

Cultivating an Entrepreneurial Environment in Rural Oklahoma
Communities

C.I.S.S.



Dave Shideler, Ph.D., Oklahoma State University
Presented at Oklahoma's Entrepreneur's Conference 2010, Norman, OK

Agenda

- Why entrepreneurship?
- What is an entrepreneurial environment?
 - Climate
 - Infrastructure
 - Support Systems
- How does one build an entrepreneurial environment?
 - Readiness
 - Assessment
 - Model Practices
 - Capacity Building
 - Keeping Score

Why entrepreneurship?

Establishments	2005	2007	Jobs	2005	2007
Total	193,309	206,325	Total	1,818,937	1,762,034
Noncommercial	9.4%	8.9%	Noncommercial	20.1%	19.7%
Nonresident	7.1%	6.4%	Nonresident	22.5%	19.7%
Resident	83.4%	84.6%	Resident	57.5%	60.6%
Stage 1 (1-9)	88.2%	89.2%	Stage 1 (1-9)	33.9%	34.9%
Stage 2 (10-99)	11.1%	10.2%	Stage 2 (10-99)	39.4%	39.0%
Stage 3 (100-499)	0.6%	0.5%	Stage 3 (100-499)	15.0%	14.8%
Stage 4 (500+)	0.1%	0.1%	Stage 4 (500+)	11.7%	11.4%

Why entrepreneurship?

- Economic Impact
 - Locally owned stores tend to buy a larger proportion of inputs locally (if possible)
 - Commitment to place
 - Decentralized procurement
 - Implication is that locally-owned stores minimize economic leakages from the community
 - Locally-owned stores believed to reinvest profits in local community
 - Locally-owned businesses can facilitate the transfer of wealth

Why entrepreneurship?

- Social/Sustainability impact
 - Local businesses encourage the development of trust and 'bridging' social capital
 - Locally-owned businesses may develop social cohesion – build a sense of place, an “experience”, insular to national/regional events
 - Environmental impacts?

What is an entrepreneurial environment?

- Climate
- Infrastructure
- Support Systems

Energizing an Entrepreneurial Economy: A Guide for County Leaders by D. Markley, K. Dabson, D. Macke;
http://www.energizingentrepreneurs.org/content/cr_2/2_000185.pdf

Entrepreneurial Environment: Climate

- Awareness
 - Do we know who the entrepreneurs are?
 - Are their needs reflected in the community's strategic plan and/or development process?
 - Do local leaders understand the importance of entrepreneurs to the local economy, and do they appreciate them?

Entrepreneurial Environment: Climate

- Recognition
 - Are entrepreneurs acknowledged and appreciated in the community?
 - Does the community leadership recognize entrepreneurial challenges? If so, how?
 - Do entrepreneurs in your community feel valued and that their challenges are known?

Entrepreneurial Environment: Climate

- Culture
 - How does local culture accommodate entrepreneurial success?
 - How does local culture accommodate entrepreneurial failure?
 - How responsive is local culture to change?
- Anonymity
- Quality of Life

Entrepreneurial Environment: Infrastructure

- Real Estate
- Utilities
- Services
- Taxes and regulations
- Networking

Entrepreneurial Environment: Support Systems

- The group of services and programs to encourage and benefit the entrepreneur
- Best to think of a progression of services:
 - Essential
 - Advanced
 - High-performing

Entrepreneurial Environment: Support Systems

- Essential Support:
 - Construct a positive climate and provide entrepreneurial infrastructure
 - Increase awareness about entrepreneurs
 - Recognize entrepreneurs' contribution to the community
 - Facilitate networking
 - Ensure access to appropriate business services

Entrepreneurial Environment: Support Systems

- Advanced Support:
 - Entrepreneurial training
 - Financial capital
 - Access to markets
 - Youth
- High-performing Support:
 - Customized help
 - Angel investment/Venture capital sources
 - Integration of entrepreneurship into local schools
 - Entrepreneurial Support Organizations

Building the Environment

1. Readiness
2. Assessment
3. Model Practices
4. Capacity building
5. Keeping score

Building the Environment: Readiness

- Identifying your community's existing entrepreneurial assets
 - Entrepreneurial Quick Test
(<http://www.energizingentrepreneurs.org/content/chapter3.php?id=30&sel=2>)
 - Community Readiness Factors
(<http://www.energizingentrepreneurs.org/content/chapter3.php?id=65&sel=2>)
 - Rate Your Community Support for Entrepreneurs
(<http://www.energizingentrepreneurs.org/content/chapter3.php?id=27&sel=2>)

Building the Environment: Assessment

- Benchmarking
- Strategic action
 - Visitation questionnaires
 - Strategic planning
 - Identify entrepreneurial assets
 - <http://www.energizingentrepreneurs.org/content/chapter4.php>

Building the Environment: Model Practices

- Identify models that fit your community's goals and objectives
- Contextualize the model to your community
- Critical points:
 1. Move to action quickly!
 2. Start small and with a commitment to capacity building
- http://www.energizingentrepreneurs.org/content/chapter_3/tools/1_000065.pdf

Building the Environment: Capacity Building

- Recruiting and/or cultivating new entrepreneurs?
- Helping potential entrepreneurs get going
- Business succession
- Exposing youth to entrepreneurship
- http://www.energizingentrepreneurs.org/content/chapter_6/tools/1_000113.pdf

Building the Environment: Keeping Score

- Justify the entrepreneurial program
- Accountability
- <http://www.energizingentrepreneurs.org/content/chapter7.php>

Conclusions

- Successful entrepreneurial development requires intentionality by community leaders
- Achieving such an environment requires effort: readiness, assessment, model practices, capacity building, and keeping score
- Questions?
 - dave.shideler@okstate.edu
 - 405-744-6170
 - <http://rd.okstate.edu>