



# The *SheEO* Way

[www.SheEO.World](http://www.SheEO.World)

## “It’s too hard to break in.”

### The Current Economic Model of Entrepreneurship Presents Barriers to Entry That Are Unique to Women

Only 10% of high-growth companies are owned by women. The reasons for women’s lack of representation amongst high growth companies are many and complex. Women entrepreneurs often purposely keep their businesses small because that is easier than trying to break into a system that is biased against them in both explicit and implicit ways. Canada’s Women’s Entrepreneurship Strategy clearly places it amongst world leaders in efforts to proactively address, through a feminist lens, the biases and hurdles our traditional economic systems place in front of women.

The entire process of accessing venture capital, for example, is difficult for women. Women receive only 4% of venture capital in Canada and studies have shown that implicit bias is critical to this imbalance. For example, investors are 68% more likely to invest in a business based on a pitch deck perceived as coming from a male entrepreneur vs. a female entrepreneur, even when the deck is identical.

While significant progress has been made in the past several decades, women in Canada continue to carry the heaviest burden of domestic and child care responsibilities compared to Canadian men. The constraints on time which women face in their efforts to be economically active is a major problem around the globe, posing serious constraints in particular for women on an entrepreneurial path which normally involves extensive work loads.

The nature of their business can also keep women entrepreneurs from even getting in the door. Venture Capital funding is largely focused on Canadian technology firms. However 90% of women-led businesses are in service industries. While no less innovative, their deployment of technology is more likely to be in order to develop new products and services, engage employees, or devise new ways of marketing and selling. Women entrepreneurs, however, do not generally view technology products as their end-goal and their enormous contributions to innovation in Canada is largely unrecognized and unfunded.

### SheEO’s Holistic Feminist Model Removes These Initial Barriers

SheEO has streamlined the entire application for funding and support process, tailoring all outreach and systems to women’s preferred ways of interacting and communicating, and making applying for funding much more accessible for women entrepreneurs. Applicants must be revenue generating (between \$50K - \$2M annual revenue) and have export potential in order to apply. Women whose businesses represent all sectors are invited to apply to become a SheEO Venture. The application process involves answering 12 straightforward questions and providing a one minute video. SheEO Activators review the applications, provide constructive feedback, and offer their specific expertise, assistance and mentorship. Every woman entrepreneur who applies to SheEO, even if her application does not move to the funding level, receives specific, high-level advice, connections to mentors and buyers, and is welcomed into the SheEO ecosystem of tailored support, training and mentorship.

### SheEO Impact and Results

- SheEO receives 50 applications for every Venture it funds and provides all applicants with specifically tailored feedback, advice and offers of mentorship and assistance
- Applicants represent a broad range of sectors, from pure-tech plays in artificial intelligence to food services.
- On average, each applicant received 3 personalized comments and 2 offers for help from women in SheEO’s network to help these ventures grow their business.

**“I’d like to expand to new markets but I don’t even know where to start.”**

## **Expanding to New Markets is Confusing and Complicated**

While women own 15.7 % of the SMEs in Canada, only 7.5% enter export markets as compared to 11.3% for men. Building an export plan is a multi-step process that can be overwhelming and discourage entrepreneurs from even starting. With domestic responsibilities disproportionately falling on women, leaving home for the travel required to succeed in export markets poses a significant barrier to women exporting. Canadian export support institutions (Export Development Canada, Canadian Trade Commissioners Service at Global Affairs Canada Business Women in Trade Program) will be better able to support the export interests of women in the future through their participation in the Women’s Entrepreneur Strategy, however there is still much work to be done.

## **SheEO Simplifies Exporting for Women Entrepreneurs**

SheEO is designed as a distributed, global network that makes accessing markets quick and simple. It is comprised of a well-connected and highly diverse group of women representing a broad range of ages, races, and orientations. Many are leading executives, entrepreneurs, public figures and next generation leaders, who are keen to scale and replicate innovations around the world. These women generously leverage not just their capital, but their networks, expertise and time to support SheEO Ventures in helping them get their products and services into new markets.

SheEO Ventures who seek assistance with exporting have the opportunity to reach out to this community of women directly using SheEO’s online tools, seamlessly opening the discussion between a new entrepreneur and an experienced business leader with the contacts and connections that can greatly expedite market expansion. And because SheEO has expanded to countries beyond Canada’s borders, Canadian entrepreneurs have immediate access to Activators and their networks, as well as customers, in other countries.

## **SheEO Impact and Results**

- All SheEO Ventures have export potential at time of selection
- SheEO Ventures collectively export to more than 47 countries
- SheEO Activators leverage their expertise and connections to help Ventures expand to new markets domestically and globally.



## “How do I get customers?”

Unless a startup business is part of the rare breed that receives significant early venture capital funding, it needs to rely on bootstrapping and revenue generation in order to keep going. For these startups, customers who are early adopters are critical yet finding them, and finding enough of them, is problematic, particularly when initial marketing budgets are small or non-existent.

### The SheEO Model Inherently Leverages the Buying Power of the SheEO Network

Women make 85% of purchasing decisions and SheEO is designed to help Ventures benefit from this purchasing power. As Activators select Ventures they would like to “buy from or refer to their networks”, SheEO leverages this community as early customers and potential follow-on investors. In this way Activators become powerful brand advocates, amplifying the marketing message to their friends, family, and colleagues. This word-of-mouth approach is powerful; in a [Nielsen survey](#), 83% of people said they trust recommendations from people they know.

### SheEO Impact and Results

- To date, 3,000 Activators have supported 32 SheEO women-led Ventures across Canada, the United States and New Zealand
- SheEO Ventures enjoy, on average, triple digit revenue growth
- A recent ‘Ask’ to the Activator network by Canadian Venture Made with Local resulted in three large orders from Canadian tech-company Shopify
- SheEO Venture Skipper Otto’s set a goal of collecting \$3,000 in membership pledges at the SheEO 2018 Summit and Gala. Thanks to the support of the SheEO network, she exceeded her goal by 29%



## “How can I get to the top decision maker?”

### Women Lack the Networks and Connections that Open Doors

Women are 46% less likely than men to have a sponsor that will “open a door” for them, making it much more challenging for women entrepreneurs to gain access to key decision makers and greatly hampering the growth potential for women-owned businesses. Women generally are not well networked to helpful power structures, including to political and economic networks

### SheEO’s Efficiently Connects Women Entrepreneurs with the Right People

SheEO’s 3,000-strong Activator network are the de facto sponsors of all SheEO Ventures. Through a monthly “Ask”, Ventures have the opportunity to request help in connecting to the key decision makers they seek to reach. By leveraging their networks, SheEO Activators, that include senior executives, entrepreneurs, public figures and others, are able to quickly and efficiently put Ventures in front of the people they need to speak with. To date, the results have been remarkable.

### SheEO Impact and Results

- A SheEO Activator connection was responsible for SheEO Venture 21 Toys inking a 6-figure deal with Bank of Montreal who is now using the 21 Toys product to train more than 40,000 employees
- 69% of Activators are at the VP level in their firms or above (SVP, C-Suite, Owner)
- 79% of Activators believe that female entrepreneurs are more likely to succeed when they are surrounded by a network of other women

“I asked on Workplace if anyone could introduce me to someone at a specific GTA grocery store and 12 Activators responded with offers to help!”

– Skipper Otto



**“I wish I had someone I could turn to for advice when I need it.”**

## **Women Lack Access to Coaches and Advisors**

Despite coaches being game-changes for many entrepreneurs, most women, whether because they lack the financial resources, because of a tendency to put themselves last, or both, don't get a coach. And advisors, individuals who have the business experience and expertise to advise and mentor them on marketing, human resources, legal issues, business process, or manufacturing, are difficult to find.

## **The SheEO Model Provides World-Class Coaching and a Network of Advisors**

Unlike most coaching programs that are designed by-men-for-men and only focus on the business, SheEO coaches, who have also been entrepreneurs themselves, understand the many competing priorities and complexities in a female-entrepreneur's life. They are experts when it comes to business process and strategy as well as when it comes to helping women integrate their various worlds.

In terms of advisors, the SheEO network is made up of 3,000 women who are ready and able to support Ventures with guidance and advice in real-time. In addition to being able to reach Activators in the SheEO network via their listing in SheEO's Little Purple Book, Ventures are supported by the entire network in an online community. This highly efficient on-demand, just in time process enables Activators to give their support based on their expertise, their passion and their availability. This creates a safe space for women entrepreneurs to ask for and get what they need.

## **SheEO Impact and Results**

Ventures report getting feedback within 24 hours of their ask

**“We have an abundance of leads, but with [SheEO Coach] MJ's guidance, I've been able to shorten the sales cycle (my biggest hurdle), focus on the QUALIFIED leads, and convert more buying accounts than I did in Q1. “**

**- Sleepbelt**

**“The greatest value in the SheEO program is the network. We've had an activator join us full time, and have collaborated with others on things such as our forecasting worksheets etc. the collection of brilliant minds in one place, is invaluable.”**

**- Sleepbelt**

## “Cash-flow is tight and repaying my business loan is crippling.”

### Women are Hesitant When It Comes to Financing

Women start businesses with half as much capital as men and only 5.5% of the women obtain bank loans, compared with 11.4% of the men and ask for \$89,000 in debt financing on average compared to the \$124,500 on average that men ask for. (Source: Canada United States Council for Advancement of Women Entrepreneurs & Business Leaders)

Women are cautious when it comes to their funding goals and for good reason. If an entrepreneur hasn't separated their personal and business credit, they could be putting themselves and their families at risk. And locking a business into crippling debt rates, particularly during the early stages, can spell the death knell for many businesses. But there is downside to this lack of emboldenment: women are less likely to take the risks necessary to grow their businesses.

### SheEO Provides Financing for Women Entrepreneurs on Their Own Terms

SheEO overcomes this by financing women's businesses on their terms. Ventures receive a 0% interest loan, paying it back in 20 equal payments over 5 years. (This money is then loaned out again to new SheEO Ventures, creating a perpetual fund.) The Ventures in each year's cohort decide as a group how the available capital pool will be divided following in-depth discussions with each other about their businesses. This supportive, women-centric model allows the group to view capital from the lens of where it will have the highest and best impact, both for themselves and for their cohort.

### SheEO Impact and Results

- 53% of SheEO Ventures rank difficulty in raising funding as their biggest pain point
- 90% of SheEO Ventures have funded their businesses with their own savings or with money from family and friends
- SheEO enjoys a 100% payback-rate on all loans to date



## “Women investors “get” my idea.”

### A Lack of Female Investors Creates Barriers for Women Entrepreneurs

Only 14% of partners at Canada’s venture capital firms are women. This matters because often the products and services that women bring to market are for women, hampering male venture capitalist’s ability to understand or appreciate their potential. If we want women funded, we need more women investors.

### SheEO Is the Gateway Drug for Investing

While SheEO Activators contribute \$1100 with no expectation of financial return, what they do receive is an in-depth view into SheEO Ventures’ businesses. From reviewing Venture applications to the voting processing to participating in the community (both online and off) to receiving quarterly reports detailing each Venture’s process, these women are privy to the inner workings and challenges of starting, growing and scaling a business as they receive an unparalleled education into investing their capital.

This aspect of the SheEO model develops an army of informed, savvy and confident women investors and positions them to participate in follow-on funding opportunities.

### SheEO Impact and Results

- Within the next decade, SheEO anticipates bringing in over \$1B in follow-on funding to the SheEO network across Canada
- 70% of SheEO Ventures are raising follow-on capital from the SheEO community
- 33% of SheEO Activators rate themselves as experienced investors

