U.S. Small Business Administration

Strategic Plan

Fiscal Years 2014 – 2018

U.S. Small Business Administration
FY 2014 – 2018 Strategic Plan

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Message from the Acting Administrator

When, following the suggestion of President Eisenhower, Congress passed the Small Business Act and created the U.S. Small Business Administration (SBA) in 1953, its stated mission was to "aid, counsel, assist and protect, insofar as is possible, the interests of small business concerns," and also ensure small businesses a "fair proportion" of government contracts.

Sixty years later, the landscape of the nation has changed substantially, but SBA's mission and its commitment to the interests of America's small businesses remain the same.

During the past six decades, SBA has helped tens of millions of small businesses start, grow and succeed by expanding access to capital, federal contracts, counseling and entrepreneurial education. In addition, SBA disaster loans have helped more than a million homeowners and renters, and hundreds of thousands of businesses recover and rebuild their lives.

America's 28 million small business owners drive job creation and innovation across our economy--creating two out of three new private sector jobs, and employing more than half of our nation's workforce. SBA is committed to giving these entrepreneurs the tools and resources they need to strengthen our economy, drive American innovation, and increase our global competitiveness.

This Strategic Plan provides a framework that will strengthen, streamline, and simplify SBA's programs while leveraging partnerships across the government and private sector. This framework will ensure that small business owners and entrepreneurs have what they need to start and expand their operations and create jobs that support a growing economy and strong middle class. The SBA will have three overarching goals for the next five years:

1. Grow businesses and create jobs
2. Serve as the voice for small business
3. Build an Agency that meets the needs of today's and tomorrow's small businesses

Each goal contains strategic objectives which are directly tied to performance both at the individual level and Agency-wide.

I am pleased to submit the SBA's new Strategic Plan. These are challenging times, and the SBA's role in helping small businesses grow and create jobs has never been more important.

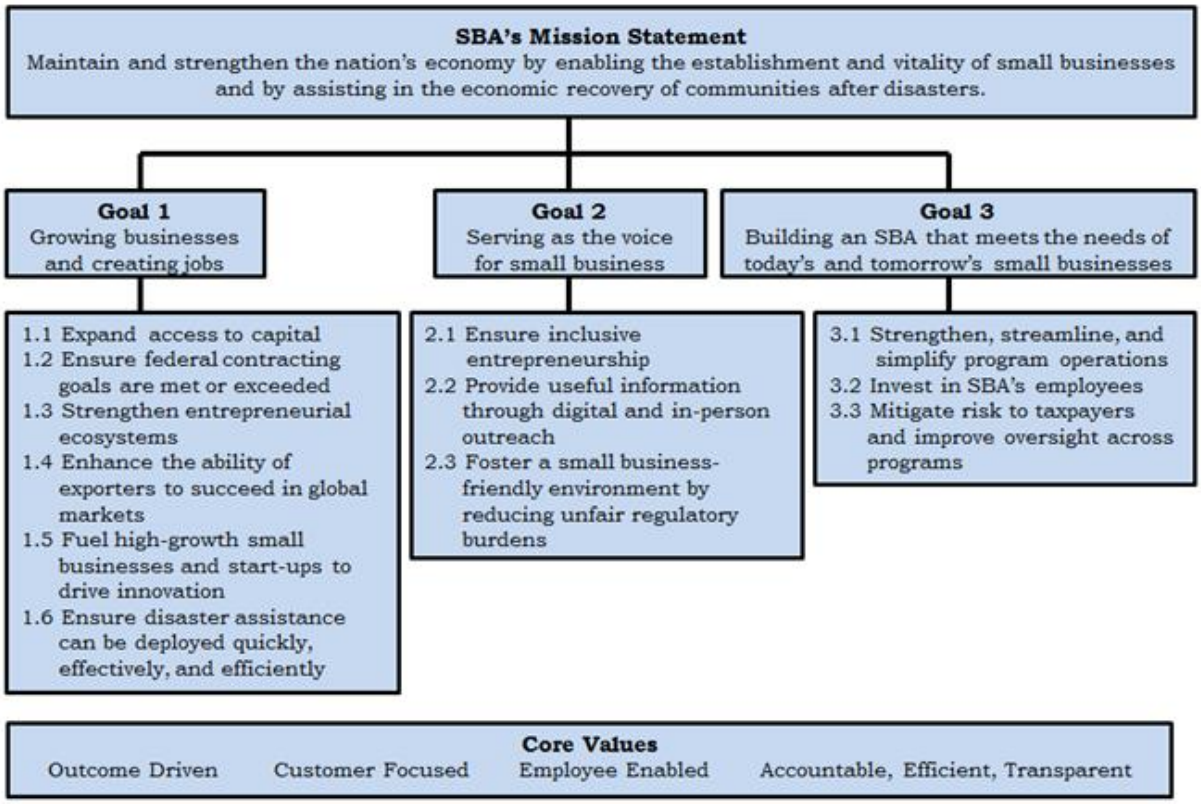
Sincerely,

Marianne O. Markowitz

Overview

America's 28 million small business owners are the engine of job creation and economic growth in this country, creating two out of every three net new jobs in the United States, and employing over half of the nation's workforce. The U.S. Small Business Administration (SBA) ensures that these businesses have the tools and resources they need to start and expand their operations and create good jobs that support a growing economy and strong middle class.

The SBA has a proven track record of assisting America's small businesses by increasing and improving access to capital, federal contracting opportunities, entrepreneurial development, and disaster assistance. The Agency also boosts America's long-term competitiveness by improving the entrepreneurial ecosystem to ensure small business owners and entrepreneurs are well positioned to take advantage of new opportunities and new markets as the economy improves.



The SBA has four core values that guide the work of employees each day:

- ✓ **Outcome Driven:** We will clearly de fine the outcomes we are targeting and ensure that our programs, processes and policies are aligned to achieve them
- ✓ **Customer Focused:** We serve people and will be responsive to their needs, both in the services we provide and in how we deliver
- ✓ **Employee Enabled**: Our people extend the hand of service to Americans every day, and we must ensure employees have the tools, the training, and the support to be effective
- ✓ **Accountable, Efficient and Transparent**: We have a bedrock obligation to the taxpayer to manage efficiently, invest capital prudently, and be open and honest about our results

Strategic Goal One – Growing businesses and creating jobs

Strategic Objective 1.1 – Capital

Expand access to capital through SBA's extensive lending network

Access to capital is critical to the long-term success of America's small businesses. The top priority at the SBA is to get lending flowing to small businesses. To maintain a healthy economy, the SBA is working to ensure that remaining gaps in the commercial markets are filled and that small businesses across the country are well positioned to take advantage of opportunities. The SBA also continues to streamline and simplify its loan programs to make its products more attractive to lenders and borrowers.

- **Lead Office:** Office of Capital Access
- **Programs/Activities:** 7(a) Loans, 504 Certified Development Loans, Secondary Market Guaranty, Microloans, Surety Bond Guaranty, Small Business Development Centers (SBDC), Women's Business Centers (WBC), SCORE, Veteran's Business Outreach Centers (VBOC), U.S. Export Assistance Centers
- **Strategies:**
  1. *Offer loan guaranty products to assist small businesses in obtaining financing when they do not qualify for conventional credit:* SBA loan guaranty programs play a critical role ensuring access to capital for U.S. small businesses. When a small business cannot qualify for a loan under conventional credit standards, SBA's loan guaranty programs are focused on providing necessary capital to entrepreneurs.
  2. *Strengthen and expand the network of lenders offering SBA products*: The Agency has strengthened relationships with existing SBA lenders and, with the aid of the American Recovery and Reinvestment Act 2009, attracted new lenders. The SBA works with existing and new lenders to ensure they have the tools and resources they need to increase the volume of SBA loans.
  3. *Leverage network of resource partners to assist small business owners in accessing capital:* Each year, hundreds of thousands of entrepreneurs come through SBA's resource partner network of SBDCs, WBCs, SCORE and VBOCs. These business advisors help entrepreneurs gain access to capital infusion that can help them expand their businesses.
  4. *Offer a guaranty surety bond product for small and emerging contractors:* Many federal, state, local, and private projects require a contractor to obtain bonding, which can be difficult in conventional commercial channels for small firms without extensive credit histories or experience. The SBA Surety Bond program provides small contractors with an avenue to obtain bonding and continue to grow.

Strategic Objective 1.2 – Contracting

Ensure federal contracting goals are met and/or exceeded by collaborating across the federal government to expand opportunities for small businesses and strengthen the integrity of the federal contracting certification process and data

Small business contracting is one of the most important federal programs to help America's small businesses grow and create jobs. The federal government gets to work with the most innovative small businesses in America today, and small businesses get critical revenue to build and scale their operations. SBA's goal is to make sure that all federal agencies meet or exceed their targets for federal prime contracting dollars awarded to small businesses. The SBA is improving coordination and communication across the federal government, facilitating matchmaking events, increasing online trainings and holding senior officials accountable for meeting their agencies' small business goals. The SBA also continues to simplify access to federal contracting opportunities and educate small businesses on the contracting opportunities available to them. The SBA is also streamlining the certification process and data for federal contracting and continues to aggressively root out fraud, waste and abuse in small business contracting to ensure that contracting dollars go to deserving small businesses.

- **Lead Office:** Office of Government Contracting and Business Development
- **Programs/Activities:** Small Business Procurement Set-Aside, 8(a) Business Development, 7(j) Technical Assistance, HUBZone, Women-Owned Small Business Federal Contracting, Service-Disabled Veteran-Owned Small Business Procurement, Procurement Assistance, Mentor-Protégé, Size Standards
- **Strategies:**
  1. *Ensure federal agencies are meeting their small business contracting goals:* The SBA assists agencies in their acquisition planning efforts to help the federal government reach the statutory 23 percent target for small business contracting.
  2. *Simplify access to federal contracting; attract and educate small businesses on contracting opportunities:* Small businesses are more likely to engage in federal contracting when the process is simplified and initiatives provide awareness of contracting opportunities to help them get the cash flow needed to fund and grow their operations.
  3. *Improve certification process and data for federal contracting:* The SBA continues to improve the 8(a) and HUBZone certification process to assist federal agencies in helping these firms access much needed capital through the federal supply chain. Ongoing efforts to improve data quality include providing tools to facilitate review of data, and improvements to procurement systems.
  4. *Increase small business contracting through training of the federal contracting force:* Contracting officers play a critical role in achieving mission outcomes and increasing small business participation in the federal supply chain. As new contracting tools and regulations become available, the federal acquisition workforce needs to be well trained.

Strategic Objective 1.3 – Entrepreneurship

Strengthen entrepreneurial ecosystems through a variety of strategic partnerships to provide tailored training, mentoring and advising services that support entrepreneurs during every phase of their business growth

Entrepreneurs and small business owners who receive training, mentoring and/or advising services increase sales, create more jobs, and have greater economic impact on their communities. SBA's resource partner network – including 63 SBDCs with over 900 outreach locations, over 100 WBCs, and 11,000 SCORE volunteers nationwide – assists more than one million business owners and entrepreneurs each year. The SBA also leads and builds partnerships with other agencies and private sector partners to support robust entrepreneurial ecosystems across the country. For instance, regional innovation clusters bring together small businesses and entrepreneurs with venture capitalists, universities and regional industry leaders who can help leverage a region's unique assets to turn entrepreneurial ideas into high-growth small businesses.

- **Lead Office:** Office of Entrepreneurial Development
- **Programs/Activities:** Small Business Development Centers (SBDC), Women's Business Centers (WBC), SCORE, Online Learning Center, Regional Innovation Clusters, Entrepreneurship Education, Emerging Leaders, American Supplier Initiative, Scale Up America, Encore Entrepreneurship
- **Strategies:**
  1. *Harness SBA's nationwide network of resource partners:* The SBA resource partner network educates, trains, advises, and mentors locally-based as well as high-growth innovative small businesses with potential to expand. Partners help entrepreneurs turn ideas and concepts into new business ventures.
  2. *Improve entrepreneurial ecosystems through cross-agency partnerships and public-private partnerships:* The SBA collaborates with other agencies to proactively build an informed framework and the necessary federal infrastructure to stimulate inter-agency cooperation to improve and create new entrepreneurship initiatives. This includes increased information sharing about agency activities that support or are related to entrepreneurship.
  3. *Offer tailored training through structured programs and online access:* The SBA designs and hosts a variety of educational program and tools to promote active learning for aspiring entrepreneurs and existing small businesses. The Agency uses courses on business topics such as starting your business, financing resources, government procurement opportunities, and marketing strategies.

Strategic Objective 1.4 – Exports

Enhance the ability of current and future small business exporters to succeed in global markets by expanding access to financing, counseling, training and other export tools

Export sales contribute to a strong middle class by fueling economic opportunity and jobs in communities across the United States, while the countries buying American products gain access to some of the highest-quality products and services in the world. Today, nearly 96 percent of consumers and over two-thirds of the world's purchasing power reside outside the United States. Small businesses that can tap into this global market have the potential for vast expansion and growth, with small businesses now constituting 34 percent of total export dollars and comprising approximately 97.8 percent of all exporters.

- **Lead Office:** Office of International Trade
- **Programs/Activities:** International Trade (loan programs and counseling and training programs), Small Business Development Centers (SBDC), State Trade and Export Promotion (STEP) Program
- **Strategies:**
  1. *Expand market export opportunities:* Small businesses that can tap into the global market have the potential for vast expansion and growth. Expanding the base of small business exporters and making the process as easy as possible for them is key to increasing exports. To support this strategy, the State Trade and Export Promotion (STEP) program matches federal dollars to states and territories to fund export promotion efforts, including trade missions, international marketing efforts, business counseling, and export trade show exhibits.
  2. *Increase access to trade financing:* Without access to trade finance, many small business exporters would not be able to complete export orders. In order to build a more extensive trade financing infrastructure to serve current and future small business exporters, the SBA collaborates with other agencies to simplify and expedite trade financing products, making them easier for community banks to provide to their customers as they expand sales abroad.
  3. *Provide tailored training and counseling to lenders and small businesses:* Through its network of trade finance specialists located in 19 U.S. Export Assistance Centers (USEAC) throughout the country, the SBA provides training and counseling services on trade financing and U.S. government export financing programs to both lenders and small businesses. In addition to speaking at workshops on trade finance topics, SBA's trade finance specialists provide in-depth, in-bank training for lenders on U.S. government export financing programs.
  4. *Engage Trade Promotion Coordinating Committee and state and resource partners for export promotion and support:* SBA's Administrator chairs the Trade Promotion Coordinating Committee's (TPCC) Small Business Working Group (SBWG), which is primarily responsible for increasing exports by small businesses. Much of the work of the TPCC SBWG and SBA's support of the National Export Initiative (NEI) involves marketing communication to small businesses throughout the country about the benefits of exporting and about resources available to small businesses to help them begin exporting, expand into new foreign markets, and finance exports.

Strategic Objective 1.5 – High-Growth and Start-ups

Fuel high-growth entrepreneurship, innovation and job creation by providing the tools small businesses need to start and grow their businesses

High-growth businesses create almost all of the net new jobs in the economy today. Through longer-term "patient" capital, growth accelerators and regional innovation clusters, federal research and development (R&D) grants, and export assistance, the SBA plays a critical role in the ongoing success of high-growth small businesses. These high-growth investments provide opportunities for small businesses to create jobs and sustain the cycle of American entrepreneurship and innovation.

- **Lead Office:** Office of Investments and Innovation
- **Programs/Activities:** Small Business Investment Companies (SBIC), Small Business Innovation & Research (SBIR), Small Business Technology Transfer (STTR), Growth Accelerators, FAST Grants
- **Strategies:**
  1. *Grow the deployment of long term capital via the SBIC program:* The SBIC program provides long-term loans and equity capital to small businesses, especially those with potential for substantial job growth and economic impact. By increasing availability of growth capital to small businesses, the SBA helps small business owners at every stage of a business's development. This capital is generally longer term "patient" capital that is well suited to high-growth companies and is a critical tool to help these businesses expand and create jobs in their communities.
  2. *Improve SBIR operations, outreach and commercialization and STTR programs:* The SBIR/STTR program helps innovative small businesses meet the research and development needs of the federal government and then commercialize those innovations in the marketplace. The SBA coordinates the programs for the federal government, setting performance standards for the eleven participating agencies, tracking metrics, and helping small businesses interested in pursuing SBIR opportunities.
  3. *Strengthen the accelerator network targeted at high growth startups and capital providers:* Growth accelerators are organizations that help entrepreneurs start and scale their businesses. Typically run by experienced entrepreneurs, accelerators help small businesses access seed capital, mentors, and networking opportunities. These organizations help accelerate a startup company's path towards success with targeted advice on revenue growth, job growth, and sourcing outside funding.
  4. *Provide thought, policy and executional leadership on the crowd-funding capital raising model:* The SBA has led policy development and supported thought leadership on the current proposed crowd-funding rules as published by the Securities and Exchange Commission (SEC). Crowd-funding serves as an alternative source of capital to support a wide range of ideas and ventures. Through its position on the SEC advisory board for small and emerging companies, the Agency partners with SEC on the development of rules and platforms to ensure that the needs of the small businesses are met.

Strategic Objective 1.6 – Disaster Assistance

Ensure that SBA's disaster assistance resources for businesses, non-profit organizations, homeowners and renters can be deployed quickly, effectively and efficiently in order to preserve jobs and help return small businesses to operation

Returning small business operations to normal in the wake of a disaster is critical to ensuring that local economies regain traction as quickly as possible and are once again able to contribute to the economy and create jobs. The SBA – in coordination with the U.S. Federal Emergency Management Agency (FEMA), other federal agencies, the American Red Cross and others – helps small businesses prepare for disaster and provides direct low-interest loans to small business owners, homeowners and renters to help them recover in the aftermath of a disaster.

- **Lead Office:** Office of Disaster Assistance
- **Programs/Activities:** Disaster Loans, Disaster Assistance, Small Business Development Centers (SBDC), Women's Business Centers (WBC), SCORE, Field Office Outreach
- **Strategies:**
  1. *Promote disaster preparedness in targeting of pre-disaster outreach by region and type of disaster:* Small business owners invest a tremendous amount of time and money to make their ventures successful, but many owners do not properly plan and prepare for disasters. Having a plan in case disaster strikes can help mitigate the negative effects on a small business or individual, and by extension, the possible negative impacts on employees, customers, vendors, and the local economy.
  2. *Strengthen disaster operations to enhance effectiveness and efficiency:* The SBA is continually reviewing and implementing process improvements to enhance program delivery. The development of DisasterAssistance.gov has made disaster assistance responsive, consistent, and easy for survivors of disaster to find government resources. Additionally, the SBA created an electronic loan application for its disaster assistance loans to simplify the application process and speed delivery of assistance to disaster survivors across all eligible home or business loan applications.
  3. *Utilize SBA's nationwide infrastructure for short and long term recovery:* The SBA is committed to providing a "One SBA" approach in the aftermath of disasters to provide short and long-term assistance. In doing so, the Agency engages district offices and resource partners early so they can continue to provide assistance to their communities after the disaster declaration deadlines have passed. The SBA district offices leverage public and private sector resources, including its resource partners throughout the disaster affected areas, to provide support.

Strategic Goal Two — Serving as the Voice for Small Business

Strategic Objective 2.1 – Inclusive Entrepreneurship

Ensure inclusive entrepreneurship by expanding access and opportunity to small businesses and entrepreneurs in communities where market gaps remain

Underserved communities – including women, low-income, minorities, veteran entrepreneurs – often have extreme difficulty in accessing capital, training, advising, and mentoring services and federal contracts. SBA's unique approach to inclusive entrepreneurship provides products, services and programs that offer a path to business ownership for these populations that also suffer from disproportionately high levels of unemployment. The SBA will continue to work collaboratively with community development partners, credit unions, minority associations and others to tailor programs to meet their needs and ensure that SBA's programs remain accessible to underserved communities.

- **Lead Offices:** Office of Capital Access, Office of Government Contracting and Business Development, Office of Entrepreneurial Development, Office of Veterans Development, Office of Native American Affairs
- **Programs/Activities:** 8(a) Business Development, 7(j) Technical Assistance, HUBZone, Women-Owned Small Business Federal Contracting, Service-Disabled Veteran-Owned Small Business Procurement, Native American Outreach, Boots to Business, Veterans Business Outreach Centers (VBOC), Small Business Procurement Set-Aside, 7(a), 504, Microloans, PRIME Grants, Community Advantage Loans, Small Business Investment Companies (SBIC), Small Business Innovation & Research (SBIR), Small Business Technology Transfer (STTR), Small Business Development Centers (SBDC), Women's Business Centers (WBC), SCORE
- **Strategies:**
  1. *Expand access to capital, contracting, training, advising, and mentoring services for small businesses and entrepreneurs in underserved communities:* Small businesses in underserved markets have more difficulty than other businesses accessing and qualifying for credit. Since SBA programs help lenders expand the credit spectrum, they are especially critical in reaching underserved markets. Winning a federal contract can have an immense effect on job creation, economic development, and capital investment in underserved markets.
  2. *Help veterans become small business owners:* The SBA provides support through 15 VBOCs, its district office and Office of Veteran's Business Development outreach initiatives, and partnerships with the U.S. Department of Defense, U.S. Department of Labor, and universities. This network provides guidance, training, and assistance to veteran small business owners.
  3. *Create entrepreneurial empowerment in Native American communities:* Through the Office of Native American Affairs, the SBA coordinates the development of policies specific to Native American populations. The program engages in outreach, technical assistance, and tribal consultation and education. It formulates and administers training programs, and coordinates entrepreneurial development opportunities through collaboration and co-sponsorship agreements with resource partners and other federal agencies.

Strategic Objective 2.2 – Outreach

Provide timely, instructive and useful information to the small business community through SBA's extensive digital and in-person outreach efforts

The SBA works to ensure that entrepreneurs and small business owners can effectively access and navigate small business programs across the federal government. In an increasingly tech-driven economy, the SBA has taken significant steps to upgrade and enhance its website to better meet the needs of small businesses and give entrepreneurs more ways to access the Agency's tools and resources. The SBA co-leads the BusinessUSA initiative with the Department of Commerce to provide small businesses with an easy-to-use, consolidated website and toll-free telephone number for the many government small business resources found in ten federal agencies. This "No Wrong Door" approach for small businesses and exporters creates a common platform to match businesses with the services relevant to them, regardless of which agency houses the pertinent information and resources. When significant legislation such as the Affordable Care Act and Small Business Jobs Act of 2010 affect the small business landscape, SBA leverages its nationwide network of field offices and resource partners to conduct outreach to hundreds of thousands of small business owners.

- **Lead Offices:** Office of Communications & Public Liaison, Office of Field Operations
- **Programs/Activities:** SBA.gov, BusinessUSA, Field Office Outreach, U.S. Export Assistance Centers, Faith-Based and Neighborhood Partnerships
- **Strategies:**
  1. *Implement a consolidated platform for businesses to access services to help them grow:* As the Internet increasingly becomes a primary point of contact and information for small businesses, the SBA has taken significant steps to upgrade and enhance its website to better meet the needs of small businesses. In the spirit of Web 2.0 and the Open Government initiative, the SBA will transform its website, SBA.gov to allow more transparency, user participation, and collaboration.
  2. *Strengthen SBA's stakeholder outreach and brand:* SBA's stakeholders comprise members of the small business and lending communities as well as the many organizations, associations, non-profits, and private sector companies that support and provide services to them. Conducting outreach to these many stakeholders is critical to fulfilling SBA's mission, especially in economic times that require everyone to do more with less. The SBA conducts a majority of its local-level traditional outreach through its Office of Field Operations (OFO) and 68 district offices. Using this network, the SBA ensures that small businesses receive on-the-ground support needed to build and grow their business.

Strategic Objective 2.3 – Regulatory Fairness

Foster a small business-friendly environment by encouraging federal agency awareness about the impact of unfair regulatory enforcement and compliance efforts, reducing burdens on small business

The SBA plays a critical role in the Administration's ongoing efforts to reduce regulatory barriers to entrepreneurship, innovation, and American competitiveness. As part of the Start-Up America initiative, government leaders met with more than 1,000 entrepreneurs across the country to talk about ways to reduce barriers for small business growth. These conversations continue to guide SBA policy and programmatic decisions. In addition, SBA's National Ombudsman plays a key role in helping small business owners deal with specific regulatory burdens and challenges that result from federal agency processes. Furthermore, the SBA is focused on and committed to not only compiling internal SBA data to inform programmatic decisions, but also partnering with the key federal agencies to gather the most robust data sets to make informed policy.

- **Lead Offices:** Office of the National Ombudsman
- **Programs/Activities:** Ombudsman
- **Strategies:**
  1. *Maintain a confidential, efficient, and customer-focused ombudsman process to receive comments from small business and liaise with federal agencies:* The SBA Office of the National Ombudsman works with federal agencies and the small businesses they regulate to provide a confidential, impartial channel for small businesses to comment on other agency enforcement activities, audits, on-site inspections, compliance assistance, or other communication. These comments, and the efforts to meaningfully address them, form the basis of the national ombudsman's annual report to Congress evaluating the responsiveness of agencies to regulatory concerns reported by small businesses.
  2. *Identify and reduce regulatory burdens on entrepreneurs and small businesses through stakeholder engagement, outreach to all segments of the small business community, and collaboration with federal agency partners:* The SBA Office of the National Ombudsman maintains Regulatory Fairness Boards in each of SBA's ten regions. With the SBA national ombudsman, these regional boards of five small business owners host and participate in public hearings and roundtables where small businesses and representatives of small businesses voice concerns regarding regulations.

Strategic Goal Three — Building an SBA that Meets the Needs of Today's and Tomorrow's Small Businesses

Strategic Objective 3.1 – Program Operations

Streamline, simplify, and strengthen SBA's core programs and operations to ensure that they are high performing, effective and relevant to the needs of the small business community

Entrepreneurs, small business owners and lenders have limited time and resources. The SBA works to continuously strengthen, streamline and simplify its programs to meet their needs. For example, the SBA has strengthened its human resource capabilities; improved processes for managing fraud, waste and abuse, and; made strategic investments in its physical and IT infrastructure. These ongoing efforts have contributed to improved delivery of services and more efficient processes. The SBA also continues to move from paper-based processes to electronic platforms and to reduce overhead through its efforts to promote effective and efficient operations which include reducing travel expenses, consolidating real estate, improving fleet management and reducing redundancies in IT functions.

- **Lead Offices:** Office of the Chief Operating Officer, Office of Performance Management and the Chief Financial Officer
- **Programs/Activities:** Program Management and Administration
- **Strategies:**
  1. *Implement process and operational improvements to simplify and speed up the delivery of SBA's programs and services and to improve customer satisfaction:* The SBA supports the Administration's efforts to improve the quality and cost effectiveness of core administrative services. By closing or consolidating underused offices, cutting unnecessary spending, and leveraging the buying power of the federal government, the Agency will improve program operations to support small businesses.
  2. *Ensure efficient and effective management of agency financial and acquisition resources:* SBA's Office of the Chief Financial Officer (OCFO) works to ensure that the Agency effectively and efficiently manages its financial and acquisition resources. OCFO establishes, measures, and assesses Agency performance, ensures compliance with financial regulations, executes a timely and responsive acquisition process, and provides timely budget, financial, and performance data to drive senior leadership decision-making.
  3. *Implement and maintain modern, secure and reliable information technology systems and services:* The SBA continues to optimize and maintain its IT infrastructure, identify areas for efficiency and innovation, and invest in its IT workforce. The Agency continues to develop a framework that builds on best practices in IT investments and governance in an environment of evolving demands and rapidly advancing technology. The planned activities are consistent with SBA's desire to continue engaging customers and stakeholders to ensure improved accountability and transparency.

Strategic Objective 3.2 – Employees

Invest in the Agency's employee recruitment, hiring, training, work-life programs and performance management so employees are engaged to more effectively serve small businesses

The SBA continues to make training and leadership development an Agency priority. The SBA has launched a new Leadership Development program and is working to ensure that across the Agency there is a strong career path for the next generation of SBA leaders. The SBA will continue to invest in its workforce through training and professional development programs, cultivating internal staff members with demonstrated leadership potential, and designing a strategic onboarding process to attract new employees and adapt them to the organization's culture with a high level of motivation. These investments are the result of feedback from the annual Employee Viewpoint Survey, and are effective strategies aimed at improving the Agency's annual employee survey "overall employee satisfaction" rating.

- **Lead Offices:** Office of Human Resource Solutions, Office of Diversity, Inclusion, and Civil Rights
- **Programs/Activities:** Program Management and Administration
- **Strategies:**
  1. *Recruit and maintain a diverse, high-performing, outcome-driven workforce:* The SBA ensures that it has an effective strategy to recruit a diverse, high-performing, outcome-driven workforce. The Agency has implemented a collaborative effort between OHRS and the SBA Office of Diversity, Inclusion and Civil Rights (ODICR) that engages stakeholders to develop and deploy a sophisticated recruitment strategy.
  2. *Offer high-value learning and leadership opportunities:* The SBA values its employees and continues to make an investment in them. A workforce prepared to deal with the challenges facing small businesses, today and in the future, strengthens the capabilities of the Agency. In order to address these needs, the SBA must prepare its future leaders. Knowledge transfer and succession planning are critical to maintaining services to ensure that the Agency accomplishes its mission.
  3. *Foster an inclusive organizational culture that inspires employee engagement, cooperation, and fairness, empowering employees to realize their full potential:* The SBA strives to create an inclusive environment where employees are fully engaged and diversity is respected. These tenets are included in every SBA human resources policy. Furthermore, the Administrator lives these values and leads by example.
  4. *Modernize and integrate human resource systems:* Improving information systems for human resources is crucial for lowering costs, planning workforce development, and tracking personnel performance management.

Strategic Objective 3.3 – Risk Mitigation

Mitigate risk to taxpayers and improve oversight across SBA programs

Taxpayers, including entrepreneurs and small business owners, expect that their tax dollars are being used wisely. SBA programs give taxpayers a strong "bang for the buck," and the Agency will continue to find ways to mitigate risk while ensuring that small businesses have access to and fully benefit from the Agency's programs. With an outstanding loan portfolio of over $100 billion, oversight of small businesses' eligibility in tens of billions of government contract set-asides, a network of hundreds of grantee partners delivering counseling and training to over a million clients a year, and direct fiscal responsibility for the annual budget, the SBA has an extraordinary responsibility to taxpayers to mitigate risk and conduct oversight of its programs.

- **Lead Offices:** Office of Capital Access, Office of Government Contracting and Business Development, Office of Entrepreneurial Development, Office of Investments and Innovation
- **Support Offices:** Office of Field Operations, Office of the Chief Financial Officer, Office of Disaster Assistance, Office of International Trade
- **Programs/Activities:** Program Management and Administration, 7(a) Loans, 504 Certified Development Loans, Microloans, Small Business Procurement Set-Aside, 8(a) Business Development, HUBZone, Small Business Development Centers (SBDC), SCORE, Small Business Investment Companies (SBIC), Disaster Assistance
- **Strategies:**
  1. *Use technology and targeted reviews to conduct effective risk management:* The SBA conducts on-site and off-site reviews of its various partners to help the Agency mitigate risk in a cost-effective manner. Multi-stage portfolio monitoring and certifications allow staff to determine the potential risk of each partner and whether an in-depth site review or less invasive off-site review is warranted.
  2. *Ensure integrity of contracting programs and combat fraud, waste and abuse:* The SBA has a three-pronged approach for combating fraud, waste, and abuse in small business contracting. First, ensure effective certification processes that provide clear and comprehensive eligibility screening on the front end to ensure only qualified, eligible firms participate in its programs. Second, conduct continuing surveillance and monitoring of firms once in the program. Third, focus on taking robust and timely enforcement on any non-compliant or fraudulent firms.
  3. *Maintain strong internal controls and decrease improper payments:* To ensure that the Agency correctly accounts for the spending of appropriations and reduces improper payments, OCFO conducts internal control assessments in compliance with OMB Circular A-123, Appendix A (Internal Controls Over Financial Reporting). OCFO provides guidance and evaluation tools to assist managers in their annual assertion on the adequacy of internal controls in compliance with the Federal Managers Financial Integrity Act (FMFIA). In addition, OCFO evaluates contract payments for improper payments and coordinates reporting of 7(a) and 504 loan guaranty and disaster direct loan improper payments.

Agency Priority and Performance Goals

The SBA uses a variety of measures to provide targeted outcomes for the Agency to pursue each year that will further the strategic objectives detailed above. Every two years, a handful of these performance goals will be elevated to Priority Goals and receive more robust attention at senior leadership meetings and include dedicated strategies, detailed milestones and quarterly targets, and public reporting on www.Performance.gov.

Strategic Objective	Performance and FY14/15 Priority Goals
1.1 Capital	**Priority Goal:** Expand access to capital by adding 325 new and returning lenders to SBA's flagship 7(a) program each year for FY14-15 **Performance Goal:** Support 702,750 jobs through capital assistance programs in FY 2016
1.2 Contracting	**Priority Goal**: Maximize small business participation in federal government contracting to meet the statutory goals and reduce participation by ineligible firms
1.3 Entrepreneurship	**Performance Goal:** Reach 1.4 million clients with online and in-person training and advising services in FY 2016
1.4 Exports	**Priority Goal:** Expand access to export financing by increasing the number of lenders providing finance solutions from 430 to 555 and the number of small business exporters receiving financing through SBA loan programs from 1,346 to 1,480 by September 30, 2015
1.5 High-Growth & Start-Ups	**Performance Goal:** Issue $2.5 billion in debenture leverage to SBICs in FY 2016
1.6 Disaster Assistance	**Priority Goal**: Increase the return rate for disaster survivor loan applications by 10 percentage points, from 24 percent to 34 percent, by September 30, 2015
	Performance Goal: Ensure the customer satisfaction rate for disaster loan approvals is 71 percent in FY 2016
2.1 Inclusive Entrepreneurship	**Performance Goal :** Assist 32,250 underserved small businesses through capital assistance programs and 14,475 underserved small businesses through contracting programs in FY 2016
2.2 Outreach	**Performance Goal :** Average 2.2 million site visits to SBA.gov each month FY 2016
2.3 Regulatory Fairness	**Performance Goal :** Maintain Regional Regulatory Fairness Board membership at 90 percent or better, identify six rules/regulations that disproportionately affect small business, and work across government to secure lasting regulatory fixes in FY 2016
3.1 Program Operations	**Performance Goal :** Ensure an IT customer satisfaction rate of 4.9 and award 68 percent of SBA contracts to small business in FY 2016
3.2 Employees	**Performance Goal :** Ensure the average time-to-hire will be less than 100 days in FY 2016
3.3 Risk Mitigation	**Performance Goal :** Perform 300 analytical risk-based reviews, review 100 percent of 8(a) firms, visit 10 percent of HUBZone firm sites, and conduct 65 reviews of Office of Entrepreneurial Development resource partners in FY 2016

The SBA currently contributes to the following Cross-Agency Priority Goals. Please refer to www.Performance.gov for the agency's contributions to these goals and progress.

Cross-Agency Priority Goal	SBA Strategic Objective
Job Creating Investment: Improve federal investment tools and resources, while also increasing interagency coordination, to encourage foreign direct investment, spurring job growth.	1.1 Capital 1.2 Contracting 1.3 Entrepreneurship 1.4 Exports 1.5 High-Growth and Start-Ups 2.1 Inclusive Entrepreneurship
Cybersecurity: Improve cybersecurity performance through ongoing awareness of information security, vulnerabilities, and threats impacting the operating information environment, ensuring that only authorized users have access to resources and information; and the implementation of technologies and processes that reduce the risk of malware.	3.1 Program Operations
Customer Service: Deliver world class customer services to citizens by making it faster and easier for individuals and businesses to complete transactions and have a positive experience with government.	1.1 Capital 1.2 Contracting 1.3 Entrepreneurship 1.4 Exports 1.5 High-Growth and Start-Ups 1.6 Disaster Assistance 2.1 Inclusive Entrepreneurship 2.2 Outreach
Smarter IT Delivery: Improve outcomes and customer satisfaction with federal services through smarter IT delivery and stronger agency accountability for success.	1.1 Capital 3.1 Program Operations
Strategic Sourcing: Expand the use of high quality, high value strategic sourcing solutions in order to improve the government's buying power and reduce contract duplication.	3.1 Program Operations
Benchmark and Improve Mission-Support Operations: Improve administrative efficiency and increase the adoption of effective management practices by establishing cost and quality benchmarks of mission-support operations and giving agency decision makers better data to compare options, allocate resources, and improve processes.	3.1 Program Operations 3.2 Employees
Open Data: Fuel entrepreneurship and innovation and improve government efficiency and effectiveness by unlocking the value of government data and adopting management approaches that promote interoperability and openness of this data.	3.1 Program Operations
Lab to Market: Increase the economic impact of federally funded research and development by accelerating and improving the transfer of new technologies from the laboratory to the commercial marketplace.	1.5 High-Growth and Start-Ups
People and Culture: Innovate by unlocking the full potential of the workforce we have today and building the workforce we need for tomorrow.	3.2 Employees

Federal Program Inventory

The Small Business Administration (SBA) was selected along with other trade, export and competitiveness agencies to pilot the Federal Program Inventory. During the pilot phase, SBA developed its approach by defining programs that contribute to the Agency's mission and support its strategic goals and objectives. The published report contains a full inventory of the SBA's 34 inventoried programs. The report is available here: http://www.sba.gov/sites/default/files/files/SBA%20Program%20Inventory.pdf

To identify the programs, SBA used GAO's program definition of "an organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities" as a starting point. We then identified SBA's organized sets of activities that impact our intended recipients (i.e., disaster and small business loans), activities that impact public outcomes (the creation of jobs) and activities that have an impact on the budget. However, we only included programs that are permanent in nature so we did not include pilot programs in this inventory. This program inventory has also been cross-referenced against the CFDA Catalog of Federal Domestic Assistance programs. Please refer to www.Performance.gov for program contributions to our Agency Priority Goals and Cross-Agency Priority (CAP) Goals.

Program Evaluation(s)

The SBA uses a variety of methods and tools to evaluate its programs including independent evaluations, and Office of Inspector General and General Accountability Office reports and evaluations.

- ✓ Independent evaluations are conducted on behalf of the SBA for the purpose of evaluating program effectiveness.
- ✓ The SBA's Office of Inspector General, an independent oversight office within the SBA, conducts audits, investigations, and reviews relating to the Agency's programs and support operations.
- ✓ The General Accountability Office, an independent organization established by the Congress, conducts program evaluations and analysis and makes recommendations to improve practices and operations of the programs that it reviews.

External Factors

A variety of factors beyond the SBA's control can affect the attainment of the objectives identified in this Strategic Plan. The following matrix identifies those external factors.

Factor	Objectives Impacted											
	1.1	1.2	1.3	1.4	1.5	1.6	2.1	2.2	2.3	3.1	3.2	3.3
The number small businesses entrepreneurs starting or growing a business	X	X	X	X	X		X					
Federal agency collaboration to meet targets and to maintain appropriate data quality standards for reporting contract awards to small businesses		X					X					X
The level of risk that the SBA can afford within its budget limits new guarantees and/or delivery methods	X			X	X		X					X
Economic factors including inflation, sector changes, growth rates, and unemployment trends impact portfolio performance as well as demand	X	X	X	X	X		X					X
Availability of local matching funds for resource partners (e.g., state and local governments, colleges and universities, private sector)			X		X		X					
Availability of lender networks, lending partners, and private equity	X				X		X					
Catastrophic disaster damage is so extensive that long-term financial recovery provided by the SBA is not the immediate concern of the disaster survivor	X	X	X	X	X	X						
SBA partners face challenges that include providing access to records and services during disasters, which could affect the SBA's ability to provide timely assistance	X					X						
Security concerns, immigration and health care, and many other laws and regulations impact the cost of doing business or starting a business		X					X	X	X			
The cost of capital impacts the ability of entrepreneurs to obtain financing	X			X	X		X					
Redesignation of HUBZone firms due to the Census		X					X					

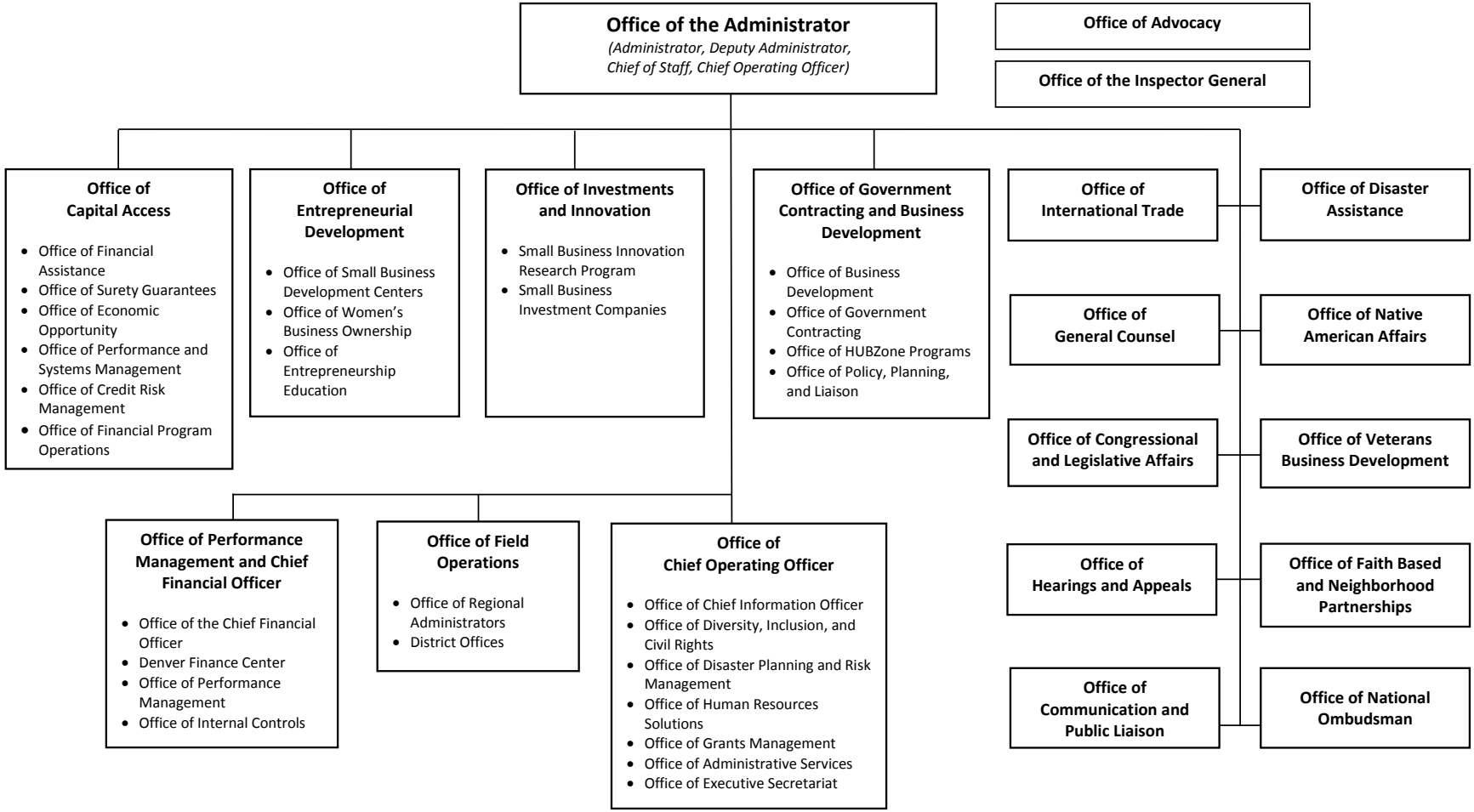
Major Management Priorities and Challenges

SBA's major management challenges identified by the Office of Inspector General can be found in the Agency's Annual Financial Report, released each November. The latest copy can be found here: www.sba.gov/about-sba/sba_performance/performance_budget/agency_financial_reports

Stakeholder Engagement

In order to solicit, gather, analyze, apply and respond to input from interested parties regarding the *Strategic Plan FY 2014-2018*, SBA performed outreach with House and Senate staff, the Office of Management and Budget, and SBA employees in the early fall and the broader public. The plan represents a slight update of the *Strategic Plan FY 2011-2016* which received significant input from external stakeholder groups, agency employees, and comments from the Federal Register. For stakeholder outreach on this plan, SBA captured all comments received and tracked actions taken regarding those comments. All relevant comments were presented to and discussed with senior SBA leaders and the plan amended accordingly.

Organization Structure



SBA Regions and Field Offices

◊ Fairbanks AWS
*Alaska DO
● *Seattle DO
*Portland DO
*Idaho - Boise DO
● *Montana DO
*Wyoming DO
◊ Grand Forks AWS
*North Dakota DO
*Minnesota DO
*South Dakota DO
◊ Grand Rapids AWS
● *Michigan DO
*Wisconsin - Milwaukee
*Wisconsin - Madison DO
*Illinois DO
*Nebraska DO
*Des Moines DO
*Kansas City DO
● *Missouri - St. Louis
◊ Columbia AWS
*Kansas - Wichita DO
+ Springfield Branch
◊ Cape Girardeau AWS
*Utah DO
*Colorado DO
◊ Reno AWS
■ x ● Citrus Heights
*San Francisco DO
■ * Fresno DO
*Nevada DO
*Los Angeles DO
■ *Santa Ana DO
*San Diego DO
*Arizona DO
◊ Show Low AWS
◊ Tucson AWS
● *New Mexico DO
*Oklahoma DO
*Lubbock DO
x *Dallas/Fort Worth DO
■ *El Paso DO
*San Antonio DO
*Houston DO
+ Corpus Christi Branch
● *Harlingen/Lower Rio Grande Valley DO
*Louisiana DO
◊ Fayetteville AWS
■ *Arkansas DO
*Tennessee DO
*Mississippi DO
◊ Mobile AWS
■ *Alabama DO
x *Georgia DO
*South Carolina DO
▲● *North Carolina DO
*North Florida DO
◊ Orlando AWS
◊ Tampa AWS
◊ Fort Pierce AWS
*South Florida DO
*Puerto Rico DO
*St. Croix DO
*Guam DO
*Hawaii DO
◊ Bangor AWS
*Maine DO
*Vermont DO
*New Hampshire DO
● *Boston DO
+ Springfield Branch
*Rhode Island DO
*Connecticut DO
+ Bridgeport Branch
+ Hauppauge Branch
*New York DO
● *New Jersey DO
*Syracuse DO
+ Elmira Branch
x *Buffalo DO
● + Harrisburg Branch
*Pittsburgh DO
*Philadelphia DO
*Cleveland DO
*Columbus DO
*Delaware DO
*Baltimore DO
*West Virginia DO
*Washington, D.C. Area DO
■ x *Herndon DO
+ Charleston Branch
● *Richmond DO
*Indiana DO
*Kentucky DO
■ Hazard
◊ Somerset AWS

Location Type

- ■ Processing Center
- ● Veterans Center
- ▲ Call Center
- x Disaster Center
- * District Office (DO)
- + Branch Office
- ◊ Alternative Work Site (AWS)

		Region	Regional Office
	Region 1	New England	Boston
	Region 2	Atlantic	New York
	Region 3	Mid-Atlantic	Philadeplhia
	Region 4	Southeast	Atlanta
	Region 5	Great Lakes	Chicago
	Region 6	South Central	Dallas
	Region 7	Great Plains	Kansas City
	Region 8	Rocky Mountains	Denver
	Region 9	Pacific	Los Angeles
	Region 10	Pacific Northwest	Seattle

Contact SBA: Useful Sites and Numbers

The SBA home page is www.sba.gov, where information on SBA programs may be accessed.

SBA INFORMATION	
About SBA	www.sba.gov/about-sba
SBA Performance, Budget, and Planning	www.sba.gov/performance
SBA Strategic Plan	www.sba.gov/AgencyStrategicPlan
Business USA	http://business.usa.gov/
STARTING AND MANAGING A BUSINESS	
What is a Small Business?	www.sba.gov/content/am-i-small-business-concern
Thinking about starting a business?	http://www.sba.gov/thinking-about-starting/
Resources	
Local Assistance	www.sba.gov/local-assistance
Lender Resources	www.sba.gov/lender_resources
Financing Growth	www.sba.gov/content/financing-growth
Explore Exporting	www.sba.gov/exporting
Health Care	www.sba.gov/healthcare
LOANS, GRANTS, AND FUNDING	
Small Business Loans	www.sba.gov/financialassistance
Surety Bonds	www.sba.gov/content/surety-bonds-explained
Tax Exempt Bonds	www.sba.gov/content/tax-exempt-bonds
Venture Capital	www.sba.gov/content/venture-capital#
Grants	www.sba.gov/content/facts-about-government-grants
CONTRACTING	
Government Contracting	www.sba.gov/contracting
Contracting Opportunities	www.sba.gov/contracting-opportunities
Register as a Contractor	www.sam.gov
Size Standards	www.sba.gov/size
COUNSELING and TRAINING	
Online Training	www.sba.gov/training
Small Business Development Cs	www.sba.gov/sbdc
Women's Business Centers	www.sba.gov/content/womens-business-centers
SCORE Counselors	www.sba.gov/score
Veterans Outreach	www.sba.gov/content/veterans-business-outreach-centers
DISASTER ASSISTANCE	
Disaster Assistance	www.sba.gov/disaster
Disaster Area Office Locations	www.sba.gov/about-offices-list/4
Response Office Locations	Go to www.sba.gov/content/current-disaster-declarations and then select the
for a Declared Disaster	disaster/affected area in question
FEMA Information	www.fema.gov
ADDITIONAL RESOURCES	
Office of Advocacy	www.sba.gov/advocacy
Office of the National Ombudsman	www.sba.gov/ombudsman
Office of the Inspector General	www.sba.gov/oig
Facebook	www.facebook.com/sbagov
Twitter	www.twitter.com/sbagov
YouTube	www.youtube.com/sba