



BusinessLINC Guidebook:
INTERMEDIARIES



LEARNING

INVESTMENT

NETWORKING

COLLABORATION

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An initiative of



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INVESTMENT

LEARNING

“I see our business growing exponentially in the future. Because of BusinessLINC we’re opening more doors, we’re talking to more people, we’re getting access to a higher-level of decision-making, and that’s only going to help us.”

NETWORKING

COLLABORATION

— GARY WEST
Owner
Go West Courier

Executive Summary

Small businesses are critical to job growth and the economic competitiveness of the United States. However, too many of these firms, particularly those in economically distressed areas, lack sufficient expertise in critical areas and cannot access the networks of information and resources that larger businesses operating outside these areas utilize. National and local business associations

(i.e., Chambers of Commerce, Boards of Trade, Business Roundtables) and specialized non-profit organizations can serve as “Intermediaries,” assisting small businesses in accessing this critical information. BusinessLINC provides the mechanism for facilitating this access to needed resources.

This guidebook is aimed at business association executives who are interested in participating in the BusinessLINC program, as well as the membership and leaders of specialized non-profit organizations. Chapter I provides an explanation of BusinessLINC as well as a description of who is involved. Chapter II details some of the benefits of participating in BusinessLINC both for the intermediaries and small companies. Chapter III provides a step-by-step guide of how to get started in the program. In addition to a description of each step, the guidebook suggests roles and responsibilities, stakeholders, notional timeframes, and typical outputs for each step. Chapter IV provides keys to the success of many of the local coalitions and BusinessLINC programs that have already been established in communities around the

country, and Chapter V provides organizational points of contact with established local coalitions and the BusinessLINC National Coalition.

“This program has helped us better understand our customers and suppliers, sharpen our skills and improve our processes. In addition, we believe that mentoring small businesses — especially minority and women-owned enterprises, and those in distressed areas — is a great way to extend economic development and prosperity.”

— STEVE LERMAN
Manager, Supplier Diversity
Giant Food, Inc.

For intermediaries and individual executives, there have been several successful BusinessLINC strategies employed to date:

► DESIGN INTER-FIRM STRATEGIES

Intermediaries design strategies such as mentoring, financial support, technical training, etc. for large companies, local governments, and/or educational institutions to support small businesses.

Intermediaries can sponsor year-long mentorships in which large firms or volunteer executives are matched with small firms for designated projects.

► RECRUIT COMPANY PARTICIPATION

Intermediaries have access to a diverse business, government, and educational community, and can provide value to their membership by recruiting companies to join the BusinessLINC program. This will provide myriad benefits to large companies.

BusinessLINC stands for Learning, Investment, Networking and Collaboration — the strategies used to begin encouraging these mutually beneficial relationships.

- **SCREEN CANDIDATE FIRMS** Intermediaries can temper the enthusiasm of various companies that may become interested in the BusinessLINC program to find companies that match the needs of small businesses. Intermediaries can provide a useful screen of candidate firms.
- **PROVIDE LOGICAL MATCHES** Intermediaries can recruit a pool of potential companies for the program, and then sort this pool down to companies that match the design of the program. Intermediaries can then refine the pool of large organizations willing to help small businesses, and match these organizations against the needs of small businesses in the program.
- **PROVIDE SUPPORTIVE EDUCATION/CONSULTING** Firms or intermediaries blend these approaches and competitively select a small class of business owners/entrepreneurs for an intensive “boot camp program.” In addition, advisory boards of experts from large organizations can be formed to guide and support a small business.
- **PROVIDE REFERRALS TO OUTSIDE EXPERTS** Intermediaries may help the small industry benefit efficiently from a large firm’s expertise. Intermediaries can direct small businesses to specific experts the small business may need when confronted with select business challenges.
- **IDENTIFY RESOURCES** Intermediaries can also assist in providing access to capital sources (loans and equity sources, not grants or philanthropy)

including conventional small business loan funds from commercial banks or the Small Business Administration. Intermediaries can also provide assistance in tapping innovative funding sources such as from Community Development Financial Institutions (CDFI’s) and Revolving Loan Funds (RLF’s).

These strategies are detailed in Chapter III.

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I.

Explanation of BusinessLINC

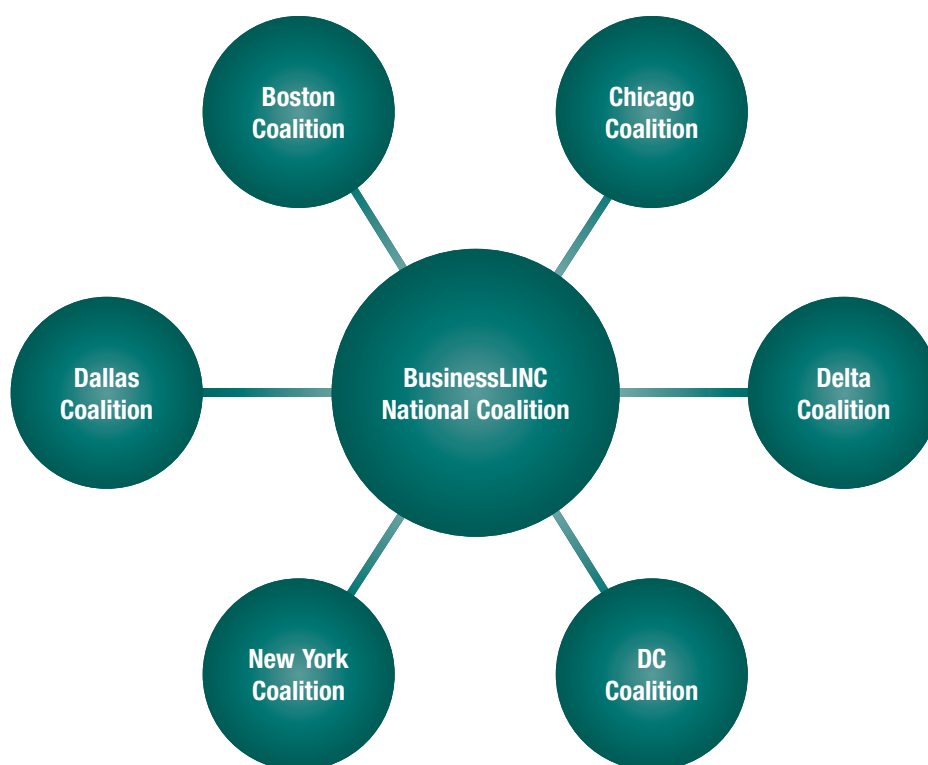
What Is BusinessLINC?

BusinessLINC is a program aimed at stimulating economic growth in cities and distressed rural areas by helping to foster business-to-business partnerships. BusinessLINC stands for learning, investment, networking and collaboration that together can facilitate a full range of economic benefits. The goal of BusinessLINC is to encourage large firms to help locally-owned smaller firms to flourish by providing technical assistance, business advice, networking, investment and joint venturing

opportunities. The BusinessLINC program targets those small, minority and disadvantaged businesses in distressed urban amid rural communities.

Who Is Involved with BusinessLINC?

The organization chart below illustrates the structure of BusinessLINC when the program was launched.



BusinessLINC National Coalition

The BusinessLINC National Coalition is made up of corporate and organizational representatives from each local coalition, as well as representatives from BusinessLINC's national partners. The National Coalition, led by The Business Roundtable, works closely with the U.S. Department of Treasury and the Small Business Administration. The National Coalition also provides the assistance to the local BusinessLINC coalitions, disseminates information relating to best practices, and assists in the development and promotion of new local BusinessLINC coalitions.

The Business Roundtable

The Business Roundtable is an association of Chief Executive Officers of leading U.S. corporations with a combined workforce of more than 10 million employees. The CEOs are committed to advocating public policies that foster vigorous economic growth and a dynamic global economy. Ramani Ayer, Chairman & CEO of the Hartford Financial Services Group, represents The Business Roundtable as the Chairman of the BusinessLINC National Coalition.

U.S. Department of the Treasury

The Mission of the Department of the Treasury is to promote prosperous and stable American and world economies, manage the Government's finances, safeguard our financial systems, protect our nation's leaders, secure a safe and drug-free America, and continue to build a strong institution. The Treasury Department has provided support and guidance in the development of BusinessLINC since its inception, and continues to be a partner in the National Coalition.

The U.S. Commerce Department

The Minority Business Development Agency (MBDA) is part of the U.S. Department of Commerce, specifically created to encourage the creation, growth and expansion of minority-owned businesses in the United States. MBDA's mission is to actively promote the growth and competitiveness of minority-owned businesses by providing access to public/private debt and equity financing, market opportunities, and management and business information; coordinating and leveraging public and pri-

ivate resources; and, facilitating strategic alliances. MBDA is dedicated to providing leadership in fostering the growth and development of minority-owned businesses. MBDA's assistance will empower them to become full competitive participants in the commerce of the United States of America.

U.S. Small Business Administration

The U.S. Small Business Administration (SBA), established in 1953, provides financial, technical and management assistance to help Americans start, run, and grow their businesses. With a portfolio of business loans, loan guarantees and disaster loans worth more than \$45 billion, in addition to a venture capital portfolio of \$13 billion, SBA is the nation's largest single financial backer of small businesses. The SBA, along with the Department of Treasury and the Business Roundtable, was one of the original partners in developing BusinessLINC at the national level.

The National Coalition, led by The Business Roundtable, works closely with the U.S. Department of Treasury, the Small Business Administration and the Minority Business Development Agency of the U.S. Commerce Department.

Current BusinessLINC Local Coalitions

Local coalitions are being formed around the country on a continuing basis. Local coalitions can comprise local business and civic organizations, community based organizations, large and small businesses, universities, and municipal, county and state government entities.

- ▶ **ATLANTA** The Atlanta BusinessLINC coalition's Angel Investor Network, launched in the summer of 2002, brings together small businesses and socially-responsible investors, or "angel investors," in a series of monthly luncheons to provide an opportunity for small, often minority-owned, businesses, to present their business plans to venture capital firms interested in investing in and learning about the best start-up and expansion investment opportunities available in the area. In addition to the focus on investment, the Atlanta BusinessLINC

coalition pursues learning opportunities for small businesses, particularly in the professional service arena. The coalition seeks out accounting, investing and other financial services firms to provide necessary guidance to small businesses.

- **BOSTON** The Business Collaborative is leading the local Boston BusinessLINC coalition. UNC Partners in conjunction with Marsh Carter, CEO of State Street Bank have built a collaboration to expand mid-size businesses in the Boston area for Entrepreneurs of Color (EOC). The goal of the business collaborative is to give these EOC organizations access to big business, the ability to build organizational capacity and facilitate partnerships.
- **CHICAGO** The Commercial Club of Chicago led the local Chicago BusinessLINC coalition. Designed to grow jobs in Chicago's inner city neighborhoods, The Commercial Club has identified 12 disadvantaged businesses and partnered them with 12 large corporations. In collaboration with the Civic Committee, The Chicago Commercial Club promotes job growth and increased revenue in the inner city.
- **CLEVELAND** The Cleveland Commission on Economic Partnerships and Inclusion includes The Greater Cleveland Roundtable, Cleveland Tomorrow and The Greater Cleveland Growth Association. Chaired by Eaton Corporation CEO Sandy Cutler and former Congressman Louis Stokes, the Commission will focus on establishing viable economic partnerships between large and small businesses, between majority- and minority-owned businesses, and in expanding supplier and internal diversity of Cleveland's major corporations.

Local coalitions can comprise local business and civic organizations, community based organizations, large and small businesses, universities, and municipal, county and state government entities.

- **CONNECTICUT** The Connecticut Coalition, set to launch in the fall of 2002, is a collaboration of The Hartford Financial Services Group, Inc., the Metropolitan Hartford Alliance, the Connecticut Minority Supplier Development Council, and other area business groups. The coalition will initially focus on a mentoring pilot program. The goal is to engage a handful of large businesses as participants, with a few executives from each of the companies to act as mentors to work with area small businesses. Small business participants will be recruited by local business groups. This pilot program will allow the coalition to refine the program and tailor it to the needs of the small businesses, the expertise of the large companies and the unique business environment in Hartford. The refined program would then be expanded to include a greater number of large and small companies.
- **DALLAS** The North Texas Commission, a non-profit, membership-supported organization, made up of approximately 400 North Texas businesses, cities, counties, chambers of commerce, economic development entities and higher education institutions, and the Dallas-Fort Worth Minority Business Development Council, are leading the local Dallas BusinessLINC coalition in coordination with TXU Corporation. The coalition runs the Mentor-Entrepreneur program.
- **FLINT, MI** The Metropolitan Chamber of Commerce has established a coalition of private and public partners in Flint to create mentor-protégé partnerships. The initiative, the Community Business Partnership, was modeled after the Washington, DC Coalition, and partners large corporations with neighborhood businesses to help them grow by 1) Developing new markets; 2) Strengthening business operations; 3) Identifying investments and financing prospects; and 4) Expanding employment.
- **HOUSTON** The Houston Minority Business Council and the Houston Women's Business Council have come together to establish the

Houston BusinessLINC Coalition. The coalition focuses on establishing mentoring relationships between large corporations and minority- and women-owned businesses. Relying upon the mentor's core competencies, the protégé gains invaluable experience and technical expertise, increasing the protégé firm's operation capability, industrial competitiveness, financial stability and client base.

- **MISSISSIPPI RIVER DELTA** The Enterprise Corporation of the Delta (ECD) and Entergy Corporation are leading the Mississippi River Delta Coalition. The mission of the Enterprise Corporation of the Delta is to improve the quality of life for low- and moderate-income residents of the Delta regions of Arkansas, Louisiana and Mississippi. ECD accomplishes this mission by providing market-driven financial and technical assistance to firms in the region, and forging strategic partnerships with the private, public and not-for-profit sectors.
- **NASHVILLE** The Nashville Greater Area BusinessLINC Coalition, founded in 2001, addresses small business development with strategies focused on a combination of learning, investment and collaboration. The coalition has developed a series of strong partnerships with local corporations and educational institutions to implement these programs. A major construction company conducts a series of classes locally. To increase access to capital, the coalition is working with the largest bank in Tennessee to create a multi-bank community development loan fund for small businesses. By partnering with Vanderbilt University, Nashville BusinessLINC is able to assist large corporations in developing and implementing supplier diversity programs. This is part of the coalition's work to enhance the capabilities of disadvantaged companies and to capture more business from larger corporations.
- **NEW YORK CITY** The New York City Partnership led the local BusinessLINC coalition in coordination with Chase Manhattan Bank. Through the New York City Partnership, industry leaders, civic groups, community organizations and the public sector converged to secure the future of business in New York.

Formed in 1979 by David Rockefeller in response to the fiscal crisis of the time, the New York City Partnership has since merged with the New York Chamber of Commerce to form the city's preeminent business and civic organization.

- **RICHMOND** The Richmond Business Collaborative is led by Richmond Renaissance with the Virginia Regional Minority Supplier Development Council, the Metropolitan Business League, the Greater Richmond Chamber of Commerce, and the Greater Richmond Partnership, and supported by the Federal Reserve Bank of Richmond. The Collaborative modeled after Boston's Business Collaborative, was created to increase African-American participation in the Richmond economy by promoting corporate supplier diversity programs, building business relationships between majority and minority firms, and by sharing best practices among area companies.
- **SAN FRANCISCO** Silicon Valley Community Ventures, a San Francisco-based community-focused venture capital firm and a coalition of major regionally-based businesses and community leaders have come together to create the SF BusinessLINC coalition. This coalition combines mentoring and technical assistance with an investment component that provides access to capital for the expanding small businesses.
- **WASHINGTON, DC** The Greater Washington Board of Trade hosts the local Washington, D.C. BusinessLINC Coalition, the Community Business Partnership, and is co-led by Southeastern and Giant Foods, Inc. The Washington, DC Coalition works directly with Community Development Corporations to develop new markets, expand employment opportunities, and create business development, retention, and investments along neighborhood commercial corridors.

- **SOUTHWEST BORDER** The United States-Mexico Chamber of Commerce (USMCOC) is leading the BusinessLINC coalition effort along the 2,000-mile Southwest border. Small- and medium-sized enterprises coalition members are selected from 200 participants in the Wiring the Border initiative. Key USMCOC board members such as IBM, Telmex, and MEP/MSI, are coalition members. Coalition mentors include US-owned maquiladoras, such as Delphi Automotive Systems, Boeing Aircraft Company, General Motors Company, and Mattel, Inc. Using e-commerce technology and capacity building techniques, the coalition assists companies into supply chains, creating business expansion and new jobs along the US-Mexico borders.

BusinessLINC currently has local coalitions operating in fifteen cities. An Intermediary leads the local coalition in each city.

Who Are Intermediaries in the BusinessLINC Program?

Intermediaries in the BusinessLINC program are defined in two broad classifications:

- 1) **BUSINESS ASSOCIATIONS** include trade groups (i.e., The Greater Washington Board of Trade), local and regional Chambers of Commerce (The North Texas Commission), national business organizations (i.e., The Business Roundtable) and other associations.
- 2) **SPECIALIZED NON-PROFIT ASSOCIATIONS/COMMUNITY BASED DEVELOPMENT ORGANIZATIONS (CBDO's)** are comprised of a variety of groups, including Community Development Corporations (CDC's), and can coordinate resources and experience in furthering community development goals. They can serve as mechanisms to reach small, minority and women business owners and can be a useful partner in providing services along with other coalition

partners and businesses. In this sense, CBDO's can serve as supportive partners, service/resource providers, outreach mechanisms, and matchmakers. In many instances, the matchmaking/outreach skills of the CBDO can be tied into a component that provides access to capital (CDFIs, RLFs, etc.).

BusinessLINC currently has local coalitions operating in fifteen cities. An Intermediary leads the local coalition in each city. These intermediaries can be a local Business Association (such as the Chicago Commercial Club), but often are specialized nonprofit associations formed through a combination of Business Associations and Specialized Non-Profit Associations.

For example, in Washington, DC, the Greater Washington Board of Trade has teamed with several Community Development Corporations and Howard University, to form the Community Business Partnership (CBP). CBP has the mission to develop new markets, expand employment opportunities, and create business development, retention, and investments along neighborhood commercial corridors. This is an example of a specialized non-profit intermediary.

In Dallas, The North Texas Commission is a non-profit, membership-supported organization that is leading the local Dallas BusinessLINC coalition in coordination with the Dallas/Fort Worth Minority Business Development Coalition.

There are many different alternative structures for development and implementation of a BusinessLINC program. The focus of BusinessLINC is not on the various structures or the process, but on the commitment of groups including business associations, educational institutions, and specialized non-profit organizations to support and develop the small business community.

II.

Benefits

What Are the Potential Benefits for Intermediaries?

Intermediaries involved with the BusinessLINC program may see benefits such as:

- Reaching new markets
- Better serving your membership
- Creating stronger communities and a stronger business environment

Reaching New Markets

Intermediaries seeking to serve untapped markets are aware of three important considerations: first, the demographic projections showing the increase in minority populations throughout the U.S.; second, the rapid growth of firms owned by women and minorities; and third, the unrealized buying power of many inner-city markets. Intermediaries are always seeking to increase the depth and breadth of their membership, and use their ever-increasing membership to better serve their local communities. Seeking to better serve the minority small business market will help Intermediaries to stretch, to reach and to capture a new base of members.

Better Serving Your Membership

Intermediaries exist to serve the specialized needs of their select membership. Joining BusinessLINC has multiple benefits for both the large and small companies in the program. These benefits would accrue to business members of associations.

Creating Stronger Communities and a Stronger Business Environment

Business-to-business linkages can be a key ingredient in creating a local growth environment with broad benefits. Expansion of neighborhood business activity can result in increased tax revenues, improved property values, as well as more job opportunities for disadvantaged individuals. Equally important, such business expansion can increase the civic capacity and the quality of life for residents of distressed communities.

- **Strategic location.** Inner cities are often near high-rent business centers, entertainment complexes, and transportation and communications nodes. As a result, Michael Porter, the head of Initiative for a Competitive Inner City and Professor at the Harvard Business School, believes that inner city locations can offer a competitive edge to logistically sensitive businesses that benefit from proximity to downtown, transportation infrastructure, and concentrations of companies.¹
- **Unmet local demand.** Inner cities represent a significant retail market with few large businesses serving it. Despite low average incomes, high population density in many inner cities translates into a local market with substantial buying power per square mile. Therefore, Porter points out that these markets may present opportunities both for chain and independent retailers.

¹Porter, Michael: "The Competitive Advantage of the Inner City," *Harvard Business Review*, May/June 1995

- **Human resources.** Although inner-city populations may present workforce readiness challenges, Porter contends they can be an attractive labor pool for businesses that rely on a loyal, modestly-skilled workforce.
- **Integration with regional industries and clusters.** Porter argues that many business opportunities for large and small businesses could be tapped by linking with inner-city businesses across the spectrum of industries.

What Are the Benefits for Small Businesses?

The BusinessLINC program offers many potential benefits to smaller businesses. The following have been identified as the most common:

- Obtaining technical advice
- Enhancing management development
- Leveraging core strengths
- Accessing sources of financing
- Increasing marketplace credibility
- Entering subcontracts and joint ventures

Obtaining Technical Advice

Many small business owners, at one time or another, seek basic technical advice on the operational aspects of managing a small business. Business-to-business linkages offer a way for small business owners to acquire the specific technical advice they need in order to strengthen their businesses. Technical advice can include most aspects of running a small business, such as marketing, merchandising, pricing, production, inventory control, accounting, long-range financial planning, or basic legal advice.

Enhancing Management Development

Business-to-business relationships provide a means for small business owners to develop relationships with business executives who can become both teachers and role models. Often, these executives can share similar personal experiences in leading a small firm and can provide some perspective on the day-to-day pressures an owner

faces. Interaction with larger companies may inspire an owner to believe that he or she can attain greater success than previously thought possible. By developing a vision of what their companies can become, small business owners may begin to see increased opportunities for their own companies.

Leveraging Core Strengths

In addition to technical advice, small businesses also benefit from access to new sales channels and a better understanding of their own core strengths. Mentors are able to assist small businesses by giving advice on trade shows and advertising, by providing assistance in selecting sales representatives, by making introductions to buyers at larger companies, and by sharing knowledge of market trends.

Accessing Sources of Financing

Increasing financial access does not always mean providing direct funding or taking an equity position in the protégé company, but it can mean assisting the protégé company in gaining access to existing sources of financial capital. Often, a large company's support or endorsement of a smaller company may help persuade lenders to provide financing. In some cases, mentors may even co-sign loans. Managing short-term cash flow and bonding can present obstacles in business expansion especially for smaller businesses, and larger companies can help overcome these barriers.

Increasing Marketplace Credibility

Another benefit of business-to-business linkages is the value to small business of the endorsement from a large, established business. This added credibility may help the small business gain new customers who are uncertain of the smaller company's ability to deliver product or services.

Entering Subcontracts and Joint Ventures

Most small businesses look to large companies as a potential source of business. Small businesses, especially in distressed communities, want the opportunity to bid on contracts but report that they must often prove themselves more thoroughly than larger companies or companies in the suburbs. Commercial relationship can be a powerful motivator to assure that both large and small businesses are focused on strengthening their companies' capacity to grow.

III.

How to Get Started

While specific BusinessLINC programs will differ to suit your needs, successful BusinessLINC programs have followed an approach that combines many of the following steps.



TASKS	STEPS
Articulate Goals, Objectives and Metrics	<ul style="list-style-type: none"> ➤ State the objectives and outcomes of the BusinessLINC Program, including timeline ➤ Develop strategy including hypothesis as to BusinessLINC partners' strengths, weaknesses, and potential mutual interests ➤ Propose measures of success
Form the Team	<ul style="list-style-type: none"> ➤ Identify key corporate sponsors and implementers, as well as the complementary small business support organizations and resources ➤ Examine existing services ➤ Convene organizing committee and agree on roles ➤ Identify strengths and weaknesses of potential BusinessLINC partners
Design a Strategy	<ul style="list-style-type: none"> ➤ Adapt proven BusinessLINC strategies to local conditions and to the skills and interests of the organizing committee ➤ Formalize plan and secure corporate endorsement ➤ Confirm proposed measures of success
Launch Program	<ul style="list-style-type: none"> ➤ Set program parameters ➤ Outreach to and selection of BusinessLINC partners ➤ Run program and assure appropriate top management involvement ➤ Monitoring and consultation with BusinessLINC partners
Refine and Expand	<ul style="list-style-type: none"> ➤ Assess ongoing partnerships ➤ Set goals, objectives and metrics for future growth ➤ Assure corporate and public recognition of progress



Articulate Goals, Objectives and Metrics

State the Objectives and Outcomes of the BusinessLINC Program

After you have revisited your overall strategic goals, you should determine if your goals match the goals of the BusinessLINC program. If so, you must then determine what your specific objectives are in creating a BusinessLINC program.

By determining what you are working toward or striving to achieve through the BusinessLINC program, your organization is guaranteed to have a clear vision of its purpose. Objectives will vary based upon your unique membership and business goals. Outcomes will be natural results that occur based upon the objectives you set for your organization.

There are several methods for determining the appropriate objectives for your BusinessLINC program. Many organizations survey their membership to determine what unmet needs exist within the community, and how a BusinessLINC effort will fill those needs.

Develop Strategy Including a Hypothesis as to BusinessLINC Partners' Strengths, Weaknesses, and Potential Mutual Interests

As an intermediary organization you are in the unique position of partnering those businesses that are in need of assistance with those businesses that have the resources at their disposal to provide that assistance. By developing a

structure that promotes viable partnerships between businesses with specific problems and businesses with strengths targeted in those areas, you as an intermediary are providing a mutually beneficial and sustainable service to your constituency. The strategy that you as an organization employ to promote these relationships will determine the value of the partnerships themselves.

Propose Measures of Success

You will need to develop objective measures of success that will be unique for your organization to ensure that activities in BusinessLINC are always focused on improving the business relationships that you promote. These measures will sync up with the overall objectives and outcomes that you have created for your unique BusinessLINC effort.

There are two primary types of measures of success: **1) quantitative** and **2) qualitative**. Quantitative measures will focus on measuring numbers, such as the number of both large and small businesses matched together into successful relationships by your organization, amount of financing you or your members provided to small businesses, number of contracts awarded to small businesses, etc.

Qualitative measures are more difficult to define, but focus on measures such as feedback from the small businesses your organization has helped in terms of the value of the effort, or feedback from the greater community in which you operate as to the impact of your organization's program on the local community.



Form the Team

Identify Key Corporate Sponsors and Implementers, as well as the Complementary Small Business Support Organizations and Resources

Your organization is unique in terms of your core membership, objectives and goals, and typical approach to problem solving. You will need to determine select members of your organization who can act as sponsors among the membership for a BusinessLINC program.

Once you have obtained sponsorship among your members, you will need to find some initial members to implement the BusinessLINC program. Your member organizations that act as sponsors may also choose to act as implementers, but this is not always the case. Sponsorship and implementation require two distinct action plans, and may require the involvement of multiple members of your organization.

In addition, you and your members will also benefit by identifying in your local community complementary small business support organizations and resources. For example, several local BusinessLINC coalitions use SCORE, an association of retired executives who provide pro bono advice and counseling to small businesses. You should identify all of these complementary organizations in your community, and be able to quickly provide this information to your potential small business BusinessLINC members.

Examine Existing Services

Your organization already has an operating history, and a number of existing programs in place to serve your local community. Before creating a BusinessLINC program, you should examine your existing services to see if you are already meeting the needs of your local small business

community through one of your, or your members' existing programs. A likely scenario is you and your members have some programs in place to serve local small businesses that would be enhanced and broadened by involvement in the BusinessLINC program. BusinessLINC will provide knowledge sharing of the actions of BusinessLINC in other communities to share best practices that can be adapted to your organization and members.

Convene Organizing Committee and Agree on Roles

After you have made the determination to create a local BusinessLINC program in your community, and have identified and obtained buy-in from members for sponsorship and implementation, you must organize your effort.

A typical first step in this process is the formation of an Organizing or Steering Committee to provide structure and guide your initial BusinessLINC effort. This Committee would typically create a mission and vision statement to define the goals of the Committee, and develop an organizational charter. The Charter will define the basic roles, operating procedures, and expected outcomes of the Committee.

Identify strengths and weaknesses of potential BusinessLINC partners. After gathering data from external organizations, and beginning the first steps of communicating the potential BusinessLINC program, you will be able to identify a rich pool of potential BusinessLINC partners. The challenge will be to determine how many partners to initially sign-up to the program, what the criteria are for selecting partners, and how to identify the strengths and weaknesses of these potential partners.



Design a Strategy

Adapt Proven BusinessLINC Strategies to Local Conditions and to the Skills and Interests of the Organizing Committee

For intermediaries and individual executives, there have been several successful BusinessLINC strategies employed to date:

- **DESIGN INTER-FIRM STRATEGIES** Intermediaries design strategies such as mentoring, financial support, technical training, etc., for large companies, local governments, and/or educational institutions to support small businesses. Intermediaries can sponsor year-long mentorships in which large firms or volunteer executives are matched with small firms for designated projects.
- **RECRUIT COMPANY PARTICIPATION** Intermediaries have access to a diverse business, government, and educational community, and can provide value to its membership by recruiting companies to join the BusinessLINC program. This will provide myriad benefits to large companies.
- **SCREEN CANDIDATE FIRMS** Intermediaries can temper the enthusiasm of various companies that may become interested in the BusinessLINC program to find companies that match the needs of small businesses. Intermediaries can provide a useful screen for candidate firms.
- **PROVIDE LOGICAL MATCHES** Intermediaries can recruit a pool of potential companies for the program, and then sort this pool down to companies that match the design of the program. Intermediaries can then refine the pool of large organizations willing to help small businesses, and match these organizations against the needs of small businesses in the program.
- **PROVIDE SUPPORTIVE EDUCATION/CONSULTING** Firms or intermediaries blend these approaches and competitively select a small class of business owner/entrepreneurs for an intensive “boot camp program.” In addition, advisory boards of experts from large organizations can be formed to guide and support a small business.
- **PROVIDE REFERRALS TO OUTSIDE EXPERTS** Intermediaries may help the small industry benefit efficiently from a large firm’s expertise. Intermediaries can direct small businesses to specific experts the small business may need when confronted with select business challenges.
- **FORMALIZE PLAN AND SECURE CORPORATE ENDORSEMENT** After establishing your initial objectives for a BusinessLINC program, and obtaining some level of committed senior management support, it is critical to the success of your effort to create a rigorous plan detailing the steps your organization will take to accomplish the successful implementation of your BusinessLINC program. Senior leadership should then approve the plan after incorporating any changes to it.
- **CONFIRM PROPOSED MEASURES OF SUCCESS** A key factor to consider is the reasonableness of the initial measures associated with BusinessLINC. Setting unrealistically high standards can discourage the early momentum of a BusinessLINC program. Not setting standards high enough will hurt the overall credibility of the program.



Launch Program

Set Program Parameters

With a rigorous plan for the proposed BusinessLINC program, including objectives and performance measures in place, the next step in establishing a BusinessLINC program is the development and execution of an implementation plan.

Implementation of a BusinessLINC program involves setting parameters, or basic operating procedures, for the program. Including reaffirming the responsibilities previously assigned while the program was in the development stages. The parameters should define how the program will operate in practice:

- Who is responsible for the program?
- When will ongoing meetings and actions occur?
- Where will the program reside in the company?
- How will interaction with small business partners occur?
- What will be the basic operating procedures for the program?

Outreach to and Selection of BusinessLINC Partners

After you have defined internally the framework and operating model for a BusinessLINC program, and targeted select partners for inclusion in the program, initial outreach to small businesses needs to occur.

To date, a number of companies in the BusinessLINC program have created mentoring agreements for small business partners to sign. These agreements define the length of the mentoring relationship, the specific actions by the company and the small business partner, and the ultimate outcomes both parties expect to achieve. This type of agreement helps to manage expectations regarding the level of support you will be providing to a small business partner.

Run Program and Assure Appropriate Top Management Involvement

After defining the basic framework for the program, and signing up your initial small business partners, the next critical step is launching your program. This is where the small business begins to receive specific support from your organization.

Throughout the initial phases of your program implementation, it is a critical success factor to keep senior management involved. The primary tool of continued senior-level support is ongoing communications of the initial success of the program. This can occur through ongoing face-to-face meetings, e-mail updates, or verbal summaries.

Monitoring and Consultation with BusinessLINC Partners

The initial partnership agreement between the partners identified through the program will define the basic roles and responsibilities for each of them, but the relationship will continue to evolve through their interactions. It will be important that the staff assigned initially to monitor the BusinessLINC program be proactive in communicating with the BusinessLINC partners to gain initial feedback on the value of their interactions. This will allow your organization the ability to adapt the program to better serve the needs and interests of all of the partners.



Refine and Expand

Assess Ongoing Partnerships

Your organization exists to serve your members. After initial implementation of your BusinessLINC program, it will be a critical success factor to assess the initial success of the program, and identify areas for improvement. BusinessLINC, like all collaborative efforts, requires the ability of the local coalitions to adapt their program based upon their unique initial experience. Your program needs to be structured to allow for institutionalized ongoing assessment and feedback of your program to better serve the members of your organization.

Set Goals, Objectives and Metrics for Future Growth

When developing your initial BusinessLINC program, you created an initial set of objectives and measures of

success for the program. On an annual (or more frequent) basis you will want to reassess these initial objectives and measures of success based upon your actual experience operating a BusinessLINC program. Your hands-on experience with your partners will allow you to reshape the initial program to better meet the goals of your organization.

Assure Corporate and Public Recognition of Progress

Lastly, you should celebrate the ongoing success of your BusinessLINC program. Recognize the efforts of your employees who developed and run your program. Internal newsletters, e-mail, organization celebrations, and websites are all mechanisms to extol the virtues of your BusinessLINC program.

IV.

Keys to Success

- The most successful BusinessLINC programs utilize the strengths of the intermediary as well as resources found within the local community.
- The greatest benefits of BusinessLINC relationships come over a long term and often in unanticipated ways.
- Successful BusinessLINC programs often blend several approaches and sequence them to provide the company multiple opportunities to learn.
- From the beginning, all those involved should have a clear definition of their goals and expectations, with honest and frequent communication.
- A business needs assessment at the outset of the relationship improves the provision of the correct resources and assistance by the intermediary.
- Effective business advisory strategies adapt to the company's size, industry and stage of growth.
- Intermediaries must be selective in assuring that their BusinessLINC partner is “ready, willing, and able” to engage in the relationship.
- Intermediary organizations can be helpful in matching and supporting companies in BusinessLINC relationships.
- Successful business-to-business relationships ultimately rely on successful personal relationships.

V.

Supporting Information

National Coalition

BusinessLINC National Coalition
1615 L Street, NW
Suite 1100
Washington, DC 20036
(202) 872-1260

The Business Roundtable
1615 L Street, NW
Suite 1100
Washington, DC 20036
(202) 872-1260

The Hartford Financial
Services Group, Inc.
Hartford Plaza
690 Asylum Avenue
Hartford, CT 06115-1900
(860) 547-5000

Atlanta Coalition

National Economic
Empowerment Coalition
2870 Peachtree Road
Suite 623
Atlanta, GA 30305
(770) 944-3198

Boston Coalition

The Business Collaborative
UNC Partners Inc
54 Burroughs Street
Boston, MA 02130
(617) 522-2160

The Institute for Civil Society
1 Bridge Street
Suite 101
Newton, MA 02158
(617) 928-3408

State Street Bank
25 Franklin Street
12th Floor
Boston, MA 02110
(617) 664-6308

Chicago Coalition

Chicago Commercial Club
21 South Clark
Suite 3120
Chicago, IL 60603
(312) 853-1200

R. R. Donnelley & Sons
Company
77 West Wacker Drive
Chicago, IL 60601-1696
(312) 326-7724

Cleveland Coalition

The Cleveland Commission
on Economic Partnerships
and Inclusion
The Greater Cleveland
Business Roundtable
1422 Euclid Avenue
Suite 940
Cleveland, OH 44115
(216) 579-9980

Eaton Corporation
Eaton Center
1111 Superior Avenue
Cleveland, OH 44114-2584
(216) 523-5000

Connecticut Coalition

The Hartford Financial
Services Group, Inc.
Hartford Plaza
690 Asylum Avenue
Executive Row HO-1-11
Hartford, CT 06115
(860) 547-4376

Dallas Coalition

D-FW Minority Business
Development Council
2720 Stemmons Freeway
1000 Stemmons Towers, South
Dallas, TX 75207
(214) 630-0747

North Texas Commission
Post Office Box 610246
Dallas, TX 75261
(972) 621-0400

TXU Corporation
1601 Bryan Street, 41st Floor
Dallas, TX 75210-3411
(214) 812-4600

Flint, MI Coalition

Metropolitan Chamber of
Commerce
400 N. Saginaw
Suite 101A
Flint, MI 48502
(810) 235-5514

Houston Coalition

Houston Minority Business
Council
7322 Southwest Freeway
Suite 1510
Houston, TX 77074

Houston Women's Business
Council
Chase Bank Building
9130 North Freeway
Suite 206
Houston, TX 77037

Mississippi River Delta Coalition

Enterprise Corporation of the
Delta
308 East Pearl Street, 4th Floor
Jacksonville, MS 39201
(601) 944-1100

Entergy Corporation
639 Loyola Avenue
New Orleans, LA 70161
(504) 576-4301

Nashville Coalition

Nashville Greater Area
BusinessLINC Coalition, Inc.
1536 Doubletree
Nashville, TN 37217
(615) 850-3451

New York Coalition

New York City Partnership &
Chamber of Commerce Housing
Partnership Development
Corporation
One Battery Park Plaza
New York, NY 10004
(212) 344-7434

The Chase Manhattan
Corporation
270 Park Avenue
New York, NY 10017
(212) 270-2313

Richmond Coalition

Richmond Renaissance
600 East Broad Street
Suite 960
Richmond, VA 23219
(804) 644-0404

Federal Reserve Bank of
Richmond
701 East Bird Street
Richmond, VA 23219
(804) 697-8000

Washington, DC Coalition

Community Business
Partnership Program
Greater Washington DC Board
of Trade
1129 20th Street, NW
Suite 200
Washington, DC 20036
(202) 857-5971

Southeastern University
A501 I Street, SW
Washington, DC 20024
(202) 488-8162

San Francisco Coalition

Silicon Valley Community
Ventures
1136 Howard Street
San Francisco, CA 94103
(415) 863-4241

ChevronTexaco Corporation
575 Market Street
San Francisco, CA 94105
(415) 894-3232

Southwest Border Coalition

US-Mexico Chamber of
Commerce
National Office
1300 Pennsylvania Avenue, NW
Suite 270
Washington, DC 20004
(202) 371-8680

VI.

National Coalition Partners

National Congress for Community Economic Development

The National Congress for Community Economic Development (NCCED) has been the nation's trade association for non-profit community development corporations (CDCs) since 1970. Both inner city and rural, the nation's 3,600 CDCs represent on average about 20,000 residents and usually hundreds of small business concerns. These grass roots non-profits also work closely with their local city, county and state government units involved in economic development and with federal government departments such as HUD, Commerce, Community Services, and SBA.

Both inner city and rural, the nation's 3,600 community development corporations represent on average about 20,000 residents and usually hundreds of small business concerns.

CDCs are involved in low and moderate income housing, both development and management; in commercial revitalization, with many owning and managing shopping centers or industrial parks or small business incubators; some operate social programs; others have loan funds or even equity programs for small business start-ups. They often own raw land or developed property that can be part of a business expansion. CDCs are also frequently involved in workforce development programs including tailoring training specifically for an employer's human resource needs. There are many competitive advantages to partnering with CDCs for a real "win-win" partnership with companies in BusinessLINC.

NCCED's Corporate Partnership Program, funded by the Ford Foundation's Corporate Involvement Initiative, connects CDCs and the small businesses in their communities with corporations in business-case, market-driven joint ventures. CDCs are valuable local intermediaries that can assist BusinessLINC members outreach to individual entrepreneurs and minority/women owned small businesses in the disadvantaged communities we are all trying to serve. To contact CDCs in your community, contact John Nelson or Mike Savage with the Corporate Partnership Program toll free at 1-877-44-NCCED or on line at www.ncced.org. Local and state associations of CDCs are also available allies in networking among specific CDCs.

Minority Business Roundtable

MBRT is a national membership organization for CEOs of the nation's largest minority-owned businesses representing a variety of trades and industries. Members hold positions equivalent to chief executive officer (CEO) or chairperson in their respective businesses where annual sales exceed \$50 million. Patterned after the Business Roundtable, the MBRT allows minority-owned firms to collectively address issues of common concern to them as employers, profitable organizations, and active corporate citizens. Their issues and concerns directly impact the economy and the general public interest — and therefore are vital to all U.S. businesses and the nation as a whole.

By partnering with MBRT, BusinessLINC receives access to CEOs of the leading minority-owned businesses in the nation. This partnership fosters dialogue between BusinessLINC coalition members and MBRT members and offers future business opportunities. With

36 founding firms ranging from \$53 million to over \$1 billion in sales and with up to 4000 employees per company, MBRT members offer BusinessLINC and The Business Roundtable a pre-selected pool of qualified minority suppliers from various industries and geographic locations with which to partner. In addition, MBRT began accepting associate memberships from the pool of emerging minority-owned businesses with annual sales below \$50 million in Fall 2001.

The number of MBRT members is expected to grow significantly over the next three years as the organization expands its outreach and influence. MBRT will work with corporations to design criteria by which companies that start out as “minority suppliers” can graduate to compete openly for major contracts. One of the major goals of MBRT is to develop new and innovative ways to promote minority businesses, to facilitate their collaboration with major corporations and to demonstrate that a better bottom line for minority-owned businesses can positively impact the economy and minority communities by creating new jobs in underserved communities.

US Hispanic Chamber of Commerce

The United States Hispanic Chamber of Commerce (USHCC) represents the interests of more than 1.2 million Hispanic-owned businesses in the U.S. and Puerto Rico, which earn more than \$200 billion annually. The USHCC serves as the umbrella organization for more than 200 local Hispanic chambers nationwide and actively promotes the economic growth and development of Hispanic entrepreneurs. Each year the USHCC holds a National Convention and Business Expo featuring hundreds of exhibitors from across the country. The Convention is an ideal forum for participants to engage in and learn more about current economic trends and business industries. For more information call 1-800-874-2286 or visit www.usfcc.com

National Minority Supplier Development Council (NMSDC)

NMSDC is the preeminent national organization of corporations and MBEs, which provides increased

procurement and business opportunities for minority businesses of all sizes. It addresses the needs of both the MBEs and the public and private sectors they service; and through its vast network, develops mutually beneficial economic and business relationships that have a positive and lasting impact on the global community.

The NMSDC Network includes a National Office in New York and 39 regional Councils across the country. There are 3,500 corporate members throughout the network, including most of America’s largest publicly owned, privately owned and foreign-owned companies, as well as universities, hospitals and other buying institutions. The regional Councils certify and match more than 15,000 minority-owned businesses (Asian, Black, Hispanic and Native American) with member corporations, which want to purchase goods and services.

The objective of NMSDC has been parity for minority-owned business firms within the free enterprise system. The growth and expansion of that original philosophy has continued. However, the need for the NMSDC to conscientiously pursue its role as an aggressive advocate for the continuance of the minority business development effort has become even more critical.

The economic climate in America today has led the private sector to assume a more active role within the communities in which they do business. A strong partnership among government, major corporations, and small businesses will allow for a more equitable distribution of wealth, the creation of employment opportunities, and the creation of an expanded customer base.

By partnering with NMSDC, BusinessLINC members may reach out to individual entrepreneurs and minority owned businesses of all sizes and industries. To contact NMSDC or one of its Regional Councils in your com-

The economic climate in America today has led the private sector to assume a more active role within the communities in which they do business.

munity, contact Steven Sims or Thanh-Thuy Nguyen with the Field Operations and Government relations at (202) 872-3056 or on line at www.nmsdcus.org.

The United States-Mexico Chamber of Commerce

A group of distinguished Mexican and U.S. businesspeople established the United States-Mexico Chamber of Commerce (USMCOC) in 1973 as a 501 (c) (6) non-profit business association chartered in Washington, D.C. The coalition created a bilateral organization to

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promote trade, investment and joint ventures on both sides of the border. Now in its third decade of operation, the Chamber has grown into a unique non-profit corporation operating 22 offices in Mexico and the United States. All chapters and offices, with strong local membership and international contacts, help businesses bridge differences in legal, regulatory and economic systems, as well as language and culture.

To further promote stronger bilateral relations, the Chamber established the U.S.-Mexico Cultural and Educational Foundation in 1996. The foundation, a 501 (c) (3) non-profit organization, oversees educational and cultural exchanges designed to develop business leaders of the future, infuse practical business knowledge into the academic realm and foment understanding between the neighboring countries.

The Southwest Border BusinessLINC coalition, led by the USMCOC, has access to personnel within the USMCOC network including, but not limited to, their national office staff, chapter personnel, membership base (which includes universities, associations, corporations and individuals) and other coalition members.

University partners such as Arizona State University, San Diego State University (San Diego and Imperial Valley campuses), University of Texas (El Paso, Brownsville and Pan American campuses), and Tohono O'Odham Community College, to name a few, have the capacity to provide business related training both in class room and through distance learning methods.

US Pan Asian American Chamber of Commerce

In 1997, Asian Americans' purchasing power reached \$230 billion, with 913,000 Asian American-owned firms generating \$306.9 billion in sales in the U.S. They experienced a growth rate of 30% from 1992 to 1997, and their revenue increased by 46% during the same time. Asian American businesses are an important force in the U.S. economy.

The US Pan Asian American Chamber of Commerce (USPAACC) is a 17-year-old, national, non-profit organization representing all Asian American groups in business and the professions. We have a network of over 8,000 Asian American-owned businesses in the U.S. It is the mission to promote and nurture economic growth through educational and network programs that open the doors of contract and other business opportunities to Asian Americans and their business partners in corporate America and government agencies.

Wall Street Without Walls

Wall Street Without Walls was created to encourage, organize and facilitate the provision of volunteer investment banking and capital markets services that improve the value of the investment banking profession to low-income communities and the non-profits that serve them. This much-needed technical assistance capacity harnesses Wall Street expertise in real estate and structured, public and nonprofit bond finance, and the demand has grown dramatically over the past year. The mission of W3 is to encourage bankers' volunteer involvement and support the profession's responsibility to serve the needs of the nonprofit, economic and community development community.

VII.

About The Business Roundtable

The National BusinessLINC Coalition is led by the Business Roundtable.

The Business Roundtable is the association of chief executive officers of leading U.S. corporations with a combined workforce of more than 10 million employees in the United States. The Roundtable is committed to advocating public policies that foster vigorous economic growth, a dynamic global economy, and a well-trained and productive U.S. workforce essential for future competitiveness.

A principal strength of the Roundtable is the extent of participation by the CEOs of the member companies. The Roundtable is selective in the issues it studies; a principal criterion is the impact the problem will have on the economic well-being of the nation. Working in Task Forces on specific issues, the chief executives direct research, supervise preparation of position papers, recommend policy and lobby Congress and the Administration on select issues.

The Roundtable believes that the basic interests of business closely parallel the interests of the American people, who are directly involved as consumers, employees, shareholders, and suppliers. Thus, CEOs, although they speak as individuals, have responsibilities that relate to many factors — including jobs, products, services, and return on investment — that affect the economic well-being of all Americans.

Only through sustainable, non-inflationary, long-term growth in the U.S. economy will American companies be able to remain competitive around the world and thus provide the technology and jobs that will continue to improve our standard of living and extend the benefits of that standard to all Americans. To promote growth, competitiveness and exports, the United States must create the right environment for American companies at home and abroad.

The Roundtable seeks to identify issues early, do its homework carefully, and try to understand the problems faced by government as well as business. It has served at times as a catalyst in working with other groups to form coalitions and in stimulating individual business leaders to be more active in the public policy arena.

In essence, The Business Roundtable believes that its potential for effectiveness is based on the fact that it draws on CEOs directly and personally, and presents government with reasoned alternatives and positive suggestions.

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INVESTMENT

LEARNING

NETWORKING

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COLLABORATION