

**The Entrepreneurial
Community:
*A Strategic Leadership
Approach to Community
Survival***

by
Milan Wall
and
Vicki Luther, Ph.D.



Heartland Center for Leadership Development



© 1987, 2003 Heartland Center for Leadership Development
941 "O" Street Suite 920
Lincoln, Nebraska 68508
Telephone: 800-927-1115 402-474-7667
FAX: 402-474-7672
URL: www.heartlandcenter.info
E-mail: info@heartlandcenter.info

Contents

Preface	v
Introduction	vii
A Strategic Planning Scenario	ix
Chapter 1: Developing Strategic Leaders	1
Chapter 2: An Overview of Community Strategic Planning	7
Chapter 3: Steps in Community Strategic Planning	13
Chapter 4: Awareness of Change	21
Chapter 5: Expanding Access to Resources	25
Chapter 6: Citizen Participation in the Future	29
Chapter 7: The Entrepreneurial Community	33
Chapter 8: Recruiting and Motivating Community Leaders	39
Chapter 9: Surviving in a Global Economy	49
Resource Section	61
Section A: Community Meeting Techniques	63
Section B: Community Leadership Development	91
Section C: Dealing With the Future	119





*A Strategic Leadership
Approach to
Community Survival*

Preface

The Heartland Center's research on healthy small towns, which resulted in the Center's widely disseminated "Clues to Rural Community Survival," underscored the importance of leadership—above all else—in community well-being.

Specifically, the attitudes and behaviors of leaders were judged as most critical among the variables that make the difference. In another age, a similar study might have concluded that a town's location, or its access to a major highway, or its proximity to natural resources or larger towns was the key. In the past, those "industrial age factors" may have meant the difference. Today, in an "information age" era characterized by the importance of knowledge over muscle, it has become clear that leadership ... not location ... is the critical variable.

This is good news for small towns everywhere: an attitude is easier to move than a town! It means that community leaders can spend their time and energy concentrating on what they can control, internal to the community, and not waste their resources trying to influence what they cannot control, external to the community.

Clearly, outside resources should be used intelligently. The offices of the nearby college or university, the state agency or regional service center, or the resources of the federal government should not be ignored.

But the answers will come from within. The solutions will be devised by the people who are there, day in and day out, not by the "expert" who makes a fleeting appearance and then retires from the scene.

A strategic leadership approach puts the community's leadership in charge of the community's future. It emphasizes that how leaders think, and what they do, will decide whether the town withers or thrives.

Vicki Luther
Milan Wall

*Co-Directors
Heartland Center for Leadership Development*

The Entrepreneurial Community



*A Strategic Leadership
Approach to
Community Survival*

**The
Entrepreneur-
ial
Community**



*A Strategic Leadership
Approach to
Community Survival*

Introduction

Small communities, like small businesses, constantly face new challenges.

And, like small businesses, small communities need to find a unique “niche” in their marketplace to maintain a competitive position—to survive—in turbulent and less predictable times.

This program is based on nationally recognized research demonstrating that small towns, no matter where they are located, or what their size, can find that niche ... can be competitive ... can survive, even when times are tough and answers don't come easily.

That research shows that leadership is more important today than any other factor impacting the survival of small towns. More important than size, or location, or access to natural resources, is leadership.

But leadership is only important if it happens at the grassroots, in the small towns where people live and work. Where local leaders accept the challenge to assume responsibility for their own community's destiny.

The approach used in this guidebook combines an emphasis on leadership with a “strategic marketing outlook,” or one that builds on local strengths and creates opportunities. It uses the principals of strategic planning, which have been adopted from the business world, and applied to the challenges of community development.

The strategic planning approach teaches small town leaders how to use a process that is both a highly practical and results-oriented practice. It can be used to stretch a small town's imagination, or vision, of what might be.

Most importantly, this approach results in actions ... specific actions that spell out who should do what by when ... actions that are designed to move the community solidly and confidently along the road of survival and success.

In addition to an overview of the application of strategic planning to community programs, this guidebook contains chapters that are organized around the different phases of work involved in the suggested sequence of a community futures effort.

The resource section contains “how-to” materials that are camera-ready and may be removed from the guide to use at town hall or neighborhood meetings. These materi-

The Entrepreneurial Community



*A Strategic Leadership
Approach to
Community Survival*

als were prepared to encourage adaptations that might increase their usefulness with different audiences.

The Heartland Center for Leadership Development has used these materials with community planners and civic leaders throughout the country, and the response to the strategic leadership approach has been overwhelmingly positive.

We wrote these materials to offer ideas and suggestions for action, but it is important to note that much of what is presented here is concerned with the process of community leadership development. The contents—the attitudes, hopes, fears and dreams of the preferred future—remain for the group or community to supply.

The intended user of these materials includes elected and appointed officials and community leaders. This guidebook can serve as a starting point for a project undertaken by an individual, small group, neighborhood or community.

Only the people directly involved with the outcomes can answer the questions. This guidebook, then, is a “tool box” for helping to ask the right questions.

Our programs at the Heartland Center for Leadership Development are based on several objectives, all of which we’ve found useful for community leadership development. They might be described as:

1. Increasing our awareness about the fundamental nature of the changes our society is undergoing.
2. Identifying existing leaders and emerging leaders who share a concern about the future and a curiosity about the potential impact of fundamental change on our society.
3. Encouraging attitudinal change as a way of building confidence about the ability of individuals to make a difference.
4. Building skills and competencies among people of leadership to enable them to facilitate community response to hard times with confidence for a better tomorrow.
5. Expanding the capacity of people to reach out to others with common interests and needs and to gain access to sources of information useful to local community planning.
6. Promoting shared decision-making as an essential value for people who want to help shape their future.

These objectives are the heart of the information included in the chapters that follow.



A Strategic Planning Scenario: What Happened in Prairie Crossing

Prairie Crossing is a community of 1,500 located in the middle of the state. Near the confluence of two creeks and a massive grove of cottonwoods, the area is historically significant as a major stopover for pioneer wagon trains during the settlement era. A beautiful picnic area and historical monument mark the spot where deep wagon ruts can still be seen and a view of the prairie extends in all directions.

This is a town that has been closely connected to agriculture for its entire history. Crops may have changed, as well as the size of farms, but the town and country connection is still strong.

Three small manufacturing concerns have helped the town weather changes in the economy, but none has much potential for expansion. There are even rumors that one of the plants is in trouble and may close.

Unsure how to respond to the changes that seem to be more and more negative each day, community leaders wonder if things will ever again be the same for Prairie Crossing.

Prairie Crossing has a good school system and is a source of community pride. An unusually high number of high school graduates win scholarships. The speech and debate clubs have been on statewide television recently because of their success in competitions, and the girls volleyball team has been a big winner in the state tournament several times.

The Crossroads Cafe has long been a drawing point for the community. Known throughout the area as having the best chicken dinners around, the cafe has recently been taken over by the third generation of the same family that has owned and managed it for over 40 years. The new manager has been trying to get financing to expand the operation, but so far, has been unable to raise any funds.

Even with a few shops on Main Street, the cafe, and the manufacturing companies, community leaders are worried about the future. The greenhouse operation closed a year ago, and the grocery, which is badly in need of building repairs, seems to be in trouble. Unsure how to respond to the changes that seem to be more and more negative each day, community leaders wonder if things will ever again be the same for Prairie Crossing.

The Entrepreneurial Community



*A Strategic Leadership
Approach to
Community Survival*

The President of the Chamber of Commerce, a few council members and the school superintendent have decided that a town hall meeting might get the community thinking about the future. They'd like to use a strategic planning process to get a step-by-step effort going to improve the town, and a town hall meeting seems like a good place to start.

The Town Hall Meeting

The three or four leaders who wanted to hold a town hall meeting first set out to get some help. They knew that a core group of leaders was needed to make the community meeting a success. They recruited a few others, and, at their first work session (held at the cafe, over lunch) talked about who else needed to be involved. They talked about the different groups that made up their community:

old-timers, newcomers, students, senior citizens, homemakers, business owners, members of different churches as well as the Latino families in town.

The night of the town hall meeting proved to be a benchmark in the history of Prairie Crossing.

They planned out ways to invite community members from each of these groups and each took an assignment for tasks ranging from phone calls to personal visits. They also picked a date and talked about how to get several services clubs to co-sponsor the town hall meeting so that participation would increase. It was even decided to hold the town hall meeting concurrent with the Chamber meeting so that those members would attend.

The core group decided to use the town hall meeting to identify issues and find out just what the community felt was important. This would be the first event in a process they thought would take about a year. Endorsement from the town council and as many services clubs as possible seemed like a good idea, so they set about making that happen as part of the advertising of the town hall meeting.

The night of the event proved to be a benchmark in the history of Prairie Crossing. The high school jazz band played from 6:30 to 7:00 p.m. so that as people arrived and were greeted at the door, they heard the sound of music and the crowd arriving. Instead of sitting in rows, people found tables of six or eight had been set up so conversations started up as the tables filled. A quilt exhibit had



also been hung in the auditorium so that early arrivals would have something to view. Refreshments were available and the atmosphere was friendly and more like a party than a community meeting.

The meeting itself was different than anything anyone from Prairie Crossing had ever attended. With only a few short remarks from the Mayor at the beginning, the crowd soon found that at each table they were able to discuss what issues they thought faced the town. By the end of the meeting, the group had identified a lot of issues, selected a few that were most important, and about 25 people had even signed up to help with a year-long strategic planning process.

Step 1: What Do We Know About Current Trends and Future Projections?

The 25 people who signed up to help with the community strategic plan soon received a call from a core group member asking them to attend a work session. The work session proved to be the first of many that were held about every two weeks. One of the first things the group did at a work session was to come up with a name for the effort, and from then on, they all referred to the “2020 project,” so named because one member had talked about the need for “clear sight far into the future!”

During the first several work sessions, led by members of the core group, the focus was on needs assessment that included a community survey, designed and conducted by the group. Quite a bit of help from the County Extension agent and a high school teacher and her class helped get the survey done, but the group stayed involved.

Work sessions also had to do with identifying the strengths and weaknesses of Prairie Crossing. The group also talked about the kind of trends that were having an impact on the town. Eventually the list of trends looked like this:

External Trends: The State

1. Continuing decline in the number of farms operating in the several-county area through which the river runs.
2. An aging population that continues to increase the number of older citizens on farms and in small towns.

The Entrepreneurial Community



*A Strategic Leadership
Approach to
Community Survival*

-
3. A growing market for “gourmet” vegetables.
 4. An increase in the demand for bottled water.
 5. The existence of new state and federal programs providing grants for new energy-efficient business start ups.
 6. A growing telecommunications industry in the state.

Internal Trends: The Community

1. A shrinking traditional leadership core, as more and more of the older community leaders retire.
2. An increasing number of farm couples looking for off-farm work to add to their incomes.
3. The continued success of a cooperative “farmers market.”
4. Good community participation in an emergency health services project.
5. Pledges of \$15,000 to the local Venture Capital Club.
6. The existence of a still-solid greenhouse facility, which has not been used for the past couple of years.

Step 2: What Does It Tell Us?

Community work sessions also brought people together to analyze all the information that had been gathered. Looking at the issues that had been identified, the results of the community survey and the trends that they’d spent so much time talking about, the group was able to look at the community in

All along the way, the core group worked hard to keep the community informed.

terms of *strengths* and *weaknesses*. They also carefully considered what the *threats* and *opportunities* were that made up Prairie Crossing’s future. And, not so surprisingly, as a result of this “SWOT” analysis, many members of the group learned a lot about their town. The future began to seem different to many—just as complicated, but with some possible pathways for Prairie Crossing to prosper as far ahead as the year 2020.

All along the way, the core group worked hard to keep the community informed. That meant occasional reports to the city council, a letter to the editor of the weekly newspaper and even articles about the results of work sessions now and then. And, of course, the core group as



well as the larger work group, talked about their progress on the 2020 project as often as possible at the cafe, at club meetings, at church, etc.

Step 3: What Do We Do Differently?

After collecting and digesting all this information, a work session was held to set some goals for the community's future. For this work session, members of the core group decided to invite the current officers of every service club in town to attend. The work session started off with a brief review of all the information gathering that had been done, including the issues, the trends, and the results of the survey. Several news-print posters had been taped to the walls and highlighted the main points of the SWOT analysis, too.

... the next series of work sessions proved to be the most interesting because the group started to develop an action plan.

The president of the Chamber led the community group through a goal-setting activity that allowed each person to think for a bit, and then share ideas in a small group, then to discuss ideas with the large group. The meeting lasted about three hours and by the end of the evening, the group had set these goals for Prairie Crossing:

1. Nurture new and local businesses.
2. Expand the leadership pool.
3. Develop tourism and recreation opportunities.
4. Stabilize existing businesses.

A member of the core group agreed to write a report for the weekly newspaper that would include the goals. The representatives of the service clubs also agreed to report back to their membership about the meeting.

Step 4: How Do We Get It Done?

By this time about six months had passed and the core group realized that not quite as much energy and enthusiasm was available for Project 2020. Attendance at the community work sessions was waning, and it was obvious that it was time to rejuvenate the whole idea of planning for the future. It was time to have some fun.



It was a well-known fact that the people of Prairie Crossing supported the school and that the good education system was a real strength of the community. The Superintendent, who had been a hard-working member of the core group all along, suggested that another community-wide gathering be organized, this time at the school. The core group recruited several service clubs (this time the Extension Homemakers and the Lions took the lead) as well as the largest student organizations to plan an all-day Saturday event that would follow a Friday night volleyball game at the school. After six weeks of planning and promotion with a variety of different community and school organizations each taking a piece of the day, the first "Funds for the Future" day was held.

There was a pancake breakfast, a huge flea market set up outside the school, afternoon games organized for small children, a potluck supper, and two dances (a square dance for adults and one for the teens). Every club managed to think up something interesting to offer. For example, the Garden Club had a small display at the Flea Market and sold irises; the student Photo Club took family portraits and charged for prints to be delivered at a later date. The whole day publicized Project 2020 and when

the smoke cleared, about \$3000 had been raised. Because each club had organized just one event, none had too much to do and the core group, by orga-

... the next series of work sessions proved to be the most interesting because the group started to develop an action plan.

nizing a number of brown bag lunches at the cafe, only had to coordinate things.

Now even more people knew about Project 2020 and when the core group sent out postcard invitations to a work session, quite a few folks showed up. The core group understood that newcomers would have to get some background information on the project, and accordingly, scheduled a 30-minute "update" session before the regular meeting began, just to offer a chance for questions about the past six months.

However, the next series of work sessions proved to be the most interesting so far because the group had started to develop an action plan. Each of the four goals had a committee working on brainstorming strategies on how to accomplish it. For example, the first goal of "Nurturing



New Local Businesses” had some strategies that looked like this:

1. Offer a class on entrepreneurship at the high school.
2. Start a collection of “where to get help” information at the library.
3. Get a survey done so a list of existing businesses can help us identify the “market niches.”
4. Visit a nearby town that received a grant to start a business incubator.
5. Seek additional investors to the town’s new venture capital fund.

Working in small groups to come up with these kinds of ideas was not only fun, but challenging. People left these work sessions feeling really interested and surprised at how many good ideas were expressed.

Step 5: Who Does What? When?

The core group used a simple method to develop an action plan based on all the strategies that the work sessions had generated. Each committee was given the assignment to think about all the small tasks that were required for each strategy and to decide who would do what, by when. For example, the idea of an entrepreneurship class at the high school involved this task list:

- visit with business teachers
- visit with a 4-H leader
- call and request information from the State Department of Education
- review materials from the Department of Education
- recruit business owners to help as guest speakers on business topics
- develop a presentation to the School Board
- seek funding to pay a teacher
- analyze best options: regular class? Saturday workshop? club program?

The committee members tried to think of all the steps involved and then discussed who would be the best per-

Using the “who, what, when” framework helped make the strategy seem do-able.



son to take the lead on this effort, where to get other community volunteers, and also talked about a timeline for getting it all done. Using the “who, what, when ...” framework helped make the strategy seem do-able.

Not everything went like clockwork, though. At one point there was quite a bit of disagreement about which community organization should be “in charge” of turning some good ideas into action. The problem of territory wasn’t impossible to solve, but the core group did have to step into the potential conflict and persevere in getting people to use common sense. Having the overall goals was a help since in the most heated confrontations, it could be seen how conflict might keep the community from achieving a goal. Communication seemed to be very important, too. Making sure that disagreeing individuals talked to each other (and not about each other) helped resolve differences.

Step 6: How Well Is It Working?

Throughout the project, the core group met for breakfast at least every other week (and usually more often!). “How is it working?” was the question they discussed at almost every meeting. They tried to monitor progress and adjust accordingly. At the point when committees were developing action plans for strategies to reach the community goals, the core group knew that it was vital to keep asking the question and holding to timelines, and commitments in order to keep the momentum going.

It was nearly 12 months since their first town hall meeting when the core group decided to offer a “Report to the Community” and publish a list of accomplishments in the paper. Quite a few results were available, such as:

- Two new small businesses had started, one in a private home, and one in a town-subsidized empty building on Main Street.
- An CDBG (Community Development Block Grant) application for some senior apartments was in the works using the survey and citizen participation from the 2020 project.
- The Chamber had started a Leadership Prairie Crossing program that also included several high school students.



-
- The greenhouse was back in business with help from a new state program and some local investment.
 - A second and even more successful “Funds for the Future” day was held.
 - The cafe was scheduled to expand and add a larger dining room that could be used for meetings.
 - A series of workshops for business owners was scheduled to offer information on advertising, accounting, and hiring employees.

The core group has begun to discuss their retirement (or perhaps replacement might be a better term). Their hope is that the cycle of collecting information, analysis, and discussion can be repeated in another year or two.

Certainly there seems to be enough good ideas to keep the community busy and the tangible results have been motivating. But the greatest accomplishment is the improved attitude toward the future. Many—not all, of course—community members do feel more positively about the future. The sense that their town is special has been confirmed by their own initiative, and the town’s image is definitely more positive.

Not long ago, a few people from a town about 100 miles away came to visit and ask questions about how so much was accomplished in a year. The answer was simple: in the long run, you have to do it yourself!

The Entrepreneurial Community



*A Strategic Leadership
Approach to
Community Survival*



*A Strategic Leadership
Approach to
Community Survival*