Small Business Development Center
Robinson College of Business
Academic Program Review
Spring 2010

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Center Profile

The Georgia State University Small Business Development Center (GSU SBDC) was founded in 1979 through the auspices of the Small Business Administration (SBA) to provide a no-cost, confidential service to “assist in the start-up and growth of small businesses through the delivery of individual consulting and training programs for business owners”.

The GSU SBDC is part a structure that began in 1978 with the establishment of the national SBDC established in 1978. It has the unique situation of having a dual reporting function. It is a free standing service Center in the Robinson College of Business reporting to the Associate Dean of the College. In addition, the GSU SBDC is a part of and responsible to the Georgia SBDC Network based at the University of Georgia. There are seventeen centers in Georgia. Seven of the Centers are operated under contracts with Georgia universities and the remaining ten Centers are operated by the University of Georgia. Georgia currently receives approximately $2.5 million in federal funding to support the SBDCs. This funding requires a cash match by the individual institutions. In 2008, GSU received $269,060 (67%) in federal dollars and provide a 22% cash match of $89,597 from Fund Code 10. In addition, the Center generated $42,643 (11%) from fees for Continuing Education enrollment and sponsorships. The 2008 total budget was $401,300.

The staff for the Center consists of a Director, three Business Consultants, and an Administrative Coordinator. As needs and budget permits, the Center has employed occasional consultants and GRAs. The College provides no cost office space and no cost support for telephone system, computer hardware, and software. The SBDC pays all other expenses from its budget related to payroll and benefits, long distance and local phone expenses, copier charges, office supplies, promotional activities, postage, and travel related to SBDC services.

The SBDC is contracted to provide a range of small business consulting services with special emphasis to address the challenges faced by women, minorities, veterans, and disabled business persons. To meet that goal during the contract year, the SBDC reported providing direct services to 300 clients and through 2,475 consulting hours, an average of 8.25 hours per client. The SBDC had 120 long term cases (>= 5 hours) and 150 Extended Engagement Cases (>=5 hours). In addition, since 2007, the SBDC presented 28 different Continuing Education curricula through a total of 105 Continuing Education programs. The attendees for these programs ranged from a low of 2 to a high of 67. Of those, 43% had less than 10 attendees and 20% had less than 20 attendees. The contact hours for the Continuing Education Programs ranged from 2.5 hours for many of the sessions to up to 40 hours for the FastTrac Growth Venture, a program that has been presented to over 300 CEOs of certified woman-owned and minority-owned businesses.
Finally, the SBDC has consulted with faculty and students within the university regarding starting a business, providing networking support for their research, and making presentations at national meetings. Over the years, it has developed a reciprocal relationship with the Russell International Center for Entrepreneurship.

Assessment

Part of the mission of the Robinson College of Business states they are to serve the community through complementary research, teaching, and outreach activities. The SBDC strongly supports the outreach activities through its significant consulting efforts with small businesses and the myriad of Continuing Education Programs they offer. The consulting and education they engage in with women and minority owned business is particularly noteworthy in assisting the College in achieving its goals related to a culturally and ethnically diverse marketplace. And, while the Center itself is not expected to generate scholarly products, the presentations at national conferences and professional awards by Center staff and the logistical support provided research faculty and doctoral students contributes to research goals of the College.

The SBDC reported data on consulting services and Continuing Education Programs are useful and illustrative. However, what is presented is almost exclusively output data, even though there is additional aggregated impact data that is collected by the Georgia SBDC Network. While it is understood that outcome data is there work tends to be longer term and subject to the vagaries of environmental forces, with the exception of the anecdotal “Success Stories”, other impact or summative evaluations would have provided a more comprehensive assessment of performance.

As noted, the Continuing Education Programs provide both depth and breadth. Yet, it is costly in terms of human resources to provide such a large number of programs where the attendance is relatively low. Though it is understood that these attendees pay a registration fee and thus generate needed revenue for the SBDC, the sparsely attended CE programs take valuable human resources away from growing the individual consulting efforts.

The Self Study noted the goals for the SBDC in the coming years. However, as the Self Study indicates any growth in existing services can only be achieved with additional resources

Recommendations

The APRC commends the Small Business Development Center on the extent of the services they provide the Metropolitan Atlanta Community. In that positive frame, the APRC offers the following recommendations:

A. In future Center reviews, the SBDC needs to include all of the available output and impact data that is available in order to provide a comprehensive picture of its accomplishments.

B. The SBDC analyze their Continuing Education programs to determine the costs and benefits of offering low attendance programs.