MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

Small Business Support Hubs Program
Program Evaluation & Data Anaylsis
Statement of Work

A)   **PURPOSE**

The Michigan Strategic Fund ("MSF") is seeking proposals from qualified individuals or entities to support the Michigan Economic Development Corporation's ("MEDC") Small Business Support Hubs Program ("SBSH"), an American Rescue Plan Act ("ARPA") funded initiative of the MSF.

The selected third-party contractor will provide program evaluation and data anaylsis for the SBSH program, a $75 million investment into 27 entrepreneurial support organizations located across the state that provide technical assistance, programs and services, resource navigation and direct grants to small businesses disproportionately impacted by COVID-19.

The Program Evaluation & Data Anaylsis Reports will summarize and analyze program data and outcomes, identify regional ecosystem assets, highlight impacts to Hubs, identify small business outcomes, address model effectiveness, develop small business beneficiary profiles, needs, and journey, and identify program interventions and improvements.

B)   **BACKGROUND STATEMENT**

Background:

On June 28, 2023, the MSF created the SBSH Program and approved program guidelines. This program is funded through a one-time appropriation of $75 million using American Rescue Plan Act funds included in the FY2023 budget supplemental (PA 1 of 2023) that was signed into law on January 31, 2023.

The Program builds on the success of the MEDC's twenty-member, tech-focused SmartZone network and provides critical funding to bolster the state's small business ecosystem – the network of consultants, coaches, non-profit organizations, universities, lenders, and community and economic development partners that help our state's small businesses launch, stabilize and grow. SBSH will cultivate a more inclusive, accessible, and integrated entrepreneurial ecosystem and will bring new and more comprehensive resources to small businesses disproportionately impacted by COVID-19 by providing funding to entrepreneurial hubs for operations, programming, and direct support to small businesses.

In November 2023, Gov. Gretchen Whitmer announced that $73 million in ARPA funding would be disbursed among 27 organizations to serve as Support Hubs in the state

(APPENDIX A). This program prioritizes investments into the small business ecosystem to build organizational capacity, enhance and diversify operations, strengthen programming, and better meet distinct regional needs. Using a Hub-and-Spoke model that leverages a network of strategic implementation and outreach partners, each Support Hub offers a wide variety of programming that reflect unique regional needs such as food-based business incubation to artistic entrepreneurship support to hard-tech physical products and product development, as well as industry- and stage-specific resources.

Support Hubs will ensure that entrepreneurs can navigate to and through Michigan's small business ecosystem and help increase awareness of federal, state, and local small business support resources. Support Hubs deploy a variety of small business support, including one-on-one coaching, workshops, seminars, cohort-based learning, business accelerator activities, mentor matchmaking, pitch competitions, networking events, partner referrals, as well as grants to businesses disproportionately impacted by COVID-19. Over the next 3 years, it is anticipated that 20,000 businesses will be assisted through training, consulting, support services, and grants.

SBSH Program goals include: (1) Support small businesses disproportionately impacted by COVID-19, (2) Strengthen and/or establish locally relevant, regionally based ecosystems to cultivate a more inclusive, accessible and effective entrepreneurial ecosystem, (3) Position small business support hubs to increase the number of businesses served through new and scaled programming, technical assistance and other support services, (4) Increase access to regional, statewide and national small business support resources, (5) Expand geographic reach of network partners into underserved and rural areas, and (6) Raise the national profile of Michigan's small business ecosystem.

C.)   OBJECTIVES, KEY RESEARCH QUESTIONS, & DELIVERABLES

Objectives:
The program evaluation and data analysis work will focus on the following objectives:

1. Synthesize and evaluate program data and outcomes, including impacts to the Hub and small business launch and growth opportunities;
2. Identify regional ecosystem assets developed, improved, or expanded as a result of the Hub;
3. Address model effectiveness and identify comprehensive strategies and tactics to impact the efficacy of the SBSH program;
4. Develop small business profiles/personas and identify business needs, journey to and through the ecosystem, and gaps in programming / services;
5. Collect and document best-in-class service delivery methods, high-demand programming topics, and implementation strategies among Hub network;
6. Identify national best practice for inclusive and economically competitive ecosystem building;
7. Identify short- and long-term program interventions and improvements.

Key Research Questions:

1. **What are the program's successes and outcomes?**

   The Small Business Support Hub program aims to make a catalytic investment in the state's small business ecosystem using a one-time funding appropriation. This work will summarize program successes and outcomes from the following vantage points:

   a. Include a **summary and analysis of program data and outcomes** from the Hub quarterly reports. In additional to a high-level overview, information should include a breakdown of data by:
      a. Region
      b. Business stage (early-stage, second stage, and growth stage)
      c. Size (including sole proprietor and microbusiness)
      d. Industry (traditional small business, high-tech high growth)
      e. Demographics
      f. Other variables pertinent to program evaluation, determined by contractor citing national best practice for inclusive and economically competitive entrepreneurial ecosystem building

   b. Include identification of new or expanded **regional assets** that support the small business and entrepreneurial ecosystem. This may include new organizations/ entities, programs / services, partnerships / collaborations, physical locations / geographic expansions, talent / staffing, etc. and identify how this investment may have had a multiplier effect on ecosystem offerings.

   c. Highlight **impacts to Hubs** – were hubs successfully able to build capacity and offer new or expanded services, hire additional staff, forge new or expand collaborative partnerships, build trust, improve connections with other Hubs and ecosystem partners, leverage state, federal, philanthropic, or other resources to complement existing work, etc.? Additionally, did the region see an increased awareness of resources, an expanded culture of entrepreneurship at a local / region / statewide level? Did Hubs meet organizational growth milestones and serve an increase demand for services?

   d. Highlight **outcomes to the small businesses served** beyond the reporting data that may include success stories of businesses who received support from a Hub and went on to transition their family owned business to the next generation through a sale, open a new physical location, shifted from a home-based business to a brick and mortar, launched as pop-up, wholesaler, or sole proprietor, or other notable progress in the small businesses journey to profitability, sustainability, or growth.

2. **How did the implementation of the SBSH program model impact program outcomes? Was the model effective in meeting program goals?**

   This work will focus on the effectiveness of the program model, utilizing a Hub-and-Spoke approach and supporting entities that are both SmartZones and non-SmartZones. Considerations in measuring model effectiveness should include the funding level, geographic spread and volume of hubs selected, overall cost-effectiveness / cost benefit anaylsis, long-term impact, and other factors.

3. **What are the primary profiles of small businesses and entrepreneurs served by the SBSH program?**

   The small business support ecosystem would benefit from a better understanding of the small businesses being served through SBSH's hub and spoke model. This profile should include business owner attributes such as: demographics, technological and operations acumen, business location (region; urban vs. rural); stage, industry, and size of the business. Other considerations such as what resources / services were most impactful in achieving business goals, what the journey to and through the ecosystem looked like, and where gaps or potential gaps still exist. Through data analysis, narrative, and other data collection methods, create 3-6 personas or profiles of the "new" entrepreneur served through the SBSH program. Provide recommendations for how to equip Hubs / ecosystem to serve the new profile of small businesses. What Key Performance Indicators (KPIs) would measure the growth / success / sustainability of these businesses?

   This profile should also include information about the Hub that successfully served the business, including: location of Hub (regional, multi region or statewide); SmartZone vs. Non-SmartZone; demographics of Hub staff and contractors; # Hubs/referrals made by the Hub to best serve the business (incl. customer journey mapping); distinct expertise, and programs or services offered by the Hub (such as tech-based or automated resources, translation services or accommodations for differently-abled individuals).

4. **What program interventions or improvements will be needed to sustain the program impacts from a short-term and long-term lens?**

   Identify short-term program interventions and improvements by benchmarking program data and outcomes and compare mid-term and final program performance against industry standards and best practices. Identify areas that lag behind or excel and provide insights into potential improvements. Make long-term recommendations that would benefit sustaining the SBSH infrastructure and leverage other ecosystem assets such as SmartZones, etc.

Deliverables:
The SBSH Program Evaluation and Data Analysis Reports will consist of:

a. Interim Report – due on or before July 1, 2025
   This report will focus on program data available for 1/1/24 – 3/31/25. Hubs will have submitted five quarterly reports to date that will be available to the selected contractor for review.

b. Final Report – due on or before December 31, 2026
   This report will focus on the full term of the SBSH program with program data available from 1/1/24 – 9/30/26. Hubs will have submitted eleven quarterly reports at the end of their grant term. These will be available to the selected contractor for review.

c. Final Report Slide Deck – due on or before December 31, 2026
   In accompaniment with the Final Report, contractor will provide a slide deck containing key findings from the Final Report and represent visually using MEDC brand guidelines.

d. Dataset / spreadsheet for any new primary data or other compiled data (surveys, etc.) as well as the tabulation and crosstabs.

D)   QUALIFICATIONS

The MEDC is seeking proposals from Michigan-based entities that are engaged in or have prior experience with research, data analysis or program evaluation and have a passion for improving the performance and accessibility of Michigan's entrepreneurial ecosystem. Experience working with ecosystem partners such as technical assistance providers, lenders, universities, business support organizations, SmartZones, economic development organizations or consultants is a requirement and must be clearly articulated in the proposal.

Successful respondents will be able to:

- Describe their background and experience, as it relates to the scope of work.
- Describe their knowledge of entrepreneurial ecosystem best practices.
- Describe relevant experience related to research and data collection, data analysis, program evaluation, benchmarking, customer profiling / journey mapping and process improvements.
- Provide a statement of work including a narrative, timeline, proposed efforts, and research methods, and overview of how you will approach this work. Include anticipated touchpoints with MEDC staff, Hubs, small business beneficiaries and other stakeholders.

- Provide a staffing plan including any sub-contractors and identify the primary point of contact / program manager with the MEDC.
- Provide compelling evidence of past or current work with ecosystem partners, including references with contact information.
- Demonstrate a passion for improving Michigan's entrepreneurial ecosystem.
- Demonstrate a track record of collaboration with ecosystem partners.

Additional Information:

Selection Process & Timeline
Selection considerations include but are not limited to: the bidder's education (including professional and entrepreneurial industry-related credentials), experience, skillset, knowledge of entrepreneurial ecosystem best practices and background; bidder's understanding of the RFP; bidder's statement of work including narrative, timelines, and proposed effort and services that will be delivered; bidder's prior experiences relevant to the successful accomplishment of this work; bidder's staffing plan; and track record of collaboration with national and/or Michigan entrepreneurial ecosystem partners.

Statement of Work Published	June 10, 2024
Proposals Due	July 8, 2024 at 9:00am EST
Proposal Evaluation & Selection	July 8, 2024 – July 26, 2024
Selection	On or around July 31, 2024

Term
The anticipated start date for this contract is October 1, 2024. The term will end on December 31, 2026.

Budget
The anticipated project budget is up to $250,000.

Proposals
Proposals should include a cover letter, statement of qualifications, a statement of work in alignment with this request and total cost for the term of the contract. Proposals are due no later than 9:00AM on Monday, July 8, 2024. Proposals should be emailed to the Small Business Services Director, Suzanne Perreault at perreaults@michigan.org.

Federal Requirements
This contract is funded through the American Rescue Plan and the selected contractor must comply with all federal requirements including registering in SAM.gov. A copy of the contractor's UEI number must be provided before contract execution. Contracts must be executed by December 2024.

APPENDIX A
Small Business Support Hubs List

The following entities are serving as Small Business Support Hubs.

Entity Name
Ann Arbor SPARK
Battle Creek Unlimited, Inc
Can-Do Kalamazoo dba Can-Do Kitchen
Central Michigan University Research Corporation
Chippewa County Economic Development Corporation
Detroit Economic Growth Association
Economic Development Alliance of St. Clair County
Flint & Genesee Chamber Foundation
Grand Rapids Nehemiah Project
Lake Superior Community Partnership, Inc
Lansing Economic Area Partnership (LEAP)
Lawrence Technology University Centrepolis Accelerator
Lean Rocket Lab
Michigan Founders Fund
Michigan Tech Enterprise Corporation
Muskegon Innovation Hub at Grand Valley State University
Operations School
Otsego County Economic Alliance, Inc.
Prosperus Detroit Micro Lending
Small Business Foundation
Start Garden Inc.
Target Alpena Development Corporation
Tejara
Traverse City Center for Entrepreneurship
Velocity
Wayne State University Research and Technology Park in the City of Detroit
West Michigan Hispanic Chamber of Commerce

APPENDIX B
Reporting Data

The following indiviudal data points are collected on a quarterly basis from each Small Business Small Hub. This data will be available to the selected contractor.

Business Name
Business Street Address
Business City
Business State
Business Zip Code
Business County
Business Owner Name (First, Last)
Email
NAICS Code
If applicable, TIN and/or EIN
Is this a New Business?
Year Established
Is this an "early stage" business
Current FTE's
Is this a "microbusiness"
Is this a "second stage" business
Minority-owned or controlled business status
Women-owned or controlled business status
Veteran-owned or controlled business status
Disabled-owned or controlled business status
Please select how the business was disproportionately impacted by COVID
If the Hub qualified the business based on a demonstration of a disproportionate negative economic impact as a result of COVID-19, explain how the Hub made that determination
Date of Initial Intake
Service 1 - Type of Service Received. List all that apply.
Service 2 - Type of Service Received. List all that apply.
Service 3 - Type of Service Received. List all that apply.
Service 4 - Type of Service Received. List all that apply.
Service 5 - Type of Service Received. List all that apply.
If Service was identified as "other" - please describe.

If the business received a Small Business Grant, list the total Grant Dollars Received
How many FTE Jobs are projected to be created by the eligible business?
List an Follow on Funding secured by the eligible business.
Was the Hub Served for the first-time by Hub?
Was the business connected to a Mentor?
Was this business referrals to another Small Business Support Hubs?
If yes, why?
If yes, who?
Did this eligible Businesses also receive programming and/or services from the SmartZone?
Was this eligible business referred to other Small Business Ecosystem Partners (outside of Support Hub network)?
If yes, who?
Would this business / services received make for a compelling success story?