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**A STUDY ON THE MAJOR PROBLEMS OF U.S. WOMEN-OWNED
SMALL BUSINESSES**

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ABSTRACT

This paper investigates the types of problems women-owned businesses face and the relative significance of these problems. The 800 U.S. women business owners were drawn at random from the membership directory of NAWBO (National Association of Women Business Owners). This paper analyzed the differences of major problems across each growth stage (that is, start-up, early growth, later growth and maturity) and in terms of the type of entrepreneur (that is, general/opportunistic or technical/craftsman) in U.S. women-owned businesses. The findings indicated there were significant differences in the problems faced by women-owned businesses who were in various growth stages of their business life (start up to the maturity stage). Finally, significant differences were found by entrepreneur type (technical/craftsman or general/opportunistic) within these women-owned businesses

INTRODUCTION

The substantial increase in the number of women business owners and their contribution to economic growth and job creation in the last decade in most developed countries is accompanied by an increasing number of studies on the phenomenon of female entrepreneurship (Verheul et al. 2002). Women-owned businesses represent an important and growing part of the United States economy. According to the National Foundation for Women Business Owners (NFWBO), there are over nine million women-owned businesses in the U.S. representing 38 percent of all businesses. These firms employ 27.5 million people and generate over \$3.6 trillion in sales annually (The National Foundation for Women Business Owners 2000).

Much of the research on entrepreneurial activity indicates that many women encounter barriers due to their lack of requisite skills, training, and background. Jones et al. (2002) suggested that Small Business Development Centers (SBDC) in their role as the consultants should understand differences in clients' needs and provide appropriate support mechanisms. Studies in the field of female entrepreneurship have mainly focused on personal characteristics, such as motivation and experience, and the distinctive features of their businesses, such as firm size and sector.

Relatively few studies have explored the growth stages and features of business type in women-owned businesses. The goal of this study is to investigate whether there are differences in problems with respect to growth stages (that is, start-up, early growth, later growth, and maturity stage) and type of entrepreneur (that is, general/opportunistic or technical/craftsman) in women-owned firms.

Some researchers have proposed alternative frameworks to understand the characteristics and problems of a diverse variety across the growth stages of small business (Terpstra and Olson 1993; Kazanjian 1989). In particular, Mitra and Pingali (1999) suggested a framework that can discriminate between differing levels of growth orientation and internal capacity for growth in individual firms within the small-scale sector, and to identifying the growth stage of the firm. Flynn and Forman (2001) suggest that there are differences in the strategic and operating environments of the new venture organizations, based on their growth stages. Also, they are in need of help in negotiating various legal and governmental related issues.

The purpose of this study is to evaluate the problems of U.S. women-owned businesses across business growth stages, by the type of entrepreneur. The two categories for type of entrepreneur used in this study are ones identified in previous research and are general/opportunistic and technical/craftsman (Lee and Osteryoung 2001). The four business growth stages are Start-Up, Early Growth, Later Growth, and Maturity Stage. While previous studies have proposed that each of the growth stages is systematically associated with specific areas of concerns for a better performance, empirical findings were not conclusive enough to offer support for the proposition. For example, Kazanjian (1989) empirically examined the relation of dominant problems to firm growth stages using data from 105 high-tech ventures started in or after 1970. The results of his analyses did not fully support his propositions that expected a systematic relation between the two, and concluded that, "results did not completely support the expected pattern. Some problems were more important than others across all stages, and problems and stage characteristics appeared to overlap." Considering the mixed support in previous studies of a systematic pattern between growth stages and problems faced by women-owned firms, we examined the major problems across the growth stages of women-owned small businesses.

Past Research on Major Problems of Women Entrepreneurs

Prior research suggests that women small business owners face hurdles that men small business owners do not. Individual motivation, family background, education, and work experience are all factors that influence the decision to start a business, the choice of market, and the environment within which the business operates (Birley 1989). However the purpose of this research is to focus solely on women-owned businesses. No comparisons to male-owned businesses will be made in this study. Table 1 offers a summary of the major problems faced by women small business owners. However, empirical evidence that supports these assumptions has been drawn from studies of male entrepreneurs. A number of researchers have found that women small business owners often cite access to capital as one of their greatest areas of difficulty (Hirish and Brush 1984; Neider 1987). Others have noted that women business owners are faced with finding and keeping qualified professional staff, making the business profitable, and handling administrative work (Brown and Segal 1989; Lee-Gosselin and Grise 1990). Finally, some research indicates that time pressures, family size and support, job satisfaction, marital and life satisfaction, and size of the firm are important variables affecting the work home conflict (Stoner, Hartman, and Arora 1990; Kim and Ling 2001).

Table 1 - Major Problems Faced by Women Business Owners

	Histrich & Brush (1984)	Neider (1989)	Brown & Segal (1989)	Lee-Gosselin & Grise (1990)	Stoner, Hartman, & Arora (1990)	Collerette & Aubury (1990)	Kime & Ling (2001)	Ufuk & Ozgen (2001)	Coleman (2002)
Obtaining Credit	X					X			
Lack of Collateral	X								X
Lack of Capital				X					X
Establishing Creditability				X					
Delegating Authority		X							
Lack of Business Experience	X								X
Lack of Respect/Acceptance						X			X
Labor			X	X					
Personal		X		X					
Work-Home Conflict		X			X			X	
Administrative Work			X						
Making the Business Profitable			X						

Research has also noted that women small business owners face many serious constraints unique to their gender. Constraints can be external to the firm as in the case of the discrimination constraint, or they can be internal representing characteristics of the firm or the firm owner (Coleman 2002). In an earlier study, Histrich and Brush (1984) suggested that the biggest problems during startup were lack of business and financial training, obtaining credit, and lack of collateral. Women business owners continued to encounter problems as their business continued in operation, but the problems were mentioned less frequently than at startup.

Access to capital is a critical issue for women-owned small businesses. Without sufficient capital, small firms are unable to develop new products and service or grow to meet demand

(Coleman 2000). Insufficient liquidity is a frequently cited cause of small business failure. Unlike larger publicly held firms, small firms typically cannot access the traditional capital markets. Instead, small firms are heavily dependent on bank loans, trade credit, and "informal" sources of financing such as personal savings, credit cards, home equity loans, and loans from family and friends (Cole and Wolken 1996). A number of researchers have found that acquiring capital and dealing with financial institutions is particularly difficult for women business owners. Reasons cited include the small size of most women-owned firms (Coleman and Carskey 1996), lack of financial sophistication (Hisrich and Brush 1984), risk aversion (Olson and Currie 1992), and possible discrimination (Brush 1992; Neider 1987).

Neider (1987) mentioned the difficulty of delegating authority and the tension caused by conflict between life and career as important problems. Brown and Segal (1989) reported that finding and keeping qualified professional staff, finding and keeping skilled labor, making the business profitable, and doing government paperwork pose additional major problems. The most critical startup problems of women business owners seems to be a lack of confidence in women business owners' abilities on the part of banks, suppliers, and clients alike, as well as family issues. Additional problems, such as marketing and labor difficulties and disagreement with associates, may arise after the startup phase (Lee-Gosselin and Grise 1990).

Stoner, Hartman, and Arora (1990) found the work-home conflict, the tension caused by the dual responsibility of managing a business and maintaining a family, to be the main stumbling block for women business owners. Collette and Aubury (1990) mentioned that obstacles of women business owners are combining family and work, finding the money needed for the business, and being accepted as women in business. Kim and Ling (2001) suggested that time pressure, work stressors, parental demand, and spouse support have different degrees of influence on work-family conflict, and among the three types of work-family conflict, job-spouse conflict has the greatest influence on job, marital, and life satisfaction. Ufuk and Ozgen (2001) explored the effect of being a female entrepreneur on the multiple roles (family, social, economical and individual), and the state of conflict between the entrepreneur role and other roles in family. Their research findings showed that the women thought that being entrepreneurs affected their roles in family life negatively, while positively affecting their roles in social, economical, and individual life; and they suffered from conflicts between the entrepreneur role and other roles in family.

Coleman (2002) explored whether or not women small business owners face constraints that hamper their ability to acquire debt capital and, in particular, debt capital from external sources. The findings of this research demonstrate that lenders do not discriminate against women business owners solely because they are women. Alternatively, access to debt capital appears to be determined by characteristics of the firm and, in the case of education, by characteristics of the firm owner. Lenders may, however, discriminate for economic reasons against certain types of firms that are characteristics of women-owned firms, especially very small firms, less profitable firms, firms with a poor credit history, and firms that are unwilling or unable to supply collateral or personal guarantees.

RESEARCH METHODOLOGY

Sample Characteristics

A questionnaire was sent to 800 U.S. women business owners. The names of women business owners were drawn at random from the membership directory of NAWBO (National Association of Women Business Owners). Women business owners were selected for this study since it was part of a larger study on cross cultural differences of women-owned

businesses. The sample was randomly selected alphabetically, geographically, and on type of business to insure no bias by geography or business type. Prior to finalizing the questionnaire, it was pilot tested with the members of the Jim Moran Institute for Global Entrepreneurship (JMI) at Florida State University. Responses were received from 165 firms for a response rate of 20.6 percent. Five of the responses were found to be incomplete and were excluded from the analysis, which made the final sample size 160.

Respondents were asked to indicate in which industry they operate, type of organization, growth stage, business experience, annual sales, and employees. Also, to characterize their firms, respondents were asked to indicate which of two types of businesses they were, either general/opportunistic or technical/craftsman. As shown in Table 2, fifty-nine percent of the sample firms were in the service/retail industry, and the majority (127) of these businesses had less than 30 employees. Sixty-seven percent of the entrepreneurs had less than three years of business experience with 59 percent of them having 1-3 years experience, and only seventeen percent had more than seven years of business experience. Ninety-five (95) firms classified themselves as general/opportunistic and 65 firms as technical/craftsman. In terms of growth stages, respondents were provided with a list of the four life stages along with a descriptive definition of each stage. They were then asked to indicate in which of the four stages their business was categorized.

Table 2 – Research Sample Characteristics

		Sample (%)
Industry	Manufacturing	64(40)
	Service/Retail	95(59)
Employees	Less than 30	127(86)
	31 – 50	9 (6)
	More than 50	12 (8)
Business Experience	Less than a year	13(8)
	1 to 3 years	94(59)
	4 to 6 years	23(14)
	More than 7 years	28(17)
Type of Entrepreneur	Opportunist	65(40)
	Craftsman	95(59)
Business Growth	Start-Up	13(8)
	Early Growth	41(25)
	Later Growth	46(28)
	Maturity	59(37)
^a Number (percent)		
^b The percent total may not be 100 because of rounding		

Measurements and Data Analysis

The intent of this research was to explore the constraints on women-owned small business owners irrespective of the sources. In order to measure the major problems that the sample firms faced, the entrepreneurs were asked to indicate how often the 12 major problems were faced during the four growth stages on a seven-point Likert type scale (1 = in most cases; 4 = sometimes; 7 = never).

Since the focus of this empirical study was on the differences with respect to growth stages and by type of firm, a multivariate analysis was deemed appropriate. The univariate analysis

of variance (ANOVA) was utilized for the difference of major problems to each growth stage, and t-tests were utilized for comparison between the types of entrepreneur.

First, the 12 items measuring major problems faced by women-owned businesses were each subjected to a confirmatory factor analysis using the covariance structure analysis technique. A 3-factor solution was found to appropriately represent the data structure of the 12 items, accounting for about 53 percent of the total variance. These three factors represented the three major problems of finance, management, and personal circumstances. The measures also had high internal consistencies with Cronbach Alpha greater than .80. Table 3 shows factor loadings and internal consistency measures for each factor.

Table 3 – Factor Loadings for Major Problems

Major Problems	Factor 1	Factor 2	Factor 3
Finance			
Obtaining Credit	.846		
Lack of Collateral	.914		
Lack of Capital	.894		
Management			
Establishing Credibility		.752	
Delegating Authority		.546	
Lack of Business Experience		.520	
Labor		.524	
Administrative work		.663	
Making the Business Profitable		.693	
Personal Circumstances			
Lack of Respect/Acceptance			.771
Personal			.755
Work-Home Conflict			.621
Eigenvalue	4.675	2.427	1.476
% of Variance	29.22%	15.17%	9.23%
Cronbach- α	.86	.87	.83

RESULTS

Problems Based on Entrepreneur's Type

While little consensus has emerged around virtually any form of classification in entrepreneurship, there are actually a number of different classifications found in the literature. Schindehutte, et al. (2000) summarized a number of the classifications of entrepreneurs proposed to date. Most prevalent among these is the craftsman/opportunist dichotomy, although some have noted that these two categories represent end-points, between which we must allow for an intermediate category. The underlying characteristics used to define these categories have included the entrepreneur's goals, attitudes, motivations, background, and management style.

Lee and Osteryoung (2001) divided entrepreneurs in terms of the type of business (that is, general/opportunistic or technical/craftsman) to see whether this distinction influenced the importance placed on start-up factors. Other sources term these two groups artisan and opportunistic (Longenecker, Moore, and Petty 2003). Basically both of these writings cite managerial and educational differences. The technical/craftsman entrepreneur is a trade

skilled craftsman with technical training, limited formal education, and lacking in managerial training. They tend to run their businesses in a paternalistic environment. This is contrasted with the general/opportunistic entrepreneur that has more formal education, formal managerial training, and run their businesses in a more professional manner. In this study, women-owned businesses were asked to categorize themselves in one of these categories.

The survey respondents categorized themselves as either a general/opportunistic or a technical/craftsman type of firm. Respondents were asked to indicate how often they faced major problems in 12 areas. First of all, a series of t-tests were conducted on the means of the two group's (general/opportunistic or technical/craftsman) responses to the 12 major problems. A total of three major problems were significant at a .10 level or lower. Table 4 presents major problems of the mean scores of all respondents by the three factors (finance, management, personal circumstance), as well as the t-test results for the 12 major problems.

Table 4 – Major Problems by Type of Entrepreneur

Major Problems	Total Mean	Mean		t-Value
		Opportunist (n=65)	Craftsman (n=95)	
Finance				
Obtaining Credit	4.37	4.23	4.52	-0.79
Lack of Collateral	4.30	4.13	4.47	-0.90
Lack of Capital	3.88	3.84	3.92	-0.02
Management				
Establishing Credibility	3.76	3.94	3.58	-1.12*
Delegating Authority	4.55	4.64	4.46	0.61
Lack of Business Experience	4.59	4.70	4.49	0.71
Labor	3.65	3.53	3.78	1.10
Administrative work	3.45	3.70	3.20	1.39**
Making the Business Profitable	3.71	3.40	4.02	1.25**
Personal Circumstances				
Lack of Respect/Acceptance	4.86	4.82	4.90	1.18
Personal	3.94	4.01	3.87	0.08
Work-Home Conflict	4.82	4.95	4.70	0.79
*p<.10; **p<.05				
Standard deviations and the entire list are available from the authors upon request.				
Score from (1 = in most cases; 4 = sometimes; 7 = never).				

Making the business profitable was a problem faced more often for general/opportunistic type of women-owned business ($t=1.25$; $p<.05$). Establishing credibility ($t=-1.12$; $p<.10$), one of the management factors, was a more frequent problem for technical/craftsman type of women-owned business. Also, administrative work ($t=1.39$; $p<.05$) was a problem faced significantly more often for the technical/craftsman type of women-owned business. The technical/craftsman firms face more difficulty in management related issues of establishing credibility and doing administrative work that could be due to their dependence on a technology-orientation. Our results closely resemble that of Woo's typology (1991), since the craftsmen prefer to perform technical work as opposed to administrative tasks and are generally motivated by the need for personal autonomy, rather than the desire for organizational or financial success. In contrast, broader experiences and higher levels of education characterize opportunistics.

An analysis of all mean problem differences that were not significant indicated that all financial issues were less of a problem for women craftsman entrepreneurs. Management problems were more prevalent in four of the six areas for women craftsman entrepreneurs, as contrasted to the women business owners identifying themselves as general/opportunistic. Meanwhile, problems relating to respect and acceptance were higher for women opportunistic entrepreneurs, but they experienced fewer personal problems and less work-home conflicts than women craftsman entrepreneurs.

Problems Based on Business Growth Stages

Traditionally, scholars have used a biological analogy to explain the growth patterns of organizations (Kazanjian 1989). A basic assumption in organizational growth is that they follow a similar pattern of development that can be segmented into discrete stages (Dodge and Robbins 1992). Previous studies have suggested growth models with varying numbers of growth stages. Four general stages seem to be common to all: 1) a start-up or conceptual and development stage, 2) a growth or commercialization stage, 3) a domain protection or expansion stage, and 4) a stability or consolidation stage (Miller and Friesen 1984, Dodge and Robbins 1992, Hanks and Chandler 1994).

The Start-up Stage is the period in which a new firm is attempting to become a viable entity. This stage can be characterized as turning a venture or idea into a business entity. Critical tasks at this stage include identifying and defining a market, refining the firm's technology, and development of a working prototype. In other words, firms in this stage would develop needs for consulting assistance in the areas of marketing and production/operation system more than in other areas. A similar result is found in Dodge and Robinson's (1992) study of 364 small businesses.

The Early Growth stage is the period in which the business establishes itself through strong positive growth with a commercially feasible product and/or marketing approach. Firms in the Growth stage of Kazanjian's (1989) growth model, which is regarded similar to the Early Growth stage of Dodge and Robinson's (1992) model, are found to have no particular problem areas that were considered dominant. Contrastingly enough, Dodge and Robinson (1992) found firms in this stage reported more problems in production and finance/accounting areas of management. Kazanjian and Dodge and Robinson have different explanations for their findings. This study will examine these seemingly contradictory previous findings and see which areas the owners of firms in this stage were most concerned.

The Later Growth stage is the period in which growth begins to slow. In this stage, key concerns include: learning to produce, sell, and distribute the firm's product in much greater volume. This would involve manufacturing/operations and issues including purchasing, production planning, industrial engineering, and inventory/quality control. Further, administrative system issues dealing with payroll, finance, and building maintenance might have relevance in this stage. In previous studies, firms in this stage were found to report more problems in the marketing area than management or finance areas (Dodge and Robinson 1992), and their CEOs tended to rate problems in organization systems, sales/marketing, and external relations areas as dominant problems.

Firms in the Maturity stage tend to grow at a slower rate. Sales levels stabilizing, falling levels of innovation, and a more bureaucratic organization structure can characterize the Maturity stage. As previous studies suggest (Kazanjian 1988; Dodge and Robinson 1992), firms in this stage tend to be concerned about growth to profitability, increased organizational efficiency, and facilitating formalized planning and control.

The univariate analysis of variance (ANOVA) was performed across all four stages of the business growth for each of the 12 major problems. Table 5 presents the summarized results with the mean scores of all respondents in three consulting areas (finance, management, personal circumstances), as well as the Duncan’s multiple range test results in four growth stages for women-owned businesses. This analysis indicated how often women-owned businesses face major problems in three different key factors as their growth stages advance. Meanwhile there were five significant differences in the major problems.

Table 5 – Analysis of Variance and Duncan’s Multiple Range Tests: Differences in Major Problems Across the Business Growth Stages

Major Problems	Mean Score ^a				F-Value	Contrast
	Start-Up (A)	Early Growth (B)	Later Growth (C)	Maturity (D)		
Finance						
Obtaining Credit	4.16	4.25	4.65	5.00	0.73	N.S.
Lack of Collateral	3.88	4.27	4.53	4.68	0.89	N.S.
Lack of Capital	3.51	3.81	4.00	4.30	0.57	N.S.
Management						
Establishing Credibility	3.18	3.53	4.08	5.61	6.03***	A < B C D
Delegating Authority	4.32	4.47	4.56	5.84	2.38*	A < B C D
Lack of Business Experience	4.47	4.61	4.80	4.84	0.28	N.S.
Labor	3.37	3.48	3.57	4.84	2.23	N.S.
Administrative Work	2.92	3.12	3.40	4.03	2.97**	A < B C < D
Making the Business Profitable	2.23	2.58	3.36	3.72	5.36***	A < B < C < D
Personal Circumstances						
Lack of Respect/Acceptance	4.61	4.80	4.98	5.61	1.02	N.S.
Personal	4.17	4.43	4.49	5.15	0.91	N.S.
Work-Home Conflict	4.48	4.65	5.01	5.76	1.73*	A < B < C D

*p<.10; **p<.05; ***p<.001; N.S.: Not Significant
 (1 = in most cases; 4 = sometimes; 7 = never).
^a The smaller score, the more often problems were faced. The mean score was obtained by dividing a sum of item scores by the number of items within each factor.

As indicated in Table 5, five items of management and personal circumstances were found significant at a .10, .05 and .01 level. This analysis showed that the problems faced by women-owned businesses differed across the growth stages.

Women-owned businesses, across the growth stages tended to face statistically significant more problems in the following five areas: establishing credibility, delegating authority, administrative work, making the business profitable, and work home conflict ($F(3, 156) = 6.03 (p<.01)$; $2.38 (p<.10)$; $2.97 (p<.05)$; $5.36 (p<.01)$; and $1.73 (p<.10)$ respectively). This indicates that firms in their earlier stages of growth, especially in the start-up stage, face more major problems than firms in later stages. This is particularly true in the management and personal circumstances areas. These five problems also appeared with a different order of priority. “Making the business profitable” was the most critical concern to female business owners as evidenced by its higher priority. Most women entrepreneurs hoped, at start up, that they would make a living from their business (Brown and Segal 1989). Therefore, it is not surprising that this problem is cited most often as a major problem for female business owners. Also, administrative work was rated as the next highest priority of major problems at the start up stage. This is perhaps as a result of their lack of business

experience. This finding supports the results of a Lee-Gosselin and Grise study (1990), indicating that an important attitude of entrepreneurs is self confidence.

Another major finding of the results is that problems in the areas of finance did not show statistically significant differences among the growth stages. Over all growth stages, it seems that women business owners face a moderate level of problems in obtaining credit, lacking collateral and capital. This would indicate that the problem of obtaining capital is less of an issue now than Hirsch found in 1984. Coleman (2000, 2002) suggested that research results didn't demonstrate evidence of non-economic discrimination as a constraint faced by women business owners, but they did reveal that certain characteristics typical of many women-owned firms, including small size, limited prospects for growth and profitability, and failure to provide collateral or guarantees reduce the likelihood of obtaining debt capital.

Establishing credibility and delegating authority, identified as statistically significant variables, were indicated by the difference between two groups (start up stage and early growth). As time elapsed, the degree of facing these problems decreased. This may be due to the fact that the degree of facing the problem was positively correlated with time. This means that most women owners in later stages face the credibility problem with banks and the suppliers less seriously than in their start up stage. Even though most women entrepreneurs rather quickly earned the confidence of their suppliers, clients and bankers, it is somewhat worrying that so many keep facing this obstacle after some years in business (Lee-Gosselin and Grise 1990). This finding supports the result of Neider's study (1987) that women entrepreneurs tend to be reluctant to make a delegating responsibility in even minor aspects of business operations and less often after the launch of their own business.

One of the management factors, administrative work, showed differences across the stages (start up stage, early and later growth stage, and maturity stage). They continued to encounter the problem as their businesses continued in operation, but the problem was mentioned less frequently as the business moved to maturity. Terpstra and Olson (1993) suggested that general management problems were a major problem of women owners in the start up stage, but they became relatively less important in later stages.

"Making the business profitable" was much less of a problem in the maturity stage than all other growth stages. The women business owners may not yet have developed confidence in some of their management ability at the start up stage (Hisrich and Brush 1984). This could lead to problems among women business owners unless they can acquire the skills and ability for making the business profitable.

Work-home conflict was statistically significant among three groups (start up stage, early growth stage, later growth and maturity stage). After the start up stage, the work-home role conflict decreases. Stoner et al (1990), suggested female business owners need to be prepared to cope with the ramifications of work-home role conflict, particularly in the lean, initial years in the life of the firm. Some researchers showed that women thought that being entrepreneurs affects their roles in family life negatively, while positively affecting their roles in social, economical, and individual life. They also suffered from conflicts between the entrepreneur role and other roles in family, and thought that the role of entrepreneur mostly conflicted with the roles of housewife, mother, and wife, respectively (Neider 1987; Collette and Aubry 1990; Ufuk and Ozgen 2001; Kim and Ling 2001). As contrasted with the above major problem, the lack of respect/acceptance and personal problems were not significant.

DISCUSSION AND CONCLUSION

The purpose of this study was to investigate the differences in the major problems faced by women-owned businesses across the four growth stages and by entrepreneur type. Analyses of data from 160 women-owned businesses (95 general/opportunistic; 65 technical/craftsmen) found some statistically significant differences in major problems faced by women entrepreneurs across their growth stages and by entrepreneur type.

The comparison of opportunistic versus craftsman types on the major problems was found to be statistically significant on three variables: establishing credibility, administrative work, and making the business profitable. Analysis showed that establishing credibility and administrative work were significantly more of a problem for technical/craftsman type of women-owned businesses. Making the business profitable was a problem faced more often by general/opportunistic type of women-owned businesses.

The analysis of the differences of the major problems faced by women business owners across growth stages is found to be statistically significant in two major areas: management and personal circumstances. Establishing credibility, delegating authority, administrative work, and making the business profitable, classified into management factors, were significantly different across the growth stages (start up, early growth, later growth, and maturity). Establishing credibility and delegating authority problems were positively correlated with growth stages. This means that most of the women-owned businesses in the advanced stages of growth faced less serious credibility problems with banks and suppliers than those in the start up stage. With regard to delegating authority, women entrepreneurs tended to be reluctant to delegate responsibility at the start up stage. Administrative work and making the business profitable were indicated relatively more often as problems during the start up stage than the other stages. These problems are found less often after the start up stage. As contrasted with the former problems, the lack of business experience and labor problems were not significant. The work-home role conflict decreased after the start up stage. The lack of respect/acceptance and personal problems were not significantly different across the growth stages.

Some guidelines for women-owned businesses as a result of this study would include major problems are more likely to occur at the start up stage of the business growth stages; and these problems were encountered by women-owned businesses regardless of the type of business (technical/craftsman or general/opportunistic). Also, women business owners' major business problems decline as the firm moves through the four growth stages. For all of the twelve problems listed, the problems diminished in each problem category. Thus, experience of women business owners is related to reductions in overall problems.

Some limitations include that this sample was entirely from NAWBO. However, NAWBO is the largest women-owned business organization in the U.S. and may represent typical women-owned businesses. Secondly, a larger sample may be needed for more detailed analyses, but our response rate, the business experience of the respondents, and the presence of different industries in our sample may help alleviate any bias that may exist. The focus of this study was only on the problems women business owners faced across the business growth stages and no attempt was made to study gender-based differences.

Overall, the results present the major problems faced by women-owned businesses across the four growth stages and by entrepreneur type. We suggest the need for a more detailed analysis between growth stages and factors other than those presented here (e.g., reason for seeking assistance, the time period between consulting and implementation, and suggestions for consulting program improvement) as one direction in future research.

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