

# The Global Growth of Women in Business

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**N**urturing an individual's natural spirit of entrepreneurship is a powerful key to economic development. Small and medium-sized enterprises provide the bulk of employment for most economies, advanced or not. Supporting businesses with strong associations can strengthen the structural adjustment reforms that are part of the current international wave of decentralization, which is grounded in the belief that promoting private businesses is key to growth.

Capital-generating businesses provide a satisfactory living for their owners and are even creating new jobs in their communities throughout the world. How? New businesses in developed, developing, and transition economies are passing the survival phase, moving toward the thriving stage, and growing big enough to hire more employees, expand products and services and venture into the international arena. Contributing significantly to global economic growth through generation of new enterprises are women-owned businesses (see statistics on pp. 12–13).

This article explores assets and characteristics that women bring to the international marketplace along with specific barriers they face. It examines how women's business associations can better prepare and support members for international trade, and it attempts to recognize what's missing in understanding and identifying the status of women in international trade.

**Assets** that women bring to the global market are varied and multiple. A considerable body of research has explored how women are at the center of relationships that include family, community and business. In other words, when a woman starts or acquires her own business, in her view she is not creating a separate economic entity. Rather she is "integrating" a new global system of business-related relationships by bringing the assets of intuition, instinct, sensitivity and values together simultaneously. Research conducted by Moore and Buttner (1997), Helgesen (1990, 1995) and the OCED (1998) indicates that the global market responds well to qualities women entrepreneurs bring to the international playing field. These characteristics include their proficiency in building and maintaining long-term relationships and networks, effective communication skills, sensitivity to cultural differences and to the importance of appropriate behavior, organizational abilities, and non-threatening, non-aggressive behavior.

**Barriers**, some real, some perceived and some self-imposed, confront women entrepreneurs. In the area of international business obstacles include limited international business experience, inadequate business education and lack of access to international networks. Societal, cultural and religious attitudes also impede women in business. Other challenges faced by all enterprises are: financing, globalization of social and eco-

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conomic environments, marketing, and management. Transition economies can pose difficult hurdles such as banking, legal aspects, political contacts, customs tariffs, bureaucracy that daily invents new mechanisms for the simplest procedures, and extortion.

**Characteristics** reflected in research of women entrepreneurs show a woman who is highly motivated, initiates action and activity without direction, has a high internal locus of control, and propensity toward achievement. Women's decision processes indicate a highly personal, subjective process. Studies reveal that there are multiple general individual characteristics of women business owners that promote their creativity and generate new ideas and ways of doing things (see table at right).

### Associations: help or hindrance?

Whether women should or should not join a male-dominated organization such as a trade association or a chamber of commerce has long been a point of controversy. Billie Lee, an international writer on workplace issues based in Colorado Springs, Colorado, wrote persuasively in the *San Diego Business Journal* that women should join only mainstream chamber or business groups. Lee feels one would be most likely to meet those who can demonstrate and coach powerful business techniques only in male-dominated organizations. Lee asks, "Why splinter off and declare that you are women first, business people second?"

This may be a logical question, but it ignores a fundamental point. In nearly every society, women's access to mainstream organizations and influential leaders is limited. Creating and growing women's non-profit organizations is a declaration of freedom and a pragmatic course of action to help women break through economic, political and cultural barriers. Women's business associations offer a form of leadership that women often need if their entrepreneurial ventures are to survive and thrive.

In surveys conducted throughout the world, women repeatedly state that they

want and need women's business associations, and will participate in them. (See, for example, the CIPE survey summarized on p. 32.) Associations can play an enormously supportive role by providing access to:

- Leadership
- Technology
- International trade training
- Market identification
- Industry information, trends, niches
- Contacts for sources of credit
- Mentoring, counseling and advice
- Skill development in operations, management and marketing
- Advocacy and legislative pressure

Communities wanting to foster entrepreneurial growth do not leave women business owners detached and isolated. Rather, they put mechanisms in place to support, encourage, explain, and train. What are entrepreneurial support systems? The primary mechanisms are business associations, but support can also be available in other forms. Some of the most effective schemes are incubators like the Starya Russa, a Russian start-up training operation, loans such as those provided by the Women Entrepreneurs Association of Nepal (WEAN), or equity assistance such as is offered by the Small Enterprise Equity Fund in Novgorod-the-Great, Russia. Associations can help their members by providing a technology network, training members on how easily accessible information can be and providing convenient and consistent access to the technology. Associations can be the vital link between entrepreneurs and crucial resources. Innovation centers, enterprise centers, training centers, business development assistance, and guidance through government regulatory agencies can also be offered. Associations can provide critical connection members need to the international marketplace.

For associations to identify the best path for women entrepreneurs to follow in order to succeed in international trade, they need accurate data worldwide about women in business. That sounds like a straightforward matter,

CHARACTERISTICS OF WOMEN BUSINESS OWNERS
risk-taking propensity
high energy level
personal motivations
married, first born
self-employed father
social adroitness
financial competence
interpersonal skills
general business management skills

but in fact little such data exists. Trying to obtain gender-specific statistics on a worldwide basis seems an effort in fruitlessness. The frameworks adopted in assessing women's roles and contributions in international trade appear too limited to deal with the realities of daily crisis circumstances, new market attempts, and constant economical, political, and social instability that many women business owners experience.

Women entrepreneurs would benefit from research in the following five broad categories (1) gathering and reporting statistical data, (2) investigating how ed-

trepreneurship limits analysis. Further, constraints on statistical data often lead to the use of anecdotal evidence, estimates, or ready-made but inaccurate hypothesis. Accurate research on neglected women entrepreneurs and their enterprises is especially critical so that entrepreneurs themselves can get a clearer picture of the challenges they face. The task, then, is to gather information about women who own and operate their own businesses with specific attention paid to the attributes that compel them to compete internationally.

### Education and training

Gaining access to the technical and business training that women need to succeed is another key research topic. How can needed skills be more fully integrated into formal and informal educational processes? As women's technical strength competence grows their businesses will flourish. Women's business associations are especially well poised to meet the training demands of their members by surveying their membership and following up with appropriate training programs.

### Legal infrastructure

For free enterprise to take root, it is vital that government protects private property rights. Unless each citizen has the irrefutable legally enforceable right to own, buy, sell, trade, mortgage and invest in private property, a normal, healthy, stable market economy cannot exist. Thus, laws promoting, protecting and facilitating business creation must be in place before entrepreneurship can become a reality. To achieve a robust market, a clear, decisive program for economic reform—with specific attention to property rights and business taxes—needs to be created. Women's business associations can play a vital role initiating analysis, advocacy and policy development.

### Essential technology

Russian political leader Grigory Yavlinsky confidently boasted that technological advances such as the Internet,



Photo: Susanne Jalbert

*Successful Russian entrepreneurs. Growing numbers of Russian women are setting up shop..*

ucational institutions can provide adequate business and technical training, (3) studying the legal infrastructure to advocate progressive steps, (4) examining business technology to recommend low-cost systems that link women to the world and (5) questioning public resistance to the concept of female business ownership.

### Statistical data

Little data exists to indicate what real impact women entrepreneurs may be having on their emerging economies. The lack of analytic data and the national lack of interest in the problems of female businesses make it impossible to confirm the actual growth of women-owned companies. Lack of statistical information and research on female en-

fax machines and mobile phones will make it impossible for any one source ever to monopolize information in Russia again. Yavlinsky's statement is true only if technology reaches a community level. Connecting with peers inside and outside one's own country is imperative in order to stimulate innovation, jobs and business growth. Examining business technology to find the best low cost systems, perhaps collaborative systems, that link women entrepreneurs to the world is crucial for businesses competing in a globalized market.

### Acceptance of business ownership

Throughout history, acceptance of women's business ownership has been influenced by public opinion and by the specific views of individual societies toward what are considered appropriate roles for women. In countries where "blending in" is a high priority, women business owners will stand out. In traditional patriarchal societies, women business owners often are not accepted. Media campaigns can ease societal integration of women business owners. As a positive perception of them and of entrepreneurship in general becomes more internalized, the emerging phenomenon of women entrepreneurs will open up new possibilities for economic stability and global business expansion.

Women's business associations are well positioned to prepare and support their members. Here are a few direct steps an association can embrace:

- First, provide leadership to develop new legal, tax, accounting, banking and legislative structures to encourage business development and international access.
- Second, develop a media campaign that includes all forms of public relations through television, radio, newspapers, and magazines that report facts on woman-owned businesses and how they contribute to economic development.
- Third, associations can offer solutions and infrastructures that help

women carry out business and personal responsibilities in tandem; for example, by providing or advocating for quality nursery schools and child-care facilities.

- Fourth, simplify! Business owners worldwide severely criticize over-regulation. Keep this in mind when advocating for new legislation and regulation.

A clear, decisive program for economic improvement and reform must be continually changed, developed and implemented. Many initial steps have already been taken, but more are needed. An association can play a critical role in this process and emerge not only as a leader championing women-owned businesses, but also become a model for other organizations in other cities and countries.

### Business women's impact

Data about women-owned businesses in the United States abounds. It indicates that the number of women in the US workforce continues to rise annually, and that women business owners have significantly affected the US economy. Women are not just entering the workforce; in fact, they are creating it.

Women as business owners are contributing to the economic health and competitiveness of many countries. Although the presence of women in international trade has grown significantly, we don't have the data to quantify their impact. Only by originating, disseminating, and reporting undistorted statistics on women-owned businesses in each country will we ever have a true picture of what women are contributing economically to the global marketplace. Perhaps women's business associations will lead us to collecting precise, accurate data. Women-owned businesses can hold the mighty power of economic development in their hands. After all, businesses—and the associations supporting them—are the heartbeat of a strong economic community anywhere. 🌐🌐