



# Women Business Owner Statistics

## National Trends

### Women Owned Business in the United States

- Women-owned firms (51% or more) account for 39% of all privately held firms and contribute 8% of employment and 4.2% of revenues.

Source: Statistics from the American Express OPEN "The State of Women-Owned Businesses 2017"

### Women are opening more businesses than ever before

- Women are opening a greater number of small businesses than ever before, and their small business ownership is rising at higher rate than that of men. This trend is visible in the United States overall, and here in Wisconsin. Nationally, women own 50% of privately owned businesses solely or jointly with men.
- Women-owned businesses increased 26.8% between 2007 and 2012 and is expected to increase nearly 50% from 2002 and 2017 from 6.5M to 12.5M.
- In 2012, these businesses generated \$1.4 trillion in receipts and are projected to generate \$1.68 trillion in 2017.
- In Wisconsin, Women-owned businesses increased 19.1% between 2007 and 2012.
- In 2012, women-owned businesses generated \$24.8 billion of receipts, or 10.0% of the state's
- revenue.

Sources: National Women's Business Council, a non-partisan federal advisory council created to serve as an independent source of advice and counsel to the President, Congress; and the U.S. Small Business Administration on economic issues of importance to women business owners [www.nwbc.gov](http://www.nwbc.gov); Chicago Booth <https://research.chicagobooth.edu> U.S. Census Bureau Survey of Business Owners.



## Race & Ethnicity

### Businesses Owned by Women of Color

- 5.4 million firms are majority-owned by women of color in the U.S.
- These firms employ 2.1 million people and generate \$361 billion in revenues annually.
- As of 2017, minorities accounted for 46% of all women-owned businesses (an estimated 5,400,100, employing 2,105,900 people and generating \$361 billion in revenues). The annual growth rate between 1997 and 2017 of the number of minority women-owned businesses was 9% vs. 8% over the past year.
- As of 2017, African Americans owned 19% of all women-owned businesses. An estimated 2,205,300 million African American women-owned firms employed 398,400 workers and generated \$56 billion in revenues. Number of firms has grown 14% over the past year compared to 10% annual growth between 1997 and 2017. These women are bucking the trend of declining growth for most business owner segments analyzed in this report.
- As of 2017, Latinas owned 17% of all women-owned businesses: an estimated 1,996,500 firms employed 599,700 workers and generated \$103 billion in revenues. Number of firms has grown 7% over the past year compared to 9% annual growth between 1997 and 2017.
- As of 2017, Asian Americans owned 9% of all women-owned businesses: an estimated 1,002,700. They employed 1,031,800 workers and generated \$188 billion in revenues. Number of firms has grown 9% over the past year compared to 7% annual growth between 1997 and 2017. **These women, like African Americans, are defying the trend toward a lower growth rate for most business owner segments. They also average more employees and revenue than the typical women-owned business.**
- As of 2017, Native American/Alaska Natives owned 1.4% of all women-owned businesses (an estimated 161,500), employing 61,300 workers and generating \$11 billion in revenues. Annual growth of the number of firms between 1997 and 2017 was 6% vs. 5% over the past year.
- As of 2017, Native Hawaiian/Pacific Islanders owned 0.3% of all women-owned businesses: an estimated 34,200, employing 14,800 workers and generating \$2.4 billion in revenues. Number of firms has grown 10% over the past year compared to 9% annual growth between 1997 and 2017.
- Native Hawaiian/ Pacific Islander women are also going against the slow down trend in entrepreneurship.



Source: Statistics from the American Express OPEN "The State of Women-Owned Businesses 2017"

## Trends in Racial or Ethnic Diversity

### The Rise of Entrepreneurship Among Minority Women

Higher unemployment rates, long-term unemployment, and a much greater pay gap led women of color to start businesses at a greater rate out of necessity and the need to survive, rather than a desire to seize a market opportunity. Necessity entrepreneurship is countercyclical in relation to peak economic cycles.

For the last 20 years, women of color have turned to entrepreneurship at an extraordinary rate. While the number of women-owned businesses grew 114% from 1997 to 2017, firms owned by women of color grew at more than four times that rate (467%). Three segments had an even higher growth rate than the combined rate for minorities: African American (605%), Native Hawaiian/Pacific Islander (493%), and Latina (491%). The Asian American and Native American/Alaskan Native segments also had higher rates (314% and 201%, respectively) than the overall average. While on the surface this growth is good news, as mentioned, the underlying reasons women from these groups turn to entrepreneurship are concerning. This trend does not show any sign of abating.

Source: Statistics from the American Express OPEN "The State of Women-Owned Businesses 2017"

### While women are starting businesses, they aren't hiring employees

- Both nationally and here in Wisconsin, the great majority of women-owned businesses employ only the business owner.
- Nationally, in 2012, 89.5% of women-owned business employed only owner. These firms have receipts of \$229.2 billion, which represents a large contribution to our society. However, the remaining 10.5% of women owned businesses with more employees generated \$1.2 trillion in receipts.
- In Wisconsin in 2012, 87.9% of women-owned businesses employed only the owner. These firms have receipts of \$2.6 billion. Likewise, the remaining 12.1% of women-owned businesses, which have employees, generated \$22.3 billion in receipts.
- Clearly, women-owned businesses need to take the risk to grow the business by hiring, but they don't take that risk often enough.



Source: National Women's Business Council, a non-partisan federal advisory council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners [www.nwbc.gov](http://www.nwbc.gov)

### Women's Business Owners Optimism Lower

- Women's confidence in the success of their company over the next 24 month is lower than that of men - trailing at 75% compared to 81% of men. Women's confidence in overall signs of improvement in the US economy of the next 24 months also trails at 52% compared to 64% of men.

### Women's Business ownership decreases as they age, compared to men

- As they age and increase their business experience and acumen, women simultaneously slow down their rate of business ownership compared to their male peers. Women under 25 years of age open businesses at almost the same rate as men, but they fall behind men throughout the rest of their careers. By the time those women are 45-54 years old, the number of women-owned businesses is about 60% of the number of men-owned businesses. For women aged 55-64 the disparity is even greater.

Sources: Business Journals SMB Insights 2017 survey of businesses with 5-499 employees. National Women's Business Council, a non-partisan federal advisory council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners [www.nwbc.gov](http://www.nwbc.gov) , ChicagoBooth (<https://research.chicagobooth.edu>).

### Wealth Transfer to Women

- As the Baby Boomer generation reaches retirement age, some \$22 trillion in assets will shift to women by 2020 because Women will outlive their husbands, and Women have made significant advances in the workforce.
- These women recognize the difficulty of starting and maintaining a business, and might be directing this investment capital and personal energy toward stewardship of the next generation of women entrepreneurs. MalamaDoe has received significant interest from women in the Baby Boomer generation, not necessarily seeking support to start a business at this stage in their careers, but seeking to raise a generation of successful women. Mothers



want to support their daughters and their daughters' peers as they navigate their careers.

Source: Main Street.

<https://www.thestreet.com/story/12956116/1/wealth-transfer-some-22-trillion-in-assets-%20to-shift-to-women-by-2020.html>

- Small business ownership is on the rise
- Women owned businesses are rising even fast than men-owned businesses
- As women's experience and business acumen grows, their rate of entrepreneurial activity
- actually increases at a much slower pace than their male counterparts
- The number and investment power of potential sponsors who are dedicated to helping
- women start businesses will be increasing significantly in the coming decades

MalamaDoe recognizes a significant untapped potential in our workforce. We will create a network that focuses on this untapped potential, ushering women entrepreneurs to take the necessary risks to change their lives and change the world.

## Million Dollar Businesses

- One in five firms with revenue of \$1 million or more is woman-owned.
- 4.2% of all women-owned firms have revenues of 1 million or more.

Source: Statistics from the American Express OPEN "The State of Women-Owned Businesses 2017"

## NECESSITY ENTREPRENEUR

**A necessity entrepreneur is an individual who cannot find quality employment or is unemployed and whose only viable employment option is to start a business. These businesses tend to be smaller than those that target a market opportunity. With fewer barriers to the job market than women of color, white women opted to stay in the jobs they had or could seek rather than pursue entrepreneurship.**



## Immigrant Women

20 Million women and girls in the US

Immigrant women have accounted for about 13% of the female population

Immigrant women from India are the most educated.

Immigrant women in the labor force earn less than any other demographic.

Immigrant women are more likely to live in poverty than US born women

1 in 4 Immigrant women hold a bachelors or advanced degree

Only 66.3% have health insurance compared to the 89% of US women, not all insurance companies will cover immigrant women. Immigrant women make up 40% of all immigrant business owners, and 20% of all women business owners.

## Minority Women Statistics in the US

-Women of color make up 18.5% employees in the average workplace.

-minority women are least likely to be promoted.

-According to official estimates from the US Census Bureau the Black female population in the United States was 23.5 Million in 2013.

## Entrepreneurship

African American women-owned businesses continue to grow despite significant financial and social obstacles.

- African American-owned businesses are the fastest-growing segment of the women-owned business market and are starting up at a rate six times higher than the national average.
- The number of companies started by African American women grew nearly 258 percent from 1997 to 2013.
- The number of African American women-owned businesses in 2013 was estimated at 1.1 million, comprising 42 percent of businesses owned by women of color and 49 percent of all African American-owned businesses.
- African American women-owned businesses employed 272,000 workers and generated \$44.9 billion in revenue in 2013.
- Of the top 10 fastest-growing private companies owned by black entrepreneurs from 2009 to 2012, only 27 percent were owned by black women.

Source: Data from the Center for American Progress



# MalamaDoe

A Coworking Community for Women

## Our Mission

**We believe women flourish, build community and help society when they are empowered by role models and one another.**

**At MalamaDoe we believe that women flourish, build community, and help society when we are empowered by role models and one another. Everything we do here revolves around making this world a better place by empowering women to use their talents to be the best they can be.**

## Our Vision

**We envision by 2023 that MalamaDoe will be recognized as the premier go to resource and catalyst for women in business, business owners, and those who aspire to be business owners.**

## Our Space

**We have coworking space with amenities that include a green screen and dry erase board walls, conference and breakout rooms to meet with clients, hot spots to work independently, wifi, and intern insights.**