

Since 2019, Black and Latina women entrepreneurs have been the fastest growing segment of firms in the United States, leading the surge in business formation¹

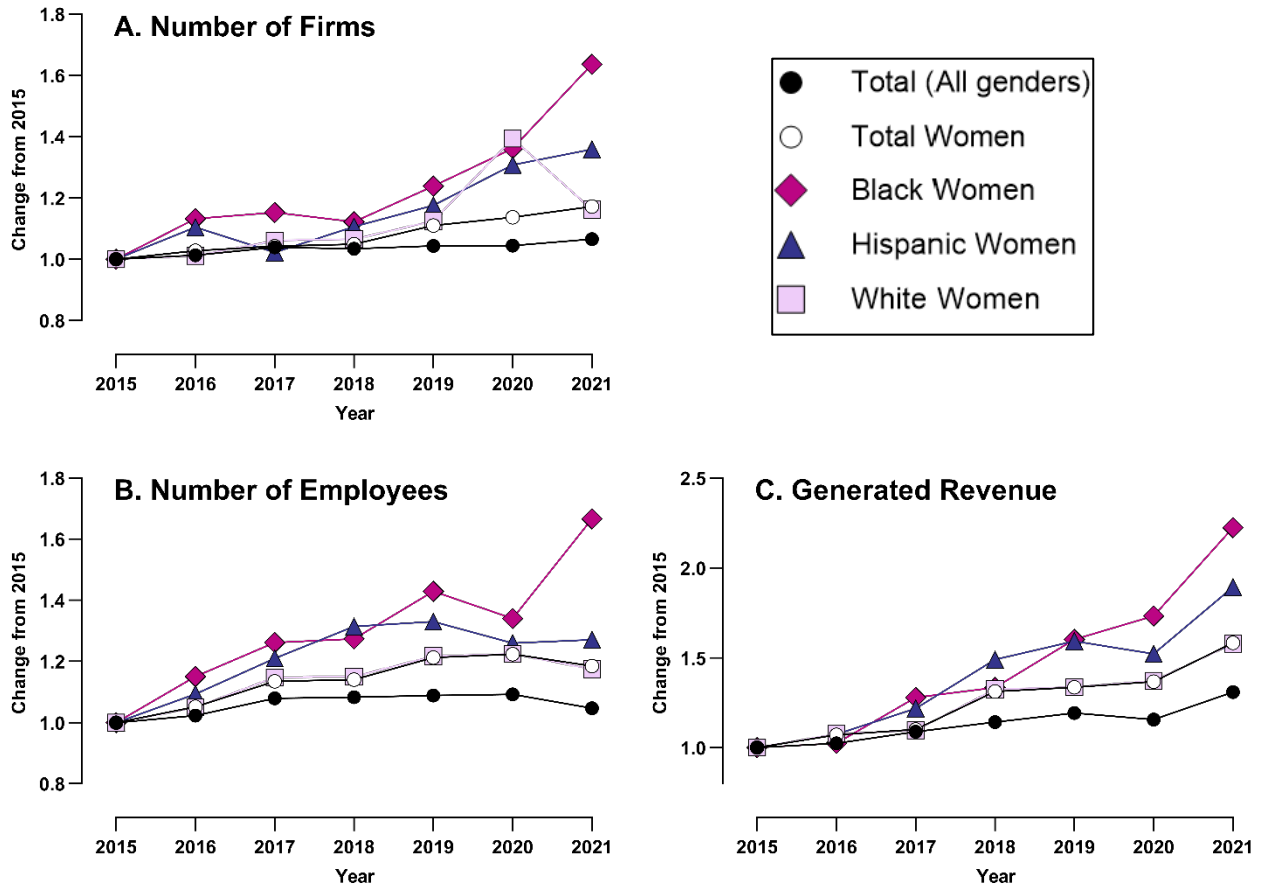


Figure 1. The change of the A) number of firms, B) number of employees, and C) amount of generated revenue among all U.S. Firms, Black, Latina, and White women-owned firms since 2015 through 2021. Data from the Annual Business Surveys (ABS)² 2015-2022. *Note. U.S. Census data use the term “Hispanic” for ethnicity data and do not distinguish Latinas from Hispanic women.

- Despite this surge in Black and Latina women-owned businesses, the number of firms, employees, and amount of revenue is disproportionately smaller than White women-owned firms and male-owned firms, relative to total population size.
- If these new and growing firms match the productivity of male-owned firms, Black women would generate an additional \$1.4 trillion annually and Latina women would generate an additional \$1.1 trillion.¹

¹ Wells Fargo, 2024 <https://www.wippeducationinstitute.org/2024-impact-of-women-owned-businesses>

² Annual Business Survey Data <https://www.census.gov/programs-surveys/abs/data.html>

Women Business Owner Characteristics

- The 2021 census data show that Black and Latina women business owners were more likely to be younger than their White peers. ~59% of Black women and ~64% of Latinas were less than 55 years old, as compared to ~49% of all women, and ~30%, 34% of Black and Latina women respectively were less than 45 years old as compared to ~24% of all women in that age bracket.
- The age distribution is similar to previous years, indicating there was no significant change in the pattern of the age of Black and Latina women entrepreneurs before, during, and following the surge in the number of Black and Latina women-owned businesses.

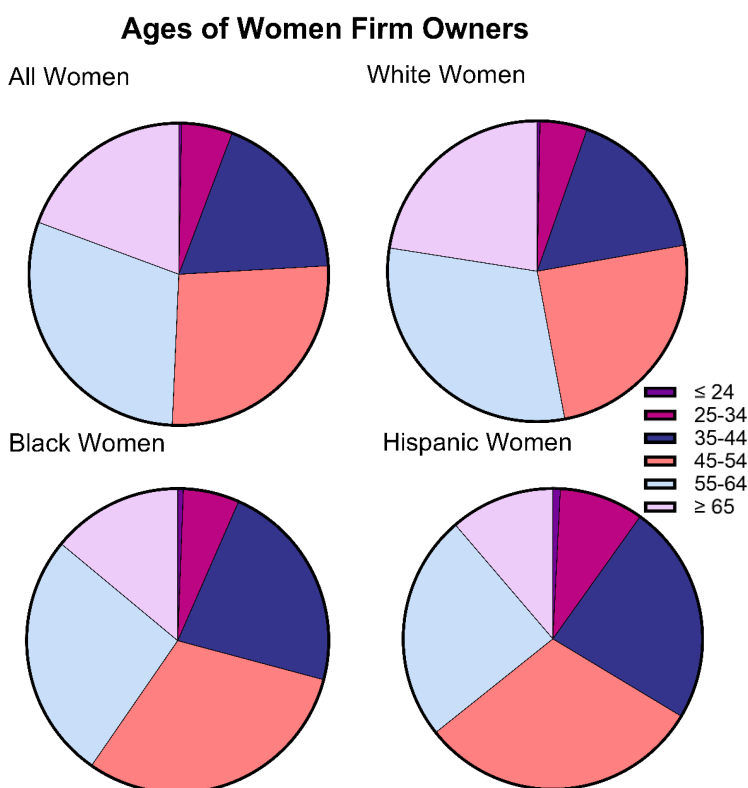


Figure 2. The distribution of ages of women business owners per demographic in 2021. ABS (2022)

- Approximately 62% of women business owners had received Associate degrees or higher (see Table 1). Black women business owners had the highest degree completion rates (~73%), followed by White women (~61%), while Hispanic women lagged behind with only ~52% completing an Associate's degree or higher. Interestingly, more women entrepreneurs than men completed associates degrees or higher with ~59% of all men, ~63% of Black men, ~58% of White men, and ~41% of Hispanic men.

Table 1. The highest level of education completed by women business owners

Level of Education Completed	All Women (%)	Hispanic (%)	Black (%)	White (%)
No high school	2.0	6.7	1.1	1.5
High school / equivalent	16.9	20.6	10.2	17.0
Technical / trade school	4.8	5.4	3.3	5.2
Some college	14.6	16.1	13.0	15.3
Associate degree	7.4	8.4	9.9	7.7
Bachelor's degree	30.5	23.7	24.7	30.5
Master's degree	11.9	8.7	19.1	11.5
Doctorate degree	2.2	2.2	5.8	2.1
Other professional degree (beyond Bachelor's)	9.8	8.2	13.0	9.2

Note. Data retrieved from ABS 2022

- Degrees in the fields of Health and Management are the most common among Black and Hispanic women business owners. See Table 2 for more details of the degree subject for business owners.

Table 2. Percentage of women business owners with degrees in different fields

Field of Highest Degree	All Women (%)	Black (%)	Hispanic (%)	White (%)
Life sciences	4.7	4.5	3.4	4.9
Chemistry	1.3	1.7	0.8	1.4
Tech / Mathematics	3.3	5.3	2.4	4.0
Earth Sciences	0.3	6.8	0.1	0.4
Economics / Poli Sci	7.0	0.0	7.3	8.0
Engineering	2.0	1.4	3.7	7.2
Health	17.5	26.6	18.7	13.3
Physics / Astronomy	0.2	0.1	0.1	0.4
STEM education	1.5	1.3	1.2	1.0
Other science	6.9	5.3	8.5	7.6
Arts / Humanities	12.3	7.8	9.8	8.5
Non-STEM education	10.8	8.4	8.7	5.3
Management	16.2	18.6	20.1	20.8
Sales / Marketing	6.4	4.4	6.8	7.6
Social Services	4.7	9.9	6.2	2.4
Other	14.9	11.9	15.3	17.3

Note. Data retrieved from ABS 2022

Business Sectors Across Demographics

- The most common sector for women’s businesses across demographics was healthcare, which was also one of the most popular degrees across demographics. The top six industries remained consistent for all women and Hispanic women since 2017. However, “retail” did not emerge as a top industry for Black women until 2021, replacing “Finance and Insurance.”

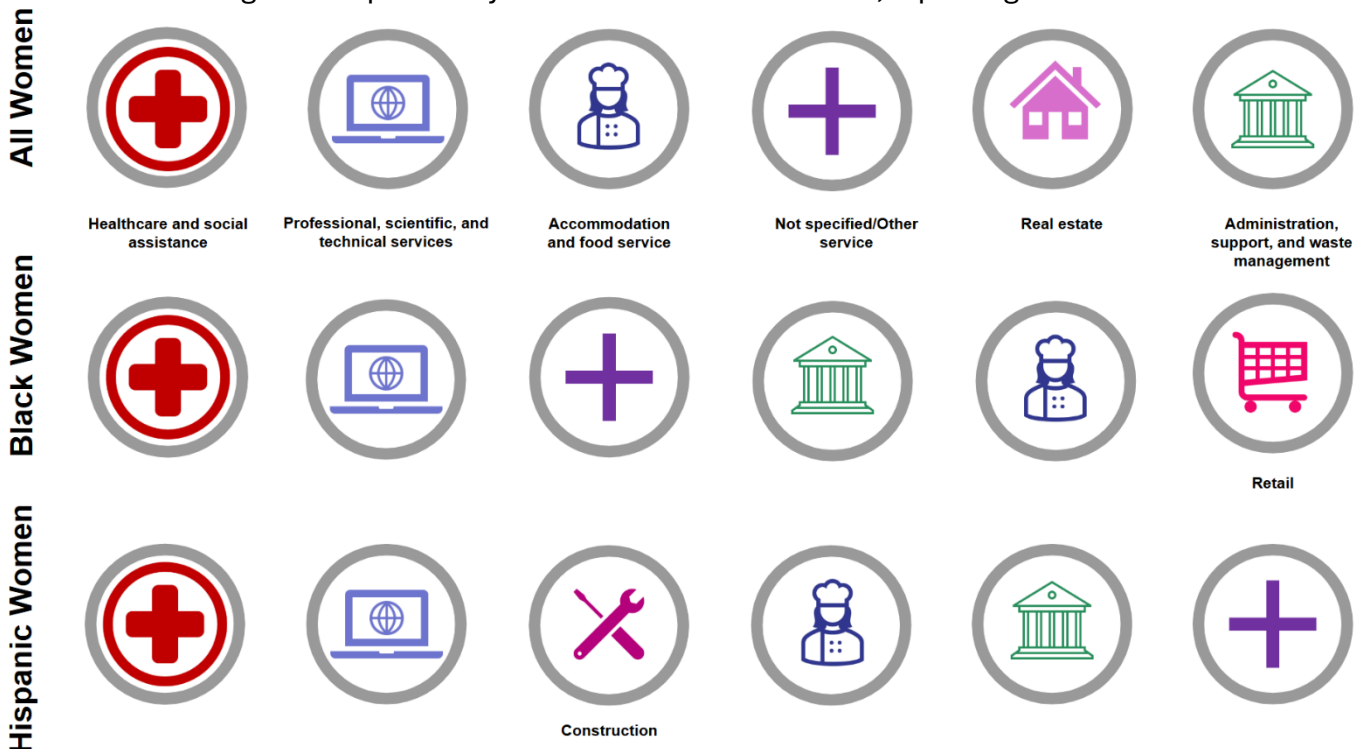


Figure 3. The top six industry sectors, in order, per demographic of women business owners in 2021. ABS (2022). Note. “Not specified/Other services” are service providers that do not fall under the umbrella of another sector, e.g., advocacy work, personal care, religious activities, death services