

# Understanding and Measuring the Impact of Entrepreneur Support Organizations

**Entrepreneur Support Organizations (ESOs), such as technical assistance providers, microlenders, and incubators, play a critical role in helping small business owners and aspiring entrepreneurs succeed.** The impacts of ESOs extend far beyond individual business-level outcomes; ESOs contribute to stronger families, more resilient local economies, and thriving communities. For entrepreneurs from systemically marginalized communities, including BIPOC entrepreneurs, immigrants, women, and individuals from lower-income households, ESOs often provide the only accessible pathway to entrepreneurship in the face of systemic barriers to resources such as credit, capital, technical skills, and professional networks.

## **ESO Measurement in Practice:**

Cristal started catering for friends' events. With guidance from their local ESO, they completed a food safety course, obtained a home kitchen license, and began selling at farmers' markets. The ESO tracks their journey using milestones such as new business registrations, licensing achievements, and revenue diversification. These measures capture progress beyond traditional metrics like job creation or revenue growth.

Measuring this impact equitably requires both rigor and humility, acknowledging that success looks different in every place and for every entrepreneur. For funders and practitioners committed to equity, centering entrepreneurs from historically marginalized backgrounds in both programming and evaluation is essential to understanding how ESOs build not only stronger economies, but more just ones. When measurement aligns to cultural context, ESOs and their funders can together tell a richer, more accurate story of what thriving local communities look like, and who can thrive within them.

## **What Are Entrepreneur Support Organizations (ESOs)?**

**ESOs provide the infrastructure that helps entrepreneurs start, sustain, and grow their ventures.** They offer a range of support such as education and mentorship, access to capital, technical assistance, peer networks, and assistance navigating administrative barriers.

### **Common Types of ESOs**

- **Technical assistance and education providers** which help with business planning, financial management, or marketing.
- **Community Development Financial Institutions (CDFIs)** and microlenders which provide accessible financing and credit-building support.
- **Incubators and accelerators** which create structured environments for early-stage businesses to develop.

At their best, ESOs do more than build businesses, they strengthen local economic ecosystems. They can serve as trusted intermediaries within communities that have been excluded from traditional financial systems. ESOs help underrepresented entrepreneurs overcome systemic barriers to financing, networks, and visibility, particularly in historically disinvested communities or redlined neighborhoods. Unlike many traditional business accelerators that require an ownership stake or equity in the entrepreneurs' ventures, mission-driven ESOs focus on community impact and equitable access to opportunity rather than financial return.

#### ESO Measurement in Practice:

The Acorn Hill Cooperative Development Center works with immigrant-owned cleaning businesses to form worker cooperatives. While their evaluation approach includes tracking standard metrics like business formation, they also collect data on shared ownership models and worker income stability over time. This helps them demonstrate how collective forms of entrepreneurship build community wealth.

#### A note to funders:

ESOs often operate with minimal staff and limited resources. Equitable investment in ESOs means offering flexible, multi-year funding that covers both program delivery and "back office" services like evaluation and learning. When funding ESOs that serve entrepreneurs from historically marginalized backgrounds, funders should account for the relational and cultural work these organizations undertake, such as translation, building trust with communities, and navigating bias in lending systems, which are essential supports, but often uncompensated in traditional grant structures.

## Why Do ESOs Matter?

ESOs play a vital role in strengthening our economic and social fabric. Their work creates meaningful change across **four interconnected domains: entrepreneurs, businesses, families, and communities.**

#### ESO Measurement in Practice:

With support from a local CDFI, Akeem's Auto Care hired three neighborhood youth as apprentices. The CDFI tracks indicators such as youth employment duration and skill development, linking these results to broader community workforce outcomes.

For example, when ESOs help entrepreneurs build skills and confidence, those business owners don't just grow personally; they create businesses that generate jobs and economic opportunity. In turn, these businesses provide financial stability for families, enabling them to build assets and pass on wealth to future generations. At the community level, this translates into more diverse business ownership and strengthened local business districts.

The ripple effects of ESOs' work demonstrate that supporting entrepreneurs is not only about individual success; it's about building resilient communities where economic opportunity is accessible to all. By viewing impact through these four domains, we can better understand and articulate why investing in entrepreneur support is essential for creating lasting, equitable change.

### A note to funders:

Many ESOs and the entrepreneurs they serve define success differently than traditional economic development metrics. “Success” may look like maintaining a culturally-rooted business, providing dignified work, or sustaining family livelihoods. These are examples of human-centered and systems-level measures of impact, in contrast to traditional metrics such as scaling revenue or adding employees.

For ESOs serving entrepreneurs from historically marginalized backgrounds, impact also includes advancing racial and gender equity, repairing historical disinvestment, and increasing access to intergenerational wealth building.

#### ESO Measurement in Practice:

A Native-led entrepreneurship center tracks the number of artisans sustaining traditional crafts and passing skills to the next generation, viewing cultural preservation as a vital indicator of economic and community resilience.

## How Do We Measure ESO Impact?

**Measuring the effects of ESOs requires an approach that balances rigor, flexibility, and local context.** This is especially critical when assessing ESOs that serve marginalized communities, where standard economic metrics may not reflect deeper levels of impact.

Research and practice suggest that ESOs use a mix of indicators, including entrepreneurial ecosystem metrics such as diversity of capital sources and network connectivity, as well as inclusive entrepreneurship indicators like the share of women- or BIPOC-owned businesses supported. Financial wellbeing metrics, such as changes in debt levels, savings, or credit scores, provide insight into individual outcomes, while community level indicators like local job retention and business survival during downturns help capture broader systemic effects. ESOs can further strengthen their story of impact by tracking more locally- and contextually-rooted measures such as changes in household stability or the sense of belonging and self-efficacy among entrepreneurs. Together, these measures offer a more complete picture of impact that honors both individual progress and collective resilience.

#### ESO Measurement in Practice:

A Latina-owned mobile childcare business, supported by a local ESO, measures their success beyond revenue and client growth. They track how many working parents report improved access to reliable childcare. This demonstrates success of the business because of the positive impact on families in the community.

### A note to funders:

Use a combination of quantitative metrics (loan repayment rates, job creation) with qualitative stories (case studies, interviews) to capture holistic impact. Co-design evaluation metrics and data sources with ESOs and entrepreneurs to ensure relevance to their context and minimize reporting burden. Partnering directly with entrepreneurs from historically marginalized backgrounds in the design of metrics helps ensure that evaluation frameworks reflect their lived experience and community definitions of success.

**ESO Measurement in Practice:**

A neighborhood small business incubator in Detroit tracks vacancy rate reductions and tenant retention in their commercial corridor, showing how small business support revitalizes local landscapes. The incubator developed these metrics in partnership with local merchants, neighborhood associations, and residents, who identified storefront occupancy and business longevity as shared priorities for revitalization. Together, they designed data collection methods, such as quarterly audits through neighborhood walks and tenant interviews, that reflect community values around stability, safety, and local ownership in addition to economic output.

**TABLE 1. RECOMMENDED METRICS BY DOMAIN**

Domain	Example Metrics	Common Data Sources
<b>Entrepreneurs</b>	<ul style="list-style-type: none"> <li>• Confidence</li> <li>• Feelings of belonging or empowerment</li> <li>• Self-efficacy</li> <li>• Skill development</li> <li>• Access to support networks and capital</li> <li>• Employment in own business</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys</li> <li>• Coaching notes</li> </ul>
<b>Businesses</b>	<ul style="list-style-type: none"> <li>• Business formation or formalization</li> <li>• Revenue growth</li> <li>• Business longevity</li> <li>• Job creation</li> <li>• Employee benefit provision</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys</li> <li>• Business records</li> <li>• Loan data</li> </ul>
<b>Families</b>	<ul style="list-style-type: none"> <li>• Household income</li> <li>• Savings or other asset growth</li> <li>• Meeting household needs/goals</li> <li>• Reduction in debt or reliance on predatory credit</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys</li> <li>• Participant interviews or focus groups</li> <li>• Census/public data</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Local spending retention</li> <li>• Commercial vacancy rates</li> <li>• New business formation</li> <li>• Demographic diversity in ownership</li> <li>• Industry/service diversity in businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Census/public data</li> <li>• Community focus groups</li> <li>• Local business/economic reports</li> <li>• Town Hall Meetings</li> </ul>

## Culturally Responsive and Equitable Data Practices

Measurement must not come at the expense of relationships, trust, or equity. Funders can advance more equitable data practices by:

- **Centering relationships:** Build trust with ESOs and entrepreneurs before requesting data.
- **Respecting data sovereignty:** Allow community organizations to own and interpret their data.
- **Avoiding extractive reporting:** Align requirements with the ESO's capacity and share results back with them in usable ways.
- **Accounting for intersectionality:** Disaggregate data by race, gender, geography, and business type where possible to identify disparities and successes.
- **Using culturally responsive data collection tools:** Tools should consider language access, digital literacy, and the historical mistrust systemically marginalized populations may have toward data systems and measurement approaches, particularly when it comes to sensitive topics like financials or immigration status.

### ESO Measurement in Practice:

A refugee-led business incubator co-designed its participant survey in multiple languages with alumni entrepreneurs, ensuring questions were culturally relevant and trauma-informed. Their evaluation process became a trust-building tool rather than a reporting burden.

### A note to funders:

Avoid over-standardizing metrics across grantees and support evaluation designs that include multiple ways to define and measure progress. Co-create indicators with local partners to ensure they reflect what success truly means in that context. Ensure that evaluation approaches include compensation for ESOs and entrepreneurs who contribute data, and that findings are shared back in accessible and meaningful ways.

## Adapting to Local Context

### ESO Measurement in Practice:

In rural Ohio, one ESO tracks the re-opening of long-vacant storefronts by local entrepreneurs as a sign of economic recovery. In the California Bay Area, another ESO measures success by the number of Black-owned food businesses able to remain in historically Black neighborhoods amid the pressures of gentrification.

Impact looks different across regions, cities, and communities. In some communities, success means stabilizing small family-run businesses that sustain local culture; in others, it may mean fostering new startups or reducing unemployment. In communities of color and communities facing economic disinvestment, success may also mean reclaiming ownership of neighborhood assets, strengthening social capital, or resisting displacement through community-rooted entrepreneurship.

## Are You Ready to Support ESOs?

ESOs are driving inclusive economic change by helping entrepreneurs, families, and communities build stability and opportunity together. Whether you are a funder, policymaker, or ecosystem partner, you have a role to play in sustaining that impact.

Support ESOs by investing in long-term capacity, valuing relationships and cultural work, and using metrics that reflect local definitions of success. Together, we can build a more equitable and resilient economy where every entrepreneur can thrive.

### Resources

You can find a robust set of resources in [this folder](#) and in the [Start Here Guide](#).<sup>1</sup> We also created several products that ESOs, funders, and evaluators can use in their pursuit of measuring entrepreneurship.

- **Entrepreneur Personas and Journey Map<sup>2</sup>**
  - The [Personas and Journey Map](#) developed with entrepreneur support organizations include five personas that represent the entrepreneurs they most often, and one journey map that has examples of the things that those entrepreneurs are doing, feeling, thinking, and needing in each stage of their business. These served as a jumping-off point to refine process and outcome metrics for the evaluation.
- **Entrepreneur Data Collection Form**
  - The [Data Collection Form](#) is a template spreadsheet that can be used by ESOs (or funders of ESOs) to collect entrepreneur-level data across a variety of domains such as basic demographics, business industry, stage of business, business practices, loan data (for CDFIs), and technical assistance information (for TA providers).
- **Entrepreneur Success Story Template**
  - The [Story Template](#) is a simple structured worksheet for ESOs to complete for their own entrepreneurs that describes them as individuals, their business, goals, service needs, and their accomplishments. A collection of entrepreneur stories, especially when repeated over time, can support multiple teams across an ESO including evaluation, program strategy, marketing/communications, and development.

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<sup>1</sup> Request access directly via Google Drive or by emailing [info@publicprofit.net](mailto:info@publicprofit.net).

<sup>2</sup> Personas are imaginary people whose characteristics reflect common patterns among actual clients, users, or participants that help communicate a rich, data-informed narrative about a group of clients while respecting individual privacy. Journey Maps are a visual way to show common stages of development over time.