AMERICAN INDIAN/ALASKA NATIVE WOMEN BUSINESS OWNERS

American Indian/Alaska Native women business owners, like all women business owners, are more likely to own sole proprietorships in the services industries (43 percent) and in retail trade (36 percent). The 6 States with the most sole proprietorships owned by these women are California (19 percent), Oklahoma (11 percent), North Carolina (9 percent), Alaska (6 percent), Texas (5 percent), and Colorado (4 percent). Among sole proprietorships owned by American Indian/Alaska Native women:

-- Almost 69 percent were home-based, compared with all women-owned sole proprietorships (61 percent).

-- About 94 percent had no employees. Women were employed in 5 percent and minorities were employed in 3 percent of the firms.

-- Eighty-nine percent did not export any of their goods or services out of the U.S.

-- In 1982, 59 percent had less than $5,000 in sales and 28 percent had between $5,000 and $24,999 in sales.

-- Most showed some profits. About one-fifth suffered a net loss. Of firms owned by American Indian/Alaska Native women, 49 percent had 1982 profits of less than $5,000; 25 percent had profits between $5,000 and $19,999; and 19 percent had a net loss less than $5,000.

-- About 20 percent reported none of their income originated with the firm. On the other hand, 21 percent reported that 100 percent of their 1982 income came from their businesses.

-- About half had no initial capital and an additional 33 percent began with less than $5,000.

-- Seventy-five percent of American Indian/Alaska Native women reported their firms had no equity capital. Of those with equity capital, the dominant source (11 percent of firms) was family.

-- With respect to the firms’ initial debt ratio, 68 percent had no debt. However, 10 percent had between 91 and 100 percent debt. Two debt sources dominate in the case of firms owned by American Indian/Alaska Native women. They are banks (46 percent) and family (22 percent).
About 54 percent of firms owned by American Indian/Alaska Native women in 1982 survived until 1986. The two chief reasons given by those that discontinued operations were insufficient profit gains (42 percent) and personal preference (47 percent).

Characteristics of American Indian/Alaska Native women business owners:

- 82 percent were between the ages of 25 to 54
- 70 percent were married
- 80 percent had been business owners for less than 7 years. About 31 percent had been in business for less than 1 year
- 70 percent were founders of the firm covered in this report. Ten percent had previously owned another business
- 90 percent had had previous paid employment. Although 63 percent had had no managerial experience in paid employment, 45 percent had attended business courses or seminars. Thirty-eight percent had at least 1 year of college.
- Had few role models. Only 23 percent of American Indian/Alaska Native women business owners had a close relative who owned a business. Of those with a role model, 31 percent reported they had worked for a relative. About 39 percent of all women sole proprietors had a role model.

Opportunities for American Indian/Alaska Native and other women business owners should be enhanced by The Women's Business Ownership Act of 1988 which authorizes $10 million over a 3-year period for private organizations to provide financial, management, and technical assistance to women business owners. Information about programs funded under this Act may be obtained from the Office of Women's Business Ownership in the U.S. Small Business Administration at (202) 653-8000.

The Office of Women's Business Ownership in the U.S. Small Business Administration recently announced a program to foster long-term mentoring relationships between successful women-owned businesses and fledgling women-owned businesses of 1 to 3 years. Additional information about this program, Women's Network for Entrepreneurial Training (WNET), may be obtained from the Office of Women's Business Ownership at the number listed above.

Federal loans or grants for American Indians/Alaska Natives can be obtained by contacting the Division of Financial Assistance, Bureau of Indian Affairs, 18th and C Streets, NW., Washington, DC 20240, (202) 343-3657. For tribal groups or Indian organizations, financial assistance applications are available from the Administration for Native Americans, Office of Human Development Services, Department of Health and Human Services, 200 Independence Avenue, SW., 344F, Washington, DC 20201-1000. For technical assistance or training, contact the National Center for American Indian Enterprise Development Headquarters, 9650 Flair Drive, Suite 303, El Monte, California 91731, 1-800-423-0452 (outside California) or (818) 442-3701.