

Key No. 10 – Civic and Social Entrepreneurs

Growing Entrepreneurial Communities

10.15.13

Background & Introduction

This month's *Thought Paper* focuses on the importance of **civic and social entrepreneurs**, along with business entrepreneurs to provide the complete package of entrepreneurial talent essential for evolving entrepreneurial communities. This is part of our 2013 series addressing the **keys to local economic development success**. Each month, we have addressed one of these keys in a *Thought Paper*. As is always the case, we want to hear from you. Please send us your insights, questions and push back by emailing me at don@e2mail.org.

Top 10 Keys

1. [Local Responsibility](#)
2. [Smart Game Plan](#)
3. [Robust Investment](#)
4. [Entrepreneurial Development Systems](#)
5. [Sustained Effort](#)
6. [Growth Entrepreneurs](#)
7. [Attributes of an Entrepreneurial Community](#)
8. [Immigrants & New Residents](#)
9. [Real Regional Collaboration](#)
10. Civic and Social Entrepreneurs

For More Information

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Civic and Social Entrepreneurs

This is our 10th paper in this series on **Growing Entrepreneurial Communities**. This month, we focus on the important roles that civic and social entrepreneurs play in successful communities and regions. Our field experience shows clearly that **where you have business, civic and social entrepreneurs** who are actively engaged in a community – you will find a successful community that displays all the attributes of an entrepreneurial community. Before we progress too far, we should provide some working definitions of our three types of entrepreneurial talent.

Three Kinds of Entrepreneurial Talent

The following chart provides operational definitions of business, civic and social entrepreneurs:

Business Entrepreneurs	Civic Entrepreneurs	Social Entrepreneurs
Of the three kinds of entrepreneurial talent, business entrepreneurs are probably the most familiar. These are the folks that play in the free-market and for-profit venture space. Their success creates new services and products, generates investment, new jobs and local tax base.	Government and entrepreneurship may seem like opposites, but our experience is that government can be remarkably entrepreneurial. Civic entrepreneurs provide great public educations, parks, smart highways and a full range of services and amenities that make our communities thrive.	Social entrepreneurs work in that growing part of our economy and society known as not-for profits or non-governmental agencies. These organizations creatively provide resources and amenities ranging from the arts to community health care and literacy education for immigrants.

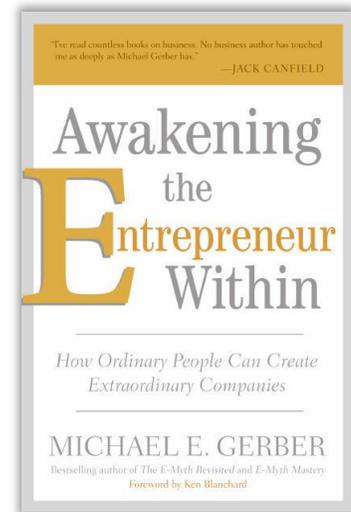
All three kinds of entrepreneurial talent working in different but connected spaces in our communities bring the same energy, perspectives and enhancements to our communities. As we have discussed before, the attributes of successful entrepreneurs are...

- Opportunity Focused
- Visionary
- Build Teams for Success
- Innovative
- Flexible
- Resourceful

What we have found from our field observations is that communities can realize some degree of success with any of these three kinds of entrepreneurs working in isolation. However, when *all three* areas have robust entrepreneurial talent, a community begins to fire on all cylinders becoming an entrepreneurial community. So, let's dig a bit deeper and explore each of these three kinds of entrepreneurial talent.

Business Entrepreneurs

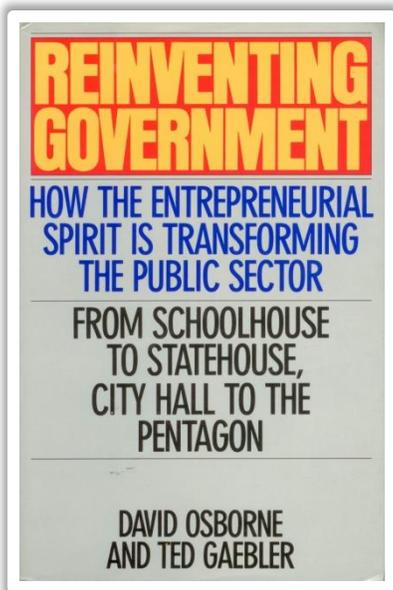
There are thousands of books that have been written on business entrepreneurs and how to become more entrepreneurial. We could not begin to even recommend all of our favorites, but possibly the most definitive word on this topic is from author Michael E. Gerber and his books The E-Myth, The E-Myth Revisited, The E-Myth Mastery and Awakening the Entrepreneur Within. Gerber profiles the attributes that contribute to successful and sustained entrepreneurial behavior. His books both document and guide our understanding of what it is to be a successful business entrepreneur. We would suggest, with some modification, those same business entrepreneur attributes are part of being a successful civic and social entrepreneur.



Civic Entrepreneurs

Government, particularly in the United States, today is experiencing a challenging road. Government has been under attack. If you have heard the line once, you have heard it a million times from campaigning politicians...

“Government should be run like a business.”



The message is clear that government should be efficient, more effective and ultimately more entrepreneurial in bringing greater value and impact to everything from education to water systems.

Despite these challenging times for government, American government beginning with the good government movement (President Wilson forward), has a reputation for being all these things including being entrepreneurial. Innovations like the Land Grant University system, Cooperative Extension and space program are all illustrations of entrepreneurial government. We would argue that we continue to find entrepreneurial government at all levels – federal, state and local. This debate about government has been with us for a long time. Back in 1992 (21 years ago or nearly a generation), David Osborne and Ted Gaebler wrote their best-selling book Reinventing Government. Note the tagline to this book...

*“How the Entrepreneurial Spirit is Transforming the Public Sector,
From Schoolhouse to Statehouse, City Hall to the Pentagon”*

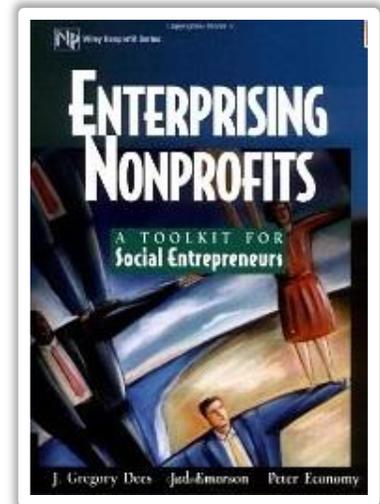
This past week I participated in a planning retreat with county officials sponsored by the National Association of Counties. What impressed me was how entrepreneurial these officials are in their search for innovative solutions to managing and supporting the boom in U.S. energy development.

Social Entrepreneurs

It goes by many names including...

- Voluntary Sector
- Community Sector
- Non-Profit Sector
- Non-Governmental Organizations
- The Third Sector(as compared with business & government)

Social entrepreneurs work in this space addressing everything from health care, to education, to recreation, to arts and humanities and even economic development. This sector has grown dramatically, accounting for an increasing proportion of our gross domestic product. As government has become conflicted in the current political war over its scope and size, social entrepreneurs have become more important often filling the voids. Social entrepreneurs build community by addressing both needs and opportunities.



Bottomline – communities who want a thriving business entrepreneurial sector need the good works of civic and social entrepreneurs. Civic and social entrepreneurs create quality of life and business climates desired by business entrepreneurs.

If You Want to Foster Entrepreneurship, You Must be Entrepreneurial...

At the Center for Rural Entrepreneurship, we are fortunate to have Dr. Tom Lyons as our Board of Directors Chairperson. Tom has been part of the Center from its very origins. He, as you might expect, is also a leading researcher in the field of entrepreneurship and particularly social entrepreneurship. Tom has worked hard with the Center to empower it as an entrepreneurial venture. He understands the advice given by Ewing Marion Kauffman (entrepreneurial founder of Marion Laboratories and the Kauffman Foundation)...

“If you want to help entrepreneurs, you must be entrepreneurial yourself.”

The quote has become part of our culture at the Center and in every community and region we have had the opportunity to work with over the years. This counsel was imparted to us from Dr. Jay Kayne (formerly with the Kauffman Foundation and one of our founding supporters), and we believe it is central to becoming an entrepreneurial community:

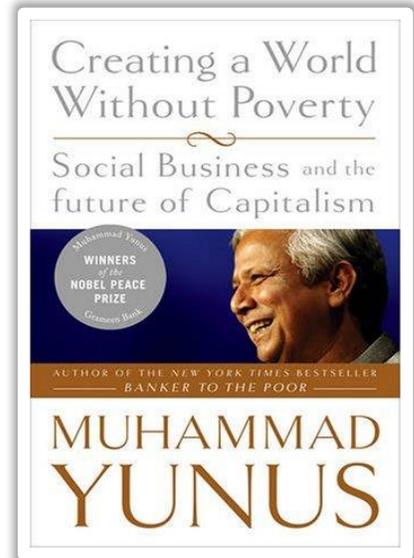
Possibly one of the best ways to illustrate the all-important roles that civic and social entrepreneurs play in our society and community is through three quick stories of this kind of entrepreneurship.

Center for Rural Entrepreneurship

Muhammad Yunus

- ✓ He wrote the New York Times bestseller Creating a World Without Poverty (2007).
- ✓ He received the Nobel Peace Prize.
- ✓ He is known as the “Banker to the Poor.”
- ✓ He created the Grameen Bank in Bangladesh.
- ✓ He empowered a world movement focusing on entrepreneurial talent.
- ✓ He is a social entrepreneur.

I first learned of Muhammad Yunus years ago in a very indirect way. I was young and working with Gene Severens at the Center for Rural Affairs (based in Nebraska). Gene had become interested in micro-finance as a way to help farmers and rural residents suffering from the farm crisis. He discovered Yunus, visited Bangladesh and studied the ways of the Grameen Bank. He brought those ideas back to America’s Great Plains and created the Rural Enterprise Assistance Program or REAP. This program – rooted in social entrepreneur Muhammad Yunus’ vision and ideas – continues today and has empowered thousands of rural entrepreneurs.



Maxine Moul

- ✓ She and her husband Francis are journalists.
- ✓ She is one of the toughest editors I have ever met.
- ✓ They are business entrepreneurs growing from humble origins a thriving regional publishing company, Maverick Media.
- ✓ She ran for public office and became Lieutenant Governor of Nebraska.
- ✓ She championed rural development and created the Nebraska Community Foundation.
- ✓ Never retiring, today she serves as USDA Rural Development Director for Nebraska.



Maxine is a friend, and I have seen firsthand her talents as a civic entrepreneur. She focuses on issues strategically, gathers people and organizations together, finds solutions and ensures that they become reality. Nearly everywhere we go, we find mayors, county commissioners, school teachers, legislators, and governors who practice the fine art of civic entrepreneurship. These civic entrepreneurs make government work better. They create impact with new health care facilities, power grids, programs for at-risk youth and they also make sure the wheels of government services function efficiently and effectively. They are not everywhere and bureaucracy still exists, but they are more frequent than you think.

Bonnie Hildreth

Our final story is about a remarkable social entrepreneur. Her name is Bonnie Hildreth, and she leads the Barry County Community Foundation based in rural Michigan. She is passionate, smart, hardworking and totally committed to making a difference in her community. The Barry County Community Foundation is not large by foundation standards. But for the communities and people in Barry County, this institution, rooted in Bonnie's leadership, is making a real difference. Like most successful entrepreneurs, Bonnie listens and learns. She is constantly on the lookout for what her community needs and where solutions might rest. She is willing to try innovations from elsewhere that will make sense given her reality. She is someone that most people would like and with whom you would enjoy having a meal. We have a story on Bonnie and the Barry County Community Foundation that we completed in 2010 to give you a better idea of the work happening in Michigan. You can find the story [here](#).



Our three quick stories hopefully give you a better idea on why we believe that civic and social entrepreneurs are essential to growing entrepreneurial communities. We encourage you to factor them in your strategic plan for making your community an entrepreneurial community. Without them you can fail; with them you can empower your community to thrive.

It is hard to believe, but with this paper, we have now completed 11 of the 12 months in 2013. The holidays and a new year will be here before we know it. 2014 is shaping up to be a great year. In next month's e2 Newsletter, we will give you a preview of what is to come in 2014. As always, we want to hear from you. Send your stories, comments and questions to Don Macke at don@e2mail.org.