Building An Entrepreneurial Ecosystem



There are as many definitions as there are opinions about what an Entrepreneurial Ecosystem is.

- Entrepreneurship efforts by entrepreneurs, to conceive, plan, and develop a business, and is linked to job and wealth creation resulting in a positive impact on entrepreneurs, employees, and the community.
- Ecosystem is the synergistic collaboration of stakeholders, who employ a holistic approach to mobilize resources needed to Enable, Empower, and Encourage entrepreneurship.



The inherent nature of Entrepreneurship creates many inhibitors that stifle economic growth

Risk:

- Undercapitalized
- Knowledge/Education
- Experience
- Access to markets
- Buying power
- Workforce
- Infrastructure
- Policies & Regulations

Inhibitors:

- Access to risk capital lending
- Access to education & training
- Access to professional advisors
- Local/state policies
- Workforce
- Local culture

Errisk-taker who start

Sic Parvis Magna

From Small Beginnings, Come Great Things - Sir Francis Drake



E² Framework

A Holistic Approach

Our Focus In This Presentation:

- Foundations
- Principals
- Lifecycle

E² Foundations

Aligning Strategy With Economic Context

Strategic Context

Why Do Municipalities Need A Strategy?

Broad Strategic Context	Symptoms	Strategic Questions
The Municipality In Decline	 There has been a continuous outward migration from the municipality for several years. Very high level of inactive population. Very Few income generating activities. The municipality is not within commuter distance of a stable or growing economic center. Consumer spending is leached by neighboring communities 	 ✓ What conditions or actions could create the basis for a turnaround? ✓ Would it be possible to connect the municipality to broader market opportunities? ✓ How can we consolidate existing resources to make the municipality viable for encouraging entrepreneurship? ✓ How can we adapt services and cooperate with other to ensure provision of essential municipal services at lower costs?
The Municipality In Transition	 Some "key" industries have closed or reduced operations leading to high unemployment. Municipal labor skills are too focused on old or obsolete industries/technology. There are real opportunities and people with ideas, and some new fledgling businesses. 	 ✓ How can we assist the transformation? ✓ How can we transform old industrial locations into new spaces for modern living, working, art, and culture? ✓ How can we widen and adapt the local skill base to meet modern requirements of a modern economy? ✓ How can we encourage new ideas and entrepreneurship?
The Municipality Experiencing Growth	 The municipality is successful and growing. There is inward migration. Existing infrastructure does not support the growing population 	 ✓ How can we provide adequate services and infrastructure for a growing number of people? ✓ How can we maintain and ensure adequate quality of life and environmental standards for a growing population? ✓ How can we ensure social integration and cohesion?
The Municipality With Limited Resources	 This situation might occur in any of the above-mentioned contexts. The municipality does not have the ways and means to generate sufficient income, and/or is not utilizing its resources efficiently. 	 ✓ How can we generate more income? ✓ How can we make tax collection more effective? ✓ How can we deliver more with less? ✓ What are our big money wasters in the municipality? ✓ How can we collaborate and share service provisions to become more efficient?
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Strategic Economic Development Plan

Establishing Clearly Defined Goals & Objectives Focused on **Positive Measurable Impact**

Poorly Conceived Plan

- The vision is not aligned with the prevailing strategic economic context
- Long-term Goal(s) are convoluted and not aligned with infrastructure & resources
- Objectives are nebulous rather than SMART
- Failure to benchmark against successful communities
- No defined metrics to measure progress against interim objectives that support the strategic goal(s)

Well Conceived Plan

- The vision is clearly defined and aligned with to boarder economic context
- Long-Term Goal(s) are aligned with infrastructure and resources
- SMART Objectives that are aligned with the stated goals
- Defined metrics/KPIs are established to assess the progress of plans, programs, and initiatives

Entrepreneurial Ecosystem Foundations

Access to Capital	> Business Lending; Banks, Alternative Lenders, > Venture Capital: Angel Investors, Venture Capital > Friends & Family > Private Equity	
Workforce	 > Labor: unemployment, skills, median family income, aging workforce > Entrepreneurship > Vocational and Technical Training resources > 	
Infrastructure	 > Water & Wastewater > Power > Broadband > Affordable Housing 	
Access to Markets	 > Leaching of retail dollars: Opportunities for offsetting leached retail \$dollars > Transportation: Modes and relative distance to external suppliers and customers > Industries: supplier, contractor opportunities > Export: Opportunities for establishing export sales (outside the community) to regional and international markets 	
Policy and Regulation	 > Strategic plans & Objectives > Local laws & regs > Zoning > Incentives 	
Support Network	 > Legal, accounting > Fed, Regional, State, and Local Resources: Certifications, Assistance, Training, Grants, Trade, Finance > Professional services: TA & Training > Mentorship: Local and regional mentorship network 	
Culture	 > Community Pride & Identity: Community attitude for revitalization and growth > Buy Local: strong community support for local businesses > Formal & Informal Leadership: Are the community leaders united in supporting plans, policies, programs and initiatives to encourage and support Entrepreneurship 	

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Entrepreneurial Ecosystem



Mapping The Ecosystem

E² Principals

Begin With The End In Mind



E² Principles

Avoiding The Fish In The Fishbowl Phenomenon

Creating Jobs

- Target businesses and industries with potential to create new jobs paying a living wage
- Workforce training skills to align with targeted business/industry growth
- Business growth should look to the future relative to technology and market growth opportunity
- Promote businesses that reverses the exodus of youth, education, and entrepreneurial talent

Creating Wealth

- Seek business growth opportunities that generate a positive balance of trade for the community
- Identify business opportunities that offset the leaching of community wealth
- Promote businesses that have sales/revenue growth potential that can generate generational wealth

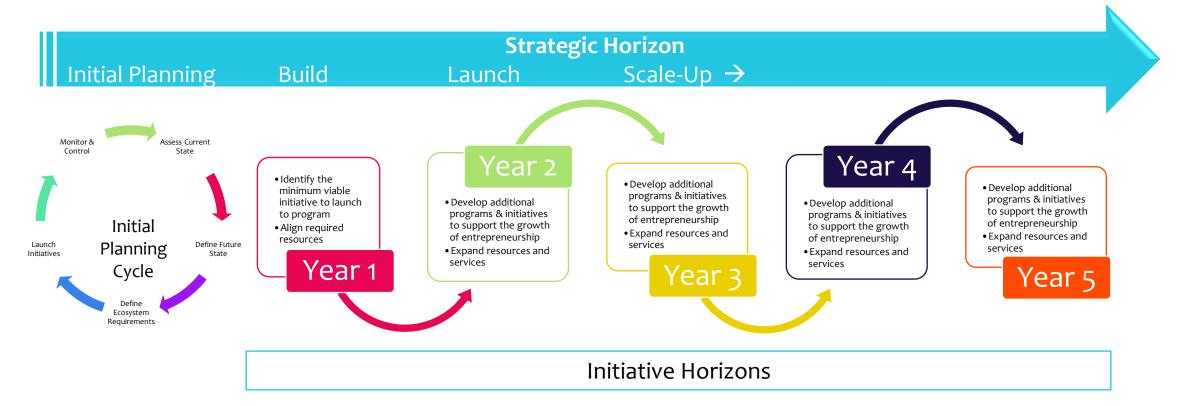


Building a Sustainable Program

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Entrepreneurial Ecosystem Lifecycle

Rome wasn't built in a day



Adopt an Agile Iterative Planning Approach

- Set SMART Goals & Objective
- Develop programs & initiatives to achieve objectives (focus on eliminating inhibitors)
- Align resources with programs and initiatives
- Prioritize programs & initiatives
- Identify the Minimum Viable Program to launch the program
- Evaluate, Re-prioritize, & Implement in iterative cycles to scale up the program



ThankYou

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