Entrepreneurship through Self-Employment: The Maine Enterprise Options Program

ETA Recovery and Reemployment Research Conference

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Presented by:

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MEO Operating/Design Principles

- Participant/entrepreneur driven
- Create opportunity to test ideas
- Limited/targeted participation
- Build partnerships within existing systems and capacity
- No new money
- KISS (to extent possible!)

Program Model (Flow Chart)

STEP ONE: INTEREST & ELIGIBILITY

- Initial UI claim filed
- Claimant profiled to determine initial eligibility
- Claimant receives MEO invitation notice

STEP TWO: ORIENTATION

- Attends MEO orientation coordinated by the Local Enterprise Coordinator (LEC)
- Receives MEO application and business plan information

STEP THREE: APPLICATION & REVIEW

- Submits completed application within 60 days of initial UI enrollment
- Review Board screens all applications against eligibility criteria
- Claimant notified, LEC notified of acceptance/non-acceptance

STEP FOUR: TRAINING AND TA

- Minimum of 2 individual counseling meetings w/ SBDC; first meeting w/in 6 wks of acceptance
- · Attend "Introduction to Business" seminar
- Attend other workshops as needed and available

STEP FIVE: BUSINESS PLAN DEVELOPMENT

- MEO participant works F/T on business development
- Files weekly MEO claim form indicating activities
- LEC monitors participant activity
- Review Board and Special Payments Unit conducts periodic review

Challenges and Opportunities

- Balance regulation with service delivery
 - Recruiting claimants as potential entrepreneurs vs entrepreneurs
- Accountability managing fraud and abuse (risk management)
- Champions keep them motivated
- Out of the box bureaucracy embracing the oxymoron

Challenges and Opportunities

- Aligning different systems cultures
 - BUC (compliance / regulatory)
 - BES (training and support)
 - WWC (advocacy / communitybased)
 - SBDC (business services model)

Participant Profile (PY 2008)

Gender

- 47% Male

- 52% Female

Education

43% High school completion or <

20% Some college

17% College degrees

18% Advanced degree or working toward

Age

- 6% age 60 or older

- 55% age 45 - 59

- 37% age 25 - 44

- 2% age < 24

Scale/Outcomes

- 1995 2008:
 - 82,997 eligible UI recipients
 - 3,625 MEO applicants
 - 2,182 MEO participants accepted
 - 313 Appeals
- 2002 Study:
 - 62% started a business
 - 1/3 still self-employed after 36 mos
 - 76% were sole proprietors, no employees

Maine as Small Business Economy

County	Total Employment from Microbusinesses	Percent Employment by County
Cumberland	42,212	18.5%
Sagadahoc	4,986	23.2%
Lincoln	7,993	41.3%
Oxford	7,085	28.1%
State of Maine	183,138	22.3%

MicroTest Outcomes Data 2007

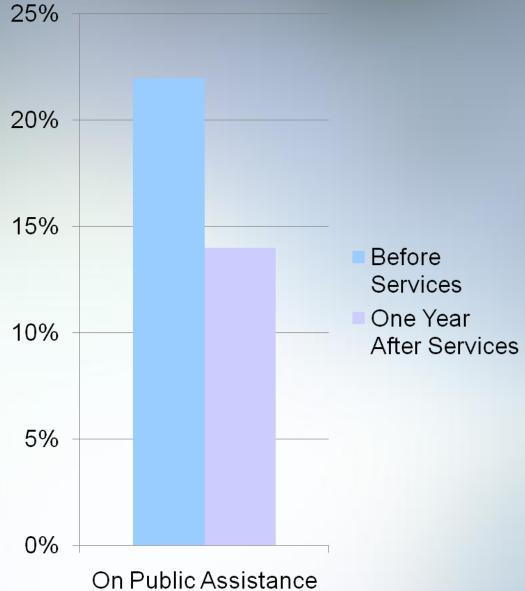
12% of TANF recipients

and Community on self-

earnings.

program through business

working with Women, Work, employment earn their way off



Resources

- www.microtest.org The Aspen Institute
- http://www.maine.gov/labor/lmi
 s/briefs.html Tracking New Businesses
 In Maine
- http://extension.umaine.edu/bu siness/researchpapers.htm

Professor Jim McConnon; Microenterprise employment