Advisory Services for Rural Small Business Borrowers: What’s New and What’s Next?

**Agenda**

Welcome to the session
- Panel presentation (40 min)
  - Introductions: Panelists & CDFIs
  - Overview: Business Advisory Services Best Practices
  - Business Advisory Services: Innovations / Key Learnings
- Two Roundtable Discussions (30 min)
  - Roundtable I (15 min)
  - Roundtable II (15 min)
- Wrap Up: Share takeaways (5 min)
Introductions

- Amanda Blondeau, Director, Business Advancement, Northern Initiatives (Panelist)
- Barbara Eckblad, Principal, The Eckblad Group (Business Advisory Consultant)
- Lynn Meyer, Director, Community Lending, Community LendingWorks (Panelist)
- Jennifer Sporzynski, Senior Program Director, CEI (Panelist)
- Vicky Stein, VP of Strategic Partnerships, Community Reinvestment Fund, USA (Moderator)

Best Practices for Advisory Services: Definition of Success

- Building Business *Sustainability*
- From *VOLATILITY*...
- TO *STABILITY*...
- TO *SUSTAINABILITY*!
LONG TERM ADVISING GOALS

- ID and Closing Skill Gaps
- Solution Driven Relationship
- Collaborative plan that is Iterative
- Longitudinal Outcome and Impact Tracking

ROLE OF THE BUSINESS ADVISOR

- Coach
- Connector
- Mentor

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Northern Initiatives

We deliver loans and business services to small business owners who create jobs.

<table>
<thead>
<tr>
<th>TIME IN BUSINESS</th>
<th>POTENTIAL</th>
<th>PERSONAL CREDIT</th>
<th>LOAN SIZE</th>
<th>LOCATION</th>
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<tr>
<td>0+ years</td>
<td>Where is your business today and where might it be with the right resources.</td>
<td>We look at your score and your story behind the score.</td>
<td>Loans from $1,000 - $1,000,000. Looking for more? Let us know.</td>
<td>We serve Northern rural Michigan and bordering Wisconsin.</td>
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2016 Opportunity Finance Network Conference

Northern Initiatives

NI Coaches

Partners

Group Trainings & Webinars

Customer

Portal

Email Tips & Blog

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Common Themes

1. Time is limited
2. Finances are intimidating
3. Most business owners are reactive learners
4. Customization is crucial
5. They don’t know what they don’t know
6. They want a clear path
7. Trust is key

Source: CFED, Finding Common Threads, February 2016
http://cfed.org/knowledge_center/resource_directory/cfed_publications/directory/finding_common_threads
Community LendingWorks

- $3.5 million under management
- Consumer & Small Business Lending (up to $50,000)
- 500+ loans made since our inception in 2011.

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2016 OPPORTUNITY FINANCE NETWORK CONFERENCE

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= CLW office
Building Rural Business Relationships

- finding key partners & stakeholders
- building credibility & establishing trust
- providing services that solve more than just the need for capital
- collaboration & technical assistance (getting stakeholders invested!)
Finding unique partnerships

- CLW & The Coquille Indian Tribe
- formation of the Coquille Tribal Partnership Loan Fund
- outreach & working with CEDCO (Coquille Economic Development Corporation)
- leveraging capital in surrounding communities

Coastal Enterprises, Inc.

- Mission-driven lender
- CEI combines financing, advising services, & policy leadership
- Since 1977: Financed $1.19 billion; 2,555 businesses, 49,000 people advised
- Advise 2,500 people, $28 million capital
Innovation comes from the field and research

Structure
Demographic generalists
Statewide Sector specialists in targeted sectors
Workforce Staff

Innovations

• Entrepreneur in Residence
• FocusME
• Start-Up Weekend, Women’s Edition
• Employment and training agreement (ETAG)
• StartSmart
Lessons Learned

• Collaborate
• Meet clients where they are
• Labor intensive design
• Fill Niches
• Name it
• Appropriate Technology

Takeaways
Thank You / How to contact us

- Amanda Blondeau: ablond@norterninitiatives.org
- Barbara Eckblad: barbara@theeckladgroup.com
- Lynn Meyer: lynn@communitylendingworks.org
- Jennifer Sporzynski: jennifer.Sporzynski@ceimaine.org
- Vicky Stein: vicky@crfusa.com