



ASSOCIATION OF
WOMEN'S
BUSINESS
CENTERS

2011 Economic Impact Survey: Executive Summary

An online survey was conducted among all 110 Women's Business Centers (WBCs) in the United States, between May 17 and June 3, 2011. Sixty-three (63) of 110 centers responded, for a response rate of 57%. This brief fact sheet highlights the key messages that can be drawn from the survey. (A separate Question Results document details the responses to the 12-question survey.)

Women's Business Centers are having a significant economic impact.

- The country's 110 WBCs trained, counseled, mentored and otherwise assisted nearly 200,000 clients (an estimated 198,438) in Fiscal Year 2010, averaging just over 1,800 clients assisted per WBC.
- This AWBC estimate is 24% higher than figures provided by the US Small Business Administration (160,000 WBC clients served in FY2010) – because the SBA management information system does not fully capture the impact of the full range of the services provided by WBCs to their clients.
- The WBC program continues to grow. The number of clients assisted by WBCs increased by 15% from FY2009 to FY2010, despite no increase in SBA funding over the period.
- In FY2010, each WBC – on average – helped to launch 121 new businesses, create 333 new jobs, and assisted new and existing firms whose collective local revenues totaled \$12.2 million. Over the entire program, WBCs helped to launch 13,301 new businesses nationally in FY2010, helped to create 36,578 new jobs, and supported firms that contributed a collective \$1.3 billion to the US economy.

Women's Business Centers are an efficient and effective use of Federal resources.

- On average, each WBC has a 5:1 ratio of volunteer trainers, coaches and teachers to WBC staff, providing its services to clients in a cost-effective manner. WBCs average 4 full-time staff and 2 part-time staff, and leverage an average of 32 volunteer subject-matter experts and coaches to provide support to their clients.
- WBCs use their SBA funding as seed capital to create additional value. In FY2010, the \$14 million SBA WBC program budget was used by the nation's WBCs to raise an additional \$46.2 million from a variety of other stakeholders. WBC leaders report that their collective program budgets for FY2010 totaled \$60.2 million.
- While SBA funding accounts for an average 38.5% of WBC budgets, it is critically important to the centers. Fully 40% report that if SBA funding were eliminated, they would have to shut their doors, and another 53% said that their programs would have to be severely curtailed.

The WBC program, by design, serves a social as well as an economic function. Nonetheless, the program serves a significant number of existing business owners by providing a variety of business development support services that are NOT adequately captured by current economic impact assessments.

- By design, the WBC program serves a wide range of clientele. According to the AWBC economic impact survey, fully 58% of the clients served by WBCs over the past three years can be classified as socially or economically disadvantaged, and 39% were persons of color. And, while labeled as “women’s” business centers, the WBC program’s relational and longitudinal methodology attracts men as well: 19% of WBC clients over the past three years have been men.
- WBCs provide an important triage function in the business creation process, counseling clients who are still in the planning stages of launching a business. However, while 41% of WBC clients are nascent or pre-start business owners, another 25% are active start-ups and fully 35% have an ongoing business concern – 22% a business in operation for less than five years and another 13% who have owned their business for five years or more.
- WBCs offer a wide range of services to their clientele. In addition to one-on-one counseling (the only service for which economic impact assessment data are collected by the SBA), WBCs also provide: training classes on basic business skills (100% of WBCs provide this service); training classes on advanced business topics such as selling to government agencies, corporations, or international customers (92% offer such training); loan packaging or access to lenders (including SBA guarantors) (72%); peer mentoring opportunities (67%); group counseling (53%); direct lending (38%); and even WBE certification (35%). In addition, 13% of WBCs also offer business incubator space, providing an opportunity for newly-launched firms to save on overhead expenses and share ideas on an ongoing basis.
- WBCs are actively collaborating with other business support providers – not only SBDCs but other local economic development organizations as well. Indeed, fully 71% of WBCs are affiliated with larger economic development organizations, while just 29% are stand-alone organizations. According to our survey, nearly all (97%) of WBCs are actively referring clients to other support providers, such as SBDCs, SCORE counselors, or other appropriate sources based on client needs.

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