

CLIMB: Converting Layoffs Into Minnesota Businesses Frequently Asked Questions for Service Providers

1. What is CLIMB?

CLIMB is a component of the state-funded Dislocated Worker (DW) program designed to assist aspiring entrepreneurs with training and consulting to assist in a successful business launch or growth.

2. What services does it provide?

CLIMB uses existing state DW program funding to provide small business consulting and training to interested program participants. Previously, business consulting was not an allowable use of funding; under CLIMB, it is an allowable use.

3. What services does CLIMB not provide?

CLIMB will not provide grants or loans to aspiring entrepreneurs or existing business owners. Business consultants with whom customers are working through CLIMB can assist with identifying possible capital resources, assist in the development of lender required loan documentation, and help facilitate contact with organizations that provide capital. The intent of CLIMB is to successfully prepare qualified program participants for business ownership through training and consulting.

4. Whom does it serve?

This program will serve current dislocated workers who express an interest in business ownership through self-employment.

5. When can customers begin receiving services?

The program services are currently available to customers.

6. Where will it be available?

Customers can engage the program by coming into or calling one of the nearly fifty Workforce Centers across the state of Minnesota that offer the state DW program. Once the individual is enrolled in the DW program, they can start receiving initial services. Business consulting and training services are available through the Small Business Development Network (SBDC), and any number of organizations that serve entrepreneurs and business owners (Women Venture, Initiative Foundations, etc.).

7. How will we track customer progress?

DW program service providers will track these services in Workforce One (WF1), where we have two CLIMB activities: CLIMB consulting and CLIMB training.

8. How do we track program outcomes and what standards will we apply?

We will track program outcomes just as we do for any other DW program participant. However, self-employed individuals do not show up in wage detail, so DEED staff are working to pull CLIMB program participants out of local providers' DW program performance and roll them up to the statewide level. This will remove any disincentive to serve aspiring entrepreneurs, who will have a different re-employment journey than a typical dislocated worker.

9. Are CLIMB customers still eligible to receive Unemployment Insurance (UI) benefits?

Yes. Minnesota passed legislation which made CLIMB participants eligible to receive Unemployment Insurance benefits while in the program, up to the maximum allowable weeks. This is likely the most important component to CLIMB. For DW program participants enrolled in CLIMB, three components of UI eligibility are waived:

1. The requirement to search for work (so that new business owners can focus on launching/growing their own business);
2. The earnings deductibility (so that any money a new business owner makes is reported, but not deducted from their UI benefit);
3. The 32 hour limit (so that new business owners can work in excess of 32 hours per week on their new businesses).

These customers need to report their weekly UI form using the hard paper copy method.

10. How can I serve an aspiring entrepreneur who is not eligible for CLIMB?

The Small Business Development Center network is an outstanding resource for individuals seeking to start or grow a business. Consultants with the SBDC are also willing to meet with a client for free for the first time as a part of the basic set of services offered to clients of the Small Business Administration.

There are also several additional resources for aspiring entrepreneurs, including and not limited to Women Venture, the Initiative Foundations throughout the state, and SCORE.

11. When do I exit my client?

This is a challenging question, because the answer varies from client to client. If your client launches a business, keep in touch to ensure s/he will no longer require business consulting services. These services are available as long as s/he needs. If your client decides to accept full-time employment elsewhere, and you would ordinarily exit him/her from state DW, be sure to exit your client out of CLIMB so that s/he will fall back into your local performance to count positively toward your local performance. Close the CLIMB activity as “not satisfactorily completed” in order to capture this individual in your local performance for DW program outcomes.