Small Business Financing Initiative

Small Business Finance Collaborative: Growth Plans Break Out

June 30, 2015

Agenda

- Overview and Context
- Finance Collaborative Growth Plans
- Growth Plan Pitches
- Reflections from Participants on the Value of the Growth Plan Experience
Goldman Sachs 10,000 Small Businesses

Helps entrepreneurs create jobs and economic opportunity by providing greater access to education, capital and business support services.

GS10KSB Financing Initiative:
Multi-faceted program to increase the scale of small business lending by mission-driven lenders

2014
- Workshops
- Forum
- OFN Conference
- Leader Award
- Application for Collaborative

2015
- Collaborative
  - Workshops
  - OFN Conference
  - Leader Award
- Application for Collaborative

2016
- Collaborative
  - Workshops
  - OFN Conference
  - Leader Award
Small Business Finance Collaborative - Overview

- 40 applicants; selected 24
- Intensive two-year program of peer learning, training, and technical assistance
- Goal is aggressive growth in small business lending
- Promotion of best practices and collaboration that support scale

Finance Collaborative Participants

- Access to Capital for entrepreneurs...
- Bridgeway Capital
- Broadmark Capital
- California Community Loan Fund
- CDFI Small Business Finance
- CDFI
- Colorado Enterprise Fund
- Community First Fund
- Community Reinvestment Fund
- CoStar
- Independence Fund
- Innovation Growth Fund
- Growth Capital Corporation
- Kentucky Highlands Initiative
- LUMP Fund, formerly known as...
- Maine CFC
- Northern Economic Initiative
- Pacific Community Ventures
- PAC Community Capital IT
- The Support Center
- Tunis
- YSEDC
- Virginia Community Capital
Small Business Financing Initiative

**Type of Mission-Driven Lenders**

- CDFI: 25
- Loan Fund: 20
- Credit Union: 10
- CDFI Bank: 5
- Other: 0

**Small Business Portfolio**

- Very Small: 9%
- Small: 43%
- Medium: 35%
- Medium-Large: 11%
**Small Business Financing Initiative**

**Finance Collaborative Timeline**

- **Jan-June 2015**: Build Plan
- **June 2015 - on**: Implement Plan
- **Nov 2015 - on**: Common Opportunities

Offer insights to the Industry

**Growth Plan Components**

- Executive Summary
- Growth Goals
- Focus on the Customer: Customer Problems, Customer Segments, and Value Proposition
- Growth Opportunities and the Competitive Marketplace
- Operational Efficiencies: Lending Life Cycle and Technology
- Customer Channels
- Money, Impact, and Metrics
- Organizational Culture, Leadership, and Performance
Building Growth Plans
January to June 2015

2 Tracks

- Participate in 10KSB National Cohort led by Babson in Massachusetts
- Participate in OFN-led program that built upon the Workshop curriculum

Growth Plan examples

- Completed robust plans ranged from 35-40 pages
- “Pitches” are 3-5 slide summaries of plans, succinctly articulate in a compelling way
- Also hear from others who have been part of this process
- The value of planning, some of the concepts and tools that were most valuable to them
Feedback as you listen

- Questions I have about your plan are:

- The elements of the plan which I found most effective were:

- From my experience, cautions to consider as your plan evolves are:

Presenting are:

- CDC Small Business
- Virginia Community Capital
- Montana CDC
- Colorado Enterprise Fund