



Breaking Through 5 Barriers That Involve The Number 5 By Thinking Bigger & Expecting More Yeses

Women business owners have made tremendous progress since I started my first business 29 years ago. Through hard work and networking, women owned businesses now account for 38% of all of the businesses in this country. According to the National Foundation of Women Business Owners, 9.1 million woman-owned businesses contribute 3.6 trillion dollars/year to the economy and employ 27.5 million people. One out of every four employed people works for a women owned business. Plus, the failure rate and default rate on bank loans are lower for woman owned businesses. The National Association of Women Business Owners rightfully celebrated its leadership role in achieving this progress at its 25th Anniversary gala in June, 2000.

But this is not the time for women entrepreneurs to rest on our past successes. In fact, I've noticed five statistics that involve the number 5 that cue us to build on our past success and take our businesses to the next level. And it shouldn't take us 25 more years to change these 5 things.

Less than 5% of government procurement dollars goes to woman owned businesses. In fact, on the federal level the total is less than 2%. The major reason that this is true is that so many government contracts go to mega-corporations rather than privately held companies. It takes the resources of a mega corporation to deal with the paperwork related to many government contracts. But, we can improve this statistic by participating in the unified certification system provided by the National Women Business Owners Corporation so government entities can tell who the bona fide women-owned businesses are. And we can

encourage the passage of policies and guidelines. At the risk of sounding a bit militant, I think it's time for women owned businesses to more aggressively go after government contracts and expect more yeses. Some of the problem is that we are still not applying for contracts that we could be getting. **We need to think bigger and expect more yeses.**

Less than 5% of corporate purchasing goes to woman owned businesses. Frankly, this statistic is surprising to me. Some of the patterns are similar to government procurement. There are paperwork issues. We need to participate in the unified certification program. And we need to encourage passage of more progressive policies. But, I have found that we can get corporate contracts when we demonstrate that we can save a corporation money, time, and frustration. Contracts can often be won based on the excellent track records for customer satisfaction that so many women owned businesses have earned through their focus on service. Several corporations with diversity initiatives tell us that they do not have enough women owned businesses offering products and services to them. Again, I feel that it's time for women owned businesses to build on our past successes and **think bigger and expect more yeses.**

Women hold less than 5% of paid board positions. This makes absolutely no sense to me. You cannot convince me that there isn't valuable business acumen among the 9.1 million women business owners that could benefit corporations. Our advice could be particularly useful to corporations with products that are sold to women or families. Our associations can play a role by

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By Thinking Bigger & Expecting More Yeses *cont.*

distributing the resumes of our most experienced, successful women business owners to people who may be looking for board members or commissioners. **We need to think bigger and expect more yeses.**

Less than 5% of all venture capital dollars goes to women owned businesses. The bankers, angel networks, and venture capitalists report that only one in twenty five applications for growth financing comes from women owned businesses. And when we do apply, we ask for too little. I have reviewed well over 1000 proposals in my role helping to obtain financing for fast growing companies (including dozens of proposals for e-commerce businesses.) I have noticed that male entrepreneurs usually build comfortable salaries and benefits for themselves into their projections while their female counterparts submit projections that include nominal (if any) pay for themselves. Prospective investors often interpret that pattern as a signal that the woman lacks real faith in the project or in her contribution to its success. And I've heard prospective investors jump to the conclusion that there must be more money available from her family or spouse that she has not revealed. **We need to think bigger and expect more yeses.**

The fifth pattern is the most troubling to me. I have consulted with over 750 clients and have provided speeches to over 1 million business owners and have observed that women are 5 times more likely to dissolve their businesses than our male counterparts. There are, of course, many causes for such a pattern. Women owned businesses are heavily within the service sector. Many woman-owned businesses were created for lifestyle reasons and are really "incorporated careers." I wouldn't mind the statistic if women business owners were taking home higher salaries while their businesses were in operation. But far too

many women business owners work long hard hours only to end up with salaries that are far below their former corporate career salaries....or even what they could make as employees with other small companies. **It's definitely time for women business owners to break through these five barriers that involve the number 5 by thinking bigger and expecting more yeses.**

Known as The Growth Strategist™, Aldonna R. Ambler, CMC, CSP helps rapidly growing mid-sized companies (typically \$20 – 200 million/year) realize their goal of Achieving Accelerated Growth With Sustained Profitability® through opportunity/resource analysis, executive coaching, strategic working sessions, and her intermediary role regarding growth financing. Her clients are among the brightest, most ambitious business leaders whose names now appear on published lists of the fastest growing privately held corporations. The recipient of 23 prestigious awards for her success as an entrepreneur and industry leader, Ambler hosts a peer-to-peer Internet radio program, aptly called The Growth Strategist™, which features lively interviews with CEOs of midmarket companies who have successfully executed the growth strategy of the week. She can be reached toll free at 1-888-Aldonna (253-6662), by e-mail at Aldonna@AMBLER.com or online at www.TheGrowthStrategist.com.