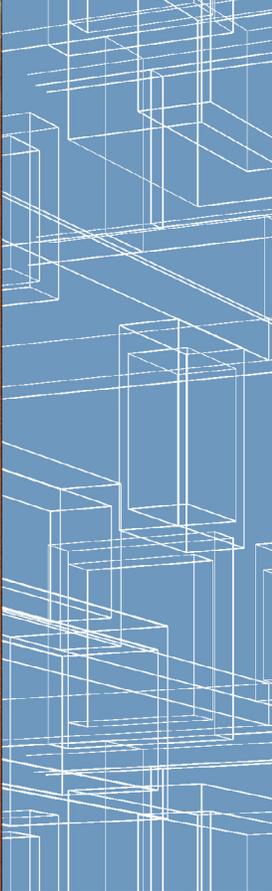
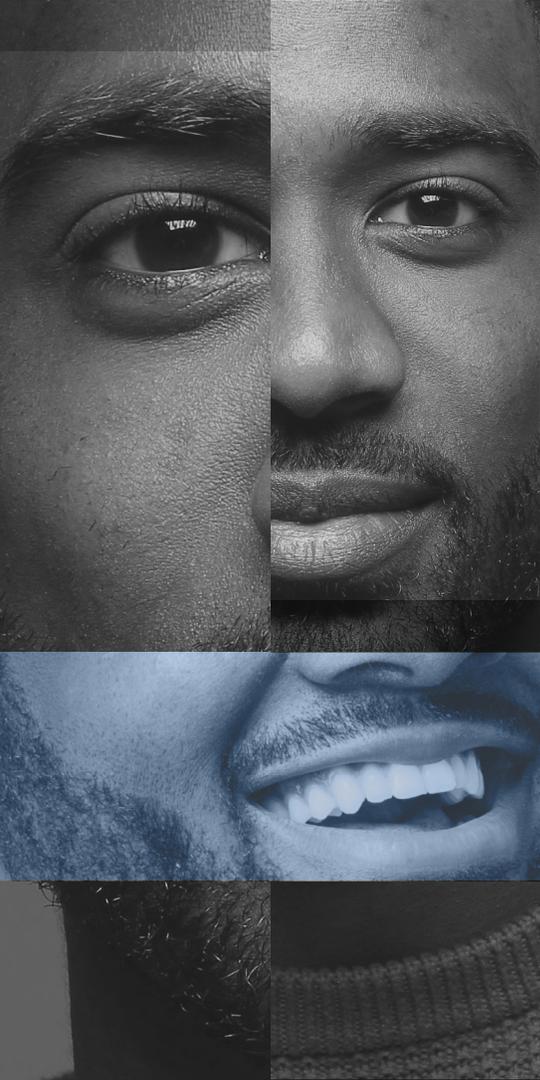


# MINORITY BUSINESS ACCELERATOR PLAYBOOK



VOL 1 2020



**Cincinnati USA**  
**Regional Chamber**

Minority Business Accelerator

---

**next street**

**We've built a Minority Business Accelerator here in Cincinnati,** and we've been encouraged to share our blueprint with others. We believe the impact we've been able to have in our region can inform the approach taken in communities across the country, and we're inviting interested partners to take a look at our blueprint as they consider building something of their own.

### **Why should you care?**

To boost your city's local economy and provide a significant lever to close the racial wealth gap. Since its founding, the Cincinnati Minority Business Accelerator [CMBA] has supported 67 minority-owned Portfolio Companies and helped to drive \$1.2B in annual regional minority spending and create 3,500 net new jobs in the Cincinnati Region. We believe this impact can be scaled beyond Cincinnati by helping other communities stand up Minority Business Accelerators of their own.

### **Who is this for?**

Cities interested in launching a Minority Business Accelerator akin to the model in Cincinnati or building on their existing minority business support.

### **How should you use it?**

To understand what has enabled the CMBA's success, reflect on whether your city could launch its own – or some version of – the Accelerator, and complete the workbook exercises to assess whether you want to bring an Accelerator to your city. Overall, the playbook will serve as a helper to guide your early thinking and inform a conversation with the Cincinnati Minority Business Accelerator team.

### **What are you going to get?**

Information you'll need to make informed decisions and take action so that you can bring the Accelerator model to your own community.

Like a building, an Accelerator is made up of integrated materials and systems, built on a solid foundation. Our Playbook will take you through our blueprint and give you the information you need to begin thinking about building your own.

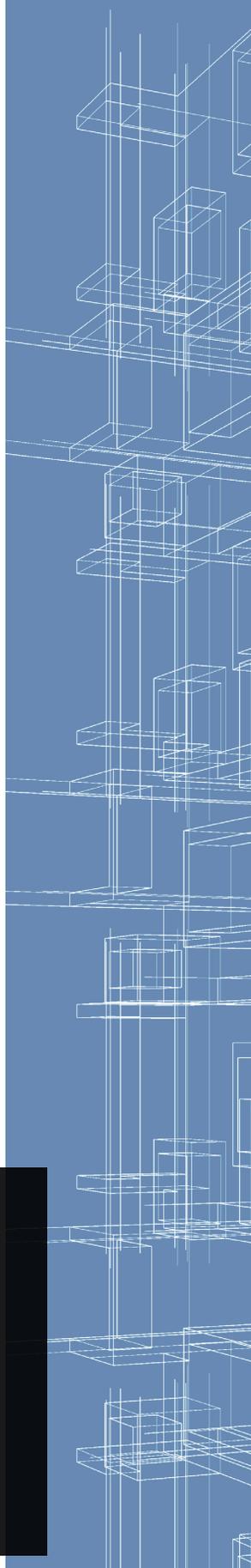


LET'S  
GET  
STARTED

The Minority Business Accelerator Playbook is the result of a collaboration between The Cincinnati Minority Business Accelerator [part of the Cincinnati USA Regional Chamber] and Next Street, a small business-focused advisory firm, enabled by generous support from the Ewing Marion Kauffman Foundation.

# Specs

<b>What We've Built</b>	<i>Introduction</i>	4
<i>WORKBOOK ACTIVITY:</i>	<i>Your Local Landscape</i>	10
<b>Blueprint</b>	<i>Components</i>	11
BREAKING GROUND	<i>Impetus</i>	12
BUILDING SITE	<i>Structure</i>	14
FOUNDATION	<i>Partnerships</i>	16
<i>WORKBOOK ACTIVITY:</i>	<i>Prioritizing Key Partners</i>	17
<i>WORKBOOK ACTIVITY:</i>	<i>Readiness Scorecard</i>	18
THE HOUSE	<i>Programmatic Approach</i>	20
Supply side – Portfolio Companies		21
Demand Side – Goal Setters		23
BUILDERS	<i>Team</i>	26
<i>WORKBOOK ACTIVITY:</i>	<i>Potential Candidates</i>	27
CONSTRUCTION COSTS	<i>Financials</i>	28
Expenses		29
Revenue Model		30
Launching Your Own		31
HOME PERFORMANCE	<i>Impact Measurement</i>	32
<b>Let's Get Building</b>	<i>Conclusion</i>	34
<b>Annex</b>	<i>Appendix</i>	35
ACKNOWLEDGEMENTS		35
<b>Workbook</b>		36



# What We've Built

S  
T  
A  
R  
T

INTRODUCTION

COMPONENTS

CONCLUSION

APPENDIX

WORKBOOK



**Since its founding in 2003**, Cincinnati Minority Business Accelerator (CMBA) has had a meaningful impact on driving the growth of regional minority-owned businesses. This Playbook seeks to unpack what has made the model work in Cincinnati and serve as a starting point for those seeking to scale that impact by replicating the model and creating new Minority Business Accelerators in their own communities.

As a leader who is thinking about how to support minority business owners in your community, this Playbook is your place to start. We will shed light on how the model has worked in Cincinnati and reframe that in terms of what it means for you as you begin to explore potentially launching an Accelerator in your city.

The Playbook is designed to guide and support your early thinking and planning efforts. It includes exercises that will help spur your thinking as you answer key questions. (Is your ecosystem prepared to support this model? What partners will you need to engage?) From there, the CMBA may be able to support your launch in a more hands-on way. Use this Playbook as a lens, hold it up to your community, and begin to think about how this model might look in your community.



*What partners  
will you need to  
engage?*

***Use this Playbook as  
a lens, hold it up to  
your community,  
and begin to think...***

***We also want to acknowledge the realities  
of the present moment.***

While we do not know yet the full scope of damage resulting from the COVID-19 pandemic, we are already seeing early signs that the negative effects will be disproportionately and deeply felt in communities of color, where historic disinvestment has put residents and businesses at a disadvantage. The racial wealth and opportunity gaps are very real issues even in the best of times, but they become even more pressing during this crisis. As we turn towards recovery, it's important to be intentional about taking an equitable approach to economic growth. We believe that Minority Business Accelerators can play an essential role in driving a more inclusive economic recovery in the wake of this crisis.



*Is your ecosystem  
prepared to support this model?*

2003-2020



# ***What is the Cincinnati Minority Business Accelerator?***

The Cincinnati Minority Business Accelerator prepares minority business owners to meet the needs of large customers and helps minority businesses scale and grow by connecting them to business opportunities with local anchor institutions, helping fuel more equitable economic growth and wealth-building in Cincinnati.



# \$1.2 BILLION

REGIONAL  
MINORITY  
SPENDING

PORTFOLIO  
COMPANIES

# 67

***Since its founding in 2003, the CMBA has had an incredible impact on the region, supporting 67 Portfolio Companies, driving \$1.2B in regional minority spending, and creating 3,500 jobs.***

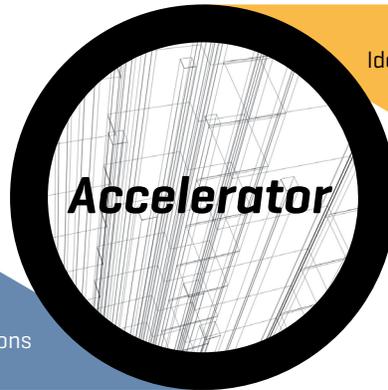
Furthermore, the minority business owners who have been part of the CMBA's portfolio have emerged as leaders in the Cincinnati community – with a seat at the table alongside their non-minority counterparts. This includes board service, civic engagement, and leadership across the Cincinnati community, not just within the Cincinnati minority community. By accelerating the growth of these firms and supporting these leaders, the CMBA has helped to create a stronger and more diverse cadre of leaders in the region, built the talent pipeline, and raised the bar in terms of what business and community leadership should look like, not just within the minority community, but for the Cincinnati community writ large.

# 3,500

JOBS

## How we serve Portfolio Companies and Goal Setters through our two-sided market approach

Business Assessments  
S.W.O.T. Analysis  
Capital Readiness  
Capacity Building/Client Readiness  
Strategic Introductions



### Goal Setters

Identifying Spend Goals/Opportunities  
Leveraging "Business Case" for Inclusion  
Strategic Sourcing/Partnering Needs  
Optimization of New/Existing MBE Vendors

### Portfolio Companies

**The core work of the Accelerator is to grow existing minority firms,** referred to as Portfolio Companies, who have been accepted into the program and meet certain revenue and business performance requirements [more on that later]. The CMBA supports those firms with a business assessment covering finances, operations, marketing, and business development, and providing hands-on, one-on-one support to companies in their growth journeys.

**In addition to supporting growth planning and providing strategic counsel,** the CMBA also helps connect its Portfolio Companies to anchor customers, referred to as Goal Setters. These are mostly local mid-cap and large-cap corporate partners in the CMBA's case, but could also include government, education, and medical institutions. By working both sides of this two-sided marketplace model and brokering opportunities between them, the Accelerator not only provides valuable advice and guidance to support MBEs' growth, but also connects them to the customers and contracts those businesses need to catalyze their growth when they're ready.

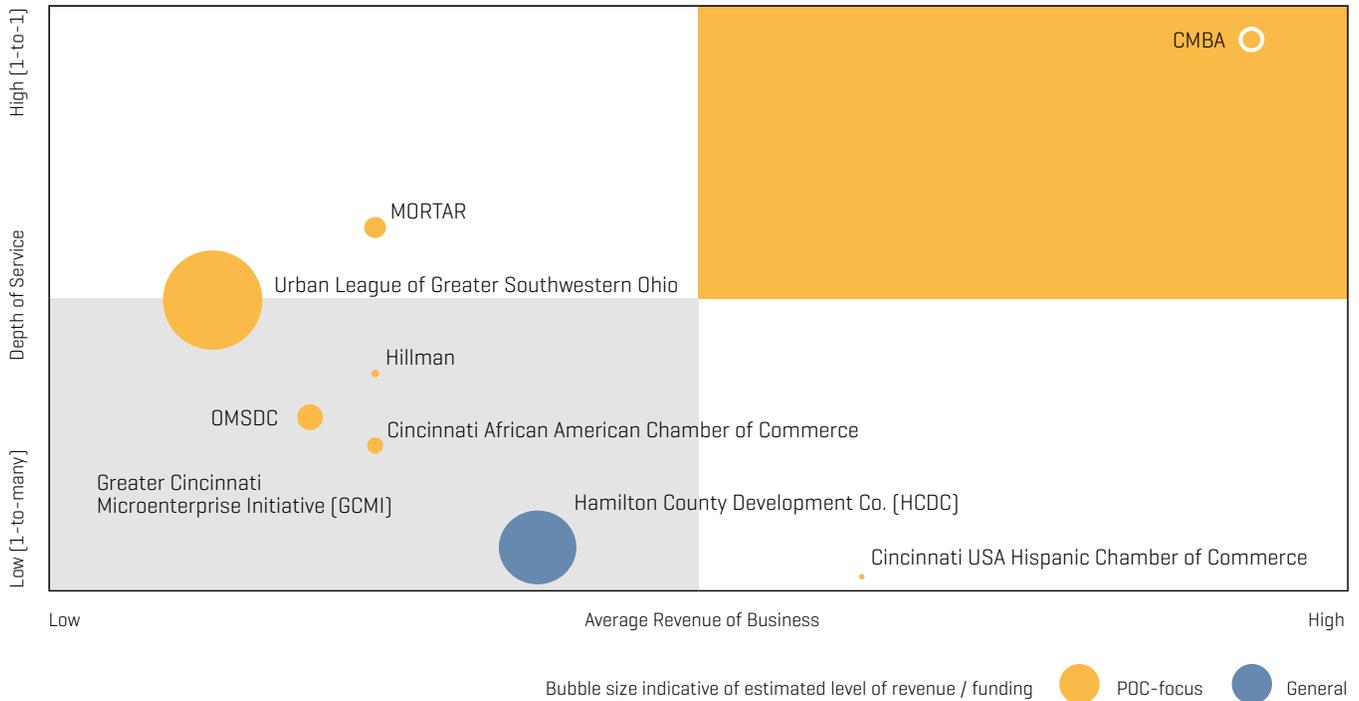
#### Portfolio Companies:

Minority-owned business enterprises [MBEs] with annual revenues of \$1 million or more that have been accepted into Cincinnati's Minority Business Accelerator

#### Goal Setters:

Anchors [large local purchasing institutions] that have committed to evaluating new business projects/opportunities for the CMBA's Portfolio Companies

[FIGURE 1: LOCAL LANDSCAPE]

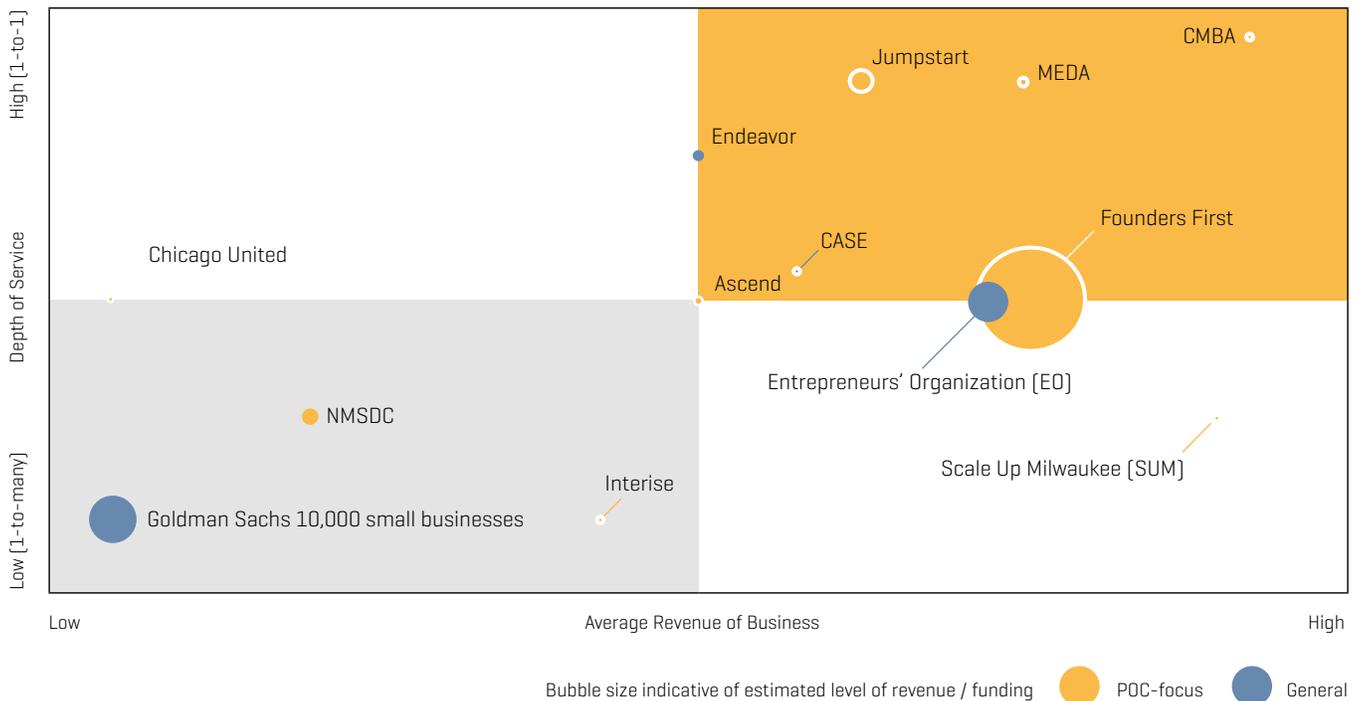


**The Cincinnati Minority Business Accelerator serves businesses with \$1M or more in annual revenue through high-touch, one-on-one support.**

As it relates to the local Cincinnati landscape, there are other business service organizations offering one-on-one training and support, but none that also serve organizations at the \$1M+ revenue level [more are devoted to serving earlier stage and/or lower revenue start-ups and businesses].

Nationally, other players serve the same space as the CMBA, but few with the sustained, deep, one-on-one support offered by the Cincinnati Minority Business Accelerator.

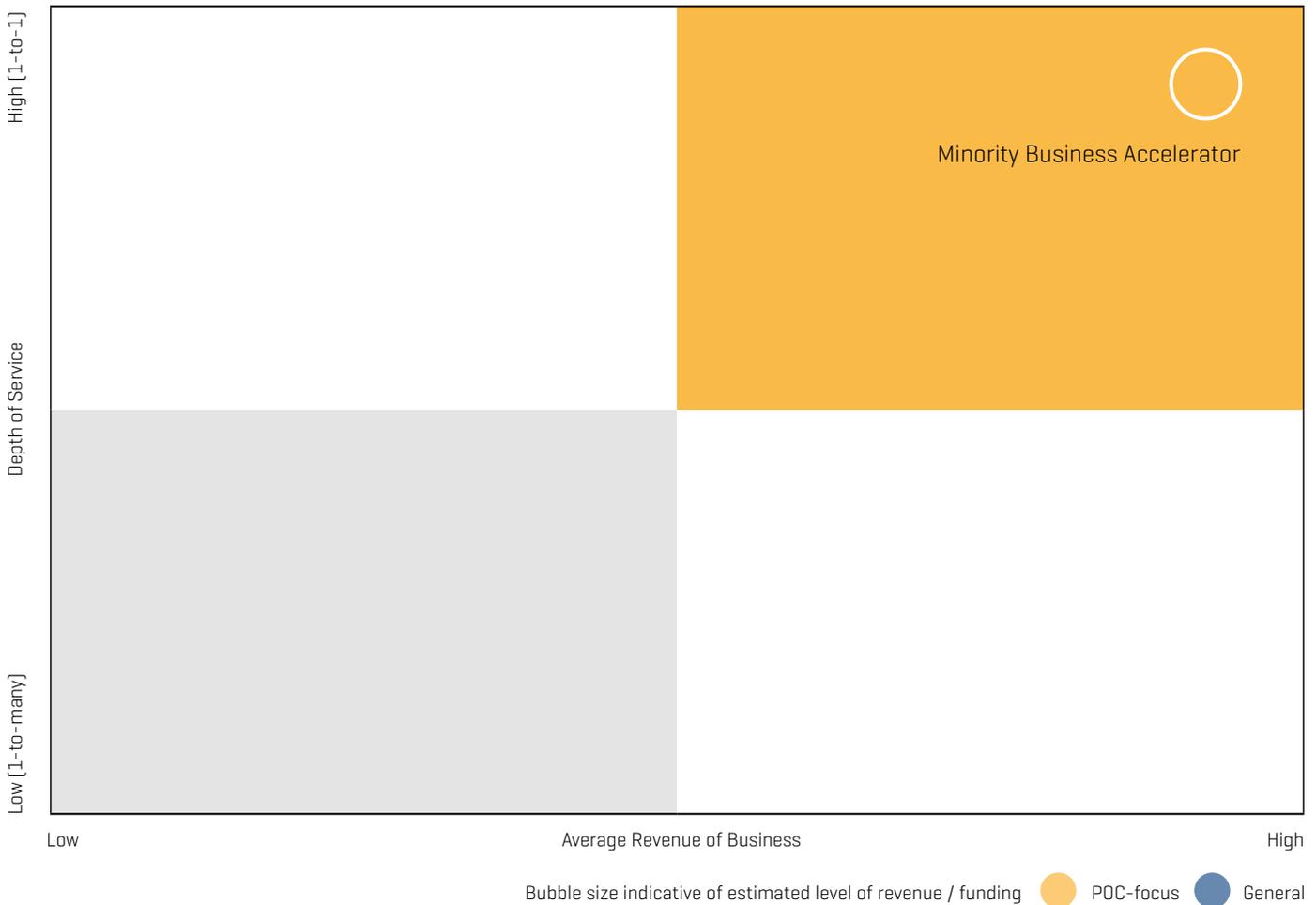
[FIGURE 2: NATIONAL LANDSCAPE]



# Workbook Activity: Mapping Your Local Landscape

The Minority Business Accelerator is unique in its model and in its success accelerating the growth of minority-owned businesses – both in the local Cincinnati landscape as well as nationally. Our vision is that this program can be scaled and that we will be able to bring the success of this model to other cities across the country, helping to drive local economies and close the racial wealth gap.

Find printable template: pg 37



**Workbook Activity: Your Local Landscape**  
**Who are the players in your region?**

**Are there organizations serving minority business owners with \$1M+ revenue with high-touch, one-on-one support?**

Using what you know about the state of your local ecosystem, try plotting the organizations serving small business owners on the chart below, with the revenue of the businesses they serve on the x-axis, and the depth of service [i.e., high one-to-one engagement vs. low, one-to-many engagement with business owners] on the y-axis. Would the Minority Business Accelerator fill a gap in your local landscape as it stands today?

# Blueprint

B  
U  
I  
L  
D

INTRODUCTION

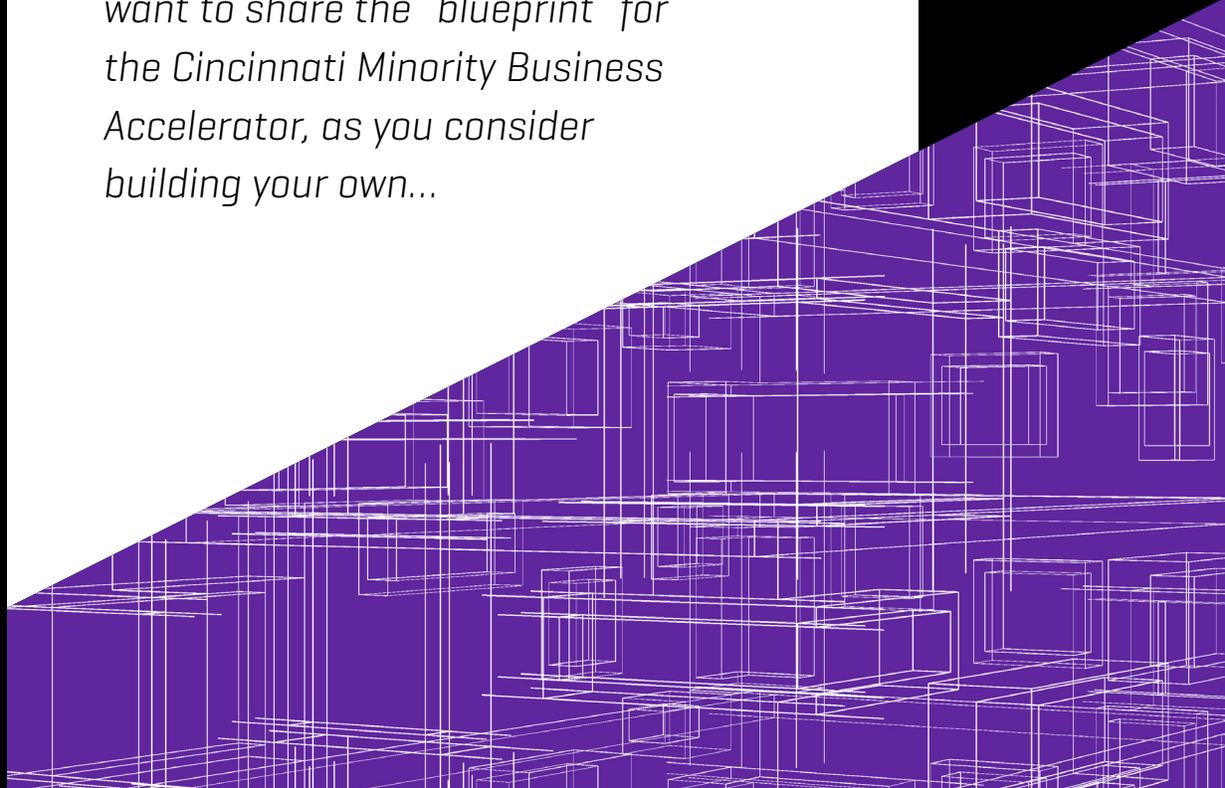
COMPONENTS

CONCLUSION

APPENDIX

WORKBOOK

*As we unpacked the keys to the Minority Business Accelerator model's success in Cincinnati, we recognized that it's not unlike a building, made up of a variety of materials and systems, built on a strong foundation. So, we want to share the "blueprint" for the Cincinnati Minority Business Accelerator, as you consider building your own...*



# *Breaking Ground*

The Cincinnati Minority Business Accelerator was born out of civil unrest following the 2001 shooting of an unarmed black motorist. The turmoil during that time turned into a call for action for civic leaders in Cincinnati to reduce economic disparity.

Out of a recommendation from the Cincinnati Community Action Now Commission, the Cincinnati Minority Business Accelerator was created to address the racial disparities in business ownership in the region, drive economic activity, and increase employment in underemployed segments. The climate and circumstances in Cincinnati during this time not only catalyzed action, but also centered the conversation on ***economic solutions.***





*While we are by no means suggesting that violence, crisis, or civil unrest are required for an Accelerator to take root in a new market, we do want to acknowledge the role it played in Cincinnati as a driving force – galvanizing attention, resources, and investment around the issue of addressing racial economic disparity. The climate and the conversation around economic solutions and closing the racial wealth gap has evolved significantly since the CMBA’s founding in 2003, but it will still be important to gauge the level of commitment and sense of urgency [for whatever reason is relevant in your city] among local leaders, and whether the engagement and investment required to support a new Minority Business Accelerator can be mustered.*

# Building Site



***The CMBA sits within the Cincinnati USA Regional Chamber, a “housing” organization and structure that has benefitted the CMBA in critical ways:***

- Access to top corporate leaders (CEOs, not just professionals focused on supplier diversity or corporate social responsibility) who sit on the board of or are connected with the “mainstream” Chamber of Commerce in ways they may not always be with organizations solely focused on minority-owned businesses
- Strong support of Chamber leadership, which gave the CMBA credibility among corporate leaders as the CMBA was building its reputation within the local corporate community, especially in its early days
- Resources and expertise from the Chamber team that the CMBA leverages for its operations without increasing expenses (e.g., office space, marketing, financials, event planning support, etc.)

[FIGURE 3: "HOUSING" ORGANIZATION CRITERIA]

***In identifying and brainstorming about the most appropriate "home" for the MBA in your community, consider which organizations possess these characteristics:***

Mainstream organizational leadership who would be effective champions of the Minority Business Accelerator's mission and vision

Access to and credibility among local corporate and government leaders (i.e., CEOs, decision-makers)

Engaged board members who are among local corporate and government leaders/CEOs or who have significant influence in the local business community

Level of financial and human resources that can be leveraged for support

Connectivity to local philanthropic community

Status and credibility as a leading mainstream organization, not solely focused on minority business community

***The local chamber may not necessarily be the best "home" for your Minority Business Accelerator.***

The constellation of organizations, influencers, and conveners will be different in each city, and another organization may be a better fit. But the CMBA has undoubtedly benefitted from being housed in an existing, established organization, with the characteristics outlined in Figure 3.

# Foundation

***In Cincinnati, partners across the community have enabled the Accelerator's success in many ways – in gaining early traction, in scaling impact, and more.*** The Chamber was clearly a critical partner, but so too were first-mover corporates who led on D&I and demonstrated their commitment to supporting minority-owned businesses with their dollars, further legitimizing their commitment. These corporate partners also helped to support and prove out the CMBA business model.

*Influencers within the local minority business community – both individual leaders as well as minority business service organizations – were important partners in helping to build trust and awareness of the CMBA and its work among Black and Hispanic business owners.*



# Prioritizing Key Partners

*The CMBA's success would not be possible without the platform of support upon which it was built. To simply clone the CMBA and drop it into another market would not work, since the model relies on a robust set of committed partners and leaders, and the right environmental conditions to succeed.*

*To help you begin to determine how ready your city is to support a successful Minority Business Accelerator, use the Readiness Scorecard workbook activity as a preliminary self-assessment tool. It is designed to help you evaluate whether your local ecosystem has the elements in place to support this model across the most critical dimensions.*

## Workbook Activity: Readiness Scorecard

Find printable template: pg 39

Factor	Description	1-Point	2-Points	3-Points	4-Points
<b>Corporate community</b>	Are there corporate or institutional leaders who have demonstrated or signaled commitment to this issue, or with high potential to engage?	No, no local corporations have signaled any interest	There is some possibility	There have been positive signals	Yes, there are corporate leaders who are acting on this commitment already
<b>Minority-owned business community</b>	How many minority owned businesses exist in your community at scale and size [\$1M+ annual revenue]	No MBEs of scale [\$1M+ revenue]	Few MBEs of scale [\$1M+ revenue]	Some MBEs of scale [\$1M+ revenue]	Many MBEs of scale [\$1M+ revenue]
<b>Philanthropic support</b>	Are local funders already investing in, or demonstrating interest in investing in this issue?	No, no local institutional funders have signaled any interest	There is some possibility	There are positive signals	Yes, there have been commitments already made
<b>Impetus and environment</b>	Is there sufficient energy and potential investment and engagement in your community around accelerating the growth of minority owned businesses?	There is no energy or engagement around this issue	There is little energy or engagement around this issue	There is energy or engagement around this issue	There is a surge of energy or engagement around this issue
<b>"Home" organization</b>	Is there an organization who possesses the criteria outlined in Figure 3 that could possibly "House" the CMBA?	With 1 or 2/5 characteristics only	Yes, with 3/5 characteristics	Yes, with 4/5 characteristics	Yes, with 5/5 characteristics

**The CMBA can help you understand the number of MBEs of scale within your community, and how that compares to national benchmarks to assess this with greater precision and confidence.**

### Your summed score:

- ⦿ 5-10 not yet prepared
- ⦿ 10-15 some potential, work to be done
- ⦿ 15-20 strong potential

# The House

**The Accelerator provides individually tailored advisory support and coaching to help Minority Business Enterprises (MBEs) acquire the resources they need to excel: a strong business strategy, access to capital, and connections within corporate organizations.**

The Accelerator also works with Goal Setter anchor customers (mostly mid-cap and large-cap corporates), acting as an extension of their team, and aims to help them meet their Diversity & Inclusion goals by connecting the Goal Setter to minority-owned Portfolio Companies to help meet their purchasing needs.

[FIGURE 4: OVERARCHING PROGRAMMATIC APPROACH]

Minority-owned small businesses or entrepreneurs

Large-scale customers / purchasers

## Portfolio Companies

**Conduct business assessment and SWOT analysis rooted in financial statements**

**Develop growth plan**

**Execute on growth plan with weekly to monthly milestones and next steps**

**Support securing capital and other critical resources to support growth and expansion plans**



**Matchmake through strategic introductions**

Facilitate deals between Portfolio Companies and Goal Setters who may be potential customers



## Goal Setters

**Clearly define minority spend goals and opportunities**

**Provide strategic sourcing / partnering solutions**

**Optimize new / existing MBE vendors**

**Provide guidance on measuring and reporting results**

**Provide positive recognition and PR**

**Supply side:****Portfolio Companies**

*Once accepted into the Accelerator [see Figure 5 for application requirements], minority-owned businesses receive support from the CMBA that helps drive their growth.*

[FIGURE 5: PORTFOLIO COMPANY APPLICATION REQUIREMENTS]

**Portfolio Company Application Requirements:**

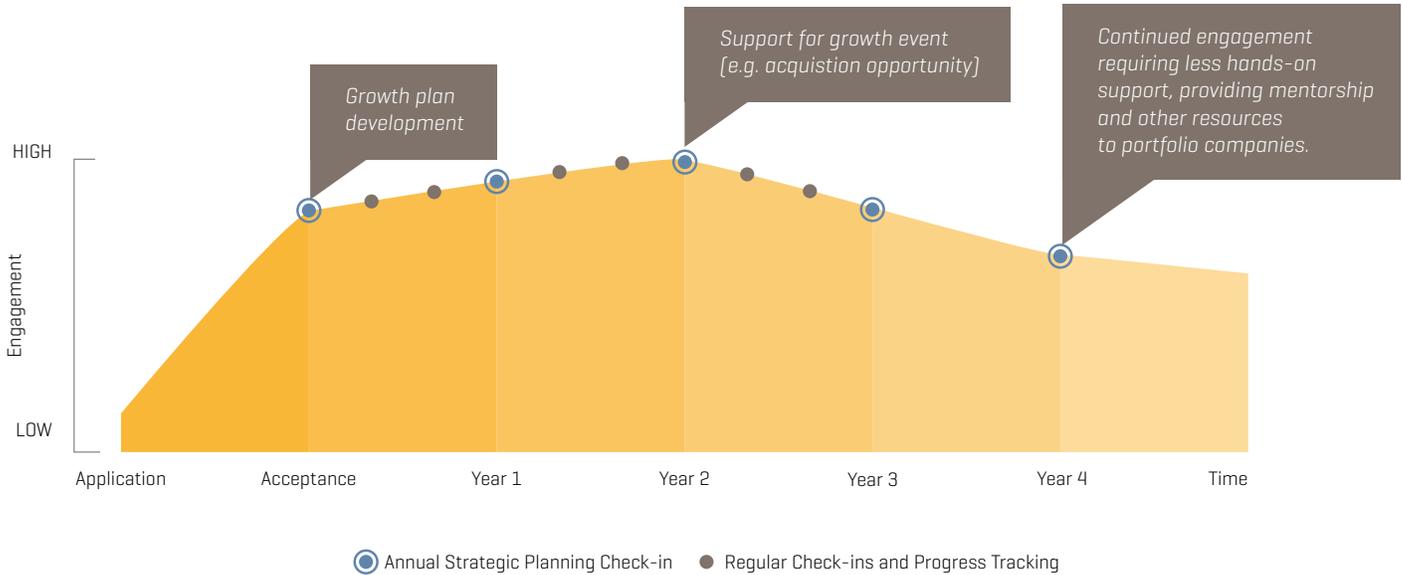
Accelerator portfolio firms are sizeable, sizeable, high-growth-potential, minority-owned business enterprises. Qualifications for inclusion include, but are not limited to the following:

1. *Annual revenues of \$1 million or more.*
2. *Business plan or defined growth strategy that indicates strong potential for accelerated growth in 2-5 years.*
3. *Certification as a minority business enterprise by a third-party agency such as the local minority business supplier development council or a government agency.*
4. *Headquarters or a significant presence in the Cincinnati Region. [3 states, 16 counties in Southwest Ohio, Northern Kentucky and Southeast Indiana].*
5. *Business to Business (B2B) or Business to Government (B2G) business model.*

**What does that support look like?** Each portfolio member is assigned to a CMBA team member who has some combination of entrepreneurial, commercial banking, finance, corporate, or supply chain management experience [more on staff and skill sets later].

The CMBA's support is similar to how venture capital and private equity firms serve their investment companies, just without providing capital directly. We conduct a comprehensive business assessment and SWOT analysis, rooted in the company's business financial statements. We then help the company develop a growth plan, along with a plan for execution, with weekly to monthly milestone check-ins and next steps built in.

[FIGURE 6: ILLUSTRATIVE PORTFOLIO COMPANY ENGAGEMENT LIFECYCLE]



*Our dedicated team member meets regularly to check-in with the Portfolio Company leader [see Figure 6], holding them accountable to growth plan milestones and goals, providing counsel and advice, assisting with capacity-building, and potentially supporting with growth events, such as acquisition or merger opportunities. Each year, we also have a designated meeting with the Portfolio Company for an Annual Strategic Planning Check-in during which the past year's progress is reviewed, the growth plan is revisited and refreshed, and goals and needs for the year ahead are outlined.*

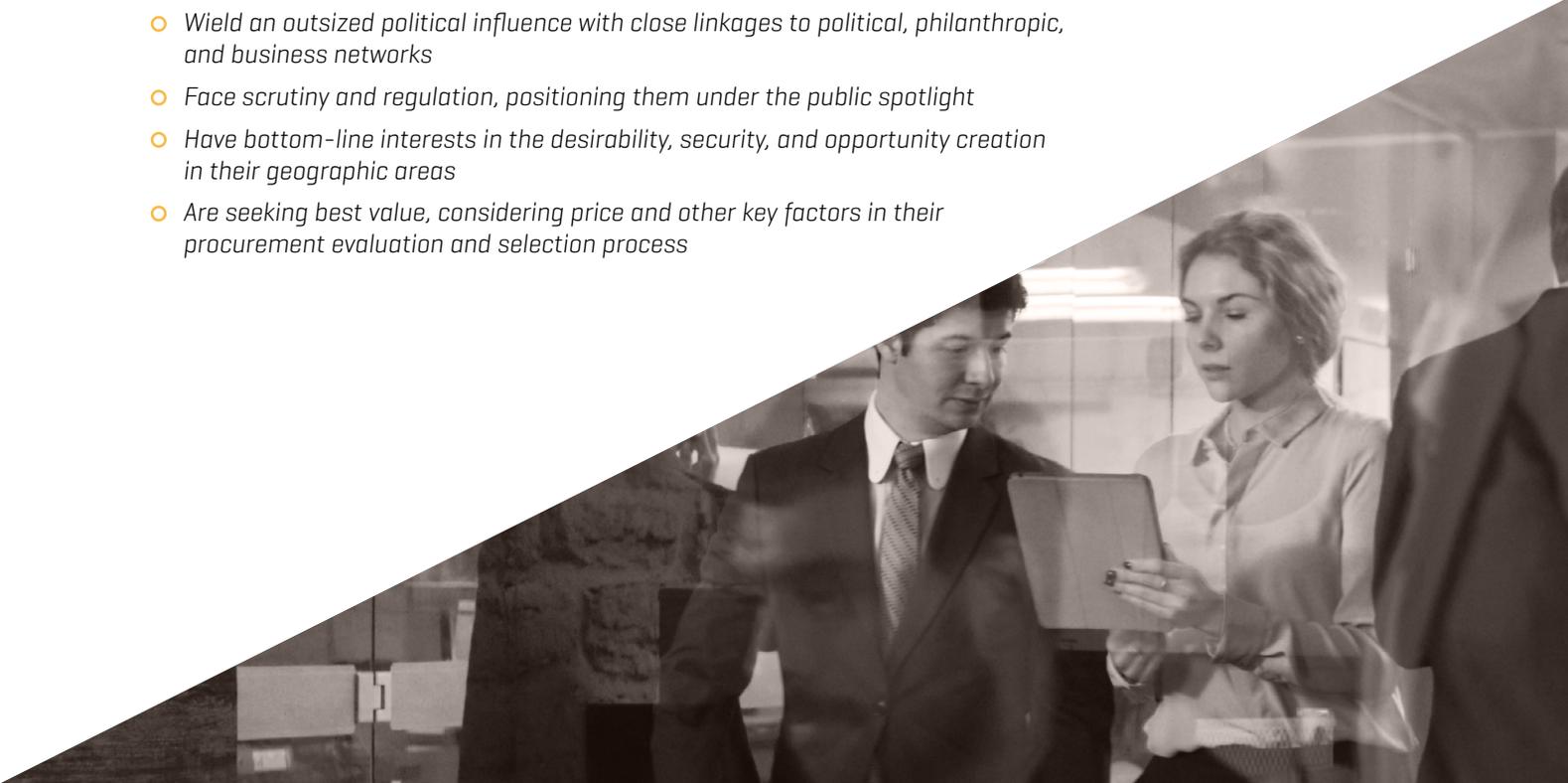
The guidance provided to Portfolio Companies also includes support in securing capital and other critical resources to support growth and expansion plans. For instance, the Cincinnati Minority Business Accelerator has a network of regional lawyers, tax advisors, investment bankers, etc. who they may leverage to support Portfolio Companies pursuing strategic growth opportunities. The CMBA can also provide minority business owners with guidance on how to access and leverage debt or equity capital to accelerate organic business expansion.

**Demand Side:****Goal Setters**

*Anchors – Large-scale purchasers and sources of local demand for products and services (e.g., corporations, hospitals, universities) – are a powerful part of the CMBA model. Institutions who are committed to Diversity & Inclusion goals and seeking to shift some of their purchasing to local, minority-owned suppliers become Goal Setters by agreeing to uphold the expectations outlined in Figure 7.*

**Goal Setters possess a unique and potent power to drive economic impact, and can act as natural agents to drive market access in target geographies because they share the following characteristics:**

- Spend considerable sums of money across a diverse set of products and services
- Leverage supply chains for major services, which require local providers to be hired by major prime contractors
- Constitute some of the largest employers in their neighborhoods, naturally hiring from nearby areas
- Own, construct, and manage much of the real estate proximate to their facilities
- Wield an outsized political influence with close linkages to political, philanthropic, and business networks
- Face scrutiny and regulation, positioning them under the public spotlight
- Have bottom-line interests in the desirability, security, and opportunity creation in their geographic areas
- Are seeking best value, considering price and other key factors in their procurement evaluation and selection process



**Demand Side:****Goal Setters**

[FIGURE 7: GOAL SETTER EXPECTATIONS]

**Goal Setter Expectations**

Diversify the supplier pipeline and fuel innovation while improving the local community and economy.

- *Commit to an inclusive vendor environment.*
- *Set a percent of total spending and funds annual MBE spending goal and define key spend opportunities [capital investment, construction, services, IT etc.] for the next two years.*
- *Encourage each other and dialogue on local issues to increase impact.*
- *Willingness to confidentially share internal supplier diversity and MBE development process.*
- *Willingness to confidentially share how many and with which diverse firms your company does business.*
- *Willingness to confidentially share your company's markets, spend areas and totals.*
- *Willingness to identify gaps in the supply chain where few, if any, minority-owned businesses operate*
- *Commitment from your company's CEO, CPO, Supplier Diversity Officer, and Key Spend Pool contacts.*
- *Actively work with the Accelerator to identify MBE spending growth opportunities.*
- *Partner with the Accelerator to share success stories and best practices with other Goal Setters.*

**The CMBA works with Goal Setters to understand their purchasing needs and connect them to vetted MBEs within the CMBA portfolio who may be able to meet those needs.**

Understanding the corporate buyer's business needs is a critical component of the value the Accelerator brings to its Goal Setters, as the Accelerator provides Corporates with solutions to gaps in their supply chain. As a result, private sector experience is essential for our team members working with Goal Setters so they can understand and help to meet their purchasing needs. The corporate know-how of the team is bolstered further by regular check-ins with Goal Setters to better understand each Goal Setter's evolving priorities and purchasing needs in order to make more informed pairings and recommendations.



***This model hinges on the trust of corporates in the CBMA and its Portfolio Companies,*** earned through a track record of carefully vetted and matched MBEs. The thorough business analysis required for Portfolio Companies and the CMBA's thoughtful matchmaking has helped to build that trust over time. Upholding those rigorous standards gives buyers confidence that the Portfolio Companies are stable, financially sound, and prepared to handle and deliver on a sizeable business opportunity.

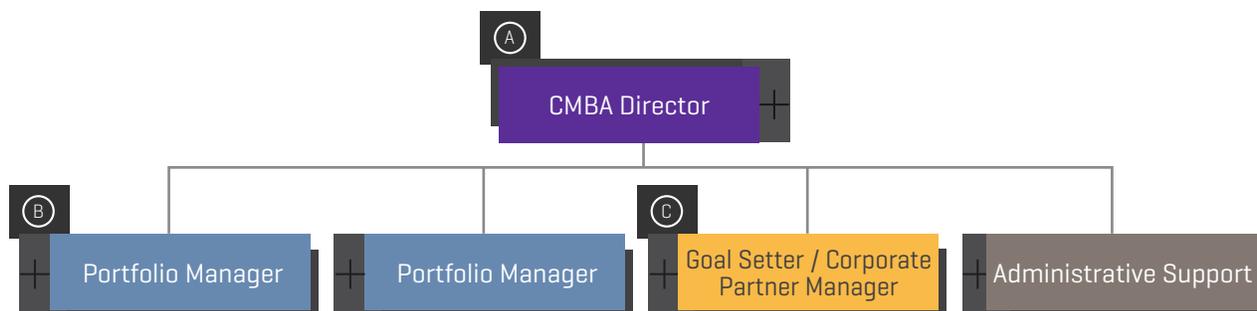


# Builders

**A Minority Business Accelerator and the value it provides to its community relies heavily on its most important assets – its people. The talent and passion of the team is a critical success factor.**

In Cincinnati, the Accelerator team members all share a passion for their work and dedication to the mission of accelerating the growth of minority-owned businesses. They also possess strong business acumen gained through experience in the private sector (i.e., P&L responsibility, banking or financial services experience) that enables them to provide their Portfolio Companies with sound business advice as well as valuable connections through their existing networks. With Goal Setters, this business background not only helps with understanding purchasing needs, but also with establishing credibility.

[FIGURE 8: ILLUSTRATIVE ORGANIZATIONAL CHART]



An Accelerator team should be lean and flat [see Figure 8]. A **[A] Leader/Director** manages many external-facing responsibilities [including, importantly, fundraising], along with internal operations and management. This individual must be an effective fundraiser and have strong connections with local minority business owner and corporate communities.

The core of the team consists of **[B] Portfolio Managers**. Assuming the local minority business community has sufficient companies of scale requiring sophisticated support, Portfolio Managers must have considerable private sector business experience and existing local networks, in addition to passion for the mission.

Each Portfolio Manager can be expected to manage up to ten Portfolio Companies and up to five Goal Setters in their portfolio.

As a new Accelerator launches and grows, it will need to scale its team accordingly, increasing headcount as the number of Portfolio Company and Goal Setter accounts to manage increases. While a single team member can manage both MBE and Goal Setter accounts, it makes sense at scale to have a dedicated Goal Setter / Corporate Partner Manager who is wholly devoted to unlocking the value of those partner purchasing organizations.

As such, as the Accelerator scales, a dedicated **[C] Goal Setter / Corporate Partner Manager** solely focused on developing, nurturing, and deepening relationships with Goal Setters becomes an increasingly important role to maximize engagement and value from Goal Setter partners. The Corporate Partner Manager should have existing local corporate connections, as well as private industry experience and the corresponding understanding of finance, supply chain, etc. that will allow them to earn the trust of and provide meaningful value to Goal Setters.

# Workbook Activity: Potential Candidates

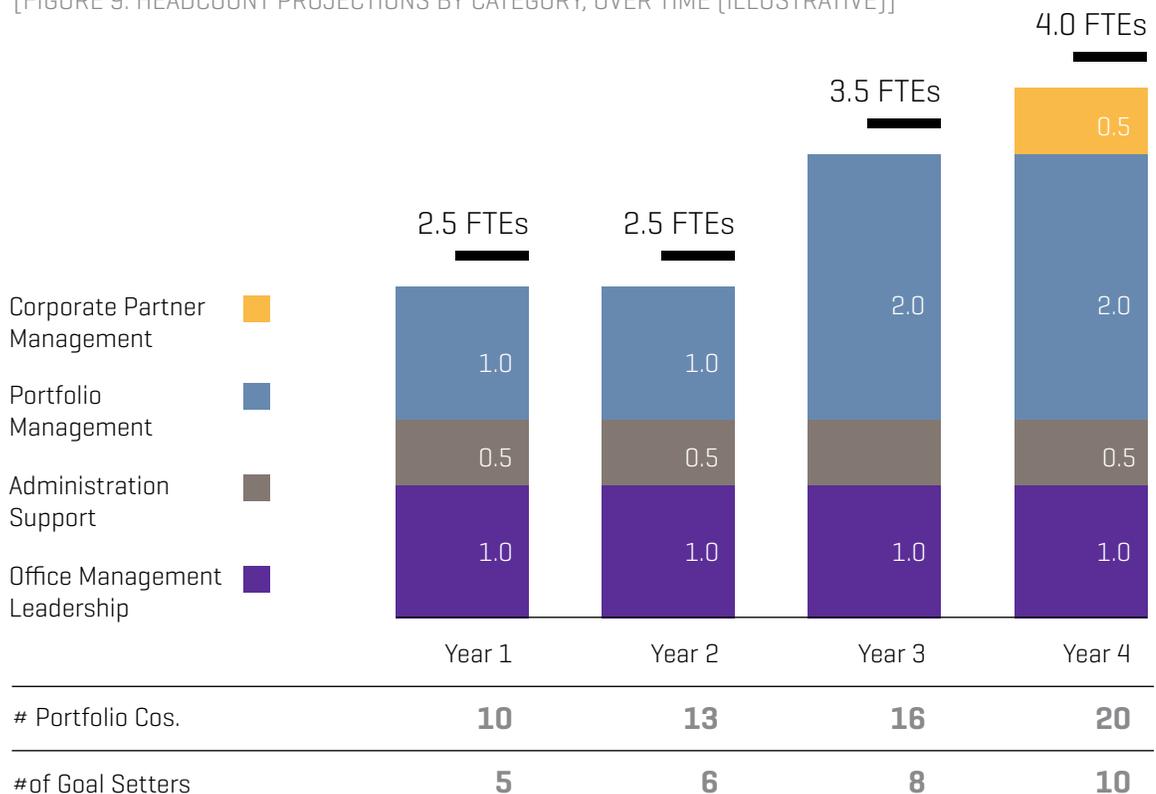
**Within your local community, does anyone spring to mind who might fit the bill for these roles? List any names of high potential candidates in the Potential Candidates workbook activity in back of this document.**

Find printable template: pg 40

Director	Portfolio Manager	Corporate Partner Manager

Assuming a starting portfolio of ten Portfolio Companies and five Goal Setters in year one and 25% year-over-year growth in both of those categories as the Accelerator establishes itself, possible headcount projections are illustrated in Figure 9.

[FIGURE 9: HEADCOUNT PROJECTIONS BY CATEGORY, OVER TIME [ILLUSTRATIVE]]

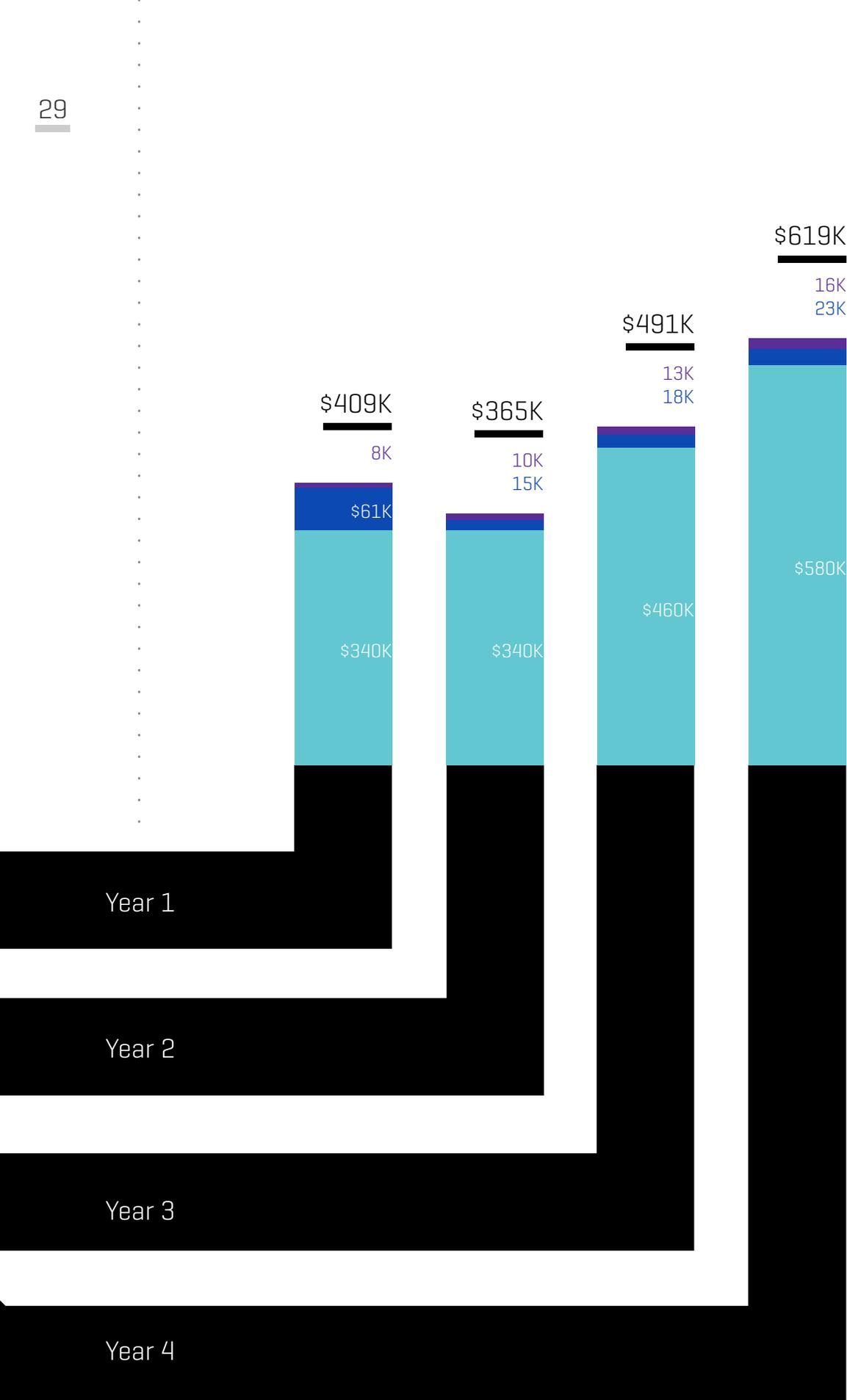


# Construction Costs

## **Expenses**

The Minority Business Accelerator expenses will vary based on a variety of implementation factors and decisions related to local market conditions, method of staffing, skill and experience level of staff, methods of compensation, support available from “housing” organization, and more. But based upon the illustrative headcount projections [the greatest expense for the Cincinnati Minority Business Accelerator is personnel — infrastructure, and other indirect expenses are relatively low] illustrative start-up expenses are outlined in Figure 10. The CMBA team can assist you in developing a more detailed budget once your implementation strategy has been solidified.

*“The greatest expense for the Cincinnati Minority Business Accelerator is personnel – infrastructure, and other indirect expenses are relatively low.”*



[FIGURE 10:  
FUNDING REQUIREMENTS  
TO LAUNCH AND SUSTAIN  
AN ACCELERATOR  
(ILLUSTRATIVE)]

- Other Indirect Expenses
- Infrastructure Expense
- Salary & Benefits

# Revenue Model

*While philanthropic support will be needed to launch the Accelerator, over time the nature and non-profit structure of the Minority Business Accelerator allows for a variety of funding options, including grants, corporate investment, and fee-for-service.*

Having established itself and the value it provides, the Cincinnati Minority Business Accelerator has transitioned to a fee-for-service model with its Portfolio Companies in recent years, in addition to continuing to support its operations through grants and other philanthropic support. The CMBA charges Portfolio Company clients a nominal fee, as well as success fees in instances where the CMBA helps Portfolio Companies secure new contracts or capital commitments. This model shift has helped reinforce a stronger value proposition and deepen Portfolio Company engagement and commitment.

## ***Launching Your Own***

The Cincinnati Minority Business Accelerator will support affiliates [that's you] in new markets by helping you launch. These new affiliates will launch based on meeting the ingredients previously listed, which will be tailored for your own community. The CMBA would provide both hands-on, consultative support as well as a set of tools and templates that can guide your ongoing work with Portfolio Companies and Goal Setters.

These would be provided in exchange for an upfront advisory fee and a percentage of revenue earned through fee-for-service offerings. The advisory fee would cover the consultation and support you would need to “break ground”—help with budgeting, planning, and making the implementation decisions that make sense for your community.

But our support would not have to end there. Once you launch, we'll remain a resource to you as you encounter challenges and obstacles along the way. And, in exchange for a small “royalty” fee on your fee-for-service revenue, we'll provide you with a suite of tools [e.g., interview guides, growth plan templates, etc.] and best practices that will guide your day-to-day work once you're up and running. The CMBA will be invested in and supporting your growth and would be compensated to the extent that the model succeeds.



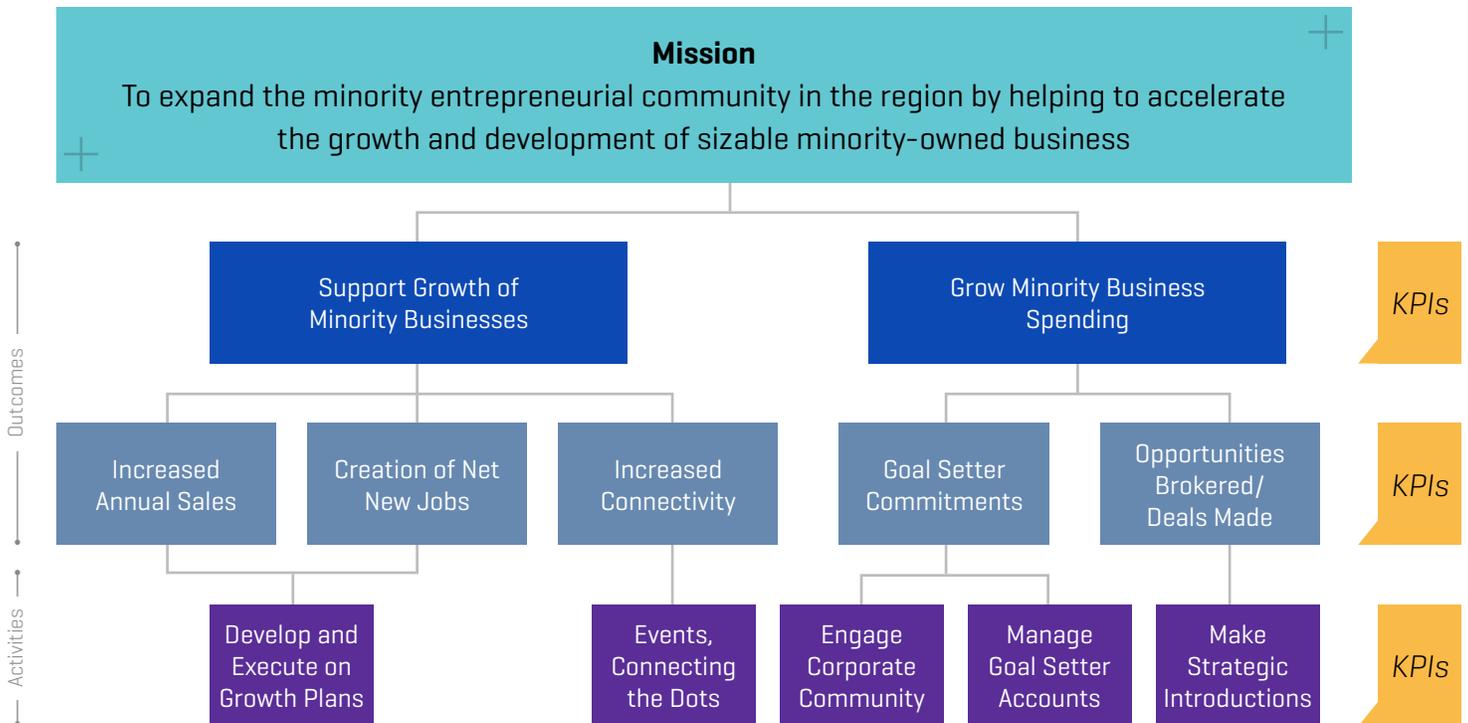
# Home Performance

**It's important to determine the goals of the Accelerator from the outset and to agree upon a Theory of Change.** A Theory of Change identifies the long-term outcomes necessary to support an organization's mission, details the intermediate outcomes and organizational activities that lead to those long-term outcomes, and defines KPIs that measure progress. A clearly defined Theory of Change enables leadership to measure and manage the right activities, outputs, and outcomes that will ultimately lead to the results and help us achieve our vision.

While more in-depth work will be needed to define the specific Key Performance Indicators [KPIs] that should be tracked in any new market, there is a helpful guiding framework we can use and fine-tune to ensure we are driving the changes we would like to create [see Figure 11]. It should include KPIs related to two different levels:

1. *Outcome Level: Measuring long-term change created in organizations, ecosystems and organizations*
2. *Activity Level: Measuring the effectiveness and reach of specific activities*

[FIGURE 11: ILLUSTRATIVE THEORY OF CHANGE FRAMEWORK]



**While it's important to dream big,** balancing that long-term vision with short-term actions is important to achieving success. And the work of accelerating the growth of minority-owned businesses, driving local economies, and closing the racial wealth gap is a long game. It's important to stay the course and have realistic expectations about what results to expect and in what timeframe.

**To that end, we've outlined 90-day milestones,** six-month and one-year goals, and a three-year vision for Accelerators to consider as they look ahead and aim for realistic near-, mid-, and long-term goals [Figure 12]. Exact numbers will depend on the particulars of your market [e.g., number of minority-owned businesses with \$1M+ in revenue, local large purchaser spend, etc.]

[FIGURE 12: MILESTONES]

<b>90-day milestones</b>	
☉	Close coordination and implementation with CMBA to stand up Accelerator
☉	Budget and primary funding sources established
☉	Identified leader, board members, and team members
☉	Operating infrastructure in place
☉	Engagement and commitment from critical partners across categories
<b>Six-month goals</b>	
☉	Applications from initial prospective Portfolio Companies
☉	Commitment from leading Goal Setters
<b>One-year goals</b>	
☉	Successful onboarding and growth planning of full Portfolio Company cohort
☉	Portfolio Company / Goal Setter matches made resulting in contract
<b>Three-year vision</b>	
☉	Increase in Portfolio Companies' aggregate annual sales
☉	Growth in jobs at Portfolio Companies
☉	Increase in regional minority spending among Goal Setters

# Let's Get Building

RE  
AD  
DY

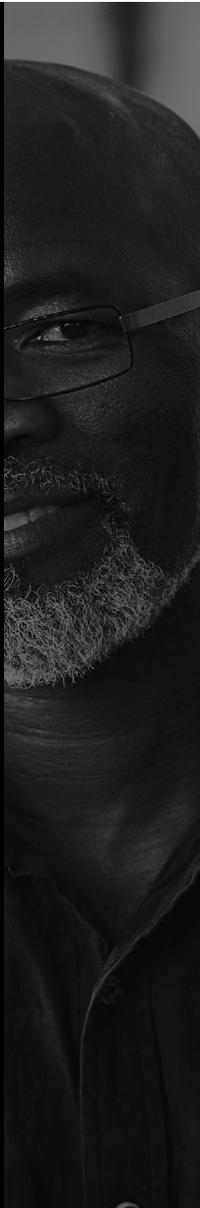
INTRODUCTION

COMPONENTS

CONCLUSION

APPENDIX

WORKBOOK



***This Playbook is simply a jumping off point for further discussion,*** designed to outline what has worked in Cincinnati and serve as a guide for thinking about how you might bring that approach to your city. But launching a Minority Business Accelerator is a little art, a little science. And it requires a lot of expertise and know-how [us], along with a deep understanding of the local context and players [you].

## ***If you're interested, we're ready to talk.***

Please download this PDF, fill in the workbook exercises, and send the completed version back to us. We'll set up time to talk and use your workbook as a starting point as we guide you through how to launch your own Minority Business Accelerator—from breaking ground through construction.

## ***Please email send your completed workbook to:***

Darrin Redus  
Vice President & Executive Director of the Cincinnati  
Minority Business Accelerator

***[dredus@cincinnatiachamber.com](mailto:dredus@cincinnatiachamber.com)***



# Annex

## **Acknowledgements**

*This project would not have been possible without the collaboration of our partners.*

### **Cincinnati Minority Business Accelerator Team:**

- Darrin Redus, Vice President & Executive Director of the Minority Business Accelerator
- Micah Dickson, MBA Senior Business Advisor
- Tom Fernandez, MBA Senior Business Advisor
- Jenell Hubbard, MBA Senior Business Advisor
- Asia Davis, Administrative Assistant

### **Next Street Team:**

- Charisse Conanan Johnson, Managing Partner
- Joan Spirytus, Managing Associate
- Jose Aleman, Analyst

**Individuals representing the organizations below contributed to this research by directly sharing perspectives through the interview program conducted for this engagement. We greatly appreciate their support and commitment to this work:**

- Nalini Bates, P&G
- Cynthia Booth, COBCO Enterprises
- Calvin Buford, Dinsmore & Shohl
- Dr. Melvin Gravely, TriVersity Construction
- Patrice Green, Surdna Foundation
- Jill Meyer, Cincinnati USA Regional Chamber
- Jacqueline Neal, Ohio Minority Supplier Development Council
- De Asa Nichols, Cincinnati Children's Hospital Medical Center
- Dr. Janet Reid, BRBS World, LLC
- Edwin Rigaud, EnovaPremier, LLC
- Scott Robertson, The RCF Group
- Carl Satterwhite, The RCF Group

THANK

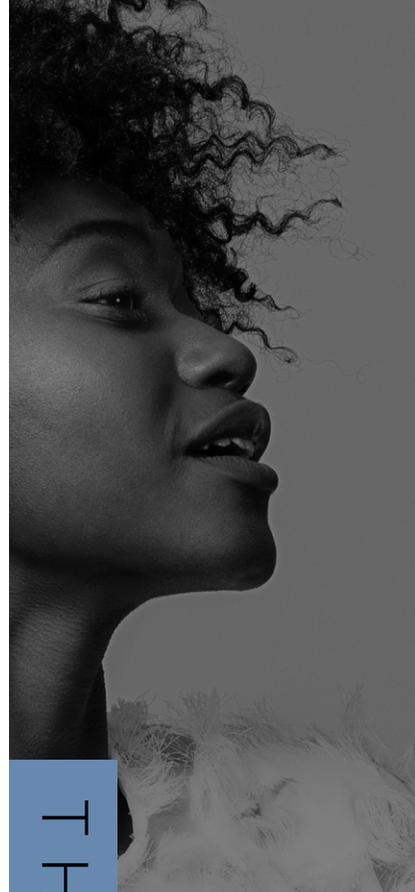
INTRODUCTION

COMPONENTS

CONCLUSION

APPENDIX

WORKBOOK



# Workbook

PLAN

INTRODUCTION

COMPONENTS

CONCLUSION

APPENDIX

WORKBOOK



***The exercises throughout this Playbook are designed to help you*** think through how the Minority Business Accelerator might be adapted to your community, and to serve as a jumping off point for an informed discussion with the Cincinnati Minority Business Accelerator team.

Please download this PDF, fill in the workbook exercise templates that follow, and send the completed version back to us if you're interested in continuing the conversation.



## [WORKSHEET: MAPPING YOUR LOCAL LANDSCAPE ]

Using what you know about the state of your local ecosystem, try plotting the organizations serving small business owners on the chart below, with the revenue of the businesses they serve on the x-axis, and the depth of service (i.e., high one-to-one engagement vs. low, one-to-many engagement with business owners) on the y-axis. Would the Minority Business Accelerator fill a gap in your local landscape as it stands today?





Rate your community using this self-assessment tool, and sum your total score evaluate whether your local ecosystem has the elements in place to support this model.

Factor	Description	1-Point	2-Points	3-Points	4-Points	Subtotal
<b>Corporate community</b>	Are there corporate or institutional leaders who have demonstrated or signaled commitment to this issue, or with high potential to engage?	No, no local corporations have signaled any interest	There is some possibility	There have been positive signals	Yes, there are corporate leaders who are acting on this commitment already	
<b>Minority-owned business community</b>	How many minority owned businesses exist in your community at scale and size [\$1M+ annual revenue]	No MBEs of scale [\$1M+ revenue]	Few MBEs of scale [\$1M+ revenue]	Some MBEs of scale [\$1M+ revenue]	Many MBEs of scale [\$1M+ revenue]	
<b>Philanthropic support</b>	Are local funders already investing in, or demonstrating interest in investing in this issue?	No, no local institutional funders have signaled any interest	There is some possibility	There are positive signals	Yes, there have been commitments already made	
<b>Impetus and environment</b>	Is there sufficient energy and potential investment and engagement in your community around accelerating the growth of minority owned businesses?	There is no energy or engagement around this issue	There is little energy or engagement around this issue	There is energy or engagement around this issue	There is a surge of energy or engagement around this issue	
<b>"Home" organization</b>	Is there an organization who possesses the criteria outlined on page 15 that could possibly "House" the CMBA?	With 1 or 2/5 characteristics only	Yes, with 3/5 characteristics	Yes, with 4/5 characteristics	Yes, with 5/5 characteristics	
<p><b>Your summed score:</b></p> <ul style="list-style-type: none"> <li>⦿ 5-10 not yet prepared</li> <li>⦿ 10-15 some potential, work to be done</li> <li>⦿ 15-20 strong potential</li> </ul>						<b>Total</b>

