The Wisconsin Women’s Business Initiative Corporation (WWBIC) is a CDFI that provides business and financial education classes coupled with affordable loan products ranging from $5,000 - $250,000. WWBIC’s focus is on serving women, veterans, low-income households, and people of color. WWBIC has five offices throughout Wisconsin.

When WWBIC’s CEO, Wendy Bauman, found out about Kiva, she knew there was an opportunity for partnership. WWBIC’s loan sizes start at $5,000, and they have underwriting requirements that make it more difficult for certain populations (poor credit, undocumented, early-stage startup businesses) to access their capital. For this reason, Kiva became a natural way for WWBIC to serve all clients, regardless of if they qualified for a WWBIC loan right away. Kiva’s social underwriting relies on the crowdfunding model, using the risk-tolerance of scores of small lenders to take the risk off of an organization like WWBIC. “Just like food or shelter, access to money is a real need, and Kiva helps us to provide that with risk tolerance that we otherwise could not have,” says Lisa Sullivan, Program Manager at WWBIC.

WWBIC launched as a Kiva Hub in Milwaukee in 2015, leading the local fundraising efforts to bring together multiple stakeholders: the city government, other CDFI institutions and local philanthropic organizations. In total, WWBIC has helped service more than $1.9M+ in loan volume to over 300 borrowers with a 78% repayment rate, the risk of which is being taken on by the thousands of lenders on Kiva’s site, instead of WWBIC. Of the borrowers WWBIC has served with Kiva, 56% are minority entrepreneurs, 68% are women, and 75% are low-to-moderate income. “It’s great to be able to have [Kiva] in our back pocket,” says An Nguyen, senior loan officer at WWBIC. “...this way, we can provide loans to clients who don’t qualify for our products, or who are just getting started and need a smaller loan size.”

In February 2019, after the success of the Kiva Hub in Milwaukee, WWBIC launched another Kiva Hub in Madison. In preparation for the Madison launch, WWBIC fundraised $250,000 for the 3-year commitment (the bare minimum cost of a Kiva Hub is much lower than what was fundraised, allowing WWBIC to leverage the Kiva Hubs partnership to build more revenue streams, new donor relationships, and build capacity within WWBIC staff). In April 2019, WWBIC secured funding for two more staff members - CAMs - to support the Wisconsin borrower pipeline, making four staff members in total servicing the Kiva borrowers in Wisconsin. In addition, WWBIC orchestrated the fundraising of over $600,000 in loan matching capital to support lending on Kiva to Wisconsin borrowers. Not only has WWBIC been able to fundraise for the Hub partnership, but they have been able to leverage their Hub status to receive funding for WWBIC general operating costs. Barb Kueny, Director of Development at WWBIC, explains: “About 30% of WWBIC’s annual income is from grants. Many of our grantmakers want to see us service more clients while operating efficiently. With the Kiva loan product, WWBIC is serving much more of Wisconsin, without financial risk or significant investment of our own. Combine that with the data that Kiva provides us, like how many small businesses we helped start, and we are able to use that information in our proposals and get more funding for the operating expenses of WWBIC. It has been a win win win.”

In May 2019, WWBIC fundraised $200,000 for two more launches in the state of WI: West Allis, a small town outside of Milwaukee, and WEDC Main Street Corridors, a collection of main streets across Wisconsin in partnership with the Wisconsin Economic Development Corporation. The money fundraised helps support staff time for the two additional staffers servicing the new areas, loan matching, income to WWBIC and fees paid to Kiva.

The Kiva product is woven into every part of WWBIC. From the materials clients receive when they come through the door to the technical assistance courses on starting a small business, there is information about Kiva loans. If a client decides to apply for a Kiva loan, they are eligible for the WWBIC “Kiva Companion” loan, in which once they have successfully paid back their first Kiva payment on time, they
can receive a second loan of the same size of up to $5,000. More than 80% of WWBIC’s clients who receive a Kiva loan also go on to receive the WWBIC Kiva Companion loan, and more than 20% of WWBIC clients who receive a Kiva loan go on to receive larger capital from WWBIC, all while receiving hands-on coaching and resources from WWBIC programming staff. WWBIC received SBA Prime grant allocations for their technical assistance, and are able to get more funding support due to serving more TA clients who start as WWBIC clients because of the Kiva product.

Together, WWBIC and Kiva expand access to capital in Wisconsin markets, bolstering one another’s business and furthering the same goal: financial inclusion.