

Page 1: Resource Partner Capacity (1 page maximum)**1. Organizational Background:**

The San Diego Chapter of SCORE is a SBA All-Volunteer Resource Partner solely dedicated to serving the small business community of San Diego and Imperial counties. Comprised of 80 plus active volunteers with one support staff, the Chapter was established in 1966 and is celebrating its 50th year of serving San Diego.

SCORE accomplishes its mission “To develop and grow small businesses....one business at a time” by providing free mentoring to both start-up and established businesses. It also provides more than over 200 workshops annually to cover basic and continually evolving business topics and participates in community outreach such as mentoring transitioning military considering entrepreneurship; providing networking opportunities specifically for women clients; partner with micro lender ACCION to reach out to robust Hispanic entrepreneur population in our target market, and staff a call center for inquiries.

In San Diego and Imperial Counties, the standard of living is below national average, mainly caused by more jobs being added at the lower end of the pay scale than jobs in the middle or higher end, and the high cost of home prices and rentals in the region.¹ Although not positive news for the struggling low to middle class, it also inspires an entrepreneurial spirit which SCORE helps to encourage. In the past several years, our mission has constantly evolved to meet the needs of our clients. The more “state of the art” our offerings are, the better we can accomplish this mission.

- Name of Organization: SCORE
- Resource Partner Affiliation: San Diego SCORE, Chapter 140
- Official Contact Person: Dr. Catherine Q.E. Sim, (858) 603-6329, catherine.sim@scorevolunteer.org

2. Background of Representatives for I-Corps training:

Dr. Catherine Q.E Sim is a cross-cultural organizational psychologist with an MBA who served as faculty member and academic director in academia in Europe, the U.S., and China for more than 20 years. She has extensive experience in teaching and developing curriculum for higher education as well as conducting needs analysis and develop training and teaching for companies such as Allergan, Autodesk, Ericsson, Flowserve, HP, Honeywell, KLA-Tencor, Lucent Technologies, Mandarin Oriental Hotel Group, Medtronic, Morneau Shepell, Nestlé, Pentair, Qualcomm, SAP, and Western Digital. Dr. Sim is familiar with Lean Methodology and has applied Lean Principles and Thinking in her work but is not an expert. She has been a SCORE Volunteer since 2015, and has developed and facilitated workshops.

Lori Treadwell was the owner of a family-owned wholesale optical laboratory for over 38 years. She managed all aspects of the business, from operations to manufacturing to HR management, and has extensive experience working with different types of clients and vendors. With a B.Sc with an emphasis in Management/Production, Lori used Lean Methodology such as Statistical Process Control, Continuous improvement, Just-In-Time manufacturing, etc. to develop a competitive advantage over her competitors. Currently, Ms. Treadwell is the COLA (California Optical Laboratory Association) Liaison to The Vision Council. She is also an ABO Certified Optician. Lori Treadwell is an active SCORE volunteer since 2013 and is the lead for Business Plan Workshop Series.

Catherine’s experience in curriculum development, teaching in academia and providing training to business complements Lori’s knowledge and experience in managing a small business and applying lean methodology to manufacturing, creating the perfect synergy to adapt and deliver the adapted I-Corp curriculum to small businesses.

¹ www.sandag.gov San Diego’s Regional Economic Prosperity Strategies Executive Summary

Page 2: Rationale for I-Corps Training (1 page maximum)

1. Interest in I-Corps and Lean Methodology:

SCORE San Diego, as of February 1st, 2016, has 2,193 small business clients, who are either aspiring entrepreneurs or entrepreneurs who have been in business for a few years, and most of them would not know what is Lean Startup Methodology in business. As small businesses, most of them do not have a formal organizational structure nor a management system, and most business operations are conducted by trial and error. Therefore, they come to SCORE for advice. Our prime objective as a SCORE Chapter is to provide mentoring and training to assist small businesses to improve on their existing business operations to prepare them for growth and improved profitability. Although we have more than 80 mentors with a wealth of different expertise, we do not have a standard process for mentoring clients. If we can develop a program with a methodology that can help our clients to assess their operations and measure success systematically, we will be able to offer them something that is effective and unique.

The Lean Startup² Methodology provides a scientific approach to creating and managing startups and young fledgling businesses, and get a desired product to customers' hands faster. Three of the five Lean Startup principles will be very helpful to small businesses: (1) Validated Learning which allows small business owners to evaluate early signs of customer reactions and learn more quickly what works and what are waste to be discarded. (2) Innovation Accounting will help clients to improve outcomes by focusing on how to measure progress, how to set up milestones and how to prioritize work. (3) Through the Build-Measure-Learn feedback loop, clients will turn new business ideas into products, measure customer reactions and decide whether to stay on course or to pivot to another strategy.

When adopted, Lean Startup Methodology will help to foster small businesses that are capital efficient, promote continuous innovation, leverage human creativity more effectively and build a sustainable business around the vision. We believe that incorporating the above three Lean Startup Principles into our Chapter offerings as (1) a Lean Methodology Workshop for clients and as (2) a program for our mentors to serve as a roadmap to advise our clients would provide valuable rewards them and also serve as a major attraction to prospective clients. The ability to offer each client a standardized yet customized approach of the Lean Startup Method to each client's unique businesses will provide a very current business approach to problem solving and continuous improvement that makes SCORE a more important business resource to our local communities and also expand our client base.

2. Target Audience for Adapted I-Corps Curriculum:

When we are a recipient of the I-Corps™ training, SCORE San Diego aspires to be a Lean Small Business (LSB) Regional Node to provide Lean Startup training, mentoring and support to these groups of audience: (1) SCORE San Diego clients, (2) the 80 plus SCORE San Diego Mentors, (3) other SCORE Chapters in the region as well as (4) other SBA Resource Partners in the Western Region.

We will add the Adapted I-Corps Curriculum Workshop to SCORE San Diego workshop offerings that are open to all small businesses, regardless whether they are SCORE clients. In 2015, SCORE San Diego offered 280 workshops that had 5,475 attendees. In addition, we intend to set up teams of 3 members to help our clients with established businesses of 1-2 years apply Lean Startup Methodology into their business. With established businesses, we can be assured that they are better prepared, both mentally and in terms of time, to adopt Lean Methodology and Thinking to elevate their business to the next level and, thus, ensuring continuity of the program and avoiding the risk of drop outs. Last year, SCORE San Diego provided 1,876 mentoring sessions. Training as many SCORE San Diego's 80 plus Mentors to be Lean Startup Mentor as we can will be next priority because they will increase our bench strength in providing Lean Startup training, mentoring and support to the other groups mentioned above, and also help SCORE San Diego establish itself as a Lean Small Business (LSB) Regional Node.

² Eric Ries. <http://theleanstartup.com/principles>

Page 3: Description of Intended Activities (1 page maximum)

1. Implementation and Assessment Plan

Our plan is to deliver a pilot program with the adapted curriculum to twenty (20) SCORE San Diego clients with established business of 1-2 years. As the I-Corp curriculum is a team based program and as most of our clients are one-person operations, we will deliver the pilot “Lean for Main Street” program at SCORE San Diego by forming a three-member Lean Startup Team for each client, consisting of the small business owner, a SCORE Business Mentor and a SCORE Lean Startup Mentor (cf. page 2, #2). For this pilot, we will further train 20 SCORE San Diego Mentors specifically to serve as Lean Startup Mentors to support this project.

Our plan is to divide the 20 clients into 2 groups of 10 that will meet as a group on a regular basis over a period of 5 months. Since most of our clients are relatively new businesses, we will start by auditing their business to see where they are in the Lean Startup framework, how and where we can apply Lean Startup principles as well as what and where are the waste that can be discarded. Then, depending on the stage of their business development, we will provide one-on-one guidance to systematically apply Lean Startup Principles to their operations.

We will start by designing and facilitating an “Introduction to Lean Startup Methodology” workshop to our clients with the objective of recruiting them for the pilot study. During these interactive sessions, we will introduce Lean Startup concepts, and demonstrate how Lean Startup Principles and Lean Thinking can help small businesses to leverage human creativity more effectively, promote continuous innovation, be capital efficient, and build a sustainable business around their vision. Our main objective during the introduction session is to help clients see the “WIIFM” (What’s In It For Me) when they adopt Lean Startup Methodology for their business. Ample time will be built in the workshop to allow for extensive Q & A.

During regular group meetings, we will hear each team report back their findings and we will discuss these findings as a group and plan next steps. This would enable each team to systematically identify and address the gaps in their business models and identify the next most appropriate path forward. In the time between meetings, with the support of both SCORE Mentors, the clients will work on addressing the gaps.

We will measure the effectiveness of the pilot program by using a quasi-experimental study design with a non-equivalent comparison group. In this study, the business performance the 20 SCORE San Diego clients who participate in this pilot will serve as the training group and be compared to the business performance of another 20 clients in a comparison group that does not receive any training.

The specific five metrics for measuring program effectiveness will be: (1) reduced costs of operations, (2) increased customer base, (3) increased output/efficiency, (4) percentage of clients in the pilot program who embraces and stays with the Lean Startup Program, and (5) percentage of positive feedback from the SCORE Lean Startup Mentor who supports the clients in the pilot.

For measuring our clients’ progress, the best practice in Lean Startup is follow the three A’s heuristic of selecting metrics that are *actionable, accessible, and auditable*. The above 5 metrics would fall under “vanity” metrics. SCORE San Diego’s 2,193 clients’ businesses are very diversified and, at this point, we are unable to establish the A’s metrics for evaluating the program since we do not know the type of businesses that will participate in the pilot. We are confident that after receiving the I-Corp training and when we have the list of 20 clients for the pilot, we will be in a better position to identify actionable, accessible, and auditable metrics that will reflect the effectiveness of our program.

After the successful implementation of the pilot, our goal is to roll out the program to all our clients. We also would like to establish SCORE San Diego as a Lean Small Business (LSB) Regional Node to provide Lean Startup training, mentoring and support to other SBA Resource Partners for Lean Startup Methodology.