

FEATURE OF THE WEEK

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# Entrepreneurs are taught the lessons of management

By Charlotte Clarke



Amy Scerra, programme manager for the 10,000 women Entrepreneurship Partnership with participants on the global cohort

Earlier this year a group of entrepreneurs held an indoor market at the Arizona campus of the Thunderbird School of Global Management. The 28 entrepreneurs, all women from emerging economies, were selling goods ranging from jewellery and clothing to products for post-natal care.

The colourful scene has its roots in the Goldman Sach's 10,000 Women Initiative. Launched in March 2008, the five-year \$100m campaign aims to educate and support women who run small and medium-sized enterprises in emerging economies by providing them with management and business training.

The initiative was spurred by research conducted by Goldman which found that empowering women entrepreneurs pays dividends. As their ventures expand, the entrepreneurs reinvest in their communities by employing locally and giving educational and financial support.

**“Investing in women really is one of the smartest investments to drive economic growth and create jobs,” says Dina Powell, president of the Goldman Sachs Foundation, the philanthropic arm of the investment bank.**

**A network of more than 75 academic and non-profit partners, including 30 business schools, are taking part in the Goldman initiative. Business schools taking part include Columbia, Stanford, HEC Paris, Iese, Insead, the Pan-African University and the University of Cape Town Graduate School of Business.**

#### China focus

China continues to be a primary focus for the Goldman Sachs 10,000 Women initiative with MIT Sloan School of Business collaborating with Yunnan University in China.

The programme starts this month with a class of 50 small business owners and will run for three years. The goal is to train a total of 300 women entrepreneurs in Yunnan.

“Yunnan is one of the poorest provinces in China ... In these types of areas, women are the key drivers, creating economic growth, jobs etc,” says Yasheng Huang, international programme professor of Chinese economy and business at MIT Sloan.

The programme aims to improve China’s position in the service industry, a sector where many of the entrepreneurs work.

“The programme design is not just about training. We’re also going to build access, networks and communities,” adds Prof Huang.

The template for participation is relatively flexible with each school developing its own programme depending on time, resources and partnerships, but the programmes are all sponsored by Goldman Sachs and the Goldman Sachs Foundation. Some of the schools taking part are collaborating with business schools in developing countries to train faculty and create culturally relevant certificate programmes for the female entrepreneurs.

Thunderbird initially established programmes in Afghanistan and Peru through partnerships with the American University of Afghanistan and Universidad del Pacifico. The Afghan programme, now in its fourth year, has so far trained 150 women, with a further 150 to train. As well as more than 80 hours of teaching, participants are given mentors and take part in trade shows and seminars.

The Indian School of Business in Hyderabad has taught approximately 1,100 female entrepreneurs in five cities: Hyderabad itself, Bangalore, Delhi, Mumbai and Pune.

Saïd Business School at the University of Oxford collaborates with Zhejiang University and the School of Business Administration at Southwestern University of Finance and Economics, both in China. It has trained 826 students.

Four years into the campaign, some schools are starting to take things a stage further. The market at Thunderbird is part of a new model the school launched this year, colloquially called ‘The Global Cohort’ and run in partnership with the US Department of State. The two-week intensive training programme will serve approximately 100 micro-entrepreneurs and aspiring

businesswomen – women who lack the knowledge to write business plans, manage cash flow and market their enterprises.

“There was no way of taking the traditional model to their countries so we turned the model around and brought them to Thunderbird,” says Kellie Kreiser, executive director of Thunderbird For Good, the school’s outreach programme.

Elsewhere, ISB is working with TechnoServe, a global social enterprise, to offer consultancy services to top performing graduates.

Saïd alumni, meanwhile, are lecturing in China. For example, one Saïd MBA graduate, who is a corporate lawyer, is teaching classes on corporate governance. “The initial commitment of Goldman Sachs is yielding further benefits for a number of different people,” says Marc Ventresca, a professor of organisational and economic sociology at Saïd.

Participating schools have been buoyed by the entrepreneurial success stories they are starting to see.

“I was able to increase my sales revenue almost 250 per cent in the last three years,” says Divya Keshav, who owns a printing company in New Delhi and was trained at ISB.

“My profit margins have also increased owing to reduced costs (and) better management of resources, raw materials and finance.”

She now mentors college girls, teaching them the importance of entrepreneurship.

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Goldman Sachs says that of the 5,500 women who have so far been trained, 80 per cent have achieved revenue growth, 60 per cent have created new jobs and nine out of 10 are mentoring another woman.

“We are pleased the reports show 10,000 Women is meeting its strategic goals of driving economic growth and job creations and that’s largely thanks to our academic partners,” says Ms Powell.

“Through this coalition, 10,000 Women is building a network of shared knowledge, expertise and human capital ... (which) may well be one of the most important legacies of the entire effort.”

The initiative is projected to reach 7,500 women by the end of this year and a total of 10,000 women by December 2013.

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## **Research results**

A report published on March 1 by the International Center for Research on Women, a global research institute, confirms the success of the 10,000 Women campaign.

Data collected from two cohorts of women entrepreneurs who have studied on the Indian School of Business programmes, one in New Delhi and one in Hyderabad, shows that their revenue doubled over an 18-month period and the median number of employees in their businesses increased from six to 10.

Best practice skills such as business planning and negotiation were also widely adopted, with a number of the entrepreneurs describing how their confidence in engaging in male-dominated sectors had increased.

“Many women who started the programme hadn’t even done a five-year business plan” says Sarah Kambou, head of ICRW. Helping them to develop one ensured that they were then able to go out and achieve economic growth.

The research also highlights the creation of female support networks. One group of entrepreneurs is mentoring women, including those in their own families, to enter business. Others use social media tools such as Facebook to help, advise and encourage each other in their efforts to succeed in business.

“The results are strongly encouraging” says Ms Kambou, “It [the initiative] is really filling a critical need.”

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