A ‘Primer’ on The StartUP New York 4-Phase Entrepreneurship Model

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Introduction and Overview

Beginning in 2006 and continuing through 2009, the US Department of Labor/Office of Disability Employment Policy (ODEP) sponsored three national demonstration projects to research effective policies and practices that improve self-employment outcomes for people with disabilities. These ‘Start-UP USA’ projects represented a diversity of locations, economic environments and stakeholder groups and resulted in new knowledge as well as local policy and program improvements that will provide more individuals with disabilities to achieve their entrepreneurship career goals. The three projects are described below and more information about Start-UP USA can be found on its website: http://www.start-up-usa.biz/about/index.cfm.

START-UP/Alaska built upon existing activities to increase the employment rate of Alaskans with disabilities. Many people with disabilities had expressed interest in being self-employed and some groundwork has been laid, but Alaska lacked a comprehensive self-employment infrastructure. To address the barriers to self-employment, START-UP/Alaska implemented several strategies. The project worked to identify strengths and limitations of existing resources and ascertain training, technical assistance and policy needs. They implemented a customized self-employment model at the one-stop job centers in Anchorage, Fairbanks, and southeast Alaska. In addition, they helped modify and develop policy that facilitates permanent, systemic change and increased numbers of Alaskans with disabilities becoming self-employed.

START-UP/Alaska's consortia partners include the Governor's Council on Disabilities and Special Education (Council), the Division of Vocational Rehabilitation, the Employment Security Division, the Division of Business Partnerships, the Division of Public Assistance, the CHD and the Small Business Development Center at the University of Alaska Anchorage, the Division of Behavioral Health, the Division of Senior and Disabilities Services and the Division of Teaching and Learning Support.

START-UP/Florida proposed to evaluate three demonstration models being used in Florida for self-employment and entrepreneurial activities, expand technical assistance and training opportunities for interagency staff who serve persons with disabilities, and identify barriers and challenges to implementation of these models. In addition, the project worked to identify and disseminate best practices and strategies to overcome these barriers. The three models (BOSS, FastTrac and METTA) have been used in Florida to train both service providers and people with disabilities regarding entrepreneurship and have targeted youth, adults, veterans, and older workers. Jacksonville, Lakeland, and Ft. Lauderdale/Miami were selected for intensive training and technical assistance, and serve as incubators for further expansion of the models.

START-UP/Florida brought the following partners together to develop a broad approach to entrepreneurship for people with disabilities. The Agency of Workforce Innovation is the lead agency to serve as the fiscal agent for START-UP/Florida. The project was developed in coordination with Workforce Florida, Inc., the Agency for Persons with Disabilities, the Florida Department of Education, Division for Vocational Rehabilitation, the University of South Florida's University Center for Excellence in Developmental Disabilities, Griffin-Hammis and Associates LLC, the National Disability Institute and three Florida Regional Workforce Boards.
START-UP/New York convened a multidisciplinary collaboration of highly skilled partners to provide a customized, intensive, and well-rounded training, technical assistance, counseling, and support program for people with disabilities interested in self-employment. Over the first three years, the project developed an improved model for developing community infrastructure and capacity through public and private investment and collaboration to support and provide technical assistance to individuals with disabilities who seek self-employment in Onondaga County. It was successful in documenting the strengths and weaknesses of the consortium model to assist in the start-up, sustainability, and replicable of successful micro-enterprise and small business ventures launched by individuals with disabilities. The project also succeeded in recruiting participants, including those receiving SSI/SSDI benefits, Veterans, youth and others in Onondaga County, representing a range of disabilities from diverse ethnic and racial groups who have aspirations for self-employment. The START-UP/New York model included developing customized training curricula, informed by Customized, Discovery-based results, personal preferences, and peer advisors.

The key partners of START-UP/New York include the Burton Blatt Institute, Centers of Innovation on Disability at Syracuse University, the South Side Entrepreneurial Connect Project and Incubator of the Whitman School of Management; Onondaga Small Business Development Center, ARISE, Syracuse Cooperative Federal Credit Union and a diverse array of referral sources. Additional partners include CNY Works, Enable, the Greater Syracuse Chamber of Commerce, the Syracuse Cooperative Federal Credit Union, Onondaga County Office of Economic Development, Vocational and Educational Services for Individuals with Disabilities of the New York State Education Department and additional local disability service partners.

Goals of START-Up NY

The originally stated goals of START-Up NY were: “At the end of 3 years, Onondaga County will have in place a sustainable public-private sector collaboration that provides all necessary supports to offer people with diverse disabilities effective and meaningful opportunities to pursue and obtain self-employment”. The project intended to:

- Research and identify barriers to self-employment
- Provide entrepreneurship training to at least 150 participants
- Guide approximately 30 participants in starting their own businesses
- Build a sustainable system (post grant operational) based on existing community services to assist people with disabilities in starting a business

The strength of the START-Up NY model has been its success in attracting and sustaining a diverse stakeholder group and developing a replicable curriculum that is achieving results. The intent of the model has always been to build upon existing services and systems so that by the end of the grant period, people with disabilities are able to get help with entrepreneurship by multiple agencies using methods tested through Start-UP NY. By the end of its third year, START-Up NY had served (provided training for) over 158 individuals, 50 people registered their business and 39 people were operating their businesses. In addition, START-Up NY implemented program improvements that increased services and supports for entrepreneurs with disabilities, like securing resources for Individual Development Accounts (IDAs) and establishing an ‘Inclusive Entrepreneurship’ Consulting class at Syracuse University that trains students to work with START-Up entrepreneurs as consultants. Furthermore, the START-Up
NY model is being replicated in other areas of the state through the New York Makes Work Pay Medicaid Infrastructure Grant.

Clearly, the success of START-UP NY’s community consensus-driven model indicates that its process and practices could be replicated elsewhere in New York State where there is strong interest in helping people with disabilities choose and pursue entrepreneurship as a career option. This ‘Primer’ provides a general overview of the START-Up NY process. More information on START-Up NY can be found on its website: http://whitman.syr.edu/eee/startupny/home.htm and in a forthcoming “START-Up NY Toolkit” in development by the Syracuse University Burton Blatt Institute under the auspices of NY Makes Work Pay.

**Beginning Steps**

START-Up NY uses a ‘4-Stage Model of Inclusive Entrepreneurship. Each Stage builds upon the other, but participants are free to design their own plan and pace and often move back and forth between stages. Prospective entrepreneurs first meet with a staff designated as a ‘Business Navigator’ at the program’s established location (currently at a Syracuse University-operated downtown business incubator—“The South Side Innovation Center”). At that meeting, the program is described and the applicant is asked a number of questions about their interest in pursuing entrepreneurship, past work experiences, and their business goal, if they have one. If the applicant remains interested, the Navigator and the applicant complete the intake paperwork. The applicant is also asked if they wish to participate in the project’s research component and has an opportunity to read, understand and sign the University’s IRB-approved Confidentiality Form. They are also connected with a Benefits Planning Specialist if they need help with managing their SSI or SSDI. After enrollment is completed, the prospective entrepreneur begins involvement in Stage I activities described below.

**Moving Through the Stages to Business Creation and Sustainability**

Entrepreneurs move at their own pace through the Stages. Critical to their success is establishing their own personal goals and expectations for entrepreneurship and their Customized Support Team in Stage I that provides them with specific assistance with developing, operating or sustaining their business. The support team may consist of people in their lives that they depend upon in one way or another and whose support is also a factor in their business success. For example, a person with a psychiatric disability may identify and rely on a peer or professional as a member of their team to help them get through the occasional exacerbations of their illness that would affect their ability to meet their responsibilities as owner/operator. Or, it could be a sibling or other family member that provides emotional support and encouragement. The SBDC found over their 3 year experience with StartUP NY that this first Stage provides an absolutely critical foundation that is often overlooked in traditional business development services. In Stage I, team planning plus a facilitated process of Discovery that helps individuals identify their skills, strengths and aptitudes and make personally feasible choices about the type of business to start, or not to pursue self-employment at all in some cases, provides entrepreneurs with an individually customized portfolio that they carry with them throughout each Stage.

Stage I participants as well as participants in later Stages have the opportunity to take business development, computer, and financial literacy training courses. Each Stage contains milestones for graduation to the next Stage as described below. Before graduation from Stage I,
prospective entrepreneurs meet with the SBDC staff member that joins their service team to provide targeted business planning and development assistance. As people move through all Stages, their progress is tracked by the StartUP team, joined by the person’s TANF or VESID counselor, personal support team, and other mentors working collaboratively with the entrepreneur to help them achieve success and improve economic self-sufficiency. As an additional feature of the model, selected entrepreneur teams can be augmented by business school students enrolled in an ‘Inclusive Entrepreneurship Consulting Class’ that form consulting teams to provide value to the businesses. Even after their businesses are established, entrepreneurs are encouraged to attend networking events and speakers’ series and remain in contact with Business Navigators. Some may choose to rent space at a local business incubator or enroll in training classes to freshen their skills.

The START-Up NY Four Stage Model

**Stage I: ‘Entrepreneurial Awareness’** Stage I describes an aspiring entrepreneur who needs a clear business idea/concept, and who does not know much about starting a business and the nuts and bolts of business planning. Each enrollee engages in a personalized process of ‘Discovery’ and ‘Customized Team Planning’ facilitated by the Business Navigator. Discovery is a process that helps individuals identify their core gifts, skills, strengths and aspirations as well as support needs enabling them to achieve an entrepreneurial goal. The experience of StartUP NY in introducing Discovery was that entrepreneurs with disabilities were more likely to establish a viable business strategy and follow-through to develop their businesses than those that did not. Customized Team Planning helps entrepreneurs to identify the people in their lives that can assist them on particular aspects of their business, including those that they depend upon for personal support to help overcome personal challenges that could impede their ability to operate or sustain their businesses. Stage I outcomes enabling a person to graduate to Stage II include the following and depending upon personal circumstances, may include additional criteria for benefits planning and financial literacy:
Does the entrepreneur and/or members on their customized support team

- have a clear business idea?
- understand the industry and the market?
- have the expertise to support/exploit the opportunity?
- understand Discovery and the purpose of Discovery?
- participate in Discovery?
- have the support team in place?
- attend any networking events?
- meet with the Business Navigator regularly?
- attend business classes and seminars?
- act upon counselor’s/mentor’s recommendations?
- have a business feasibility plan?

Stage II: ‘Nascent Entrepreneur’ Stage II represents an aspiring entrepreneur who has a clear business idea/concept but does not have a business. At this stage the entrepreneur (and sometimes a support team member) learns how to write a business plan and how to do industry and market research. Participants actively engage in business training led by an SBDC staff member, working together as a member of an integrated team with the entrepreneur’s Customized Support Team and Business Navigator. Entrepreneurs attend business development training sessions, meet with business counselors, test their business model and products, and begin working on their initial business plan. Another important component of Stage II is that entrepreneurs develop their peer and professional networks to assist in business design and implementation. At this Stage, some entrepreneurs may work with a student consulting team enrolled in the University’s ‘Inclusive Entrepreneurship Consulting Class’ to assist them in meeting their business development goals. Stage II outcomes enabling a person to graduate to Stage III include the following and depending upon personal circumstances, may include additional criteria for benefits planning and financial literacy:

Does the entrepreneur and/or members on their customized support team

- have a comprehensive business plan?
- have a clear marketing plan?
- meet with the Business Navigator regularly?
- attend business classes and seminars?
- act upon Navigator’s/mentor’s recommendations?
- understand her/his financial statements in the business plan?

Has the entrepreneur and/or members of their team

- registered the business?
- secured a location or incubator space?
- applied for finances for her/his business?
- attended any networking events?
Stage III: ‘Early Start-up’ Stage III represents an entrepreneur who has a clear business plan and marketing plan. At this stage the entrepreneur and/or business team executes the business and marketing plan, and is responsible for accounting, sales, management, etc. Stage II participants are guided by the SBDC staff member in implementing the business plan and acquiring business financing. In addition, they are guided by the Business Navigator for additional Discovery clarification or help with strengthening the Customized Support Team. The team also can include a Cooperative Federal counselor to assist in securing IDAs or micro-loans. At this Stage, some entrepreneurs may work with a student consulting team enrolled in the University’s ‘Inclusive Entrepreneurship Consulting Class’ to assist them in implementing and/or growing their businesses. They will utilize SCORE and other business counseling services to help with marketing and product development and also get help enrolling in local business trade associations or as a member of the Chamber of Commerce. They may also receive assistance to obtain space at a local business incubator. Entrepreneurs that have launched their businesses are often invited back to the program location as guest speakers at networking events. Stage III outcomes enabling a person to graduate to Stage IV include the following and depending upon personal circumstances, may include additional criteria for benefits planning and financial literacy:

Does the entrepreneur and/or members on their customized support team

- have clear and readable financial statements?
- understand and can they interpret the financial statements? Are the statements accurate and reliable?
- have a clear strategic growth plan?
- have clear and realistic business goals and objectives?
- work with consultants, student teams, incubators?
- have a clear marketing plan for each revenue driver?
- meet with the Business Navigator regularly?
- attend business classes and seminars?
- act upon counselor’s/mentor’s recommendations?
- attend networking events?

Does the business have profitable revenues?

- Is each revenue driver linked to an identifiable target market?
- Is the business making enough revenue to hire full-time employees?
- Is the entrepreneur hiring the right employees to grow the business?
- Is the entrepreneur an active member of a business association?

Stage IV: ‘Sustained Growth’ Stage IV represents an entrepreneur who has a running business but needs help growing and sustaining it. They will work with the program and the business incubator to build the infrastructure of their businesses with counseling and support as needed from Business Navigators, mentors, and their Customized Support Team. At this Stage, some entrepreneurs may work with a student consulting team enrolled in the University’s ‘Inclusive Entrepreneurship Consulting Class’ to assist them in growing their businesses. Stage IV outcomes include the following and depending upon personal circumstances, may include additional criteria for benefits planning and financial literacy:
Does the entrepreneur and/or members on their customized support team

- have clear and readable financial statements?
- understand and can they interpret the financial statements? Are the statements accurate and reliable?
- have a clear strategic growth plan?
- have clear and realistic business goals and objectives?
- work with consultants, student teams, incubators?
- meet with the Business Navigator regularly?
- attend business classes and seminars?
- act upon counselor’s/mentor’s recommendations?
- attend networking events?

Does the business have profitable revenues?

- Is each revenue driver linked to an identifiable target market?
- Is there a clear marketing plan for each revenue driver?
- Is the business making enough revenue to hire full-time employees?
- Is the entrepreneur hiring the right employees to grow the business?
- Is the entrepreneur an active member of a business association?
- Is the business able to generate sustainable positive cash flow?
- Is there a plan to grow the cash flow?
- Is there a clear strategic sustainability and growth plan?
- Is the entrepreneur an active member of a business association?

Involvement in each of the four Stages depends on the progress made by each person. StartUP NY participants on average spend between 3-6 months in Stage I, and approximately 3 months in each succeeding stage. Entrepreneurs can use the program location as a place for networking with other entrepreneurs and to attend training even after they have established their businesses.

Summary

Entrepreneurship can be a viable career option for many people with disabilities. However, many people can lose their aspirations to become entrepreneurs through lack of customized entrepreneurship assessment services that help them make good and personally meaningful choices about what it takes to become a business owner. They also often lack access to entrepreneurship training or the financial resources needed to start a business. And many do not understand or get sustained assistance in business planning. These factors, as well as a variety of systems disincentives have limited the numbers of people with disabilities who become successful business owners. The strength of the START-Up NY model is that it combines a process for developing community partnerships that comprehend local social and economic conditions affecting entrepreneurship and marries that with a solid curriculum design and support services structure that increases prospective entrepreneurs’ likelihood of success. As START-Up NY enters into its fourth year, it looks forward to opportunities to work with New York state agencies and across communities to help make business ownership a reality for New Yorkers with disabilities.
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