



# News Release

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## **Women Business Owners in the “Missing Middle” Searching for Each Other, Tools for Growth** Pilot Survey Uncovers Needs, Raises Questions

For Immediate Release

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Empire, MI – A new exploratory research study released today uncovers a large unmet desire and need for support and assistance among small, second-stage women business owners, often referred to as the “missing middle”. Many programs support enterprise development in the United States, including some designed specifically for women. Yet most of the public policies, and the business development support stemming from them, are focused at the two ends of the entrepreneurial spectrum: either targeting start-up firms and those not yet in business or large corporations and fast-growth businesses.

“Mapping the ‘Missing Middle’: Determining the Desire and Dimensions of Second-Stage Women Business Owners”, published today by Michigan-based [Womenable](#) and [The Center for Women’s Entrepreneurship](#) at Chatham University in Pennsylvania, finds that most established women business owners are interested in growing their businesses, but many are encountering difficulties in finding the tools they need to grow. Further, women business owners in the missing middle show a greater than average appetite for networking, mentoring and educational opportunities.

“There is a widely held view that, after some start-up training and assistance, newly-created businesses are ready to fly on their own”, says Julie R. Weeks, President and CEO of Womenable and author of the new report. “Further, many feel that established firms that are not growing are doing so by choice. Our study indicates that a 57% majority of all women business owners surveyed are in search of growth assistance, and that desire is even stronger among the missing middle, 64% of whom are in search of tools for growth”.

The study interviewed a random sample of members of the [National Association of Women Business Owners](#) (NAWBO) via an online survey. The survey was designed as an exploratory effort to ascertain key issues in advance of a more detailed research project, and uncovered a strong desire for growth among women business owners, as well as some frustration with an inability to find the support they need. For example, 46% of all of the women surveyed – and 55% of those in the missing middle – say they’d like to grow their business but are not sure how, and 45% of those surveyed – including 54% of the missing middle – say that they lack the managerial skills they need to grow their firms to the next level.

Confirms Dr. Mary Riebe, Director of The Chatham Center for Women’s Entrepreneurship and co-director of the study, “Through our educational and outreach work, we have found a great unmet need for leadership skill development and peer-group support among established women business owners. Our Center focuses on these needs in the metropolitan Pittsburgh area with

facilitated forums, classes, and other educational opportunities. This study shows that similar initiatives would be met with great enthusiasm by second-stage women business owners all over the country”.

The study finds a strong desire among missing middle women business owners to find and learn from their peers, as well as from those more experienced than themselves. Fully two-thirds (67%) of missing middle women business owners, compared to 53% of all women surveyed, would be interested in joining a peer-group mentoring circle. The desire for facilitated discussions, workshops, and finding a mentor was also much stronger among women business owners in the missing middle than among the other women surveyed.

“As I visit our members across the country, I see first hand the value that organizations like NAWBO have for established women business owners,” adds Carol Kuc, President and CEO of Complete Conference Coordinators, Inc. of Naperville, Illinois and National President of the NAWBO. “Networking, mutual support, and leadership development all play a vital role in propelling women business owners forward into spheres of economic, social and political power – which is what NAWBO is all about”.

This landmark study also utilizes data from the U.S. Census Bureau to determine the approximate share of women-owned firms comprising the missing middle, estimating that 16% of women-owned firms with employees and fully 91% of firms with or without employees could be considered to be in the missing middle.

Key recommendations coming out of this pilot research study include:

- **Don’t “write off” the missing middle as uninterested in growth.** Common perceptions that the “missing middle” want to stay that way appear to be unfounded. Most of the missing middle women business owners interviewed in this survey would like their businesses to grow.
- **To women’s business groups: expand awareness.** Women’s business membership associations are a ready-made pool of established entrepreneurial women. Expanded services focused on peer-to-peer networking, mentoring, and leadership development would prove very fruitful.
- **To educators and technical assistance providers: look upward.** There is a great appetite among missing middle women business owners for business leadership skills. This is a tremendous market opportunity for entrepreneurship educators.
- **To public policy makers: consider the return on investment.** Public sector programs that offer business training and technical assistance are frequently too narrowly focused on start-ups. The sheer size of the missing middle alone (16% or 91% of the population of women-owned firms, compared to 7% that are start-ups) underscore that a greater focus on this population could yield a positive return on investment.
- **More research is needed.** This pilot study points out a number of unique characteristics and needs of this population, but they should be corroborated and expanded with a more robust research effort – one that would not only include a more nationally-representative sample of women business owners, but men business owners as well.

The full publication, "Mapping the 'Missing Middle': Determining the Desire and Dimensions of Second-Stage Women Business Owners," is available free of charge at [www.womenable.com](http://www.womenable.com).

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(2 charts follow)

[Womenable](http://www.womenable.com) is a research, program and policy development consultancy whose mission is to enable women's entrepreneurship worldwide. Womenable works with the stewards of women's entrepreneurship—policy makers, multi-lateral organizations, corporate decision makers, entrepreneurial support organizations, and the women's business community—on efforts that will result in better systems to support growth in the number and economic clout of women-owned enterprises.

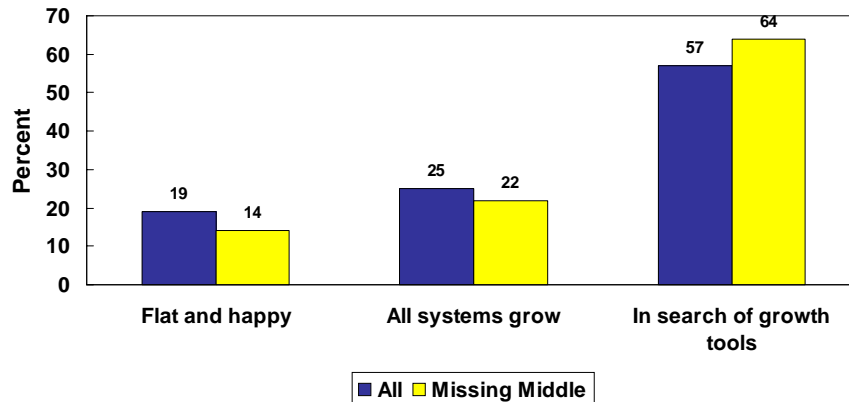
[The Center for Women's Entrepreneurship](http://www.womenable.com) at Chatham University was established in 2005 to provide greater support for women entrepreneurs in the Pittsburgh region. Designed to assist both current and future women business owners, the Center provides new and innovative services and programs that are unique to both established and start-up businesses owned by women.

Womenable and The Chatham Center for Women's Entrepreneurship would like to express our gratitude to the board and staff of the [National Association of Women Business Owners](http://www.nawbo.org), who granted anonymous access to a sampling of their membership for this research, as well as to those women business owners who took the time to participate in this study. Founded in 1975, NAWBO propels women entrepreneurs into economic, social and political spheres of power worldwide. More than thirty years later, NAWBO is still the only organization that solely represents the interest of women entrepreneurs in all industries. The organization's mission is to strengthen the wealth-creating capacity of its members and promote economic development; to create innovative and effective change in the business culture; to build strategic alliances, coalitions and affiliations; and to transform public policy and influence opinion makers. Visit [www.nawbo.org](http://www.nawbo.org) for more information.

**Study Methodology:** The findings reported here come from a pilot survey conducted in the Spring of 2006 among a subset of members of the National Association of Women Business Owners. After conducting two exploratory focus group discussions, a survey instrument was developed and administered online to a sub-sample of members of the National Association of Women Business Owners (drawn to include those most likely to fall within our definition of the missing middle). A total of 227 women responded to the survey during our open interview period from mid April through mid May 2006, 92 of whom met our working definition of the "missing middle": women who have owned and operated their businesses for three or more years and reported 2005 revenues between \$100,000 and \$999,999. Most of the remainder of the survey population reported revenues exceeding \$1 million, and a few were either smaller or newer in business than our working definition of the "missing middle".

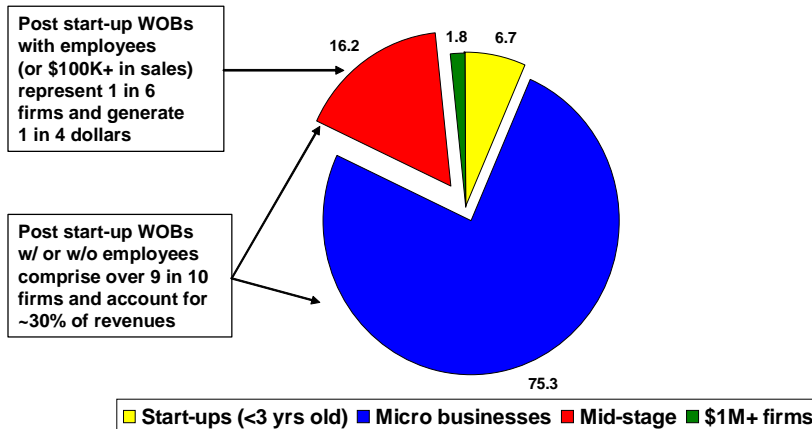
A study population of N=227 and N=92 have sampling errors of +/- 6.7% and 10%, respectively, at the 95% confidence interval—meaning that, 95 times out of 100, survey responses will fall within those ranges when compared to true population values. Of course, as this survey was conducted among a "convenience sample" of NAWBO members, and was conducted online, survey respondents may differ from the average woman business owner in the United States both demographically and attitudinally. This pilot study and the findings reported herein thus do not purport to represent the views and opinions of a nationally-representative population of women business owners.

## Most WBOs Wish to Grow, Are In Search of Assistance Missing Middle More Likely to be Seeking Help



Source: Mapping the Missing Middle, © 2007 Womenable and Chatham Center for Women's Entrepreneurship

## Defining the Missing Middle



Source: Mapping the Missing Middle, © 2007 Womenable and Chatham Center for Women's Entrepreneurship. Data calculations based on published information from the U.S. Census Bureau.