

EVALUATION REPORT

DOING BUSINESS IN ALABAMA

POWERED BY IGNITE!

Quarter 3 Report
June 1, 2021 – August 31, 2021

Evaluator:



KNOW BETTER. DO BETTER. BE BETTER.
(KBDB3), LLC

EXECUTIVE SUMMARY

IGNITE! Alabama is a holistic and supportive ecosystem designed to educate and bridge communication gaps among organizations, service providers, and minorities within the State of Alabama, especially Black and Female Business Owners. The mission is to ensure that minorities stay informed, have a clear understanding, and receive access to Federal, State, and Local Funding, as well as resources and technical assistance needed to competitively compete, succeed, and excel in their business operation.

The IGNITE! “Doing Business in Alabama” (DBIA) Minority Business Training Pilot Project is designed to provide solutions to close the gap in economic inequality and to eliminate barriers to entry experienced by Women and Minority Business Owners, Entrepreneurs, and Nonprofit Leaders.

Quarter 3 of the IGNITE! DBIA Project saw remarkable success in regard to establishment of significant partnerships, delivery of consistent virtual programming, and creation of the Individualized Business Action Plan – IBAP to increase organizational accountability and enhance the Program Participant’s experience.

DBIA PARTNERSHIPS

The IGNITE! DBIA Project encourages and supports development of strategic business partnerships that allow minority small businesses the opportunity to grow their customer base and improve their business. We believe it is important to form a partnership agreement with organizations whose corporate goals and values augment our own.

In Quarter 3, IGNITE! garnered support and secured partnerships from the following community partners that assist in furthering goals of the DBIA project and expansion of other opportunities for future growth:

- **Business Council of Alabama:** Counting US! Minority Business, Entrepreneur, and Nonprofit Leader Statewide Census and DBIA Outreach
- **PricewaterhouseCoopers LLP (PwC):** Under this partnership, PwC will mentor our team of Financial Coaches, facilitate virtual Group Sessions for Program Participants on multiple topics related to business accounting best practices and principles, as well as provide individual technical assistance to select Program Participants

IGNITE! DBIA THIRD QUARTER FINANCING & SPENDING

In the third quarter, IGNITE! Doing Business in Alabama secured \$100,000 in cash donations (*Collective total deposited to date \$323,500.00 which includes the W.K.K.F Year One Disbursement*) with a total of \$143,894.94 spent for program operations. Of that total, \$79,922.32 was spent with black owned businesses and \$54,708.92 with non-black owned businesses. Of the \$79,922.32 spent with black owned businesses; \$54,337.32 was spent with Alabama based black businesses and \$25,585.00 was spent with black owned businesses outside of the State of Alabama. Eleven requests for additional funding in the amount of \$2,646,750.00 have been requested thus far from banking institutions, corporations, and grants (Federal, National, and Local.)

IGNITE! DBIA THIRD QUARTER FINANCING & SPENDING	
Category	Count
Total Amount Spent in Q3	\$143,849.94
Funding for Personnel	\$9,218.70
Funding to Black Owned Businesses	\$79,922.32
Funding to Alabama Black Owned Businesses	\$54,337.32
Funding to Black Owned Businesses Outside of the State of Alabama	\$25,585.00
Funding to Non - Black Owned Businesses	\$54,708.92
Total Amount of Grants Requested	\$2,646,750.00
Total Amount of Grants Awarded	\$100,000.00
Total Amount of Donations and Contributions	0

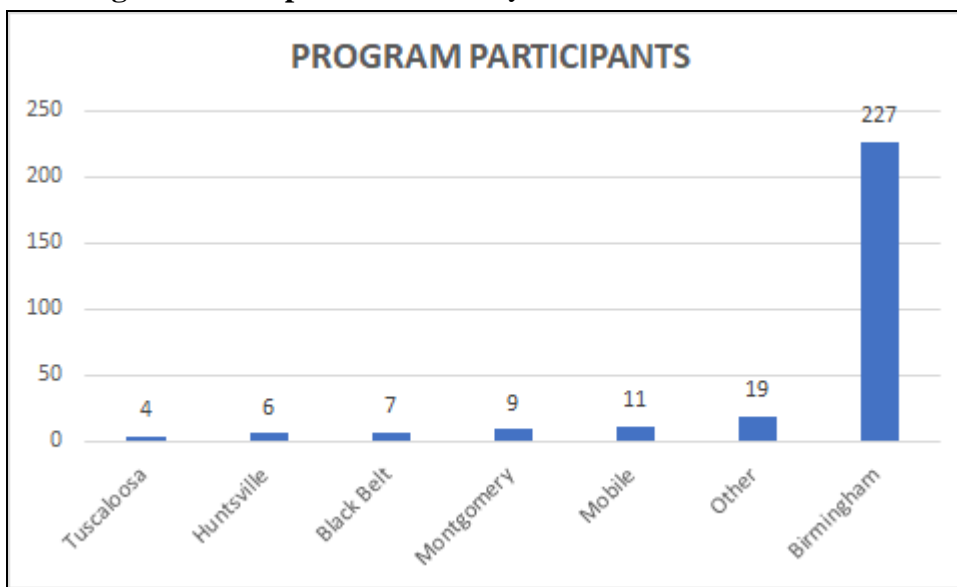
IGNITE! DBIA ACCOMPLISHMENTS

1. Secured \$100,000 in local grants and sponsorships.

IGNITE! has officially exceeded the W.K. Kellogg Foundation Year 1 Match Requirement of \$75,000. To date, we have raised *\$148,500.00, depositing a total of \$123,500.

**Although a local foundation approved a grant request in the amount of \$50,000, the grant award is being paid in two (2) equal installments of \$25,000 each. So, while the \$148,500.00 amount referenced above includes the \$50,000 award, IGNITE! has only received and deposited a total of \$123,500.*

2. 283 Program Participants successfully on-boarded to date



3. Individualized Business Action Plan – IBAP

Although initially not woven into the fabric of IGNITE!'s DBIA project design, as a result of this custom profile, we now have a better understanding of Program Participants' mindsets, challenges, and individual dynamics brought to the project.

As we move into the fourth quarter, IGNITE! is better equipped to help Program Participants focus, prioritize, cope with challenges, adapt to changes, understand the importance and value of coaching, trust the process, and most importantly, manage realistic expectations.

Our hypothesis is that by IGNITE! DBIA Program Participants embracing these attributes, along with intensified coaching and instruction, will enable them to more effectively complete and utilize business plans, budgets, minority-owned business certifications, provide timely filings with state and federal revenue agencies, effectively manage bank accounts, establish payroll, and ultimately gain access to capital.

IGNITE! DBIA CHALLENGES

During the third quarter in reviewing and processing regular feedback from Program Staff (*Financial Coaches and Success Advocates*) Program Administrators discovered that Mental Health and Emotional Wellness Counseling Services are needed to help Program Participants navigate the vicissitudes of life and provide support needed to help change their mindset around how they have been doing business *versus* imploring standard best practices for how to do business.

For that reason, the team immediately began to strategize and reimagine programming to provide Participants with what they need, instead of being restricted by the original plan. Therefore, participation in scheduled activities was not "required", a shift which influenced the focus and delivery of this Quarter Three Report by way of narration and qualitative data versus quantitative measures (*several tables, graphs, and pie charts*) previously reported.

THIRD QUARTER ACTIVITIES

During the third quarter IGNITE! DBIA conducted a total of 27 educational, motivational, and technical assistance activities with approximately 3,964 views. There were no informational and outreach activities conducted during this period. Due to a surge of the Covid-19 Delta Variant, activities detailed in the following chart were conducted virtually.

Type of Event/Activity	Number of Events/Activity	Number of Views/Contacts
Educational	10	1,478
Motivational	9	1,630
Technical Assistance	8	856
Informational and Outreach	0	0
Total	27	3,964

It is important to note that although the number of sessions and activities increased there was a decrease in the number of views and contacts. This can be attributed to the intentional focus on needs of Program Participants actively participating in the project.

THIRD QUARTER GOALS

GOALS MET

This quarter, IGNITE! raised a total of \$100,000, officially exceeding the W.K. Kellogg Foundation Year 1 Match Requirement of \$75,000.

GOALS NOT MET

During the second quarter it became quickly apparent that some Alabama Minority Business Owners, Entrepreneurs, and Nonprofit Leaders needed help to overcome a *Mindset Deficit* and *Business Culture Deficiency* perpetuated by COVID-19 Pandemic, residual effects of Cultural and Systemic Racism, and the stigma of seeking out Mental Health and Emotional Wellness Services.

Due to this discovery, here in the third quarter, Administrators decided to delay the implementation of participation in “required” activities, and instead pivot, strategize, and equip Participants with support and guidance needed to overcome emotional instability and challenges with handling change, disappointment, and/or failure. By doing so, the inevitable possibility of falling short on achieving and reporting “Collective” IGNITE! DBIA Program Participant Goals was realized, however this shift was in their best interest. To overcome these barriers, IGNITE! created and implemented an extensive White Glove Customer Experience Training for both program staff and participants.

There is now a renewed weekly focus on building a “customer centric” culture achieved by:

- Regular messages of encouragement to staff members and volunteers.
- IGNITE! DBIA Success Advocate Team members check in with Program Participants weekly (*via call, email, and/or SMS text messages*) to provide support and guidance in any situation that participants may be facing.
- Program Participant Incentives (*Small Gifts, Cash Awards, etc.*)

NEW TOOLS CREATED

1. Counting US! Resource Directory

Statewide Resource Directory to help Minority Small Business Owners, Entrepreneurs, and Nonprofit Leaders

2. The White Glove Customer Experience Training Manual

This tool was created to foster a culture of excellence, respect, support, and accountability among staff, contract workers, program participants and volunteers. IGNITE! DBIA Program Administrators strive to utilize this tool to create memorable experiences that result in a healthy, happy, fulfilled, and productive organizational environment for all.

3. IGNITE! DBIA Individualized Business Action Plan Checklist

Although Program Participants have access to the checklist digitally via the Salesforce platform, this document was created to serve as a quick reference guide of “bare basics” needed to effectively and competitively “Do Business in Alabama.”

SURVEY RESULTS

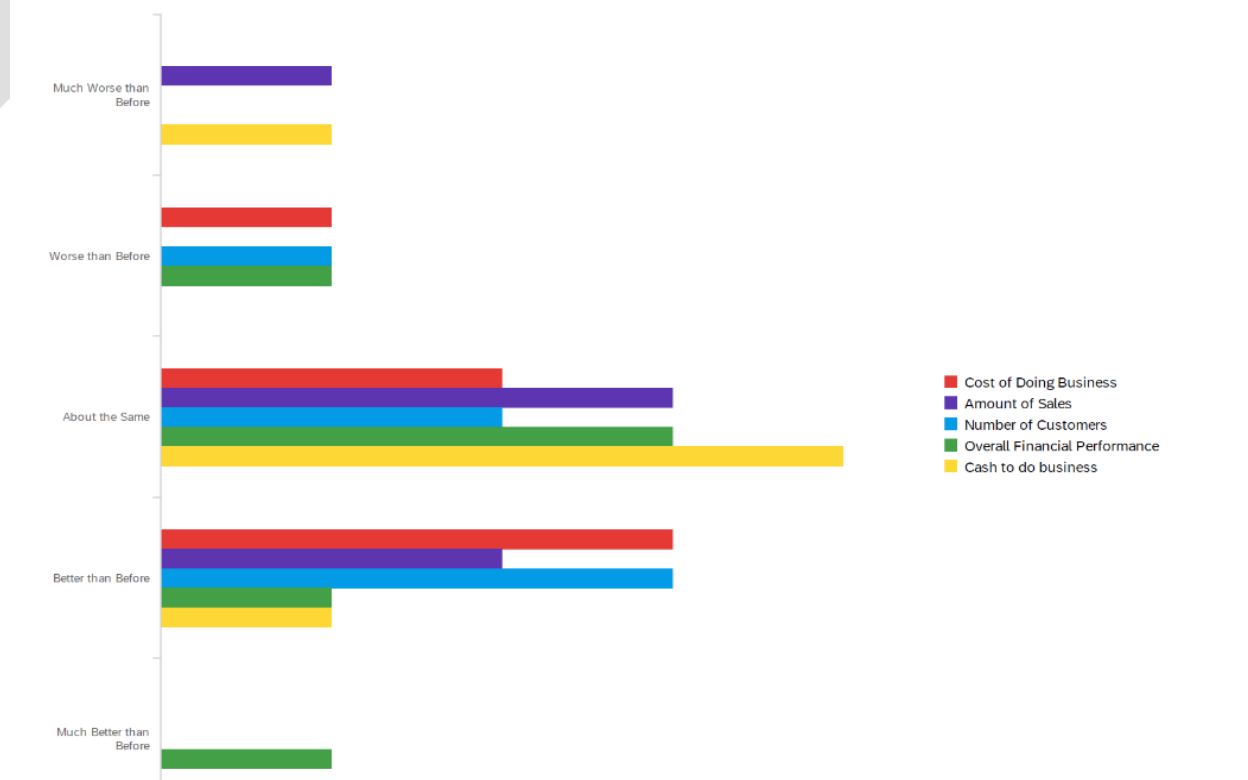
Counting US! an ongoing project under the direction of the University of Alabama and Stillman College designed to create a comprehensive database of minority business owners, entrepreneurs, and nonprofit leaders across Alabama, and was conducted in both June and August.

The idea behind this unprecedented count is to help identify those in this underserved sector to provide them with access to financing, grants, contracts, and other business opportunities of which they may not be aware.

So, to prevent survey fatigue, we did not administer any other program specific surveys.

To date, 250 minorities have completed the “Counting US!” initiative. In addition to a survey for new participants, a “check-in” feature for those that previously submitted responses was added. Approximately, 10% of the surveys have indicated updates on how they are doing and progressing and the participants were feeling more optimistic than they were in the past. In the June 2021 survey, optimism registered at 4.1, and the August 2021 participant’s measure is up to 4.7. In terms of their feelings across specific items, you can see in the following graph that people are feeling “about the same” or “better” across all measures of business performance. These results demonstrate increased optimism due to program participation.

Q43 - How has your business changed in the last three months?



IGNITE! DBIA QUARTER 3 - DISCUSSION AND RECOMMENDATIONS

Data collected this quarter by IGNITE! DBIA staff showed a total of twenty-seven (27) third quarter activities that were completed with a total of 3,964 views. The number of viewers was significantly less compared to Quarters 1 and 2. This quarter's data did not have measures to include the demographics of those who attended these activities or the location. No metrics were used this quarter to measure participant satisfaction.

Fourth Quarter recommendations include collecting quantitative measures (*several tables, graphs, and pie charts*) ensuring that a short evaluation is conducted after each session to be comprised of demographic information as well as questions to gauge session utility and participant satisfaction.

This additional information can be used to help Program Staff better address the needs of Alabama Minority Small Business Owners, Entrepreneurs, and Nonprofit Leaders in overcoming the *Mindset Deficit* and the *Business Culture Deficiency*.

EVALUATION REPORT

DOING BUSINESS IN ALABAMA

POWERED BY IGNITE!

*Quarter 2 Report

April 1, 2021 – May 31, 2021

Evaluator:



KNOW BETTER. DO BETTER. BE BETTER.
(KBDB3), LLC

***IGNITE! DBIA – W.K. Kellogg Foundation program reporting quarters are as follows:**

Quarter 1: December – February

Quarter 2: March – May

Quarter 3: June – August

Quarter 4: September - November

IGNITE! erroneously utilized the calendar year in Quarter 1 Reporting. However, we have corrected the issue. Therefore, please be advised that this Quarter 2 Report only accounts for two months of program activities as March 2021 data has already been analyzed and submitted in the Quarter 1 Report previously submitted.

EXECUTIVE SUMMARY

IGNITE! Alabama is a holistic and supportive ecosystem designed to educate and bridge communication gaps between organizations, service providers, and minorities within the State of Alabama, especially Black and Female Business Owners. The mission is to ensure that minorities stay informed, have a clear understanding, and receive access to Federal, State, and Local Funding, as well as resources and technical assistance needed to competitively compete, succeed, and excel in their business operation.

The IGNITE! “Doing Business in Alabama” (DBIA) Minority Business Training Pilot Project is designed to provide solutions to close the gap in economic inequality and barriers to entry experienced by women and minority business owners, entrepreneurs, and nonprofit leaders.

Quarter 2 of the IGNITE! DBIA Project saw the creation of new tools and strong partnerships to support Program Participants with the realization of their challenges and unique needs which must be addressed in order to achieve any measure of success.

DBIA PARTNERSHIPS

The IGNITE! DBIA Project encourages and supports the development of strategic business partnerships that allow small businesses the opportunity to grow their customer base and improve their business. We believe it is also important to form a partnership agreement with an organization whose corporate goals and values augment our own.

In Quarter 1, IGNITE! garnered support and secured partnerships from the following community partners that assist in furthering the goals of the DBIA project and the expansion of other opportunities for future growth:

- Alabama Small Business Development Center (SBDC) that provides Business Coaching
- Balch and Bingham on the “Balch Boost Program” that offers fifty (50) free hours of Legal Services for DBIA Minority Business Owners making less than \$400,000 per year
- Innovation Depot, a business incubation group that specializes in Technology Business Development Services and Resources
- LaJean Investment Group, LLC, a business that provides Salesforce Build and Implementation Oversight, Forensic Financial Analysis Oversight, and DBIA Executive Level Business Coaching
- Phenomenal Management Partners (PMP), a DBIA Government and Corporate Contracting Coach
- SCORE Alabama, an association that provides tailored business advice, counseling, and mentoring
- University of Alabama – Culverhouse School of Business: Counting US! Minority Business, Entrepreneur, and Nonprofit Leader Statewide Count and Outreach
- Woodlawn Foundation, which offers Homeownership and Financial Literacy Classes

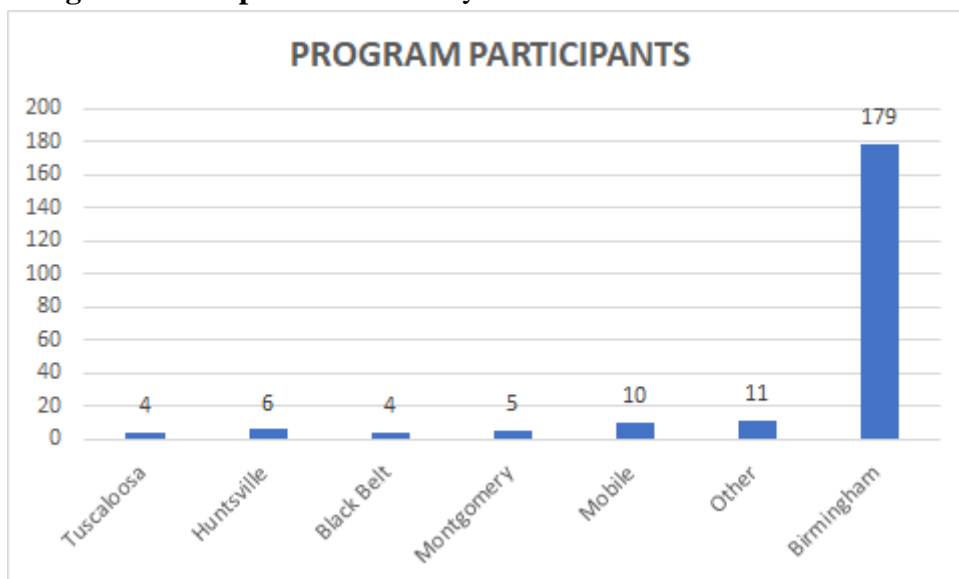
IGNITE! DBIA SECOND QUARTER FINANCING & SPENDING

In the second quarter, IGNITE! Doing Business in Alabama secured \$48,500 in cash donations (*Collective total deposited to date \$248,500.00 which includes the W.K.K.F Year One Disbursement*) with a total of \$62,871.15 spent for program operations. Of that total, \$42,866.45 was spent with black owned businesses, and \$11,284.38 on non-black owned businesses. Of the \$42,866.45 spent with black owned businesses; \$36,290.45 was spent with Alabama based black businesses and \$6,575.00 was spent with black owned businesses outside of the State of Alabama.

Category	Count
Total Amount Spent in Q2	\$62,871.15
Funding for Personnel	\$8,720.32
Funding to Black Owned Businesses	\$42,866.45
Funding to Alabama Based Black Owned Businesses	\$36,290.45
Funding to Black Owned Businesses Outside of Alabama	\$6,576.00
Funding to Non - Black Owned Businesses	\$11,284.38
Total Amount of Grants Requested	\$2,646,750.00
Total Amount of Grants Awarded	\$48,500.00
Total Amount of Donations and Contributions	0

IGNITE DBIA ACCOMPLISHMENTS

1. **Secured \$48,500 in local grants and sponsorships** this quarter.
2. **219 Program Participants** successfully on-boarded to date



3. Alabama's first Minority Business, Entrepreneur, and Nonprofit Clearinghouse!

Utilizing a custom designed Salesforce Customer Relationship Management (CRM) system, IGNITE! conducts what we call a "Forensic Financial Analysis" to thoroughly assess needs, develop "Individualized Business Action Plans," and then most importantly, quickly direct minority Small Business Owners, Entrepreneurs, and/or Nonprofit Leaders to the "appropriate" partner agency best equipped to provide technical assistance relevant to their current and most pressing need.

Admittedly, while originally designed with IGNITE! DBIA Program Participants in mind; the "Forensic Financial Analysis" has become an invaluable resource to partnering agencies, as it streamlines the process, improves efficiency, and helps maximize resources by allowing them to serve the right client, at the right time.

IGNITE! DBIA CHALLENGES

*"There is a debilitating Mindset Deficit and Business Culture Deficiency",
amongst State of Alabama,
Minority Business Owners, Entrepreneurs, and Nonprofit Leaders.*

After getting off to a solid start in the first quarter and beginning an optimistic second quarter; the KBDB3 Evaluation Team learned during one-on-one interviews with IGNITE! DBIA Program Administrators that they had begun noticing concerning behaviors that required immediate attention.

IGNITE! Financial Coaches were collectively sharing frustrations that in their multiple attempts to engage Program Participants (*Alabama Minority Small Business Owners, Entrepreneurs, and Nonprofit Leaders*) and move them forward to complete action items (*Securing EIN, Registering with the State of Alabama, Completing/adhering to monthly budgets, NOT comingling funds, Securing Business Bank Accounts, Establishing Payroll, Properly Filing Taxes, Completing Minority Certifications, etc.*) on their Individualized Business Action Plans, Program Participants seemed to be reluctant to follow basic guidelines and change the way they were "doing business."

Interestingly, IGNITE! Program Administrators report that to date, greater success has been achieved in moving new / start-up businesses (*DBIA Program Participants in business 0-2 years*) through the process easier and quicker, versus existing entities (*DBIA Program Participants in business 3+ years*) as in most cases, it's much harder to engage this group as they are extremely reluctant to follow basic guidelines, as some are vehemently opposed to change the way they are currently "doing business."

Nevertheless, there is a consensus that in addition to a "Lack of Access to Capital," the following are key issues that may be keeping Alabama Minority Small Business Owners, Entrepreneurs, and/or Nonprofit Leaders; especially African Americans, from moving forward:

▪ **Business Culture Deficiency**

Toxic Leadership - "The Blind Leading the Blind"

FOR EXAMPLE:

There are a few local minority Alabama Small Business Owners, Entrepreneurs, and Nonprofit Leaders who have realized some measure of success; many of whom have become local and/or social media mentors to their peers. Unfortunately, the problem is that after engagement on various levels, there is overwhelming proof that many are NOT the subject matter experts who they present themselves to be.

In most cases, these individuals lacked consistency and follow through, and/or are unable to work with others, and/or withhold information in an effort to create an unhealthy co-dependence, and/or are “un-coachable” appearing to feel as though they know it all, and/or have an unwillingness to learn new and innovative ways to perfect their craft, and/or are unwilling to change and become more efficient in their processes, and/or are not transparent as it relates to their business and finances, etc.

■ **Mindset Deficit**

1. *Unrealistic Expectations*

FOR EXAMPLE:

Desire to gain access to capital, but they don’t have a business bank account, and if they do, they are co-mingling funds.

2. *Unwillingness to change the “way they have always done things”*

FOR EXAMPLE:

- Challenge understanding the importance of hiring employees instead of continuing to utilize individuals as contract workers, but function as employees
- Properly registering their businesses on the Federal, State, County, and/or City level
- Honestly filing taxes
- Repairing and/or rebuilding their credit, etc.

3. *Lack of Respect for the Process* and/or understanding that “get rich quick” schemes were just that - schemes - and not a healthy or productive way to do business

FOR EXAMPLE:

- Securing a physical location, without the basic fundamentals to include a Budget, Business Plan, Business Bank Account, etc.
- Often looking for loopholes and/or opportunities to “get around” the process, instead of being disciplined and “doing business” the right way
- Applying for funding opportunities shared by IGNITE!, but NOT actively and consistently working to complete action items on their Individualized Business Action Plan (IBAP)

4. *Conflicting Priorities and/or Lack of Focus*

FOR EXAMPLE:

Paralyzed in fear and frustration as it relates to Covid-19, Financial (*Business and Personal*) Health, Housing, Lack of adequate Childcare, Relationship Dynamics (*Children, Significant Others, etc.,*) and/or lack of reliable Transportation

5. *Inability to Delegate*

FOR EXAMPLE:

- Erroneous belief that they must do it all, or it won’t be done right.
- Unwillingness to utilize current team members and/or hire /contract others to help share the load

6. *Sense of Entitlement*

FOR EXAMPLE:

Frustration and hostile disposition towards Program Staff , Coalition Members, Volunteers, etc., after not being approved for grants/loans and/or realizing notable progress in their business, but admittedly acknowledging NOT actively engaging with assigned Financial Coaches and/or regularly participating in suggested workshops held to help fortify their business.

With this being said, we had no choice but to pivot and begin strategizing ways to help resolve these issues as we believe they are ALL major contributing factors resulting in stymied growth within the Alabama Minority Business, Entrepreneur, And Nonprofit Community.

SECOND QUARTER ACTIVITIES

During the second quarter IGNITE! DBIA conducted a total of 19 educational, technical assistance, informational and outreach activities with approximately 6,081 views/contacts. There were no motivational activities conducted during this period. Due to the Coronavirus Pandemic, and surge of the Delta Variant, all educational and technical assistance activities were conducted virtually. However, there was one (1) outreach activity conducted in person with the highest level of care. Volunteers were required to wear masks, gloves, and social distance.

Type of Event/Activity	Number of Events/Activity	Number of Views/Contacts
Educational	11	3,894
Motivational	0	0
Technical Assistance	7	2,037
Informational and Outreach	1	150
Total	19	6,081

NEW TOOLS CREATED

During the second quarter, IGNITE! DBIA created “NO Business Left Behind” - a six month outreach program designed to recruit volunteers to serve and help local minority Food Truck Vendors, Food Vendors, and minority business owners in the Birmingham area of Alabama to be prepared for the 2022 Summer World Games. The program is also designed to identify business linkage opportunities and resources, including assistance and support with time sensitive grant and funding submissions that will no doubt become available prior to and during the summer of 2022. Participants of the “No Business Left Behind” outreach program will not only matriculate into the DBIA Program, but they will also receive specialized instruction, training and support that emphasize the precepts of Cash Flow, Curb Appeal, and Customer Experience.

IGNITE! DBIA QUARTER 2 - LESSONS LEARNED

IGNITE! DBIA appreciates the opportunity to serve Minority Business Owners, Entrepreneurs, and Nonprofit Leaders “Doing Business in Alabama.” At the onset of this project, we desired to engage as many Alabama minority small business owners as possible to execute the various facets of the program, especially Financial Coaching, which is the crux of the plan.

The program was designed for minority contractors to provide services for our DBIA Program Participants, but also to serve as Program Participants to continue to sharpen their skills, utilize the variety of services, and offerings IGNITE! had to offer. Having stipulated this guideline that ALL minority contractors serve as Program Participants has been quite enlightening as we made three important discoveries:

1. Success Advocates (*Customer Service Team*) need to be the first line of defense, NOT Financial Coaches.
2. Not all contractors are qualified to be coaches no matter how long they have been in business or the credentials they possess.
3. Understandably financial coaches’ skill sets vary, so careful attention needs to be placed in making good matches between coaches and DBIA participants.