



southern growth policies board

Seeing the Future Resource Guide Series

Entrepreneurship

March 28, 2:00 – 2:45 ET



**Seeing the Future:
Entrepreneurship**

Introduction

In the tradition of infomercials for products such as Ginsu knives, Chia Pets and the Miracle Slicer, imagine the pitch that could be made for entrepreneurship as an economic development strategy.

- The most entrepreneurial regions have been shown to have better local economies than the least entrepreneurial, with 125 percent higher employment growth, 58 percent higher wage growth and 109 percent higher productivity during the decade from 1990 to 2001.¹
- Young businesses initially are three percent more productive than mature businesses; after five years, their productivity advantage increases to five percent.²
- Entrepreneurship can be a vehicle for leveraging existing community strengths and diversifying local economies, while also challenging existing businesses to be more efficient and innovative.³

But wait, there's more!!!

- From 1980 – 2005, firms less than five years old accounted for all net job growth in the United States.⁴

Now how much would you pay? You get it all for one incredibly low price. No, it's not \$19.99, but entrepreneurial development can often be a cost effective economic development strategy, especially given today's fiscal constraints.

"When it comes to U.S. job growth, startup companies aren't everything. They're the only thing," emphasized the Ewing Marion Kauffman Foundation in presenting the results of a study that tracked new businesses from 1977 to 2005. The 2010 study, *The Importance of Startups in Job Creation and Job Destruction*, reveals that on average, "existing firms are net job destroyers, losing 1 million jobs net combined per year. By contrast, in their first year, new firms add an average of 3 million jobs."⁵ A separate Kauffman study, looking only at the year 2007, found that young firms (five years old or less), created 8 million of the 12 million jobs added that year.⁶ Similarly, researchers reviewing entrepreneurship studies from not only the U.S. but abroad found significant employment benefits associated with entrepreneurship, concluding:

"...entrepreneurial development can often be a cost effective economic development strategy"

Today's Objectives

- Who is the Southern Growth Policies Board?
- What is the *Seeing the Future* series?
- Key concepts in entrepreneurship
- Community strategies and examples:
Deb Markley, RUPRI Center for Rural Entrepreneurship

The screenshot shows a web conference interface with several panels. On the left, the 'Attendees' panel shows 'Linda Hoke' with a name tag. Below it is a 'Feedback' panel and a 'Chat' panel with 'Public' and 'Private' tabs. The main content area on the right displays session details for 'Entrepreneurship' led by 'Linda Hoke', including audio dial-in information. A red box on the right contains the text 'Asking Questions'. Two red arrows originate from this box: one points to the 'Private' chat tab, and the other points to the bottom of the chat window. A text instruction at the bottom of the chat window reads 'Double-click an attendee to chat privately.'

Attendees | 0 / 1

Start Content

Session Details
Session Name: Entrepreneurship
Leader: Linda Hoke

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

Linda Hoke

Feedback

Chat

Public Private

Double-click an attendee to chat privately.

Asking Questions

Who is the Southern Growth Policies Board?

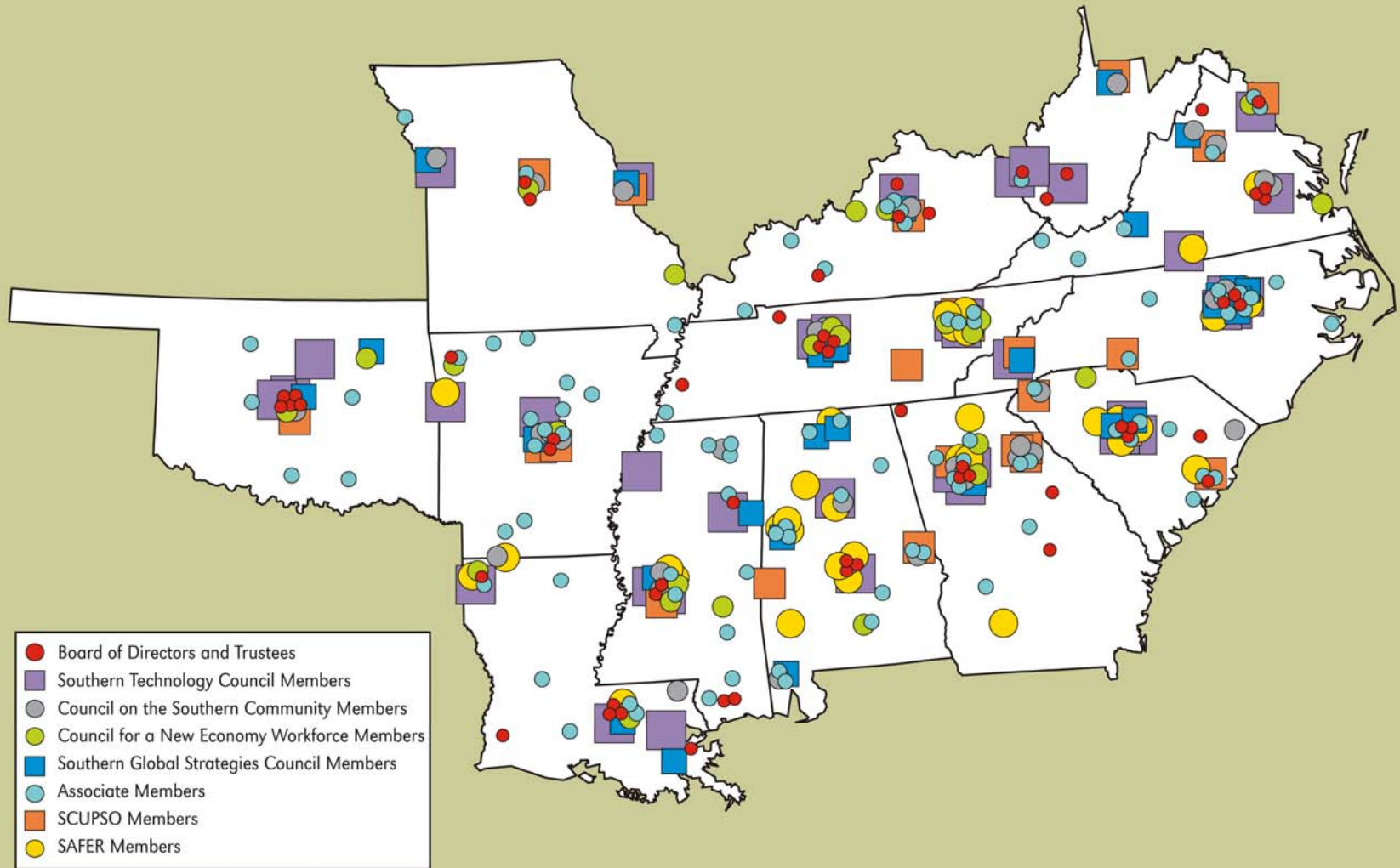


Ted W. Abernathy, Jr., CecD,
Executive Director – Southern Growth Policies Board

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

Southern Growth Membership



Annual Future of the South Reports



What's *Seeing the Future?*

- Series of resource guides to help Southern communities better understand current economic trends and to plan ahead for the opportunities of the future
- Key topic areas range from *Leadership and Social Capital* to *Technology and Innovation* to *The Green Economy*
- New guides will be released monthly via webinar

Each Resource Guide Includes:

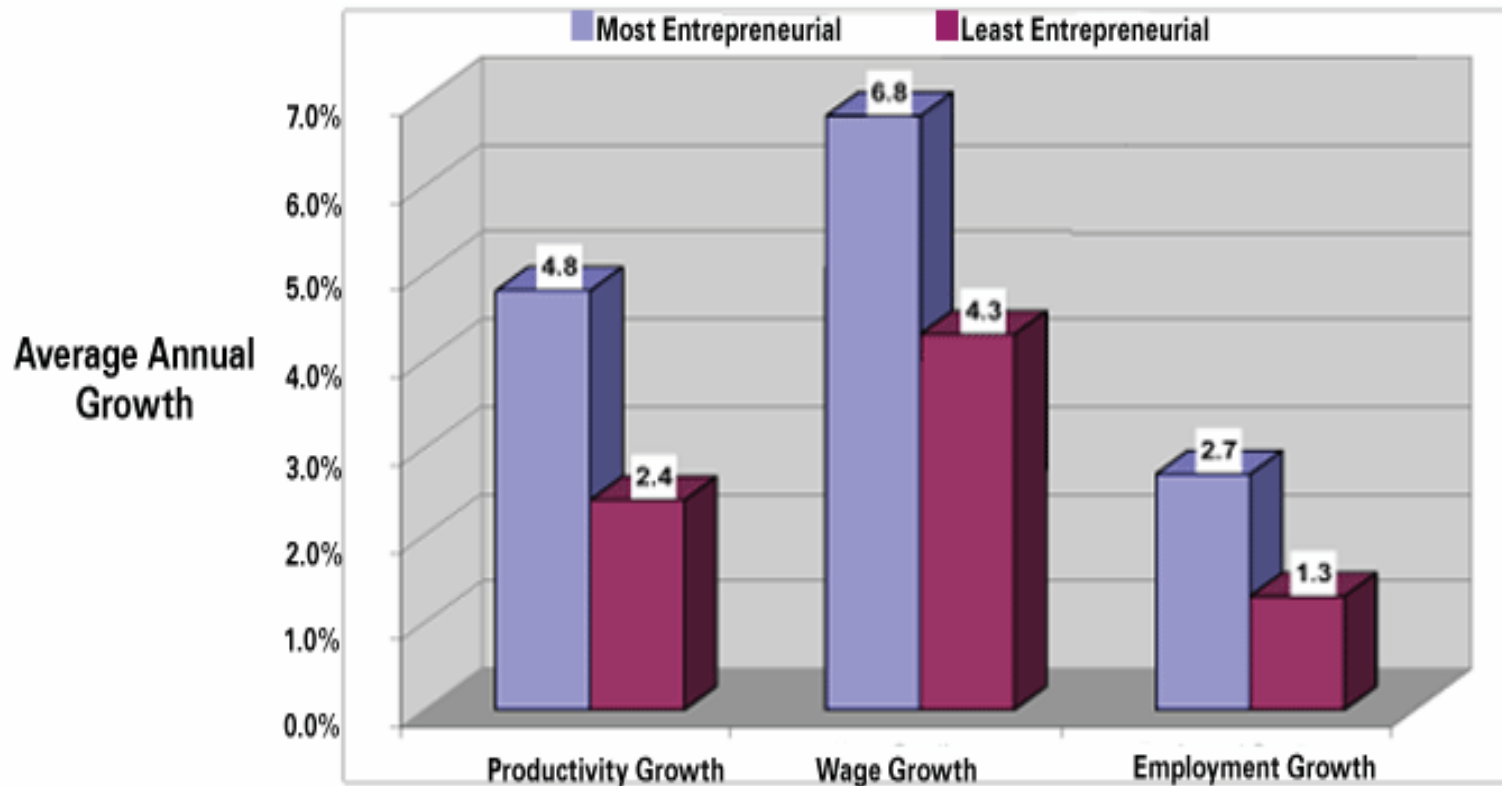
- Introduction to topic
- Key points or trends
- Ideas for getting started
- Resources for more information
- Program examples

Entrepreneurship



Why Entrepreneurship?

**Economic Growth in All U.S. Regions
Comparing Most and Least Entrepreneurial Regions**



Source: Advanced Research Technologies. *The Innovation-Entrepreneurship NEXUS*, 2005.

Entrepreneurship: Key Points

1. Innovation and entrepreneurship need each other



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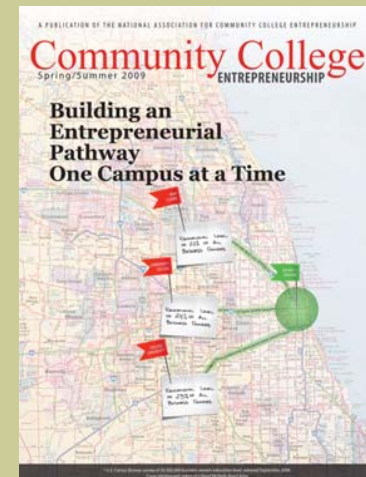


2. Innovation and entrepreneurship are not just about technology



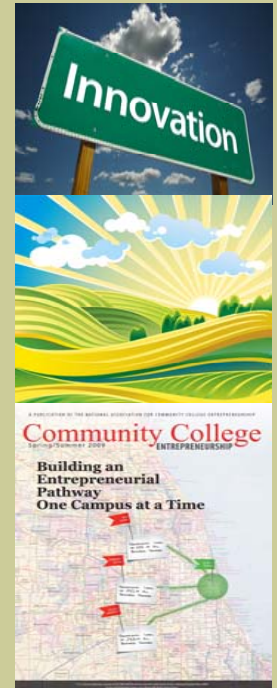
Entrepreneurship: Key Points

1. Innovation and entrepreneurship need each other
2. Innovation and entrepreneurship are not just about technology
3. **Universities and community colleges are important foundations**



Entrepreneurship: Key Points

1. Innovation and entrepreneurship need each other
2. Innovation and entrepreneurship are not just about technology
3. Universities and community colleges are important foundations
4. **Immigrants are major players**



Seeing the Future Entrepreneurship

Ideas for Getting Started

Deborah Markley, PhD

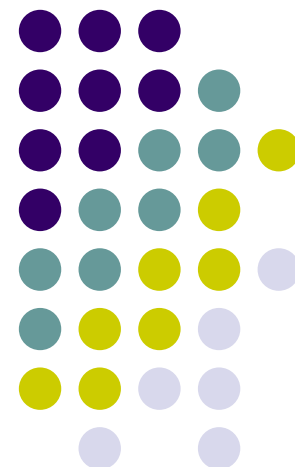
**Center for Rural
Entrepreneurship**

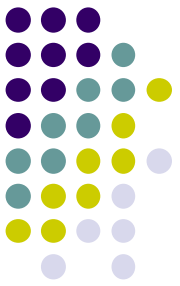
energizing entrepreneurial communities

rupri

Southern Growth Policies Board

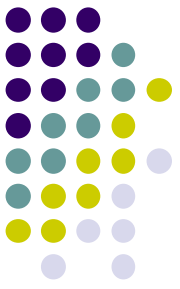
March 28, 2011





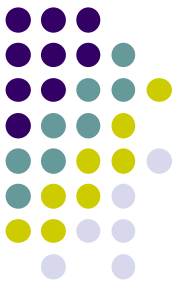
About the RUPRI Center

- **National non-profit – *affiliated with RUPRI***
- **Mission – *help rural communities and regions develop and implement entrepreneur-focused economic development***
- **Approach**
 - *Research and evaluation of effective practices*
 - *Strategic engagement with communities and regions*
 - *Outreach to practitioners and policymakers*



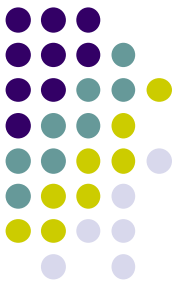
What have we learned?

- Many rural areas are struggling – *challenges are real!*
- There is much innovation – *opportunities to “steal” good ideas*
- Entrepreneurship development is long term, hard work – *requires change in culture and strategy*
- Most rural folks don’t think of themselves as Es – *but they are!*



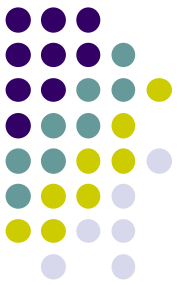
Ideas for Getting Started

- Identify E needs and existing resources - *Know your market and your assets*
- Provide opportunities for Es to connect – *Networking*
- Develop a continuum of education and skills training – *No “one size fits all”*
- Provide fledgling businesses with support services – *The power of business incubation*
- Help Es access capital - *Different Es have different \$ needs*



Identifying Needs and Assets

- **Business Visitation – *Ord NE team of local leaders including chamber, county commission, economic development***
 - Identified growth Es they didn't even know about
 - Identified Es who wanted to “transition” out of the business
- **Easier Access to Business Resources**
 - *How to Start a Business in Coffee County GA* guide – E Friendly Community program in the state
 - *Tools for Business Success* website in Haywood County NC



Opportunities to Network

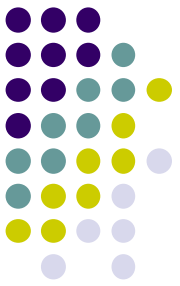
- **Peer to Peer**

- *Bootstrap Chatham* networking event in Chatham County NC – speed dating for Es
- *Masterminds* group for women business owners – ND Women’s Business Center
- *Hello, My Business Name Is...* – networking guide

- **Including Service Providers**

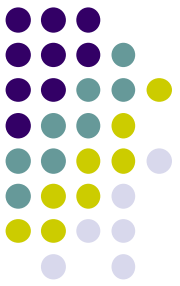
- *Sandhills Regional E Summit* – TriSouth Entrepreneurial Network

Continuum of Education/Training



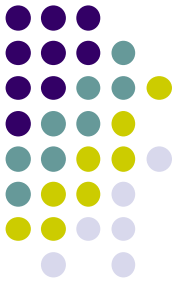
- **Youth entrepreneurship**
 - Hop on the Bus! in NC
- **Entrepreneurship 101**
 - Mississippi MyBiz program for dislocated workers
- **One-on-one counseling/coaching**
 - Small Business Development Centers
- **Specialized focus**
 - How to *Green* your Business in GA – ACE

Support for Fledgling Businesses

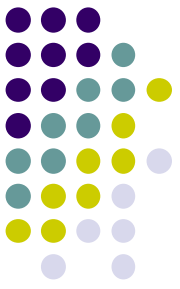


- **Incubator without Walls**
 - Washington Hancock Community Agency – Maine
- **Downtown renovation/incubation**
 - Helena Arkansas downtown incubator
- **Specialty**
 - ACENet Kitchen Incubator in Appalachian OH

Access to Capital



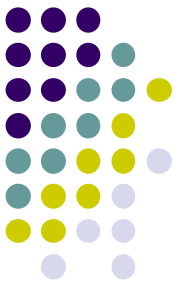
- **Making “cents” of the landscape**
 - *Fueling your Business* guide – NC Rural Center
- **Filling gaps**
 - *Chatham Loan Fund* – partnership with Self Help to meet needs for smaller loans in the county
 - *Angels for Moore* – meeting an equity capital need in Moore County



Resources

- Haywood Co. Tools for Business Success – <http://haywoodco.toolsforbusiness.info/northcarolina/0b/?CFID=3122564&CFTOKEN=c8f2c60ca6400ca6-4558C638-9014-E0DC-6F63531BAF5444BA>
- Coffee Co. Guide How to Start a Business Guide – <http://www.douglasga.org/admin/chamberNewBusiness/admin/Uploads/HOWTOSTART.pdf>
- Masterminds – <http://www.trainingnd.com/>
- Hello, My Business Name Is... – http://www.goodwork.org/sites/default/files/networks_guide.pdf
- Sandhills Regional E Summit – <http://trisouthenet.com/>
- Hop on the Bus – <http://hoponthebus.org/>
- MS MyBiz – <http://www.theseop.org/page/training-dislocated-workers-to>
- Green Business Resource – <http://www.georgiagreenloans.org/index.php?go=green>
- ACENet Kitchen Incubator – www.acenetworks.org
- Chatham Loan Fund – <http://www.chathamcdc.org/business-resources/chatham-loan-fund>
- Angels for Moore – <http://www.angelsformoore.org/>

Contact Information



Deborah Markley

Managing Director and Director of Research

**Center for Rural
Entrepreneurship**

energizing entrepreneurial communities

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www.energizingentrepreneurs.org

The logo for the Southern Growth Policies Board, featuring a stylized orange and yellow shape resembling a flame or a drop, with a small red 'S' above it.

southern growth policies board

Download the Resource Guide at

<http://www.southern.org>

Click on Publications and Toolkits

Q&A

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You and Southern Growth

- Associate Membership
- Listening to the South
- On-line surveys
- Webinars and Forums
- Partners

Save the Date

The next in our series of *Seeing the Future* webinars
will focus on:

Downtown Development

**Featuring the work of The Fanning Institute
at the University of Georgia**

Join us for our next webinar

Date: May 19, 2011

Time: 2:00 – 2:45 pm ET



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<http://www.southern.org>