

**Supporting Statement for Collecting Data on
U.S. Small Business Administration
Women's Business Center Client Outcome Survey
Part A**

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PART A: Justification

A.1 Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Women's Business Center (WBC) program was established by the Women's Business Ownership Act of 1988. This authority is now codified in section 29(g) of the Small Business Act (15 U.S.C. 656(g)). The WBC program provides one-on-one business assistance counseling and training to help clients start and grow businesses. The program also seeks to level the playing field for all women entrepreneurs (especially women who are economically or socially disadvantaged), who still face unique obstacles in the business world. Women's Business Centers (WBCs) provide entrepreneurial development services—such as business training, counseling, mentoring, and referrals—through a network of 115 WBCs managed by the Small Business Administration's (SBA) Office of Women's Business Ownership.

The purpose of the WBC Client Outcome Survey is to provide the SBA with both national and subgroup performance analyses of the measurable outcomes clients achieve as a result of receiving Women's Business Center Program services. The information generated through the annual survey is necessary to comply with SBA's requirement to report program performance, including outcome metrics, to Congress for all its funded programs¹. The client information currently collected by WBCs is insufficient to meet this requirement. While WBC Administrators are required to collect client information using SBA Form 641 (collects individual data on counseling clients) and SBA Form 888 (collects aggregate client data on training clients),² they are not required to systematically follow-up with clients to collect data related to their outcomes such as adoption of new business practices, job creation or revenue growth. Additionally, the annual survey collects client satisfaction information which is otherwise not systematically collected and reported to SBA.

This collection builds upon a previous WBC Client Outcome Survey that was conducted annually from 2015 through 2018 (OMB Control No. 3245-0387). While the survey instrument for this collection has not substantively changed, modifications have been made to the survey methodology. These changes include the use of a single-stage, stratified sampling strategy at the WBC-client level sample and a data collection plan that utilizes an adaptive design approach. This methodology is intended to create a more comprehensive and complete sampling frame,

¹ See Appendix C2: Statutes and Regulations Mandating Collection of Information

² See OMB Control Number 3245- 0324 (Entrepreneurial Development Management Information System (EDMIS) Counseling Information Form & Management Training Report)

minimize cost, reduce burden on clients, enhance the response rate and provide both national and subgroup performance analyses.

A.2 Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

This study will collect information from WBC administrators and WBC clients.³ The study's data collection activities include collecting WBC client contact information from WBC administrators and administering the WBC Client Outcome Survey to WBC clients, which will be offered in English (Appendix A1) and Spanish (Appendix A2). The information generated by this collection and the resulting report will allow SBA to better understand how training and counseling initiatives are meeting the Agency's intended goals, to consider lessons learned that may be used to adjust the current initiatives, and to develop future initiatives. Furthermore, because the survey was designed to collect outcome metrics that are specific to the WBC program as well as those that are shared across SBA resource partners (i.e., SCORE, Small Business Development Centers), this collection makes it possible for SBA leadership to analyze and compare performance across the Agency's entrepreneurial development programs. In addition, SBA will use the data from this information collection to monitor and report the performance of the WBC program to stakeholders (e.g., Congress, WBC leadership).

The survey is not designed to make causal claims about the impact of WBC services on clients. However, it is sufficiently designed to produce representative results of client attitudes and stated changes in business practices and performance after clients receive one or more services from a WBC. Moreover, it provides clients the opportunity to suggest improvements to the program. SBA will monitor these suggestions and performance outcomes over time and may provide the information to the Association of Women's Business Centers (AWBC) to help facilitate their services to WBCs. The information collected will allow WBC program administrators and SBA to improve the program and identify whether trends correspond to intentional changes in program strategy and implementation.

A.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, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.

³ WBCs are managed by an administrator known as a "WBC administrator." A WBC client is the entrepreneurial individual seeking services from a WBC. While the WBC's main goal is to assist women entrepreneurs, WBCs also support men who own a business or desire to start and own their own business.

SBA is committed to complying with the E-Government Act of 2002 to promote the use of technology in order to lessen the burden of data collection on the public. WBC client data will be collected via a web-based survey to reduce client burden. Screenshots of the web surveys are presented in Appendix A3. Web-based surveys are a cost-efficient solution that provide critical information from respondents in real time and allow flexibility in the survey's format, layout, and navigation. The web-based survey minimizes the respondents' burden and improves data quality by providing skip patterns for questions that are not applicable, pop-up instructions to questions, easy navigation, and the ability to stop and restart the survey at any time convenient to a respondent, unlike a telephone survey. Web-based surveys also allow respondents to submit the final survey instantly upon completion. Upon request, however, respondents are provided the option to complete the survey over the telephone. Regardless, all responses to data collection instruments are expected to be submitted through electronic systems.

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

Review of existing studies did not identify any duplication of efforts in this data collection. SBA's current data collection efforts (Forms 641 and 888) do not provide systematic information on client outcomes and do not contain measures of service satisfaction. The AWBC has collected client data periodically (e.g., 2010) but to our knowledge has no future plans to conduct a client survey. Other identified data collection or analytic efforts of women-owned businesses include those conducted by the National Women's Business Council using federal administrative data, the Aspen Institute's MicroTracker survey, and the Kauffman Foundation's Firm Survey. These sources cannot be used to monitor performance of the WBC program because they do not adequately represent WBC clients. For example, many of the WBCs do not participate in the MicroTracker survey; therefore, their clients are not surveyed, and many WBC clients are not in federal administrative datasets (e.g., Survey of Business Owners, Longitudinal Business Database) because they have not yet started businesses.⁴

A.5 If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

This data collection will obtain information from small and nascent businesses. To minimize the burden on respondents, efforts have been made to simplify and streamline the survey. The estimated burden for completing the survey is approximately 6 minutes per respondent, largely due to the focus on a small number of behavioral questions and business information that do not require the respondent to retrieve data from a secondary source such as a

⁴ A previous survey of WBC clients conducted by SBA showed that about 35 percent had not yet started a business: https://www.sba.gov/sites/default/files/files/OED_ImpactReport_09302013_Final.pdf

tax return. The survey will be conducted via an online platform⁵, which will allow small business owners to take the survey at a time that is convenient for them. Additionally, the survey questions are constructed so that respondents need only answer questions that pertain to their experiences. For example, nascent businesses will skip questions that pertain to business performance outcomes. The data collection also uses a sample design to minimize the number of small businesses from whom information is requested.

A.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.

If the SBA were to forgo this data collection, the Agency would not have systematic information on WBC clients' post-service outcomes and satisfaction. Consequently, SBA would not have adequate information to monitor annual trends and changes and determine if the program is meeting its goals and effecting change for women-owned businesses.

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

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

Although not directly tied to the circumstances described here, SBA requests review of one special circumstance.⁶ SBA requests the use of slightly different industry categories than the Office of Management and Budget (OMB) standards in order to improve data quality and lower

⁵ Respondents will be given the option to complete the survey by telephone if that is their preference.

⁶ These are the same requests that were submitted in the 2014 OMB package and were previously approved.

respondent burden. The survey provides respondents with 8 rather than 20 industry categories to choose from. They are a mix of two-digit and four-digit NAICS codes that are most relevant to sole proprietorships and other microbusinesses operated by WBC clients (see question 18 in Appendices A1, A2, and A3).⁷ The standard 20 categories do not provide an adequate description of the relevant industries contained in them, which makes it difficult for clients to correctly self-classify. Having clients select from the full list of hundreds of four- or six-digit categories would increase the respondent burden. SBA’s Counseling Information Form 641 offers 21 options to this question. The 8 options on the questionnaire represent those most often selected. These eight categories, plus an “other” category, are requested to minimize measurement error and minimize burden.

A.8 If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.

A.8.a Federal Register notice and comments

Notice of this study was published in the Federal Register (83 FR 55444) on November 5, 2018 (Appendix C1). No public comments were received in response to the notice.

A.8.b Consultations outside the agency

Four respondents were consulted about the burden estimate and other characteristics of the data collection (i.e., frequency, clarity of instructions). Respondents in the pretest included current clients from two WBCs: Old Dominion University Women’s Business Center and Women’s Business Center of Northern Virginia. A respondent that had received WBC services within the past 12 months reported confusion as to the year of focus for the survey. As a result, OWBO added a clarifying statement to the WBC Client Outcome Survey, WBC Client Introductory Letter, and WBC Client Initial Email (see Appendices A1, B5 and B6). Additionally, a respondent reported difficulty selecting their business status from a list of options because definitions of ‘in business’ can vary. In response, OWBO added the SBA definition for ‘in business’ as a pop-up on the web survey question. Instructions for the question inform respondents they may hover over the options for more information (See Appendix A1, Question 11).

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

The participants in the study will not receive an incentive payment or gift.

⁷ A previous survey of WBC clients conducted by SBA showed that over half did not have any employees: https://www.sba.gov/sites/default/files/files/OED_ImpactReport_09302013_Final.pdf

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

Information gathered from respondents participating in this study is for research purposes only and will be kept private to the full extent allowed by law. Data will only be reported in aggregate form, no respondent-level information will ever be made public and individual respondents will not be identified from the data. The survey invitation letter informs the respondent that the survey data will be held in confidence by SBA and the Contractor (Appendix B5). SBA encrypts the client contact list files, copies to a USB and mails to the contractor. All PII is removed from the final dataset the contractor sends to SBA. It states that no survey participants will be identified in any public reports, as the collection is purely for statistical reporting purposes. Assurance of confidentiality, to the extent permitted, is provided by the Privacy Act of 1974, 5 U.S.C. 552a and the Freedom of Information Act, 5 U.S.C. 552, exception (b)(4), which allows SBA to deny Freedom of Information Act (FOIA) requests for information disclosures that could cause substantial competitive harm. The Contractor for this survey is required to adhere to the Privacy Act, as part of their contract with SBA

2M research is responsible for computing estimates. Data from the data collection efforts will be presented in aggregate form and, therefore, cannot be linked back to the response of any individual. Data presented in the reports are weighted and presented as percentage, not counts. We do not anticipate the need for disclosure protection procedures in the resulting report. There is no public use or restricted use data set resulting from this study. To ensure that personal information remains private, the contract executed between SBA and 2M Research Services, LLC (Contractor) requires that the Contractor create and keep data on secure networks and sign confidentiality agreements binding them to protect private information. The Contractor will assign a unique ID number to each respondent and provide the data to SBA by this ID number. A separate file will associate the ID number with personal information. The Contractor will keep this file private. The Contractor will host its statistical software applications (e.g., Statistical Analysis Software [SAS], Stata) on powerful servers in a virtualized environment specifically designed to handle processing large datasets. Once the contract is completed, the Contractor will be required destroy the files that contain private information.

A.11 Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

The data collection does not request information typically considered private or sensitive in nature. However, WBC clients will be asked about their businesses' financial situation, such as total revenue and the value of loans obtained. Although potentially sensitive, these questions

are essential to the WBC program’s mission and reporting requirements. A reminder of the survey’s confidentiality statement is provided directly prior to these financial questions. Clients will also be asked for their gender, race, ethnicity, veteran status, disability status, and income in order to determine whether the WBC is fulfilling its mission of serving low-income women, as well as the extent to which SBA services are provided with equal opportunity across different demographic groups. To determine if clients are low-income, the income categories are specially grouped and, when combined with the number of people in the household, can be used to determine poverty status. This is an additional measure taken to limit the sensitivity a client may have about income status.

A.12 Provide estimates of the hour burden of the collection of information. The statement should

- **indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I, and**
- **provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**

Table 1 shows the estimated annualized burden for the proposed data collection. The total number of burden hours on WBC Administrators and WBC clients is 770.47. The estimate is based on an anticipated total of 2,087 respondents (87 WBC administrators and 2,000 WBC clients). The WBC client burden related to reminder emails was calculated by estimating that up to five email reminders will be required and that each time, approximately 85% of the subset will receive the reminder. Using this method, the first reminder will be sent to 85% of the 4500, the second reminder will be sent to 85 percent of the 3,825 sent the first reminder and so on. The WBC client burden related to telephone call reminders was calculated by estimating that one telephone call reminder will occur after the third email reminder is sent. The estimated number of WBC clients that will complete the collection was calculated by assuming a 50 percent response rate from the sample of 4,000 clients and reflects SBA prior experience with essentially the same data collection.⁸ More information about these response rate estimates is presented in Part B.

Estimates	Introducti on Mail	Initial/ Invitatio n Email	Remind er Emails	Remind er Calls	Completi on of Collectio n	Total Burden
WBC Administrative Data Burden						
Number of WBC administrators	92	92	87	---	87	---

⁸ This number includes 4,000 WBC clients in the primary sample frame. An additional sample of 500 WBC clients will only be added if response counts are lower than expected.

Frequency of collection	1	1	1	0	1	---
Average minutes	1	1	1	0	60	---
Average hourly pay*	---	---	---	---	---	---
Total burden (in hours)	1.53	1.53	1.45	0.00	87.40	91.91
WBC Client Survey Burden						
Number of clients	4,500	4,500	14,186	2,764	2,000	---
Frequency of collection	1	1	5	1	1	---
Average minutes	1	1	1	2	6	---
Average hourly pay	\$19.38	\$19.38	\$19.38	\$19.38	\$19.38	---
Total burden (in hours)	75.00	75.00	236.43	92.13	200.00	678.56
Total Burden and Costs						
Total burden (in USD)	\$1,453.50	\$1,453.50	\$4,581.92	\$1,785.54	\$3,876.00	\$13,150.46
Total burden (in hours)	76.53	76.53	237.88	92.13	287.40	770.47

Table 1 also shows the estimated annualized cost to respondents. This cost has been calculated using average hourly earnings for 2018 obtained from the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) estimates for occupational employment wages. The estimated annual costs burden for this data collection is \$13,150.47 to clients. The cost estimate is based on the average survey hours and an average hourly wage of \$19.38.⁹

Table 1. Annualized Burden and Cost to Respondents

*There are no additional costs associated with the WBC burden, as WBCs are performing this task under an existing grants.

⁹ WBC clients' hourly wages were estimated from the CPS, 2018 ASEC, Table PINC-07. For self-employed women, the mean annual wage is \$40,305 and the mean hourly wage, based on a 2,080-hour work year, is \$19.38.

A.13 Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information, (do not include the cost of any hour burden shown in items 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

A.14 Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

The annualized cost to the Federal Government for data collection and reporting is \$319,378.62 (see Table 2). This figure includes costs associated with the Contractor conducting the project and the project oversight provided by federal staff. Specifically, the cost for the Contractor to complete the study design, instrument design, data collection, OMB supporting documentation, data analysis, and report writing is \$313,634.42. The annual cost of federal employee oversight of the project is estimated to be \$5,744.20. The estimate is based on one Contracting Officer's Representative (COR) GS-14, step 1, with an hourly wage of \$54.91 and 20 hours of administrative oversight. In addition, we anticipate that one Program Analyst, GS-13, step 1, with an hourly wage of \$46.46, will spend 100 hours in oversight of the project.¹⁰

Table 2. Annualized Burden and Cost to Federal Government

Estimate s	SBA COR	SBA Program Analyst	SBA Contractor	Total Federal Costs
Number of employees	1	1	---	---
Total burden (in hours)	20	100	---	---
Average hourly pay	\$54.91	\$46.46	---	---
Total Cost (in USD)	\$1,098.20	\$4,646.00	\$313,634.42	\$319,378.62

¹⁰ Federal employee pay rates are based on the General Schedule of the Office of Personnel Management for 2018 for the Washington, DC, locality and a 2,080-hour work year. https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/DCB_h.pdf

A.15 Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.

Because the prior approved survey (3245-0387) was cancelled, there is no “current” inventory. Nonetheless, SBA notes that changes to the data collection methodology, specifically the strategic initial sample of WBC clients and the release of the backup sample, will result in a decreased cost estimate and respondent burden as compared to the burden for the prior survey, which was estimated at 1,496.00 annualized burden hours. The estimated burden for this submission of the survey is 770.47 hours.

A.16 For collections of information whose results are planned to be published, outline plans for tabulation and publication.

This study will use quantitative methods to analyze the survey data and produce tabulations in a public report. The report will be distributed via email to all WBC directors. The report will not be posted publicly. The descriptive statistics will include frequencies, averages, and ranges for the data elements. Standard errors and 95 percent confidence intervals will be provided for the estimates in a technical appendix. The reported estimates will be weighted, and unweighted estimates will potentially be contained in the technical appendix. If the report includes cross-tabulations, inferential statistics will be used to determine whether or not the group differences are statistically significant at conventional levels. The report is expected to include tables for the descriptive statistics in the technical appendix and graphical elements in the body of the report, such as pie charts and maps that visually represent the data.

Below is a schedule for the proposed study.

Task: Study and Survey Design	Date
60-day notice in Federal Register	10/29/2018
Draft OMB Materials	11/16/2018
Final OMB Materials	2/8/2019
SBA sends OMB materials for approval	4/16/2019
30-day notice in Federal Register	4/16/2019
OMB notifies SBA of approval	9/27/2019
Task: Build Sample Frame	
Letter and template to WBCs	10/1/2019
Reminder email to WBCs	10/8/2019
SBA sends 2M completed templates for	10/29/2019

sample frame	
Select sample	11/4/2019
Task: Data Collection	
Introductory letter to sampled clients	11/6/2019
Email invitation with web link	11/11/2019
1 st email prompt	11/18/2019
2 nd email prompt	11/25/2019
3 rd email prompt	12/2/2019
Start telephone prompts	12/9/2019
4 th email prompt	12/16/2019
Last email prompt	12/23/2019
Data collection ends	12/31/2019
Task: Data Delivery and Report	
Clean data and derive estimates	2/7/2020
Draft report	2/28/2020
Final report	3/23/2020
Dissemination of Final Report	4/13/2020

A.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 study team plans to display the expiration date for OMB approval of the information collection on all instruments.

A.18 Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act."

This study does not require any exceptions to the Certificate for Paperwork Reduction Act (5 CFR 1320.9).