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United States House of Representatives  
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Chairwoman Velázquez, Ranking Member Chabot, and members of the committee: my name is Ken Yancey and I am the CEO of SCORE. Thank you for the opportunity to offer testimony to the committee regarding SCORE's programs and services, history, and plans for the future. Thank you as well to the United States Small Business Administration (SBA) for your continued support.

First and foremost, I wish to thank you for supporting SCORE's 2019 expected appropriation of \$11.7 million. We are very grateful for this funding, and the money is immediately impacting the small businesses owners that SCORE volunteers serve in their local communities every day, resulting in significant business creation and job growth, as detailed below.

**ABOUT SCORE: MISSION, VISION AND VALUES**

SCORE is the nation's largest network of volunteer, expert business mentors, with more than 11,000 volunteers across 300 chapters offering free and confidential advice, and free or low-cost educational workshops to current and aspiring small business owners.

Founded in 1964 as a resource partner of the SBA, SCORE has now helped more than 10 million entrepreneurs. SCORE's mission is to foster vibrant small business communities through mentoring and education, and we envision every person having the support necessary to thrive as a small business owner.

Today, SCORE stands as a uniquely American organization in its synthesis of two historic national ideals: the entrepreneurial spirit and volunteerism.

SCORE has a strong set of core values, which we define as:

- **Clients Matter:** Our clients' success is our success.
- **Small Business Matters:** Small business is the engine of our national economy through business formation, job creation and wealth building. Small businesses are critical to vibrant communities in our society.
- **Giving Back Matters:** We give volunteers, stakeholders and sponsors the ability to give back to communities through their support of SCORE. Successful small business owners understand the importance of giving back to their communities.
- **Volunteers Matter:** SCORE is comprised of volunteer business people helping small business people solve business problems. Volunteers give freely of their time, energy and knowledge to help others.
- **Experience Matters:** The truest measure of our mission and our service is ensuring that our clients have a positive experience. A volunteer's experience also matters, as their

relevant knowledge, wisdom and experience serve our clients through mentoring and education. Finally, the volunteer experience with SCORE matters, and we ensure that volunteers find value and satisfaction while engaged with SCORE.

- **Relationships Matter:** In relationships, we act with integrity, respect, honesty, purpose, and professionalism. We listen with an open mind, encourage and openly communicate with all people seeking help from SCORE. Personal, long-term relationships are a driver of small business success. Community alliances are critical to the success of SCORE.
- **Diversity Matters:** We believe in the importance, value and power of diversity – diversity of people and diversity of thought. The diversity of race, gender, ethnicity, geography and experience is important and valuable in SCORE. We strive to achieve diversity of our volunteer corps, staff, board and clients.
- **Lifelong Learning Matters:** We believe that small business owners who are lifetime learners adapt to change more readily and are more successful. Volunteers who are lifelong learners remain active, and achieve personal satisfaction and growth.

## **SCORE's IMPACT ON AMERICAN SMALL BUSINESSES AND THE ECONOMY**

Small businesses account for 99.7 percent of all employer firms and generate more than 50 percent of the non-farm private gross domestic product. They employ more than half of all private sector employees. In this way, these small businesses are the engine of America's job creating economy, the fabric of our local communities, and the embodiment of the American dream.

In FY18, SCORE helped its clients to create more than 32,387 new small businesses, creating 103,300 non-owner jobs, and 135,687 total jobs.

SCORE remains the most efficient and effective business formation and job creation engine funded by the Federal Government. Our cost to create a job is estimated at \$81, while the cost to create a business is just \$340. This efficiency in creating jobs and businesses provides a tremendous return on all federal dollars invested, and, in fact, makes money for the American taxpayer.

In FY18 alone, SCORE clients returned an estimated \$47.16 in new tax revenue to the federal treasury for every \$1 appropriated to SCORE. This efficiency far exceeds the return on investment generated by any other job creation initiative or business creation initiative funded by the federal government. SCORE maximizes every dollar received from the federal government, because our 11,000 mentors and field managers are all volunteers.

In FY18, 138,394 unique clients were served via SCORE mentoring, with many more served through educational programming. 165,425 clients attended online workshop sessions, and 249,870 clients attended local workshops.

SCORE's services help keep our clients in business. 91% of SCORE clients who were in business, or started a business, when working with SCORE in FY18 were still in business at the end of FY18. 67% of SCORE clients grew their revenues in FY18, by an average amount of 32%.

While these statistics are impressive in aggregate, the faces and stories behind the numbers tell the true story of SCORE's impact on small business success.

### **SCORE Client Success Story – Alliance for Positive Change**

SCORE client Sharen Duke runs the nonprofit Alliance for Positive Change, which improves the lives of New Yorkers living with and at risk for HIV/AIDS by helping them to make lasting positive changes towards health, housing, recovery and self-sufficiency. Alliance's innovative peer education and access to medical care helps people manage and overcome addiction, escape homelessness, get back to work, and find community.

Founded in 1990 using donated office space and a staff of just three, Alliance has now grown to a staff of more than 170, with 130 additional peer interns, and a budget of nearly \$25 million. More than 5,000 clients come to Alliance for services each year, and 14,000 people are reached through Alliance's peer outreach and harm reduction education in communities across New York City. Alliance was recognized by SCORE as the 2014 Outstanding Non-Profit Organization.

In 2010, Duke reached out to SCORE for help handling the impact of the economic recession on her business, having never received formal training in finance.

She says: "I turned to SCORE and was matched with two amazing mentors who were able to help me develop a business plan that included clear and compelling presentation of agency financial statements, as well as marketing strategies for outreach to commercial banks, so that I would be able to establish the ideal banking relationship for Alliance that included a line of credit."

Mentor Munir Saltoun, a retired corporate CFO, helped Duke review Alliance financials and create a strategic financial plan to restructure the organization. Mentor Alvin Roselin helped to create a marketing plan. "Together, we targeted banks, went to meetings, and ultimately persuaded Chase to continue our banking relationship. It was a very successful endeavor," says Duke.

Duke has continued to work with her SCORE mentors on a new round of strategic planning. This new stage included a merger—the acquisition of the Lower East Side Harm Reduction Center—and an expansion of existing peer training services, as well as a treatment adherence support program for people living with HIV and AIDS.

"I am proud to say that, from 2012 to 2017, Alliance doubled our organization's budget from \$10 million to \$22 million, and SCORE was extremely helpful in this growth and success," Duke says.

### **SCORE Client Success Story – Thompson Tee**

SCORE clients Randy Choi and Billy Thompson founded their business, Thompson Tee, in response to their own suffering from hyperhidrosis, a condition involving excessive sweating that impacts the activities, quality of life and emotional well-being of the 15 million Americans who suffer from it.

Their line of specially-designed, patented technology undershirts and t-shirts for men and women has changed their clients' lives by making them feel more secure and confident during their daily activities.

Thompson and Choi spent more than 10 years developing their products, before opening their online store in 2012. Thompson says they initially turned to SCORE because, "We were broke... [There were] so many low points, many mistakes were made," he admits, "[but] we persevered."

Choi and Thompson benefited from the diverse knowledge of SCORE mentors John Pietro and Larry Tucker in the Orange County, California office, consulting with them on everything from finding their business's focus, to developing their business model and improving their digital marketing.

Thompson credits his SCORE mentors with, "provid[ing] information about banking, loans, distribution channels, manufacturing reps, marketing seminars," and more.

Choi says, "When we first started out, we were trying everything ... infomercials ... just everything."

"We've learned to focus on what's important," Thompson says.

Thompson Tee now sells to consumers in more than 135 countries, with more than \$10 million in sales. The company has been featured on several TV shows, including *Shark Tank* – where they successfully raised \$700,00 in funding – *Counterpart* and *The Doctors*.

ThompsonTee.com not only sells the famous Thompson Tee, but also offers information and advice about safe and effective hyperhidrosis solutions. Choi and Thompson's motto: "Freedom. Comfort. Confidence." informs every product decision they make.

To accomplish their mission, Thompson and Choi employ a diverse staff. Thompson explains, "Randy is Korean. I'm half-Korean, half-Caucasian. Our employees are diverse; the majority being non-Caucasian. While it wasn't the mission of our company to hire a diverse staff, our company reflects the great diversity of southern California. And it is all those different perspectives that makes our company stronger. We treat our employees really well. Pay well. At the end of the day, we're hiring whoever can do the job best, regardless of color/ethnicity."

In 2018, Thompson Tee was named the Outstanding Diverse Business SCORE Award winner.

Thompson says he and Choi are most proud of, "The lives we are improving. We're giving people confidence."

## **HISTORY**

The story of SCORE's 55-year history begins with the SBA. In 1953, the Small Business Act was signed into law by President Dwight D. Eisenhower, and the SBA was created. The law said the federal government "should aid, counsel, assist and project the interests of small business." The same year, Maurice du Pont Lee of Wilmington, Delaware gathered a small group of retired executives, and formed a consulting and advisory service for small businesses.

Ten years later, in 1963, more than 50 independent groups operated across the country, providing low-cost or no-cost business mentoring. On October 5, 1964, SBA Administrator Eugene P. Foley officially united independent efforts to launch the national volunteer group called S.C.O.R.E. (The Service Corps of Retired Executives), comprised of its first 2,000 members.

Walter H. Channing of Detroit, Michigan, was named the first president of the national organization in 1970. During the same decade, individual chapters were formed, and SCORE was formally incorporated into a nonprofit association in 1975. In 1978, SCORE welcomed its two-millionth client.

In 1996, SCORE embraced new technology and began to offer email mentoring services to clients. Other significant national achievements during this time period include the inaugural (2003) USA Freedom Corps Award for exemplary volunteer service, presented by then SBA Administrator Hector Barreto, and the 2004 Award of Excellence from the American Society of Association Executives, which celebrated SCORE's positive impact on American society.

SCORE celebrated its 35<sup>th</sup> anniversary (in 1999) and 40th anniversary (in 2004) at the White House. The new century ushered in an era of increased emphasis on volunteer training and education. In the year 2000, SCORE restructured itself to include a governing board of directors and an operating management team of district directors. The same year, SCORE held its first SCORE District Directors Conference to train volunteers for senior leadership roles in SCORE, an event which has now evolved to become the annual National Leadership Conference. By 2001, SCORE mentors were donating more than 1 million hours of service to the small business community each year.

In 2007, SCORE expanded its service offerings by adding free online workshops to the national website. One year later, SCORE began to customize its online resources for specific demographics of entrepreneurs, including women, minorities, manufacturers, military veterans, baby boomers, young entrepreneurs and rural entrepreneurs.

Today, more than 10 million entrepreneurs have been mentored by SCORE or attended SCORE workshops.

## **CORE PRODUCTS AND SERVICES**

### **Mentoring**

At 11,000 strong, SCORE is proud to be the nation's largest network of volunteer, expert business mentors, and we know that our volunteers are the lifeblood of SCORE. The majority of our mentors are current or former business executives and entrepreneurs, giving them firsthand experience that they pass on to our clients.

In FY18, SCORE mentors donated an incredible 4,335,760 hours of total service to mentoring and educating our clients, with an average 7.58 hours per week, per volunteer. Through this generosity and the wisdom of their firsthand business experience, our volunteers have a profoundly positive effect on our small business owner clients, which, in turn, positively impacts their communities. By creating meaningful, and often long-term relationships with our clients,

SCORE mentors help clients to start new businesses or operate existing small businesses more efficiently, effectively and with greater success. Mentors provide the personal experience, practical knowledge and emotional support that clients need to thrive in the small business arena, offering information and strategies for improvement.

Different types of volunteers include mentors, who offer confidential business mentoring services, either in person or online, subject matter experts, who provide focused knowledge based on their professional skills or industry, workshop presenter, who lead local workshops, seminars and events, and administrators, who share their skills in marketing, tech, finance or fundraising, in support of chapter operations.

### **SCORE's Online Reach**

SCORE's robust distance learning program reaches audience members who cannot easily attend a local workshop, or who prefer to learn virtually. Knowing that we must meet clients "where they are" and provide services when it is most convenient to them, SCORE has developed a comprehensive distance learning program that features webinars, virtual conferences and video mentoring.

### **SCORE.org National Website**

The score.org national website and individual chapter websites serve as the main portals for all client-facing services. The national website offers educational resources for distance learning, including webinars, workshops, customizable templates and tools, and access to mentoring services.

3,292,173 unique visitors accessed score.org in FY18, with a 7.87% conversion rate to SCORE's core services of mentoring and workshops. Built-in mobile responsiveness greatly improves the user experience across mobile devices, and enhanced Search Engine Optimization (SEO) capabilities make it easy for clients to find and access website resources. Educational content on the website is chosen based on the topics and trends that matter to clients, as determined by client feedback on individual articles, marketing focus groups, and post-webinar surveys.

The website makes it easy for clients to connect with mentors and resources by allowing clients to browse the pool of mentors, filtering by keywords, area of expertise, industry, language, and location. These mentor profiles allow clients to select the volunteers whose experience they feel most benefits them.

A mentoring widget provides quick access to SCORE mentoring and services on third-party sites. This pop-up box allows users to connect with a SCORE mentor without ever leaving the partner site, and with minimal administrative burden on the partner. More than a dozen partners have installed the widget code, including the National Urban League, Her Agenda, Support Warrior Project, the Georgia African-American Chamber of Commerce, and the Association of Immigrant Business Owners.

### **Video Mentoring**

SCORE's video mentoring program was created in direct response to our clients' needs. Putting our officially-stated value of "Clients Matter" into action, this program was created to connect our mentors with entrepreneurs living in remote locations who might not otherwise have access to services, or whose busy schedules require flexibility. Using video conferencing technology such as Google Hangouts and Skype, video mentoring marries the positive impact of face-to-face communication with the convenience of an in-home mentoring session. Our data shows that video mentoring clients have the highest level of engagement, rating a 4.4 on a 5-point scale. That's compared to a 4.27 rating for our face-to-face mentoring.

### **Live Webinars & On-Demand Training**

SCORE national headquarters provides ongoing workshops in both live webinar formats and on-demand training housed on the [www.score.org](http://www.score.org) website. These educational services are critical to our clients, providing information on numerous aspects of starting and growing a business. At least once a week on average, SCORE hosts live webinars in conjunction with SCORE volunteers, sponsors and outside subject matter experts. Designed to complement local workshops provided by SCORE chapters, these webinars compensate for areas of the country that lack robust workshop programming, and reach entrepreneurs who cannot easily attend a local workshop, or who prefer to learn virtually.

165,425 clients attended these online workshop sessions in FY18.

### **Virtual Conferences**

Now in its fourth year, SCORE's Virtual Conference series allows individuals in any geographic location to remotely participate in an online educational environment that offers the look and feel of an in-person event. These conferences meet the needs of our clients on their own terms, and are perfect for entrepreneurs who are short on time. Combining the educational elements of a small business conference with the networking and interactive features of a trade show, virtual conferences allow participants to listen to keynote speakers, visit virtual booths to download materials, meet sponsors and mentors, and ask questions and connect with each other via a live-chat feature. Sessions are also recorded and available on demand after the conference, with topics including various aspects of starting or growing a small business, including marketing, finance technology and human resources.

The two virtual conferences held in 2018 drew 12,841 attendees, garnering a total of 27,030 workshop views. 96% of conference attendees reported via survey that the experience had "helped" them in their business journey.

The next virtual conference (SCORE's fifth), will be held on May 7 and 8, 2019, in collaboration with the SBA, during National Small Business Week.

### **VOLUNTEER ONBOARDING AND TRAINING – ASSURING QUALITY**

SCORE volunteers undergo continuing education and training to stay current on industry news and trends, and to continually build on their business knowledge and mentoring skills. Lifelong learning is one of SCORE's officially stated, institutionally-held values, as well as a practical

expectation for our volunteer base. We believe that continuous learning drives continuous improvement, which, in turn, drives mentor effectiveness. Volunteer learning takes the form of chapter training days and seminars, chapter roundtable forums, webinars, podcasts, courses, reading and independent research.

### **SLATE Mentoring Methodology**

Each year all SCORE volunteers are required to undergo mandatory online training that reaffirms their commitment to SCORE's Mentoring Methodology, represented by the acronym SLATE. SLATE stands for:

- Stop and Suspend Judgment
- Listen and Learn
- Assess and Analyze
- Test Ideas and Teach with Tools
- Expectation Setting and Encouraging the Dream

Following this methodology, mentors take the extra time to listen to and understand each business's unique needs and challenges, resulting in a transformational relationship, as opposed to a merely transactional relationship.

### **Code of Ethics**

Conversations between SCORE mentors and their clients are strictly confidential, with all mentors signing a Code of Ethics and Conduct that addresses the protection of each client's information and business ideas. Each year, all volunteers are also required to read, understand and agree to the Code of Ethics through mandatory online training in the CORE Learning Management System.

### **Volunteer Onboard and Learning Management System (LMS)**

Starting in 2016, all new volunteers were required to undergo seven mandatory onboarding modules that introduce SCORE's mission, vision and values. SCORE's online Learning Management System (LMS) houses volunteer training modules, instructional videos and continuing education materials. One subset of the LMS is targeted towards strengthening the mentoring skills of volunteers, with the ultimate goal of providing stronger service to clients.

The Mentoring Skills modules are entitled: Powerful Listening and Questioning, Facilitation Skills, Respecting Diversity, Understanding Generational Divides, Understanding Communication Styles, Empathy in Practice and Tools for Connecting with Clients.

### **METRICS AND MEASUREMENT**

Throughout SCORE's 53 years of operations, our central guiding principle of client satisfaction has remained unchanged, and SCORE measures that satisfaction through data-driven, technological measures that focus on service (outputs), as well as quality and impact (outcomes). At the foundation are three key goals and programs: service quality improvement, client



relationship management and economic impact measurement. In using this data to measure the quality of our services, SCORE makes smart decisions and grows in the right direction.

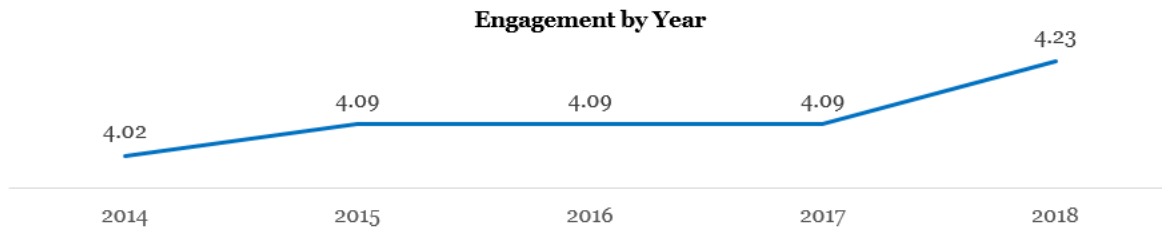
### Measuring Client Satisfaction

SCORE continues to shift from defining itself as a “volunteer service organization” to a “business organization led by volunteers.” In managing chapter operations like a business, SCORE focuses on quality service metrics, including client engagement and Net Promoter Scores (NPS). NPS measures client satisfaction based on the quality of the client-mentor relationship, and willingness to recommend SCORE. The results are used to identify and promote best mentoring practices.

The SCORE national average of Net Promoter Scores are strong, at 85.49. The vast majority (86%) of clients are likely to recommend SCORE services to others. 77% of clients said that SCORE helped them.

### Client engagement showed a significant increase in 2018 after three years of stationary levels

- Engagement increased as a greater number of Clients indicated that SCORE is important to their success (+4), SCORE is a name they can trust (+4), they would recommend SCORE to friends (+3), and SCORE is truly Client-oriented (+3)



Measure	SCORE Overall 2014	SCORE Overall 2015	SCORE Overall 2016	SCORE Overall 2017	SCORE Overall 2018	Mentoring Clients (Includes Local Workshop) 2018	National Workshop Clients <sup>1</sup> 2018	Repeat Survey Clients 2018
N-size	15,703	15,375	18,583	25,117	16,890	14,626	2,264	1,994
Client engagement	4.02	4.09	4.09	4.09	4.23	4.23	4.18	4.37
Willingness to return to SCORE	81%	83%	82%	82%	84%	84%	85%	89%
Likelihood to recommend SCORE	82%	84%	83%	83%	86%	86%	86%	90%
Champions	64%	66%	66%	65%	71%	72%	67%	77%

<sup>1</sup> National Workshop Clients refers to Clients that attended at least one online workshop or webinar but did not receive mentoring.

### Chapter Performance Data

SCORE’s intranet, called CORE, helps SCORE to run its business activities more effectively and efficiently by centralizing and simplifying administrative tasks, so that chapters are able to devote more time and focus to serving clients and providing educational services.

A variety of management data and current metrics are collected and made available to chapters and individual volunteers in the Performance Data section of CORE, so that they can accurately understand their performance, make better-informed decisions and serve clients more effectively. This reporting begins at the national level, and narrows down to both the chapter level and individual volunteer level.

Specific reports include:

- **Dashboard Report:** Allows volunteers to evaluate the performance metrics and client satisfaction rates of their chapters and districts according to the number of unique clients, historic session and workshop data, client return rates and volunteer demographics and certifications.
- **Client Impact Survey:** SCORE's annual measure of customer satisfaction, with data sortable according to individual district, chapter and state.
- **NPS Scores:** Volunteers can access their own personal, up-to-date NPS scores, which measure client satisfaction, while Chapter Chairs can access NPS scores for their chapter members.
- **Volunteer Engagement Survey:** Measures volunteer engagement and satisfaction, both across SCORE nationwide, and at the local chapter level.
- **Local workshop reporting:** Measures attendance and attendee satisfaction, including a national ranking in comparison to other SCORE chapters.
- **Management Information System Reports:** Provide up-to-date information on total services (both mentoring and workshops).

## **THE POWER OF DIVERSITY AND INCLUSION**

SCORE believes in the importance, value and power of diversity – diversity of people and diversity of thought. The diversity of race, gender, age, ethnicity, geography, and experience is important and valuable in SCORE. Accordingly, SCORE is focused on achieving diversity within our volunteer corps, staff, board and clients.

Not only is this the right thing to do, but it is also in accordance with national trends. Across the U.S., the number of women-owned businesses is growing at a rate five-times faster than the national average, and there was a 45% increase in woman-owned businesses from 2007-2016.<sup>1</sup> There has been a 38% increase in minority owned firms from 2007-2012,<sup>2</sup> and today, 79% percent of new women-owned businesses are started by women of color.<sup>3</sup>

### **Diversity and SCORE Clients**

SCORE is committed to serving all clients who dream of starting or growing a business, and our data shows that our clients represent the demographics of the general U.S. population (with the exception of the Hispanic market, where there is room for improvement.)

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<sup>1</sup> [http://www.womenable.com/content/userfiles/2016\\_State\\_of\\_Women-Owned\\_Businesses\\_Summary\\_Tables.pdf](http://www.womenable.com/content/userfiles/2016_State_of_Women-Owned_Businesses_Summary_Tables.pdf)

<sup>2</sup> [https://www.sba.gov/sites/default/files/SBO\\_Facts\\_MOB.pdf](https://www.sba.gov/sites/default/files/SBO_Facts_MOB.pdf)

<sup>3</sup> [http://www.womenable.com/content/userfiles/2016\\_State\\_of\\_Women-Owned\\_Businesses\\_Summary\\_Tables.pdf](http://www.womenable.com/content/userfiles/2016_State_of_Women-Owned_Businesses_Summary_Tables.pdf)

Within SCORE's FY18 client population, 61% were women; 36% were minorities; 11% were veterans; and 10% were people with a self-identified disability.

Targeted digital and social media campaigns, as well as public relations initiatives, have focused on recruiting more diverse clients to make use of SCORE services. SCORE's national marketing strategy has a three-pronged approach of building brand awareness, generating leads to recruit new clients and volunteers, and supporting marketing initiatives in the field. SCORE builds awareness of its services through earned and organic media outreach, public service announcements, and online marketing, including search engine optimization and social media. By meeting our audiences in these digital spaces, SCORE remains top of mind and connected with current and prospective clients and volunteers.

FY18 media coverage of SCORE shows a potential audience exposure of 14,183,675,133, with an average of 1,442 media mentions of SCORE per month. Publications include everything from local newspapers to national business media such as *Forbes*, *Entrepreneur* and *USA Today*.

SCORE also connects with current and prospective entrepreneurs across several social media channels, with more than 100,000 followers combined across Facebook (4.491 million impressions in FY18), Twitter (1.406 million impressions in FY18), LinkedIn, YouTube (545,453 views in FY18) and Instagram. A social media audit by a nonprofit consulting firm demonstrated that SCORE's Facebook engagement rate is 1,333% above the nonprofit benchmark. Our Twitter engagement rate is 2,429% above the nonprofit industry benchmark, and our Instagram engagement rate is 207% above the nonprofit industry benchmark. These numbers show that we are effectively meeting and interacting with our clients on social media.

### **Diversity and SCORE Volunteers**

Recruitment and retention of a diverse volunteer corps is key to SCORE's future success. SCORE onboard 3,243 new volunteers in FY18, 12.8% of whom are former clients.

While our data shows that SCORE clients report equal measures of satisfaction regardless of their mentor's race or gender, SCORE is nonetheless committed to growing our diverse volunteer base and reinforcing our culture of inclusivity. We have grown from 22.33% women and minority volunteers in 2012 to 30.80% in 2018.

This growth in the diversity of our volunteer corps is the direct result of focused actions undertaken over the past few years. In 2015, the National Women's Steering Committee was formed by a group of SCORE volunteer leaders whose goal is to help recruit and retain women as mentors and leaders in the organization and assist chapters with educational events serving women entrepreneurs, including roundtables, networking forums and business conferences.

In 2017, a National Inclusion Task Force was formed to drive strategic cultural change throughout SCORE. Beth Shapiro was named National Volunteer Vice President, Diversity and Inclusion. SCORE CEO Ken Yancey officially announced SCORE's Culture of Inclusion at the annual National Leadership Conference, and by year's end, online inclusivity training had been launched for volunteers, which is now a mandatory annual requirement.

Formal, in-person inclusivity training was completed by all field leaders in 2018. The same year, field diversity and inclusion ambassadors were tasked with the mission of spreading diversity information among the volunteer corps. The work continues through various webinars and newsletters, which highlight the diversity-related successes of chapters and clients.

SCORE has also solidified partnerships with key organizations to help expand our reach into underserved and minority markets, including: Walker's Legacy, ICCC, US Black Chambers, and Black Enterprise.

We have also increased our focus on Spanish-language educational content, and formed strategic partnerships with like-minded organizations who want to help the Hispanic business owners and entrepreneurs succeed. Examples include partnerships with the Hispanic Chambers at the national and local levels.

Most recently, SCORE has run a social media ad campaign targeting 11 cities of varying size across the U.S., and specifically aimed at recruiting diverse volunteers. To date, the campaign has generated 1.08 million impressions, and 17,300 link clicks, with chapters each reporting a strong uptick in volunteer applications.

## **VISION 2025: EMPOWERING SMALL BUSINESS SUCCESS IN THE FUTURE**

Within an ever-changing business and economic landscape, SCORE must prepare for and ensure organizational relevancy for the next 50 years. It is not enough for SCORE to try to manage change; rather, we must embrace change and become change proficient. No matter how much the landscape changes, SCORE's ability to provide business advice and mentoring to entrepreneurs and small business owners will remain relevant, as validated by our data.

SCORE has developed an official vision for the organization in the year 2025, which guides decisions and organization development. This vision consists of data-driven conclusions, sourced from numerous macro-environmental as well as SCORE-specific sources, which have been tested and verified throughout the process.

Vision 2025 has seven elements, which are both directional and aspirational:

- **CLIENT FOCUS:** Client satisfaction, client success and the growth of the small business community are the overarching criteria of our success.
- **ACCESSIBLE:** The skills and specialties of our nationwide network of fully certified mentors can be easily and readily accessed.
- **BEST-IN-CLASS:** Our resources, either our own or our partners', settle for nothing less than excellence, so that our clients will receive the same incredible experience independent of their location, business type or service offered.
- **RELEVANT:** We will stay aware of (and respond to) changes in the small business environment.
- **COST EFFECTIVE:** SCORE will apply the most practical and current business methodologies in the most cost effective way possible to best serve our clients.

- **VALUES-BASED:** We will ensure quality of the client experience and will continually demonstrate integrity, rigor and the courage to change.
- **GROWTH-ORIENTED:** We will drive growth in the number and type of clients served, in the breadth of products and services provided and in the capabilities of our organization.

To effectively deliver on the Vision for SCORE in 2025, SCORE, as an organization, must continue its ongoing cultural transformation by operating with a “One SCORE” mindset, in which headquarters, the chapters, volunteers and the SCORE Foundation work together to achieve the goals of an increased focus on clients, accountability and growth. This transformation must be continually and consistently driven at all levels of the organization.

To this end, SCORE is currently moving to a more centralized operating model in which support functions such as accounting and technology are executed and coordinated at the headquarters level, while direct client services and support are delivered at the field level through our nationwide network of chapters and volunteers. This will help to ensure consistency, efficiency and an ever increasing level of client engagement and satisfaction with our services, and also allow volunteers to focus less on administrative tasks, and more on mentoring.

Examples of this centralization include the chapter website standardization, the social media program and the centralized accounting program.

### **Chapter Website Standardization**

SCORE’s individual chapter websites are designed on a centralized template, with an aesthetic that complements the national website and strengthens brand consistency, while allowing for customization at the local level. This customization is accomplished via editable content bands, built-in social media sharing icons, a blog, and email newsletter signup functions.

Enhanced functionality includes SEO, mobile optimization, and search capabilities that direct clients and volunteers toward the resources they need. A Constant Contact workshop Application Programming Interface provides a direct import of chapter workshop data to both the chapter website and the national website, expanding their reach and attracting more clients. The chapter websites are uniquely connected to the national website at [score.org](http://score.org), allowing chapters to automatically share national online workshops and resources if they so choose, and enabling easier site maintenance.

### **Chapter Social Media Pilot**

Originally tested as a pilot program with 10 chapters in 2016, SCORE’s chapter social media program has now grown to include 230 chapters. The program centralizes social media posting and engagement services through the services of a third-party vendor, enhancing and integrating the chapters’ digital marketing efforts with an improved online presence and increased brand consistency. By improving local awareness of SCORE, the program targets each chapter’s main goals of recruiting more clients, recruiting more volunteers, and driving stronger local workshop attendance.

Data shows that this program achieves our goal of meeting potential clients and volunteers where they are. In FY18, chapters involved in the social media program saw an 8.9% increase in services, compared to non-pilot chapters, which saw a 2.93% increase in services. Total engagement for participating chapters increased by 30% over the previous year.

### **Centralized Accounting**

Today, one of SCORE's main initiatives is to centralize all accounting and finance systems nationwide. Centralizing accounting functions will reduce the burden on SCORE chapter chairs and treasurers moving forward, related to reporting requirements and bookkeeping and clerical duties, while chapters maintain control over how, when, and where they spend and raise their monies.

The development of uniform policy and procedures for chapter treasury operations provides consistent onboarding and training of treasurers, reduces risk for the overall organization, improves insights into financials of the organization to better support accounting and fundraising.

### **SCORE 2019 Appropriations Request**

SCORE must finance its future and raise the dollars required to deliver on Vision 2025. To serve our future clients and meet the needs of our future partners, volunteers and staff, incremental dollars will be required to invest in innovation, technology, marketing, relationship development, product/service delivery and infrastructure. To be successful and remain relevant in the future, SCORE must not only increase connectivity among clients, volunteers, headquarters and partners but also improve operational efficiency, consistency and effectiveness. This will require increased process capability and capacity supported and enabled by information technology.

Based on the impact demonstrated above, SCORE is requesting a \$13.5 million appropriation in Fiscal Year 2020. This represents a \$2 million increase in funding as compared to the projected Fiscal Year 2019 appropriation. SCORE will use these funds to continue the implementation of our Futures 2025 initiative, which will ensure SCORE's future relevancy, change proficiency and positive impact on clients.

As detailed above, the FY19 results of the implementation of SCORE's Future 2025 initiative include significant improvements in client engagement, growth in client services, improvements in service quality, improvements in diversity and inclusivity, and increased client impact.

Based on these results, we estimate that appropriated FY20 funds will be used to serve and support our clients in the following ways:

#### **Client Services:**

- Develop new chapters/branches in specific markets of opportunity including major metropolitan areas, rural states/communities, inner cities and other underserved areas.

- Continue the development and implementation of SCORE’s Client Road Map based on client focus group feedback regarding expectations, new products, services and delivery channels.
- Additional funding for special projects at the chapter level including women’s workshops, diversity and inclusion initiatives and outreach to underserved markets.

### **Marketing and Communications:**

- Use social and other forms of digital media to reach and attract new clients and volunteers. Continue centralized digital marketing (website and social media management) for all chapters.
- Develop and organize content and resources to allow simple and instant access for clients and volunteers. Develop targeted web-based centers for specific industries, business disciplines and market segments (i.e. startups, non-employer firms, etc.)
- Support SCORE chapters with their goal of becoming an integral part of the economic development fabric of the communities they serve. Develop and implement local chapter marketing initiatives, including referral and word-of-mouth campaigns.
- Use referral partner networks to attract clients and volunteers at all levels of the organization. Form joint marketing initiatives with national and local partners.

### **Technology and Website:**

- Finalize development and roll out “SCORE Engage,” a Salesforce CRM system that will manage SCORE’s client experience, volunteer experience, volunteer management, association management and stakeholder reporting.
- Properly protect all client, volunteer and other data that is used, stored or managed by SCORE. Implement a data security audit and plan to insure all client and volunteer data is as well- protected based on industry standards.

### **Volunteer Education:**

- Support SCORE’s Volunteer National Leadership Conference and seven regional leadership meetings.

### **Administration:**

- Improve SCORE’s ability to appropriately manage all forms of funding in a manner consistent with all applicable rules, policies and regulations. This includes software licensing fees for the centralized chapter level accounting system.
- Customization, integration, implementation of centralized chapter level accounting system to reduce chapter administrative burden and lessen financial risk related to cash control.

### **Payroll and Fringe:**

- Anticipating two staff additions to the finance/accounting department, and one additional technology staff member.

**Governance:**

- Continue to provide appropriate oversight of SCORE in a manner consistent with all applicable rules, policies and regulations.

SCORE is scalable, with a relatively small investment, and can provide even greater value to the federal taxpayer, and to our country's economy. All appropriated funds would be maximized to serve and support our clients by growing our volunteer corps, expanding our reach, and creating even greater economic impact in communities across the country. SCORE exists to help entrepreneurs achieve their dream of success, and to strengthen the economy of this great nation. We appreciate the support of this committee, as well as your personal support of SCORE.

I would be pleased to answer any questions you may have, and to provide any additional documentation as requested. Thank you, again, for this opportunity to testify.

Respectfully submitted,

Kenneth Yancey  
CEO  
SCORE Association