



Rural Entrepreneurship

Roles for Public Service Institutes

November 8, 1:30 – 3:00 ET

Today's Goals

- Connect staff members at university public service institutes/centers who are working on similar issues
- Share ideas on roles for institutes related to promoting rural entrepreneurship
- Provide practical advice to peers

The screenshot displays a meeting interface with several panels. On the left, the 'Attendees' panel shows a video feed (currently blank) and a list of participants, with 'Linda Hoke' listed below. Below the attendees is a 'Feedback' section and a 'Chat' section. The 'Chat' section has tabs for 'Public' and 'Private'. Two red arrows originate from a text box on the right: one points to the 'Private' chat tab, and the other points to the bottom of the chat window. The main content area on the right is titled 'Start' and contains session and audio details.

Attendees | 0 / 1

Start

Content

Session Details
Session Name: Linda Hoke's Room
Leader: Linda Hoke

Audio Details
Primary Dial-In: 1-800-371-9219
Passcode: 4215367

Public Private

Double-click an attendee to chat privately.

Asking
Questions

Southern Consortium of University Public Service Organizations



Improve policy making by providing credible research and evaluation information.

Improve government management practices through research, training and technical assistance.

Develop leadership skills among city, county, state and regional government and nonprofit leaders.

<http://www.southerngrowth.com/scupso/scupso.html>

Southern Growth Policies Board

- Created by Southern Governors in 1971
- Brings together Governors, state legislative leaders, business leaders, higher education leaders, and citizens
- Secretariat for the Southeast Agriculture & Forestry Energy Resources Alliance & the Southern Consortium of University Public Service Organizations

Today's Presenters

- **Monica Doss**, former Director of Entrepreneurship, Kauffman Foundation and President, Council for Entrepreneurial Development
- **Beth Phillips**, Economic Development Specialist, Institute for Public Service, University of Tennessee
- **Michael Wilcox**, Assistant Professor, Dept. of Agricultural and Resource Economics, University of Tennessee
- **Lynn Gellermann**, Director, Center for Entrepreneurship, Ohio University

Why is Entrepreneurship Important in Rural Areas?

- Rural self-employment (non-farm) has grown over 160% since 1969.
- By 2015, 25% of rural workers will be self-employed
- But, rural self-employment wages are at historic lows-
 - self-employed income = 50% of wage/salaried income
\$16K vs. \$32K
- BIG opportunity to apply entrepreneurial best practices to impact prosperity

Entrepreneurial Success Factors

- High quality digital connectivity – Broadband services are associated with higher returns
- Access to robust entrepreneurial education, mentors, role models – experienced and inspirational
- Strategic alignment with community economic vision, strengths and investment
- Involve youth – the future is NOW.
- Business and social networks-real and virtual
- Access to high quality, entrepreneur- aligned services and resources
- Appropriate capital resources to grow

Key Approaches

1. Increase financial return to self-employed and entrepreneurs - skills, ratios, opportunities
2. Increase the value of the venture to the community – employment engine, need for goods and services, strategic alignment
3. Enhance culture for long term – networks, youth engagement, role models, ease of engagement
4. Practice “strategic doing” and iterate



Tennessee's CREST Program

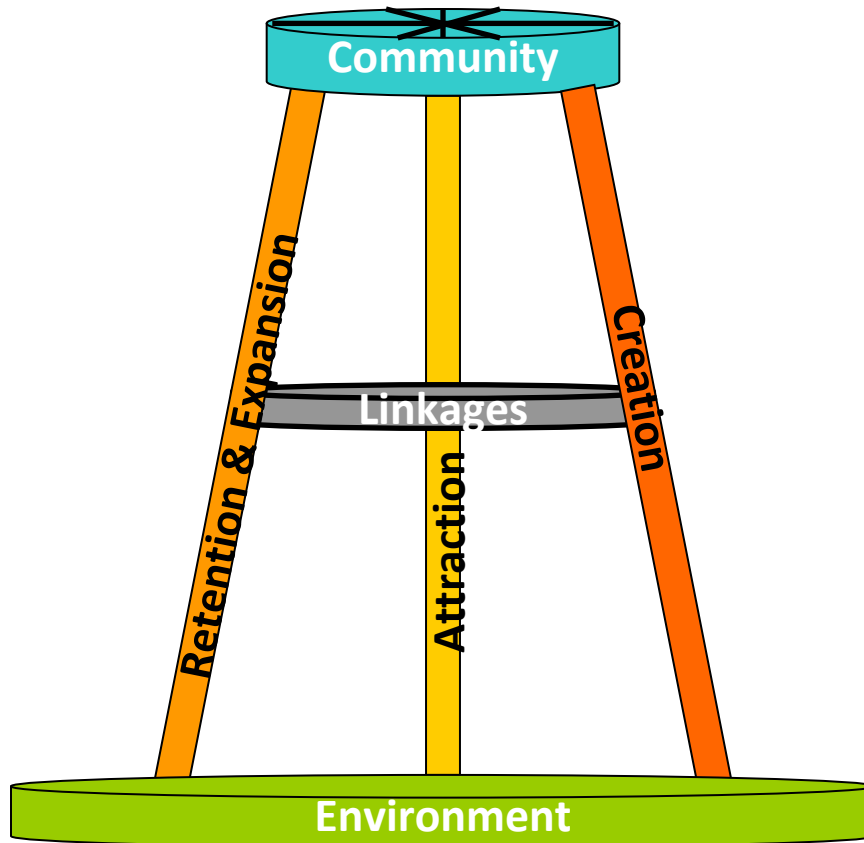
Dr. Michael D. Wilcox, Assistant Professor
University of Tennessee
Department of Agricultural and Resource Economics

Beth Phillips, Economic Development Specialist
University of Tennessee
Institute for Public Service

Creating a Rural Entrepreneurship System in Tennessee - CREST

- Why was CREST Developed?
- Purpose and Key Objectives
- Partners
- Communities
- Key Program Components
- Lessons Learned to Date

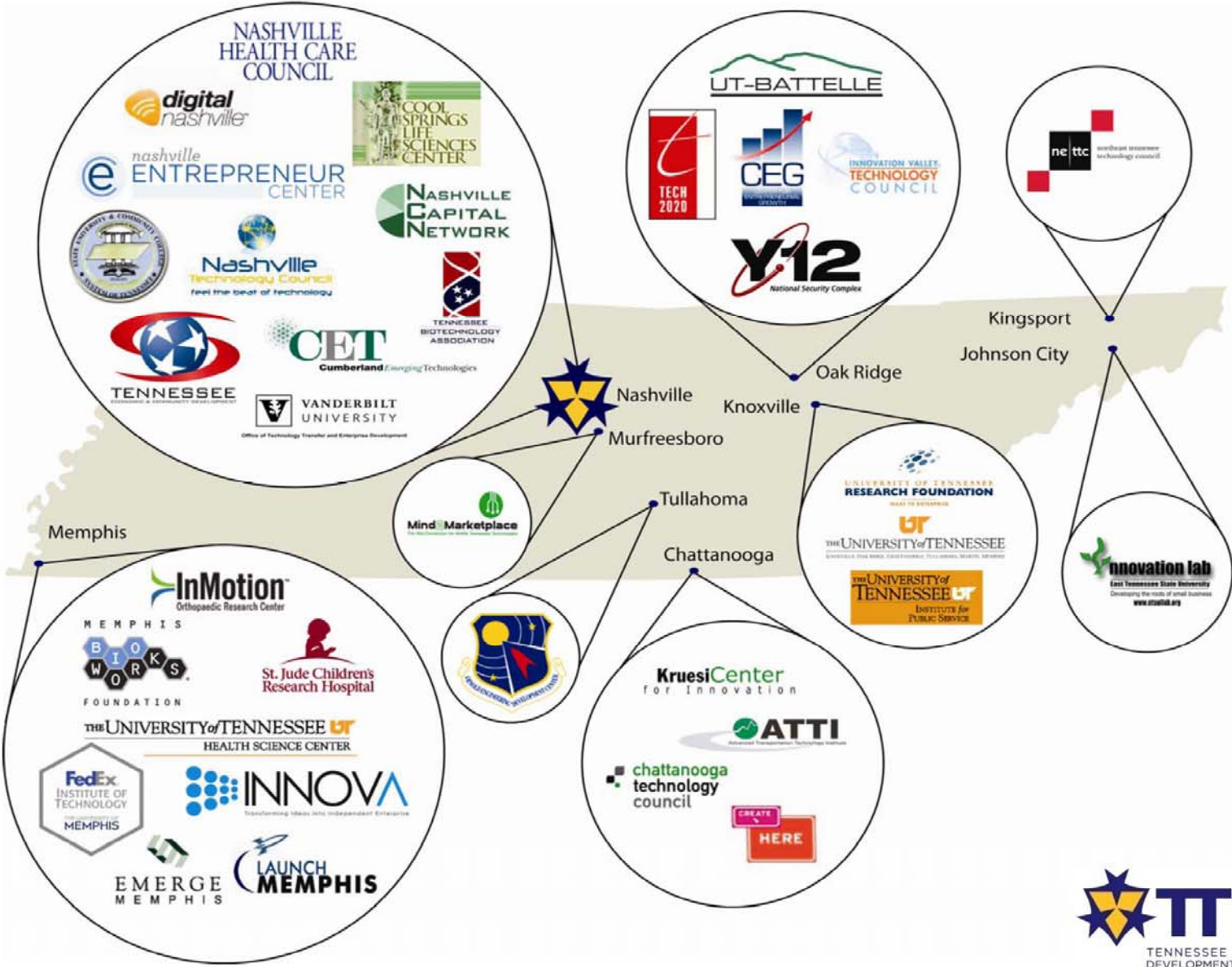
Why Entrepreneurship?



Research suggests that:

- Growing firms from “within” is a **more cost effective** means of creating profit centers, tax base and employment per job created.
- Small, home grown firms **play a significant role** in job creation in both urban and rural areas.
- In 2008, 84% percent of Tennessee firms employed between 1 and 20 persons. There were ,also, over 400,000 nonemployer firms!

Empowering Regions to Create an Entrepreneurial Culture



An entrepreneurial system?

“An effective entrepreneurship development system ***integrates*** a wide range of programs and ***tailors*** products and services to meet the ***diverse*** needs of entrepreneurs. It should be ***comprehensive, flexible, culturally sensitive,*** and integrated, and should require providers to ***collaborate*** rather than operate independently or in isolation”

- Dabson, 2005

CREST Purpose

Creating a **Rural Entrepreneurial System** in **Tennessee**

To assist targeted rural communities in Tennessee in transforming their local economies through the development of key components required for entrepreneurship and small business development.

CREST Objectives

- Assist the community in understanding the **impact and importance** of small business development
- Identify **components** that should be in place in the community to support small business development and entrepreneurship.
- Help the community develop an **effective organization** that will focus on small business and entrepreneurship development in the community.
- Assist the community in an **asset-based strategic planning** process that identifies the existing ESBD assets and weaknesses in the community.
- Help the community identify projects that can be undertaken to **build community capacity** for small business development.
- Work with the community to prioritize potential projects, choose a project that builds upon local and regional assets and **successfully implement** the project

CREST Partners

Lead Partners

- University of Tennessee Extension
- University of Tennessee Institute for Public Service
- TN Dept. of Economic and Community Development, Business Enterprise Resource Office

Additional Partners

- USDA Rural Development
- Delta Regional Authority
- Tennessee Community Colleges
- Tennessee Small Business Development Centers
- Regional Economic Development Organizations
- Local Chambers of Commerce and EDO's
- Tennessee Dept of Tourist Dev
- Tennessee Dept. of Agriculture
- Tennessee Technology Development Corporation
- Pathway Lending
- SCORE
- Small Businesses and Entrepreneurs
- Others

8 CREST Pilot Communities

East	Middle	West
Crossville/Cumberland Co. McMinn Co.	Hohenwald/Lewis Co. Perry Co. Pulaski/Giles Co.	Dyersburg/Dyer Co. Paris/Henry Co. Weakley Co.

PILOT Community Criteria:

- Meet USDA's definition of 'rural'
- Certified Tennessee 3-Star community
- Demonstrated success in developing public-private partnerships
- Level of economic distress

CREST Key Components

- 18 month program
- Information and Awareness – 7 Program Modules which include distance learning and technical assistance from a broad coalition of providers
 - 1: Creating Entrepreneurial Communities
 - 2: Community Statistics
 - 3: Asset Mapping
 - 4: Strategic Planning
 - 5: Creating Buy-in and Implementing Projects Locally
 - 6: Best Practices for Entrepreneurial Communities
 - 7: Survey and Evaluation Methods for ESBD
- Project Development and Deployment

Lessons Learned to Date

- There is a lot of interest and support for entrepreneurship
- Challenges with distance learning
- Challenges in working with communities at different levels of entrepreneurial capacity
- Program sustainability impacted by local and state leadership

For more information:

<http://trend.ag.utk.edu/crest.html>

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VOINOVICH SCHOOL of LEADERSHIP & PUBLIC AFFAIRS

Presentation
for

Southern Consortium of University
Public Service Organizations
(SCUPSO)

Voinovich School Core Areas

- Entrepreneurship & Regional Development
 - *Center for Entrepreneurship*
 - *Partnership with College of Business*
- Energy & Environment
 - *Center of Excellence in Energy and the Environment*
 - *Center for Energy, Environment and the Economy and Environmental Studies*
 - *Partnerships with College of Engineering, Arts and Sciences*
- Policy Innovation & Strategic Leadership
 - MPA and LPA programs Partnerships with Honors Tutorial and Scripps College, Health and Education Policy

A Decade of Regional Development

[2000 - 2010]

- Partnership between the *Voinovich School (VS)* and *College of Business (CoB)* begins (2000)
- Adena Ventures brings early-stage capital and operational assistance to region (2002)
- VS / CoB develops Integrated MBA program to work with Adena clients and other companies in the region (2004)
- VS becomes an OU academic unit (School) after being a center for two decades (2007)
- TechGROWTH Ohio formed and funded through Ohio Third Frontier program (2007)
- OU awarded three Centers of Excellence by Ohio Board of Regents - Energy & Environment; Health & Well-being; Culture and Humanities (2009, 2010)
- OU initiates the Center for Entrepreneurship (2010)

Key Strategic Partners

- Adena Ventures
- American Electric Power Ohio
- Appalachian Regional Commission
- Battelle Center for Children
- Cardinal Health
- Foundation for Appalachian Ohio
- Muskingum County Business Incubator
- Ohio Third Frontier
- Ohio Department of Development
- Ohio State University
- WesBanco
- OU Innovation Center
- OU Edison Biotech Center
- OU Tech Transfer Office
- OU Colleges of Engineering, Medicine, Arts & Sciences, Communications, Health & Professional Services, Fine Arts, Business
- OU Foundation
- OU Centers of Excellence
- OU Alumni
- OU Regional Campuses

Center for Entrepreneurship (CE)

- Partnership between the *Voinovich School* and *College of Business*
- Build on and institutionalize existing programs and assets (TechGrowth, SBDC, AREG, PTAC)
- Support OU goals and core values
- Support OU *Centers of Excellence*
- Promote entrepreneurial culture throughout the University and region

CE Mission

- **Education**
 - Multidisciplinary certificate program
 - Academic curriculum, applied learning, mentoring and continuing education – across all campuses
- **Regional Service**
 - Hands-on business assistance for new and existing companies
- **Entrepreneurial Support and Business Development**
 - Network of internal and external human and investment capital resources to help develop companies and commercialize technologies

CE Start-Up Activities

- Piloting academic and applied learning courses
- Successful business plan competition
- Student entrepreneurship club being formed
- TechGROWTH Ohio: Supporting OU and regional tech-based business development
- Collaboration with Tech Transfer Office
- Groundbreaking of Entrepreneurship & Technology Center at OU – Chillicothe campus

TechGrowth Ohio



Recognized as “the footprint for Third Frontier in Southeast Ohio”

www.techgrowthohio.com

- ✓ Advisory services, executives-in-residence, grant support and seed-stage investment capital for technology firms
- ✓ 2,600 applicants; 360 qualified clients; 150 active clients
- ✓ Grants of \$2.7 million and investments of \$1 million provided to-date; investment portfolio is doubling to 6 companies
- ✓ Leverage of State dollars is over 8:1
- ✓ Affiliate: East Central Ohio Tech Angel Fund (ECOTAF)
- ✓ Issue 1 approved by 62% of voters; Third Frontier program renewed; more competitive funding coming available
- ✓ Next steps: RFPs submitted for another seed fund and continuity of services

Thank You!

Lynn Gellermann

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Executive Director, TechGROWTH Ohio

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Q&A



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