



Businesswomen in the Mainstream

Peak national business associations can offer businesswomen valuable services if they pursue an aggressive strategy for cultivating women members. This interview with Tom Donohue, President of the US Chamber of Commerce, illustrates how the world's largest business association is effectively cultivating women as active members.

ERT: *In recent years, the US and a few other industrial nations have seen very impressive growth in the number of women-owned firms. What do you think is the reason for this rapid increase, and what impact is it having on the US economy?*

MR. DONOHUE: It's very true that the number of women-owned firms has increased phenomenally. In 1997, the US Small Business Administration (SBA) found that women owned 8.5 million small businesses in this country—that's one in every three small businesses! Together, they employ more than 23.8 million people and generate up to \$3.1 trillion in sales.

There are many reasons why there has been such a rapid expansion in the number of women in business. First of all, women in general are increasingly better educated than they were a few decades ago. According to the US Department of Commerce, in 1970 only 8% of women completed college, compared with 14% of men. By 1990, that number had risen to 17.6% (compared with 23% of men). Women's educational attainment increased by

4.8% while men's rose by only 2.8%.

In addition to being better prepared, women are also delaying marriage and childbearing in order to enter the workplace—a trend that started in the 1970s. The percent of never-married females ages 20 to 29 rose, on average, by 11.4% between 1980 and 1990. This helped power an increase in productivity from which we are benefiting today.

The impact of these twin social trends has been to increase the influence of women in business—particularly small business. For many women, owning a business and setting their own schedules has been a way for them to reconcile their personal and career goals. Between 1987 and 1996, the number of women-owned businesses grew 78%—and, according to the National Foundation of Women Business Owners, women are starting businesses at twice the rate of men. As a result of this incredible productivity and activity, women-owned firms now employ more people than do the Fortune 500 companies!

ERT: *The US Chamber has seen a significant increase in women-owned businesses*

as a segment of its membership in recent years. Has this changed the organization in any way?

MR. DONOHUE: In recent years, the US Chamber has approached this happy situation in two ways. First, we have worked hard to provide resources for businesswomen. For example, throughout 1999 the Chamber is co-sponsoring three national satellite conferences designed to help women entrepreneurs develop winning small business strategies.

These conferences are intended to present women business owners with an excellent opportunity to grow and learn from fellow entrepreneurs and to share their knowledge and experience with colleagues. These conference programs also include a question-and-answer session with the studio audience and call-in participants. Co-sponsors of the series include Edward Jones, the US Small Business Administration, the Small Business Development Center Program, IBM, the American Business Women's Association, and Service Corps of Retired Executives (SCORE).

We have already held two conferences. The first was held May 17, 1999 and offered "Practical Tips for Today and Tomorrow." It featured Jay Conrad Levinson, author of *Guerilla Marketing: Secrets for Making Big Profits from Your Small Business* and Flori Roberts, an ethnic cosmetics pioneer who now runs motivational seminars. The second satellite conference was held August 30 and focused on how to expand a business. The third in the series—on financing for stability and growth—is set for November 2.

Networking opportunities and new resources have always been a key reason that women have joined the Chamber. But let's face it—whether you're a

male business owner or a female business owner, you're still going to have the same interests and concerns when it comes right down to it.

You're still going to worry about high taxes, health care mandates and onerous workplace and environmental regulations that cost business well over \$700 billion every year. We understand this, and we fight for all of our members' interests before the US Congress, regulatory agencies, in the courts—and in the court of public opinion. And in our view, that's the main reason why women-owned businesses—and indeed, all of our business members—join together with us.

ERT: *How can women business leaders help to shape public policy, and what is the role of public policy in promoting the involvement of women in business?*

MR. DONOHUE: Most women business leaders are so busy running their businesses that they have little time for public policy. But the most important public policy effort that women business leaders can make is to recognize that their interests lie in protecting and improving our system of free enterprise. Taxes, health care mandates and regulations impact every business, and it's important for women—and their male counterparts—to recognize this.

My advice to businesswomen in this



Chambers of Commerce, business councils and other organizations interested in establishing a satellite downlink to US Chamber teleconferences should contact Edward Jones in Washington. If you are calling from within the United States you may reach him at 877-335-4015. The conferences will be simultaneously broadcast nationwide from 7:30 p.m. to 8:30 p.m. (EDT) and are free of charge.

country is to get involved. Join your local and state chambers of commerce. Become a member of the US Chamber of Commerce! Find examples of other women who have successfully fought for business and emulate them—for example, the Treasurer of the Board of Directors of the U.S. Chamber of Commerce is Carol Ball, the Publisher and CEO of Ball Publishing Company of Greenville, Ohio. She is a tough, ardent advocate for a pro-business agenda, and we are lucky to have her on board.

When it comes to promoting women

for women at all stages of their careers. The networking possibilities alone make them worthwhile. In addition, some associations offer member benefits such as loans and discounts on business products. These benefits, other resources and networking are major draws for women entrepreneurs.

For example, the American Business Women's Association (ABWA) offers options for every phase of a career. Whether a woman is looking for a promotion, career move, her own business or a way to stay active in retirement,



*My advice to businesswomen is "get involved."
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in business, I believe that the US government ought to do two things. First, through agencies like the Small Business Administration, it should provide information and act as a clearinghouse for different resources that would be beneficial to women.

Second, I believe that the federal government should create a better climate for enterprise creation. From serious regulatory reform to better bankruptcy laws, pro-business policies will help all business owners, but they will aid women in particular, who, as I previously noted, start businesses at twice the rate of men.

ERT: *Women's business associations appear to be growing around the world. How can they make a difference? Do they address special needs of businesswomen that traditional business associations do not?*

MR. DONOHUE: Women's business associations are an invaluable resource

ABWA offers a specific membership program tailored to get her on her way.

But remember, women's business associations and organizations like the Chamber can work together! The Chamber offers conferences and leadership forums to help prepare women for the world of business. And, as I've mentioned before, we also fight for pro-business policies that benefit both men and women.

ERT: *In many nations, women-owned businesses are confined to cottage industries and the informal sector. Do you see this changing over time?*

MR. DONOHUE: Yes, I do. As more women in those societies enter the workforce, as they become better educated and as societies become more open, you will see greater numbers of women assume top corporate leadership posts around the world.

ERT: *Many women business owners—even the smallest scale entrepreneurs—*

seek access to global markets and access to potential partners for their goods or services. Are there key ways in which their business associations should be assisting them?

MR. DONOHUE: I'm very glad you asked that. The scale of international trade today is such that even the smallest of companies, be it an importer or a manufacturer, is operating on a global scale. The US Chamber has long been committed to policies that make it even easier for companies of all sizes to trade. Right now, we have a major international trade education project under way, in which we hope to communicate the benefits of increased trade to the public. By looking beyond our borders, women business owners have an excellent opening to grow their businesses, especially with the advent of information technology, the Internet and e-commerce. At the Chamber, we aim to create an environment so that these companies prosper, and that they take advantage of the opportunities available to them.

ERT: *Speaking of technology, how do you foresee the Internet and other information technology boosting the ability of small-scale entrepreneurs—like many women-owned firms—to access international markets?*

MR. DONOHUE: The Internet is one of the most profound inventions of this century. It enables the smallest of small companies to compete with the biggest ones—if they can figure out how to do it.

The Internet confers many advantages on small businesses. For example, small companies can use it to monitor orders and other customer services—and cut costs dramatically. Network

connectivity makes it possible for you to hook up your local area network (LAN) directly to the Internet. And a wide-area network (WAN) connection offers multiple simultaneous connections through a dedicated data line, at tremendous savings over individual modems and standard telephone lines. This makes your existing internal email addresses work as Internet email addresses, and allows you to set up your own Web server (with your own domain name) to provide volumes of information to existing and potential new customers and to take orders on-line.

The Internet also offers small businesses a much wider consumer base. There are 92 million Internet users in North America. The number of women Internet users jumped by 80% in only nine months, passing the 10 million mark. And 55 million people have shopped on the Web for products ranging from books, computers, clothing, CDs, and videos, to cars, car parts and even houses. Those consumers spent \$12 billion this year, up from \$7 billion last year.

Moreover, the biggest business is... business! Companies have spent even more than consumers—about \$43 billion on Internet purchases according to Forrester Research. This year, that figure will likely jump to nearly \$110 billion. It's no wonder, as the University of Texas reported, that the Internet economy generated \$301 billion of revenues in 1998 and created 1.2 million jobs.

In short, to connect with people and businesses in other countries, the Internet can't be beat. And there's nowhere to go but up as more and more nations get wired and go online. E-commerce will be the story of the next century. 🌐🌐