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Revolutionizing SBA: Small Businesses Speak Out, Congress Must Talk Less and Do More

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Small Businesses Call for Comprehensive Modernization of the Small Business Administration

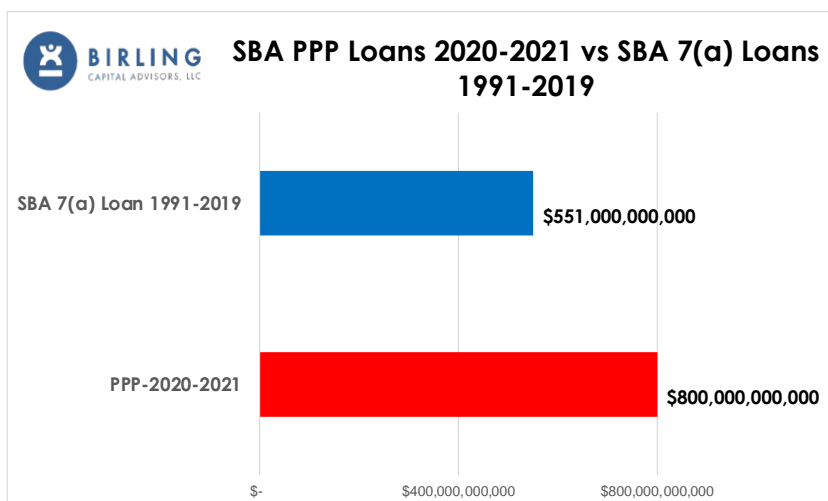
In the wake of Super Tuesday and knowing that our Presidential Candidates will be a rematch of 2020 between President Biden and Former President Trump, a new survey by Goldman Sachs's/Babson College 10,000 Small Businesses Voices reveals a pressing need for comprehensive modernization of the Small Business Administration (SBA). The survey, which includes small business owners from 49 U.S. states, Washington, D.C., and Puerto Rico, highlights the dissatisfaction of small business owners with the current state of federal support.

Before we get into all the details, I am a big fan of SBA and support its mission. In December 2023, myself and 21 other CEO's graduated from SBA's T.H.R.I.V.E. Emerging Leaders Reimagined Program Class of 2023.

The Program is a C Suite executive-level training series designed to accelerate the growth of high-potential small businesses across the United States and Puerto Rico. It offers mentoring, in-person coaching for C-level executives, self-paced instruction, a hybrid model that includes virtual and classroom sessions, and micro-sessions customized for small businesses' unique needs.

Mr. Josue Rivera, the Puerto Rico and USVI SBA Director, and Mr. Ricardo Martinez, the Deputy District Director for Puerto Rico and USVI for SBA, did a superb job with this program, and our class was one of the three Top classes in the nation. So one can only imagine how many more programs, loans, incentives, education, and support the SBA could provide if it had all the resources it needs.

For 50 years, Congress consistently reauthorized the SBA, ensuring its alignment with the evolving U.S. economy. It suddenly stopped in 2000, some 24 years ago, and small businesses suffer from Congress's inaction. The best example is the Pandemic Paycheck Protection Program (PPP) from 2020 to 2021; in this program, SBA granted \$800 billion in business loans that aligned with a severe economic shock, allowing the SBA to provide much-needed capital; on the other hand when compared to the SBA 7(a) Loan Guarantee program from 1991 to 2019, it approved only \$551 billion in 28 years, a whopping 45.19% or \$249 billion fewer loans, it seems quite obvious modernization is needed.



The State of Small Business Support

The Goldman Sachs/ Babson College survey data paints a stark picture of the "State of Small Business Support." A significant 63% of respondents gave the federal government a "C or below" grade on the effectiveness of programs, services, and tax credits available for small businesses. Furthermore, 71% rated the federal government's marketing and communication about these programs similarly low. Only 34% of small business owners reported understanding what federal programs, services, and tax credits are available to them. Leaders in Washington often passionately support small businesses and praise them as the backbone of the American economy. However, small business owners would like to see that talk turn into action by having Congress prioritize modernizing the Small Business Administration. Which means Talk Less and Do More.

The Goldman Sachs/ Babson College 10,000 Voices Survey on The State of Federal Programs:

When examining specific programs offered by the federal government and the sentiment towards the business environment and the general election the survey found:

- **18% say the federal government** does an "excellent" or "good" job offering **procurement assistance and support**.
- **29% say the federal government** does an "excellent" or "good" job of helping **people access capital**.
- **34% say the federal government** does an "excellent" or "good" job **offering technical assistance and entrepreneurial development**.
- **50% say the federal government** does an "excellent" or "good" job offering **disaster assistance or relief programs**.
- **57%** of all Small Business expect **to create jobs this year**
- **62%** of all Small Business project **an increase in profits before the year concludes**.
- **92% believe Congress must modernize the SBA** comprehensively an agency that has yet to be reauthorized by Congress since 2000.
- **75% are positive about their financial trajectory in 2024**, small business owners remain optimistic.
- **84% say a candidate's small business policy** positions will be an essential factor in their voting decision.
- **7% say elected officials keep their promises** to small businesses all or most of the time
- **91%** say they will **"definitely vote"** in the general elections.

As the nation reflects on the election ahead, small business owners across the country will be watching, hoping to hear candidates and elected officials prioritize the modernization of the Small Business Administration.

PYMES 360 by Birling Capital

In this context, it is noteworthy to introduce PYMES 360 by Birling Capital, a 15-step integral reinforcement for business success. PYMES 360 understands that business success extends beyond mere numbers and aligns with the sentiment expressed by small business owners in the survey. This comprehensive approach, covering financial assessments, key performance indicators, strategic planning, leadership workshops, operational excellence enhancement, and more, resonates with the need for holistic support voiced by the small business community.

Our holistic management consulting and financial analysis focused on providing a complete picture of your business's sustainable growth while providing a complete picture of your company's sustainable growth and services to help your business, The PYMES 360 15-step integral reinforcement for business success, Includes:

- 1. In-depth Financial Assessments**
- 2. Key Performance Indicators**
- 3. Cash Flow Dynamics and Balance Sheet Strength**
- 4. Customized Holistic SWOT Analysis**
- 5. Strategic Planning and Execution**
- 6. Leadership Workshops**
- 7. Operational Excellence Enhancement**
- 8. Human Capital Development**
- 9. Environmental, Social, and Governance (ESG) Integration**
- 10. Innovative Technologies Advisory**
- 11. Customer Experience Enhancement**
- 12. Market Expansion and Positioning**
- 13. Risk Management and Compliance**
- 14. Economic Data Assistance**
- 15. Transaction Advice**

PYMES 360 is our unwavering partner committed to propelling your business toward unprecedented success.

The Final Word: Washington Must Talk Less and Do More

In 1953, the creation of the Small Business Administration (SBA) marked a commitment to "aid, counsel, assist, and protect" the interests of small business concerns. As time progressed, the SBA has dynamically evolved, introducing new programs and resources in tandem with the ever-shifting landscape of small businesses. For the first five decades, Congress consistently reauthorized the SBA, ensuring its alignment with the evolving U.S. economy and the evolving needs of small business owners.

However, as we said before, 24 years have elapsed since Congress last reauthorized the SBA, and the agency still needs to undergo a comprehensive upgrade. A modernization is overdue, one that would propel the agency into the 21st century and equip it to meet the contemporary challenges and opportunities faced by small businesses.

The same U.S. Congress that says Small businesses are the backbone of the U.S. Economy still needs to reauthorize the SBA, an agency critical to all Small Businesses.

For the upcoming 2024 presidential election, where 91% of respondents express their intention to vote and emphasize the importance of a candidate's small business policy positions, it is crucial for elected officials to not only talk about supporting small businesses but to prioritize the modernization of the Small Business Administration actively. As highlighted by the survey, the disconnect between promises and actions calls for tangible steps to fulfill the needs and expectations of small business owners nationwide. In the halls of Congress, words are plentiful but action is scarce.

The time has come for less talk, more action. Let's begin by reauthorizing the SBA, a beacon of hope for our small businesses.

Talk Less and Do More



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