

# OUTCOME ORIENTED SEA PROGRAM MODEL 1998 – 2009 Women Entrepreneurs of Baltimore

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## Women Entrepreneurs of Baltimore, Inc.

#### Vision

 New businesses started by our clients are flourishing, creating jobs, revitalizing neighborhoods and significantly contributing to the local economy

#### <u>Mission</u>

 WEB builds strong businesses that lift up families and communities



# Women Entrepreneurs of Baltimore, Inc. (WEB)

- Founded in 1989 as an anti-poverty and job creation strategy
  - To provide microenterprise development services for limited income women, particularly those of color, in Baltimore City, and
  - To address chronic underemployment and poverty related to the loss of living wage jobs



# The WEB Program Built for Economic Impact

- Rigorous, multi-level selection program
- Intensive business planning and skills development course
- Fully developed business and implementation plan
- □ Implementation counseling, technical assistance, and development services
- Resource Directed Outcomes



#### WEB – Key Stats

- 2300 graduates
  - 2000 business launched
- 2007 Aspen Institute Study FY2004 Grads
  - 75% 3 year business survival
  - \$73,750 Average Business Revenue
  - \$89,365 Household Income
  - \$ 5,429 Average Personal Savings



- SEA Program written into MD Law under the authority of Department of Licensing, Labor, and Regulation
- □ First Contract Awarded in 1998 Last Award in 2008
  - Pure Pay for Performance Contract
  - Outcomes are Linked to Payments
    - 100% forfeit of 3 of 4 pay points if targets not achieved



- □ Program Model
  - Currently serving 103 individuals annually in four business development cycles
  - DLLR identifies and notifies eligible candidates
  - Candidates return short application
  - Candidates are invited to a one-hour information session where application is distributed – cold shower



- Applications received are reviewed for personal and business feasibility
- Candidates are invited to a screening
- Screening includes writing and math tests, personality profile, and individual interviews
- Successful candidates in good standing with the Division of Unemployment enter business planning class



- □ Business Development Cycle Sample Stats
  - 5000 letters sent out by DLLR
  - 1000 short applications received
  - 400-650 attend information session
  - 175-350 submit long form application
  - 75-85 invited to screening
  - 25-26 accepted into class
  - 20-24 complete class
  - 18-22 launch business



- □ Class is 8 weeks long; twice a week 64 hours
   − WEB curriculum
- □ Independent research and writing estimate is
   120 200 hours
- □ Clients meet with trainer/counselor X 3 during class, X1-2 post class
- Clients receive crisis counseling, as needed
- Successful graduates eligible for implementation services from WEB



- ☐ Stats: 1998 2009
  - 1292 individuals entered into business
     development training from across Maryland
  - 1090 or 84.3% completed training
  - 832 or 77% of completions were in business at completion of training
  - Proof of business start up is revenue creation
  - Over 80% of clients rate the program good to outstanding



#### □ 2007 Aspen Institute Study, WEB v. SEA

<u>Outcomes</u>	<u>WEB</u>	SEA
<b>Business Survival</b>	75%	80%
Job Creation	1.58	1.78
Avg. Business Rev.	\$73,759	\$85,957
Avg. Personal Savings	\$ \$ 5,429	\$ 6,493
Total Annual Business		
Revenue	\$3,181,967	\$1,986,098



### Why SEA at WEB Works

- Delivery by experienced, outcome based business development organization
- □ Pay for performance contract
- Rigorous selection balancing business and personal feasibility
- Structured business planning
- Creation of a business and implementation plan
- Creation of "instant" business network
- Implementation Services