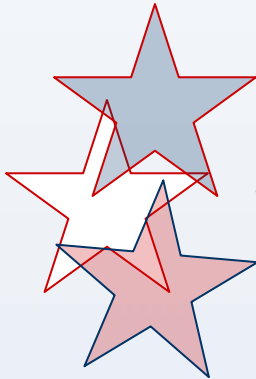




## What Business Women Want



**2009 National Survey of  
Women Business Owners on Top Issues**

**March 2009**

**Study Design and Analysis Support Contributed by:  
AllPoints Research, Inc.**



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# Background

## WIPP Mission Statement

**Women Impacting Public Policy, Inc. is a national bi-partisan public policy organization that advocates for and on behalf of women and minorities in business, creating economic opportunities and building bridges and alliances to other small business organizations. Through WIPP, our collective voice of well over half a million members makes a powerful impact on Capitol Hill and with the Administration.**



# Overview of Issues

Annually, WIPP conducts a survey of its women constituency of women business owners to gain insight and information, assess the importance of economic issues, and evaluate the importance of policy issues relative to their businesses.

Small businesses continue to drive the US Economy. The women business owners participating in this year's study are cautiously optimistic about 2009, with many intending to hire additional employees and predicting revenues to increase. However, the economic downturn has impacted women business owners with 18% planning for additional layoffs in 2009 and 32% planning for a decrease in revenue. The economy is now the most important issue on the minds of women business owners. The recent economic slowdown, the rising cost of fuel, environmental issues/global warming, retirement/savings, access to capital, federal procurement, as well as tax reformation are all variables of concern regarding the economy.

WIPP believes these are the issues and initiatives which are important to women-owned firms and should be addressed by Congress and the Administration. Furthermore, attention to these initiatives will give many women entrepreneurs equal access to capital and funding, the ability to acquire and keep well qualified candidates, become environmentally friendly and operate economically sound organizations in the competitive global economy.



# Executive Summary

## Healthcare

Continued on Slide 7

### Healthcare

Although in 2009 healthcare slipped below the economy in overall importance ranking, it continues to rate as a leading concern, with the WIPP business owners ranking it among the top three most important issues for 2009. Women business owners are looking for change, with a healthy majority (72%) of respondents stating comprehensive healthcare form is necessary.

A high majority (70%) of women business owners feel Congress should consider establishing a National Health Exchange.

Overall, women business owners feel the new Small Business Health Tax Credits will help with the challenges they face in providing health insurance. A majority (64%) feel the new Small Business Health Tax Credit will have a significant impact on their bottom line. Among those not currently providing insurance coverage to employees, 21% say this credit definitely will provide the financial ability to provide insurance while a majority (54%) say they are unsure.

Although almost half (47%) feel reimbursement of employer health plans for a portion of catastrophic costs will provide relief to their bottom line, there appears to be some uncertainty regarding this issue with one-third stating they are unsure. Among those not currently providing insurance coverage, 19% say this reimbursement will enable them to purchase insurance coverage while a majority (53%) state they are unsure.



# Executive Summary

## Healthcare

Continued from slide 6

### Healthcare continued

More often than not (43%), women business owners feel the adoption of standards-based electronic health information systems will help to bring costs down. However, half of women business owners surveyed feel privacy issues may compromise improvements realized by such a system.

Despite the challenges business owners face in offering healthcare to their employees, women business owners have remained consistent in offering coverage with close to two-thirds (60%, 65%, 64%) offering coverage in 2007, 2008 and 2009.



# Executive Summary

## Federal Procurement

### Federal Procurement

In 2008, little progress was made in increasing the percentage of federal contractors among women owners with a static 21% indicating they are currently a federal contractor even though 46% indicate their company is registered on the CCR. However, there is an increase in the percentage reporting as Prime Contractors (52% in 2008 vs 66% in 2009).

Once again, women business owners speak out against the practice of prime contractors changing their contracting plans after a contract has been awarded. In 2009, a resounding 75% (71% in 2008) state prime contractors should be required to use the subcontracting plan that was employed to win the government contract.

With respect to the women owned procurement program, a healthy majority, (~60%) state Congress should start over and rewrite the law (P.L. 206-554) to strengthen the program and limit SBA's discretion in deploying the program.



# Executive Summary

## Tax Reform

### Tax Reform

Women business owners are reaching out for tax reform with this topic ranking in the top three important issues for 2009.

Confidence in the current proposed measures is uncertain. Over 80% feel the business tax breaks included in the stimulus bill will have minimal to no impact on the profitability of their business. While one out of five women business owners believe these tax cuts will help them generate more business and hire additional employees, half of women business owners do not agree and 30% are unsure as to the impact on their business.

When posed with reducing the federal deficit versus making tax cuts permanent, women business owners feel action is needed as exhibited by 76% choosing to state a preference. However, there is no consensus for direction, as women business owners are almost equally split regarding the deficit versus tax cuts (36%:40%). Interestingly, in 2009 there is a slight shift from 2008 when 53% favored reducing the federal deficit. In addition, there is a marked increase from 2008 to 2009 in those that are not sure (5%-12%), indicating women business owners are wrestling with the complexity of this issue.

Regarding revision of the tax code to treat business deductions and credits equally regardless of legal structure, women business owners are consistent with their 2008 view to support this revision to the tax code (46%) with only 15% dissenting on this issue.



# Executive Summary

## Retirement/Savings

### Retirement/Savings

In a show of hands reflective of the nation, a resounding 85% of women business owners indicate their retirement security has become a concern in the past year. The attention to retirement issues extends to a concern for their employees with almost half (47%) offering a retirement program to their staff—most often in the form of a Simple IRA.

This forward-thinking perspective extends to concerns for Social Security with almost half (47%) stating Congress should deal with social security reform in 2009. Although this is a substantial number, the pressures of the economy are evident in the reduction from the 79% reported in 2008. With other issues on the forefront of their minds, a minority 38% feel Congress should table this issue for the present time. Once again, the current Wall Street environment is undoubtedly influencing positions on the issues. In 2009, fewer women business owners feel Congress should allow individuals to manage a portion of their Social Security Fund than in 2008 (47% in 2009 vs 59% in 2008). In addition, the percent dissenting jumped from 26% to 35%.

Two-thirds (66%) of women business owners believe tax credits would stimulate retirement savings and automatic employer deduction from paychecks are supported by 35%. There is a marked reduction in those that agree that more freedom to choose how 401k monies are invested would stimulate savings (from 66% in 2008 to 38% in 2009).

Tax incentives to encourage small business owners to secure retirement through lifetime annuities is supported by half the women business owners with 19% dissenting.



# Executive Summary

## Access to Capital

### Access to Capital

Nearly half of the women-owned firms surveyed (49%) continue to seek outside capital and financing to grow and expand their organizations. Those seeking outside capital and financing continue to utilize multiple sources such as bank financing backed by home equity loans or other collateralized loans (57%), credit card financing (48%), angel investors, family and friends (39%). Also utilized by WIPP members but to a lesser extent are: bank financing backed by SBA (15%), and SBA Micro Loans Program (6%).

Most women business owners surveyed (65%) would like Congress to provide tax incentives to stimulate angel investing.



# Executive Summary

## Energy/Environment

### Energy/Environment

Energy and the environment remain as prominent issues for women business owners. Although the economy, tax reform and health care are top-of-mind with women business owners, energy and the environment are also chief concerns. This is born out by the increase in women taking action and making changes in their business practices to become more energy efficient.

In an effort to adopt a “green” and environmentally conscious attitude, 47% have already engaged in technological initiatives/ businesses/services products designed to improve energy. This is up significantly from last year’s study (34%). In addition, 59% of the business owners participating in this year’s research have developed plans to alter their business practices to become more eco-friendly and conserve energy and efficiency.

# Executive Summary

## Economic Plans for 2009

### Economic Plans for 2009

Overall, women business owners are cautiously optimistic and holding their own in 2009. Although 41% do not have plans to hire additional employees this year, 43% plan to hire up to 5 people in 2009 and another 8% intend to increase staffing by 6-25 people.

Much of the economic downturn appears to have been felt by women business owners in 2008 with 30% of the survey participants reporting that they downsized their companies in 2008. Although 72% of women business owners do not anticipate downsizing their firms this year, 18% expect further layoffs to be necessary.

The percentage of women business owners anticipating business growth this year is down significantly from last year.

- 46% of women business owners expect their revenues to increase in 2009 versus 67% in 2008.
- 32% expect their revenues to decrease in 2009 versus 12% in 2008.