

Investing in the Power of Women

Progress Report on the
Goldman Sachs *10,000 Women* Initiative

Developed by Babson College



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10,000 Small Businesses

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Executive Summary

The *10,000 Women* initiative was launched in 2008 by the Goldman Sachs Foundation to educate women entrepreneurs in emerging economies. The initiative was designed specifically to provide a business education, access to mentors and networks, and links to capital for 10,000 underserved women operating small businesses. The founding objective was to spur economic growth and build stronger communities by opening doors for women whose financial and practical circumstances would otherwise prevent them from receiving a traditional business education. By the close of 2013, the initiative had enrolled its 10,000th woman.

BY 18 MONTHS AFTER
GRADUATION PARTICIPANTS
INCREASED REVENUES
BY AN AVERAGE OF
480%

In mid-2013, Babson College, in partnership with the Goldman Sachs Foundation, conducted the first ever analysis of the data that had been systematically gathered across cohorts and countries over the course of the initiative's first four years. This report presents the initial results of that analysis, looking at the impact of providing a business education, access to mentors and networking support to women entrepreneurs across a broad range of emerging market contexts. Even though research about women's venture creation and performance has increased significantly over the past few decades, less is known about the direct impact of management training and

education for women entrepreneurs, and, in particular, for women in emerging economies. The findings in this report support the idea that training and education for women entrepreneurs in the *10,000 Women* program positively affect emerging economies by increasing revenues and creating jobs, expanding women's contributions to their community and informing their leadership styles. The report also provides a foundation for better understanding the importance of context by describing program impact in three different countries—Brazil, China and Nigeria.

The findings in this report demonstrate that the *10,000 Women* initiative makes a difference in how women entrepreneurs grow their businesses, how they develop personally, and how they make a contribution to society. These conclusions were drawn from the analysis of detailed, 50-question surveys completed by more than 3,000 participants upon entering the program, and at regular intervals after their graduation. The data provide a detailed picture of how these women developed their own capabilities, and made important decisions to grow their businesses over time. They also give us a unique view of women's entrepreneurship, and the importance of educational intervention in providing support for women entrepreneurs in developing economies.

There are four key conclusions that we can draw based on our analysis of the data from Goldman Sachs Foundation's implementation of *10,000 Women* over the past five years.

The findings in this report support the idea that training and education for women entrepreneurs in the *10,000 Women* program positively affect emerging economies by increasing revenues and creating jobs, expanding women’s contributions to their communities, and informing their leadership styles.

1. Women can be exceptional entrepreneurs across a diverse array of country and cultural contexts

Women entrepreneurs participating in the *10,000 Women* program are exceptional in two main ways. First, women grew their businesses dramatically in terms of both revenues and employees. This high growth rate is contrary to findings from many other studies from around the world that show that women entrepreneurs tend to grow businesses more slowly and at lower rates. More impressively, many of these women operate businesses in highly competitive and traditionally female-dominated sectors such as handicrafts, retail and personal services, where high growth rates are less likely. Second, *10,000 Women* participants achieved business growth despite having lower levels of education and significantly higher levels of household responsibilities.¹ While 61% of the *10,000 Women* entrepreneurs have at least some university-level education, most do not have a bachelor’s degree and are managing households with an average of 3.7 members.

2. *10,000 Women* helps entrepreneurs grow their businesses and develop their business acumen

The business training and support provided by *10,000 Women* helps entrepreneurs to increase their revenues and hire more employees. By 18 months after graduation, 68.5% of the women increased revenues, and the average growth across all participants was 480.1%. Job creation was also significant, with the typical participant more than doubling the size of her workforce (see Table 2).

While identifying comparative statistics around the world is difficult, we can look at two of the countries featured in this report, Brazil and China. In the latest International Finance Corporation (IFC) Enterprise Surveys,² small businesses in Brazil reported real annual sales growth of 7.8% and employment growth of 8.0% and in China increases of 10.8% in sales and



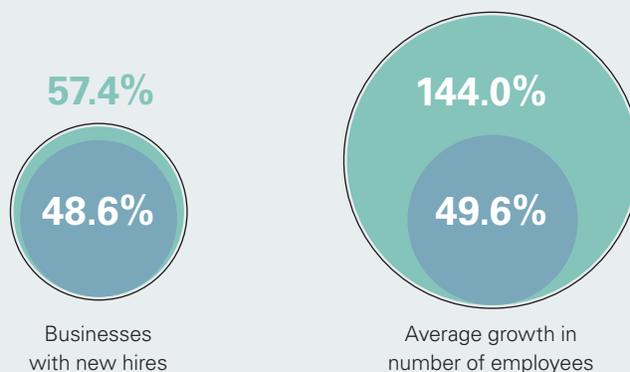
Varsha
Fashion Design, Hyderabad, India

Table 1

Positive Job Growth of Participants’ Businesses

%

- Baseline to 6 months
- Baseline to 18 months



1 Kelley D.K., Brush C.G., Greene P.G. & Litovsky Y., *The Global Entrepreneurship Monitor (GEM) Women’s Report* (2010), Wellesley, MA: Babson College, p. 22

2 IFC Enterprise Surveys, <http://www.enterprisesurveys.org/>

9.1% in employment. While these comparative examples are from just two countries, they do suggest the remarkable nature of the growth of *10,000 Women* participants' businesses.

In addition to dramatic improvements in business performance, the women's confidence in their leadership skills rose significantly as well. Within 18 months of completing the program, the percentage of participants who reported being confident or highly confident in making difficult decisions increased by 23%, in their selling and communication skills by 13%, and in their negotiation skills by 21%. This confidence enhances the ability of these women to make strategic decisions that ultimately result in revenue growth and job creation.

23% INCREASE IN THEIR CONFIDENCE IN MAKING DIFFICULT DECISIONS

21% INCREASE IN THEIR CONFIDENCE IN THEIR NEGOTIATION SKILLS

3. Mentoring, advising and networks are highly valued in the growth process

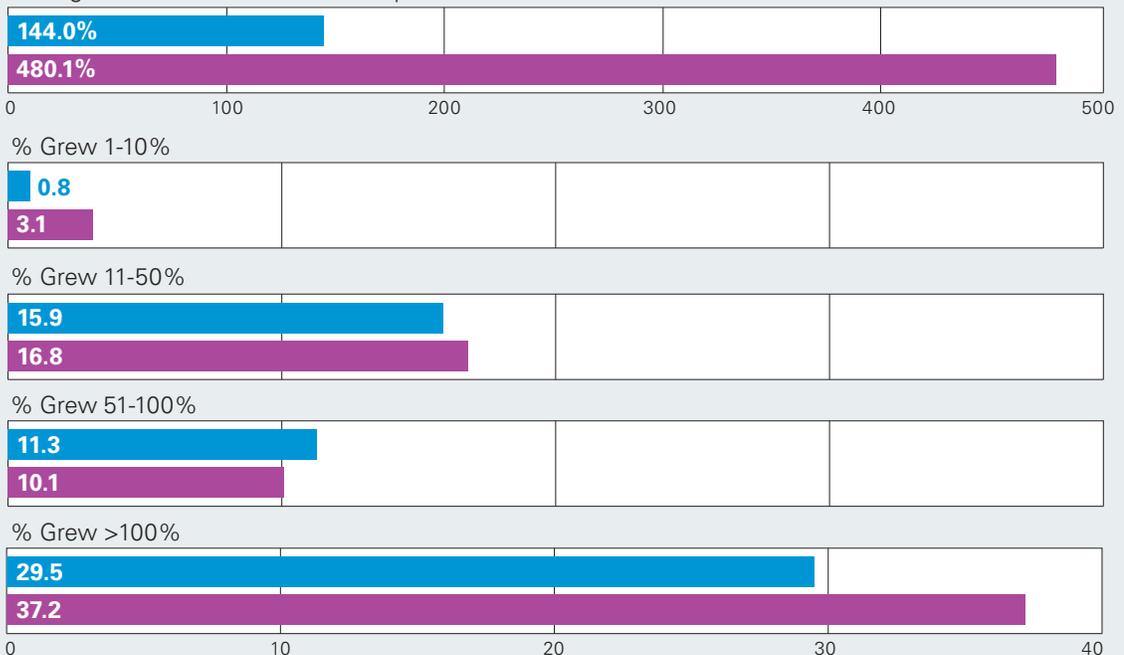
10,000 Women participants highly valued mentoring, advising and networks, and believed they led to business growth. Upon entering the program, only about half of the women had a mentor or business

Table 2

Growth Rates (Baseline to 18 months)

- Job growth
- Revenue growth

Average Growth Rate Across All Respondents



advisor, but after six months this number rose to nearly 75%. Some 89% of these women agreed or strongly agreed that having a mentor helped them grow their businesses. Networking with classmates, especially face-to-face, also had perceived benefits in terms of growth. Given that women's networks are most often smaller and less diverse than those of their male counterparts, *10,000 Women* provides a key resource for growth-oriented women entrepreneurs.³ Not only do the women graduates benefit from mentoring, 90% of them also “pay it forward” by mentoring and teaching skills to an average of eight other women in their communities.

4. Women entrepreneurs grow their businesses despite a lack of external financing

Women entrepreneurs completing the *10,000 Women* program report success in growing their businesses in terms of revenues and employees. However, this growth is financed largely through retained earnings and internal sources. Our analysis shows that growth-oriented women entrepreneurs need external capital but usually do not apply for it. Many women indicated that they didn't apply due to the challenges of navigating the application process or their perceptions of risk and the likelihood of success. Still others reported that loan terms or collateral requirements were unfavorable. Among those that applied for external funding, however, there was a very high likelihood of approval, demonstrating that female entrepreneurs like the *10,000 Women* graduates are creditworthy. While it is true that program participants have achieved growth thus far, this analysis begs the question of whether they could be more successful and grow even more if they had greater access to outside funding.

While this study shows that education in basic business practices, combined with mentoring and coaching, can have a significant impact on the business

“Since my graduation in January 2011, I have built an excellent research and development team, increased my revenue by 66%, increased my staff size by 18%, and increased my profitability by 40%.”



Xiaoyan
Lighting Manufacturing, Changshu, China

growth and leadership development of women entrepreneurs, it is also clear that there is more work to do. The success of the *10,000 Women* initiative suggests that this type of training, mentoring and networking support should be made available to larger populations of women entrepreneurs around the world. The significant improvement in leadership skills and confidence also implies that women-only programs are an effective means of developing female entrepreneurial talent.

As a result of their contributions to economies and communities, women entrepreneurs are exceptional role models for other women, and their success should be highlighted by the media, policy makers and political leaders in order to inspire the next generation of women business owners.

3 Kelley D.K., Brush C.G., Greene P.G. & Litovsky Y., *The Global Entrepreneurship Monitor (GEM) Women's Report* (2010), Wellesley, MA: Babson College, p. 9

Introduction

Women around the world have been starting businesses at staggering rates. Data from the *Global Entrepreneurship Monitor (GEM) 2012 Women's Report*⁴ shows that an estimated 126 million women were starting or running businesses in 67 economies across the globe. A predicted five million women owners in these economies plan to grow their businesses by at least six employees over the next five years. In many developing nations, these businesses are the sole means of support for poor families. At the same time, women's entrepreneurship rates differ around the world, as do their impact on job creation and innovation, and, globally, the start-up and growth rates of women entrepreneurs are lower than those of men. Generally, women entrepreneurs start their businesses out of necessity, needing the income to support their families, rather than to pursue a particular business opportunity. Women are also somewhat more likely to operate businesses as a single founder without employees.

126 MILLION WOMEN
STARTING OR RUNNING
BUSINESSES

IN **67** ECONOMIES
WORLDWIDE⁴

This is often due to challenges they face in accessing start-up capital, a lack of self-confidence in their entrepreneurial skills, and in some areas, broadly accepted societal attitudes towards women that limit their business opportunities. Consequently, women entrepreneurs are often slightly more reluctant to scale their businesses or to enter new and less tested markets. These factors raise the question, “Why support women entrepreneurs?”

The global gender gap between men's and women's rates of and approaches to entrepreneurship is problematic for economies that need all entrepreneurs to contribute to their growth and overall welfare. Entrepreneurship is increasingly recognized as a broad-based driver of economic growth and societal well-being. For women who are primary caregivers, entrepreneurship also offers a means to better support their families. While around the world efforts to advance women's entrepreneurship vary, training and business education are sometimes offered as a solution for closing this gender gap by directly supporting the growth of women-owned firms, particularly smaller emerging firms. In some countries, such as Taiwan, Korea and Chile, programs for women entrepreneurs are sponsored by national governments, and focus on helping women access financing. Ireland uses a different approach by matching female role models to early-stage entrepreneurs. These programs and others show that entrepreneurship education can increase women's self-confidence in their entrepreneurial ventures. However, these programs are generally quite small and highly regionalized with many variations across economies and cultures.⁵

More specifically, institutional and contextual factors such as laws, norms, regulations and religion as well as social networks, family roles and cultural expectations influence the ways in which women start and grow their ventures. These factors work at both the macro and micro level. From a macro perspective, developing countries tend to have larger gender gaps in terms of both economic equality and workforce participation levels.⁶ From a more micro point of view, women around the world tend to have less confidence in their capabilities to start and grow a business, but in those places where they do report being more confident, women are more likely to engage and succeed in entrepreneurship.⁷ Overall, some of these factors

4 Kelley D.J., Brush C.G., Greene P.G. & Litovsky Y., (2012) *Global Entrepreneurship Monitor 2012 Women's Report*, Wellesley, MA: Babson College

5 Wilson F., Kickul J. & Marlino D. (2007) *Gender, Entrepreneurial Self-Efficacy, and Entrepreneurial Career Intentions: Implications for Entrepreneurship Education*. *Entrepreneurship Theory and Practice*, 31(3): 387-406.

6 Schwab K. (2013) *The Global Gender Gap Report*, Davos, Switzerland: World Economic Forum. This study examined 136 countries using a variety of data sources.

7 Kelley D.J., Brush C.G., Greene P.G. & Litovsky Y., (2012) *Global Entrepreneurship Monitor 2012 Women's Report*, Wellesley, MA: Babson College

A 10,000 Women Graduate

Carla from Brazil

support while many others challenge women who wish to start or grow a business.

The wide variations around the world in these institutional, social and cultural factors present significant needs in developing a universal training program, one that takes into account contextual needs, while at the same time provides a set of widely applicable entrepreneurial business skills. Even though there may be differences in culture, social and regulatory environments across countries, the fact remains that there are general similarities in terms of the basic business education needs that women have, especially when it comes to growing ventures. More specifically, growth-oriented women need education in basic entrepreneurship and business practices, approaches to financing, leadership skills and growth strategies, as well as mentoring and advising support throughout their growth process.

The Goldman Sachs *10,000 Women* initiative is the first to address these needs with a global effort. Although it remains a challenge to deliver local, customized support, *10,000 Women* demonstrates that a standardized approach, coupled with local mentoring and networking assistance, can make a significant difference in helping women entrepreneurs grow their businesses. This report presents an analysis of the data collected over the first four years of the initiative, and suggests how and why support for women entrepreneurs can impact the trajectory of economies and whole societies. The analysis builds on the results of an independent assessment of *10,000 Women* in India, conducted by the International Center for Research on Women (ICRW), a leading institution in the field of women's empowerment. ICRW's analysis revealed significant improvements in business performance among the participants, and related multiplier effects on their communities. The women entrepreneurs attributed improved business practices and increased confidence to their participation in the program. Our analysis shows similar results not only in India, but across the portfolio of *10,000 Women* countries.



In 2011, Carla was running a small candle manufacturing business at home, with her mother, two full-time employees and some freelance workers. She admitted that nearly all of her decisions were made by “intuition” and “trial and error.” She applied to the *10,000 Women* program at Fundação Getulio Vargas because her “technical training in electronics did not help me to grow my business, and I had to count only on my intuition and goodwill. I applied to *10,000 Women* because I expected to learn how to grow and professionalize my company.”

During the program, she learned how to assess the health of her business more accurately, and how to better place her products in retail outlets to increase sales. She states her biggest learning was, “Operations. As I own a factory, I used many of the lessons learned to speed up the production line without creating bottlenecks.” In addition, she says, “Finances. I learned how to distinguish my finances and have proper accounting.”

Over the past two years, Carla's business has grown in both revenues and number of employees, “Now my partner and I employ 14 full-time people. The annual revenue has more than tripled.” In addition to the performance of the business, her leadership style and personal confidence as an entrepreneur grew as well. “My self-confidence and determination to achieve new goals increased.” Carla's husband Daniel provided a further vote of confidence in Carla's abilities by leaving his job in sales to join her in the business.

Overview of the Goldman Sachs *10,000 Women Initiative*



Saida
Corporate Cleaning Services, Cairo, Egypt

Launched in March 2008, *10,000 Women* is a five-year, \$100 million global initiative to foster greater economic growth in developing nations by providing 10,000 underserved women entrepreneurs with a business and management education, access to mentors and networks, and links to capital.⁸ The initiative is supported by Goldman Sachs' own research, entitled *Womenomics* and *Women Hold Up Half the Sky*, which shows that empowering women economically can boost GDP growth. While there are a variety of programs addressing training and financing needs of women in developing economies, the *10,000 Women* initiative was established to contribute to a unique space in international economic development —helping women to grow enterprises not in the micro sector, but in the Small and Medium Enterprise (SME) segment, where support for women has been lacking. This is the first such program that provides similar training and education across a variety of countries and cultures. It was created to meet the following objectives:

- educate 10,000 women
- focus on underserved women SME owners
- partner with local academic institutions to build capacity in the selected countries
- rigorously measure results

The Goldman Sachs Foundation identified specific emerging markets in which the initiative could best achieve its goal of spurring economic growth and job creation by connecting resources to those women entrepreneurs most in need of support. This resulted in the selection of fast-growing countries such as Brazil, India and China, as well as nations like Afghanistan and Liberia that are in an earlier stage of economic growth and development. In all cases, the selected countries had to meet at least three of the following criteria:

- Presence of a strong partner institution
- Recent improvement in the enabling environment for women entrepreneurs
- Economic development need
- Population size/scalability

With their local partners in each country, *10,000 Women* created certificate programs that provide an average of 180 hours of classroom instruction over a period ranging from five weeks to six months. Courses include marketing, accounting, business plan writing, strategic planning and e-commerce, among others. Each program trains local women whose financial and practical circumstances would normally prevent them from receiving a traditional business education. The participants receive a comprehensive package of business training and support that is tailored to the local context and typically includes mentoring, business advising and, in select countries, links to capital. The first *10,000 Women* partnership was launched at Pan Atlantic University in Nigeria and graduated its first cohort of 23 women entrepreneurs in September 2008. Five years later, the initiative has reached

⁸ While the Goldman Sachs *10,000 Women* program focuses on underserved women entrepreneurs, they are above subsistence level, and their businesses have growth potential.

The participants receive a comprehensive package of business training and support that is tailored to the local context and typically includes mentoring, business advising and, in select countries, links to capital.

Table 3

Hours in a Typical 10,000 Women Curriculum⁹



10,000 women in 43 countries through partnerships with 89 academic and nonprofit institutions.

Core Curriculum

Local academic partners were paired with leading global business schools to create the curricula for their respective programs and provide faculty exchange opportunities and training. Despite being developed separately, the resultant curricula are quite similar in content, although there is some allowance for the customization of delivery methods, the amount of time spent on certain topics, and the overall program length based on the country context (see Table 3).

The pairing of academic institutions to develop and deliver the curriculum was part of a larger institutional capacity-building effort that also extended to program monitoring and evaluation (M&E). Development of the M&E process was viewed as an opportunity to build a new generation of local experts who could implement measurement for continuous program improvement, as well as apply what they had learned to other local, mission-driven endeavors. To this end, the Foundation funded a full-time, dedicated representative at each location, referred to as an M&E Liaison, focused exclusively on coordinating data gathering and validation.



Gircilene
Corporate Catering, Belo Horizonte, Brazil

⁹ 10,000 Women Curriculum Task Force. 2011. Assessment of 10,000 Women Partner Curricula in Brush C. & Kelley D. (2012) "Curricular Assessment Summary Report Goldman Sachs 10,000 Women." Goldman Sachs. The total curriculum hours across sites ranges from 80-260.

Legacy of Institutional Capacity Building

“This program, for sure, has been instrumental in helping Fundação Dom Cabral (FDC) broaden its social mission. It was one of the reasons that motivated us to continue and expand it to other regions in Brazil and, maybe, elsewhere in Latin America.”

—Wagner Veloso, Dean, FDC

From the inception of the *10,000 Women* initiative, the Goldman Sachs Foundation recognized that partnerships would be key to its success. Over the course of five years, the Foundation built a network of 89 academic and nonprofit partners that enabled the initiative to reach women across a diverse set of economic and country contexts. Each partnership was viewed as an opportunity to not only deliver the program, but to also build the capacity of local institutions. It was the Foundation’s sincere hope that this approach would ensure a lasting legacy of increased educational opportunity for women entrepreneurs in each respective country. Three mechanisms were identified to further develop institutional capacity:

1. Faculty Training: More than 800 faculty members took part in efforts to improve the quality of entrepreneurship education for women business owners. These efforts included group training of the faculty, as well as co-teaching and faculty exchanges with leading global business schools.

2. Case Study Development: The Foundation funded the development of nearly 100 case studies, tailored to the local context and targeted specifically to the female entrepreneur, for use by academic partners in delivering the program.

3. Leadership Academies: *10,000 Women* hosted global Leadership Academies with the goal of convening individuals from academic, nonprofit, and economic development institutions. Program partners from around the world were given the opportunity to

hear from leading experts and share lessons learned in the course of delivering the program.

Apart from improvements in entrepreneurship content and pedagogy, many institutions found themselves transformed by the *10,000 Women* initiative in other, more fundamental ways. Fundação Dom Cabral (FDC), a program partner in Brazil, came to view *10,000 Women* as a key social development program. As Wagner Veloso, the Dean of FDC commented, “This program, for sure, has been instrumental in helping FDC broaden its social mission. It was one of the reasons that motivated us to continue and expand it to other regions in Brazil and, maybe, elsewhere in Latin America.” Yogavelli Nambiar, Director of the Enterprise Development Academy at the University of Pretoria Gordon Institute of Business Science in South Africa, echoed this same sentiment, “It (*10,000 Women*) certainly has demonstrated for us the socioeconomic impact that can be achieved working with women business owners specifically. It has also enabled us to build the expertise and capacity to continue this through our work in the newly-formed Enterprise Development Academy.” Other partners indicated that the program had helped them discover women entrepreneurs as a new segment that was increasingly demanding business education. This was especially true at Nigeria’s Pan Atlantic University (PAU), where, “The Goldman Sachs *10,000 Women* initiative has deepened our capacity to deliver gender-focused programs and provided us with the track record to take on additional projects aimed at empowering women across Nigeria,” according to Peter Bamkole, Director of PAU’s Enterprise Development Center. It is encouraging to note that many *10,000 Women* partners plan to continue educating women entrepreneurs even after the Foundation has reached its goal. So central to the identity of these institutions has the education of women entrepreneurs become that they will continue this work with or without the financial support of the Goldman Sachs Foundation.

Who Are the 10,000 Women Entrepreneurs?

Entrepreneur Profile

The *10,000 Women* represent more than 40 nationalities. The majority of participants graduated from core programs managed directly by the Goldman Sachs Foundation in 15 countries (see Table 4). In addition, a small minority graduated from partner programs created for the express purpose of bringing *10,000 Women* to a broader audience. These partnerships included the U.S. Department of State Global Cohorts Program, Room to Read and Camfed International, among others.

The profile of the *10,000 Women* graduate is characterized by her education, marital status, household size and age. Although there are many differences among the participants, considering the averages within the program provides a starting point for understanding the typical woman business owner. Most (61.2%) had at least some tertiary education, but did not possess a

college degree. Participants from Egypt and Nigeria tended to be more highly educated (93.1% and 90.2% respectively, with at least some college), while less than 25% of the women in Rwanda and Kenya had any college education.

Most participants are between 35 and 45 years old and married (63%). They manage households averaging 3.7 people and also support an average of 1.9 dependents outside their household (see Table 5).

Business Profile

The *10,000 Women* participants had an average of five years of experience in business ownership across 15 different industries. The highest percentage of women were engaged in “other services,” which included education/training, lessons, home services and personal services (23.7%). Other top industries were food and beverage with 12.0%, and textiles and clothing with

Table 4

Expected Number of 10,000 Women Graduates from the 15 Core Programs through 2014

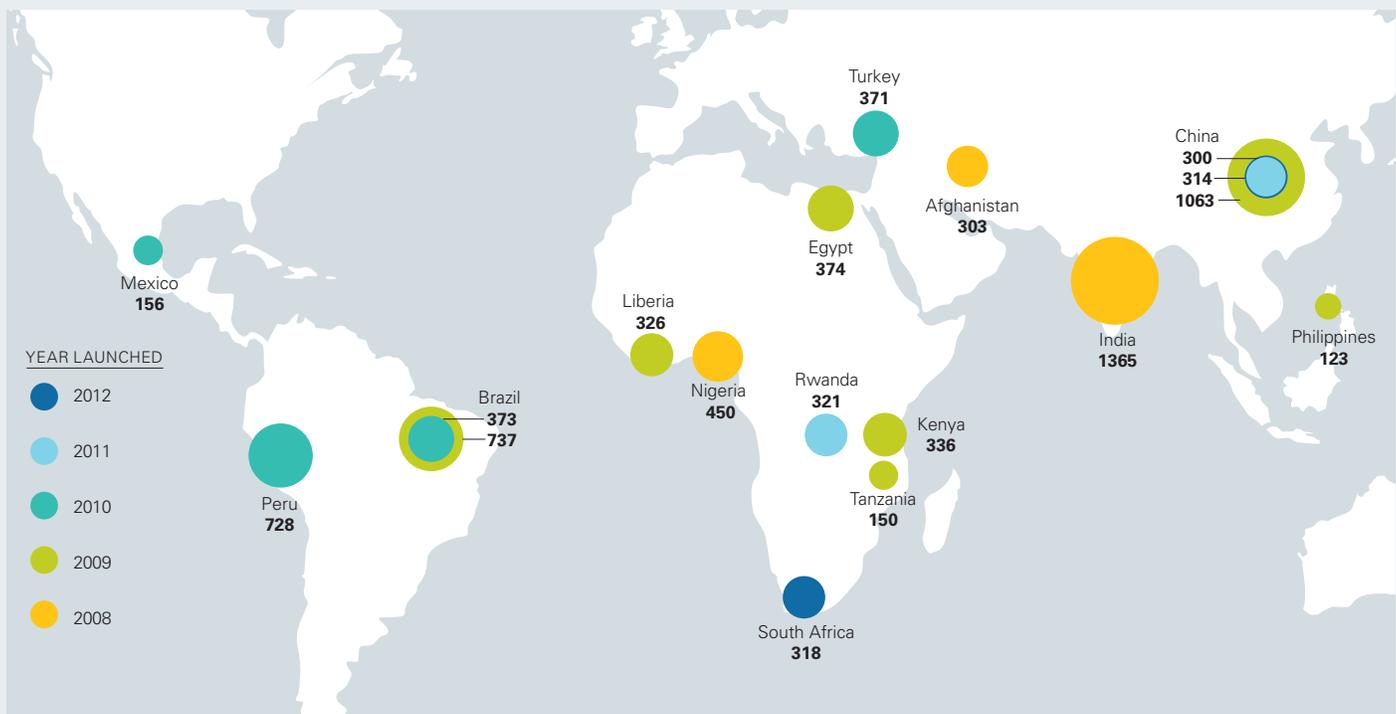
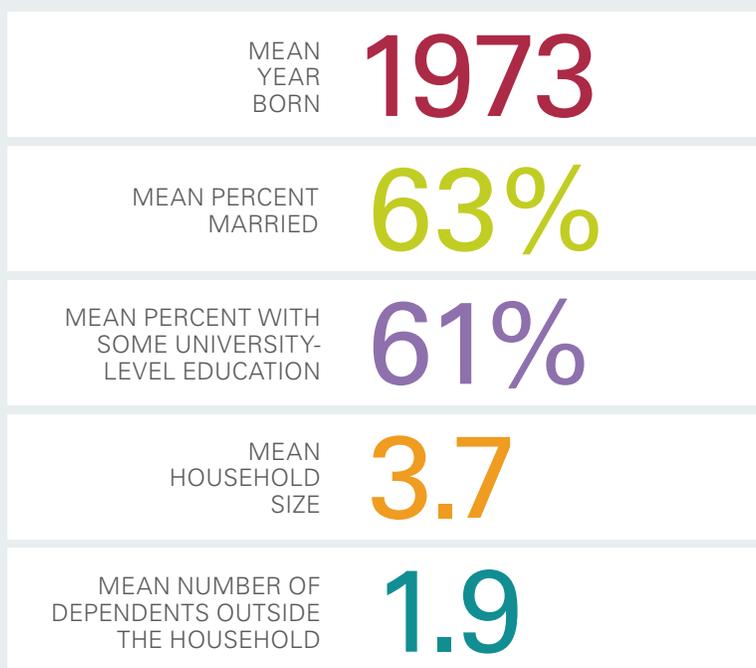


Table 5

10,000 Women Participant Profile

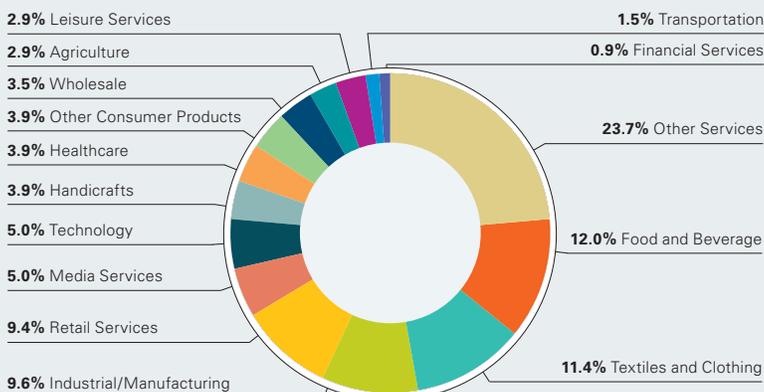


11.4%. Together, these three industries represent 45.0% of program participants. Not surprisingly, there was wide variation by country. For instance, India (25.5%), South Africa (27.1%), Rwanda and Peru (26.5% and 24.1%) had higher than average numbers of women in other services, while in Mexico 21.6% of participants were involved in textiles and clothing. Egypt (14.1%) and Brazil (14.3%) had high proportions of women in food and beverage businesses while Peru (10.1%), and Rwanda (10.8%) had high percentages in retail. South Africa had the highest percentage of women in manufacturing (21.8%), followed by Rwanda (15.7%) and Turkey (11.6%) (see Table 6).

Participants with at least some college were more likely to run businesses in media services, technology and “other services.” On the other hand, woman without some college were more likely to run businesses in textiles and clothing, retail services and manufacturing. Consistent with other studies, the 10,000 Women data show that the women business owners with less education are more likely to own a business in the more highly competitive consumer services or retail industries, which generally have lower start-up costs and are much more competitive.¹⁰

Table 6

Industry Participation of 10,000 Women Entrepreneurs



At the beginning of the program, women entrepreneurs were asked about the size of their businesses both in terms of number of employees and revenues.¹¹ The overall average sales were \$150,122, but the range of sales was quite broad, from under \$12,000 to more than \$2 million. Chinese women business owners averaged the highest level of revenues at \$525,413, while the businesses owned by Liberian women were the smallest. As with sales, the number of employees ranged widely from under 5 to more than 1,100, with an average of 12.4 employees at entry into the program. The businesses in Liberia were the smallest (average 5.4) while those in China were the largest (average of 27.9). The averages show that the women selected to participate in the program already operated active businesses with significant track records of revenue and employment in their local economies.

¹⁰ Dun&Bradstreet, *Country Risk Global Report*, http://www.dnbcountryrisk.com/FreeSamples/ICI/ICI_06.12.pdf

¹¹ Respondents provided information on their businesses' last calendar year revenues in their local currencies. These figures were converted into dollars by using the average of the January 1 and December 31 exchange rates for the year of the baseline.

What Are the Outcomes of the 10,000 Women Initiative?

Our analysis of the existing data set revealed three key outcomes—revenue and job growth, personal leadership development and creation of value for the local community.

Revenue and Job Growth

One of the most impressive outcomes from the initiative is the strong business growth reported by the women. Within six months after graduation, 71.8% of participants increased their revenues, while 68.5% continued to grow after 18 months. Similarly, the *10,000 Women* program also has a strong impact on employment growth, in that 48.6% of the women hired new employees six months after graduation. By 18 months, 57.4% had added jobs.

The rate of growth was also striking. By six months, the business owners had added an average of 1.9 employees, and by 18 months, that number had grown to 3.6 employees. Similarly, the average revenue growth after six months was 178.6%, and at 18 months, this number skyrocketed to 480.1%. It is important to note that most of these businesses were generally quite small at baseline in terms of revenues and employees, which in part explains the high percentage rates of growth. Nevertheless, the fact that more than 35 percent of the participants experienced growth of more than 100% in revenues and added an average of nearly four employees within 18 months of graduating from *10,000 Women* is a testament to the new skills and practices gained by these women.

Observing jobs and revenue growth in the one-year period between the six- and 18-month surveys shows significant growth in the participants' businesses. Moreover, it allows us to more easily compare the results with other data sets that track growth on an annual basis. To provide a benchmark, we have included the IFC Enterprise Survey data showing real annual sales growth and annual employment growth in each respective country for the most recent period available in the database (*see Table 7*).



Table 7

Comparison of 10,000 Women Business Performance With IFC Enterprise Survey Data¹²

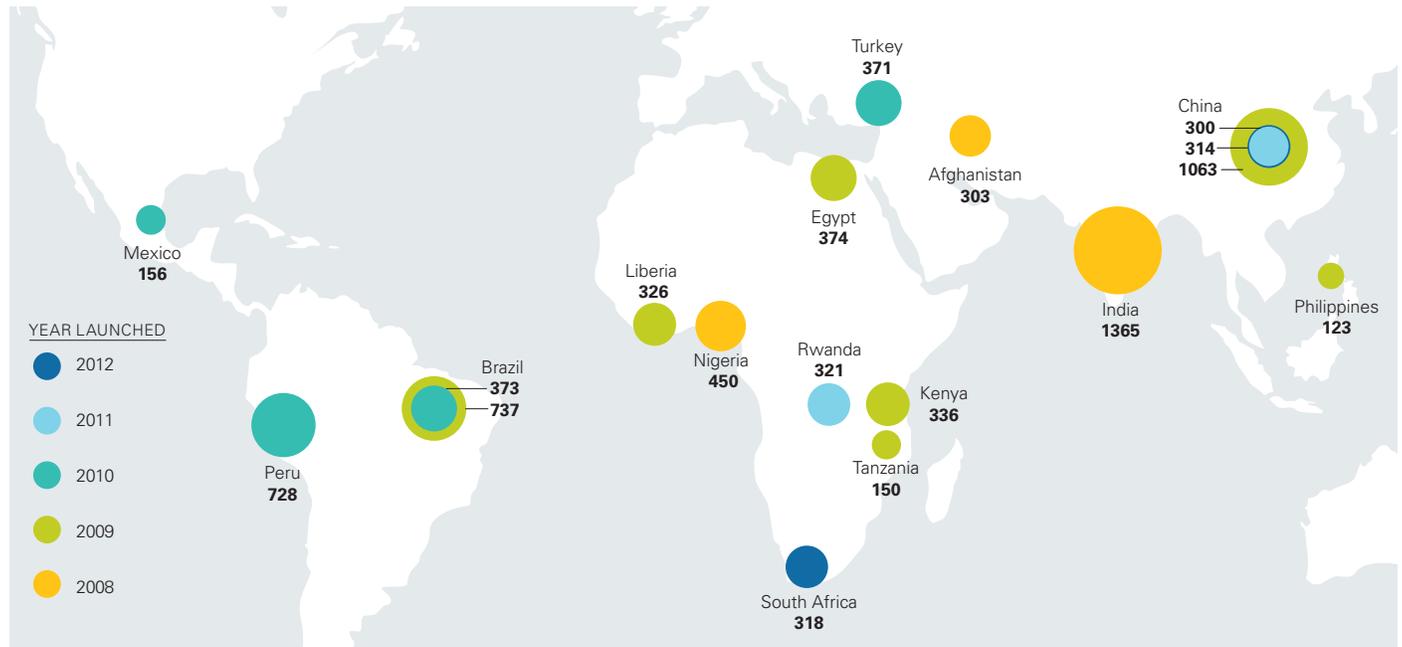
% Growth from 6 to 18 months

Country	Revenue		Employment	
	Average Revenue Growth <i>10,000 Women</i>	IFC Enterprise Survey Real Annual Sales Growth	Average Job Growth <i>10,000 Women</i>	IFC Enterprise Survey Annual Employment Growth
Brazil	72.1	7.8	23.8	8.0
China	140.9	10.8	25.3	9.1
Egypt	163.4	n/a	34.6	n/a
India	37.4	n/a	23.2	n/a
Kenya	30.1	13.1	25.9	10.5
Liberia	32.6	n/a	14.8	9.1
Nigeria	365.7	11.5	229.7	10.7
Peru	32.5	8.2	11.0	9.3
Turkey	102.0	13.3	15.9	6.5

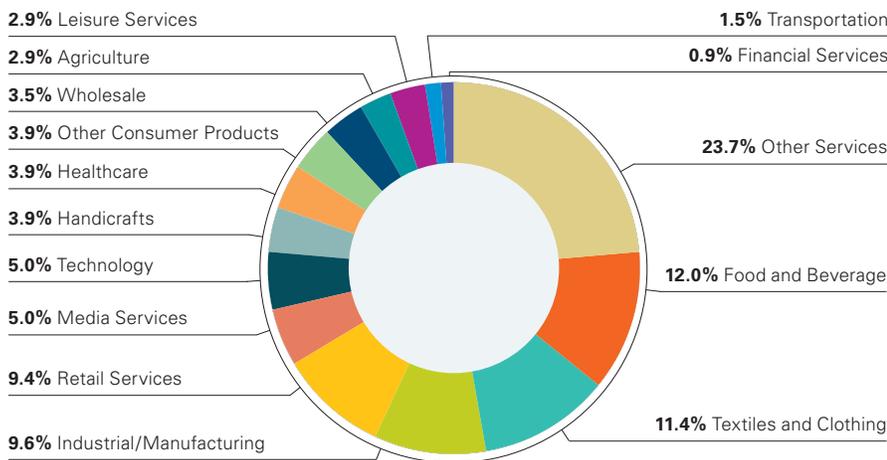
¹² IFC Enterprise Surveys, <http://www.enterprisesurveys.org/>

About the 10,000 Women Program

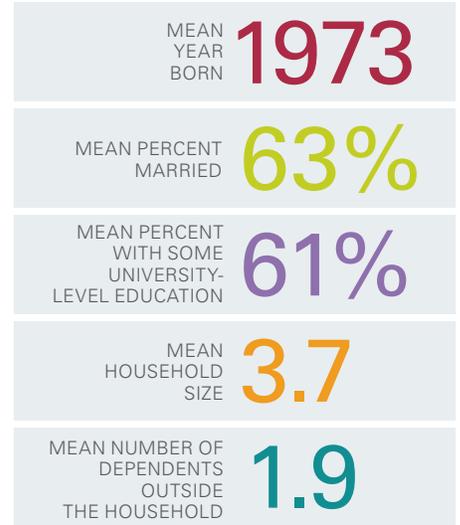
Expected Number of 10,000 Women Graduates from the 15 Core Programs through 2014



Industry Participation of 10,000 Women Entrepreneurs



10,000 Women Participant Profile



Hours in a Typical 10,000 Women Curriculum¹³



¹³ 10,000 Women Curriculum Task Force. 2011. Assessment of 10,000 Women Partner Curricula in Brush C. & Kelley D. (2012) "Curricular Assessment Summary Report Goldman Sachs 10,000 Women." Goldman Sachs. The total curriculum hours across sites ranges from 80-260.

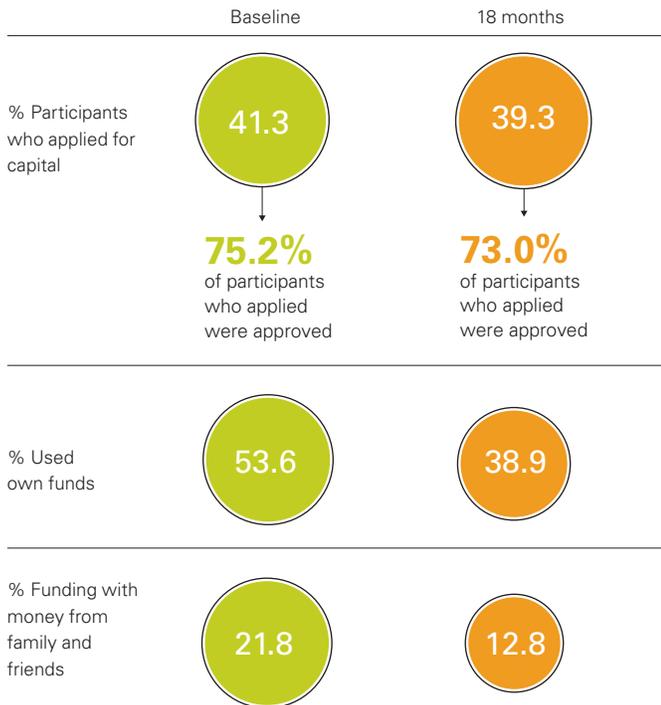
Program Impact

69% OF PARTICIPANTS INCREASED REVENUE 18 MONTHS AFTER GRADUATING

58% OF PARTICIPANTS ADDED NEW JOBS 18 MONTHS AFTER GRADUATING

90% OF PARTICIPANTS PAY IT FORWARD BY MENTORING OTHER WOMEN

Financing Growth

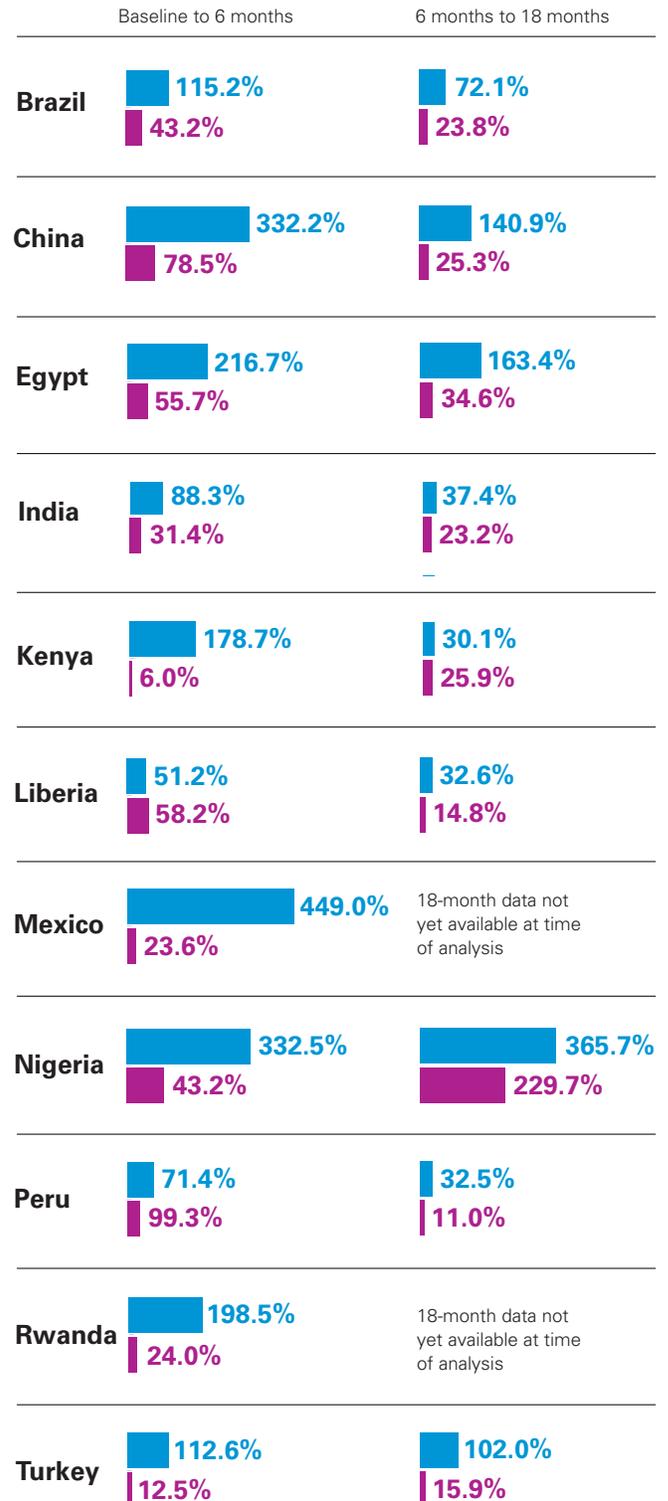


MORE THAN 20% OF PARTICIPANTS REPORTED THAT THEY HAD BECOME LEADERS IN COMMUNITY GROUPS, ASSOCIATIONS AND RELIGIOUS GROUPS AFTER GRADUATION

Summary of Average Revenue and Employee Growth¹⁴

% Growth from Baseline to 6 months and 6 to 18 months

- Revenue Growth
- Job Growth

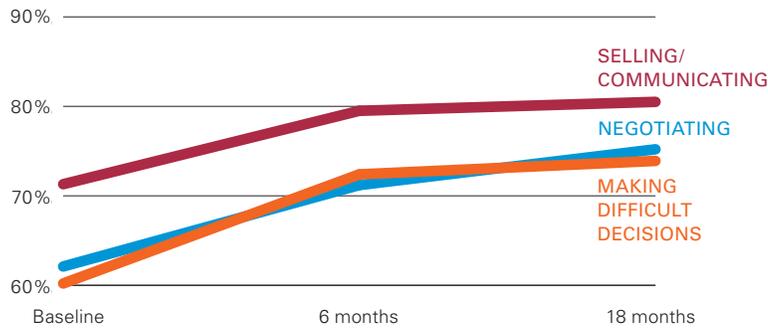


¹⁴ Countries with fewer than 10 observations were excluded.

Skills Development

Confidence in Selling, Negotiation and Making Difficult Decisions Over Time

% Confident or Highly Confident at Baseline, 6 months and 18 months



23%

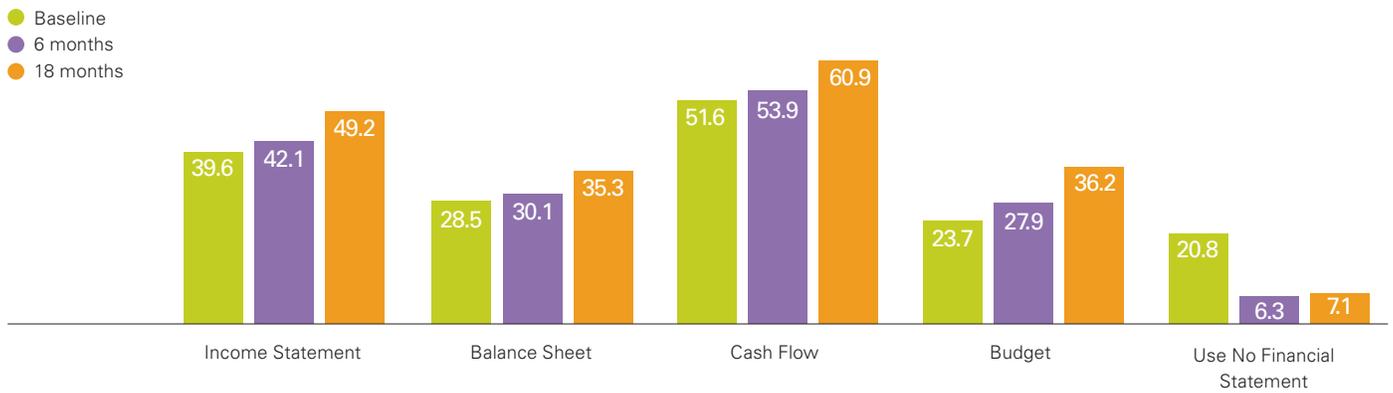
INCREASE IN THEIR CONFIDENCE IN MAKING DIFFICULT DECISIONS

21%

INCREASE IN THEIR CONFIDENCE IN THEIR NEGOTIATION SKILLS

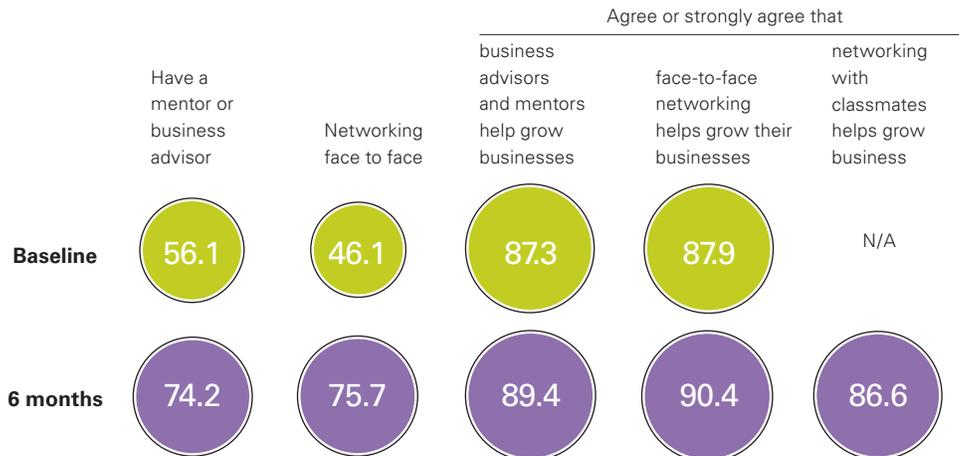
Greater Understanding and Fluency with Financial Statements by Women in the Program

Type of Statement, % at Baseline, 6 months and 18 months



Receiving Mentoring, Advising and Networking – a Major Area of Change for Women in the Program

% at Baseline and 6 months



AFTER COMPLETION OF THE PROGRAM
3X MORE WOMEN
 HAVE AN UP-TO-DATE BUSINESS PLAN

87%

REPORT THAT NETWORKING WITH CLASSMATES HELPED GROW THEIR BUSINESS

Methodology and Data Collection Process

10,000 Women is built on a robust platform of monitoring and evaluation (M&E) to facilitate continuous program learning and improvement, provide evidence of impact, and promote accountability and transparency. This report was produced by Babson College, ranked by *U.S. News and World Report* as the number-one undergraduate and graduate business school in entrepreneurship for, respectively, 17 and 20 years continuously.* Babson College faculty analyzed M&E data collected in a series of surveys issued to *10,000 Women* participants.

The surveys used in this project were developed with assistance from The Bridgespan Group in 2008-2010, and early versions of the survey were piloted by program partners around the globe. Experts from Acumen, the Center for Global Development, Technoserve and the International Center for Research on Women (ICRW) also participated in the survey development process. After a successful pilot, a complete M&E process was put in place including policies, surveys, templates and tools for use by both program partners and participants.

The program participants respond to standardized surveys when they enter the program (the “baseline” survey), and at approximately six, 18 and 30 months after their graduation. The surveys track a variety of metrics over time, including business performance, business practices, community engagement, decision making and access to resources such as mentoring and advising. This initial report features findings from the data gathered at baseline, six and 18 months. To facilitate survey completion and promote data accuracy, *10,000 Women* program partners hired and trained local personnel, referred to as M&E Liaisons, to manage the administration of participant surveys. These liaisons were trained in a three-day, in-person workshop focused exclusively on measurement. This not only benefited the collection of data from *10,000 Women* participants, but also helped develop much-needed local expertise in measuring the impacts of other mission-driven development efforts.

The program designated a senior faculty member at each partner, referred to as an Academic Director, with overall responsibility for implementation. Directors oversaw the M&E process, insuring that the liaisons accurately collected and sufficiently validated the data.

Given the varied economic circumstances across *10,000 Women* sites, there is a diversity of survey administration methods including phone, email and in-person facilitation, after which the liaison would enter all data into an online system.

To ensure the accuracy of key data points collected from participants, randomized data validation is performed by the liaison after each survey is administered. This also helps to make certain that the reported results reflect the true changes for participants and their businesses, and confirms participants’ understanding of their business performance. Validation is conducted on key data points such as revenues and number and type of employees. The validation process utilizes multiple sources of information available from participants including their applications to the program, their surveys and their financial documents. Thirty percent of the surveys are validated via a site visit to the participant’s business, with the remainder validated over the phone. While the validation process cannot ensure 100% accuracy of all program data, it does help to provide a higher level of data reliability.

This report includes the analysis of over 100 cohorts from eleven program countries representing more than 3,000 women entrepreneurs. The analysis focuses on survey questions related to the development of the entrepreneur, her business and her engagement in the community. Future reports may evaluate responses to other survey questions. Baseline and 6-month survey data were available from all countries. However, two countries, Mexico and Rwanda, had not yet reported 18-month data at the time of the analysis. Data collection is ongoing, allowing for the incorporation of additional surveys into future reports. As the below table shows, response rates were high relative to comparable training programs in emerging markets.

	BASELINE	6-MONTH	18-MONTH
NUMBER OF COHORTS	107	80	40
NUMBER OF RESPONSES	3,718	2,053	789
NUMBER OF POSSIBLE RESPONSES	4,069	2,672	1,370
RESPONSE RATE %	91%	77%	58%

* *U.S. News*. Entrepreneurship Rankings. Retrieved on September 24, 2013 from <http://colleges.usnews.rankingsandreviews.com/best-colleges/rankings/business-entrepreneurship> and <http://grad-schools.usnews.rankingsandreviews.com/best-graduate-schools/top-business-schools/entrepreneurshiprankings?int=9baa7cac>

Influences on Growth

Business growth is often strongly influenced by industry factors. Program participants in technology and leisure services grew the most in terms of both revenue and employment. Within the first six months, more than 75% of businesses in these sectors grew revenues. Those in technology added an average of 9.8 jobs, while those in leisure services added one employee. At 18 months, those in transportation and other consumer products were most likely to grow revenues, while those in other consumer products and retail were most likely to grow employment, adding an average of 11.4 and 3.2 employees, respectively.

The relationship between the education level of the women business owners and their rate of business growth is worth noting. Six months after graduation, there is no difference in their business growth by level of education. However, at 18 months those women with no college education had grown employment by 73.5%, while those women with some college grew by an aggressive 185.9%.

The program's so-called wraparound services were highly valued by the participants and perceived as contributing to their growth. These services included mentoring, business advising and networking opportunities. Only 56% of participants had a business advisor or mentor when they entered the program. By six months, this figure rises to 74%, of which 79% report that their mentor or business advisor was provided by *10,000 Women*. These relationships were highly valued by the women, with 89% responding that their mentor or advisor helped them grow their businesses. It is clear then that this type of intervention should be part of any future efforts to support women entrepreneurs.

Formal networking is another major area of change for women in the program. At baseline, only 46% reported participating in formal networking activities. This figure grew by almost 30 percentage points by six months after graduation. Most of the *10,000 Women* agreed or strongly agreed that networking helped grow their business. Nearly 90% reported that their growth was supported by networking with classmates, demonstrating the power of the bonds formed by the women's experience in the program (see Table 8).

Table 8

Receiving Mentoring, Advising and Networking – a Major Area of Change for Women in the Program

% at Baseline and 6 months



“10,000 Women helped me change my finance practices, track sales and inventory better, and strengthen my negotiation skills. Along with classmates from the 10,000 Women program, I founded an organization that promotes volunteerism in disadvantaged local communities.”

Personal Leadership Development

For entrepreneurs to move from start-up to growth, they need to begin to think of themselves as leaders. Following the completion of the program, we see a significant rise in the development of the women’s leadership skills. Participants were asked about their confidence in decision-making, negotiation and selling over the course of the program. Confidence in such skills is essential for business growth as it supports outreach to new partners, the hiring of new employees and acquiring other necessary resources. At baseline, 60.1% of participants rated their confidence in their decision-making abilities as effective or highly effective. Six months after graduation, this number had risen to 72.4%, and by 18 months it was 73.8%. This rise of more than 20% suggests that the attention to leadership development and practical business skill education makes a recognizable difference to the women participants. Confidence in decision-making varied slightly by country, but for the most part there were increases at each of the measurement points (see Table 9).

Most women consider themselves to be effective sellers. At the start of the program, 71.2% of participants were confident or highly confident in their selling and communicating skills, and this rose to 79.4% within six months. At 18 months, 80.5% considered themselves effective or highly effective. While these increases are seen across nearly all the countries, there is some variation, ranging from 66% in China to 96% in Liberia.

In negotiating with customers and suppliers, 62% of participants rated themselves effective or highly effective at baseline. This rose by nine points over six months, and continued to rise to 75% at 18 months, representing an increase of more than 20%. Country comparisons indicate that cultural factors may be at play here. In China for example, although women

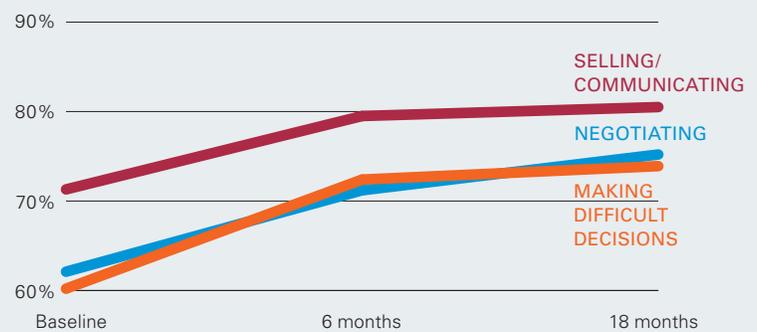


Divya
Printing, Hyderabad, India

Table 9

Confidence in Selling, Negotiation and Making Difficult Decisions Over Time

% Confident or Highly Confident at Baseline, 6 months and 18 months



participants experienced some of the highest rates of growth, they reported the lowest levels of confidence in negotiations (59% at baseline). Other research has shown Chinese women are less likely than their male

10,000 Women—A Look Across Three Continents

As developing countries on three different continents, Brazil, China and Nigeria provide a view of how the program operates similarly across different contexts.

Participants reported strong revenue and job growth in all three countries, but there were significant differences in behavioral changes and business practices. In Brazil, less than half of the women reported being confident or highly confident in their ability to make difficult decisions before they started *10,000 Women*. By six and 18 months following their graduation, however, this figure had increased to over 65%. Only 5% of participants had an operational business plan at baseline. Six months later, remarkably, 60% of the Brazilian graduates reported having an up-to-date business plan that they used in their daily operations.

For business performance, the changes are even more remarkable. By six months, 81% of the women participants from Brazil experienced revenue growth, and more than half had hired new employees. At 18 months, 72% continued to report revenue growth, and 61% had added jobs (*see Table 10*).

Similar to Brazilian graduates, Chinese women showed significant improvement in creation and use of a business plan. While only 26% of participants in China reported having an operational business plan at the

baseline, six months later, 51% reported having an up-to-date business plan that they used in their daily operations. Interestingly, for Chinese women graduates, the percentage of family members who “very much” believe they can be a successful businesswoman decreases from the baseline to both 6 months and 18 months after graduation. Percentages drop from 37% to 25%, whereas in Brazil and Nigeria, not only are these numbers higher at the baseline, at 64% and 72% respectively, but they also remain steady over time, with 67% and 89% reporting high confidence at 18 months.

While the perception of family support may be lower, this has not impacted business performance following graduation from the *10,000 Women* program in China. Six months after graduation, 70% of Chinese participants grew their revenues and, by 18 months, 80% reported revenue growth. Similarly, for employment, six months after graduating, 55% hired more employees and 73% reported hiring more employees after 18 months.

Much like the Brazilian women graduates, those in Nigeria responded with notable increases in effective decision-making—from 65% in the baseline survey to 85% at 6 months and 93% at 18 months. The use of operational business plans in Nigeria increased considerably, as it did in Brazil and China, from

continued from page 19

counterparts to see opportunities, or believe they have the capabilities to start a business. They also rank lower on these dimensions than women from most other regions of the world. More research is required to understand the impact of culture on confidence of women entrepreneurs.

Value for the Local Community

A final key outcome for the women participants is their commitment to the local community and a strong sense of giving back to other women entrepreneurs. Most women reported “paying it forward” by mentoring and teaching skills to an average of eight other women. The fact that 90% of participants are mentoring and advising eight others is most impressive, and suggests that the participants in this survey

Table 10

Personal Development and Business Growth in Brazil, China and Nigeria



just 20% at baseline, to just over 47% at six and 18 months. Nigerian graduates also significantly improved their business performance. Six months after graduation, 70% of participants reported revenue

growth, followed by 57% at 18 months. For employment, 52% have hired more employees at six months, increasing to 70% at 18 months.

have touched more than 20,000 additional women entrepreneurs.

And finally, we see the *10,000 Women* giving back through their own civic engagement. More than 20% of participants reported that they had become leaders in community groups, associations, and religious groups after graduation.

Nearly 90% reported that their growth was supported by networking with classmates, demonstrating the power of the bonds formed by the women's experience in the program.

A 10,000 Women Graduate

Linlin from China



“I started a *10,000 Women* Alumni Club in Beijing. Through this platform, we organize events for fellow classmates. Together we share both professional and personal challenges and solutions and become the best supporting force for each other as women entrepreneurs.”

Linlin graduated from the *10,000 Women* program at Beijing’s Tsinghua University. She operates day care centers and kindergartens that provide educational services to children from 0-6 years of age. She applied to the program to learn how to overcome challenges in financial planning and quality control. After graduation, she has “improved my overall management skills and expertise,” and the program “gave me the knowledge and confidence that I needed to apply for a bank loan.”

Linlin’s workforce has grown to more than 100, from just four employees in 2011. Her relationships with more than 300 clients have allowed her to more than triple her revenues. She also started a *10,000 Women* alumni club in Beijing. Through this platform, she organizes events for fellow classmates where they can “share both professional and personal challenges and solutions and become the best supporting force for each other as women entrepreneurs.”

Since graduation, her future goals have changed as well. She credits the program with making her more “brave and confident.” Her short-term goal is “to open another 10 directly-managed community day care centers in Beijing and in five other cities through coinvestment.” Longer term she wants to open an additional 50 centers of her own, and another 50 coinvested community day care centers and kindergartens in Beijing and beyond. With the boost she received from the program, Linlin’s ambitions know no bounds. Eventually, she says, “I hope to become a leader in preschool education in both commercial operations and academic research.”

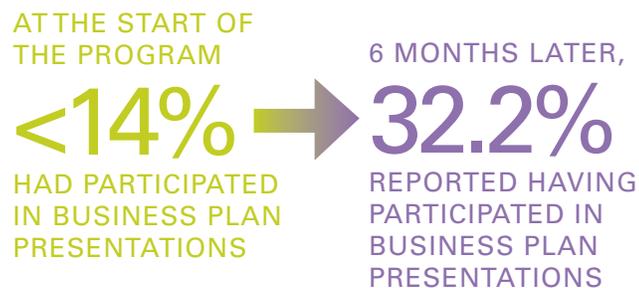
How Do the 10,000 Women Entrepreneurs Develop Business Practices for Growth?

There are a variety of key business practices that can support business growth. For *10,000 Women*, these included the use of a business plan, the ability to pitch that plan and general marketing and financial management practices.

Business Plans

At the start of the program, most participants did not have a written business plan (69.1%), and only 17.2% had an up-to-date business plan that guided their daily work. The usage of business plans varied considerably by country at baseline. For example, in Turkey, 27.2% had a current business plan compared with 5.2% in Brazil. Not only do business plans guide daily decision-making in the business, they also play a role in securing external debt and equity financing. It is critical to note that the percentage of women with up-to-date operational business plans more than tripled to 56.8% within six months after graduation.

There are similar findings for business plan presentations, which can be an important factor in obtaining external financing. At the beginning of the program, less than 14% of graduates had participated in business plan presentations over the prior 12 months. Of those that did, 89.4% agreed or strongly agreed that doing so helped grow their business. At six months, the participation rate in such events more than doubled to 32.2% of graduates, and of these, 83.7% presented in at least one such event organized by *10,000 Women*. Over 40% participated in business plan presentations (organized not only by *10,000 Women* but other institutions as well), which means that many women are seeking and finding similar opportunities outside of the program. Of those that had participated in any business plan presentation, 87.0% agreed or strongly agreed that doing so had helped grow their business.



Market Approach

Many women grew their businesses by changing their approaches to their markets. Some developed new products, improved the quality of existing products, or discontinued an unprofitable product. Others changed their market reach by opening or closing a location, partnered with another organization, or started to export. By 18 months, the percentage of participants reporting that they had stopped selling unprofitable products and services had nearly doubled and the percentage reporting that they had not made any changes was reduced to less than half of the baseline percentage.

These responses indicate that the women participants are pruning product lines and focusing efforts in specific locations that would, in effect, increase efficiencies in their businesses.

The program’s emphasis on finance and accounting helps the women understand the value of business statements.

Financial Management

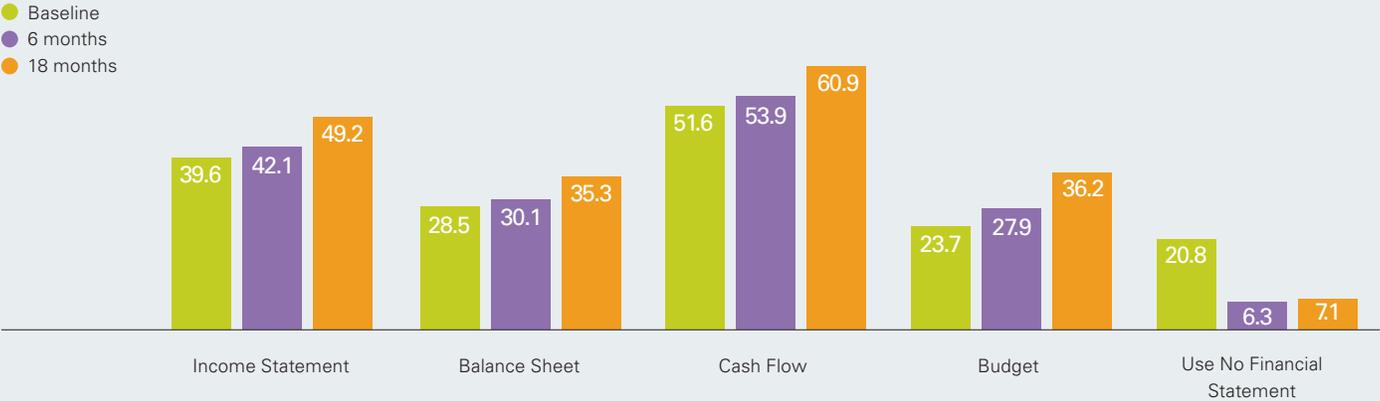
A key business practice contributing to business growth is the women’s understanding and use of budgets and other formal financial statements, specifically income, cash flow and balance sheet statements. At the beginning of the program, participants used 1.4 of these tools out of the four, but notably, more than 20% reported not using any financial statements at all. The most common financial statement tool graduates used was cash flow statements (51.6%), followed by income statements (39.6%), balance sheets (28.5%) and budgets (23.7%). At six months, moderate increases are observable. By 18 months, the use of all financial statements had measurably increased. Participants reported a nearly 10% increase in the use of cash flow and income statements, an 8% increase in the use of balance

sheets and a nearly 13% increase in the use of budgets. Overall, those using some form of financial statement increased by 18% (see Table 11). These results suggest that the program’s emphasis on finance and accounting helps the women understand the value of these statements, and establish a platform for growth. For example, in order to apply for any external financing, entrepreneurs must have such documents prepared and available. Participants who used financial statements were more likely to apply for funding (among those who reported a need) and receive approval (among those that applied). For example, at six months, business owners that use cash flow statements receive approval for their funding applications 73.3% of the time as opposed to 58.6% for those that don’t.

Table 11

Greater Understanding and Fluency with Financial Statements by Women in the Program

Type of statement, % at Baseline, 6 months and 18 months



Access to Capital: A Key Growth Challenge

Although participants succeeded in improving their overall financial literacy and use of financial statements, one area where they continued to struggle was in accessing capital. *10,000 Women* graduates tend to self-finance their growth by reinvesting the capital generated by the business. In fact, less than a third of participants had received funding from a financial institution, and just 47% had even applied at some point, either before or after participating in the program. While the majority of participants do not apply for financing, those who do typically receive approval for their loans (see Table 12). The high approval rates suggest that these women are largely creditworthy. So why are they not pursuing external funding?

Many observers might be quick to assume that women don't apply for capital because they don't have a need for it. But studies show that, in most countries, women have a greater credit need than men, and are less likely to receive loans due to gender stereotypes.¹⁵ Moreover, the IFC has reported that among SME lenders in emerging markets, women represent a small minority of borrowers.¹⁶ This pattern is also seen in *10,000 Women*. Of the 60% of the women who have not applied for external funding, roughly 50% reported at baseline that they actually have a need, but did not apply for other reasons, including unattractive loan terms (13.0%), too high a risk (8.3%), not understanding how to apply (7.8%), overly complex procedures (7.3%), high levels of security and collateral required (6.5%) and a lack of confidence about the likelihood of being approved (6.5%). These generally negative perceptions about the likelihood of successfully acquiring funding may be deterring women from applying. After graduation, however, they are increasingly less likely to say that they didn't understand how to apply or that they feared they would be rejected. These changes suggest a new level

The initiative's broad reach allowed *10,000 Women* to touch the lives of women entrepreneurs in countries undergoing economic and social transformation.



Immaculee
Brick Manufacturing, Kigali, Rwanda



Rasha
Art Production, Cairo, Egypt



Christine
Restaurant Management, Monrovia, Liberia

¹⁵ Marlow S. & Patton W. 2005. *All Credit to Men? Entrepreneurial Finance and Gender. Entrepreneurship Theory and Practice*. 29:6, 717-735

¹⁶ *Strengthening Access to Finance for Women-owned SME's in Developing Countries*, Oct. 2011, International Finance Corporation

“After the *10,000 Women* program, I found that my financial management skills had become finely tuned. I began to concentrate on cash flows and work to increase our profitability by minimizing our expenses. I have gained the important skill of negotiation, allowing me to effectively keep my business competitive.”



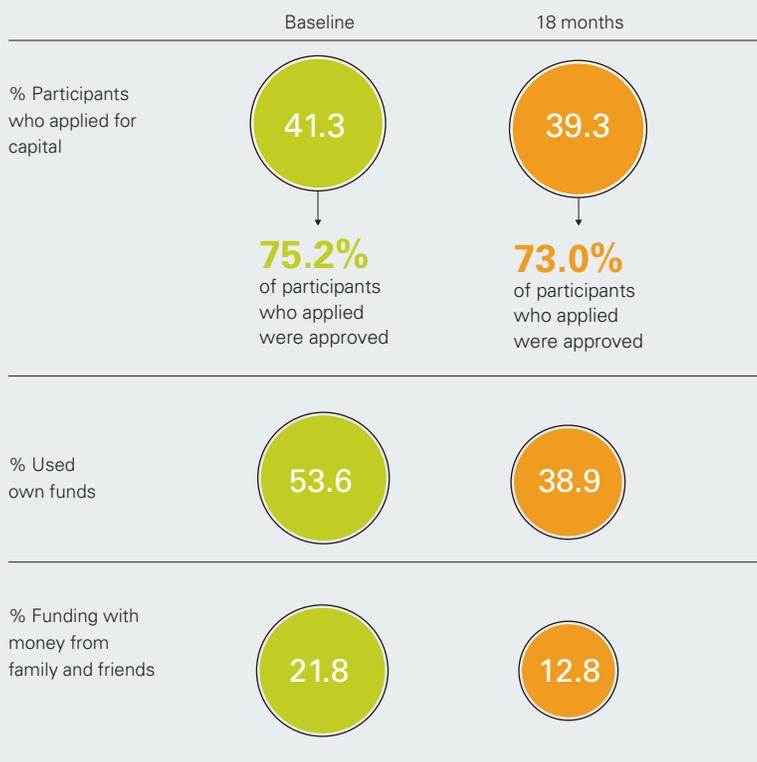
Shweta
Auto Components Machining, Pune, India

of understanding and awareness, likely attributable to the *10,000 Women* curriculum, which focuses specifically on finance and accounting. The curriculum does not, however, include modules detailing specifically how to apply for external funding, which may help to explain why the rates of application do not increase following graduation from the program. Because the majority of *10,000 Women* businesses are growing without outside funding, it is possible that the businesses are not achieving their full growth potential or that funding needs are met for current rates of growth. We can only speculate as to the growth rates in terms of revenues and employees that might be achieved with the investment of external capital.

A deeper analysis of the women who did not seek external capital shows that 53.6% funded their ventures with their own personal money, with an additional 21.8% using funds from family and friends. Women investing their own money into their businesses are more likely to apply for outside funding, and those actually applying for funding are more likely to receive funding from family and friends. Such trends might be related to personal commitment, or what is referred to as “skin in the game,” in that a personal financial investment puts the entrepreneur more at financial risk, and therefore she might wish to hedge her risk by either applying for outside funding, or by requesting funds from family and friends. At the same time, others may be more confident in providing funds when they see the business owner also investing in herself (see Table 12).

Table 12

Women Report Low Rates of Capital Access



Ayo from Nigeria



Ayo delivers motivational speeches throughout Nigeria, hoping “to promote the principle of self-worth and self-reliance. I believe that when this mindset is in place, our national development, growth and prosperity is only a matter of time.”

Ayo founded her catering business in Lagos, Nigeria, with just \$8 USD. Initially, her customers were friends and family members. However, as her business expanded to provide meals in private homes and offices, she struggled with the basic challenges of record keeping, managing people and marketing her services to new clients. She recognized that she needed management skills to continue to grow her business.

Through the *10,000 Women* program, Ayo learned how to better manage her cash flow, to identify her target segment in the market and to communicate her unique value proposition to customers. She built strategic partnerships, opened a restaurant and has since taken over an entire building in order to run her business more efficiently. She manages a full-time staff of 12 employees, and, for larger jobs, her business creates employment opportunities for as many as 30 part-time workers. Ayo has seen her revenue grow thirtyfold since graduating from *10,000 Women* in 2008, and her aspiration for her business to become a household name in Lagos has come closer to reality.

Ayo has enrolled in an MBA program, and is utilizing social and print media to reach new clients. In addition to her business success, Ayo has credited the program with building her confidence. “I feel I can go anywhere. My daughter sees me as her hero. She says I am strong.” And her husband has said, “Our lives have been turned around. I knew she would achieve something, but I didn’t know it would be at this scale.”

Ayo has become a role model for both women and men alike. Her creativity, determination and resilience have inspired many young women who lacked the confidence to follow their passion. Ayo’s goal is “to be able to reach out to as many people as possible.” She holds weekly mentoring sessions for women entrepreneurs at her business, and is helping them realize their potential.

Conclusions and Implications

In 2013, the *10,000 Women* initiative achieved its goal of providing business and management education to 10,000 underserved women around the world. The results of this first comprehensive analysis show that these women, who might not qualify for other types of programs due to their financial and practical circumstances, have achieved significant business growth and personal leadership development. Through mentoring, advising and hours of basic business skills training, the *10,000 Women* graduates gained confidence, grew their businesses in sales and employees and are strengthening their communities by mentoring other women.

90% OF PARTICIPANTS
PAY IT FORWARD
BY MENTORING
OTHER WOMEN

This program is unique because of the similarity of content across a variety of economic and cultural contexts. Its success demonstrates for the first time that the educational needs of women entrepreneurs are in fact quite similar, and that a curriculum covering the same basic content across different contexts can be equally effective.

Not only does the *10,000 Women* program reflect the aggregate effect of similar training across multiple cohorts and countries, but we also see where there are particular differences that suggest new possibilities for training. The analysis of Brazil, China and Nigeria demonstrates how cultural factors make a difference

in women's development of self-confidence in business decision-making and selling, as well as the amount of family support of women entrepreneurs.

There are four key conclusions that we can draw from our analysis of the data set emerging out of Goldman Sachs Foundation's experience in implementing *10,000 Women* over the past five years.

1. Women can be exceptional entrepreneurs across a diverse array of country and cultural contexts

Women entrepreneurs participating in the *10,000 Women* program are exceptional in two main ways. First, as a result of their participation, they grew their businesses dramatically in terms of sales and employees. Second, the *10,000 Women* achieved growth despite being generally less educated and having significantly more household responsibilities. Most are managing households with an average of 3.7 members while also supporting an average of two additional dependents outside the household. That these women grew their businesses in highly competitive sectors given their education level and family responsibilities is a significant testament to their perseverance, and the ability to overcome challenges that their male counterparts do not face.

2. *10,000 Women* helps entrepreneurs grow their businesses and develop their business acumen

The business training and support provided by *10,000 Women* enables entrepreneurs to increase their revenues and hire more employees. Although the percentage growth is in part due to the fact that these firms are generally small, this growth was recognized almost immediately after graduation, and continued over time at an impressive rate. The evidence that these women increased their use of business plans and adjusted their product lines suggests they gained

“The *10,000 Women* program gave me the confidence and capability to achieve what I have today. I was able to take action, produce high-quality products, develop my own brands and contribute my part to build a better society.”

efficiencies in their businesses that translated directly to the bottom line. The women’s confidence in their leadership skills rose significantly as well. Several studies show that lack of confidence limits growth expectations and actual business performance, so this program makes a large step forward by providing the mentoring, training and skills that lead to increased confidence.

3. Mentoring, advising and networks are highly valued in the growth process

Some 89% of participants agreed or strongly agreed that having a mentor or business advisor helped them grow their businesses. Similar results were observed for networking with classmates, especially face-to-face. Because women’s networks are often smaller and less diverse than those of their male counterparts, *10,000 Women* provides a key resource for growth-oriented women entrepreneurs. Perhaps inspired by their experience in the program, 90% of participants “pay it forward” by mentoring and teaching business skills to an average of eight other women in their communities. This implies that more than 70,000 women will be touched by this initiative.

4. Women entrepreneurs grow their businesses despite a lack of external financing

10,000 Women graduates achieve high rates of growth, but tend to finance this growth through retained earnings and internal sources. Our analysis shows that growth oriented women entrepreneurs need external capital but usually do not apply for it. Participants cited barriers such as unfavorable loan terms and collateral requirements, risk aversion and complexity of the application process. Among those



Juan
Household Goods, Hangzhou, China

89%

OF PARTICIPANTS AGREE THAT HAVING A MENTOR OR BUSINESS ADVISOR HELPED THEM GROW THEIR BUSINESS

that apply for external funding, however, a majority are approved, demonstrating that female entrepreneurs like the *10,000 Women* graduates are creditworthy. While it is true that the *10,000 Women* have achieved growth thus far, this analysis begs the question of whether they could be more successful if they had greater access to outside funding.

Entrepreneurship is increasingly recognized as a broad-based driver of economic growth and societal well-being.



Seema
Interior Design, Delhi, India

While this study shows that education in basic business practices, combined with mentoring and coaching, can have a significant impact on the business growth and leadership development of women entrepreneurs, it is also clear that there is more work to do. Three areas warrant further attention:

73% OF PARTICIPANTS WHO APPLY FOR A LOAN ARE APPROVED

■ **Access to external financing**

The low rate of access to external financing indicates that women entrepreneurs either prefer not to take on external debt or give up ownership, or they are unable to access this critical input to business growth. It does not, however, signal that women are not creditworthy, since 73% of participants who apply for a loan are approved. This implies that, on the supply side, the banking community should recognize the market opportunity that the women-owned small business

segment represents, and better market its services to this segment. On the demand side, further interventions are required to educate women about available financing options and ensure that they have the skills necessary to obtain the financing that meets their specific needs.

■ **Success of women-only programs**

The significant improvement in leadership skills and confidence suggests that women-only programs can be quite effective in the development of female entrepreneurial talent. These entrepreneurs are exceptional role models for other women in their countries, in that they do not fit the stereotype of growth-oriented entrepreneurs. Therefore, they should be showcased by the media, in educational teaching materials and in other ways so as to inspire the next generation of women entrepreneurs.

■ **Need to scale**

The success of the *10,000 Women* initiative suggests that this type of training, education and wraparound support should be made available to other countries and populations of growth-oriented women entrepreneurs. Developing trainers and business advisors, scaling similar initiatives, as well as utilization of technology for alternative delivery methods, present future opportunities.

Entrepreneurship is increasingly recognized as a broad-based driver of economic growth and societal well-being. For women who are primary caregivers, entrepreneurship offers a means to support their families as well. Training and business education for growth-oriented women entrepreneurs is a solution to closing the gender gap in employment, building more prosperous communities and enabling the growth and development of nations.

