



Stimulating Small Business Growth

Progress Report on
Goldman Sachs
10,000 Small Businesses

Developed by Babson College

Report Summary

Report Summary

This report focuses on the first nearly 1,300 small business owners to have completed the Goldman Sachs *10,000 Small Businesses* program. The findings are based on information collected through the *10,000 Small Businesses* measurement and evaluation system and presented in *Stimulating Small Business Growth* by Babson College. In order to understand the potential long-term impact, the program is committed to the rigorous tracking of outcomes from the time participants enter the program, through graduation and at regular intervals thereafter. The outcomes observed thus far have been encouraging with respect to program impact. Among many key learnings, data suggests that *10,000 Small Businesses* graduates grew their revenue and increased their employee base in ways that outperform trends in the larger economy.

What is 10,000 Small Businesses

Launched in 2009, Goldman Sachs *10,000 Small Businesses* is a \$500 million initiative developed to help small businesses in the United States by providing entrepreneurs with an integrated program of practical business and management education, access to capital, and business support services. The program is based on recommendations from leading experts that greater access to this combination of education, capital and support services best addresses the barriers to growth. *10,000 Small Businesses* is designed to help business owners build and implement a plan to grow their businesses by increasing their revenues and spurring new job creation. To achieve this, the program includes a network of over 90 local and national partnerships. Overall, *10,000 Small Businesses* maintains a 99% graduation rate.

Program Impact

Only six months after graduating from the program, 44.8% of *10,000 Small Businesses* participants reported adding new jobs. Notably, this change occurred during a difficult economic period. To place this into the context of the U.S. economy, between July 2012 and July 2013, 18% of U.S. small businesses surveyed by the National Small Businesses Association reported increasing their number of employees.

In addition, just six months after graduation, 63.7% of program participants increased their revenues. To again provide context, between July 2012 and July 2013, 37% of U.S. small businesses surveyed by the National Small Businesses Association reported increasing their revenues.

At the time of entering *10,000 Small Businesses*, 59% of those who had recently applied for capital had been approved for at least some funding. Six months after graduating from the program, this number had increased to 63%. While the approval rate perhaps only improved modestly, the average amount of funding received rose dramatically, by 258%, from \$287,180 to \$1,028,391.

Finally, fully 80% of program participants report one or more types of collaboration with their classmates by the time they graduate, including developing new business opportunities, contracting directly or providing referrals.

Based on these outcomes, Goldman Sachs *10,000 Small Businesses* is demonstrating the power of investing in small business owners; given the right mix of training and support, America's small businesses can grow their companies and create jobs in the communities where they live and work.

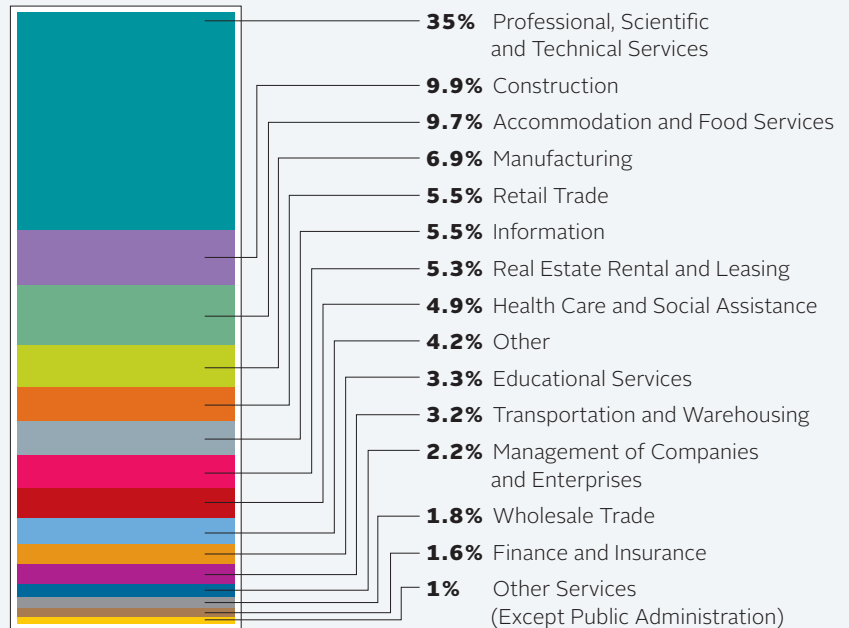
To see the full report, go to GS.com/10KSB.

About the 10,000 Small Businesses Program

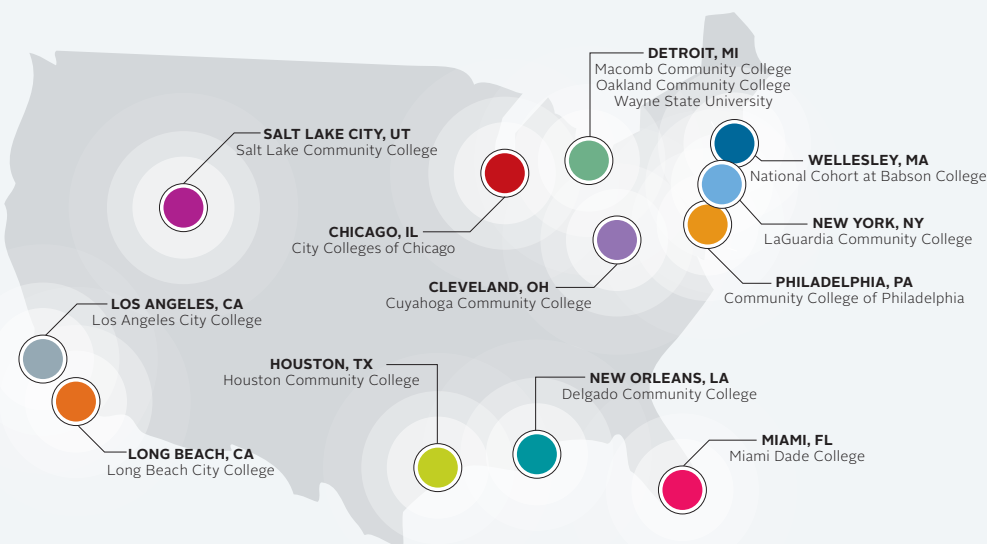
CORE CURRICULUM



BUSINESS INDUSTRIES



10,000 SMALL BUSINESSES EDUCATION PROGRAM LOCATIONS

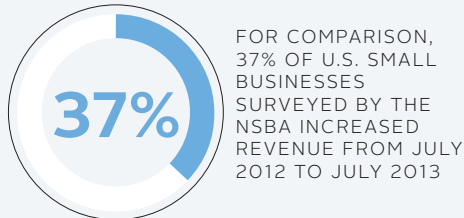
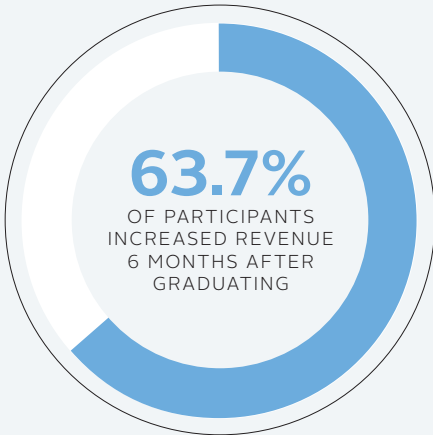


TOP CHALLENGE REPORTED BY BUSINESS OWNERS

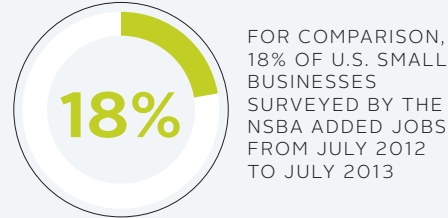


Program Impact

INCREASING REVENUE



ADDING NEW JOBS



ACCESS TO CAPITAL

FUNDING RECEIVED FROM BANKS BY GRADUATES

BEFORE PROGRAM



6 MONTHS AFTER GRADUATION



FUNDING INCREASED

258%

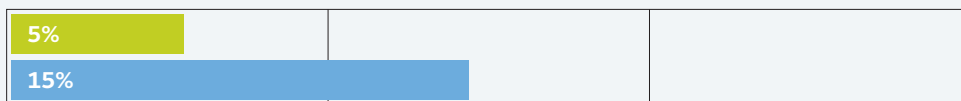
SIX MONTHS AFTER GRADUATION

GROWTH RATES

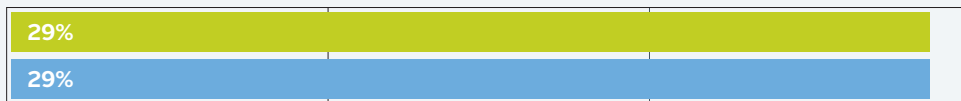
BASELINE TO 6 MONTHS

■ PERCENT OF PARTICIPANTS THAT ADDED JOBS AT DESIGNATED RATES
■ PERCENT OF PARTICIPANTS THAT INCREASED REVENUES AT DESIGNATED RATES

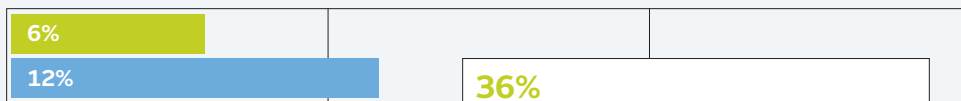
% GREW 1-10%



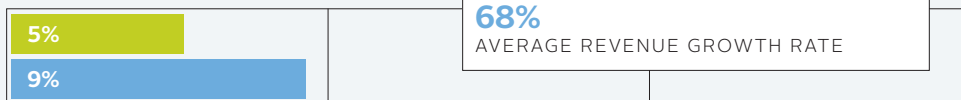
% GREW 11-50%



% GREW 51-100%



% GREW >100%



36%
AVERAGE JOB CREATION GROWTH RATE
68%
AVERAGE REVENUE GROWTH RATE

0% 10% 20% 30%

80%

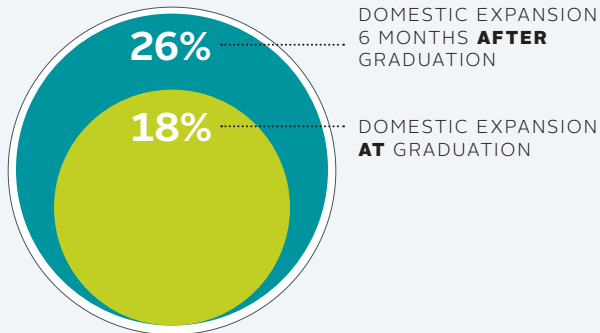
OF GRADUATES COLLABORATE WITH CLASSMATES

99%

OF BUSINESS OWNERS WHO ENTER 10KSB FINISH THE PROGRAM

Behavioral Changes

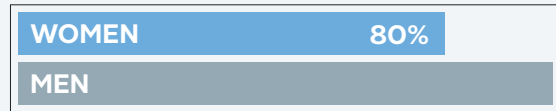
MARKET EXPANSION



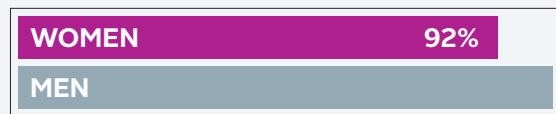
CLOSING THE GENDER SALARY GAP

FEMALE GRADUATES' AVERAGE SALARY RISES BY 12 PERCENTAGE POINTS RELATIVE TO MEN'S

AT START OF PROGRAM



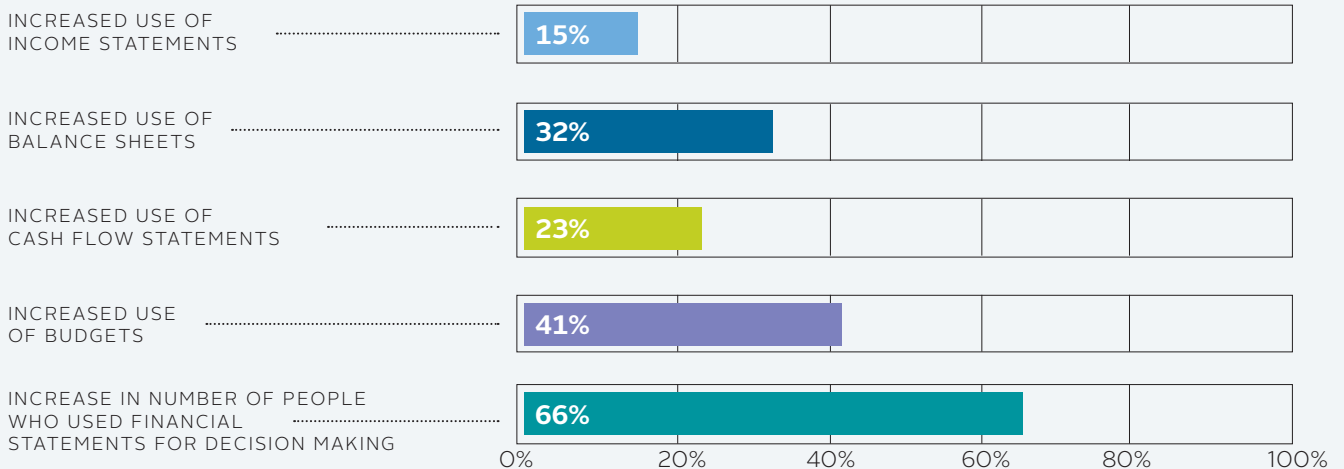
6 MONTHS AFTER GRADUATION



AFTER THE PROGRAM THE AVERAGE GENDER SALARY GAP IS REDUCED BY 60%

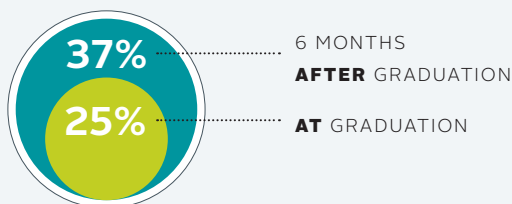
GREATER FLUENCY WITH FINANCIAL STATEMENTS

BETWEEN BASELINE AND 6 MONTHS AFTER GRADUATION



PRODUCT OR SERVICE IMPROVEMENTS

PARTICIPANTS REPORTED LAUNCHING A NEW PRODUCT OR SERVICE



PARTICIPANTS IMPROVED THE QUALITY OF A PRODUCT OR SERVICE

