

July 8, 2015

## **New Report Finds Graduates of Goldman Sachs *10,000 Small Businesses* Continue To Outperform U.S. Small Businesses Overall in Revenue Growth and Job Creation**

### **Entrepreneurial learning program demonstrates Power of investing in small business owners to drive growth and create jobs**

Wellesley, Mass. -- In a new report from Babson College [released today](#), the small business owners who have completed the educational component of the Goldman Sachs *10,000 Small Businesses* program grow their revenue and create jobs at rates that outperform the broader economy. The report surveyed approximately 2,300 of the nearly 5,000 who have now benefited from the program.

The report, **Stimulating Small Business Growth: Progress Report on Goldman Sachs *10,000 Small Businesses***, details the progress of the thousands of small businesses that have participated in the *10,000 Small Businesses* program launched to help entrepreneurs across the United States grow their businesses and create jobs.

“In just 18 months after completing the program, 76.0 percent of program graduates increased their revenues and 57.1 percent created new jobs, said Kerry Healey, President of Babson College, which is the academic partner of *10,000 Small Businesses*. “The growth oriented, practical, peer-to-peer driven classroom experience, together with business support services, are driving participants to change their attitudes and business practices, helping them to achieve significant growth; growth that is critically important to strengthening the U.S. economy.”

“These results confirm that small businesses continue to play a central role in spurring economic growth and job creation in their communities and nationwide and we are so pleased to see how this program has contributed to their success,” said Dina Habib Powell, President of the Goldman Sachs Foundation and head of the firm’s Impact Investing business.

### **Key Findings**

1. *10,000 Small Businesses* graduates are more likely to report revenue growth and job creation than U.S. small businesses generally – results are seen within six months of graduation, and notably businesses are still growing 18 months after completing the program
2. With nearly twice the sample size of last year’s inaugural report, and now including data 18 months out from the program, Babson reports that:
  - 67% of participants have reported increasing their revenues just six months after graduating, which rises to 76% after 18 months

- Compared to 45% of U.S. small businesses according to a survey by the National Small Businesses Association (NSBA)
- 46% of participants have reported creating net new jobs just six months after graduating, which rises to 57% after 18 months
  - Compared to 22% of U.S. small businesses according to that same survey by (NSBA)
- 3. The program maintains a 99% graduation rate and fosters a marketplace where 84% of graduates do business together
  - Those who collaborate with others generally more often report growth in revenues and growth in jobs. The number of business owners reporting increased revenue and/or increased jobs generally increases along with the intensity of the type of collaboration
- 4. *10,000 Small Businesses* is supporting business growth for an underserved market of established firms, going beyond the heavily supported startup market
  - *10,000 Small Businesses* mainly serves mature businesses, looking to grow to the next level. The typical business comes into the program with \$692,000 in revenues, 11 employees, and having been in business 11 years
- 5. Capital works and is a key driver of business growth. *10,000 Small Businesses* owners who acquired capital were 13% more likely to grow revenues, while creating, on average, 33% more jobs than those who did not acquire capital
- 6. What’s good for employees is good for business. When entering the program 77% of businesses report providing on-the-job-training for all or most employees and 32% provide medical and/or dental coverage to all or most employees. Eighteen months after graduating, these rates rise to 86% and 43%, respectively, with an additional 20% of alumni provide these benefits to some employees
  - Businesses who absorb these costs and provide these benefits to employees are generally as likely to grow as alumni generally

“Through *10,000 Small Businesses*, we see businesses grow their revenues and create new jobs, while we learn more about a critical sector of the economy—small businesses that are not new or from any particular industry, but develop or flourish through models of peer learning and business collaboration,” commented Patricia G. Greene, Babson College Professor, National Academic Director for Goldman Sachs *10,000 Small Businesses* and Lead Author of the Report.

### **About Goldman Sachs *10,000 Small Businesses* Program**

[Goldman Sachs \*10,000 Small Businesses\*](#) is based on the broadly held view of leading experts that greater access to this combination of education, capital, and support services best addresses

barriers to growth for small businesses. *10,000 Small Businesses* is guided by an Advisory Council on which Babson President Kerry Healey serves, and is co-chaired by [Goldman Sachs chairman and CEO Lloyd C. Blankfein](#), Bloomberg L.P. founder, president and CEO, and 108<sup>th</sup> Mayor of the City of New York [Michael R. Bloomberg](#), Berkshire Hathaway chairman and CEO [Warren Buffett](#), and the Initiative for a Competitive Inner City's [Dr. Michael Porter](#). The National Urban League and the U.S. Hispanic Chamber of Commerce are also represented on the Advisory Council, among other groups.

Babson College leads on curriculum design and development, faculty and business advisor training, alumni services and program measurement, and to date has trained more than 200 faculty and staff who deliver the program primarily at community colleges throughout the United States, and through a national blended-learning program. Participating businesses are at least two years old and employ a minimum of four employees.

To apply for the *10,000 Small Businesses* business and management education program, please visit [www.10KSBApPLY.com](http://www.10KSBApPLY.com).

### **About the Report**

The *10,000 Small Businesses* measurement and evaluation system is committed to the rigorous tracking of participant outcomes based on information gathered upon entering the program, at graduation, and at regular intervals thereafter, as a means of understanding the program's long-term impact.

### **About Babson College**

Babson College is the educator, convener, and thought leader for [Entrepreneurship of All Kinds](#)<sup>®</sup>. The College is a dynamic living and learning laboratory, where students, faculty, and staff work together to address the real-world problems of business and society—while at the same time evolving our methods and advancing our programs. We shape the leaders our world needs most: those with strong functional knowledge and the skills and vision to navigate change, accommodate ambiguity, surmount complexity, and motivate teams in a common purpose to create economic and social value. As we have for nearly a half-century, Babson continues to advance [Entrepreneurial Thought and Action](#)<sup>®</sup> as the most positive force on the planet for generating sustainable economic and social value.