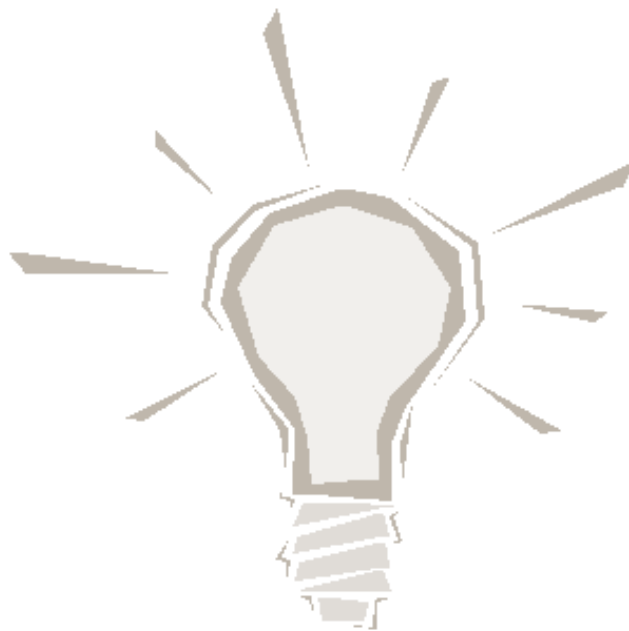


Additional Suggestions

In addition to the suggestions that have been mentioned in the previous tools in this package, there are many other ways that you can help increase women's access to business financing.

We have listed in this document a number of additional tips and strategies that you as a loan agent could consider. These additional suggestions could further benefit your business clients and your financial lending programs. These are “win-win” strategies that can increase your potential for profitable lending to women-owned businesses.

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The following suggestions and strategies were gathered from research as well as consultations with entrepreneurs, loan agents and various organizations. The ideas listed in this document are all complementary to the ideas discussed in the previous tools in this package. All have the intent of reducing or eliminating the barriers* that women can experience when trying to access business financing.

Each of the strategies mentioned in this document is optional. We are aware that you and your financial agency cannot undertake all of these. You could begin by trying just one of the strategies. From this beginning may come new ideas and strategies.

Keep in mind how these strategies can benefit you and your organization as you increase your client base from the expanding numbers of women in the business world.

* Definition available in Glossary (Tool #8)

1. Internal Working Group: Start an Internal Working Group (or committee) of staff members at your workplace who are interested in exploring topics relating to business financing and the potential barriers*



facing women entrepreneurs. This group could work with any of the tools in this package as well as consider any of the other suggestions in this document. The group could communicate with other loan agents to generate further interest and ideas and could also create an **Action Plan** for implementing further changes in your financial agency.

2. Partnerships and networking: Increase partnerships between your loan agents and other organizations, such as economic development agencies and other associations that engage women in business. Hold meetings together to share information about initiatives, services and programs. Stay up to date on what is

offered in your community in order to enhance your support to women

entrepreneurs. Participate in community activities and women's events such as those organized through the NB Women in Business Network and other organizations.



3. “Gender-Based Analysis Plus” (GBA+)*:

Gender-Based Analysis Plus (GBA+)* is the process by which a policy, program, initiative or service can be examined for its impacts on various groups of women and men. One of the key competencies developed through GBA+ is the capacity to challenge the assumptions* we make as individuals that may unintentionally create unequal outcomes.

You can find the online GBA+ at: <http://www.swc-cfc.gc.ca/gba-acs/course-cours-en.html>. By using this resource, you will learn gender-based differences and how you can apply gender-based analysis* in your own agency.

After completing the online GBA+, lending agencies may want to undertake a more in-depth Gender-Based Analysis* process for their services. Agencies can benefit from the involvement of an outside facilitator or a gender* specialist. This process might require more time and resources, but it is well worth it.



* Definition available in Glossary (Tool #8)

4. Review lending policies: As discussed in other tools in this package, research shows that in some lending policies there is the potential for gender bias*. This can potentially lead to barriers* for women entrepreneurs. We encourage you and your agency to review your lending policies, such as:

- a. Debt service ratio calculation timeframes: Could timeframes be more flexible?
- b. Underwriting criteria: Do all criteria provide equal opportunities for male and female applicants?
- c. Credit history/collateral: Do your policies take into account that some women are at a disadvantage since their financial affairs and assets are under their husbands' names? Although this is getting less common, can you make accommodations to get around this barrier*?
- d. Maternity leave: Can you change how women are assessed when they are on paid maternity leave such as not defining them as unemployed?
- e. Overall: Can you consider flexible alternatives to lending policies and review applications on a case-by-case basis?



* Definition available in Glossary (Tool #8)

5. Staff training: Encourage your workplace to offer training opportunities to loan service staff members designed to increase understanding regarding matters such as: gender stereotyping*, adapting to various client needs and personalities, and communication. Learned techniques and strategies can help to forge strong and trusting relationships with your business clients, leading to increased success for everyone.

As mentioned earlier, GBA + is a great training option. Your Internal Working Group could research and propose additional available training options. One option for better understanding clients and their unique needs is Personality Dimensions training (<http://www.personalitydimensions.com/>).



* Definition available in Glossary (Tool #8)

6. Advertising and recruiting: Women business owners are a growing clientele for profitable banking and lending relationships. They are an important group in any advertising and recruiting activities. As explained in Tool #4 (Rethinking Communication), communication and marketing are great ways to ensure women feel like they belong and can see themselves in the business world. This includes all categories of communications: written, visual, and verbal/non-verbal.

By analyzing the ways in which lenders communicate with female clients, it is possible to both better understand their needs and better accommodate a wide-range of customers in general. When promoting or advertising your services, portray successful women entrepreneurs through testimonials and/or photos in a variety of business roles such as leading and negotiating. Be mindful of the presentation of loan programs as well as promotional campaigns, paying attention to subtle messages and other details.

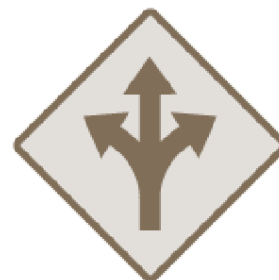


7. Clarify your information: As discussed in Tool #4, think about how you might make your written communications and loan documentation clearer. Don't assume that a client knows everything or has read other information on the topic. The more accessible your materials and documents are, the more likely your clients will be to reach their goals and the more successful your loan services will be.



Also, pay attention to using acronyms (e.g., SME). People who work in financial agencies use acronyms frequently. It is easy to forget that other people may not know what the abbreviations mean. Check that the person knows what you are referring to whenever you use an acronym.

8. Offer referrals to other programs and services: If you have to turn down a client or are unable to assist them with their specific needs, propose other avenues such as programs and services offered by other organizations. Keep a readily-accessible listing of other quality programs and services to which you can refer your clients. In addition, your Internal Working Group could research and identify further options for referrals.



* Definition available in Glossary (Tool #8)

9. Gather your own data and statistics: Any data you collect has the potential to provide you with insight. This data may help you refine the services you offer and attract more business, leading to successful results.

For example, you could collect data regarding: business women's ownership; types of loans for which women apply; size of loans; reasons for not approving loans; and factors that strengthen loan applications. Compiling business-sector statistics could also prove useful.

Analyze the data and statistics from your loan application assessments. See any patterns? Do certain groups of applicants seem to get similar results? Might something related to **gender** have influenced financing decisions?

Do your statistics show what groups of applicants/clients are most successful? What could be learned from this? How might this learning be used to increase the success of other groups of applicants/clients?



10. Adapt to what the research shows: Studies show that, in general, women entrepreneurs borrow smaller amounts than their male counterparts. Encourage your financial agency to develop loan options that can accommodate lower application amounts and that have more flexible terms.



Following and understanding the latest data and statistics can help you to stay on top of new trends.

11. Follow a case-by-case approach: Taking a second look at applications originally rejected by credit scoring systems could allow you to identify unique opportunities.



Taking a bit of extra time to get to know your clients and their projects can pay off. Great potential can be missed by putting everyone in the same box.

In addition, when you are unable to approve a financing application, consider offering the client an alternative. You could also assist the client in reorganizing or restructuring his or her application to increase its chances of being approved.

12. Encourage women to have their own name on assets and financial affairs:

In past generations, a couple's assets and financial affairs were often in the husband's name, resulting in women not having their own assets when applying for business financing. This concentration of financial power in the husband's hands severely limited a woman's potential for accessing financing.



Promote the importance of couples holding assets in joint or in separate names. This will help women to establish their own credit ratings. When working with female clients, help them to understand why this is important and beneficial.

13. Help increase financial literacy through outreach programs:

Schools and other organizations often look for partners in the community to help present information to their students or clients regarding the importance of building a good credit rating as well as learning about a variety of topics relating to personal and business finances. Reaching out to youth today can help to ensure knowledgeable business clients in the future.



14. Suggest training options to your clients: Find out about existing training options (inside or outside your agency) to which you could refer your clients for information on such topics as budget planning, applying for a loan, financial literacy*, HR management, business plan preparation, as well as other material they appear to need or in which they may be interested. Consider developing new entrepreneurial training opportunities that could be offered by your financial agency, aligned to the specific needs of women entrepreneurs. Your Internal Working Group could research and propose options.



15. Survey your business clients: Consider creating a survey for your clients to get feedback from their perspective regarding your financial agency's programs, services, policies and practices. Take the opportunity to learn from them the different ways that you and your agency could improve and how you might be able to adapt and accommodate the specific needs of different groups of people.

Ask existing female and male clients what they like most about your agency's services. Do the responses show differences? What could you learn from this data?

Contact past customers and ask them for constructive feedback about why they left your organization for another.

* Definition available in Glossary (Tool #8)

- 16. Guidance and mentorship:** Offer personalized guidance, mentorship and/or coaching. Long-term approaches with frequent follow-ups, as well as networking sessions work best. Women tend to thrive in settings that make them feel involved and accepted. Remember that each woman is different. Some prefer the opportunity to be part of a women-only network. Others prefer being part of a group including both genders*. Others might prefer groups based on business sector or business size.



It is important to offer a safe and encouraging space for women to discuss their successes and challenges and to offer them support throughout the process.

- 17. Offer organizational tools:** Offering tools such as checklists or timeline templates to your clients can be particularly helpful. For example, a checklist including things to do and prepare while applying for a loan or a calendar that indicates the timing of all meetings and deadlines can help clients feel that they have a plan and that they are supported while carrying it out.



- 18. Ensure and promote confidentiality:** During our initial project consultations, some entrepreneurs expressed concern about confidentiality, *especially in rural regions* where it is common for staff of loan agencies to know the family, the friends and the community contacts of applicants. It is very important that an applicant feel certain that everything discussed will be completely confidential. During a loan application, you will likely learn a lot about the applicant. It's important to offer a safe, confidential and non-judgemental space. Display trust and ensure confidentiality at all stages.

Reference:

Some of the content in this document was based on:

LORRAINE M. WOOS WITH THE FEDERAL RESERVE BANK OF CHICAGO AND THE WOMEN'S BUSINESS DEVELOPMENT CENTER OF CHICAGO. (UNDATED) *Access to Credit: A Guide For Lenders and Women Business Owners of Small Businesses* www.chicagofed.org