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**GENERATIONAL**  
WEALTH MANAGEMENT  
*A Registered Investment Advisor*

**Re: Celebrating Women in Business**

In the latter half of the 19<sup>th</sup> century, women entrepreneurs often ran peripheral, service-related businesses: taverns, alehouses, retail shops, hotels, even brothels.<sup>1</sup> It was a man's world, and women without husbands often found themselves looking for innovative ways to support themselves.

At the dawn of the 20<sup>th</sup> century, the socioeconomic climate began to change. New political movements—progressivism, feminism, consumerism—and demographic shifts began to provide greater opportunities for women looking for ways to escape the traditional paradigms of a male-centered culture.

Immigration, in particular, and the drive to achieve created increased demand for products and services. Female entrepreneurs, however, found demand for their products at the time mostly among other women. And that influence—and the unique inclinations of female entrepreneurs to transcend mere economic motivations—led to subtle shifts in the marketplace as a whole.

World War II led to a greater influx of women into the workforce as men headed off to war. As the Second World War subsided, returning soldiers began filling jobs held by women. Newly unemployed women increasingly sought opportunities in the business sector as owners of small and sometimes home-based businesses.

Business and cultural leaders responded to the rising demand by offering women educational platforms and increased opportunities. Many newspapers even began offering pages specifically targeting women's needs and preferences.

By the early 1980s, women were beginning to take the reins of top corporate enterprises. Within a generation, the doors of the corporate world had swung wide open; archaic expectations about women's subservient role in society, the culture, and the economy had been largely laid to rest.

While true gender parity still lags at the very top echelons of many major corporations, women are firmly integrated into the business realm.

In fact, women own nearly 12 million businesses in the United States. They employ more than 8.9 million people and have generated \$1.7 trillion in sales.<sup>2</sup>

Nearly all (99.9%) of women-owned businesses are classified as small, having fewer than 500 employees. More than a third of all businesses are owned by women, generating 12% of all sales and 15% of the U.S. workforce.<sup>3</sup>

### **Women's Small Business Month**

We salute women entrepreneurs in October, National Women's Small Business Month.

"National Women's Small Business Month is a time to recognize and applaud the talented, dedicated and driven women whose entrepreneurial spirit helps drive our nation's economy forward," said Carla Harris, Chair of the National Women's Business Council.<sup>4</sup>

On a wider horizon, small business and entrepreneurship constitute the lifeblood of the U.S. marketplace.

Indeed, economic opportunity stretches across the American landscape at levels never seen in world history. Commercial innovation, wrought from the hands of entrepreneurs ready to engage their visions of financial independence and altruism, has created a society of unprecedented wealth and prosperity.

Ideas—and the drive to fashion them for real-world application—fuel the entrepreneur's dream. The evidence for America's unrivaled success continues to point to the small commercial enterprises adorning the towns, the cities, and the countryside of the United States.

The U.S. Census Bureau's Annual Survey of Entrepreneurs counts 5.6 million employee-based businesses.<sup>5</sup> "In the U.S., small business is the backbone of the economy," said Stephen Morris, the Small Business Administration's online media coordinator.<sup>6</sup>

### **Why is Small Business so Important?**

Big business, after all, dominates the stock market. It wields significant political and socioeconomic influence on the national stage. And it helps dictate and direct international trade policies.

But it's small business that keeps the nation's economic engine humming.

Consider the facts:<sup>7</sup>

- Small businesses energize local communities with healthy, vigorous market competition. Local farmers, for example, can provide consumers with alternative

food choices with distinctly regional, healthy, holistic offerings. Nimble tech startups can move quickly, hit the market hard, instantly shift trends, and change consumer demand.

- Small businesses set up shop in local neighborhoods and communities and employ local workers. Big businesses, on the other hand, often bring in their own management teams, their own procedures, their own corporate processes, and the bulk of their labor force may come from other places.
- Small business provides more diverse cultural opportunities. Anyone can start a business. Race, gender, education, or cultural background can't squelch the drive of a hard-working business owner. Climbing corporate ladders doesn't compare to the dogged ambition and excitement of local entrepreneurs pursuing the dream of small-business success. Greater commercial diversity translates into a more resilient economy able to withstand fluctuating market forces.
- The relatively short shelf life of many small businesses often and unfortunately generates high turnover, which provides local communities with more opportunities to learn and adjust to market shifts and changing trends. Although the occasional instability of the small-business base, especially among startups and innovators, may seem detrimental, its freewheeling and flexible nature fosters a greater drive for growth, a deeper desire to connect with its community, and more intimate customer communication.

As financial professionals, we are here to help you pursue your financial goals. If you have any questions or would like to learn more about developing strategies for a strong financial future, contact us today!

Kind Regards,

The Team at GENERATIONAL WEALTH MANAGEMENT

### ***Footnotes, disclosures, and sources:***

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<sup>1</sup> <http://www.mediapartnersworldwide.co/womens-history-rise-female-entrepreneur/>

<sup>2</sup> <https://www.nawbo.org/resources/women-business-owner-statistics>

<sup>3</sup> <https://blog.dol.gov/2017/07/05/get-facts-women-business-owners>

<sup>4</sup> <https://www.nfib.com/content/analysis/economy/october-is-womens-small-business-month/>

<sup>5</sup> <https://www.census.gov/programs-surveys/ase/data/tables.html>

<sup>6</sup> <https://smallbiztrends.com/2017/04/small-business-week-and-the-sba.html>

<sup>7</sup> [https://www.huffingtonpost.com/entry/why-are-small-businesses-so-important-for-the-economy\\_us\\_58f61f9ae4b048372700db75](https://www.huffingtonpost.com/entry/why-are-small-businesses-so-important-for-the-economy_us_58f61f9ae4b048372700db75)