

# 2014: The State of Small Business

Oregon Secretary of State's Office of Small Business Assistance Annual Report



We took the temperature of Oregon business this year, working on 140 cases for small, for-profit businesses with 100 or fewer employees. Businesses brought forward a wide range of concerns, including countless requests for help finding information and problems with licensing, procurement, taxes and policy implementation.

Total Opened/Closed Cases Per Month 2014



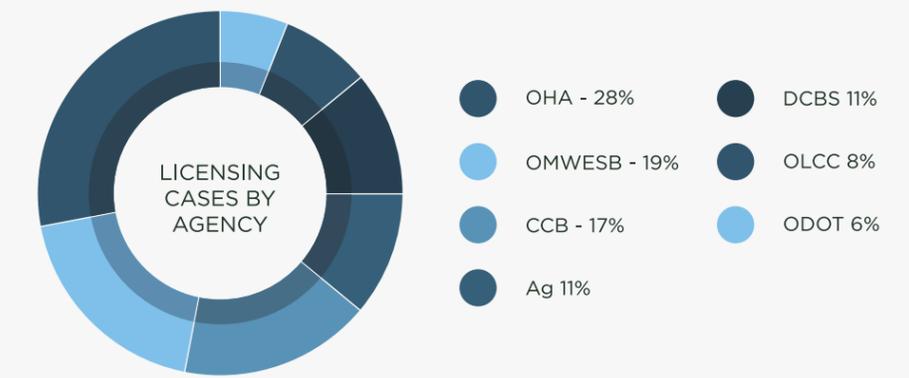
**\*** Dave wanted to start a trucking school, but spent seven months working through a slow licensing process with an office of the Higher Education Coordinating Commission. The Small Business Advocate worked with the agency to highlight process improvements for the licensing office and the small business. The agency's new management worked with their stakeholder group to implement changes. Dave got his license, and school is now in session.

Eleven percent of total cases are related to business and payroll taxes, while approximately 5 percent of total cases represent problems small business have with state procurement.

**\*** Christina's company provides parenting classes and nonviolence education through contracts with the Department of Human Services. Payments from the state didn't match up with invoices. The Small Business Advocate worked with DHS staff to find a temporary workaround until the agency could put a permanent fix in place. Now, invoices and payments match up.

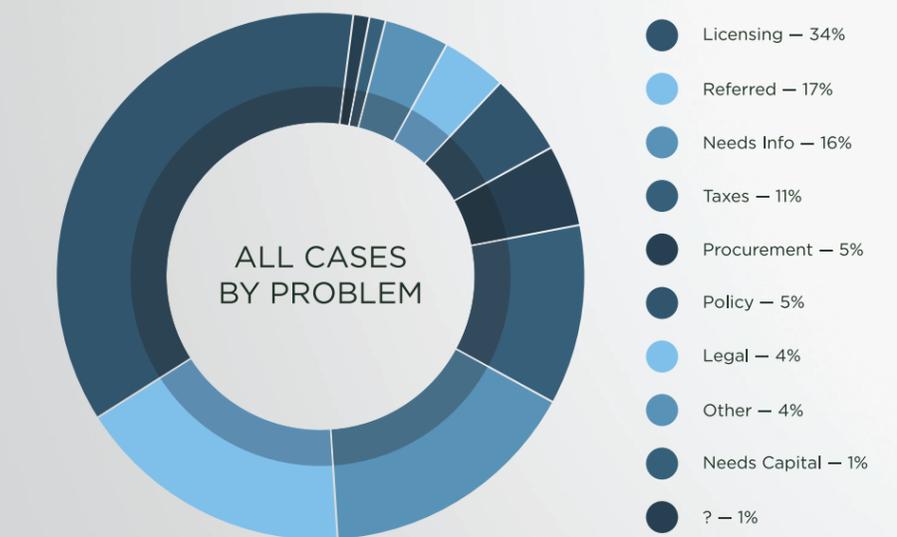
**\*** Devin had contracts with a state-funded council to provide communications planning and marketing services but wasn't getting paid on time. The Small Business Advocate worked with the Department of Human Services to get him paid right away and to set up ongoing electronic fund transfers. The council implemented protocols to improve the timeliness and clarity of their communications with vendors and DHS.

Looking at agencies with two or more licensing cases, two are notable for the number of repeat cases: The Oregon Health Authority and Business Oregon's Office of Minority, Women and Emerging Small Business.



Five percent of cases involve policy implementation issues that have a negative effect on businesses.

**\*** Lila sells B20 biodiesel fuel and was concerned by the amount of paperwork required by the Oregon Department of Transportation. The Small Business Advocate worked with ODOT to raise awareness of the issue. ODOT worked with fuel sellers to quickly develop and implement a streamlined reporting process. Lila and all B20 biodiesel fuel sellers in Oregon are saving thousands of dollars in labor under the new system, which still provides ODOT with the information they need to report to the Legislature.



**\*** Donna applied for an in-home care agency license from the Oregon Health Authority. She waited eight months for an answer, before finally contacting her legislators. Her inquiry was referred to the Small Business Advocate, who worked with OHA staff to identify opportunities to improve the licensing process. Donna received her comprehensive license, and the agency established clear steps and staff response timelines to speed up the process while maintaining its rigor.

**\*** Julie's company was certified as a Woman Business Enterprise in 2010 but she had trouble navigating a 2013 certification review. The Small Business Advocate worked with the Office of Minority, Women and Emerging Small Business to identify a 2012 rule change that altered the certification standard; communicated that to the company; and assisted Julie with retaining her certification. The Office of Minority, Women and Emerging Small Business improved its website and communications to better manage business expectations of the certification process.

About 17 percent of cases were referred to Small Business Development Centers or other levels of government.

Taking a look at the remainder, **licensing and certification issues represent 34 percent of all cases - the largest and most challenging trend.**

## Looking Forward

Improve Communication and Customer Service

Based on the concerns brought forward by Oregon small businesses in 2014, there are some **clear opportunities**. State government can improve its relationship with small business by improving pathways for communication. Agencies that intentionally communicate with clarity and respect will find a better reception among the small businesses they regulate.

Small business owners often request assistance because they feel their concerns have not been heard by the regulatory authority. Putting in place **standards that recognize and reward excellent customer service and responsiveness to business partners can change negative perceptions of state government** on the part of small business owners.

Get information, get resources and get help online at [sos.oregon.gov/BusinessSOS](http://sos.oregon.gov/BusinessSOS)



## About the Office

The **Office of Small Business Assistance** is part of the Oregon Secretary of State and serves as an independent voice for small businesses within state government. The office was established by the Oregon Legislature with the passage of HB 3459 (2013), and works to resolve specific concerns and facilitate communication between small businesses and state agencies. The office opened on Jan. 6, 2014 and during its first year of operation worked on 140 cases involving for-profit businesses with 100 or fewer employees.

## About the Advocate

With 18 years of experience running small businesses to add to her nine years of service in the legislative branch, **Ruth Miles** understands first-hand the challenges entrepreneurs face. Over the past year, she's crisscrossed Oregon to visit with business leaders, chambers of commerce, business associations and community partners to hear their concerns about getting caught in red tape. And everywhere she goes, she runs with scissors.

## Help for Oregon Entrepreneurs

*Oregon's Small Business Advocate within the Secretary of State's Office is an independent voice for small business within state government.*