

MAPPING YOUR COMMUNITY'S DEVELOPMENT ASSETS

Energizing your Economy through Entrepreneurship

Background and Introduction

The idea of John McKight's asset-based development philosophy is very powerful. When we embrace this approach, it can free us from thinking about all the things we could be doing to focus 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.

For too long in community economic development, we have focused on challenges, threats and deficiencies. In rural communities that have been struggling for a long-time, this negative approach can be a deal stopper from the very beginning. Employing an asset-based approach enables a community to focus on what it has and take a constructive approach to its development. This works better!

Energizing local entrepreneurial talent requires a supportive environment that can meet the needs of entrepreneurs on a real time basis. The following ***Entrepreneurship Development Asset Mapping Process*** is intended to help a community identify, assess and mobilize available development assets to create such a supportive system and environment.

Three-Step Process

A three-step process is recommended that moves the community from discovery of what it has (as well as where the gaps are) to the beginning stages of building a system of support.

Step 1 – Scanning Exercise

The first step in this process is the scanning exercise. A facilitated focus group is recommended as the best way to get this step completed. The community needs to recruit three to seven individuals with good knowledge of development resources available to the community. Including representatives from external service providers, such as state agencies, is a good idea and can help you complete this step more effectively. The group should meet for 90 minutes to 3

Mapping your Community's Development Assets

hours (depending upon the size of the community). The *Entrepreneurial Assets Checklist* (see Figure 1) and the *Scanning Exercise Worksheets* (attachment at end of publication) should be used to guide this work.

Figure 1 – Entrepreneurial Assets Checklist

| | |
|---|--|
| <p align="center">Programs</p> <p><input type="checkbox"/> Mentors/Peer Groups</p> <p><input type="checkbox"/> Self-Awareness Assistance</p> <p><input type="checkbox"/> Assessment</p> <p><input type="checkbox"/> Training</p> <p><input type="checkbox"/> Marketing</p> <p><input type="checkbox"/> Business Plan Development</p> <p><input type="checkbox"/> Feasibility Studies</p> <p><input type="checkbox"/> Technical Assistance</p> <p><input type="checkbox"/> Specialized Assistance</p> | <p align="center">Business Services</p> <p><input type="checkbox"/> Accounting</p> <p><input type="checkbox"/> Legal</p> <p><input type="checkbox"/> Human Resources</p> <p><input type="checkbox"/> Information Technology</p> <p><input type="checkbox"/> Financing</p> <p><input type="checkbox"/> Business Transfer Planning</p> <p><input type="checkbox"/> Production</p> <p><input type="checkbox"/> Marketing</p> <p><input type="checkbox"/> Market Identification & Development</p> |
| <p align="center">Capital</p> <p><input type="checkbox"/> Literacy</p> <p><input type="checkbox"/> Micro Lending</p> <p><input type="checkbox"/> Revolving Loan Funds</p> <p><input type="checkbox"/> Commercial Lenders</p> <p><input type="checkbox"/> State/Federal Program Linkages</p> <p><input type="checkbox"/> Angel Investors</p> <p><input type="checkbox"/> Seed Capital</p> <p><input type="checkbox"/> Venture Capital</p> | <p align="center">Entrepreneurs</p> <p><input type="checkbox"/> Aspiring</p> <p><input type="checkbox"/> Startups</p> <p><input type="checkbox"/> External Markets</p> <p><input type="checkbox"/> Growth Oriented</p> <p><input type="checkbox"/> High Growth</p> <p><input type="checkbox"/> Serial</p> <p><i>The entrepreneurial talent identification & targeting exercise will complete this part of the checklist.</i></p> |

We recommend that you start with “programs” and proceed to “business services”, “capital” and then “entrepreneurs.” Try to be specific and identify known resources that fit into the categories within the checklist. Ultimately, these identified resources can be organized into a resource directory that the community can use to trigger assistance for entrepreneurs once needs and opportunities are identified. The worksheets included at the end of this publication can help you compile this information.

Step 2 – Documentation

Step two involves documenting that the assets identified during the scanning process really exist. It can also involve verifying the quality and capability of each resource. For example, the community may have sound attorneys, but their scope of service might not include specialized law such as intellectual property rights. The documentation process can best be undertaken as entrepreneurs are identified, visited and assistance programs launched. This

Mapping your Community's Development Assets

approach allows the community to focus on finding resources necessary to meet the immediate needs of its targeted entrepreneurs.

Step 3 – System Building

Ultimately, entrepreneurs need and want a system of support. They do not want a director or an alphabet soup of supposed resources. What they need and want are safe (confidential) pathways to those resources that can help them with today's pressing challenges and opportunities. From the community's point of view, knowing what resources it has puts it in a stronger position to be responsive to its entrepreneurs as needs emerge.

Recruiting Your Team for the Exercise

This exercise involves the use of a focus group to scan the community and identify development assets useful to our entrepreneurial strategy. The following checklist can be used to help identify the kinds of persons that can be most effective in completing this work.

- ❑ Persons from the business community such as bankers who have knowledge of services.
- ❑ Staff and leaders from the local chambers of commerce and development corporations who have been engaged in economic development programs in the past.
- ❑ Local government officials (e.g., city, county, etc.) who have been engaged in economic development activities.
- ❑ Utility representatives with good connections to economic development resources.
- ❑ Outside service providers such as state development agency regional representatives.

There may well be differences of vision and view points. This is normal and part of community life. It is important that your team does not avoid or fuel this conflict. If the conflict is deep and emotion filled, get help. One cannot build a strategy on a bad foundation. If the conflict is modest, let the overall assessment process enable consensus building. Part of the strategy building process is to work through these differences and find common ground.

Remember - this is not a scientific survey. It is okay to be open to getting more input over time. There may be more groups or individuals that want or need to become involved. You should be open to using this tool at a number of points in

the future and incorporating what you've learned into your strategy building process.

Entrepreneurs within the Community

Possibly the most powerful resource for energizing entrepreneurial talent in our communities is other entrepreneurs. It's likely that there are successful entrepreneurs already within our communities with a rich range of experiences and knowledge. Identifying and knowing our entrepreneurs creates the opportunity for assessing these assets. Establishment of networking, mentor and peer opportunities can begin the process of connecting experienced entrepreneurs with those earlier in this process of creating and growing ventures. This is such an important part of the asset mapping exercise that we've devoted an entire publication in this series to this part of the exercise – Understanding your Community's Entrepreneurial Talent.

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:

- Overview of the Assessment Process.
- Baseline Assessment.
- Clarifying your Community's Development Goals.
- 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 .

Attachment #1 – Scanning Exercise Worksheets

Entrepreneurship Programs Available to the Community

| | |
|---|---|
| Mentor/Peer Group Programs | Awareness & Assessment Programs |
| Market Development & Marketing Programs | Business Plan Development & Feasibility Study Support |
| Technical Assistance Programs (1) | Training Programs (2) |
| Specialized Assistance Programs (3) | Other? |

(1) Examples of technical assistance programs might include manufacturing extension, Small Business Development Centers, microenterprise programs, the state Cooperative Development Center, etc.

(2) Examples of training programs might include FastTrac, REAL, Core Four and the like.

(3) Examples of specialized programs include the technology transfer and commercialization program at a university, the Import/Export Bank, and "e" commerce programs.

Business Services Available to the Community

| | |
|---|------------------------------|
| Accounting | Legal |
| Human Resources | Financing |
| Business Transfer Planning | Production Consulting |
| Marketing & Market Development | Other? |

Note – Not all business services are equal. Some services can address basic needs such as financial bookkeeping while others can handle the complicated issues of business transfer planning. One way to assess the capacity of the service is to look at the kinds of clients it serves. If a business service provider has clients with complicated and sizeable business structures, then it is likely that service provider has higher capacity levels.

Capital Available to the Community

| | |
|---|-------------------------------|
| Capital Literacy (1) | Micro Lending Programs |
| Revolving Loan Programs | Commercial Lenders |
| Linkages to State & Federal Financing Programs | Local Angel Investors |
| Seed, Venture & Equity Investors | Other? |

(1) Capital literacy is critically important and it relates to the entrepreneur's knowledge and experience with various forms of capital and financing arrangements. Strategies to help entrepreneurs become more capital aware are critically important.

Note – Chances are that multiple capital resources exist. Whether private or public, these resources are often complicated to use and challenge the entrepreneur. Creating help within the community that can assist the entrepreneur work through the red tape of these programs is critically important to building a capital rich environment.