

DELTA STATE UNIVERSITY: NON-ACADEMIC ANNUAL REPORT

**College of Business
Small Business Development Center
Academic Year 2006-07
Annual Report**

I. Unit Title: Small Business Development Center

Division or School/College: College of Business

Unit Administrator: Christie Sledge

II. Educational Program Learning Outcome Assessment Plan

This section is not applicable.

III. Division/Department/Unit Goals for the Current Year

A. Goal # 1:

1. Institutional Goal which was supported by this goal:

Unit Goal:

- To provide in-depth, substantive, longer-term, outcome-oriented counseling and training resulting in substantial economic impact. The U.S. Small Business Administration in conjunction with the Mississippi Small Business Development Center Network prepares numerical long-term client goals for each quarter. Long-term counseling clients are classified as having five or more contact hours. For physical year 2007, which is October 1, 2006 through September 30, 2007, quarterly goals include:

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total</u>
Long-Term Clients	11	11	18	18	58

University Goal:

- Strengthen the cooperative relationships with business and industry, service organizations, and other institutions.

2. Evaluation Procedure:

The Small Business Development Center maintains a “Counseling Information Form”, which is signed by the client and kept on file. From this form, each client is entered into Center IC, which is a secure website used to enter client information, and given a unique number for statistical purposes. When entering client information in Center IC, counselors are to enter “Yes” or “Y” in the “PLT” field if the client is considered to be a potential long-term client. A report is created in Center IC that includes clients with five or more contact hours. This report is created at the end of the second and fourth quarters.

3. Actual Results of Evaluation:

DSU SBDC operates with a September 30, 2007 year-end. At this point (October 1, 2006 through June 1, 2007), the DSU SBDC counseled a total of 22 potential long term clients. This represents 38 % of the planned goals for the year. The Center spent 63.75 hours in direct counseling and 29.5 hours in preparation and research. To ensure that DSU SBDC is maximizing its potential for reaching clients throughout the service area, a breakdown of clients by county is included.

<u>County</u>	<u>Percentage</u>
– Bolivar	36.52%
– Carroll	0.87%
– Coahoma	10.43%
– Grenada	5.22%
– Humphries	1.74%
– Issaquena	0%
– Leflore	16.52%
– Quitman	1.74%
– Sharkey	1.74%
– Sunflower	8.70%
– Tallahatchie	1.74%
– Tunica	2.61%
– Washington	7.83%
– Other	4.35%

4. Use of Evaluation Results:

- During the period of October 1, 2006 to June 1, 2007, the results show that the DSU SBDC should concentrate on increasing counseling hours with clients, which will enhance the number of potential long-term clients.

- Director and counselors are working to increase the presence of the DSU SBDC by building relationships with banks, junior colleges, and chambers throughout the thirteen counties in which we serve. By maintaining these relationships, the institutions will refer clients to the DSU SBDC. This is an effective way to bring clients into the Center where valuable services are then provided.
- To increase the Center’s presence in Grenada County, DSU SBDC became a member of the Grenada Chamber of Commerce as well as held Business Week in Grenada the week of March 19, 2007.
- The Center’s presence has increased the number of clients in Leflore County from FY 2006 due to more workshops being presented at the Greenwood Chamber of Commerce. Increased clients are also a result of the counselor developing relationships with Three Rivers Planning and Development District, Leflore County Administrator’s office, and the Itta Bena Incubator.

B. Goal #2:

1.

Unit Goal:

- To provide quality counseling to clients which will result in an increase in business start-ups throughout the thirteen counties in which the DSU SBDC serves. The U.S. Small Business Administration in conjunction with the Mississippi Small Business Development Center Network prepares numerical business start-up goals for each quarter. Business Start-ups include businesses that begin operations on or after October 1, 2006. For physical year 2007, which is October 1, 2006 through September 30, 2007, quarterly goals include:

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total</u>
Business Start-Ups (original)	9	14	13	9	45
Business Start-Ups (new)	4	7	6	5	22*

* Small Business Administration lowered numerical goals for each SBDC during the middle of the year.

University Goal:

- DSU SBDC clients will successfully complete business plans and all forms necessary to apply for loans, which will enable businesses to open and/or expand.

2. Evaluation Procedures:

- Results are measured by successful business start-ups, job creation, and both owner equity and debt investments to the economy. The Small Business Development Center maintains a “Counseling Information Form”, which is signed by the client and kept on file. On this form, clients are asked to answer “Are you currently in business?” The counselor then enters this information and a start date if applicable into to Center IC. If the client is not in business upon the initial counseling, “not in business” is selected in Center IC and changed to “in business” once the client becomes in

business. Once in business, the counselor fills out how many jobs were created and/or retained, start date, business organization, business type, percentage of female ownership, full-time and part-time employees, and loan amount obtained.

- At the conclusion of the initial counseling session, each client is given an independent counseling evaluation form to provide feedback to the Center. Evaluations are forwarded to MSBDC State office and reported in the MSBDC Weekly Stakeholders email.

3. Actual Results of Evaluation:

- Results are lower than expected due to the lack of a full-time counselor from October 2006 through January 2007. Also, a new Director was hired and started work October 23, 2006.
- DSU SBDC operates on a September 30, 2007 year-end. At this point (October 1, 2006 through June 1, 2007), the DSU SBDC assisted 119 clients. Of these clients, 45 were or became in business and have annual sales of approximately \$11,965,765.
- DSU SBDC assisted the clients with obtaining loans of approximately \$608,000 for their businesses. By obtaining these loans, clients were able to create 75 jobs and retain 71 jobs. Total capital formation at this point is \$1,190,000. At this point during PY 2006, capital formation totaled \$873,000.
- Minority citizens consist of 74% of the DSU SBDC clients while 38% of clients are female. The percentage of minority clients has increased from prior year by 7%.
- The Center received initial counseling evaluations from 40 % of its clients. The evaluation results were as follows:

	<u>Yes</u>	<u>No</u>
1. Were you in business when you came to the SBDC? If yes, how long? <u>5</u> 0-11.9 mo. <u>2</u> 1-3 yrs. <u>1</u> 4-7 yrs <u>3</u> 8-15 yrs. <u>4</u> 15+ yrs.	16	31
2. Was your request for an appointment given prompt attention? How long did you have to wait? <u>20</u> 0 days <u>9</u> 1 day <u>8</u> 2 days <u>0</u> 3 days <u>1</u> 4-7 days <u>0</u> 8+days	44	1
3. Did your counselor give you specific recommendations?	47	0
4. Did your counselor have the skills needed to advise you or did the counselor make an appropriate referral?	47	0
5. Did the counselor give you enough time to express your business concerns?	47	0
6. Would you use the SBDC program again?	47	0
7. Would you recommend SBDC services to others?		

8. Please rate the business assistance services you received.
37 Excellent 9 Very Good 1 Good 0 Fair 0 Poor

4. Use of Evaluation Results:

- Client evaluations indicate that a potential client must wait an average of 0 to 1 day to gain an appointment with a counselor.
- Clients' responses to surveys indicate that 98% of the clients are satisfied with the services provided by the DSU SBDC.
- DSU SBDC will work to increase the number of start-up businesses by increasing the number of potential long-term clients and working to improve counseling skills by attending training and conferences.
- Initial counseling evaluations are reviewed and used to improve weaknesses in our Center.
- Evaluations are emailed to the MSBDC State Office, who then compiles the results and reports the information in the Weekly Stakeholders Update. The Weekly Stakeholders Update is emailed each week to directors, counselors, legislators and senators, the governor, chambers around the state, Association of Small Business Development Centers, and several hundred resource partners.

C. Goal #3:

1.

Unit Goal:

- To assist clients with documents needed to apply for small business loans through local financial institutions, planning and development districts, and federal funding sources.

University Goal:

- Enhance the technical skills of budding entrepreneurs and existing businesses in day-to-day management and cash flow forecasting.

2. Evaluation Procedure:

The DSU SBDC requests economic impact data from its clients along with notification of the U.S. Small Business Administration of loans awarded in the coverage area. Notification from financial institutions are also obtained and placed in the client's file.

3. Actual Results of Evaluation:

- As of June 1, 2007, the DSU SBDC assisted seven clients who obtained loans for a total of \$608,000.
- With these loans, clients were able to create 75 jobs and retain 71 jobs. Total capital formation at this point is \$1,190,000. At this point during FY 2006, capital formation totaled \$873,000.

4. Use of Evaluation Results:

- DSU SBDC continues to utilize the Community Express Loan Program, planning and development districts, local financial institutions, and federal funding sources. The Director met with Sonya Burks, who is the Business Development Officer with Minority Capital Fund of Mississippi, Inc. (MinCap) and who is also looking to assist clients in the DSU SBDC service area. The DSU SBDC will also refer minority and women to MinCap.
- Clients who are not able to obtain funding typically do not have sufficient credit scores and/or history, collateral, and/or equity investment. DSU SBDC presented workshops to emphasize the importance of maintaining adequate personal credit and the effects it has on obtaining funding when opening a small business.

D. Goal #4:

1.

Unit Goal:

- To offer and make available training sessions, workshops, seminars, and conferences to the general public, which will keep small business owners, managers, and employees up-to-date in a variety of small business topics.

University Goal:

- Accommodate the general public by offering an extensive “Business Week” of events including on and off-campus training, independent-study enhancements, non-credit bookkeeping training, continuing education opportunities, conferences, and workshops.

2. Evaluation Procedures:

- An evaluation is given to each participant who attends a training event. Composite results of these evaluations are reported to the U.S. Small Business Administration and the MSBDC State Office. An annual composite is drawn for future planning purposes. The evaluation includes a section asking what future training would be most beneficial to the respondent.
- The DSU SBDC also works within the structure of existing Chambers of Commerce to provide training to the small business community.

3. Actual Results of Evaluation:

- There have been sixteen training events and five pre-ventures held during the period of October 1, 2006 and June 1, 2007 with 178 attendees.
- Seven special projects were presented with 382 attendees.

4. Use of Evaluation Results:

- Results are lower than expected due to the lack of a full-time counselor from October 2006 through January 2007. Also, a new Director was hired and started work October 23, 2006.
- The Center is making progress in establishing and building relationships and partnering with other groups.
- Director and counselors are working to increase the presence of the DSU SBDC by building relationships with banks, junior colleges, and chambers throughout the thirteen counties in which we serve. Banks, junior colleges, and chambers can then refer clients to the DSU SBDC.

IV. Data and information for department:

2006-2007 information is based on results as of June 1, 2007. SBDC operates on a September 30, 2008 year-end.

SBDC Center	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
# of Clients	357	306	314	176	254	119
# of workshops presented	19	16	107	131	78	28
# of workshop attendees	310	142	421	945	589	560

V. Personnel:

Glendscene Williams, Director (July 1 to August 31, 2006)
 Christie Sledge, Director (October 23, 2006 to present)
 Betty Mixon, Administrative Assistant/Business Counselor
 Donald Brown, Part-time Business Counselor
 Betrick Scott, Administrative Assistant

Noteworthy activities and accomplishments:

Christie Sledge:

- Began Employment, October 2006
- Obtained emphasis in Management for Master's in Business Administration by completing Management 640, *Managing in a Global Environment*, December 2006
- Completed FastTrac TechVenture Facilitator and Marketing Administrator Training, February 2007
- Attended Franklin Covey Leadership Training, April 2007

Betty Mixon-Mayo:

- Began as a qualified counselor, February 2007
- Organized and planned Grenada Business Week, March 2007

New position(s) requested, with justification:

Not applicable.

Recommended change of status:

- Betty Mixon-Mayo was promoted to Business Counselor, January 22, 2007.
- Betrick Scott was an AmeriCorp Vista* volunteer in the College of Business and volunteered the majority of her time at Small Business Development Center. She was hired as the DSU SBDC Administrative Assistant May 1, 2007.

VI. Division/Department Goals for Coming Year

A. Goal # 1:

1. Unit Goal:

- To provide in-depth, substantive, longer-term, outcome-oriented counseling and training resulting in substantial economic impact. Long-term counseling clients are classified as having five or more contact hours.

University Goal:

- Strengthen the cooperative relationships with business and industry, service organizations, and other institutions.

2. Evaluation Procedure:

The Small Business Development Center maintains a “Counseling Information Form”, which is signed by the client and kept on file. From this form, each client is entered into Center IC, which is a secure website used to enter client information, and given a unique number for statistical purposes. When entering client information in Center IC, counselors are to enter “Yes” or “Y” in the “PLT” field if the client is considered to be a potential long-term client. A report is created in Center IC that includes clients with five or more contact hours. This report is created at the end of the second and fourth quarters.

3. Expected Results of Evaluation:

- The U.S. Small Business Administration in conjunction with the Mississippi Small Business Development Center Network prepares numerical long-term client goals for each quarter. Long-term counseling clients are classified as having five or more contact hours. For physical year 2008, which is October 1, 2007 through September 30, 2008, quarterly goals have not been set. DSU SBDC expects goals to include:

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total</u>
Long-Term Clients	8	8	12	12	40

4. Use of Evaluation Results:

- The DSU SBDC will concentrate on increasing counseling hours with clients, which will enhance the number of potential long-term clients.
- Director and counselors will work to increase the presence of the DSU SBDC by building relationships with banks, junior colleges, and chambers throughout the thirteen counties in which we serve. By maintaining these relationships, the institutions can refer clients to the DSU SBDC. This is an effective way to bring clients into the Center where valuable services are provided.

B. Goal #2:

1.

Unit Goal:

- To provide quality counseling to clients that will result in an increase in business start-ups throughout the thirteen counties in which the DSU SBDC serves.

University Goal:

- DSU SBDC clients will successfully complete business plans and all forms necessary to apply for loans, which will enable businesses to open and/or expand.

2. Evaluation Procedures:

- Results are measured by successful business start-ups, job creation, and both owner equity and debt investments to the economy. The Small Business Development Center maintains a “Counseling Information Form”, which is signed by the client and kept on file. On this form, clients are asked to answer “Are you currently in business?” The counselor then enters this information and a start date if applicable into to Center IC. If the client is not in business upon the initial counseling, “not in business” is selected in Center IC and changed to “in business” once the client becomes in business. Once in business, the counselor fills out how many jobs were created and/or retained, start date, business organization, business type, percentage of female ownership, full-time and part-time employees, and loan amount obtained.
- At the conclusion of the initial counseling session, each client is given an independent counseling evaluation form to provide feedback to the Center. Evaluations are forwarded to MSBDC State office and reported in the MSBDC Weekly Stakeholders email.

3. Expected Results of Evaluation:

The U.S. Small Business Administration in conjunction with the Mississippi Small Business Development Center Network prepares numerical business start-up goals for each quarter. Business Start-ups include businesses that begin operations on or after October 1, 2007. For physical year 2008, which is October 1, 2007 through September 30, 2008, quarterly goals have not been set. DSU SBDC expects goals to include:

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total</u>
Business Start-Ups	2	3	2	3	10

4. Use of Evaluation Results:

- DSU SBDC will continue to increase the number of start-up businesses by enhancing the number of potential long-term clients and working to improve counseling skills by attending training and conferences.
- Initial counseling evaluations will be reviewed and used to improve weaknesses in our Center.
- Evaluations will be scanned and emailed to the MSBDC State Office, who then compiles the results and reports the information in the Weekly Stakeholders Update. The Weekly Stakeholders Update will be emailed each week to directors, counselors, legislators and senators, the governor, chambers around the state, Association of Small Business Development Centers, and several hundred resource partners.

C. Goal #3:

1.

Unit Goal:

- To assist clients with documents needed to apply for small business loans through local financial institutions, planning and development districts, and federal funding sources.

University Goal:

- Enhance the technical skills of budding entrepreneurs and existing businesses in day-to-day management and cash flow forecasting.

2. Evaluation Procedure:

The DSU SBDC requests economic impact data from its clients along with notification of the U.S. Small Business Administration of loans awarded in the coverage area. Notification from financial institutions are also obtained and placed in the client's file.

3. Expected Results of Evaluation:

At least 10% of clients applying form loans from financial institutions will be successful in obtaining funding.

4. Use of Evaluation Results:

- DSU SBDC will continue to utilize the Community Express Loan Program, Minority Capital Fund of Mississippi, Inc., planning and development districts, local financial institutions, and federal funding sources as well as seek new funding sources.
- DSU SBDC will sponsor workshops and conferences throughout its service area to make participants aware of the funding resources. DSU SBDC will also partner with Community Express Loan Program, Minority Capital Fund, planning and development districts, local financial institutions, and federal funding sources to present workshops.

D. Goal #4:

1.

Unit Goal:

- To offer and make available training sessions, workshops, seminars, and conferences to the general public, which will keep small business owners, managers, and employees up-to-date in a variety of small business topics.

University Goal:

- Accommodate the general public by offering an extensive "Business Week" of events including on and off-campus training, independent-study enhancements, non-credit bookkeeping training, continuing education opportunities, conferences, and workshops.

2. Evaluation Procedures:

- An evaluation is given to each participant who attends a training event. Composite results of these evaluations are reported to the U.S. Small Business Administration and the MSBDC State Office. An annual composite is drawn for future planning purposes. The evaluation includes a section asking what future training would be most beneficial to the respondent.
- The DSU SBDC also works within the structure of existing Chambers of Commerce to provide training to the small business community.

3. Expected Results of Evaluation:

- The Center expects to offer and present 108 workshops, seminars, and/or special projects during the period throughout the thirteen counties in the service area.
- The Center will offer and present “Business Week” in an area where it has not been presented prior to fiscal year 2008.

4. Use of Evaluation Results:

- The Center will continue to establish and build relationships and partner with other groups to present workshops, seminars and special projects.
- Director and counselors will work to increase the presence of the DSU SBDC by building relationships with banks, junior colleges, and chambers throughout the thirteen counties in which we serve. Banks, junior colleges, and chambers can then refer clients to the DSU SBDC.