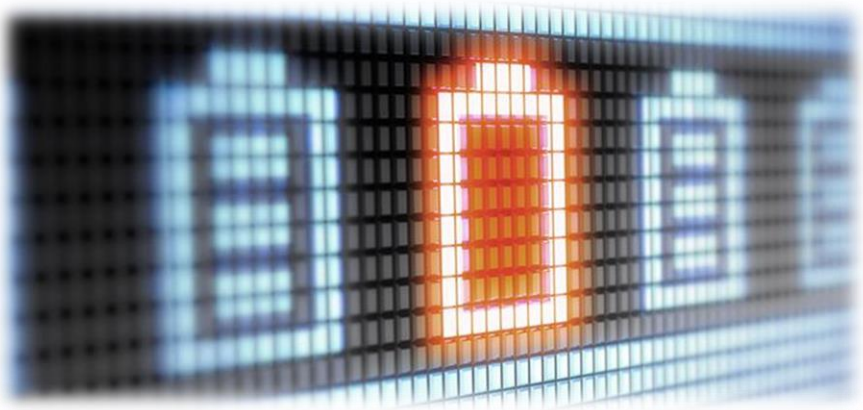
Center for Rural Entrepreneurship

energizing entrepreneurial communities

e2 SM University

Energizing Your Community

For Entrepreneur-Focused Development



May 2014

About This Guide

Communities across North America have taken a huge economic hit with the Great Recession and the uncertain and slow recovery. Many communities are searching for economic development strategies that can renew prosperity and create economic opportunities for residents. Our **Energizing Your Community** resources can help your community explore entrepreneur-focused development.

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Other e2 University Packages

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

e2 SM University

Introduction

Our Guide to **Energizing Your Community** for entrepreneur-focused economic development addresses on the following topics:

- Your Community is Ready for Entrepreneurship!
- Time to Energize Your Community
- Understanding Economic Development
- Why Entrepreneurship? (Making the Case)
- Leaders are Key
- Community Keys to Success

Your Community is Ready for Entrepreneurship!

Our **e2 University Online** includes a resource package focused on community readiness for entrepreneurship. If you have not reviewed our readiness resources, we encourage you to do so. Our experience is clear: damage can be done to your community if it is not ready to adequately commit to any kind of economic development. Successful economic development requires a robust investment of leadership, time, talent and resources. Successful economic development is not a short-term proposition but a long-term commitment. Changing your community's trend lines in a positive direction requires a smart strategy and dedication to consistent and sustained execution.

We assume your community or region is ready for entrepreneur-focused economic development and the time is right to grow your band of entrepreneurship champions to a wider group of community stakeholders and organizations. This resource package can help you and your team energize your community in support of entrepreneurs as a pathway to increased prosperity. Assuming you are ready to move forward, how you can energize your community?

Time to Energize Your Community

Community economic development is both extremely important and a major commitment. Our booklet, *10 Keys to Economic Success, Growing an Entrepreneurial Community*, is a useful starting point as you focus on energizing your community. Your core team should read *10 Keys* particularly focusing on:



- Key 1 – Local Responsibility
- Key 2 – A Smart Game Plan
- Key 3 – Robust Investment
- Key 5 – Sustained Effort

You might also want to look at the Sample Power Points from a presentation done for a Federal Reserve Conference that we have included. These slides share some of the rationale for why this is important and the keys to achieving success.

A sure take-away from this assignment will be an appreciation for engaging a broad segment of your community's development stakeholders. A strong champions' group for your entrepreneurship initiative will ensure that it is locally owned, a smart game plan emerges, there is robust investment and your initiative is sustained over time, allowing it to succeed in growing a more prosperous economy and community. This resource package can help you and your team achieve the collaboration necessary to energize your community for entrepreneurship.

Understanding Economic Development

Most of the likely suspects in your community will have a basic understanding of the "why" and "what" of economic development. Entrepreneur-focused development can bring a larger and more diverse group of stakeholders into your initiative's collaborative. Many of these new faces will come from education, government and human resource organizations, agencies and institutions. New faces, new to economic development, may need some grounding; they may need some help getting up to speed on economic development 101. Taking time to work with new potential partners can expand your capacity to undertake and succeed with this work. To help you and your community with the basics of economic development, this package includes a paper, co-authored with Nancy Arnold at the University of Montana Rural Institute, titled *Overview of Economic Development* (April 2012).



Economic development is most successful when other types of development precede it. Foundational to all economic development is *people development*. Developing human talent is more important today as North American communities and regions compete globally through value-added economic ventures. The quality of community, the environment for economic development, is increasingly important as well. Urban landscapes, access to public lands, recreation, education, health care, housing, shopping, etc. are all part of smart *community development*. Human talent and high value economic ventures demand quality communities in which to live and work. With robust investments in people and places, the stage is set for successful *economic development*.



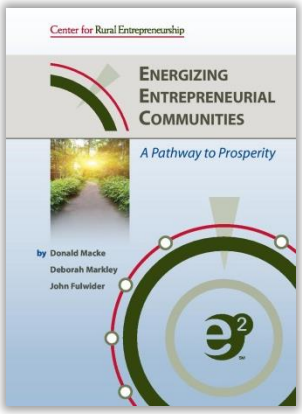
Within the practice of economic development, there is a hierarchy of development options. Foundational to most successful economic development today is entrepreneurship. A community environment that is strong for local entrepreneurs is also competitive for retaining and expanding existing businesses and attracting new businesses. Most communities can no longer hope to grow and diversify their economy through attraction. Paying attention to growing ventures from within (e.g., the concept of Economic Gardening) is increasingly important.

Additionally, entrepreneur-focused economic development is typically more cost effective than business attraction. Attracting high quality ventures is very expensive and risky; candidates for attraction may not stay once the incentives and inducements are complete. Locally grown entrepreneurs are more likely to root in place and commit to the community for the long haul.

Why Entrepreneurship?



In the early and mid-2000s, the Center conducted dozens of e2 Institutes where we explored the related topics of "why entrepreneurship as a development strategy" and "emerging strategies for entrepreneur-focused economic development". In 2005, the Center captured this content and learning in its widely used book, *Energizing Entrepreneurs, Charting a Course for Rural Communities*. In Chapter 5, "Making the Case – Why Entrepreneurship?" we addressed this all important topic. While entrepreneurship has been part of North America's culture for generations, it was not often part of a state's (province's), region's or community's economic development game plan. The first step in energizing your community is making the case for entrepreneurship to the development stakeholders in your community.[1]



Our e2 Institutes and book spawned significant development efforts in Nebraska, Georgia, North Carolina, Kentucky, Wisconsin, Washington, Canada and other locations throughout North America and the English speaking countries of the Pacific Rim. With new research and an evolving framework, we published *Energizing Entrepreneurial Communities*, our second book on this topic, and have built this additional content into a new round of e2 Institutes.[2]

If you are looking for additional information on how to make the case for entrepreneurship in your community, we offer the following suggestions:

- Chapter 5, Making the Case – Why Entrepreneurship, in *Energizing Entrepreneurs, Charting a Course for Rural Communities* (link below).
- Part 1, Making the Case, *Energizing Entrepreneurial Communities, A Pathway to Prosperity*. You can purchase a copy of the book at http://www.energizingentrepreneurs.org/solutions/prosperitypathway.html.
- Our paper titled *Why Entrepreneurship? Making the Case for Entrepreneurship* included in this resource package.

[1] You can obtain a free electronic copy of our original e2 book at http://www.energizingentrepreneurs.org/file_download/c7755e25-5370-4bdd-9ddd-d7cc373e1efc.
[2] For additional information on e2 Institutes, contact Don Macke at don@e2mail.org.

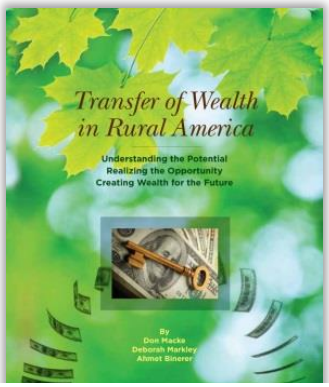
A critical rationale for entrepreneur-focused economic development is that it contributes to increased community prosperity today and also builds wealth within the community for the future. Wealth formation is important and entrepreneurial people are particularly good at creating wealth not only for themselves but for workers, charities, local governments and other businesses in the community.

Entrepreneurship and Community Wealth Connection

North America has a long and rich history of entrepreneurship. New ideas, innovation and new ventures have fueled cycles of economic growth and prosperity. The ability of motivated people to evolve an idea and grow a business around a new product or service has been the basis of American and Canadian economic success generation after generation.

New ideas and new ventures do not always prove successful. But when one does, whether it is Disneyland or Microsoft, new wealth is created. This new entrepreneurial activity certainly creates wealth for the founders, but also for investors, employees, communities and family members. Today, entrepreneurship is the primary pathway to personal success and wealth. Successful entrepreneurs are often part of another rich tradition in North America: philanthropy and charitable giving. Generally they give back to the causes they believe in, ranging from the arts to economic development in their community.

Connecting a development strategy focused on growing successful entrepreneurs with community giveback can be powerful. It can be the foundation for sustaining economic renewal over generations. In 2011, the Center published *Transfer of Wealth in Rural America – Understanding the Potential, Realizing the Opportunity and Creating Wealth for the Future*. This book connects the dots between North America's remarkable and unprecedented transfer of wealth opportunity and how increasing community giveback could fund new generations of economic renewal. Information about obtaining the book and associated study guide, produced in partnership with the Michigan Council of Foundations, can be found at http://www.energizingentrepreneurs.org/solutions/community_development_philanthropy.html.



Leaders are Key

There is extensive research focused on why some communities succeed and others fail. While there are numerous reasons that explain different community outcomes over time, a common factor surfaces time and time again in this vast research: the importance of leaders. The right people exercising empowering leadership are central to community success. Based on this research, a central focus of our Entrepreneurial Communities work is identifying and empowering community leaders. Our success in helping communities become more entrepreneurial depends in large part on the ability of community leaders we are working with to help their communities understand their entrepreneurial opportunities and act effectively on them.

Our paper, *Leaders are Key*, included in this resource package, can be useful to spark a conversation with your stakeholders and initiative partners. It can be used to identify, map and engage those in your community who are essential to visioning, developing, implementing and sustaining your entrepreneurship initiative.

We also offer a three-part webinar series for communities that want to explore the "why" and "how" of entrepreneur-focused development. Links to web pages describing the series are included in your package or you may contact Don Macke at don@e2mail.org for more information.

Traits of Successful Communities

One does not need a PhD to understand why some communities are more successful than others. There are volumes that document the characteristics that make some communities stand apart from their peers. For entrepreneurial communities, we have identified community traits that are most often associated with optimal success. *When you review these traits and reflect on your own career and life, you will begin to see your own personal formula for success.*

Opportunity Focused	Compelling Goals	Leadership Team
Successful communities take the time to identify genuine opportunties that will improve the community. Successful communities act on these opportunties and make them reality. ***This package includes an Opportunity Assessment for Dumas and Desha County Arkansas that will give you an idea of the type of data that can help your community identify genuine development opportunities.***	Successful communities set compelling, clear, and accountable betterment goals. These goals provide both a roadmap for action and goal posts for celebrating progress and success	Nothing happens without leaders willing to help their community discover opportunities, grow a vision for the future, set goals, and sustain effort over time. This local leadership includes a local point person who coordinates between the community and outside resources. ***We encourage you to read and share the Leaders are Key document included in this package.***

Community Engagement Successful communities involve the entire community bringing the full potential of the community's talents, skills and ideas to bear in support of community agreed upon development goals.	**Smart Action Plan** Having a vision and setting goals is essential, but without a smart action plan that moves to implementation, such plans are nothing more than words. Successful communities have smart action plans.	**Regular Meetings** Successful communities stay engaged, and one key tactic is regular meetings where the business of community betterment is undertaken. Regular meetings provide important pacing essential for progress.
Strong Execution For community betterment to occur, work has to be undertaken. Strong execution of the action plan ensures that, over time, goals are met and the community's vision for a better present and future is realized. ***The Center's webinar series can provide an opportunity to deepen your work and get ideas and support for implementing your efforts. Links to information on our series are included in your package.***	**Staff Support** Our field-based experience is clear: consistent and committed support staff accelerates progress. Staff capacity does not replace leaders and volunteers but it can increase effectiveness and efficiency of community engagement.	**Funding** Little invested and little accomplished, so goes the saying. Community betterment takes dollars and appropriate funding to support staff, action plan implementation and other costs.

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



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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.

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