

Small Business Survey and Action Plan

Office of Equal Opportunity

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Purpose

To collect relevant information from prime contractors/proposers and certified small businesses that will help the Metropolitan Council make targeted improvements to the Small Business Programs, outreach and support services.

Methodology

- Two surveys:
 - Fostering Small Business participation on Council contracts/subcontracts (Prime contractors)
 - Promoting Successful Participation on Projects with DBE/MCUB Utilization Goals (DBE/MCUB firms)
- Timeline:
 - July 7 thru July 27
- Target population:
 - 69 prime contractors/proposers
 - 2058 DBE/MCUB firms

Survey Design

- # of questions on the survey:
 - 7 for small businesses
 - 9 for prime contractors/proposers
- Delivery method:
 - Web-based with Microsoft Form
- Follow-ups:
 - 2 emails were sent
- All submissions were anonymous

Prime Contractors/Proposers Questionnaire

1. Business Name
2. Have you ever bid or performed as a prime contractor for a Met Council project?
3. Do you have difficulty in acquiring DBE/MCUB subcontractor participation on your projects?
4. If yes to the above question, please select all that are applicable
 - a) DBE / MCUBs do not have the skill or expertise to do the work
 - b) DBE /MCUBs do not have the equipment or capacity to perform the work
 - c) DBE / MCUBs do not respond to solicitation inquiries in a timely manner
 - d) Other
5. Are there scopes of work in which you would like to see more DBE/MCUBs?
6. Have you participated in the Mentor Protégé Program?
7. If yes, would you be willing to mentor again?
8. If you answered no to the above question, would you be interested in becoming a mentor?
9. If you answered no, please select from the following
 - a) Do not have time to be a mentor
 - b) Have not had success with mentoring in the past
 - c) Is too much of a risk to mentor a new firm
 - d) Other

DBE/MCUBs Questionnaire

1. Business Name
2. Do you know how to find contracting opportunities with the Met Council?
3. Have you ever bid as a prime and/or subcontractor for a Met Council project?
4. If yes, were you awarded the work?
5. What barriers do you face in bidding on a Met Council project?
6. List any technical assistance or training you would like to see the Council offer that could support the success of your business.
7. Are you interested in participating in the Mentor Protégé program?

Areas of insights

DBE/MCUBs

- i. knowledge of how to find contract opportunities with the Met Council;
- ii. barriers they face in bidding on a Met Council project;
- iii. any technical assistance or training they would like to see the Council offer that could support the success of their business.
- iv. interest in the Mentor Protégé program

Prime Contractors/Proposers

- i. bid experience on the Met Council projects;
- ii. barriers they face in acquiring DBE/MCUB subcontractor participation on their projects?
- iii. scopes of work they would like to see more small businesses do; and
- iv. interest in the Mentor Protégé program.

Response Rate

	Recipients	Responses	%
Prime Contractors/Proposes	69	28	41%
DBE/MCUBs	2058	346	17%

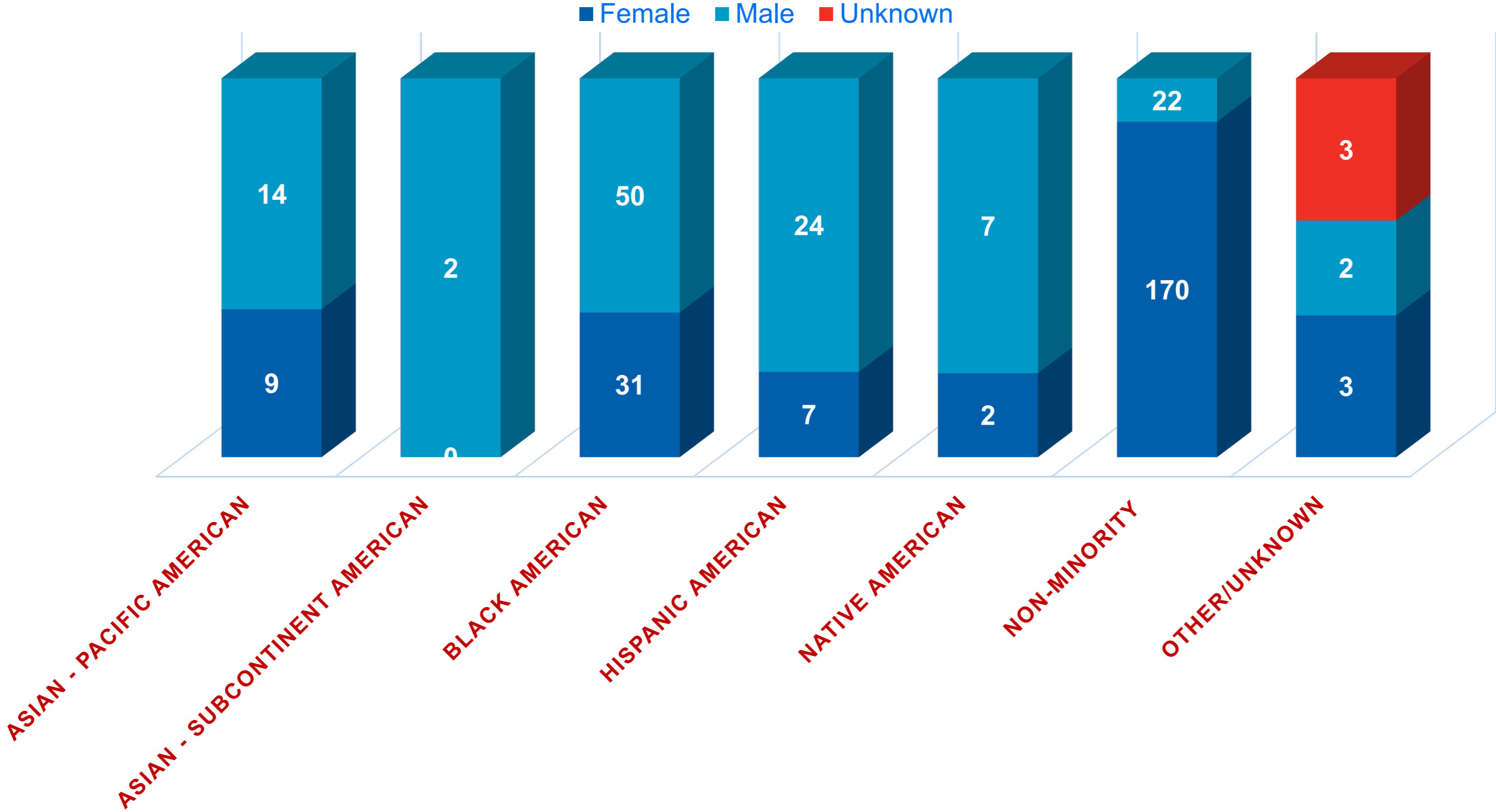
DBE/MCUB Respondents by Industry Type

Industry	#
Construction	63
Administrative & General Management Consulting Services	35
Marketing Consulting Services	22
Electrical Services	17
Information technology	16
Health care services	16
Trucking	14
Printing services	13
Engineering Services	13
Architectural Services	12
Environmental Services	10
Other	8
Graphic Design Services	8
Educational Services	8
Residential and Commercial Management Consulting Services	7
	7

Industry	#
Janitorial services	7
Retail Store	5
Real Estate	5
Landscaping Services	5
Photography	4
Manufacturing	4
Landscape Architectural Services	4
Human Resources Consulting Services	4
Transportation Services	3
Surveying Services	3
HVAC	3
Furniture Store	3
Design Services	3
Accounting	3
Public Relations	2
Legal Services	2

Industry	#
Family services	2
Employment Placement Services	2
?	2
Waste Collection	1
Translation services	1
Telecommunications Services	1
Moving services	1
Mailing services	1
Food Services	1
Financial Services	1
Equipment Merchant	
Wholesalers	1
Drafting services	1
Computer Related Services	1
Auto Body Shop	1

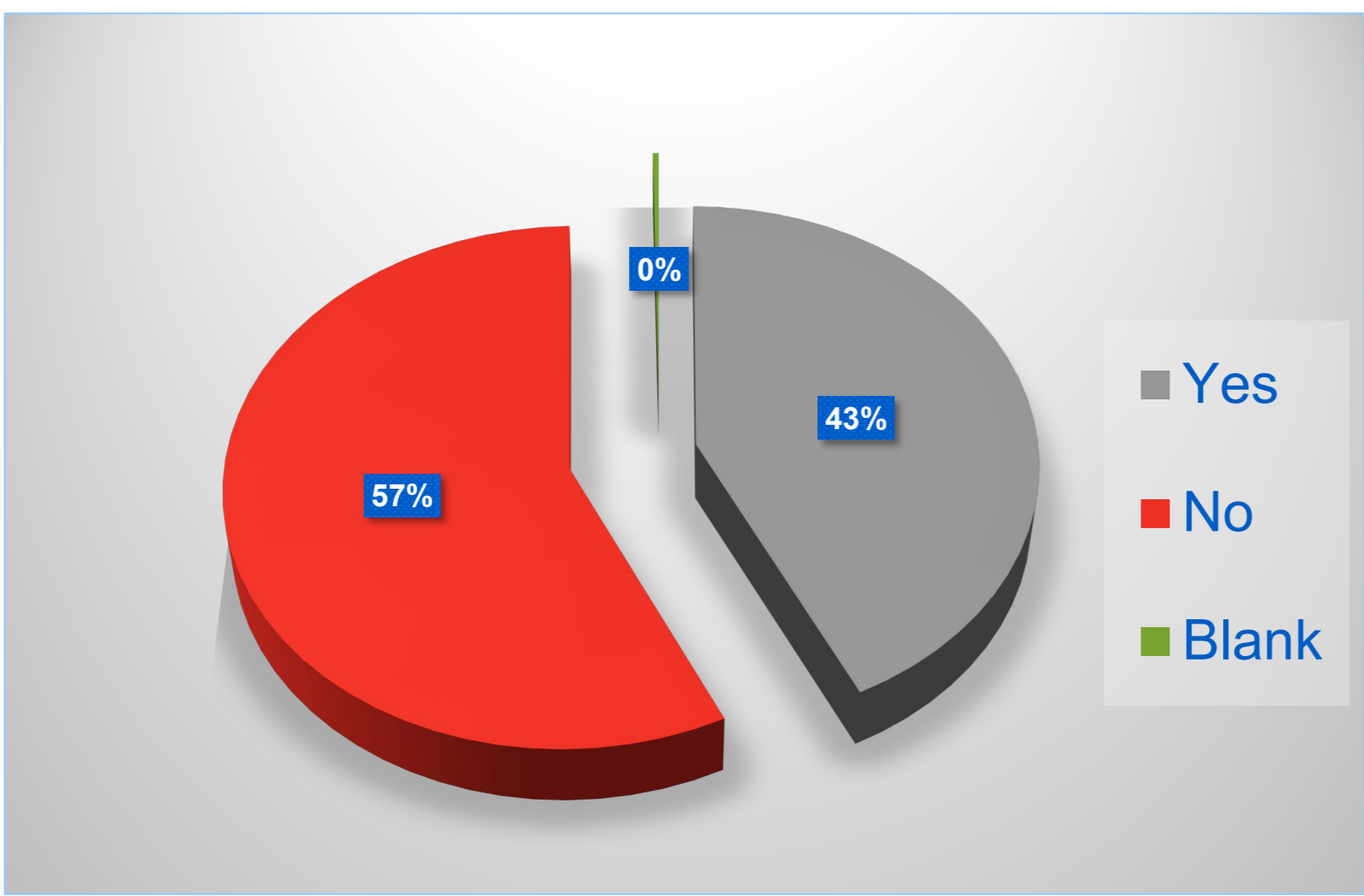
DBE/MCUB Respondents by Gender & Ethnicity



Results

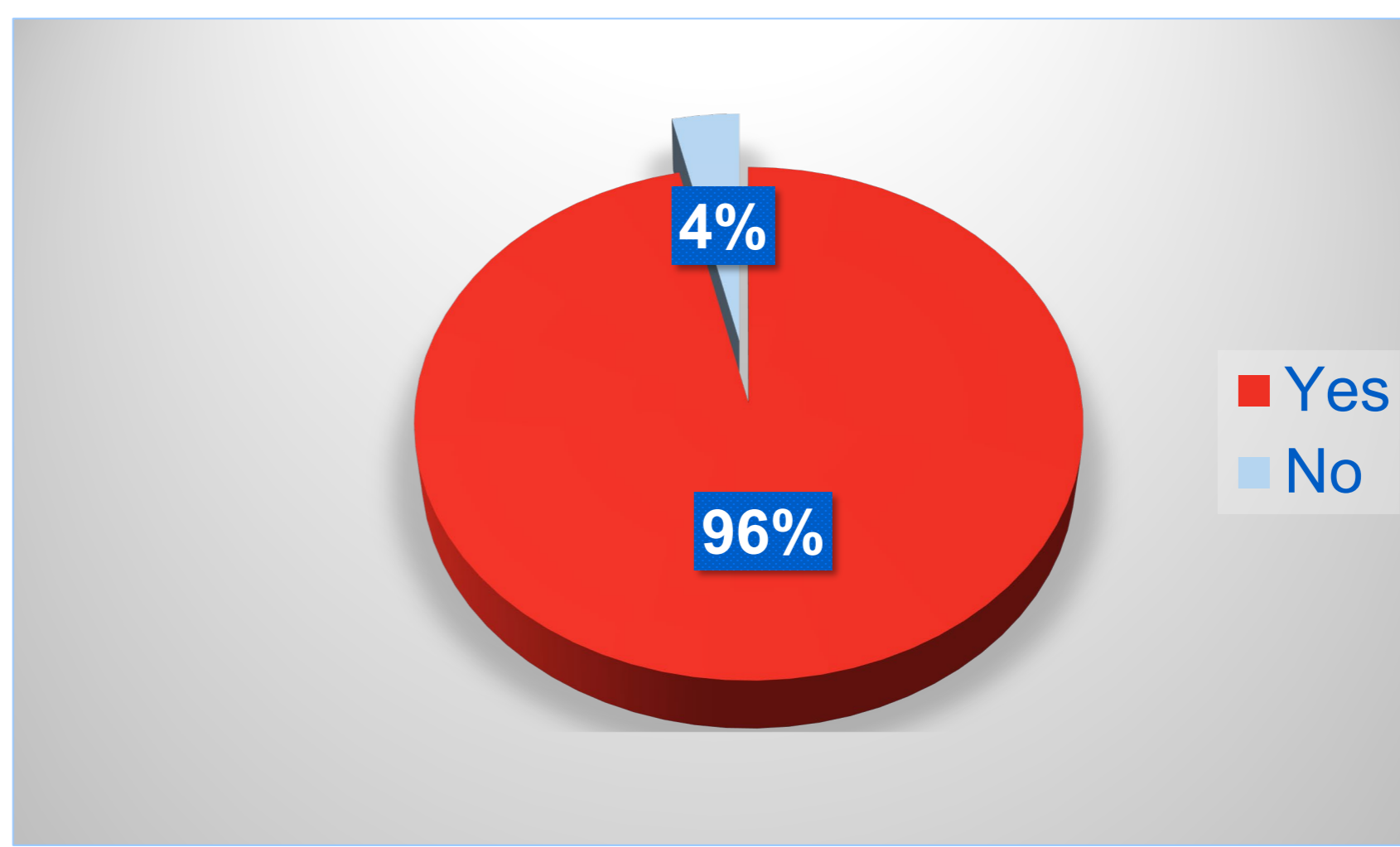
DBE/MCUBs

Do you know how to find contracting opportunities with the Met Council?



Prime Contractors/Proposers

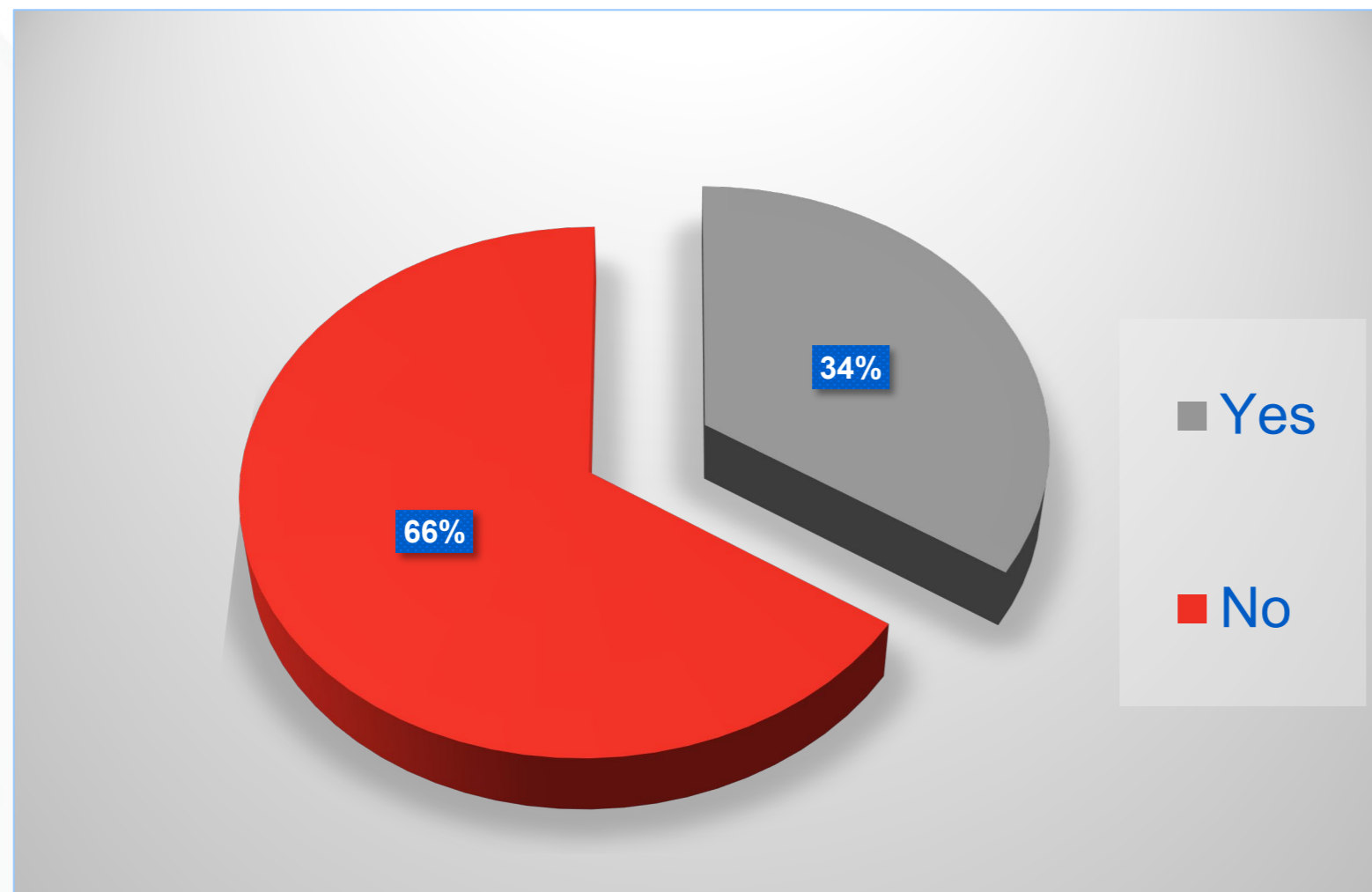
Have you ever bid or performed as a prime contractor for a met council project?



Cont.

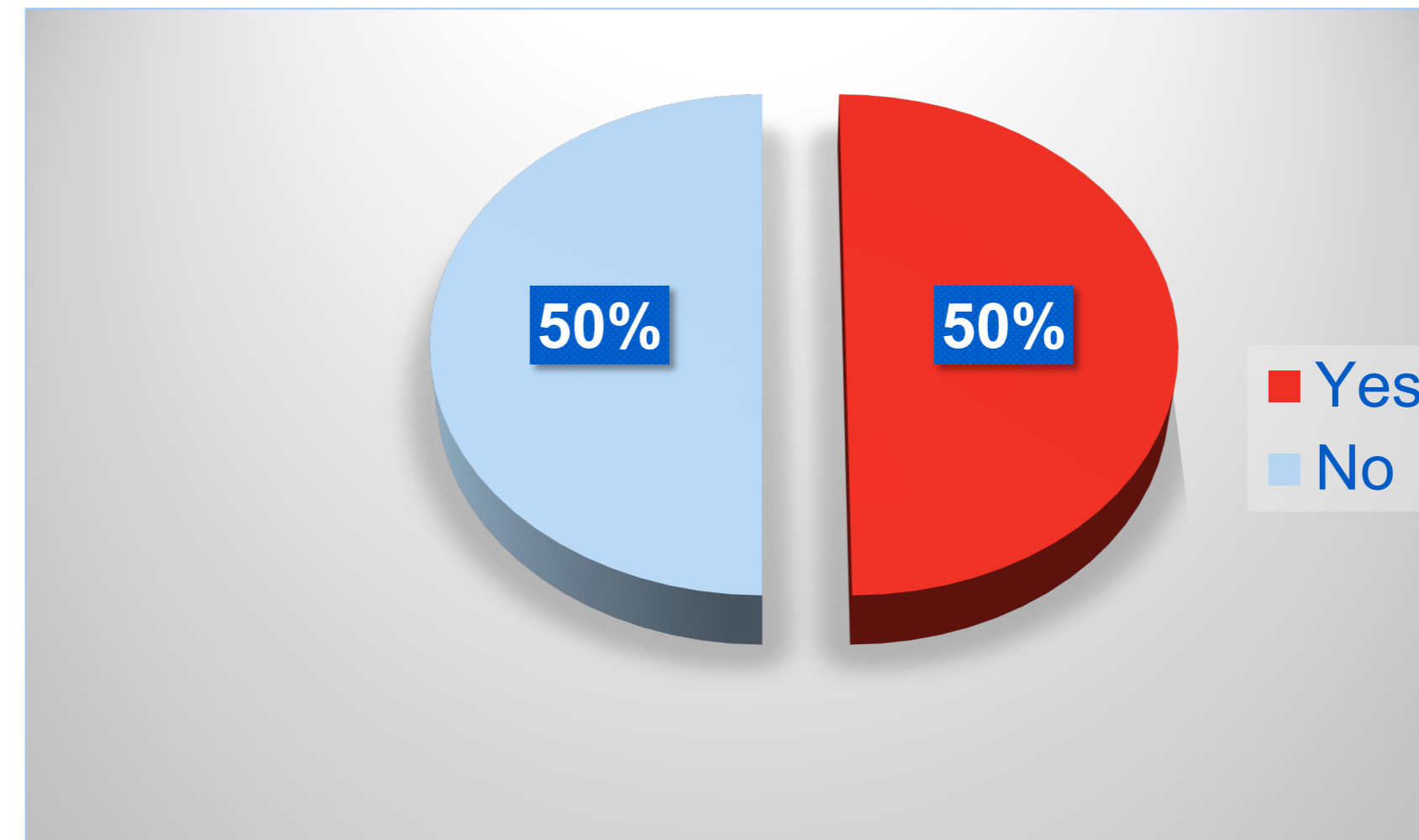
DBE/MCUBs

Have you ever bid as a prime and/or subcontractor for a Met Council project?



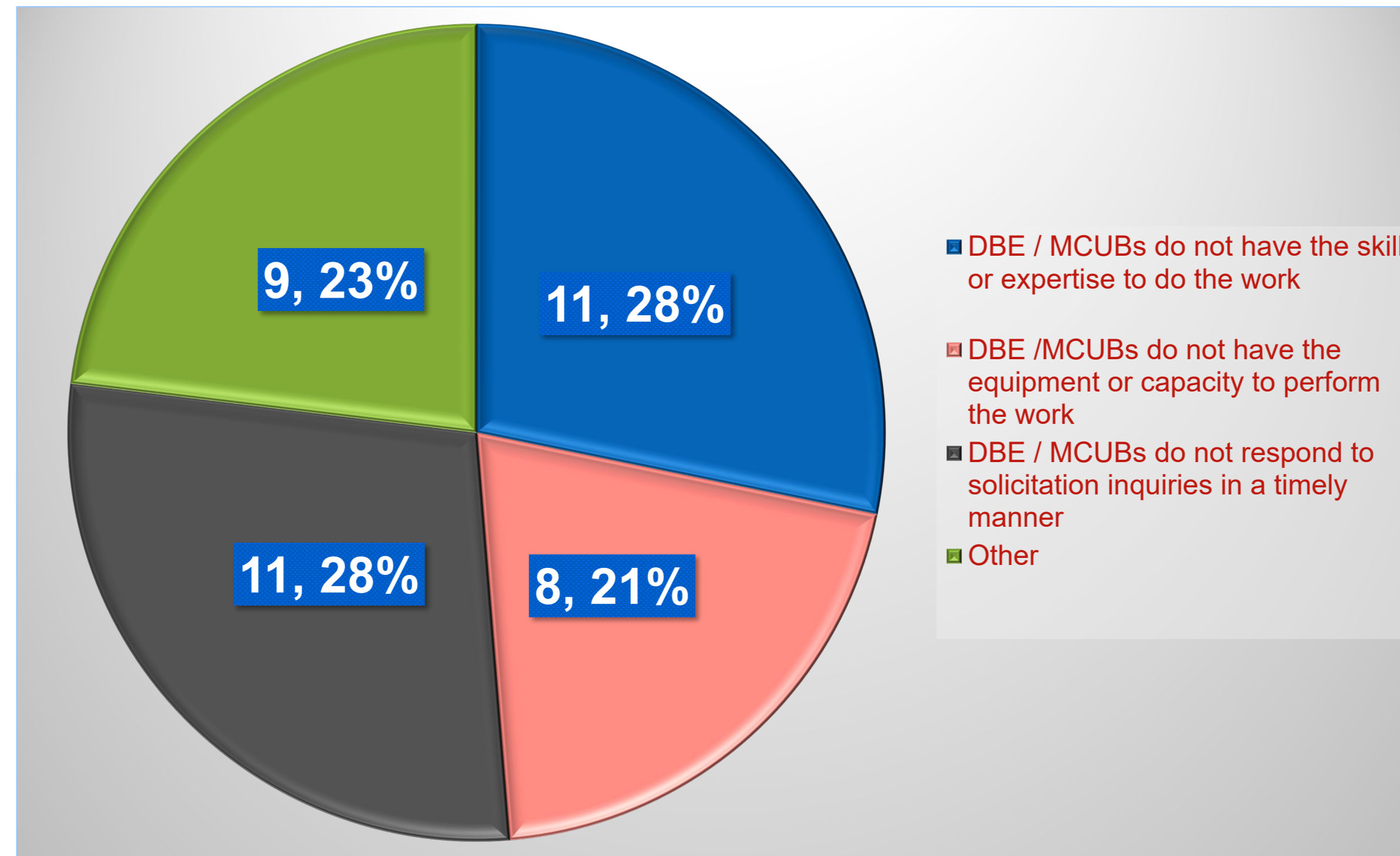
Prime Contractors/Proposers

Do you have difficulty in acquiring DBE/MCUB subcontractor participation on your projects?



Types of difficulties prime contractors/proposers face finding DBE/MCUB firms

14 businesses that responded “Yes” to question number 3 were asked to further define their difficulties by selecting all that were applicable to their experience.

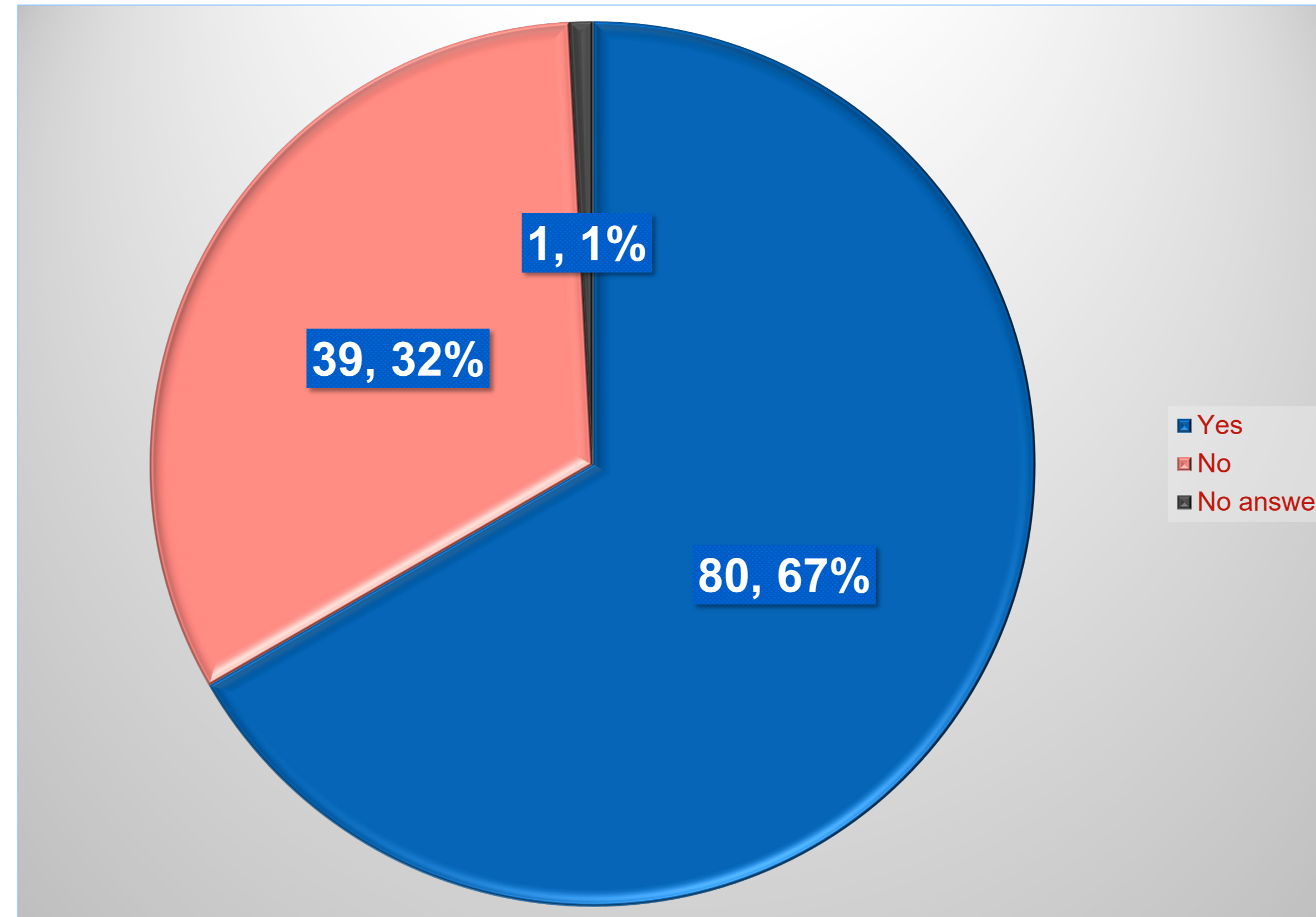


Prime Contractors who selected the “Other” option

- ❖ *Often, I find myself emailing the DBEs multiple times and calling them for quotes and they send in their quote at the last minutes.*
- ❖ *Its hard enough to get DBEs to quote us and now add all the paperwork the DBE companies need to fill out prior to bid time, on the last MCES job I bid a few DBE companies never did send me the LOI form, I could not use them*
- ❖ *DBE / MCUB information not accurate or current*
- ❖ *It is tough to identify, contact, then receive a response in the time allowed. nd contact and respond in timely manner.*
- ❖ *Scopes of work that prime contractors need from DBEs/MCUBs*

If yes, were you awarded the work?

120 small businesses that responded “Yes” to question number 3 were asked to state if they were awarded any projects.



Small Businesses' barriers to bidding on a Met Council project

313 responses and most identified barriers were:

- ❖ Lack of knowledge on how and where to find contract opportunities
- ❖ Finding applicable work scopes
- ❖ Lack of resources
- ❖ None
- ❖ Council projects are too big
- ❖ Competing with large firms
- ❖ Council communication issues
- ❖ Required paperwork and forms
- ❖ Fairness in procurement

Selection of comments

- ❖ *navigating the system, knowing how to put together a winning proposal, building partnerships with subcontractors, the size of the proposal*
- ❖ *Contracts are large and mostly conducive to the large, multi-discipline firms. Also, many projects come through the Master Services Agreements which, again, are geared towards large, multi-discipline firms.*
- ❖ *We have attempted to meet with Met Council staff to let staff know about us and to find out more about when contracts for our business will come out and so far no one has agreed to meet with us. We had heard years back about an upcoming opportunity, but never saw it come out. Our only work for Met Council is as a subcontractor.*
- ❖ *Not all Primes send bid solicitations for every Met Council project; Difficult to compete against larger competitors who have price advantages*

Cont.

- ❖ *I tend to shy away from responding to RFPs simply because in my experience the organization soliciting the bids already has their mind made up and is going to award the contract to the larger companies*
- ❖ *The short period of response time used in the ask needs to be expanded. Letting us know in advance, weeks or months before that an RFP will be issued allows us time to prepare.*
- ❖ *Systemic and structural racism baked into the how the Met Council does its business.*

List of all barriers small businesses face on bidding

Barriers	#	Barriers	#
Lack of knowledge/where to find	92	Others	6
Applicable scope of work	37	Access to capital	4
None/ no barriers	37	Location	4
No answer	33	Prime contractors' willingness of sharing projects	4
Lack of resource	17	Getting paid	3
Council project too big	15	Financial	3
Competing with large firms	13	Service not needed	3
Paperwork	12	Union	3
Capacity building trainings	11	Cash Flow	2
Fairness in Procurement	9	Bonding	2
Networking with primes, subs or the Council	9	Fewer PT contracts	1
Council requirements	9	No experience	1
Communication Issue with the Council	8	Less projects that have DBE requirements	1
Winning contracts	6	Prevailing wages	1

What are scopes of work that prime contractors would like to see more DBE/MCUBs ?

Most identified scopes

- ❖ No need: 5 responses
- ❖ All scopes: 4 responses
- ❖ Electrical work: 3 responses
- ❖ Concrete work: 3 responses
- ❖ Mechanical work: 3 responses
- ❖ Asphalt work: 2 responses
- ❖ Landscape work: 2 responses
- ❖ Design work: 2 responses

Technical assistance/training that DBE/MCUB would like to see the council offer

Top selections

Type	#
No need (None)	46
How to find opportunities	44
Bidding assistance/training	18
Not sure	16
Business development training	12
Meet & greet	6
Educational/Estimating training	5
Notification of opportunities	5
RFP process	5
Networking	4
Have small projects	4

Participation on MP program

Prime Contractors/Proposers

- 6 businesses had participated in the MP program versus 22 have not
- All 6 businesses were willing to mentor again
- Of those 22 who had not participated:
 - 14 are willing to mentor, 4 stated they need more info and 4 uninterested
- Businesses that are not interested have selected their reason as follows:
 - Is too much of a risk to mentor a new firm
 - Have not had success with mentoring in the past
 - Do not have time to be a mentor
 - Not sure what this program is about. ", "Do not have time to be a mentor"

Participation on MP program

When DBE/MCUBs were asked about their interest in the MP program:

- Yes: 89 (26%)
- No: 85 (25%)
- 172 (50%) need more information

Conclusions/Recommendations

Based on the Small Businesses survey

Conclusions:

Biggest barriers to increasing participation of DBE/MCUB firms on a Met Council contracts/projects

- ❖ lack of knowledge on how/where to find contracts
- ❖ finding applicable work that fits their NAICS codes
- ❖ Lack of resources
- ❖ council projects are too big
- ❖ capacity to compete with large contractors

Action Plan & Recommendations:

- ❖ Develop Equity Lens Tool
- ❖ Implement oversight and support
- ❖ Focused outreach & engagement/Informational sessions (connect businesses w/opportunities)
- ❖ Continue meet and greet sessions with business units
- ❖ Work with business units on project delivery strategies (small projects)
- ❖ Mentor Protégé Event/foster relationships
- ❖ Provide bid history that helps small businesses gauge pricing
- ❖ Communication with small businesses/Bias against small businesses
- ❖ Bidding & estimating training & technical assistance
- ❖ Build capacity for small businesses in areas where there is need
- ❖ Utilize best practices that have yielded success
- ❖ Engaging with small businesses in advance of RFP advertisements

Conclusions/Recommendations

Based on the Prime Contractors/Proposers survey

Conclusions:

Primes' biggest difficulties face in acquiring DBE/MCUB firms to work for their projects:

- ❖ DBE/MCUBs do not have the skill or expertise to do the work; and
- ❖ DBE /MCUBs do not have the equipment or capacity to perform the work

Mentor Protégé participation

- ❖ Majority willing to participate

Recommendations:

Document work that could be provided by MCUBS

Increase DBE/MCUBs' expertise to perform work effectively

Increase the number of contract ready firms that do:

- ❖ Electrical work
- ❖ Concrete work
- ❖ Mechanical work
- ❖ Asphalt work
- ❖ Landscape work
- ❖ Design work

Facilitate Mentor Protégé Program information session

Celebrate success!!!



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