



Entrepreneurs

## **Women-Owned Businesses: America's New Job Creation Engine**

[Mark D. Wolf](#), 01.12.10, 04:25 PM EST

**Female small business owners are expected to create millions of U.S. jobs while transforming the workplace environment.**

A remarkable trend is emerging in the U.S. job market--one that will greatly impact the workplace of tomorrow. Women are becoming the nation's job-creation engine, starting small businesses and stimulating new jobs at a rate that outdistances their male counterparts and disproportionately exceeds their current contribution to U.S. employment.

A newly published report by [The Guardian Life Small Business Research Institute](#) projects that female-owned small businesses, now just 16% of total U.S. employment, will be responsible for creating one-third of the 15.3 million new jobs anticipated by the Bureau of Labor Statistics by 2018.

Specifically, the Institute expects that women who own small businesses will create from 5 million to 5.5 million new jobs across the U.S. by 2018, and in the process transform the workplace of tomorrow into a far more inclusive, horizontally managed environment.

This job growth projection is based on a rigorous analysis of converging factors, including the faster growth rate of female-owned vs. male-owned businesses; higher college graduation rates by women than men; and the predicted growth of industry sectors and occupations traditionally dominated by women. The projection also reflects the timely fact that female-owned businesses, more often self-funded than male-owned ones, are therefore less reliant on bank financing at a time when many say small business lending practices are more restricted.

So what will the working environment within these companies be like?

**Findings from the index indicate that female small-business owners are more intensely focused on:**

- Creating a positive working environment for all
- Creating opportunities for other people
- Giving employees reasons to feel better as part of the team
- Paying employees better
- Providing better [health care](#) for employees

**Female small-business owners are also more externally focused than their male counterparts. They are more intensely concerned about:**

- Keeping the customers they have
- Cultivating customers who appreciate what they do
- Meaningfully differentiating their businesses from their competitors'
- Taking advantage of economic conditions
- Knowing what other small businesses are doing to improve, succeed or fail

**In addition, female small-business owners are more open to taking advice and deriving valuable information from others. They are more open to:**

- Seeking input from their employees
- Listening to their accountants, chief operating officers, chief financial officers and financial advisors
- Valuing the range of business information available to them from sources such as the Internet and professional associations

Finally, women are taking a longer-term view of their businesses, with a greater focus on:

- Having a succession plan in place
- Planning for retirement
- Having something to sell at retirement

In the aggregate, this deeply engaged, inclusive, horizontal and diligent female-led approach to business management can be expected to counteract the top-down, command-and-control style long practiced by the male-dominant business establishment. Over the next decade, it will have a profound impact on the U.S. economy as female small-business owners create more opportunity for employees to grow in their jobs, encourage others to start their own small businesses and inspire a greater commitment to superior customer service and retention.

*Mark D. Wolf is the director of the Guardian Life Small Business Research Institute, an intellectual resource devoted to better understanding America's small business owners. He also serves as director of Market Research for Guardian Life Insurance Company of America, providing guidance and support to all divisions of the company regarding new product development and testing, customer loyalty/service delivery, market segmentation, and wholesale/retail distribution.*