

**RURAL POLICY RESEARCH INSTITUTE
CENTER FOR RURAL ENTREPRENEURSHIP
PROSPECTUS
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This paper is intended to introduce the RUPRI Center for Rural Entrepreneurship, summarizing what it is, what it believes, what it has achieved to date, and what it is seeking to accomplish in the coming years.

Rural Policy Research Institute

The Rural Policy Research Institute (RUPRI) provides unbiased analysis and information on the challenges, needs, and opportunities facing rural America. RUPRI's aim is to spur public dialogue and help policymakers understand the rural impacts of public policies and programs.

RUPRI is housed within the Harry S. Truman School of Public Affairs at the University of Missouri-Columbia and is a joint program of Iowa State University, University of Missouri, and University of Nebraska. Charles W. Fluharty is founder and director, and Brian Dabson is associate director. RUPRI receives core Congressional funding through the U.S Department of Agriculture.

RUPRI's expertise clusters encompass research, policy analysis and engagement, communications and policy/practice dissemination, information and informatics, and training/technical assistance. The RUPRI portfolio will soon comprise five centers and five panels, together with a set of core programs:

- **Center for Rural Entrepreneurship** – located jointly in North Carolina, Nebraska and Missouri, the Center is the focal point for efforts to stimulate and support private and public entrepreneurship development in communities throughout rural America. The Center conducts practice-driven research and evaluation and facilitates shared learning among practitioners and policy makers.
- **Center for Rural Health Policy Analysis** – located at the University of Nebraska Medical Center conducts original and contract research to better inform public policy in rural health care. The Center receives funding support from the U.S. Department of Health and Human Services' Office of Rural Health Policy.
- **Center for Rural Human Services & Poverty Policy** – located jointly at the University of Missouri, Oregon State University, and Washington DC the Center conducts research and policy analysis, mentoring, communication, and practice brokerage on the causes and consequences of rural poverty and on the community and institutional human services capacities needed to reduce poverty and increase family economic success in rural America.
- **National Institute for Rural Community Colleges** – a new joint venture to strengthen the community and economic development capacity of rural community colleges. RUPRI is partnering with the Rural Community College Alliance, the MidSouth Partnership for Rural Community Colleges, Alcorn State University and Mississippi State University.
- **Center for Regional Competitiveness and Innovation** – to be launched in 2006 as a joint initiative of six universities in Iowa, Kansas, Missouri, and Nebraska focused on regional approaches to tackling rural and urban challenges.

These centers are semi-autonomous entities with significant operating budgets, designated directors, external advisory boards, and national profiles. The panels are volunteer committees of nationally-respected experts created to inform public policymaking in specific sectors. They are:

- **Rural Health Panel** – provides policy analysis, knowledge dissemination, resource brokerage, and communications to inform public policy decision-making on rural health care.
- **Rural Human Services Panel** – currently in formation as a development of the Rural Human Services Technical Working Group that has been created to advise the Rural Assistance Center on rural human services activities and issues. It is intended that this will fulfill a similar range of functions to the Rural Health Panel.
- **Rural Telecommunications Panel** – brings critical issues of current telecommunications policy to the attention of rural people and policymakers at the state and federal levels.
- **Community Policy Analysis Network (CPAN)** – a national network of researchers who collaborate on building predictive models and tools to support better informed state and community policy-making.
- **Rural Entrepreneurship Panel** – to be formed in 2006, will provide policy analysis, knowledge dissemination and communication to public policymakers on issues related to rural entrepreneurship.

RUPRI central staff, located in Missouri, Washington D.C., and Texas, is engaged in core programs relating to national, state, and international policy, informatics, and rural governance, and which interact with and provide support for the centers and panels.

Center for Rural Entrepreneurship

Origins

The Center for Rural Entrepreneurship was created in 2001, with initial support from the Ewing Marion Kauffman Foundation and RUPRI, as an outgrowth of the Rural Entrepreneurship Initiative (REI) of the Kauffman Foundation, the National Rural Development Partnership, Partners for Rural America, and the Nebraska Community Foundation.

The Center's primary goal is to be *the* focal point for efforts to stimulate and support private and public entrepreneurship development in communities throughout rural America. It was founded in the belief that entrepreneurship development is an effective, and often the only route to building prosperous, dynamic, and sustainable economies across rural America. Four elements of entrepreneurship development are thought to be key:

- Focusing on energizing rural entrepreneurs
- Organizing entrepreneurship development services – capital access, training, technical assistance, networking – as systems
- Building entrepreneurial communities
- Encouraging social and public entrepreneurship

Collaboration was, and still is, the founding principle of the Center – the Center works with rural economic development practitioners and researchers across the country to conduct applied research and evaluation to gain insights into model practices and approaches. This learning is then widely shared with practitioners and policymakers to foster new and more effective approaches to rural economic development.

During its first five years, the Center has discovered a rich and growing field of entrepreneurship development practice throughout rural America and is actively engaged in a number of communities, regions, and states through evaluation and documentation, technical assistance, strategic planning and training support. **Accomplishments** include:

- Creating an expanding **network of practitioners** across rural America engaged in entrepreneur-focused activities in order to foster peer learning and advance knowledge and practice; convening intensive peer learning meetings with practitioners in Kansas City, MO and St. Paul, MN.
- Developing insights into **model practices** that are tailored to regional economic and social characteristics and different levels and motivations of entrepreneurs; researching and preparing a series of case studies on innovative entrepreneur strategies, including the Kentucky Highlands Investment Corporation, the Appalachian Ohio Regional Investment Coalition and the State of Maine; developing an evaluation framework for gathering information in a systematic way on the application of different entrepreneurship development models and approaches, including the Kansas Sirolli Initiative and Minnesota BizPathways.
- Creating a **website** dedicated to sharing rural entrepreneurship work, research and policy information, and more recently, in partnership with the Heartland Center for Leadership Development, producing *E² Energizing Entrepreneurs: Charting a Course for Rural Communities* which draws upon what the Center has learned from practitioners throughout rural America and provides a context, tools and resources for communities committed to creating an entrepreneurial culture.
- Offering a wide range of **training** opportunities from half-day in-service trainings to full week-long institutes, targeted at community leaders, economic development practitioners and policymakers; conducting statewide academies in a number of states enabling states and regions to explore and create entrepreneurship development strategies.
- Publishing a free monthly electronic **newsletter** highlighting recent developments in the field of rural entrepreneurship.
- Preparing **briefs** on entrepreneurship for national, state, and county level policy-makers.
- Making **presentations** on rural entrepreneurship across the country (and internationally) to audiences as diverse as the National Pedigreed Livestock Council to the California Statewide Economic Vitality Conversation to the Mississippi Annual Rural Development Conference.
- Collecting **stories** about private and civic entrepreneurs, and entrepreneurial organizations and communities to reinforce the case for entrepreneurship.
- Engaging in discussions with the nation's leading researchers and data analysts on ways to improve the quality of **data** on entrepreneurship activity and potential.

Philosophy

At the heart of the Center's work are three premises:

- **Entrepreneurship is a vital rural economic development strategy** There are several reasons for the increasing interest in entrepreneurship especially in rural regions and communities. First and foremost, the traditional approaches to recruitment and retention are just not working for most places, and leaders are looking for viable alternatives. Second, there is a growing body of evidence on the critical role that entrepreneurs and small businesses play in driving local and national economies. Third, the structure of rural economies is essentially composed of small enterprises, which are responsible for most of the job growth and the innovation; moreover, small businesses represent an appropriate scale of activity for most rural economies.

The increasingly competitive global economy has forced major restructuring in rural regions and communities and has accelerated shifts in population across the rural landscape. As rural America changes and becomes more diverse and complex, government policies and actions need to be correspondingly flexible and responsive, and individuals and families are challenged to be more creative and resilient if they are to survive and thrive. These forces bring two fundamental economic and community development principles into play. The first is the search for unique sources of **competitive advantage** that help to build a long-term sustainable economy. The

second is the identification of **assets** that can be built upon to support the competitive advantage. In every community, there are valuable human, economic, social, physical, natural, cultural, and institutional assets that can be leveraged for vitalization efforts. What ties competitive advantage and community assets together is **entrepreneurship**.

- **Entrepreneurship is first and foremost a human development strategy.** Many researchers and commentators on entrepreneurship prefer to focus attention exclusively on the enterprise or on the factors that drive high-growth-oriented entrepreneurs. Most service providers focus on products that they can offer to entrepreneurs. The Center, however, believes that it is necessary to create **pipelines** of potential entrepreneurs that flow into a large and **diverse** pool of active entrepreneurs, out of which will emerge steady streams of high achievers who will create jobs and wealth. This distinctive focus on the entrepreneur accepts that it is impossible to predict who the high achievers will be in advance, and recognizes that each entrepreneur has different education, skills, motivations, and resources that will dictate the nature and scope of services and supports required. Moreover, this human development orientation embraces the notion that it is never too early or too late to be an entrepreneur and that entrepreneurship skills can be acquired in a wide range of learning contexts.
- **Active community engagement is a critical determinant of the success of rural entrepreneurship development.** The Center believes that communities and regions should focus their economic development efforts and resources on entrepreneurship, thereby creating an environment of encouragement and support for initiative and creativity. This will also improve their ability to retain and expand their existing businesses, and improve their attractiveness to incoming businesses and investment. For rural communities and regions to be competitive and sustainable, they have to embrace: **collaboration** – pooling talents and resources across political, institutional, and geographical boundaries and working toward common futures; **stewardship** – identifying, celebrating, leveraging, and expanding the multiple assets of a community; and **innovation** – encouraging community members to be creative and resourceful in all of their endeavors. Communities also need to focus on creating entrepreneur-focused systems of support encompassing entrepreneurship education, training and technical assistance, access to capital and networks, and nurturing an entrepreneurial culture. It is clear that just as there are many different types of entrepreneur, there are many ways in which communities are ready and willing to support entrepreneurship – but without community support and engagement, entrepreneurship will not be a successful strategy.

The Next Three Years

The context for the Center in 2006 and beyond is one of a growing and widespread interest in entrepreneurship development as a rural economic development strategy, spurred on by the following:

- The creative work of many researchers and practitioners to build and test new models of entrepreneurship development.
- The Center's own activities in providing inspiration, insights and information to community and state leadership and practitioners across rural America.
- The Kellogg Foundation's major funding support for six rural entrepreneurship development systems and its work with CFED to raise the profile of rural entrepreneurship.
- The emergence of the National Coalition for Rural Entrepreneurship and its convening through the four regional rural development centers of listening sessions across the country to spark discussions and possible action at both state and federal levels.

The work program will have four main components:

- **Research** -- the Center will initiate and conduct practice-driven research, undertake contract research assignments, and provide policy analysis. Its focus will be on the following:
 - Case studies of programs and regions actively implementing innovative entrepreneur-focused strategies;
 - Evaluation of programs that appear to offer elements of successful practice in support of regional and community entrepreneurship development systems;
 - Metrics for assessing comparative entrepreneurial activities and performance across states and regions;
 - Metrics for assessing effectiveness of entrepreneurship as a rural economic development strategy;
 - National network of researchers and scholars to collaborate with the Center on the above.

- **Practice** – the Center will extend the scope and variety of products and tools to assist communities and regions to successfully apply lessons learned. Activities will include:
 - Modules and materials for tailoring *Energizing Entrepreneurs (e²)* to different markets and customers;
 - National network of high quality trainers to enable the Center to wholesale e² across the country;
 - Statewide and regional policy academies to encourage formation of sustainable entrepreneurship development systems;
 - Strategic consulting and longer-term technical assistance to communities, regions, and states with strategic significance for advancing the entrepreneurship field;
 - Workshops with practitioners within regions or around specific topics.
 - Institutionalizing the Rural Entrepreneurship Practitioners Network to provide networking opportunities by region and communities of interest.

- **Communication** – the Center will continue to expand its communication capacity to be the principal “go to” place for rural entrepreneurship policy and practice for diverse audiences including policymakers, practitioners, researchers, and funders. This capacity will include:
 - Website (www.energizingentrepreneurs.org) as the primary information portal about the Center and its activities, supplemented by electronic newsletters and list serve postings;
 - Convenings – conferences, seminars, workshops – to bring together scholars, policymakers, and practitioners to discuss and advance thinking on rural entrepreneurship;
 - Publications – a mix of peer-reviewed research papers, practitioner guides, policy briefs, and media articles to raise the profile of issues and policy options with a wider public.
 - Informatics – dissemination of data in accessible formats (reports and graphics) to achieve greater public understanding of the importance of entrepreneurship as a rural economic development strategy.

- **Policy** – the Center will make available the learning from its research and practice activities to help policymakers at state and federal levels make informed decisions that impact entrepreneurs and entrepreneurship development in rural America. Activities will include:

- Testimony and other materials as requested by Congress and state capitols on rural entrepreneurship policies and impacts;
- Briefings for trade associations and public interest groups who are active in pursuing legislative initiatives that could impact entrepreneurs and entrepreneurship development in rural America.

Governance

The Center for Rural Entrepreneurship is part of the Rural Policy Research Institute at the University of Missouri-Columbia. The Center's Core Management Team includes **Deborah Markley**, Managing Director and Director of Research in Chapel Hill, North Carolina; **Don Macke**, Director of Practitioner Programs in Lincoln, Nebraska; **Brian Dabson**, Associate Director of RUPRI in Columbia, Missouri; and **Karen Dabson**, Director of Program Development and Marketing in Columbia, Missouri.

There is an Advisory Group to provide strategic advice and counsel and to provide expanded networks and visibility for the Center. Members are:

- **John Allen**, Director, Western Rural Development Center, Utah State University
- **Becky Cleveland**, The Brookfield Area Growth Partnership, Brookfield Community Development, Inc., Brookfield , Missouri
- **Victor Dau**, Director, Small Business Center , Randolph Community College , Asheboro , North Carolina
- **Jay Kayne**, Cintas Chair in Entrepreneurship, Richard T. Farmer School of Business, Miami University , Oxford , Ohio
- **Wally Kearns**, State Director, Kansas Small Business Development Center Network, Topeka , Kansas
- **Thomas Lyons**, Professor and Director, Center for Research on Entrepreneurship and Enterprise Development, University of Louisville , Louisville , Kentucky
- **Elsie Meeks**, Executive Director, First Nations Oweesta Corporation, Rapid City, South Dakota
- **Welthy Soni Myers**, Senior Manager, Association for Enterprise Opportunity, Arlington, Virginia
- **Kimberly Pate**, Director of Field Development, CFED, Washington, D.C.
- **Leslie Scott**, Director, Institute for Rural Entrepreneurship, North Carolina Rural Economic Development Center, Raleigh, North Carolina

The Center partners with organizations across the country that are focused on encouraging entrepreneurship development at the local, state and federal levels. These partnerships include strategic relationships such as with the Western Rural Development Center, the Nebraska Community Foundation, the Heartland Center for Leadership Development, EntreWorks Consulting, and CFED. The Center is also engaged in cooperating partnerships on specific projects to advance rural entrepreneurship, such as with the Kansas Small Business Development Center, Georgia Tech's Economic Development Institute, the Rural Learning Center in South Dakota, and the North Carolina Rural Center.