

BUSINESS DEVELOPMENT

Technical Assistance for Small Businesses

Use these standards for technical assistance programs for small businesses. A small business is defined as a business with less than five hundred employees. Such programs include one-on-one counseling programs, peer mentoring, and continuing education.

Level 1: Program Feasibility Assessment

These basic criteria determine the feasibility of a technical assistance program for small businesses. The focus is on the organizational and financial readiness of the program.

1. NEED

- a. Community Need
 - i. The program serves a need for small business technical assistance.
- b. Market Study/Needs Analysis Study
 - i. The study confirms the need for, and viability of the program.
 - ii. The study informs the organization about competition, demographics of the potential entrepreneurs, and barriers to entry.
- c. Local Support
 - i. Neighbors and local community members support the program.
 - ii. The program is in alignment with local city, county, state and/or economic development goal(s).

2. ORGANIZATIONAL READINESS

- a. The organization is willing and able to do this program.
- b. The program is in alignment with the mission of the organization.
- c. The Board of Directors embraces a CED strategy and/or embraces the program as a part of the CED strategy.
- d. The organization and/or its partners have a track record of participating in similar programs.
- e. The organization has the financial and operational capacity to undertake the proposed program.
 - i. The organization can support the additional debt (if any) created by the program.
 - ii. The organization has qualified staff that can undertake the program.
 - iii. The organization has access to reliable, qualified vendors and service providers.

3. FINANCIAL FEASIBILITY

- a. Program cost
 - i. The program is affordable to the organization, and the projected cost is appropriate to the concept.
 - ii. The operator or staff providing the cost estimates is qualified and experienced with technical assistance programs.
- b. Funding sources
 - i. There are enough sources of funding for the uses.
 - ii. The organization has endeavored to secure all available competitive and noncompetitive funding sources for which the program qualifies.
 - iii. The actual disbursement of each source is timely and in sync with the needs of the program.
 - iv. The organization is aware of the compliance implications of each source.
- c. Cash flow
 - i. The program produces enough cash flow to support the proposed debt structure (if any).
 - ii. The program minimally pays for itself over time. It has a sustainable cash flow.
 1. If the program is low-cost or free, it is subsidized enough to sustain the program.

Level 2: Practical Considerations

These criteria are essential for a successful, operating TA program.

1. MARKET BARRIERS

- a. The organization understands why past programs have not worked and instead addresses prior issues in innovative and alternative ways.

2. DEVELOPMENT TEAM & PARTNERSHIPS

- a. The organization has assembled the best team for the project, including translators, outreach coordinators, counselors, trainers, and management staff.
 - b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to operate the program.
 - c. The program is supported by public sector, private sector, and community partners.
 - d. Through an open dialogue with the community, the organization has sought and incorporated community participation in the program.
3. SITE CHARACTERISTICS
- a. The location makes sense for the program and the target participants.
 - b. The project is located near or adjacent to transit.
4. PROGRAM DESIGN & OPERATION
- a. The program is run in the appropriate language(s) to the target population(s).
 - b. The program is culturally appropriate to the target population(s).
 - c. The program is tailored to the geography of the target population(s). For example, information about business licenses is in accordance with the target population's local jurisdiction regulations.
 - d. The program assists entrepreneurs with obtaining traditional business funding.
 - i. The program helps participants establish credit worthiness.
 - ii. The program instructs participants on reorganizing financial documentation.
 - iii. The program connects entrepreneurs to funders for loans that are appropriate for small businesses.
 - iv. The program guides participants with the application process.
 - e. The program provides information on permitting and other government requirements that are applicable to small businesses.
 - f. The program connects entrepreneurs to potential clients, including the community and government contracts.
 - g. The program connects entrepreneurs to technology that is appropriate for small businesses.
 - h. The program provides information on marketing that is appropriate for small businesses.
 - i. The program provides information on expansion.
 - j. The program provides information on business planning that is appropriate for small businesses.

Level 3: From Feasible to Exemplary

These criteria elevate a program to an exemplary TA program.

1. FUNDING & FUNDING REQUIREMENTS
- a. The program uses a funding program or funding source that is new and innovative.
 - b. Each funding source was heavily leveraged to gain further resources.
 - c. Certain features of the program were adapted to capture funding, but the program was not completely changed in order to capture one particular funding source.
 - d. There are multiple stakeholders providing funding, and this mix of funding sources maximizes the feasibility of the program.
 - e. The design of the program exceeds minimum standards required by funding sources.
 - i. The program assists more entrepreneurs than required by funding sources.
 - ii. The program assists more small businesses than required by funding sources.
 - iii. There is deeper low and moderate income targeting than required by funding sources.
2. FUTURE PROJECTS
- a. The program strengthens the position (financial, political, capacity, experience) of the organization.
 - b. Through the program, the reputation of the organization was enhanced. Issues that the staff faced were dealt with in a diplomatic manner, enabling future programs.
 - c. The success of the program will enable future funding on other programs.
 - d. The community is happy with the project and will participate in more/similar programs in the future.
 - e. The community is more knowledgeable about small businesses.
3. ENVIRONMENTAL IMPACT

- a. The program has an educational component that teaches participants about green features, tax incentives, and green jobs that are applicable to their small businesses.
4. ECONOMIC IMPACT
 - a. The program will increase the independence of participants.
 - b. The program creates jobs.
 - i. Jobs created provide a living wage.
 - ii. Jobs created are for local hires.
 - iii. Jobs created are for low and moderate income individuals.
 - iv. Jobs created provide life skills.
 - v. Jobs created provide health benefits.
 - vi. Jobs created have potential for upward mobility.
 - vii. Jobs created require less funding per jobs created.
5. COMPREHENSIVENESS
 - a. The organization provides or connects to other programs that provide multiple services e.g. social services.
 - b. The program contains or connects to other programs that provide economic literacy.
6. DIVERSITY
 - a. The program serves a mixed income clientele.
 - b. The program encourages mixed age, gender, ethnic, etc. participation.
 - c. The program encourages minority businesses.
7. PUBLIC BENEFITS
 - a. The project provides a service that is needed by the community but is currently lacking.
 - b. The project stimulates long-term job creation.
 - c. The project results in other positive physical impacts.
 - d. The project results in other positive economic impacts.
 - e. The project results in other positive social impacts.
8. EVALUATION
 - a. The organization reevaluates its programs periodically and adapts to the changing needs of the community.
 - b. The program tracks its participants during and following the program.
9. REPLICABLE/SCALABLE
 - a. This program can be replicated in other communities, regions, and/or states.