

Community Readiness Factors

Entrepreneurs do not operate in a vacuum. Their success depends to some extent on the community environment that may support, or in some cases, hinder their ability to grow and prosper. Your community's first step in implementing an entrepreneurship program is to assess how well the community currently supports its entrepreneurs. Through fieldwork sponsored by the RUPRI Center for Rural Entrepreneurship, we have identified six **readiness factors** that can determine whether a community can build a successful entrepreneurship-based economic development program.

The **six readiness factors** are described below.

- **Openness to Entrepreneurship.** Is the community open to exploring entrepreneurship as an economic development strategy? Central to such a commitment is the firm belief that within your community there are entrepreneurs who can create a new generation of successful businesses and there are service providers and community leaders willing to help them achieve success.
- **Balancing Business Attraction.** Does the community balance a traditional economic development approach with a focus on local businesses and on energizing entrepreneurs to create and build homegrown enterprises? For 50 years, the mainstay economic development strategy has been business attraction, particularly the search for industries. Supporting entrepreneurship requires a willingness to broaden the economic development strategy beyond the traditional recruitment model.
- **Entrepreneurship Programs.** Has your community had experience with entrepreneurship programs already? Check any of the following entrepreneurial programs that your community has experience with, either currently or in the past:
 - Networking infrastructure for entrepreneurs
 - Mentoring programs for entrepreneurs
 - Efforts to improve business services for entrepreneurs
 - Micro lending or other business financing services

- [] Entrepreneurial training programs such as “how to start a business” seminars or courses
- [] Business counseling services
- [] Youth entrepreneurship education programs
- [] Other programs specific to your community

- **Willingness to Invest.** Most rural communities have limited experience with entrepreneurial programs. Do not assume you cannot create an entrepreneurial development strategy if your experience with these kinds of programs is limited. What is most important is a *willingness* to develop and support these kinds of activities.
- **Leadership Team.** Can your community create a team that will work on an entrepreneurial strategy? To be successful, a community needs a core leadership team committed to building and supporting an entrepreneurship program. Remember, as Margaret Mead once said, *“Never forget that a small group of thoughtful, committed citizens can change the world. Indeed it’s the only thing that ever has.”*
- **Beyond Town Borders.** Is your community willing to create partnerships with other area communities to find the human and financial resources in order to be in the economic development game? Are you willing to look outside the community’s borders to find the resources to support your entrepreneurs? In today’s competitive world, we must collaborate to create enough scale and capacity to support effective economic development strategies.

Ranking Your Community’s Readiness Factors

Based on your understanding of the above Community Readiness Factors, you can rank your community on each readiness factor using a 1–5 scale, where 1 is a limited degree of readiness and 5 is a high degree of readiness. This exercise is useful in terms of identifying areas that may need to be strengthened as your community pursues an entrepreneurship development strategy.

Score Card:	Not Ready			Very Ready	
Factor 1 - Openness to Entrepreneurship	1	2	3	4	5
Factor 2 - Balancing Business Attraction	1	2	3	4	5
Factor 3 - Entrepreneurship Programs	1	2	3	4	5
Factor 4 - Willingness to Invest	1	2	3	4	5
Factor 5 - Leadership Team	1	2	3	4	5
Factor 6 - Beyond Town Borders	1	2	3	4	5

Overall Score _____ (circle and sum)

Understanding the Score

1-6	Weak Score – Little Readiness – Capacity Building Required
7-12	Soft Score – Some Readiness – Gap Filling Necessary
13-18	Good Score – Readiness Potential – Begin to Build on Assets
19-24	Strong Score – Readiness Present – Build on Assets
25-30	Very Strong Score – Considerable Readiness – Energize Your Entrepreneurs

Using this Tool to Assess Readiness

You can address these readiness factors as part of a focus group of community leaders and residents who have an interest in entrepreneurship. It is important to bring a diverse group of leaders together so that you get different perspectives on readiness. Service providers in your community, such as a business counselor with SCORE (Service Corps of Retired Executives) or the chamber president, may have very different views on the community's readiness for entrepreneurship development than the entrepreneurs themselves. Experienced entrepreneurs may view the community environment in a different way than do new start-up entrepreneurs. You should strive to get as many different views on your community's readiness as possible.

Once you've tabulated your readiness scores, you can use this information in two ways. The overall score can help give you and others in the community a sense of the starting point. Are we in a strong position as we begin to encourage entrepreneurs? Are we starting from scratch? This understanding can help you set realistic expectations for progress toward energizing entrepreneurs.

You can also use the scores for individual readiness factors to identify those parts of the community's environment that may require special attention as you develop an entrepreneurship strategy. If your score on **Openness to**

Entrepreneurship is low, you might want to ramp up your public relations efforts quickly to begin introducing the community to its successful entrepreneurs in very visible ways – a celebrate “homegrown” entrepreneurs day or ribbon cutting. If your **Beyond Town Borders** score is low, you might want to charge a committee of town leaders with the immediate task of identifying and connecting with regional service providers who might bring additional resources to your local entrepreneurs.