Grow Your Own

December 4, 2013
My Presentation

Federal Reserve
12.04.13

Let’s Start with Prosperity
Inspiration from the Field
Big Picture View
Keys to Success
Center Resources
Questions & Discussion
A Decade of Field Work

The areas with “STARS” are locations where the Center has completed projects.
Prosperity?
Prosperity Defined

Economic Opportunity
Broadly-Held Community Wealth
Entrepreneurial

1. Economic & Social Diversity
2. Resilience from Shocks
3. Higher & Sustained Prosperity
Chase County
Like so many rural counties, Chase County experienced chronic and severe depopulation beginning with the Great Depression. This period preceded by the classic boom, bust and boom cycles.
Economic Rebound

Nonfarm Proprietors, Chase County, Nebraska

- Income (thousand dollars)
- Employment

Nonfarm proprietors' income: real 2010 dollars
Number of nonfarm proprietors
Community Renewal

There are relatively few rural counties in the entire Great Plains Region posting sustained positive population growth.
Russ & Allo Communications

Russ and his wife own the local twice weekly newspaper in Imperial. He a former high school class mate created Allo Communications. Today they are one of the breakout companies fueling Chase County’s revitalization. Allo Communications is competing head up with the likes of SPRINT and Century Link.

**Russ and Allo are charitable and through gifts to the Chase County Community Foundation they are supporting workforce development and educational opportunities for youth.**
Big Picture

Economic Development Opportunities in the Post-Great Recession Economy and Society.
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 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.
Challenged 2000s

Largest Employers Shed 9.5 Million Jobs

99,000 Jobs Loss Per Month

Smallest Employers Created 8.8 Million Net New Jobs

92,000 Jobs Gained Per Month

Self-Employment Grew by 93%

3.3 Net Gain in Self-Employed Ventures
First Year of the Recovery 2009-2010

Largest Employers Shed Over 1 Million More Jobs or -113,000 per Month

Smallest Employers Created 6.8 Million Jobs or 569,000 Jobs per Month
In just 1 year, 2.5 Million new entrepreneurial startups!
Results in for 2009-2012

Self - Employment Dropped
↓ 146,241  or  ↓ 2%

Stage 1 Ventures
(2-9) employees

↑ 2.6 million more businesses  +21%
↑ 6 million more jobs  +28%
↑ $371 billion more in Sales
Entrepreneur Opportunities

Defense Contractors
Government Contractors
Supply Chain Companies

Under-Employed Talent
Un-hired Graduates
Displaced Talent

Immigrant Talent
Graduate Students
Safe Harbor Immigrants

Business Failures
Retirees
Women
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
Across America Communities and Regions are Struggling to Find Robust Funding for Economic Development.
Local Responsibility

No community can take its future for granted. Remember Detroit? Every community must create its future. Development is a local responsibility. Central to community success in the 21st Century is creating and supporting an environment for entrepreneurial behavior.
#2 – Smart Game Plan

Right Strategy

Experience & Learning

Smart Game Plan

Research

Genuine Opportunity
#3 – Robust Investment

Communities must be renewed socially and economically.

There must be constant private and public investment if a community is to renew itself.

1. Public Funding
2. Leveraged Private Investment
3. Community Philanthropy
Entrepreneurial Development Systems

NetWork Kansas

Kansas is building one of the most robust and sustainable entrepreneur-focused economic development game plans in North America. There is a system of support that includes NetWork Kansas, the Kansas Small Business Development Centers, communities from urban to rural and hundreds of specialized resource providers.

Kansas is growing an entrepreneurial eco-system one community at a time. We are in the process of capturing this story (Fall 2013).

Chronology...
2004 Legislation
2005 Center Created
2006 NetWork Kansas
2007 First E-Communities
5 ½ Years of Experience

Impact...
39 Communities
339 Business Deals
$54 Million Deal Flow
1017 Full-Time Jobs
816 Part-Time Jobs
Other Keys...

#5 – Sustained Effort
#8 – Immigrants & New Residents
#9 – Real Regional Collaboration
#7 – Attributes of an Entrepreneurial Community

1. All 3 Kinds of Es
2. Culture
3. Infrastructure
4. Human Talent
5. Youth
Entrepreneurial Culture

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!
Entrepreneurial Infrastructure

Robust Support Network
Business Coaching
Access to Capital
Access to Market Research
Access to Places & Spaces
Access to Real Time Technology
Access to Human Talent
Other Entrepreneurs
Entrepreneurs

#10 – Civic & Social Entrepreneurs.

#6 – Business Entrepreneurs

• *Lifestyle*
• *Growth-Oriented*
• *Transition*

Beth Stube -- Dickinson, North Dakota
The Entrepreneurial Pipeline

- **No Action**: Consume Resources, No Impact
- **Tire Kickers/Pre-Venture**: Consume Resources, Low Impact
- **Necessity**: Both Basic and Secondary Market Ventures
- **Failure**: Move to Basic Markets, Moderate Impact
- **Survival/Struggling**: Large-Scale Impact
- **Lifestyle**: Opportunity
- **Breakout**: High Growth
Youth... Energizing Force
Keys to Economic Success

Local Responsibility
Smart Game Plan
Robust Investment
Entrepreneurial Development Systems
Sustained Effort
Growth Entrepreneurs
Attributes of an Entrepreneurial Community
Immigrants & New Residents
Real Regional Collaboration
Civic and Social Entrepreneurs
New Book

January 2014 Release

Contents...
Case for Entrepreneurs
Entrepreneurial Community
Action Framework
Working with Entrepreneurs
Guiding & Tracking Progress

Paper & E Book
E2 University Online

Rollout in 2014...

Resources:
• Guides
• Tools
• Protocols
• Training Webinars
• Exercises & Illustrations
• Videos, Stories & More
Web site

[website link]

We have produced a new and improved web site with more free resources and better guidance to compensated resources. Give it a spin. Also... we have four electronic newsletters that are free. Sign up today and benefit from all the resources covered in our newsletters.
Beginning next summer and fall we will be offering community and professional webinars on working with entrepreneurs and community-based entrepreneur-focused development.
We Must Dream Again
Questions...
Questions & Discussion

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