



Best Practice: NYC Business Solutions System

REPORT UPDATED: SEPTEMBER 2011

CITY: NEW YORK CITY

POLICY AREA: BUSINESS DEVELOPMENT

BEST PRACTICE

NYC Business Solution is a set of services designed by the NYC Department of Small Business Services to help entrepreneurs start, operate and expand in New York City. Services include: Launch, Financing, Recruitment, Legal, Government Navigation, Courses, Incentives, Training for Employees and Selling to Government. Services do not cost anything to the clients and are offered through seven NYC Business Solutions Centers, eight NYC Business Solutions Industrial Providers, NYC Business Solutions FastTrac, and the NYC Business Solutions Outreach and Emergency Response Unit located throughout the five boroughs.

The system is structured to provide scalable programs with a focus on comprehensive, quality service. The teams take a proactive approach to business service by determining what businesses and sectors have a demand and execute targeted marketing strategies to generate interest and address needs. Service delivery is focused on effectiveness and efficiency of service, as the Agency's and entrepreneurs' most valued resource is time.

ISSUE

The NYC Business Solutions system addresses the need for businesses to start, generate income, and grow their business. In turn, businesses will create new jobs and develop communities. Businesses often face barriers to increased income and growth, specifically resources, networking opportunities and education. These barriers and needs are considered in the development and implementation of all programs and services.

GOALS AND OBJECTIVES

System Objectives

1. Maximize opportunities to strategically sell services and re-engage business customers.
2. Improve the customer experience across all engagements.
3. Refine or enhance the services we currently provide in response to customer needs and Agency objectives.
4. Boost the number and quality of outcomes we help customers achieve.
5. Improve our ability to provide comprehensive business services by cultivating and leveraging partnerships.

NYC Business Solutions Centers

Objective: To provide the NYC Business Solutions set of services to small businesses throughout New York City with a focus on income generation and job creation.

Goals: number of loans awarded, number of businesses launched, number of courses attended, number of training commitments, number of recruitment commitments, percentage of high wage placements, and number correct and complete M/WBE (Minority and Women-owned Business Enterprise) applications.

NYC Business Solutions FastTrac (New Venture and Growth Venture) Business Planning Program

Objective: To provide entrepreneurs the knowledge and skills needed to generate income and create jobs.

Goals: number of enrollees per course, retention rates per course and customer satisfaction rates

NYC Business Solutions Industrial Providers

Objective: To provide the NYC Business Solutions set of services to industrial businesses (defined as Manufacturing, Transportation and Construction) with a specific focus on the preservation and vibrancy of the Industrial Business Zones.

Goals: number of financing awards and number of qualified recruitment leads.



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NYC Business Solutions Outreach and Emergency Response Unit

Objectives:

- (1) To provide information about government programs and initiatives to small businesses in order to prevent loss of income.
- (2) To assist businesses that do not understand the government navigation process, i.e. licenses, permits, violations, street signs and fixtures, in order to minimize loss of income.
- (3) To respond to emergencies that have had a direct impact on businesses, i.e. structural damage, in order to assist with recovery and reopening.

Goals: number of service requests and number of outreach activities

IMPLEMENTATION

Successful implementation depends on ten key components:

- 1) Bi-annual needs assessment and goal development/adjustment involving the key stakeholders of the system, including direct line staff, service delivery leadership, program management and administrators
- 2) Strategic Operating Plan designed to set expectations around quality and quantity in order to create consistency and accountability across the system
- 3) Monthly stakeholder leadership meetings to allow for an exchange of information and best practices across the system
- 4) Customer centric tracking by all direct service staff using technology (i.e. CRM database) that allows for status updates, reporting and data analysis
- 5) Quarterly system performance reporting, including progress towards goals and trend analysis
- 6) Targeted business development strategies focused on productivity of activities
- 7) Targeted marketing strategies focused on long term customer engagement
- 8) Open lines of communication between stakeholders
- 9) Work observation and participation by program management staff and leadership
- 10) Continuous learning amongst all teams about the current economic environment, trends in small business and issues entrepreneurs face

COST

- The NYC Business Solutions Centers annual operating budget is approximately \$3.1 million
- The NYC Business Solutions Industrial Providers annual operating budget is approximately \$1.1 million
- The NYC Business Solutions FastTrac Program annual operating budget is approximately \$250,000
- The NYC Business Solutions Outreach and Emergency Response Unit's Annual budget is approximately \$400,000

RESULTS AND EVALUATION

Over the past six years, the NYC Business Solutions system has seen consistent high growth in all areas of service.

In 2010, the system accomplished the following:

- Facilitated 630 loans and \$21.4 million in capital through financing assistance
- Educated 3,900 customers through business courses
- Connected 439 customers with pro bono legal assistance and saved them approximately \$723,000 in legal fees
- Assisted 259 businesses launch their business
- Assisted businesses recruit employees for 4,521 positions
- Provided knowledge and skills to 615 entrepreneurs through FastTrac business planning



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TIMELINE

The NYC Business Solutions system administers two year contracts with the option to renew for one year three times. The Strategic Operating Plan and goals are developed on an annual basis.

LEGISLATION

NYC Business Solutions Centers and FastTrac

The federal legislation governing the system is the Workforce Investment Act (WIA), which has been in existence in its current form since 1998. In February 2009, the American Recovery and Reinvestment Act (ARRA) was passed, more commonly known as the "Federal Stimulus Package" which included additional WIA funding to the local system. This funding has allowed for more flexibility for training related investments and it being piloted for future versions of the WIA legislation.

NYC Business Solution Industrial Providers

In January 2005, Mayor Bloomberg created the Office of Industrial and Manufacturing Businesses to retain and grow the sector's job base, execute the goals of the industrial policy, and serve as a single point of coordination for the industrial and manufacturing sector. The service areas for NYC Business Solutions Industrial Providers are informed by the Bloomberg Administration's designation in 2006 of sixteen of the most productive industrial areas in the City as Industrial Business Zones (IBZs), and several others as Industrial Ombudsmen Areas. These areas foster high-performing business districts by creating competitive advantages over locating in areas outside of New York City. The designation of these areas was led by the IBZ Boundary Commission, an entity comprised of local government officials and industrial business advocates convened by the NYC Department of Small Business Services that was authorized by the New York State Legislature. The State of New York also authorized the City to offer the IBZ Relocation Tax Credit, a benefit that reimburses industrial businesses for costs associated with relocating business operations to an IBZ.

LESSONS LEARNED

- The NYC Business Solutions system priorities are guided by objectives and principles that are determined by City, Agency and customer priorities. Those objectives and principles are referred to in every major decision around direction and goals.
- In the process of building scalable programs, both quality and quantity have to be prioritized, monitored and measured.
- Simplicity, accountability and transparency are critical to the build out and success of scalable programs.
- Flexibility and innovation are key components of growth and success. These elements must be continuously balanced against structure and consistency.

TRANSFERABILITY

The NYC Business Solutions model has already proven transferability across multiple programs and communities. Standardized systems and tools have facilitated the ease of transfer and likelihood of success, including standardized trainings, strategic operating plans, performance dashboards, performance reports, CRM (Client Relationship Management), and job descriptions. These systems and tools have created consistency and a high standard of quality, without limiting innovation and flexibility across the system.



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