

Guidelines for Small Circles for the Circle of Aunts & Uncles

For every borrower we provide a Small Circle of aunts & uncles who volunteer to support that entrepreneur/s during the term of their loan/s. All aunts & uncles are expected to join at least one small circle. Being a good aunt or uncle doesn't require that you have specific professional skills since what is often most valuable to the borrower is the moral support and sense of not being in it alone.

The purpose of the Small Circle

- Build trusting personal relationships with the entrepreneur that are supportive, and encouraging, almost like real aunts & uncles, so that the entrepreneur feels comfortable honestly expressing their challenges in order to receive the most relevant and helpful feedback and advice.
- Identify the social capital needs of the borrower and work to meet them through resources within our membership or our extended network, including help with accounting, management, strategic planning, legal issues, design and marketing.
- Provide a connection point between the entrepreneur and the rest of the membership.
- Be an advocate for the business with friends and colleagues.
- If the entrepreneur applies for a second loan from us, review the application and determine if the entrepreneur is ready. If so, recommend the loan to the full circle.

Role of Chair of a Small Circle

The chair works in partnership with the loan manager, Inja Coates, to provide leadership in the small circles and stay in touch with the entrepreneurs.

- The chair is the member contact with the entrepreneur, and so the chair should develop a personal connection with the entrepreneur. Along with the loan manager, the chair stays in contact with the entrepreneur, checking in occasionally.
- The chair takes notes at the small circle meeting of any commitments made to the entrepreneur by the members and follows up to insure follow through.
- The chair periodically reports back to the members at a gathering on how the entrepreneur is doing.
- The chair signs the loan documents on behalf of the Circle.

Small Circle Meetings

The loan manager, Inja, typically finds a date for the small circle meetings through a doodle poll, determines the meeting place and sends meeting announcements to the small circle members.

Either the chair or the loan manager runs the small circle meetings. The chair makes note of any commitments made by members to the entrepreneur and follows up to make sure they are carried out.

The loan manager and the chair coordinate communications with the entrepreneur to make sure the entrepreneur feels supported, but not overwhelmed.

At the first meeting:

1. The first meeting is typically also the loan closing. The loan manager prepares and brings the closing documents.
2. Each member introduces themselves, including what experience and/or interests they bring to the table.
3. The closing takes place and the small circle chair signs on behalf of the Aunts & Uncles. Be sure to take a photo of the entire group and send it to our administrator, Mary, for the newsletter.
4. From the loan application, review numbers 16, 17 and 18: the entrepreneur's immediate opportunities, their challenges, and their three goals for the term of the loan. Discuss ways in which the Small Circle might help the entrepreneur in these areas.
5. Determine any other social capital needs of the borrower and match with the resources within the small circle and/or find others in or outside of our membership to meet the needs of the borrower. We have non-member volunteers who can provide assistance in accounting, management, strategic planning, design, marketing and pro bono legal work.
6. Often times a member may have a contact in the same industry as the borrower who could lend assistance and advice.
7. Other questions you might ask:

Is your financial reporting in order? Do you have a good accountant? Is there anything concerning your financial situation that we should know about in order to support you? Are you able to support yourself from your business? Is that a goal? Is it realistic?

Do you need help with marketing and PR to increase sales? Cutting costs to lower expenses?

Do you need help in finding local suppliers?

8. At the end of meetings, determine any individual assignments or commitments that Small Circle members make to support the entrepreneur.
9. Ask the entrepreneur to contact the chair or loan manager if they have a question and when they are ready for an additional meeting of the Small Circle. Or set a date for the next meeting right then if the entrepreneur prefers.
10. Remember that even if the entrepreneur is struggling and needs guidance in some areas, it is important to support their leadership and expertise in their business. Our job is not to be the know-it-all who judges or advises from above, but share our knowledge collegially. We need to listen well in order to give good feedback

Examples of ways Small Circles have helped our entrepreneurs:

1. Connect the entrepreneur with a particular person to help with a particular problem. In the past, a Quickbook specialist helped to set up the books for Bower Cafe, a strategist helped with a business plan for Lobo Mau, a marketing person helped develop a marketing plan for Franny Lou and Fason de Viv, a pro bona lawyer helped with a legal problem an entrepreneur was having. A member with real estate expertise advised an entrepreneur about buying property. In some cases, a member has volunteered to do one-on-one coaching. These resources are typically Circle members or are non-member volunteers in our network who have offered to help our entrepreneurs.
2. Host a trunk show or a dinner party at a member's home showcasing the entrepreneur's product. Invite other members and personal friends to attend and buy from the entrepreneur. If it is a dinner, charge attendees for the dinner as we do at gatherings and pay the entrepreneur for the dinner. Trunk show sales go directly to the entrepreneur.

Examples of this is when an aunt & uncle hosted a dinner catered by Lil Pop Shop and we then went to the shop for dessert. Other aunts have hosted trunk shows for Lobo Mau and Alice Alexander in their homes. The steering committee has used Rowhouse Grocery food for two dinner meetings.

3. Find a colleague who has experience in the same type of business who might provide advice or informal mentoring. An aunt introduced an experienced dress shop owner to assist Fason de Viv. Another aunt introduced an experienced ice cream company CEO to Zsa's ice cream.
4. Find a colleague who might be a wholesale buyer for the product, such as a restaurant owner who might buy a food product like bread, pasta or ice cream. An aunt connected Philly Bread to a restaurant.
5. Organize a crowd shopping event at the entrepreneur's place of business and invite other members and friends to shop. The Small Circle typically provides wine and cheese, or other snacks for the event. We did this twice at the Lobo Mau studio. And we did this twice at the Fason de Viv shop before she moved to online sales only.
6. Organize a party using the entrepreneurs café as the venue which was done at Taco Angeleno when about 15 aunts & uncles attended for dinner.
7. If the entrepreneur has other interests, such as being a performer or artist, organize members to attend an event, such as an opening or concert, to help build relationships. In the past, we have had members attend a concert where Jordan from Lobo Mau was singing, and a theatre production that John Graves from Here's to Cool Stuff produced, directed, and performed.

Put on your creative, out of the box thinking about how to help our businesses by promoting them to our friends and neighbors, work colleagues and community associations, places of worship, clubs and other associations.

Our entrepreneurs and the Circle of Aunts & Uncles are co-creating an inclusive and sustainable local economy and community we all want to live in. There is collective joy in working together toward a shared vision! Thank you for your help.