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The Future of Bigger, Better Female Startups is Data and Design Thinking

By: Katheryn Thayer



Women in New York City are starting businesses in force, but still face significant challenges growing them. In March, Mayor Bill de Blasio announced the launch of Woman Entrepreneurs NYC (WE NYC), a program that aims to provide support to over 5,000 female business owners in under-served communities.

This is the first time an American city has identified female entrepreneurs as key drivers of economic development and implemented a user-centered design process to meet their unique needs.

It's an exciting example of government using data and design thinking to build a bigger, better, more equitable pipeline of entrepreneurs.

Maria Torres-Springer, the commissioner of the city's Department of Small Business Services (SBS), got the idea for this innovative program after speaking on a panel about female entrepreneurs. "Everyone was talking about how it's challenging, but rewarding... We're the Department of Small Business Services, and saw there's something we can do here."

The agency, tasked with supporting business owners and community workforce, began talking to successful entrepreneurs, including fashion mogul Norma Kamali, Cosmopolitan Editor-In Chief Joanna Coles and Morning Joe host Mika Brzezinski – all who would become advisory council members. But WE NYC was careful to leave many details of the program open-ended until they could be discussed with a wider community. "We don't know all the answers," says Torres-Springer.

To gather more information, SBS published *The State of Women Entrepreneurs in NYC*, a report examining the landscape of female entrepreneurship in the city. The findings were promising, but also showed where female entrepreneurs fall behind. Promising: the number of women-owned businesses in NYC has grown by 43% in the last 10 years (compared to average growth rate of 39%). Women employ 190,000 locals. Problematic: even with the increase in women-owned firms, women own a total 32% of all registered businesses and only 8% of the businesses hiring employees in New York City. The average male-owned business has 3.5 times more employees and 4.5 times higher revenue.

There's a clear opportunity: female entrepreneurs could achieve economic stability and drive city-wide economic growth if their businesses could scale. So what's holding them back?

The next step in the design process—and what SBS is currently working on—is the discovery phase. The organization is trying to gather as much information as possible to learn more about the experiences of female entrepreneurs in New York City.

The department released a survey that gathered data from over 2,000 men and women across different levels of income and diverse industry backgrounds. Now, SBS is supplementing the data they've collected with human voices and expert insights. The agency has hosted focus groups and one-on-one interviews with successful entrepreneurs

and entrepreneurial service providers. Community forums in each of the five boroughs have invited female entrepreneurs to participate in interactive brainstorming activities.

These community forums are one of the most interesting components of the SBS's discovery process.

TYTHEdesign, a human-centered design firm comparable to Ideo, was hired to advise on engagement processes, brainstorm activities and feedback funnels. Creative Director Kris Drury admits the firm has a niche market teaching design thinking to government agencies and non-profits. Clients include the NYC Department of Education and Department of Housing Preservation and Development. Drury explains "It's not common for city agencies to bring on design strategists, but cities are now looking to engage with and listen to their communities in differe

She adds, "design thinking is approachable because it's a problem-solving mindset that doesn't require linear thinking and has lots of versatility. It takes assumptions off the table." Most importantly, TYTHEdesign focuses on teaching clients to lead design thinking sessions on their own. Their methods are simple, straightforward and very scalable.

The program TYTHEdesign and SBS created embraces community voices. The collaborative, rapid-fire idea generation process is encouraging and accessible to all participants. A session moderator asks: “Who here has been in a brainstorming session before?” When few women raise their hands, she tries “who’s used Post-its before?” – suggesting the process is more familiar than they might think. She reminds participants that spelling doesn’t count and all ideas are valuable.

The moderator then leads a series of exercises that open discussion on the motivations and challenges of female entrepreneurs, focusing on individual experiences and answers. Pods of participants are given simple prompts and encouraged to write as many thoughts as possible on Post-its. When the moderator sees a group that includes a party planner, healthcare services provider, and baker shyly shuffling their Post-its, she reminds, “Your group doesn’t have to all agree on one answer, you might all have different experiences and we want to hear all of them.”

Women share motivations that range from “economic necessity” to “being a good role model to my kids.” They think through their own strengths and weaknesses as entrepreneurs as well as external factors that prove challenging. To allow participants to get the most of their time, the agency sets up the session to provide participants with networking opportunities and small business service consultations.

In the fall, SBS will finish aggregating feedback from community forum participants, survey-takers, and advisory board members and release a report detailing the types of support services New York City’s female entrepreneurs need most. When this report is completed and released in early fall 2015, the agency will start building out the community-designed program, as well as share more information on previously-committed support programs such as Goldman Sachs’ 10,000 Small Businesses program and micro lending service Grameen America.