



NYC Is Giving Women the Tools to Shatter the Entrepreneurship Gender Gap

By: Alexis Stephens



The gender gap is irritatingly persistent across all income brackets in American cities. But as a Boston-based trading platform recently revealed, amazing things happen when women reach the upper strata of the business world.

A study by Quantopian found that companies in the Fortune 1000 run by women CEOs brought in three-times as many returns as their male-run counterparts from 2002 to 2014.

“There’s a tremendous ripple effect that you can set off if you invest in women,” says Maria Torres-Springer, the Commissioner of New York City’s Department of Small Business Services (SBS). In partnership with Citi, SBS has just launched Women Entrepreneurs NYC. WE NYC aims to inspire and equip 5,000 aspiring entrepreneurs with access to free training and business services provided by the city.

In advance of the launch, WE NYC has released a white paper as the first step in a larger investigation of women entrepreneurs in New York. The preliminary findings provide some sobering statistics: In 2014, men owned 2.5 times as many businesses as women, had 4.5 times as many employees per business and made 4.5 more in average sales. “[WE NYC] is not just about filling the gaps but innovating against the gaps,” says Torres-Springer.

The program is seeking to reach out to women from underserved communities, who often face compounding challenges. In addition to the credit access barriers facing low-income African American and Latino neighborhoods in cities, women in the United States have loan approval rates at 15 to 20 percent less than men.

The amount of small business loans going to women accounts for only roughly \$1 out of every \$23 loaned.

Torres-Springer says that WE NYC is not trying to understand access to capital “in a generic way,” but that they are trying to “in a very fine-tuned way, understand what is preventing women from accessing capital.” She continues, “Is it, for instance, that they are not asking for the right amount? Are there some underlying attitudinal challenges we need to address? Is it that alternative lenders are not attuned enough to the specific needs of women?”

Erika Nazario is a Brooklyn-based entrepreneur who has already had enhanced her entrepreneurial skills through the Department of Small Business Services.

Nazario moved to New York from Puerto Rico in 2009. With a background in design, she left a formal job in 2013 to care for her son. She began her own handmade doll making business from home. Last fall, she participated in SBS’ NYC Craft Entrepreneurship Program after seeing the course posted on the Workforce1 website.

“I wanted to have a way to sell what I was making,” says Nazario. “It was helpful to learn how to set up the store online — to get knowledge from photography to how to write a description of the dolls I was selling.”

The class, which has support from Etsy, was offered with instruction in Spanish. Even though Nazario can understand both English and Spanish, she says that it was easier for her to take the course in her native language, because she felt more comfortable asking questions that way.

Since completing the program, Nazario has created an Etsy store for her line, Mio Múcaro Creatures, and has sold over 100 dolls through the site.

“I made good friends from the class from different backgrounds,” she reflects. “One of my friends is a graphic designer who has knowledge about marketing. [Since] the end of the class, we are now like a community and still interact with each other. If we have questions about the store or shipping, we help each other.”

Nazario plans on returning to the SBS website to look for other training opportunities. “I’m looking to learn about copywriting and trademarking. ... I also want to learn how to grow the businesses and how to manage it.”

WE NYC will be calling attention to SBS’ existing programs — like the Food Business Pathways program empowering public housing residents to start and grow food businesses — as well as promoting partnerships with private institutions.

SBS will provide free training, mentoring, workshops and more to borrowers from the microfinance organization Grameen America. It will also be conducting outreach to connect women with resources from Goldman Sachs' 10,000 Small Businesses financing initiative.

Torres-Springer says that while women are participating in some of the growth sectors in the city, like healthcare, there are still strides to be made in others — manufacturing and finance, for example. Women should not miss out on benefiting from those other wealth-building opportunities. “This entire initiative was borne out of the belief that if we were to continue to be a leading and global city, we have to unlock the full potential of women across the city,” she says.