

## **Barriers to Entry in the Tech Industry for Diverse Entrepreneurs**

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Thank you for the opportunity to share The Garage at Northwestern's perspective on barriers to entry in the tech industry for diverse entrepreneurs. I look forward to sharing with Senator Duckworth how we have built our innovative programs and crafted an inclusive environment where underrepresented students can thrive in tech (or any field) after graduation.

## Background

At Northwestern, new discoveries are found, new connections are forged, and ideas are moving closer to reality. Students across all schools of Northwestern are fearlessly challenging the status quo, redefining what it means to be innovative in every discipline. From cold brew coffee sold on a bicycle to automated drones developed for vertical warehouses, the ideas that we see each year at The Garage at Northwestern are an extraordinary testament to the new and exciting ways students are approaching their college experience. They are building a brighter future for tomorrow, and the startup buzz around campus is undeniable. The entrepreneurial ecosystem and commitment to innovation at Northwestern stretches across all campuses, all schools, and *all* students.

My name is Melissa Kaufman, and I joined Northwestern in 2015 to build, develop, and grow the university's first student-centered hub for innovation and entrepreneurship, The Garage. The Garage is one of the most unique and modern spaces on Northwestern's Evanston campus. Carved out of the second level of a parking structure, the 11,000 sq. ft. space is a tech playground with a nod to Silicon Valley that is open to all Northwestern students from any school and at any level of study. Outfitted with the resources students have told us they need like dedicated workspaces, fun and collaborative meeting rooms, and of course, free coffee, The

Garage is not only a place to meet with other students interested in entrepreneurship - it's a place to transform their mindset. Our ultimate goal is to instill students with the entrepreneurial toolkit and innovative mindset they'll need to be successful: from pitching to leading effective teams to learning how to get to "yes," the subset of Northwestern students The Garage serves are forging new and exciting paths every day.

Most of the early adopters of our co-working space and programs were male students, many of whom were studying engineering. As a former Googler and startup executive formerly based in San Francisco, I'm no stranger to being one of only a few women in the room. While I'd hoped I was setting an example for female students as a leader of innovation at Northwestern, I realized over the last four years that breaking down the barriers of entry to entrepreneurship takes more than opening a new space on campus.

From thoughtful programming to personalized networking opportunities, we've developed new ways of empowering female student entrepreneurs at Northwestern to do more than stay on the sidelines of the tech industry. Many of the lessons we've learned from our own operations are applicable to other underrepresented populations. We know diverse teams - especially in tech - are better equipped to solve problems and ultimately, give startups a competitive advantage. Through our programming, our female student entrepreneurs experience personal growth, amassing the foundational tools to create and run impactful organizations and gain access to a network of like-minded people.

## Propel

In 2018, The Garage at Northwestern launched the Propel Program. The program's goals are simple: to promote diversity and inclusion in entrepreneurship by providing networking, mentorship, and financial resources to women. We're keenly aware how Northwestern's population continues to change. Today, Northwestern's student population is 20% Pell Grant recipients, 61% are funded through financial aid, and over 10% are first generation students, and we hope to expand The Propel Program to include other underrepresented groups at Northwestern in the future.

We believe that it is important for students to see entrepreneurs and leaders that look like them. Whether women, people of color, or first generation students, we've witnessed first hand the impact a one on one conversation can have. Last year, we took the first cohort of "Propellers" to New York City for a field trip. We saw the opening bell of the New York Stock Exchange - an organization with its first female president in 226 years. The most transformative moment on that trip came from an intimate round table held at Northwestern's NYC-based office. We invited recent alumnae of Northwestern to sit across from our female students and share their experiences as women leaders. The result was an open and enlightening dialogue, and one student shared the comfort she felt being in a room of other supportive women. This transparent access to more senior women gives students the extra nudge they need to become future leaders and founders.

This experience, however, doesn't break down all of the barriers women face. Even though women represent about 50% of the Northwestern undergraduate student bodies, we still receive fewer applications for our programs from women than men. According to a KPMG leadership study, 79% of women reported not feeling confident enough to ask for a mentor. So it's up to people like me, along with my team, to facilitate these authentic connections. And it's my belief that if young founders saw and met more women and people of color pursuing entrepreneurship and tech, they'd be more inclined to follow suit.

Through several experiments and iterations of the Propel Program, we've learned the impact that individualized encouragement has for female students. This comes from meaningful, transparent mentorship relationships. But it's a two way street. Mentors must commit to offering tangible opportunities for growth to their mentees, whether that's writing a letter of recommendation, handing over a book that teaches a valuable lesson, or pointing students to funding opportunities to level the playing field. We've found that offering this type of thoughtful communication and paths to funding essentially gives female student founders explicit "permission" to pursue their entrepreneurial projects.

As a prime example of this, I'd like to share the story of Samantha (Sam) Letscher. Sam applied to The Garage's full time summer program for promising student founded startups with her idea for BOSSY in 2017. She shared with us that a mentor to her, an adjunct faculty member at Northwestern, told her, very explicitly, to apply to the summer program. She was accepted and

worked to develop her idea, carefully spending her earned stipends and going on to win prize money at the end of the summer. Sam graduated from Northwestern in 2018 and today, BOSSY, her Chicago-based startup, features an online directory listing hundreds of women-owned businesses that consumers can shop from.

Sam tells us she never would've applied to The Garage's summer program without that push from her professor. She may have never seen the impact her idea could have. Sam is still working on BOSSY and currently serves as a mentor for the Propel Program, allowing her work to come full circle.

## Conclusion

An entrepreneurial mindset, which students develop from working on a startup idea in school, is a critical skill set for the future. It teaches students to be adaptable and resilient problem-solvers. At The Garage at Northwestern, we are doing everything we can to ensure that all students, regardless of background, gender, or race, are offered the same opportunity to develop this skill set. We are committed to doing this through meaningful networking, equal and fair access to funding opportunities, and individualized encouragement from mentors.