FORWARD CITIES

CITY-WIDE SURVEY RESULTS

REPORT ON ENTREPRENEUR SUPPORT ORGANIZATIONS

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Research and Evaluation Team

ENTREPRENEUR SUPPORT ORGANIZATION (ESO) SURVEY RESULTS

A survey for entrepreneur support organizations (ESOs) in your city was used to assess connectivity and collaboration within the local entrepreneurial support ecosystem. Two groups of organizations were invited to participate:

- **Primary ESOs:** organizations with a primary goal, and 100% of our efforts, go towards serving small business owners and aspiring entrepreneurs
- **Secondary ESOs:** organizations with a goal of providing services to a broad population, but we have 1 or more programs that specifically serve small business owners and aspiring entrepreneurs (e.g., business leadership program)

Ancillary support organizations, defined as organizations providing services to a broad population, but no programs or services tailored for aspiring entrepreneurs or current business owners, were not included in the questionnaire.

We invited leaders (i.e., executive and program directors) from 39 Primary and Secondary ESOs to complete the questionnaire. Of those invited, 67% (n=26) submitted data for analysis. Several participants did not complete the full questionnaire but are included where possible in the analysis.

A subset of participants came from organizations that were affiliated with local institutions such as the government (35%) or colleges/universities (15%). Approximately 48% of participants were from ESOs that were led by individuals and teams who were from a racial or ethnic minority group.

Throughout the analysis, we conducted a stratified analysis by (1) ESO category (Primary vs. Secondary), (2) affiliation with local institutions, and (3) organization leadership by members of minority racial and ethnic populations. Because we had limited statistical power due to the small sample size, we used an a priori defined threshold of a 20% difference between groups for identifying meaningful differences.

FAMILIARITY WITH SERVICES PROVIDED BY OTHER ESOS

Exhibit 1. # of ESOs with which participant was at Least Moderately Familiar (2020)

- 0-10 Organizations
- 11-20 Organizations
- 21-30 Organizations
- 31-40 Organizations

4.6%
18.2%
40.9%
36.4%
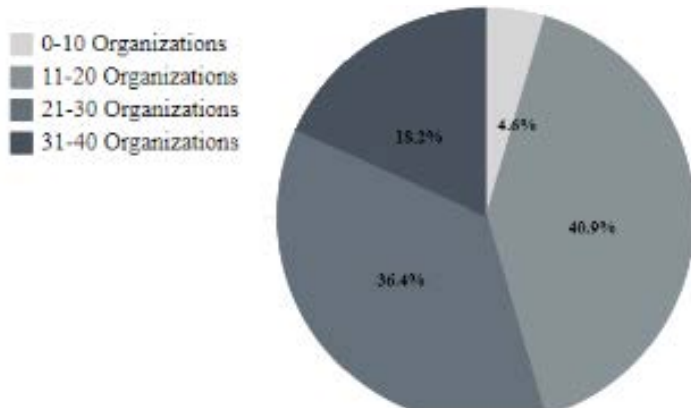
- 55% of participants were at least moderately familiar with more than half of the other 40 entrepreneur support organizations (or programs) we identified.
- Stratified analyses showed no meaningful differences between groups (i.e., Primary vs. Secondary ESOs, minority vs. non-minority led, institutional affiliation vs. unaffiliated).

Perceived Collaboration Between ESOs

Using a single question, we asked participants to describe how well organizations worked together to support entrepreneurs and small business owners in your city (Exhibit 2).
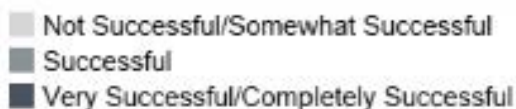
- Not Successful/Somewhat Successful
- Successful
- Very Successful/Completely Successful

30.8%
42.3%
26.9%

Exhibit 2. Participant Assessment of Collaboration Between ESOs (2020)

- Overall, 31% of participants reported that organizations were "very successful" or "completely successful" at working together to support entrepreneurs and small business owners in your city.
- Minority-led ESOs, Category 1 organizations, and ESOs not affiliated with a government or university were more likely to report lower levels of successful collaboration.

SELF-ASSESSMENT OF ECOSYSTEM HEALTH

Using a series of 12 questions, we invited participants to complete a self-assessment of their entrepreneurial ecosystem on three different areas of collaboration: **awareness** of the resources in the area, **alignment** of goals across organizations, and coordinated **action**. In Exhibit 3, each of these indices are presented on a 5 point scale ranging from "0" for poor awareness/alignment/action to "5" for excellent awareness/ alignment/action respectively. Those questions included in each of these indices are provided at the end of this report.
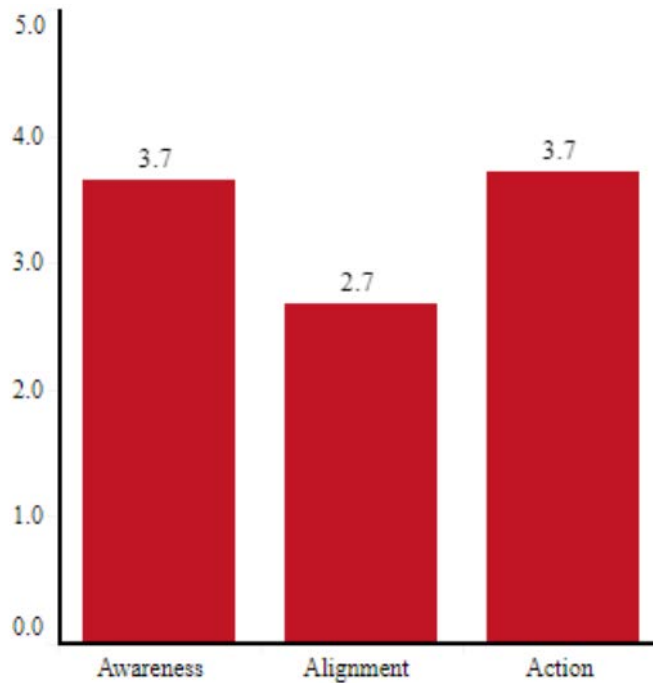

Exhibit 3. Average Scores on Awareness, Alignment and Action Indices (2020)

- Participants reported a higher level of success in the areas of "Awareness" and "Action" than in "Alignment" (on average):
    - 3.7 on the perceived awareness index (range: 1.3-5.0)
    - 2.7 on the perceived alignment index (range: 1.3-5.0)
    - 3.7 on the perceived action index (range: 2.5-5.0)
- Self-evaluation scores on all aspects of collaboration were similar across stratified analyses with one notable difference in alignment, where ESOs not affiliated with a government or university reported lower levels of alignment

OBJECTIVE ASSESSMENT OF ECOSYSTEM HEALTH

For organizations which participants were at least moderately familiar, we asked a series of questions about local perceptions of their contributions to the ecosystem. This set of questions was asked about organizations identified as Primary ESOs prior to survey distribution. Of these organizations, twenty-six received the minimum number of peer reviews (3) to be included in this analysis.

Using two indices defined by Varda and colleagues (2008), we assessed the relationships between individual organizations. The trust index measured participants' perceptions of an organization's reliability, a shared vision of success, and openness to discussion when working with others in the entrepreneurial ecosystem. The value index measured participants' perceptions of an organization's power and influence, level of commitment, and resources contributed to the entrepreneurial ecosystem. Questions included in each of these indices are provided at the end of this report. Each of these indices are presented on a 5 point scale ranging from "0" low to "5" for high on that aspect.

In Exhibit 4, we present the average scores on the trust index, the value index, and a summary score between the two indices.

Exhibit 4. Average Score Received on Trust and Value Indices, by Organization
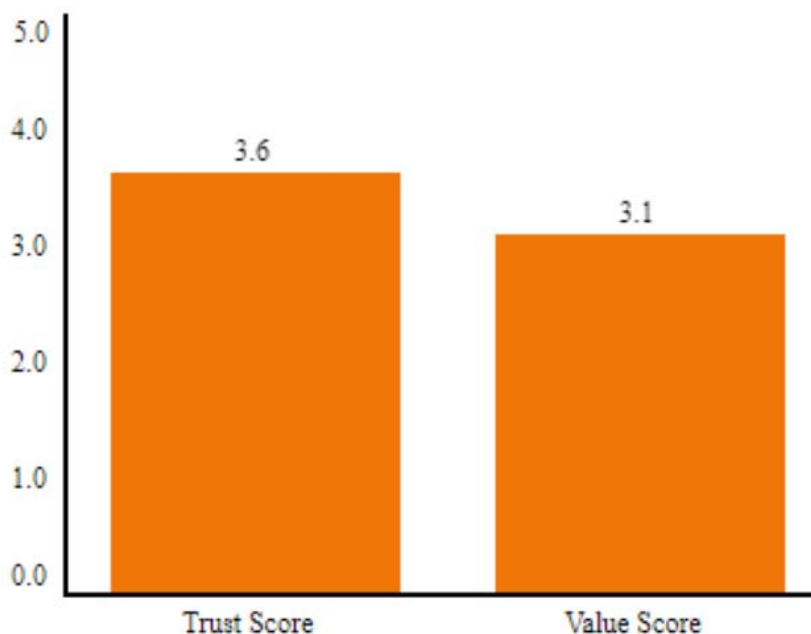
Organizational Averages:
- 3.6 on the perceived trust index (range: 2.7-5.0)
- 3.1 on the perceived value index (range: 2.1-4.8)

For each participant, we averaged the scores provided for the organizations for which they provided data. In Exhibit 5, we present the average scores on the trust index, the value index, and the average score between the value index and trust index provided by the participants.

Exhibit 5. Average Score Provided on the Trust and Value Indices, by Participant (2020)

- Participants' average across organizations assessed:
  - 3.7 on the perceived trust index (range: 1.9-5.0)
  - 3.4 on the perceived value index (range: 1.9-4.8)
- Scores were similar across stratified analysis with only small (<1 point) differences in average scores between groups (Primary vs. Secondary ESOs, minority vs. non-minority led, and institutional affiliation vs. unaffiliated).

RESEARCH METHODS

Survey questions included in each measure

Self assessment of the entrepreneurial support ecosystem health
Each score ranges 0-5

Awareness Score

1. Please rate your familiarity with the strengths and weaknesses of other organizations providing similar entrepreneurial support services as you do across your city.
2. Please rate your familiarity with the strengths and weaknesses of other organizations providing different entrepreneurial support services than you do across your city.
3. Does your organization keep or contribute to a list, map or inventory of all organizations supporting entrepreneurs in your city?
4. Please rate your familiarity with barriers and roadblocks that aspiring and established entrepreneurs encounter across your city as they start or grow their businesses. Try to answer this question for the total population of entrepreneurs, not only those that you interact with directly.
    a. Aspiring entrepreneurs
    b. Established entrepreneurs

Alignment Score

1. How would you describe the level of agreement among all stakeholders in your entrepreneurial ecosystem on the following ideas?
    a. Shared goals
    b. How to increase the number of business starts
    c. How to support existing businesses further their goals
2. How would you describe your entrepreneurial ecosystem (highly fragmented to highly collaborative)?

Action Score

1. How frequently do entrepreneurial support organizations in your city work together to achieve their missions?
2. How often are entrepreneurs involved in the design of programs or services that you are providing?
3. How often are other organizations in your ecosystem referring entrepreneurs to your organization?
4. How often does your organization refer entrepreneurs to other organizations in your ecosystem?

5. How often are entrepreneurial support organizations in your ecosystem jointly pursuing funding opportunities?
6. How regularly are you rigorously evaluating the impact of your organizations' programs or services?

Perceptions of individual entrepreneur support organizations

Each score ranges 0-5

Trust Index
1. How reliable is <Organization 1>? *Reliable: This organization is reliable in terms of following through on commitments.*
2. To what extent does <Organization 1> share a vision of collaboration with other organizations in the entrepreneurial ecosystem in <city>? *Shared vision: this organization shares a common vision of the end goal of what working together should accomplish.*
3. How open to discussion is the <Organization 1>? *Open to discussion: this organization is willing to engage in frank, open and civil discussion (especially when disagreement exists). The organization is willing to consider a variety of viewpoints and talk together (rather than at each other). You are able to communicate with this organization in an open, trusting manner.*

Value Index
1. To what extent does <Organization 1> have power and influence to impact the entrepreneurial ecosystem in <City>? *Power/Influence: The organization holds a prominent position in the ecosystem by being powerful, having influence, success as a change agent, and showing leadership.*
2. What is <Organization 1> level of involvement in the entrepreneurial ecosystem in <City>? *Level of Involvement: The organization is strongly committed and active in the ecosystem and gets things done.*
3. To what extent does <Organization 1> contribute resources to the entrepreneurial ecosystem in <City>? *Contributing Resources: The organization brings resources to the ecosystem like funding, information, or other resources.*