The Asset Funders Network

**AFN Mission**
Increase the capacity of our members to effectively promote economic mobility by supporting efforts that help low- and moderate-income individuals build and protect assets.

**AFN Desired Impact**
Raise the visibility of and funding for activities that expand access to financial opportunities and strengthen communities.

### Webinar Agenda

1. Welcome and Introduction of Speakers
   - Jill Geltmaker, Operations and Grants Manager, Asset Funders Network
2. Asset Building Outcomes from Microenterprise: What do we know, what do we need to learn?
   - Joyce Klein, Director, Aspen Institute Microenterprise Fund for Innovation, Effectiveness, Learning and Dissemination (FIELD)
3. Moderated Question and Answer Session
   - Joyce Klein, Director, Aspen Institute Microenterprise Fund for Innovation, Effectiveness, Learning and Dissemination (FIELD)
   - Jill Geltmaker, Operations and Grants Manager, Asset Funders Network
4. Closing Remarks

### AFN Steering Committee

**Co-Chairs**
- Beadie Woo, The Annie E. Casey Foundation
- Benita Melton, Charles Stewart Mott Foundation

**Steering Committee**
- Sarah Cotton Nelson, Communities Foundation of Texas
- Daniel Delehanty, Capital One Bank
- Almea DuBois, Y & H Soda Foundation
- Amanda Feinlein, Water and Ellie Holmstead Fund
- Amy Brown, The Ford Foundation
- Megan McTear, The Thomson Family Foundation
- Christine Robinson, The Kresge Foundation
- Darla Scheidt, C&I Foundation
- K. Sujata, Chicago Foundation for Women
- Carla Thompson, The W.K. Kellogg Foundation
- Angel Zapata, Wells Fargo Foundation

### Introduction of Presenters

**Moderator**
- Jill Geltmaker, Operations and Grants Manager, Asset Funders Network

**Presenter**
- Joyce Klein, Director, Aspen Institute Microenterprise Fund for Innovation, Effectiveness, Learning and Dissemination (FIELD)
FIELD Mission

To build the effectiveness, scale and impact of microenterprise as an economic opportunity strategy.

FIELD engages deeply with practitioners and funders and provides them with tools – research and evaluation, peer-learning and leadership development programs – that build knowledge and practice.

Agenda

- Definition and framework
- Asset-building products and services in MDOs
- What we know about asset-building outcomes – research findings.
- Questions, answers, discussion

Your perspectives

Are you a:
1. Funder?
2. Microenterprise/Asset-building practitioner?
3. Advocate/Interested party?

Definition and Framework

Definition

Outcomes = Value

Microenterprise: A range of roles and outcomes

- Irregular or Independent Work: part time, others informal, may include painting
- Self-Employment: part time or full time, formal, no employees
- Stable Microbusiness: 1-4 workers in addition to owner, limited/no ambitions for growth
- Growing from Micro to Small Business: From 1-4 to 5 or more workers, ambitions and potential for growth

- Income generation
- Wealth creation
- Financial capability and inclusion
- Tangible assets
- Individual/household self-sufficiency
- Job creation/economic growth
Your interests:

What is the interest in microenterprise that drew you to today’s webinar?

1. Micro as an income generation/work strategy
2. Micro as a financial capability strategy
3. Micro as a wealth-building strategy
4. Micro as a job creation and economic development strategy

The Role of Microenterprise Development Organizations in Building Assets

Business ownership and assets

- **BUSINESS EQUITY**: second largest source of non-financial assets.
- **THE MEDIAN NET WORTH** of business owners=2.5X non-business owners.
- **2% OF HHs** with net worth < $50,000 owned a small business, compared to 6% of HHs w/net worth $100K-$249K, and 25% w/net worth $500K and $1M.

Who does the industry serve?

Asset building strategies in MDOs

Asset building strategies in MDOs
Research Findings

MDO clients and assets

Women’s Initiative core training clients:
- > than tripled HH household wealth and increased business equity 6X
- $2 HH wealth for every $1 business equity
- Biz owners had 40% > avg HH income and 48% > HH net worth.
- Greatest growth for African-American women and Latinas

SOURCE: Jagger, Karuna and Elizabeth DeRenzy, Closing the Wealth Gap through Self Employment. (San Francisco: Women's Initiative, July 2008.)

MDO clients and assets

FIELD study of TANF recipients who received microenterprise assistance:
- Participants had an average business net worth of $4,000
- Homeownership increased from 14% to 22%.

SOURCE: Klein, Joyce A., Ilgar Alisultanov and Amy Kays Blair, Microenterprise as a Welfare to Work Strategy: Two Credit Building outcomes publication infographic

Credit Building outcomes

Score Changes at 12 months

All Pilot Participants with Score Data at 12 months

N=223
Among those with no scores at intake, 92% had a score at 12 months

Score Changes at 12 months

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<th>Mean</th>
<th>Median</th>
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<td>Clients with existing score at intake (all)</td>
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<td>12</td>
<td>148</td>
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<tr>
<td>Clients with existing score at intake (increased scores only)</td>
<td>48</td>
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60% of existing scores increased
Scores at 12 months

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<tr>
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<th>Mean</th>
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<td>Existing score at intake (all)</td>
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<td>148</td>
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<tr>
<td>Existing score at intake (increased scores only)</td>
<td>632</td>
<td>633</td>
<td>89</td>
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Average baseline FICO score was 444

What more do we need to know?

- Credit score impact/improvements from core loan products (term loans).
- Asset-building effects (business, personal) of microlending services.
- Effective tools/strategies to promote savings.

For more information

FIELD Web site: [www.fieldus.org](http://www.fieldus.org)

Email us: fieldus@aspeninstitute.org

What’s next?

Asset Funders Network provides a unique and vital space where funders gather in-person or virtually to share ideas, best practices, and gather input to maximize our resources and share progress.

Visit our website to learn more about in-person convenings, webinars, and resources. Asset Funders Network seeks to increase the capacity of grantmaker members to effectively promote economic security by supporting efforts that help low and moderate income households build and protect assets.

For more information, please contact juliemorris@assetfunders.org, or reply to the follow up email, sent your way this afternoon.

To learn more about the Asset Funders Network, please visit [assetfunders.org](http://assetfunders.org)
Thank you for attending today's webinar.

The Webinar is now concluded.

Please send any follow-up questions to:
Joyce Klein, FIELD at the Aspen Institute
fieldus@aspeninstitute.org