

# Untold stories of African American women entrepreneurs: research-based strategies for becoming one's own boss

African  
American  
women  
entrepreneurs

655

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## Abstract

**Purpose** – The purpose of this research was to empirically examine the career transitions of mid-career African American women leaving traditional careers for entrepreneurship. The authors illustrate how transition theory and effectuation principles ameliorate an African American woman's transition to entrepreneurship.

**Design/methodology/approach** – The authors conducted semi-structured interviews with nine African American woman entrepreneurs. The data collected were evaluated through the lens of transition theory and effectuation theory.

**Findings** – The study results show that despite being the chief officer, many African American women still face inequalities when negotiating business deals, interacting with partners and when seeking capital for their business. Effectuation theory partially supports an African American woman's career transition to entrepreneurship, but the theory does not fully address the unique experiences of this demographic.

**Research limitations/implications** – The results of this study reveal that effectuation principles do not fully explain the entrepreneurial career transition experiences of African American women. Theory development and extensions of existing theories should consider the potential discriminatory practices that limit financial resources and strategic partnerships for African American women entrepreneurs. The authors also advocate for consideration of identities, particularly related to gender and race, as factors that contribute to entrepreneurial experiences.

**Practical implications** – The study findings support the notion that each woman's situation will be different and unique, requiring aspiring African American woman entrepreneurs to assess their individual situation. Consistent access to minority-specific programs can help aspiring African American women entrepreneurs visualize her new identity and provide the support needed to enhance her career transition. There is no one-size-fits-all solution, so each woman will need to craft her own individualized plan.

**Social implications** – Findings from this study solidify the role of African American women entrepreneurs as business leaders with influence and direct impact on the US economy. Their success enables African American women to contribute to more inclusive societies through their service to diverse members of society. In addition, their attainment of success serves as a testimony to aspiring African American women that entrepreneurial success is achievable, encouraging more diversity in entrepreneurship.

**Originality/value** – Few entrepreneurial studies exist on both women and racial minorities, resulting in a paucity of strategies to support African American women throughout their entrepreneurial journey. The results of this study revealed barriers which require specific strategies to address discriminatory lending practices and acceptance when forging new business relationships.

**Keywords** Effectuation theory, Transition theory, African American women, Entrepreneurship

**Paper type** Research paper



## Introduction

More than ever, African American women are pursuing relief from social and economic inequalities faced in corporate life to embark upon entrepreneurial careers (Bosse and Taylor, 2012; Neville *et al.*, 2017). Per the American Express (2019), State of Women-Owned Businesses

report, African American women in the United States owned 2.6 million businesses, which is 12% more than prior years (Kilkenny, 2020). According to the National Women's Business Council, 97.5% of firms owned by African American women are sole proprietorships earning combined annual revenue of over \$20 billion (2012). The rapid growth in African American women business ownership and their combined annual revenue solidifies their position as business leaders with influence and direct impact on the US economy.

Entrepreneurship has been associated with a capitalist economy where any individual with an innovative mindset and aptitude for risk could attain financial rewards and independence through business ownership. However, marginalized groups, including women and racial and ethnic minorities, often encounter exclusion and discriminatory practices that make their path to entrepreneurship riskier and more uncertain (Sithas and Surangi, 2021). Entrepreneurship has historically been studied as a male-gendered concept (Ahl, 2006; Robinson and Robinson, 2007), so there exist few studies that address the entrepreneurial experiences of African American women – a group that historically faces greater barriers to enterprise ownership (Carter *et al.*, 2015; Robinson and Robinson, 2007) – and we found no studies related to the career transitions of these women. A paucity of research specific to this demographic has resulted in an absence of empirically derived strategies to guide African American women through their career transitions to entrepreneurship.

Scholars advocate for research on marginalized groups of entrepreneurs to illuminate obstacles to entrepreneurship across minority groups, which can enhance our understanding of theoretical and practical implications (Pidduck and Clark, 2021). To understand the processes underpinning life transitions of this magnitude, we needed a framework to organize our exploration of the phenomenon. The transition theory framework (Schlossberg, 1981) has been used to examine a myriad of life transitions. Scholars have previously used transition theory to explore the career transition process and formulate interventions to enable success, thus making it a framework well suited to investigate the career transitions of African American women entrepreneurs. Next, we needed a means to understand the strategies that enabled the successful career transitions of these women as they began their entrepreneurial journey. At the root of effectuation theory is a desire to understand the situations that enable an entrepreneur to flourish when embarking upon an entrepreneurial venture (Saravathy, 2009). Hence, effectuation principles provided a means by which we could examine what bolstered the success of these African American women entrepreneurs. Thus, this study explored the following research questions:

- RQ1. Which barriers do mid-career African American women face in a career transition to entrepreneurship?
- RQ2. Which strategies help mid-career African American women successfully make a career transition to entrepreneurship?
- RQ3. How do the effectuation theory principles apply to the career experiences of African American women entrepreneurs?

These research questions are answered through a qualitative study in which nine African American women entrepreneurs participated in semi-structured interviews to share their journeys to entrepreneurship. Enhanced understanding of the barriers encountered during a career transition to entrepreneurship and how African American women entrepreneurs navigate exclusion and discriminatory practices to overcome them can inform the career transitions of future African American women entrepreneurs. It can also inform policies and programs that support career transitions of minority women through reduction of social and structural barriers (Pidduck and Clark, 2021), as well as learning and identity formation tactics.

The purpose of this qualitative study was to empirically examine the career transitions of mid-career African American women who left traditional careers for entrepreneurship and test the applicability of the effectuation principles to an African American women's career transition to entrepreneurship. We explored their lived experiences to increase our understanding of the entrepreneurial career transitions of African American women and to identify a set of strategies that can be used to assist the career transition of future aspiring African American women entrepreneurs. To do this, we used the transition theory 4S framework (Schlossberg, 1981) to investigate the *situation, self, supports* and *strategies* that influence an African American women's career transition to entrepreneurship. Based on the data, we then explored the applicability of effectuation theory (Sarasvathy, 2001) to African American women entrepreneurs since each woman's situation involved some level of risk and embracing the unknown (Sithas and Surangi, 2021). In accordance with transition theory, we examined the barriers mid-career African American women face in a career transition to entrepreneurship, as well as the strategies that helped them successfully make the career transition to entrepreneurship. The results of this study revealed vivid depictions of the challenges encountered by mid-career African American women when transitioning to an entrepreneurial career, tactics used to operate successfully and strategies that bolstered their success.

### Literature review

African American women pursue entrepreneurial careers for many reasons, including a desire to “be [her] own boss”, “to make more money”, and [because she] “always wanted a business” (Smith-Hunter and Boyd, 2004, p. 25). However, Byrne *et al.* (2019) found that racial minority women “do not have the same opportunities and resources as their more privileged counterparts” (p. 176), making the idea that anyone can be successful as an entrepreneur a one-sided view from individuals who do not face similar barriers. While African American women are the largest group of racial minority business owners, their annual revenue is \$100,000 less than other women entrepreneurs (American Express, 2019).

Social and economic inequalities often present challenges for racial and ethnic minority women, discouraging career transitions within an established institution and when pursuing entrepreneurship (Addo, 2017; Neville *et al.*, 2017). Bosse and Taylor (2012) found that African American women escaping corporate discrimination may encounter a “second glass ceiling” (p. 50) as an entrepreneur. These women encounter “lower levels of resources and other factors necessary for business entry and growth . . . such as money, markets, and management skills . . . [which] are vital building blocks for business that ethnic minority enterprises are frequently unable to adequately access” (Carter *et al.*, 2015, p. 50). Social, economic and institutional inequalities are prevalent for racial and ethnic minority women, and these implications inform an attitudinal climate for racial and ethnic minority women that negatively skews their beliefs about their own abilities to achieve success in the world of business ownership (Neville *et al.*, 2017).

Much of the existing research focused on minority women entrepreneurs relates to disparities in minority women's ability to access the capital needed to establish and sustain a new business. Startup capital is critical to launch and sustain a viable business, yet accessing financial resources is the most commonly identified challenge encountered by women entrepreneurs and African American women entrepreneurs (Carter *et al.*, 2015; Smith-Hunter and Boyd, 2004). These women meet disparate lending practices at financial institutions (Blanchflower *et al.*, 2003), often find that friends and family cannot offer financial support in the form of startup capital (Hodges, 2012), and encounter the second glass ceiling, which limits access to necessary funds for the business (Bosse and Taylor, 2012). Furthermore, Carter *et al.* (2015) noted that African American women are often discouraged from pursuing credit through financial institutions due to the disproportionate denial rates and

discriminatory practices that preclude them from securing bank financing. This leads many African American women business owners to exhaust their own savings for the capital needed to launch the business or engage the unpaid labor of their friends to support their small business (Smith-Hunter and Boyd, 2004). Discriminatory lending and failure to obtain access to legal counsel also leave minority entrepreneurs at a greater disadvantage than their non-minority counterparts (Houchens, 2017).

### Theoretical background

In this section, we provide a synopsis of the theories underpinning this research – transition theory and effectuation theory. Transition theory provided a means to examine the career transition process for these African American women as they became entrepreneurs, while effectuation theory was used to explore the strategies that allowed these women to flourish through their career transition. We briefly highlight related studies, and then position the relevance and usefulness of these theories to our exploration of the phenomenon.

#### *Transition theory*

Transition Theory provides a “framework in which transitions of all kinds . . . can be analyzed, and possible interventions formulated” (Schlossberg, 1981, p. 3). A transition takes place when “an event or non-event results in a change in assumptions about oneself and the world and thus requires a corresponding change in one’s behavior and relationships” (Schlossberg, 1981, p. 5). Transition theory is based on the 4S transition framework to assess potential deficits or barriers an individual may face when encountering a life transition (Schlossberg, 1981). This framework has been used to assess the *situation*, *self*, *support* and *strategies* that influence a career transition. The *situation* includes the entire context of life events at the time of the transition and considers any stressors that influence the individual’s ability to cope with the change (Schlossberg, 2011). *Self* provides a lens into the motivations, internal strength to cope with the transition and attitude toward the change; all of which can influence the career transition experience and outcomes (Schlossberg, 2011). *Support* includes positive encouragements and a network of people and resources that contribute to a successful career transition (Schlossberg, 2011). Finally, *strategies* include the intentional efforts used by the individual to alter the situation and enable a variety of mechanisms to cope with the change inherent in transitions (Schlossberg, 2011). The 4S framework has been successfully used to analyze various types of career transitions, such as women’s mid-career transitions to higher education (Cherrstrom and Alfred, 2020) and women veterans’ career transitions to civilian work life (Greer, 2017).

#### *Effectuation theory*

Effectuation theory explains a process through which entrepreneurs form new business ventures (Sarasvathy, 2001). It is the opposite of causation-related entrepreneurial theories and can be used to help explain entrepreneurial business decisions that are non-predictive since they involve high levels of risk and uncertainties (Sithas and Surangi, 2021). Sarasvathy (2001) explained effectuation as follows:

Effectuation begins with a given set of means and contingent human aspirations to select from a set of possible effects imagined by the effectuator(s). Both means and aspirations change over time. The particular effect selected is a function of the level of loss or risk acceptable to the effectuator(s), as well as the degree of control over the future that the effectuator(s) achieves through strategic partnerships along the way (p. 253).

Effectuation theory can be viewed through five core principles: bird-in-hand, affordable loss, lemonade, crazy quilt and pilot in the plane (Sarasvathy, 2009). The bird-in-hand principle

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refers to the entrepreneur's use of means or resources that are available (Ucbasaran, 2008). According to the affordable loss principle, the entrepreneur predefines how much loss they can tolerate at each phase of the business venture (Sarasvathy, 2001). The entrepreneur's ability to try new strategies and apply lessons learned through the business development phase is referred to as the lemonade principle (Günzel-Jensen and Robinson, 2017). The crazy quilt principle refers to the entrepreneur creating strategic alliances with partners who are committed to the business (Günzel-Jensen and Robinson, 2017). The entrepreneur enacts the pilot in the plane principle when maintaining a focus on strategies that are within their control that can support their new business venture (Günzel-Jensen and Robinson, 2017).

Effectuation theory is developing as a means to study entrepreneurial behavior (Matalamäki, 2017). At the root of effectuation theory is a desire to understand the situations that enable an entrepreneur to flourish when embarking upon an entrepreneurial venture (Sarasvathy, 2009). Effectuation theory was initially developed for seasoned entrepreneurs, and it has also proven relevance to nascent entrepreneurs (Laskovaia *et al.*, 2017; Ruiz-Jimenez *et al.*, 2020; Nielsen and Lassen, 2011). Although entrepreneurship is often hypothesized as a male-gendered phenomenon (Ahl, 2006; Robinson and Robinson, 2007), effectuation principles enhance female entrepreneurial success beyond their male counterparts (Crowden *et al.*, 2023). Through stakeholder engagement, the female entrepreneur co-creates the future through partnerships and collaboration, which can in turn assist with overcoming some commonly encountered barriers like securing financing (Crowden *et al.*, 2023). While the ability to access resources has been noted as a barrier for African American women entrepreneurs, access to resources enables entrepreneurial success especially for nascent entrepreneurs (Ruiz-Jiménez *et al.*, 2020) thus bolstering the potential for effectuation principles to assist the African American woman through her entrepreneurial journey.

Here we highlight four examples of studies where effectuation theory was used to explore how women used effectuation principles. In the first study, the effectuation theory was used as a basis to study home-based online businesses where due to the typical nominal investment needed to launch a home-based business, the effectuator encounters lower barriers to entry providing the effectuator with the agility to test new approaches and rapidly make shifts in the business strategy (Daniel *et al.*, 2014). In a second study, aspiring entrepreneurs also applied effectuation principles to develop business objectives in line with their available resources and leverage existing human networks (Hamamatsu and Fujita, 2021). A third study revealed that women in emerging markets such as India and Colombia aspired to launch new ventures aimed at improving societal conditions (Rosca *et al.*, 2020). These women invoked a causation approach to alleviate social problems with which they personally identified, but later leveraged effectuation processes when evaluating and formalizing the opportunity (Rosca *et al.*, 2020). In alignment with the bird-in-hand effectuation principle, a fourth study found that ethnic minority women immigrants leveraged accessible resources to successfully launch, develop and sustain online businesses in the United Kingdom (Anwar and Daniel, 2016). In the present study, we extend effectuation theory to a different context by focusing on African American women's career transitions.

Together, effectuation theory and transition theory underpin our current study, and are well suited for our analysis of African American women's mid-career transitions to entrepreneurship given the processes required to navigate a high risk and uncertain transition. This study adds to the current body of literature on effectuation theory and career transitions by applying these theories to African American women using existing knowledge, resources and networks to establish a new identity as an entrepreneur.

The present study contributes to the dialogue on African American women entrepreneurs and addresses gaps in prior research. First, this study provides a new perspective on the

applicability of effectuation theory to nascent entrepreneurs and marginalized groups. It is the only known study that investigates the applicability of the effectuation principles to the African American woman entrepreneurial experience. Second, the results of this study validate prior findings on challenges of marginalized groups and extends previous findings by also offering strategies to overcome the identified challenges. Third, this is the only known study to apply transition theory (Schlossberg, 1981) to African American women's career transition to entrepreneurship.

### Research design and methodology

In this qualitative research study, we explored how these African American women made "sense of their lives and their experiences" (p. 24) throughout their career transition to entrepreneurship (Merriam and Tisdell, 2015). As researchers we approached this research from a subjectivist paradigm, where we recognized "that social phenomena originate from the perceptions and consequent action of social actions"—thus there is no absolute truth (Pessu, 2019, p. 38). The subjective perspectives of the participants were uncovered to enhance our understanding of their experiences. Using a relativist approach, we explored the realities of the women in the present study by understanding the meaning they ascribed to their career transition to entrepreneurship (Pessu, 2019). We used their stories to uncover their realities as they navigated their path (Merriam and Tisdell, 2015; Yin, 2016). Their reality was constructed through their experiences and social interactions, and further illuminated to the researchers through the untold stories shared during the interviews (Merriam and Tisdell, 2015).

This qualitative research design is appropriate for this study as "knowledge is constructed by people in an ongoing fashion as they engage in and make meaning of an activity" (Merriam and Tisdell, 2015, p. 23). This research remains "emergent and flexible" (Merriam and Tisdell, 2015, p. 18) in deepening the understanding of career transitions for African American women pursuing entrepreneurial careers. Through semi-structured interviews, study participants recounted their unique journeys as they transitioned into an entrepreneurial career. Their stories included vivid explanations of successes, challenges and lessons learned that helped to deepen our understanding of how these African American women experienced a career transition to entrepreneurship.

The study participants were mid-career African American women entrepreneurs who worked in traditional organizational careers prior to the transition to entrepreneurship. Institutional Review Board (IRB) approval was obtained through the Office of Research and Scholarship at The University of Texas at Tyler (study #: IRB-FY2021-15) since human subjects were involved in this study. Nine study participants were recruited through a convenience sample of personal associates of the researchers and solicited via email. Eight study participants were mid-career African American women entrepreneurs, and one participant was bi-racial (African American and Pakistani). These women owned a variety of professional businesses, including legal, accounting, recruiting, marketing and sales, and healthcare businesses. Their entrepreneurial experience ranged from 1 year to 20 years. All participants were located in the southwestern region of the United States. Pseudonyms are used to refer to study participants throughout the results section to maintain confidentiality of their identities (see Table 1).

Data were obtained through semi-structured interviews conducted using an online video-conferencing platform, Zoom<sup>®</sup>. The first and second authors participated in all nine interviews. Each interview was recorded and lasted no more than 1 hour. At the start of each interview, a verbal informed consent was read to each study participant to explain the aims of the study, explain how participant privacy would be maintained and request permission to record the interviews. An interview protocol containing 14 pre-determined questions was

Pseudonym	Years as an entrepreneur	Business type	Sole proprietor or partnership
Jamie	1.5	Legal	Sole proprietor
Chari	13	Pharmaceutical	Sole proprietor
Vivian	9	Accounting and small business consulting	Sole proprietor
Jaclyn	12	HR/Recruiting solutions	Partnership
Eva	8	Advertising	Sole proprietor
Zoe	3	Healthcare provider	Sole proprietor
Selena	12	Financial services	Sole proprietor
Tonya	20	Sales and networking	Sole proprietor
Denise	10	Pharmaceutical	Sole proprietor

Source(s): Authors' own work

Table 1.  
Study participants

utilized in each interview (see Table 2), as well as follow-up questions to elicit rich descriptions in the data (Merriam and Tisdell, 2015). Field notes were taken by both researchers during each interview.

The researchers acknowledged their responsibility as the data collection instrument, so prior to the interviews they each evaluated their own personal familiarity with the subject matter to raise their awareness of potential preconceptions (Merriam and Tisdell, 2015). The racial diversity among the interviewees (one African American woman and one White woman) helped to mitigate potential confirmation bias during the data collection, as each interviewer asked thoughtful questions to drive deeper understanding of the lived experience of each study participant.

To support the credibility and validity of the data, each interview was transcribed from the audio recording. The transcripts were emailed to the interviewees for member-checking

Question
1 Tell us a little about your current small business.
2 How long have you been an entrepreneur?
3 What was your profession or occupation prior to transitioning to entrepreneurship?
4 Is this your first experience as an entrepreneur or have you previously owned a small business?
5 Describe the situation or circumstances under which you transitioned to entrepreneurship
6 Did you start this business by yourself? Did you have a partnership with other people? If yes, how?
7 How did your identity, or image of yourself, change as you transitioned to entrepreneurship?
8 What challenges did you encounter as you transitioned into entrepreneurship?
9 What support did you have to help you cope with the transition (e.g. family, friends, mentors, tools, government programs, professional networks and financial support)?
10 What strategies did you use to overcome the barriers encountered and improve your circumstance?
11 As a racial/ethnic minority woman, what do you feel were advantages for you as you transitioned to entrepreneurship?
12 As a racial/ethnic minority woman, what do you feel were disadvantages for you as you transitioned to entrepreneurship?
13 How would you compare your career transition to others?
14 What advice would you give to another racial/ethnic minority mid-career women preparing for a career transition to entrepreneurship?

Source(s): Authors' own work

Table 2.  
Interview protocol

(Yin, 2016) and then independently analyzed. The researchers read through the transcripts and coded the data according to the 4s transition framework – identifying elements of the *situation, self, supports* and *strategies* that contributed to each woman’s career transition. Themes aligned to the 4S transition framework were identified to capture patterns in the data collected (Merriam and Tisdell, 2015). The researchers triangulated the data to agree on the emerging concepts and themes and ensure validity and reliability (Merriam and Tisdell, 2015). This process helped to “make meaning” (p. 202) of the data and align the themes to the research questions and theoretical framework (Merriam and Tisdell, 2015). We then used the effectuation theory principles to explore the processes these African American women experienced as they successfully transitioned to entrepreneurship.

### Results

Our data represented the premise that life transitions present an inherent challenge in various ways (Schlossberg, 1981). Careers, especially, present a unique challenge as many careers are needed as a financial source and represent a certain quality of life – whether through personal fulfilment, income or other reasons. An evaluation of each woman’s situation revealed environmental opportunities and constraints that affected her decision to become an entrepreneur and her ability to cope with the changes encountered.

Inequalities at work made some African American women feel they were hitting a glass ceiling, limiting career progression opportunities within their existing organization. In choosing an entrepreneurial endeavor, several women had to imagine both possibility and risk, including considering the implications of the transition on her family. The situational expectation they set for themselves in that phase of their lives was to be a present mother. Transitioning to entrepreneurship helped them to exert control over the current situation and work toward their desired situation.

Exploration of *self* revealed her motivation and lifelong aspirations of business ownership. Entrepreneurial endeavors naturally facilitated identity modification for each African American woman, and her problem-solving techniques were often self-led, revealing her own capabilities. Several women envisioned themselves as entrepreneurs before making the official decision to open their own business and had been dreaming about business ownership since childhood. Throughout the career transitions, each woman’s identity shifted from employee to chief officer, and through these shifts, each women grew a sense of confidence and appreciation for her individual strengths and the strengths of others. The women created their own opportunities, allowing their vision of themselves to guide their life direction. Each woman appreciated being able to fulfill her dream while pursuing a career that allowed time in her day for family, another value that six out of nine women mentioned was important.

#### *Barriers to career transitions*

Eight of the nine African American women discussed challenges accessing capital to launch and sustain their business. Jaelyn shared that this very concern was something she often heard about in entrepreneur groups,

The number one challenge that we had was funding, and it is something you will hear a lot of . . . within the black women’s entrepreneurship groups . . .

Chari shared,

That was hard for us to financially get started. We didn’t have the opportunities of other races and cultures to be able to do that.



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Although her mother loaned her \$2000 to get started, Jamie was cognizant of her limited available funds to launch her business. She recalled, “I didn’t have \$50,000 set aside to start a law firm.” Chari also reported challenges obtaining sufficient financing to launch her business. She recounted,

I applied back then for Small Business Administration (SBA) loans. I even took some business classes, and they did give us \$2000. Wow! What are we going to do with that when opening a business? You know, in going to all those meetings, I never met anyone who received one of those grants or one of those loans. I wondered who received those loans because it wasn’t us. We all had to save our money to be able to open our own businesses.

Denise shared that “there were no business planning resources available to help with a business plan or getting a loan.” Instead, she used her personal funds to launch her business and her personal bills fell by the wayside. For Eva, she faced challenges even getting an opportunity to discuss her small business financial needs with the loan officer. She recounts, “[At the bank], the lady didn’t even invite me up to her office. She met me down in the lobby and just didn’t seem really interested in what I had to say.”

Jaclyn’s business had recorded multi-million-dollar earnings for several years, with a monthly payroll of \$350,000; however, her bank offered her a \$35,000 line of credit. She declined the offer, and noted,

Being a proud woman, I was totally insulted by that, and I rejected it because I don’t believe in settling. That just was not the relationship that I wanted if they could not see [our] value.

She used her personal funds to sustain the business in the interim and later established a strong relationship with another financial institution that offered her a credit line commensurate with the revenue and size of her organization. Jaclyn commented,

Our company could have grown much faster by leveraging lines of credits and other forms of access to capital that my good friends that happened to be White women have access to.

As each woman transitioned into her entrepreneurial role, several encountered adverse and discriminatory experiences in their respective situations. For example, Vivian felt the effects of discrimination when her clients decided to pursue the services of a male counterpart when their joint venture ended. She also encountered clients wanting a lower price on her tax services: “I think sometimes it felt as if people expected your prices or your fees to be lower compared to your counterparts.” Likewise, Jamie is still questioned as a minority female attorney. When showing up for a consultation, she can sense she is often not what the client expects and that she feels she must prove herself to clients to show them that she is knowledgeable. According to Jamie’s experience, “. . . it’s an assumption that [her clients] need to question her to make sure she’s really what she says she is.”

In another case, Jaclyn, a co-owner in her own firm, went in to negotiate a deal with another woman business owner. She recounts,

We were at a point of negotiation where we were talking about rates and fees. And at the culmination of that conversation, she slid a piece of paper over to me where she had written down what she thought the rates should be. She tapped the paper twice and said, “take this to your boss and see what he says about this.”

Jaclyn knew she had a choice of how to respond in the moment, and she chose her business over her pride. She went on to share,

I would never allow my pride to allow an opportunity, especially a lucrative one, to slide through my fingers. I called my business partner, and we had the best laugh. I knew that an opportunity would come later for me to educate her on the ownership of the company, but that wasn’t the right time to do it.

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*Strategies to overcome barriers*

Findings from the data showed several strategies leveraged when making a career transition to entrepreneurship. These are assess individual situation, evaluate potential resources and support systems, leverage expertise, enlist mentors and role models, and focus on business development.

*Assess individual situation.* Each woman had a unique situation when it came to her transition. She was required to gauge factors about her current work and make challenging choices to change her situation. Environmental constraints in a corporate role represented the challenge in the majority; therefore, each woman looked outside of her current workplace to make a career change. However, some made a change without the intent of entrepreneurship. When evaluating her current circumstances, Jamie knew she had to make a change but wasn't set on opening her own firm just yet. Jamie shared,

I was not necessarily thinking about it in the way of being an entrepreneur. I think that came later. [As an attorney] I don't want to have to be forced to take whatever walks in the door. I only wanted to do, you know, cases that I really wanted to do.

One of the strategies Jamie considered was to realize her current role was no longer serving her. She also recalled that in light of her family circumstances, she wanted to make a change.

But I felt like because of my three children, . . . especially being younger at the time, I wanted to have more control over my time.

Family was also the impetus for other women in making a change to entrepreneurship. The lack of work–life balance made her situation more difficult. Selena recalled a time when her boss was not considerate of her family circumstances. She recalled,

And I'll never forget. I had this conversation with my supervisor at the time who wanted me to come to Jackson, Mississippi to work, but I got two young kids, and I told them. She was like, "Well, can you leave them with a parent or leave him with a family member?" . . . she was basically like, "Well, these are the options and you just, you got to pick one of them or you got to transition." And so when she said that, I knew in my mind, "I will quit this job, because the kids are more important."

Overcoming a barrier of personal constraint led several of these women to entrepreneurship. The mitigating factor was to assess her current work situation which in a corporate environment caused challenges in their work–life. In the end, it led them to a role with more flexibility.

*Evaluate potential resources and support systems*

Outside of access to loans, the support from parents and spouses represented the main agent of encouragement and start up resources in her transition. Zoe worked from her mother's living room when starting her business. Tapping into available relationships helped support each woman's endeavor. For example, Chari shares ownership of her business with her husband.

My husband serves as president of that company, and I own 50% of that. It's an engineering firm. And so, because he and I are both engineers, it is in direct alignment with our education.

Eva was also able to work with her husband. As a construction worker, he was able to build a new building for her business. The existing support structures in their spheres of influence helped each woman reach her goal of starting a business.

*Leverage expertise, enlist mentors and role models*

Tonya and Vivian were able to lean on a mentor while transitioning. This helped them to overcome initial hurdles in their startups since a more experienced voice was able to provide guidance. Eva was able to tap into an existing network to gain advice. She recalled,

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I knew people who were already entrepreneurs, who might've started a couple of years before me . . . I was able to talk to them to get insight from them as well.

Mentors provided perspective on ideas. They also guided these women with advice from their own experience to help them avoid mistakes. Leveraging a strong entrepreneur helped Zoe build her confidence in her role as a nurse practitioner.

I met up with this girl . . . she's a pediatric nurse practitioner. She has her own practice—I think she's been in practice now for seven years so, she pretty much showed me the ins-and-outs of everything and to this day we're good friends.

### *Focus on business development*

Business development proved to be a strategy that propelled each woman's career transition to entrepreneurship. Through the transition, each woman had to shift her mindset to realize it was critical to proactively seek and ask for a client's patronage. While this ask was not always comfortable, as each woman learned to continually use networks and marketing strategies to find clientele, her business flourished. These women realized that sometimes their reputations preceded them, and they were able to build new client relationships based on a referral from a friend or prior client.

Some women found success in a program that targeted hiring women-owned businesses and relied on her existing reputation and referrals to build a clientele.

Additionally, the women in this study described how administrative support could free up time to focus on business strategies and growth. Hiring expert staff was a difference maker for several women who originally thought they could do it all alone. Eva shared how she hired an accountant to fulfill tax duties, a professional weakness she acknowledged. The significance of this support was to give her time to concentrate on areas of her business where her skills better aligned. Other women shared that they, too, hired trusted administrative personnel and a professional accountant that relieved stress in getting entrepreneurial tasks done. Sometimes this support came at a lower cost. Jamie shared that she slept better at night knowing someone else was taking care of those things and freeing her time to focus on her family. Similarly, Tonya recalled, "I thought I could do it all myself, [but] my business grew 300% when I hired my first operations manager. She was able to do things, especially technical things, 10 times faster than I could in a way that was much more efficient." Similarly, Denise engaged the support of her sister who was an accountant. Her sister was able to help her establish a budget for her business and set up her bookkeeping to track financial data.

### *Applicability of effectuation principles*

Our results also highlight the applicability of effectuation theory to the experiences of these women. Furthermore, the effectuation principles highlight applicability of the 4S transition framework to entrepreneurship (see [Table 3](#)). The narratives collected in our data show where effectuation theory accurately represents the reality of these experiences, but they also demonstrate the distinct gaps in the effectuation principles for African American women.

*Bird-in-hand principle.* For these women, pursuing entrepreneurship required a focus on available resources and relationships in the present moment to allow them to focus on the long term. Familial, friend and spousal support were often available to these women. For example, when starting Eva, leaned on her parents,

[In the beginning] I cleared out [my mom's] dining room and put this big, huge machine in it until we found the space.

Today, Eva receives support and encouragement from her spouse,

And then I met my husband . . . he was the person like, “Alright, you need an office. You need to hire more people.” He definitely pushes me to keep learning and keep the business going.

Friendships and network relationships were available to help run the business when needed for Tonya. Tonya noted,

Effectuation principle	Definition of effectuation principle	Experiential Example(s)	Relevance to transition theory	Practical application
Bird-in-hand	Evaluate and leverage current personal resources, means and relationships	<ul style="list-style-type: none"> <li>• “My business partner and I, before we even decided to do the partnership, we actually engaged in a four-month conversation . . . I think that’s very important because people actually jump into business with other people. And later they find out that there’s a difference in philosophies.” -<i>Jaclyn</i></li> <li>• “My sister is a contractor for me too. So, I would say it’s a family business; it’s not, we just have a lot of support from family, and we help each other out when we can.” -<i>Eva</i></li> </ul>	Supports	Entrepreneurs can start their venture on a small scale instead of going all in all at once. An awareness of their <i>situation</i> and readily available resources and relationships (i.e. <i>supports</i> ) can be utilized to initiate a business
Lemonade	Plan for the unplanned; embrace uncertainty and contingencies	<ul style="list-style-type: none"> <li>• “And so, create the plan, but then be willing to make the adjustments that are going to be necessary cause everything won’t go according to plan.” -<i>Tonya</i></li> <li>• “There’s been a lot of setbacks that we’ve had, but you learn to overcome all of that. The resilience and the confidence are probably the two biggest things that I’ve been able to walk away with.” -<i>Selena</i></li> </ul>	Situation	Entrepreneurship naturally carries uncertainties. Start with the end in mind by using <i>strategies</i> beforehand to address ambiguous <i>situations</i> that may occur. And when they do, the plan will help facilitate that difficult transition

**Table 3.**  
Practical applicability of the effectuation principles and 4S framework

(continued)

Effectuation principle	Definition of effectuation principle	Experiential Example(s)	Relevance to transition theory	Practical application
Crazy quilt	Build relationships with people who support the endeavor	<ul style="list-style-type: none"> <li>• “When I first left [my full-time job] I had a young lady that I went to college with . . . we were basically supporting each other along the way as new entrepreneurs. We shared office space together . . . that actually was a huge help starting off.”- <i>Vivian</i></li> <li>• “Whereas now it’s like trusting that everyone who comes into your world is not there to harm you. They are able to help you and they’re able to reach an audience you may not be able to on your own. Collaboration has been a huge game changer for the business.”-<i>Tonya</i></li> </ul>	Supports	<i>Supports</i> lend aid to entrepreneurs as a brand-new start up but also when business is up and running. New and existing partnerships can take an endeavor to the next level
Pilot-in-the-plane	Focus on what can be controlled; create your own opportunities	<ul style="list-style-type: none"> <li>• “I felt like because of my three children, and especially my children being younger at the time, I wanted to have more control over my time . . . So I said, why not? Cause I’d be doing pretty much the exact same thing working for someone else.” <i>Jamie</i></li> <li>• “I was afraid for so many years . . . I thought that me working for that company was it. I thought if I quit, I was going to fail . . . You gotta do it, because the longer you wait, the longer it will take.” -<i>Chari</i></li> </ul>	Self	The idea of <i>self-motivation</i> and assertion undergirds most entrepreneurial endeavors. It is important for an entrepreneur to distinguish what is controllable and take deliberate action and <i>strategize</i> to maintain those activities within their sphere of influence

(continued)

Table 3.

Effectuation principle	Definition of effectuation principle	Experiential Example(s)	Relevance to transition theory	Practical application
Affordable loss	Limit risk by understanding what could be lost personally, financially, etc.	<ul style="list-style-type: none"> <li>• “The worst thing that can happen is it doesn’t work . . . It was one of those things where it was like this is my shot. Let’s try it again. And I did.” -Selena</li> <li>• If you’re doing this and you think you’re going to do it quick . . . that’s a recipe to fail. – Jamie</li> </ul>	Situation	Be realistic in every <i>situation</i> . <i>Strategizing</i> and planning acceptable risks can maximize return and avert loss

**Table 3.** Source(s): Authors’ own work

I have a very, very good friend—she’s my best friend to this day—who had a full-time job, but she would take off on my event days so that she can come be my support staff.

Using an amalgamation of resources, each entrepreneur accomplished her goals. The proverbial bird in hand, through support from friends and family, facilitated their success.

*Lemonade principle.* Fortuitous or otherwise, surprises happened for these women. They demonstrated the lemonade principle by making the most out of unexpected circumstances by turning them into something valuable.

For example, Tonya had to return to a corporate role after she became an entrepreneur, but it made her a stronger entrepreneur once she returned to full-time entrepreneurship. Initially, she was head of a recruiting firm, and during a low economic period in 2008, she made the difficult decision,

I had two years where I went back to work [in an organization] and it was the hardest—I was in a major depression because I knew I wasn’t supposed to go back to work, but my three children, their bellies were telling me otherwise . . . I was just conflicted that whole time, because I knew that I was an entrepreneur at heart.

She began facilitating networking events which led her to grow a network and open a coaching business. Challenges were seemingly part of the process for many of these entrepreneurs. Selena shared,

So, there’s been a lot of setbacks that we’ve had, but you learn to overcome all of that. Resilience and confidence are probably the two biggest things that I’ve been able to walk away with. I say, walk away, but I’m still in the game.

These women demonstrated the lemonade principle of effectuation by finding the good in their experiences.

*Crazy quilt principle.* Results from the data showed that in many cases, networking helped to drive the venture-creation process. The crazy quilt principle was evident in support through partnerships, but some took a longer time to commit in the beginning. Bringing another person along in her venture, Jaclyn bridged a relationship with a friend into a business partner,

It is 50/50 ownership. I manage mostly the project management and its consultancy for the US sector of the business. And she manages all of the true executive search and staff augmentation portions of the business. And that has been a very, very successful “marriage” for us.

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Her business partner was willing to commit early on to produce a successful business.

Early customer partnerships were another area where the crazy quilt was represented, but some of the partnerships were not easy to come by. Many of these women had to work to shift paradigms about African American women, however, once the customer was able to observe their expertise, only then would they commit to becoming a client. This challenge was experienced by nearly all of the individuals interviewed. For example, Jamie stated,

I've had a couple of times where I've sat down to do a consultation . . . and you can tell they were surprised when they saw my face.

*Pilot in the plane principle.* For four of the eight women, a desire to leave corporate America and “take back her life” spurred them toward a life of entrepreneurship. They were living the pilot-in-the-plane principle. Jamie worked in a law firm for another attorney and then became an attorney herself, opening her own practice. Chari was a pharmacist who came to own her own pharmacy. Vivian worked as an auditor for a large corporation and opened her own CPA firm. These showcase the many ways each woman piloted her own entrepreneurial journey.

Hardship was another area where these women sought to take control of their enterprise journeys. When business wasn't necessarily booming, some either took on another role to make ends meet or figured out other options. This is true for Zoe, who, having worked as a nurse practitioner, dropped to per diem nurse to make ends meet while she looked for a building to open her own clinic. Tonya also took on the *pilot* role by going back to her corporate role between her entrepreneurial endeavors. Rather than crash, each woman realized the distinct responsibility to take personal control where required.

*Affordable loss.* What looks like loss, may be gain. When weighing options, these entrepreneurs sometimes had to take a gambit—step back to take a step forward. For example, Eva was losing money in her business while renting a space, “It took probably six, seven months, maybe a little bit longer, but we ended up building in the back of our property, a thousand square feet.” It costs money in the short run to have her own space. The estimates of affordable loss toward a build meant more independence and room for growth versus staying in a smaller, rented space.

Another example of the affordable loss principle is when Jamie recognized that family was not an affordable loss she cared to take on, so instead, she hired personnel to take care of some of the administrative tasks in her business,

I realized it's worth it to pay someone so that you have more time for family. I'm there literally copying and printing wills packages . . . this doesn't make sense.

Hiring staff and having additional resources meant an upfront cost, but for her, it meant more time for family in the end.

Affordable loss took strategic thought from these women. The costs of entrepreneurship are often unknown and involve some level of risk to weigh future situational needs. Affordable loss, in these instances, wasn't necessarily a quantifiable and profitable choice, but it was more about making the business more manageable and investing time where it mattered to them most.

Figure 1 highlights the applicability of effectuation theory to the entrepreneurial experiences of these African American women. This visual representation shows the effectuation principles as originally presented in effectuation theory (Sarasvathy, 2001) and how these principles might be modified for the African American women's journey. These modifications align with our study participants' realities, which are constructed by their experiences and social interactions.

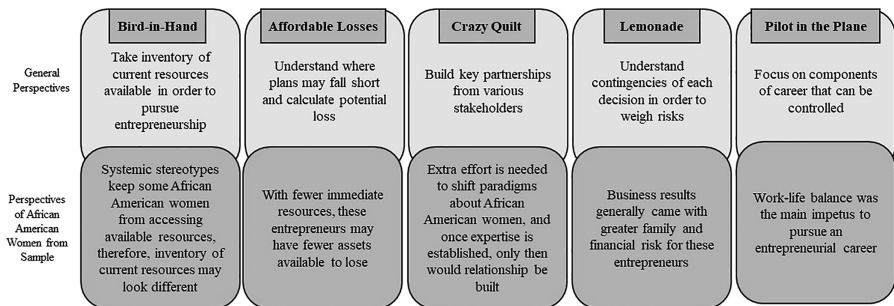
**Discussion**

This purpose of this qualitative research study was to empirically examine the career transitions of mid-career African American women leaving traditional careers for entrepreneurship. We explored their lived experiences and identified challenges encountered to identify a set of strategies that can be used to ease the career transition of future aspiring African American women entrepreneurs. Our study findings demonstrate that transition theory offers a useful framework to explore the career transition process and formulate interventions to enable success. In addition, our findings extend previous applications of effectuation theory (Anwar and Daniel, 2016; Cowden *et al.*, 2023; Nielsen and Lassen, 2011; Rosca *et al.*, 2020) by adding new perspectives related to an African American woman’s career transition to entrepreneurship.

This research makes a unique contribution to the existing literature related to the career transitions of women entrepreneurs. Prior studies have explored women’s career transitions to entrepreneurship (Duberley and Carrigan, 2012; Hodges, 2012; Lewis *et al.*, 2015; Patterson and Mavin, 2009), but there are no known studies that have specifically explored career transitions to entrepreneurship as experienced by African American women. Though prior studies have focused on African American women entrepreneurs (Barr, 2015; Carter *et al.*, 2015; Davidson *et al.*, 2010; Robinson and Robinson, 2007), none examine their career transitions to entrepreneurship. Given the recent exponential growth in this population and their contributions to global economies, it is important to hear their voices to determine where their experiences relate to or diverge from existing literature on the entrepreneurial experiences of men and women of other racial backgrounds. Understanding their lived experiences informs which established strategies may be appropriate for African American women and where new approaches are required to meet their unique circumstances. The career transition is a pivotal point in the career development cycle, so positioning the African American woman for success throughout her move to entrepreneurship is critical to her continued growth and career development.

*Summary of strategies*

Strategies can “change the situation, . . . reframe the situation, . . . and help reduce stress” encountered during the career transition (Schlossberg, 2011, p. 161). The principles of effectuation theory provide five high-level strategies for overcoming the uncertainties associated with African American women’s transitions to entrepreneurship. Through these women’s stories of triumph to become successful entrepreneurs, key strategies emerged that can be used to influence the career transitions of future aspiring African American women entrepreneurs.



**Figure 1.** General perspective(s) on effectuation principles and modifications for African American women

**Source(s):** Authors’ own work



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*Bird-in-hand principle.* The bird-in-hand principle of effectuation theory suggests that when transitioning to entrepreneurship, African American women can evaluate and leverage current personal resources and relationships as one success strategy. This principle was evident in the data as the study participants recounted examples of leveraging family members, personal bank accounts and existing professional connections to build their businesses. This strategy was particularly evident in the early days of the transition, before the women gained access to new resources following some maturation of their businesses. Several women provided context to the process of getting started as an entrepreneur and many of their stories proved that *family support* propelled their successful transition. For women in our study, family support included childcare or financial assistance from parents or spouses, which reinforces the idea that their business is a family affair; and engagement and support from family can bolster an African American woman's entrepreneurial success.

*Lemonade principle.* According to the lemonade principle of effectuation theory, African American women transitioning to entrepreneurship should plan for the unplanned and embrace uncertainties. This principle was exemplified by the women in this study, especially as some of them quit their previous jobs before developing a sound business plan for the entrepreneurship venture. Several of the women also experienced setbacks in the form of rejected loans and challenges with building and maintaining clientele for their business. To persist in the face of these challenges required business development strategies that were executable even with limited resources and available networks.

*Crazy quilt principle.* The crazy quilt principle of effectuation theory reinforces the importance of building new relationships with people who support the entrepreneurship efforts. In particular, African American women can benefit from developmental relationships with mentors and coaches who understand the unique challenges these women face in entrepreneurship. Many new entrepreneurs successfully find mentors through "networking events and joining relevant business associations to increase their chances of finding more experienced entrepreneurs who [could] serve as mentors" (Terjesen and Sullivan, 2011, p. 497). Mentors included other successful businesswomen or entrepreneurs who provided direction concerning business regulations and standard industry practices. All the women in our study were able to learn the informal rules of being an entrepreneur through existing business owners who openly shared their experience and wisdom. These African American women entrepreneurs also saw the importance of their role to become the future mentors for other budding entrepreneurs – just as someone did for each of them. Zoe specifically shared "don't keep it from anyone . . . there's enough out here for us all to benefit." Future aspiring minority women business owners should enlist mentors with more experience as successful entrepreneurs, as well as those within their profession for support through the career transition. The opportunity to learn lessons from those who went before will be invaluable and offer insights and best practices to help her in planning and executing the career transition to entrepreneurship.

*Pilot-in-the-plane principle.* The pilot-in-the-plane principle of effectuation theory supports the idea that African American women should focus on the things within their control and create their own opportunities for successful entrepreneurship. For many participants in our study, entrepreneurship created opportunities that organizational careers did not (Lewis *et al.*, 2015). This was especially true for women who were seeking entrepreneurship to establish better work-life balance. Role conflict was evident as each woman sought to navigate work and family obligations (Duberley and Carrigan, 2012; Lewis *et al.*, 2015). Specifically, family care responsibilities were a key consideration for many women as they were the primary caregiver or a single parent, and their prior career did not allow them the desired time with family. Again, by becoming the pilot of their plane, they were able to arrange their priorities and schedules to accommodate family time.

*Affordable loss principle.* Even as these women were incredibly brave to attempt entrepreneurship, the affordable loss principle was also evident in their stories. The affordable loss principle of effectuation theory suggests that as they transition to entrepreneurship, African American women will attempt to limit their risks by understanding and evaluating what could potentially be lost (e.g. personal loss, financial loss, relationship loss, etc.) during the transition. In general, the assessment of affordable loss for the women in this study was related to the need to continue feeding their families and paying for other essential personal bills during the transition. Even still, some of the participants decided to risk it all for the chance at entrepreneurship. The prevailing attitude was that taking risks was the necessary prerequisite to achieve their entrepreneurship goals.

*Theoretical implications.* This study provides vivid insights into the challenges African American women face when making a career transition to entrepreneurship and provides further support for prior studies related to minority and women entrepreneurs. While some difficulties encountered appear, on the surface, to be consistent across women entrepreneurs, our participants expressed how the African American women's experiences are different from other women. Accordingly, we find that effectuation theory does not adequately describe some aspects of the journey to entrepreneurship for African American women, particularly related to financial struggles and other discriminatory experiences (see [Figure 1](#)).

For example, in the case of African American women in this study, the bird-in-hand principle of effectuation theory does not account for the barriers faced in gaining access to financing. Findings from this study revealed that several of these women were socially and economically hampered at least once during their entrepreneurial experiences ([Neville et al., 2017](#)). Women entrepreneurs have historically launched their businesses with less startup capital and often choose businesses that require low investments up front ([Carter et al., 2015](#)). Although women, in general, experience challenges securing capital to open or expand a small business ([Bosse and Taylor, 2012](#)); some African American women in this study reported not even being invited into the lender's office to discuss a potential deal. Therefore, the majority (eight) of the African American women in this study struggled to secure adequate capital, which was consistent with prior findings that minority women have limited to no success obtaining bank funding ([Carter et al., 2015](#); [Hodges, 2012](#)). These discriminatory practices can create an uneven playing field as an African American woman launches her business and grows her entrepreneurial career.

Second, these African American women reported other discriminatory experiences related to pursuing new clients and forging business partnerships. Several of the women reported instances in which their abilities were underestimated seemingly because of their identity as an African American woman. They felt there was an extra burden on them to prove themselves worthy of clients beyond what was reasonable. In some cases, they also lacked the professional networks to draw upon for new clients and potential business partners. Due to these reported hardships, the crazy quilt principle of effectuation theory does not adequately encompass their experiences with attempting to build strategic relationships as a new entrepreneur.

There is, therefore, a need for additional theory-building related to African American women entrepreneurs' experiences. Theory development and extensions of existing theories should consider the potential discriminatory experiences that limit financial resources and strategic partnerships for African American women entrepreneurs. We also advocate for consideration of identities, particularly related to gender and race, as factors that contribute to entrepreneurial experiences.

*Practical implications.* This study has implications for mid-career minority women preparing for a career transition to entrepreneurship. The experiences uncovered through this study provide considerations for aspiring minority women business owners. Each of their circumstances will be unique, and these aspiring entrepreneurs can evaluate their

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individual situation and establish supports that will ease the career transition. A woman's assessment of existing transferrable skills will also provide visibility into areas where she should focus her skills, as well as areas to outsource or hire staff. Her self-awareness will serve her well and save her time in the early days of entrepreneurship. Future aspiring African American business owners should assess their current functional expertise and how it will enable the success of her business. Similarly, a self-assessment of areas of entrepreneurship in which she is less experienced will help her identify the needed support of experts to assist in those areas. Finally, a business coach can assist with business planning, self-assessment and accountability throughout the career transition.

As African American women often lack resources that are available to White counterparts (Smith-Hunter and Boyd, 2004), future African American women entrepreneurs should strategize and plan for potential resources and engage support systems in areas that are lacking to assist her through the career transition. Future aspiring African American women business owners should openly discuss the impact a career transition to entrepreneurship will have on the entire family, as well as enlist family and friends who can lend capital, support or expertise. She should also consider other alternative sources of capital like venture capitalists, targeted small business programs, business partnerships, and other personal resources like savings, investments or home equity as potential options.

The study also revealed opportunities for support interventions through the career transition. Implementing strategies to understand the individual (Cameron, 2009; Ng *et al.*, 2007) may serve as a catalyst in helping the woman identify what development she may be lacking (Greer, 2013) in the world of entrepreneurship. These skills may look different for each person (Ng *et al.*, 2007), but building a clear plan for her is essential as she navigates such a unique transition that involves home and work demands (Duberley and Carrigan, 2012). Situating African American women for success in their professional identity development requires clarity around who she is as a business owner (Duberley and Carrigan, 2012). Pursuing the necessary clarity can be placated by creating clear individualized career plans for women as they construct meaning concerning their desired new work environment. In doing so, these career development efforts can enable women with families to construct narratives about their new sense of purpose (Duberley and Carrigan, 2012). Assessment of individualized values (Ng *et al.*, 2007) provides greater understanding of what is needed for women to succeed in a new entrepreneurial role, including the need for support. Support can be difficult to secure, as establishing new relationships that would help them grow in a new endeavor like entrepreneurship are difficult to come by for African American women (Terjesen and Sullivan, 2011).

As noted in our study, one woman was able to seek out a small business seminar, while others were unsuccessful. Equipping individuals with access to resources such as minority-specific programs, seminars and financing options presents an opportunity to further enhance their career transitions to entrepreneurship. Ongoing evaluation of existing programs designed to support minority women would determine the causes of inconsistent success. Defining goals, and then measuring success and impact against those goals would reveal opportunities to redesign or expand programs to achieve desired outcomes.

*Societal implications.* Positioning African American women for success is paramount to the ongoing success of businesses and society at large; diverse career development experiences are organizational and societal concerns that may lead to better community outcomes (Shuck *et al.*, 2018). Minority-owned business can contribute substantially to the economic health of societies. For, example, African American-owned firms contributed \$141 billion to the United States economic output and are credited with 1.3 million jobs during 2020 (Minority Business Development Agency, 2023). However, in the same year, just 2.5% of all US entrepreneurial employer firms were owned by African Americans and just 37.2% of those were owned by African American women. By providing more pathways and resources

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for African American women to enter entrepreneurship, their economic impact on societies can continue to grow.

Diversifying entrepreneurship can also lead to a more inclusive society as many minority-owned businesses provide goods and services to diverse members of society. For example, 28.5% of African American-owned businesses are in healthcare and the social assistance sector (United States Census Bureau, 2021). In line with this statistic, three of the nine women interviewed in this current study owned healthcare or pharmacy related businesses. Notably, many African Americans have a deep-rooted distrust of the American healthcare system (Gamble, 1997). They have been intentionally harmed by the system and historically excluded from quality healthcare. However, with increasing numbers of African American-owned healthcare businesses, some of the distrust may be attenuated or reversed. Additionally, evidence shows that African Americans have better health outcomes when receiving care from African American healthcare professionals (e.g. Mahase, 2020; Torres, 2018). In this example, African American women who own businesses in healthcare can serve to improve societal inclusion and the health of a nation.

From a societal standpoint, supporting the career development of African American women entrepreneurs holds the promise of increasing economic and entrepreneurial participation of African American women for generations to come. As noted above this increased participation can contribute to an economically healthy and inclusive society. Future generations of African American women will have the benefit of seeing themselves represented as entrepreneurs throughout societal sectors, which can increase their own confidence that they may be able to also enter the entrepreneurial career path. Having African American women entrepreneurs as role models can help demonstrate the role of resilience and perseverance in entrepreneurship. The visibility of African American women in the media may also contribute to shattering stereotypes and building a new realization of what an entrepreneur looks like, which invites more creativity and innovation through diverse perspectives across societies.

#### *Limitations and future research*

The findings of this study are not without limitations. These stories were captured from African American women who all reside in the same region of the United States. Second, the short semi-structured interviews (less than one hour) did not allow sufficient time for the study participants to devote extended time for responding to each interview question. For example, occasionally participants would mention that they could not think of a good illustrative story to respond to an interview question.

This study explored the lived experiences of nine African American woman entrepreneurs. The career transitions of this demographic are understudied, so even smaller sample sizes can generate “a new, deep and nuanced understanding of previously unexplored phenomena” (Boddy, 2016, p. 428). The importance of these untold stories should not be undervalued. While this study begins the exploration of the entrepreneurial career transition of an understudied demographic, additional quantitative and qualitative studies are needed to generalize the findings. Increasing the sample size will increase the ability to identify the prevalence of the trends uncovered in this study. Our understanding of this phenomenon can be enriched through implementing research designs, like case studies, to explore the complexities involved in an African American woman’s entrepreneurial career transition, particularly in the areas where effectuation theory does not provide sufficient explanation. Future studies should explore questions like: Are there other existing entrepreneurial theories that can be used to fully explain the African American women’s entrepreneurial career transition? If existing theories do not exist, theory development is needed to fully explain this phenomenon and support continued growth for this demographic.

In addition, researchers should consider how have other entrepreneurs overcome the barriers unexplained by effectuation principles, and can these experiences be applied to the African American woman's experience. Further analysis of how these trends compare to the experience of White women and to White and minority men will also broaden application of strategies that may have proven successful for another group. Finally, an analysis of how these findings relate to minority women entrepreneurs of different business sizes or annual revenue may identify different interventions appropriate for the nature of the business.

This study delves into the career transitions of African American women entrepreneurs, revealing their experiences, barriers encountered and strategies used to overcome challenges. Despite the noted limitations, this research provides a platform to share their untold stories and reveals their unique experiences, which contributes to a more comprehensive understanding of their entrepreneurial journeys. Further exploration of this phenomenon is encouraged to gain a deeper understanding of the barriers faced by minority women entrepreneurs and identify additional strategies to bolster their success. Further, practitioners can leverage these insights to develop initiatives that empower and inspire minority women to pursue their entrepreneurial dreams.

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