

## New Support for Women-Owned Businesses, Survey Reflects Capital Concerns, and AI Raises Eyebrows



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Hey, everybody and welcome to another episode of Paycheck THRIVE Podcast Week in Review. My name is Gene Marks. Thank you so much for joining me. I've got three pieces of news to talk with you about today, so let's get right to it.

Last week, President Biden announced new federal support for small businesses owned by women. This is according to a report in the Associated Press.

The president spoke at the second annual Small Business Administration's Women Business Summit, where he touted the expansion of a nationwide network of women business centers that assist female entrepreneurs through training, mentoring, business development and financing opportunities. The expansion, which features 15 new sites, establishes 160 total locations across all 50 states at a cost of about \$70 million, according to the White House.

It emphasizes that women still face unique obstacles in the business world. Many of the senators are located at historically black colleges and universities and other minority-serving institutions. The move comes after a record ten and a half million applications to start new businesses were filed during the last two years. The White House was saying this is touting the president's investment in America policy.

The administration's focus on women was timed to coincide with Women's History Month and comes as administration data shows female entrepreneurs own as many as 12 million businesses nationwide, while accounting for nearly half of all new businesses launched in the United States in 2021.

If you are a female entrepreneur, guys, or (did I just say guys?) if you're a female entrepreneur or you're thinking of starting a business and you're a female — my wife recently did this just two years ago — reach out for help, talk to the federal government, see what the SBA has to offer. Google women business centers, there's a ton of resources out there and a bunch of money that's going into programs to help you specifically grow your business.

Our next item of news comes from the U.S. Chamber of Commerce.

There was a new survey that shows small businesses' growing concern about raising capital. Small business owners' perceptions of their access to capital have declined over the past five years, according to this latest survey that was conducted by the U.S. Chamber and the insurance company MetLife. About half of small business owners surveyed say their current access to capital or loans is good. That is slightly lower than in quarter two, 2022, and significantly lower than those who said their access was good in the second quarter of 2017.

The data also shows that compared to a year ago, more small business owners are turning to personal savings to fund their businesses. Larger small businesses report better access to capital, with nearly three in four small businesses with 2 to 500 employees saying they have good access compared to 55% of those with 5 to 19 employees and only 41% of those with fewer than five employees.

The data on access to capital comes as just one in five small business owners surveyed say they believe the U.S. economy is in good health, falling from 27% in the last quarter. The economy is definitely slowing down, guys, and I have to tell you, I wrote about this in *The Guardian* at the end of December, and I couldn't be more — I'd love you to read that article, because my point is (back in December was) that interest is going to have a big impact on small businesses in 2023.

We're already seeing it by surveys like this. Not only are interest costs going up significantly, but access to capital is being restricted and some of the bank failures that we've seen are indicative of that. So tighten your belts, talk to your banker, look for alternative sources of capital. Check out the State Small Business Credit Initiative. That might be your answer to getting capital if traditional bank lending does not work for you.

Finally, let's talk about ChatGPT, the open-source chatbot AI that's taking the world.

A group of prominent technologists, researchers, and other influencers last week called on ChatGPT maker OpenAI to hit the pause button on training its artificial tool. When I say training, that means teaching the artificial tool to learn more stuff. This was an online petition with over 1,100 public figures calling for a six-month moratorium on further enhancements to this leading artificial intelligence tool.

Top AI figures, including Elon Musk, Steve Wozniak, and Andrew Yang, have apparently signed an open letter calling for the six-month pause in developing AI systems more potent than GPT-4, which is the current version of the generative tool that first launched in November 2022. In the letter, authors assert that if the private company fails to stop training its AI beyond the current GPT-4 implementation, governments should force the issue:

"We call on all AI labs to immediately pause for at least six months the training of AI systems more powerful than GPT-4. This pause should be public and verifiable and include all key actors," according to the letter. "If such a pause cannot be enacted quickly, government should step in and institute a moratorium."

Sounds like scary stuff. I'm a big fan of AI, because I think it does increase productivity of our workers and profitability for our companies. But obviously it's got to be deployed in the right way and it may need some regulation. There are some top minds in the country, I mean, Elon Musk, Steve Wozniak? They seem kind of terrified by the potential downsides of an out-of-control AI. And that way, you know, for that reason alone, they're really pushing to, you know, to restrict it, maybe even to have governments regulate it as well.

It's going to be a big issue over the next couple of years as we balance the benefits of artificial intelligence with some of the potential catastrophic downsides to it, and it's definitely something that we want to keep an eye on.

So in recap, guys, the president and his administration are providing more money for female entrepreneurs. Go get it, girls. A new survey shows that small businesses are concerned about raising capital. Interest rates are having their effect not only on cost, but the availability of capital. And a bunch of AI experts, including Elon Musk and Steve Wozniak, are saying we got to put the brakes on this AI development before it gets too out of control. All of this stuff impacting your small business this week.

Hope this information helps you. If you've got more, you know, if you'd like to get advice or tips or if you would like to suggest guests for us in the future, please visit us at [payex.me/thrivetopics](https://payex.me/thrivetopics).

You have been listening to the Week in Review, a Paychex THRIVE podcast. My name is Gene Marks. Thanks so much for tuning in. We'll be back to you next week with some news that impacts your business. Thank you.

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