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SMALL BUSINESS

More Women Are Enjoying Being Their Own Bosses

By [BARBARA WHITAKER](#)

Even before being laid off, for the fourth time in 14 years, from a job as a purchasing manager, Annastine Allen of Bridgeport, Conn., was putting down the foundation — literally — for a new career in construction.

Using \$135,000 of her savings, she bought a lot in North Haven, Conn., in August 2004, with the intention of building a home and selling it for a profit. Two months later, her shift to self-employment came earlier than desired, with another pink slip.

"With corporate America deciding whether I have a job or not, it really pushed me in a new direction," said Ms. Allen, 50, who these days straps on a tool belt rather than picking up a briefcase for work. "If I'm going to give 110 percent, then why not do it for myself?"

By the end of this month, she hopes to have completed the 4,300-square-foot colonial-style home she has been working on for several months. Although she does not have her own construction crews, she has been able to build the home relying on her own skills and those of subcontractors. Her costs to build the home, which she expects to sell for \$650,000 to \$750,000, were about half the estimates from the contractors she initially considered using.

Michelle S. Butler, program director of the Women's Business Center of California in San Diego, said: "Women are going out and taking matters into their own hands. That's why they've become the fastest-growing demographic of entrepreneurs."

And more often than not they are going it alone.

The businesses they choose often dovetail with their own interests or expertise, resulting in a wide variety of start-ups. In San Diego, Ms. Butler gave these examples: a Mexican immigrant whose family had been in the trucking business bought a tractor-trailer rig and established a company to handle cross-country hauling contracts. Another woman, who had been a nurse's aide, started a business providing health care services to the elderly in their homes. Another owns a gravel-crushing business.

A recent study by the Center for Women's Business Research in Washington found that the number of women-owned businesses with no employees grew 18 percent from 1997 to 2004, twice the rate for all businesses without employees. In addition, the revenue for such women-owned firms grew 66 percent, compared with 42 percent over all.

The highest growth rate is found in industries historically dominated by men, like construction, agriculture and transportation.

The center estimates that about 5.4 million firms fall into the category of women-owned businesses with no employees, and they generate an estimated \$167 billion in sales annually. Most run their businesses from home, and many are refugees from the corporate world.

"Work is changing," said Gwen Richtermeyer, director for research at the Center for Women's Business Research. "Women are becoming more independent and sorting out 'How do I do what I need to do to make living?' "

By not having employees, small-business owners are able to avoid headaches and extra costs associated with maintaining a payroll and health insurance. Still, keeping a small business alive can be challenging. Finding financing is rarely easy; many entrepreneurs rely on credit cards, family, friends and savings.

According to statistics provided by the Small Business Administration's office of advocacy, the one-year survival rate for start-up businesses is 81 percent, the two-year rate 66 percent and the four-year rate 44 percent.

About 90 percent of small-business failures are attributed to lack of management expertise and an absence of a solid business plan, which is paramount to success, said Wilma Goldstein, director for the Women's Office of the Small Business Administration, which sponsors women's business centers to assist entrepreneurs.

But beyond glass ceilings, women are looking for greater independence and flexibility to help them juggle family demands or pursue special interests. Ms. Goldstein notes that almost 60 percent of all women work outside the home, a marked departure from the 1950's when almost no women did.

Tearsa Coates, a 30-year-old chemical engineer in Philadelphia, stepped out of her career path shortly after going back to school to obtain an M.B.A.

Although that degree opened the door to a six-figure income, Ms. Coates said, she decided to pursue her dream of creating a small business to educate adolescents about diet and fitness. She got the idea from her volunteer work with the Big Brothers Big Sisters program.

"My little sister really had low self-esteem. She was dealing with weight issues. She was always tired. She didn't like my activities. She didn't like my snacks," said Ms. Coates, adding she initially took it personally.

But once she realized it was simply because her little sister felt uncomfortable doing physical things, she began toying with the idea of how such girls could be helped. She developed a fitness program and video called "MissFits," relying on consultants and other independent contractors to develop the concept and get it produced.

She was aided through a small-business program in Philadelphia called FastTrac, which is sponsored by the Ewing Marion Kauffman Foundation.

"Working as an engineer, I felt like I was really downstream of the decision-making process," she said. "Now, I'm doing what I want to do. I make the widget. I know why I make it and I can change it if I think it needs to be changed."

Fran Pastore, director of the Connecticut Women's Business Development Center, a program to support women entrepreneurs that is partly sponsored by the Small Business Administration, said that many of the 650 to 800 women the center helped annually were abandoning the corporate world.

"They've kind of had it. They don't want the fast pace," Ms. Pastore said. "They're looking for a lifestyle change. They want something new, something that's nourishing them."

The businesses being pursued are as diverse as the women pursuing them. Rose Garbien, who lives in Roxbury, Conn., still works about 16 hours a week, but with the rest of her time she makes natural soaps and creams under the name Bittersweet Ridge and produces textiles, capitalizing on her interest in herbs and animals like Angora rabbits and sheep.

Her sales have outstripped her ability to make the products. She is trying to get her 17-year-old son interested in helping her with the business, and her husband is attending classes at the Connecticut women's business center to learn how to be her bookkeeper. Last year, she paid off the \$2,000 credit card bill from starting the business and had \$2,000 more to put toward financing the business this year.

So far, the construction business has been a nice fit for Ms. Allen in Connecticut. Although she is living on a shoestring now, she said, if the sale of her home goes as expected she will more than double her investment with little financing. She has applied for grants that would help her in her goal of next creating low-income housing for women.

"There's nothing more satisfying than standing back and seeing something develop from nothing," she said. "When I look at this home it sends chills down my spine. I think more women would enjoy being their own boss."