

Goldman Sachs' '10,000 Small Businesses' Program Spurs Economic Growth

Program offers practical, hands-on business education and partners with NAACP and Urban League

By Stacy M. Brown
NNPA News Wire

In 2010, Goldman Sachs launched the "10,000 Small Businesses" program to help business owners unlock their potential for growth and job creation by providing greater access to business education, financial capital and support services.

Six years later, the \$500 million initiative continues to empower small business owners - from startups to seasoned companies - with the tools they need to achieve higher levels of success.

In December, NAACP National President and CEO Cornell William Brooks announced that his organization would join the initiative and utilize the NAACP's network of 2,200 local chapters and state conferences to help inform

The program is based on the broadly held view of leading experts that greater access to this combination of education, capital and support services is the best way to address barriers to growth.

"The easiest way to describe the program is that it's a practical hands-on business education on your business," said Sonia Moin, program manager at Boston-based Initiative for a Competitive Inner City - or ICIC, which has partnered with Goldman Sachs on the "10,000 Small Businesses" program.

"In the room, the small business owners learn from other business owners who are facing similar challenges including growth opportunities, access to capital and [hiring practices]."

Moin said that the program curriculum,

work together to support small businesses, which comprise 99 percent of all U.S. employer firms and which account for more than half of the private sector's net new jobs over the past two decades."

More than 1,800 businesses across the United States were surveyed for the report. Most were "10,000 Small Businesses" participants, who reported that obtaining capital remains a big hurdle.

The study also found that small businesses are four times more likely to



GS1 Alumni from the Goldman Sachs "10,000 Small Businesses" gather at a recent program in Philadelphia with city officials and a top Goldman Sachs executive.

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and recruit small business owners to join the program, which provides intensive specialized business management courses for applicants and opportunities to access capital.

"Small businesses are the lifeblood of every neighborhood and community," Brooks said in a news release. "Supporting their growth and ability to thrive will only strengthen the communities in which those businesses call home and provide much-needed economic opportunity to the existing and future employees of those businesses."

In getting the word out about the program to local communities, Moin said they always partner with local and national entities like the NAACP and the National Urban League, particularly where the membership is primarily African-American.

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designed by Babson College, one of the top entrepreneurship colleges in the country, enables participants to immediately apply the lessons they've learned that day in a real world business environment.

The "10,000 Small Businesses" program is currently operating in Cleveland, Chicago, Dallas, Detroit, Houston, Long Beach, Los Angeles, Miami, New Orleans, New York City, Philadelphia, Rhode Island, and Salt Lake City.

Approximately 62 percent of small businesses in the United States have four or fewer employees and the Goldman Sachs initiative offers enormous and largely untapped potential in creating new jobs and generating economic development, according to a recent report titled "The State of Small Business in America" by Babson College.

"We all benefit if we are able to foster a vibrant entrepreneurial ecosystem that best supports ongoing small business growth and job creation in America," Babson College President Kerry Healey said in a statement. "Public and private sectors must

go to a bank for capital needs. Looking across all sources of capital, survey respondents apply for a median amount of \$100,000, but receive only 40 percent of what they seek. Business owners say that they need more flexible loan terms. Further, business owners find regulation both difficult and time-consuming. On average, four hours per week is spent dealing with government regulations and tax compliance, which totals over 200 hours per year.

With the launch of "10,000 Small Businesses" at Babson College, which is the program's national cohort, business owners from all 50 states now have the opportunity to participate, Moin said.

This model of the program is delivered through a blend of online and in-person sessions and is intended for business owners located beyond the reasonable driving distance of a locally delivered program.

"The program helps to address the challenges faced by all small business owners, and our goal and the goal of all of our partners is to make them aware this resource exists and the impact it

can have on their business," Moin said. "Many small business owners say they don't have the time to dedicate to a program such as this, but we try to convince them why the return on investment is important, if they want their business to grow. It's important to step away from the business in order to work on the business."

To date, over 6,500 small businesses have been served across 31 sites. More than 99 percent of participants graduate and more than half of the businesses reported increased revenues and expanded work forc-

es within 18 months of graduation.

Ideal candidates are small business owners with more than \$150,000 in revenue and have been in operation for at least two years.

Qualifying businesses also must demonstrate that they employ four or more workers and have a scalable business model and a commitment to grow and hire locally.

The initiative has a wealth of success stories with Moin pointing out how one of the small business owners who graduated from the program saw her revenue increase by 658 percent,

enabling her business to add 110 new jobs.

Another small business owner who recently graduated from the program saw a 120 percent increase in revenue, helping to add 17 new jobs.

"We're getting the results we want," Moin said. "On average, when our alumni graduate, in six months, approximately 69 percent of them report growing revenue and 48 percent of them report that they've added jobs."

For more information or to apply for the program, visit www.10KS-BApply.com.

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