

DEPARTMENT OF SMALL BUSINESS DEVELOPMENT

ACTIVITY ANALYSIS

SUMMARY OF FINDINGS AND RECOMMENDATIONS

The Department of Small Business Development (SBD) began fiscal year 2009-10 with 48 full time equivalent positions (FTE's). Due to revenue constraints related to charges for indirect costs, the department's staffing level was reduced to 36 FTE's during the fiscal year. In the proposed FY 2010-11 operating budget, SBD's staffing complement would be reduced to 26 FTE's. The Office of Strategic Business Management (OSBM) was directed to work with SBD to determine how this department should adjust its operation to accomplish its highest priorities with its new staffing levels as of October 1st, 2010.

The OSBM project team conducted an activity analysis to determine the specific level of work effort that SBD allocates to its highest priorities. As of August 2010, SBD had a total staff complement of 35 positions, and approximately 26 FTE's were assigned to accomplish its highest priorities. The remaining 9 FTE's were assigned to general administrative duties. The proposed FY 2010-11 budget calls for the department to have a total staff complement of 26 positions, and under its current processes and work distribution structure, 18 FTE's would be available to accomplish its highest priorities. If nothing else were to change, SBD would be approximately 8 FTE's short of what the department would need to continue to accomplish its priorities at its current level of service.

OSBM worked closely with SBD staff to develop solutions that would enable the department to accomplish its priorities with the staffing level proposed in the FY 2010-11 Budget. Here is a summary of those solutions.

Key Solutions

- Conduct compliance monitoring through representative sampling of projects, rather than attempting to review all projects. This solution will reduce the work requirement for compliance reviews by approximately 85%. Related recommendations for compliance monitoring include: replacing routine payroll reviews with complaint-based monitoring of wages; having project managers review SBD requirements with contractors at pre-construction meetings; and cross-training staff to handle contract disputes for Construction/A&E projects as well as procurements for goods and services.
- Review Labor Utilization Reports for compliance with SBD requirements on a quarterly basis, rather than monthly. This solution would reduce the work requirement for this activity by approximately 66%.

- Conduct the 48-hour review of incoming bids and proposals as part of the pre-award compliance review. This solution would reduce the work requirement for this activity by approximately 82%. It would also require an amendment to Section 3(b) 6a of the Miami-Dade County Code.
- Restore one Technical Assistance Coordination position to SBD to handle Wage Theft, as well as Living Wage and Responsible Wage complaints. This position would be funded through the General Fund, which is an appropriate funding source for enforcing the Wage Theft Ordinance with entities that are not contractually tied to Miami Dade County.
- Develop a brochure that lists bonding requirements in clear, concise language that is easily understood, and make the brochure available to companies seeking bonding assistance. Once the brochure is completed, re-assign current bonding assistance responsibilities to the higher priority functions. This solution would reduce the work requirement for bonding assistance by approximately 75%.

Additional Solutions

The following solutions, although not immediately quantifiable, will produce operational efficiencies, and enable SBD to operate more effectively.

- Develop and post a trilingual initial complaint form on the SBD website, and assist customers in person by appointment only.
- Extend the review of construction projects for small business participation from five days to ten days.
- Consider offering incentives (recognition on the SBD website) to bonding agencies that offer assistance to interested companies.
- Modify the code to replace the current approval process with one that would allow prime contractors to replace subcontractors after they notify SBD, as long as they continue to meet the small business participation goals established for their project. Under this recommendation, SBD would need to quickly verify that the proposed new subcontractor is qualified, and has obtained all required certifications, before the prime contractor replaces the original subcontractor.

- Consider re-engineering the work flow so that individual SBD staff members could manage projects from their inception to their completion. This recommendation would require extensive cross training of SBD staff.
- Consider restructuring the SBD organization to reflect a dual emphasis on small business case management and employee protection.
- Have projects go to the Review Committee only when the department and SBD cannot agree on a goal.

Taken together, these operational solutions would enable SBD to re-allocate a minimum of 4 FTE's worth of work toward the accomplishment of its high priority functions.

It is recommended that the remaining shortfall of approximately 4 FTE's be resolved by reassigning work effort from general administrative duties toward the accomplishment of the high priority functions. This administrative realignment should not compromise the department's administrative responsibilities, and would be an appropriate administrative allocation for this type of operation.

OSBM believes that implementing this administrative realignment, along with the operational solutions listed above, will enable SBD to accomplish its highest priorities with the staffing level proposed in the FY 2010-11 Budget.