



# Female business owners see better future

12.08.2013

Think of this as an economic pop-up. A small business here or there starts talking about seeing promising signs of economic light.

And promising signs are pumping up payrolls, as several female business owners told me that they once again will begin hiring.

We often focus on what's happening in cars or real estate when talking about the economic recovery. But as business owners, women are key to watch as well when it comes to economic development.

"There are more than 10 million businesses owned by women (in the US) and growing at a faster rate than any other type of small business," said Terry Barclay, president and chief executive of Inforum and Inforum Centre for Leadership in Detroit.

According to the Small Business Administration Office of Advocacy, women-owned businesses account for 28.7 per cent of all businesses nationwide.

A national study early this year indicated that female entrepreneurs were optimistic about the future.

The survey conducted by Web.com Group Inc and the National Association of Women Business Owners found that about 85 per cent of women business owners surveyed predicted that more women will become entrepreneurs in 2013 than in past years. And 38 per cent planned to invest more in hiring this year than they did in 2012 - a positive sign for the economy.

Some women who own businesses told me that they do have renewed hope and plans to expand their business and do some hiring. The female business owners I talked with this summer are cautiously optimistic.

The key word to focus on here is "optimistic".

Dierker & Associates, a Troy, Michigan-based law firm that specialises in intellectual property rights, says more companies, including those in the automotive and computer products industries, are once again confident about their business outlook. Companies are more willing to invest in developing new products, and that's creating more work for patent-related legal counsel.

"Now, we're ramping up again," said Julia Church Dierker, who started the firm in 2002. Several years ago, when work was plentiful, the firm had six lawyers, but that was before the economic slump hit hard in 2008-09.

The firm has three lawyers now. But the upswing in the firm's legal work makes Dierker & Associates more willing to hire maybe one or two more within the coming year.

"We would not be actively trying to add to our professional staff if we were not confident," Dierker said.

No doubt, small business owners aren't just hiring to hire. Some new job openings can only be filled by people with very specific qualifications and talents. Many jobs are being created to handle work on clearly defined projects.

Paula Tompkins, CEO and founder of Dearborn, Michigan-based ChannelNet, said her business has picked up as the financial services and car financial services sectors have gained ground. She noted that changes in the digital world favour her business, too.

"Customers are empowered now. They don't want to hang on" with phone calls to call centres, she said. Instead, consumers are willing to handle many transactions online.

ChannelNet has 100 employees and plans to hire six people in the next few months and at least another 12 within the next year. The company offers web-based connections to retain customers and build business, which includes a platform for managing the auto lease turn-in process online. Clients include BMW Financial Services and Audi Financial Services.

Tompkins founded the privately held company more than 25 years ago in California and opened a Dearborn office in 1996 to be near car industry clients. The headquarters was moved to Michigan in 2001. She favours the Michigan workforce, noting that pay packages are 30 per cent higher in California.

"The economy is improving," she said. But companies also realise that it's essential to have a brand website that's customer-friendly. The company's patented software enables consumers to research a purchase, view sales incentives and complete a transaction at a store, through a call centre or on their mobile device.

Mark Zandi, chief economist for Moody's Analytics, predicted that small-business hiring should grow slowly, but steadily pick up in the next year or so. Credit is flowing a bit more freely to small business owners, he said, allowing them to expand operations.

Many small businesses are tied into the housing market, he said, so as housing revives, so should hiring. Think real estate agents, mortgage companies, landscapers, garden supply retailers and hardware stores, law firms, accountants, home improvement, plumbers and electricians, moving companies and trucking jobs.

"It won't be a straight line - government cuts and tax increases are hurting - but prospects are better over the next several years," Zandi said.

Job hunters won't necessarily find a straight line to a pay packet, either.

The key elements are training and talent.

Ronia Kruse, president and CEO of OpTech in Troy, said her firm could hire more than 115 people by the end of the year. That's up from 200 employees now.

The company, which provides information technology and engineering staffing, is looking at expanding into office space in downtown Detroit, as well.

But Kruse says the challenge in hiring will be finding the right people with degrees in math, computer science, engineering and the like. She needs experienced program managers, mechanical engineers and electrical engineers.

"Everybody is hiring the talent to deliver the projects," Kruse said. Many companies had put projects on hold during the recession, she said, and now need to move forward.