Over 13 Million Women-Owned Businesses in the United States
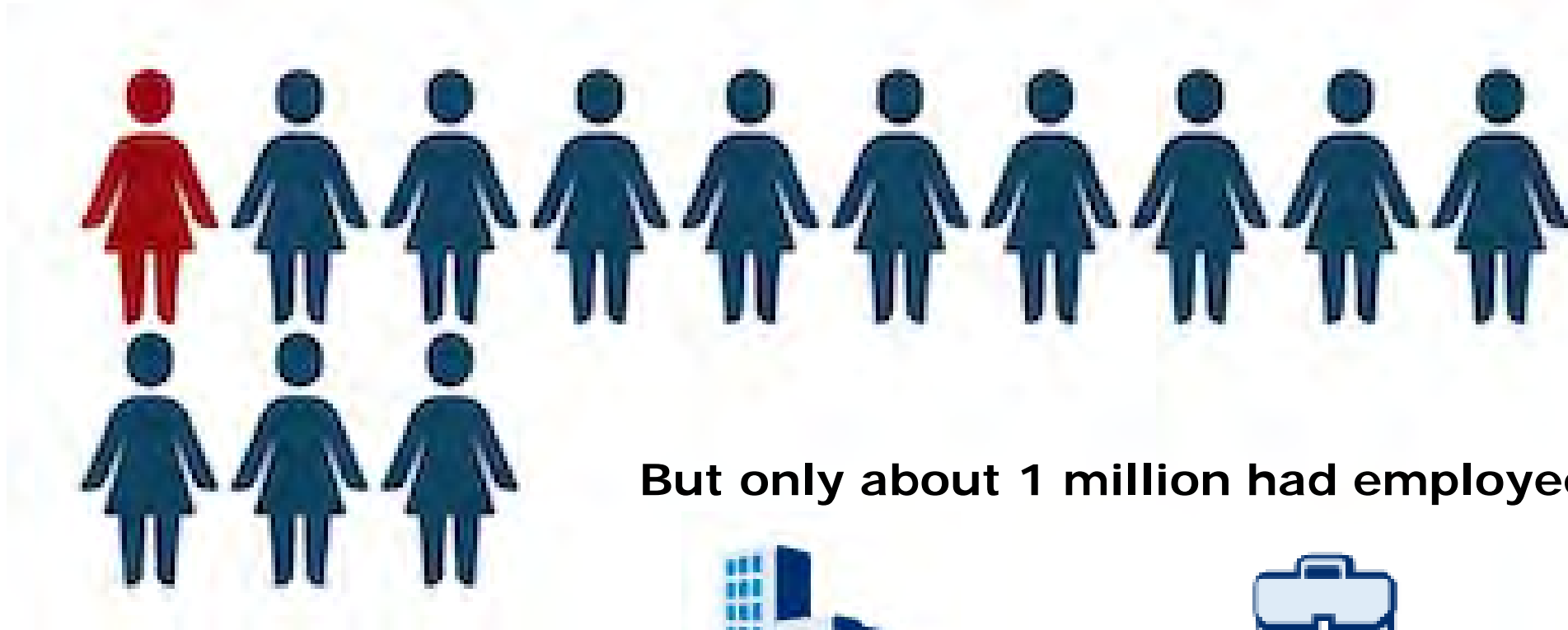
But only about 1 million had employees

Total Small Firms

81%

Nonemployer Firms

31,678,432

25,701,671

Firms with <500 employees

Census NES-D data for 2017

(2019 NWBC Annual Report; Census NES-D data for 2017)

Non-Employer Firms aka "Solopreneurs"

Independent small businesses that have no employees and do not include C corporations.

Gender	Race/Ethnicity	Employer Firms	Non-Employer Firms
Female	Hispanic	5%	95%
Male	Hispanic	8%	92%
Female	Black or African American	3%	97%
Male	Black or African American	4%	96%
Female	Non-Hispanic White	12%	88%
Male	Non-Hispanic White	23%	77%
Source: U.S. Census Bureau, NES-D 2019			

Dependent Variables

Significant Variation Between the States and Between Genders

DV1: Labor Force Participation Rate

	Female	Male
Minimum	68%	79%
Maximum	83%	92%
Mean	76%	87%
Standard Deviation	0.0404	0.028
T-Test	1.27E-28	

DV2: Self Employment

	Female	Male
Minimum	30%	54%
Maximum	46%	70%
Mean	37%	63%
Standard Deviation	0.0317	0.0317
T-Test	9.5E-67	

DV3: Solopreneurship

	Female	Male
Minimum	86%	73%
Maximum	94%	85%
Mean	90%	79%
Standard Deviation	0.0170	0.0230
T-Test	5.066E-46	

2018 Cross-sectional analysis. Population 20-54. state-level data 50 States + DC and PR
Sources: Department of Labor, U.S. Census, NESD data set

Statement of the Problem

The U.S. is the only OECD nation with <u>NO</u> form of national:
(OECD, 2023).

- paid family leave

- paid sick leave

- early childhood education and care (ECEC) policy for children under 3 years of age

Significant variation between state-level Family Policies
(Bruch, Meyers, and Gornick, 2018; Daiger Von Gleichen & Parolin 2020)

- Federalism is fundamental to understanding variation of outcomes (Beramendi, 2009; Obinger et al., 2005; Pierson, 1995; Soss, Schram, Vartanian, & O'Brien, 2001)

- States have significant impact on how Federal Funds are distributed (Daiger Von Gleichen & Parolin, 2020)

- "Federalism means inequality"   (Wildavsky, 1985)

Few studies have focused on comprehensive perspective of welfare state policies (Bruch, Meyers, and Gornick, 2018; Daiger Von Gleichen & Parolin, 2020)

Research Question

How do family policies at the state level impact American women's labor force participation?

- Four existing policy indexes used to identify and operationalize relevant Family Policies into a new comprehensive index. (Gauthier (2011), Elizalde-San Miguel, et al., (2019), Daiger von Gleichen and Parolin (2020), and the OXFAM Best States to Work Index (BSWI)).

Hypothesis

- H1: A State's Family Policy Index Score is positively correlated to FLFPR

- H2: A state's Family Policy Index Score is negatively correlated to the male-female difference in Labor Force Participation Rate (Gender Gap)

- H3: A State's Family Policy Index Score is negatively correlated to rate of female self-employment

- H4: A State's Family Policy Index Score is negatively correlated to rate of female-solopreneurship.

U.S. Family Policy Composite Index

Variation Between States

Indicators organized into three Dimensions. Data is normalized using z-score. Average collinear indicators, weighted as necessary, to calculate the three Dimension scores. A total Composite Index Score is the sum of the three Dimension scores.

* weighted indicators, based on state eligibility and funding rates for respective programs. ** 7 states have non-standard reporting for childcare spending.

(methodology sources: OECD Composite Index Handbook, 2018; Mazziotta & Pareto, 2013)

Childcare Dimension

Indicators	States with	States Without
Pre-K Spending per enrolled child*	52	**
CCDF Mean Subsidy childcare facility*	52	**
CCDF Mean Subsidy Family Care*	52	**
Preschool enrollment rate (3/4)	52	**
Minimum	-96.1	
Maximum	121.8	
Mean	0.3	
Standard Deviation	39.7	

Economic Transfers & Benefits Dimension

Indicators	States with	States Without
Family Childcare Tax Benefit	26	26
State Child and Dependent Care Tax Credit (CDCTC)	28	24
Generosity of State EITC	34	18
State EITC REFUNDABLE	34	18
Expanded Medicaid	34	18
TANF Diversion Policy	34	18

Indicators	Min	Max
Medicaid/CHIP spending per child*	$1,087	$6,084
TANF Spend on Direct Assistance*	.2%	69%
TANF Generosity*	$194	$1,255
TANF Participate Rate*	4%	69%
WIC Participation Rate*	4%	75%

Minimum	-2.01	
Maximum	9.91	
Mean	2.39	
Standard Deviation	2.42	

Workplace Policy Dimension

Indicators	States with	States Without
Flexible Scheduling	2	50
Reporting Pay	10	42
Split Shift Pay	3	49
Advance Shift Notice	3	49
Basic Equal Pay	50	2
No Pay secrecy	20	32
Paid Family Leave in Place	8	44
Paid Sick Leave in Place	9	43
Private Sector Pregnant Worker	22	30
Private Sector Right to Pump	22	30

Indicators	Min	Max
Length of Paid Parental Leave	0	12
Length of Paid Caregiving Leave	0	12
Length of Paid Sick Leave (personal)	0	52

Minimum	-6.26	
Maximum	139.03	
Mean	22.04	
Standard Deviation	33.21	

State Rankings Total Index Score
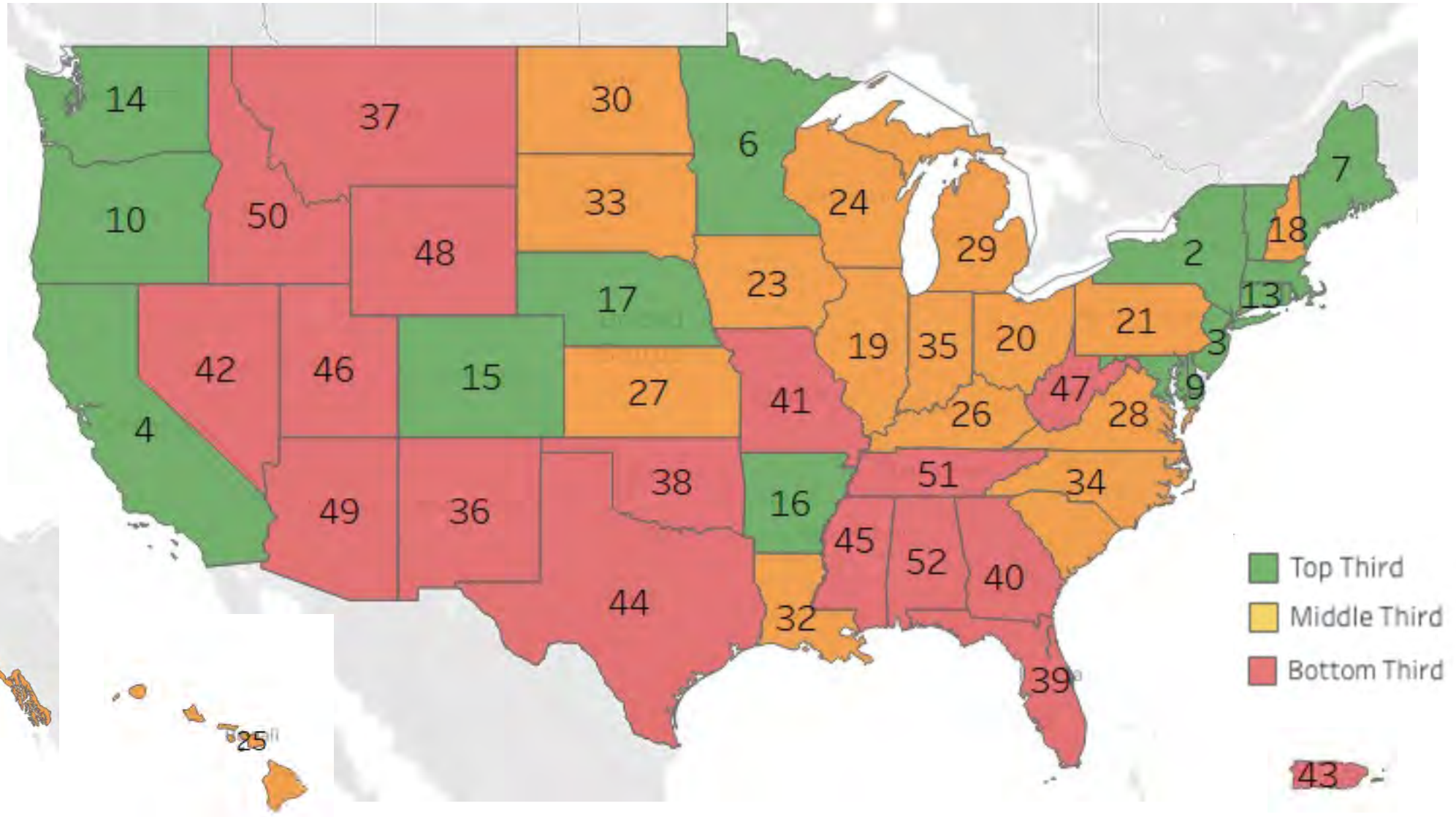
Topline Results Summary
Pearson Correlations

	Female Labor Force Participation Rate	Gender Gap	Gender Gap Log Ratio	Female Self-Employment Total Pop	Female Self-Employment Gendered Pop	Female Solopreneurship Total Pop	Female Solopreneurship Gendered Pop
Index Total Score	0.345 **	-0.405 **	-0.481 ***	0.202	0.137	-0.027	-0.096
Childcare	0.454 ***	-0.513 ***	-0.582 ***	0.165	0.084	-0.099	-0.188
Economic	0.289 *	-0.353 **	-0.460 ***	0.244	0.184	-0.056	-0.117
Workplace	0.103	-0.126	-0.135	0.081	0.064	0.085	0.066
	✅✅	✅✅	✅✅	❌	❌	✅	✅

Note. **All tests one-tailed. LFPR positive correlation and all others for negative correlation.**

* p < .05, ** p < .01, *** p < .001, one-tailed

Mixed-methods approach will also incorporate qualitative data collected from interviews with solopreneurs about the circumstances that influenced the timing, type and size of business formed.

Topline Results Summary

Regression Analysis

For each state *i* in the period *t,* the dependent variables Y are modeled through the following linear model which incorporates Z_{it}: Socio-economic characteristics at the state level and regional fixed effects:

$$Y_{it} = b_0 + b_1 X_{it}^1 + b_2 X_{it}^2 + b_3 X_{it}^3 + b_4 Z_{it} + \epsilon_{it}$$

	Female Labor Force Participation Rate	Gender Gap	Gender Gap Log Ratio	Female Self-Employment Total Pop	Female Self-Employment Gendered Pop	Female Solopreneurship Total Pop	Female Solopreneurship Gendered Pop
Unstandardized coefficient	0.443 ***	-0.010 **	-0.003 ***	0.039 ***	0.087 ***	.056 ***	.128 ***
R^2	.573	.615	.622	.727	.735	.542	.539
	✅✅	✅✅	✅✅	❌✅	❌✅	❌✅	❌✅

* p < .05, ** p < .01, *** p < .001, one-tailed

Mixed-methods approach will also incorporate qualitative data collected from interviews with solopreneurs about the circumstances that influenced the timing, type and size of business formed.

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