

JOURNAL OF SMALL BUSINESS  
**STRATEGY**

**A COMPARATIVE PROFILE OF MALE- AND FEMALE-  
OWNED SMALL ACCOUNTING PRACTICES**

**Martha A. Fasci**

The University of Texas at San Antonio  
martha.fasci@utsa.edu

**Jude Valdez**

The University of Texas at San Antonio  
jude.valdez@utsa.edu

**ABSTRACT**

*This study examines the similarities and differences in business, personal, and attitudinal characteristics reported by male- and female-owned small accounting firms. The overall objective of the study is to produce profiles based on gender for owners of small accounting firms. A survey was undertaken which included a national random sample of 1,000 female- and 1,000 male-owners of accounting practices, and a 30 percent response rate was obtained. While entrepreneurship has the potential for providing women in the accounting profession a viable avenue for escaping any limits in career progression working for others, female-owned accounting firms earn less, are smaller, report more discrimination, have on average been in existence a shorter time, are typically home-based and have a shorter work experience base than male-owned businesses.*

**INTRODUCTION**

Female-owned businesses are the fastest growing sector of the small business community. According to the American Enterprise Institute, women are starting new businesses at two to three times the rate of men. The impact of this growth on the U.S. economy is increasingly the subject for research. The present study provides more detail and insight into research by Fasci and Valdez (1998) which inferred that female-owned small accounting firms face gender barriers that affect their productivity. The present study uses Chi Square tests to test and report on gender differences.

The focus of this study was to profile and compare male- and female-owned small accounting firms. Specifically, the study compared male- and female-owned accounting firms on four areas: characteristics of the business, comparison of gross revenue of male- and female-owned accounting firms based on number of professional staff, owner characteristics, and owner attitudes about various business issues.

The research addresses the following hypotheses:

1. Characteristics of small accounting firms will differ for male- and female-owned small accounting firms.
2. Gross revenue based on number of professional staff will differ for male- and female-owned small accounting firms.
3. Owner characteristics will differ for male- and female-owned small accounting firms.
4. Owner attitudes about various business issues will differ for male- and female-owned small accounting firms.

The organization of this paper includes literature review, methodology, survey results, and discussion and conclusions.

### LITERATURE REVIEW

Women in the accounting profession historically have had to face different and additional barriers than men to succeed. It is well documented that women employed as accountants earn less than equally qualified men. For example, a report entitled "IMA 2000 Salary Guide" prepared for the Institute of Management Accountants (Schroeder and Reichardt 2001), states that for each of the past twelve years in which a salary survey of accountants was conducted, a statistically significant "gender gap" exists. In the year 2000 according to the study, male professional accountants received an average salary of \$80,595 versus \$61,313 for female accountants. In November 1998, The Wall Street Journal reported a study completed by Catalyst, a women's research group in New York. Catalyst's analysis of the highest paid corporate officers of Fortune 500 companies concludes that women receive a median of 68 cents for every dollar earned by their men counterparts. It is widely held that the lower earnings of women are a result of labor market discrimination (Cooper, 1992; Lehman, 1992; Kirkman, 1992; Bell, et al., 1995.).

A Federal government task force in 1995 undertook a four-year review of women's career opportunities and positions in the American workforce. The task force concluded that a persistent denial of job assignments, limitation of career building experiences, and denial of professional power and status, prevents women from advancing to managerial and executive level positions (Glass Ceiling Commission, 1995). A significant number of studies have provided substantiation for these findings: (Loprest, 1992; White, 1993; Levine, 1985; and Malkiel, 1973).

It has been argued that business ownership enables women to circumvent the "gender gap". (Larson, 1995; Walnut, 1995; Cromie and Hayes, 1988.) Supporters of this idea point to the increasing number of women-owned businesses including accounting firms. The number of female-owned businesses has increased about 45 percent since 1990 (U. S. Small Business Administration, 2000) and the increasing number of female-owned accounting businesses is seen as an indication that discrimination barriers in the economy and labor force are being overcome through business ownership. (Moore and Buttner, 1997; Light and Rosenstein, 1995; Larson, 1995; Walnut, 1995; Hammond, Oakes and Cooper, 1992; Goffee and Scase, 1983.)

Women, it seems, are achieving the highest level of management through entrepreneurship and have therefore been able to overcome previous career barriers that they have found in the corporate world. With respect to the accounting profession, it is likely that women accountants have advanced in management status by setting up their own accounting practices.

While the increase in the number of female-owned accounting practices is viewed positively, a closer look at this increase is necessary to determine the nature and extent of the progress. Most researchers agree that while there are similarities between male and female business owners, important differences exist. Brush (1992) reviewed fifty-seven articles representing empirical research on women business owners. She reported that women business owners are similar to men across some basic demographic factors, problems and business characteristics, but they differ widely from men business owners across individual dimensions related to education, work experience, skills, approach to venture creation, business goals, and performance. A significant number of studies concluded that women seem to view business ownership as a job alternative that is more compatible with other aspects of their lives. Buttner (1993) argued that women are more motivated to pursue business ownership for the flexibility it offers in contrast to men who are motivated by the wealth creation potential of business ownership.

Lustgarten (1995), in a study utilizing Public Use Micro-data Samples from the 1990 population Census found that self-employed women had approximately 47% lower average earnings than self-employed men. He attributed some of the difference to market or consumer discrimination. More recently, Watson (2003) found that female-owned businesses in general under performed male-owned businesses on a variety of measures such as revenue, profit, growth and discontinuance rates.

McKenchie, Ennew, and Read (1998), examined the banking relationship experiences of male and female small business owners. The study found no evidence of female business owners having a less appropriate loan application or a poorer banking relationship than male business owners. Chaganti and Parasuraman (1996) examined impacts of gender on business performance and management patterns. Female-owned businesses had lower sales than male-owned businesses, and significant differences existed in financial and motivation goals between female and male owners of businesses. Women showed a stronger desire to achieve than to earn profits as compared to men. Moreover, women indicated a stronger emphasis on product quality, different orientations towards formal communications, and use of a long-range planning horizon and specialization of staff.

Envick and Langford (1998), analyzed eight behaviors for male and female entrepreneurs – planning, controlling, internal communication, human resources management, work-related tasks, customer service, networking, and on-job personal time. They reported that males and females were different in several of these behaviors. For example, male owners were found to engage in on-job personal time more often than females while females engage significantly more in controlling, internal communication, and human resources management. Bird and Brush (2002) argued for the existence of a feminine side to new venture creation grounded on five dimensions relating to “Concept of Reality,” “Time,” “Action/Interaction,” “Power,” and “Ethics.” They elaborated on the feminine and masculine perspectives with regard to how venture creation proceeds and concluded that entrepreneurs are likely to manifest both masculine and feminine attributes and therefore proposed new constructs for firms relating to gender maturity and gender balance to maximize the prosperity of the firm. Other studies that have reported differences between male and female owners of businesses in terms of attitudes towards work, approach to starting businesses, education, work experience, and business performance include Cliff (1998); Mallette and McGuinness,(1998); Brush,(1992); and Kalleberg and Leicht, (1991). These researchers report that women, to a certain extent, see more discrimination in the work place and are more motivated to business ownership because of flexibility.

## METHODOLOGY

While there is a growing body of research comparing male- and female-owned businesses, many of the studies used a particular geographic region or have had very small samples. In addition, many of the studies are heterogeneous in scope including the types of businesses studied and therefore have not allowed for any differences that might exist among business industries. The use of heterogeneous groups of business owners does not allow true differences between male and female owners to emerge. Studies utilizing national samples avoid regional bias; and studies in specific industries control for economic and business environments. Dess, Ireland, and Hitt (1990) have advocated using a single industry in studies because it is a relatively straightforward approach to control for industry effects. Yet, these authors mention that factors of industry heterogeneity and the presence of strategic groups may complicate the interpretation of study findings. The accounting industry is not heterogeneous and does not have the presence of strategic groups because professional accounting boards, governmental agencies, and professional accounting groups regulate the accounting service provided. The result is to standardize the practice of reporting financial information and its review thereof.

The present study used a national sample and focused on one business industry, namely, accounting as a business service. This study sought to explore whether differences based on gender exist in entrepreneurial ventures in the accounting profession as a business sector. To do this, a survey was undertaken that used a questionnaire sent to a national random sample of 1,000 females and 1,000 males selected from the membership list of the American Institute for Certified Public Accountants. Professional accountants who have set up their own practice were selected for the study because the professional accounting requirements for education and certification provide a common base of credentials for both men and women.

The questionnaire addressed issues suggested by previous research. A preliminary questionnaire was developed and field-tested on a random sample of male and female owners of small accounting businesses in the authors' local community. The sample for the preliminary questionnaire was drawn from the membership list of the Texas Society of Certified Public Accountants. The sample consisted of 100 men- and 100 women-owners of small accounting firms. The questionnaire addressed four areas for comparison:

1. Characteristics of the business.
  - Gross Revenue
  - Profit to Gross Revenue Ratio
  - Net Profit
  - Age of Business
  - Legal Form
  - Location of Practice
  - Number of Professional Accountants
2. Gross Revenue of male- and female-owned accounting practices to number of professional staff.
3. Characteristics of the owner.
  - Age
  - Education
  - Professional work experience as Accountant
  - Managerial Experience

- Marital Status
4. Owner attitudes about business issues.
- Reason for establishing business
  - Role of family responsibilities to business practice
  - Participation in professional organizations
  - Priorities
  - Use of time
  - Discrimination in accounting practice
  - Start up capital
  - Staying current in the field of practice

Participants in the questionnaire pretest were asked to complete the questionnaire, evaluate each category of questions for clarity and completeness, and suggest any changes to adequately profile their accounting businesses in terms of activities, structure, staffing, or goals. This exercise was productive and resulted in several revisions to the instrument, which produced the final survey questionnaire.

Only entrepreneur accountants were selected for the survey from the membership list of the American Institute of Certified Public Accountants. An "entrepreneur accountant" was defined as an individual Certified Public Accountant (CPA) who owns his/her own practice. A total of 604 usable surveys were returned representing a response rate of over 30 percent. The male respondents totaled 276 out of 1000 for a 27.6 percent response and the female respondents totaled 328 out of 1000 for a 32.8 percent response. This sample size allows a 95 percent confidence level of estimating the population mean within plus or minus five percent.

## **SURVEY RESULTS**

The focus of this study was to profile and compare male- and female-owned small accounting practices. Specifically, the study compared male- and female-owned accounting practices on four dimensions: (1) characteristics of the business, (2) comparison of gross revenue of male- and female-owned accounting practices based on number of professional staff, (3) characteristics of the owner and (4) owner attitudes about various business issues. Chi-square analysis was used to compare differences between the male and female group.

### **Business Characteristics**

Table I profiles the business characteristics of male- and female-owned accounting practices in the survey. Performance of the businesses included annual gross revenue, a profit to gross revenue ratio and net profit of male- and female-owned accounting practices. As can be seen female-owned businesses tended to generate smaller annual gross revenue, as well as smaller net profits than male-owned practices. The average gross revenue of female-owned accounting practices was \$74,040 while the average gross revenue for male-owned practices was \$147,610. However, female-owned accounting practices had a stronger profit to gross revenue ratio.

In addition, female-owned practices tended to be younger than those of male-owned businesses. Female-owned businesses were more frequently home-based (41%) as compared to male-owned businesses that were more typically located in a business office (83%). While there was no significant difference in choice of "legal form" between male- and female-owned

practices, sole-proprietorships were the legal form of choice for both male (55%) and female owners (65%).

The employment of professional accountants (Certified Public Accountants) was significantly different for male versus the female small accounting firm owners. More male-owned small accounting firms employed professional accountants than did the female-owned small accounting firms.

Sixty-one percent of the female-owned firms employed one professional accountant while only 44 percent of the male-owned firms operated with one professional accountant. Forty

**Table I - Business Characteristics of Male- and Female-Owned Accounting Practices**

	Percent		Chi-Square Degrees of Freedom Probability
	Male	Female	
<b>1. Gross Revenue</b>			
less than \$50,000	17	44	71.33
\$50,000 to \$100,000	30	31	4
\$100,000 to \$500,000	50	23	.000
\$500,000 to \$1,000,000	2	1	
More than \$1,000,000	1	1	
<b>2. Profit to Gross Revenue Ratio</b>			
30% or less	2	1	68.42
31% to 35%	5	3	7
36% to 40%	15	10	.009
41% to 45%	29	20	
46% to 50%	20	41	
51% to 55%	26	20	
56% to 60%	2	4	
65% or more	1	1	
<b>3. Net Profit</b>			
less than \$25,000	19	43	73.54
\$25,001 to \$50,000	31	36	5
\$50,001 to \$100,000	39	18	.000
\$100,001 to \$125,000	5	1	
\$125,001 to \$150,000	4	1	
More than \$150,000	2	1	
<b>4. Age of Business</b>			
5 years or less	10	25	59.86
6-10 years	30	44	5
11-15 years	20	15	.000
16-20 years	16	10	
21-25 years	10	2	
26 years or more	14	4	

**Table I Cont'd - Business Characteristics of Male- and Female-Owned Accounting Practices**

	Percent		Chi-Square Degrees of Freedom Probability
	Male	Female	
<b>5. Legal Form</b>			
Sole Proprietorship	55	65	9.59
Partnership	16	14	3
Professional Corporation	29	21	.215
<b>6. Location of Practice</b>			
Home-Based	13	41	29.06
Business Office	83	51	2
Other	4	8	.000
<b>7. Number of Professional Accountants</b>			
Self/One	44	61	19.85
2	40	29	3
3 or more	16	10	.001

percent of the male-owned firms employed two additional professional accountants while only 29 percent of the female-owned firms employed two additional professional accountants. Eleven percent of the male owned firms employed three additional professional accountants while only eight percent of the female owned firms employed these many.

All the variables in Table I, with the exception of legal form, demonstrated significant difference between male and female practices based on the chi-square analysis. Legal form does not vary in relation to whether the firm is male owned or female owned. Clearly, the legal form of the small accounting firm is independent of the gender ownership of the firm.

#### **Comparison of Gross Revenue of Male- and Female-Owned Accounting Practices By Number of Professional Staff**

Since it is logical to expect that gross revenue for small accounting firms is a function of the number of Certified Public Accountants in the firm, additional analysis of the gross revenue differentials between male- and female-owned accounting practices was performed. Clearly male-owned practices have more Certified Public Accountants than female-owned practices. As has been discussed in Table I, in 61 percent of female-owned practices, the owner was the only Certified Public Accountant versus 44 percent for male-owned practices. In addition, for all categories of employment of professional accountants (two, or three or more), the percentage of employment for professional accountants was much higher for male-owned firms than for female-owned firms. The gross revenue for male- and female-owned accounting practices was compared on the basis of the number of Certified Public Accountants in the practice. Table II compares the gross revenue for male- and female-owned accounting practices by the number of Certified Public Accountants in the practice. The Chi-

Square analysis suggests differences in gross revenue between male- and female-owned accounting practices when the comparison between the two takes into account the number of Certified Public Accountants in the firm. The average gross revenue of female-owned practices in which there was one Certified Public Accountant was \$64,170 while the average gross revenue for male-owned practices with one Certified Public Accountant was \$114,863. In practices with two Certified Public Accountants, the average gross revenue for female-owned practices was \$107,791, while for male-owned practices the average revenue was \$130,971. In practices with three or more Certified Public Accountants, the average revenue for female-owned practices was \$208,214 while the average revenue for male-owned practices was \$410,134.

The analysis suggests that as male- and female-owned accounting firms include more Certified Public Accountants in their business, gross revenues increase. Yet, as you compare the gross revenue of male- to female-owned accounting firms, male-owned firms continue to do better regardless of size as indicated by the number of Certified Public Accountants in the firm, although the revenue gap between male-owned and female-owned businesses decreases when additional accountants are employed in the practice.

It is important to note that female-owned firms had a higher percentage of their firms in the "one/self Certified Public Accountant" category. For all the other categories (more than one additional professional accountant), male-owned firms had the higher percentage of firms. This factor may explain why even with additional Certified Public Accountants, the female-owned firms did not catch up with the gross revenue productivity of male-owned firms.

**Table II – Comparison of Gross Revenue of Male- and Female-Owned Accounting Practices by Number of Certified Staff**

Number of Certified Accountants in Practice	Gross Revenue				TOTAL
	<\$50,000	\$50,000 to \$100,000	\$100,000 to \$500,000	> \$500,000	
<b>Self/One</b>					
Male	7.2%	15.3%	18.2%		40.7%
Female	25.3%	11.1%	11%		47.4%
<b>Two</b>					
Male	4.1%	18.7%	26.3%	0.4%	49.5%
Female	15.5%	16%	15.8%		47.3%
<b>Three or more</b>					
Male			7.2%	1.6%	9.8%
Female		0.5%	4.8		5.3%
<b>TOTAL</b>					
Male	11.3%	34.0%	51.7%	3.0%	100%
Female	40.8%	27.6%	31.6%		100%

	Value	Degrees of Freedom	Probability
Chi Square	52	15	0.001



### **Owner Characteristics**

Table III profiles the personal owner characteristics of male- and female-owned accounting practices. Five variables with respect to the owner were collected as part of the survey.

Female owners of practices were younger than male owners. Male owners of accounting practices tended to have more work experience as accountants as well as more managerial experience prior to establishing their accounting practices than female owners. Eighty-four percent of the male owners of accounting practices were married while a significantly different 69 percent of female owners were married. With respect to education, there was little difference between male- and female-owners of accounting practices. The similarity in education between male and female owners of accounting practices is likely due to the nationally standardized educational requirement for achieving certification as a public accountant.

### **Owner Attitudes**

Table IV presents the response of male and female owners of accounting practices to ten issues with respect to operating their accounting businesses. Specifically, the owners were asked whether they agreed or disagreed with ten operational business statements. The percent of male and female owners agreeing with each statement along with the Chi Square are shown in Table IV.

It appears that men and women chose to start an accounting practice for different reasons. According to the responses for Items 1 and 2 in Table IV, women differed from men in choosing an accounting practice because women are more interested in the flexibility that it offers to balance family and professional responsibilities while men are more interested in generating wealth. These findings are supported by their responses to items 3, 4, and 5. More women than men reported that family is a factor in spending time at work (42% versus 15%) and that finding the time to participate in professional organizations is difficult (38% versus 20%). In addition, in item 5, men again report that wealth creation is more important than it is for women. More men than women reported that generating fees is the number one priority for their accounting practice. Fifty-two percent of men reported that fee generation was a number one priority for them, differentiating them from 37 percent of women who indicated that this was their number one priority in the accounting practice. The differences in the reasons for starting a small firm surface again as women report in items 6 and 7 that they do not spend an adequate amount of time marketing and planning in their firms.

To better understand the finding that women seek business ownership primarily for career flexibility and the impact this has on gross revenues for the firm, the annual gross revenues of single men and single women in the study were compared. The finding indicated that the average gross revenue increased slightly for single men as compared to all men and increased significantly for single women as compared to all women. Single male-owned accounting firms average gross revenue was \$150,415 compared to \$147,610 for all male owners. The single female owners reported average gross revenue of \$115,642 as compared to \$74,040 for all female owners.

Another interesting comparison is between single male owners and single female owners. Single male owners' average gross revenue was \$150,415 while single female owners' average gross revenue was \$115,642. This difference in average gross revenues are smaller than when all male and female owners are compared, \$147,610 to \$74,040. Only three

percent of single male owners and five percent of female owners reported that career flexibility was an important reason for seeking business ownership.

**Table III – Owner Characteristics of Male- and Female-Owned Accounting Practices**

	Percent		Chi-Square Degrees of Freedom Probability
	Male	Female	
<b>1. Age of Owner/Principal</b>			
25 years or less	2	3	29.62
26-35 years	8	13	5
36-45 years	29	51	.000
46-55 years	37	21	
56-65 years	19	10	
66 years or more	5	2	
<b>2. Education</b>			
Some College	2	1	6.26
Bachelor's Degree	88	84	2
Graduate Degree	10	15	.020
<b>3. Professional Work Experience as Accountant (Prior to establishing practice)</b>			
less than 1 year	5	15	53.72
1 - 5 years	28	46	5
6 - 10 years	24	18	.000
11 - 15 years	17	10	
16 - 20 years	14	7	
21 years or more	12	4	
<b>4. Managerial Experience (Prior to establishing practice)</b>			
None	14	30	28.76
1 year or less	16	39	4
1 - 5 years	40	16	.000
6 - 10 years	20	10	
11 years or more	10	5	
<b>5. Marital Status</b>			
Married	84	69	38.76
Divorced	10	11	2
Single	6	20	.001

Significantly, in item 8, a majority of the female respondents indicated that they had experienced some form of discrimination in their accounting practice as compared to a much smaller number of men who had experienced discrimination. This report on discrimination may be a reason why 58 percent of the women respondents reported more difficulty than men respondents (39%) in securing start up capital for their enterprise. Finally, because all of these owners are Certified Public Accountants, it is not surprising that these men and women have very little difference in the difficulty experienced in keeping up with change in their profession (item 10). To be able to perform effectively for clients and to be able to renew their professional accounting licenses, these men and women have a requirement to stay up with changes in the field.

**Table IV – Attitudinal Characteristics of Male and Female Owners of Accounting Practices**

	<u>Percent in Agreement</u>	
	Male	Female
1. I chose to establish an accounting practice because it offered a challenging opportunity with potential to increase financial status.	60	48
2. I chose to establish an accounting practice because it offered flexibility to balance family and professional responsibilities.	4	25
3. My family responsibilities do not allow me to spend as much time with my practice as I would like to.	15	42
4. Finding time to participate in professional organizations is difficult for me.	20	38
5. Generating fees is the number one priority for my accounting practice.	52	37
6. I spend an adequate amount of time marketing my practice.	60	42
7. I spend an adequate amount of time planning the growth of my practice.	68	41
8. I have experienced discrimination in my accounting practice.	18	52
9. Securing start-up capital for my accounting practice was difficult.	39	58

	Percent in Agreement	
	Male	Female
10. Keeping current with change in the accounting profession is difficult for me.	26	28

	Value	Degrees of Freedom	Probability
Chi Square	62.02	9	0.001

**DISCUSSION & CONCLUSIONS**

One of the key trends in American business today is the explosive growth of women-owned businesses including women-owned accounting firms. Business ownership has offered women an opportunity to gain control of their career destinies and to gain the respect of peers and others that comes with business ownership. Through business ownership, women can advance to an executive level and have a position of leadership in their community. It seems logical to conclude that women have found alternative opportunities for the employment barriers in advancing in their careers by launching their own enterprises.

This optimistic view of women business owners fails to take into account how their businesses are performing and how they compare to men-owned businesses. The present study sought to develop a comparative profile for male- and female-owned businesses in one specific business sector--accounting business services.

As attractive as business ownership might be for women in accounting, the troubling fact remains that in this study, female-owned accounting businesses performed less profitably when compared to male-owned businesses. As a group female-owned accounting businesses have lower revenues and net profits than male-owned businesses, and this finding remained true when the comparison was made taking into account the number of Certified Public Accountants in the firms. While standardized requirements for education and public accounting certification might have leveled the "playing field" for owners of small accounting firms, the results clearly indicate performance differences between male- and female-owned accounting practices. Significantly, female owners of accounting practices had a higher profit to gross revenue ratio than male-owned businesses. This suggests that women owners do a better job of managing and controlling their business expenses, and operating their businesses efficiently.

Female-owned accountings businesses earn less, are smaller, have been in existence for a shorter time, are typically home-based and have a shorter experience base than male-owned accounting businesses. These factors indicate a "gender gap" in small accounting businesses. One could argue that the earnings gap will narrow and eventually disappear as women acquire more experience and their businesses mature. Yet, female owners also grapple with the issue of time management to a greater extent than male owners. In our society, there has been a long-standing historical tension among women business owners in seeking a balance between family and work responsibilities. Business ownership is seen as a way of being able to address these areas. This is perhaps one reason why women owners of accounting businesses

prefer to locate their businesses at home more so than men. Has business ownership provided women-owners of accounting businesses a way to balance their time between work and family? It seems that women owners of small accounting firms do try to divide their time between work and family, but this division of time comes at a cost as it is reflected in the relative smaller revenues and profits for women-owned firms to men-owned firms. Women respondents in the present study indicated they do not spend as much time as men do in promoting and planning their businesses. This may result from the fact that women may have higher expectations of themselves than men although they also indicated more so than men that family responsibilities do take time away from their accounting businesses. It would seem that while business ownership is attractive for women because of the perceived ability it provides to balance work and family, the reality is that the tension between family and work continues in women-owned accounting businesses—at least to a greater extent than it does in men-owned accounting businesses. The results of this research uncovered an interesting dynamic regarding business revenues, which suggests that marital status plays a role in understanding the differences between male and female owners of accounting practices. As reported, the gender gap in gross revenues is reduced significantly when considering only the gross revenue performance of single men and single women owners.

One of the most disturbing findings in the study is that a majority of the women in the study (52%) reported having experienced some discrimination in operating their businesses. This was significantly lower in men-owned businesses where 18% of men reported having experienced some discrimination. The study did not probe further into this issue by asking about the type and degree of the discrimination. No data in this study are available to determine how much of this discrimination is perceived or is actual discrimination. There are no data on the interaction of race and gender with respect to discrimination. However, the study does indicate that female owners of accounting practices in this study do perceive discrimination in the marketplace. This area needs further study to determine more precisely the nature of the perceived discrimination.

The current study is limited to the accounting profession. Noteworthy findings may result from expanding the survey model to other professions such as engineering and law. In addition, survey questions could be included that relate to the issues discussed by Bird and Brush (2002). Then, the findings would be reviewed in light of the “gendered perspective” which alludes to values and traits, which are gender specific and render an impact on organization, leadership, and management of enterprises. In addition, repeating the study longitudinally to determine any progress made in the performance of female-owned to male-owned small accounting firms may also clarify these findings.

## REFERENCES

- Bell, K., Randel, R., & Williams, K. (1995). Women in Management Accounting: Determined to Succeed. *Management Accounting*, (November) LXXVII (5), 20-29.
- Brush, C. G. (1992). Research on Women Business Owners: Past Trends, A New Perspective and Future Directions. *Entrepreneurship Theory and Practice*, 16(4): 5-30.
- Bird, B., & Brush, C. (2002). A Gendered Perspective on Organizational Creation. *Entrepreneurship Theory and Practice*, (Spring, 2002), 41-65.
- Buttner, H. (1993). Female Entrepreneurs: How Far Have They Come? *Business Horizons*, 36:2.
- Carland, J. W., Carland, J. W., Carland, J., & Pearce, J. W. (1995). Risk Taking Propensity Among Entrepreneurs, Small Business Owners and Managers. *Journal of Business & Entrepreneurship*, 7(1), 15-23.

- Chaganti, R., & Parasuraman, S. (1996). A Study of the Impacts of Gender on Business Performance and Management Patterns in Small Business. *Entrepreneurship Theory and Practice*, 21(2), 73-75.
- Cliff, J. E. (1998). Does one size fit all? Exploring the relationship between attitudes towards growth, gender, and business size. *Journal of Business Venturing*, (November 1998) 13(6): 523-542.
- Cooper, C. (1992). The Non and Nom of Accounting for (M) other Nature. *Accounting, Auditing and Accountability Journal*, 5(3), 16-39.
- Corcoran, M., & Duncan, G. (1979). Work History Labor Force Attachment and Earnings Difference between Races and Sexes. *Journal of Human Resources*, Winter, 3-20.
- Cromie, S., & Hayes, J. (1988). Towards a Typology of Female Entrepreneurs. *Sociological Review*, 36, 87-113.
- Dess, G. G., Ireland, R. D., & Hitt, M. A. (1990). Industry Effects and Strategic Management Research. *Journal of Management*, 16(1), 7-27.
- Envick, B. & Langford, M. (1998). Behaviors of Entrepreneurs: A Gender Comparison. *Journal of Business & Entrepreneurship*, 10(1), 106-113.
- Fasci, M. A. & Valdez, J. (1998). A performance contrast of male- and female-owned small accounting practices. *Journal of Small Business Management*, (July 1998) 36(3): 1-7.
- Glass Ceiling Commission. (1995). A Solid Investment. Making Full Use of the Nation's Human Capital: Recommendations of the Glass Ceiling Commission. Washington, D.C.: U.S. Government Printing Office.
- Goffee, R., & Scase, R. (1983). Business Ownership and Women's Subordination: A Preliminary Study of Female Proprietors. *Sociological Review*, 31, 625-648.
- Hammond, T., Oakes, L., & Cooper, C. (1992). Some Feminisms and Their Implications for Accounting Practice. *Accounting, Auditing and Accountability Journal*, 5(3), 52-75.
- Kalleberg, A. L. & Leicht, K. T. (1991). Gender and Organizational Performance: Determinants of Small Business Survival and Success. *The Academy of Management Journal*, 34(1), 136-161.
- Kirkman, L. (1992). Integrating HERstory and HISstory in Accountancy. *Accounting Organizations and Society*, (April/May) 17(3), 287-297.
- Larson, E. (1995). Victims in the Workplace? *Investor's Business Daily*, (June 2).
- Lehman, C. (1992). HERstory in Accounting: The First Eighty Years. *Accounting Organizations and Society*, 17(3), 261-285.
- Levine, M. (1985). Work as a Central Life Interest in Male and Female Senior and Staff Accountants in Large CPA Firms. *The Women CPA*, January, 27-29.
- Light, I., & Rosenstein, C. (1995). *Race, Ethnicity, and Entrepreneurship in Urban America*. New York: Aldine De Gruyter.
- Loprest, P. (1992). Gender Differences in Wage Growth and Job Mobility. *American Economic Review*, 82(2), 526-532.
- Lustgarten, S. (1995). *Business Ownership as an Employment Opportunity for Women*, Office of Advocacy, U.S. Small Business Administration.
- Malkiel, B., & Malkiel, J. (1973). Male-Female Pay Differentials in Professional Employment. *American Economic Review*, 63(4), 693-705.
- Mallette, H., & McGuinness, N. (1998). Gender Differences in the Entrepreneurial Start-up Process. A Report for the Atlantic Canada Opportunities Agency and The Acadia Centre for Small Business and Entrepreneurship. Wolfville, N.S. Canada.
- McKenchnie, S. A., Ennew, C. T., & Read, L. H. (1998). The Nature of the Banking Relationship: A Comparison of the Experiences of Male and Female Small Business Owners. *International Small Business Journal*, 16(3), 39-55.
- Moore, D., & Buttner, H. (1997). *Women Entrepreneurs: Moving Beyond the Glass Ceiling*. California: Sage Publications.
- Schroeder, D., & Reichardt, K. (2001). IMA 2000 Salary Guide. *Strategic Finance LXXXII*,

(12), 24-37.

U.S. Small Business Administration. (2000). *The State of Small Business: A Report of the President*, Washington, D.C.: U.S. Government Printing Office.

Walnut, J. (1995). Women in Business: A Global Report Card. *The Wall Street Journal*, July 26, B1.

Watson, J. (2003). Failure Rates for Female-Controlled Businesses: Are They any Different? *Journal of Small Business Management*, 41(3) 262-277.

White, J. (1992). *A Few Good Women: Breaking the Barriers to Top Management*. New York: Prentice-Hall.

**Martha A. Fasci** is an Associate Professor of Accounting at The University of Texas at San Antonio. Her research interests include small business, entrepreneurship, and accounting. Her teaching interests include graduate and undergraduate courses in financial and management accounting

**Jude Valdez** is an Adjunct Professor of Management at the University of Texas at San Antonio whose research interests include small business and economic development.