Prospering as an Entrepreneurial Community

NADO Conference
Our Workshop Today

04.24.13 – South Carolina

Let’s Start with Prosperity
Who Is an Entrepreneur?
Why Entrepreneurs?
How Do We Enable It?
Entrepreneurial Development Systems
Your Community’s System?
Questions & Discussion
Vision of Prosperity?
Economic Development Outcomes

- Community Prosperity
- Economic Diversification
- Regional Resilience
- Economic Opportunities
  - Residents
  - Enterprises
- Broadly Held Community Wealth

Entrepreneurial Communities
Who is an Entrepreneur?

Take just 2 minutes and reflect on this question:

WHO IS AN ENTREPRENEUR?

Think About Attributes of Es
Be Prepared to Share Back
Let’s Craft a Collective Definition
Why Entrepreneurs?
Great Recession

The most significant economic event in our lifetime!

A new economic and social world will emerge from this recession.
Great Reset

Space exists in our economy and society for creativity and innovation that can lead to a new round of economic and social progress and prosperity.

The Long Depression of the 1870s and the Great Depression of the 1930s is evidence that this can be the case with the Great Recession.

This is called the Great Reset!
The Reset Process

- Prosperity
- Crisis Unraveling
- New Ventures
- Opportunity Space
- New Innovation
The Great Expansion

The 1990s were a remarkable period in American economic development history. During the 1990s, household net worth grew by a remarkable $22 trillion. No other decade since World War II posted such wealth creation in United States – including the 1950s, 1960s and the 1970s.

By the Numbers

Businesses: +3.7 million (30%)

Jobs: +28 million (19%)

Nearly 390,000 net new jobs per month over six years!

Sales: $5 trillion (35%)

www.youreconomy.org
Edward Lowe Foundation
Illustration – 2001-2009

By the Numbers

Businesses: +5.9 million (37%)
Net gains in new businesses actually rose!

Jobs: -11 million (-6.4%)
For the 96 months during this period, net job destruction averaged nearly -115,000/month

Sales: -$973 billion (-5.0%)

Digging Deeper...

Job Changes...

Non-Resident: -7.1 million
Largest Employers: -9 million

Smallest: +8.0 million
Self-Employment: +3.2 million
91% Increase

What are You Doing?

www.youreconomy.org
Edward Lowe Foundation
Illustration – 2009-2010

By the Numbers

Businesses: +4.7 million (21%)

Stronger economic recovery?

Jobs: +4.96 million (+3%)

This represents over 400,000 net new jobs per month over the period.

Sales: -$760 billion (-4.1%)

Digging Deeper...

Job Changes...

Non-Resident: -653,000

Largest Employers: -1.9 mil.

Smallest: +6.8 million

Self-Employment: +2.5 million

35% Increase

What are You Doing?

www.youreconomy.org

Edward Lowe Foundation
Employment Shifts – 3 Waves

Pre-World War II
Self-Employment – Smaller Local Employers

World War II into the 1990s
Large Corporations, Government & Non-Profits

1990s through to Today
Swelling Self-Employment & Smaller Ventures

Navigating Change
Entrepreneur Opportunities

- Supply Chain Companies
- Defense Contractors
- Government Contractors
- Immigrant Talent
- Safe Harbor Immigrants
- Graduate Students
- Displaced Talent
- Under-Employed Talent
- Un-hired Graduates
- Women
- Business Failures
- Retirees
Comes Down to Opportunity!

Bottom line, the answer to “Why Entrepreneurs?” is rooted in genuine community-based development opportunity. In today’s challenging economic development climate, we must be SMART and focused on where the opportunities are found!

Check out your community’s profile at:

www.youreconomy.org
Questions and Discussion

Before we move on, let’s take some time to talk through questions and share insights on what we have learned thus far.
How Do We Enable It?
Starting Where You Are At...

You have decided...

Entrepreneur-focused economic development makes sense for your community or region.
Critical Questions..

You have decided... Entrepreneur-focused development makes sense for your community.

You are challenged...
Trying to figure out how to move to the next level.
Finding Your Smart Game Plan...

You have decided... Entrepreneur-focused development makes sense for your community.

You are challenged... Trying to figure out how to move to the next level.

You are looking for...
A framework or road map and process for moving forward.
Framework & Process

1. Stakeholder Awareness & Engagement
2. Assessment
3. Strategy Development
4. Execution Support
5. Sustainability
People Make this Happen

Who am I talking about?

• Stakeholders
• Champions
• Rainmakers
• Challengers

*Chambers of commerce do not create progress. People within chambers of commerce make things happen.*
Why Assessment?

**Discovery...**
Discovery enables us collectively to find our right solutions.

**It’s Smart...**
We can’t waste time or money. We must be smart if we want to change the trend lines.

**Creates Focus...**
Focus enables smart action!
Five Core Assessments

1 – Development Opportunities
2 – Entrepreneurial Talent
3 – Entrepreneurial Resources
4 – Development Preferences
5 – Stakeholders

We have provided a copy of our Assessment Guide in the Electronic Library.
Three Opportunity Areas

- Regional Opportunities?
- What is Working?
- Where is There Energy?
The Entrepreneurial Pipeline

- No Action
- Tire Kickers/Pre-Venture: Consume Resources, No Impact
- Failure
- Necessity
- Opportunity: Both Basic and Secondary Market Ventures
- Survival/Struggling
- Lifestyle
- Breakout: Move to Basic Markets, Moderate Impact
- High Growth: Large-Scale Impact
The Right Focus

Civic Entrepreneurs
Social Entrepreneurs
Business Entrepreneurs

From a development perspective the “sweet” spot, where the maximum community based development occurs, is with GROWTH-ORIENTED entrepreneurs.
Organizing Your Resources

System Partners

System partners are those organizations that are committed to building and sustaining a comprehensive system of support for targeted entrepreneurs.

Touch Points
City Clerks
Local Banks
Area CPAs & Book Keepers
Permitting & Zoning
Local Library

Go To Resources

Area Development Organizations
Small Business Development Centers
Cooperative Extension
Community Colleges

Local Business Services
From Attorneys to Computer Stores

External/Specialized Services
Used Infrequently
Require Special Access
Need an Intermediary
Preference Questions...

1 – What Does Your Community Want from Development?
Development should serve you versus you serving development. It should reflect your values and the kind of community you want.

2 – What Should We Do Next?
We must prioritize to be successful.

3 – What Kinds of Development Outcomes Do We Want as Goals?
Set goals and you will realize them!

Economic development and community building should be one in the same. We should establish preferences that fit our values and vision for our community, but we must also be realistic given our opportunities.
Smart Strategy

Right Strategy

Experience & Learning

Smart Game Plan

Research

Genuine Opportunity
Being Entrepreneurial

Jim Jenkins -- Callaway, Nebraska

Meeting the needs of entrepreneurs is important – supply of counseling, capital and the like is essential.

But we tend to forget the demand side of the equation. This is a one on one contact sport.

Beth Stube -- Dickinson, North Dakota
Focusing on Opportunities?

*It’s Entrepreneurial...*
A key attribute of successful entrepreneurs is that they focus on opportunities.

*It’s Positive...*
This is asset-based development, and it creates hope based on opportunities.

*It Leads to Impact...*
It works!
Strong Execution

Smart strategies are essential and create an opportunity for impact.

However, smart strategies without strong and consistent execution will not stimulate economic development.
The EDS building block relates to ensuring balance between the “supply” and “demand” sides within the system.
Passive & Pro-Active Components

Passive Components

Business Climate Stuff

Pro-Active Components

Special to Entrepreneurs
What Entrepreneurs Want!

- Capital Access
- Market Research
- Human Talent
- Competitiveness Planning
- Business Coaching
- Customized TA
- Growth Planning
- Business Services
- Other Entrepreneurs
Business Coaching is a Key

“The core distinction about coaching is that coaches help unlock what is already present in people and groups and help them frame their own solutions!”

A Field Guide to Community Coaching, 2011
A Bit More on Being a Coach

Someone who is a business or entrepreneur coach is NOT necessarily someone who is a business counselor or expert. Rather, a coach is someone who is good at listening and can help entrepreneurs or want to be entrepreneurs to clarify where they need to go next to succeed.
The Coaching Process

- Tunnel Vision
- Priorities Sequencing
- Too Many Possibilities
- Strategic Focus
- Too Many Challenges
Entrepreneurs are people, often with families. Where they live and work is increasingly important to their creativity and is a major influence on their decision of where to vision and grow their venture.
Emerging Best Practice

One Stop
For a long time, we all thought we wanted a “one-stop” shop where all our questions could be addressed. Despite great efforts, one-stop centers proved impractical and politically unwise.

No Wrong Door
The business world is complex and there should be multiple and varied business assistance resources. The idea of the “No Wrong Door” has replaced the earlier concept of the “one-stop” shop.

Key Ideas...
• Diverse Needs & Preferences
• Wide Ranging Resources
• Multiple Pathways
• Consumer Choice
• Resource Provider Preferences

Less Turf
Requires More Coordination & Coaching
Sustainability

3-5 Years to Prove Up

A Decade Yields Impact

Within a Generation, the Trend Lines Can Be Changed

Sustained efforts are foundational to success.
Keeping Score – Being Accountable

Youth Entrepreneurship Fair Rawlins County, KS
Robust Capitalization

Most Initiatives are Under-Capitalized
Most Lack Ways to Grow as Opportunity Grows
Most Lack Time to Prove Up

ROBUST CAPITALIZATION IS ESSENTIAL TO SUCCESS!
Questions and Discussion

Before we move on let’s take some time to talk through questions, insights on what we have learned thus far.
System Mapping Exercise

Use the large size paper you have been provided and begin mapping out your community’s Entrepreneurial Development System.

Note possible strengths and weaknesses.

Post on the wall.

Prepare to Share Back…
Organizing Your Resources

**System Partners**

*System partners are those organizations that are committed to building and sustaining a comprehensive system of support for targeted entrepreneurs.*

**Touch Points**

- City Clerks
- Local Banks
- Area CPAs & Book Keepers
- Permitting & Zoning
- Local Library

**Go To Resources**

- Area Development Organizations
- Small Business Development Centers
- Cooperative Extension
- Community Colleges

**Local Business Services**

- From Attorneys to Computer Stores

**External/Specialized Services**

- Used Infrequently
- Require Special Access
- Need an Intermediary
Workshop Wrap Up

Final Questions?
Evaluation – Do It!
More Information?

www.energizingentrepreneurs.org
How We Can Help...

E Communities
Framework & Process
Technical Resource
Advisory Support
Active Support
Engaged Partner
Questions and Discussion

Before we wrap up let’s take some time to talk through questions, insights on what we have learned this session.
Questions & Discussion

Don Macke
don@e2mail.org
www.energizingentrepreneurs.org