On behalf of the National Women’s Business Council (NWBC), Hart Research conducted two focus groups on August 31, 2011, among 13 self-described “established” or “aspiring” female entrepreneurs attending the “Women in Green” Forum in Santa Monica, California. It should be noted that the findings presented here reflect the fact that nearly all of the participants are in the early stages of establishing new business ventures. It also is important to remember that our participants made a conscious choice to attend (and pay for) the Forum, a fact that may differentiate them significantly from other entrepreneurs in the green sector (or other sectors).

**Key Findings**

1. **The “Business of Green” represents an exciting new sector**, one that evokes feelings of optimism and innovation with an eye toward the future. Participants see “high growth” as an apt descriptor of the sector, which is particularly encouraging given current economic conditions.

2. Participants’ optimism for the sector is based in part on their belief that “going green” increasingly is seen through an economic lens as a long-term cost savings strategy. Viewing the sector’s benefits in this way contrasts significantly with past efforts in which “going green” was cast solely in noneconomic terms as a way to improve public health and/or the health of the planet.

“When it hit someone’s bottom line, they don’t really care what it is as long as it saves them money. I mean they do [care], obviously, but I think that it’s the more we actually save money from [green business], the more it becomes less fad-oriented and people actually start to build it into business models.”
3. Although participants agree that both men and women can succeed as green entrepreneurs, most believe the sector holds particular promise for women. In fact, they completely reject the idea that the sector might be limiting or constraining for women. Participants give three reasons for this: 1) its newness means the sector lacks traditional gender barriers that might thwart women’s entry into (and rise within) the field; 2) women in the field are very willing to serve as mentors; and 3) the sector embodies characteristics that resonate among women, such as “making a difference,” “working collaboratively,” “storytelling,” “a focus on community,” and “nurturing” (our bodies and the earth).

“It’s a new paradigm. It’s not fitting into some old structure.”

Some participants also point out, however, that their slice of the green sector focuses primarily on green household products (e.g., organic clothing) and services (e.g., catering, composting), whereas other parts of the green sector (e.g., alternative energy) might appeal more to men.

4. Despite their optimism, participants readily discuss a set of internal and external barriers that hinder their success.

“I want to work out all the little details before opening the doors—starting a business, it’s scary. You know I’ve never opened up a business before

5. Internal barriers include the difficulty of juggling myriad tasks related to management, finances, marketing, and operations along with their need to produce goods and/or services. About half the participants manage all aspects of their business while the other half contract out various aspects of their business (e.g., accounting, HR, IT, etc.).

“It’s really hard to balance because I’m a full-time stay at home mom and a full-time entrepreneur. So if a lot of woman have that similar role, I think that might be why you don’t see as many women entrepreneurs—maybe because they already have so many roles.”

“The internal barriers of keeping yourself focused, keeping yourself motivated, keeping yourself on track. The fear factor. [By contrast,] having a [regular] job is really easy. I mean you go, they tell you what to do, and you do it.”
6. Participants with children feel especially squeezed, while participants without children fully expect their careers will suffer dramatically if they elect to have a family. In addition, some participants feel that their entrepreneurial plans are taken less seriously than they might otherwise be if they were men.

“It really jams me to think about when to time kids and how do I keep a career going and how do I not drop the ball.”

“I’m not even having kids right now, that’s the reality. But that, to me, is a huge challenge. I think it doesn’t matter if you work for yourself or you work for a corporation. Taking a pause in your career is a really big deal.”

“If you have kids essentially you stop going on the vice president track. So if you consciously decide to have kids, you better have one hell of a support network that’s going to take care of the kids and do everything and you’re going to miss all their soccer games.”

7. Access to capital and fear of incurring debt are seen as significant obstacles to success. This result comes as no surprise, especially given today’s grim economy and bearish attitudes among investors and creditors. But many participants lack confidence and/or knowledge about how to raise capital. In some cases, participants suspect that resources exist to help them, but are often too overwhelmed by day-to-day business operations to take advantage of them. These findings suggest that participants would benefit from hearing “success stories” on raising capital from fellow entrepreneurs.

“I know my product’s target audience. I just can’t reach them because of the money.”

“I keep thinking there’s got to be grants for my type of business, but I have no idea how to go about finding them or getting them.”

8. Some participants have explored grants for green and/or women-owned businesses, but they express frustration with “reimbursable” grants that require them to spend money before they can be compensated. After all, the reason they are applying for grants is because they lack the initial funds in the first place.
9. Participants recognize that **government contracts for women-owned businesses represent a significant opportunity**, but participants are **daunted by the paperwork** required.

10. **An emphasis on day-to-day business operations often prevents participants from thinking strategically.** For example, most participants lack a formal business plan, while those who do have one are not always sure exactly how to fully utilize it. In addition, **few have given much thought to exit plans, partnerships, or other strategic options**, even though the mere fact that they had chosen to participate in the Forum suggests that these participants might be more strategically minded than other fledgling entrepreneurs. As such, **entrepreneurs might benefit from a more concerted effort to provide strategic guidance.**

11. Among participants who have considered them, **forming a partnership generally is seen as desirable but unlikely.** Participants like the idea of having someone who could help share tasks, foster ideas, and balance out their strengths and weaknesses, but they are skeptical that they could find someone who would adequately fit the bill without undermining their vision for (and control over) their businesses. This suggests that many entrepreneurs might benefit from a partner-finding service modeled after “match.com” or eHarmony.

"I think [potential partners] exist, but I just don’t know them and the people who are available to me. Maybe they are just not a good complement to my skill set. But, I’ve always felt open to [the idea]."

"One of the things about having a business partner which would be really nice is to have that sort of camaraderie and strength together. You have certain strengths and the other person has certain strengths, then it makes sense to bring it together and you can get more done.”
12. While some of our entrepreneurs may come up short when it comes to long-term strategic thinking, most participants spend considerable time and resources on marketing. For most participants, in fact, a primary reason for attending the Forum was learning about marketing strategies (and networking with other entrepreneurs).

"My immediate plan for growth is to make an announcement [about my new business] so people can order the product through word of mouth, friends and family, Facebook, e-mail distribution and then start building up the e-commerce from the website by telling people about the website. Then from there my plan is to start going to retailers as soon as I start having a little traction and a story to tell. And then my pie in the sky goal is like I go to Whole Foods and national distribution. So that’s my growth plan."

13. A key component in all of their marketing plans is a strong desire to harness the power of social media. For example, nearly all of the participants who have established businesses (or are about to) have created Facebook pages devoted to their company, while others talked about the value of understanding their target audiences by using services such as Google Analytics. Despite their shared commitment to developing social media, however, some participants struggle to decide how to best divide their time and resources among various online options. Some example questions: how much time should I devote to a blog about my business? Should I hire someone to create/maintain my website or learn how to do it myself?

14. Participants with established businesses say they would like to hire more employees, but they lack confidence that sales will justify the hires. Low-cost interns are seen as a cost-effective way to meet employment needs in the short term, especially given the talent of young people who are struggling to find full-time positions.

"It’s tough. If I could pay somebody more than $22,000 a year, I could attract a really dedicated intelligent person. And to have two or three would just push us right there—right over [the top]. But the biggest problem is having good people that are consistently there that are willing to work for less than $25,000."

"Interns are fantastic right now, and really good at doing some of the legwork logistical type of things that I don’t need to get bogged down with."
15. Few interact regularly with government, but those that do see government more as an impediment to success than a facilitator. In particular, government regulations often are seen as anachronistic and inapplicable for this cutting-edge sector. For example, one entrepreneur laments how local solid waste laws—even in progressive Los Angeles County—are ill-equipped to handle her business devoted to encouraging (and profiting from) household and restaurant composting. Still another participant expresses frustration that paperwork and duties prevent her eight-year-old business from fully leveraging export opportunities.

“Simplify, simplify, simplify regulation and filings, tax work, paperwork, employee work -- all of that is a barrier to getting a business up and running.”

16. In this context, when given an opportunity to provide policy advice, participants encouraged the president, Congress, and the Small Business Administration (SBA) to streamline regulations for the green sector because they believe the sector holds such promise in terms of creating jobs and fostering sustainability. Participants would also like to see a higher profile for SBA at events like the Forum, as well as greater emphasis on how small businesses can “go green.”

17. Participants’ knowledge about the resources available to help them start and grow their business varies widely. The SBA is largely unknown, although those who have interacted with the SBA praise it as an information source. Once informed about the SBA’s purpose, participants say they would like the SBA to provide more proactive outreach to current and aspiring entrepreneurs.

“I know the SBA has good training and will guide you through business plans and such, but maybe have a division that is more green or sustainable so that whatever your business model is, you could take a seminar on how to add that green element or make sure that it’s a business that is responsible in that way.”

18. Likewise, most participants are not familiar with the National Women’s Business Council beyond its general involvement in the Forum (which they appreciate).