

Getting Down To Business: Working Women Face Tough Economic Times

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From the struggle for working capital to the fight for acceptance as leaders, women face unique challenges in the workplace – challenges that tight economic times intensify.

Things may be tough all over, as the saying goes, but women have it tougher than others, experts say.

But even in tough economic times, women in business can continue to succeed by developing their skills in managing and leading employees, branding themselves and their work, and keeping their eye on the reality of the economic climate around them.

That advice comes from three leading women entrepreneurs, business experts and authors, who recently discussed the unique challenges working women face when the economy veers toward recession.

“I believe that women are at risk during an economic downturn for several reasons,” says Laura Lopez, a speaker, author and consultant for Fortune 100 companies since the 1980s and a vice president at the Coca-Cola Company.

“Women step out of the workforce for an average of 11 years due to family and child-rearing responsibilities, so from a financial standpoint, women are trying to ‘catch up’ and recover from those non-income-producing years,” Lopez says. “Given that women are often trailing behind men financially, the impact of an economic downturn can set them back further.

“Despite women’s advancements in corporate America, gender stereotypes still exist in the workplace, so women may not always get the same promotion or advancement opportunities as men. While companies are starting to make changes to accommodate women’s unique needs for flexible schedules – such as job sharing, telecommuting and reduced workweeks – these options are still not widespread. Additionally, not everyone in the business world looks favorably on these accommodations, which is yet another obstacle that many women face as they try to climb the corporate ladder.”

Confronting those challenges – which become even more of an obstacle in tough economic times – women have become entrepreneurs, starting their own companies and working around the roadblocks corporate America throws their way.

However, one of the consequences of the current real estate down-

turn and the subsequent financial and banking uncertainty is that working capital – from loans, lines of credit or investors – has become harder to obtain.

This “credit crunch” hits small-business owners – particularly women – harder than other segments of the economy.

“Venture capital is down, so for younger companies, that can be a challenge,” says Beth Polish, president of the Critical Junctures Group, which works with entrepreneurs to start and grow their businesses with an emphasis on strategy and finances.

“But most startup companies don’t get venture capital. They get money from friends and family, and when friends and family are struggling, those companies don’t get that money. It’s tougher and tougher to get business loans. And if you’re not an employee of another company, it’s tougher and tougher to get a mortgage – and for many small-business owners, their homes are the way they finance their companies.”

Both men and women respond to the constant media barrage of negative economic news by losing perspective of what the economic risks actually are, and what they need to do.

“I see men do this, too – our emotions exaggerate reality,” says Eloise Owens, president and owner of The Momentum Company, a Dallas-based professional speaking and sales development firm. Owens is the author of “Get Off The Beach: What Legendary Surfers Know That Sales People Need To Know . . . Now.”

“When things get tough, our imagination tends to fly. We get too far ahead, and we make things worse than they are. Understanding that, it’s all about developing an unarousable imagination. Surfers who ride the really giant waves, the ones where if you fall off, you die, say there is no time for a conversation in your head in those situations; you can’t do a ‘what-if.’ They have a saying: The bigger the wave, the quieter you get.”

So, step one for women (and, actually, men) intent on surviving tough economic times: Take a deep breath and assess things coolly and rationally.

“For people who are emotion-driven, who can’t focus on what needs to be done, they won’t be able to maximize their potential and the opportunities in front of them,” Owens says.

Polish echoed those thoughts.

“Try not to get too distracted every day on all the things that you

hear that are negative and focus on what needs to be done. I go to a lot of women's conferences and there's a lot of hand-wringing," she says.

"It's important to focus on doing a good job. None of us can change whether interest rates go up or down, but we have more control than we think over making our business successful. The best way to help ourselves is to keep putting one foot in front of the other."

Owens and Polish stress the need to keep looking out for new opportunities.

"There's another thought that connects to that, something that I've had to do myself. Surfers say, 'You never turn your back on the ocean,'" Owens says. "For every victory you have had, there are other opportunities coming, and if you've turned your back to celebrate, you have again missed opportunities. Does your business need to look at other waves, other opportunities that may be more profitable for you?"

"You should not have any preconceived notions of what the best ways of growing the business are," Polish says. "It's about being open to all alternatives, taking off the blinders and looking at opportunity, and being willing to look at those opportunities and evaluate them and see if it really makes sense. . . . There may be opportunities for companies to partner, to reach the same customer but offer . . . different products or services."

On a very basic level, Polish says, tight economic times require a tactic that is smart even when times are good – watch your money.

"All too often, I meet entrepreneurs who really don't understand their cash flow. They don't get paid for 60 days, but they have to pay their bills in 30 days. They don't understand that they're floating money," Polish says.

And professional and personal development become even more important in a tight economy, Lopez says. Work on brand-building skills. Doing the job well is merely the first step; getting people to associate good work with you also is critical. Spend time building solid business relationships. And learn to be a leader.

"People have the tendency to retreat during recessionary times, but I recommend that women use a counterintuitive approach to recession-proof their careers and businesses," Lopez says. "Push forward instead of pulling back. This applies particularly in the area of self-development.

"Learn to get the most out of the people around you through effective leadership. Women are so used to juggling and multitasking at home and in the office that we often believe that we 'can do it all.' However, this viewpoint can limit your impact as a leader," she says.

"A leader needs to be able to unleash the potential of others and to guide them to accomplish great things. Women need to remember that when they step in to do more, others step out and do less." ■