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Mission, Services, & Philosophy

Mission
- To promote social and economic self-sufficiency for economically disadvantaged women and their families.

Services
- Microenterprise Training
  - Microenterprise is a business with:
    - 1-5 employees
    - Capital needs under $35,000
- Access to Capital
- Incentive Savings Program

Philosophy
- Asset Building Strategy
WORC Accomplishments

**Impact**

- Trained 3,000 individuals
- More than 800 businesses currently generate $20 Million in annual revenues
- Over 300 loans totaling over $1 million
- 840 graduates; economic impact of $29 million.

**Awards/ Recognition**

- Technology Innovation Award for *Building Blocks to Financial Success* (2005).
Why Microenterprise?

- History
  - WORC’s Microenterprise Program Started in 1985
  - Today over 500 Microenterprise Programs nationwide

- Importance
  - Viable Career Path
  - Small Business
    - Small businesses created 60-80% of the net new jobs since the mid-1990’s.
    - 87% of all businesses in US today are microenterprises
  - Buy Local
2001 Lost job as Director of Private Duty Nursing.

Established nursing and staffing agency.

$2,500 start-up loan.

45 employees.

Annual gross sales $350,000.
- Diane C.

- Virtual jewelry store - 1998
- Two employees
- $150,000 annual gross sales
WORC’s Microenterprise Training Program

- **Training**
  - 36 hours, 6 weeks, 2 times per week
  - Management, Marketing and Financial
  - Trainers with business experience

- **Individual Business Assistance**

- **Market Access/ Commercial Linkages**
  - WORCweb.com: Online business directory.
  - Access to contract opportunities.
  - Participation at expos.
WORC’s Training Impact

- 70% complete training
- 40% start or expand their business within six months
- 30% employed or pursue further training
- 50% stay in business over time
Key’s to Success

- Practical / Action Oriented
- Peer Support
- One on One Counseling
- Access to Capital
- On Going Support
- Trainers - Business People
Self-Employment Assistance (SEA) Program

- 1993 North American Free Trade Agreement (NAFTA) HR Bill 3450, Title V, Sec. 507
- Allows unemployed individuals to receive UC benefits while starting a business.
- 1997 PA HR Bill No: 1475 established PA SEA Program

PA SEA Results – 1997 to 2008
- Over 1,700 businesses statewide
  - $45 million in annual revenues
  - $8.8 million employee annual earnings
WORC Self Employment Assistance Program Results

**Overall Results**
- 800 businesses
  - $20 Million annual gross revenue
  - 250 additional jobs created
  - $4.6 Million annualized payroll

**Aspen Institute Follow-Up Study FY 2006 WORC Participants**
- 73% operating a business one year after receiving services
- 90% still in business at 18 months
- $4 million gross annual revenues with estimated $240,000 sales tax revenue in 2007
- 1 in 5 businesses created new jobs
- Cost per business created $4,315
- Cost per job $2,890
Economic Opportunities Fund
Loan Products and Impact

Impact
- Over $1 Million to 313 Microloans totaling

Products
- Credit Builder Loan- $500 to $1000
- Line of Credit - up to $2,500
- Small Business Loan - up to $10,000
- Near Equity Product - up to $35,000

Use of Funds:
- Start Up Costs
- Working capital
- Equipment
- Inventory
Pennsylvania Family Savings Account Program

- WORC developed program in partnership with PA Governor’s Office in 1997.
- One of largest statewide IDA Programs in nation.
- One-to-one match up to $2,000.
- Savings can be used for:
  - Business start-up or expansion
  - Home purchase/home improvement
  - Education for themselves or child
  - Other (car, debt/credit repair)
- Basic Financial Education Classes.
WORC’s Family Savings Account Program – 12/31/08

- 841 graduates
  - Home purchases: 236
  - Home Improvement: 150
  - Education: 108
  - Business: 59
  - Retirement: 51
  - Car: 226

- Economic Impact $29 million (28 to 1 leverage)
  - $1.6 million saved
  - $1.4 million Matched

- Leveraged with
  - $ 3 million in personal savings and other resources
  - $ 23.3 million in mortgages and loans
National Research

Current research on the outcomes and impact of asset-building IDA programs show IDA savers are:
- 84% more likely to own a business.
- Twice as likely to attend college.
- 35% more likely to own home.
- More than half who previously received public assistance no longer receive assistance
- Low incidence of foreclosure.