

Supporting Statement for National Women's Business Council Research on Women's Participation in Incubators and Accelerators

PART A

1. Explain the circumstances that make the collection of information necessary.

The National Women's Business Council (NWBC or Council) is a non-partisan federal advisory council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration (SBA) on economic issues of importance to women business owners. 15 U.S.C. § 7105. The NWBC has statutory authority to conduct "such studies and other research relating to the award of federal prime contracts and subcontracts to women-owned businesses, to access to credit and investment capital by women entrepreneurs, or to other issues relating to women-owned businesses, as the Council determines to be appropriate." 15 U.S.C. § 7109(a).

As part of the Council's annual research into issues affecting women business owners, this year NWBC has chosen to examine how women participate in business incubation and acceleration programs. The goal is to understand the characteristics of incubators and accelerators that affect the business outcomes of female entrepreneurs. In addition, NWBC hopes to gain insights into the factors, both structural and individual, that affect women's participation in incubator and accelerator programs.

NWBC has contracted with Washington CORE, LLC., a consulting and research firm based in Bethesda, MD, to work with the Council to design, implement, and analyze the survey.¹ Washington CORE has sub-contracted with EurekaFacts, LLC., a market research and analysis firm based in Rockville, MD, to work with NWBC and Washington CORE on all phases of the survey.²

2. Indicate how, by whom, and for what purpose the information is to be used.

The information will be used by NWBC program staff to gain insight into the factors that affect women's participation in incubator and accelerator programs. These insights will guide programmatic efforts to improve incubator and accelerator programs as well as outreach to the national incubator and accelerator community and female entrepreneurs to meet the unique needs of female entrepreneurs.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All data collection will be conducted on line and participants' responses will be captured electronically. On-line data collection modality was chosen in view of the following considerations:

- The sample of women business owners from the general population will be screened from the existing on-line panels. This represents the most cost-effective means of obtaining the opinion of the women business owners who may or may not have participated in an incubator program.
- The on-line survey of business incubator and accelerator managers will allow the research team to conduct research with professionals responsible for incubator and accelerator programs in a time efficient and cost-effective manner. Unlike telephone surveys, the on-line modality will allow the managers of these programs to complete the survey on their own time and at their own pace. In contrast to paper surveys, all responses will be captured electronically when the survey is submitted.

¹ Washington CORE, URL: <http://wcore.com/>

² EurekaFacts, URL: <http://www.eurekafacts.com/>

- Similarly, the on-line survey collection from women owners who graduated from incubator or accelerator programs will allow the participants to complete a survey on their own time and will allow for electronic data capture.

Overall, the on-line data collection also reduces respondent's burden through programming of skip patterns. This assures that respondents answer a subset of questions relevant to them based on their previous responses and/or demographic and psycho-social characteristics.

NWBC has contracted with Washington CORE to conduct the survey because the data collection methods described above can reach the target populations and support meaningful analysis more effectively than would be possible through the use of NWBC's opt-in mailing list.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is currently no recent research with the populations studied by this research project, specifically on the relationship between functional characteristics of the incubator and accelerator programs and outcomes among women entrepreneurs who participated in those programs.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

We anticipate that some of the respondent will be owners of small businesses. The on-line data collection will allow these respondents to complete the survey on their own time, not interfering with daily business activities.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The collected information is necessary to provide an empirical basis for gaining insight into women participants in incubator and accelerator programs. This insight is vital in developing effective programs to help women entrepreneurs succeed in the marketplace. Without this data collection, the program managers will not have the necessary insight to assess current services or tools to refine the programs.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

No special circumstances apply to the collection of data.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.

The 60-day public notice was published in the Federal Register on October 10, 2014, at 79 FR 61365. The comment period ended on December 9, 2014; there were no comments.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

A small gift valued at less than \$1 (typically points that could be traded in for cash or gifts once a sufficient amount is accumulated) is provided to panel participants as per usual practices of commercial on-line panels. This incentive will be provided only to the participants in the female entrepreneur non-participant group recruited from the available commercial panels. Members of commercial panels typically receive a small point incentive for participation in individual surveys that they accumulate and then have an

opportunity to trade in for merchandise or cash rewards. While the award for completing an individual survey is small, the ability to accumulate awards that can be redeemed for a larger award incentivizes panel participants to complete surveys in which they meet the survey's screening criteria. This incentive is included as a part of the survey services contract.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

Respondents will be informed that their information will be kept private to the extent provided by the law.

Respondents will further be informed that:

- Any personally identifying information (respondent's e-mail and name) will be stripped from the analyses files.
- Individual respondents will be identified by a unique ID only.
- Data will be reported as statistical aggregation only and no individual level data will be presented including examples of open ended responses.
- No aggregated results will be presented for groups of fewer than 5 respondents.

In addition, IT security procedures will be implemented to protect data during and after administration of the survey. Specifically:

- Data will be collected using secure servers.
- Once data are collected, any meta-data associated with data collection (e.g. e-mail address, and operating system used by the device to complete the system will be stripped from the files).
- Both the data collection subcontractor and the prime contractor follow the prescribed security protocols including:
 - o Secure access to physical facilities.
 - o Use of network security software.
 - o Strong password requirements to access networks and password policies requiring frequent changes in passwords.
 - o No administrative privileges for users of work stations.
 - o Disaster recovery plans.
- Once data are collected, only the staff working on the project will have access to the data.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

Questions about financial information will be asked on topics such as startup capital, types of capital, and revenue and workforce growth by graduates of incubators/accelerators. Questions about demographic information will be asked on topics such as age, race and ethnicity, state of residence, marital status and dependent children will also be asked. These questions will be asked in order to understand the characteristics of female entrepreneurs that participate in incubators/accelerators and those that do not. Questions about financial information will also be used to understand the impact of participation in an incubator or accelerator on business performance. The data collected here will rely on non-probability samples and therefore will be considered descriptive and will not be generalized to broader populations.

12. Provide estimates of the hour burden of the collection of information.

This will be a onetime data collection. The respondent burden is summarized below.

	Female Entrepreneurs	Managers	Total Burden
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	Participants	Non Participants	representing incubators and accelerators	Hours
Sample Size	150	200	150	
Estimated Survey Burden	18 minutes	12 minutes	15 minutes	
Sample Population Burden	45 hours	40 hours	37.5 hours	122.5 hours

The estimates for survey burden considered the number of questions, type of responses required (e.g., select one, open ended, multi-punch) and length of instructions to the respondents.

The burden estimate for managers includes time to send three e-mails to graduates of their program.

The annualized cost is presented in table below and is based on \$20.68 average hourly wage reported by the Bureau of Labor Statistics for December, 2014. (<http://www.bls.gov/news.release/pdf/empst.pdf>)

	Female Entrepreneurs		Managers representing incubators and accelerators	Total Burden Hours
	Participants	Non Participants		
Sample Size	150	200	150	
Sample Population Burden	45 hours	40 hours	37.5 hours	122.5 hours
Annualized cost based on \$20.68 hourly wage	\$ 930.60	\$ 827.20	\$ 775.50	\$ 2,533.30

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no additional costs to respondents other than the hour burden described above.

14. Provide estimates of annualized costs to the Federal government

The NWBC has contracted with Washington CORE to collect/manage, analyze the on-line survey. The contract cost is \$99,950

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

None applicable; this is a new collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication.

Data collected will be for internal agency use only. The data collection will begin two weeks after OMB approval. We anticipate the survey to be in the field for two weeks. Initial tabulations will be produced one to two weeks after the close of field. Data analysis and reporting will be produced in eight weeks after the initial tabulations are created.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The approval not to display the expiration date for OMB approval is not being sought.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I

There are no exceptions.

PART B

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used.

The data collected here will rely on non-probability samples and therefore will be considered descriptive and will not be generalized to broader populations.

Female Entrepreneurs (Non-participants): These are owners or majority partners in small businesses including at home enterprises. There are an estimated 7.8 million woman-owned small businesses in the United States.³ This group will be recruited from commercially available on-line panels among participants pre-identified by panel providers as business owners.

Female Entrepreneurs (Participants): These are women who completed either an incubator or an accelerator program. We anticipate that some of these participants did not continue in owning their own business. Part of the study objectives is to estimate the number of women participants in incubator and accelerator programs.

Managers of Accelerators and Incubators: This population is defined as senior level staff at accelerators and incubators who can provide key information about the operation of the facilities. We estimate that there are 1,650 incubators in the United States and 61 accelerators.⁴

Note on panel provider: Prior to the beginning of the data collection, Washington CORE and EurekaFacts will identify an on-line panel provider that can supply the necessary sample of women business owners. On-line panel providers maintain opt-in panels of respondents. All panel providers considered for this study must have identify verification procedures assuring that a panel member represents a unique household. Upon joining a panel, panel members complete a demographic and psycho-social profile (i.e., age, gender, zip code of residence, employment status, decision making in purchasing decision and so forth). This information is periodically updated. The demographic and psycho-social profile serves as the criteria for pre-selecting a sample based on individual study criteria: Only individuals who match the sample characteristics of the study are invited to participate.

Based on experience with these populations we anticipate the following response rates:

Female Entrepreneurs (Non-participants): This sample will be recruited from an opt-in on-line panel and pre-screen based on employment status indicating ownership of a business. Among the sample invited to participate, we anticipate a 50% completion rate, including respondents who would not qualify for the study.

Female Entrepreneurs (Participants): Based on our experience in conducting research with participants from various training and educational programs and membership organizations, we anticipate a 30% response rate.

Managers of Accelerators and Incubators: We anticipate a 30% response rate.

Participant selection:

Female Entrepreneurs (Non-participants): A non-probability sample will be used to recruit participants from an existing opt-in panel. The procedure will involve the panel provider sending e-mail invitations to a sample of pre-screened panel members. The screening criterion will include gender and indication that

³ NWBC – Women-Owned Businesses, URL: <https://www.nwbc.gov/facts/women-owned-businesses>

⁴ National Business Incubation Association – About NBIA, URL: http://www.nbia.org/about_nbia/; SBA, “Innovation Accelerators: Defining Characteristics Among Startup Assistance Organizations,” October 2014, URL: <https://www.sba.gov/sites/default/files/rs425-Innovation-Accelerators-Report-FINAL.pdf> (pp. 40 – 44)

she owns or co-owns a small business. The use of a non-probability sample will provide an efficient and cost effective way to learn about this population and allow comparisons between female entrepreneurs who did not participate in incubator/accelerator programs with those who did.

Female Entrepreneurs (Participants): The sample of female entrepreneur who participated in incubator or accelerator programs will be based on the sample of accelerator and incubator managers. Each incubator or accelerator manager who participates in the survey will be asked to recruit three recent female graduates from their program. This procedure is necessary because there is no easily defined sample frame for female graduates of incubator and accelerator programs. Assuming that 150 managers will complete the survey, 450 invitations to female graduates will be sent. Given the anticipated response rate of 30%, this procedure should yield 150 completed surveys. In order to keep recruitment procedures uniform across organizations, managers will be instructed to invite the three female entrepreneurs who have most recently completed the program. In cases where there are more than three female entrepreneurs who completed a program simultaneously, a simple randomization procedure will be provided to a manager:

- Letters of the alphabet will be randomized.
- A manager will be asked to pick the first three graduates with the last names starting with the first three letters.

Managers of Incubators and Accelerators: The list of incubators and accelerators that are member of the National Business Incubators Association will be used as a sample frame. A sample of organizations will be randomly selected from the list. Randomization will be done by the association staff following the algorithm provided by the research staff. Once the organizations are selected, the association will identify potential points of contact using their administrative data and will then send the e-mail invitation to the identified contact with a link to the survey and unique log in credentials.

2. Describe the procedures for the collection of information

Female Entrepreneurs (Non-participants): The panel provider will send e-mail invitations to a sample of pre-screened panel members. Data collection will be conducted on-line. The survey will be programmed to include relevant skips. The survey platform will allow the participants to return to survey if they did not complete it for any reason and start where they left off. Participants will submit the surveys by clicking on a submit button at the survey. All questions on the survey will have an option not to provide information.

Female Entrepreneurs (Participants): Female entrepreneurs will receive an e-mail invitation from the incubator or accelerator manager with a link to the survey and unique log in credentials. The invitation will assure confidentiality and will clearly state that the data are collected by the third party. Data collection will be conducted on-line. The survey will be programmed to include relevant skips. The survey platform will allow the participants to return to survey if they did not complete it for any reason and start where they left off. All questions on the survey will have an option not to provide information.

Managers of Accelerators and Incubators: Managers of accelerators and incubators selected to participate in the study will be send an e-mail with a link to the survey and unique log in credentials by NWBC. Data collection will be conducted on-line. The survey will be programmed to include relevant skips. The survey platform will allow the participants to return to survey if they did not complete it for any reason and start where they left off. Participants will submit the surveys by clicking on a submit button. All questions on the survey will have an option not to provide information.

3. Methods to Maximize Response Rate

Reminder e-mails will be sent to non-respondents in all samples (women entrepreneurs-non-participants, women entrepreneurs-participants and managers of incubators and accelerators). The first reminder will be sent five days after the start of the survey (defined as the date when invitations to the survey go out)

and the second reminder (if necessary) will be sent 10 days after the start of the survey. All reminders will have a link to the survey. Reminders to managers and women entrepreneurs-participants will reiterate importance of the study to their professional communities.

E-mail invitation to women entrepreneurs-participants and managers of incubators and accelerators will stress the role of the sponsoring organization, importance of the information to improving services offered to women, and the importance of the findings to their professional communities. (See Appendix 1 for the e-mail invitations.)

For the women entrepreneurs-non-participant sample, incentives offered by the panel provider are designed to increase response rates to individual surveys. The small incentives are part of the panel provider fees for using the sample. It is designed to keep member interest in participating across different survey participation opportunities. NWBC's contract with Washington CORE covers the cost of using the sample, including the cost of providing incentives to survey participants.

4. Test of Procedures and Methods

A heuristic review using QAS-99 framework was conducted prior to finalizing the instruments. In addition to testing the programming of the surveys, we plan to conduct a soft launch with about 5% of the sample for each sample group. Soft launch will allow us to assess assumptions about the time needed to complete the survey, test the data capture systems and note any peculiarities in how respondents answer questions. Specifically, we look for frequencies of missing or do not know/not-applicable responses.

5. Names and Contact Information for Individuals Consulted on Statistical Design and Name of Agency Contact or Contractor Who Will Collect and Analyze Information for the Agency

Erin Kelley
Director of Research and Policy
National Women's Business Council
(202) 205-6826
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Ms. Kelley will provide feedback on survey design and data analysis to achieve goals of the NWBC.

Miriam Segal
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Ms. Segal will provide feedback on survey design and data analysis to achieve goals of the NWBC.

Project Manager (Washington CORE)
Barry Press
Senior Consultant
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barry@wcore.com

Mr. Press will design the survey and the data collection plan in consultation with NWBC; will conduct data analysis and report findings to NWBC.

Methodological and Statistical Advisor

Alec Ulasevich, PhD
Director of Social Science Research Programs
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(240) 403-1641
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Doctor Ulasevich will provide consultation of methodological issues pertaining to data collection; will oversee sampling and data collection protocols and manage field data collection.