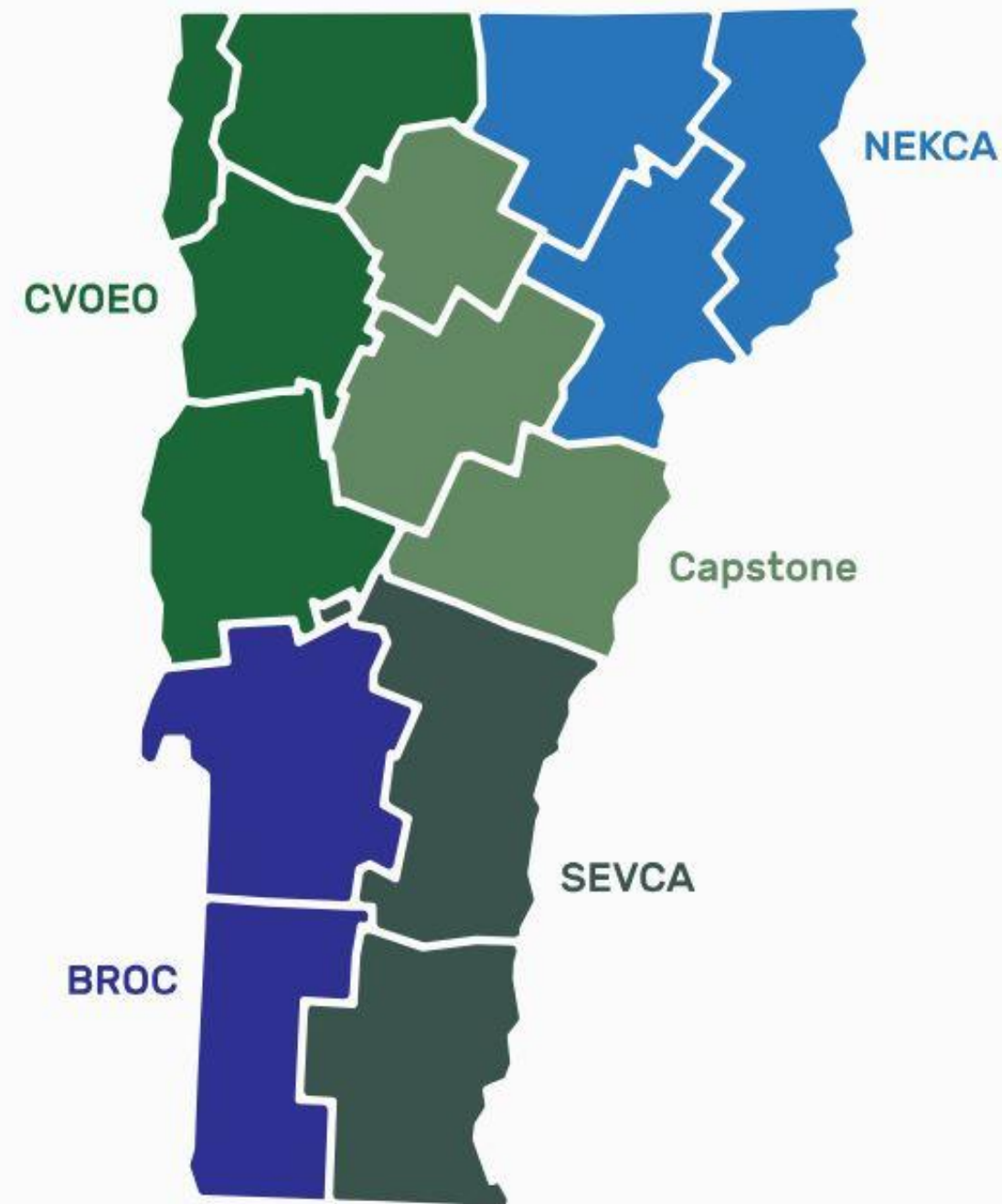




Community Investment Through Microbusiness Support:

*Vermont's Model for Economic Self
Sufficiency and Increasing Prosperity*

Introductions



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Agenda

- Introduction to Program (Rachel)
- Client Video (16 minutes)
- Primary Role of a Business Coach (Dustin)
- Additional Roles of a Business Coach (Rosie)
- Partnerships and Collaboration (Chris)
- How to Start your own MB Program (Shelley)
- Q&A

MBDP Overview

The Micro Business Development Program (MBDP) provides training, coaching, and access to financing for low-to-moderate-income Vermont entrepreneurs.

Statewide* in FY25, over...

850

Clients
Served

60

Businesses
Stated

900

Businesses
Expanded

40

Jobs
Created

\$511k

Capital
Leveraged

**Statistics represent 4 of our 5 programs*

MBDP: Why Does It Work?

Increased Income

Employment by others does not guarantee living above the poverty line.

Skill Utilization

Allows people to fully utilize their creativity, drive, and ingenuity.

Flexible Scheduling and Addressing Specific Needs

Many clients face challenges, making traditional employment unsustainable.

Ownership is an Asset

As clients grow their businesses, they increase their likelihood of sustaining financial security in the future.

Community Investment

Anchor wealth locally, create jobs, foster an interdependent ecosystem.



Thank you to Finn Meyer for producing this video

The Primary Roles of a Micro Business Coach

- Education and skill building
- Mentorship and support
- Resource provider/connector
- Confidence building, idea navigation
- Community building

Education and Skill Building

- Practical, immediately useful education:
 - Business planning
 - Budgeting and cash flow
 - Pricing
 - Marketing
 - Sales
 - Financial literacy
 - Understanding financing
- The goal is increased capacity, not dependency.

Resource Provider/Connector

- Information by itself isn't always enough.
- Starting or running a business can be overwhelming and isolating.
- Sometimes the most valuable thing a coach provides is simply:
 - A sounding board
 - Accountability
 - Someone to work through a problem with
 - Someone who can help organize the chaos
- We don't necessarily tell someone what they should do.
- We help them think through the decision.

Confidence Building and Idea Navigation

- People often come in with an idea that's still very undefined.
- Coaching helps turn that into smaller questions:
 - Who is the customer?
 - What problem am I solving?
 - What will they pay?
 - What will it cost me?
 - Do I actually want to do this?
 - What's the smallest way I can test it?
- We're not there to tell someone:
 - "This is a great idea."
 - "This will definitely work."

Community Building

- MBDP gives people:
 - A coach
 - Other entrepreneurs
 - Community resources
 - A network
- And community creates opportunities that aren't always obvious:
 - Referrals
 - Collaboration
 - Shared knowledge
 - Encouragement
 - "I've been through that too."
- Economic development isn't only about individual businesses.
- It's also about strengthening the community around those businesses.

The Other Roles of the MBDP Coach

MBDP Coaching: Where Business Development Meets Whole-Person Support

When we think about a microbusiness coach, we might think about business plans, marketing, bookkeeping, and cash flow. Those things are important—but in Community Action, we know that a person's ability to succeed in business doesn't exist in a vacuum.

Our clients may also be dealing with housing, transportation, childcare, debt, credit issues, benefits, disability, or simply trying to figure out how an increase in income will affect their household.

The MBDP Coach Wears Many Hats

- Relationship building
- Social work
- Financial planning (Personal & Business)
- Credit review
- Managing expectations
- Navigating the benefit cliff

Relationship Before Business Plan

TRUST → UNDERSTANDING → GOALS → ACTION

One of the most important tools we have as coaches isn't a spreadsheet or a business plan.
It's relationship building.

Social Work

(even though we are not social workers)

An MBDP coach is often wearing several hats at the same time.

First, there is the social-work component.

We meet people where they are. We listen, identify barriers, connect them to resources, and sometimes help them see possibilities they didn't think were available to them.

Financial Planning

We look at the household, not just the business.

Can the household needs be met (monthly expenses and current income coming in)

Can the household survive while the business is developing/getting started?

What does the owner need to earn?

What expenses can they afford?

Credit Review

Credit can affect access to financing, insurance, housing, and even the ability to start a business. We may have to address debt and credit before we're ready to talk about a business funding.

The Benefit Cliff Changes the Conversation

This is particularly important in Community Action

A client may be excited because their business is growing—but an increase in income can potentially affect benefits

What happens to the household when the business succeeds and turns a profit?

We could be navigating benefits such as:

- SNAP
- Medicaid
- Disability-related benefits
- Other income-based programs

We're helping clients understand the relationship between business income, household income, and benefits.

Managing Expectations

Dream → Reality → Plan → Action

Managing expectations is another huge part of our role.

We don't want to tell someone, 'Your business idea won't work.'

Our job isn't to take away someone's dream.

Our job is to help turn the dream into a realistic plan.

The Community Action Advantage

We are building more than a business.

We are helping people build Financial Stability.

We are not working in isolation.

We have relationships with housing programs, energy assistance, food programs, transportation resources, financial coaching, credit unions, workforce programs, and other community partner resources.

Partnerships and Collaboration

- Breaking down silos
- Community of practice
- Cohorts of learners
- Resource sharing
- Key community partners - for profit, nonprofit, additional resource providers
- Creating a web of support
- Partnerships and support within Community Action

Vermont Demographics

- The Vermont population is estimated at 644,663
- 420,000 to 430,000 Vermonters live in communities smaller than 5,000
- 71% of Vermont Municipalities have fewer than 2,000 residents
- Vermont is the second most rural state in the country
- The definition of Micro Business in Vermont is any business that employs 5 people or less
- 81,949 businesses in Vermont qualify as a micro business
- This number represents 99% of all businesses in Vermont

Community

- Vermont embraces the idea of “community” across many aspects of daily life.
- The Economic Development community is layered from state programs down to local municipality efforts
- Community Action agencies are part of this structure with a focus on supporting Vermonters at or below 200% of the Federal Poverty line
- Collaboration is an essential part of this work, however, it does not come naturally.
- Breaking down silos is a natural part of building the MBDP community in Vermont

The Community of Practice

Key Community Partners and Resource Providers:

- The Vermont Legislature
- The Vermont Economic Development Agency
- The Agency of Commerce & Community Development
- VCAP(CVOEO, BROOC, NEKCA, Capstone, SEVCA)
- Regional Development Corporations (12)
- Non-Profit Lenders
- Local Chambers of Commerce
- Vermont Downtown Associations
- Commercial Lenders (banks)
- Regional/Municipal Economic Development Programs
- Vermont Law School
- SBA
- HireAbility/DBVI

The Role of Community Action

Breaking Down Silos

Community Action Economic Development teams facilitate relationships with peer agencies and organizations that would seem to be logical collaborators but often are not.

Creating a Web of Support

The goal of the MBDP is to provide the most complete support possible to Vermonters seeking to start or grow a small business. The relationship building these programs do with other partners passes on the benefits of collaboration to the clients.

Resource Sharing

As each community action program grows, expands and learns - this institutional knowledge and pathfinding is shared across the Vermont community action ecosphere.

MBDP Program Highlights

One-on-One Client Facing Coaching

At the core of this practice is the 1-1 work with clients who are often, but not exclusively, coming to the MBDP program in non-exigent circumstances. Belief, trust and relationship building exemplify this work.

Community Based Small Business Cohorts

Facilitated small business peer support groups created as a supplement to the 1-1 work. Emphasis on building relationships and community within this population of clients while offering supplemental educational opportunities in a more relaxed group setting.

Classes and Supportive Learning Opportunities

Structured educational opportunities on a broad variety of topics that support MBDP clients in being better informed and better able to help themselves in the work of creating and growing small businesses.

The Making of a Good Business Counselor

- **Knowledge of Self-employment** – Can speak from a place of knowing not just theory.
- **Listening** – Learning to listen carefully and in turn communicating effectively.
- **Learning** – Being an educator as well as lifelong learner.
- **Commitment to Serve** – Building a relationship of authenticity, truthfulness, empathy, compassion and trust.

A good business coach/counselor is
always listening, learning, and sharing.

Q&A

Prompts

- What is your interest here today?
- Who are your target demographics?
- Do you know what supports already exist in your community?

Your Questions!



THANK
YOU