



## Women's Entrepreneurship in Green Industries Fact Sheet

### Women-Owned Businesses

Every day, women are starting their own businesses. In fact, women-owned businesses grew at twice the national average for all other business types between 1997 and 2008.<sup>1</sup> An estimated 10.1 million companies, or 40% of all privately owned firms, were owned by women as of 2008.<sup>2</sup> While women have made substantial inroads, there remains plenty of opportunity for women to create and grow businesses. Only one in five companies with \$1 million in annual revenue—a standard measure of success—are women-owned businesses. Moreover, only about 4% of all revenue is generated by women-owned businesses, according to the Center for Women's Business Research.

### Opportunities in the Green Economy

The growing commitment to sustainability has increased the demand for green products and services. This, in turn, creates opportunities for women with the ideas and the passion to start their own green businesses. Being a green business owner can offer meaningful employment that is economically rewarding, socially responsible, and environmentally beneficial. At the same time, it may help women looking to balance their family lives with their professional ambitions.

Green industries are growing and changing very quickly. Many existing industries such as transportation, consulting, manufacturing, and construction are increasingly adopting a green focus.<sup>3</sup> Women entrepreneurs can find their niche by "greening" existing products and services. Opportunities also exist in green sectors of the economy such as sustainable agriculture and forestry, energy and carbon capture and storage, environmental protection, energy trading, and recycling and waste reduction.<sup>4</sup> In fields like these, women can develop and market new products and services.

### Role of Workforce Professionals, Training and Education Providers, and Advocates

Workforce professionals act as "door openers" for women entrepreneurs, providing them with basic information and helping them find the resources to train for, set up, and run a business. Assistance should take into account the scale and complexity of the proposed endeavor; a sole proprietorship will have very different needs from a business with multiple employees. Several fundamental entrepreneurship supports are described below.

**Entrepreneurship Training Programs.** Training resources exist for women entrepreneurs at every stage of business development. Those just starting a business should be encouraged to obtain formal training in the basics of entrepreneurship, while experienced business owners may be interested in targeted courses to update their skills or learn new ones. As the green economy grows, more colleges will be adding green-specific business programs. Here are some of the options now available:

- Many **community colleges** offer business courses and certificates with topics like developing a business plan, dealing with regulations, adding product lines, cutting costs, or finding customers. Some universities also offer green-specific programs.
- **Business centers, chambers of commerce, and associations** also offer entrepreneurship training.
- **Local community organizations or professional organizations** may offer training for green entrepreneurs.
- Many **colleges and universities** have technology-transfer offices that help women convert more advanced green concepts into growing businesses.

**Small Business Organizations.** Every state has public or private entities dedicated to helping small businesses. They include Small Business Development Centers, small business associations (e.g., SCORE), and chambers of commerce. A national network of Women's Business Centers has been established by the U.S. Small Business Administration's Office of Women's Business Ownership. The centers offer training and counseling on many topics to help women start and grow businesses.

**Economic Development Agencies.** Created to support state and local businesses, these agencies help with such things as creating a business plan, finding financing, training a workforce, and streamlining the permitting process.

**Business Incubators.** These place-based centers offer a wide range of resources for new entrepreneurs, including office space, lab facilities, and more. A growing number of incubators are specifically designed for green business start-ups. For example,



Green Exchange in Chicago provides retail, office, and live-work space as well as a variety of marketing services for green businesses.<sup>5</sup>

**Banks, Angel Investors, Venture Capitalists, and Others.** For new and growing businesses, financing comes in many forms. Bank loans support many stages of business development. State and local grants and loans are awarded to small businesses owned by women, minorities, the economically disadvantaged, and more. Angel investors and venture capitalists support more advanced new businesses with strong potential for growth and profit.

## Challenges and Solutions for Women Entrepreneurs

New business owners face significant obstacles. Helping them anticipate and deal with these problems is an important contribution to their success. Some of the challenges a woman entrepreneur may face include the following:

**Family Obligations.** Some women like the idea of self-employment because it can provide a flexible schedule to balance work and family demands, but starting and running a new business requires a lot of work and will affect a woman's family. Women entrepreneurs should carefully consider the needs of family members and talk to them about how to balance work and family.

**Managing Multiple Needs.** As a small business grows, it becomes difficult for one person to do all the work. By hiring an assistant, an entrepreneur can have more time to focus on what she does best. She may also need to call on lawyers, bankers, accountants, insurance agents, and others for help with complex issues.

**Networking.** Personal networks of friends and family members are often the first places to turn for ideas, finances, and clients, but entrepreneurs should also reach out to others who might be good sources of information or who might help them connect to customers. Trade associations, chambers of commerce, women entrepreneurs associations, and charitable organizations are a few such contact points. Many women also seek mentors who offer moral and practical support.

**Financing.** Solid financing is often critical to the success of a new business, but research shows that female entrepreneurs tend to be less likely to seek investors.<sup>6</sup> Raising the money for an enterprise is one of the biggest challenges for a new business, which is one of the reasons why it is important to develop a solid business plan. Women entrepreneurs should be patient and persistent. Many proposals are turned down at first, but successful entrepreneurs continue to seek out other funding sources.

**Marketing and self-promotion.** In the business world, a woman entrepreneur must be assertive, seeking attention for her company and herself. She will need to spread the word among her networking partners about her business, and she should never be shy about seeking ideas, help, and clients. As her company grows, she should ask satisfied customers to refer her to others.

To listen to the teleconference that accompanies this fact sheet, and for further information about "A Woman's Guide to Green Jobs" and other Women's Bureau initiatives supporting green jobs, including Women and Green Jobs Roundtables and green training projects, please visit the USDOL Women's Bureau Web site at: <http://www.dol.gov/wb/>.

## End Notes

<sup>1</sup> Global Entrepreneurship Monitor. *2005 Report on Women and Entrepreneurship*. (GEM Consortium, 2005)

<sup>2</sup> Center for Women's Business Research. *Key Facts about Women Owned Businesses*. (Center for Women's Business Research, 2008)

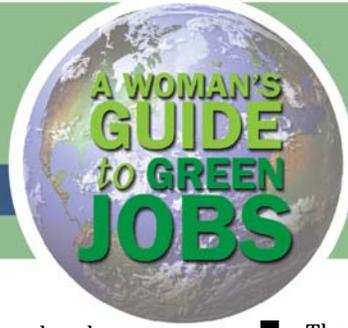
<sup>3</sup> O\*Net, "The Green Economy" (2010) <http://www.onetcenter.org/green.html>.

<sup>4</sup> Ibid.

<sup>5</sup> "Green Exchange" (2008) <http://www.greenexchange.com/>

<sup>6</sup> John Becker-Blease and Jeffrey Sohl, "Angel Capital and Women-Entrepreneurs." *Frontiers of Entrepreneurship Research 2005: Proceedings of the Twenty-Fifth Annual Entrepreneurship Research Conference*. (Babson College, 2005)

[http://www.babson.edu/entrep/fer/2005FER/chapter\\_xix/summary\\_xix3.html](http://www.babson.edu/entrep/fer/2005FER/chapter_xix/summary_xix3.html). Cited in "Far Fewer Female Entrepreneurs Seek Funding from Angels, New Study Shows," Localtechwire, (Durham: May 2007). [http://localtechwire.com/business/local\\_tech\\_wire/venture/story/1455712/](http://localtechwire.com/business/local_tech_wire/venture/story/1455712/)



## Additional Resources

The list below provides additional entrepreneurship-related resources. The list is not exhaustive, and inclusion on this list does not represent an endorsement of any institution or program. As Web links can change, further Internet searches may be necessary to find the latest information.

### Small Business Resources

#### Government Resources

- The U.S. Small Business Administration's (SBA) Office of Small Business Development Centers provides resources for new and current small business owners: <http://www.sba.gov/aboutsba/sbaprograms/sbdc/index.html>. SBDC Locator: [http://www.sba.gov/aboutsba/sbaprograms/sbdc/sbdclocator/SBDC\\_LOCATOR.html](http://www.sba.gov/aboutsba/sbaprograms/sbdc/sbdclocator/SBDC_LOCATOR.html).
- The U.S. Small Business Administration's Office of Women's Business Ownership links to the Women's Business Centers, a guide to winning federal contracts, and other resources. <http://www.sba.gov/aboutsba/sbaprograms/onlinewbc/index.html>
- The SBA resource partner, SCORE, *Counselors to America's Small Business*, provides online training and links to local chapters at [www.SCORE.org](http://www.SCORE.org).
- The SBA also offers close to 30 free online courses on starting and growing a business at [www.sba.gov/training](http://www.sba.gov/training).
- The U.S. Department of Commerce Economic Development Administration provides information and resources for economic development. <http://www.eda.gov>
- The Economic Development Administration provides links to state economic development agencies. <http://www.eda.gov/Resources/StateLinks.xml>
- Business.gov offers "10 Steps to Starting a Business." <http://business.gov/start/start-a-business.html>
- The U.S. Patent and Trademark Office has information on how to obtain a patent or trademark and resources about intellectual property law. <http://www.uspto.gov/>

#### Non-Government Resources

- The National Small Business Association is an advocacy association for small businesses. <http://www.nsba.biz/>

- The National Federation of Independent Businesses is another advocacy group with resources for small businesses. <http://www.nfib.org>
- The National Business Incubation Association offers information and advocacy for incubator programs for new enterprises. <http://www.nbia.org/>
- The U.S. Chamber of Commerce offers a guide to state chambers. <http://www.uschamber.com/chambers/directory/default>
- The National Women's Business Council provides a list of mentoring programs. <http://www.nwbc.gov/Mentoring/programs.html>
- The National Association of Women Business Owners offers resources for growing a business. [http://nawbo.org/section\\_29.cfm](http://nawbo.org/section_29.cfm)
- WE Inc. is an organization that promotes women's entrepreneurship. <http://www.we-inc.org/>
- Entrepreneurship.org is a public-private partnership on best practices in entrepreneurial leadership. <http://www.entrepreneurship.org>
- The National Association for the Self-Employed offers a resource center for self-employed individuals and micro-businesses. <http://www.nase.org>
- The Collegiate Entrepreneurs Association provides resources for entrepreneurial college students at <http://www.c-e-o.org>.

### Funding Resources

#### Government Resources

- Business.gov provides a list of grants and loans specifically for women-owned businesses. <http://www.business.gov/start/woman-owned>
- Small business loans: <http://www.business.gov/finance/financing/loans/>
- The U.S. Small Business Administration, Office of Technology provides information about the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. <http://www.sba.gov/aboutsba/sbaprograms/sbir/index.html>

#### Non-Government Resources

- Small Business Environmental provides a list of federal and nonprofit financial assistance programs. <http://www.smallbiz-enviroweb.org/Resources/funding.aspx>.

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