



**Testimony of**

Marsha Bailey

**on behalf of the  
Association of Women's Business Centers**

**to the**

U.S. House of Representatives Small Business  
Subcommittee on Health and Technology:

*Tech Talks: How SBA Entrepreneurial Development  
Programs Have Evolved with Technology*

September 14, 2017

## **Testimony of Marsha Bailey: Tech Talks: How SBA Entrepreneurial Development Programs Have Evolved with Technology**

Good morning. Chairwoman Radewagen, Ranking Member Lawson, and distinguished Members of the Subcommittee, thank you for the opportunity to testify before you today. My name is Marsha Bailey, and I am Chair of the Association of Women's Business Centers as well as the founder, president and CEO of Women's Economic Ventures, a women's business center located in California.

The Association of Women's Business Centers (AWBC) supports the national network of women's business centers (WBCs) like mine by providing mentoring, programming, and advocacy with the goal of improving services to women entrepreneurs. It is fortunate we hold this hearing today as AWBC is currently convening its 2017 Leadership Conference here in Washington—an annual opportunity to share best practices and strengthen the WBC program.

As you know, the WBC program is a public-private partnership with more than 25 years of success in providing training, counseling, mentoring, and access to capital to women entrepreneurs across the country. Our network reaches into communities – urban and rural alike – to assist America's job creators in launching and growing their own businesses.

Centers like Women's Economic Ventures (WEV) are focused on being an effective and efficient resource for one of the fastest growing sectors of the economy—women business owners. The program's collective efforts leave an enormous footprint of successful business owners and job creators. In fiscal year 2016, our centers reached more than 145,000 entrepreneurs and conducted over 93,000 hours of counseling and over 15,000 training sessions in over 35 languages. This translated into more than 17,000 new businesses.<sup>1</sup> In 2015, the most recent data available, WBCs assisted with nearly \$429 million in private capital infusion and last year helped to secure nearly \$40 million in government contracts for women-owned businesses, ultimately creating nearly 25,000 jobs.<sup>2</sup>

While not the focus of today's testimony, AWBC and center directors across the country applaud this Committee for advancing legislation modernizing the WBC program and for your continued support of federal funding for women entrepreneurs.

Today's topic is a timely one. As technology has proliferated over the decades, WBCs have worked to leverage advancements to expand our reach and ensure our entrepreneurs are prepared for a 21<sup>st</sup> century economy. In that sense, the dedicated staff at WBCs view technology in three ways: we use technology to enhance our trainings and reach into the community, we

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<sup>1</sup> Fiscal year 2016 data provided to AWBC on request by SBA and to be formally published in the FY18 Budget Justification to Congress. Language details found in SBA OED 2015 Report, p. 36 (see footnote 2).

<sup>2</sup> US Small Business Administration. *Office of Entrepreneurial Development 2015 Year in Review*, p. 39. Available online at [https://www.sba.gov/sites/default/files/resources\\_articles/2015\\_OED\\_Year\\_In\\_Review.pdf](https://www.sba.gov/sites/default/files/resources_articles/2015_OED_Year_In_Review.pdf). Hereafter SBA OED 2015 Report. Federal contracting data provided by SBA via Entrepreneurial Development Management Information System (EDMIS).

educate entrepreneurs on how to leverage technology in conjunction with their business plans, and finally, we use technology administratively to operate more efficiently and collect client data to measure our impact and effectiveness.

While the rest of this testimony details how our centers across the country have used evolving technology to the benefit of entrepreneurs, I cannot overstate the importance of in-person, people-to-people interactions in the context of training and counseling. We have found that clients overwhelmingly prefer in-person training because of the accountability, camaraderie, and support systems that are created in the classroom. In one of WEV's own programs, Thrive in Five, we ensure that consulting begins in-person to establish a relationship that will be critical to an open dialogue about strengthening the business.

Nonetheless, technology has allowed our training and counseling programs to reach those that may not otherwise be able to utilize in-person services. Given the limitations in the size of the program due to funding constraints, some clients of WBCs live several hundred miles away from their nearest women's business center. Internet-based webinars allow us to provide our services to many more individuals than in the past. Such technology allowing for distance-learning fills a gap in needs in rural areas in particular, where in-person services are simply not an option. Consulting clients who meet with a business advisor regularly through WEV's long-term Thrive in Five program, may use tools such as Skype to meet with their advisor once the relationship has been established. Some WBCs have established computer labs, both stationary and mobile, which are particularly important for rural areas where access to broadband is not always available. One example of this is REI Women's Business Center in Oklahoma, which uses a mobile computer laboratory to provide QuickBooks training to clients across the state.

Not only do WBCs use technology to expand the reach of the program, but we also spend time teaching the new technologies to our entrepreneurs. One example is WEV's partnership with other local adult education and job training programs to help clients improve their computer skills. There are so many tools out there to help small business owners and it is the job of WBCs to bring those to the attention of local entrepreneurs.

WEV uses a proprietary curriculum for our business training program which is revised every two years. We continue to update training content related to technology, e.g. the critical importance of having a website, social media presence, online sales and payment systems, point of sales and customer relationship management tools. Our consulting program for existing businesses requires clients to use a bookkeeping system such as QuickBooks so that financial reports can be reviewed regularly by business advisors.

Many WBCs use off-the-shelf products such as LivePlan online business planning software, DreamBuilder, CoreFour, Kauffman FastTrac, and FDIC's MoneySmart curriculum. WEV is considering Palo Alto Software's LivePlan as a complement to our curriculum and commercial products are updated regularly to reflect the latest advancements in technology.

Notably, WBC clients represent a broad socio-economic spectrum. Some of them do not have computers at home or email addresses. A few years ago, WEV required all clients to have email addresses and we integrated assignments into our curriculum that required participants to go online to complete assignments. We have also created online study/support groups through Facebook. We use our own Facebook account to promote client business openings, milestones, and events.

At the national level, AWBC has a partnership with Intuit, which provides access to QuickBooks training and software through WBCs. Similarly, AWBC partnered with email service Constant Contact, which provides free bulk email services to WBCs. AWBC also has a partnership with MasterCard to help provide business owners with the knowledge to choose and negotiate the best technology options for accepting credit cards through their “Master Your Card” webinar series.

Both through our association and at individual centers like my own, these partnerships are critical ways to adopt the latest technology into our curricula. Our adoption of technology is also essential for center operations. Technology allows us to minimize administrative requirements and focus energy on training and counseling. Moreover, simplified data collection, and the use of customer relationship management (CRM) tool like Salesforce, allows the WBC program to quantify its impact more accurately than ever.

Several of the centers, WEV included, use VistaShare’s Outcome Tracker – a database which stores intake and outcomes data on our clients. The program enables us to create links on our website which clients can access to fill out service requests and application forms which, when submitted, are emailed directly to the appropriate staff member. The program also supports various portals to tailor resources and keep businesses details updated. On our side, business advisors can enter information directly into Outcomes Tracker so we can track the types of consulting services the client received.

Similarly, many WBCs also provide lending services to address gaps in access to capital. Several of these centers utilize Lift Fund’s Microloan Management System (MMS) software and underwriting program. The online application of MMS and its underwriting tools allow us to focus on supporting borrowers to be loan-ready rather than on administrative underwriting tasks. This is a perfect example of technology providing a “back office” for our loan program at a fraction of the cost of hiring another employee. WEV also uses Down Home Loan which tracks loan performance and automatically transfers borrower data to Outcomes Tracker without having to manually duplicate data entry. Having all the client information aggregated facilitates measuring the cumulative impact of the services a client receives.

Despite all the new technologies to support our internal requirements, the paperwork burden on individual centers is needlessly exacerbated. AWBC hopes to work with this Committee to identify and eliminate unnecessary administrative requirements that limit the ability of centers like mine to focus on entrepreneurs.

The advent of the internet, email, and cell phones more than a decade ago ensured that all businesses would need to change. I am proud to say that WBCs have adopted new technology for the betterment of the entrepreneurs that rely on us. The use of virtual access to centers, the training of technology to benefit business owners, and the internal modernization of our administrative systems are three ways the WBC program has evolved with technology.

While these elements are important to the program's past and future success, I must stress that the driver of our impact is our people. The dedicated and knowledgeable staff at centers across the country have assisted business and job creation in innumerable ways. Women's Economic Ventures and our national advocate, the Association of Women's Business Centers, are confident that our continued embrace of technology in conjunction with our collective commitment to serve entrepreneurs will keep the program thriving for years to come.

Thank you again for the opportunity to testify today, I am pleased to answer any of your questions.