

Center for Rural  
Entrepreneurship

energizing entrepreneurial communities



**Community Readiness**  
**Determining Factors & Learning Tools**



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## About This Guide

An important step in entrepreneur-focused economic development is determining your community's readiness. This guide offers important tips for assessing where your community is now and what you need to do to get ready for entrepreneurship. It also directs you to other useful resources, including a paper by Milan Wall of the Heartland Center for Leadership Development.



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## Other e2 University Packages

- Energizing Your Community
- Organizing for Action
- Opportunity Assessment
- Strategy & Marketing
- Entrepreneurial Development Systems
- Working with Entrepreneurs
- Implementation Coaching



## Introduction

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 undertaken by the Center for Rural Entrepreneurship, we have identified six **readiness factors** that can determine whether a community can build a successful entrepreneur-focused economic development program.



The graphic above illustrates the typical process a community or region will go through from the point when a decision is made to pursue entrepreneur-focused development to the day down the road when you document trend line changes in your community. Our field experience is clear: ensuring your community is **ready** for success is essential. The first step in succeeding with this development approach is testing your commitment or readiness to vision, develop, implement and sustain an entrepreneurship game plan. We hope this Guide and the associated resources within our Readiness Package help your community move down a pathway to prosperity.

## The Six Readiness Factors

**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 more traditional economic development approach with a focus on supporting local businesses and 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 this traditional recruitment model.

**Entrepreneurship Programs.** Has your community had experience with entrepreneurship programs already? Stop and highlight 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



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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 needed 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)					
<b>Understanding the Score</b>					
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.

## Other Readiness Resources

The other resources in this Readiness package will help you dig deeper in developing your readiness for entrepreneur-focused economic development. Use **Community Readiness Assessments** to develop an understanding of the assessments you need to undertake in your community as you move this work forward. We encourage to read and to share with others in your community **Community Readiness for Systemic Change** by our colleague, Milan Wall at the Heartland Center for Leadership Development. This piece offers a nice overview of why community readiness matters for community and economic development.



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For a good overview and insights into what it will take to be successful with economic development, we suggest you spend time with **10 Keys to Community Success**. Combined with the ranking of your community's readiness, these keys will help you identify places where you need to devote time and resources as you move your work forward.

Since our emphasis is entrepreneur-focused economic development, one important step in understanding your community's readiness is identifying the resources you have to support entrepreneurs. Use the **Mapping Entrepreneurial Resources Worksheets** to do an initial exploration of the resources you have to build upon.

Finally, you may use the Simple Community Readiness Test and the Moderate Community Readiness Test with groups across your community to develop deeper insights into how ready your community is to undertake entrepreneur-focused economic development and both the strengths and weaknesses that reflect your starting point along this journey.



## How The Center Can Help

The Center can help you increase prosperity through entrepreneur-focused economic development in a number of ways:

- **Awareness.** We can help you raise awareness of the entrepreneurship opportunity through keynote speeches, workshops and informational webinars.
- **Mentoring & Advising.** We offer very affordable mentoring to community leaders attempting to build or strengthen a strategy. This support can include procuring project funding.
- **Assessment.** We can provide quick to in-depth opportunity assessments essential for smart game plan development. We also have a team that does Targeted Industry Studies.
- **Strategy Development.** We have extensive experience helping communities craft customized and optimized development strategies.
- **Training.** Via our Working with Entrepreneurs program, we provide comprehensive and field tested training for development practitioners and leaders.
- **Implementation Coaching.** We can provide implementation coaching customized to your game plan on a real-time basis through modest retainer arrangements.
- **Sustainability.** We can help you find the long-term funding to ensure robust support for your entrepreneurship strategy.

Our Entrepreneurial Communities team is led by Don Macke, with more than 38 years of development experience. We have established a national team of practitioners, both inside and outside the Center, who bring research, coaching, incubation, market intelligence and other content expertise to this work. Additionally, we can draw on one of the largest networks of entrepreneurship practitioners across North America to support specific projects and provide learning partners for advancing our work and bringing value to your community.

## Questions & More Information



Don Macke

[don@e2mail.org](mailto:don@e2mail.org)

402.323.7336

[www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org)

**The Center for Rural Entrepreneurship's** mission is to help community leaders build a prosperous future by supporting and empowering business, social and civic entrepreneurs. With our roots and hearts in rural America, we help communities of all sizes and interests by bringing empowering research, community engagement and strategy development to you through our many Solution Areas. Our **Solution Area Teams** empower communities to discover their own answers to the challenges and opportunities they face:

- **Community Development Philanthropy:** Providing research and community engagement strategies that help communities build philanthropic capacity and create development resources now and in the future.
- **Youth Engagement:** Providing tools and a framework for communities to engage young people now and to bring them home in the future.
- **Measurement Research Policy:** Providing the tools to help communities define development goals, measure success and improve outcomes.
- **Entrepreneurial Communities:** Providing a roadmap for communities to design and deliver entrepreneur-focused economic development strategies that work.

To learn more about us, go to [www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org).

421 S. 9<sup>th</sup> Street, Suite 245  
Lincoln, NE 68508  
(402) 323-7336

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