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## Survey: 'Recession-Tested' Women-Owned Small Businesses Offer Key Lessons for Economic Recovery

### New NFIB/Chase/CWBR study provides first in-depth look at how women-owned small businesses battled the recession

**WILMINGTON, Del. and WASHINGTON, D.C. - June 6, 2012** - Many of today's women-owned businesses (WOB) are led by recession-tested entrepreneurs whose experiences provide valuable insight into the challenges that may await aspiring small-business owners. A new study, released today by Chase Card Services, a division of JPMorgan Chase & Co. [NYSE: JPM], the National Federation of Independent Business (NFIB) and the Center for Women's Business Research, looks at how women small business owners fared during the "Great Recession."

[\*Small Business: Lessons of the Recession\*](#), the first in-depth look at how women-owned businesses responded to and weathered the recent economic fallout, found that 45 percent of women-owned businesses concentrated primarily on cutting business costs while 31 percent sought to increase sales. Regardless of which strategy they chose, women business owners indicate that their real volume sales remain lower than when the recession started in 2007.

"During the recession, women-owned small businesses did the best they could with the few choices they had available to remain open for business, and they're stronger today for it," said Patricia Greene, Chairwoman of the Center for Women's Business Research. "The real silver lining is that their resiliency provides valuable lessons on how today's business owners can adapt to challenges."

### Help Wanted: Women Business Owners Looking to Hire Again

According to the survey, the resiliency of these women business owners should provide help for the economy. The study reveals that while many women reduced headcount to reduce costs during the recession, they are now starting to hire again. Compared to their worst quarters during the recession, nearly half of WOBs are now increasing headcount (45 percent) and only nine percent report that they are decreasing their staff sizes.

This is a significant improvement, given that 36 percent of women small-business owners reduced their payrolls during the recession, with women-owned businesses that have over ten employees more likely to reduce staff than those with fewer than ten employees. Another 40 percent of those surveyed reduced the number of hours worked by employees.

"Small businesses are the engine of our economy, and one of the key steps toward greater economic recovery is equipping our entrepreneurs with the resources and expertise they need to succeed," said Mike Nagle, General Manager, Chase Card Services. "As a leading partner of small businesses across the country, Chase is committed to helping these businesses move our country forward."

### The study revealed a few important insights about how women-owned businesses (WOBs) are dealing with the recession, including:

- *Focus on cost control:* Forty-five percent of WOBs focused on controlling costs in response to economic challenges, while 31 percent concentrated on increasing sales. In retrospect, nearly 60 percent of women are confident in their business decision.
- *Targeting the right customers:* Although more than half of WOBs (54 percent) focused on new business among their existing customer base, approximately one in four (23 percent) say they are marketing to a customer base today that is different from their pre-recession targets.
- *Social media as a business tool:* Half of WOBs owners now use social media compared to four percent before the recession. Of those surveyed, 56 percent said social media is "very important" or "important" to their business.
- *Finding outside help:* The sales record of those who invested in outside help to control costs and/or increase sales (23 percent) proved somewhat better than those who did not. But always be mindful of what you're paying for - a bad investment can cost you more in the long run.
- *Promoting the business through community activities:* Thirty-nine percent of WOBs increased their involvement in civic, social or school activities to increase their exposure during the recession and create value for their communities. Although these efforts often do not involve money, don't lose sight of the value of your time.
- *Working harder:* Women business owners are working harder than they were during the height of the Great Recession

(41 percent).

The data indicates that many of women-owned businesses adjusted to the new, volatile circumstances, by making changes to their businesses," said William Dennis, Senior Research Fellow at the NFIB. "What is encouraging is that many of these adjustments appear to have been institutionalized.

#### **About the Survey**

The *Small Business: Lessons of the Recession* study was a telephone and online survey conducted between March 28 and April 11, 2012. The survey polled a total of 760 business owners, 559 women and 201 men. You can learn more about the study at [www.nfib.com/wobstudy](http://www.nfib.com/wobstudy).

You can watch a video of Patricia Greene and Mike Nagle discussing the results of the survey by clicking [here](#).

#### **About Chase**

Chase is the U.S. consumer and commercial banking business of JPMorgan Chase & Co. (NYSE: JPM), a leading global financial services firm with assets of \$2.3 trillion and operations in more than 60 countries. Chase serves more than 50 million consumers and small businesses through more than 5,500 bank branches, 17,500 ATMs, credit cards, mortgage offices, and online and mobile banking as well as through relationships with auto dealerships. More information about Chase is available at [www.chase.com](http://www.chase.com).

#### **About the National Federation of Independent Business**

NFIB is the nation's leading small business association, with offices in Washington, D.C., and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business. NFIB's powerful network of grassroots activists send their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America's free enterprise system. NFIB's mission is to promote and protect the right of our members to own, operate and grow their businesses. More information is available online at [www.NFIB.com/newsroom](http://www.NFIB.com/newsroom).

#### **About the Center for Women's Business Research**

The Center for Women's Business Research provides data-driven knowledge that advances the economic, social and political impact of women business owners and their enterprises. We do this by setting the national agenda; creating insight on the status and achievements of women business owners; altering perceptions about economic viability and progress of women-owned enterprises; and driving awareness of the economic and social impact of this vital business sector.