



News Release

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Women's Business Mentoring Programs Demonstrate Unique Characteristics

*New Study Examines Business Mentoring Programs,
Offers Recommendations on Furthering Mentoring for Women Business Owners*

Washington, DC – Mentoring programs most beneficial to women business owners are well matched to the stage of business development and offer specific elements unique to women's mentoring practices. So says a new study released today by the National Women's Business Council (NWBC). The report, "Mentoring in the Business Environment," examines existing, formal mentoring programs for women and men business owners by comparing program structures, identifying best practices, and exploring the unique characteristics among programs geared specifically to women. The study also reviews existing research on mentoring for women business owners and suggests avenues for additional exploration such as e-mentoring.

As of 2002, there are an estimated 10.1 million privately-held businesses in which a woman holds at least 50% ownership stake, including 6.2 million majority-owned women-owned firms. Women-owned businesses are growing at twice the rate of all U.S. firms.

"Women-owned businesses continue to drive our nation's economy," said Marilyn Carlson Nelson, Chairman and CEO of Carlson Companies and Chair of the National Women's Business Council. "With this growth comes increasing demand for the resources and tools to facilitate business advancement. Good mentoring can be a key predictor of success."

Seventeen organizations that focus on women, mentoring and entrepreneurship shared information about nineteen existing mentoring programs for business owners. The organizations included non-profits, membership organizations, universities, and government offices. The mentoring practices examined offer an understanding of what makes a program successful including planning, design, promotion, recruitment and support.

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The study notes that at given points of a business' maturity, a business owner appears to be best served by a particular type of mentoring program. In addition, there are some specific program elements that may prove especially beneficial for women business owners. The study reviewed three categories of mentoring programs, each of which may best serve a business in a specific stage or phase. These include:

- Entrepreneurial training programs (which provide subject-specific training to groups of prospective or nascent entrepreneurs) for businesses that are pre-start-up or start-up;
- Mentor-protégé programs (which match a business owner with a seasoned business mentor to facilitate coaching, knowledge transfer, and the creation of contacts, among other things) for businesses that are start-up or second-stage. Women business owners appear to benefit most from a program that matches one protégée with several mentors, or one mentor with several protégées, and gives each protégée the experience of a realistic stretch via a mentor(s) who is at the very next level up; and
- Peer-to-peer networking (which gathers non-competitive peers from a variety of industries to confidentially examine significant business challenges that each faces) for businesses that are second-stage or established. Women business owners would appear to benefit most from a structured form of peer-to-peer networking that plans participant composition, develops meeting agendas and monitors goal achievement.

Irrespective of whether an organization offers entrepreneurial training, a mentor-protégé program or peer-to-peer networking, there are three key effective practices for business mentoring:

- Structure that includes a well-planned orientation with discussion of expectations, goals, time commitment and effective communication processes;
- Participants who are familiar with and embrace the concept of mentoring; and
- Promotion that consists of word-of-mouth and direct recruitment efforts.

The study also includes a review of mainstream and academic literature on mentoring for women business owners. The review reveals that discussion and analysis of business mentoring has focused primarily on corporate mentoring and related programs. Very little has been written on the topic of mentoring programming for business owners.

The study concludes with several recommendations for continued research and program support, including:

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- Exploring e-mentoring (also known as telementoring) programs and their advantages for women business owners;
- Raising the profile of the mentoring concept through outreach. Methods might include: creating an online portal to serve as a single point of entry to business mentoring resources, with web links and information about existing programs; publicizing the business development tools of entrepreneur-support organizations that focus on helping business owners measure their successes and get to the next level; or working with major magazines whose audience is primarily women business owners to determine the availability of no or low cost advertising opportunities for women's business mentoring programs;
- Using the study's findings as a springboard for further research on the successful elements of each type of mentoring program; and
- Encouraging formal and informal evaluation of programs to help build the case for business mentoring and to help determine the extent to which women's program needs differ from those of men. While many of the organizations reported investing time in follow-up program evaluation through the use of exit surveys or informal verbal check-ins, it was noted that none have begun to evaluate their programs formally and consistently.

“This study is a critical first step in understanding more about existing business mentoring programs and how they serve women business owners,” said Carlson Nelson. “But this is just the beginning. This study will direct future research about mentoring programs and most importantly, it can inspire the creation of new ways to facilitate mentoring, such as e-mentoring, which will be vital in expanding the accessibility and immediacy of mentoring resources.”

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The National Women's Business Council is a bi-partisan Federal government council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. Members of the Council are prominent women business owners and leaders of women's business organizations. For more information about the Council, its mission and activities, contact: National Women's Business Council, 409 3rd Street, SW, Suite 210, Washington, DC 20024; phone: 202-205-3850; fax: 202-205-6825, e-mail: nwbc@sba.gov.

Methodology

This study was undertaken as a two-pronged effort, comprised of: 1) a literature review of research on mentoring for women business owners and 2) a review of the structure and coverage of existing programs. Its goals were three-fold: first, to underscore the relevance of business mentoring for women and to highlight relevant research in the field for U.S. policymakers; second, to update the mentoring community on the business mentoring practices being adopted in the field; and finally, to inform women business owners on the merits of business mentoring.

This research was conducted for the National Women's Business Council by Barrera Associates, a 13 year-old veteran- and minority-owned firm headquartered in Washington, DC. A copy of the report is available on the NWBC Web site.