

# Creating Entrepreneur-Friendly Communities

Breakthrough Solutions Conference

May 7-8, 2013

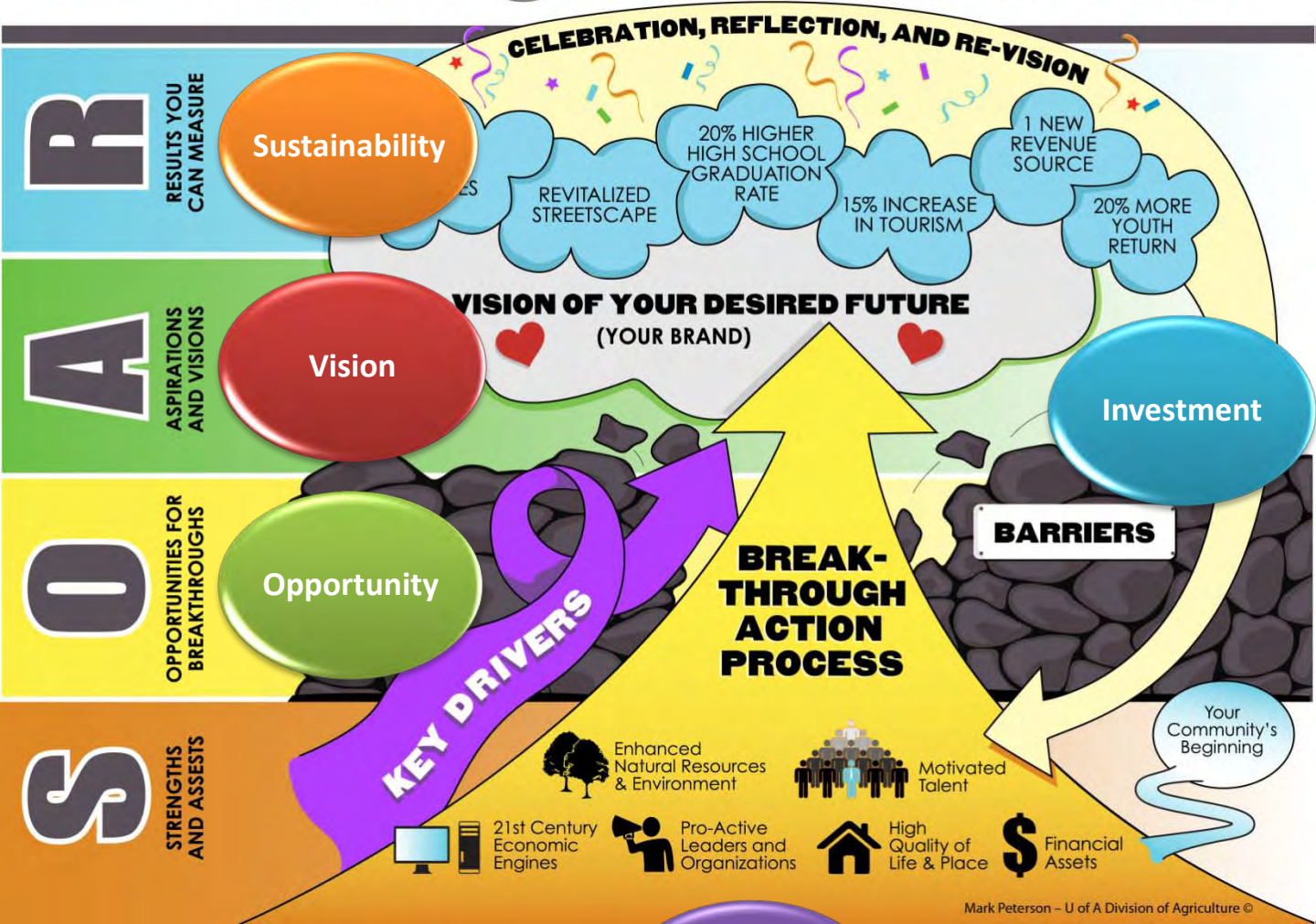
Stacey McCullough

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# Elements of Successful Economic Development



# Breakthrough Solutions Model



Mark Peterson – U of A Division of Agriculture ©

Asset-Based

# Why Entrepreneurial Development?

- Stiff competition for industrial recruitment
- Research showing positive impacts of entrepreneurship on overall economy
  - Correlation between entrepreneurial activity and economic growth is greater than 70%(Global Entrepreneurship Monitor (GEM) Project)
  - Small businesses account for around half of the private sector work force and private sector output (*The Small Business Economy: A Report to the President 2005, S.B.A.*)
- Technology has lowered the barriers to entry in most industries (*The Entrepreneurial Economy, D. Baker*)

# EDS Models

Model	Description
Markley, Macke & Luther, 2005	<p>Elements of Entrepreneurial Environment</p> <ul style="list-style-type: none"> <li>– Climate (awareness, recognition, culture, anonymity, quality of life)</li> <li>– Infrastructure (real estate, utilities, services, taxes and regulations)</li> <li>– Support (basic, advanced, high performing)</li> </ul>
Pages, Freedman & Von Bargen, 2003	<ul style="list-style-type: none"> <li>– Entrepreneurial eco-system (variety of players, networks for reciprocal action, criteria of selection)</li> <li>– Cultural change (education and training)</li> <li>– Individual focused (soft networks for information sharing and peer learning)</li> <li>– New delivery methods (decentralized network models)</li> <li>– Focus on high growth (target potential “gazelles”)</li> </ul>
Lichtenstein, Lyons & Kutzhanova, 2004	<ul style="list-style-type: none"> <li>– Systems approach among service providers</li> <li>– Enterprise development system (customized to community)</li> <li>– Focus on entrepreneurs</li> <li>– New roles, skills, and tools (to create and manage a pipeline of entrepreneurs)</li> <li>– Operate as transformation business (evaluation of efficiency, effectiveness, equitability, sustainability, and scale of impact)</li> </ul>
Corporation for Enterprise Development, 2003	<ul style="list-style-type: none"> <li>– Entrepreneur focused</li> <li>– Regional cooperation</li> <li>– Community specific</li> <li>– Continuous leaning and evaluation</li> </ul>

# Community Readiness

- Openness to Entrepreneurship
- Balancing Business Attraction
- Entrepreneurship Programs
- Willingness to Invest
- Leadership Team
- Beyond Town Borders

Source:

rupri Center for RURAL  
ENTREPRENEURSHIP

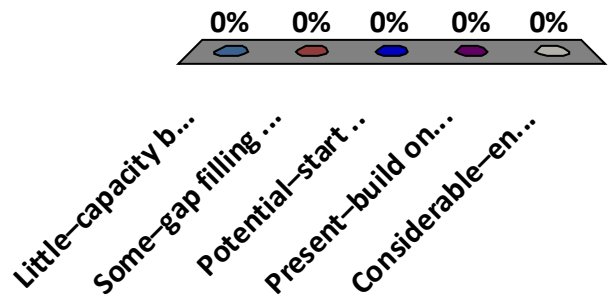
[www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org)

Worksheet



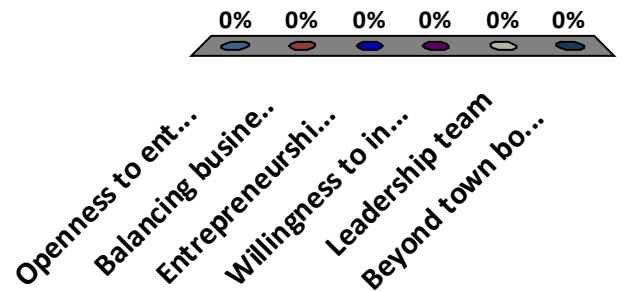
# What is your Community Readiness Score?

- A. Little–capacity building needed (1-6)
- B. Some–gap filling (7-12)
- C. Potential–start to build on assets (13-18)
- D. Present–build on assets (19-24)
- E. Considerable–energize entrepreneurs (25-30)



# What elements need work?

- A. Openness to entrepreneurship
- B. Balancing business attraction
- C. Entrepreneurship programs
- D. Willingness to invest
- E. Leadership team
- F. Beyond town borders





# Vision

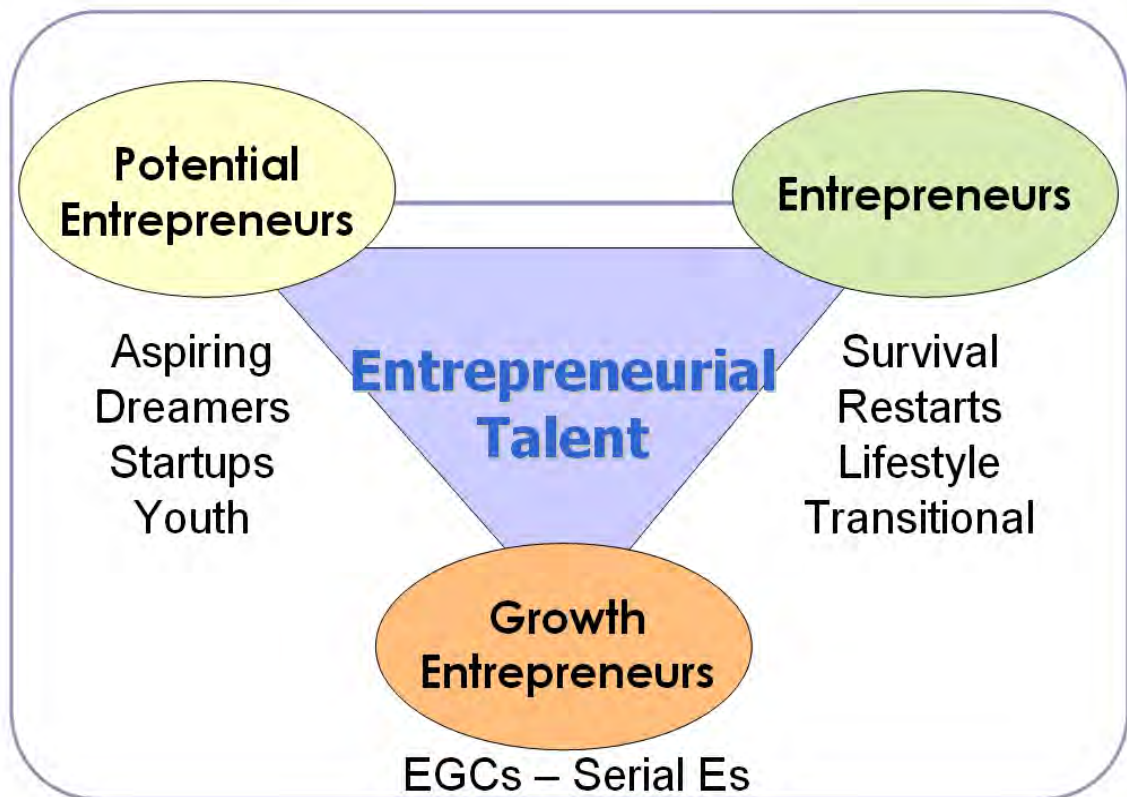


- What is entrepreneurial development?
  - Who are the entrepreneurs you will be supporting?
  - Who is involved in creating your entrepreneur-friendly community?
  - What will your entrepreneur-friendly community look like?

# Vision



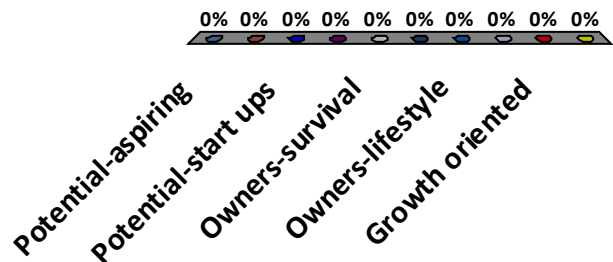
- Who are the entrepreneurs you will be supporting?



**Handout**

# Which category of entrepreneurial talent is most prevalent in your community (top 3)?

- A. Potential-aspiring
- B. Potential-dreamers
- C. Potential-start ups
- D. Potential-youth
- E. Owners-survival
- F. Owners-restarts
- G. Owners-lifestyle
- H. Owners-transitional
- I. Growth oriented
- J. Growth-EGC



# Vision



- Who is involved in creating your entrepreneur-friendly community?
  - Entrepreneurs
  - Policy makers
  - Business service providers
  - Educators
  - Community leaders
  - Community members

# Vision



- What will your entrepreneurial-friendly community look like?



## Fairfield, Iowa – pop. 9,600



- **Fairfield Entrepreneur Association (FEA)** created by and for entrepreneurs
- Recognizes and celebrates entrepreneurs
- Over 20 years: created 3,000 jobs; tripled per capita income; increased charitable giving; “Silicon Valley;” HQ for 75 companies



## Economic Gardening

### City of Littleton, Colorado



“It’s working. Littleton, population 41,000, has added 12,000 jobs in the past 15 years. Retail sales taxes have soared to \$20 million from \$6 million in 1987.” Denver Rocky Mountain News

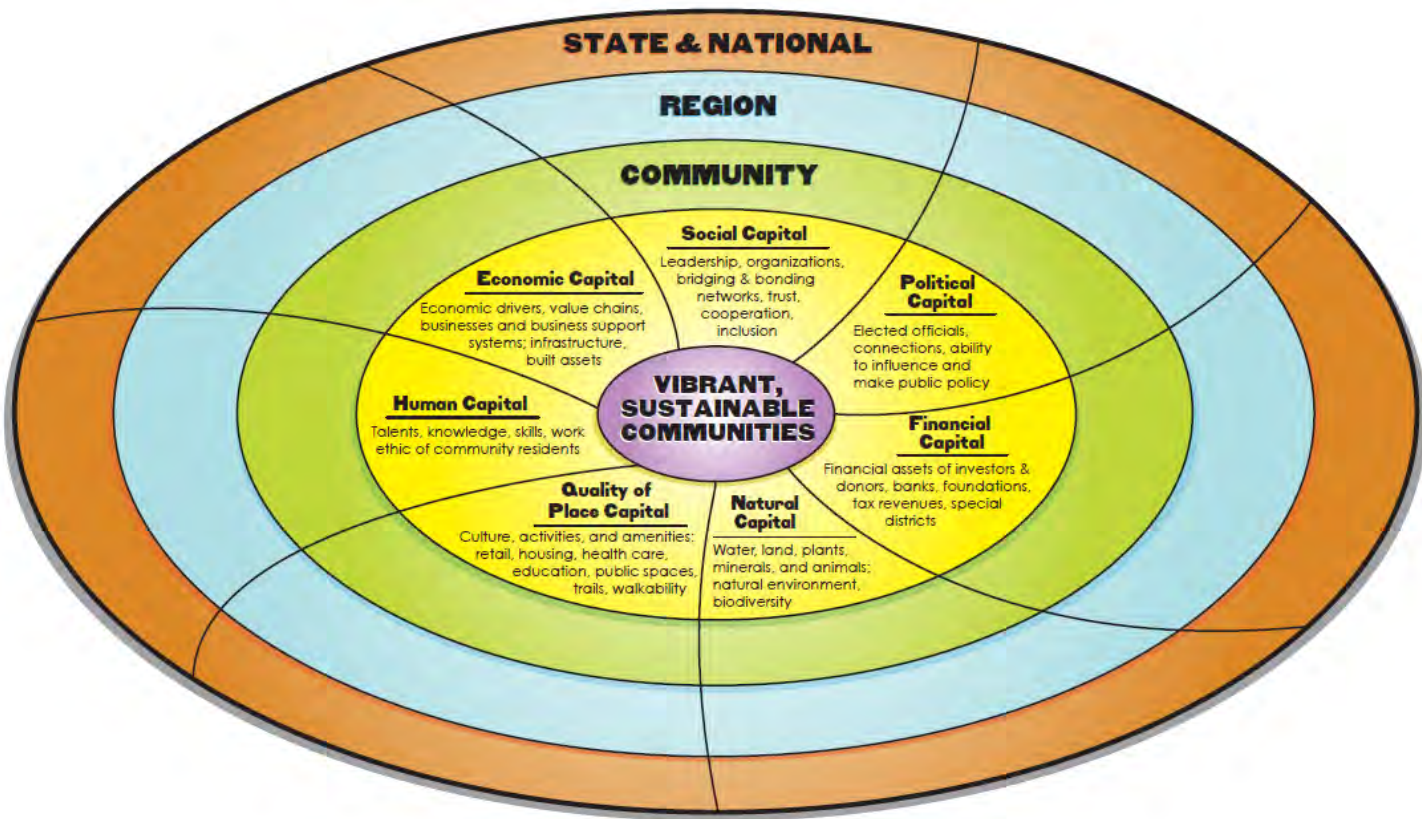


# Asset Based



## Strengths and Assets Map

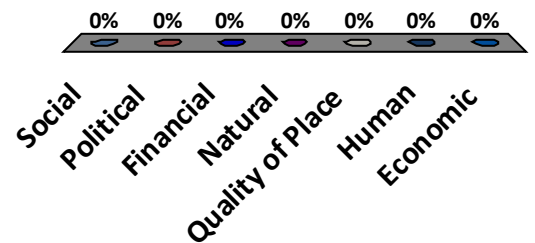
Wealth in Your Community



Worksheet

# What type of entrepreneurial asset is most prevalent in your community?

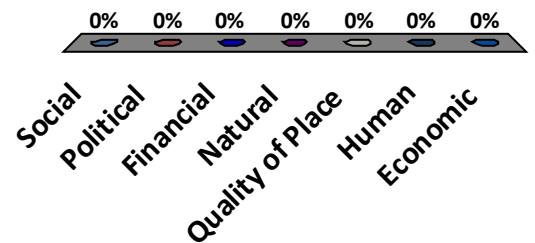
- A. Social
- B. Political
- C. Financial
- D. Natural
- E. Quality of Place
- F. Human
- G. Economic





# What type of entrepreneurial asset is least prevalent in your community?

- A. Social
- B. Political
- C. Financial
- D. Natural
- E. Quality of Place
- F. Human
- G. Economic



# Opportunity



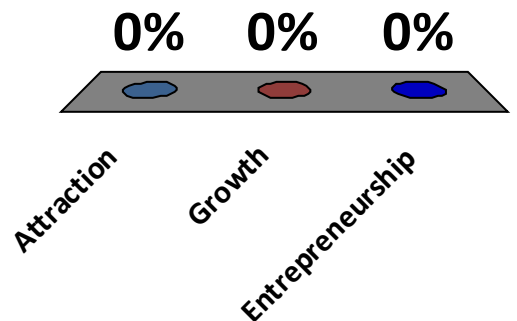
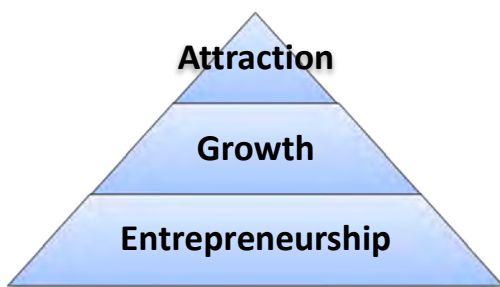
- What opportunities has your community missed to learn about & support entrepreneurial development in the last five years?
- What can you do to identify and seize opportunities in the future?



Activity

Rank your community's economic development investment in order of magnitude (1<sup>st</sup> choice=most, 3 choice=least):

- A. Attraction
- B. Growth
- C. Entrepreneurship

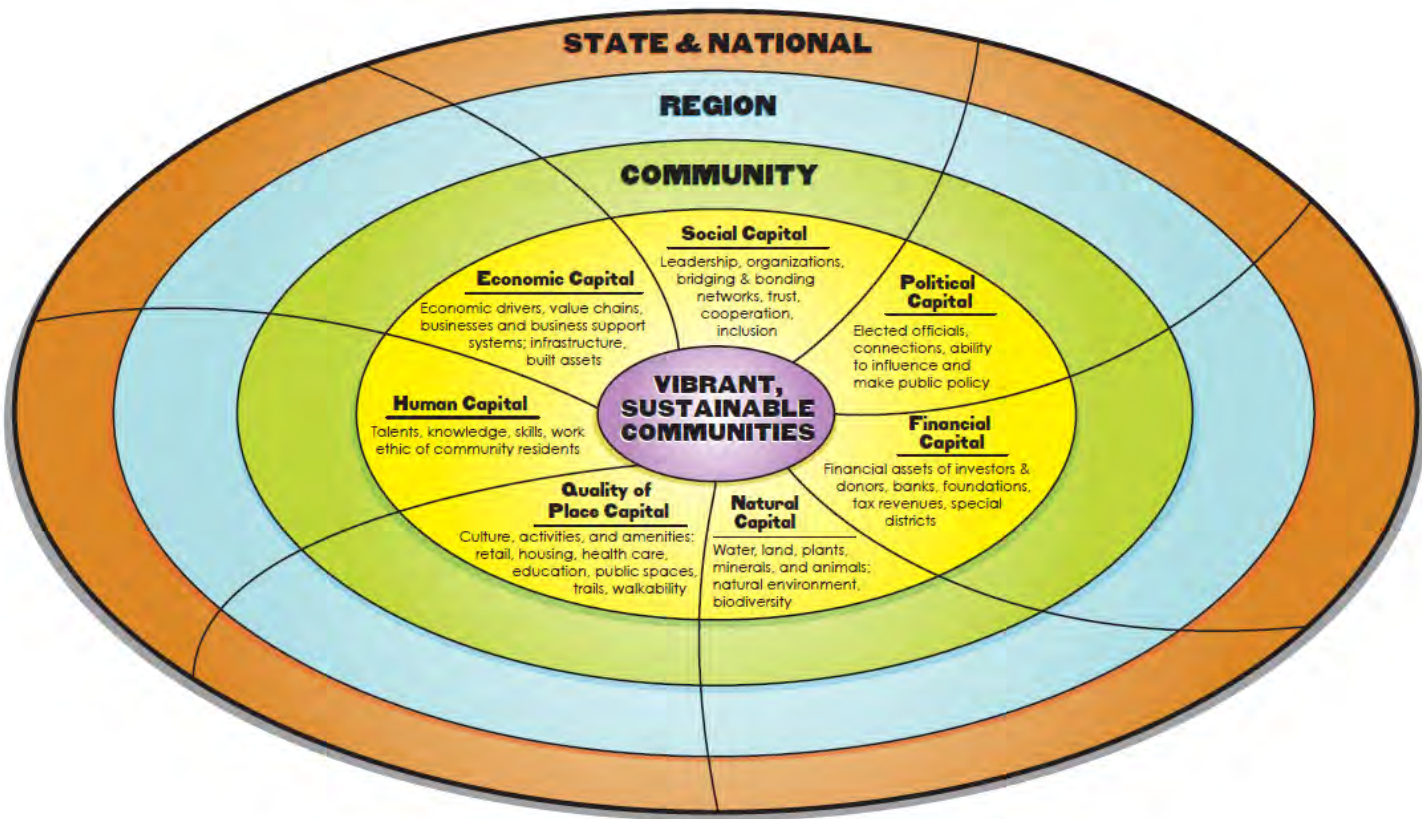


# Investment: Big Picture



## Strengths and Assets Map

Wealth in Your Community



# Investment: Strategies



Handouts

# Investment: Strategies



- Vision
- Assets
- Opportunities
  - Expected
  - Unexpected





# Investment: Strategies



- Educational workshops, small business center, offices for rent, banquet hall; commercial kitchen; auditorium, incubator spaces of different sizes, local products market, farm distribution center
- \$1.4 million (no grant over \$34,000)

- 12,800 sq ft
- EDC, small business center, customized industrial training, career readiness certificate, space for start ups & expansion (8,000 sq ft)
- 2 grants totaling \$1 million



**Activity**



# Sustainability



- Maintain visibility
- Measure results
- Celebrate your success
- Reflect on your experiences
- Ask for feedback
- Welcome newcomers to your effort
- Award & reward
- Re-vision periodically
- Be persistent

# Next Move?



Worksheet

# Contact Info

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<http://www.facebook.com/UACommunityDevelopment>