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The Northeastern Regional Center  
*for Rural Development*

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**National Coalition for Rural  
Entrepreneurship  
Listening Session Notes**

*Location:* State College, PA

*Date:* July 27, 2005

*Hosts:* NERCRD and Penn State University

*Number attending:* 28

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Recorder: Pam Hileman, NERCRD



July 27, 2005  
Days Inn, State College, PA

Session was opened by Stephan Goetz

### **DISCOVERING THE POSITIVE ELEMENTS OF WHAT IS WORKING**

- If SBDCs on site everything works well
- If strong communication and networking within community – businesses flourish well.
- If there's a lack of communication businesses not doing well.
- Everyone needs to be connected.
- Individual emphasis on human scale –small in home businesses rather than big businesses.
- SBDC resources are important to communities; the funding has remained flat in PA for a number of years.
- Should be tightening of resources; referrals/collaboration amongst agencies. Non-territorial works better.
- Communication and collaboration at community level – community and economic development working together; CES, elected officials
- Financing programs both state and federal such as Small Business First/ USDA
- Micro-loan, ARC, EDA loan—
- Availability of funds from state and federal (is working well)
- First Industries is state program & Small Business First is agribusiness.
- Educational programs thru SBDC, colleges and CES.
- Great Valley Technology & Entrepreneurial Inst. At Wharton School are working well. 15 colleges & universities have students participate in these initiatives.
- Youth leadership program for 11<sup>th</sup> graders gets kids involved in programs (gvt, cultural events). Public speaking experience – all skills needed to run small business.
- Need for better collaboration—better coordination of resources available
- Mentoring – people often learn from each other – especially in small businesses
- In some areas people are on the path to coordinate efforts, service providers are working together
- Group leadership program to give the young skills that they need
- Shared resources, leveraging resources, mentoring programs (use SCORE as mentoring group) Need a single point of entry into the world of entrepreneurship

### **VISIONS FOR SUSTAINING THE FUTURE**

#### **COMMON THEMES**

- Collaboration among agencies has been a problem (often times don't want to share the grant money) – solution may be to offer incentives to collaborate
- We need to guide a small business person through the process – often times there are obstacles to the process (regulatory and political).
- The system is very difficult and Byzantine.
- Tailor a system that is all encompassing (accordingly) – recognize diversity

- Community needs to develop a comprehensive plan – plan for future and plan for change
- Successful venue- increase outreach to rural areas thru increased funding-
- SBDC – successful
- Target funding resources directly toward micro-business & sole employer; target low income & assistance clients
- Healthcare is often an obstacle for small business owners – provide healthcare.
- Change in attitudes of the entrepreneur – get them into business and keep them in business (we tend to discourage-stress the “can do”)
- Incentives or tax breaks for entrepreneurs after they have been in business for a couple of years. Give incentives to successful people Abatement (benefit offer to encourage growth)
- Collaboration, networking, mentoring. (Once we have a person who has started small business must continue relationship and mentoring as long as it takes for them to be successful)
- Collaboration and networking among entrepreneurs themselves.
- Portal segmented properly and organized and all inclusive, but set up in such a way so that a specific type of business could go to the correct area. Expand portal into an e-mall with entrepreneurs and store fronts
- Healthcare and employee benefits package
- Mentoring (SCORE)
- Help to promote and buy locally (State)
- Better development of existing marketing programs
- Form coalition to advocate to policymakers for funding and other changes
- Collaborate efforts at this meeting and take to the next level

## **DESIGNING THE FUTURE**

### **KEY STRATEGIES**

- Find a mechanism for the outcomes of these focus groups to be brought to the attention of state officials. Deliver results to state officials (DC, Dept. of Ag., Center for Rural PA)
- Like to see a developed a business assurance fund (funding pool to assist entrepreneurs and help reinforce their investment)
- Have to have a successful business plan
- Industrial homework law to help streamline young entrepreneurial
- Develop effective partnerships – networking of all organizations to reach all levels of government. Because they have accessibility and have the money
- Separate and specify SBDC sites in the rural areas. (If university or other entity to partner with SBDC)
- Website and Guide in New PA needs to be updated
- One goal of recipient should be to measure impact – expand the metrics
- A mass marketing of a can do campaign (Partners: DCED, SBDC, Colleges - approach NERCRD, DCD, colleges to develop a slogan plan\_
- Incentives (tax & training) after 2 yrs of success companies eligible for reduction in insurance, free management training
- Approach insurance providers and the state

- Establish non-governmental agency focusing on entrepreneurship
- Develop support groups (offer virtually; train the trainer program for SBDC; use adult leadership programs)
- Establish 501C
- Try to get PUC to establish fund to be used by local businesses (help each other out as businesses)
- Package for benefits (6 year program-free health care for 3 yrs for entrepreneur and after 3 yrs tax incentives on personal income tax - kick in for successful business. work with National Association. of self employed to get program together. Use card similar to access, but for self employed. Great marketing benefit for PA to bring other people into the state.
- Change policies statewide (on entrepreneurship, don't segregate rural vs. urban)
- Form this collaborative and take to next level.
- Focus on these tax incentives
- Get involved in an Association. of Self employed
- Put pressure on PEDDA to be more inclusive of other groups that exist in the state.
- Look at other rural organizations throughout state and get to join coalition such as Rural Development Council

## **STATEWIDE COALITION**

### **What are the things that are the most important in a statewide coalition?**

- Specialization of knowledge such as a clearinghouse (need to fix what is broken)
- SEA (self-employment assistance program). If between first and tenth week of unemployment and you think that self-employment is option go to employment office and they will tell you if eligible for self-employment. If in SEA can't have extension on unemployment. Want to fix SEA program.
- Fundamentally flawed things in the system - you have to be established in your business for the things to work; collaborate at the state level with organizations that already work with all 67 counties. A coalition could provide the leadership to help facilitate at the local level. Use prototype models
- Educate and plan. Statewide coalition could design strategy and need to advertise the programs. The incentives and barriers need to be changed.
- Provide leadership
- Focus on actionable items – can't be all things
- If approach legislator with a plan with an outcome you will get their attention. If you educate legislator on this they will take it to the people.
- 8.Majority of session participants think that a statewide coalition would be good.

### **What can be done on National Level?**

- Funding
- Support SBA
- Change in laws
- Promote NACO (local organization)
- Business incubators

**What can be done on local level?**

- Focus groups at local level (people in the trenches)
- Identify local “natural leaders” and get them involved
- Simplify/streamline the process (local gvt. has too many fingers in the pie)
- Incentives for collaboration with the municipalities
- Collaborate regionally
- Local taxing authorities could give seed money to help entrepreneurs
- Get elected leaders involved
- Have statewide Entrepreneur Expo
- Cell Phone Towers

**Entrepreneurship Listening Session:  
Worksheet 1  
Discovering the Positive Elements of What is Working**

*Please select someone from your group to take notes and submit them to us at the end of the workshop. Thanks!*

1. Share what you learned from your interview partner the examples of how rural entrepreneurship activities/efforts are working well in their community/state. *Go round-robin asking each participant.*

**Group A**

- SBDC co-located – demand high – key example of how it's working well
- Communication strategy – flourishing well; lacking – unwillingness to give in/territorial not doing well
- SBDC good resource – need for “tightening” of resources (be connected to resources and strengthen resources)
- Coal mining region – market for feeder business – “exploiting”
- Emphasis on human scale – in home – personal skills emphasis

**Group B**

- Upswing in small operations such as goat farms/products
- Assets program – 13 week entrepreneur program bringing in dairy farmers or any other small business
- Good communication starting at county government level
- Financing programs i.e. “Small Business First”: state, USDA micro-loan, ARC revolving loan, EDA revolving loan, “First Industries” loan-state
- Loop extension workshops: food for profit
- Recognition of role of technology/bio-tech as fitting into a rural setting
- Bringing outside business knowledge: business leadership to support ag.

**Group C**

- Many resource providers available on the path in forming partnership to work together instead of saturating community with workshops, etc. stop duplicating efforts
- Youth leadership program to develop skill sets for entrepreneurial activity
- Food & craft for profit seminars
- Need more efforts to try to get citizens to buy locally to support small business
- Access to market/statewide distribution center
- Encourage the state & large companies to buy locally
- Encourage entrepreneurs/educate them to meet market needs
- Identifying leveraging assets communities have instead of chasing hottest trends

- PABIZHELP.COM entry point for referrals/mentoring works – chamber of commerce mentors
- Main Street program model works – Main street manager can assess needs
- Possibly change SCORE to become mentors (change the way they market themselves)

2. As you listened to the examples provided by participants in this group, did you hear any common themes regarding activities and efforts that have helped to generate and sustain rural entrepreneurship? What were they?  
*Ask the small group.*

#### **Group A**

- Organized groups coming together to provide support
- Need greater emphasis of tapping into community
- Value added – ownership – choices – invested interest – pride within the community
- Tightening up delivery of the services
- Deliver continuum of services – how do we sustain them? Retention efforts
- “Plan” for the future
- “Plan” for change

#### **Group B**

- Training/education: leadership, business planning, assets, extension, SBDC
- Communication
- Collaboration; also on grant proposals by service providers
- Financial assistance – state, federal, local
- Coop healthcare: increase access & strengthen

#### **Group C**

- Many services available & many are successful
- Duplication of services – try to pool efforts instead – need to share successful practices and knowledge

#### **Group D**

- Networking, mentoring, training of all age groups, bring people in instead of sending out, different population infrastructure
- Healthcare, technology/web, need to bring all organization based on need

3. Identify three common themes to share with the larger group? *Look for group consensus.*

### **Group A**

- a. Future – teach budding entrepreneurs how to deal with the future – experiment – try things out
  
- b. Utilize resources – what’s available – common needs to be pro-active; aware of resources: how to use them; encourage community planning: know your support system; education: community support & leadership
  
- c. Money: dealing with financial start-up costs

### **Group B**

- a. Education & training
  
- b. Access to funding; availability
  
- c. Collaboration/cooperation relationships: for grant proposals, funding, support, network

### **Group C**

- a. Promote a collaborative mindset between service providers
  
- b. State needs to promote purchasing local products
  
- c. SCORE as mentors & portal

### **Group D**

- a. Students in Free Enterprise SIFE
  
- b. Help communities write business plan
  
- c. Work with entrepreneur

**Entrepreneurship Listening Session:  
Worksheet 2  
Dreaming/Visioning for the Future**

*Please select someone from your group to take notes and submit them to us at the end of the workshop. Thanks!*

1. Thinking back to the interviews, share any thoughts and ideas about what activities/ efforts might enhance rural entrepreneurship. *Go round-robin asking each participant.*

**Group A**

- With support from the state & county need collaborative effort
  - Funding to serve a better good by neighboring communities collaborating – entities coming in together
  - Barriers of political process (ex: licenses/permits) system needs to work together – take politics out of small business expansion – deterring discouragement

**Group B**

- Target funding; resources, appropriate business development services (business training, tech assistance, small loans) directly towards self-employment: micro businesses; audience: low income, assistance clients, etc.
- Future of ag program in your community
- Making programs accessible to participants' schedule; accessibility

**Group C**

- What can communities do? Service providers try to service all equally when that doesn't work – need to segment toward type of business

**Group D**

- Give positive success stories: How did they get there? State to create incentives for starting small business; consulting or resource support to fill out applications; interaction with funding source; better programs; support for healthcare costs

2. Were there any common themes regarding what activities/efforts might enhance rural entrepreneurship. *Ask the small group.*

**Group A**

- Collaboration has a penalty; by collaborating only get ½ of the dollars and ½ the power. Need incentives that make collaboration desirable. Politicians operate on a different time cycle

**Group B**

- Availability of health care; centralized and affordable

**Group D**

- Find incentive/tax break after first couple of years in business and showing growth—Involve CCAP to make legislative changes – lobbying efforts
3. Identify 3 key insights into building and expanding successful programs to generate and sustain entrepreneurship in Rural America to share with the large group. *Look for group consensus.*

**Group A**

- a. Guide the small business person through the system
- b. Create a vehicle from beginning to end
- c. Tailor system that is tangible – all encompassing for all level of clientele. One size doesn't fit all

**Group B**

- a. SBDC is a successful venue; (shy re-invent the wheel?) But need to increase outreach to rural areas through increased funding and/or partnerships
- b. Healthcare accessibility
- c. Target funding beyond what SBDC offers

**Group C**

- a. Portal – segment properly
- b. Healthcare – buy into shared program also benefits for workers
- c. SCORE as mentors
- d. Buy locally – state also

- e. Better development of state marketing materials
- f. Form coalition advocate to policy makers for funding
- g. Collaborate our efforts here to take it to the next level

**Group D**

- a. Incentives – changing attitudes; How far do we keep them in business and encourage not discourage
- b. Tax incentives
- c. Collaboration/networking/mentoring amongst entrepreneurs.

**Entrepreneurship Listening Session:  
Worksheet 3  
Designing the Future**

*Please select someone from your group to take notes and submit them to us at the end of the workshop. Thanks!*

1. Consider where we are now regarding rural entrepreneurship and the vision we have created for the future, what strategies might enable us to move from the present into that future? *Each participant to share one strategy in round-robin format. If time allows, let each participant share another strategy.*

**Group A**

- Other ways of measuring initiatives/outcomes other than just jobs
- Jobs created or retained
- Small Business First Funds prove that you can be productive/successful without counting number of jobs created

**Group C**

- Mass marketing campaign “Can Do” dream to reality; statewide and rural – partners (colleges/university – applied project, high school, DCED marketing – disseminate materials)

2. What are 3 key strategies that would help take us from where are now to where we want to be in the future? *Look for group consensus.*

**Group A**

a. Mechanism for the outcomes of these focus groups to be brought to the attention of state officials (DCED & Dept. of Ag.)

b. Funding pool to assist entrepreneurs because rural entrepreneurs have tapped all personal resources. Something to help them retain capital investment of the entrepreneur – Business Assurance

c. Review laws/regs. That prohibit entrepreneurship (ex: Industrial Home Work Law). Streamline entrepreneurial programs

**Group B**

a. Separate/specify SBDC sites in rural communities running cost effectively through collaboration with existing institutions/facilities (not more SBDC sited/offices)

b. NEW PA (formerly Invent PA) web-site needs to be enhanced & types of businesses differentiated/categorized and all county resources (BID vs. food service vs. travel agency) need to be on the site not just regional and/or state funded resources

c. Starting and growing a business in PA Guide must be updated to provide info. by specific business types: geographic locations. This in turn is transferred to the NEW PA website with a searchable database.

### **Group C**

a. Tax incentives and training. After 2 years of success percent of health insurance reduction and free management training. Insurance providers get a reduction

b. Partner collaboration

c. For profit endowment grant; positive PR. Develop support groups (online virtual support group); SBDC; train the trainer program; use adult leadership program

### **Group D**

a. First 3 years cover health ins.; then tax incentive years 3-6; tax incentive for successful companies

b. Change policy – long term commitment, look at big picture

c. This coalition to “think entrepreneurship” must be statewide

3. For each of the above, indicate one or two action steps that need to occur, and who would be the most effective partner(s)?

### **Group A**

a. Rethinking of all organizations – this group facilitating the meeting; all levels of government??????????????

b. Accessibility to all who vote on the \$ such as rural action caucuses.  
There is power in numbers (SBA and AEO)

**Group B**

a. SBDC – convene meeting of Agriculture & Rural Development Service providers to potentially partner with SBDC to deliver services to rural areas – partners: Dept. Sec of DCED and State Director for SBDCs.

b.

**Group C**

a. Approach DCED & NERCRD; solicit colleges and high school to develop slogan to get the kids thinking about entrepreneurship – colleges to focus on one issue (slogan first issue)

b. Approach insurance providers; state establish a non-governmental agency focusing on rural entrepreneurship (PA Center for Rural Development and foundation sources); establish 501C 3 (statewide organization promoting rural entrepreneurship)

**Group D**

a. Focus on state income tax – look at other state incentives for entrepreneurs (NFIB & NASE)

b. Pressure PEDA to be more inclusive of SBDCs, etc. Invite other organizations to the table

c. Navigate through state programs - PA marketing to change

