



WIA Performance Measures for Self-Employment Services Recommendations Developed by CAMEO

Small businesses create 64 percent of all new U.S. jobs*. According to current market trends, **self-employment can be a valuable option** for job seekers and the unemployed 1) who wish to work, but have the capability to own their own business, or 2) have barriers to employment which can be minimized through self-employment. Small businesses, particularly Micro Enterprises, should be an integral part of national economic and workforce strategies.

Common performance measures are different for self-employment than for wage employment, which has been a barrier to support the self-employed and job creation. **Performance measures for self-employment training and business technical assistance programs can be based on *Supplemental Data Sources, Administrative Records and Average Earnings***, this last item as negotiated by the grantee with the individual WIB. CAMEO suggests that WIBs work with their local partners to which measures are most useful. Following are recommendations for each category of performance measures:

Supplemental Data Sources (currently has to be documented and recorded outside the WIB database)

1. Proof of an ITIN number with the IRS corporate ID number
2. Proof of DBA registration or local business license
3. Business plan
4. Proof of established business checking account
5. Copy of IRS Schedule C tax return
6. Copy of current purchase orders
7. Copy of business office or store lease
8. Proof of receipt of business loan

Administrative Records

Due to the fact that self-employed persons do not show up on the state Unemployment Wage records, staff can follow up with individual enrollees to verify the status of their business development. For the purposes of WIA, 'start-up' is defined as 1-24 months, although this can be negotiated to 1-12 months, based on hours of training and technical assistance provided by the grantee, and status of the individual trainee, e.g., some trainees already will have been operating their business at the time of enrollment.

The grantee's staff would make a phone call or in-person visit and ascertain the enrollee's business status from descriptive information enrollee provides on:

- location of business,
- number of customers and
- financing strategy for business growth.

Average Earnings: from Supplemental Data Sources

WIB staff can collect a revenue and expense statement from the client and/or an affidavit from the owner of their 'owner draw' for 3-12 months after start up. Divide this amount by 30 hours and compare to the minimum wage for that state.

*Small Business Administration, <http://www.sba.gov/advo/stats/sbfaq.pdf>

