

# ***INDIANA RURAL FORUMS***

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## ***MODULE #6*** ***RURAL INNOVATIONS*** ***(April 5, 2007)***

***Indiana Rural Forums modules are based upon the work of the Rural  
Indiana Strategy for Excellence (RISE) 2020 Strategic Framework***

## *Overview of RISE 2020 and the Strategic Options Report*

In July of 2005, Lieutenant Governor Becky Skillman initiated an effort to assist the Daniels-Skillman Administration in creating a vision and strategic framework for rural Indiana's future. Although this framework would help guide the Indiana Office of Rural Affairs, it would be much more than that. It would link governmental efforts with other public, private, academic, and philanthropic initiatives to enhance the quality of life and economic vitality of Indiana's rural countryside.

In the ensuing six months, over 150 Hoosiers, representing the broad diversity of institutions, organizations, governments and constituencies of our state, have worked diligently to create a contemporary, dynamic vision for the future of rural Indiana. They also began to build the platform and mobilize the constituencies necessary to begin the common journey towards this future.

This was a very dynamic and transparent process. Commitment from all sectors was phenomenal, involving many meetings, conference calls, and email exchanges. Final decisions were, surprisingly, almost totally consensus-based. This effort included establishing eight work groups, which met independently and then integrated their sector approaches into a broader, more meaningful mosaic. The sector groups included community capacity, cultural assets, economic development, education and workforce, health and human services, finance, natural resource assets, and transportation.

The strategic roadmap that resulted from this dynamic grassroots initiative contains three key components - a foundation, seven pillars, and their associated strategic options. The **Strategic Options Report**, used by the Indiana Rural Forums as the framework for regional discussions, is the result of the recommendations made by the work groups, and the input received from rural residents and service providers at public input meetings.

### *Indiana Rural Forums - Module Packets*

The module packets presented and utilized during the Indiana Rural Forums are based upon the seven pillars of the RISE 2020 initiative. These pillars include:

- Asset Based Community Development
- Civic Leadership and Engagement
- Wealth Creation and Retention
- Regional Frameworks
- Rural Innovation
- Foster Youth Engagement
- Diversity, Access and Inclusiveness

Regional discussions will revolve around the strategies and approaches recommended for each pillar in the **Strategic Options Report**.

## **RISE 2020 Strategic Options Report and Regional Discussion Questions**

On behalf of the Purdue Center for Regional Development, USDA-Rural Development and Purdue Extension Service we would like to welcome you to the Indiana Rural Forums and especially this regional discussion. Your conversation today is being facilitated by representatives of the Purdue Extension Service and USDA-Rural Development. This regional dialogue will be approximately thirty minutes in length and, at the conclusion of the discussion; all thirteen locations will join back up with the main studio where each location will give a brief report of their discussion. To begin this discussion:

- **Introduce yourself and indicate what organization you work for and your role.**
- **Please review and reflect on the following questions:**
  - a. How can we help cultivate an entrepreneurial environment so rural Indiana's regions, communities and individuals can compete in today's innovation and knowledge-based economy?
  - b. What are some strategies that could help promote an Indiana culture that embraces change and rewards risk-taking?
  - c. What are two ways in which the community can encourage entrepreneurship training in our schools?
  - d. What are some strategies that encourage residents to support locally-owned businesses?
  - e. What is an innovative local project that could be helped by support from a community foundation? How could you propose the idea to the local foundation board?
- **Review the Strategic Options Report section included in this module. Is there at least one action or initiative that your discussion group would like to address on a regional basis? If so, how can the Purdue Center for Regional Development, USDA-Rural Development, and the Purdue Extension Service assist your group with those follow-up actions?**

**IV. Build a “Rural Innovation Culture” to enhance public and private entrepreneurship and build collaborative systems that sustain public, private and philanthropic commitments to achieving this goal.**

Innovation and entrepreneurship go hand and hand. Neither is restricted to the private sector and neither is restricted to urban areas. A “rural innovation culture” must be created in Indiana that will require:

- ❑ Incorporating entrepreneurship learning into school curricula, to foster abilities to think creatively, plan effectively, marshal resources, and make things happen.
- ❑ Developing an environment, infrastructure, and resources to encourage and support Hoosiers as they create their own enterprises, either to generate income and jobs or to provide services to improve the quality of life in their communities.
- ❑ Providing and supporting rural citizens, firms, and institutions to pursue innovation in products, processes and services that may attract venture capital and ultimately increase productivity and job creation in rural regions.

Creating a Rural Innovation Culture depends upon a bold commitment to entrepreneurship in both public and private sectors. It is about constantly “being innovation” not “doing innovation.” Entrepreneurial techniques can be introduced into every sector, bringing innovative practices to public services as well as the marketplace.

Rural communities must pursue business development with a new commitment to entrepreneurship. Small businesses and growing businesses are critical to our rural future. In addition, workers and educational institutions must step up and help workers continuously upgrade their skills.

The best strategy to build this exciting new culture is to learn from others - focusing on best practices in our regions, our state, nationally and around the world. Find innovation and make it work at home. Businesses built at home have a desire to stay at home and generate jobs and local wealth.

Ultimately, local communities must support public innovation and private entrepreneurship with public, private and community foundation support.

***STRATEGIC OPTIONS:***

- Cultivate an entrepreneurial environment so rural Indiana’s regions, communities and individuals can compete in today’s innovation and knowledge-based economy.
  - ✧ *Promote an Indiana culture that embraces change and rewards risk-taking.*
    - ◆ *Create awareness and capitalize on international market opportunities, such as production, processing and selling, that puts Indiana in a leadership role in the emerging innovation and knowledge-based economy*

- ◆ *Develop educational systems and support networks that foster lifelong learning for workforce needs and entrepreneurial pursuits*
  - ◆ *Create programs to offer cost-effective and adequate employee benefits to small businesses and entrepreneurs.*
  - ◆ *Develop easy access points for entrepreneurs and small business owners to utilize service provider networks for technical and financial assistance*
  - ◆ *Create awareness of cottage industries as an opportunity for rural economic growth*
  - ◆ *Encourage and support the creation of entrepreneurial support networks*
  - ◆ *Create greater awareness of changing work environments, required skill sets and the role of parents in educational attainment*
- ☒ *Incorporate entrepreneurial training in public and private educational systems:*
- *K-12 schools*
  - *Post-secondary institutions*
  - *Youth organizations with business focuses*
  - *NGOs collaboration*
  - ◆ *Initiate a statewide secondary entrepreneurial business competition whereby teams from every school system in Indiana can compete for school and student venture capital*
  - ◆ *Every college or university that has a school or department of business should work to insure that entrepreneurship courses and certification programs are available to all students regardless of their course of study*
- ☒ *Leverage the FFA Supervised Agricultural Experience (SAE) program and Distributive Education Clubs to mentor, apprentice or fuel business start-ups*
- ◆ *Encourage greater cooperation between businesses, education and government to encourage entrepreneurship in local communities, including apprenticeships and business mentoring*
- *Introduce public entrepreneurship practices that guide state and local governments toward a more common strategic vision and innovative service delivery systems.*
- ◆ *Improve federal, state and local governmental effectiveness and outcomes by:*
    - *Aligning the strategic plans of state government agencies*
    - *Reducing agency overlap and duplication*
    - *Changing regulations that limit the flexibility of local jurisdictions*
    - *Develop and utilize a rural differential tool to assess state regulations to ensure equitable services to rural citizens.*
    - *Reduce or eliminate unfunded mandates that provide responsibility without resources necessary for implementation.*
  - ◆ *Examine the structure of government to encourage innovative delivery of community services*
    - *Creating incentives for local governments to coordinate public services*
    - *Provide more state and federal assistance to less populous rural counties*

- *Evaluate the state school funding formula to find opportunities to get schools more involved in community support*
- *Allow for more public input on community issues, including referendums*
- *Evaluate state and local tax policy from a rural perspective to understand the potential results of major tax policy shifts*
- Advance business creation and entrepreneurship as a key economic development strategy for rural Indiana.
  - ✧ *Build an understanding that economic development is part of a broader community development process.*
    - ◆ *Require and provide economic and community development training for all state employees involved in economic and community development, such as the Indiana Economic Development Corporation, Indiana Department of Transportation, Office of Rural Affairs, Indiana State Department of Agriculture, Department of Workforce Development and other state agencies, so as to reinvent the culture of state government*
    - ◆ *Develop new metrics that capture the scope of community development activities, quality-of-life efforts, economic development initiatives*
    - ◆ *Link all areas of economic activity, including social services, small businesses and entrepreneurial ventures*
  - ✧ *Develop and utilize tools that will support business growth*
    - ◆ *Pursue greater geographic dispersion of research, business and technology parks*
    - ◆ *Establish Corridor Incentives to develop linear business clusters in key areas*
    - ◆ *Support local efforts to retain existing businesses in Indiana communities*
    - ◆ *State incentives need to support smaller projects (10-20 jobs created) in rural areas*
    - ◆ *Encourage the development of businesses in rural communities that are clustered around regional centers*
    - ◆ *Develop support tools that are more closely tied to economic activity in a rural context rather than focused solely on job creation*
    - ◆ *Increase the use of apprenticeships and cooperative work programs to expose students to different career options*
  - ✧ *Workforce Skills, Shortages of trained employees, shortages, Skill Retraining, Worker Ethics, and Character Education*
  - ✧ *Extend high-speed broadband service to underserved rural communities; regional industrial and technology parks, and citizens to minimize the digital divide which is creating economic, educational and quality-of-life hardships.*
  - ✧ *Coordinate efforts of all governments to ensure that communities have basic infrastructure in place to support business attraction, retention and entrepreneurial growth.*

- ✧ *Foster community leadership training that improves understanding of entrepreneurs' needs and wants.*
  - ✧ *Create a support mechanism to assist and track entrepreneurs as they work through the public and private service provider network.*
    - ◆ *Improve the access to service providers*
  - ✧ *Linking rural uses and urban/suburban market demands for ecotourism and agritourism.*
  - ✧ *Foster the development of more business incubators and grants to support start-ups.*
- Retain and attract our best and brightest young people in rural communities by providing economic opportunities and quality of life amenities.
  - ✧ Create systems which minimize the course offering differential between rural and suburban schools
  - ✧ Foster more interdisciplinary education paths to expand career opportunities
  - ✧ Create greater awareness that there are some careers that don't require a four-year college degree
- Create regional and statewide venture capital funding programs and initiatives to promote public and private entrepreneurship.
  - ✧ *Expand the scope of local philanthropic sources, such as United Way, community foundations, charitable organizations and others, to promote and support economic development efforts.*
  - ✧ *Capture a percentage of employee state withholdings (taxes) from new or start-up companies for growth needs such as allowing companies to use the captured funds for a defined period to offset borrowing monies.*
  - ✧ *Increase entrepreneurial spin-offs and new businesses directly related to investments in education and workforce training.*
  - ✧ *Improve the role of micro-enterprise and incubator programs to support entrepreneurs*
- Expand an integrated post-secondary education network of public and private institutions, which is easily accessible, marketed well, and focuses on emerging workforce and economic development needs.
  - ✧ *Provide state funding to encourage state colleges and universities to offer one or two economic development services that would be regional or statewide in nature.*



- ✧ *Encourage the use of efficient and effective learning models and partnerships for future successes of rural Indiana communities through inter-agency and cross-sector cooperation.*
- Integrate the RISE 2020 pillars, strategies, and rural policy needs into Legislative and Congressional initiatives, such as the 2007 Farm Bill.