St. Catherine University

SOPHIA

Master of Arts in Organizational Leadership Theses

Organizational Leadership

12-2012

The Collective Wisdom of Female Entrepreneurs: Success Factors That Contribute to Positive Financial Growth for Entrepreneurial Companies

Melanie Jean Tillander Shirley
St. Catherine University

The Collective Wisdom of Female Entrepreneurs: Success Factors That Contribute to Positive Financial Growth for Entrepreneurial Companies

by
Melanie Jean Tillander Shirley

A thesis or submitted in partial fulfillment of the requirements for the degree of
Master of Arts in Organizational Leadership at
St. Catherine University
St. Paul, Minnesota

December 7, 2012

Research Advisor:
Jacqueline Byrd, PhD

Research Reading Committee
Jeanne Bailey, PhD
Ryan Bortel, PhD

____
Signature of Advisor

____
Date

Leadership Thesis

Table of Contents

Acknowledgements

This thesis represents a five-year journey at St. Catherine University in the Master of Arts in Organizational Leadership (MAOL) program. I want to thank all of the MAOL professors for their support, insight and expertise along the way. My fellow students, those in the program and those who are now MAOL alumni, have always provided me with inspiration, ideas and perspective. Ginny Belden-Charles, PhD, advisor to my research proposal, and Jacqueline Byrd, PhD, my research advisor, generously helped me narrow my focus, establish a relevant research question and find my research subjects. Nancy Carter, PhD, graciously provided me with her insight and perspective on female entrepreneurship. The six female entrepreneurs I interviewed were generous with their time and their stories. Working with their narratives has given me even greater respect for their accomplishments as leaders and as entrepreneurs. I thank my committee members, Jeanne Bailey, PhD and Ryan Bortel, PhD, who kindly gave me their time and perspective.

I also must acknowledge the amazing support from my family, friends, co-workers. I have spent many nights and weekends away from my husband, Bryan, and my children, Wyatt and Willa, and I appreciate their unending support, cheerleading and love throughout my graduate studies. I am thrilled to spend lazy Saturday afternoons with them after graduation. I am thankful for my parents, Tom and Jo, and for my brother, John, who taught me that Mozart was the perfect antidote to a distracted mind.

Abstract

Female entrepreneurs are creating businesses faster than the national average, but their average revenues are a quarter of male-owned business revenues. This thesis examines the critical factors that contribute to successful financial growth for female entrepreneurs. After reviewing the existing literature, six female entrepreneurs were interviewed about their financial growth experience. Using a narrative methodology, the author analyzed the stories in light of the literature and defined key success factors for financial growth. Four important characteristics emerged – vision, self-awareness, profitability mindset and confidence – that female entrepreneurs need to succeed during times of rapid growth. The entrepreneurs also relied on an internal finance expert, bootstrapping as a funding mechanism, and a strong management team to pursue financial growth.

Keywords: female entrepreneurs, entrepreneurship, financial growth, small business, success factors for growth, The Diana Project

Chapter 1: Introduction

> Entrepreneurship is the instrument of social, political, technological and economic change. It fosters creativity, provides individual rewards, and contributes to overall economic development. It provides an opportunity to solve business and social problems, to develop new jobs and to create personal wealth. (Brush, Carter, Gatewood, Greene & Hart, 2004, p. 253).

In today's economic climate, job creators are more important than ever. Small businesses[1] and the entrepreneurs who lead them serve as a critical economic engine in the United States. A 2011 U.S. Small Business Administration fact sheet shows that 99.7% of all employer firms are categorized as small businesses. In addition, small businesses pay 43% of total U.S. private payroll and have generated 65% of net new jobs over the past 17 years. (U.S. SBA, 2011) By developing a greater understanding of how and why these businesses grow, business owners, aspiring entrepreneurs and employees will be better prepared to support and contribute to U.S. economic growth.

As I began to research small, women-owned businesses, I stumbled upon a powerful set of facts. Hadary (2010, para. 1-2) sums it up with these two statements: "women consistently launch new businesses at twice the rate of men and their growth rates have outpaced the economy" but as of 2008, "the average revenues of majority women-owned businesses were still only 27% of the average of majority men-owned businesses." I wanted to understand more about this growth gap for female entrepreneurs.

---

[1] The Small Business Administration's Office of Advocacy defines small businesses as firms with less than 500 employees (2011).

I asked some of my colleagues why such a gap exists for women-owned businesses. Surprisingly, the numbers did not strike them as shocking, which mirrored the responses Brush et al. (2004) received when they asked similar questions in *Clearing the Hurdles*. Rather than express concern for this achievement gap, people provided a whole range of assumptions to explain these results. These perceived reasons ranged from the lack of interest in growth, the lack of business acumen, or the fact that women-owned business tend to be in less profitable industries. The explanations in *Clearing the Hurdles* encompassed four themes:

- "It's the women (reflecting perceptions of a disinterest in growth and lack of experience);
- It's the businesses (women choose small, local businesses in low-tech industries that are not scalable);
- It's the networks (women aren't in the right networks and women are not decision-makers in the financing world)
- It's the venture capital industry (industry is male dominated and the network is closed and biased against women)" (Brush et al., 2004, p. xxii-xxiii).

I reflected on these reactions and noticed that the perceptions centered on what women lack. Turning around the concept of "lack," I asked the question, "What could be learned from female entrepreneurs who have successfully grown their companies?" Rather than wonder about what "is not," I wanted to look at what "is" – especially as it relates to business growth for small, entrepreneurial, women-owned businesses.

Upon reading more about female entrepreneurs and business growth, I discovered The Diana Project. A group of university researchers established The Diana Project in

1999 to raise awareness and expectations of women business owners regarding the growth of their firms (Diana Project, 2012). Since then, a body of research has emerged on women entrepreneurs and business growth and my thesis contributes to this larger collection of work.

As a marketer who has worked in several small, women-owned businesses, I want to understand what prompts female entrepreneurs to choose to grow their businesses and what key success factors contribute to financial growth. These discoveries will help me to serve as an organizational catalyst and accelerant for growth within these companies. Entrepreneurial businesses are critical to the growth and sustainability of the U.S. economy. By understanding the motivations, perspectives, and success factors for female entrepreneurs, I hope to uncover their collective wisdom and share it with entrepreneurial leaders, aspiring entrepreneurs, business students and policymakers.

Chapter 2: Analysis of Conceptual Context

The research on small business, women-owned businesses and entrepreneurs has examined many angles of these organizations and their founders. The literature establishes an understanding of what, how and why female entrepreneurs start and grow their businesses which is important to understand this research's context.

Small and Women-Owned Businesses

While large corporations receive most of the media coverage in the U.S. economy, small business plays a vital role. Small businesses comprise a multitude of organization types from sole proprietorships to owner-founded and funded entrepreneurial businesses. According to the 2008 Census data, roughly 22% of the 27.3 million small businesses have employees and function as job creators (SBA, 2011).

The Center for Women's Business Research's (CWBR) Fact Sheet (2009, The Overall Picture, para. 1) estimates that women own[2] "10.1 million firms, employing more than 13 million people, and generating $1.9 trillion in sales as of 2008." Clearly, women-owned businesses contribute to the overall economic footprint. These women-owned firms account for 40% of all privately held firms, yet only 20% of firms with revenue over $1 million are women-owned. (CBWR, 2009) According to the United States Department of Commerce (2010, p. 9) "3.7% of women-owned firms had sales/receipts of $500,000 or more, whereas 11.1% of men-owned firms were in this sales/receipts category." Despite the growing critical mass of women-owned businesses, they still fail to reach parity with men-owned firms. In 1999, five professors established The Diana Project to investigate female entrepreneurs and the factors that support and enable growth

[2] CWBR defines a woman-owned business as a business where women owns 50% or more of the business.

in these ventures (Holmquist & Carter, 2009).[3] Since its founding, the Diana Project researchers have published several books and countless articles on growth and female entrepreneurship. The next section takes a business life cycle model and examines it with input from Diana Project research.

Business Life Cycles

Businesses essentially move from birth to death (or renewal). Churchill & Lewis's (1983) framework for business growth provided the best model for this research because it gives depth and structure for both the organization and the owner's role and needs at each development stage. This framework identifies five development stages: existence, survival, success, take-off and resource maturity.

Business growth typically occurs in the success and take-off stages. Churchill & Lewis split the success stage into two sub-stages, clearly defining the choices and challenges a company faces during growth. Churchill & Lewis's (1983) "Growth Stages" illustration shows the organization's age and size as it traverses through these stages.

[3] The Diana Project won the 2007 *International Award for Entrepreneurship and Small Business Research.* "Their research does not presuppose that women's entrepreneurship is similar or difference from men's entrepreneurship. It assumes that women's entrepreneurship is entrepreneurship and studies it from that point of view." (Holmquist & Carter, 2009, p. 121)

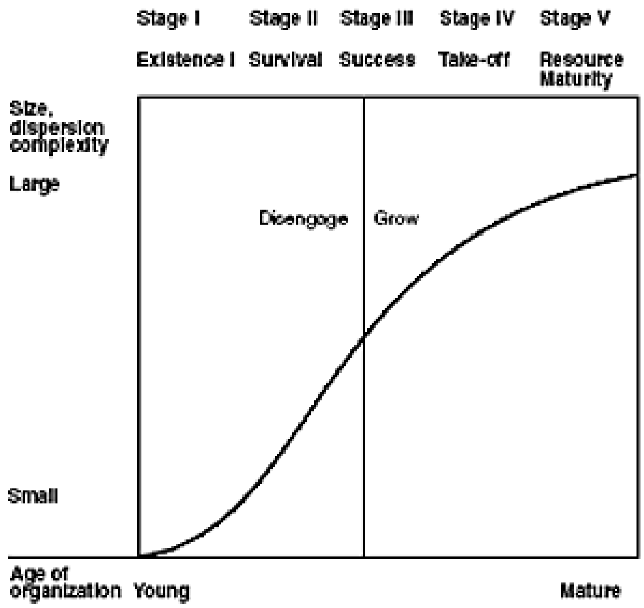

Figure 1: Stages of growth for organizations (Churchill & Lewis, 1983, 31)

Stage 1 and 2: Existence and Survival

The first stage, “Existence” is commonly referred to as the start-up stage. Brush (2006) identified three primary motivations for women entrepreneurs at the start-up stage: financial need, independence, and a desire for a superior rather than inferior role.[4] In short, female entrepreneurs start businesses both for the financial opportunities and the desire to fulfill other aspirations. Churchill & Lewis (1983) state that the main business challenges during existence are obtaining customers and delivering the product or service as promised.

In the survival stage, the business has proven itself as a viable concept. At this point, revenue, expenses and cash flow become a primary focus and concern. The organization is simple and can remain here for a long time receiving marginal returns on

[4] Brush et al. (2004, p. 125) also cited a Korn Ferry and Columbia University study, published in *Fortune Small Business* that the primary reason that women left the corporate world to start their own ventures were an opportunity to take risks (77.8% of respondents), the chance to make more money (66.6%) and clout and the ability to make strategy.

invested resources. (Churchill & Lewis, 1983). Both in the existence and survival stages, financing is an issue. Morris, Wiyasaki, Watters & Coombes (2006, p. 10) found that the top three obstacles to growth for female entrepreneurs were related to financing; specifically, they found it was “difficult to get investors, difficult to get a commercial loan and difficult to get personal bank loans for business.” In the survival stage, female entrepreneurs may encounter their first structural challenges related to financing.

Success

Once a business reaches the success stage, the owner must decide whether to use the company’s success to invest in growth, called “the Success-Growth sub stage,” or disengage from the company to keep it running at a status-quo, called “the Success-Disengagement sub stage.” (Churchill & Lewis, 1983, p. 34). In the Success-Growth sub stage, financing, personnel (specifically future oriented managers), systems and strategic planning become important factors, and the owner becomes deeply imbedded in the process. The owner and the employees have more opportunities and are able to take greater risks to achieve greater rewards.

Take-off

In the Take-off stage, businesses are focused on rapid growth and financing it. The key questions owners face relate to delegation, specifically whether they can delegate responsibility, help others in the organization become effective managers, and have enough cash to fund growth. According to Churchill & Lewis (1983, p. 41), “if the owner rises to the challenges of a growing company, both financially and managerially, it can become a big business. If not, it can usually be sold – at a profit – provided the owner recognizes his or her limitations soon enough.” Often owners who bring the business to the Success-Growth sub stage will fail at the Take-off stage because they run out of cash or are unable to successfully delegate.

Resource Maturity

At the Resource Maturity stage, the company's greatest concerns are "to consolidate and control the financial gains brought on by rapid growth, and second, to retain the advantages of small size, including flexibility of response and the entrepreneurial spirit." (Churchill & Lewis, 1983, p. 40) At this stage, the company has reached a critical mass and is in a mature state.

This thesis focuses on female entrepreneurs who are in the Success-Growth sub stage or have made it through the Success-Growth sub stage and are in the Take-off stage to identify and to understand the most important factors for successful growth.

Success Factors for Growth

Entrepreneurs have to make a series of choices because they often have limited resources. As they approach growth, entrepreneurs must be intentional about priorities, investments and resources. In *Clearing the Hurdles*, Brush et al. (2004) offer solutions and advice to female entrepreneurs and identify key success factors and strategies to achieve growth. These key success factors include access to capital, financial acumen, access to social networks and social capital, human capital, closely linked personal and business goals, and the entrepreneur's capabilities and leadership abilities.

Gundry & Welsch (2001, p. 463) identified the four success factors that high growth women entrepreneurs value the most: "the reputation or image/identity of the business, available cash, product/service focus and competent leadership." Morris et al. (2006) found that customer loyalty and sales growth were the most important indicators of success for women entrepreneurs. Nelton (1990) found that female entrepreneurs define growth broadly, not just as a financial measure, illustrated by these two examples from Nelton's interviews:

> "Growing is more than growing in size," says Karen Kennedy. "It's growing in knowledge. It's growing in the ability to do what you do better. It's growing in a lot of ways." She says that doubling the number of employees wouldn't mean that KSK would be twice as good. "It would be just twice as big. I don't think it would necessarily be twice as profitable." Says Lynn Wilson: "My progress really has been generated not by a quest for money or a quest for being bigger but really a quest for being better. My progress has really been a demand that I made of myself to always do something that challenged me and made my grow as a creative spirit, not as a financial magnate." (Nelton, 1990, para. 29-30).

Manolova, Brush, Edelman & Shaver (2012, p. 7) compared the motivations of female and male entrepreneurs and found that "for women, financial success is just one of many reasons to achieve growth." Women's motivations were complex and included self-realization, recognition, a desire to innovate, and, like men, included financial success.

High-growth entrepreneurs showed these characteristics: strategic intentions, more emphasis on team-based structures, strategic success factors, utilization of wider range of financing sources, greater willingness to incur opportunity costs and stronger entrepreneurial intensity. (Gundry & Welsh, 2001).

The research on success factors for female entrepreneurs shows a wide range of success factors, some of which explore the differences between male and female entrepreneurs and some of which focuses on solely understanding women. Churchill & Lewis (1983) create a framework to understand the business cycle and the success factors that important in each of the business stages. They split the success factors for business owners into two categories: organizational resources (financial, personnel, systems, and business), and owner characteristics and strengths (personal and business goals, operational abilities in key function areas, managerial and delegation abilities and future orientation).

After reviewing the existing literature on success factors for female entrepreneurs, I used Churchill & Lewis's framework and broke the success factors for female entrepreneurs into two categories: those pertaining to the individual and those pertaining to the business. Within those two broad categories, five sub-categories emerged – finance, networks, people, vision/goals, and competitive advantage. Table 1 organizes the success factors for financial growth as seen in the research literature.

Table 1

Success Factors for Growth for Female Entrepreneurs

Entrepreneur	**Organization**
Finance	
Strong financial acumen (Brush et al., 2004) Openness to bootstrapping and creative financing options (Carter, Henry, Cinnéide & Johnson, 2007)	Access to capital (Brush et al., 2004; Hill, Leitch & Harrison, 2006)
Networks	
Social capital and mentors (Roomi, 2009; Gundry, Kickul & Sampson, 2007; Brush et al., 2004; Gundry & Welsch, 2001) "High flying" networker accessing non-gender specific networks (Carter et al., 2007; Morris et al., 2006, p. 239)	Access to diverse social, professional and business networks (Brush et al., 2004; Carter et al., 2007)
People	
Capabilities – education, expertise and leadership abilities (Morris, et al., 2006; Brush et al., 2004; Carter, Gartner, Shaver & Gatewood, 2003; Gundry & Welsch, 2001; Brush & Hisrich, 1991)	Strong internal management team (Brush et al., 2004)
Vision and Goals	
Personal goals – aspirations and high level of commitment (Carter et al., 2007; Brush et al., 2004; Cliff, 1998) Personal identification to the business (Morris et al., 2006)	Business goals and a well articulated organizational vision (Carter et al., 2007; Brush et al., 2004; Gundry & Welsch, 2001; Cliff, 1998)
Competitive Advantage	
Strong women's identity (Morris et al., 2006)	Business type, market and industry (Brush et al., 2004)
	Proven business concept, unique advantage, product/service focus (Gundry & Welsch, 2001)
	Reputation or business image and identity (Gundry & Welsch, 2001)

These success factors serve as a framework that underlies my methodology, research instruments and interviews. By testing these factors with successful female entrepreneurs, this research seeks to understand the needs and priorities for female entrepreneurs as they move through the Success Growth sub stage and Take-off stage to build and grow their businesses.

Chapter 3: Methodology

To gather the collective wisdom of female entrepreneurs, I needed a research question to guide my inquiry and analysis. My thesis seeks to answer this question: What key success factors contribute to financial growth for the businesses of female entrepreneurs? These secondary questions helped me explore and uncover the entrepreneurs’ and organizations’ growth stories.

1. How did the decision to financially grow occur?
2. What tipping point or watershed moment made financial growth an option, an opportunity and/or a goal?
3. What resources were rallied to begin the financial growth process?
4. How has financial growth evolved over time?
5. What key factors played the most critical role during the growth phase?

Narrative Methodology in Concept

After immersing myself in the literature on female entrepreneurship, I requested a meeting with Dr. Carter, one of founding members of the Diana Project, to gain perspective and insight on my topic and approach. Carter encouraged me to look at the emergence of narrative scholarship in the entrepreneurship research field. In Gartner (2010, p. 1), narrative is offered as a solution to developing deep insights into the “intention / action / circumstance” condition in entrepreneurship. In other words, rather than limit one’s view to the organization and the individual, narrative widens the analysis to include the context and environment. Gartner (2010, p. 7) cites the idea of the “critical mess,” originally presented in Gartner & Birley (2002, p. 393) that “in qualitative research, there is typically an immersion into the muddled circumstances of an entrepreneurial phenomenon that is cluttered and confusing…It is in this experience of information overload that a certain knowledge and wisdom often occurs." A narrative approach would reveal wisdom about financial growth and how female entrepreneurs navigate the success and take-off business stages.

As Polkinghorne (1988, p. 36) states, "Narrative is a form of 'meaning making'…Narrative recognizes the meaningfulness of individual experiences by noting how they function as parts of a whole. Its particular subject matter is human actions and events that affect human beings." In short, narrative asks the researcher to understand and include the context as part of the story and situation. As Hjorth & Steyaert (2009, p. 196) state,

> "Entrepreneurship is an activity that is embedded in a specific social (historical, economic) context. This means that entrepreneurship is not to be located beyond or outside of this context. However, it is not fully determined by this context. Rather, it is a specific response to the context-specific limitations; it is a specific way of dealing with, and of *problematizing* and *transforming* them."

My Methodological Approach

Financial growth does not occur in a vacuum and to really understand this process, in-depth interviews provided access to a multidimensional understanding of the company, the entrepreneur and her financial growth story. Furthermore, the growth story would provide a way in to understand the success factors for growth.

I interviewed six female entrepreneurs whose businesses were at least 50% female-owned, were founded no later than 2009, had at least 5 employees, and were headquartered in the United States. I conducted five interviews face-to-face and one by phone. While I sought to interview each entrepreneur in her work environment, in two cases, the meetings occurred in a public setting over a meal because of the entrepreneur's scheduling challenges.

The interview questions gave the entrepreneur an opportunity to reflect on her success, encouraged open dialogue, and elicited the entrepreneurial narrative. I used an interview guide to provide structure and consistency among interviews so the categorization and analysis of the data could be vertical within the organization and also horizontal across the organizations. The factors in Table 1 (p. 15) provided a framework to probe for success factors. I asked about the key decisions they faced and their perceptions of and reflection on their experience during financial growth. Each respondent received confidentiality and anonymity in my thesis and findings. Interviews were recorded to allow for word-for-word transcription and a detailed study of the interview transcripts.

I catalogued the basic demographic information on the entrepreneurs and their businesses, and crafted a narrative from each transcript. This approach focused on "'the told' – informants' reports of events and experiences, rather than aspects of 'the telling.'" (Riessman, 2008, p. 54) The narratives include a brief company overview, the entrepreneur's background and her reflection on a specific time of financial growth in her business. Once these narratives were crafted, I analyzed the similarities and differences among these stories, specifically connected to the success factors for growth. Table 1 provided a framework to see how the emerging trends supported or diverged from the literature.

After I wrote the narratives, I looked for new themes. I used the final interview question, “Thinking back on the growth experience, as a leader and as a company, what advice would you give to an aspiring female entrepreneur to prepare for and achieve financial growth in her company?” as the last pass at success factors for growth. This direct question asked for specific advice and provided yet another way to collect wisdom from these entrepreneurs.

Because the research aims to uncover and identify success factors that contribute to growth, I approached the factors both directly and indirectly. These entrepreneurs are all living and working in their businesses every day and to ask them to step back and name the factors that have helped them to grow may be a difficult proposition. By approaching the information in several different ways, I hoped the most important factors would emerge.

Vertically within the organizations, areas of convergence and divergence shed light and provided insights into the growth story. Horizontally among these organizations, similarities and differences shed light on contextual and structural insights with implications for female entrepreneurs in a more general sense.

Validity

My passion for entrepreneurship and my belief that its growth can serve as an economic engine for the U.S. economy could serve to bias my research. As a marketer and a corporate leader, I believe that financial growth helps organizations maintain a competitive edge and allows businesses to make investments and decisions that lead to a more stable, sustainable company. In each step of my research, I remained aware of how my bias may influence my sample choice, my questions, my interpretations and, ultimately, my findings.

In addition, I was aware of the effect I personally might have on my research subjects, which Maxwell (2005) calls reactivity. Because of my strong connections to local female entrepreneurs, I remained aware of my personal relationships and the potential effect on my subjects. While a personal relationship may impart a high trust level and in turn, a high level of access, I consciously worked to eliminate any bias or influence that a personal connection may have made on the interviews or the data analysis. I withheld my desire to insert my own thoughts or reflections during the interviews and worked to avoid asking leading questions that could affect the subject's response.

Two primary strategies helped me manage the potential for biases in my research. During the interviews, I fed the story back to the interviewee to confirm that I interpreted and captured the story accurately. By using respondent validation, I gained as clear and lucid a picture of the growth story as possible. Second, I looked at each case study individually and then all of them as a whole to find discrepant evidence, inconsistencies, or negative cases.

Chapter 4: Presentation of Results and Discussion

The findings that follow are specific to my small sample, and while the findings do relate to and reinforce the academic literature and research in this area, I do not expect the findings will explain or define the entrepreneurship experience across wide populations.

I sought out entrepreneurs with different backgrounds and from a variety of industries using my professional and social networks. The sample set consisted of six Caucasian women, between the ages of 45 and 65. Five of the female entrepreneurs live in the upper Midwest and one lives in Colorado. Each company had between 20 and 85 employees with revenues between $5 and $25 million, although revenue disclosure was not required and not all subjects provided this information. Five of the six CEO’s led companies that had experienced at least 25% growth in a year and most of them were experiencing record growth when we met. One of the CEOs was working on a growth strategy, as the recession was deeply affecting her company’s industry. The oldest company was founded in 1975 and the newest in 2002. The original founder was running every company, and, in two cases, the current CEO was a founder who had split from her original business partner.

The six interview transcripts contained rich anecdotes, stories and insights into entrepreneurship, leadership and organizations. I studied and shaped each interview transcript into a narrative that told the story of the company, its founder and leader, and their financial growth experience. These narratives served as a vehicle to examine the entrepreneur’s story and to look across all of the entrepreneurs’ stories to find commonalities and differences. The interview guide sought to elicit similar data across conversations, but because of the open-ended nature of the questions and the interest in hearing the "story," the interviews did not produce equal or consistent data for each company. The narratives bring consistency and organization to each story. They open with the company background, the founder/CEO's background, and conclude with the context, drivers and results related to the company's financial growth. In all of the written narratives, the entrepreneur and the company's names have been changed to maintain confidentiality.

Key Trends That Shed Light on Success Factors For Growth

Several themes appeared in every narrative, conveying the importance and strength of these themes. The entrepreneurs all spoke about seven primary factors that contributed to their success:

- A strong, clear vision,
- Self awareness and use of her professional strengths,
- A focus on relationships,
- A commitment to profitability,
- Use of bootstrapping[5] to launch and fund the business,
- The right internal management team, and
- A finance expert.

[5] Bootstrapping activities include "meeting need for cash, cost conservation [including reducing labor and/or operations costs], product development or business development. (Brush et al, 2006, p. 28) When Brush (2006) looked at how women develop financing strategies at various business stages, they found that companies that exhibited bootstrapping strategies were more likely to reach a rapid growth stage.

The next section uses the narratives to illustrate the first six characteristics. The seventh factor, a finance expert, shows up in each narrative as a key factor for growth and is discussed at the end of this section.

A Strong, Clear Vision

Regardless of industry, company size or number of years in business, each entrepreneur carried a clear, strong vision for her company and this vision guided the organization and its key priorities. For the purposes of these findings, I define vision as the entrepreneur's reason for starting and sticking with her business and the business's purpose.

Debbie and Mercurial Media: The Vision to See What You Can Become. In the mid-1980s, Debbie founded Mercurial Media. Mercurial Media disseminates spiritual wisdom through spoken word audio, books, instructional CDs, online learning and digital media forms. Mercurial is known for its high quality production and good discernment and its customers hold Mercurial's products and services in high regard. Today, Mercurial Media has over 80 employees with revenues over $15 million.

Debbie's background. Prior to founding Mercurial, Debbie studied philosophy and religion in college, interested in the meaning of life. As she learned about the life and experiences of the great mystics, she thought that the best way to study these teachings would be through direct experience. She left college and traveled to India, Sri Lanka and Nepal for a year. During her travels, she discovered meditation, which taught her to "get between her thoughts to a more felt sense of reality," which gave her great relief. She set out to introduce as many people as possible to meditation and wisdom teachings that support inner reflection and discovery.

Upon returning to the United States, Debbie hosted a community radio show where she interviewed spiritual teachers and asked them to share their wisdom. As her show gained popularity, she began to sell cassette copies of her shows from her home. Soon afterwards, Debbie's father died and left her $50,000. At age 22, Debbie took her inheritance and founded Mercurial Media as a way to employ herself to do this work which she loved.

Mercurial Media's beginnings. As Mercurial grew, Debbie learned about cash flow projections, cost of goods, inventory management and wholesale distribution. Her business became more and more complex and she learned more about business management. In the beginning, Debbie approached the financial aspect of her business very simply – Mercurial didn't spend money it didn't have and any extra cash was invested back into the business. They tightly managed inventory, were careful to keep expenses low and saved enough along the way to pay royalties twice a year without incident. Debbie had no relationship with a bank and no outside investors; she grew the business "super organically" as the cash flow allowed.

Financial growth. By 2000, Mercurial had revenues around $10 million and at this point, Debbie wanted to expand her business into video production and a children's music line. Her desire to expand came out of a "feeling of inner expansion and creativity" – a desire to reach more people in new and different ways. Business colleagues and friends suggested that she go to the bank to secure a credit line, rather than seek out investors. Debbie sat down with Susan, a banker, to talk about getting a line of credit. Susan asked Debbie, "Who is your CFO?" Debbie felt insulted. Debbie showed Susan that the company was bringing more than one million dollars to the bottom line, all without a CFO.

> Debbie recalled, “And I said, ‘If you don’t want to give me a line of credit then I’ll go to a different bank.’ I was kind of uppity about it to be honest because I felt insulted that she didn’t believe I could run the company well. Well in fact, that banker was trying to help me although I was too stubborn to see it at the time.”

In the end, Susan opened Debbie’s one million dollar line of credit and after 15 profitable years, Mercurial lost $750,000 in one year. Essentially, Mercurial tried to expand into too many areas too quickly, without the proper planning to know when cash flows would begin to generate revenue in these new divisions. In hindsight, Debbie recognized that Susan had tried to help her when Susan asked about Debbie’s CFO. Debbie realized she didn’t have all the skills needed to take her business to the next level.

After this great loss, she stood before her whole company, confessed, apologized and then put in place what she’d learned. Debbie brought in a CFO to coach, mentor and help her with the business’ financial planning. Mercurial shifted to open book management and all employees saw a daily tally and tracked to the numbers. Debbie’s strong vision serves as Mercurial’s rudder but now she counts on help from all of her employees to run the business well. Debbie and her management team create three-year plans, track to them and communicate to everyone about the progress.

Debbie’s vision is to reach as many people as possible and to be financially responsible in the process. Mercurial strives to stay ahead of the curve, especially considering the disruption in its industry. Mercurial invests in innovation and financial discipline to stay relevant and maintain its competitiveness.

A Story About Vision. Several years ago, Debbie went to dinner with a very successful businessman who had run several public companies. At dinner, he asked Debbie, “What’s your vision for Mercurial Media?” Debbie answered, “My vision is to disseminate spiritual wisdom and to work with the greatest living teachers of our time.” He asked her again, “No, what is your vision?” Debbie gave a similar answer and this went on several times. Finally, the businessman said, “No – how big do you want Mercurial Media to be?” This question shocked Debbie – in her mind her company’s size had nothing to do with the vision for her company. She didn’t even understand his question. She told him that she would be happy running a $500 million company or a $5 million company. She wanted to be profitable and to make enough money to support her life and the people who work for her, but she didn’t want to make her company’s size a target. She saw that their definitions of vision were so different that they had difficulty understanding each other. For Debbie, Mercurial is about purpose and creativity and contribution; size is about how the audience responds, and she hopes that it all continues to grow.

Self Awareness and Use of Her Professional Strengths

A strong leader knows her strengths and uses them to benefit her organization. Each entrepreneur was keenly aware of what she excelled at and how she could best add value to her organization. Mary, the founder of Lakeview Design/Build, plays to her strengths and has persevered through a tough economic climate.

Mary at Lakeview Design/Build: The Reluctant Entrepreneur. Founded in 2002, Lakeview Design/Build is a small residential and commercial construction company that serves the high-end, luxury market. Lakeview prides itself on its award-winning project portfolio and its team's ability to clearly communicate with clients, execute high quality projects and create great spaces for living and working. Over time, Lakeview has shifted from a commercial and residential construction business to a primarily residential construction business. Their focus on quality, communication and ethics stands out in an industry with low barriers to entry and a wide variety of businesses. With five employees and revenues under $3 million, Lakeview Design/Build has survived the difficult economy and is looking to grow.

Mary's background. Mary earned her bachelor of arts in public administration and a minor in economics. After graduation, she started working at Rolland Construction, a large, southern construction company, and stayed for 25 years. The construction industry fit her style because of its variety, the constant challenges, and problems to solve. During her time at Rolland, Mary put herself through the University's Executive MBA program. Her tenacity to learn, grow and develop affected those around her. Following Mary's MBA experience, Rolland encouraged, and even funded, many other executives to do the same. Mary recognized that people often followed in her footsteps and she welcomed the opportunity to lead, set new examples and serve others.

Mary relocated to Minnesota for love and left behind her 25-year career with Rolland Construction. She met with several large Minnesota construction companies but was concerned about transitioning from a non-union environment to Minnesota's union environment. Then, Mary met a female carpenter and the two decided to start a construction company together. After a few years of figuring out how to run her own firm, Mary realized that she and her business partner's skill sets and goals were very different. Mary bought out her partner and took over Lakeview Design/Build as its sole owner. Mary's commitment to service, genuine empathy for others, and interest in understanding how things work are several of the leadership strengths she brings to her business. She has strong convictions about giving her employees health insurance, 401K and a living wage. In Mary's words: "One of my innate gifts is leadership…I am a person who is genuinely empathetic to people. I am not afraid to articulate that in many ways and I have a strong belief in service and moving forward." Her passion for people and for construction keeps her going but the challenges in her industry and in funding growth is a frustration.

Lakeview Design/Build today. Since 2008, the distressed construction market and lack of demand for new homes has presented Lakeview with significant economic challenges. Mary sees herself as a slow-growth, "reluctant entrepreneur." She didn't necessarily set out to build a company, as she says, "I just needed a job." Her aversion to financial risk also characterizes her reluctance as an entrepreneur. She has worked her entire life to be able to save for retirement and is not inclined to put that all up for grabs.

As the economy picks up, Mary sees great opportunity for Lakeview, especially if they can buy, develop and sell homes as the real estate market begins to grow. For Lakeview, growth is an imperative – without it, Mary cannot maintain her organization's size, retain her talent, and keep her organization from stagnating. Mary's most important factor for growth is market opportunity and her biggest challenge is capital. She is looking for investors but doesn't have any yet. Her bank is financing her current development project and she would do more if she had available capital. Mary knows the market indicators are good for real estate development. Lakeview Design/Build's team knows what it takes to develop housing that buyers want. Her challenge is to finance and seize rapidly the opportunity before the market shifts again.

A Focus on Relationships

Every entrepreneur talked about the importance of relationships with customers and employees, and in many cases, suppliers and social networks. In each conversation, these entrepreneurs cared deeply for their employees and customers and conveyed clearly the importance of these relationships. Laura, co-founder of Benchmark, talked extensively about her commitment to building strong relationships inside her company, through her company's culture, and outside with her clients and her community.

Laura from Benchmark: The Culture Queen. In 2002, Laura and her three business partners founded Benchmark, an interactive marketing agency. Because few digital agencies offer interactive marketing strategy, design and software engineering under one roof, Benchmark gives its clients a single point of contact and uses a multi-disciplinary approach to create high-quality, interactive websites, ecommerce solutions and digital marketing. Benchmark's reputation in the market is strong. Over the years, their projects and their client base has expanded from small- to medium-sized local businesses to include large Fortune-100 organizations.

Benchmark's history. Laura and her business partners met working together at an internet service provider (ISP). At ISP, Laura led a process to find investors which resulted in ISP's sale. Laura and her partners went to work for a mid-sized marketing agency to build its interactive division, but they felt like the organization did not reflect or match their values. After several months, Laura wrote a business plan and a month later, she and her partners left the marketing agency and founded Benchmark.

Laura and her partners wanted to build a company with the best work environment, which they felt would deliver the best products and services to their clients. They wanted people to feel fulfilled and empowered in their jobs, be encouraged to develop themselves, and be able to care for their families and their work. Most importantly, Laura and her partners believed that being honest, authentic and kind to their employees and their clients would give them a stronger competitive advantage than the most cutting-edge technology and software development.

As Benchmark's CEO, Laura leads with a "buck stops here" mindset. Her three male partners know she is the boss and they stick together. While they may argue or disagree, Laura's partners never undermine her leadership and they share the same values as the day they started. As a leader, Laura is more people-driven than data-driven and her ability to imagine the human response, be it with employees internally or clients externally, allows her to make quick, intuitive decisions. Laura is passionate about culture and her desire to build Benchmark is deeply rooted in her vision to create a collaborative, creative and values-based environment.

Laura's background. Laura's financial literacy formed at an early age. She learned to read a balance sheet in middle school while working for her mother, a physician who owned her own private practice. Laura's mother spoke openly about how she saved money, monitored expenses and ran weekly reports to make sure that she knew exactly what was going on at all times. Waiting tables also taught her to work hard, take initiative and figure out how to get things done. Laura learned to work math problems in her head as a waitress to calculate tax percentages and count back change.

> When I waited tables, I learned you never walk into the kitchen without grabbing a plate. You never walk away from a table without seeing if there is something you can clean up or what you can bring. Those simple messages train your instincts.

Laura’s leadership experience prior to founding Benchmark was limited. After she graduated from college, she started working in traditional media production, but found the lack of women and negative attitudes towards women frustrating. Many people she worked for represented “the worst in leadership” and she wanted to demonstrate the opposite. At the time, multi-media was emerging and Laura made a list of 25 companies that she thought had a future in new media. Through sheer perseverance and relationship building, Laura landed an entry-level position at ISP.

She recalled her conversation with the ISP leaders this way,

> I said, “I don’t have experience in what you are doing, but I think I can help you make it into a real business. I will work for you for 90 days at this rate. If at the end of those 90 days, you don’t think I’ve added any value, we’ll part ways. And if you think you can’t live without me, this is the salary I want.” At the end of 90 days, they offered me the job.

Within 6 months she was the general manager and within a year, she was the president and managed a team of 50 people.

Laura's point of view on culture was formed as she worked with corporate clients and she saw examples of cultures, values and workplaces that did not match her values. When she and her partners founded Benchmark, they called it a "start over" not a start up, because they set the tone and built a values-driven environment.

Benchmark's financial story. Benchmark experienced steady growth from its beginnings. Before the economy crashed in 2008, Benchmark's owners decided to make significant investments in the business. They bought a building and became a "real agency with a real presence." Benchmark's owners saw growth as necessary for their very survival; as Laura said, "If we are going to stay alive, we've got to go no holds barred and grow." When the 2008 recession hit, Laura saw a great growth opportunity. As corporate spending on marketing shrank, companies still needed to spend money on digital marketing and advertising. Benchmark seized on this market opportunity and looked for innovative ways to talk to their customers about why digital marketing was the right investment in a tough economy. Despite these efforts, their sales contracted and the four owners made personal loans to the company. Laura and the management team gave their employees the opportunity to weigh in on how to manage through the downturn and cut salaries across the board in a fair and transparent way. The long term bets they made on relationship building paid off and within two years, all salaries were restored. In 2012, Benchmark is seeing 48% growth over the previous year.

Laura's relationship-driven approach is clear: "We want long term relationships. We want people to know they can call us and we care."

A Focus on Profitability

Each entrepreneur was keenly aware of her company's profitability. Despite differences in growth strategies or philosophies, every entrepreneur agreed that profitability was a key business driver and metric. In many cases, an understanding of and discipline around profitability was learned over time. Sandy's story shows how she came to understand profitability in her company and how her team works together to achieve profitability goals collaboratively.

Sandy from RS Services: Focus on what pays. RS Services installs steel, reinforcing steel and electrical for construction projects. Most of RS Services' work comes from highway and bridge projects, with a smaller portfolio of work in electrical design build and commercial projects. They have 20 employees and revenues of approximately $20 million a year.

Sandy and RS Services' background. Sandy did not have an extensive work background before founding RS Services. She waited tables and was a single mom on welfare. Through support programs, Sandy was able to take classes to build on her high school degree and got a job at Digital Front. She worked there for several years, receiving three promotions in three years, but wanted flexibility to be with her kids on her terms.

After talking one night with her husband and his co-workers, who were ironworkers, Sandy and another ironworker's wife decided to start RS Services. After the first year, Sandy bought out her founding partner because their vision and passion for business were too different. Sandy tried to bring in other partners but ultimately decided against it because she couldn't find anyone who shared her values, work ethic and her vision of success. She borrowed a small amount of capital from family and grew conservatively to start.

Sandy's husband worked in the business while she managed the business and kept jobs coming in the door. Over time, she realized that bidding and estimating jobs was critical for RS to grow and be profitable. But to properly estimate the work, she needed to know how long it took to deliver each kind of service. She needed her team to code their work so she could set productivity baselines, measure against them and improve their estimating and bidding process. Her husband did not believe the workers in the field would buy into Sandy's program and he wasn't supportive of Sandy's vision for growing the business. Sandy knew that coding was critical to improve their ability to estimate jobs so she implemented it anyway. Over time, the workers recognized the value to the business and they followed her vision. In 1996, Sandy divorced her husband and became the sole owner of RS Services.

After Sandy's divorce, RS Services experienced quite a growth spurt. Many of her employees wanted the business to grow and they went for it. From 1996 to 2001, RS Services' revenues grew from $3 million to $10 million. But without a disciplined approach and a plan, this growth spurt brought a significant amount of debt including investment in a new corporate office building.

Sandy needed a different approach to growth. She hired a new controller and read Jim Collins' *Good to Great*. Then, Sandy split the business into three divisions and, with the help of her controller, looked at each division's costs, contribution margin and profitability for one year. After seeing the results, she focused her business on the division with the highest contribution margin and quit bidding on jobs in her least profitable division. People in Sandy's industry told her, "You can't do that – you have to do it all." But Sandy only wanted to do the work that was profitable. In the end, Sandy recalled, “If you look at the margins and my salary and everything, it was the…best move.”

As a leader, Sandy has engaged her entire team in the process and has put critical job information in their hands at the job site. Initially her superintendents were concerned about putting hours reports and job estimates in the hands of the foreman and the ironworkers on site. But Sandy thought the value of giving her people critical information on the front lines outweighed any risks. These simple actions resulted in higher levels of trust and engagement on the job. Everyone could see the goals and work together to achieve them. Regular meetings and communication ensure that jobs are on track and if they aren’t on track, the team knows and makes adjustments and corrections to ensure success and profitability. Sandy uses her vision and ability to improve profitability, productivity and efficiency to advance her business. Her opinion on profitability is clear, “Don’t be afraid to ask for more money or to be profitable. Don’t work for clients or customers that aren’t profitable and keep you up at night. Get rid of them. You aren’t making any money on them.”

Her passion for her work comes from within and from the outside in positive and challenging ways. While Sandy has broken new ground in her industry, she has received criticism from people who do not welcome her approach to business. These critics just fuel her passion to succeed because she knows she can prove them wrong.

Yet Sandy’s desire for financial growth is not solely for financial gain – she wants to provide herself and her employees with a good living and a great place to work. Over the years, she has learned to be a better money manager but doesn’t think she has a strong “balance sheet mind.” She relies on her controller to help her financially strategize and carry out her vision. Sandy recognizes the importance each of her employees brings to the company's success. She strives to give them information and support to make decisions that lead to quality workmanship and profitability.

Bootstrapping to Launch and Fund the Business

Each entrepreneur used creative financial strategies and cash flow, called bootstrapping, to fund her business. Only one of the six entrepreneurs had an outside investor and in that case, the investor was brought in years after the business started. Half of the entrepreneurs talked about intentionally using a slow growth strategy to prove their business concept, ensure growth was sustainable and viable, minimize risk exposure and maintain owner control. Susan from Fashion Nation shows this slow growth, bootstrapping strategy in practice.

Susan from Fashion Nation: Growing on cash flow

Fashion Nation was founded in 2001 after Susan, its founder, saw a market niche in reading glasses. She was looking for readers and only found low cost, cheaply made cheaters or high-end prescription glasses with nothing in the middle. Susan designed a reader that would appeal to discerning consumers interested in fashion and style. Today, she relies on cutting-edge design, high-quality craftsmanship and a clear understanding of her end user's needs to maintain her competitive advantage. Fashion Nation employs 20 people and has annual revenues between $5 and $10 million.

Susan's background. Susan started her career in financial services, first working in operations, a role she relished and then as a broker in sales, a role she disliked. At the time, women brokers were rare and she felt like the male clients she met with did not take her seriously. She changed companies and began working in cash management, project management and marketing, all of which she liked, but none fed her entrepreneurial spirit. She heard that a small apparel company was looking to raise capital and needed someone to run the company and find investors. Susan knew she could do it and she left financial services to become the apparel company's president. She spent five years helping the two founders improve their company's financial footing. She made pitches to investors and successfully raised capital, but she knew that she wanted something of her own. When the right opportunity arose, Fashion Nation was born.

Fashion Nation and financial growth. Susan's vision for Fashion Nation was clear but putting it into action took perseverance and guts. First, she had to find the right manufacturing partner. After looking online and doing some initial research, she went to China. On that first trip, she learned about eyewear and what it took to make it. With a six-month lead time, she knew she would have to put up capital months before getting paid, so starting small was her only option.

Next, she needed to find the right strategy to take her product to market. At first, Susan thought that her readers would sell best in optical stores and she pitched her product to these stores without great success. Then, she tried another approach and appealed to a local men's clothing store to try her product. While the owner wasn't convinced it would succeed, he took a chance on it. Two weeks later, he called Susan to tell her he'd completely sold out. Once Susan found the right place for her readers, her company began to grow. Rather than make big investments, she took her time and funded the business on cash flow. She kept her overhead low, subleased inexpensive office space, reused and repurposed shipping materials and office supplies and kept operations as simple and efficient as possible. Susan grew Fashion Nation slowly, first focusing on trade shows, and making sure that each show paid for itself. She hired part time employees to help her manage the day-to-day activities. But she still felt the isolation of entrepreneurship.

> I'm an extrovert and I need somebody to talk to…You're isolated as an entrepreneur. You don't have a peer group you can talk to, especially in the start-up phase. If somebody had said, "Oh, I have a $2 million company," I'd have said "Oh you are so much bigger than I am. You can't possibly relate to what I'm going through." And that's how you feel.

Susan hit a turning point at which she was ready to commit to growth. Her husband, James, had a heart attack. At that moment, Susan realized that she needed to be the breadwinner; she needed to make a living for both herself and James. More help was her first step. She hired Abby and Richard to help her with sales, customer service and shipping full-time. The three of them became "the base" of Fashion Nation and worked together to improve and grow the business. James helped with accounting and information technology issues; he automated the business anywhere and everywhere he could. James served as Susan's sounding board on finance and growth.

Susan still follows her slow growth philosophy, which takes discipline and perseverance. She is careful with her cash flows and inventory and believes that working with the right customer is better than working with every customer. After nearly 10 years of slow, incremental and purposeful growth, Fashion Nation's growth is accelerating and Susan's readers are reaching audiences around the world.

The Right Internal Management Team

Every entrepreneur spoke highly of her team and the value of having the right people working on the right things to allow the owner to pursue and achieve financial growth. For Jessica at Beans, bringing in team members to fill around her expertise has helped her to build and scale her business and continues to be a linchpin for her success.

Jessica from Beans: Getting out of her own way

Beans is a small business financial management services firm. Jessica founded Beans in 2002 after spending a few years as a CFO for hire. Over time, more and more clients approached her and wanted her expertise in finance and financial strategy. As she built relationships and trust with her clients, they began to ask her for help with every level of finance in their organization – from CFO work to bookkeeper services. She knew she could serve her clients more effectively if she hired bookkeepers for the "right-priced, right skill set" work. Jessica began to add bookkeepers to her team, which gave her clients more consistency and quality for the right price. The more bookkeepers she added, the more CFOs and controllers she has had to add. Beans now has 35 employees and serves small to mid sized companies across the Twin Cities.

Jessica's background. Prior to starting Beans, Jessica worked in finance at several mid-sized organizations and quickly climbed into the upper echelons. By her late 20s, she was working in the Twin Cities for a subsidiary of a Georgia-based company. The parent company asked her to temporarily fill in as the CFO in the southeast U.S. She accepted the position, relocated and took charge of a large finance team and its offices. When they asked her to permanently relocate, she knew that she wanted to be back in the Midwest. She accepted a generous severance package and moved back home. Her expertise in turnaround and high level CFO work brought her another 18-month assignment in rural Wisconsin to work on a quality improvement project. But again, when the company asked her to stay, Jessica knew that she wanted to live in the Twin Cities not rural Wisconsin. She moved back home and wondered what opportunity would come along next. She had enough money in savings that she did not rush to find her next job. A friend approached her about helping him with his small business' finances. She stepped in and fixed his books and he was so satisfied that he told his friends. After several months and many more referrals, Jessica suddenly had a waiting list of clients.

> As Jessica recalled, "There was a moment where a headhunter called me for a job and she wanted to place me. She said, 'We'd like you to come in next week.' I looked at my calendar and I was completely booked. My first opening was 3 weeks out. I said, 'Well, I could do….' And she said, 'I thought you were unemployed. I thought you didn't have a job.' And I thought to myself, 'Huh, maybe I do have a job. I'm having a good time with this and I'm getting paid well and I love what I do and maybe I'll just do this a little longer.' Then I had a waiting list of clients."

As she started her CFO-for-hire business, Jessica joined a business owners networking group. This group provided her a valuable education and was the best first investment she made. The group's insight and feedback helped her think critically about her business and all of the challenges it brought.

Beans' background. Jessica decided to grow her business because she enjoyed the CFO for hire work, but her clients were asking for financial help at every level. As an accountant, she did not feel right charging them her high hourly rate to do lower cost work, but she also was not willing to lower her hourly rate. Her first hires were bookkeepers because they could meet her clients' needs at a lower cost while still allowing Jessica to manage the relationship, monitor the bookkeepers' performance and deliver a full package of services to her clients. She did not enjoy managing people, so she hired people who did not need to be managed. As her business grew, Jessica needed more infrastructure to support her team.

From 2002 to 2009, Beans experienced annual growth rates between 2 – 5%. As Jessica said, “We tripped over the growth…I mean, it is hard not to grow. It’s like we were really trying not to grow.” Yet Jessica wanted growth for a very simple reason, “greed.” With her business model, she could only make as much money as the hours she billed and she wanted more. She needed to build a business with enough infrastructure, work and resources that she could live off of the income the business produced and create “a harvestable asset.” Still significant growth did not come.

As she added more bookkeepers, Jessica recognized the need for a more formal layer of management. David, one of her bookkeepers, approached her and asked to take on non-billable work. Jessica made David a part-time manager and he continued to do bookkeeping work part-time. As the CFO work grew beyond Jessica’s capacity, she added new CFOs to take her work. Once she saw what they could offer, she passed more and more work on to them. But as Jessica freed herself to work on the business, she continued to give away her own profit and salary to pay for her infrastructure. She knew the only road to profitability was scalability, but her business wasn’t growing fast enough for her to generate a decent profit.

In 2009, Jessica was diagnosed with breast cancer and she immediately took seven months off. She handed everything to her top manager and disengaged completely. In those seven months, Beans grew 20%. Jessica was dumbfounded – both excited and defeated because clearly she played a role in her lack of growth. While she was out, she looked at how her behavior, her infrastructure, processes and practices may have impeded growth. When she stepped back into the business, she made significant changes in herself, her leadership and her company's management structure. She decided to hire a new business manager and to get the "right people doing the right things at the right time." She restrains herself from switching strategies and changing course on a quarterly basis. Now she relies on her CFOs and her network of small business owners to provide insight and feedback on her business strategy.

Jessica lives by two mantras: 1) Invest in stability and invest in growth, and 2) Think with your balance sheet, not your checkbook.[6] Now the entire company is engaged in and focused on growth and they work on it together. In 2010, her business doubled; in 2011, it grew 30% and as of August 2012, revenue was up 25% over the same time in 2011.

A Finance Expert

The final factor that each entrepreneur shared was an expert in finance. For the five companies who had experienced significant financial growth, they relied on a finance expert, be it their own financial expertise (Susan from Fashion Nation and Jessica from Beans) or a CFO, Finance Director or Controller to provide data, support decision-making and help set strategy. Lakeview Design/Build did not have a finance resource but they also had not experienced significant growth due to the realities of the struggling construction industry. For the entrepreneurs without a financial background, adding a finance expert gave the entrepreneur the data, the confidence, and the discipline to pursue

[6] One of the members of Jessica's networking group gave her this insight. Over time, she has seen that women tend to think with their checkbook (how much cash is on hand) and men think with their balance sheet (how much is this opportunity worth) and female entrepreneurs can greatly benefit from a balance sheet mindset, which can drive a much higher net worth company.

financial growth. The entrepreneurs relied on their finance expert to provide strategic, high-level advice to support decision-making within the business.

What Advice Would You Give to An Aspiring Entrepreneur?

The last interview question asked for direct advice to aspiring female entrepreneurs:

> Thinking back on the growth experience, as a leader and as a company, what advice would you give to an aspiring female entrepreneur to prepare for and achieve financial growth in her company?

Upon analyzing the answers, many of the traditional themes from the research literature in Chapter 2 – finance, networks, people, goals, and competitive advantage – and from the interviews in Chapter 4 – vision, self awareness, relationships, profitability, bootstrapping, team, and finance – were present. These three new insights emerged:

- Be an authentic leader and be confident in the face of the unknown,
- Take risks without fear, and
- Do not fear failure because failure is part of the entrepreneurship experience.

Clearly many factors play a key role in supporting financial growth for female entrepreneurs. But the advice that follows includes comments directly made to women. In several of the interviews, the subjects made a point to acknowledge that the question specifically addressed female entrepreneurs and they acknowledged the question's gendered context. Their answers were rich with advice they may have given themselves when they first started. While the advice includes the success factors presented in my research, the advice steps into areas of confidence, risk-taking and leadership.

Entrepreneurs deal with imposter syndrome[7], women especially. Nobody has all of the answers. We all fail and failure is part of it. When I stopped caring about what other people thought about me on the outside, I started caring the most about my contribution and I became more successful. My authenticity built trust. When people believe you, they will follow you.

— Laura from Benchmark

Know your numbers. Know what makes your product/service move. Invest in stability along with investing in growth (most women don't forget about stability, but still). — Jessica from Beans

Go after it. Believe in yourself. You are going to be full of self-doubt and you have nobody validating you. Just be dumb enough at night to get up the next day and do it. Don't let anybody tell you that you can't. You can! The only people that are right are the customers. Just figure it out. You've got it. Just go after it. You can do it. — Susan from Fashion Nation

Enjoy every step of the journey because that's all you ever have. So if you create some kind of growth target for yourself and you're not enjoying it because you think you're not there yet, what a waste! Because all we have is the journey – every step of the way. — Debbie from Mercurial Media

You better be able to tell somebody and convince somebody that you know what you are doing. Have a good understanding of the fundamentals of business. If you don't understand the fundamentals of business then

[7] Imposter Syndrome has been written about related to women and men in business and academia. According to Cornish, (2012, para. 3), "It's the feeling that at any moment someone is going to turn around and ask you what makes you think you have any business being in here."

> frankly you shouldn't be in business. Or you need to hook up with someone who understands the fundamentals of business.
>
> — Mary from Lakeview Design/Build

> Take calculated risks but take a risk. Most women overcalculate to avoid making a mistake. If something happens, it's just a lesson learned. It's not something you did wrong. Don't be afraid. If you don't try, you'll never know. Take chances and be ok when you fail. Don't let other people direct you – you know where you are going to take your company or what you are going to do. The quote that will be on my grave is: "People will treat you the way that you let them." — Sandy from RS Steel Services

Divergences Among the Narratives

While common themes emerged across the interviews, several factors differed among the entrepreneurs and their companies. Entrepreneurship and the human experience is full of unique characteristics, contexts and individuals, so divergences are not surprising. These four factors prevalent in the literature (Table 1, p. 15) – capital and outside funding, competitive advantage, networks and individual capabilities – appeared in only one or two of the narratives.

Capital and Outside Funding. Nearly all of the entrepreneurs were unwilling to bring in outside investors and were not interested in sharing ownership with anyone outside the organization. Of the six entrepreneurs interviewed, two sought outside investment. Mary of Lakeview Design/Build was seeking investors at the time of the interview. Debbie of Mercurial Media had a shared ownership structure where Debbie owned 70%, an angel investor owned 20%, and the employees owned 10% of the business. So while Table 1 shows access to capital as a key success factor for financial growth, only a few of the entrepreneurs interviewed were actively seeking capital beyond their bank and their bootstrapping activities. This disinterest in outside capital suggests that these entrepreneurs did not think the benefits outweighed the risks from outside investment. The attitudes beneath these divergences require additional research and attention.

Competitive Advantage. Competitive advantage is unique for every company and indicates how a company stands out against others in its industry. Fashion Nation and Beans both used their strong, quirky brands as competitive differentiators, notable because these two companies were the only ones to create a new market niche with their product and service offerings. For Laura at Benchmark, culture served as the driver for their competitive advantage. Sandy at RS Steel used productivity measures and expert estimating to gain an advantage in her industry and to pursue the most profitable work in her industry. Debbie at Mercurial focused on quality production and good discernment to gain an edge in her industry. Finally, Mary from Lakeview, relied on quality, excellent communication, a strong ethical foundation, and deep expertise in construction as a differentiator in the market. Every entrepreneur clearly stated her company's value proposition and knew her business and her customers well.

Networks. While a few of the entrepreneurs participated in networking groups, only Jessica from Beans and Sandy from RS Steel talked about the importance of networking groups as a key success factor for growth. Jessica and Sandy both participated in a networking group with male and female entrepreneurs and they felt these groups gave them the perspective, insight and feedback they needed to grow their businesses. In the academic literature on female entrepreneurship, networks were important for the entrepreneur as well as for the organization (Table 1, p. 15). Because of my personal connection to many of these entrepreneurs, I know that most of them participate in networking groups. But the interview guide did not specifically address networking groups. In every interview, networks was suggested as one of several potential success factors, but I avoided asking leading questions in this area unless the subject specifically addressed the issue.

Individual c***apabilities*****.** Each of the women I interviewed came from very different backgrounds. While backgrounds, education and training played a role, I saw no one recipe for success. For instance, the educational backgrounds ranged from a high school education to MBA graduates and everything in between. Susan, CEO of Fashion Nation, spoke to her philosophy about education, saying it is difficult to draw a straight line from the things learned in a class and the direct application of those concepts in business. “The education is important but that’s like a background for you. It’s like having a full stomach.”

Similarly, the important capabilities and competencies differed among the entrepreneurs – no one thing emerged as the most important. Some of the women were more data driven, some were process driven. They all spoke to their past experiences in management and leadership which also fell across a wide spectrum, ranging from entry level positions to senior leadership positions and everything in between.

A Fifth Divergence: Financial Growth. Because the research question centered on financial growth, this topic was central to each narrative. The interview guide focused on each company’s financial growth story. Yet, the entrepreneurs did not share a common attitude about financial growth. Their attitudes fell across a spectrum that ranged from a commitment to aggressive growth (RS Steel and Beans) to an interest in maintaining a slow, sustainable growth trajectory (Fashion Nation, Mercurial, Lakeview and Benchmark). Susan (Fashion Nation), Debbie (Mercurial), and Mary (Lakeview) all used cash flow as a way to fund and incrementally grow their businesses. Mary (Lakeview), Debbie (Mercurial) and Jessica (Beans) spent time putting together strategic plans to ensure the goals were set and achieved. When I probed about the attitudes about growth, Laura (Benchmark), Mary (Lakeview) and Jessica (Beans) felt growth was necessary to survival.

Jessica (Beans) specifically felt her business model did not provide a solid economic engine for her organization. She thought scale would provide her with financial growth, but clearly felt frustration at her company's slim margins and her challenging business model.

Success Factors in the Literature and the Narratives

In most areas, the success factors identified in the narratives connected back to the literature and the success factors in Table 1 (p. 17). In the literature, success factors for financial growth fell into five primary categories – finance, networks, people, vision and goals, and competitive advantage – with characteristics that connect to the individual entrepreneur and to the organization. The following section revisits the success factors from the literature in light of the interviews to see how the two are connected.

Finance

In the literature, the finance success factors included strong financial acumen, openness to bootstrapping and access to capital. Finance emerged as a key success factor in each narrative, although in many cases, the entrepreneur relied on a finance expert, rather than personally developing her expertise in this area. The entrepreneurs used bootstrapping as the primary method for funding their business and most were not interested in accessing outside capital. Each entrepreneur had a commitment to profitability – an important success factor that was not explicitly stated in the literature.

Networks

The literature spoke extensively about the importance of networks, for the entrepreneur herself (social capital, mentors and a strong ability to network) and the organization's access to business and professional networks. Relationship-building emerged as a common success factor among the narratives, and resembled an ecosystem[8] concept. The interrelationships and interdependencies among the entrepreneur, her partners, management team, employees, suppliers, and customers came through in all of the narratives. Each entrepreneur spoke of these connections, especially in light of the concept of financial growth, and how growth would affect all of the stakeholders involved. This holistic view was common across all of the interviews and while it connects to the idea of networks and networking, the relationship-building concept encompassed more than professional and social networks.

People

The literature addressed the entrepreneur's education, expertise and leadership abilities as a primary success factor. In the entrepreneurial narratives, the women did not share common backgrounds, capabilities, or leadership expertise. However, self

[8] *Webster's Explorer New Desk Encyclopedia* defines ecosystem as a "complex of living organisms, their physical environment, and all of their interrelationships in a particular unit of space." (Stevens, 2003, p. 378)

awareness emerged as a key characteristic shared among the entrepreneurs. A strong management team was a key success factor in both the literature and the narratives.

Vision/Goals

The literature identified personal goals and personal identification to the business as important factors for the entrepreneur, and business goals and a well-defined vision as important for the business. In every narrative, the entrepreneur had a clear vision for her company and was personally connected to and invested in her business. A few entrepreneurs used goal setting and strategic planning as a way to achieve growth, but not all.

Competitive advantage

The literature identified a range of success factors that relate to competitive advantage: business type, market and industry; proven business concept, unique advantage, product and/or service focus; reputation or business image and identity; and for the entrepreneurs, a strong women's identity. These factors did show up in several of the narratives, but very few of them were similar. Every entrepreneur spoke of her competitive advantage but they ranged from strong, quirky brands, to excellent industry reputations, to a proven business concept in an established industry.

In conclusion, the literature provided a solid foundation for the interview guide and assisted in the development of meaningful questions. The narratives validated the existing research and uncovered new insights in relationship-building and self awareness as important factors for successful entrepreneurs.

Chapter 5: Summary, Recommendations and Conclusions

Key Takeaways

Looking back at the literature, the interview narratives, and the key themes shared among them, several factors emerge as critically important for female entrepreneurs aspiring to grow their businesses.

What characteristics are most critical for the entrepreneur herself?

Vision

Entrepreneurs typically start businesses with a vision – whether it be about filling a market need, independence, or creating jobs for themselves and others. Vision emerged as a key theme, and in every case, was innate and embedded in the entrepreneur and her experience leading her company.

Self Awareness and Authentic Leadership

In times of rapid growth and change, entrepreneurial leaders need to understand themselves and to present themselves as authentically as possible. Knowing one's strengths, filling in around these strengths and being open to change becomes critically important. Without the ability to delegate, an entrepreneurial leader becomes unable to scale growth quickly. Being able to "hire better than yourself" is a key factor for growth.

Profitability Mindset

Every entrepreneur knew what it took to be profitable in her business. Not all of them started out with a deep knowledge about what aspects of their business were most profitable, but they all developed an expertise and understanding of their profitability drivers to build and maintain a sustainable, healthy business. As Sandy said, "I only have to do what I want to do and I only have to do what makes money. And [this mindset] was very profitable for us."

Confidence and Risk-Taking

Entrepreneurship is an experiment and each interaction, each idea, and each moment in business provides an opportunity to stay the course or adapt and shift one's strategy. Without the confidence to know that one's vision, leadership, and entrepreneurial dream is worth working for day after day, the entrepreneurial life can be lonely and disheartening. Every entrepreneur shared stories of their struggles but their passion and drive kept them persevering day after day.

What Resources Are Most Important for Female Entrepreneurs?

Finance Expertise and Bootstrapping

A finance expert was a key resource for each entrepreneur. Whether the owner had deep knowledge in finance, or brought in a finance expert, a strategic finance resource played a key role in supporting business planning, forecasting, analysis and decision-making.

Bootstrapping was a critical component for each entrepreneur to start-up and fund her business as creatively and carefully as possible. While each entrepreneur had her own perspective on financial growth and pursued growth differently, cash flow became a funding mechanism for the business. Each entrepreneur developed a strong understanding of cash flow and how to use it to build and benefit the business. Just two of the six female entrepreneurs were interested in funding from outside capital.

Management Team

Companies with the right team developed and grew most effectively. A sounding board or senior team inside the business alleviated the challenge of isolation. The right team also allowed the entrepreneur to boost her weak areas and provided flexibility and endurance to maintain and grow the business.

Networks

Social and professional networks played a role for many of the entrepreneurs in this study and the entrepreneurship literature revealed networks as a critical factor. Surprisingly, only a few of the entrepreneurs spoke directly about the importance of networks and social capital as a key success factor. In contrast, the literature identified lack of networks and social capital as a primary hurdle for female entrepreneurs. (Brush et al., 2004).

Additional Research

This research takes a small sample of female entrepreneurs and examines success factors for financial growth in light of the existing literature and the collected narratives. These future research areas emerged during data collection and analysis.

Finance and capital

Future studies could explore an effective finance leader's roles, responsibilities, and capabilities in an entrepreneurial organization. While each entrepreneur relied on finance expertise in her decision-making, the specific nature of this role could be more deeply explored to understand the ideal characteristics, training and experience of an effective finance person and the point in the business growth cycle when finance becomes most valuable. Because finance is critical for an organization's financial growth, exploring how entrepreneurs educate themselves on this business competency could prove valuable for aspiring entrepreneurs and students of entrepreneurship.

Female entrepreneurs in the resource maturity stage

One of this study's limitations was each entrepreneur's close proximity to growth, in that none of them were far removed from the growth stage of their business's life cycle. Additional research could investigate the wisdom of female entrepreneurs in the resource maturity stage who can reflect back on growth with the perspective of hindsight. Because female entrepreneurship is a more recent phenomenon and the number of female entrepreneurs with revenues over $1 million is not large, finding and connecting with this sample could prove difficult. As years pass and female entrepreneurs continue to grow their businesses, a critical mass of female entrepreneurs in the resource maturity stage should emerge.

Gender differences in entrepreneurship

This study focused solely on a small sample of female entrepreneurs. While the findings may be relevant for female and male entrepreneurs, future studies could specifically investigate what differences, if any, exist between female and male entrepreneurs in the area of success factors for financial growth.

Conclusion

Female entrepreneurs have made great strides in recent years and are creating new businesses faster than the national average. (Sheasley, C., 2012, para 1). A greater understanding of the success factors for financial growth gives female entrepreneurs insight on what and where to focus their efforts. Clearly the background, experience and capabilities of female entrepreneurs range widely but self-awareness, perseverance and confidence are important characteristics for entrepreneurs. Expertise in finance and an understanding of profitability drivers are critical to entrepreneurial businesses and entrepreneurs need to invest their limited time and resources in these areas. The right team enables the business and the entrepreneur to move forward, scale and grow effectively. Lastly, the entrepreneur must keep her vision clear; while financial growth may be the power that drives the business forward, the vision serves as the rudder, guiding the entrepreneur, her employees and her organization to achieve her business goals.

References

Brush, C. G., Carter, N. M., Gatewood, E. J., Greene, P. G., & Hart, M. M. (2004). *Clearing the hurdles : Women building high-growth businesses*. Upper Saddle River, NJ: FT/Prentice Hall.

Brush, C. G., Carter, N. M., Gatewood, E. J., Greene, P. G., & Hart, M. M. (2006). *Women and entrepreneurship : Contemporary classics*. Cheltenham, UK; Northampton, MA: Edward Elgar.

Brush, C. G., & Hisrich, R. D. (1991). Antecedent influences on women-owned businesses. *Journal of Managerial Psychology, 6*(2), 9-16.

Carter, N. M., Gartner, W. B., Shaver, K. G., & Gatewood, E. J. (2003). The career reasons of nascent entrepreneurs. *Journal of Business Venturing*, *18*(1), 13-39.

Carter, N. M., Henry, C, Cinnéide, B., & Johnston, K. (Eds.) (2007). *Female entrepreneurship: Implications for education, training and policy*. Abingdon, Oxon, England; New York, NY: Routledge.

Center for Women's Business Research. (2009). *Key facts about women-owned businesses 2008-2009*. Retrieved from http://www.womensbusinessresearchcenter.org

Churchill, N. C., & Lewis, V. L. (1983). The five stages of small business growth. *Harvard Business Review, 61*(3), 30 – 50.

Cliff, J. E. (1998). Does one size fit all? Exploring the relationship between attitudes toward growth, gender and business size. *Journal of Business Venturing, 13*(6), 523-542.

Cornish, S. (2012, October 9). Hey, big pretender: Be yourself in business. *The Telegraph* [UK], Finance section.

Diana Project. (2012). History of the Diana Project. Retrieved from http://www.dianaproject.org

Gartner, W. B. (2010). A new path to the waterfall: A narrative on a use of entrepreneurial narrative. *International Small Business Journal, 28*(1), 6-19.

Gartner, W. B. & Birley, S. (2002). Introduction to the special issue on qualitative methods in entrepreneurship research. *Journal of Business Venturing, 17*(5), 387-395.

Gatewood, E. J., Brush, C. G., Carter, N. M., Greene, P. G., & Hart, M. M. (2009). Diana: A symbol of women entrepreneurs' hunt for knowledge, money, and the rewards of entrepreneurship. *Small Business Economics, 32*(2), 129-144.

Gundry, L. K., Kickul, J. R., & Sampson, S. D. (2007). Women entrepreneurs preparing for growth: The influence of social capital and training on resource acquisition. *Journal of Small Business and Entrepreneurship, 20*(2), 169-181.

Gundry, L. K., & Welsch, H. P. (2001). The ambitious entrepreneur: High growth strategies of women-owned enterprises. *Journal of Business Venturing, 16*(5), 453-470.

Hadary, S. G. (2010). What's holding back women entrepreneurs? *Wall Street Journal - Eastern Edition 255*(114), R1-R3.

Hill, F. M., Leitch, C. M., & Harrison, R. T. (2006). 'Desperately seeking finance?' The demand for finance by women-owned and -led businesses. *Venture Capital, 8*(2), 159-182.

Hjorth, D., & Steyaert, C. (2009). *The politics and aesthetics of entrepreneurship.* Northampton, MA: Edward Elger.

Holmquist, C., & Carter, S. (2009). The Diana Project: pioneering women studying pioneering women. *Small Business Economics, 32*(2), 121-128.

Manolova, T. S., Brush, C. G., Edelman, L. F., & Shaver, K. G. (2012). One size does not fit all: Entrepreneurial expectancies and growth intentions of U.S. women and men nascent entrepreneurs. *Entrepreneurship & Regional Development, 24*(1), 7-27.

Maxwell, J. A. (2005). *Qualitative Research Design.* Thousand Oaks, CA: Sage.

Morris, M. H., Miyasaki, N. N., Watters, C. E., & Coombes, S. M. (2006). The dilemma of growth: Understanding venture size choices of women entrepreneurs. *Journal of Small Business Management, 44*(2), 221-244.

Nelton, S. (1990). The challenge to women. *Nation's business. 78*(7), 16-22.

Polkinghorne, D. E. (1988). *Narrative knowing and the human sciences.* Albany, NY: State University of New York.

Riessman, C. K. (2008). *Narrative methods for the human sciences.* Thousand Oaks, CA: Sage.

Roomi, M. A. (2009). Impact of social capital development and use in the growth process of women-owned firms. *Journal of enterprising culture*, *17*(4), 473-495.

Sheasley, C. (2012, May 24). A jobless boom for female firms; Women are creating new businesses faster than the national average, but they're hiring fewer workers. One solution: better networks for women. *The Christian Science Monitor.*

Stevens, M. A. (Ed.). (2003). *Webster's new explorer desk encyclopedia*. Springfield, MA: Merriam-Webster.

United States. Small Business Administration. (2011). *Frequently asked questions*. [Brochure]. Retrieved from http://www.sba.gov

United States. Department of Commerce. Economics and Statistics Administration. (2010, October). *Women-owned businesses in the twenty-first century*. [Brochure]. Retrieved from http://www.esa.doc.gov

Appendix A: Interview Guide

The data collection for my thesis will include one-on-one interviews with female entrepreneurs. For the purposes of this thesis, a female entrepreneur is woman who has founded and run an entrepreneurial business from its beginning through a stage of significant financial growth. The company must be founded no later than 2009, have more than 5 employees and revenues over $1 million.

Purpose

- Identify key success factors that contribute to financial growth in entrepreneurial companies
- Gather the wisdom of female entrepreneurs regarding what is most important to fuel financial and economic growth for their companies

Objectives

- Hear the company's financial growth story from the perspective of the female entrepreneur
- Identify the top internal and external factors that leaders need to fuel financial growth (before, during and after the growth experience)
- Uncover the entrepreneur's perceptions of the financial growth experience (before, during and after the growth experience)
- Identify the watershed moment or tipping point that led to the pursuit of a financial growth strategy
- Understand the unique context in which these entrepreneurs set their intention, acted and adapted to their situation during times of growth

Interview Questions

Tell me about your company. How did it start and where is it today?

- Year founded
- Business Concept
- Business type
- Market and Industry served
- Product/Service focus
- Competitive advantage
- Reputation

What is your work experience as a leader?

- Corporate Experience
- Leadership Experience

What is your work experience as an entrepreneur?

Which past personal and professional experiences have you drawn on the most as you've worked to financially grow your company?

- Education
- Networks

How did the decision to grow occur?

- Were you pushed or pulled into it? Was it intentional or happenstance?

- Primary success?
- Primary challenges?

What tipping point or watershed moment made financial growth a goal or even an option?

Think about the growth experience specifically. What key factors played the most critical role during the growth phase?

- Internal – management team, vision and goals, financial acumen
- External – social capital, networks, financing and access to capital

Before you experienced significant financial growth, which factors did you think would be most important?

After you experienced significant financial growth, which factors were the most important?

Thinking back on the growth experience, as a leader and as a company, what advice would you give to an aspiring female entrepreneur to prepare for and achieve financial growth in her company?

Appendix B: Sample Consent Form

Information and Consent Form

The Collective Wisdom of Female Entrepreneurs: Success Factors That Contribute to Positive Financial Growth for Entrepreneurial Companies

Introduction:
You are invited to participate in a research study investigating female entrepreneurs and the success factors that contribute to financial growth. Melanie Shirley, a graduate student at St. Catherine University, is conducting this study under the supervision of Jacqueline Byrd, Ph.D., a faculty member in the Master of Arts in Organizational Leadership program. You were selected as a possible participant in this research because you are a female entrepreneur with knowledge about how you have led your organization to navigate and achieve business growth, or you are have been in a leadership role in a company run by a female entrepreneur with knowledge about how she led her organization to navigate and achieve business growth. Please read this form and ask questions before you agree to be in the study.

Background Information:
The purpose of this study is to identify and understand the key success factors that support financial growth in female entrepreneurs' organizations.

Procedures:
If you decide to participate, the researcher will interview you in person or by phone. The questions are designed to elicit data about how female entrepreneurs have managed financial growth in their companies and your perceptions about what factors have contributed to successful growth. This interview will take approximately 1 hour over one to two sessions.

Risks and Benefits of being in the study:
The study has minimal risk for respondents. First, neither interview subjects nor their organizations will be identified in the resulting paper or data sets. Second, the respondents may choose to terminate the interview at any time by simply stating so to the interviewer.

I believe the subjects may receive the benefit of reflecting on their experience with business growth and the opportunity to think about what factors contributed to successful growth. I also believe that my subjects could benefit from my research's final findings.

Confidentiality:
Any information obtained in connection with this research study that can be identified with you will be disclosed only with your permission; your results will be kept confidential. In any written reports or publications, no company or individual will be identified or identifiable, but the industry and approximate company size may be shared to provide context in theming and categorizing the responses. With your permission, the

interviews will be recorded and transcribed and these results will be kept in electronic form. Only I and my advisor will have access to the records while I work on this project. I will finish analyzing the data by November 15, 2012. I will keep the electronic data for 24 months and will then destroy all original reports and identifying information that can be linked back to you.

Voluntary nature of the study:
Participation in this research study is voluntary. Your decision whether or not to participate will not affect your future relations with St. Catherine University in any way. If you decide to participate, you are free to stop at any time without affecting these relationships.

Contacts and questions:
If you have any questions, please feel free to contact me, Melanie Shirley, at mjshirley@stkate.edu. You may ask questions now, or if you have any additional questions later, the faculty advisor, Jacqueline Byrd, Ph.D. ph 763.476.5815, will be happy to answer them.

You may keep a copy of this form for your records.

Statement of Consent:
You are making a decision whether or not to participate. Your signature indicates that you have read this information and your questions have been answered. Even after signing this form, please know that you may withdraw from the study at any time.

I consent to participate in the study and agree to be recorded.

____

Signature of Participant Date