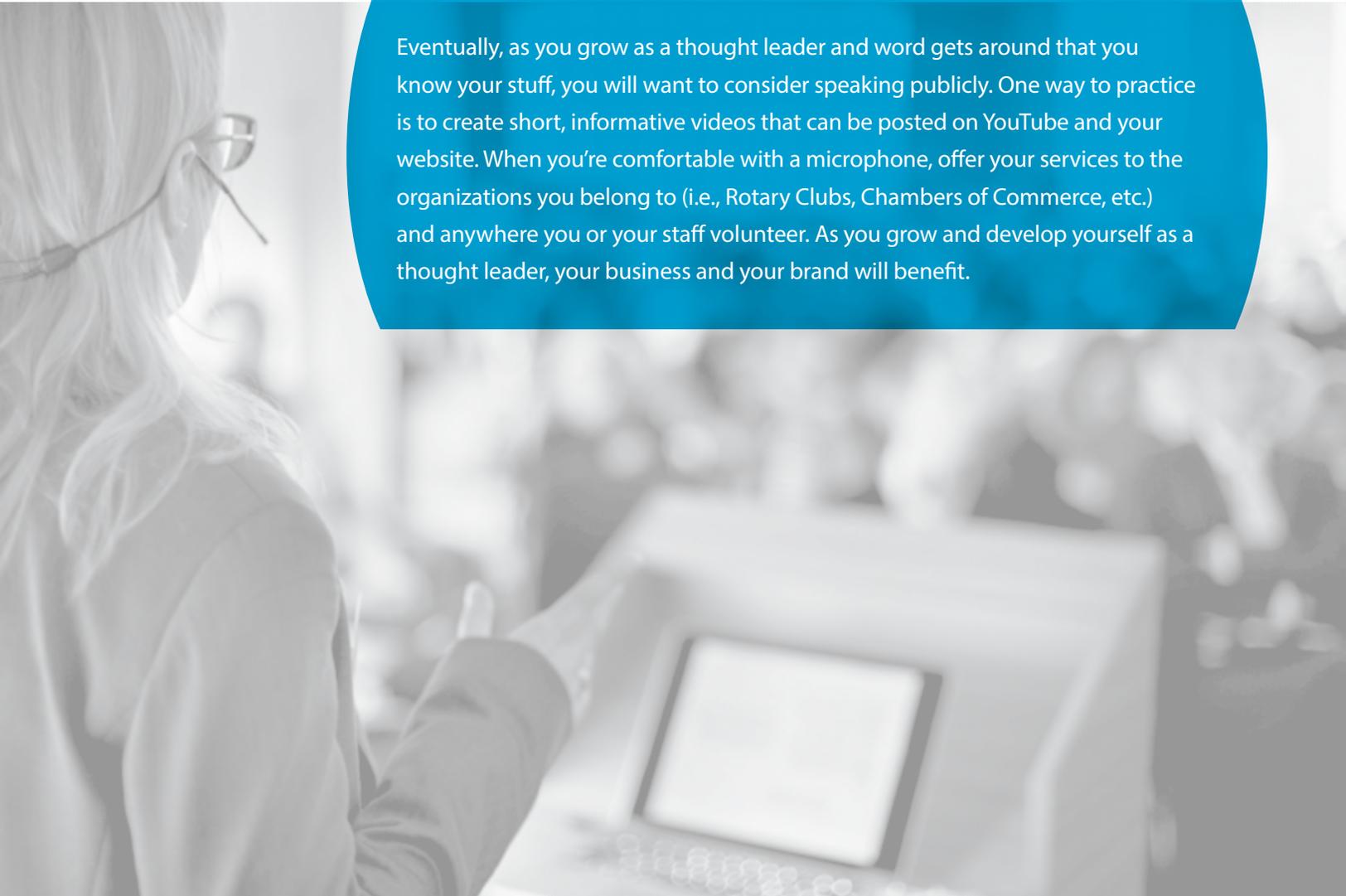
Build Your Reputation, Become a Thought Leader

Your reputation is you, your company, and your brand so it is essential that you build it well. One way to do so is to become a thought leader in your area of expertise. A thought leader is a go-to-gal in an industry or niche, a brand others rely on for the latest knowledge and information. Thought leaders have a well-crafted online presence and are available to share their knowledge at workshops and other industry, business, or community events.

Of course, this also requires a level of personal fortitude, especially if you are not accustomed to public speaking. But you can begin building your reputation as a thought leader by taking steps that will help bolster your self-confidence and create a public persona. A recent [PNC Bank blog](#) offers a number of significant ways to get your feet wet in the world of thought leadership, including self-assessment, developing your online presence, and networking with others in your area of expertise.

In particular, your online profile should be built out to include a variety of platforms including LinkedIn for your professional information; Facebook, Google, and Twitter for getting the word out about your company and related events or offerings; and YouTube for video sharing. The choices are many, and each serves a special purpose (and a unique audience). If you're not social media savvy, it's good to know what you are getting into before you begin. To learn more about today's social media, the blog, "[The Battle of the Social Media Platforms in 2018](#)," by the Digital Marketing Institute, gives a nice summary of several platforms as well as recommendations for choosing the best one(s) for your business.

Don't forget: your website is your personal platform. Maximize your website with informative, entertaining, and evergreen blogs that showcase your expertise; eBooks that instruct and provide resources; and testimonials from happy clients.

A woman with blonde hair and glasses is seen from the side, pointing her right hand towards a laptop screen. The laptop is open on a table, and the background is a blurred audience of people. The scene is set in a professional or educational environment.

Eventually, as you grow as a thought leader and word gets around that you know your stuff, you will want to consider speaking publicly. One way to practice is to create short, informative videos that can be posted on YouTube and your website. When you're comfortable with a microphone, offer your services to the organizations you belong to (i.e., Rotary Clubs, Chambers of Commerce, etc.) and anywhere you or your staff volunteer. As you grow and develop yourself as a thought leader, your business and your brand will benefit.

Check out what proven thought leaders have to say at leadersinheels.com.

Pay It Forward – Mentoring and Volunteer Community Service



One of the best ways to improve your business, your reputation, your community, and yourself is to give to others. You can make a huge difference by spending a little time and energy sharing your expertise to help bring along the next generation of successful, intelligent, and giving women entrepreneurs. There is never a shortage of ways to help. And there's more to gain as this [blog](#) from Fora Financial shows.

Mentoring programs are one great way to get out there and give back. As noted earlier, as few as three hours of mentoring can make a huge difference in the success of a small business. Helping other business women get on their feet is key to all women rising to success in business. A variety of mentoring resources is listed below.

In general, community volunteer opportunities are everywhere. In Michigan, the Michigan Nonprofit Association hosts a great list of [Volunteer Centers in Michigan](#), a network that has engaged more than

75,500
volunteers

and provided nearly

\$12,000,000
in services to others.

Opportunities run the gamut from gardening beautification projects to assisting the elderly and disabled to mentoring young people, and more. No matter your area of expertise, hobby, or inclination, you are the right mentor for someone out there.

Resources

“[Bizwomen, The Business Journal](#),” offers an entire “[Thought Leadership Channel](#)” with a variety of articles to help you develop your expertise.

This blog at [genderavenger.com](#) shares some interesting statistics about thought leadership and women in business.

An excellent place to get involved in business mentoring is at [MicroMentor.org](#). This organization is a meeting place for mentors and those seeking help and even has a program to help companies coordinate employee mentoring and volunteering.

[SCORE](#) has perhaps the nation’s oldest and most respected mentoring program and is always looking for people who can share their knowledge and experience.

[The Michigan Women’s Foundation’s Volunteer Network](#) can help match each volunteer’s skills with the needs of a woman entrepreneur who needs a coach or mentor.

If your expertise is something that can be beneficial during a natural or public health emergency, the [Michigan Volunteer Registry](#) wants you! Check out the many [different options](#) and [register](#) to lend a hand in a crisis.

[Create the Good](#) is affiliated with the AARP and provides a worldwide registry of volunteers and opportunities available. You can search by subject and location. Similarly, [allforgood.org](#) lets you search for volunteer opportunities in your communities.

The Small Business Association of Michigan serves 26,000 small businesses across Michigan! Our mission is the success of Michigan’s small businesses, which we do through: advocating for small business, bringing business owners together to share knowledge, creating collaboration and partnerships and delivering group buying power. [www.sbam.org](#)

PNC Bank, National Association, is a member The PNC Financial Services Group, Inc. (NYSE: PNC). PNC is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. For information about PNC, visit [www.pnc.com](#).

Michigan Celebrates Small Business Foundation is a collaboration of trusted statewide organizations who offer collective resources to support, promote and celebrate small businesses. <https://www.michigancelebrates.biz/>