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Microenterprise Fund for
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Job Creation in Microenterprise Development: What Story do the Numbers Tell Us?

April 2010

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Special thanks to the
**Charles Stewart Mott
Foundation** for
sponsoring this webinar

Outcomes Materials

- Survey Approach
- Survey Overview
- Data Reports



<http://fieldus.org/Microtest/Outcomes.html>

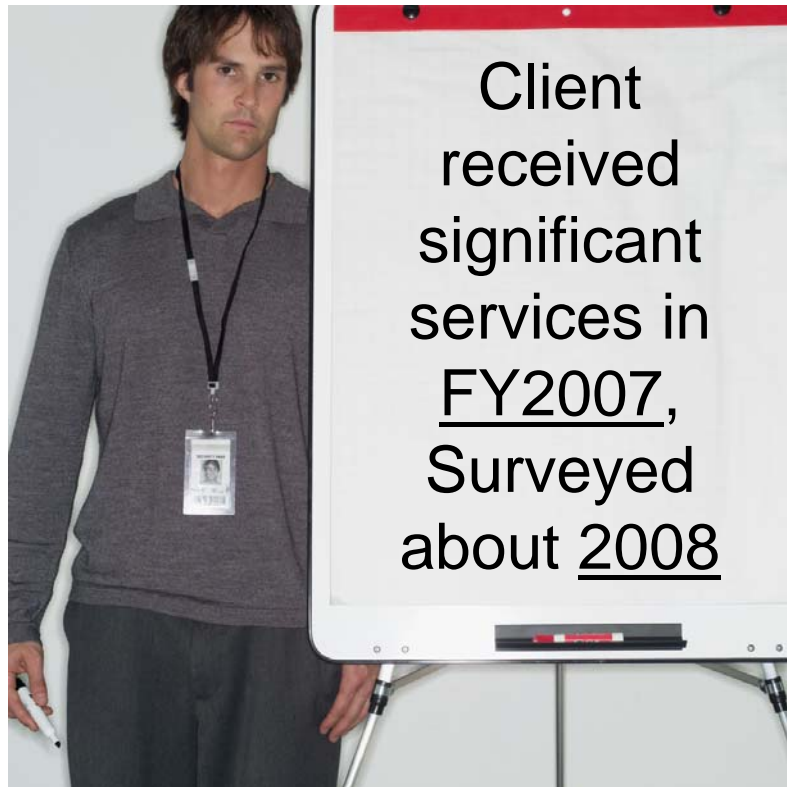


Focus Today

- Outcomes data collected through MicroTest
- Employment for the owner and others
 - Number of jobs
 - Part-Time/Full-Time Jobs
 - Wages
 - Sectors



2008 Group vs. Five-Year Group



2008 Group

Five-Year Anniversary, Clients Surveyed about:



Five-Year Group



Key Stats: 2008 Group vs. Five-Year Group

- 2008 Group:
 - 1,379 Completed Interviews (50% Response Rate),
 - 24 Participating MDOs
- Five-Year Group:
 - 240 Completed Interviews (60% Response Rate),
 - 36 Participating MDOs



Snapshot Vs. Longitudinal



Snapshot– a picture of a specific point in time



Longitudinal– change that occurs from one point to another



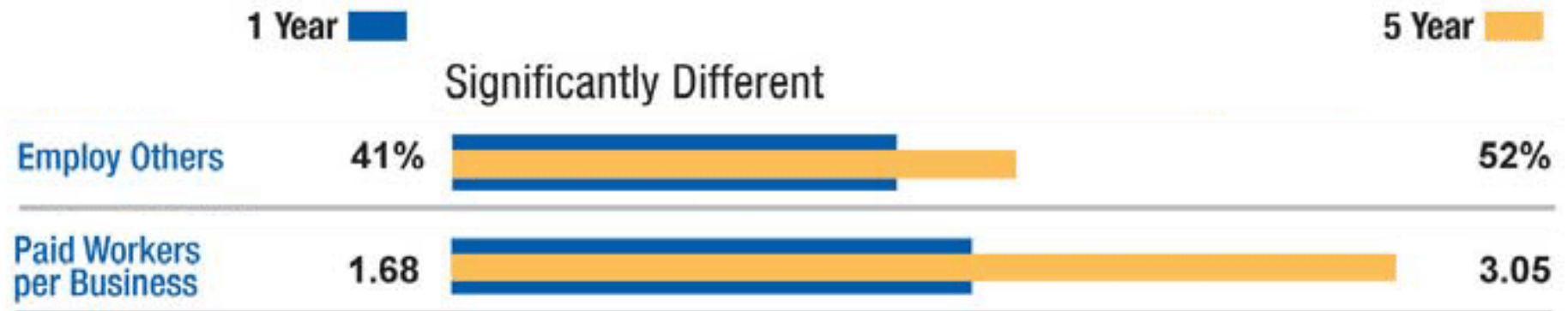
Strong Employment Generated by Microenterprises

2008 Group Jobs Figures (Snapshot Data)			
	Jobs	Jobs per Business	N
Including Owner	3285	3.1	1046
Excluding Owner	2239	2.2	1046

Five-Year Group Jobs Figures (Snapshot Data)			
	Jobs	Jobs per Business	N
Including Owner	694	3.5	196
Excluding Owner	498	2.5	196



Job Creation Continues Over Time



www.fieldus.org/Publications/MultiyearDataRpt09.pdf



Net Job Creation (excluding the owner)

New Jobs Created at Start-ups + Change in # of jobs at Surviving Businesses - Jobs lost at Businesses that closed by survey period = **Net Job Creation**

2008 Group Net Job Figures				
	Jobs at Intake	Jobs at Survey	Change	n
Start-Ups	0	420	+420	300
Existing Businesses	742	1222	+480	536
Closed Businesses	68	0	-68	51
Net Job Creation	810	1642	+832	887

5-Year Group Net Job Figures				
	Jobs at Intake	Jobs at Survey	Change	N
Start-Ups	0	84	+84	42
Existing Businesses	119	303	+184	94
Closed Businesses	13	0	-13	15
Net Job Creation	132	387	255	151



Many Microenterprises Employ Just the Owner (snapshot)



Most Jobs Part-Time (snapshot data)

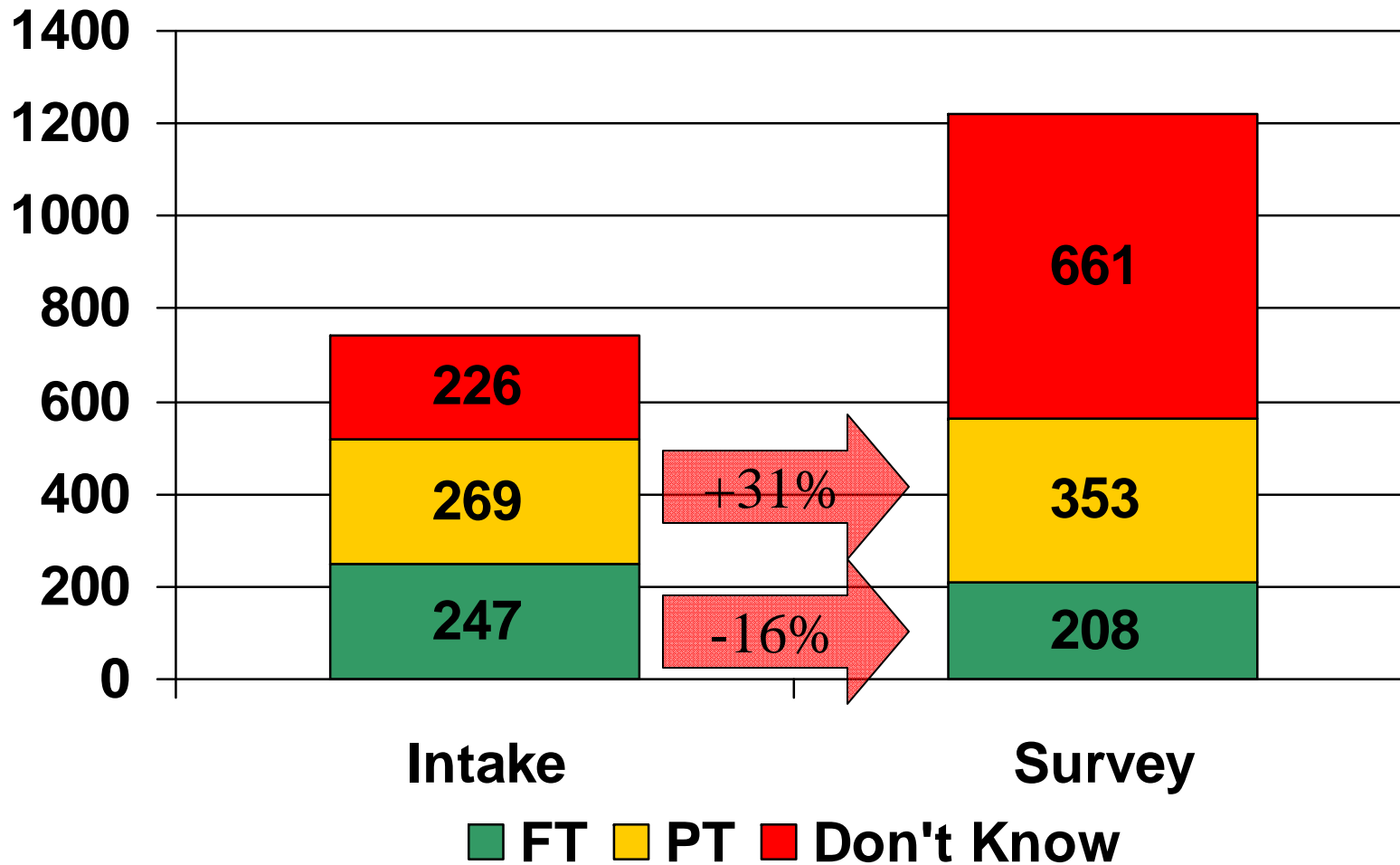


- How many of you were surprised by the proportion of part-time employment being created for others?

- How many of you felt these findings were in-line with what you see with your own clients?



Transition to Part-Time Employees



n=536



- How many of you saw a move away from full-time employees among your own client businesses during 2008?

- How many of you saw clients using this method to cope with the early effects of the recession?



Wages for Others Above Minimum Wage

2008 Group Wage Figures (Snapshot Data)

Paid Workers	Median	Mean	Min	Max	n	MD	% MD	N
Hourly Wages	\$10.0	\$13.0	\$0.8	\$100	1128	1,111	50%	2,239
Annual Wages	\$8,974	\$11,589	\$33	\$96,000	1010	1,229	55%	2,239

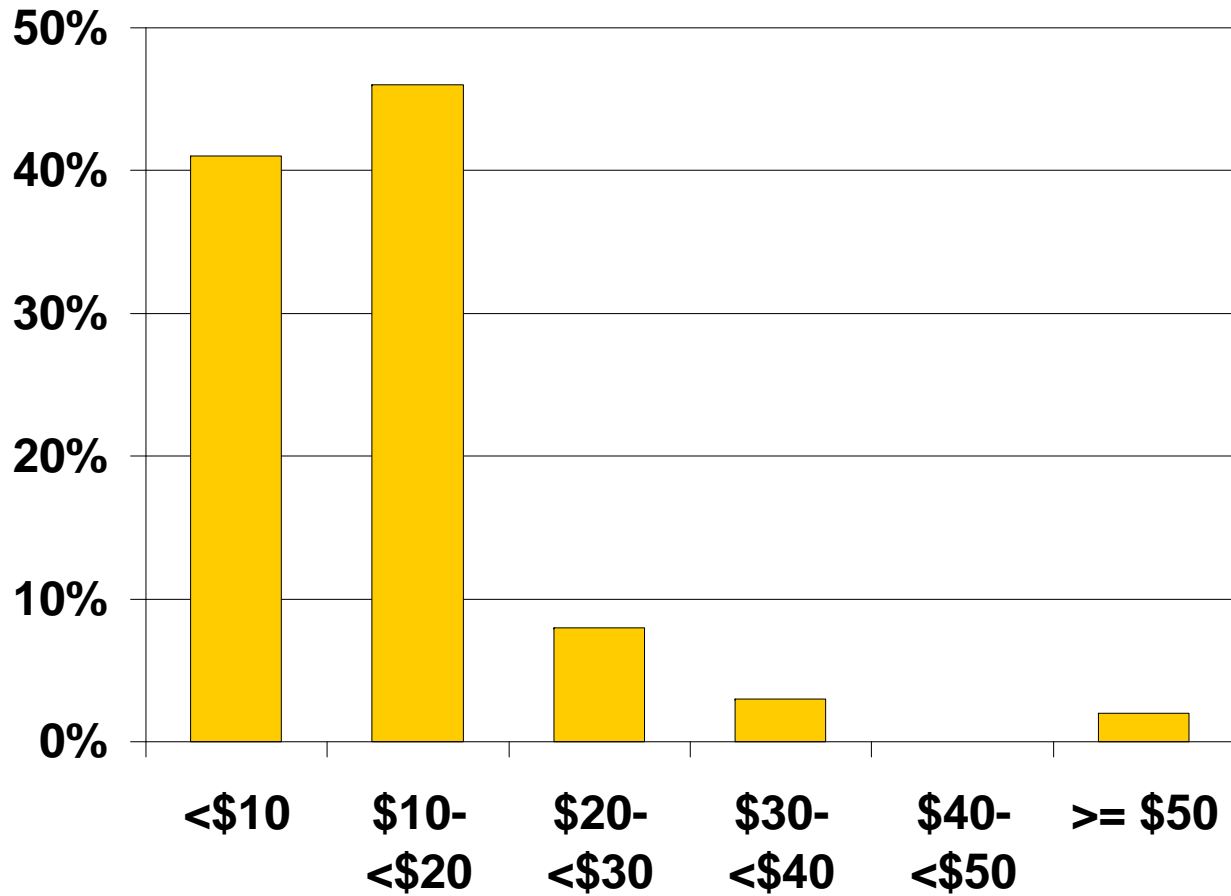
Federal minimum wage
\$6.55



U.S. median wage:
\$15.57



Wages for Others

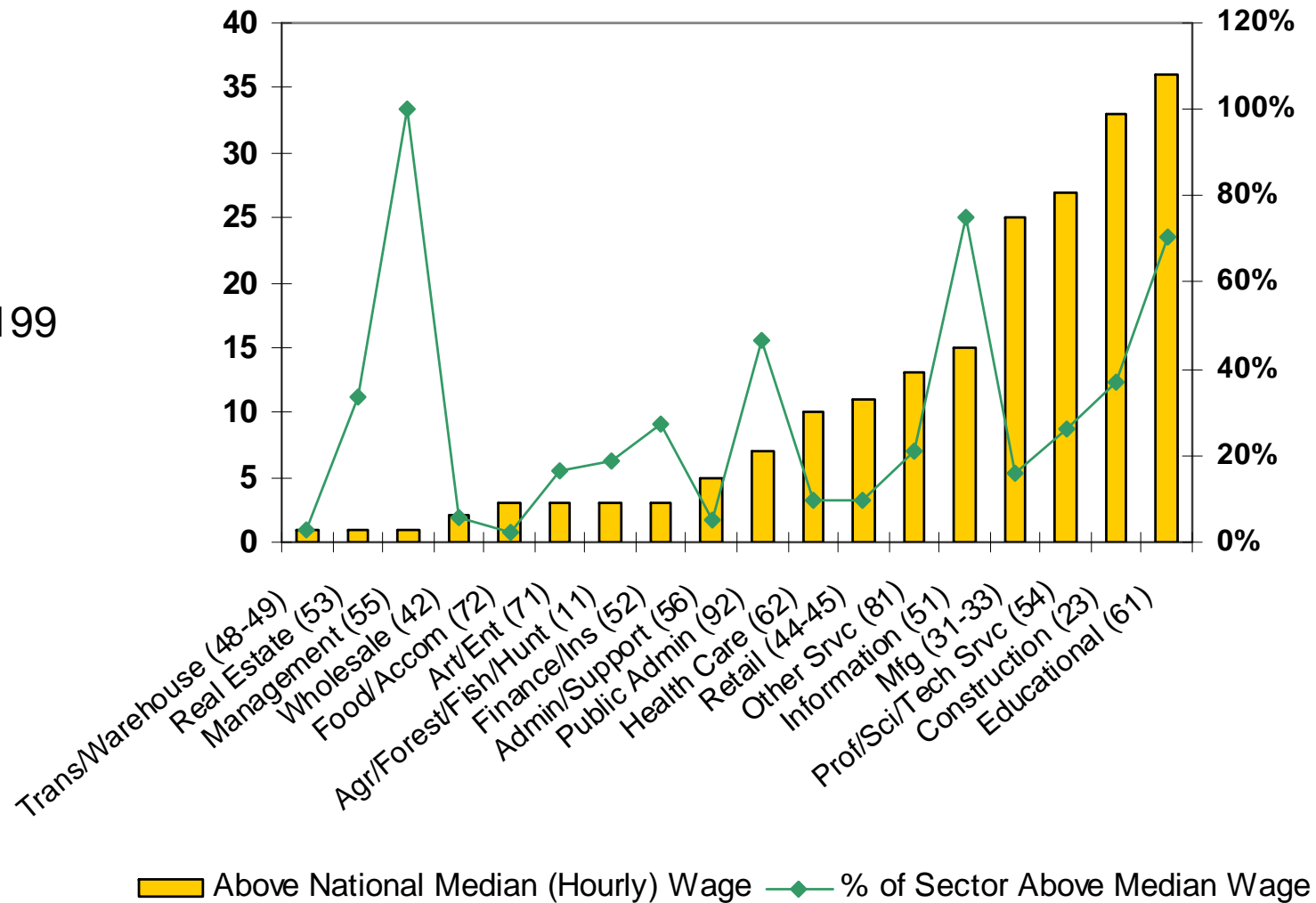


n= 1128



Jobs Above National Median Wage by Sectors (NAICS)

n= 199



•How do you evaluate the wage data that we've reported?

- Positive?
- Negative?
- Neutral?

•What would be the reaction of external stakeholders?



Summary Findings

Microenterprises are responsible for a substantial number of jobs

Although all microenterprises create employment for the owners, not all create paid work for others.

Job growth continues over time

Jobs for others are largely part-time and pay more than national minimum wage but less than the median wage



Supporting Microenterprises that Create Jobs

Thursday, April 29, 2010 2-3:30 EDT

- Agnes Noonan, WESST
- Bob Dunn, Mountain BizWorks



The forthcoming Fact Sheet will be announced in the “What’s New” section of our homepage:

www.fieldus.org

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