

Navigating the She-cession: Advice for Women Entrepreneurs

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While it appears that Covid-19 is waning in many parts of the world, its effects -- economic as well as physical -- still linger for many. Among the hardest hit: working women, including those who own businesses.

Globally, women lost [more than 64 million jobs](https://www.cnbc.com/2021/04/30/women-globally-lost-800-billion-dollars-in-income-due-to-covid-19.html#:~:text=In%202020%20alone%2C%20women%20globally,by%20women%2C%20reports%20Oxfam%20International.&text=Between%20February%202020%20and%20February,1.8%20million%20men%2C%20reports%20N WLC.)) (https://www.cnbc.com/2021/04/30/women-globally-lost-800-billion-dollars-in-income-due-to-covid-19.html#:~:text=In%202020%20alone%2C%20women%20globally,by%20women%2C%20reports%20Oxfam%20International.&text=Between%20February%202020%20and%20February,1.8%20million%20men%2C%20reports%20N WLC.) in 2020, or 5% of all jobs they held. Furthermore, female-owned businesses [took more losses](https://www.nber.org/system/files/working_papers/w27309/w27309.pdf) (https://www.nber.org/system/files/working_papers/w27309/w27309.pdf) and closed more often than male-owned ones. And while they [adapted quickly](https://www.smefinanceforum.org/post/shecession-women-entrepreneurs-and-the-pandemic) (https://www.smefinanceforum.org/post/shecession-women-entrepreneurs-and-the-pandemic) to doing business remotely, businesses owned by women are taking [three times longer](https://www.theladders.com/career-advice/the-3-things-successful-women-are-doing-to-beat-the-shecession) (https://www.theladders.com/career-advice/the-3-things-successful-women-are-doing-to-beat-the-shecession) to recover. Women of color were hit especially hard.

Daycare closings across the country in response to COVID has only heightened the problem for entrepreneurs who also happen to be mothers, as many found themselves forced to choose between maintaining their businesses and caring for children.

The result of all this has been a "She-cession," a widespread economic and career setback for women. There are, however, some [strategies women can use](https://eiexchange.com/women) (https://eiexchange.com/women) to adjust to these challenges.

Focus on new areas of opportunity

The world of entrepreneurship has [grown dramatically](https://www.washingtonpost.com/road-to-recovery/2021/01/21/female-entrepreneurs-coronavirus/) (https://www.washingtonpost.com/road-to-recovery/2021/01/21/female-entrepreneurs-coronavirus/)

during the pandemic — new business applications in the US increased by 1.5 million through mid-December of 2020, an 82% increase in the third quarter compared with a year earlier. Many of these new business owners are women looking for more flexibility and long-term stability than working for someone else may offer.

Additionally, remote work has boosted the gig economy, with more opportunities for freelance writers and editors, grant writers, computer programmers, software developers, and others who can work from home. This is good news for working moms who were able to respond to daycare closings by shifting gears toward a remote-work environment, which allows them to build a career while keeping an eye on their kids. It's not ideal, to be sure, as family distractions are always a challenge to job focus, but it's better than having to choose between the two.

If you don't work full time but need extra income and/or want to build on your experience, you can [become a "sidepreneur"](https://eiexchange.com/content/sidepreneurship-the-booming-trend-for-women) (https://eiexchange.com/content/sidepreneurship-the-booming-trend-for-women) — someone who works less than 20 hours a week on their business. Women began to favor this options even before the pandemic: sidepreneurship grew 39% between 2014 and 2019, compared with 21% for all women-owned businesses.

Prioritize your finances

For women, money has long been a taboo topic: According to a study by Merrill Lynch, 61% of women said they'd [rather discuss their own deaths](https://www.ml.com/women-financial-wellness-age-wave.html) (https://www.ml.com/women-financial-wellness-age-wave.html) than talk about money. This is borne out in Caroline Castrillon's article for Forbes, which reveals that just [25% of women entrepreneurs seek financing](https://www.forbes.com/sites/carolinecastrillon/2019/02/17/why-its-time-for-female-entrepreneurs-to-break-the-) (https://www.forbes.com/sites/carolinecastrillon/2019/02/17/why-its-time-for-female-entrepreneurs-to-break-the-



money-taboo/?sh=3f0b83d06b8a) over the lifespan of their business.

However, experts say now is the time for females to [shift their mindset](#) (<https://www.forbes.com/sites/carolinecastrillon/2019/02/17/why-its-time-for-female-entrepreneurs-to-break-the-money-taboo/?sh=2a2906de6b8a>) and start talking about money. This is especially necessary for entrepreneurs who plan to invest their own resources to get their ventures off the ground or propel them to the next level. Here are some ideas:

- Castrillon suggests pursuing loans through the [Small Business Administration](#) (<https://www.sba.gov/>) and other outlets like Funding Circle and Lending Club. Grants are also a good source of support (and you don't have to pay them back). Carillon also suggests crowdfunding through platforms like iFundWomen.
- Figure out where you stand financially and use that knowledge as a baseline for building your financial cushion. If your financial situation has changed, you may need to [adjust your budget](#) (<https://www.forbes.com/sites/advisor/2020/03/27/retooling-your-budget-for-covid-19-5-smart-steps-to-take-now/?sh=467e47ad580e>) by adapting your expenses to fit your income.
- Ways to start can include redefining your priorities, investing in yourself, eliminating luxury items, and taking advantage of savings opportunities (coupons, savings apps, free memberships, cash-back cards) on essentials you have to buy anyway.
- [Budgeting apps](#) (<https://www.investopedia.com/best-budgeting-apps-5085405>) can help, too. Some of those available include Mint, which is free; Simplifi by Quicken for stewarding your cash flow; PocketGuard if you're prone to overspending; and Zeta for couples.
- Once you've got your budget figured out, work to [build your credit](#) (<https://www.self.inc/blog/how-to-build-credit>) by monitoring it, paying your bills on time, and not overextending yourself.

Responsible credit management can create opportunities for you in the future in the form of lower interest rates and loans you'll be able to obtain because you did the work ahead of time. That way, you can make

career decisions based on what you want and need, not out of desperation.

Enhance your skill set

It's easy to fall into a pattern of sticking with what you know, but a crisis like a layoff or furlough can jar you out of a rut pretty quickly, especially if you're the one making those tough decisions.

If you're looking to grow your business through these challenging times, you may want to focus on skills that can help you reach more clients and establish your expertise. Online courses can teach you how to create podcasts, craft compelling presentations, market your business, and network effectively.

Of course, no entrepreneur has the time, energy, or skillset to do everything themselves, so you should [know your limitations](#) (<https://www.thebalancesmb.com/improve-your-small-business-2951413>) and find partners to fill in those gaps. Maybe you're great at discerning what products to offer for sale and how to display them, but not so good when it comes to crunching numbers. So find someone who is.

If you've lost your business, you may be wondering how to move forward. One of the best things you can do for your personal brand is to broaden your skill set and make yourself more versatile — and marketable.

Going back to school is one option (even if you have to do it online until everything's fully reopened), and taking online courses on specific topics is another. Tech is booming, so you might consider a coding course or a class in cybersecurity or search engine optimization.

Break the mold

Easier said than done, right? But that doesn't mean it won't be worth it. Identify the gender stereotypes that might limit you as a female entrepreneur, then challenge them — both with your skills and by confronting those who would impose them unfairly.

For instance, a longstanding belief assumes women aren't as good at math and science as men, but obviously, that's not true. Part of the effect is due to negative conditioning and underconfidence, as demonstrated in a Pew Research Center study of 90 undergraduates:

When women participating in the study were first cued to focus on self-confidence by identifying themselves as students at an exclusive private college, there was [no significant difference](#) (<https://www.pewresearch.org/2006/08/30/women-cant-do-math-or-can-they/>) between their performance on math tests and that of men. The women consistently performed with equal or greater competence than men.

That old wartime poster of Rosie the Riveter declaring, “We Can Do It!” has always been right on the money. You can tap into that confidence to challenge stereotypes that falsely suggest otherwise.

In other words, don't let [imposter syndrome](#) (<https://www.apa.org/gradpsych/2013/11/fraud>) hold you back. This phenomenon, first identified by Ph.D.'s Suzanne Imes and Rose Clance, is the tendency for high achievers to chalk up their achievements to luck rather than ability, and to feel like frauds who will eventually be exposed.

Women were at a disadvantage in terms of pay (via the wage gap) and opportunities (courtesy of the glass ceiling) before the pandemic came along. COVID just added another layer to that challenge. Fortunately, you can fight back, even in difficult times. By tapping into your power, building your skill set, improving your finances, and identifying areas of opportunity, you can improve your chances of success and triumph.

Learn More

[Advice, Best Practices and Inspiration for Women Entrepreneurs](#) (<https://eiexchange.com/women>)