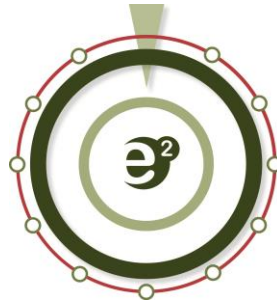


Center for Rural
Entrepreneurship

energizing entrepreneurial communities



Entrepreneurial Communities Initiative
Growing an Entrepreneurial Community
Diversification – Prosperity – Resilience



About This Guide

Entrepreneurship depends on much more than finding small businesses that want to grow or fresh blood to start up new businesses. It depends on a community that not only encourages entrepreneurs, but gives them the tools and help they need to achieve their goals. Over the years, the Center has helped communities across North America determine how to develop systems that support local entrepreneurs on every level.

Related Resources

The Center has an entire collection of worksheets and exercise resources. Pricing for this Guide is \$10 (digital) and \$20 (printed). The price for the Assessment Worksheets and Exercises is \$25 (digital) and \$50 (printed). These prices are for individual community use. If you want to employ these resources for multiple communities please contact Don Macke at don@e2mail.org

Other Guides in this Series

Energizing Entrepreneurs (e2)

Series:

Entrepreneurial Communities
Keys to Growing Entrepreneurial
Communities
Growth-Oriented Entrepreneurs
Economic Gardening
Readiness for Entrepreneurial
Development
Entrepreneurial Development
Opportunities
Community Coaching
Entrepreneur Coaching
Area Resource Networks and Teams
External Networks



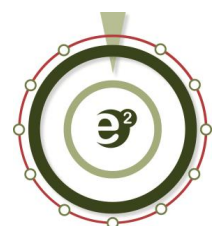
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GROWING AN ENTREPRENEURIAL COMMUNITY

You have decided...

Entrepreneur-focused economic development makes sense for your community.

You are challenged...

Trying to figure out how to get started.

You are looking for...

A framework or road map and process for moving forward.

This prospectus provides overview information on our evolving **Entrepreneurial Communities Initiative (EC)**. We hope this information is helpful in explaining how this Initiative can help your community achieve community and economic development success through the intentional support of your entrepreneurs.

Community success in this new era of economic uncertainty and challenge is rooted in increasing economic and social diversity, resilience and prosperity.

Diversity. Single industry communities are at risk just as eco-systems that have narrowed their diversity through mono-cultures are at risk.

Increasing the diversity of both primary and secondary economic activities is paramount today.

Resilience. Economies that are more diverse with broadly shared prosperity are more resilient. Resilient economies and societies are better equipped to weather shocks, reducing recessionary times.

Prosperity. Communities that are able to generate wealth defined broadly and shared widely among all residents are better able to achieve and sustain higher levels of prosperity enabling improvements in economic, civic and social life.

Defining Community

For the purposes of this prospectus, community may include a specific village or city, county or township, or a regional community of place. Community may also include communities of interest based on the development of value chains, such as farm to table food systems.

Questions and Additional Information

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Suite of Resources

The following table provides a summary of the suite of resources available through the **Entrepreneurial Communities Initiative**. Resources in **bold** are core elements and the most likely starting points for communities. Those resources in *italics* represent additional building blocks that contribute to a more robust and comprehensive system of support for your entrepreneurs.

Community Organizing Framework and Process	Building a Success Measurement System	<i>HTC Community Capacity Building</i>	<i>Leadership Funding Youth</i>
Developing/Training of Community and Entrepreneur Coaches	Entrepreneurial Community Infrastructure Development	<i>Strategy Capitalization and Sustainability Support</i>	
Entrepreneur Growth Planning Support	<i>Capital Access E to E Networks Resource Networks Market Intelligence Wrap Around Services</i>	<i>Short-Term Capitalization Game Plans</i>	<i>Permanent Funding Endowments</i>

Detailed resource information is available for each item listed in the above table. We can also provide examples, references and cost ranges. Value-added resources are typically customized based on the outcome and learning from the core development work.

Background – Challenge and Opportunity

Based on field work from throughout North America and particularly our learning through the **Kansas Entrepreneurial Communities Initiative** (KECI), we have created a flexible road map that provides both an organizing framework and process for growing your community's optimal entrepreneur-focused economic development strategy.

America continues to face significant economic challenges in the aftermath of the Great Recession. For many communities, the magnitude of the economic downturn is more comparable to a depression than a recession. Richard Florida, in *The Great Reset*, makes the case that we will not have a typical economic recovery as we have seen following past recessions. Rather a reset is occurring where the status quo economically, socially and politically is being turned on its head and a new order is emerging. There is a heavy price to pay with such a reset, but there is also opportunity. To offer some hope, Florida documents the remarkable progress and prosperity that emerged from the Long Depression of the 1870s and the Great Depression of the 1930s.

The reality now is that communities across America are searching for strategies that can lead to greater economic development success. As you explore how our **EC** resources

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can help you discover your new formula for success, consider what we have learned about the important building blocks of a successful strategy:

Finding Your Entrepreneurs. Possibly the greatest challenge faced by communities pursuing E Strategies is actually identifying and engaging area entrepreneurs. Even the best strategies with well-defined and high quality resources are struggling to connect with entrepreneurs. Our framework and process can help your community not only map and target your entrepreneurial talent, but develop an optimal outreach strategy to connect with your entrepreneurs.

Filling the E Pipeline. Economic development would be easy if our communities were full of capable growth entrepreneurs ready to access help and realize success. Unfortunately, the more likely reality is that your community has entrepreneurs with passion, some talent and some growth potential, but requiring development support and polishing before real growth can occur. The second element in meeting the needs and realizing the opportunity is crafting a realistic game plan for building and filling an entrepreneurial pipeline, from brand new aspiring to high growth entrepreneurs.

Entrepreneur Confidence. In our current highly uncertain economic environment, one of the greatest economic development challenges we face is entrepreneur confidence. Even entrepreneurs, who are well seasoned, came through the Great Recession well, have access to capital, and hold opportunities for growth are reluctant to move forward with new investment and growth plans. The fear factor grows for less seasoned and resourced entrepreneurs. A key **EC** strategy element is to help entrepreneurs gain confidence so that they are able to make sound decisions regarding growth.

Our approach is to accelerate entrepreneurial development in a tough and uncertain economy by being focused, bringing strategic assistance to the entrepreneur and providing increasingly valuable assistance as it is needed over time. This approach can, over a period of years, grow a more diverse, resilient and prosperous business community and economy.

EC Keys to Success

What contributes to the success of the **Entrepreneurial Communities** model? Here are some of the keys to success, the absence of which often explains why entrepreneur-focused economic development may come up short in some communities.

#1 – The Roadmap. Every community is different and requires a customized approach. The *EC Roadmap* provides a flexible framework and process that enables communities to play to their asset and opportunity strengths and pursue development preferences and goals that are locally based. There is no “one proven strategy” that applies everywhere and thinking that what worked in one place can be applied whole cloth in another community often leads to disappointing results.

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#2 – Assessment. The five-part assessment process enables two important outcomes. First, the assessment provides a community with necessary information to grow a “smart” strategy, grounded in local realities, that has the greatest potential for success. Second, the assessment, when undertaken by a broad group of potential stakeholders, creates consensus within the community that liberates leadership, volunteers, funding and necessary political support for moving forward. Without the information and commitment that the assessment can generate, communities are often left to move forward without a deep understanding of their starting point and what they have to build upon.

#3 – Community Responsibilities. In the United States (unlike many other developed nations), development is largely a local responsibility. Most external resources (e.g., federal, state, regional and private) are there to help communities, but not to ensure a community’s development. The **EC Framework** provides a community with a clear set of jobs for which it must take responsibility, enabling it to leverage available area and external resources. This step helps community organizations understand the unique and important roles they play in contributing to success, giving everyone an opportunity to participate in ways that are both efficient and effective.

#4 – Community Coaching. We employ a tried and true American tradition – coaching. Our **EC** process employs community coaches who help a community employ the **EC Roadmap** through a customized approach combining guidance, technical assistance and problem solving. Community coaches work with your community throughout the first 18 months of the start-up process. Just as with any coach, these community coaches help to bring accountability and focus to the **EC** process.

#5 – Entrepreneur Coaching. We also employ another form of coaching – entrepreneur coaching. A key objective is to recruit, train and support a community team of entrepreneur coaches. E Coaches are not business counselors, but rather provide one-on-one engagement with targeted entrepreneurs, identifying needs and opportunities and working to network Es to the right resources.

#6 – Go To Resources. In today’s fiscal climate, we must be creative and employ all available relevant resources. A key success factor is identifying and engaging regionally available GO TO resources. GO TO resources are those service providers in your area who have a mission and capacity to meet most of your entrepreneurs’ needs. Examples of GO TO resources might include the area Small Business Development Center, regional development finance programs, E Programs at area community colleges and the like.

#7 – External Resource Networking. Chances are good that you cannot meet all your entrepreneurs’ needs with local and GO TO resources. Creating a direct and scalable approach to identifying and engaging more specialized external resources is a key to success. Your ability to engage entrepreneurs is based on your ability to create value for them. Creating an effective and efficient external resource network creates real value for your entrepreneurs.

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#8 – Community Building Process. Central to trend-changing success is mobilizing the broader community in support of your strategy. This engagement takes patience and time, and an intentional game plan for community building. Our framework provides a process that grows larger and deeper roots in the community that, in turn, support your entrepreneurship strategy. The community building process leverages leadership, volunteers, partners and funding.

#9 – Working with Entrepreneurs Training. We have extensively explored how we can best help communities to jumpstart their entrepreneurship efforts. Key to our emerging success has been the use of our **Working with Entrepreneurs** webinar training. We have found that if a community team jointly goes through this training and employs the various exercises, with guidance and support from the community coach, this can accelerate shared discovery and consensus around strategy. This early buy-in can leverage necessary support to move forward with stronger capacity for implementation.

#10 – Capitalizations and Sustainability. Entrepreneur-focused economic development is like raising a child – it is a long-term proposition. Successful strategies eventually are properly capitalized and staffed. Strategies that move the trend-lines must be sustained over time.

Community Organizing Process

This process often starts with community **scouts** – people from the community who discover entrepreneur-focused economic development and bring the concept back home for consideration. If the idea makes some sense and there is energy, early community **champions** will emerge who advocate for moving forward. Somewhere along the trail, champions discover the **Entrepreneurial Communities** resource and bring it to the community for exploration. Use of the **EC Roadmap** can help your community find the “right” starting point for engaging in entrepreneur-focused economic development. If this work is sustained and proven successful, champions will evolve into community **stakeholders**. Community stakeholders assume ownership of your community’s entrepreneurship game plan, providing early critical advocacy, financial support and political cover. As the game plan is implemented and begins to demonstrate economic development impacts (e.g., investment, jobs and tax base expansion) stakeholders evolve into **investors**. Investors have confidence that your strategy is working and will make a real difference in your community’s economic future. These are Warren Buffett-type investors – people who are committed deeply and for the long-haul.

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The basic elements of the **community organizing process** are summarized in the following table:

<p>Community Readiness</p>	<p>Taking time to seriously take stock of your community's readiness for embracing a significant new economic development effort is the starting point for this process. It is better to evaluate readiness and decide not to go forward, than to start and fail.</p>
<p>Community Commitment</p>	<p>The outcome of evaluating community readiness is a broad-based and deep community commitment to move forward. Not everyone must be on board, but there must be enough champions to create a real opportunity for success with the strategy to be created.</p>
<p>Five-Part Opportunity Assessment</p>	<p>We employ a five-part opportunity assessment that helps a community collectively discover its own assets and preferences for building an entrepreneurial economy and society. This process provides the building blocks for more effective strategy development and ultimately the shortest road to economic development impact.</p>
<p>Early E Strategy Development</p>	<p>The assessment process enables community discovery and consensus around an appropriate and optimal early entrepreneurial strategy. This is the starting point for moving to action. There are often too many strategy choices so evolving the right areas of focus is essential to both effectiveness and efficiency.</p>
<p>Creating a Measurement System</p>	<p>Before you move forward with implementation, it is essential to decide how you will measure success. Being able to talk about the progress you have made toward achieving impacts in the community requires that you first establish your baseline and then intentionally measure your progress at points across time.</p>

Entrepreneur Engagement Process

The following table summarizes our basic entrepreneur engagement process employed within our *Entrepreneurial Communities* framework:

<p>Entrepreneur Identification, Mapping and Targeting</p>	<p>Every successful entrepreneurship strategy must identify its customers. The first stage of the engagement process involves entrepreneurial talent identification and mapping, followed by setting strategy priorities through entrepreneurial targeting.</p>
<p>Entrepreneur Outreach and Program Branding</p>	<p>Once targeted customers are identified and prioritized, the next stage within the engagement process involves outreach to entrepreneurs to begin the process of client development. Eventually the strategy needs to be effectively branded so that it markets itself to targeted clients.</p>
<p>Entrepreneur Intake, Screening and Portfolio Development</p>	<p>A key outreach activity involves the art form and science of entrepreneur intake and screening. In this third engagement stage, entrepreneurs are screened for fit with the community's strategic aims and your potential to provide real, valuable assistance. Out of this process comes the development of a strategic portfolio of clients based on both opportunity and targeting.</p>
<p>Entrepreneur Referral, Assistance and Tracking</p>	<p>The entrepreneur coach's role is not necessarily to provide assistance, but to ensure referral to the best possible resource. The fourth stage in the engagement process involves effective and efficient referral, provision of assistance and the tracking of assistance progress, entrepreneur and resource provider satisfaction and economic development outcome tracking. The tracking of economic development outcomes is directly related to the measurement system created as part of the community organizing process.</p>
<p>Economic Impacts Investor Development Program Sustainability</p>	<p>The last stage in the process is keeping faith with your investors or the folks who are supporting your strategy. Effective and regular communication is key to growing investor confidence and ensuring program growth and sustainability. What you report should be clearly tied to your measurement system and the outcomes sought by your key investors and stakeholders.</p>

Key Initiative Roles

So how does this all get going? The following table highlights the key roles that must be played to bring ***Entrepreneurial Communities*** to your geography:

<p>Catalyst and Host Organization</p>	<p>The keystone to making this happen is a catalyst and host organization or institution that takes ownership for visioning, evolving and launching the <i>Entrepreneurial Communities</i> initiative. To achieve real and lasting progress, there must be robust leadership willing and able to bring this opportunity to a geography.</p>
<p>Early Strategic Partners</p>	<p>One of the first actions for the Host Organization is to identify and recruit a limited number of potential strategic partners who can greatly enhance the design and launch of the initiative.</p>
<p>Initiative Team</p>	<p>The Host Organization and its Strategic Partners assign leaders and staff to constitute an Initiative Team that is charged with the day to day development and execution of the initiative. This is a working team and includes the requisite skills essential for success.</p>
<p>Community Coaches</p>	<p>Key to our success in communities is the use of coaches and coaching teams. Coaching Teams engage one-on-one with community partners, supporting them through the entire process from readiness assessment to early implementation and strategy refinement.</p>
<p>Community Engagement Process</p> <p><i>Once these 5 steps are complete, the community organizing process begins as shared above.</i></p>	<p>The community engagement process involves the following primary actions:</p> <ol style="list-style-type: none"> <i>1 – Initiative team defines the resource package to be offered to partner communities.</i> <i>2 – Partner communities are identified and targeted.</i> <i>3 – Invitations to become an initiative partner community are extended, either directly or through a Request for Engagement.</i> <i>4 – Initiative team ensures that commitment to move forward reflects an inclusive, broad-based and open community decision making process.</i> <i>5 – Partner communities, including the lead partner in the community, are selected.</i>

Working with Entrepreneurs Webinar Training

We offer comprehensive webinar-based training for communities focusing on the **skill sets** needed to effectively work with your community's entrepreneurs. This seven session training program focuses on entrepreneur identification, targeting, outreach (including surveys and visitation), intake, screening, referrals and tracking. Our program also includes a second session focused on the art and skills of coaching entrepreneurs.

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Role for the RUPRI Center

The following table summarizes the role that the RUPRI Center for Rural Entrepreneurship plays in support of a typical ***Entrepreneurial Community*** initiative.

<p>Entrepreneurial Community Framework and Process</p>	<p>The Center and its seasoned team provide the framework and process for the initiative. A critical early activity is to evaluate the local or regional landscape including history, players and relevant issues. This evaluation enables the Center to help the Host Organization customize the framework and process.</p>
<p>Initiative Team Support and Mentoring</p>	<p>The Center Team provides direct and active support to the Initiative Team through the early organizing and start-up work. The Center continues to provide mentoring support, as needed, to help explore opportunities and trouble-shoot problems.</p>
<p>External Assessment</p>	<p>The Center provides an external assessment of the partner community's opportunities for entrepreneur-focused economic development. This assessment can be a catalytic force for motivating communities to push harder with assessment and strategy development.</p>
<p>Working with Entrepreneurs Webinar Training</p>	<p>Twice a year (and on a customized basis), the Center offers a seven-week live webinar-based professional training program. This program guides partner communities and community coaches through the early organizing, assessment and strategy building phases of <i>Entrepreneurial Communities</i>.</p>
<p>Story Capture and Packaging</p>	<p>Building on your measurement system, we can assist with building a strategy to capture and share the story of your success, essential for developing investors and sustaining your strategy over the long term.</p>
<p>Scale-Up and Sustainability Assistance</p>	<p>Finally, succeeding with entrepreneur-focused economic development (like all kinds of economic development) requires patience and dedication. The Center can help Host Organizations and their partners create realistic scale-up and sustainability strategies, including the development of targeted community-based philanthropic dollars.</p>

Questions & More Information



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e² University

The Center can help your community or region increase prosperity through entrepreneur-focused development in the following ways:

Awareness. We can help you raise awareness of the entrepreneurship opportunity through key note speeches, workshops and informational webinars.

Mentoring & Advising. The Center can provide very affordable mentoring to community leaders attempting to build or strengthen a strategy. This support can include procuring funding for project developments.

Assessment. The Center can provide quick to in-depth opportunity assessment essential for smart game plan development. We also have a team that does Targeted Industry Studies.

Strategy Development. The Center has extensive experience in helping communities craft customized and optimized development strategies.

Training. Via our Working with Entrepreneurs Program, we can provide comprehensive and field tested training opportunities for development practitioners and leaders.

Execution Coaching. The Center provides specialized game plan implementation coaching on a real-time basis through modest retainer arrangements.

Sustainability. Finally, the Center can help your community find the long-term funding to ensure robust support for your E Strategy.



The e² Team is led by Don Macke, Co-Director with the Center for Rural Entrepreneurship. Don has more than 38 years of community economic development experience and has worked with regions and communities throughout North America and the Caribbean. The e² team includes Ahmet Binerer (research), Deb Markley (metrics & research), Dana Williams (logistics), Ann Chaffin and Kyle Cummings (communications).

Over the years, the Center has developed close relations with some of the best working in the field of entrepreneurship including Leon Atwell and Jack Newcomb (master community & business coaches) from Kansas, Christine Hamilton-Pennell (market intelligence) based in Denver, Colorado, Dick Gardner (master community coach) from Boise, Idaho and Quincy Ellis and Greg Clary (master community coaches, entrepreneurship experts and incubation authorities) from Texas. Additionally, the Center has one the largest networks of entrepreneurship practitioners in North America who can be drawn upon to support specific projects.

The Center for Rural Entrepreneurship's vision for rural America is one of vibrant communities and regions that embrace entrepreneurship, that find new sources of competitive advantage in their inherent assets, and that invest in a new more sustainable future for both present and future generations. The Center's mission is to help our local, regional and state partners achieve this future by connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy.

To learn more about the Center's history and program areas, go to

www.energizingentrepreneurs.org

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The Rural Policy Research Institute (RUPRI) provided founding support to create the Center for Rural Entrepreneurship in 2001. RUPRI's mission is to provide independent analysis and information on the challenges, needs, and opportunities facing rural people and places. The work of the Center for Rural Entrepreneurship, along with other centers and collaborations, helps RUPRI achieve this mission. To learn more about RUPRI, visit www.rupri.org.