

The Miami Herald

Women-led firms coping better with recession

BY CINDY KRISCHER GOODMAN
CGOODMAN@MIAMIHERALD.COM

Challenged by the economic downturn, Rachel Sapoznik knew she had to get creative.

Sapoznik wanted to continue growing revenue at her employee benefits business, but she wasn't willing to cut staff. Instead, she needed to think strategic.

She began looking harder for new customers, selling more products to her existing accounts and creating alliances with other firms who will recommend her services.

"I've done everything in my power to be proactive, to be out there," said Sapoznik, CEO of Sapoznik Insurance in North Miami Beach. "If I had debt, forget it."

Her strategy is in line with most women leaders in Florida.

A survey released Thursday shows women-led businesses are surviving the recession better than most other businesses, according to Florida International University's Center for Leadership and The Commonwealth Institute South Florida.

The reason: women-led businesses traditionally have taken on little debt and therefore have the flexibility to maneuver during tough times. Instead of going to banks for help, women leaders are overcoming challenges by using their own cash from operations to finance growth.

Even more, they are coping with the economic downturn by looking for new opportunities. Rather than focusing on cost-cutting strategies, they're strengthening relationships with customers and vendors, and forming strategic partnerships or creating new division to bring in new business.

"These women leaders were very positive

about their ability to survive the current economic situation," says Joyce Elam, executive dean of the College of Business at FIU.

"The environment has not affected their psychological state."

The survey shows women leaders in Florida are self-motivated, well educated and passionate about their business. They also are optimistic. The majority of the 116 women-led organizations in the survey continue to expect an increase in revenue over the next two years.

Elam said women leaders are taking a collaborative approach to recession survival.

The survey shows the proportion of business that turned to strategic alliances or partnerships for financing growth has doubled from 12 percent last year to 20 percent this year.

When asked how they were going to grow revenue, the number of women who answered strategic alliances or partnerships jumped from 18 percent last year to 50 percent this year.

Sapoznik, whose company is one of the top five largest women-led business in Florida, said she's an example of that trend. She has teamed up with a corporate recruiter and property insurance firm to recommend each other's services to companies and share ideas. "You market them and they market you," she said.

Joyce Landry, CEO of Landry & Kling of Miami, a 27-year-old cruise event services firm, also credits alliances with her company's growth. She's launching a new division, an Internet portal, financed mostly through a partnership. "We think that will

help it grow much faster than looking for traditional financing options."

Women leaders also consider networking and mentorship important factors in their individual career success, the survey shows. Almost half actively participate in professional business associations and 90 percent believe that mentors have been important in their careers.

For these women, work and home life are extremely intertwined. The survey found most of the women leaders talk about work problems and concerns with their family. "One absolutely affects the other," Elam said.

Not surprising, during these recessionary times women are struggling more with work/life balance. Only 56 percent of the leaders this year said they were satisfied with their balance, compared with 61 percent last year.

"It's a continual struggle for women," Landry said. "Women have fewer boundaries when it comes to blending business and family lives. It all becomes one."

The full survey results and the Top 50 women-led businesses will be revealed at a luncheon sponsored by The Commonwealth Institute South Florida, Thursday at noon, Jungle Island ballroom, in Miami. Call 305-799-6547 or visit www.commonwealthinstitute.org.

