



# Is Your Community a JEDI Hometown?

*Growing Entrepreneurial Communities*

By Don Macke and David Iaquina

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The United States has grown and developed in large part by waves of new residents bringing their histories, values, customs, foods, religions, and so much more. While America has been a land of opportunity for new residents, each new wave has challenged the status quo creating ugly chapters in our history with discrimination, racism, and violence. At e2 we believe that diversity is an asset both culturally and economically. In this paper we explore what diversity means in growing an entrepreneurial economy and community.

### Three Kinds of Diversity

Racism is a theme in the United States’ history. But over the centuries America continues to become a more racially diverse society. In the last decade we elected our first African American President and also a President who too often plays with White Nationalism. Some of America has been convinced that increasing diversity is a threat leading to a subculture of fear. Yet the research is clear, these waves of new residents and the diversity they bring to America and our communities is enriching. Most of America, particularly younger generations, embrace increasing diversity as a gift and asset. We will not spend time in this paper dealing with the sociology or politics of racial diversity, rather we will address it from a community economic development standpoint. In rural America diversity is a much larger concept and foundational to community success in the 21<sup>st</sup> Century.

In the larger arena of community economic development there are three critically important diversity considerations as reflected in Figure 1.

**Figure 1 – Three Kinds of Diversity Important to Community Economic Development**

<b>Economic Diversity</b>	<b>Resident Diversity</b>	<b>eTalent Diversity</b>
Economic diversification empowers a more competitive, higher value and resilient economy. Entrepreneurial development is a core pathway to growing a more diverse economy.	For homogeneous rural communities, chances are good with a growing economy there will be increasing resident diversity. Entrepreneurs embrace resident diversity as an asset in terms of both quality of place and workforce.	Entrepreneurial talent diversity is the focus of this thought paper. In embracing the fullest range of entrepreneurial talent, a community can optimize its potential to grow stronger economies and communities.

We explore **entrepreneurial talent diversity** beginning with the **JEDI framework**.

### What is a JEDI Community?

Our friend Janet Topolsky with the [Aspen Institute Community Strategies Group](#) recently reminded us of the JEDI concept. For those who are Star Wars fans you know the importance of the Jedi Order in a world challenged between the forces of good and evil. In this application JEDI stands for the following:

- J – Justice
- E – Equity
- D – Diversity
- I - Inclusion



## Justice

At e2 we believe that an economy exists to meet the needs and wants of the members of our communities. In a market-based and free-enterprise economy operating within a social democracy, justice is a foundational concept. Justice can have many meanings and applications from justice before the law to equal opportunity to achieving personal economic success. In a just economy, society and political system, corruption, cronyism, and bias are controlled and are not able to create systematic and structural injustice. Injustice undermines civic society and economic systems. The widespread belief that our systems are not just can undermine our motivation for the pursuit of innovation and engagement in everything from voting to starting a business.

### America's Struggle and Progress

Throughout American history starting with the first European settlers to present day there is the ongoing struggle to **create a more perfect union**, economy, and society. This history has been challenged deeply with Native American genocide, slavery and civil rights, the marginalization of new waves of immigrants, gender equality, sexual orientation and the list goes on and on. While the march to a better America has been grueling, often featuring massive delays in achieving greater justice and periods of backtracking and setbacks, progress has been ongoing. Our friend and colleague Michael Lux, in his 2009 book, [The Progressive Revolution: How the Best in America Came to Be](#), provides a powerful chronicle of America's ongoing struggle to achieve progress and justice.

In economic development and particularly entrepreneurial development, a just environment (where everyone with a dream to start and/or grow a venture) is foundational. Despite the rich history of entrepreneurial ecosystem development, certain entrepreneurs too often face outright discrimination to unconscious bias based on family background, race, religion, and other factors. More just systems (including entrepreneurial ecosystems) are evolved in communities, regions, states, and nations when we embrace the value of equity.

## Equity

A quick internet search for the "definition of equity" surfaces the following:

*"...the quality of being fair and impartial..."*

Understanding that within our communities there is both intentional and unconscious bias requires us to step back and honestly evaluate if bias is creating barriers and denying members of a community not only the opportunity to achieve personal dreams, but marginalizing talent that could make our communities more vibrant. Underlying both intentional and unconscious bias there are often practical and rational justifications for why we treat people different. If you are community banker, making a business loan to a younger family member with backing of the family's reputation and wealth is much easier than providing financing to an individual with a weak credit score and no wealthy family backstopping them. While we are not suggesting that the bank is engaging in discriminatory behavior, we are suggesting that our communities must find ways to empower and support all entrepreneurial talent demonstrating the drive and passion for success.

## The Long Footprint of Intentional and Unconscious Bias and Discrimination

Richard Rothstein in his *New York Times* top 10 selling 2017 book, [\*\*The Color of Law, A Forgotten History of How Our Government Segregated America\*\*](#), documents a contemporary history of how federal and state policies systematically denied people and communities of color equal opportunity. An earlier book sponsored by United for a Fair Economy, [\*\*The Color of Wealth, The Story Behind the U.S. Racial Wealth Divide\*\*](#), provides compelling research how the lack of equal opportunity over time accounts for the dramatic wealth gap between people and communities of color versus white communities and residents. As Richard Rothstein argues, personal bootstrapping is often insufficient when there are system barriers and decades of discrimination.

Increasing equality within our entrepreneurial ecosystems, particularly given rising diversity, is core to growing more competitive entrepreneurial economies and societies.

### Diversity

In [\*\*Ord, Nebraska – An Entrepreneurial Community\*\*](#), we draw inspiration from Vaughn Grisham’s inspirational 1999 book [\*\*Tupelo: Evolution of a Community\*\*](#). In this book Grisham chronicles Tupelo, Mississippi (home of Elvis Presley) from one of America’s poorest communities to a thriving rural regional trade center community. Central to Tupelo’s transformation was its ability over time to embrace its diversity as an asset rather than a threat. Given Tupelo’s history steeped in slavery and racism, its ability to see African Americas as a source of entrepreneurial energy was a central theme in its transformation. In our evolving story capture of rural Ord, Nebraska there is an analogous theme where it embraced a wider diversity of entrepreneurial talent, empowering growth, and development. In Ord’s case diversity was embedded in women, younger persons, new residents, and people from “the wrong side of town.”

### Embracing Diversity and Entrepreneurial Development

Dell Gines with the Kansas City Federal Reserve Bank in his paper, [\*\*Building Entrepreneurial Ecosystems in Communities of Color\*\*](#) (with Rodney Sampson), and his earlier paper, [\*\*The Importance of Inclusive Entrepreneurship Ecosystems\*\*](#), provides solid information on the importance of embracing the full range of diversity in entrepreneur-led development and associated relevant entrepreneurial ecosystem building. As waves of immigrants and refugees have demonstrated over the decades, their passion and drive for a better life for themselves and their families, often starting with limited assets, networks and even language skills, has repeatedly renewed the American economy.

Embracing **diversity as an asset versus a threat** is core to optimal entrepreneurial development. But when those engaged in entrepreneurial ecosystem building and operation do not reflect a community’s diversity, the legacies of intentional and unconscious bias can create barriers and even glass ceilings holding back the fuller and more diverse entrepreneurial talent in our communities. Embracing diversity in rural America today can be challenging with the ever-present culture wars and a drum beat of wedge politics. Every community, its leaders, and builders have a choice: whether or not to embrace the diversity of entrepreneurial talent and build ecosystems that empower this talent, grow a more vibrant and competitive economy, and become a more prosperous community. Choosing not to address the intentional and unconscious bias that holds back portions of our entrepreneurial talent is like keeping some of your best athletes off the playing field.

*Embracing All Entrepreneurial Talent is Key.  
Growing Ecosystems that Empower the Diversity of Talent is Critical.  
As Rural Communities – We have a Choice.*

## **Inclusion**

Our final stop in becoming a JEDI Community as part of your journey to energizing entrepreneurship focuses on inclusion. A quick web search provides a definition from the Oxford Dictionary that is helpful:

*“...the practices or policy of providing equal access to opportunities and resources for people who might otherwise be excluded or marginalized...”*

Inclusion requires awareness, intentionality, commitment, and a measure of courage. The cultural footprints of deliberate discrimination and unconscious bias are deep and long-standing in many of our communities. Creating meaningful inclusion to optimize the full diversity of resident and entrepreneurial talent in our communities takes determination. In our times there will be push back from either a fear of departing from how we have done things in the past to more overt bias and discrimination. It has to be acknowledged that those advocating for diversity and inclusion will likely experience personal costs due to this push back. This is where having the courage of one’s convictions and taking to heart the best interests of the whole community come in.

Inclusion is important to our rural communities in two ways. We have already addressed why diversity and inclusion are so important to growing a more successful entrepreneurial economy. But there is a second rationale centered on the attraction, development, and retention of people.

### **Frank and Kimberlee Spiller’s Exercise**

Our friends and colleagues Frank and Kimberlee Spillers who call rural Atlantic, Iowa, home employ a powerful exercise when working with communities. Chances are good that when communities identify development goals, new resident attraction will be a high priority goal. In this exercise Frank and Kim ask workshop participants to take some time to describe the “perfect” person they would like to attract to their community. Often some workshop participants describe people like themselves. There is nothing wrong with this, but it misses the fact that new residents coming to our rural communities will often not look like and be like us. America is diverse in so many ways. If we want to attract new residents, are we really open to welcoming a wider diversity of residents? Again, we as communities have a choice and that choice impacts what is possible.

Our experience is that successful entrepreneurial communities also embrace diversity and inclusion. Hometowns that embrace diversity and inclusion attract and retain talent, customers and new entrepreneurs offering new goods and services. They also create more interesting communities in which to live, work, visit, and play. For newer generations, strong acceptance of diversity and inclusion may be a deal maker or breaker. Younger Americans in overwhelming numbers are ready for the culture wars of the past and today to be over.

Diversity and inclusion can refer to incorporating a wide range of “others”, but it can also include accepting and supporting our own children and grandchildren who grew up in our hometowns. Our

ability to attract our own offspring to return home depends on home becoming a **welcoming community**, and one that reflects their tolerant and inclusive approach to building community

Next, we explore the fuller range of diversity likely at play within our rural communities today. Remember, awareness is the first step in creating a more welcoming community.

## The Fuller Range of Diversity

When you are filling out that application for grant funding and your community is asked the question about the diversity of your community's residents, chances are good that they are implying racial or ethnic diversity (e.g., White, African American, Latino, etc.) When you pull up the U.S. Census Bureau's *Quick Facts* for your community, you discover numbers you already know... your community is 90 to 95% White. Limited racial diversity often costs such a community points in their grant application funding.

At e2 we are not experts at diversity and inclusion. But we have worked with a remarkable range of rural communities and regions throughout the United States from racially homogeneous to minority, majority communities and everything in between. In this section of our paper we want to provide a more operational typology for diversity from an entrepreneurial development perspective.

### Meaning of Minority, Majority Communities

Minority, majority communities are communities with more minority residents now when compared to the historic majority population. For example, there are a growing number of rural communities that historically were predominately white and now have majority Hispanic populations. Rural communities that have transitioned from legacy majority populations to now minority populations that are larger often experience social challenges and stress.

At its most basic our typology includes two diversity groups: **more obvious diversity groups** and **less obvious diversity groups**. We explore each grouping in a bit more detail to illustrate what we mean.

### More Obvious Diversity Groups

Based on our field experience working with a wide range of communities across North America, we suggest there are three more obvious diversity groups:

- Minorities (demographic categories with social meaning)
- Immigrants & Refugees
- Gender (beyond the binary sex construction)

### A Telling Story from West Texas

Over the years we have had the honor to work with communities in west Texas. A growing number of these communities are becoming minority majority where Latino populations are larger than White populations. I recall a very telling story from such a community. We were in one of these communities facilitating a town hall meeting. At the start of the gathering the local mayor (e.g., very passionate about his hometown, a man in his 70s and seeking pathways forward) welcomed everyone and lamented why more of the majority Latino community had not come to the meeting. A much younger Latino man stood up and reminded the mayor of an earlier time when the mayor's grandfather and other White

leaders lynched his great grandfather for leading an effort to unionize Latino farm workers. The young man's point was powerful as it was clear: this community has not reconciled its tragic history and there continues to be a racial divide that is real, and which continues to marginalize the now majority, minority population. While there are now more minority residents, the community's power continues to reside in the White community.

**Minorities.** Generally, when we talk about diversity, we are referencing minorities based on race. Much of our policy discussion over the decades has focused on inclusion with respect to racial diversity. Without question we still have work to do to create justice, equity and inclusion based on racial diversity. In this case we are referring minority populations based on race. However, minorities can also include ethnic and religious groups as well.

### **Industrial Success and Inclusion Failure**

In the central Great Plains, there is a community that once was home to a Fortune 500 company's branch manufacturing plant. This plant provided substantial employment to a predominately White workforce. During the 1980s agricultural crisis this plant closed creating an economic crisis for the community. This community is a "can do" community and immediately went to work to fill this void and secured a meatpacking plant (e.g., slaughtering, box beef, etc.). Former White workers chose to not work by and large in this meatpacking plant and like many meatpacking plants the company recruited people of color and immigrants (often undocumented). The composition of the community turned minority majority very quickly. There was White flight and social tension. Many White residents moved to adjoining rural communities with largely White school populations. Over time things adjusted and this community's downtown is thriving with minority owned businesses. An important consideration to keep in mind is that "white" is a social construct wherein groups that were once considered ethnically and even racially non-white have over time been redefined as "white" (e.g., Irish, Germans, Italians, etc.). Thus, white flight itself often included groups that in earlier times experienced their own forms of exclusion and segregation.

**Immigrants and Refugees.** Many rural communities, particularly those with industries like food processing plants, have turned to immigrants and refugees to fill un- and lower skilled jobs. Often these refugees and immigrants are also people of color. In some cases, the racial and ethnic makeup of these rural communities has changed dramatically as these new residents moved into town bringing with them their languages, customs, religions, and foods. As suggested above, this is not a new process. It has been a staple of growth and settlement throughout America and its history. Today we are simply experiencing the current waves of different groups seeking the same promise of opportunity that motivated other groups before them.

### **An Empowered Woman from Rural Minnesota**

Many years ago, when we were just starting our entrepreneurial journey we were working in Minnesota as part of the **Entrepreneurial Communities Discovery States Initiative**. I was interviewing a middle-aged woman with a reputation as a strong community leader, serial entrepreneur, and owner of the local community bank. As I often do with such interviews, I asked her to share her story and why she pursued the entrepreneurial path. As if it was yesterday, I remember the room and how animated she became as I asked this question. She shared the story of going to the local bank seeking a loan to start a business. The loan officer was polite and indicated that the bank would be happy to provide financing but preferred to have her husband, father, or brother co-sign. She shared how angry she was being



rejected for the loan not on the merits of the application but because she was a woman. I asked her how it ultimately turned out and she shared with a smile and laugh that many years later she bought that bank.

**Gender.** Gender continues to be a diversity issue in rural America with a legacy of males dominating government, civic leadership, business, and other key aspects of community life. Over time this binary (i.e., male/female) form of gender bias has abated somewhat, but these changes are relatively recent and ongoing. For some rural communities with “traditional” and/or “conservative” religious orientations, gender bias continues to be strong and enforced culturally.

### America’s Changing Diversity

In an October 22, 2020 article in the New York Times, authors’ Ford Fessenden and Lazaro Gamio charted the change in three groups of voters from 1976 to 2018: minority voters, White voters with college degrees, and White voters without college degrees. Minority voters have grown from 11% to 27% of all voters. White voters with college degrees have grown from 17% to 34% and White voters without college degrees have declined by over 45% during this period from 71% to 39%. This reflects a dramatically changing America.

Now we turn to less obvious diversity groups that are in play in many, if not most rural communities today.

### Less Obvious Diversity Groups

Historically, diversity in rural communities centered on country of origin (e.g., Germany, Norway, etc.) or religious affiliation (e.g., Baptist, Catholic, Methodist, Lutheran, etc.). Today there is a much richer range of diversity considerations in addition to the more obvious ones addressed in the previous section including the following:

- Gender Identity
- New Residents
- Wrong Side of the Tracks
- Younger Adults
- Failures
- Laborers

The above list is not comprehensive, but it is pretty inclusive. Let’s explore each in more detail beginning with gender identity.

**Gender Identity.** Gender identity or sexual orientation have finally come out of the closet and become more recognized by most Americans today. It is recognizable in the plethora of terms used in popular culture to describe various “gender identities.” Reflecting this fundamental cultural awakening and change, our U.S. Supreme Court has legalized gay marriage, and recently Pope Francis with the Catholic Church embraced secular gay unions. Importantly, persons with non-traditional gender identities and sexual orientations are also entrepreneurs and key employees in our communities’ ventures.

**New Residents.** The old conversation goes... *how long have you lived in our community?* The answer often/usually/frequently is... *since 1955 or 65 years.* Or the question is... *where do you live?* After the



“newcomer” answers with the street address, the “old timer” comments... *oh you mean the Harrison’s house...* or the previous long-time owner. Most rural communities have strong, bonding **social capital** that give it a good small-town feel. But there is a negative side to strong bonding social capital: often it is hard for new residents to find their place, fit it and feel at home.

**Wrong Side of the Tracks.** In the following inset David Iaquina captures critical learning from our Ord, Nebraska [story](#). To some degree most families have reputations, but in small town America these reputations have dramatic and community wide implications. If your older brother was a troublemaker in school, you are suspect just for being related. Bad fruit comes from your family. Sometimes we refer to these as the families “*from the wrong side of the tracks*”. Despite a family’s reputation, entrepreneurial talent can arise among individuals from such a “bad” family.

Now on to David’s reflections from his interviews and take-aways from Ord, Nebraska.

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### **Neighboring, Abundance Mindset, and Reconciliation Leadership Lessons from Ord, Nebraska by David Iaquina**

Shakespeare’s Romeo laments, “*What’s in a name? That which we call a rose by any other name would smell as sweet.*” In this comment, he is asserting that to denote a thing is independent of the thing itself, that the characteristics of a thing exist independently from the beholder. Yet, the well repeated aphorism says, “*if a tree falls in the forest and there is no one around to hear it, does it make a sound?*” suggests something quite different. This often frivolously asked but serious question raises the issue of the relationship between a thing and its perceiver. The conundrum raised here may seem inappropriate to the task at hand, but it is indeed central to understanding both the story of Ord and our telling of it.

It turns out that in the social world we mostly don’t see things as they are in their own terms. By naming them we prefigure how we will see them, judge them, and give them meaning. While always true, it is particularly evident in small communities where judgements rendered about individuals can take root such that despite their veracity, they become widespread “known truths” that direct local institutions and restrict the opportunities and life experiences of individuals. When they converge on a whole category of people they solidify as stereotypes. Sociologists explain this situation with labeling theory, wherein the response to a behavior is not evaluated in terms of the behavior itself, but rather in terms of the status characteristics of the person doing it.

In his classic study “*Saints and Roughnecks*” William Chambliss observed and described the behaviors of two groups of teenage boys in a small community. While the boys who were from good families,

*“...were constantly occupied with truancy, drinking, wild driving, petty theft and vandalism ... not one was officially arrested for any misdeed during the two years”* Chambliss observed them.

Rather, parents and community officials referred to their behavior as simply,

*“sowing their wild oats ... [and the] ... townspeople never perceived the Saints’ high level of delinquency. The Saints were good boys who just went in for an occasional prank. After all, they were well dressed, well-mannered and had nice cars.”*

A second group of boys were a different story. The Roughnecks,

*“were the same age ... engaged in an equal amount of wild-oat sowing, yet everyone agreed that the not-so-well-dressed, not-so-well-mannered, not-so-rich boys were heading for trouble.”*  
[Townsppeople would say,] *“You can see the gang members at the drugstore night after night, leaning against the storefront (sometimes drunk) or slouching around inside ... probably stealing old Mr. Wall blind.”*

Both groups were engaged in fundamentally the same behaviors but were judged, labeled, and treated differently leading to serious and divergent path-determinant outcomes in their lives. For example, as Chambliss writes,

*“in the eyes of the police and school officials, a boy who drinks in an alley and stands intoxicated on the street corner is committing a more serious offense than is a boy who drinks to inebriation in a nightclub or a tavern and drives around afterwards in a car.”*

Clearly, these boys unlike Romeo’s rose did not *“smell just as sweet.”* The Roughnecks were subjected to **perceptual bias** based on their appearance, visibility, and low community status; they were judged and labeled as delinquents and subsequently treated more harshly by authorities. Yet, the same and worse transgressions by the Saints were viewed as tolerable.

In his study Chambliss lays the fault with the social class system wherein the dress and demeanor characteristic of differing social classes prefigures the judgement of their behavior as good or bad not in terms of the behavior itself but in terms of their social class. Thinking about small rural communities like Ord we might more characteristically refer to the Roughnecks as kids from the *“wrong side of the tracks.”* This notion might derive from a lower social class status, some ethnic minority status, views about the family in which the individual was raised, religion, race or some other status characteristic that is viewed with suspicion, prejudice, and disdain by the dominant power structure of the community. No community is immune from such forces though the context of what is considered a deviant status will vary across communities.

This elaboration of Chambliss’s research is necessary to put in perspective the challenges Ord has faced and surmounted and the direction its future will take. Much of our description of Ord may seem idyllic, yet we heard about many challenges – large and small – that confronted both the community and individuals attempting to introduce change.

The fact that we have refrained from sharing them in detail is intentional, not in order to downplay their importance nor to deceive the reader, but because telling them in first person narrative would misguide the reader as to what is important about Ord and its success. Ord is like any other community in having such challenges, but they have been determined to tell their story in terms of the future they desire rather than as a vehicle to settle scores. It is important for us to honor their vision of who they wish to become while still acknowledging the reality of who they have been at times. Their progress has not been without considerable bravery and cost to the individuals involved, but those individuals have been resolute in not allowing their challenges, defeats, and pain to define them or to define their course as a community.

We have heard stories of individuals who actively resisted and intentionally chose to ignore the labels applied to young men with ambition who were from the *wrong side of the tracks*. Rather, leaders in Ord reached out to provide support as a community, enabling these young people to become successful entrepreneurs. We have heard stories of women who faced old stereotypes and discouragements who rose to positions of authority and business ownership. It is important to recognize that these stories reflect the tenacity of the individuals themselves, but more importantly

they reflect a core in the community that has been committed to ensuring opportunity, embracing entrepreneurial goals and individual worth independent of status characteristics that might otherwise prefigure the failure of talented people. This support has been intentional, assertive, and resilient over more than 20 years. And, this support has weathered serious large-scale economic hardships (agriculture crisis), community division over institutional change (hospital crisis), community investor crisis (ethanol plant and closing of Shopko) and political blow back (early confrontations with the *Posse Comitatus*). These were the kinds of crises that often break a community, derail the good intentions of individuals, and exacerbate the trends of economic decline, population loss, and community self-hate in a community, but not in Ord.

We think that the success in Ord is found in a resolute **attitude of reconciliation** lodged in the welfare of the community. This reconciliation takes the form of constructing a narrative of who individuals want to be as individuals and as a community. Some might look at the disinclination of community leaders to talk about their past tribulations as a denial of the past or as a public relations artifice. Such a judgement would be largely in error. Every individual we spoke with was both able and willing to be brutally honest about their experiences, including those that were painful, unflattering and perhaps would reflect poorly on them. Their honesty, however, was matched by a commitment to write their own narrative as a means to move toward their vision of an **abundance community**. Implicitly, they have recognized that the stories we tell about ourselves is in large part who we become, and this is as true for a community as for an individual. They quite simply put the community interests in front of their own, refusing to dwell on retribution, vindication, or a hurtful past. Instead, they have stayed focused on willing their future into being by constructing a narrative that does not revisit old battles but stays fixed on future possibilities. This comes through with strong conviction in the narratives of Bob Stowell, Gaylord Boilesen, Nancy Glaubke, Caleb Pollard, Tanner and Jeana Hackel and many others. It is more than simple belief that they can achieve their goals. It is potency – manifest as optimism and an abundance mindset – of their social/community integration that their belief is well placed and shared in large part by the core of the community.

The resilience and abundance mindset seems to have arisen in turn from an older cultural imperative: **neighboring**. Historically, survival in sparsely populated rural areas was often difficult and the uncertainty that comes with hardship in the face of natural calamities and intergroup hostilities seemingly insurmountable. Neighboring emerged culturally as a normative expectation to render aid to others in the community in the face of such calamities despite any preexisting hard feelings or conflicts. True neighboring in this form is not just about the niceties of sharing iced tea over home baked bread. It is about a focus on the long-term corporate (i.e., community) interests as central to one's own well-being and success. As Ord leader Bob Stowell says,

*“...we all do better when we all do better.”*

This is a truly embracing view of entrepreneurship that leads to community development. It is far more than simple boosterism. It is deeply rooted in the underlying culture and the fiber of individuals themselves and the future they define into being through their actions and commitment. It is the summative outcome of many individual intentional decisions that reflect the truth that these people have chosen to make “place matter.”

That said, it is an open question as to how the future will unfold for this community. How will the inspirational leadership of an older cohort transition forward to new cohorts? How will they adapt to changing demographics in their small community? There is good reason to be optimistic on the former question given the narratives we have captured among the growing number of younger entrepreneurs and leaders in the community. There is also reason to be hopeful given the

intentionality with which the Synovation Valley Leadership Academy's (SVLA) self-development approach has been introduced into the school system with Ord's children.

But the second question is thornier. Many of our respondents have talked variously about the need to attract "new blood", "skilled workers" and "help." These are three quite different types of people. Ord has had good success with the first two and the strategies they have used have been built on attracting "people like themselves." They have been able to attract people who have roots in the Ord area and people who have rural roots from other areas. Consequently, the people they have attracted have also looked like current residents in terms of characteristics that don't activate the perceptual bias that Chambliss described with respect to the Roughnecks and implicit to the question of whether the tree falling in the forest makes a sound.

For Ord, situated in rural central Nebraska, the demographics of attracting help is connected to likely increasing the racial/ethnic heterogeneity of the community. So, the open question is whether the abundance mindset of this community can surmount the residual elements in the community and culture to see such change as an erosion of identity rather than as a cup half full. We are hopeful that this will be the case, but we also recognize that such change will not occur without some conflict, pain, and community self-examination. It will take work. It will take a dogged commitment to retaining an abundance mindset. It will take a continuation of seeing challenge as opportunity. It will take an expanding body of leadership to resist perceptual bias as things on the ground change. It will take intentionality to keep from shifting to a negative spiral that stifles creativity, trust-building, shared community interest, and an open hand up.

Tupelo, Mississippi was able to accomplish this to a large extent in the face of more than a hundred years of racial antagonism and rigid town and country divisions; so, it is possible. Ord and Valley County have built a platform for the same kind of continued success, but much will depend on the residents themselves and their continued ability to reach out and accept assistance from outside resources that will support them in this effort. Organizations such as the Nebraska Community Foundation and others have been instrumental in their twenty years of success, but it will be the agency of individuals in the community that will ultimately determine the outcome.

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**Younger Adults.** Age and generational perceptions can also keep us and our ecosystems from fairly embracing the entrepreneurial talent in younger adults. For Baby Boomers there is a sense that Millennials are self-centered, unwilling to work hard, are not loyal and the list goes on. As is the case with most myths there are threads of truth that keep us from deeper appreciation of the passion and motivations of younger adults. Younger adults may face greater challenges in being entrepreneurs like student debt, lack of capital and experience. But they have passion to create impact, find meaningful careers and have skills (e.g., information technology for example) that Boomers dream about. Especially important to the successful development of entrepreneurship in this group: active mentoring, balanced and open-minded inter-generational listening, and a collaborative spirit.

**Failures.** In large metropolitan area if you fail you can restart more easily than in a rural hometown where everyone knows of your failure from truth to rumor. Rural communities can be so hard on perceived failures that folks often must move to a new town far enough away to get a new start. We know failure is part of being entrepreneurial and overcoming this social behavior is essential for growing a more entrepreneurial economy.

## Failure and Rural Communities

Failure in rural communities can be tough and damning when catastrophic (e.g., people are hurt, and bills are not paid). Yet failure in entrepreneurial as well as community economic development is part of the process. But there is a difference between common failure and catastrophic failure. An example of common failure is someone who starts a business, then it fails, but the owner is able to make good on all their debts and takes care of their employees in good way. With catastrophic failure real harm is done where people are hurt financially, employees are treated badly, and debt/bills are not paid. Our field experience supports a view that rural communities with strong ecosystems result in fewer overall failures and more common failures versus catastrophic failures. This is important in that it means better economies but also socially healthier communities where people have second and even third chances.

**Laborers.** While theoretically “white collar” and “blue collar” class bias does not exist in America, it is real (what theory says it doesn’t exist? Seems a common point of discussion/comments. This sentence could probably be cut without affecting the paragraph). It can be harder for blue collar laborers to pursue entrepreneurial ventures in some communities. However, laborers represent an underdeveloped source of entrepreneurial energy. For example, think of a younger diesel mechanic who lives in your community and has for the past 10 years been travelling down the road working in a truck stop. With 10 years of experience and a desire to get off the commuting road this skilled laborer is now ready to buy or start their own shop. Creating pathways within our ecosystems that allow skilled and experienced laborers to successfully transition into venture ownership and operation represents an important development opportunity.

## Technical Skills and Experience and Business Capabilities

Ernesto Sirolli of [Enterprise Facilitation](#) fame talks about the “trinity” within entrepreneurship. In many cases the entrepreneur may have skills and experience in producing a good or service but lacks business and/or marketing capacity. Sirolli argues – and we agree – rarely does an entrepreneur have passion and expertise in all three key areas of venture success: production, business, and marketing. This framework embraces the idea that successful entrepreneurial ventures require a team approach where there is passionate and capable talent in all three areas. For community-centered ecosystems helping entrepreneurs build teams through key employee hiring or contract assistance is key.

Next let’s explore how your community can optimize your entrepreneurial development potential by embracing entrepreneurial talent diversity as an asset.

## Embracing Entrepreneurial Talent Diversity as an Asset

Consider the following action steps from embracing diversity as an asset to empowering it within your eStrategy:

- Embracing Diversity
- Mapping Your eTalent Diversity
- Outreach and Engagement
- Mapping Strengths and Gaps in Your Ecosystem
- Strengthening Your Ecosystem

**Embracing Diversity.** The first step a community must make is committing to diversity as an entrepreneurial asset. In making this commitment a community can step back and more objectively explore the wider range of potential entrepreneurial talent in play in their community and what is required of the ecosystem to empower this diversity of talent to successfully engage in entrepreneurship. Foundational to embracing diversity is the community coming to grips with legacies of discrimination and current unconscious bias.

### Understanding and Addressing Unconscious Bias

It is much easier to recognize and understand overt and/or intentional discrimination. It is much harder for individuals and their communities to recognize and understand unconscious bias (often referred to as implicit bias) which operates below conscious intention much like a reflex but learned. We ALL have unconscious bias. It impacts the way we view different people and how we might interact with them. Unconscious bias when exercised by a power group or majority in a community can create barriers and even glass ceilings for those targeted by the bias. We know from interviews that when the initial screening is blind focusing not on things like gender, age, or race, but only skills and experience outcomes are different. This is a reflection of unintentional unconscious bias. Unconscious bias is at work in our communities marginalizing segments of our entrepreneurial talent. Coming to terms with unconscious bias opens the door to equitably encouraging and supporting more of our community's eTalent.

**Mapping Your eTalent Diversity.** The second step in optimizing your community's eTalent diversity is to actually map your community using the typology we have provided in this paper. Such a mapping exercise by your entrepreneurial team and stakeholders can foster intentionality in all your community's entrepreneurs and help focus on how your ecosystem can create broader pathways to greater success and growth.

**Outreach and Engagement.** While mapping your eTalent diversity is critically important we also recommend that you commit to outreach and engagement. Through relationship-based conversations you can begin to understand how your community and its ecosystem may be putting up barriers or creating glass ceilings for specific eTalent diversity segments. Such information is powerful and provides the basis for evolving a more equitable and inclusive ecosystem capable of bringing entrepreneurs from the margins of your community into fuller participation.

**Mapping Strengths and Gaps in Your Ecosystem.** Based on your mapping, outreach, and engagement knowledge you can now map your ecosystem's strengths and gaps. This action can provide a smart and strategic agenda for ecosystem development. In keeping with the 4-H value of **doing with** it is imperative that you engage the diversity of your eTalent in building a more inclusive ecosystem.

### Creating Opportunity Pathways

One of the powerful stories from Ord, Nebraska involves a younger couple who took over a landmark business in Ord. They had experience in the business and the passion, work ethic and commitment to be successful. But as a younger couple they lacked enough experience and particularly the equity to acquire this business. Ord's entrepreneurial ecosystem enabled this business transition successfully bringing traditional, gap and angel capital to the deal plus critically important mentoring ensuring a higher probability of success. For rural communities across America where business transition from older to

younger generations it is so important, this story illustrates how ecosystems committed to diversity can empower it to support venture development and stronger communities.

**Strengthening Your Ecosystem.** The final action step is to evolve your ecosystem based on your talent and diversity opportunities and the action work you have undertaken. This is an ongoing process as your community is ever changing. Making sure you continue to learn about your eTalent diversity and what they need from your ecosystem is a long-term development commitment. Keep in mind that this is not a one act performance. It is a mindset that becomes habit for the community through recurring practice, commitment to seeing individual success through community success and recognizing that there is true joy in an abundance community.

Our experience at e2 stretching from the Pacific Northwest into Georgia and all regions in between makes the case that embracing diversity is foundational to not only growing an optimal entrepreneurial economy but a thriving and welcoming community. In rural community economic development, we need to optimize every opportunity and asset we have in our communities. We hope this paper helps your eTeam and community to embrace your community's fullest range of eTalent diversity.



## Access and Use of e2 University Materials

**Single Party Users.** Our entire e2 University is available free of charge to selected users. If you and your community are interested in any or all of these resources, contact [info@e2mail.org](mailto:info@e2mail.org).

**Compensated Users.** For those users wanting to use e2 University in their compensated work, e2 is happy to explore licensing options. Contact Don Macke at [don@e2mail.org](mailto:don@e2mail.org).

**Nonprofit Users.** If your organization is a charitable non-profit that works with multiple communities, e2 is open to non-compensated licensing options. Contact Don Macke at [don@e2mail.org](mailto:don@e2mail.org).

**International Users.** If your organization is located in or focused on non-U.S. locations, we are open to collaborative efforts to translate our work into other languages and cultures for possible use. Contact Don Macke at [don@e2mail.org](mailto:don@e2mail.org) to explore options.

**Kansas and Nebraska Users.** Nebraska and Kansas have played an extraordinary role in evolving our e2 development framework. Access to e2 University resources is available free of charge to end users through [NetWork Kansas](#) and Nebraska Extension in Nebraska.

### A Condition for Access and Use of e2 University Resources

In all cases e2 asks users to execute a **use agreement**. As part of this agreement, we require a commitment from you to share your learning back with e2. We need user feedback to continue our learning so that e2 can support entrepreneurship ecosystem building and future resources for users yet to come.

## Additional Help

Don Macke is not currently accepting new advising and consulting work. However, based on scheduling availability, Don is willing to do an exploratory call to better understand your needs and expectations, and recommend pathways forward. Contact him at [don@e2mail.org](mailto:don@e2mail.org).

## How e2 Can Help



**e2 Entrepreneurial Ecosystems** helps communities increase prosperity through entrepreneur-focused economic development and ecosystem building. Led by [Don Macke](#), e2 has a national team of practitioners who bring research, coaching, incubation, market intelligence and other expertise to this work.

## What We Do

- ✓ **Mentoring.** We mentor and coach new practitioners seeking to pursue entrepreneur-led development. We provide advice and support for building eEcosystem strategies that work.
- ✓ **Analytics Support.** e2 helps communities and regions understand their entrepreneurial potential through research and data. Explore some of our research tools and reports [here](#).
- ✓ **e2 University (e2U)** is our platform for sharing guides, papers, stories, tools, and resources with communities wanting a deep dive into eEcosystem building. Don Macke leads the e2U team with analytics support from **Cathy Kottwitz** and report preparation from **Ann Chaffin**. Special recognition for their e2U legacy contributions goes to **Dana Williams** and **Deb Markley**, LOCUS Impacting Investing.
- ✓ **Fostering the eMovement.** We support the national entrepreneurship movement along with our partners including the **Federal Reserve Bank of Kansas City**, **SourceLink**, **Edward Lowe Foundation**, **Kauffman Foundation**, and **NetWork Kansas**. We are a founding member of [Start Us Up: America's New Business Plan](#), a coalition dedicated to strengthening entrepreneurship across America. Together, we continue to advance the foundational ideas of building entrepreneurial ecosystems and entrepreneurship-led economic development.

## Contact Us

[don@e2mail.org](mailto:don@e2mail.org)

(402) 323-7336

[www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org)

[NetWork Kansas](#), a 501c3 nonprofit organization dedicated to developing an entrepreneurial ecosystem in Kansas, is the home for e2 Entrepreneurial Ecosystems. NetWork Kansas connects aspiring entrepreneurs, emerging and established businesses, to a deep network of business building resource organizations across the state.

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