

## **Challenge 1: Co-creating objective, milestone-based entrepreneurship training programs to mitigate the impact of implicit bias faced by entrepreneurs from communities systemically left behind.**

### *Summary*

As the demographics of the Heartland states continue to diversify, the risk of subjective judgments of gatekeepers (like investors, lenders, mentors) widening business outcomes between entrepreneurs from communities systemically left behind increases. This creates additional barriers to entrepreneurial growth that could slow the economic growth of the region.

To address this, the Foundation is interested in models to narrow the gap that can exist between what entrepreneur support organizations think entrepreneurs need to know and what gatekeepers expect them to have accomplished to make them viable for support or investment. Specifically, we are looking to support entrepreneur training curricula that move entrepreneurs through objective, milestone-based markers of success that are co-created with gatekeepers. These models contain two components: gatekeepers articulate the skills or outcomes they want entrepreneurs to demonstrate, and entrepreneur support organizations intentionally tailor curriculum to ensure entrepreneurs in their program can meet those milestones. This transparency around expectations mitigates the likelihood that bias will impact decision-making on the part of gatekeepers.

Examples of this could include:

- An education program focused on teaching entrepreneurs from communities systemically left behind how to start a business could require entrepreneurs to demonstrate their skill by completing a lean business canvas for review by advisory mentors, then updating it based on given feedback.
- A city could apply for funds to create a new entrepreneurship program aimed at getting founders ready for bank loans. Funds could be used to convene local banks, document their standards for making a small business loans, and pilot new entrepreneur support curriculum aimed at teaching entrepreneurs how to meet those standards.
- An entrepreneur support organization could work with a local angel group to evaluate their requirements for pitching, and co-create a training program to prepare entrepreneurs from communities systemically left behind to meet those requirements.
- An entrepreneur support organization could offer anti-bias training to their staff members, entrepreneurs and gatekeepers, then collectively update entrepreneurship support training curriculum to include milestone-based outcomes that are both meaningful and account for systemic barriers faced by entrepreneurs.

### *Activities Eligible for Funding*

Grants made under this Challenge will be new programs, existing programs seeking scale, and existing program augmentations.

Fundable expenses can include planning activities; curriculum development or use fees; and staff and supplies for outreach and programmatic activities.

Preference will be given to organizations that:

- Have a track record of successfully serving entrepreneurs from communities systemically left behind.
- Have a track record of helping entrepreneurs to achieve improved business outcomes.
- Have demonstrated engagement from stakeholders that control resources (e.g. investors, lenders, or gatekeepers) in current or past programming.
- Intend to engage multiple or many organizations in systems that establish shared expectations around milestones across an industry, community, or group of communities.

### *Required Evaluation Metrics*

Grants made under this Challenge will be required to report on the following output and outcome metrics at six months after award date, and the end of the grant (12 months after award date). During the application process, grantees will work with their program officers to define specific outputs and outcomes. They may include the following:

*Outputs:* Number of participants served by Grantees, percentage of participants served who are from systemically left-behind communities, number of gatekeepers engaged in the project, number meaningful program milestones established, number of new meaningful business milestones reached by participants and the % of participants who reach a business milestone.

*Outcomes:* The increase of entrepreneurs from communities systemically left behind with access to gatekeeper networks, the increase of participating stakeholders recognizing the impact of their implicit bias on their decision making, the number of entrepreneurs reporting increased revenues, the number of participants reporting increased skills and knowledge, the number of participants reporting a business start/launch, the number of participants reporting capital raised, the number of participants reporting adding a team member/full-time job, the Net Promoter Score to the program by entrepreneurs, and the Net Promoter Score of the program by gatekeepers.