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Impact of Business Owners' Ethnicity and Gender on Financial Performance

A classical analytical review and empirical study on how the demographics of company owners impact the results.

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Abstract

Previous research has found that female- and minority-owned businesses generally underperform compared to male- and nonminority-owned businesses on a variety of measures, such as sales and profit. The situation is, however, rapidly changing while there is a lack of up-to-date research on the current situation. Available research often has a narrow approach, trying to explain the big picture by looking closer at specific cases. This paper presents recent statistics on sales and profit inequalities among more than three million American private companies, with respect to gender and ethnicity. The data used is from the Annual Survey of Entrepreneurs from 2016 which covers all American-owned employee firms with yearly sales above USD 1000. Furthermore, this paper discusses what the underlying reasons are that result in the presented inequalities.

When looking at the income inequalities of American private companies, it is clear that male- and nonminority-owned companies outperform their female- and minority-owned counterparts. This is apparent due to the statistically significant higher share of profitability, and in both cases more than twice the average yearly sales. The study also finds a result contradictory to previous research, in that it does not find that female-owned companies are concentrated in less profitable industries. Contrariwise, the study found that the female-owned companies studied are slightly overrepresented in industries that have a high share of profitability.

Acknowledgements

Our deepest gratitude goes out to our supervisor, Associate Professor Shahryar Sorooshian from the School of Business, Economics and Law at Gothenburg University. Throughout the past few months we have always been able to count on your support whether we hit some obstacles or needed some feedback on what approach to take within this thesis. We also sincerely appreciate you not holding anything against us for still being unable to properly spell your name.

In addition, we would like to extend a thank you to our fellow classmates who have also been writing their Bachelor theses within Shahryar's group of supervision. Your honest and constructive inputs on our thesis have given us an additional perspective that has improved our thesis for the better. We hope that our feedback to you hasn't made yours worse, but if it has, we plead not guilty.

For the fact that the U.S. Census Bureau had the task of gathering more than 3 million respondents from a survey in 2016, we would just like to say: "Thanks, Obama."

If not for the "opportunity" of distance studying, it would not have been possible to work from the comfort of our home to the discomfort of our living partners. We expect that will come back to bite us in the near future. We would like to acknowledge Google Scholar as a life-saver, although we hope that you will stay out of our lives in the future.

Lastly, thank you for taking the time to read this thesis. You've already made it further than we would have anticipated.

Contents

1	Introduction	1
1.1	Background	1
1.2	Problem discussion	2
1.3	Research questions	2
1.4	Purpose	2
2	Method and methodology	3
2.1	Methodological perspectives	3
2.1.1	Pragmatism	3
2.1.2	Deduction	3
2.2	Research approach	4
2.2.1	Mono-method quantitative study	4
2.2.2	Archival research	4
2.3	Cross-sectional studies	4
2.4	Statistical analysis	4
2.5	Choice of theoretical framework	5
3	Theory	6
3.1	Diversity	6
3.2	Ethnicity	7
3.3	Gender	8
4	Result and analysis	12
5	Discussion	21

6 Conclusion	23
A Tables	24
References	29

1 Introduction

1.1 Background

As ethnic and gender demographics are becoming increasingly diverse in the workforce, companies in the U.S. are experiencing a higher proportion of women and minorities in comparison to white men in leading positions than before Erhardt et al. (2003). This trend can further be seen among many other well-developed countries. Previous research indicates that both advantages and drawbacks comes with diversity in business, compared to a homogeneous environment (Herring, 2009; Gallego-Álvarez et al., 2010).

The idea that diversity would have an impact on company performance is rooted in the fact that a diverse team with many perspectives, views and ideas will add strength to the company. Diversity does, however, also provide certain challenges in the workplace such as empowering a loss of direction. Cultural differences among employees can also spark conflicts and inefficiencies (Dike, 2013).

The study of company performance with regards to diversity is closely related with the study of company performance with regards to dominating demographics within the company. The rise of females and ethnic minorities in leadership positions has sparked a growing interest in what implications this trend might have on company results. Indeed, there are many statistical studies conducted on the composition of boards with respect to gender. The results seem to vary depending on the study; some studies conclude that there is a positive correlation between the amount of men on the board, and other studies find positive correlation between the amount of women on the board, while additional research has found no significant correlation at all (Rodríguez-Domínguez et al., 2012; McGuinness, 2018; Chapple and Humphrey, 2014)

By thoroughly studying previous research on the field in addition to analyzing the statistical data points of performance and diversity among businesses in the U.S., a better understanding can be gained in not only the correlations between these factors, but also propose qualified reasons for why. As the topic of diversity is a well-studied area - with sometimes contradicting findings - and the fact that it is still a highly relevant topic today, this report will look at research throughout the last decades and juxtapose those conclusions with current data. With a solid understanding of how diversity can affect performance, businesses and organizations may be able to make more well-informed decisions when assembling a management team.

1.2 Problem discussion

A great deal of research has been conducted in recent years on racial and gender diversity in boards and on the top management of firms, as well as what implication this might have on company results. Additionally, there have also been studies by Adkins et al. (2013) and Loscocco et al. (1991) that discuss female ownership in small businesses and how their results differ in comparison to companies led by men. However, there is a lack of research with a holistic view of company results stemming from the demographics of the owners. The research conducted is often made in order to explain a certain phenomenon in a closed off population or market segment, and it is seldom compared and used to explain phenomena in larger environments.

This is what sets this thesis apart; this study will use the theoretical foundation from previous studies, and examine those findings by analyzing the data consisting of a survey that was conducted with more than 3 million businesses responding - grouped by ethnicity and gender. By looking at existing theory from the past decades that have mainly examined a small number of businesses on a deeper level, this thesis will be able to compare those conclusions with businesses on a much grander scale.

1.3 Research questions

In order to shed some light on the topic, the report will discuss and attempt to answer the following questions:

- What are the differences in company results between companies owned by men/women and different ethnic groups in the U.S.?
- Does diversity in company ownership create value?
- Why do differences in company results between companies owned by men/women and different ethnic groups exist?

1.4 Purpose

The purpose of this thesis is to present statistics on the inequalities of the results from private businesses in the U.S., that are derived from the gender and ethnicity of the company owners. Furthermore, the report will discuss the causes of these inequalities and the implications of diverse ownership.

2 Method and methodology

How data is collected in the pursuit of researching an area can be grounded in which research philosophy the researchers choose to approach. According to Saunders et al. (2016), research philosophy refers to a system of beliefs and assumptions about the development of knowledge, in addition to a consistent set of assumptions that underpin the methodological choices, research strategies, data collection and analysis procedures during the study. Many layers that include research philosophy, approach to theory development, methodological choice, strategies, time horizons as well as techniques and procedures form how data is collected and analysed (Saunders et al., 2016). Due to the nature of this study this will be an explanatory study, where the emphasis is establishing causal relationships between variables by studying a situation.

2.1 Methodological perspectives

2.1.1 Pragmatism

A pragmatist starts research with the problem and aims to contribute practical solutions that inform future practice (Saunders et al., 2016), and this was believed to be the most optimal philosophy for this study. This meant being more interested in practical outcomes rather than abstract distinctions, and that the most important factor for the design and strategy of the research would be the research problem and research question. This view also acknowledges that there are many different ways of interpreting how to undertake research and that no single point of view can ever give the entire picture.

2.1.2 Deduction

As opposed to inductive reasoning, which occurs when there is a gap in the logical argument between the conclusion and the premises that have been observed, or abductive reasoning which begins with a "surprising" fact that is a conclusion rather than a premise, the deductive approach to theory development occurs when the conclusion is derived logically from a set of premises and uses literature to help identify theories and ideas that will be tested using data.

2.2 Research approach

2.2.1 Mono-method quantitative study

Performing a quantitative study as opposed to a qualitative study will be optimal within this study, due to the fact that this study aims to understand key causal relationships between diversity and the success of companies. In order to draw conclusions that can be more generalized, this study will look at a large amount of empirical data that has already been gathered and analyze it with a structured observation, and subsequently juxtapose it with existing theory to find correlations or deviations. In other words, this is a mono-method quantitative study.

2.2.2 Archival research

In order to observe a statistically significant amount of data to justify being able to draw conclusions, an archival research strategy will be approached in order to gather data. Although the term has connotations to something very old, it can also refer to data that has been collected recently. Since a large study was made on a significant amount of firms in the U.S. by a government agency, the data is reliable, easily accessible and deemed relevant for this study.

2.3 Cross-sectional studies

Cross-sectional refers to the study of a particular phenomenon at a particular time, and given that the respondents of the survey that the results of this thesis is based on have answered this as a snapshot of a particular year, this study is cross-sectional. Although the respondents' companies have had operations over a varying length of time, the observations made are from a snapshot in time.

2.4 Statistical analysis

Descriptive statistics are used in the empirical analysis in order to tell if there are statistically significant correlations between diversity, gender and ethnic group with respect to company results. The descriptive method is mostly used by comparing the mean results of the different populations. The significance level chosen for the statistical analysis is the common $\alpha = 0.05$, in order to achieve a 95% confidence interval.

The data source for the empirical result presented is the Annual Survey of Entrepreneurs, ASE (2016) conducted by the United States Census Bureau. ASE provides information on selected economic and demographic characteristics for businesses and business owners by gender, ethnicity and race. The survey includes all U.S. non-farm businesses filling Internal Revenue Service tax forms and with receipts of USD 1,000 or more. The total amount of companies surveyed exceed five million, while there are more than 3 million respondents.

2.5 Choice of theoretical framework

Several research questions were defined as part of the problem discussion, based on a few factors related to diversity that may or may not correlate with the financial success of businesses. In order to analyze the data properly, the report includes existing theoretical findings on the effects of these factors. For each factor, several academically published articles were taken into consideration with the purpose of depicting various perspectives and findings. Subsequently, analyses on the findings can be made in the context of historical findings.

The theoretical framework that has been chosen as a foundation for this thesis includes prior research done on the effects of diversity on businesses. This is to provide a basic understanding of what research exists on the topic of the thesis' research questions, in addition to allow for comparisons with the data that is presented in results. The previous research has been found through various databases and libraries available to the authors.

3 Theory

Financial performance for businesses is an area that has been well studied, as it lies within all companies' and economies' best interest to understand what factors affect the success of certain businesses. Diversity is an especially critical factor that has been given a lot of attention not only in terms of inclusion and openness, but also in terms of improving the performance of the firms.

Although diversity is a broad term that encapsulates many different areas, for the sake of this study and to be able to draw parallels between the theory and the results more clearly, diversity will mainly be discussed in terms of gender and ethnicity or minority/non-minority.

3.1 Diversity

The effects of having a diverse company in terms of gender or ethnicity, whether positive or negative, have been contested and contradicted over the years by different researchers.

The idea that diversity would have an impact on the performance of a business is deeply rooted in the fact that a diverse team with many perspectives, views and ideas add to the strength of the company. However, it also does provide certain challenges in the workplace, e.g. empowering a loss of direction, and sparking conflict and inefficiency as a result of cultural differences among employees (Dike, 2013). Typically, diversity is divided into two categories; demographic diversity and non-visible attributes such as knowledge, skills and individual capabilities. The first category is easy to measure qualitatively and objectively, while the second would need cognitive considerations (Pelled, 1996).

In 2003, Kochan et al. (2003) found few positive or negative direct effects on the performance as a result of diversity, and Reguera Alvarado et al. (2011) also found that gender diversity among the board of directors in Spanish stock-listed companies did not have a significant impact on the success of their business. In fact, they had hypothesized that in a company culture with Spanish boards that has generally dominated by men, an increase of female representation would produce better results, but no such correlation was found.

In a statistical study, Herring (2009) found that companies with larger racial and gender diversity tended to have better results than companies of smaller racial and gender diversity. The study based on statistics from the National Organizations Study, conducted by NORC at the University of Chicago, showed that company results had a high correlation with large statistical significance to both racial and gender diversity. Furthermore, it was presented that the results

of companies had a higher correlation with racial diversity rather than with gender diversity. According to the study, there was an approximately 50% in difference between their respective factors in a linear regression model correlating to sales, customers and market share, in addition to a 130% difference between factors of profitability. Once again, it did appear that racial diversity had the larger impact.

3.2 Ethnicity

Richard (2017) studied the relationship between diversity, business strategy and firm performance within the banking industry, and found that cultural diversity does in fact bring value to the performance. If it is within the proper context, having a diverse banking firm will contribute to competitive advantages. By surveying 24 funds run by minority business enterprises, Bates and Bradford (2008) found that the earned yields on their realized investments were similar to the more mainstream VC funds overall. However, there was a great variation depending on which fund.

To provide some more context, what also needs to be considered is the difficulties that ethnic minorities have had to face as business owners. Whether or not the addition of minority employees in non-minority companies would boost the companies' performance or not, it is an interesting observation to see how minority business owners have performed and what challenges they have faced.

In a study from 2016, McManus (2016) analyzed the data from a survey made in 2012 on minority-owned businesses in the U.S. According to his findings, the importance of minority-owned businesses to the U.S. economy cannot be understated as a significant share of the businesses in the U.S. are owned by minorities. Yet, a minority-owned firm's revenue is only 32% that of a non-minority-owned business, and they are less likely to be in high sales or high employment industries. Other data also point to that minority-owned businesses hire far fewer workers, are much younger - both the firms' age as well as the owners' age - and that they are less likely to procure financing from private banks or financial institutions (McManus, 2016).

While Ando (1988) found that black and Hispanic business owners perform as well as Asian and non-minority business owners, black business owners had lower success rates of obtaining bank loans than non-minority men despite having the same terms. Indeed, Van Auken and Horton (1994) studied the startup-financing characteristics of minority-owned small firms and also found that small businesses owned by minorities have difficulties in receiving initial capital. In addition to having to provide more documentation, they would also have to depend on a variety of sources to finance their initial operations.

Still, these limitations do not guarantee any initial financing, and these initial difficulties in obtaining capital create more financial problems relating to their operations further down the line.

More recently, well-known newspapers have covered the racism that black-owned businesses find when looking for investments, based on reports by Fraser (2012); Stunell and Foster (2013); Davies (2017) among others. This was found not only in Silicon Valley and the U.S., but also in London. Similar to the fact that there are fewer female entrepreneurs than male entrepreneurs, there are also fewer black entrepreneurs than white entrepreneurs (Fairlie et al., 2020). Furthermore, it is even harder for black entrepreneurs to access outside debt in the founding year and in the years that follow, both in terms of amount of funding as well as sources of funding, compared to white-owned startups. Having looked at personal finances, including whether or not the founders were credit-worthy, Fairlie et al. (2020) found that black borrowers also are more likely to be turned away from banks and therefore even refrain from applying despite the need for it, due to the anticipation of rejection.

Bewaji et al. (2015) found similar but more general results as Fairlie and Robb (2009). Through their empirical analysis, they found that minority entrepreneurs are less likely to access loans from financial institutions than non-minority entrepreneurs. Bewaji et al. (2015) also concludes that a higher level of education is a key factor to help minority business owners to access funds from financial institutions. The mentioned difficulties for minorities to acquire financial capital should according to the authors greatly impact the success of new ventures.

3.3 Gender

The impact of the gender of company leaders on how successful a company will be on a number of different factors has been a topic of great discussion in society since the late 1900s. Marlow et al. (2009) notes how *the influence of gender upon entrepreneurial intention and experience has been increasingly recognized over the last 30 years*, and the research made is also equivocal. Yet, there is a lack of scientific studies discussing the matter (Kalleberg and Leicht, 1991; Amran et al., 2011). And once again, as with diversity in terms of ethnicity, the conclusions seem to contradict each other depending on the researchers and what specific data they chose or had available.

In 1991, Kalleberg and Leicht (1991) studied the survival rate and success of 411 small companies over three years, and found no difference of significance between companies led by men or women, neither with regards to their survival rate or success. Watson (2002) concluded in his study that existing research seems to indicate that female-owned businesses are generally outperformed by male businesses in terms of financial results such as sales and profit, noting

that this seems to persist even when accounting for demographic differences. However, Watson also acknowledged that there was a lack of research in controlling typical business input measurement, such as total assets or owner's equity. By using data from the Business Longitudinal Survey by the Australian Bureau of Statistics and accounting for industry, age of business, and the number of days a business is operated, Watson (2002) concluded that there is no statistically significant difference between male- and female-owned companies with respect to total income to total assets, return on assets, or return on equity. Interestingly enough, while not statistically significant, the result of the study even suggested that female-controlled businesses outperformed male-controlled businesses when the control variables were taken into account.

On the other hand, Amran et al. (2011) found that the gender of company leaders do in fact impact the performance of companies, and that companies that were led by men performed better than those companies that were led by women. Furthermore, the research of Loscocco et al. (1991) also showed results that contradicted the findings of Kalleberg and Leicht (1991). Among small businesses, they found that companies led by men generated significantly higher sales volumes and income than their women counterparts. In fact, they stated that this tendency seemed to echo throughout the spectrum of success among small businesses; the companies were more successful and generated even greater sales and profits if they were led by men rather than women, while less successful companies generated less sales and profits if they were led by women rather than men. One part of their explanation for this phenomenon is two key characteristics that differ between men and women in leading positions at small businesses; female leaders apparently tended to have less experience and were concentrated in less profitable industries than male leaders. Another conclusion was that the process through which the female and male leaders in small businesses generated sales and profits are similar, but due to the structural disadvantages women would face, they are in general not as well positioned to exploit business opportunities as their male counterparts.

Once again, to provide a larger perspective, a number of studies have also been made on men or women as business owners. Similarly to minorities, Fay and Williams (1993) found that women are less likely to obtain business loans than men if they all have a high school education. However, if both have university education, they are equally likely to obtain a loan, although it was shown to be of higher significance if the women did indeed have a university education. The authors of this study stated that the discriminatory behavior by loan officers probably is not intentional, and rather points to the social construction in western culture that have affected the unconscious bias.

Having surveyed 300 female and 300 male business proprietors from three sectors in the United Kingdom, with 103 questions producing nearly 600 variables, Rosa et al. (1994) found that gender can have a significant impact on

experience of ownership and management in small businesses. In this study, the findings include that men are more likely to be refused bank loans, while it was found across the sectors that women tended to start out with less initial capital and also had significantly smaller businesses even when taking the age of the businesses into consideration. However, there were also similarities in both genders, e.g. many businesses would not have been able to start if it were not for their spouse's full-time employment.

With regards to the performance of a business owned by men or women, it was found in a study by Fairlie and Robb (2009) that female-owned businesses have worse average outcomes than their male counterparts; they have lower annual sales, are less likely to have profits of at least US\$10,000, and are less likely to have graduate degrees. Furthermore, fewer female-owned businesses have the same amount of capital as male-owned businesses, and they are also less likely to have prior experience in a business that offers the same products and/or services (Fairlie and Robb, 2009). Looking at the effects of gender and management in the performance of a family business, Danes et al. (2007) found that gender contributes significantly to explaining why there is a variance in the log of gross sales revenue; a family business that is owned by females gross less revenue than their male counterparts. What's more, is that personnel management practices appear to have a larger effect on gross revenues for females than for males, and gender also has a moderating effect on responses to disruptions. While this study was looking into family businesses, the conclusions were drawn from the fact that gender was the main factor differentiating the various businesses examined (Danes et al., 2007).

Collins-dodd et al. (2004) found that financial performance does appear to be different between men and women. However, the conclusion drawn was that this is explained by several variables other than gender directly. Apart from financial performance, gender also appeared to moderate the effects of other practice and personal characteristics. One of the more interesting ones includes that women with a higher level of motivation to balance work and family experienced more positive financial outcomes, while the opposite was true for men with high level of motivation. Heilbrunn (2004) researched what impact gender would have on the difficulties faced as entrepreneurs, concluding that it is common for males to be specialists in their particular field in addition to being competent in a number of business skills, while females tended to have more administrative experience in service-related areas. On top of this, female-owned businesses also seemed to be smaller with lower net earnings. Looking at the gender differences in performance on a more individual level, rather from a company perspective, Azmat and Ferrer (2017) set out to explain why there are gender gaps in performance for lawyers. What they found was that the distribution of career aspirations differs across genders, such as the aspiration of becoming a partner to the firm. While this did not appear to explain the gender gaps in performance, it did influence the performance.

One of the main findings from Hoogendoorn et al. (2013) was that an equal gender mix in business teams have better performance than male-dominated teams, when looking at how much sales and profits are generated. Although it appears that an equal gender mix in business teams do not have a worse performance than teams with a majority of females, the authors acknowledge that due to the nature of their study it might be hard to generalize and make firm conclusions on some of these observations. A study from 2013 by Badal and Harter (2013) found that although the empirical studies of the independent effect of each demographic characteristic on performance, they could conclude that gender diversity does indeed positively affect financial performance and has substantial practical implications. Therefore, in addition to engaging employees - which is seen as independently contributing to company's success - all organizations should focus on selecting a diverse workforce.

4 Result and analysis

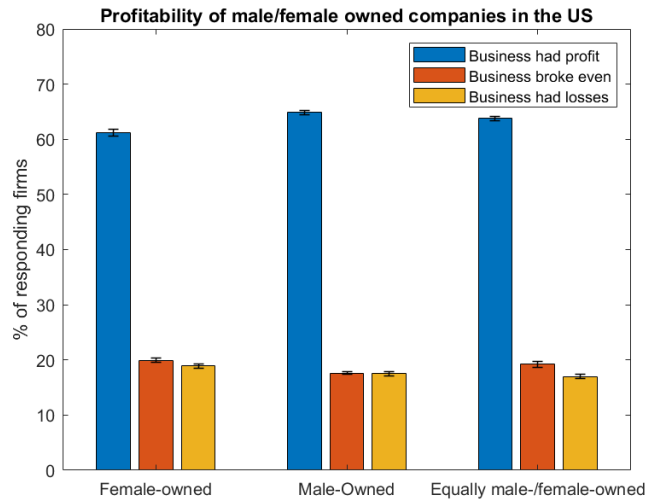


Figure 1: Profitability among male/female owned companies in the U.S. by percentage of total population. The error bars indicate a 95% confidence interval and the data used is from ASE (2016). Exact numbers can be seen in Table 1, Appendix.

The profitability of private companies owned by males, females and equally males/females can be seen in Figure 1. From the figure we can, with statistical significance, state that male-owned companies have the highest rate of profitability, with equally male-/female-owned companies being in between the two more skewed toward the profitability of male-owned companies. This is in line with research by Watson (2002), which suggests that male-owned companies outperform companies owned by females, and it was also found by Amran et al. (2011) that the gender of company leaders do impact company performance, concluding that companies led by men performed better than those led by women. On the other hand, Kalleberg and Leicht (1991) found no significant difference between companies being led by men or women.

Watson (2002) concluded in his research that the differences in performance stem from differences such as women being more predominant in less lucrative industries, and the age of the businesses. Looking at the data from the Annual Survey of Entrepreneurs it can be observed that companies owned by females generally have a lower age, and that female owners themselves too have a lower age ASE (2016). This is a trait that Watson (2002) correlates to lower profitability. However, when looking at the distribution of female own-

ers throughout different industries the data from ASE (2016) does not suggest that female owners should be more concentrated in less profitable industries. The expected profitability from the distribution of female-owned companies among the 20 different industry categories was calculated using equation 1.

$$\sum_{Industries} Profitability\ of\ industry \times Share\ of\ total\ female-owned\ companies \quad (1)$$

Where the share of female-owned companies was calculated as the share of total number of female-owned companies, the expected profitability fell out as 63.95%. In comparison, the profitabilities of female-owned companies and the total average between male-, female- and equally male/female-owned among companies classified by industry were 61.28% and 63.83%, respectively. The data can be seen in table 2, appendix ASE (2016). Hence, this result indicates that the lesser profitability of female owned companies in the U.S. cannot be explained by them being overly represented in less profitable industries. This result is contradictory to that of Watson (2002) and Loscocco et al. (1991).

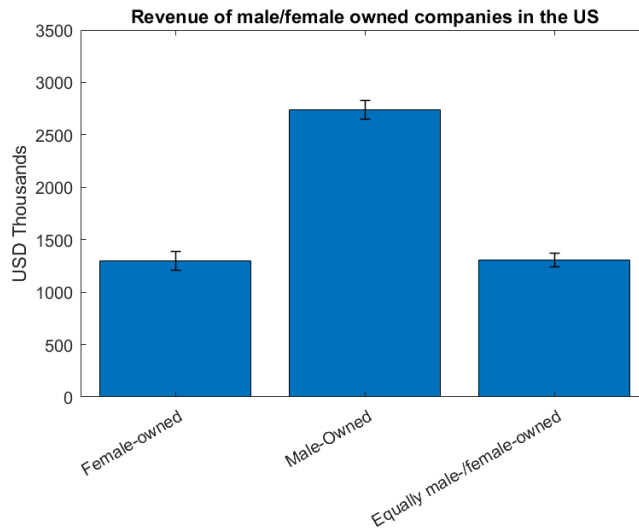


Figure 2: Average revenue among male-/female-owned companies in the U.S. by USD thousands. The error bars indicate a 95% confidence interval and the data used is from ASE (2016). Exact numbers can be seen in Table 1, Appendix.

From Figure 2 it can be observed that U.S. companies owned by men have a much larger average revenue than both female-owned and equally male-/female-owned companies. This is consistent with previous research such as

by Fairlie and Robb (2009), Heilbrunn (2004) and Danes et al. (2007). Fairlie and Robb (2009) partly accredits this difference to the fact that female-owned companies in general have access to less capital and that female owners in general have less of relevant experience. Similarly, while also noting that they are less likely to have graduate degrees, Loscocco et al. (1991) found that companies led by men generated notably higher revenue than women. It can be seen from Figure 3 that this difference seems to echo throughout the spectrum of profitable firms to firms having losses. This is explained due to two key characteristics that differ between men and women; women typically have less experiences and were concentrated in less profitable industries than men, and the fact that there are structural disadvantages that women would face and are therefore not as well positioned to exploit business opportunities. While Fay and Williams (1993) found that women were equally as likely to receive business loans as men when both have a university education, they also found that they are less likely to receive initial business loans than men if they both have a high school education. However, they accredit this discriminatory behavior as unintentional, and rather due to the social construction in western culture that affect the unconscious bias.

It is noteworthy that equally male-/female-owned businesses do not have significantly higher sales than that of female-owned companies. This is in contrast to research of Herring (2009), which found that companies with larger gender diversity have larger sales than those of gender homogeneity. However, it should be noted that this study did not look exclusively on owner diversity. One would assume that if diversity did not have an impact on firms, firms equally owned by men and women would perform somewhere in between the two. This does not seem to be true in the case of revenue of U.S. private companies, with the average revenue of equally male-/female-owned companies being smaller, but in the same confidence interval as female-owned companies. Furthermore, male-owned companies had average revenues over twice as big as their female counterparts. The result hence indicates that gender diversity among company owners might have a bad impact on the firms sales.

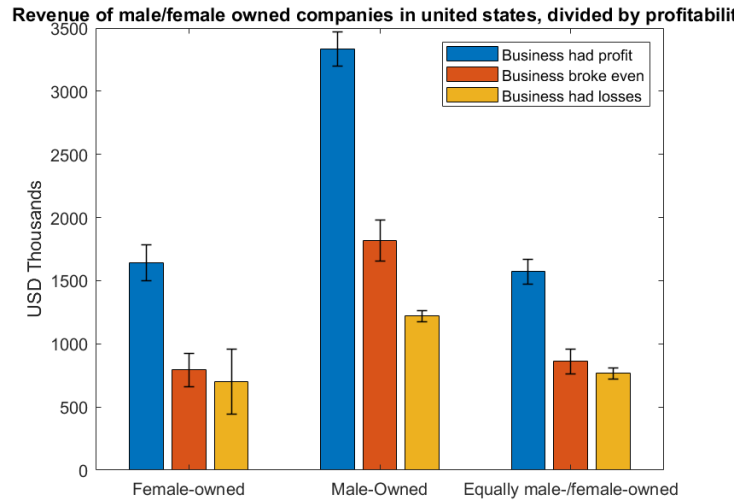


Figure 3: Average revenue among male-/female-owned companies in the U.S. by USD thousands and sorted by profitability. The error bars indicate a 95% confidence interval and the data used is from ASE (2016). Exact numbers can be seen in Table 1, Appendix.

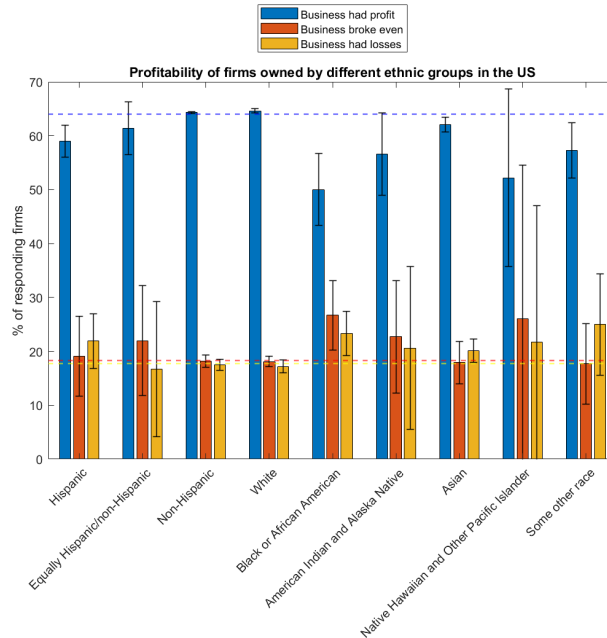


Figure 4: Profitability among companies owned by people of different ethnic groups in the U.S. by percentage of total population. The error bars indicate a 95% confidence interval and the data used is from ASE (2016). The dotted lines indicate the average of the total population classified by ethnic group. Exact numbers can be seen in Table 3, Appendix.

It should be noted that the confidence interval is much smaller for whites than, for example, blacks or American Indians. This is due to a larger amount of data points for businesses owned by whites, which leads to a higher confidence level. This should be taken into consideration when comparing different ethnicities within the table.

When observing Figure 4 the difference between the performances of businesses owned by whites or blacks are very apparent; $64.6 \pm 0.4\%$ of businesses owned by white people in the U.S. made a profit in 2016, as opposed to $50 \pm 6.7\%$ of businesses owned by black people. For breaking even it is $17.2 \pm 1.2\%$ to $23.3 \pm 6.3\%$, and for making a loss it is $18.1 \pm 1.0\%$ to $26.7 \pm 6.5\%$. A number of ethnicities, whose profitability lies in between, can also be observed. While previous studies did not conclusively find that black business owners always perform worse than white business owners, this does align with the findings of McManus (2016), who looked at data from 2012 and found that businesses owned by black people do indeed perform worse. McManus (2016) notes that minority-owned businesses are less likely to be in high sales or high employ-

ment industries, and also hire far fewer workers that are much younger. These factors, in addition to the fact that minorities seem to be less likely to procure financing from private banks or financial institutions, may be part of explaining the differences between the performance of businesses owned by different types of ethnicities.

While Ando (1988) found in an earlier study that Hispanic and Asian business owners perform just as well as non-minority business owners, he did find that black business owners have lower success rates of obtaining bank loans despite having the same terms, which does not seem to be true almost 20 years later. According to the data from 2016, it appears that while white business owners are performing the best, Asians are not far from reaching the same levels of profitability. Hispanics and blacks, on the other hand, are considerably less profitable. However, both Ando (1988) and Van Auken and Horton (1994) also pointed out the difficulties for minorities to secure initial funding as possible explanations for differences in performance, and since this problem appears to persist even to this day, the outcome may be an outcome of the systematic challenges that minorities still face. This is further strengthened by several more sources including Fraser (2012); Stunell and Foster (2013); Davies (2017). Bewaji et al. (2015) found the same thing, while also adding that a higher level of education also is a key factor to help minority business owners to access funds from financial institutions and would contribute to the firm's performance long-term.

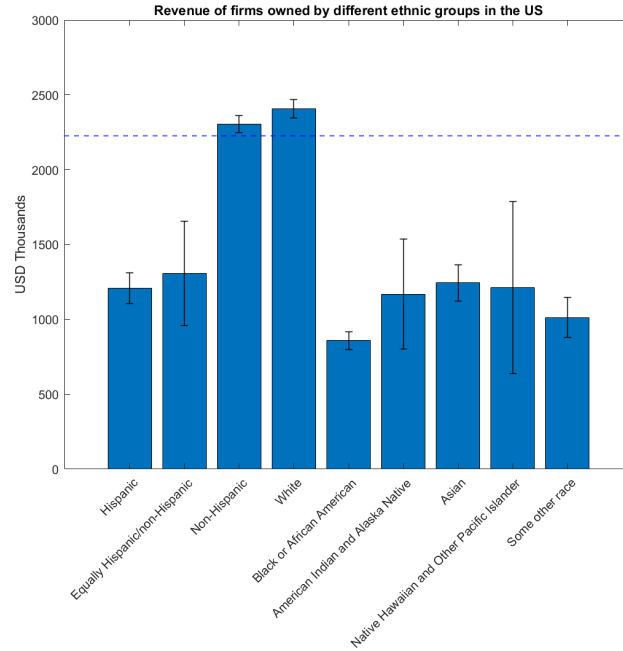


Figure 5: Average revenue among companies owned by people of different ethnic groups in the U.S. by USD Thousands. The error bars indicate a 95% confidence interval and the data used is from ASE (2016).

Compared to the differences of profitability among different ethnicities, the differences of revenue are very much similar, with white business owners' revenue being far higher than other ethnicities'. It appears that an exception is Asian business owners' profitability, which seems to be higher than what can be anticipated of their revenues compared to the other ethnicity owners, although the fact that they are higher than businesses owned by blacks, who remain in the bottom when it comes to revenue, is statistically significant. In fact, it is also statistically significant that businesses owned by blacks generate less revenue than businesses owned by Hispanics. These results show not only that minorities in general generate less revenue than whites, but also that businesses owned by blacks perform worse than other minorities while businesses owned by Asians generally perform better. This aligns with large parts of what the literature state.

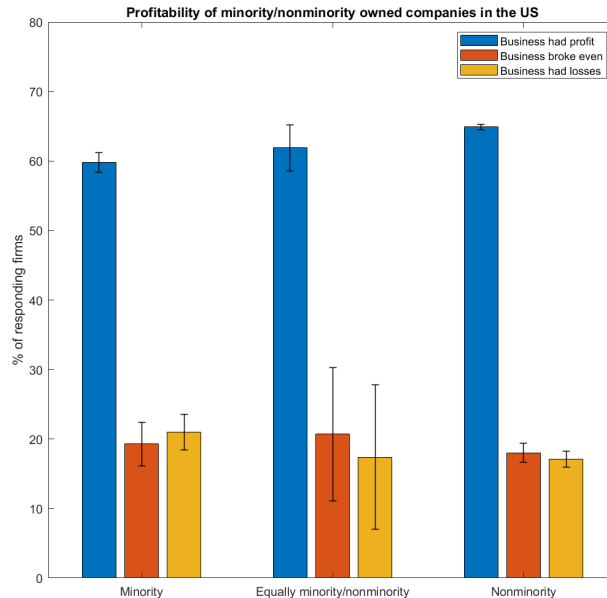


Figure 6: Profitability among companies owned by people of minorities/nonminorities in the U.S. by percentage of total population. The error bars indicate a 95% confidence interval and the data used is from ASE (2016). Exact numbers can be seen in Table 3, Appendix.

As it is statistically reliable that nonminorities have a higher percentage of profitability than minorities, Figure 6 also shows what previous figures have hinted at; firms that are run by nonminorities generally perform better. Minority-owned companies also appear to be the most unprofitable ones, being the only category having a higher percentage making losses than breaking even, and having a higher percentage of making a loss than both other categories. However, this is within the range where it is possible that there is a statistical error.

Although the funds that were run by minority business enterprises and surveyed by Bates and Bradford (2008) yielded realized investments similar to the more mainstream VC funds, there was a great variation depending on which fund. Studying 24 funds may also not have been enough funds to draw firm conclusions on. On the other hand, Richard (2017) claimed that cultural diversity does in fact bring value to the performance and contributes to the competitive advantages if it is within the proper context. The data found and presented here cannot support his claims. Similarly, Herring (2009) also found that companies with more racial and gender diversity had better results than those companies that did not, which contradicts this study's findings.

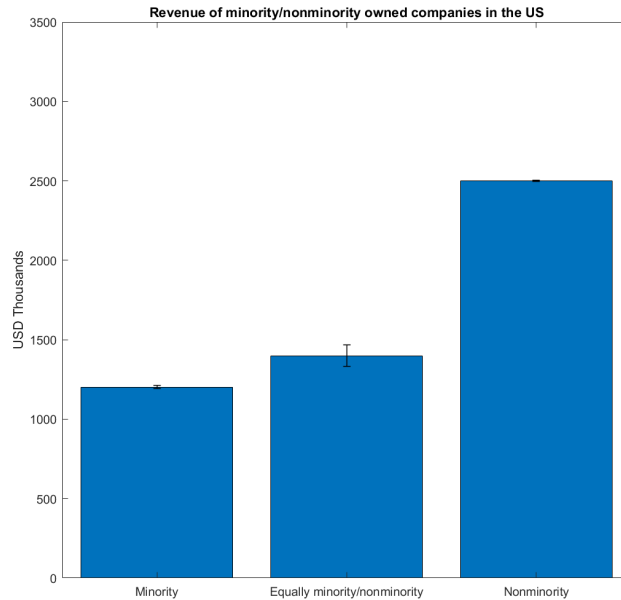


Figure 7: Average revenue among companies owned by people of minorities/nonminorities in the U.S. by USD thousands. The error bars indicate a 95% confidence interval and the data used is from ASE (2016). Exact numbers can be seen in Table 3, Appendix.

The differences across different constellations of ethnicities in terms of revenue confirm that nonminority-owned companies perform better than both minority-owned companies, and companies equally owned by minorities and nonminorities. This is statistically reliable; in fact, nonminority owned companies appear to have more than twice the revenue of minority owned companies and significantly better than companies owned equally by minorities and nonminorities.

These findings are similar to McManus (2016) who found that a minority-owned firm's revenue is only 32% to that of a non-minority owned business, based on a study of data from a survey from 2012. With this, the findings contradict those who made no conclusive statements in favor of either diversity or non diversity, such as Kochan et al. (2003) and Bates and Bradford (2008), while even further contradicting those who found diversity as factors for performing even better, such as Richard (2017) and Herring (2009).

5 Discussion

What this thesis has aimed to achieve is looking at, and analyzing, various studies from the past few decades on the impact of certain diversity factors in business performance. By comparing the conclusions from existing research over time with a significant amount of relevant and recent data points, it is possible to quantitatively discuss the accuracy of these previous studies. Another important aspect is to not only identify and acknowledge the impact of diversity, but also to understand why in order to learn something and potentially be able to act upon it. Relevant discussions to be had on this include not only understanding how diversity can affect businesses' performances, but also how to optimize company performance and how better circumstances for succeeding can be created in order to mitigate existing obstacles.

It should be noted that while the existing research that is part of the theoretical framework of this thesis is not limited to any particular country or region, the survey upon which the data points in the results are based upon are strictly businesses within the U.S. Even though there is a significant amount of data to draw conclusions and juxtapositions to existing theory, more broadly generalizations should be made with caution. The main focus within the scope of this thesis is analyzing diversity in American businesses. In addition, some parts of the theoretical framework are 30 years old, and therefore the circumstances in which those studies were made do not necessarily make immediate comparisons completely applicable. As time passes, societal structures and circumstances for people within the societies change. This needs to be taken into consideration when observing studies that were made a long time ago - regardless of if certain factors have changed or remained the same.

When comparing the different figures, it is important to note that the confidence interval might be somewhat misleading. Furthermore, it can be noted that Figure 4 generally seem to have a higher confidence interval than Figure 5, as one is only tertiary (i.e. 3 different options) and the other have exact numbers as alternatives.

Some parts of the theoretical framework are somewhat contradictory and do not support the findings in the results. As an example, it turns out that businesses owned by women are not over-represented in low-profit industries as the theory suggests. When looking at research that has been made it is important to not only look at the conclusions, but also the circumstances under which the conclusions were drawn and what possible explanations there were for those conclusions. While some conclusions drawn by the researchers of the theoretical frameworks used in this thesis are consistent with the findings and may be explained for reasons given by said researchers, a variety of different factors may explain why existing theory are not consistent with the data that this thesis is based on. Most of the studies found that diversity should yield

more revenue and profits, while the findings do not support this. A possible explanation for this is the fact that businesses have traditionally been owned and run by nonminority men, and therefore they also have a longer history than companies that are run by women and minorities who have not until recently started their businesses and not have had time to grow as much yet, on top of societal and structural obstacles.

6 Conclusion

The purpose of this study was to present statistics on result inequalities of companies owned by different genders and ethnic groups in the U.S. This study, unlike many previous studies, had an immense amount of companies as basis for the empirical findings, with over 3 million responding firms. The database used is also publicly available for further research and contains more information than what has been presented in the report.

The results from the empirical findings suggest that U.S., female- and minority-owned businesses are greatly outperformed when it comes to annual sales by male and non-minority owned businesses. In the case of female- and male-owned businesses, the difference is well within statistical significance, and companies owned by men generate more than twice as high sales compared to companies owned by women on average. The exact same case also holds for U.S. companies owned by minorities compared to non-minorities, with non-minority companies having more than twice the average annual sales as minority owned businesses. There is a statistical significance in sales of companies owned by some different minorities, with companies owned by blacks or African Americans having statistically lower sales than companies owned by Asians and Hispanics. This pattern repeats when looking at profits. A significantly higher percentage of male and nonminority-owned companies generate profit compared to female- and minority-owned businesses.

When looking at companies owned equally by males/females and minorities/nonminorities the empirical result indicates that diverse ownership does not result in better performance than companies owned solely by men and non-minorities. Previous research, however, generally suggests that all things alike diversity does create for companies. The empirical findings could stem from effects like equally owned companies generally being younger.

The difference in results of companies that are minority/nonminority and male-/female-owned can partly be explained by the fact that men and nonminority-owners on average have a higher education, and their companies are generally older. These qualities are strongly linked to better company performance. Previous research suggests that female-owned companies are overrepresented in industries of low profitability and therefore generate lesser results. However, the empirical findings of the report suggest that the concentration of female-owned companies are not particularly shifted towards industries of lower profitability. In fact, empirical findings suggest that they are somewhat concentrated in industries of higher share of profitability. Previous research concludes that both women and minorities have a harder time acquiring capital from financial institutions for their ventures. This effect, however, seems to decline with education, with a more equal situation when comparing highly educated individuals with lower.

A Tables

Table 1: Profitability for male-/female-owned businesses in the U.S. The data presented is from ASE (2016). Definition of variables is in line with definition used in by the U.S. Census Bureau for their presentation of the data. ASECB is gender-code, PROFIT is profit-code, FIRMPDEMP is the number of employer firms with a yearly revenue of over USD 1000 in the category, RCPPDEMP is the total sales/receipts/revenue from the firms in the category. Further the add-on _A indicates average, _PCT percentage, _S relative standard error and _SE standard error.

ASECB	PROFIT	FIRMPDEMP	FIRMPDEMP_PCT	RCPPDEMP	RCPPDEMP_A	FIRMPDEMP_S	FIRMPDEMP_SE	FIRMPDEMP_PCT_S	RCPPDEMP_S	RCPPDEMP_A_SE
Female-owned	All firms	1118863	0	1451115521	1296.955499	0.7	7832.041	0	3.6	46.69039798
Female-owned	Business had profits	440715	61.2	724746260	1644.478314	0.7	3085.005	0.3	4.4	72.3570458
Female-owned	Business had losses	143116	19.9	113585656	793.6614774	1.4	2003.624	0.2	8.5	67.4612558
Female-owned	Business broke even	135967	18.9	95305182	700.9434789	1.5	2039.505	0.2	18.6	130.3754871
Female-owned	Total reporting	719797	100	933637098	1297.083897	0.8	5758.376	0	4.3	55.77460758
Female-owned	Item not reported	6992	0	7740847	1107.100543	7	489.44	0	9.7	107.3887527
Male-owned	All firms	3434782	0	9404455679	2738.006569	0.3	10304.346	0	1.7	46.54611167
Male-owned	Business had profits	1414589	64.9	4717408074	3334.825928	0.3	4243.767	0.2	2.1	70.03134448
Male-owned	Business had losses	382522	17.6	694975768	1816.825615	0.4	1530.088	0.1	4.6	83.5739783
Male-owned	Business broke even	382375	17.5	466024270	1218.762393	0.7	2676.625	0.2	1.9	23.15648547
Male-owned	Total reporting	2179486	100	5878408112	2697.153417	0.3	6538.458	0	1.5	40.45730125
Male-owned	Item not reported	23253	0	96646415	4156.298757	3.6	837.108	0	17.4	723.1959837
Equally male-/female-owned	All firms	779799	0	1018131621	1305.633402	0.5	3898.995	0	2.7	35.25210185
Equally male-/female-owned	Business had profits	328357	63.8	516124909	1571.840737	0.8	2626.856	0.2	3.2	50.2989036
Equally male-/female-owned	Business had losses	98978	19.2	85250387	861.3064216	1.4	1385.692	0.3	5.9	50.81707888
Equally male-/female-owned	Business broke even	87517	17	66962840	765.140944	1.2	1050.204	0.2	2.9	22.18908738
Equally male-/female-owned	Total reporting	514852	100	668338136	1298.117004	0.5	2574.26	0	2.4	31.15480811
Equally male-/female-owned	Item not reported	3273	0	9287530	2837.619921	5.3	173.469	0	40.2	1140.723208

Table 2: Profitability for female businesses and all business tabulated by industry. The data presented is from ASE (2016). Columns with W in title indicate female led companies, columns with A in title indicate all companies. WCP W-A, WCL W-A, WCB W-A stands for “Weighted concentration of profit/losses/break even” respectively. This is calculated using equation 1.

Industry	Profit: W	Losses W	Break even W	Sum of companies in sector	Profit: A-W	Losses %Companies W	Break even%Companies W	SE I:Profit W	SE I:Losses W	SE I:Break even W
Agriculture, forestry, fishing and hunting	989	760	456	2205	44.8	34.5	20.7	15.2	17.3	23.3
Mining, quarrying, and oil and gas extraction	656	642	338	1636	40.1	39.3	40.1	11.5	12.6	20
Utilities	117	0	82	199	58.7	0	41.3	32.6	0	51.2
Construction	23489	8809	7005	38983	59.2	22.9	18	3.4	3.7	6.5
Manufacturing	14169	6530	3288	23927	69.2	24.4	16.4	4.9	5.3	3.9
Wholesale trade	1717	852	452	3021	57.2	38.1	21.2	5.2	5.7	3.6
Retail trade	44740	24663	15735	83338	53.6	38.1	18.1	3.2	3.8	3.6
Transportation and warehousing	7958	4161	3163	15282	52.1	27.2	20.7	5.3	9.2	9.1
Information	3636	2051	1192	6879	52.9	29.8	17.3	11.5	10	12.8
Finance and insurance	18451	3148	4254	25853	71.4	12.2	16.5	3.1	9.9	8.5
Real estate and rental and leasing	29308	6977	7259	43544	67.3	16	16.7	2.2	4.5	6.1
Professional, scientific, and technical services	88827	16517	19339	124683	71.2	13.2	15.5	1.8	3.7	3.7
Management of companies and enterprises	756	269	56	1081	69.9	24.9	5.2	9.1	29.8	34.4
Administrative and support and waste management and remediation services	27908	8920	8878	45706	61.1	19.5	19.4	2.6	6	6.3
Educational services	10228	4085	2923	17236	59.3	23.7	17	5.6	9.8	6.8
Health care and social assistance	76323	19088	27020	122431	62.3	15.6	22.1	2.4	4	4.9
Arts, entertainment, and recreation	7508	3611	2812	13961	53.8	25.9	20.4	5.6	7.6	7.6
Accommodation and food services	34693	14401	11685	60779	57.1	23.7	19.2	2.5	4.3	4.8
Other services (except public administration)	35229	12907	14442	62578	56.5	20.5	23	2.9	5.3	4
Industries not classified	453	999	1532	2984	15.2	33.5	51.3	29.9	5.3	13.5
SUM	442490	143470	136107	722667	61.28%	19.87%	18.85%		18	

WCB W-A	WCL W-A	WCB W-A	WCL W-A	Profit A	Losses A	Break even A	Sum of companies in sector A	Profit %A	Losses %A	Break even%A	SE Profit A	SE Losses A	SE Break even A
0.001780326	0.000684036	0.000586317	9838	3782	16866	3246	16866	58.30%	22.40%	19.20%	5.4	5.1	7.8
0.001001447	0.000838316	0.000425955	6548	5476	14799	2775	14799	44.20%	37.00%	18.80%	5.8	6.1	3.9
0.0001615	5.3466E-05	6.06315E-05	1199	398	2047	450	2047	58.60%	19.40%	22.00%	15.2	12.3	23
0.035128199	0.009065342	0.009766826	279579	72238	429735	77918	429735	65.10%	16.80%	18.10%	0.5	1.1	0.8
0.020445414	0.007754015	0.004937385	99954	37939	162119	24226	162119	61.70%	23.40%	14.90%	1.2	1.7	1.7
0.025015762	0.008390867	0.005803029	128172	42998	209667	29797	209667	63.80%	21.40%	14.80%	1.2	2.7	2.1
0.06940741	0.026721853	0.019434075	241204	92861	401758	67693	401758	60.00%	23.10%	16.80%	0.9	1.5	1.1
0.011386362	0.005058254	0.004719626	58363	25965	108467	24139	108467	53.80%	23.90%	22.30%	1.8	3.9	3.5
0.005125427	0.002677036	0.001733881	22852	11932	42506	7722	42506	53.80%	28.10%	18.20%	3.6	3.9	5.7
0.026172839	0.00422489	0.005406428	117161	19001	160364	24702	160364	73.10%	11.80%	15.10%	1.2	2.8	3.1
0.040343813	0.009347221	0.010553314	122720	28504	183317	32093	183317	66.90%	15.50%	17.50%	1	1.9	3.2
0.122426654	0.024347191	0.025901267	383114	76412	540434	80908	540434	70.90%	14.10%	15.00%	0.7	2.1	1.9
0.001055449	0.000311395	0.000130247	9869	2914	14003	1220	14003	70.50%	20.80%	8.70%	3.4	10.2	8.3
0.04019476	0.01107296	0.012026779	134491	36967	211782	40324	211782	63.50%	17.50%	19.00%	0.7	1.8	2.2
0.013988032	0.00529922	0.004583109	25000	9462	47637	8175	47637	58.60%	22.20%	19.20%	2.7	5.4	3.5
0.111737594	0.022720543	0.035098152	258185	52516	391652	80951	391652	65.90%	13.40%	20.70%	0.4	2.4	2.3
0.01056785	0.00506571	0.003712276	34139	16344	62490	12007	62490	54.60%	26.20%	19.20%	1.7	4.6	5.7
0.050504178	0.018939067	0.014730385	172515	64771	287459	50173	287459	60.00%	22.50%	17.50%	0.6	1.9	2.6
0.051464612	0.017503193	0.018199837	142815	48539	241784	50430	241784	59.10%	20.10%	20.90%	0.9	2.1	1.8
0.001632369	0.001210846	0.001289365	6189	4596	15683	4898	15683	39.50%	29.30%	31.20%	5.5	9.9	6.6
63.95%	18.13%	17.91%	2253907	653615	3530869	623347	3530869	63.83%	18.51%	17.65%			

Table 3: Profitability for businesses owned by different ethnicities. The data presented is from ASE (2016). Definition of variables is in line with definition used in by the U.S. Census Bureau for their presentation of the data. ASECB is ethnicity-code, PROFIT is profit-code, FIRMPDEMP is the number of employer firms with a yearly revenue of over USD 1000 in the category, RCPDDEMP is the total sales/receipts/revenue from the firms in the category. Further the add-on _A indicates average, _PCT percentage, _S relative standard error and _SE standard error.

ASECB_TITL	PROFIT_TITL	FIRMPDEMP	FIRMPDEMP_PCT	RCPDDEMP	RCPDDEMP_A	RCPDDEMP_PCT	FIRMPDDEMP_S	RCPDDEMP_S	SE_revenue
All firms	All firms	5601758	0	34398096007	6140.588438	0	0	0	0.9 55.26530494
All firms	Business had profits	2229568	63.7	12937779635	5802.819037	78.3	0.2	0.2	1.1 63.83100941
All firms	Business had losses	647584	18.5	2302463730	3555.451849	13.9	0.4	2.5	88.88625622
All firms	Business broke even	620648	17.7	1285625216	2071.323062	7.8	0.6	9.3	192.6330448
All firms	Total reporting	3427800	100	16525795881	4724.625731	100	0.1	1.1	51.97088304
All firms	Item not reported	38940	0	914619344	23467.9133	0	2.2	4.8	1127.419839
Hispanic	All firms	327533	0	408233082	1209.461244	0	1	4.3	52.00683348
Hispanic	Business had profits	112859	59	199556018	1736.290575	76.6	1.5	3	52.08871725
Hispanic	Business had losses	36414	19.1	3048087	836.1643049	11.9	3.8	8.4	70.23780161
Hispanic	Business broke even	41855	21.9	29275131	699.4416677	11.4	2.6	6.6	46.16315007
Hispanic	Total reporting	191128	100	25979237	1337.738254	100	1.3	2.3	30.76797984
Hispanic	Item not reported	3119	0	2373415	760.9638314	0	7.9	18.2	138.4935973
Equally Hispanic/non-Hispanic	All firms	46711	0	61165611	1369.447689	0	2.9	13.6	178.0848557
Equally Hispanic/non-Hispanic	Business had profits	18152	61.4	3268869	1799.700804	78.9	2.5	18.6	334.7443496
Equally Hispanic/non-Hispanic	Business had losses	6495	2.2	562011	871.7491917	13.7	5.2	12.3	107.2251506
Equally Hispanic/non-Hispanic	Business broke even	4925	16.7	3063839	622.0586802	7.4	6.4	11.5	71.53674822
Equally Hispanic/non-Hispanic	Total reporting	29572	100	41393819	1399.763932	100	2.5	14.7	205.762598
Equally Hispanic/non-Hispanic	Item not reported	348	0	1146364627	2304.272231	0	31.8	0	0
Non-Hispanic	All firms	4989200	0	1146364627	2304.272231	0	0.1	1.3	28.95553901
Non-Hispanic	Business had profits	2026590	64.3	372636596	2791.345361	79.8	0.1	1.6	4.66352378
Non-Hispanic	Business had losses	177096	18.2	59655120	1065.85331	11.5	0.6	3.6	53.5858246
Non-Hispanic	Business broke even	55009	17.5	59655120	1065.85331	8.3	0.1	3.2	34.11058569
Non-Hispanic	Total reporting	3193385	100	718331039	2269.398734	100	0.1	1.2	24.7838172
Non-Hispanic	Item not reported	20052	0	10962440	3649.088578	0	2.1	16.7	609.3929584
White	All firms	4532430	0	10918706136	2408.028953	0	0.1	1.3	31.30348393
White	Business had profits	1912620	64.6	5558681011	2906.317518	80.1	0.2	1.8	52.31371532
White	Business had losses	538827	18.1	871879826	1530.97893	11.8	0.5	3.6	55.11524148
White	Business broke even	508814	17.2	56573359	1091.718468	8	0.6	3.6	30.30186484
White	Total reporting	2959261	100	6837125196	2344.206637	100	0.1	1.3	30.47471228
White	Item not reported	26437	0	9247630	3497.97455	0	2.5	14.1	493.2148213
Black or African American	All firms	121466	0	104264657	858.3838552	0	1.3	3.6	30.90181987
Black or African American	Business had profits	31160	50	40205446	1348.68524	70	3.4	6.4	86.31670552
Black or African American	Business had losses	16647	26.7	10165006	610.6208927	16.9	3.3	10.5	64.11519373
Black or African American	Business broke even	14484	23.3	7820856	539.965203	13	3.2	6.5	35.09773819
Black or African American	Total reporting	62290	100	60011309	963.4180286	100	2.2	3.7	35.64646706
Black or African American	Item not reported	1316	0	1456547	1106.798632	0	13	29.1	322.078402
American Indian and Alaska Native	All firms	29089	0	34016802	1169.404311	0	3.1	16	187.1046897
American Indian and Alaska Native	Business had profits	10231	56.6	15972464	1561.183071	73.6	3.9	12.7	198.27025
American Indian and Alaska Native	Business had losses	4108	22.7	3521329	857.1881694	16.2	5.3	12.7	108.8628975

American Indian and Alaska Native	3722	20.6	2204115	592,185,6529	3722	10.2	7.7	16.2	95,93407577
Total reporting	18062	100	216973907	1201,301462	18062	100	3.6	9.9	118,9288447
Item not reported	342	0	639293	1869,277778	342	0	26.8	44.8	837,4364444
Asian	555262	0	690725018	1243,962342	555262	0	0.6	5	62,19811711
All firms	200927	62.1	280071186	1393,895266	200927	73.6	0.7	4.4	61,31318993
Business had profits	57862	17.9	49705132	859,0289309	57862	13.1	2	5.8	49,83236799
Business had losses	64948	20.1	50890651	783,559403	64948	13.4	1.1	5	39,1799701
Business broke even	323737	100	380666970	1175,852528	323737	100	0.6	3.9	45,83824861
Item not reported	3954	0	0	0	3954	0	9	0	0
All firms	5157	0	6254294	1212,777584	5157	0	7.8	24.2	293,4921753
Native Hawaiian and Other Pacific Islander	1899	52.2	3132372	1649,484992	1899	69.9	8.4	32.2	531,1341675
Native Hawaiian and Other Pacific Islander	949	26.1	787974	830,3203372	949	17.6	14.5	16.8	139,4938166
Native Hawaiian and Other Pacific Islander	787	21.7	562466	714,6963151	787	12.5	12.9	33.5	239,4232656
Native Hawaiian and Other Pacific Islander	3635	100	4482812	1233,235763	3635	100	3.8	22	271,311868
Native Hawaiian and Other Pacific Islander	35	0	63335	1809,571429	35	0	87.2	24.2	437,9162857
Some other race	94210	0	95471914	1013,394693	94210	0	1.8	6.7	67,89744441
Some other race	29477	57.3	41611989	1411,676527	29477	72.6	2.6	8.5	119,9925048
Some other race	9132	17.7	7768965	850,7408016	9132	13.5	3.8	17.2	146,3274179
Some other race	12856	25	7960309	619,1901836	12856	13.9	4.8	6.8	42,10493248
Some other race	15465	100	57341263	1114,179792	15465	100	1.6	6.9	76,87840565
Some other race	1324	0	997592	753,4682779	1324	0	20.8	35.6	268,2347069
Minority	1094575	0	1266649124	1201,099139	1094575	0	0.4	3.2	38,43517243
Minority	359964	59.8	545820094	1516,31856	359964	74.2	0.7	2.3	34,87532687
Minority	116205	19.3	97636932	840,2128308	116205	13.3	1.6	3.6	30,24766191
Minority	126239	21	92940329	729,0958341	126239	12.5	1.3	3	21,87287502
Minority	602408	100	735497355	1220,92893	602408	100	0.6	1.8	21,97672074
Item not reported	8847	0	0	0	8847	0	4.2	0	0
All firms	81252	0	113741729	1399,863745	81252	0	2.5	10.5	146,9856932
Equally minority/homogeneity	31998	61.9	61448126	1920,373961	31998	79.2	1.7	11	211,4411357
Equally minority/homogeneity	10712	20.7	9001122	840,2839806	10712	11.6	4.9	8.2	68,90318641
Equally minority/homogeneity	9000	17.4	7129904	792,2115556	9000	9.2	5.3	8.1	64,169136
Equally minority/homogeneity	51709	100	71759152	1500,302694	51709	100	1.5	8.8	132,0266371
Item not reported	623	0	0	0	623	0	22.1	0	0
All firms	437617	0	10493311968	2499,825965	437617	0	0.1	1.5	37,49738948
Nonminority	1791699	64.9	5351011022	2986,596006	1791699	80.3	0.2	1.9	56,74458121
Nonminority	497699	18	787173758	1581,62616	497699	11.8	0.7	3.7	38,5201679
Nonminority	470520	17.1	52922059	1124,308485	470520	7.9	0.6	3.7	41,59941393
Nonminority	2760019	100	6687308839	2415,674254	2760019	100	0.1	1.4	33,83493956
Item not reported	24049	0	89223157	3710,056892	24049	0	2.8	13.7	508,2777874
All firms	5333444	0	11873702820	2262,730684	5333444	0	0	1.2	26,715277
All firms classifiable by gender, ethnicity, race, and veteran status	2438601	64	5986279243	1728,573365	2438601	79.7	0.2	1.5	40,92860048
All firms classifiable by gender, ethnicity, race, and veteran status	624616	18.3	63831812	1639,976992	624616	8.9	0.4	3.4	46,6525513
All firms classifiable by gender, ethnicity, race, and veteran status	304959	17.7	628832391	1031,067297	304959	8.4	0.5	3	11,1088792
All firms classifiable by gender, ethnicity, race, and veteran status	342519	100	76436206	2189,353916	342519	100	0.1	0.6	5,5793962
All firms classifiable by gender, ethnicity, race, and veteran status	268319	0	2253493182	8394,78658	268319	0	0.6	16.5	569,373962
All firms not classifiable by gender, ethnicity, race, and veteran status	45907	54.9	697490392	15209,6458	45907	77.2	1.8	11.8	2746,641625
All firms not classifiable by gender, ethnicity, race, and veteran status	22868	27.5	1408641918	61330,63036	22868	15.6	2.2	3.5	2146,572052
All firms not classifiable by gender, ethnicity, race, and veteran status	14789	17.7	65720225	44443,19243	14789	7.3	4	18.5	8221,98875
All firms not classifiable by gender, ethnicity, race, and veteran status	83664	100	9045412435	108115,9243	83664	100	1.2	2.2	2378,55082
All firms not classifiable by gender, ethnicity, race, and veteran status	5421	0	800944552	147748,4877	5421	0	4.7	4.5	6648,681948

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