Supporting Statement: Part B
Collections of Information Employing Statistical Methods

1.   Sampling or other respondent selection methods

The respondent universe for this survey consists of all randomly selected individuals who sought face-to-face counseling assistance from SBA and its resource partners during a previous fiscal year. Annually, SBA through its resource partners counsels around 600,000 individuals who either wish to start or have started a small business. On average, this works out to be 50,000 individuals per month.

The initial survey sample will consist of a 5 percent random sample drawn from clients served during a previous fiscal year. SBA annually plans, budget permitting, to continuing implement the survey. A stratified random sample will be implemented to select a nationally representative, self-weighting sample. Individuals will be stratified by the program they contacted for assistance (i.e., SBDC, SCORE and WBC), type of client they are –Nascent, Start-up or in Business and the length of the counseling encounter. The sample will be selected to proportionately reflect the clients served by each program as a percentage of the total clients served by all of the programs. The sample will look as follows:

For a Fiscal Year

SBDC Clients:	20,000
SCORE Clients:	20,000
WBC	2.000
Total	42,000

Parsing of economic impact

After discussions with the Chief Economist of the SBA and the Senior Research Fellow at the NFIB Foundation, SBA will attempt to measure impact against two control groups. For the Nascent entrepreneurs, we will compare results against the Panel Study of Entrepreneurial Dynamics (PSED) sample from the Kauffman Foundation.

For the second control group, comparing early start-up and in-business clients we will either use a sample drawn from GDP, NFIB and Index of Private Companies data bases.

Statistical Analyses we will employ on data will be T-tests and Regressions once we have at least two data points - Year 1 and Year 2, economic data. Given we are comparing matched pairs; T-Tests and possibly chi-square analyses are the most logical.

Non-response bias

Telephone follow-up calls will be made to ensure that the issue of non-response bias is effectively dealt with and that all data are representative of the target population under investigation.

2.   Procedures for the collection of information

      a.   See attached research plan. Further we believe a 25 percent response rate with extensive non-responsive activities should provide a representative sample for statistical analysis.

3.   Methods to maximize response rates and to deal with issues of non-response

      See attached research plan

4.   Tests of procedures or methods to be undertaken

      A pilot survey was conducted in FY 2007 to test the viability of surveying clients online. This study yielded favorable results and has been incorporated into the research design. In addition, we consulted with a panel of experts who have extensive experience with surveys and their input framed our methodology and survey design.

Individuals consulted:

The following individuals were consulted on the statistical methods to be used in this information collection:

Dr. K. Mark Weaver
Thomas H. Daigre Endowed Chair
of Business Administration
Louisiana State University
Baton Rouge, LA
Principal Investigator National SBI Studies

Dr. Chad Moutray
Chief Economist SBA
Office of Advocacy
US Small Business Administration
Washington, DC

William Dennis
Senior Research Fellow
NFIB Foundation
Washington, DC

Dr. Patricia Greene
Provost, Babson College

Wellesley, MA
Former Ewing Marion Kauffman/Missouri
Chair in Entrepreneurial Leadership
Principal Investigator "Diana "Project National Study on Women Entrepreneurs

Dr. Frank Hoy
Former Dean University of Texas at El Paso
College of Business Administration
El Paso, TX
1st Principal Investigator "ASBDC Studies on Economic Impact

Dr. Bruce Kirchhoff
Distinguished University Professor
School of Industrial Management
New Jersey Institute of Technology
University Heights
Newark, NJ
Former Chief Economist SBA

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Research Plan
Impact Studies
Office of Entrepreneurial Development

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Introduction

        The Office of Entrepreneurial Development seeks a qualified small business contractor capable of conducting a nation wide online and follow-up survey and providing per this document, analyses to test the four research questions found in section 2 below as well as other pertinent analyses derived from the OMB approved survey instruments(see attached). Finally, prepare a written report and at least three briefings to designated SBA staff and OED's resource partners –SCORE, SBDC and WBC.

1. **Research Objective**

    a. Measure outcome of services and assistance provided multiple small business market segments [i.e., Nascent, Start-Ups and In Business] through multiple SBA ED resources [i.e., SBDC, SCORE and WBC] regarding three primary measures [i.e., attitudinal, improvement in management/marketing skills and business growth] for the discrete market segments.

2. **Research Questions**
    a. There is a positive relationship between the services/assistance provided by [i.e., SBDC, SCORE and WBC] and the client's perception of the service/assistance received.
    b. There is a positive relationship between the services/assistance provided by [i.e., SBDC, SCORE and WBC] and the client's decision to start a business.
    c. There is a positive relationship between the services/assistance provided by [i.e., SBDC, SCORE and WBC] and the client's decision to implement and/or change management marketing practices in their business.
    d. There is a positive relationship between the services/assistance provided by [i.e., SBDC, SCORE and WBC] and the client's business having a positive financial impact [jobs created and retained, increase in gross sales].

3. Define Sampling Frame

a. By Respondent

    i. Nascent [Kauffman Definition those whose intention to start a business is greater than the general population]

    ii. Start-up [Those individuals who have expressed a desire to start a business in the next twelve months]

    iii. In Business [Those businesses classified as small by the SBA and operational for more than twelve months]

b. By ED Resource

    i. SBDC   20,000 online
    ii. SCORE   20,000 online
    iii. WBC   2,000   online

4. Sampling methodology

a. Stratified Random Sampling

    i. OED will direct their resource partners, SCORE, SBDC and WBC, to randomly select clients served within a specified fiscal year time frame and contact via email clients requesting their cooperation in filling out the surveys online and via mail.

    ii. Contractor will provide a random number to assist resource partners in selecting clients names, addresses and email addresses based on a predetermine sample size.

    iii. All online and mail surveys will be coded to ensure that addresses and contact information remain anonymous.

    iv. After initial survey, those clients in business or indicating strong preference to start business will be surveyed again in 12 months using the attached questionnaire.

5. **Non-response Bias for initial/baseline questionnaire**

   a. To minimize non response bias, 3-4 follow up weekly alerts will be sent to all clients.

   b. After all alerts have been sent, a telephone follow-up will occur on all non-respondents.

6. **Non-response Bias for follow-up questionnaire**

   a. To minimize non response bias, 3-4 follow up weekly alerts will be sent to all clients.

   b. After all alerts have been sent, a telephone follow-up will occur on all non-respondents.

7. **Time Frame**
   a. **Obtain OMB clearance**   **1st quarter FY 2010**
   b. **Write RFP to solicit contractor**   **2nd quarter FY 2010**
   c. **Begin collecting baseline data**   **3rd quarter FY 2010**
      1. **Baseline data from 4th quarter FY 2009**
   d. **Begin data analysis of baseline**   **4th quarter FY 2010**
   e. **Write draft report**   **4th quarter FY 2010**
   f. **Present Final report**   **1st quarter FY 2011**
   g. **Begin collecting follow-up data**   **2nd quarter FY 2011**
   h. **Collect Follow-up data from 4th quarter FY 2010**
   i. **Again collect baseline data**   **2nd quarter FY 2011**
      1. **Baseline data from 4th quarter FY 2010**
   j. **Begin data analysis of baseline and Follow-up data**   **3rsquarter FY 20 11**
   k. **Write draft reports**   **3rd quarter FY 2011**
   l. **Present Final reports**   **4th quarter FY 2011**