

ASSESSMENT SERIES OVERVIEW

Energizing Your Economy Through Entrepreneurship

Background and Introduction

The idea of ***asset-based development*** has evolved from an interesting idea advocated by John McKnight at Northwestern University to a widely accepted approach to community economic development today. The general idea is so simple – focus your strategies on what you have today (your assets) and build capacity over time to generate a more robust agenda tomorrow.

Our work at the RUPRI Center for Rural Entrepreneurship embraces asset-based development as fundamental to sound economic development in the 21st Century. This approach can only work with a solid and active assessment process. Assessment is fundamental to our ability to build strategies that make sense and can get economic development results. Assessment enables your community to focus on the right opportunities with the right resources. We need to discover the core assets within our communities if we are to build an optimal economic development game plan.

This piece provides an overview of our ***assessment approach*** and tools essential to building an asset-based development strategy for your community.

What is Assessment?

We have already made a quick case for why assessment is important. Now we need to explore the assessment process – what is it and how do we employ it in our community to craft the best possible development strategy. Let's focus on the question – ***what is assessment?***

The dictionary defines the word ***assess*** as follows:

*"...to analyze critically and judge definitively
the nature, significance, status or merit of..."*

This definition fits well our image of how assessment plays a central role in helping communities craft their best possible development strategies. Through

assessment we want to take stock of the key assets and needs within a community. This information gives us the right stuff to build strategies. So what kinds of assessment are recommended? Let's take a look.

Four Key Assessments

We can study our communities to death. We are not recommending a year-long study process in which your community is evaluated from every point of view. Rather we envision a 60 to 120 day process that focuses on four key assessments:

- ❖ Establishing a Baseline.
- ❖ Clarifying Development Goals.
- ❖ Mapping Development Assets.
- ❖ Understanding Entrepreneurial Talent.

Four Assessments

Within our recommended framework, there are four core assessments. Each of these assessments is quick and to the point. They provide the necessary information essential for building the optimal strategies.

Let's dig a bit deeper into each of these. We also have specific tools for each of these four assessment areas.

Establishing a Baseline

The whole point of economic development is to change things for the better. We want to create more business, more jobs, more income or an expanded tax base. It is important that we take a good look at the existing condition and the history of the community. Where is your community today and how did it get there? What are the key trends impacting your community? What have you been doing to address these trends? These are the kinds of questions we recommend in the ***Baseline Assessment***. With this work completed, we have shared insight, a reference point and a solid context for proceeding.

Clarifying Development Goals

Mark Twain is quoted as saying that "if you do not know where you are going, you may get there." His point is that without clear development goals and community agreement around those goals, we will likely end up ***nowhere***. Chances are your community already has shelves full of studies with development goals. Chances are also good that you have many different views

within your community on what your development goals should be. These views may range from “*I do not want any change, particularly if it is going to raise taxes...*” to very specific ideas of what the community should be doing.

We are not proposing a massive community-wide strategic planning process to generate new development goals. Rather we are proposing a short-cut process to nail down consensus views on what current development priorities should garner investment.

Mapping Development Assets

The idea of John McKight’s asset-based development philosophy is very powerful. When we embrace this approach it can free us from all the things we could be doing to focusing on the things that we can actually do something about. Our third assessment provides your community with a good understanding of all the development resources you could mobilize and employ to support your strategy.

Understanding Entrepreneurial Talent

A key element within development capacity is the entrepreneurial talent presently living and working in your community. You can only build an entrepreneurial economic development strategy based on the entrepreneurial or E talent you have. Over time, there are things your community can do to grow your E talent, but we are at a starting point and must work with what we have.

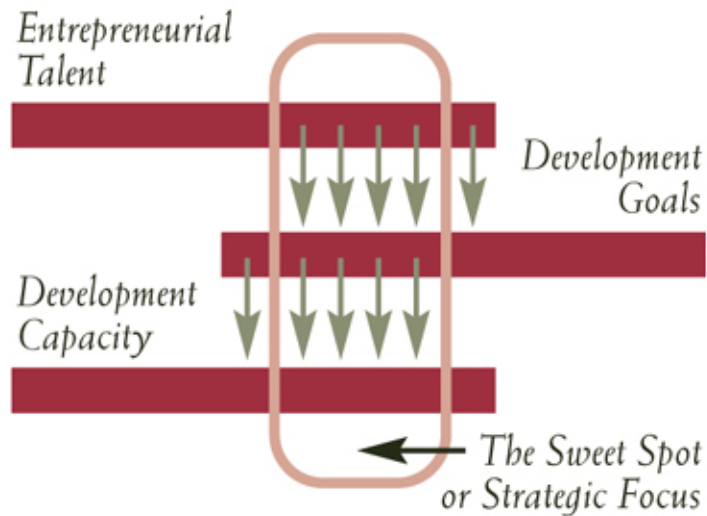
Entrepreneurial talent is an important concept. It suggests that you have folks in your community with ideas, motivations and some of the skills necessary for creating and growing better businesses. The whole point of this strategy is to create a supportive environment to enable these folks to get better at being entrepreneurs. This final assessment piece is the capstone to our assessment efforts.

Bringing It All Back Together

Okay, we have worked hard for the last 90 days getting all this assessment work done. We have discovered fantastic insights. We now know we have some great entrepreneurial talent, some solid agreement on where we want to go and the building blocks for a support system. So how do we bring it all together into a game plan we can take into the community and mobilize support?

This is the right question at this stage in your community’s work. There is no specific step-by-step process you can pursue but there is a way you can take this information and move to game plan and then action. We call it the crosswalk.

Finding the Sweet Spot



Consider these five simple steps in using assessment information to build your entrepreneurship economic development game plan.

Step 1. Begin with the last assessment piece or E talent. Working with the entrepreneurial talent you have right now is the place to start. Process this information and see where the opportunities are.

Step 2. Review the information you gathered about your development goals and expectations. What kind of possible development outcomes will you get by actively supporting certain kinds of E talent? Focusing on aspiring and startups can create new businesses and some new investment – but the gains will be modest. Putting your energy into existing entrepreneurs with growth plans can create immediate and significant development. But there are likely to be relatively few of these opportunities. The list goes on. But connecting your E talent opportunities with the kinds of short and long-term development outcomes is important.

Step 3. Think in terms of building a portfolio – just like your retirement portfolio. Invest in a range of things that fuel multiple short and long-term outcomes. Do not put all your investment eggs in one opportunity. Build a portfolio that meets development goals and supports the full range of E talent in your community.

Step 4. Before you make final strategy decisions, bring your information on development assets to the table. Having high growth entrepreneurs in town is a

great opportunity, but do you have the right stuff to help them. Ultimately we need to focus on those strategies where opportunity and development capacity

From Assessment to Strategy Building

We have found that this simple five-step process for bring together the information you have discovered through the assessment process provides a doorway to building the best possible game plan for your community.

match up. This part of the crosswalk helps identify where we are ready to go, where we have strengths, and also, where you community has capacity building work to do. For example, you may find that many of your main street businesses are owned and operated by folks near retirement. This is an important issue, but you may not have existing resources to address this need today. However, through this process, this development opportunity can be identified, prioritized and commitments made to build the development capacity to make a difference in outcomes.

Step 5. Bring it all together and use this information to find your optimal, doable and most strategic places to start. Once you reach step five in this crosswalk process, you are over halfway there in building your best game plan.

About this Series

Through each of the publications in this series, we provide guidance and tools for completing an entrepreneurship assessment in your community. Other publications in the series are:

- Establishing a Baseline Assessment in your Community (with sample assessments).
- Clarifying your Community's Development Goals.
- Mapping your Community's Development Assets.
- Understanding your Community's Entrepreneurial Talent.

About the Center

The Center for Rural Entrepreneurship is a RUPRI or Rural Policy Research Institute national research and policy center with founding support from the Ewing Marion Kauffman Foundation of Kansas City, Missouri. Our mission is to *enable every rural resident to achieve his or her full entrepreneurial potential*. This mission will be achieved by collaborating with individuals and organizations

engaged in the study, practice and policy of rural entrepreneurship. The Center supports research, field work, and policy development through collaborations with national, state and community interests. For more information on the Center for Rural Entrepreneurship, contact Taina Radenslaben at 402-323-7336 or taina@ruraleship.org .