

PUBLIC ROUNDTABLE ON
**“THE CURRENT STATE OF THE DISTRICT’S LOCAL,
SMALL AND DISADVANTAGED BUSINESS
ENTERPRISE PROGRAM AND THE OUTLOOK ON
ENHANCING OPPORTUNITIES FOR LSDBE’S”**

**Before the
Special Committee on Local, Small, and Disadvantaged Business Enterprises
Council of the District of Columbia**

The Honorable Kwame R. Brown, Chairman

**September 30, 2005, 10:00 a.m.
Room 412, John A. Wilson Building**



**Testimony of
John Ross
Senior Advisor and Director of Economic Development Finance
Office of the Chief Financial Officer**

**Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman Brown and members of the committee. My name is John Ross, Senior Advisor and Director of Economic Development Finance in the Office of the Chief Financial Officer (OCFO). I am here to respond to your request to the OCFO to offer recommendations for making business development and capacity building a focus of the Department of Small and Local Business Development (DSLBD).

While there are, no doubt, various and significant ways DSLBD can enhance business development and capacity building, we believe that training and education should be a key focus of the department. From our vantage point, it appears that current LSDBE outreach efforts focus primarily on assisting businesses to get their LSDBE certification – not on building their capacity to do business. As a starting point, DSLBD should build on available outreach and training efforts. For example, Howard University, a Small Business Administration (SBA) partner, runs the District of Columbia Small Business Development Center, providing information and training for new and emerging businesses. Other partners include the Washington, D.C., office of the SBA and the Greater Washington Board of Trade, though neither of these focus exclusively on businesses in the District.

Additionally, we recommend that DSLBD work with the U.S. Department of Commerce's Minority Business Development Agency, whose mission is to create wealth in minority communities. They have many programs that can be utilized and/or replicated. The department could also promote capacity building programs similar to the award-winning Mentorship Program in Montgomery County, through which successful business executives help hundreds of new and early-

stage business owners achieve business success. This is said to be a very low-cost and successful program. Likewise, the City of Alexandria has one-on-one specialists helping prospective and existing businesses find resources and services to start-up, locate, develop, and grow.

In essence, the DSLBD would benefit from working with these and other programs to promote the development, growth and competitiveness of small and local minority business enterprises in the District – whether or not they become District LSDBE contractors.

Finally, basic and intermediate business skills, such as bookkeeping, accounting, and marketing, are critical to helping new and small District businesses grow. Therefore, capacity building should also include education and training on such keys to success as: (1) board development, (2) business planning, (3) financing, (4) cash management, and (5) personnel practices.

In sum, the OCFO acknowledges that the expansion of opportunities for the creation of more self-sustaining District businesses will help the District achieve many of its long-term goals of empowering citizens, creating wealth, and increasing the strength of its tax base. We appreciate the opportunity to participate in this hearing, and would be happy to answer any questions you or other councilmembers might have at this time.

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