

2010 ACCREDITATION REVIEW OF THE OREGON SBDC

*OSBDCN Organizational Description*

The Accreditation Review of the Oregon Small Business Development Center Network was conducted on May 17, 2010 through May 21, 2010 by Henry Turner of the Washington, DC SBDC, the Accreditation Team Leader, Mark Petrilli of the Illinois SBDC and Lora Brown of the Maryland SBDC. Since the review Mr. Turner has left the SBDC program and Mark Petrilli has assumed the Team Leader responsibilities.

Since 1982, Lane Community College has served as Lead Center for the Oregon Small Business Development Center Network (OSBDCN). The SBDC originally began as the Business Assistance Center at Lane Community College. The Oregon Legislature passed HB 3602, enabling legislature that created a statewide system. In 1984, Lane Community College was granted the first community college (non-university) SBA Cooperative Agreement to establish a statewide system of 19 SBDCs in Oregon. Today, the network consists of 17 community colleges (Oregon Institute of Technology and Klamath Community College co-host one center) and three universities as local host institutions participating in the Oregon SBDC statewide program.

Since the 2006 accreditation review, OSBDCN has a new State Director (Michael Lainoff, effective 9/1/08) and Associate State Director (Mark Gregory, effective 1/5/09). Additionally, nine of the Network’s 19 Directors have been hired since the last review, and six of the nine were recently since January 2009. At the Network’s host institutions, 13 of the 20 College/University Presidents have been hired since the last review. Also, the SBA District Director (Harry DeWolf), Deputy District Director (Rob DuCote), and SBDC Project Officer (Sylvia Gercke) were hired (DeWolf and DuCote) or assigned (Gercke) since the last review.

The Oregon Business Development Department, a key OSBDCN stakeholder, has changed names (from Oregon Economic & Community Development Department) and its entire organizational leadership (including the small business services program managers) since the last review. The OSBDC Network Office has reduced its staffing by 1.0 FTE (5.0 FTE in 2006; 4.0 in 2010), and reduced expenditures on outside consultants by $150,000 per year. These individuals provided ancillary management services to Network leadership, which have been absorbed by the new Associate Director and State Director.

OSBDCN has undergone significant budgetary changes since the last review. Specifically, at the time of the last review, OSBDCN received a State of Oregon appropriation of $3,300,000 (including $1,000,000 for the Technology Initiative) for the 2005-07 Biennium. The Network’s current (2009-11 Biennium) total state appropriation is $1,100,000.

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| **Highlights of Oregon Small Business Development Center Network** |
| **Date of Operations** | Established 1982 at Lane Community College has continued as our host. Lane Community College is led by our President Mary Spilde. |
| **Key Funding Stakeholders** | **Key Funding**US Small Business Administration (SBA)17 Community Colleges & 3 Regional UniversitiesOregon Business Development Department (OBDD)Oregon Department of Transportation (ODOT)United States Department of Agriculture (USDA)Various Private Sector Organizations |  |
| **Key Client Segments** | Preventure (42%)Small Business (86%)Mid-sized 5-20 employees (14%)Large–sized Firms (>1%) |
| **Vision** | The OSBDCN envisions a slow economic recovery for Oregon driven by small business innovation and technology infusion with our firms. |
| **Staff** | Approximately 84 staffCredentials: Please see Counselor Expertise Survey Attachment |
| **Service Centers** | 19 subcenters, 1 statewide headquarters |
| **Service Area** | All 36 Counties in Oregon |
| **Total Clients Served** | 2009: 5993 counseling, 11677 training – 17670 total clients |
| **Service Hours** | 2009: 24,325 hours; average 4.06 hrs per client |
| **Special Programs** | Small Business Management training including targeted sectors, GCAP online training, Optimist & Profit Mastery financial analysis, online international trade training |
| **Oregon Economy** |
| **OR Population** | 29th largest state in 2009 = 3.8 mil. (Est.) Projected for 2025 = 4.3 mil.197K of population growth projected for 2025 is from international migration (*Census)* |
| **OR Economy** | Private employment in 2007 = 13.9% Manufacturing (heavy layoffs since 2008); 14% Retail; 12% Healthcare, 4.8% of private employment in 2007 was in High-Tech. |
| **OR Unemployment Rates** | Seasonally adjusted unemployment rose from 7.7% in 2004 to 10.7% beginning 2010.In January 2010 unemployment ranged from 7.4% to 14.7% by county. 78% of all counties in Oregon had double-digit unemployment. |
| **OR Median Household Income** | 2009 Median Household Income for 4 person family Total = $67,605 |
| **Small Businesses in OR** | 123,601 firms with fewer than 250 employees; 99% of the total OR businesses (2008)  |

1. **LEADERSHIP AND ORGANIZATIONAL ISSUES**

**Objective:** *Create an environment in which the lead center director and other program leaders routinely address organizational values, ethical behavior and performance expectations.*

* 1. **Senior Leadership**

**The SBDC leadership system createsan environment in which a lead center director and other program leaders routinely guide and sustain the SBDC organization, communicate with the workforce and encourage high performance, organizational values and ethical behavior.**

**SBDC leaders must systematically:**

* **Set direction**
* **Address current and future opportunities,**
* **Communicate and deploy performance expectations, and**
* **Review performance to understand the health of the organization and to enable translation of performance findings into priorities for improvement and innovation.**

**OBSERVATIONS:**

The team met with all center directors except for The Southern Oregon University Center Director, Jack Vitacco, who did not participate in the review and much of the counseling and administrative staff. The team met with the State Director and the Associate State Director prior to visiting the service centers. The State Director and the Associate State Director have been with the Oregon SBDC Network for less than two years.

The rescission of state technology funds and its unsuccessful implementation resulted in State Director Michael Lainoff’s decision to terminate OSBDCN’s“T” designation**.**  Since assuming the State Director position, Mr. Lainoff has developed a strategic direction, a focus that sets and communicates customer and stakeholder needs, for the network. This was verified in the team’s meeting with center directors and their staff, also with host leadership. Mr. Lainoff has met with the leadership of the Community Colleges and he has also met with the leadership of the Small Business Management Instructors group that works closely with the SBDCs.

The State Director holds “Quarterly Center Director” meetings twice a year, the reduced budget forced the reduction in meetings. Key state and federal stakeholders are invited to participate in these semi annual meetings. He has telephone director meetings monthly. The size of the state limits the leadership from visiting all centers more than once a year. In order for the team leader and the state director to reach some centers, we traveled to Boise, ID and drove up state, then returned to Eugene the next day. The costliness of this trip prohibits more than one visit per year.

The State Director has bid on several SBA proposals to bring in additional funding to meet the needs of the network’s market. He continues to seek and identify opportunities in the state and federal programs with some success.

Program performance goals are developed with input of stakeholders, SBA, Oregon Business Development Department, and center directors and their staff. Short and long term goals are in alignment with the strategic plan, capacity of staff, market needs and stakeholder deliverables.

If not meeting expectations, performance is discussed with center directors and in some cases the presidents of the community college. The state director works with center directors to improve performance using the monthly teleconference meetings to review action plans. This was confirmed to the team in our visits.

The OSBDCN’s 19 centers (distributed across the Nation’s 9th largest state: 98,386 square miles) require flexibility in addressing diverse economic needs of urban and rural populations. This challenge was verified by the team during center visits and in discussions with the host's leadership.

**STANDARD IS MET.**

**RECOMMENDATION:**

The new leadership team at the Lead Center should continue to strengthen its key position within the OSBDCN. The team is highly respected and highly regarded by the network as an outstanding resource for the statewide network. The leadership team must ensure that all centers also look to the state office for leadership, guidance and direction. The accreditation team recommends that the lead center continually communicate its vision, mission and strategic direction within the network and clearly define its role as the leadership of the Oregon SBDC Network.

* 1. **Role of Senior Leadership**

**SBDC senior leaders must align the SBDC with key stakeholders and support organizations. Where the SBDC has common interests with the national SBDC Program, SBDC senior leaders must cooperate in order to further common interests.**

**SBDC senior leaders must operate in compliance with:**

* **Federal laws and regulations, and**
* **The Notice of Award and Program Announcement.**

**The SBDC must have systems in place that ensure sound fiscal, contractual and operational management of it programs and must have control of the SBDCs budget.**

**OBSERVATIONS:**

The Oregon SBDC Network has been reviewed in Programmatic and Financial operations by the SBA. All issues raised were addressed and corrected by the new State Director.

The Network leadership provides in-depth programmatic oversight of the 19 SBDCs, and maintains control of OSBDCN field personnel. However, each host institution provides administrative oversight of its SBDC, including supervision of the Center Director(s). Each organization’s roles and responsibilities are delineated in the contractual agreements. The State Director has control of the budget through his college’s grants office.

The OSBDCN has a statewide SBDC Advisory Board that has met in the last year.

**STANDARD IS MET.**

1. **STRATEGIC PLANNING**

**Objectives:** *Implement a well-defined process to establish long-term strategy and short-term action plans for greater impact. Align the organization in pursuit of its long-term strategy. The strategic planning process may vary based upon the needs, size and conditions within the SBDC lead center or region.*

* 1. **Strategy Development Process**
* **SBDC must have an established process for development of strategy and strategic objectives, including how to address SBDC strategic challenges.**
* **Strategic planning must demonstrate a systematic approach to collecting and analyzing relevant data and information to identify and integrate the key factors and associated metrics important to the SBDC’s future success (*i.e*. focus on enhancing client success and expanding impact).**
* **SBDC must have a planning process that identifies key strategic objectives, timetables for accomplishment and the most important goals for the strategic objectives.**

**OBSERVATIONS:**

The team discussed the Strategy Development Process with the network leadership and verified the approach and development of strategy and objectives by the leadership. The plan, as presented to the team, addresses stakeholder, host and customer needs.

Strategic planning collects information from listening posts in the state, SBA, Oregon Business Development, center staff and customers. Planning was confirmed by center directors, host leaders, SBA and State stakeholders in meetings with the team. The state Advisory Council completed an external scan of the network planning guide. It is clear to the team that a process is in place with all staff and stakeholders participating.

The Oregon SBDC Network has established four key strategic measures (benchmarks) New Business Starts, Jobs Created or Retained, Debt and Equity financing obtained by clients and 4 or more years survival among OSBDC served businesses. The network leadership has created a pay for performance supplemental funding for centers. This additional funding has helped centers reach to achieve the measures identified as Key.

**STANDARD IS MET.**

* 1. **Strategy Deployment**

**A defined process must be in place that:**

* + - **Converts strategic objectives into action,**
		- **Modifies action if circumstances require a shift,**
		- **Defines changes in products and services,**
		- **Defines key performance measures and indicators for tracking progress,**
		- **Defines requirements in financial and key human resource planning.**

**OBSERVATIONS:**

The Oregon SBDC Network has a process in place to convert objectives into action via action plan development at the center level to meet contractual and strategic goals. The team observed and verified that action planning was taking place at the center level. Center Directors modify actions in concert with the state director during the monthly meetings. Center Directors deploy changed action plans through their staff. The State Leadership and Center Directors monitor measures and achievement towards the key measures in CenterIC. The State Director has established Scorecard monitoring for his management of the network. The scorecard is shared with network staff. Products are changed to adjust for changing populations in both rural and urban settings by the center directors. Latino business assistance has been developed in several communities with emerging Latino populations through specialized classes and counseling in Spanish.

The Network, in cooperation with the community colleges, offers the Small Business Management (SBM) Program. The Community Colleges see the SBDC and the SB Management program as part of their key services to the community. The trainers involved in this program have met with the State Director to maintain a connection between client needs and the community college training programs. Several of the trainers, although employees of the community colleges, are not SBDC staff, yet the colleges and SBDCs focus on the customer of the SBDC in their local community.

The Leadership and the center directors have defined requirements for special interest groups in the variety of communities in Oregon. The State Director has obtained funding for video counseling in the rural regions of the state. The team leader held a televised conference with a counselor many hours away from his center. He discussed his rural community and how he is implementing the strategic plan through televised meetings.

**STANDARD IS MET.**

1. **CUSTOMER AND STAKEHOLDER FOCUS**

**Objective:** *Identify and segment customers, markets and key stakeholders; determine requirements, expectations and preferences for each; build relationships; and determine satisfaction.*

* 1. **Knowledge of Customers and Stakeholders Needs and Expectations**

**SBDC should demonstrate it has a systematic process or processes to determine requirements, expectations, and preferences of customers, stakeholders and markets to ensure the continuing relevance of SBDC products and services and the development of new SBDC business opportunities.**

**OBSERVATIONS:**

The Oregon SBDC Network leadership deploys a systematic process in assessing customer and stakeholder needs. The review team observed that strong communication occurs with key stakeholders via e-mails, phone calls and meetings (individual and within the context of local/state advisory councils). These communications assist in clarifying stakeholder expectations and validating metrics when necessary. Some of the engaged key stakeholders include host institution Presidents, the Oregon Legislature and Congressional delegation, SBA, Oregon Business Development Division and other state agencies.

All Centers conduct ongoing customer needs assessments through their systematic evaluation of advising and training activities. Each assessment instrument contains needs assessment queries to help identify future actions by the SBDC Network. The team found evidence that the identified needs are considered in each Center’s annual work plan and were also considered when the Directors provided input to the Network’s 2010-2013 Strategic Plan.

**STANDARD IS MET.**

* 1. **Management of Customers and Key Stakeholders Satisfaction and Relationship**

**3.2(a) Relationships**

**SBDC must have deployed systematic processes for building relationships to acquire customers and key stakeholders.**

**SBDC must have deployed systematic processes that drive continuous improvement for:**

* **Managing satisfaction and**
* **Managing feedback and complaints.**

**OBSERVATIONS:**

The OSBDCN has very close interaction with local, regional and statewide business groups, associations, chambers of commerce, lenders and other key groups which lead to strong customer referrals.

The leadership of the Oregon SBDC Network has done an outstanding job developing strong relationships with key stakeholders. The make up of the SBDC Advisory Board includes many key customer and stakeholder groups including the U.S. Small Business Administration representative, Oregon Business Development Department, College and University Presidents, Industry Associations representatives, Chambers of Commerce, Minority organizations, City/County representatives, local center directors and small business owners.

The State Director regularly participates in the Oregon Presidents Council consisting of the Presidents of the 17 community colleges in Oregon. In addition, the State Director maintains ongoing communications with individual Presidents to help ensure their continued commitment to the SBDC.

The State Director also participates in regular meetings of the Oregon Business Development Commission, the 7 member Governor-appointed commission (plus 2 ex-officio members of the Oregon Legislature) that provides oversight and approval of OBDD policy and budget.

**STANDARD IS MET.**

 **3.2(b) Satisfaction Determination**

**SBDC must have in place systematic approaches to determine customer and stakeholder satisfaction and dissatisfaction.**

* **Methodology should ensure that the measurement captures actionable information for use in exceeding customers’ and stakeholders’ expectations.**
* **Evidence should be available regarding how customer and stakeholder satisfaction and dissatisfaction information is used for improvement.**

**OBSERVATIONS:**

The team saw evidence that customer satisfaction results for advising and training activities are systematically compiled at each Center and reported to the OSBDC Network Office annually. The OSBDC is also conducting annual surveys of the State Advisory and Oregon Presidents Councils.

Counseling evaluation forms containing standard SBA questions, as well as questions added by the Centers, are provided to all counseling clients. Some Centers mail evaluations after each counseling session; others mail them monthly, quarterly, or at the end of the year (depending upon staffing and client volume). More recently electronic surveys have been adopted by many centers allowing more timely feedback from clients. Responses are summarized at the Center and integrated with Center operations planning, service development and with evaluations of personnel. Complete summaries are submitted to the OSBDC Network Office with year-end reports. The OSBDC Network Office reviews the summaries, identifies potential problems, and promptly follows up with Center Directors. Center Directors and advisors also review the evaluations as they’re received and discuss and follow up appropriately.

**STANDARD IS MET.**

* 1. **Marketing and Promotional Programs.**

**For marketing and promotional programs, the requirements for designing, managing, and improving the programs must include:**

* + - **A clear integration of strategy, image and a common brand or logo for the SBDC that conveys the SBDC image and identity as a cohesive SBDC network.**
		- **Information, materials and signage must convey the identity of a cohesive SBDC network.**
		- **Facilities need to be professional in appearance, adequate for the delivery of services, and provide for confidentiality for counseling when offered.**

**OBSERVATIONS:**

Since the previous Accreditation Review the leadership of the Oregon SBDC Network has devoted considerable effort towards the consistent use of the Oregon SBDC Network BizCenter® Logo and encouraged the use of the common brand. The Network placed a high priority on establishing a statewide brand and identity as well as assisting local centers with their promotional efforts (relative to statewide branding). The Oregon SBDC Network Office provides business cards, window decals and signs to all Centers and SBDC personnel. The use of the BizCenter® logo and other material is clearly specified in the Branding Standards manual.

Although much progress has been made in the establishment of a logo and branding standards and guidelines, the team observed a great deal of inconsistency in the deployment of these standards. The Branding Standards Manual encourages the use of the BizCenter term rather than the Small Business Development Center or SBDC terminology. Four of the nineteen centers do not refer to themselves as Small Business Development Centers but openly and proactively promote themselves as Business Development Centers. The team observed this inconsistent use of the Small Business Development Center or SBDC name with signage, business cards, printed materials, training brochures and public relations documents.

The one aspect of the Oregon SBDC Network that appeared to be used the most consistently throughout the Network was the use of the BizCenter® logo. However, this logo was not always used in conjunction with the "Oregon SBDC" or "Oregon SBDC Network." The independent use of the BizCenter® logo, the use of Business Development Center and the inconsistent use of the Oregon SBDC or Oregon SBDC Network do not convey the SBDC image and identity as a cohesive, statewide SBDC Network. The use of Business Development Center appears to be in conflict with the federal regulations and guidelines that require the use of the Small Business Development Center name.

**STANDARD IS NOT MET.**

**CONDITION:**

The Branding Standards Manual must be reviewed and revised as needed to ensure that the guidelines are not in conflict with the regulations that govern the national Small Business Development Center Program. The Oregon standards should require all centers to utilize the Small Business Development Center name as indicated in the regulations and SBDC Program Announcement. All centers within the Oregon SBDC Network must meet the program guidelines.

In order to satisfy this condition the Oregon SBDC Network leadership must provide evidence that the Branding Standards Manual has been adequately revised and that each network center is in compliance with the SBDC regulations and guidelines regarding the use of Small Business Development Center and SBDC. Evidence could include a copy of the revised branding standards, copies of materials, signs, websites, brochures etc..., that use the name/logo consistently and statements from the centers that utilized the Business Development Center name indicating they are in full compliance with the guidelines and are using the Small Business Development Center name.

The OSBDC Lead Center must also include the review of the branding and marketing guidelines in its onsite visit review process to ensure ongoing compliance with the standards.

1. **INFORMATION AND ANALYSIS SYSTEM**

**Objective:** *Create a performance management system to permit an understanding of overall organizational daily performance in operations. Category 4 is the focal point for the alignment of the SBDC organization’s operations with its strategic objectives.*

* 1. **Development and Implementation of a Performance System**

**SBDC must demonstrate how the organization measures, analyzes, aligns, reviews, and improves its performance data and information at all levels and in all parts of the SBDC program.**

**OBSERVATIONS:**

The accreditation team viewed evidence that the OSBDC Network uses an effective performance management system to oversee the operations of the Network. The leadership performs comparisons of metric goals and planned objectives set in the annual work plan with the monthly outcomes monitored in Center IC, the OSBDCN's client tracking system. Monthly performance reports are produced for all Centers with comparative analysis of all key metrics to identify changes in performance by center. Performance to goal comparisons are made in Center IC where a special report field was developed in 2007 for goal input with actual performance comparisons by center. Performance to goal analysis has been improved with quarterly and annual graphic scorecards beginning in 2010. Semiannually, work plan status updates and changes are made in conjunction with narrative and financial reporting by Center.

Management analysis combines with annual site and desk reviews of programmatic and fiscal operations for each center. Strategic Plan goals and metrics are developed into Center work plan goals and objectives. These metrics are monitored for achievement and are aligned with the Network strategic goals. The OSBDC Network Office establishes the annual work plan goals through a process of negotiation with the Network's funding partners and with the Center Directors to ensure that stakeholders’ needs and each Center’s customer demands align. This scenario was evidenced in 2009 by a reduction in 2010 SBA goals due to reduced state funding and corresponding performance reductions projected by the Centers.

The State Director and Associate State Director approve the annual Center work plans once revisions are submitted. Additionally, the State Director and/or Deputy State Director conduct annual on-site reviews of the Centers. If significant problems are noted at any time, follow-up meetings (usually via conference call or ReadyTalk) are scheduled to discuss performance issues.

Key stakeholders are provided frequent updates on performance and contract deliverables. The OSBDCN additionally produced the Network’s first annual report in five years that contained more detailed performance analysis for stakeholders. The Oregon President’s Council also receives current and comparison performance data in conjunction with the State Director’s semiannual presentations.

The OSBDCN leadership indicated that the collection of client data utilizing Center IC has greatly improved since the last accreditation review. The improvement is a result of personnel training via webinars, and substantial technical support from the Network office. The OSBDC Network leadership has also established systematic case review protocols to promote continued improvement.

**STANDARD IS MET.**

* 1. **Measurement of Economic Impact**

**The SBDC must participate in the periodic national SBDC impact surveys. Additionally, developing lead center economic impact studies is encouraged.**

**OBSERVATIONS:**

The Oregon SBDC Network fully participates in the national SBDC impact survey. Additionally, the OSBDCN engages Dr. James Chrisman to conduct an Oregon-specific annual economic impact analysis of clients who have received five or more hours of counseling. The study provides critical customer feedback for quality assurance as well as understanding how clients’ economic impacts can foster improved service delivery.

The Oregon Business Development Department (OBDD), as a financial stakeholder, requires the OSBDCN to validate job creation numbers with the Oregon Employment Department (OED). While this validation only addresses the relatively small percentage of clients who are required to report to OED (e.g., sole proprietorships, partnerships, and most LLCs are exempt), it provides a snapshot of economic impact data reported. The OBDD intends to conduct third party analyses of economic impact, and will release an RFP for a qualified researcher in 2010. Currently OBDD is conducting a randomized service validation survey via telephone, with the prior approval(s) of the selected clients.

**STANDARD IS MET.**

1. **STAFFING AND HUMAN RESOURCE UTILIZATION**

**Objective:** *Design work systems that encourage workforce learning and motivation and enable the workforce to develop and utilize their full potential in alignment with the SBDC’s overall objectives and action plans. The SBDC’s efforts must build and maintain a work environment and workforce support climate conducive to innovation, performance excellence, and to personal and organizational growth. Create and manage human resource systems to achieve high performance. Establish key workforce practices and a support climate that enables personal growth, organizational growth and performance excellence.*

* 1. **Work Systems**

**The SBDC must have work systems, organizational structure and staffing patterns based on analysis of key needs and strategies of the SBDC. This structure must align with the SBDC’s strategic objectives and be designed to enable the workforce to achieve high performance while providing an opportunity to develop its full potential. (Compensation, career progression and related workforce practices enable organizations to achieve high performance.)**

**OBSERVATIONS:**

The team observed that the Oregon SBDC program’s work systems, organizational structure and staffing patterns were based on an analysis of the key needs and strategies of the SBDC. The Oregon SBDC lead and service centers are well-staffed and appropriately equipped to meet the key strategies. The Oregon SBDC’s key strategies are focused on assisting “High Opportunity” clients through utilizing its flagship Small Business Management (SBM) program. The organizational structure is relatively flat, thus concentrating most of the resources to providing client services that will lead to increased economic impact.

The network utilized special projects funding to encourage targeted resource development at individual Centers (e.g., international trade at Portland Community College (PCC), “Buy Local” at Oregon Coast Community College, expert-level Optimist implementation at Rogue Community College, the “contractor university” initiative at Chemeketa Community College, government contracting assistance through the Government Contracting Assistance Program at PCC and Rogue CC) for Network-wide deployment. This arrangement enables financial resources to properly align between leadership, strategic planning, customer stakeholder deployment (staffing/HR utilization & program delivery) as outlined in the OSBDCN Strategic Framework.

All staff expressed high regard for the leadership team’s support in fulfilling their goals and objectives.

**STANDARD IS MET.**

 **5.1.1 Key Positions**

**Objective:** *Key positions demonstrate appropriate business or administrative experience, knowledge and abilities to direct, coordinate and manage a multifaceted and multi-location organization. Key positions must have ability and skills to coordinate and manage a human resource system, establish and maintain collaborative relationships and understand business practices and management methods. Key positions and responsibilities, capacity, and salaries must be consistent with 13 CFR 130.460(f)(1).*

**Lead Center Director and Associate/Assistant Director**

**The lead center director and associate/assistant director(s) should have at a minimum a master’s degree in business or other directly related field or a bachelor’s degree with sufficient and progressively responsible experience or have appropriate business or administrative experience that demonstrates the knowledge and abilities required to:**

* **Direct, coordinate and manage a multi-faceted, multi-location organization;**
* **Direct, coordinate and manage human and administrative resources;**
* **Understand the full range of business practices and business management methods; and**
* **Demonstrate skills in establishing and maintaining effective support and working relationships with a variety of public and private stakeholder partners that are needed for alignment with strategic objectives.**

**The salary of the SBDC lead center director or associate/assistant director(s) should at a minimum be equivalent to the annualized average salary of a full professor or associate professor, respectively, in the institution hosting the SBDC or parallel positions in the agency/organization hosting the SBDC. When the university host is not affiliated with a college, the salaries of the director or associate/assistant director(s) should be comparable to the college of business, college of engineering or equivalent.**

**OBSERVATIONS:**

The Oregon SBDC has an organizational structure that supports and facilitates the achievement of key strategies, needs and objectives of the program. Key staff has appropriate business and administrative experience to manage the program. The salary rate structure is appropriate for the state network, in comparison to the business school faculty. The team observed a high degree of mutual respect and appreciation among staff at all levels.

**STANDARD IS MET.**

**5.2 Workforce Learning and Growth**

**Objectives:** *Provide a method for determining the professional development needs of the workforce that supports the achievement of the SBDC’s strategic objectives and contributes to the organization’s performance. Provide on-going professional development and training for the workforce that builds its knowledge, skills and capabilities; contributes to achievement of action plans, organizational effectiveness, and career progression; that supports key organizational needs related to the orientation of new members of the workforce, ethical business practices, management, and leadership; and that addresses key needs associated with organizational performance and improvement and changing business and technology environment. Provide an assessment and evaluation process that seeks input and feedback from the entire workforce regarding training needs and evaluation of professional development offerings.*

**Workforce education and training must support the achievement of the SBDC’s strategic objectives, including the enhancement of workforce knowledge, skills, and enhancing leadership capabilities that contribute to high performance.**

**The SBDC must have a systematic, implemented, professional development program tied to its strategic objectives. The program must include:**

* **A method of determining the educational needs of the workforce,**
* **On-going workforce education and professional development,**
* **A structured training/orientation program for new members of the workforce and**
* **An assessment system, including opportunities for feedback, to determine effectiveness of the educational offerings and make changes when warranted.**

**OBSERVATIONS:**

The team observed that the Oregon SBDC provided professional development opportunities through a new employee orientation, regional professional development meetings and ASBDC conference participation. However, the team observed that the program has a large percentage of very seasoned counselors which gives rise to a need for more individualized and targeted professional development opportunities. The OSBDCN is working to provide support to staff to take advantage of available training opportunities to meet these needs.

**STANDARD IS MET.**

**RECOMMENDATION:**

The State Director should identify staff Professional Development needs to carry out the client segmentation strategy. The State Director should establish a formalized approach to professional development, identify the resources needed to implement the plan, and provide annual professional development budgets. In addition, a more formal orientation for new employees, that also incorporates external consultants, students and junior consultants, should be developed and implemented.

**5.3 Workforce Environment and Motivation**

**Objectives:** *Explore ways to improve workplace health, safety, security and ergonomics in a proactive way and workplace preparedness for disasters or emergencies. Determine specific factors that affect the workforces’ well-being, satisfaction and motivation by developing formal or informal assessment methods to determine workforce satisfaction, well-being, and needs.*

**Maintain a work environment and a workforce support climate that contributes to the well-being, satisfaction, and motivation of all personnel:**

* **That ensures and improves workplace health, safety, security, and**

 **ergonomics**

* **That ensures workplace preparedness for disaster or emergencies**
* **That determines the key factors that affect workforce well-being, satisfaction and motivation**
* **That supports workforce via services, benefits and policies.**

**OBSERVATIONS:**

The team observed that the staff was highly motivated and expressed satisfaction with their work environment. Staff uniformly indicated that the Lead Center was very responsive to their needs. In 2009, the OSBDCN conducted satisfaction surveys of center directors and in 2010 conducted the “Are We Making Progress” surveys. Both surveys yielded positive results.

Team observed that the workplace was safe and met the individual needs of the staff. Additionally, the program has an adequate disaster plan in place.

**STANDARD IS MET.**

1. **PROGRAM DELIVERY AND MANAGEMENT**

**Objective:** *The SBDC’s key work processes are the processes that involve the majority of the organization's workforce and produce customer and stakeholder value. These key work processes are the SBDC’s most important product/service design and the most important delivery, business, and support processes.*

* 1. **Key SBDC Services**

**Key services most important to the SBDC’s strategy and operations must have systematic well managed key processes for design and delivery:**

* ***Definition*: Define the key service(s), how they are delivered, and how they link to the strategic objectives.**
* ***Key Requirements*: Identify the key requirements of key services based upon input from customers and stakeholders and upon assessment of organizational needs.**

***Measurements*: Establish performance measures that reflect the key**

 **requirements of this service. Include:**

* **Evaluating key quality and quantity of service.**
* **Analyzing the impact of the service.**
* **Providing customer feedback loops.**

 ***Monitoring and Improving***

* ***Monitoring:* Establish methods for monitoring performance of the delivery system associated with this process, and actions to be taken when indicators are present establishing that key services *as defined* are not being delivered in a manner that meets requirements.**
* ***Improving:* Establish methods for evaluating the quality of key services and actions to be taken to improve this service when indicators are present that key services, *even when properly delivered*, are not meeting all requirements.**

**OBSERVATIONS:**

The Key Services of the Oregon SBDC were not clearly defined in the strategic plan or the Operations Manual. The Self Study defined the Key Services as “One-to One Counseling” and “Training and Education.” There was no definition of the three or four key services in counseling. There was definition of the Training and Education key services, including the Small Business Management Program and key demographic-based education programs. The network staff was able to identify the key measures from Standard 2.1, but did not consistently name the services provided which reflect the key measures and requirements of those services. The network leadership and center directors have established metrics in response to stakeholder and customer feedback and assessments.

**STANDARD IS NOT MET.**

**CONDITION:**

The Standard requires definition of the key services and identification of the key requirements of these key services.

The standard will be met when the leadership more clearly defines the key services of the OSBDCN, identifies the key requirements of these services and establishes performance measures that reflect the key requirements. The Lead Center must also provide evidence that these key services are communicated to the OSBDC Network and that these defined services are being consistently delivered by the centers within the OSBDCN.

**RECOMMENDATION:**

As indicated in 2.2 the Small Business Management program is a highly regarded business education and training program. Some of the Oregon SBDCs have taken full ownership of the program and have integrated and branded the program within the SBDC. Other SBDC locations are only utilizing the program as a resource. The Oregon SBDC Network has a tremendous opportunity to fully brand this excellent program as a key service of the Oregon SBDC Network. The accreditation team strongly recommends that the leadership of the OSBDCN pursue the full integration of the Small Business Management Program and proactively brand this program as a product of the Oregon SBDC.

* 1. **Accreditation of Technology Programs**

**If the SBDC is applying for accreditation of a technology program, it must develop its technology program so as to meet the Guidelines for SBDCs seeking Technology Accreditation and/or Designation as a Small Business and Technology Development Center (see Appendix A of this document).**

**The Oregon SBDC is not seeking the Technology designation.**

1. **RESULTS**

**Objective:** *Utilize a system for documenting, analyzing, and reporting work performance and economic outcomes to drive continuous improvement.*

**For the SBDC to improve quality and performance, the SBDC must utilize a system in place to document its work performance and outcomes in order to drive continuous quality improvement. This should include an ability to report on the performance measurement elements set forth in Standards 1 through 6. It must also include an ability to report on common data and results. (“Common data” refers here to data collected and utilized by more than one and often all SBDCs.)**

**OBSERVATIONS:**

The OSBDCN documents its performance and outcomes and utilizes this performance information to drive improvements in its programs. Common data is collected and reported. Multiple years of performance data are maintained but there is limited use of trend data.

**RECOMMENDATION:**

The OSBDC Lead Center should increase it use of trend data to improve and enhance its continuous improvement efforts.

* 1. **SBDC Service Results and Outcomes**
* Identify and summarize the SBDCs key service performance results.
* What are the SBDC’s current level and trends in key measures or indicators of service performance?

**OBSERVATIONS:**

OSBDCN presented multi-year trend data for key performance measures, which were limited to SBA goals. The review team observed there was an upward trend in all measures, except jobs created, jobs retained and capital infusion. OSBDCN management team indicated that the downward trend in economic impact measures was the result of economic decline, funding reductions, and challenges developing a valid job creation verification system (that reconciles the disparity between jobs created/retained reported by OSBDCN clients, and the jobs verified by the Oregon Employment Department). Due to these challenges, economic impact goals were lowered in 2010.

**STANDARD IS NOT MET. See CONDITION in 4.1.**

* 1. **Customer-Focused Results and Outcomes**

Identify and summarize the organization’s key customer results and trends, including customer satisfaction and how SBDCs meet key customers needs and expectations.

**OBSERVATIONS:**

OSBDCN did not present multi-year trend data for customer satisfaction. However, they do collect customer satisfaction data through client and training attendee surveys. Summaries are submitted to the state office and the state office responded to any issues arising from the results.

**STANDARD IS MET.**

* 1. **Market Results and Outcomes**

Summarize the SBDC’s market place performance results by key customer or market segments as identified in the SBDC’s strategy.

**OBSERVATIONS:**

OSBDCN did not present multi-year trend data for market results and outcomes. However, they did compare their 2009 performance against national SBDC performance.

**STANDARD IS MET.**

* 1. **Human Resource Results and Outcomes**

Summarize the organization’s key workforce results, including employee learning, development, diversity and satisfaction.

**OBSERVATIONS:**

OSBDCN did not present multi-year trend data for key workforce results. In 2009, the OSBDCN conducted satisfaction surveys of center directors and in 2010 conducted the “Are We Making Progress” surveys. Both surveys yielded positive results.

**STANDARD IS MET.**

* 1. **Organizational Effectiveness Results and Outcomes**
* Summarize the SBDC’s return on investment in the form of results or other key measures as appropriate.
* Summarize performance data including mandated performance measurements from funding sources.
* Summarize any other key operations performance results that contribute to the improvement of SBDC effectiveness.
* Summarize any other results for key measures or indicators of accomplishment of the SBDC’s strategies and action planning.

**OBSERVATIONS:**

OSBDCN did not present multi-year trend data for organizational effectiveness. OSBDCN compares Chrisman and SBA data to statewide data to determine their effectiveness.

**STANDARD IS MET.**

**Revised Draft December 2000**

**Adopted March 5, 2001**

**Revised January 2002**

**Revised and approve by committee on July 16, 2002**

**Adopted September 22, 2002**

**Revised December 4, 2002**

**Revised March 2003**

**Revised July 2003**

**Adopted September 2003**

**Revised January, 2007**

**Adopted March 2007**

**Updated January 3, 2008**

**Updated March 4, 2009**

**Meetings with Oregon SBDC Staff and Stakeholders**

Lane Community College

Dr. Mary Spilde, President

Oregon SBDC Network Office

Michael Lainoff

State Director

Lane Community College

OSBDC Network

Mark Gregory

Associate State Director

Lane Community College

OSBDC Network

Jim Lindly, Director, Business Development Center

Sharon Edwards, Project Specialist

Shirl Meads, Operations Manager

Barb Lowder, Grants Accountant

Tillamook Bay Community College

Marshall Doak, Director Small Business Development Center

Eastern Oregon University

Greg Smith, Director Small Business Development Center

Donna Jo Talbott, SBDC Office Manager

Columbia Gorge Community College

Mary Merrill, Director Small Business Development Center

Darrell Roberts, Business Advisor

Allison Bailey, Administrative Assistant

Chemeketa Community College

Marcia Bagnall, Director

Oregon Business Development Department (aka “Business Oregon”)

John Saris, Business Services Manager

Gabe Silva, Small Business Services Coordinator

Blue Mountain Community College

Carol Fink, Business Counselor

Douglas Lamberson, Small Business Management Coordinator

Arthur J. “Art” Hill, Vice President Economic Development Blue Mountain Community College

Gwen Kramer, Administrative Assistant

Central Oregon Community College

Beth Wickham, Director

Jim Wilcox, Small Business Management Program Coordinator

Katharine Condon, SBDC Office Manager

Oregon Coast Community College

Guy Faust, Director

Ron Spisso, Small Business Management Program Coordinator

Suzan Brewer, SBDC Office Manager

Roger Jones, Business Counselor

Southwestern Oregon Community College

Arlene M. Soto, CMA Business Development Center Director

Clatsop Community College

Mark Thompson, Interim Director

Clatsop Economic Development Resources (CEDR) Small Business Development Center

Rick Gardner, Executive Director

Telephone interview with Deputy District Director SBA

Rob DuCote

Treasure Valley Community College

Andrea Testi, Director

Debra Bloom, SBDC Office Manager

Debi DeBord, Business Advisor

Portland Community College

Tammy Marquez-Oldham, Interim Director

Yevette Johnson, SBDC Office Manager

Regina Gilbert, Advisor

Rick Stone, Advisor

Noah Brockman, Advisor

Jackie Babicky, Advisor

Warren Banks, Advisor

Bridget Bayer, Advisor

John Henry Wells, Advisor

Mt. Hood Community College

Antonio Paez, Director, Small Business Development Center

Kelli Walker, Director, Economic and Workforce Development

Gerri Raisanen, SBDC Office Manager

Herman Grimes, Business Advisor

Clackamas Community College

Tim Shea, Director

Thomas Jones, Advisor

Susan Endecott, Office Manager

Linn Benton Community College

Alan Fudge, Director

Rogue Community College

John Lopez, Director

Dana Wolff, Office Manager

Dave Tally, Advisor

Ron Goss, Advisor

David Ellison, Advisor

Umpqua Community College

Pete Bober, Director

Southern Oregon University

Raj Parikh, Dean, School of Business

Ruthie Painter, Business Advisor

Mary Lee Hurd, Office Manager

Oregon Institute of Technology/Klamath Community College

Jamie Albert, Director

Chuck Jones, Chair, Oregon SBDC Network State Advisory Council