

1The Census Bureau plans to conduct additional research under the generic clearance for questionnaire pretesting research (OMB number 0607-0725). In December 2015 and January 2016, staff from the Data Collection Methodology and Research Branch (DCMR) within the Census Bureau's Economic Statistical Methods Division will be working with staff from the Economy-Wide Statistics Division to conduct cognitive testing of questions for the Annual Survey of Entrepreneurs (ASE). Title 13 of the United States Code authorizes this survey and provides for mandatory responses. The program is a supplement to the U.S. Census Bureau's Survey of Business Owners (SBO), which is conducted every five years as part of the Economic Census. The ASE is collected by the Census Bureau, and co-sponsored by the Ewing Marion Kauffman Foundation and the Minority Business Development Agency (MBDA).

The ASE, along with the SBO, provide the only detailed, comprehensive, regularly collected sources of data on the status, nature, and scope of women-, minority-, and veteran-owned businesses. The ASE provides annual estimates for the number of employer firms, sales and receipts, annual payroll, and employment by owners' gender, ethnicity, race, and veteran status. Estimates will be available for the U.S., individual states and top 50 metro areas. Among other uses, the Small Business Administration (SBA) and the MBDA use results from the ASE to assess business assistance needs and allocate available program resources.

The ASE is collected via a self-administered questionnaire using the Census Bureau's online survey reporting system. Respondents are mailed a letter informing them of the requirement to complete the survey and providing them with access information. Paper forms are not available, but respondents can download a PDF worksheet containing the survey questions and instructions. A copy of the worksheet for the 2014 AES is enclosed for reference; please note that all content from the 2014 AES will be retained for the 2015 AES with the exception of the Product Innovation and Research and Development questions (pp21-23), which will not be collected in the next survey cycle.

The ASE introduces a new module each year to capture information on relevant business components. The 2015 ASE will include new questions on business management practices, including process improvement practices, alternative types of employment, and record-keeping and data use practices. DCMR staff will conduct up to two rounds of cognitive interviews to evaluate and refine these questions. A copy of a draft interview protocol and a draft questionnaire for testing purposes are enclosed.

We will recruit and conduct interviews with up to 30 respondents across two rounds of cognitive interviews. We will recruit interview participants from a list of respondents to the 2014 ASE and/or the sampling frame provided by ASE staff. The interviews will take place in the Washington, D.C. and Kansas City, MO metropolitan areas. Although we anticipate that we will uncover most of the issues with the questions in the first round of testing, we may conduct a second round to test any changes that we may make after the initial interviews. During the interviews, respondents will answer the self-administered questionnaires. We will use concurrent and retrospective probes to assess respondents' understanding of the questions and the flow of the questionnaire.

Before beginning the interviews, we will inform participants that their response is voluntary and that the information they provide is confidential. We will not be providing respondents with monetary incentives to participate in this research.

We estimate that it will be necessary to interview only one participant at each business. We estimate the length of the interviews will average one hour. We also expect to make up to five recruiting calls for every interview scheduled, and each recruiting call will last an average of five minutes. Therefore, the total estimated burden for this research is approximately 42.5 hours ((30 interviews x 1 hour) + (150 phone calls x 5 minutes)).

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Enclosures

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