



SELF-STUDY

America's SBDC Accreditation Review

August 2nd – 6th, 2021

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Highlights of the (State/Regional) SBDC/SBTDC Network

Date Program Started	1988 at the Montana Department of Commerce			
Key Funding Stakeholders	Key Funding Sources & Amounts			
	Year	Federal	State General & Statutory	Host Cash, Indirect Waived and In-Kind
	2016	\$650,000	\$302,000	\$486,000
	2017	\$694,444	\$305,691	\$450,688
	2018	\$722,222	\$284,369	\$469,825
	2019	\$727,000	\$380,341	\$584,764
	2020	\$750,000	\$500,417	\$604,405
Key Client Segments	Pre-venture, Start-up and Existing Businesses			
Staff	<p>Lead Center Chad Moore – State Director Lori Gilliland – Associate State Director Lexie Hildebrand – Public Relations Specialist</p> <p>Regional Directors: 10 FTE Lorene Hintz – Billings Region Jeff Turczyn – Bozeman Region Julie Jaksha – Butte Region Jason Nitschke – Great Falls Region Joe LaPlante – Havre Region Ryan Loomis – Helena Region Dan Gorton – Kalispell Region Tracy Baker – Miles City Region Jennifer Stephens – Missoula Region Shandy Hanks Moran – Wolf Point Region</p> <p>Business Advisors 4FTE, 2PTE Kayla Vokrel – Billings Region Kevin Scharfe – Billings Region Taylor Lovell (.75) - Butte Region Rich Gannon – Great Falls Region Tyler Menzel (.5) – Great Falls Region Jordan Stordahl – Missoula Region</p> <p>Temporary CARES support Melissa Wanamaker – Butte Region Nathan Reiff – Great Falls Region Riley Mortenson – Havre Region Josh Bennett – Helena Region Kathy Prim – Kalispell Region Sarin Hoppe – Miles City Region Christine Littig – Missoula Region</p>			

	Liana Braaten – Wolf Point Region					
Service Centers	Billings at Big Sky Economic Development Bozeman at Prospera Business Network Butte at Headwaters RC&D Great Falls at Great Falls Development Authority Havre at Bearpaw Economic Development Corporation Helena at Helena College – University of Montana Kalispell at Flathead Valley Community College Miles City at Miles Community College Missoula at University of Montana Wolf Point at Great Northern Development Corporation					
Service Area	<p>Billings – Serves 9 counties including Yellowstone, Big Horn, Carbon, Golden Valley, Musselshell, Petroleum, Stillwater, Sweet Grass, Wheatland</p> <p>Bozeman – Serves 2 counties including Gallatin, Park</p> <p>Butte – Serves 7 counties including Silver Bow, Madison, Jefferson, Beaverhead, Deer Lodge, Granite, Powell</p> <p>Great Falls – Serves 7 counties including Cascade, Fergus, Glacier, Judith Basin, Pondera, Teton, Toole</p> <p>Havre – Serves 5 counties including Blaine, Chouteau, Hill, Liberty, Phillips</p> <p>Helena – Serves 3 counties including Broadwater, Lewis & Clark, Meagher</p> <p>Kalispell – Serves 3 counties including Flathead, Lake, Lincoln</p> <p>Miles City – Serves 9 counties Carter, Custer, Dawson, Fallon, Powder River, Prairie, Rosebud, Treasure, Wibaux</p> <p>Missoula – Serves 4 counties including Mineral, Missoula, Ravalli, Sanders</p> <p>Wolf Point Serves 7 counties including Daniels, Garfield, McCone, Richland, Roosevelt, Sheridan, Valley</p>					
Total Clients Served & Service Hours	Year	Clients Counseled	Counselling Hours	Average Hours Per Client	Attended Training	Total Clients Served
	2016	1,270	7,026	5.53	1,384	2,654
	2017	1,331	6,390	4.8	965	2,296
	2018	1,165	6,197	5.32	1,030	2,195
	2019	1,107	6,764	6.11	1,342	2,449
	2020	1,797	8,264	4.6	1,769	3,556
Special Programs	<p>The MTSBDC does not currently have any special programs. The network continues to focus on what we do best and provide referrals to partners when clients seek assistance outside of our services. MTSBDC strategic partners include SBA resource partners as well as many other organizations and programs throughout the state. Some of the key partners include:</p> <ul style="list-style-type: none"> • Export Montana • Big Sky Economic Development Trust Fund grant programs (BSTF) • Montana Innovation Partnership (MTIP) <ul style="list-style-type: none"> o TechLink • Native American Advisors (NABA) <ul style="list-style-type: none"> o Indian Equity Program • Montana Manufacturing Extension Center (MMEC) • Montana Cooperative Development Center (MCDC) • Montana Women’s Business Center (WBC) • Regional SCORE chapters • Accelerate Montana <ul style="list-style-type: none"> o Accelerate Montana Rural Innovation Initiative (AMRII) 					

	<ul style="list-style-type: none"> • Certified Regional Economic Development organizations (CRDC) • And many more
Mission, Vision and Values	<p>Mission: to provide tools and guidance for small business success</p> <p>Vision: to be a leading network of innovative consulting and training to entrepreneurs and small business owners in Montana</p> <p>Core Values: Collaboration, Inclusion, Passion, Commitment</p>
Strategic Challenges	<p>Large State/SBDC capacity: Montana is the fourth largest state with total square miles with 147,040. The MTSBDC faces the challenge of serving the entire state with limited capacity. The ability to meet businesses where they are can be a challenge as it requires several hours of drive time. Paired with the many miles, the population density of 7.42 people per square mile also presents a challenges when attempting to meet client needs. Driving 4 hour round trip to meet one client is a reality for some of our Business Advisors.</p> <p>Collaboration among host partners/regional economic development organizations: In Montana there are many economic development organizations. As mentioned, hosts for the MTSBDC network exist in higher education and economic development organizations. Challenges in collaboration exist in regions where SBDC hosts overlap with other economic development organizations and their territories. Each host in economic development organizations cover a specific region within the state, but in some cases, those regions are expanded specific to SBDC services. In some cases, those SBDC services overlap other economic development regions. This poses a challenge in receiving small business referrals from those groups because economic development organizations often receive funds tied to those regions and need to verify impacts directly from their organization. They feel referring to the SBDC is not in their best interest because they cannot show the impact directly.</p> <p>Broadband: Broadband coverage across the state is not reliable. Montana has a large rural population, serving those regions is a challenge that better broadband connections could help alleviate.</p>
Strategic Advantages	<p>Large state but small community of economic development partners: As mentioned, we operate in a large state that is sparsely populated, but a strategic advantage in serving sparsely populated communities is our strong economic development technical assistance eco system in Montana. Partners allow us to better reach clients across the state.</p> <p>Strong SBDC network personnel/hosts: The MTSBDC network have well prepared and knowledgeable network staff and hosts that continue to support our program. This is key in meeting program objectives and developing services across the state.</p> <p>Lead Center host at Montana Department of Commerce: Being housed within state government allows for a closer relationship with economic development programs housed at the state level. It also allows the MTSBDC to be part of a team in providing solutions for small businesses.</p>
State/Region's Economy	
State/Region Population	The United States Census Bureau estimates that the population of Montana was 1,068,778 on July 1, 2019. This is an 8.0% increase since the 2010 United States Census, above the national population increase of 6.3% over that same time. Montana is the fourth largest sate with land area of 145,545 square miles and a population density of 7.34 people per square mile.
State/Region Employment	Montana's unemployment rate as of March 2021 was 3.8% according to the Montana Department of Labor and Industry. The included table below provides employment information for Montana's industry sectors. Additional updated employment data can be found at https://lmi.mt.gov/

Montana

Montana

Data Series	Back Data	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021
Labor Force Data							
Civilian Labor Force ⁽¹⁾		(R) 536.9	(R) 534.5	(R) 532.9	532.9	531.3	(P) 531.7
Employment ⁽¹⁾		(R) 511.4	(R) 510.8	(R) 510.5	511.7	510.5	(P) 511.7
Unemployment ⁽¹⁾		(R) 25.5	(R) 23.8	(R) 22.5	21.2	20.7	(P) 20.0
Unemployment Rate ⁽²⁾		(R) 4.7	(R) 4.5	(R) 4.2	4.0	3.9	(P) 3.8
Nonfarm Wage and Salary Employment							
Total Nonfarm ⁽³⁾		474.4	475.6	476.4	477.7	478.0	(P) 482.0
12-month % change		-2.6	-2.4	-2.2	-2.3	-2.0	(P) -1.1
Mining and Logging ⁽³⁾		6.4	6.5	6.5	6.5	6.5	(P) 6.5
12-month % change		-12.3	-9.7	-8.5	-8.5	-7.1	(P) -7.1
Construction ⁽³⁾		30.9	30.4	31.0	31.1	31.2	(P) 31.5
12-month % change		1.6	-0.3	2.0	1.6	1.6	(P) 1.6
Manufacturing ⁽³⁾		20.3	20.3	20.5	20.6	20.7	(P) 21.5
12-month % change		-3.3	-3.3	-3.3	-2.8	-1.9	(P) 1.9
Trade, Transportation, and Utilities ⁽³⁾		93.4	93.5	94.2	94.5	94.5	(P) 93.8
12-month % change		-1.2	-0.8	0.0	0.1	0.0	(P) -0.3
Information ⁽³⁾		5.6	5.6	5.5	5.8	5.7	(P) 5.8
12-month % change		-9.7	-8.2	-9.8	-4.9	-6.6	(P) -3.3
Financial Activities ⁽³⁾		26.5	26.6	26.3	26.0	25.7	(P) 26.2
12-month % change		-0.7	-0.4	-1.1	-2.3	-3.4	(P) -1.5
Professional & Business Services ⁽³⁾		44.0	44.8	45.0	45.2	45.0	(P) 44.7
12-month % change		0.0	1.4	1.8	1.8	1.4	(P) 0.7
Education & Health Services ⁽³⁾		78.7	79.0	78.9	78.5	78.2	(P) 79.0
12-month % change		-1.0	-1.1	-1.1	-1.9	-2.1	(P) -0.9
Leisure & Hospitality ⁽³⁾		61.5	62.0	61.8	62.1	63.0	(P) 64.3
12-month % change		-8.9	-8.4	-8.3	-8.3	-6.8	(P) -4.5
Other Services ⁽³⁾		18.5	18.5	18.5	18.8	18.9	(P) 19.3
12-month % change		-3.6	-3.1	-3.6	-1.6	-1.0	(P) 2.1
Government ⁽³⁾		88.6	88.4	88.2	88.6	88.6	(P) 89.4
12-month % change		-2.3	-2.4	-3.0	-3.6	-2.6	(P) -2.3

Footnotes

(1) Number of persons, in thousands, seasonally adjusted.

(2) In percent, seasonally adjusted.

(3) Number of jobs, in thousands, seasonally adjusted.

(P) Preliminary

(r) Revised

Data extracted on: April 16, 2021

Source: U.S. Bureau of Labor Statistics

Updated information can be found at:

<https://stats.bls.gov/eag/eag.mt.htm>

State/Region Small Businesses

According to the Small Business Administration Office of Advocacy 2020 small business profile there are 123,419 small businesses in Montana which make up 99.3% of all Montana businesses. The information can be found at the link below.

<https://cdn.advocacy.sba.gov/wp-content/uploads/2020/06/04143117/2020-Small-Business-Economic-Profile-MT.pdf>

Economic Overview

Montana is the 4th largest state in terms of land area and has an estimated population of slightly more than 1 million with a population density of a little more than 7 persons per square mile. Montana has 56 counties, 129 municipalities, and seven Indian Reservations located in Big Horn, Blaine, Flathead, Glacier, Hill, Rosebud, and Roosevelt Counties. Five of the SBDC regional offices (Kalispell, Havre, Wolf Point, Miles City and Billings) are located on or adjacent to Indian Reservations.

The industries vary greatly across the state of Montana and this economic overview gives a glimpse of the variance across each region that the MTSBDC serves.

The MTSBDC gains access to economic data through several resources. The following information in Montana's economic overview is taken directly from articles and studies by the Bureau of Business and Economic Research at the University of

Montana <http://www.bber.umt.edu/> and from a more recent article by Amy Watson, Senior Economist at the Montana Department of Labor and Industry.

The information provided by the BBER provides an overview of Montana's economy before the pandemic. Outlined in this information is an overview of seven key counties that host SBDC Regional Centers. The more recent information was summarized from Amy Watson's article and discusses the state of Montana's economy in early 2020.

Agriculture, natural resources, mining and tourism industries are important drivers, to one degree or another, of the local economies around the state. The stabilization and gradual rise of oil prices has helped end the free fall of oil patch counties on Montana's eastern border, just as the heavy visitor volumes at our national parks have given a push to the economies of the nearby urban areas. But there is also a robust inflow of new residents to many Montana communities – especially in the West – that has invigorated the construction sectors of those areas. Flathead and especially Gallatin counties have a higher concentration of construction employment and earnings than the rest of the state. In the past two years, Missoula, Ravalli and Madison counties, among others, have also seen healthy in-migration and new construction focused on residential and commercial markets.

Data on economic activity in Montana's counties and regions through the midpoint of calendar year 2019 revealed some changes to the three-year-old pattern of western growth and eastern challenges within the state. Western urban areas continue to grow, with growth extending across the border to neighboring counties. But growth in Billings has resumed as well. And the steep declines in oil patch counties have ended, with communities like Sidney and Glendive in eastern Montana now posting growth.

Cascade County (Great Falls SBDC)

The Great Falls economy saw inflation-corrected nonfarm earnings grow a bit faster in 2018. Growth in personal income, which includes both earned and non-earned (property) income, rose by 5 percent before correcting for inflation. The better performance stemmed from a number of factors: a better construction season, continued strength in health care, and respectable growth in the region's military and government facilities. There was also a surge in temp help earnings, related to tech and manufacturing activities.

Great Falls has been challenged by the financial hardships faced by Montana grain and cattle producers, due to both lower prices and retaliatory tariffs placed on U.S. exports. Retail trade, especially equipment dealers, as well as transportation industries have experienced some hardships. The new manufacturing growth that took place in 2014-15 has tapered off and no significant growth has occurred in that segment of the economy.

Flathead County (Kalispell SBDC)

The faster growth that resumed in the Flathead County economy with the resumption of strong in-migration after the Great Recession showed signs of cooling in 2018 and through the first half of 2019. A third of its \$66 million increase in inflation-corrected nonfarm earnings came from growth in the construction industries. Strong housing markets also showed up in growth in finance and insurance businesses. Visitor spending supported robust accommodations and retail trade activity.

On the other side of the ledger are the setbacks for regional health care, which shows some signs of possible overbuilding. In contrast to the impacts of Medicaid expansion showing up around the rest of the state, health care earnings in Flathead County were virtually flat in 2018, and wage growth turned negative through the first half of 2019.

Gallatin County (Bozeman SBDC)

The Bozeman-area economy continued to fire on all cylinders in 2018 and through the first half of 2019, posting the state's strongest growth both in dollar and percent terms. In addition to the growth drivers of the past few years, which have included advanced manufacturing, professional services, Montana State University and visitor-related spending, more recent growth has been spurred on by expansion in health care and retail trade.

One aspect of the area's rapid growth that shows some change is the spread of growth beyond Bozeman. There were more residential housing starts in Belgrade than all but four other cities in the state, one of which is Bozeman itself. As recently as 2012, less than 10 houses were built there. Madison County to the west and Park County to the east have pushed up the rankings and are now in the top quarter of Montana counties in terms of earnings growth.

Lewis and Clark County (Helena SBDC)

The county including the state's capital city experienced another sideways year in earnings growth in 2018. But the more fragmentary data available for 2019 suggests that the pace of growth picked up more recently. Growth in health care and

manufacturing, the latter solidified by the growing footprint of Boeing, helped push wage growth in 2019 above recent trends. The region's most important driver continues to be state government, which has seen modest growth.

With the urbanized area (Helena city) located at the southern edge of a county that's two and half times larger than the state of Rhode Island, closely bordered by the northern edges of Jefferson and Broadwater counties, the Helena region is one that is not served well by county-level economic statistics.

Missoula County (Missoula SBDC)

Missoula's growth trajectory ratcheted up significantly two years ago as tech-related growth and a commercial construction surge helped offset reductions at the University of Montana to produce faster overall growth. The county's nonfarm earnings growth was the third fastest in the state in 2018, helped along by a one-time injection of cash when technology consulting company ATG was acquired by Cognizant. The latter event made professional services growth in Missoula the highest in the state.

Like other areas in the western third of the state, evidence of strong real estate markets is showing up in the earnings data for Missoula County. There was a two-year spurt of rapid construction in multi-family dwellings that fell back to earth in 2018. Finance and insurance industries, health care and building trades continue to prosper, with wage growth data showing no slowdown in growth through the midpoint of 2019.

Silver Bow County (Butte SBDC)

The smallest of the state's seven urbanized counties, both in terms of income and area, has shown more volatility in its overall growth since the Great Recession. Not only does its overall size limit the degree to which it can diversify, but the continued importance of mining earnings in its economic mix exposes it to the fluctuations of global commodity price swings. Butte-Silver Bow's overall economic trajectory has been roughly flat for the past several years. Yet 2018 was the second consecutive year of modest growth in nonfarm earnings, largely due to a \$21.5 million increase in mining earnings, and to a lesser extent growth in visitor spending related activities.

Masked by the volatility has been growth in the county's professional services and manufacturing employers, partially offset by turbulence in health care businesses and at Montana Tech. Recent expansions and upgrades in the area's accommodations facilities has led to noticeable growth in that sector.

Yellowstone County (Billings SBDC)

After experiencing a mild recession followed by some of the super-fueled growth related to the Bakken boom, the state's largest economy has endured a much more lethargic economic performance following the oil price declines at the end of 2014. The low point came in 2016 when nonfarm earnings declined by more than 2 percent, headlining a statewide weakness that ultimately provoked a special session of the Legislature to address its budget implications.

2018 marked the second consecutive year of inflation-corrected growth above 3 percent for the Billings region, with partial data indicating an extension of growth into 2019. A pickup in construction, continued strength in transportation and warehousing, and a second consecutive year of earnings growth in the region's three oil refineries helped produce this result. Since a big chunk of Billings construction is industrial, subject to swings as large projects are started and completed, the prospects of continued strong growth in 2019 are less certain.

Remainder of the State (Wolf Point, Miles City, Havre regional SBDC's)

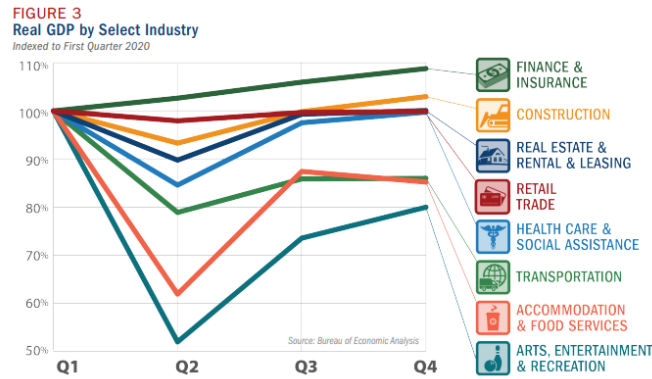
Montana is one of the few states in the country that is not dominated by its largest cities, in contrast to Idaho (Boise), Washington (Seattle) or Oregon (Portland). The 49 counties not directly discussed here make up an incredibly diverse spectrum of agriculture-based, natural resource-oriented, amenity-focused counties of all types, some of which are closely linked to the state's larger counties. The drivers of their economic activity are similarly diverse, but in aggregate the remainder of the state has seen an improvement in growth through the midpoint of 2019, helped along by construction, services and health care growth.

More recently, as in many other states, the COVID pandemic brought many challenges to the Montana economy. In the second quarter of 2020 things looked bleak as the unemployment rate went through the roof. The Montana economy entered a sudden recession and real GDP dropped by 8.8%, but strong growth in the third quarter of 6.9% and continued growth in the fourth

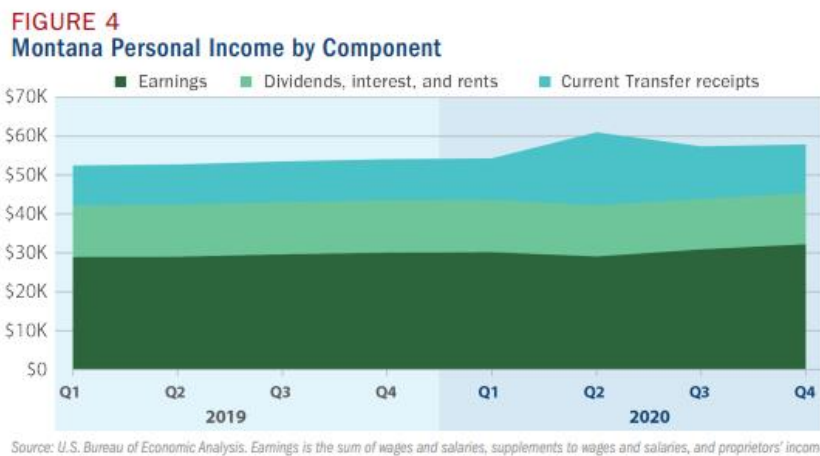
quarter provided an economic rebound. Overall in 2020 the Montana economy shrunk by 3% which ranks 20th in the nation.

Accommodations and food service, arts and entertainment, and transportation industries were the most impacted in 2020. The arts, entertainment, and recreation industry lost 48% of its GDP in the second quarter of 2020. Accommodations and food service GDP dropped by roughly 40% in the same quarter. Both industries experienced a strong rebound in the third quarter,

but their GDP remained far below pre-pandemic levels. **Figure 3** shows real GDP for select industries in Montana indexed for the first quarter of 2020.



Despite significant employment losses, Montana’s personal income grew the fastest in the nation at 8.4%, but a large portion of that can be contributed to an increase in transfer of receipts, which includes unemployment benefits and stimulus payments which were the leading contributor to personal income growth, particularly in the second quarter when earning and proprietary income fell. **Figure 4** shows the growth in the state’s personal income by component over the last two years. Transfer receipts grew by 32.8% in Montana in 2020, which reflected new government relief payments provided by the CARES Act of 2020.



Wage growth can be partially contributed to the fact that the COVID recession disproportionately impacted low-wage workers. The average wage for a Montanan surpassed \$48,000 in 2020 which resulted in an annual growth of 7.9% which is an annual increase of 5% over the previous five-year annual average of 2.9%. The finance and insurance; professional and business services; healthcare and education; retail trade; and arts, entertainment, and recreation industries experienced the fastest average wage growth. **Figure 5** shows average payroll employment and wages, as well as the growth rate over the last year by industry.

FIGURE 5
Employment and Wages by Industry in 2020

Industry	Payroll Employment	Over-the-Year Emp Growth	Average Wage	Average Wage Growth
ALL INDUSTRIES	467,036	-1.5%	\$48,444	7.9%
11 Agriculture	6,285	5.0%	\$42,223	6.9%
21 Mining	6,164	-8.5%	\$89,491	-3.2%
22 Utilities	3,263	-1.7%	\$94,090	8.0%
23 Construction	33,913	4.5%	\$56,000	2.7%
31-33 Manufacturing	20,948	-1.8%	\$54,079	4.8%
42 Wholesale trade	16,947	-1.5%	\$65,421	6.6%
44-45 Retail trade	59,919	1.2%	\$33,796	8.1%
48-49 Transportation	15,760	0.5%	\$49,455	5.9%
51 Information	5,884	-7.0%	\$64,973	16.0%
52 Finance and insurance	16,404	-0.2%	\$76,426	10.0%
53 Real estate	6,498	0.4%	\$42,601	10.0%
54 Professional services	24,269	1.4%	\$73,197	9.5%
55 Management of companies	2,109	1.2%	\$88,736	8.5%
56 Admin and waste services	19,023	2.3%	\$38,936	8.3%
61 Educational services	41,328	-6.0%	\$44,595	8.9%
62 Health care & social assistance	73,172	-1.1%	\$54,446	6.6%
71 Arts, entertainment, and recreation	11,000	-10.0%	\$26,906	15.0%
72 Accommodation & food services	48,504	-8.5%	\$19,988	3.1%
81 Other services	17,543	-5.2%	\$34,243	7.9%
92 Public administration	37,521	3.2%	\$57,154	5.2%

Source: Quarterly Census of Employment and Wages. Data for Q4 2020 is preliminary. Average wage growth is calculated as the change in the average annual wage from 2019 to 2020. Payroll employment shown as of 2020 Q4. Over-the-year employment growth is calculated as the change between employment in the fourth quarter of 2019 and 2020.

One of the most significant challenges facing the Montana economy moving forward is the ability to engage Montana’s in the labor market, specifically parents who have had to balance work and child care, an issue before the pandemic only exacerbated further by the current conditions.

Sources: <http://www.montanabusinessquarterly.com/montanas-cities-and-regions/>
<https://lmi.mt.gov/docs/Publications/EAG-Articles/0321-2020Hindsight.pdf>

Program History

The Montana Small Business Development Center (MTSBDC) program was established in 1988 in partnership with the Montana Department of Commerce (MDOC). The first service centers were hosted by the Dawson Community College in Glendive and the Flathead Valley Community College in Kalispell. The distance between Glendive and Kalispell is 568 miles. To improve both the efficiency and effectiveness of the SBDC, the Montana SBDC structure was expanded to provide a larger statewide system. The goal was to establish eight regional SBDC service centers.

In 1989, the Montana Department of Commerce (MDOC) initially attempted to establish service centers at institutions of higher education, but found that while there was a general willingness to host SBDC service centers, budgetary constraints prevented the university system from providing adequate funding support. Consequently, the SBA District Office looked to alternative organizations to expand the statewide network and met with regional community groups such as Chambers, County Commissioners, local economic development groups, etc. The first restructured SBDC network consisted of seven non-profit local economic development corporations as hosts. Over the next decade, additional service centers were added, and some were closed.

A snapshot of the chronological history of the MTSBDC:

1989: Billings, Bozeman, Great Falls, Kalispell, Miles City, Missoula and Wolf Point

1990-95: Havre, Glendive, and Sidney opened

1996-99: Helena and Colstrip opened, Miles City, Sidney, and Glendive closed

2000: Request for Proposals (RFP) by MDOC for seven-year contracts established the current structure of 10 centers located in the cities of Billings, Bozeman, Butte, Colstrip, Great Falls, Havre, Helena, Kalispell, Missoula and Wolf Point.

2006: RFP for seven-year contracts maintained the network structure of 10 centers

2013: RFP for seven-year contracts maintained the network structure of 10 centers

2016: Colstrip Regional Center closed, Miles City Regional Center opened to allow for a more centralized location within the region at the new host Miles Community College

2018: Additional part-time Business Advisor added to Great Falls Regional Center.

2019: SBDC Lead Center host contract due to expire, renewed through state legislature for an eight-year period and additional funding of \$200,000 in statutory funds per SFY was realized. New funding was leveraged to add four additional advisors to the MTSBDC network. The additional advisors were added to Billings, Great Falls, Butte and Missoula Regional Centers.

2020: Montana Department of Commerce Delegation Purchase Agreement sole source of existing 5 centers in economic development organizations were renewed for an additional seven years (beginning 2021), 4 University hosts renewed as interagency agreements (beginning 2021) and one new center host brought on board with the RFP process in late 2020 with the contract commencing in January 2021 to replace Montana State University as host in Bozeman. Montana State University chose to drop host duties in September of 2020.

The MTSBDC program has stayed relatively consistent throughout its history in respect to the decentralized structure across the state. Currently the Montana SBDC has ten service centers with ten contractors in which six are hosted by economic development non-profits and four by higher education institutions. Expectations for service center hosts are outlined in annual contracts. The host contracts are the guiding document for hosts to achieve expected outcomes and provide overall guidance on policy requirements. Hosts are responsible for hiring staff to carry out contract deliverables.

Service Area

All SBDC Regional Directors and Business Advisors are employees of the host organizations. <https://sbdc.mt.gov/About/Our-Locations>



Workforce

Currently the Montana SBDC has three staff members in the Lead Center who are all employees of the Montana Department of Commerce, the Lead Center host. The network currently consists of ten Regional Directors and six Business Advisors across ten Regional Centers. Each Regional Director and Business Advisor are employees of their respective host organizations. All Lead Center staff and counseling staff are full-time equivalent with the exception of two Business Advisors. The network has one .75 Business Advisor and one .5 Business Advisor.

Total number of SBDC Staff: 19

Lead Center staff: Full time 3

Network staff (Regional Directors/Business Advisors): Full time: 14 Part time: 2

Significant Changes

During the last MTSBDC accreditation in June of 2015 two conditions were identified:

Standard 1.1 - Leadership Authority

Standard 1.2 - Leadership Responsibility

The two conditions were brought forth as the MTSBDC State Director did not possess signature authority to allocate financial resources for the network and the organizational structure reflected that the State Director was not reporting at the proper level of management within MDOC. The MTSBDC took the steps to satisfied both conditions and received full accreditation. A link to a letter from the Montana Department of Commerce in exhibit 1.0 is included as evidence for satisfaction.

Since early 2016, the Montana SBDC has had two new State Directors including the current State Director. The network relocated one center to a more central location shortly after the current State Director took over the program in 2016 for calendar year 2017.

In 2018 the network was able to add an additional Business Advisor on a part-time basis to a subcenter bringing the total counselors to twelve in 2018. In the last half of 2019, the network saw significant growth in personnel due to a funding increase from the Lead Center host at the Montana Department of Commerce. In state FY 2020 statutory funding was increased for the first time in 20 years from an annual amount of \$125,000 to \$325,000 which allowed the addition of four new Business Advisors bringing the total from twelve to sixteen. The introduction of the new staff also increased overall match and created opportunity to utilize more federal funding if realized.

Since 2018, the Montana SBDC counseling network has seen an increase of 45% in advising staff not including temporary Cares staffing. Most recently in 2020 Montana State University stepped down as host of the MTSBDC Regional Center in Bozeman. An RFP was completed to identify the new host center in Bozeman at Prospera Business Network an economic development organization. Prospera Business Network began serving as the regional host in January of 2021.

Competitive Challenges

Montana is a large state with SBDC regions stretching many square miles. The MTSBDC continues to face challenges related to capacity and duplicative services.

Capacity – One of the largest competitive challenges facing the MTSBDC is capacity. The Lead Center has a staff of three, six of the ten Regional Centers have one staff member (Regional Director) dedicated to counsel, train, and manage a regional program. For the four remaining centers, staffing levels are at 1.75 FTE in Butte, 2.5 FTE in Great Falls, 2 FTE in Missoula and 3 FTE in Billings.

Each region covers multiple counties, from two to ten, with an average of approximately six counties per region. The prospect of reaching all counties can be a challenge with such large regions to serve and minimal staff to do so. Recently the MTSBDC was afforded the opportunity to expand centers by adding additional personnel (reflected in the numbers above). This was possible by additional funding realized through the Montana Department of Commerce, but limited resources continue to be a challenge. The MTSBDC can't be everything to everyone, partnerships are key in meeting these challenges.

Duplicative services – There will always be duplicative services and new initiatives focused towards small businesses. As we all know, small businesses are important to the economies in which we operate and a popular topic among all entities involved in economic development. Partnering with duplicative services to make impacts becomes a priority when dealing with this issue. SBA initiatives can complicate this as we are asked to step into initiatives that other organization already lead. This can create rifts with partner organizations and an unwillingness to partner. As with many services, they change with administration, available grants, etc., but it is important for the MTSBDC to stay consistent and collaborate to create sustainability. The MTSBDC leverages partners to meet small business needs and SBA directives. Duplicative services can also create issues with direct funding opportunities for the SBDC program. Through recent increases in state funding, the MTSBDC recognized the opportunity to raise funds collectively as a group rather than individually as standalone programs. Using this method creates sustainability for all economic development programs in meeting small business needs.

Exhibits – Overview

1.0 LEADERSHIP

Objective: The SBDC has a governance system and environment that routinely addresses organizational values, ethical behavior and performance expectations.

1.1 Senior Leader Authority

The SBDC Network director has the authority to make decisions to lead, set strategic direction and sustain the network.

Describe how the SBDC network director has authority to:

- *Allocate financial and human resources for setting and achieving the SBDC network's vision and strategic priorities.*
- *Determine appropriate organization structure and governance.*
- *Manage operations in accordance with rules and regulations governing the program, and*

- *Create and achieve performance expectations.*

Allocate financial and human resources for setting and achieving the SBDC network's vision and strategic priorities.

Chad Moore, the Montana SBDC State Director is listed as the director of project on the SBA Cooperative Agreement Notice of Award and has direct authority when developing funding allocations and providing overall strategic direction of the program. As outlined in the State Director position description, the authority and leadership responsibilities of the Montana SBDC program fall under the State Director's leadership. The Montana Department of Commerce leadership has agreed and signed the SBA's terms and conditions which reinforces the authority to the State Director. This was also addressed through last accreditation, a link to a letter from MTDOC leadership is included below in exhibit 1.0.

The MTSBDC State Director has the autonomy to allocate financial and human resources with guidance from stakeholder interaction. The State Director is given autonomy to develop overall structure of the network and is expected to present the plan to DOC leadership before deploying. Allocation of funding is based on personnel needs and direct expenses for network Regional Centers.

The beginning of the MT FY2020 is a good example of the authority given to the State Director. When more funding was realized for the MTSBDC program, DOC leadership looked to the State Director to develop the funding plan within regions. Full autonomy was given for the development of the plan. The plan was presented and supported by leadership. When setting strategic priorities, stakeholder input is taken into consideration and ultimately the State Director has the autonomy to set those directions.

The Montana Department of Commerce (DOC) Delegation Agreement allows the State Director flexibility and authority when identifying host organizations as it allows the Lead Center to sole source existing host contracts. This allows the SBDC to stay consistent in services provided and determine the appropriate structure for the program. Throughout the history of the MTSBDC program, it has operated under a decentralized model consisting of regional host organizations operating under contractual agreements. Currently there are ten Regional Centers located across the state, each with defined regions that they serve. Four of the centers are located in higher education institutions and six are located within economic development organizations. All SBDC Regional Directors and Business Advisors are employees of the host organization, dedicated to carrying out SBDC contract deliverables. The State Director has input on Regional Director hiring decisions by host organizations, reviews applications and participates in interviews.

MTSBDC funding is distributed based on Regional Center direct costs, which encourages host expansion and increased match. The Lead Center allocates funding based on the SBA's Simplified Indirect Cost Rate Agreement signed by each center for the annual grant proposal. The Lead Center has the ability to control and manage the budget within the parameters of the State Accounting, Budgeting, and Human Resources System (SABHRS). The State SBDC Program's annual statutory funding is assured only for each biennium according to funding decisions made at each Legislative Session, even though the statutory appropriation does not sunset until the end of SFY 2027 after it was approved for an eight-year extension in SFY 2019.

When the extension was approved, the annual statutory funding level was also increased by \$200,000 on an annual basis beginning in FY 2020. This additional funding allowed the MTSBDC to work with existing hosts to add additional staff to the network. Existing SBDC hosts were required to put together a response to a Request for Information from the Lead Center to receive more funding in supporting additional staff for their center. Four responses for expansion were received and four centers received additional funding in order to add the requested positions. This process allowed the MTSBDC to expand to better meet demand and also allowed the MTSBDC to create a surplus in matching funds, creating leverage to use additional SBA funding in the future.

The Associate Director works closely with the accounting staff in the Director's Office to monitor the SBDC budget. The biennium general fund budget for the state, or House Bill 2, is set by the Governor and negotiated and approved by the Legislature. Funding through the general fund is used to support the MTSBDC Lead Center at the MTDOC. The Lead Center has continued to see incremental annual increases in general fund dollars set aside for Lead Center operations.

Determine appropriate organization structure and governance.

The Lead Center operates the SBDC program under the Business Assistance Bureau (BAB). The Lead Center has the ability to organize the Lead Center's staffing and reporting relationships according to the needs of the program within the parameters of the state system. The State Director reports to the Business Assistance Bureau, Bureau Chief, who reports to the Montana Office of Tourism and Business Development Administrator, who reports to the Department of Commerce Director.

The MTSBDC State Director has the authority to contract with host organizations within the guidelines of state government which includes an RFP process and the MTDOC Delegation Agreement. In previous years, a re-structure was proposed, but the restructure was never realized.

The Montana Department of Commerce grants full authority to the MTSBDC State Director to develop strategic plans, set goals and manage contracts with host organizations. The MTSBDC contract with host organizations outline the relationship with regional hosts and expectations for reporting and compliance.

As an example of the State Director's authority, in 2016 shortly after the current State Director took over the program, the decision was made to move a center from a location that had been a Regional Center for many years. The State Director was given the authority to carry through with relocating the center to a host that was more centrally located within the region to better support the structure of the network.

Manage operations in accordance with rules and regulations governing the program.

The Montana SBDC operates within the confines of the state of Montana rules and regulations as well as the SBA cooperative agreement and notice of award. The policies and procedures along with host contracts serve as guiding documents to ensure consistency of services throughout the state. Center specific documents are shared via Dropbox and discussed during online monthly meetings as well as in-person network meetings. When questions arise related to rules and regulations, the network is required to contact the Lead Center for discussion. The Lead Center host at the MTDOC allows the program to run as required by these guiding documents.

During the most recent legislation session in early CY 2021 an issue arose for the first time in the MTSBDC history concerning the Lead Center program income account. Through legislation, all spending authority for the account was removed. The Lead Center is no longer able to maintain a program income account which is troublesome for several reasons.

Create and achieve performance expectations.

The Lead Center is given full authority when creating and achieving performance expectations. On an annual basis, the Lead Center will review and assess performance achieved in the prior year, taking several items into consideration when setting new expectations.

Some of these items include:

- Center Staffing
- Regional Director experience/longevity/history
- Average goal attainment
- Population
- Size of region (square miles)

The process includes reviewing current personnel, prior year's performance, historical performance, SBA expectations and stakeholder expectations. Performance expectations are set using SBA goals as a guide. Strategic objectives are created through the strategic planning process outlined in section 2.1 below. SBDC's performance outcomes are reported to MTDOC by uploading quarterly data to the DOC Salesforce CM system.

The Montana Department of Commerce has been satisfied with SBDC performance outcomes as shown in their support to increase SBDC statutory funding in the 2019 legislative session.

1.2 Leadership System

1.2(a) Sustainable Organization

SBDC leaders routinely guide and sustain the organization, communicate with the workforce, encourage high performance work, advance organizational values, and promote ethical behavior.

Describe:

- *The leadership system*

Describe how the SBDC leaders:

- *Set vision and values; create a focus on action to accomplish the organization's strategic priorities; improve performance; and attain its vision.*
- *Communicate and deploy performance expectations. (*)*
- *Review performance to understand the health of the organization and to enable translation of performance findings and learning into priorities for improvement and innovation. (*)*
- *Promote ethical behavior including how potential conflicts of interest are managed.*
- *How leaders analyze their performance and efforts to improve.*

The Lead Center operates relatively independently within the Montana Department of Commerce and Business Assistance Bureau. Only minimal oversight, direction, and guidance are provided by the department. The Montana SBDC leadership system is comprised of the Lead Center (the State Director, the Associate State Director and the public relations specialist), the MTDOC management staff, and the [Montana SBA District Office](#) (District Director and Project Officer).

The MTSBDC leadership team (State Director and Associate State Director) oversee program delivery and funding allocation to ten centers across Montana. The ten Regional Centers are located in economic development organizations and higher education institutions. Each SBDC Regional Center host is a contractor for the MTSBDC and required to carry out contract objectives outlined in the agreement. Regional Directors as well as Business Advisors are employees of the host organization. The host contracts allow oversight authority to influence center operations, compliance and performance. The decentralized model allows the MTSBDC to operate efficiently by relying on Regional Centers to provide insight into specific needs for small businesses and strategic partners in their region.



Lead Center Roles

The Lead Center Manages the Following:

Apply for the annual SBA Grant and manage the SBDC Program

Provide administrative support to Network and Hosts

Training and transfer of knowledge to service centers

Monetary and technical support of Neoserra

Provide direction to the Network to operate as a cohesive unit

Maintain standards of accreditation, including strategic planning

- **Chad Moore, SBDC State Director**
Partner Relations, Advisory Board, Strategic Planning, Accreditation, MTIP program, Grant Management, Performance Reviews
- **Lori Gilliland, SBDC Associate State Director**
Grant Management, Contracts, Budgets, Audits, Compliance, Reimbursements, Neoserra, Program Income, Performance Reviews
- **Lexie Hildebrand, Marketing & Program Specialist**
Promotions, PR, Website/Social Media, Marketing, Surveys, Conferences, Meetings, Neoserra Support

The State Director handles stakeholder communications as the primary contact, personnel issues, and general oversight of the Lead Center and network. He strategizes initiatives and areas of focus that emanate from the ASBDC, the Department, the SBA, or the [Governor's Office](#). He develops and communicates the strategic plan, meeting agendas, and initiates communications with the Regional Directors and Business Advisors and vendors regarding potential new products and services. The State Director handles activities related to the SBDC Advisory Council with the assistance of the Associate Director and Public Relations Specialist.

The Associate Director handles reimbursement and financial oversight, contract deliverables monitoring, and is currently the Neoserra database administrator. She handles the SBA's biennial financial examination process. She does the annual onsite center reviews and uses the Service Center Assessment as an ongoing tool to monitor and drive performance. She also handles the initial new Business Advisor orientation using GoToMeeting at her desktop over a several-week period. The Associate Director is also very involved with the SBA grant proposal process and handles the budgeting and financial reports for the upload.

The Public Relations Specialist focuses on the development and implementation of the marketing plan, and monitors compliance with ASBDC, SBDC, and Montana Department of Commerce marketing requirements. She also handles all social media and promotions for network and Lead Center activity. This position also assists with Neoserra reporting when appropriate, uploading data for reporting requirements for MTDOC and any other job duty that the State Director or Associate State Director deems necessary.

Because the Lead Center is based in an agency of state government, the Department works under the policy leadership of the Governor's Office. There is also a close working relationship between Business Assistance Bureau's (BAB) program managers and the [Montana Economic Developers Association](#) (MEDA), who are the customers of BAB programs. MEDA is comprised of the local development organizations and their partners that contribute to economic development statewide. Six SBDC host agency executive directors are members of MEDA.

The [Montana SBDC policies and procedures manual \(program manual\)](#) is made available online.

This program manual isn't designed to collect dust on the shelf. Rather, the purpose of this manual is to be a very active cornerstone of guidance for how we -- the members of the Montana SBDC Network -- manage and lead our program. It is a live document and updates can be communicated in real time through online edits.

More specifically, there are four key purposes for this manual:

1. **Align our Common Processes:** To help each of us align our common processes across the Network, thereby saving us time and increasing our effectiveness.
2. **Strengthen Our Quality:** To strengthen our Network's quality of operations and service delivery.
3. **Reinforce Our Use of the ASBDC Standards:** To help each of us reinforce our understanding and use of the national ASBDC Standards.
4. **Support Training:** To serve as a reference tool in our internal training and professional development.

Each center has a private Dropbox folder that contains their host contract, exhibits, center reviews and financial reports.

Set vision and values; create a focus on action to accomplish the organization's strategic priorities; improve performance; and attain its vision

The Lead Center systematically sets direction, identifies current and future opportunities, and routinely guides decision-making through the strategic planning process outlined in section 2.1; the annual contract between the Montana Department of Commerce and SBDC regional host organizations; the SBDC/SBA Program Announcement; and the SBA Notice of Award. Decision-making is also guided through network meetings that are commonly in-person at least twice a year and virtually on a monthly and more recently weekly basis. The Lead Center empowers Regional Center directors to present opportunities and create workplans that focus on overall strategic priorities of the MTSBDC network. The strategic plan implementation schedule is provided on the cloud within the Mission Met software along with regional workplan documents available online 24-7 for the network. The plan is reviewed during meetings and updates are made as necessary to improve performance and accomplish strategic priorities. For more information on the process of setting the vision, values and focus on strategic priorities, please see section 2.1.

Communication and deployment of performance expectations ()*

Performance expectations are communicated and deployed through the regional SBDC host contracts and the strategic planning process outlined in section 2.1. Each center is empowered to create their own workplan that follows the strategic priorities of the MTSBDC as a whole. Follow-up on the workplans and overall strategic plan is accomplished through weekly, monthly and in-person meetings throughout the year. With new cloud based software, the network has the ability to check and update the strategic plan and workplan progress as necessary. The software encourages more open communication and keeps strategic priorities front and center in a working document updated in real time.

Contract deliverables are reviewed throughout the year with Regional Directors and annually with host directors of SBDC Regional Centers. Performance is addressed on an individual basis when needed. Managing performance expectations is a continuous process accomplished through consistent communication and availability of the Lead Center for host directors, Regional Directors and Business Advisors.

Performance goals are tracked through Neoserra and progress is available for review on a daily basis. Scorecards are available on the dashboard of each Regional Director and Business Advisor's Neoserra account, keeping performance expectations front and center 24/7. Regional Directors are responsible for performance outcomes at each center.

Technology has provided the Lead Center with the ability to provide more timely and immediate feedback to the Business Advisors to drive improvement in tracking budgets and milestones. The Lead Center transitioned from a quarterly to a monthly request for reimbursement in order to gain more control over performance and management of the budget. Both the reimbursement and contract process are handled electronically. Using DocuSign, documents can be signed with a click of the mouse by our partners. Improvements to Neoserra functionality have also made it easier to monitor Business Advisor activity, consequently improving our management of the network, especially those Business Advisors new to the network. As a consequence of frequent turnover in the Business Advisor positions, over time the Lead Center has designed processes that communicate to Business Advisors more quickly and effectively.

Review performance to understand the health of the organization and to enable translation of performance findings and learning into priorities for improvement and innovation. ()*

A healthy MTSBDC is an SBDC that works together in reaching goals, sustaining funding and partnering with organizations across the state to build a successful technical assistance ecosystem for entrepreneurs and small business owners. In this success model it is important that clients receive the service they need, partnerships are continuously built and stakeholders are pleased with the outcomes provided. Many measurements are taken into consideration to review the health including:

- Center Assessment – semi-annual center self-assessments are done to understand Regional Center performance and health.
- Neoserra Scorecard – Contract Deliverables reviewed to trend goal attainment, opportunities for improvement and overall tracking
- Quarterly Client Satisfaction Survey - measure and review client satisfaction and address issues as they arise
- Regional Workplans – reviewed to understand if SBDC Regional Centers are on track to meet strategic priorities and identify opportunities to shift focus in achieving those priorities
- ASBDC Annual Survey – measures the ROI of the MTSBDC and allows an opportunity to review areas that can be improved
- Stakeholder/Partner Survey - reviewed to identify stakeholder/partner opportunities and overall stakeholder/partner satisfaction
- Strategic Planning - process provides opportunity to review the information provided above and create opportunities for continuous improvement.

The process allows the MTSBDC to review progress and identify opportunities for improvement and innovation. Reviewing the measures during weekly meetings, monthly meetings, bi-annual meetings and for the strategic planning process allows the MTSBDC to identify and build on opportunities to sustain a healthy organization.

Promote ethical behavior including how potential conflicts of interest are managed

As in most organizations, ethical behavior is a top priority of the MTSBDC. Organizational values and ethical behavior are communicated through our strategic plan values, the client confidentiality/code of conduct policies, and new Business Advisor orientation and training. Standards are set for organizational values and ethical behavior through the orientation program and training modules that new Business Advisors receive during the first few weeks on the job. The client confidentiality/code of conduct is reviewed and signed at the initial orientation with new Business Advisors and Regional Directors. These are kept on file and signed annually.

Potential conflicts of interest are managed through the Client Confidentiality/Code of Conduct. This document spells out what is deemed a conflict of interest and what is and is not allowed within the SBDC program. When potential conflicts arise, the Lead Center deals with them on a case by case basis.

How leaders analyze their performance and efforts to improve

The Lead Center staff analyzes performance by encouraging open communication within the Department of Commerce, Regional Center hosts, Regional Directors and Business Advisors. Staff satisfaction and host satisfaction surveys are deployed to staff and hosts annually, allowing them to review the performance of the Lead Center. During the fourth quarter of calendar year 2020 the MTSBDC Lead Center deployed a separate survey for feedback during the strategic planning process. This feedback was utilized to develop the strategic planning priorities for continued leadership performance improvement.

Along with the host and staff satisfaction surveys, a stakeholder/partner survey is deployed bi-annually. The survey is sent out to partners and stakeholders in order to get feedback on SBDC performance. This feedback is reviewed and utilized for continuous improvement and communication efforts. Feedback is discussed with the network at in-person meetings and during monthly network calls.

At the Montana Department of commerce, Lead Center staff experience performance evaluations on an annual basis. Performance evaluations of the public relations specialist and Associate State Director are completed by the State Director. The State Director provides honest feedback directly during the review process, communication is an ongoing process annually; most performance related topics have been discussed prior to the annual review through regularly scheduled weekly meetings and open communication. The State Director is evaluated by the Bureau Chief of the Business Assistance Bureau, his immediate supervisor. The Bureau Chief offers direct feedback on performance and areas of improvement. Again, most if not all of the information covered in the annual review has been discussed prior to the meeting with open and honest discussion between the Bureau Chief and State Director on a regular basis.

Leadership focuses on continuous improvement through opportunities in training provided through the ASBDC, the Montana Department of Commerce and other leadership training resources.

1.2 (b) Compliance

The SBDC network operates in compliance with the laws and regulations governing the network.

Describe:

- *How leaders demonstrate a commitment and a culture of legal compliance.*

- *How the network deploys processes to ensure sound fiscal and contractual management to meet requirements.*
- *The results of programmatic and financial reviews performed by governing authorities, including a summary of findings, outcomes and current status, and how this information was used to improve*
- *Compliance with the requirements of 13 CFR 130.460 (f) (1) for all key positions*

How leaders demonstrate a commitment and a culture of legal compliance;

The Montana SBDC Lead Center communicates requirements to the network through network meetings, monthly calls, and individual discussions. The Montana SBDC ensures that legal compliance is spelled out in each Regional Center contract which refers to the rules and regulations provided by the SBA and State of Montana to regulate our program. Contracts are amended annually, and topics are covered during annual host meetings. If compliance items or issues arise throughout the year, they are discussed individually with specific centers at monthly calls and in person network meetings. All resources are available in Dropbox and covered during orientation of new Regional Directors.

How the network deploys processes to ensure sound fiscal and contractual management to meet requirements.

The MTSBDC Lead Center performs annual site visits and reviews of each service center are conducted by the Lead Center using the Service Center Assessment in concert with the other reviews listed below. Documents that provide support for compliance with regulations and program requirements include: the annual SBA Notice of Award under the Cooperative Agreement and the annual MDOC/Host Agency contract. Documents that ensure sound fiscal management include: The biennial SBA Financial Examination and monthly Request for Reimbursements. Neoserra reporting assures regular reporting of Business Advisor activity and productivity. Monthly or most recently weekly meetings are often used to communicate and clarify new administrative or reporting processes.

The Associate Director handles reimbursement and financial oversight, contract deliverables monitoring, and is currently the administrator for and expert in Neoserra reporting. She handles the SBA's biennial financial examination process. She routinely monitors activity in Neoserra. She does the annual onsite center reviews and uses the Service Center Assessment as an ongoing tool to monitor and drive performance. She also handles the initial new Business Advisor orientation virtually over a several-week period. The Associate Director is also very involved with the SBA grant proposal process and handles the budgeting and financial reports for the upload.

As mentioned above, the Montana program manual is made available online.

This program manual isn't designed to collect dust on the shelf. Rather, the purpose of this manual is to be a very active cornerstone of guidance for how we -- the members of the Montana SBDC Network -- manage and lead our program.

More specifically, there are four key purposes for this manual:

- 5. Align our Common Processes:** To help each of us align our common processes across the Network, thereby saving us time and increasing our effectiveness.
- 6. Strengthen Our Quality:** To strengthen our Network's quality of operations and service delivery.
- 7. Reinforce Our Use of the ASBDC Standards:** To help each of us reinforce our understanding and use of the national ASBDC Standards.
- 8. Support Training:** To serve as a reference tool in our internal training and professional development.

Each center has a private Dropbox folder that contains their host contract, exhibits, center reviews and financial reports.

The results of programmatic and financial reviews performed by governing authorities, including a summary of findings, outcomes and current status, and how this information was used to improve

A link to the most recent reviews and examination are included in exhibit 1.0. The Montana SBDC did not have any findings or recommendations in the most current financial or programmatic review. Expectations have been met and the MTSBDC continues to run operations in a manner to comply with the OSBDC reviews.

Compliance with the requirements of 13 CFR 130.460 (f) (1) for all key positions

Below are the pay bands for positions at the Montana Department of Commerce. Currently, the State Director, Associate State Director and Public Relations Specialist salaries all fall within the following respective categories below.

Chad Moore, current salary: \$74,214 base, \$0 Longevity = \$74,221 – Program Manager pay band 7
Fringe: \$22,266.30

Lori Gilliland, current salary: \$58,739 base, \$2,059 Longevity = \$60,798 - Program Specialist 2

Fringe: \$17,621.70

Lexie Hildebrand, current salary: \$41,955 base, \$0 Longevity = \$41,955 - Program Specialist

Fringe: \$12,586.50

Montana Department of Commerce - Market Rates July 2019					
Payband	Mid Point	Entry	Max		
5	\$ 44,380	\$ 35,504	\$ 53,255	Marketing & PR	Public Relations Specialist
6	\$ 62,736	\$ 44,786	\$ 80,685	Associate State Director	Program Specialist
7	\$ 87,699	\$ 67,500	\$ 105,239	State Director	Program Manager

The salaries for the State Director, associate director, and program specialist are determined by the State of Montana and Montana Department of Commerce Personnel Classification system and are comparable to other positions within the Business Resources Division that have similar responsibilities and longevity. There is no classification within the state government system for positions that are exactly comparable to what SBDC Lead Center positions do. Raises are granted by the State Legislature.

Beginning in SFY 2022, the Montana Department of commerce will reorganize their pay structure. They will move the SBDC State Director into a pay band that reflects a Program Supervisor level although job duties provided in the State Director job description more closely reflect job standards of a Program Manager (standards for each category can be found below in exhibit 1.0). The pay band reflects a decrease in entry, mid-point, and maximum pay levels from the previous category of Program Manager pay band 7. Overall, according to the ASBDC salary surveys, the Associate State Director and State Director are at the bottom of the reported salary categories within their respective region. According to the most recent ASBDC salary survey conducted in 2019 the median salary for State Directors in Region VIII was \$108,114 and the median salary for Associate State Directors in Region VIII was \$89,160.

Job Code	Band	Job Code Title	Market Midpoint	Minimum Pay Range	Maximum Pay Range
111916	6	Program Manager	\$ 66,029	\$ 52,824	\$ 79,235
111917	7	Program Manager	\$ 97,514	\$ 76,158	\$ 118,869
111918	8	Program Manager	\$ 133,467	\$ 102,636	\$ 164,298

Coming in FY22

Job Code	Job Code Title	Minimum	Midpoint	Maximum
B1J01M	Program Supervisor	50599	74041	97482

1.2 (c) Support the National SBDC Program

The SBDC leaders support and participate in the common interests of the national SBDC program.

Describe:

- How the leaders and network members participate in activities, initiatives and share in the advancement of the national SBDC program.

How the leaders and network members participate in activities, initiatives and share in the advancement of the national SBDC program.

The MTSBDC State Director and Associate State Director attend annual ASBDC fall conferences as well as membership meetings in Washington DC annually. Most recently the MTSBDC State Director participated in the discussion with the House Small Business Committee in February of 2020. The MTSBDC Lead Center meets with congressional delegation on an annual basis to discuss overall activities of the ASBDC and the MTSBDC. This effort is aimed at informing Montana’s delegation on SBDC activities and show appreciation for their support of the state and national program. The MTSBDC has adopted the national

branding for the network. The Lead Center encourages all Regional Directors and Business Advisors to attend the ASBDC annual conference. The MTSBDC State Director also participates in ASBDC leadership meetings that developed in 2020 as well as State Director roundtable discussions. The MTSBDC State Director also participated and presented information for the ASBDC ALEX webinars pertaining to obtaining state funding.

Exhibits – 1.0 Leadership

[Montana SBDC Program Manual](#)

[Montana SBDC Strategic Plan](#)

[SBDC Host Contract Example](#)

[SBDC Host Contract Exhibits](#)

[Client Confidentiality and Code of Conduct](#)

[Organizational Chart for MDOC, BRD, and SBDC Network](#)

[SBDC Master Schedule](#)

Stakeholder and Primary Resource Partner Website Links

[Montana SBA District Office - Helena](#)

[Montana Department of Commerce \(MDOC\)](#)

[Montana Office of Tourism and Business Development](#)

[Business Assistance Bureau](#)

[Montana Economic Developers Association \(MEDA\)](#)

[Advisory Board & Presentation](#)

[SBA/SBDC Funding Opportunity](#)

[2021 Technical & Cost Proposal](#)

[SBA Notice of Award](#)

[Network Meeting Agendas](#)

[Semi-Annual Service Center Assessment](#)

[OSBDC Biennial Reviews](#)

[SBA Project Officer Site Review](#)

[LC Financial Monitoring Reports](#)

[2015 Accreditation](#)

[State Paybands](#)

[Lead Center Job Descriptions & Job Standards](#)

2.0 STRATEGIC PLANNING

Objective: Develop, implement, modify and measure progress on a strategic plan that drives the SBDC network toward its established mission and vision.

2.1 Strategy Development

2.1 (a) Strategy Development Process

The SBDC has a process to address its strategic challenges and leverage its strategic advantages and opportunities. The process, at a minimum, must include identifying, collecting and analyzing relevant information critical to achieving the program's vision.

Describe the strategic planning process to include:

- *The vision, values and mission of the SBDC*
- *The key steps in the strategic planning process, the participants, and the planning horizons*
- *How data and information is analyzed to identify opportunities*
- *How strategic opportunities are identified that align with the needs of key stakeholders, and how these needs translate into customer services and products or into new market opportunities. (*)*
- *The core competencies, financial and other resources needed to achieve the key strategic priorities (*).*

- How key success factors are identified.
- How you have improved the planning process.

The vision, values and mission of the SBDC

Current 2021 – 2023 - also in the highlights outlined above.

Mission: to provide tools and guidance for small business success

Vision: to be a leading network of innovative consulting and training to entrepreneurs and small business owners in Montana

Core Values:

Collaboration - focus on working together with community organizations, resource partners, and stakeholders to meet small business needs

Inclusion - providing equal access to SBDC opportunities and resources for all potential clients, resource partners and stakeholders to meet small business needs

Passion - embody the desire and drive to provide SBDC resources for small business success

Commitment - dedication to the SBDC processes, clients, partners, and stakeholders

The key steps in the strategic planning process, the participants, and the planning horizons

Before late 2020 the planning process involved the Lead Center, the network Business Advisors and Regional Directors. The first step of the process included an in-person strategic retreat where the Lead Center and network would meet to:

- Review feedback and identify opportunities from host surveys, Regional Director surveys, partner surveys and client satisfaction surveys.
- Identified strengths, weaknesses, opportunities and threats
- Developed overall key strategic priorities identified by the process

The previous plan developed was a five-year plan that expired at the end of 2020. Progress on the plan was discussed during in-person network meetings and monthly network calls. Notes were added with progress towards each goal over the course of the plan and adjustments were made when needed. The plan was built in a word document available to the network through Dropbox.

As the five-year plan was coming to an end, groundwork began on our current three-year plan in the fall of 2020. The Montana SBDC partnered with Mission Met as a facilitator and to assist with improvements to the strategic planning process.

The process commenced in September with an initial meeting between Mission Met, the MTSBDC State Director and Associate State Director to begin the discussion on overall planning objectives. Through additional meetings, it was identified that more in-depth stakeholder/host engagement in the planning process would be beneficial. The planning process includes, hosts, SBA district office, Montana Department of Commerce personnel, network directors, advisors and the Lead Center staff.

The planning process included:

- Initial planning meetings between the Lead Center and Mission Met
- Stakeholder Survey, Regional Director Survey, Lead Center Survey specifically for gathering data for the strategic planning retreat
- Individual interviews with hosts and network Regional Directors to understand and develop overarching themes
- Virtual strategic planning retreat to develop the framework of the plan, stakeholders, Regional Directors, Business Advisors and Lead Center staff all included
- Follow-up meetings with the Regional Directors and Lead Center to refine the plan
- Stakeholder and network plan review
- Regional work plan development
- Regional Director and Lead Center mission, vision, values review
- Continuous follow-up and tracking through Mission Met software, Lead Center meetings, monthly network meetings

The process of strategic planning focuses on the quality improvement cycle to plan, execute, learn and integrate. Processes we have deployed allow us to plan through the strategic planning process, execute through regional workplans, learn through surveys and customer feedback, and integrate changes through what has been learned in the process for ongoing improvement.

The strategic planning cycle correlates to the biennium budget and biennial legislative session but also includes long-range objectives. The State SBDC Program's annual state statutory general funding is only assured for each Biennium, even though the statutory appropriation does not sunset until end of SFY 2027, according to funding decisions made at each Legislative Session. The strategic plan is reviewed regularly at network meetings through focused discussion. Updates may be triggered by suggestions of Regional Directors and new initiatives from stakeholders. New SBDC Business Advisor orientation includes a review of the strategic plan and an overview of the processes.

How data and information is analyzed to identify opportunities;

In late 2020 the MTSBDC tweaked the strategic planning process but continued to use the same data to analyzing potential opportunities. As mentioned above in section 1.2, a healthy MTSBDC is an SBDC that works together in reaching goals, sustaining funding and partnering with organizations across the state to build a successful entrepreneurship ecosystem. The data and information that is collected is designed to help provide guidance in creating a strategic plan that not only meets our mission and vision but allows us to be a healthy SBDC and reach SBA goals and deliverables.

Opportunities are identified through the strategic planning process, virtual retreat, and surveys from our partners, stakeholders and Regional Directors. The process allows the MTSBDC network to analyze important data and feedback broken down into categories for partners, stakeholders and the network as a whole. The MT SBDC contracts with ten separate hosts across ten separate regions. In this model, each host is focused on the region in which they serve but not necessarily the entire state. Allowing hosts to meet together during the strategic planning process allows them to share opportunities and ideas. The surveys allowed each category the opportunity to analyze their relationship with the Lead Center and the entire SBDC network across all regions. The data was also analyzed to understand relationships between host organizations to get a better understanding of existing opportunities and best practices to work better together.

Each Regional Center identifies opportunities relevant to their region. These opportunities are explored through the strategic planning process, surveys, individual and group communication with the network. This exchange of information allows regional SBDC's to better serve the business needs specific to their region.

How strategic opportunities are identified that align with the needs of key stakeholders, and how these needs translate into customer services and products or into new market opportunities ().*

Through the latest strategic planning process and survey data we found that communication with partners and stakeholders was a key opportunity for improvement. The importance of partners cannot be understated in such a large state like Montana. Limited capacity within the SBDC network lends itself to creating opportunity for small businesses through partnerships. Montana has strong technical assistance programs that feed the economic development ecosystem. The Montana SBDC is the front door to opportunities and building relationships is key in creating successful economies across the state.

Identifying that communication with stakeholders and partners has room for improvement, the MTSBDC Lead Center's number one strategic priority was developed to focus on stakeholder and strategic partner engagement. Identified as a priority was communication between host organizations and collaboration in meeting not only regional needs but statewide opportunities. An action plan was created to create better communication among host organizations through quarterly meetings focused on catalyzing collaboration between host organizations across the state. This will allow the MTSBDC hosts to find common ground and break out of silos to understand the overall objectives across the state. It will allow the MTSBDC to take strides in promoting expertise across the network to work outside their respective regions to meet SBDC client needs. The collaboration will also aid in adding additional capacity for centers that currently have one staff member.

Partner engagement was also identified as an area for improvement. Some partners voiced concerns about one-way communication with SBDC Regional Centers. The insight drove us to update our current values and focus on collaboration to work better together. Gathering this information was important in the process as we had not realized these were issues facing the network. Outreach plans have been developed through regional workplans and an outreach plan will be developed for the Lead Center to help improve relationships across partners. This action is extremely important in the sustainability of the MTSBDC as we need partners to meet SBA priorities and to advocate for the SBDC network through the legislation process.

The core competencies, financial and other resources needed to achieve the key strategic priorities ().*

The MTSBDC current strategic priorities are to address administrative efficiency, client service efficiency and improve on marketing objectives. Resources identified to achieve the priorities include:

- Stakeholder engagement
- Host cooperation
- Updated program manual
- Mission Met Strategic planning software
- Neoserra database
- Continuous feedback and follow-up from the Lead Center
- Regional Workplans
- Updated Marketing plan

Regional workplans are developed by Regional Directors to address strategic priorities from a regional standpoint. They are responsible for developing a plan that fits within their Regional Center budget.

How key success factors are identified.

Key success factors are identified through our key stakeholder milestone requirements and strategic planning process. Currently, SBA success factors include clients served, business starts, capital infusion, and jobs supported. In addition to these success factors, the number of training attendees and training events are also identified as success factors through the Montana Department of Commerce. Internally the Lead Center has identified counseling hours, long-term clients and client success stories as additional key success factors. As mentioned through the strategic planning process, three priorities were identified to help support success factors and drive network sustainability.

How you have improved the planning process.

As mentioned above and earlier in this document, the MTSBDC has taken steps to improve the strategic planning process by tweaking a few items in order to get better feedback in an effort to address stakeholder priorities. In the past, stakeholders were not present during strategic planning retreats. The new process was improved to include stakeholders for interviews with Mission Met prior to the strategic plan retreat and to including them in the planning process throughout the first day of the retreat. This change provided common ground for each host and allowed an opportunity for collaboration in generating opportunities.

The MTSBDC also improved the strategic planning process by empowering individual centers to develop a workplan around the agreed upon strategies for the network as a whole. Each center created a workplan that spoke directly to what they wanted to achieve at their Regional Center within the overall strategic priorities.

The strategic plan itself has been improved to be more efficient. The new document format allows access 24/7 access for the entire network to review, make comments, updates and track changes live. The cloud based format allows better communication and creates a document that is top of mind across the network. The cloud software sends notifications to key team members, keeping strategic priorities front and center.

2.1 (b) Strategic Priorities

The strategic planning process identifies key strategic priorities, measures and timetables.

Provide the strategic plan in the attachments and describe:

- *How key strategic priorities address challenges; leverage core competencies, strategic advantages and opportunities; and the needs of key customers.*
- *Key strategic priorities. (*)*
- *The most important goals for these key strategic priorities and the timetable for achievement. (*)*
- *What changes, if any, are planned in the services provided, client segments, emerging markets and operations (*).*

How key strategic priorities address challenges; leverage core competencies, strategic advantages and opportunities; and the needs of key customers.

The strategic priorities developed in our most recent strategic planning process address challenges presented by stakeholders, strategic partners, network staff and leadership. The three priorities leverage core competency by promoting better communication and teamwork across the network. Montana has the strategic advantage of having a great technical assistance eco system for entrepreneurs and business owners. Building and maintaining partnerships is key in a large state like Montana.

Partnership collaboration is necessary to meet needs in all corners of the state. After reviewing survey data and hearing stakeholders and partner feedback, it became apparent that the number one priority for the MTSBDC was to strengthen relationships with stakeholders and strategic partners. With focus on this priority the MTSBDC hopes to build stronger relationships across host organizations to produce more collaboration across regions. The communication efforts will focus on bringing all hosts together for informative discussions on opportunities to partner on a regular basis throughout the year. The network will also focus on better communication with partners through outreach and engagement on both the state and regional levels to strengthen relationships for better communication throughout the economic eco system of Montana. Both efforts will aid to increase capacity and build on relationships when serving clients (key customers). This priority also builds long term sustainability for the MTSBDC program, as it is our stakeholders and strategic partners that advocate for our existence and provide funding to carry out our mission.

Capacity challenges presented are also being addressed through the strategic planning process by focusing on priorities designed to reduce administrative burdens and create consistency across host organizations. Working across regional hosts has continued to be a struggle for the Montana SBDC. The most recent strategic plan focuses on providing more opportunities to strengthen the network by allowing better collaboration as a team to meet client needs.

Marketing continues to be an ongoing challenge and refreshing the MTSBDC marketing plan has become necessary in creating outreach unity across the state. This opportunity was identified through network feedback in the planning process and through the Regional Director strategic planning survey. Building one plan for guidance to all individual centers supplies consistency in reaching the correct target market and to attract high impact clients.

The strategies outlined will help address strategic challenges such as the size of the state, sparsely populated communities, limited SBDC staff and collaboration across regions. The priorities will capitalize on strategic advantages such as economic development partners, the MTSBDC's strong network personnel and the Lead Center host within the Montana Department of Commerce that includes a suite of economic development programs.

Key strategic priorities.

Current MTSBDC key strategic priorities are to:

1. Execute strategies that strengthen relationships with stakeholders and strategic partners.
2. Implement strategies that increase Regional Centers' capacity to serve clients
3. Strengthen the network's marketing strategies

The most important goals for these key strategic priorities and the timetable for achievement. ()*

The most important goals for each key strategic priority are provided below.

Priority 1.) Stakeholder and Strategic Partner Engagement - this priority was developed to address collaboration issues between host organizations and improve overall network-wide communication and collaboration in reaching SBDC deliverables.

- Goal A: Host Engagement - conduct a well-organized and productive quarterly one-hour virtual conference call with regional host directors that catalyzes host collaboration
- Goal B: Outreach - create a plan for ongoing stakeholder and strategic partner engagement at both the state and regional level

Priority 2.) Capacity of Regional Centers – this priority is divided into two focus areas and is designed to improve capacity by removing administrative burdens and by creating more collaboration across regions allowing Regional Directors and Business Advisors the ability to spend more time with clients to meet overall deliverables.

Focus Area II: Administrative Efficiency

- Goal A: Program Manual - update and disseminate the network's operations manual
- Goal B: Network-wide communication, scheduling and document storage – identify and implement the best online tool(s) to facilitate network-wide communication, document storage, and calendar.
- Goal C: Neoserra - update and revise network-wide Neoserra training process
- Goal D: Client intake – review and standardize, as able, a common client-intake process for the Regional Centers
- Goal E: Client follow-up and attribution – create and communicate strategies that streamline the client follow-up process

Focus Area III: Client Service Efficiency

- Goal A: Internal Client Training Calendar - create an internal client training calendar, implement an efficient process to ensure that it remains current
- Goal B: Internal Advisor Directory - Update and communicate an internal statewide directory of the advisors and their unique skillset to allow better collaboration between centers in meeting client needs
- Goal C: SBDC Website Training Portal - Create a more streamlined and effective portal for the trainings hosted on the SBDC website.

Priority 3.) Marketing - This priority is designed to allow better unity and consistency when marketing the SBDC across the state.

- Goal A: Marketing plan - review and update the network's existing marketing plan, as the plan is developed, focus on additional goals within the plan

A link the current MTSBDC strategic plan can be found below in Exhibits 2.0

What changes, if any, are planned in the services provided, client segments, emerging markets and operations ().*

Currently the MTSBDC does not have any planned changes to the services provided, client segments, or emerging markets for the network. The strategic plan focuses on opportunities to be more efficient in delivering existing services to our existing client segments. At the moment, we are focused on operations and streamlining capacity to continue to support the current services we deliver to our clients.

The decentralized model that the MTSBDC operates under exists of ten centers across the state divided by geographic regions. This model is advantageous for meeting client needs specific to each region and affords opportunity for SBDC Regional Centers to address regional needs. Allowing the network to identify regional opportunities is critical to MTSBDC's success. During the pandemic, the network utilized technology to meet client needs across the state. The network saw an advantage with technology to better reach their respective region, but also struggled to coordinate efforts across the state.

With the decentralized model, Regional Centers schedule training events separately and market specifically to their region. With the pandemic, opportunities were presented for network-wide coordination related to online training and counseling that were previously unexplored. The model also struggles to provide consistent communication across host organizations to share best practices and promote collaboration across regions. Strategic priorities were identified and developed with this in mind.

Focus area I: Stakeholder and Strategic Partner Engagement

- Goal A was identified to improve host engagement through a well-organized and productive quarterly one-hour virtual conference call with regional host directors to catalyzes host collaboration with each other and the Lead Center.
- Goal B was identified to create an outreach plan to stakeholders and strategic partners at both the state and regional level.

Focus area II: Administrative Efficiency

- Goal A was identified to update the program manual and provide updated guidance for the network in creating efficiency and sustainability.

Focus Area III: Client Service Efficiency

- Goal A was identified to promote better efficiency in client services through development of an internal training calendar for better coordination of training topics across the state.
- Goal B was identified to allow better collaboration through an internal directory of Regional Director and Business Advisors. This directory will be updated with individual skills to meet client needs across the network.
- Goal C was identified to improve client service efficiency by creating a more streamlined and effective online training portal on the MTSBDC website.

2.2 Strategy Implementation

The SBDC has a process to deploy the strategic plan throughout the network, which includes identifying necessary resources, measuring progress and modifying priorities.

Describe how:

- *Strategic priorities are converted into actions (*)*

- *Actions are deployed throughout the network.*
- *Workforce capabilities and capacities, and other resources are sufficient to support the achievement of the action plans (*).*
- *Key performance measures and/or indicators for tracking progress are defined and projected into the future (*).*
- *Plans are modified if circumstances require a shift and how new plans are executed.*

Strategic priorities are converted into actions ();*

The Lead Center introduces prospective changes or issues that affect network operations or strategic directions through network meetings. Changes are deployed throughout the network by means of discussion at network meetings. Strategic objectives are converted into actions and actions are modified through the plan implementation process which includes regional workplans. The actions include timelines, goal champions and progress tracking ability. The State Director, Associate State Director and public relations specialist incorporate new objectives, action items or timelines into the plan as discussed at the network meetings.

On a Regional Center level, strategic priorities are converted into action items by using the overarching priorities to form action plans for each SBDC Regional Center. Each Regional Director is responsible for developing a workplan to accomplish each priority within the overall strategic plan. The workplans outline the responsible party and timelines for achieving the priorities. The MTSBDC strategic plan and regional workplans are available for the entire network to view 24-7 through cloud based software from Mission Met.

Actions are deployed throughout the network.

Actions are deployed throughout the network using regional workplans developed by the Regional Directors. Progress is discussed and tracked in Regional Director monthly meetings and modifications are made as necessary.

Workforce capabilities and capacities, and other resources are sufficient to support the achievement of the action plans ().*

As previously mentioned, the MTSBDC network is organized under a decentralized (localized) model. Workforce capabilities and capacities to meet contract needs are the responsibility of the SBDC Regional Center hosts. It is their responsibility to have staff in place to carry out the priorities of the MTSBDC.

The workforce within the MTSBDC network participates in the planning process, they help established the overall objectives and are responsible for providing workplans that fit within those objectives. Each Regional Director develops their own regional workplan, and are responsible for carrying out that plan. The strategic planning process is designed to give Regional Directors the authority to design and carry out a plan that fits within their region and the capabilities of their center. The workplans must fit within their existing budget they have developed with their host organization in concert with contracted amounts through the Lead Center.

Overall support is given from the Lead Center with financial support through the contracting process, coordination of efforts, setting overall direction with the coordinated planning process and revisiting workplans on a continuous basis.

Key performance measures and/or indicators for tracking progress are defined and projected into the future ().*

Key performance measures are based on SBA performance goals from the annual SBA Program Announcement and the Center Self-Assessment, a center management tool developed by the Lead Center. Progress toward meeting goals is tracked in Neoserra with a visual scorecard and dashboard for each SBDC Regional Director/Business Advisor.

Key performance measures for tracking progress are defined through the contracting process with individual centers. The key performance measures and indicators are tracked during monthly meetings and in-person meetings, three-minute monthly drill, annual contract goals, and open communication with Regional Centers. Through the latest strategic planning process, the MTSBDC added tools to better track outcomes.

The key performance indicator goals are projected into the future based on what is reasonably attainable and necessary for sustainability, however we strive to exceed our goals whenever possible. Attainability and sustainability are determined through analysis of historical data, evaluation of current and expected resources, and utilization of expertise from all in attendance at the annual strategic planning session.

Plans are modified if circumstances require a shift and how new plans are executed.

The MTSBDC strategic plan is a recurring agenda item discussed during network meetings. The network modifies and adjusts the plan if circumstances require a shift by regularly assessing strategic priorities and allowing opportunity for input from the network. If changes or modifications are identified, they are addressed during network meetings and if modifications are

agreed upon, changes are made. The MTSBDC process is designed to allow continuous evolution to create a sustainable program through modifications when deemed necessary.

In addition, adjustments are addressed at the regional level through annual workplans. The workplans are developed by Regional Directors to meet overall strategic priorities of the MTSBDC and they have the ability to adjust their individual workplans according to regional circumstances in meeting those priorities. The individual workplans do not affect overall strategic priorities but rather allow opportunity to shift focus in reaching those priorities regionally. Each Regional Director is responsible for their respective workplans and keeping them updated to address changes as needed.

Exhibits – 2.0 Strategic Planning

[Montana SBDC Strategic Plan](#)

[Regional Workplans](#)

[Strategic Planning Surveys](#)

3.0 STAKEHOLDER AND CUSTOMER FOCUS

Objective: Identify and segment stakeholders and customers; determine their requirements, expectations and preferences for each; build relationships; and determine satisfaction.

3.1 Stakeholder Engagement (Existing and Potential)

3.1 (a) Stakeholder Requirements and Expectations

The SBDC understands the requirements and expectations of its key stakeholders and any new stakeholders.

Describe how the SBDC:

- *Determines their key stakeholder (*)*
- *Listens to and interacts with stakeholders to understand how the SBDC aligns with their needs.*
- *Listens and responds to feedback from key stakeholders (*)*
- *Communicates the value the SBDC brings to all stakeholders and meets their expectations.*
- *Evaluates the approaches used to understand stakeholder needs and improve them.*

Determines their key stakeholder ()*

The Montana SBDC identifies key stakeholders as the funding partners for our program. Below are the key stakeholders for the MTSBDC:

- SBA
- Montana Department of Commerce
- SBDC regional host organizations

Listens to and interacts with stakeholders to understand how the SBDC aligns with their needs;

Stakeholder communication is key to the decentralized model of the Montana SBDC. Objectives and milestones are carried out on a local level with host organizations who cover specific regions. Interaction with these stakeholders are key to the success and sustainability of our network. Host interaction is achieved through open ongoing communication, annual contract meetings, host satisfaction surveys, stakeholder/partner surveys and during strategic planning retreats. In the most recent strategic planning retreat, it was identified that host organizations desired more opportunities to speak and coordinate with other host organizations across the state. Strategic goals were developed to take advantage of this opportunity.

The MTSBDC achieves alignment with the SBA through open communication with district office personnel, weekly updates and open communication with our OSBDC program manager, district office participation in the SBDC strategic planning process, SBA district office site reviews, stakeholder/partner surveys, and monthly State Director calls. The SBDC Lead Center and network have a good relationship with the SBA district office. The State Director maintains consistent communication with the district director through email and phone discussions. The network and Lead Center work consistently with the district office to align with their needs. With our decentralized model, it is not uncommon for the SBA to reach out directly to Regional Directors in Regional Centers to capitalize on opportunities in specific areas of Montana.

The State Director has ongoing communication with the Montana Department of Commerce through email, weekly bureau meetings, stakeholder's surveys, program manager meetings, strategic planning retreats and DOC monthly all staff meetings. This consistent communication allows the MTSBDC Lead Center to align priorities with our Lead Center host.

After additional state funding was realized in the second half of CY 2019 through support of our stakeholders, the Lead Center communicated opportunities for network expansion through an RFI process. This process allowed current hosts to address capacity needs within their specific region. Four SBDC service centers expressed an interest to expand and add additional personnel while also increasing their match contribution. The MTSBDC was able to add four new advisors to the network by early 2020.

Listens and responds to feedback from key stakeholders ()*

As mentioned above, communication with stakeholders is accomplished in several ways. Stakeholder feedback is always welcomed and response to feedback takes place on an individual basis or in group settings. Stakeholders are invited to attend strategic planning sessions and network meetings. We currently have a standing invitation to the SBA district office for our weekly meetings.

The Lead Center responds to feedback by addressing the needs when they arise. If the feedback is communicated during meetings or group planning sessions, the feedback is addressed immediately in that setting. If feedback is provided via email or during a phone conversation, it is addressed at that moment.

All survey information data can be found below in Exhibit 3.0.

Communicates the value the SBDC brings to all stakeholders and meets their expectations

The MTSBDC network has access to Neoserra where Regional Directors and Business Advisors can generate reports and highlight information that is valuable to stakeholders. Information is presented by the Regional Director within host organizations to meet host expectations. Hosts have the freedom to request data directly from the Regional Director or Business Advisor, but cannot access client information unless a release is signed. Some hosts require that Regional Directors report directly to their board of directors during board meetings to highlight SBDC successes. Economic development host organizations also produce annual reports that highlight impact data from the SBDC. This information is shared with their stakeholders at annual meeting events, through print, and online.

The MTSBDC Lead Center provides an annual MTSBDC success report that highlights goal attainment and client success across the state. This document also promotes interaction with stakeholders and each service center host. It is available as a printed handout and in digital format on the MTSBDC website. During annual contract meetings with hosts, the Lead Center shares impact numbers, updates and information that expresses the MTSBDC value to each organization.

Information is also shared with the Lead Center host through weekly bureau meetings, monthly Bureau Chief/Program Manager meetings, and during MTDOC all staff meetings. Chrisman report data is compiled annually, and average ROI is calculated and shared. ROI information such as tax revenue generated, and jobs supported through SBDC activity is shared with the MTDOC in preparation for presentations at the biannual legislative sessions. Impact data is also uploaded on a quarterly basis to the MTDOC Salesforce CRM software. The information gathered is used to develop program reports shared with legislative committees.

In turn, hosts share SBDC successes, gather client testimony, and share their support for the SBDC program during the bi-annual legislative session to support ongoing state investment into the program. It is in both party's best interest to sustain and gain additional state funding in support of the SBDC program.

Evaluates the approaches used to understand stakeholder needs and improve them.

Consistent year over year host satisfaction surveys, and biannual stakeholder/partner surveys allows feedback that can be measured. The MTSBDC Lead Center can identify issues and address them as needed. The information allows us to track progress through consistent questions and determine if actions were taken in response to that feedback. If the needs are addressed and not repeated from year to year, the stakeholder survey and communication efforts are considered effective. If the needs are consistently unmet and repeated, then reevaluation of the process is necessary.

As mentioned, the MTSBDC communicates often with stakeholders, when needs are not being met we work to find a solution to meet those needs. If processes need to be addressed they are discussed during individual meetings and through group discussions at scheduled meetings.

In 2020 the Lead Center took steps to improve evaluation of stakeholder needs by including them into the strategic planning process. This proved to be successful in identifying opportunities for improvement as noted in section 2.0. Data collected through the surveys mentioned can be found in exhibits 3.0 below.

3.1 (b) Stakeholder Relationships and Satisfaction

The SBDC obtains information on key stakeholder satisfaction, dissatisfaction and engagement.

Describe how the SBDC:

- *Builds relationships with existing stakeholders and acquires new stakeholders as appropriate. (*)*
- *Listens to and obtains feedback from stakeholders*
- *Assesses, analyzes, and responds to stakeholders' satisfaction and/or dissatisfaction.*
- *Captures actionable information for use in meeting or exceeding stakeholders' expectations.*
- *Assesses their methods to understand the satisfaction level of their stakeholders to improve them.*

Builds relationships with existing stakeholders and acquires new stakeholders as appropriate. ()*

The MTSBDC obtains information on key stakeholder satisfaction, dissatisfaction and engagement through the biannual stakeholder/partner survey, annual host satisfaction survey and through continuous communication with stakeholders. As mentioned above, the surveys allow the ability to track information related to stakeholder satisfaction and engagement.

As mentioned earlier, the MTSBDC identifies stakeholders as the entities that provide funding for the MTSBDC. The MTSBDC decentralized model lends itself to building new stakeholder relationships through host organizations. Host service centers within economic development organizations and higher education institutions have the ability to raise match funding through local investors, local communities, and other opportunities. When communicating with hosts, it was identified that hosts prefer taking the lead on raising additional funds to support their SBDC service center as they maintain and build local relationships. This allows the MTSBDC the ability to access additional funds through existing host service centers.

Most recently, this model allowed for additional personnel to be added to the existing network through increased host match contributions, leveraging additional state funding realized in the 2019 legislative session. The focus for the MTSBDC Lead Center is to continue to build on existing stakeholder relationships and leverage opportunities presented through them for additional match funding.

Listens to and obtains feedback from stakeholders

The MTSBDC obtains feedback from stakeholders through the biannual stakeholder/partner survey and the host satisfaction survey. The most recent stakeholder survey was sent out in late 2020 specifically for the strategic planning retreat. Opportunities were identified in the survey that translated into priorities outlined in our current strategic plan in section 2.0.

Assesses, analyzes, and responds to stakeholders' satisfaction and/or dissatisfaction.

The results from the surveys and ongoing open communication are assessed and addressed as necessary. Continuous communication between the Lead Center and stakeholders allows opportunities to address satisfaction or dissatisfaction as it arises. The open communication allows situations to be addressed with direct correspondence or through group discussions at network meetings.

Captures actionable information for use in meeting or exceeding stakeholders' expectations.

The stakeholder/partner survey, host satisfaction surveys, and strategic planning sessions are designed to capture actionable items for meeting or exceeding stakeholder expectations. The actionable items are deployed through strategic plan priorities and annually as additional needs arise. Constant open communication also encourages stakeholders to reach out and provide information that can be incorporated into actionable items to meet expectations on an ongoing basis.

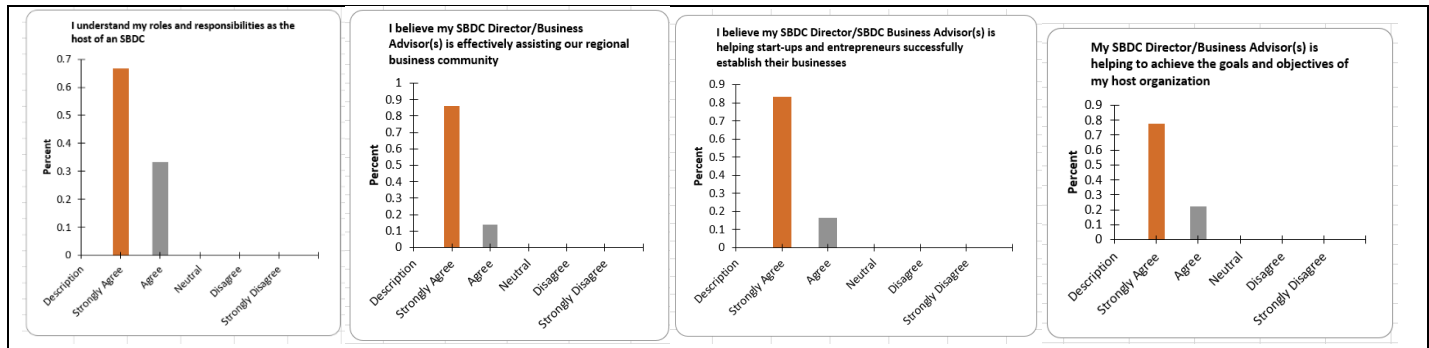
As mentioned in section 2.0, stakeholders were engaged during the most recent strategic planning process and actionable priorities were developed in response to the feedback received. The number one priority outlined in the MTSBDC's current strategic plan is to execute strategies that strengthen relationships with stakeholders and strategic partners as a result of direct discussions and survey feedback. Action will be taken to improve communication through more consistent meetings with stakeholders and outreach to strategic partners. Outreach plans on a regional level will be organized by Regional Directors and tracked through Regional Center workplans.

Assesses their methods to understand the satisfaction level of their stakeholders to improve them.

The MTSBDC assesses methods to understand satisfaction level by communicating with stakeholders to understand if current survey methods and individual meetings are meeting their expectation of providing satisfaction feedback. This discussion takes place during annual host meetings, SBA district office meetings, bureau meetings and network meetings.

The MTSBDC stakeholder/partner survey and host satisfaction survey is designed for consistency to allow for review of data through previous surveys. Survey questions are reviewed on an annual basis by the State Director and Associate State Director for relevance and updated when needed. During host annual meetings time is given to review the surveys with the host organization to address any concerns. If survey satisfaction level drops, the surveys are reviewed to identify where issues may exist, and those issues are then addressed. If the issues are not repeated, this method is deemed sufficient. If the issues are repeated, the methods for addressing the issue is revisited and survey questions are reviewed for relevance.

Additional Data (tables, graphs and charts):



3.2 Customer Engagement (Existing and Potential)

3.2 (a) Customer Requirements and Expectations

The SBDC demonstrates how it defines and analyzes the requirements, expectations, and preferences of customer segments and potential segments.

Describe (*):

- The customer segments the SBDC currently serves and any potential segments being pursued.
- How the requirements and expectations are determined for each customer segment (existing and potential) and how the products and services provided meet their expectations.
- Evaluates the approaches used to understand customer needs and improve them.

The customer segments the SBDC currently serves and any potential segments being pursued.

The MTSBDC segments clients according to stage of development. The three client segments are pre-venture (not in business), start-up (0-1 year in business) and existing (more than one year in business). There are no other segments currently being pursued.

How the requirements and expectations are determined for each customer segment (existing and potential) and how the products and services provided meet their expectations.

Requirements and expectations are determined for each customer segment by Regional Directors at the regional service centers through feedback received from client satisfaction surveys, training evaluations, their host organization and daily client interaction. Some centers also identify needs through local surveys or through the Comprehensive Economic Development (CEDS) strategy planning process. An example can be found [here](#). With the decentralized model, it is important for the MTSBDC service centers to identify products and services that meet expectations for clients in their specific region.

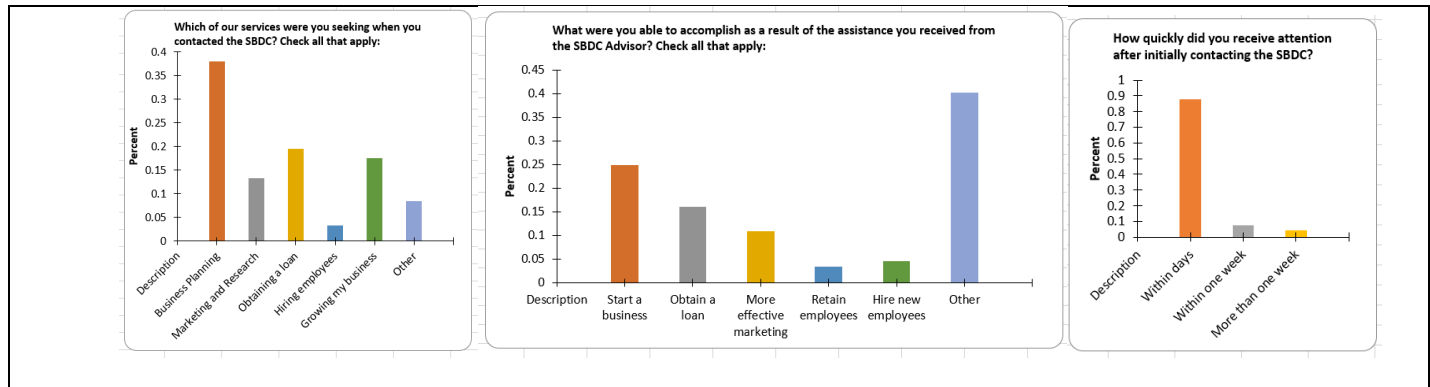
As mentioned, the MTSBDC segments clients as pre-venture, start-up and existing businesses, but industries vary widely across Montana. Some regions are quite urban, others very rural. In some SBDC regions there may be a predominance of agriculture businesses while in others high-technology and tourism businesses are more prevalent. Identifying opportunities on a regional level is key to the success of the MTSBDC. The Lead Center strives to assure that all clients receive a consistent baseline level of service and can be referred to other service providers with specific expertise when necessary.

Expectation attainment is tracked through client satisfaction surveys, training evaluations, and direct client feedback. When issues arise, they are addressed regionally or as a whole network when necessary.

Evaluates the approaches used to understand customer needs and improve them.

The MTSBDC evaluates approaches used to understand customer needs by looking at the trends identified in the quarterly client satisfaction surveys and training evaluations. Consistent questions through time allow an opportunity to evaluate needs. If there is a high response rate that details a specific need in one survey, the need is then addressed, and if that response rate is reduced in the following surveys, the approach to evaluate is considered successful. If the response rate increases or stays the same, then the approach in understanding the need will be evaluated and improved. The improvement process includes reviewing questions to understand if the right questions are being asked and determining if the steps taken to address the needs are efficient.

Additional Data (tables, graphs and charts):



3.2 (b) Customer Relationships and Satisfaction

The SBDC obtains information on customer satisfaction, dissatisfaction and engagement.

Describe how the SBDC (*):

- Builds relationships with existing customers and acquires new customers.
- Listens to and obtains feedback from customers.
- Assesses, analyzes and responds to actionable customer feedback to continuously improve relationships with and satisfaction of customers.
- Captures actionable information for use in meeting or exceeding customers' expectations.
- Assesses their methods to understand the satisfaction level of their customers to improve them.

Builds relationships with existing customers and acquires new customers.

Building partnerships and a referral network is key for the MTSBDC when acquiring new clients. As mentioned six hosts are housed in economic development organizations and four are housed within higher education institutions across the state. Each host covers a specific region within the state. Regional Directors are responsible for building relationships across each region to create an efficient referral network.

Common among Regional Directors housed at higher education is the need to build relationships with economic development organizations. These relationships are beneficial in securing new clients as the SBDC can offer technical assistance that may not be available at the economic development organizations and the economic development organizations have loan programs that don't exist within higher education. The relationships are mutually beneficial for the SBDC and economic development organizations and help gain new clients as well as retain existing ones.

Common among Regional Directors housed in economic development organizations is the need to build relationships with other economic development organizations across their region. Although SBDC host economic development organizations offer a one stop shop for small business needs, it is common to have more than one organization within each region. Each organization's loan programs are bound by geographical boundaries and building mutually beneficial relationships can be complicated. Nevertheless, the relationships are important to continue to build upon to ensure clients receive the services they need. Successfully built relationships between these partners have proven to be advantageous for the MTSBDC in gaining new clients and retaining existing clients. The individual SBDC Directors work diligently to maintain mutually beneficial relationships with their hosts and the various economic development groups in their regional service area - creating a web of individuals who mutually benefit by promoting the services of the SBDC.

Economic development organizations are not the only referral source that the MTSBDC focuses on. Regional Directors also focus on regional relationships with lenders, chambers, higher education institutions, city and county offices, and many others. The referral partners are important in gaining high value clients across the state for the MTSBDC.

Along with a regional focus, the Lead Center and network directors focus on referral relationships with other economic development programs housed within the Montana Department of Commerce. Building relationships with other programs provide a two-way referral system important in acquiring new clients and maintaining positive relationships with existing. Some key referral partners for the MTSBDC include the Montana Manufacturing Extension Center, Export Montana, Montana Cooperative Development Center, Big Sky Economic Development Trust fund program, Incumbent Worker Training program, Montana Technology Innovation Program, Native American Business Advisors, Food and Agriculture Development Centers and others. Referrals are also shared between SBA resource partners including the Women’s Business Centers, SCORE and the Veterans Business Outreach Center.

Referrals play a large roll in acquiring new clients, but they are not the only source. The MTSBDC acquires and maintains customers through the following additional channels and activities:

- SBDC trainings and workshops promotion
- Participating in statewide and regional business networking events
- Newspaper articles and online media outlets through the host organizations
- Building relationships with local press
- Disseminating press releases through the Department of Commerce
- SBDC Webpages, Facebook, Twitter and LinkedIn

Listens to and obtains feedback from customers.

Client feedback is received by SBDC Business Advisors through daily counseling sessions, ongoing regional workshops, training events, and customer satisfaction surveys. Training evaluations are conducted after each and every workshop, reviewed and kept on file. The Lead Center conducts quarterly client satisfaction surveys and results are compiled into a scorecard in Neoserra. The survey results are available 24/7 on Regional Center dashboards, allowing Regional Directors to monitor client satisfaction on an ongoing basis. Training evaluations are taken after each workshop and are reviewed at the Regional Center level and kept on file. ASBDC national survey results also capture customer feedback. Information from the national survey is compiled into a report and reviewed by the Lead Center.

Assesses, analyzes and responds to actionable customer feedback to continuously improve relationships with and satisfaction of customers.

The Lead Center responds to customer feedback by reaching out to the Regional Director or Business Advisor that received the feedback when issues arise through the satisfaction survey or through direct feedback from the client. Often, we find that dissatisfaction is related to items that are out of the Regional Director’s or Business Advisor’s control. For example, clients will respond with dissatisfaction when they are unable to obtain financing for reasons unrelated to the counseling provided. Often the client is applying for funding through SBDC host organizations and the client does not identify that the SBDC services and loan services through the host are two separate items.

The Dr. Chrisman report created from the ASBDC annual survey provides data for quality of counseling. The Chrisman report section is compared to the Neoserra client satisfaction rate. There has been a 10 to 20-point difference between the two surveys over the last five years. The satisfaction rate tends to be lower on the Chrisman report with the pre-venture clients versus the established business clients. The advisors are instructed that they need to ensure the client expectations are reasonable from the beginning. In some instances, clients have approached the SBDC for counseling or services that are not offered, such as accounting or legal advice.

Captures actionable information for use in meeting or exceeding customers’ expectations.

The client emails copied into Neoserra session notes give a good snapshot of the client’s satisfaction and expectations. It shows a running dialog between the advisor and the primary contact, enabling the advisor real time access to respond to client questions. As a part of the intake process and during initial sessions with clients the advisors are to determine the individual client needs and setting expectations. Training evaluation comments are reviewed for any good ideas for new trainings or how to improve the current workshop delivery. Client Survey comments are reviewed for any information that can help the advisor determine what may need improvement.

Required Trend Data & Analysis (tables, graphs and charts):

ASBDC National Impact Survey	MSU	MSU	NBRI/MSU	NBRI/MSU	NBRI/MSU		
Chrisman Report for Montana	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Median	5 year Avg
Client Questionnaire Responses							
Total Long Term Clients >5hrs	310	272	367	327	329	327	321
Established	189	157	216	201	193	193	191
Pre-Venture	121	115	151	126	136	126	130
Number of Responses	80	98	57	57	56	57	70
Number of undeliverable	39	15				27	27
Effective Response Rate	29.5%	38.1%	15.5%	17.4%	17.0%	17.4%	23.6%
Services received beneficial-Overall	85%	90%	74%	100%	88%	87.5%	87.3%
Quality of Counseling-Established							
Knowledge & Expertise 1-5 scale	4.16	4.24	4.14	4.67	4.44	4.24	4.33
Working Relationship 1-5 scale	4.22	4.16	4.00	4.56	4.30	4.22	4.25
Recommend to Others?	92%	91%	76%	100%	96%	92.0%	91.0%
Services received beneficial	90%	88%	74%	100%	93%	90.0%	89.0%
Quality of Counseling-PreVenture							
Knowledge/Expertise 1-5 scale	3.62	4.37	4.09	4.40	4.18	4.18	4.13
Working Relationship 1-5 scale	3.48	4.37	4.00	4.20	3.82	4.00	3.97
Recommend to Others?	75%	92%	75%	100%	82%	82.0%	84.8%
Services received beneficial	75%	92%	74%	87%	82%	82.0%	82.0%
Goal Set Name: Montana SBDC Client Satisfaction							
2016-2020				Actual	Goal	% Goal	
My SBDC Adviser provided Excellent assistance to me?				95.86	100.00	95.86%	
Overall response rate is 7.6%							
Cumulative quarterly surveys							

3.3 Marketing and Branding

The SBDC has a clear integration of its marketing strategy and image that conveys the SBDC as a cohesive network that is part of the national SBDC program.

Describe:

- The brand and the strategy for marketing the SBDC.
- How a separate and identifiable logo is used consistently throughout the network on all information, materials and signage to convey it is a cohesive SBDC network.
- How the SBDC network acknowledges it is a member or an accredited member of the ASBDC through the use of the “America’s SBDC” logo or accreditation badge.

The brand and the strategy for marketing the SBDC.

The brand strategy follows the ASBDC branding and is outlined in the MTSBDC branding guide. The marketing strategy for the MTSBDC is outlined in the current [marketing plan](#).

How a separate and identifiable logo is used consistently throughout the network on all information, materials and signage to convey it is a cohesive SBDC network.

As mentioned the MTSBDC has adopted the national ASBDC logo. This logo is present on business cards, training material, office signage, the MTSBDC website and any other material related to the MTSBDC. Standards for logo placement, color, font and co-branding are defined in the branding guide and available for the network 24/7 in Dropbox. Templates for flyers, training events, presentations, etc. are also provided to the network in Dropbox. Marketing material that is put together at the regional level is required to be reviewed by the Lead Center prior to publication to ensure branding compliance.

How the SBDC network acknowledges it is a member or an accredited member of the ASBDC through the use of the “America’s SBDC” logo or accreditation badge.

As mentioned the MTSBDC provides a branding guide to the network that can be found in Dropbox. The Montana SBDC has adopted the ASBDC national brand. Each center director is required to submit any new flyers or other promotional materials to the Lead Center for review before publishing.

The branding is represented on:

- MTSBDC Website
- Social Media
- Annual Success Report
- Training flyers
- SBDC client handouts
- SBDC presentation template

Please find document examples below in exhibits 3.0.

Exhibits – 3.0 Customer & Stakeholder Focus

- [Marketing Plan](#)
- [Annual Success Report](#)
- [Client handout](#)
- [Branding Guide](#)
- [Montana SBDC Website](#)
- Social Media Links ([Facebook](#), [Twitter](#) & [LinkedIn](#))
- [SBDC presentation template link](#)
- [Flyer template](#)
- [Stakeholder/Partner Survey & 2016-2020 Responses](#)
- [Host Satisfaction & 2015-2020 Responses](#)
- [SBDC Client Satisfaction & 2015-2020 Responses](#)

4.0 MEASUREMENT, ANALYSIS AND KNOWLEDGE MANAGEMENT

Objective: The SBDC has a performance management system for driving and managing daily operations and for tracking overall organizational performance. This system includes measurement selection, data collection, data integrity, analysis and alignment with key strategic priorities.

4.1 Performance Measurement

SBDC has a systematic process which identifies how it selects, measures, verifies and analyzes performance data. The SBDC analyzes trends in key performance measures and other operational data, and benchmarks against other organizations to support continuous improvement.

Describe how:

- Key performance measures are selected and aligned with strategic priorities
- Data is collected, verified and used in tracking short and long term operations; as well as overall performance levels. Provide trend data for KPI results, efficiency ratios, return on investment and other data as appropriate. (*)
- Key performance measures are used to support decision making, continuous improvement and innovation (*).
- Key comparative data are selected and used to support decision making and innovation.

Key performance measures are selected and aligned with strategic priorities

The Montana SBDC identifies key performance measures through the SBA cooperative agreement. The focus is on achieving deliverable goals and other strategic priorities. The Montana SBDC has developed operational goals to help achieve these objectives through sustainable processes. The current strategic priorities are based on feedback received through stakeholders, partners, Regional Directors, and Business Advisors.

Performance measures are not selected to align with strategic priorities, but the strategic priorities do align with the key performance measures.

The SBDC communicates center performance expectations to the network primarily through the annual Commerce Host contract and exhibits.

Exhibit 1 Montana SBDC Network Deliverables / Performance Outcomes

1. Submit a minimum of one Success Story per FTE

Each Small Business Development Center (SBDC) must submit success stories annually by **October 1st**. All must be publishable and are to be written in the format provided by the Lead Center (History & Background, Obstacles/Challenges, Assistance provided, and Outcome). The Lead Center will assist with the preparation and publishing. The success stories are to be reported

into the SBDC client management database as a milestone. The success stories can be for a client from the previous calendar year, but are active within the last twelve months.

For publication *outcomes should include if applicable: 1) number of jobs supported; 2) Capital infusion; 3) New business start; 4) Business expansion; 5) Business retention; 6) Business purchase, etc.

**See Contract Exhibit 1-A Definitions*

Success stories will be published in various promotional outlets including: SBDC, Small Business Administration (SBA), Montana Department of Commerce (MDOC), America's SBDC (ASBDC), SBDC host; websites, press releases, newsletters, legislature reports, etc.

For success stories that will be published or released to the public the SBDC Regional Director must obtain permission from the client to release the information using SBA Form 1926, which is available in the *Montana SBDC Network* Dropbox folder under *SBA Forms*.

2. Meet 75% of SBDC Regional Service Center Goals

Each SBDC Service Center must meet the minimum productivity level of **75%** of the goals outlined in the contract in section 3. The goals will be amended annually.

The goals are listed below.

- Clients Served
- Jobs Supported
- New Business Starts
- Capital Infusion

3. Maintain a Client Satisfaction Rating Between 85 – 100%

Client satisfaction surveys are conducted quarterly by the Lead Center and distributed to the SBDC Service Centers. Each SBDC Service Center must maintain a client satisfaction rating between 85 – 100%. To obtain a minimum acceptable response rate, ensure accurate client contact information including up to date address, email and phone numbers in the client management system.

4. Create Annual Regional Workplans to Coordinate with MTSBDC Network Strategic Plan

The Montana SBDC will be working with Regional Directors and Business Advisors to develop overall strategic priorities for the MTSBDC Network. Regional Directors will be expected to create annual workplans for their center focused on accomplishing the overall strategic objectives identified in the MTSBDC strategic plan. Reporting impact and overall outcomes from the plan will be required.

Data is collected, verified and used in tracking short and long term operations; as well as overall performance levels. Provide trend data for KPI results, efficiency ratios, return on investment and other data as appropriate. ()*

Data is collected through Neoserra. Trend data is established with this information and used to set goals for the network Regional Centers. The goals are based on historical averages, available staff and regional population share.

Trend data is collected through the ASBDC annual survey, this provides efficiency ratios, ROI, etc., and the Lead Center receives the Chrisman report for the state every year and enters the data in a tracking spreadsheet to compare year to year trends reported by the long-term clients.

See charts below

Key performance measures are used to support decision making, continuous improvement and innovation ()*

Key performance measures are used by the MTSBDC Lead Center to support decision making throughout the year by analyzing goal progress. Leadership discusses goal progress during monthly virtual meetings as well as in person meetings with the entire MTSBDC network. If Regional Center goals are off track, they are addressed through individual meetings with the respective Regional Director.

- Online trainings, remove redundancy and add capacity. The network as a whole can promote online training and don't have to produce their own regional training and allows them to focus on one-on-one counseling.

Key comparative data are selected and used to support decision making and innovation.

Year over year comparative data is collected, and used to develop overall network goals. Data is taken from the ASBDC national impact survey, Chrisman report and Neoserra. Center performance is tracked over time to come up with five-year medians to see if the center is performing above or below the median. This information supports MTSBDC decision making in setting goals across the network in relation to overall goals for Montana. This information is also utilized in advocating for the MTSBDC network in presentations to leadership, stakeholders and during legislative sessions. The information is leveraged to support continued/increased investment into the MTSBDC program.

Required Trend Data & Analysis (tables, graphs and charts):

DOC Contract Deliverables										
Goal Set Name: 2020 CY MT SBDC Goals & Milestones										
Data Elements				Actuals	Goal	% Goal				
Jobs Supported				5,197	2,676	194%				
Clients Served				1,760	1,250	141%				
Dollar Amount of Loans/Equity/Grants: SBA Goal				\$36,970,864.79	\$26,900,000.00	137%				
Counseling Hours (Prep, Contact + Travel)				7,858.75	9,050.00	87%				
Bought/Started Business (Milestones): SBA Goal				99	70	141%				
Long-Term Clients (Since Start of Fiscal Year): SBA Goal				461	329	140%				
Success Story				15	15	100%				
Goal Set Name: 2019-2020 FFY Network SBA Goals										
Data Elements				Actuals	Goal	% Goal				
Started Business				74	44	168%				
Jobs Supported				4,614	2,442	189%				
Dollar Amount of Loans/Equity				\$44,711,296.04	\$15,813,864.00	283%				
Clients Served				1,604	677	237%				
MONTANA SMALL BUSINESS DEVELOPMENT CENTERS 2014 - 2020 PERFORMANCE OUTCOME COMPARISON										
	2020	Median	Average	2018-2019	Median	Average	Montana	Median	Average	
	Neoserra	Neoserra	Neoserra	ASBDC Survey	ASBDC Survey	ASBDC Survey	OSBDC- Q3	OSBDC	OSBDC	
ECONOMIC IMPACT										
New Businesses Created	82	72	72	734	475	502	50	58	64	
Jobs Created (Full and Part Time)										
Jobs Supported (2018)	5,165						3991	4939	4634	
SBA LOANS										
Total Dollar Amount of SBA Loans	\$12,133,768	\$ 5,695,644	\$ 7,389,276	\$ 20,575,700	\$ 14,744,250	\$ 14,692,310				
*Total Dollar Amount of Loans/Equity	\$36,971,865	\$37,128,292	\$ 39,919,676	\$ 78,236,400	\$ 36,387,100	\$ 38,559,796	\$28,961,016	\$28,961,016	\$36,692,824	
CLIENTS COUNSELED										
Total Clients Counseled	1,707	1,123	1,156							
Clients Served (SBA 2018)	1,756									
Total Hours	7,429	6,309	6,347					7,173	7,199	
CHRISMAN										
Response Rate				17.0%	17.4%	23.5%		17%	16%	
Cost of Entire Operation (Benefit to Cost)				2.35	1.72	1.76		\$ 1.45	\$ 2.64	
Financial Leverage (higher is better)				\$ 51.79	\$ 25.82	\$ 27.37		\$ 23	\$ 24	
Incremental Sales				\$ 29,100,000	\$ 34,152,000	\$ 48,291,240		\$ 19,326,200	\$38,152,680	
Established Clients				193	193	191		248	264	
Pre-Venture				136	126	130		168	197	
Total Long Term				329	327	321		401	461	
Total Budget (Federal & Match)				\$ 1,510,669	\$ 1,343,103	\$ 1,380,092		\$ 1,300,653	\$ 1,413,655	
* SBA Goals	COVID-19 CARES ACT									
	10 TO 13 FTE									

FUNDING SOURCE CODE	(All)	*All values are cumulative through Q3						
OSBDC								
Row Labels	Clients Served FFY	Jobs Supported FFY	NBS FFY	CI FFY	Clients %	Jobs %	NBS %	CI %
DE	693	2,995	31	10,475,260	113%	135%	78%	73%
ID	1,895	7,240	90	73,871,023	177%	187%	129%	295%
MT	1,290	3,991	50	28,961,016	191%	163%	114%	183%
ND	1,066	4,939	111	57,983,023	232%	298%	370%	539%
SD	1,003	5,214	58	62,367,300	180%	260%	161%	479%
VT	476	1,829	28	12,629,500	111%	118%	100%	126%
WY	1,795	6,230	80	10,562,647	465%	448%	320%	117%
Grand Total	8,218	32,438	448	256,849,769				
Median	1,066	4939	58	\$28,961,016				
Average	1,174	4634	64	\$36,692,824				
ASBDC National Impact Survey	MSU	MSU	NBRI/MSU	NBRI/MSU	NBRI/MSU			
Chrisman Report for Montana	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Median	5 year Avg	
Cost of Long Term Counseling								
Actual Cost	\$328,605	\$273,357	\$332,378	\$306,975	\$337,036	\$ 328,605	\$ 315,670	
Benefit to Cost Ratio	6.91/1.00	7.76/1.00	3.02/1.00	10.91/1.00	10.54/1.00			
	6.91	7.76	3.02	10.91	10.54	7.76	7.83	
Cost of All Counseling								
Actual Cost	\$444,060	\$397,320	\$490,233	\$466,528	\$507,585	\$ 466,528	\$ 461,145	
Benefit to Cost Ratio	5.12/1.00	5.34/1.00	2.05/1.00	7.17/1.00	7.00/1.00			
	5.12	5.34	2.05	7.17	7.00	5.34	5.34	
Cost of Entire SBDC Operation								
Actual Cost	\$1,321,608	\$1,315,628	\$1,343,103	\$1,409,451	\$1,510,669	\$ 1,343,103	\$ 1,380,092	
Benefit to Cost Ratio	1.72/1.00	1.61/1.00	.75/1.00	2.37/1.00	2.35/1.00			
	1.72	1.61	0.75	2.37	2.35	1.72	1.76	

4.2 Data Integrity

The SBDC has a systematic process to ensure data and information is accurate and impact is attributed by the client.

Describe how the SBDC:

- Collects client attribution of economic impact.
- Verifies and validates the accuracy of data.

Collects client attribution of economic impact.

Client attribution is required from each center for economic impact data before it can be uploaded the SBA EDMIS system. A Client attribution request is done automatically through an Neoserra email directly to clients when milestones are generated. Some Regional Centers send out impact verification surveys to those clients that not have responded to the initial attribution email.

The Lead Center staff verifies impact is attributed before the quarterly EDMIS upload, if it is not attributed, the milestone is made unreportable until the client responds.

Verifies and validates the accuracy of data.

The Lead Center staff receives a monthly error list (EDMISrx) from Outreach Systems, which is shared with the business advisers to correct any errors they may have.

Weeks before the quarterly EDMIS Upload the Lead Center staff has compressive check list used to go over the client data in Neoserra for errors, duplicates, and attribution

The Lead Center receives a list of loans from the SBA and Commerce. This not only verifies the amounts, it also reminds the Business Advisor to follow up with the clients if they appear on the list but have yet to be added to the database.

4.3 Security and Confidentiality of Data

The SBDC has a systematic process in place to maximize security and confidentiality of all customer information and other data.

Describe:

- How customer data and other sensitive information is kept confidential and secure through all access points.

How customer data and other sensitive information is kept confidential and secure through all access points.

To ensure security and confidentiality of electronic and hard-copy data, the Lead Center has the following policies in place:

- Code of Professional Conduct and Client Confidentiality Agreements
- Federal Debarment procedure
- Neoserra client management information system administrative procedures

- Site review - check for locked file cabinets and/or locking office doors
- MDOC Continuity of Operations Plan - Records Management

The Code of Professional Conduct and Client Confidentiality Agreement are signed annually by Business Advisors and staff that have access to client files. These are kept on file with the annual contract.

The federal debarment procedure was adopted in 2014. This process is managed by the Associate Director at the Lead Center so that the regional SBDC Directors do not have to take their time to check for client debarments. The debarment check process is included in the quarterly EDMIS upload checklist.

For the Neoserra system, the Associate Director has administrator rights to change passwords and limit access as appropriate to maintain the security of the system. Outreach Systems has implemented a two factor sign in and each user must provide an email or cell phone number. The Associate Director works closely with Outreach Systems to stay current with updates and functionality being added to the system.

4.4 Economic Impact Participation

The SBDC network participates in the impact studies of the America's SBDC and/or SBA and develops a process which strives to attain a statistically significant number of useable responses while adhering to survey protocol and maintaining survey integrity.

Describe:

- The SBDC's participation in ASBDC and/or SBA impact studies
- The response rate(s)
- Any actions to attain a statistically significant response rate

The SBDC's participation in ASBDC and/or SBA impact studies.

The Montana SBDC does participate in the ASBDC impact study.

The Lead Center has participated annually in the national ASBDC impact study since 2003. The Lead Center also has Dr. James Chrisman to produce an annual economic impact report. The report is shared with the network and a trend spreadsheet has been developed to track the Chrisman results overtime.

The Lead Center also reports the Montana Chrisman economic impact results in EDMIS and the Annual Performance Report

The response rate(s)

ASBDC National Impact Survey	MSU	MSU	NBRI/MSU	NBRI/MSU	NBRI/MSU		
Chrisman Report for Montana	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Median	5 year Avg
Client Questionnaire Responses							
Total Long Term Clients >5hrs	310	272	367	327	329	327	321
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Number of Responses	80	98	57	57	56	57	70
Number of undeliverable	39	15				27	27
Effective Response Rate	29.5%	38.1%	15.5%	17.4%	17.0%	17.4%	23.5%

Any actions to attain a statistically significant response rate.

The MTSBDC Lead Center contracts with Montana State University Help Center to reach out to clients in order to get a statistically significant response rate.

Exhibits – 4.0 Measurement, Analysis & Knowledge Management

[Economic Impact Attribution Process](#)

[Exhibit 1 Contract Deliverables](#)

[Service Center Assessment](#)

[EDMIS Upload Check List](#)

[SBA District Office SBDC Review](#)

[Client Satisfaction Survey](#)

[ASBDC Impact Survey and Chrisman Report Stats](#)

5.0 WORKFORCE FOCUS

Objective: Create work systems and an environment that engages, manages, and develops the workforce to maximize its potential in alignment with the SBDC’s strategic plan. The SBDC analyzes trends in human resources results to support continuous improvement and high performance.

5.1 Workforce Capability and Capacity

The SBDC has work systems, an organizational structure and staffing patterns based on analysis of key needs and strategies of the SBDC. This structure must align with the SBDC’s strategic priorities and be designed to enable the workforce to achieve desired results and effectiveness while providing an opportunity to develop its full potential and achieve high performance.

Describe how the SBDC:

- Assesses staffing needs to include the skills, capabilities, and capacity (*).
- Recruits, hires, and retains workforce members.
- Organizes and manages the workforce to accomplish the mission of the SBDC.
- Capitalizes on core competencies, reinforces a customer/stakeholder focus, and meets or exceeds performance expectations.
- Uses its structure and alignment to enable the workforce to achieve the desired results and high performance. Include contributions of other individuals beyond the core workforce, if applicable (for example: interns, students, faculty, and volunteers)

Assesses staffing needs to include the skills, capabilities, and capacity (*).

The Montana SBDC has expanded staffing since the last accreditation. In 2016 when the current State Director took over the program, there were ten centers with a total of 11 advisors (ten Regional Directors and one Business Advisor). Since then, the network has expanded to include 16 total advisors (ten Regional Directors and six Business Advisors). Additions were made to existing centers that demonstrated the desire and demand to hire additional advisors. This was accomplished through increased funding through the SBA and through the State. The process of adding additional advisors was done through an Request for Information (RFI) to existing centers. Centers that needed to add capacity were able to bring on additional support through this process.

Staffing needs are assessed by considering budget constraints, region of service, demand for services and host willingness to financially support additional staff. Host contracts are used to define contract amounts and minimum staffing for each region. The staff are employees of SBDC regional host centers.

The MTSBDC State Director is involved in the hiring process for Regional Directors and Business Advisors. Regional Directors are ultimately responsible for the hiring of Business Advisors to meet the needs of their center while complimenting their expertise. The MTSBDC hires staff based on core competency across the network. The network is made up of generalists who receive specialized training when needed.

Recruits, hires, and retains workforce members.

Regarding the SBDC Business Advisor positions, although they are employees of their host organizations, the State/Associate Director participate in the hiring process as required by the MDOC/host contract. Salaries are set by the host agency, but influenced by the State Director and SBDC network salary averages.

		2020			
Regional Directors		Total		Business Advisors	Total
Average	\$ 54,923	\$ 26,295	\$ 113,454	Average	\$ 55,321 \$ 17,796 \$ 73,116
Median	\$ 54,750	\$ 27,895	\$ 125,142	Median	\$ 41,229 \$ 12,865 \$ 54,861
Business Development Specialist - Market Rates 2018-2019					
	Payband	Median			
	5	\$ 54,494	\$43,595	\$ 65,392	Business Advisor
	6	\$ 69,919	\$55,935	\$ 83,903	Regional Director
		Bachelor’s Degree plus 0 - 2 years of job related experience			
		Bachelor’s Degree plus 2 - 5 years of job related experience			

Overtime, the Lead Center has seen the salaries for the Regional Service Center Directors improve in the over the last five years, but the turnover rate continues to average about 2 per year. This was also an important factor in having as many centers as possible add SBDC advisors. Four centers now have two or more advisors, which reduces the client work load of the Center Director.

When a vacancy occurs, and the host is preparing to hire, a recruitment and hiring guide is made available. Documents provided include examples of Position Descriptions, the list of ASBDC Core Competencies, and sample interview questions. The Lead Center would like to review the job posting and questions the host prepares.

The host will be reimbursed for any recruiting costs incurred, such as the job posting in the local newspaper. The host will continue to be reimbursed for indirect cost during the vacancy. The recruitment and hiring should be completed within 90 days. The host shall provide a copy of the applicant resumes and the State Director should be included in the final interviews.

The Lead Center staff are state employees, and are recruited and hired through the Department of Commerce Human Resources Selection Process. The current State Director was hired in 2016, The Associate State Director was hired in 2009 and was promoted within the SBDC program from Administrative Assistant in 2010. The Public Relations position was reassigned from Administrative Specialist in 2015. The state provides health benefits, including access to a state clinic, retirement and consistent pay increases over time. The hiring process for the State Director and the other two positions are not subject to political influence.

Organizes and manages the workforce to accomplish the mission of the SBDC.

The Mission of the MTSBDC is to provide the tools and guidance for small business success.

The Montana SBDC was set up as a decentralized network consisting of 10 independent host organizations contracted to provide business consulting and trainings for their assigned counties. The budget allocations in the past only allowed for one FTE for each region. Since 2019, increases in funding at the federal and state level have allowed for adding Business Advisors with those hosts who could provide the match.

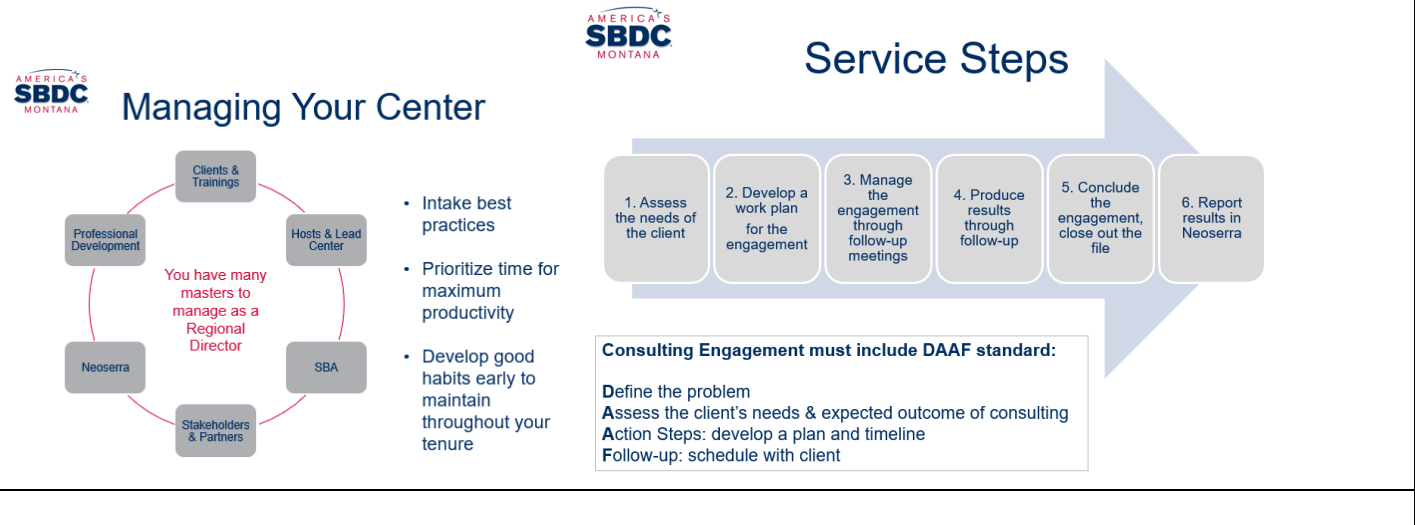
All SBDC advisors are employees of their hosts, but are made aware they are to be 100% SBDC, they are required to attend all the meetings, respond and report to the Lead Center as directed, participate in network events and trainings. Each center is assessed at least twice a year to ensure they are on track to meet their contract deliverables and are doing what they need to do to best serve their client needs.

Capitalizes on core competencies, reinforces a customer/stakeholder focus, and meets or exceeds performance expectations.

The Montana SBDC has adopted the ASBDC minimum core competencies for hiring purposes and in 2015, the SBDC network agreed to requiring all current and future advisors obtain a business consulting certification under the Association of Accredited Small Business Consultants (AASBC)

The primary focus within the Montana SBDC is financial analysis and the ability to do cash flow analysis, identify the gap financing needs, and pursue financing options with clients. Each advisor is encouraged to refer clients to other SBDC advisors within the network or federal and state resource partners if needed.

Staff are asked to share client stories and best practices, including on how to best run their center effectively and efficiently in order to best serve their clients. The Lead Center semi-annual assessment is used to ensure each center meets or exceeds performance expectations and provides the advisors training, tools and resources needed to succeed.



Uses its structure and alignment to enable the workforce to achieve the desired results and high performance. Include contributions of other individuals beyond the core workforce, if applicable (for example: interns, students, faculty, and volunteers)

The MTSBDC structure allows the network to lean on the many resource partners across the state. They are not directly employed by the MTSBDC but the way we are structured within the state allows us to collaborate more readily with the Economic Development technical assistance ecosystem across Montana.

Here is an example of our primary referrals.



Resource Partners

- Service Corp of Retired Executives (SCORE)
- Montana Women's Business Center (WBC) x 2
- Procurement Technical Assistance Centers (PTAC)
- Montana Manufacturing Extension Centers (MMEC)
- Food and Agriculture Development Centers (FADC)
- Montana Technology Innovation Partnership (MTIP)
- Incumbent Worker Training grants (IWT)
- Office of Tourism & Business Development (MOTBD) programs at MDOC

The host organizations also provide an extensive list of local and regional resources partners.

SBDCs located at the University or Community Colleges do have direct access to internship programs that helps the workforce achieve objectives.

5.2 Workforce Learning and Growth

The SBDC aligns its staff education and training to support achievement of the SBDC's strategic priorities, including the enhancement of workforce knowledge, skills, and leadership capabilities that contribute to organizational effectiveness, performance improvement, and succession planning for key personnel.

Describe how the SBDC:

- *Identifies core competencies throughout the network necessary to achieve desired results including identified specialties important to the network (*)*
- *Determines the professional development needs of the workforce;*
- *Develops a workforce education and professional development strategy that meets or demonstrates progress toward achieving identified competencies for both the network and individuals.*
- *Uses a systematic training/orientation program for new members of the workforce;*
- *Assesses the effectiveness of the professional development offerings including what information is used to make changes to prepare the workforce to the changing needs of the marketplace.*
- *Develops leadership skills and plans for succession of key positions throughout the network.*

Identifies core competencies throughout the network necessary to achieve desired results including identified specialties important to the network ()*

CORE COMPETENCIES –The ASBDC Professional Development committee identified four broad key areas of competencies: Business Plan Development, Financial Analysis, Marketing, and Business Strategic Planning.

Supplemental Competencies - SBDC consulting staff should seek to develop skills from the list below especially when there is evidence of a local need for one or more of the following:

- Business Management
- Intellectual Property
- Budgetary/Financial Management
- Human Resource Management
- Market/Industry Research
- Business Valuation

- Customer Service
- International Trade & Export
- E-Commerce & Cyber Security
- Knowledge of Federal, State, and Local Loan Programs
- Knowledge of Federal, State and Local Resource Partners

Determines the professional development needs of the workforce;

The contract provided an exhibit of what is expected for professional development, it is the hosts responsibility to provide a plan that meets these needs. The network Business Advisors and Regional Directors work with their hosts to develop plans and build skills where needed.

Develops a workforce education and professional development strategy that meets or demonstrates progress toward achieving identified competencies for both the network and individuals.

The MTSBDC Lead Center reviews certification and educates the network on opportunities to pursue professional certifications that are required.

Each and every SBDC Business Advisor must be certified through the Association of Accredited Small Business Consultants (AASBC) within 12 months of hire. The link for the AASBC is [here](#). The Lead Center will reimburse the host for the initial registration fee. The host will be responsible for the yearly renewal fee.

The MTSBDC does rely on the annual ASBDC conference to provide professional development on an annual basis.

[Contract Exhibit -Professional Development](#)

- Example of export certification
- Profit Mastery
- Conference Attendance
- Invited guests/resource partners to monthly calls to educate the network on topics related to business consulting (resource partners are referrals to specialty areas and learning about how they interact with clients and how the network can work with them is necessary)

Uses a systematic training/orientation program for new members of the workforce;

The Lead Center staff will complete the New Advisor Arrival Checklist prior to and after the first day of hire.

The first week, the new advisor will be sent a “Welcome to the SBDC” email with a list of topics to be discussed. The Associate Director will set up 4 to 6 weekly online meetings to go over the duties and responsibilities of the SBDC advisors. The first session will be the [New Advisor Orientation presentation](#). Other documents and resources provided during the orientation are; Business Advisor Reference Guide, Training Modules and a list of Advisor Tools and Resources

A mentor from the network will be assigned to the new advisor. The [SBDC Mentor Program](#) was set up when there was only one FTE per center, and a new center director had no one at the Host organization to help them. The purpose of the SBDC orientation mentor program is to assist newly hired advisors in learning the duties and responsibilities of their position, and to help them establish a sense of connection, culture and fellowship within the network beyond their orientation with the SBDC Lead Center.

Assesses the effectiveness of the professional development offerings including what information is used to make changes to prepare the workforce to the changing needs of the marketplace.

The SBDC Directors and advisors meet with clients every day, they review the training evaluations, and meet often with local resource partners so they have a good idea of what the needs are in their regions.

Attendance to state conference and the ASBDC Conference also exposes the advisors to the latest tools and resources available.

The Association of Accredited Small Business Consultants (AASBC) certification comes [membership benefits](#) and continuing education opportunities. Members are also automatically enrolled to receive a Weekly Tip email. The Network mentoring program also ensures the new advisors are up to speed as quickly as possible

Develops leadership skills and plans for succession of key positions throughout the network.

There are three key positions in the Lead Center. Although there is no official succession plan in place, over the last three years, the State Director has encouraged a team approach to the Lead Center work efforts. We are aware of each other's projects and contribute to each other's work efforts. This approach keeps the three Lead Center staff informed of our various roles in any project so that in the event of a vacancy, operations can continue. The Associate State Director has almost twelve years of experience has been assigned as interim State Director twice in the last five years. The Department of Commerce was able to recruit and hire a new State Director within the required time frame. The State Director and Associate Director worked together to fill the gap when there was a vacancy for the Public Relations Specialist two years ago.

The State Director position is a program manager position, Pay Band 7, the Associate Director, Pay Band 6, and the Program Assistant, Pay Band 5. The positions are filled using the state's recruitment and selection administrative process. The hiring process for the State Director and the other two positions are not subject to political influence.

With increased state funding mentioned earlier, the MTSBDC has been able to make strides in this area over the last two years. The funding allowed some centers to bring on Business Advisors that could eventually step into the Regional Director role. Doubling up in centers also allows the opportunity for Regional Directors to better manage their centers, onboard and train their own Business Advisors.

A good transition example is the recent vacancy in the Billings center. When Dena Johnson, the Regional Director resigned in late 2020, Lorene Hintz one of the two Business Advisors was moved up and took over as director. The host then hired a new Business Advisor.

5.3 Workforce Engagement

The SBDC maintains a work environment and a supportive climate that contributes to the well-being, satisfaction, and engagement of all personnel.

Describe how the SBDC:

- *Supports a work environment that contributes to the well-being, satisfaction, and motivation of the entire workforce.*
- *Ensures and improves workplace health, safety and security.*
- *Ensures workplace preparedness for disaster or emergencies.*
- *Provides the workforce an opportunity to provide feedback to determine the key factors that affect workforce well-being, satisfaction and motivation; how it is analyzed; and how this information is used to understand the various needs of appropriate workforce segments.*
- *Supports the workforce via benefits and policies including items such as compensation, career progression and related practices that improve the workplace environment.*
- *Provides facilities that are professional in appearance, adequate for the delivery of services and allow for confidential counseling.*

Supports a work environment that contributes to the well-being, satisfaction, and motivation of the entire workforce.

Due to the decentralized nature of the MTSBDC network, work environments vary by host organization. The Lead Center does monitor factors related to the individual working environments through the staff survey. The staff survey allows an opportunity to review satisfaction with working environments on an annual basis. It allows the Lead Center to address any issues directly with host directors when necessary. Open ongoing communication between the Lead Center, Regional Directors and Business Advisors is an ongoing effort to stay in touch with overall satisfaction.

As in other networks, a state star is selected from the network on an annual basis and are highlighted in our annual success report. The state star is voted on by network Business Advisors and Regional Directors. Business Advisors and Regional Directors are also asked to present information at network meetings in area of expertise or to share training and insight found through their professional development. This is an effort to recognize advisors experience and promote them individually to the network.

The Lead Center operates within the Montana Department of Commerce work environment. Staff satisfaction is addressed continuously through constant communication and is visited annually through staff reviews. If issues arise, they are addressed. Over the past year, we have moved into a remote working environment, allowing this flexibility within the Lead Center of the MTSBDC into the future is a possibility.

Ensures and improves workplace health, safety and security.

The Lead Center operates under the workplace health and safety protocols of the MTDOC. Each host is responsible for providing workplace health, safety and security for their employees. All HR policies for the MTDOC can be found [here](#). Examples of items in place covering health, safety and security consist of the following:

- DOC – card access for secure entry into office space, current pandemic measures of working at home and sanitation stations around the building.
- Pandemic measures allowing a remote working environment and no travel policies.

The Lead Center does have processes in place to check in with Regional Directors and Business Advisors to understand host policies around health, safety and security through the following activities.

- Staff Survey – questions directed at this for each center. Yearly in person visits, if issues arise, we discuss on an individual basis
- Open communication individually and in meetings

Ensures workplace preparedness for disaster or emergencies.

The goal is to get the MTSBDC up and running as quickly as possible with a time objective of 72 hours. This recovery window is consistent with the expectations of FEMA and geared to meet the needs of the small business community while minimizing danger, maximizing the safety of all personnel, and preserving property. The SBDC Lead Center is included in the disaster response and recovery of its host institution.

Each service center is aligned with the emergency response process with their respective host institutions which are then supplemented by individual plans as needed. A continuity of service or otherwise called a vacancy plan template is found in the Program Manual.

The MTSBDC also responds to small businesses impacted by disasters. Once an event takes place, the Lead Center personnel is in contact with the SBA to assess the level of the disaster declaration, coordinates with the local center director and SBA to establish and staff business recovery centers, and communicates with key stakeholders and resource partners about the recovery efforts/process.

Provides the workforce an opportunity to provide feedback to determine the key factors that affect workforce well-being, satisfaction and motivation; how it is analyzed; and how this information is used to understand the various needs of appropriate workforce segments.

The Lead Center allows the opportunity for Regional Directors and Business Advisors to provide feedback through the staff satisfaction survey. The staff survey is reviewed to understand the needs that exist within the network. The consistency of the survey allows the Lead Center to compare year over year data to understand if needs are being met or if issues are being presented that have not been addressed. Issues and needs are addressed on an as needed basis. Staff issues with hosts can be difficult to resolve, steps are taken to address issues directly with host directors when needed, but ultimately the host manages the employees within their own HR framework. If issues persist year over year, the Lead Center has the authority to pull the contract.

Common host issues and best practices are discussed during network meetings. Some issues are consistent across the network and some are more specific to individual hosts.

Within the MTDOC, annual reviews allow opportunities for feedback from employees. Commerce leadership has also provided satisfaction surveys to all staff throughout the years. Open communication within SBDC staff at the Lead Center continues to be a best practice in understanding satisfaction. As mentioned, the SBDC Lead Center at MTDOC consists of three full time employees. The staff communicates on a daily basis and works together as a team, and satisfaction is gauged on an ongoing basis.

Supports the workforce via benefits and policies including items such as compensation, career progression and related practices that improve the workplace environment.

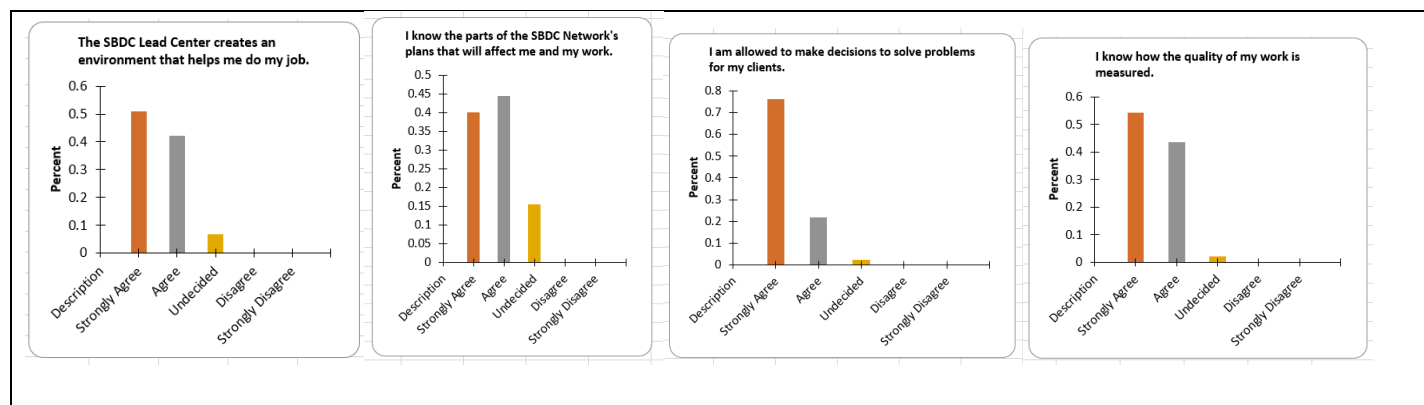
Again, the MTSBDC operates under a decentralized model. Since the network staff are not direct employees of the Lead Center, each host have compensation policies in place. The Lead Center does communicate with host directors to promote increased compensation, this has resulted in increases among SBDC staff recently. With more state funds, leverage for the Lead Center to support this discussion has improved.

The addition of Business Advisors has allowed an opportunity for career progression within Regional Centers. This has also elevated Regional Directors as they now have the responsibility in managing staff and better manage their regional program. Career progression beyond Regional Director level is handled within each host organization. Some Regional Directors have been elevated within their host organization, others have left the network to pursue other opportunities outside of the SBDC.

Provides facilities that are professional in appearance, adequate for the delivery of services and allow for confidential counseling.

Each host is responsible for providing facilities for their staff. Each Business Advisor and Regional Director are required to have a private place to meet with clients. The Lead Center on-site visits verify this. See the center office space presentation exhibit.

Required Trend Data & Analysis (tables, graphs and charts):



Exhibits – 5.0 Workforce Focus

[Contract Exhibit – Professional Development](#)

[Monthly Conference call & 3 Minute Drill](#)

[Orientation](#)

[Business Advisor Reference Guide](#)

[Mentor Program](#)

[SBDC Staff Survey & 2015-2020 Summary](#)

[Continuity of Service Plan/Vacancy Plan](#)

[2019 ASBDC Salary Survey](#)

[Resumes](#)

[Job Descriptions](#)

[Center Office Spaces Presentation](#)

6.0 OPERATIONS FOCUS

6.0 Operations Focus

Objective: The SBDC designs, delivers, manages and improves key services and supportive or critical work processes that maximize customer and stakeholder value; improves operational effectiveness and achieves organizational success and sustainability.

6.1 Service and Process Design

The SBDC has processes to select, design, deliver and manage key services to support customer needs, the SBDC mission and the SBA Cooperative Agreement, and other stakeholder needs.

Describe the key services (*). For the key services, describe how:

- The customer services are designed, managed and align with key customer needs.
- Performance is analyzed for quality, efficiency and effectiveness.
- Data is used for continuous improvement of processes.
- Specialty programs are leveraged with and integrated into the SBDC network (*).

The customer services are designed, managed and align with key customer needs.

The key service delivery system is through 10 regional office locations spread across the state. Counseling and training services are delivered by one-person offices in six, and two or more advisors in the other four centers. Each office manages their client flow slightly differently depending on the demand and what client request for assistance.

The range of counseling services and target customers differ slightly by region, since each SBDC region’s client needs are different. Each center has the flexibility to manage the clients with whom they work based on their work load, experience level, education, and skills. The Lead Center embraces the motivation and creativity of each center director and the culture of their host organizations. Some regional key services are determined by host CEDS.

Another good source for ideas is at the ASBDC conference, where advisors can certify, attend workshops, visit with vendors and network with other advisors from throughout the country.

Resource partner interaction is helpful in learning what is going on in the state and offers opportunities to share ideas and possibly work together in providing workshops.



Key Services

COUNSELING SERVICES	TRAININGS & WORKSHOPS
Business Planning & Growth	Evaluate A Business Idea
Start Up Assistance	Profit Mastery & Cash Flow
Financial Analysis	Small Business Webinar Series
Marketing & Research	QuickBooks
Loan Packaging Assistance	Business Plans (Live Plan)
Feasibility & Sustainability	Digital Marketing
Access to Capital	ProfitCents Financial Analysis
	Cybersecurity
	E-commerce

Counseling: Key services include one-on-one counseling on business planning, access to capital, financial management, preparation for loan packaging, and preparing clients for financing. If counseling requires more specialized services, the SBDCs will refer clients to the Montana Manufacturing Extension Center’s statewide network of field engineers, the statewide network of Procurement Technical Assistance Centers, the Food and Agriculture Development Centers network, the Montana Technology Innovation Partnership’s (MTIP) consultant, or the Women’s Business Center in Bozeman. Export-related issues are referred to the Department’s International Relations and Trade Office, who also works with the World Trade Center in Missoula, the U.S. Commercial Service, and the SBA District Office. The SBDC network has been and will continue to be trained regarding the specialized needs of technology businesses so that can make referrals when appropriate to the technology business counselor under the MTIP program.



Tools Provided

CLIENT	NETWORK
IBIS World	Neoserra
Vertical IQ	Constant Contact
Profit Mastery	QuickBooks Licenses
Profit Cents	AASBC Certification
Live Plan	ASBDC
Trade Passport	Mentor Program
	Statewide Marketing

Training: Common network in person and online training programs include: Pre-Venture Workshops, Business Planning events, Profit Mastery & Cash Flow, QuickBooks, Digital Marketing and Website Development.

The Great Falls center Regional Director holds quarterly Boots to Business training on the Malmstrom Airforce Base, he also hosts The Small Business Webinar Series along with Montana State University Extension Office.

Every month during the network meeting, the Regional Directors are asked to give a 3 Minute report on their activities.

A few topics covered include:

- Upcoming Training Events
- Resource Partner interaction (SBA, MMEC, MEDA, PTAC, WBC, etc.)
- Professional Development

Performance is analyzed for quality, efficiency and effectiveness.

The [Semi-annual Center Self Assessment](#) was developed to address SBDC Service Center management issues that lead to effectiveness, produce outcomes, and maintain accreditation status. This was rolled out as a continuous improvement/continuous learning matrix to help the SBDC Directors be attentive to those service center activities that are not directly related to meeting client counseling and training contract deliverables. It is a wrap-up of overall service center performance. The performance outcomes give a sense of how a Business Advisor is allocating their time and may indicate an area where more focus is recommended.

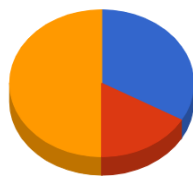
Because the turn-over rate for new Business Advisor's averages about two per year, the Lead Center has selected performance measures that are not too complicated to understand and communicate. The Lead Center makes the performance measures attainable and applicable to all centers across the network. The Lead Center has selected SBA performance measures to create a compliance environment that is the least confusing for the Business Advisors. Business Advisors serve many masters and deal with several layers of oversight

The assessment survey questions are pushed out to the Regional Directors through Neoserra at the end of July and the end of January. Here are the 9 questions, they are to rank their answers as poor, below average, average, above average or excellent. They are to also add any comments supporting their ranking. The Lead Center then reviews the surveys, agrees or disagrees with the director's responses, adds comments when applicable.

The assessment is shared with the host during the contract meetings

- 1. Contract deliverables on track? SBDC Goals, Success Story, Client Satisfaction, Workplan
- 2. Neoserra Reporting: Client Attribution process in place? Consistently and correctly reports counseling sessions, impact, travel, training, outreach, and administrative time.
- 3. Professional Development: AASBC certified? ASBDC Conference attendance? Other?
- 4. Reimbursement Requests: Submits monthly complete and correct reports within thirty days and cooperates with the Lead Center to maintain OSBDC financial status.
- 5. Marketing Compliance: Adheres to minimum marketing and branding standards outlined in the [Marketing Plan](#).
- 6. Network Participation: Regularly attends and participates in conference calls and network meetings, shares best practices, and assists other Business Advisors.
- 7. Communication/Cooperation with the Lead Center: Responds to requests for information; contributes ideas and feedback; supports strategic planning objectives and accreditation standards.
- 8. Communication/Cooperation with the SBA: Notifies the Lead Center, when responding to and working with the District Office as appropriate to support SBA initiatives such as Small Business Week and Minority Business Nominations, Small Business Disadvantaged Enterprises programs, and various workshops.
- 9. Meets Program Objectives: 1) One on one consultations 2) Provide workshops/training 3) Work with resource partners 4) Outreach to Indian Country.
- Overall Assessment: Description of center performance during this time period.

Meets Program Objectives: 1) One on one consultations 2) Provide workshops/training 3) Work with resource partners 4) Outreach to Indian Country. from list]



- Above Average (2)
- Average (1)
- Excellent (3)

- Training evaluations
- Success Stories
- Financing obtained
- Training attendance

Data is used for continuous improvement of processes.

The most recent strategic planning process allowed the MTSBDC to gather data in order to implement process improvements. As seen in Section 2.0 two focus areas within the current strategic plan include administrative efficiency and client service efficiency. Both focus areas were developed based on direct feedback through surveys and the strategic planning retreat.

Focus Area II: Administrative Efficiency

- Goal A: Program Manual - update and disseminate the network's operations manual

- Goal B: Network-wide communication, scheduling and document storage – identify and implement the best online tool(s) to facilitate network-wide communication, document storage, and calendar.
- Goal C: Neoserra - update and revise network-wide Neoserra training process
- Goal D: Client intake – review and standardize, as able, a common client-intake process for the Regional Centers
- Goal E: Client follow-up and attribution – create and communicate strategies that streamline the client follow-up process

Focus Area III: Client Service Efficiency

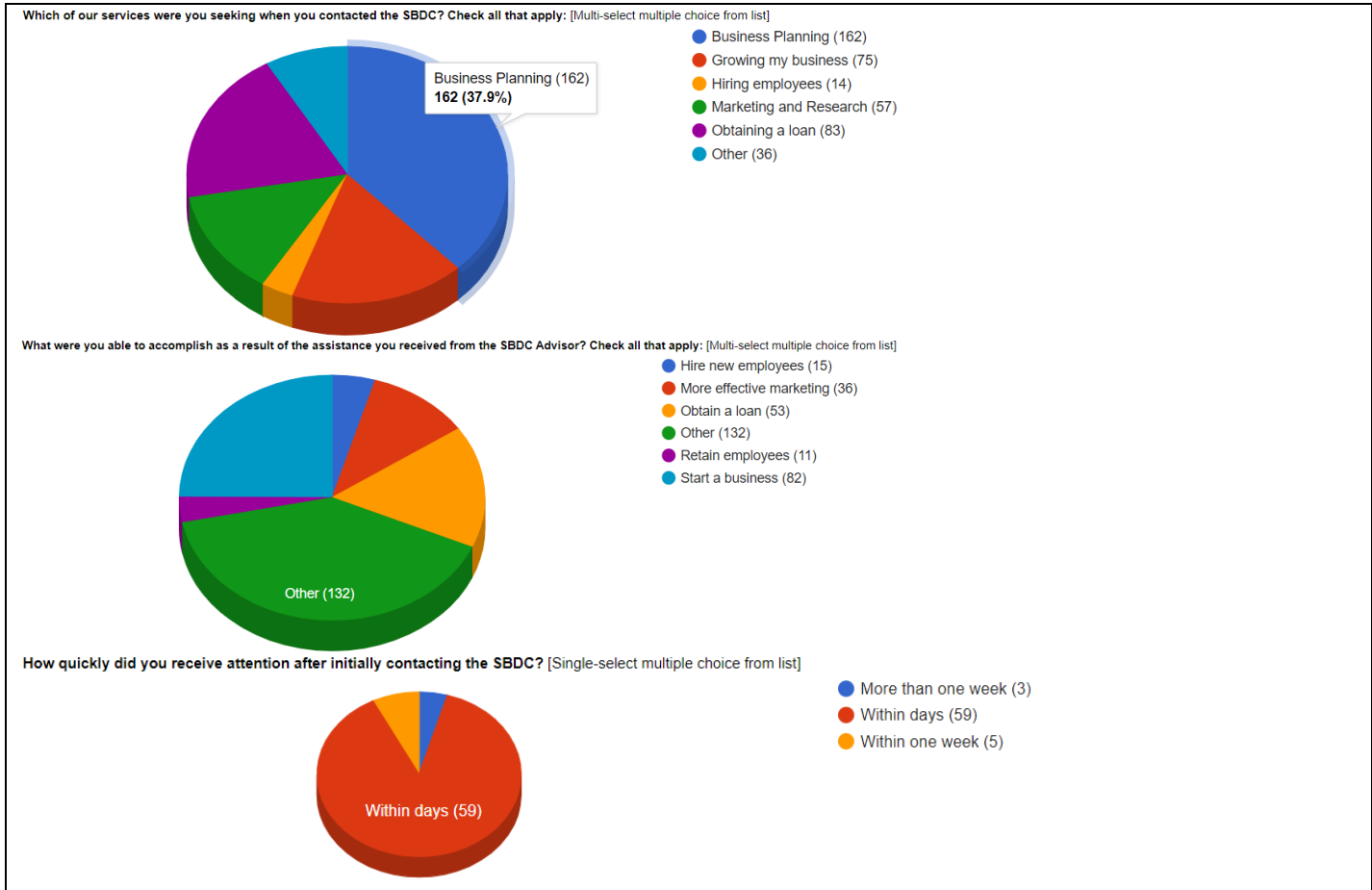
- Goal A: Internal Client Training Calendar - create an internal client training calendar, implement an efficient process to ensure that it remains current
- Goal B: Internal Advisor Directory - Update and communicate an internal statewide directory of the advisors and their unique skillset to allow better collaboration between centers in meeting client needs
- Goal C: SBDC Website Training Portal - Create a more streamlined and effective portal for the trainings hosted on the SBDC website.

Specialty programs are leveraged with and integrated into the SBDC network ().*

The MTSBDC does not currently have any special programs. The network continues to focus on what we do best and provide referrals to partners when clients seek assistance outside of our services. MTSBDC strategic partners include SBA resource partners as well as many other organizations and programs throughout the state. Some of the key partners include:

- Export Montana
- Big Sky Economic Development Trust Fund grant programs (BSTF)
- Montana Innovation Partnership (MTIP)
 - TechLink
- Native American Advisors (NABA)
 - Indian Equity Program
- Montana Manufacturing Extension Center (MMEC)
- Montana Cooperative Development Center (MCDC)
- Montana Women’s Business Center (WBC)
- Regional SCORE chapters
- Accelerate Montana
 - Accelerate Montana Rural Innovation Initiative (AMRII)
- Certified Regional Economic Development organizations (CRDC)
- And many more

Additional Data (tables, graphs and charts):



Exhibits – 6.0 Operations Focus

[Program Manual](#)

[Center Assessment Summary](#)

[Strategic Plan & Regional Workplans](#)