The Entrepreneurship Center at the Mississippi Development Authority: An Assessment of the State's Small Business Engine

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The Entrepreneurship Center at the Mississippi Development Authority: An Assessment of the State’s Small Business Engine

by
Ryan T. Snow

A thesis submitted to the faculty of The University of Mississippi in partial fulfillment of the requirements of the Sally McDonnell Barksdale Honors College.

Oxford
May 2016

Approved by

Advisor: Professor Melissa Bass

Reader: Professor Albert Nylander

Reader: Professor Richard Gentry
DEDICATIONS

To my mother, who instilled me from the very beginning a love of learning and a desire to always ask questions, I cannot tell you how thankful I am for your love, support, and constant encouragement.

To my father, truly the best man I have ever met and one of my best friends in this world, I only hope to live life with as much joy and compassion as you do.

To Nicole, you have been not just my sister, but also my sidekick from the day mom brought you home. Thank you for always being an inspiration and a breath of fresh air.

To all of my friends that have truly made this the best college experience that I could have ever asked for, thank you convincing me to take it easy once in a while.
ACKNOWLEDGEMENTS

To Dr. Bass, thank you so much for your constant patience, constructive criticism, and acceptance of my unrelenting questions. Your flexibility and willingness to help me was only outdone by your ability to make complex ideas attainable. I could not have asked for a better advisor.

To Dr. Nylander, Ryan Parsons, Dr. Love, and the rest of the McLean Institute, thank you for challenging me, my beliefs, and my abilities over the last two years. This project would never have happened without that prodding, and I honestly can say that I would not be the person I am today without the McLean Institute and the tremendous work that happens there.

To the Honors College and Dr. Young, thank you bringing me to Mississippi, and surpassing my wildest expectations of what a community of scholars can do. The Honors College brought me to the University of Mississippi, and the tremendous people here have created a passion within me that has truly altered the course of my life.
ABSTRACT
RYAN THOMAS SNOW: The Entrepreneurship Center at the Mississippi Development Authority: An Assessment of the State’s Small Business Engine
(Under the direction of Melissa Bass)

The importance of a strong entrepreneurial environment for overall economic development is well established. Mississippi, this Mississippi Development Authority’s Entrepreneur Center is the state’s leading authority on small business development. However, there has been little to no analysis of the effectiveness and efficiency of the Entrepreneur Center. Two surveys were conducted. The Mississippi Entrepreneurial Ecosystem Survey (MEES) was administered by the University of Mississippi’s McLean Institute for Public Service and Community Engagement last fall to a population of 4214 business and community leaders with a responsive sample of n= 573. This survey is used to contextualize the business ecosystem of the state. A second Qualtrics surveyed the more than 2,000 individuals in the Entrepreneur Center’s contact list with responsive sample of 209. This data aims to assess the usefulness of the current services that the Center provides and provide guidance for future efforts. Preliminary results indicate that small businesses are most assisted by the personal consulting services and online webinars of the Center. Despite their general approval of the program, three major concerns arise. Firstly, because the Center is in Jackson, and satellite offices have been shuttered in the last year, many citizens reported that travel distance restricted their access to resources. In connection to this concern, respondents thought that the small staff of the Entrepreneur Center often left the entity overextended. Finally, the overlap
between the numerous programs that help small businesses (SBA, SBDCs, Mississippi Mainstreet, DRA, various university resources) created an environment where identifying and securing the necessary resources is arduous. Provisional conclusions call for a consolidation of the various state and federal resources through a central “entrepreneurial hub” that allows busy entrepreneurs access to the myriad of assistance already available.
# TABLE OF CONTENTS

LIST OF TABLES ........................................................................................................ vii

LIST OF ABBREVIATIONS ........................................................................................... viii

INSPIRATION FOR THE PROJECT .............................................................................. 1

CHAPTER I: INTRODUCTION ....................................................................................... 3

CHAPTER II: LITERATURE REVIEW ........................................................................... 6

CHAPTER III: DATA AND METHODOLOGY .............................................................. 28

CHAPTER IV: DISCUSSION AND POLICY RECOMMENDATIONS ......................... 45

CHAPTER V: CONCLUSION ......................................................................................... 52

CHAPTER VI: WORKS CITED ..................................................................................... 54

CHAPTER VII: APPENDICES ....................................................................................... 60
LIST OF TABLES

Table 1: LEIGH & BLAKELY (2013) .............................................................................................................. 19
Table 2: ROLE WITHIN BUSINESS ............................................................................................................... 29
Table 3: LENGTH OF TIME IN BUSINESS ................................................................................................... 30
Table 4: METRO STATUS .............................................................................................................................. 31
Table 5: BUSINESS SIZE ............................................................................................................................... 35
Table 6: ENTREPRENEUR CENTER RESOURCES USED ................................................................. 36
Table 7: EXPANSION OF SERVICES ............................................................................................................ 37
Table 8: MOBILE APP ................................................................................................................................. 38
Table 9: COMMUNICATION WITH ENTREPRENEUR CENTER ......................................................... 38
Table 10: ENTREPRENEUR CENTER ONLINE RESOURCES ......................................................... 39
Table 11: OTHER BUSINESS DEVELOPMENT SERVICES USED ......................................... 39
# LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>ADECA</td>
<td>Alabama Department of Economic and Community Affairs</td>
</tr>
<tr>
<td>ADFA</td>
<td>Arkansas Development Finance Authority</td>
</tr>
<tr>
<td>CEED</td>
<td>Catalyzing Entrepreneurship and Economic Development</td>
</tr>
<tr>
<td>EDA</td>
<td>United States Economic Development Association</td>
</tr>
<tr>
<td>DRA</td>
<td>Delta Regional Authority</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>LED</td>
<td>Louisiana Economic Development</td>
</tr>
<tr>
<td>MEES</td>
<td>Mississippi Entrepreneurial Ecosystem Survey</td>
</tr>
<tr>
<td>MDA</td>
<td>Mississippi Development Authority</td>
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<tr>
<td>NAFTA</td>
<td>North American Free Trade Agreement</td>
</tr>
<tr>
<td>PDD</td>
<td>Planning and Development District</td>
</tr>
<tr>
<td>SBA</td>
<td>Small Business Administration</td>
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<tr>
<td>SBDC</td>
<td>Small Business Development Center</td>
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</table>
Inspiration for this Project

It is hard to deny the tough economic realities that Mississippi faces. As this study will examine in depth, the last 50 years have not been kind to those employed in the manufacturing and agricultural sectors, and the state has seen massive population exoduses as a byproduct. It is unlikely that these lost jobs will suddenly stream back into the state, so innovative solutions must be found, and found quickly. As this thesis will display, there is tremendous potential to continue to rejuvenate the state’s economy through careful assistance of entrepreneurship. Therefore, this paper will examine the efficiency and effectiveness of Mississippi’s central entrepreneurial engine, the Mississippi Development Authority’s (MDA) Entrepreneur Center.

A primary example of the type of help the Entrepreneur Center can provide a fledgling business can be found here in Oxford. No Time 2 Cook, founded in 2005, today provides premium ready-to-eat meals to over 600 Kroger stores throughout Texas and the grocer’s Delta District. However, in 2010, the founder of the company, Karen Kurr, needed help expanding and approached the Entrepreneur Center for assistance. With the help of the staff of the Entrepreneur Center, Ms. Kurr was able to receive a minority certification designation through MDA’s Minority & Small Business Division that allowed No Time 2 Cook to get a low interest loan with Three Rivers Planning and Development District. Though No Time 2 Cook and Ms. Kurr had an excellent product, it was only through the assistance of the Entrepreneur Center that she was able to secure funding to expand her business to what it is today. Thankfully, this story is not atypical. Hundreds of Mississippi businesses have benefitted from relationships with the Entrepreneur Center, but No Time 2 Cook serves as an excellent example of the
tremendously beneficial work that can be done by assisting small businesses and entrepreneurs.
Chapter I. Introduction

The state of Mississippi has lost large amounts of its population over the last 60 years (Hobbs 2002). This trend has only grown worse recently: of the state’s 82 counties, roughly two-thirds have seen net outward migration in this last decade (Winkler et al. 2013). Outmigration has accompanied the decline in manufacturing and agricultural employment across the state (Scott 2015). To compound the rough circumstances, the most recent quarterly U.S. Census Bureau data show that nearly a fifth of Mississippians are unemployed or underemployed, and these hardships disproportionally affect rural and poor citizens of the state. Further, the Center on Budget and Policy Priorities ranks Mississippi’s income inequality as one of the five worst in the country. (McNichol et al. 2012). To combat these issues, a popular policy response has been the development of organizations that help incubate, develop, and mentor small, growing businesses.

In the global economy, states, counties, and municipalities have both the challenge and opportunity to shape their own economic destinies. In Mississippi, partnerships between businesses and the Mississippi Development Authority and various university and nonprofit programs offer the ability to mitigate both population and job loss through entrepreneurship. Small businesses help solve these problems in three ways (Rupasingha 2013). First, there is tremendous potential to allow individuals to supplement their existing income by providing an individual access to basic business tools and resources. Second, as small businesses operate in a community; they create a multiplier effect.
By purchasing a good or service from a community member, the consumer immediately injects money into the local economy that the business owner can spend on goods, expansion, personal expenditures, and local taxes. This is a simplistic interpretation of this principle, yet it serves to indicate how the seemingly small actions of a lone actor can have tentacle-like impacts on an entire town. Lastly, the link between job creation and entrepreneurship is well established (Birch 1987; Decker et al. 2014; Morrison 2003) et al.), but it is especially prudent to mention that when startup costs are high, “job creation suffers and employment settles at a lower level” (Fonseca et al. 2001). So in an increasingly global market, Mississippi must consider how the high costs of a history of inadequate education, economic underdevelopment, and racial inequality have impacted, and continue to influence the state’s entrepreneurial environment.

The Mississippi Development Authority’s (MDA), Entrepreneur Center exists to provide entrepreneurial assistance to the citizens of Mississippi. As a bureau within the Existing Industry and Business Division, the center provides financial, marketing, management, and technical assistance to new and existing small businesses. Viewing entrepreneurship as a conduit for fostering community development, this state agency serves as the central entrepreneurial resource for Mississippi. This study provides an assessment of how well the agency serves the needs of the state’s citizens.

This analysis will be structured in sections to present a nuanced view of studying entrepreneurship, and the broader role that the entrepreneur plays. In the first portion, this study will provide a working definition of entrepreneurship, explain the challenges of studying the topic, discuss the unique challenges that Mississippi faces as a largely rural state, and examine the various strategies and practices of both state and federal economic
development theory. Then, after explaining the research methodology of this specific study, this paper will analyze the findings from two different surveys, one examining the entrepreneurial landscape of the state, and another testing how effectively the Entrepreneur Center has completed its intended mission in that ecosystem. Finally, this analysis will conclude with a set of policy recommendations for MDA, the Entrepreneur Center, the State of Mississippi, and the various economic state and national development organizations that play a role in dictating and implementing policy. The goal of this paper is to assist Mississippi in the state’s efforts to generate entrepreneurs by educating policymakers on the wishes of current leaders and business owners. This larger question is best answered by the following research questions:

1. Does the state’s entrepreneurial engine, the Mississippi Development Authority’s Entrepreneur Center, provide a benefit to the state’s entrepreneurs and small business owners?

2. How can the Entrepreneur Center improve its service and reach to citizens across Mississippi?

3. What specific challenges does the state of Mississippi face, and how does the Entrepreneur Center address them?

4. Is there a need for the various entrepreneurial programs that operate in the state -- Entrepreneur Center, the SBA, SBDCs, university innovation hubs, etc.-- to create more streamlined collaborations?
Chapter II. Literature Review

Defining Entrepreneurship

Before discussing the role of MDA’s Entrepreneur Center, it is necessary to discuss the ambiguous term entrepreneur. Davidson (2008) titled a recent book The Entrepreneurship Research Challenge highlighting the difficulty that scholars face in “defining – let alone measuring – entrepreneurship as it exists in modern society” (Fortunato 2014). Despite academics’ trouble, an intuitive definition exists. Simply mentioning the word entrepreneur to nearly any American will solicit a reasonably consistent understanding. Entrepreneurs are individuals who observe a need or an opportunity around them, realize that they can fill that void, and devote attention and effort to seizing that opportunity. Yes, this is an extremely broad interpretation, but as the literature will indicate, its breadth is necessary.

Globalization

Though entrepreneurship may evade uniform academic definition, its importance as a tool to address economic inequality in our nation cannot be understated (Lyons 2015). Likewise, in a global context, entrepreneurship plays an evolving role in the creation, production, and distribution of goods, services, and ideas (Davis 2008; Dye & Alter 2015). As international competitors have been able to undercut American manufacturers for production of component and industrial parts, the American economy has been forced to diversify. Beginning in mass with the implementation of NAFTA, American businesses have increasingly become exporters of ideas and services rather
than products and raw materials (Mann 1998). However, many areas of Mississippi, most notably the Mississippi Delta region, have struggled to convert to this shifting economy. According to Robert Scott of the Economic Policy Institute, Mississippi ranks second only to North Carolina in loss of total manufacturing jobs as a share of total employment. Unfortunately, the state still relies heavily on manufacturing as a major source of economic production, as 14.4% of the state’s GDP came from the industry in 2013 (Scott 2015). This ranks Mississippi amongst the 20 most manufacturing reliant states in the country. So, not only has the state lost a huge number of jobs, 95,600 since 1998, but it has done little to alleviate the reliance on manufacturing as jobs have disappeared.

The loss of manufacturing jobs has disproportionately affected lower income Mississippians. As production shifted from the United States to cheaper locations in Mexico and Asia, people who had worked factory jobs for decades were forced to find other occupations, usually with lower compensation. Those who could move away to places with more opportunities often did so, which is reflected in the population declines in the majority of Mississippi counties. The connection between job loss, psychological distress, and family disruption are well documented (Brand 2015). Job loss not only affects a person’s own well-being, but it can spiral to family members.

**Review of Academic Literature**

Academia has grown more focused on promoting entrepreneurship as a teachable practice in the last 20 years, yet so much of the literature struggles to establish a simple, yet cohesive definition. The disconnect arises because a large portion of the literature focuses on the practice of entrepreneurship: firms, the firms’ founders, and founders’ strategies and decision making rather than the methods useful for creating more
entrepreneurs. This focus developed for two reasons. One is cultural: entrepreneurship is inherently individualistic; and as a result, it mythologizes the single proprietor who acts with singular ambition to create. The other is historically academic. As a mixture of economics, social and behavioral psychology, business, marketing, and sociology, the research on the subject often “coalesce[s] into a rather confusing, complex pastiche of creative, risk-bearing, venture-launching behaviors” (Low & MacMillan 1988; Fortunato & Alter 2015). The fragmentation of the literature results in an expansive definition of entrepreneurship. This includes traditional for-profit ventures, more progressive social entrepreneurial businesses, and classic nonprofits. Thus, an explanation of who fits the definition of an entrepreneur is warranted.

It is easy to conjure up the image of the brilliant student who drops out of school and heads to Silicon Valley to create the next multi-billion dollar tech startup, but that definition of an entrepreneur is so rare as to be unrealistic. Lyons (2015) writes,

*too much attention has been, and continues to be, paid to the individuals who launch high-growth, technology-focused, venture capital-backed enterprises...who are leading job creators, which has made them the darlings of local economic developers. However, this thinking has led to a certain entrepreneurial exceptionalism that tends to, in effect, discourage and exclude some individuals who have great potential from participating.*

Though a person may be predisposed to think that the public should invest in these high-growth industries, the investment should be made in the entrepreneur, not the business (Lichtenstein & Lyons, 2010). Relying on big business and tech is troubling for a state like Mississippi that struggles to compete for cutting edge technology startups (though
noted exceptions exist). Furthermore, the state’s weak broadband infrastructure limits the ability for startups to expand, especially in rural areas. The Federal Communications Commission reports that about 40% of the state’s rural citizens lack broadband service and eight counties have no broadband service at all (Bryant 2015). This weak infrastructure does not make Mississippi highly attractive to technology driven industries, especially in rural areas. Thus, the entrepreneur, not the industry, must be the foremost point of emphasis. Properly skilled individuals drive new business growth and development, and focusing on the minutia of a business operation can cause harm. When an individual has the drive and determination to actively solve problems through entrepreneurship, creating barriers of too much planning and second-guessing can hamper the entrepreneur’s ability to operate effectively. Though an individual may start out in a low-growth business that is not attractive to economic developers, that business owner can grow skills and change; “today’s bodega owner may become tomorrow’s grocery chain mogul” (Lyons 2015). In many smaller, more rural communities, a business that provides a necessary service for a community is an integral part of the economic and social fabric of a place and should not be dismissed. Even without a stated ambition for growth, small businesses that fulfill the needs of a community must be included as entrepreneurial: entrepreneurship cannot be constrained by the desire for growth.

Entrepreneurial success can be measured not only by how much money is earned, but also by how much social welfare is created. The term social entrepreneurship is used in academia and references utilizing a for-profit business model to address a social problem (Welsh & Krueger 2009). Social entrepreneurs, like typical profit geared
business owners, aim to turn a profit, but do so with a unifying socially beneficial mission.

Further expanding the definition of entrepreneurship is a growing body of research showing that nonprofit leaders exhibit similar character traits to profit driven business owners, such as innovativeness, proactiveness, and risk taking (Morris, Webb Bryant 2011). By identifying and then addressing a need in the community, a non-profit leader takes the same approach to a problem that a more typical entrepreneur does. An individual who is not driven by profits, yet still effectively provides a solution to a need, must be considered entrepreneurial. Nonprofits play a vital role in this country: by allowing non-profits to address social and economic problems that often fall to government, the fiscal strain on local and state budgets can be reduced. This section serves to highlight that limiting the discussion of “entrepreneurs” to only profit seeking individuals is not only short-sighted, but potentially harmful.

In sum, an effective definition of “who is an entrepreneur” for the state of Mississippi must be broad enough to encompass everything from the trendsetting startup to the small nonprofit working in a rural Delta community, yet narrow enough to exclude government workers and corporate titans. To provide a more concrete description, Fortunato (2014) claims that “among the many definitions of entrepreneurship, novelty, business formation (vs. casual self-employment), and value addition in the marketplace are all common features.” Thus, Fortunato (2014) defines an entrepreneur as an individual (or part of a group of individuals) who has created a new business venture within a place to offer a new product or service, bundle of products or services, or
value relationship that adds value to markets within that community. This is broad enough to allow for new innovation as a well as expansion within or to a new geographic market.

**Rural Entrepreneurship**

With this working definition in mind, it is necessary to discuss how entrepreneurship differs in rural areas. This distinction is imperative to understand when studying Mississippi because the state ranks amongst the most rural states in the nation, with more than 50% of the population living in Census designated “rural” areas (Cromartie & Bucholz). The United States has a rich rural entrepreneurial tradition. From the first settlers who trapped animals for fur and planted the land for crops, it is difficult to separate entrepreneurship from the rural American identity. Entrenched in the American Dream itself are principles of entrepreneurship; the lone visionary striking out on a singular quest to create and disseminate a new product or service. However, much of Mississippi’s rural economies are reliant on large industry and agriculture. According the Bureau of Labor Statistics, Mississippi has lost 103,113 manufacturing jobs (or 42.3 %) since the implementation of NAFTA. Unfortunately, these losses were the worst in rural communities, and it is unlikely that these manufacturing jobs will ever return. Therefore, the onus of job creation often falls to entrepreneurs.

Evidence indicates that there are deep regional and local differences when considering entrepreneurship (Fritsch & Schmude 2006), including local government policy and administration (Dye & Alter 2015), community physical and business infrastructure (Flora & Flora 1993; Markley & Macke 2003) and local culture and
mindset (Nolan 2003) that can dramatically influence the success of local entrepreneurs (Fortunato 2014). As a result, Mississippi’s economic development policy must reflect the intricacies and nuances of each region of the state.

Challenges for Rural Entrepreneurs

Several factors create challenges for rural entrepreneurs: remoteness, asymmetrical power structures, and “brain drain” driven by cyclical poverty all create an environment that is less than ideal for entrepreneurship. Dabson (2001) points out how low population density and remoteness limits access to markets, capital, labor, peers, and infrastructure are detrimental to business creation and growth. Unfortunately, these dilemmas plague much of Mississippi. These issues also lead to limited local demand, thus hindering the ability of businesses to achieve economies of scale (Dabson 2001). Many services, especially intermediate business services like high-speed Internet access, regular parcel delivery, and consistent lending opportunities are all nearly nonexistent in far too many areas of the state. These basic services are an absolute imperative for a modern business to be competitive (Dabson 2001, Dabson et al. 2003). Another major issue, and one that is especially relevant to Mississippi, is commodity subsidies. These policies favor large-scale agriculture, and can push out diversified development in rural communities (Dabson et al. 2003). When a town or region’s economy, like the Mississippi Delta, is overly reliant on one industry, especially in an industry that does not produce many jobs, the result is a stratified economy that deters mobility. There have movements over the state’s history to correct this imbalance, like Governor Hugh White’s Balance Agriculture with Industry Program from the 1930’s, but these policies have often fallen victim to overriding federal policies like NAFTA (Lester 2004).
so many individuals and capital are consumed by only a few industries, and the
infrastructure does not exist to diversify, those operating in the existing industry benefit
to the cost of those who are not

A second major struggle for rural communities is their historical place in local and
state power structures, especially as power relates to economic production. So much
power rests in the few who have high economic status, largely those with ties to
agriculture or other dominant industry, that budding rural entrepreneurs struggle to find
capital and support (Shuffstall 2012). Over the last decade, this contrast has grown
starker as those who receive income from capital flows have fared better than those
whose income is derived from labor (Willis and Wroblewski 2007). Thus, with stagnant
wages, the power divide only continues to deepen. Gaventa’s (1982) study of an isolated
region of Appalachia found that a capital bearing elite or “leisure” class exerted what he
called “the third face of power” on working-class citizens. The third face of power is the
repeated failure of citizens to organize themselves to meet their needs, or the constant
failure of citizens to be heard or acknowledged by the power-wielding elite that leaves
citizens to accept their fate. Activities like entrepreneurship are therefore identified as
activities of the elite, and rarely attempted outside of that power realm (Gaventa 1982,
Fortunato 2014).

Remoteness and asymmetrical power structures also attribute to the vicious cycles
of poverty that plague rural areas. High poverty rates are “overwhelmingly rural” (Miller
& Weber 2014), and leave many rural poor citizens without access to healthy food,
adequate medical care, or solid education (Harrington, 1997, Saatcioglu & Corus 2014). These patterns are often cyclical, and lead to intergenerational poverty. From this
socioeconomic reality, it becomes difficult for individuals to acquire the skills and support necessary to become entrepreneurs. This also creates concerns about the potential pool of available workers for a firm looking to grow in a rural area. Compounding these issues has been the dramatic “hollowing out” or loss of talented young people from rural communities (Carr & Kefalas 2009). Young, educated people who do emerge from impoverished rural communities, whose economies desperately need their skills, are leaving to seek higher paying occupations in more urban areas. Fortunato (2014) writes:

“Brain drain” effects have tended to follow general population decline: of all American counties, 11% lost population between 1970 and 2000. Among these, 96% of those counties experienced brain drain (the loss of college educated individuals), and 95% were nonmetropolitan or rural (Artz, 2003, p. 13).

Variables like (younger) median age and college educational attainment account for as much as 80% of the variation in firm formation in rural regions (Walzer, Athiyaman, & Hamm, 2007, p. 74), [when] controlling for business density, growth in larger businesses, and proximity to financial support institutions.

In rural communities, this means that those who are most equipped to tackle tough problems through entrepreneurship flee the areas that so desperately need them. This only serves to cement entrenched power structures. Without concentrated challenges to authority and the efficient organization of people to do so, established power holders only continue to gain to the harm of the laboring classes.

Remoteness, disproportional power delegation, cyclical poverty and the loss of young educated citizens all combine to create environments that are not conducive to entrepreneurship. To expand entrepreneurship in these communities is an essential to
understand the underlying political, social, and economic forces, because the success of an entrepreneur is predicated on interpersonal relationships, capital accumulation, workforce development, and a host of other interactions that are deeply influenced by the structure of a community. Thus, one can support entrepreneurship in a community without first understanding how a community functions, but might not understand why development sputters.

Despite these issues, rural areas also have strengths. First, they typically have low startup costs — land, fixed operating costs, labor costs — which can assist an individual with limited capital in creating and expanding a business. Low costs also allow motivated young people an opportunity to enter the market. Likewise, businesses complimentary to the existing economic structures, like a Caterpillar dealer in an agricultural area, have the potential to succeed. By complementing existing industry, certain niche goods can remain profitable in spite of the lack of diversity in the economy.

**Role of Government in Economic Development**

Working within the outlined framework of entrepreneurship, this next section will discuss the various forms of economic development that dominate federal and state-level policy. The goal of this section is to demonstrate how the Entrepreneur Center at the Mississippi Development Authority fits into the development strategy of the state, and how the state’s strategy coincides with national strategy. To begin this discussion, is important to trace how the allocation of responsibility for economic development has helped form the current state-funded dichotomy.

During the Great Depression, the national government played an increasingly influential role in providing economic and social welfare. Under the New Deal, the
federal government “developed social security, provided unemployment assistance, and took leadership in economic planning and regulation” (Crowe et al. 2015). This role grew following World War II (Sharp & Parisi 2003). Though these polices were not specifically targeted at businesses, and especially not entrepreneurs, they were some of the first major steps that the federal government had ever made in establishing a security net of baseline government assistance. The federal government’s role in assisting individuals — and later businesses — would continue to expand over the next five decades. However, fear of ever-expanding intrusion by a strong federal government led to a counter-reaction, and a gradual devolution of government roles during the 1970s and 1980s that split responsibilities among national, state, and local governments. This decentralization continued into the 1990s as local and state governments were provided even more discretion to use federal resources to meet local needs (Crowe et al. 2015).

National Economic Development: Theory

Mirroring this shift in responsibilities for social programs has been an equally drastic change in how national, state, and local entities approach economic development. On the national level, three main approaches dominate the discourse. The first method attempts to rebuild the industrial sector of the country through “targeted tax incentives and national financing of infrastructure development” (Leigh & Blakely 2013, pg. 33). The Obama administration’s Advanced Manufacturing Partnership following the Great Recession has promoted this specific approach. The Partnership aims to invest in emerging technologies that will create high quality manufacturing jobs through partnerships with industry, universities, and the federal government (White House 2011). The second view advocates for less government involvement in economic development
and industry. This usually takes the form of providing tax cuts for individuals and large industry rather than providing a specific company with targeted tax incentives. The George W. Bush administration preferred this type of policy, and the Economic Growth and Tax Relief Reconciliation Act of 2001 and the Growth Tax Relief Reconciliation Act of 2003 serve as primary examples of this type of policy. Often referred to as the “Bush tax cuts” they reduced the “top four marginal income tax rates, as well as the tax rate on capital gains and dividends,” while also phasing “out the estate tax” (CFBPP). Supporters claim that the policy stimulated spending and investment, while dissenters counter that the tax cuts only widened the gap between the rich and the poor (Leigh & Blakely 2013, pg. 33). The third, mixed methods approach, argues that a combination of both strategies is necessary for economic growth.

In isolation, relying on any one of these strategies completely is unwise; globalization has rendered narrow policy obsolete as firms in nearly every country have access to international markets. Thus, Leigh and Blakely (2013) propose a combination of these strategies, and they suggest that:

Going forward … our fundamental view is that national economic and industrial policy must have a local definition. Thus, we need national policies that (1) increase community control over corporate investment policies, (2) allow communities a greater role in determining their economic stability and quality of life, and (3) give workers increased control and certainty over their livelihoods (pg. 35)

To reach these goals, it will take a consortium of national, state, and local entities working together. The Great Recession created “a real role for the federal government at
the community level, ending decades of retreat and delegation of social and economic problems to the states and cities” (O’Connor 1999) that may be welcomed. An example of this exists in what President Obama deemed “Promise Zones” in his 2013 State of the Union Address. These Zones have all put together “a plan on how they will partner with local business and community leaders to make investments that reward hard work and expand opportunity” in exchange for “the resources and flexibility [from the government] that reward hard work and expand opportunity” (White House 2013).

**National Economic Development: Practice**

The U.S. Economic Development Administration (EDA), located within the U.S. Department of Commerce, is responsible for leading the federal economic development strategy to promote competitiveness and lead regional development efforts. The EDA has numerous Memoranda of Agreement with other federal and regional agencies. However, looking at the table 1, it is clear that economic development is defined broadly as an array of seemingly disconnected ventures and agencies that create a wide, but inexact net of programs (Leigh & Blakely 2013, pg. 42). For example, the Transportation Department of the EDA (just one of 15 total departments), is responsible for a plethora of programs. An example list is provided in Table 1 below.

<table>
<thead>
<tr>
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<th>FY 2005</th>
<th>FY 2009</th>
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<td>$1,042,563</td>
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<tr>
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<td>$53,497,402</td>
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<td>Recreational Trails Program</td>
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<td>Formula Grants for Non-Urbanized Areas</td>
<td>$268,317</td>
<td>$139,094</td>
<td>$954,229</td>
</tr>
<tr>
<td>Transit Planning and Research</td>
<td>$33,432</td>
<td>$20,692</td>
<td>$48,157</td>
</tr>
</tbody>
</table>
This list serves to illustrate the breadth of the federal government’s efforts through the EDA to impact economic development. However, looking at small portion available in Table 1, and the complete table in the appendix, it quickly becomes clear that the government has massive amounts of money spread across an array of programs. Also included in the list are the Rural Community Development Initiative, Business and Industry Loans, Rural Enterprise Loans, Community Economic Adjustment Planning Assistance, Community Development Block Grants, the Small Business Administration (SBA), and a multitude of other programs. This list is by no means exhaustive, but it serves to illustrate just how much the EDA influences, and how widely engrained the federal government is in allocating funds to programs that effect state and local economic development policy.

Though federal economic development policy is important, and there is an immense amount of funds involved, it is often not as precise a tool as local policies. These federal initiatives target the general economic well-being of the entire nation and are seldom designed to meet the needs of specific states. This has led to more cooperative federal and state development ventures. Wessner (2013) concludes that “since 2009… the federal government has begun to augment state programs with its own explicit cluster-promoting initiatives” that seek to “build on existing local industrial competencies and natural

<table>
<thead>
<tr>
<th>Job Access-Reverse Commute</th>
<th>$102,551</th>
<th>$69,037</th>
<th>$123,696</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments for Essential Air Service</td>
<td>$61,527</td>
<td>$0</td>
<td>n/a</td>
</tr>
<tr>
<td>Minority Business Resource Center</td>
<td>$7,719</td>
<td>$6,000</td>
<td>n/a</td>
</tr>
<tr>
<td>Small Community Air Service Development</td>
<td>n/a</td>
<td>$16,764</td>
<td>n/a</td>
</tr>
</tbody>
</table>

*Table 1: Leigh and Blakely (2013)*
resources to establish industries of the future rather than creating those industries entirely from scratch.” These burgeoning relationships between federal and state agencies are important; however, as so many organizations attempt to provide similar services and assistance to a single area there is an increased risk of redundancy.

**State Economic Development: Theory**

Though it is difficult for the federal government to create a national economic development plan tailored to each state, individual states have the flexibility to create such programs. Nearly every state in the country has an “explicit or at least discernible development policy” (Leigh & Blakely 2013, pg. 56). With policies ranging from statewide tax and incentive programs to more precise and complicated programs for specific industries or even singular companies (see Nissan and Toyota in Mississippi), states offer a confounding array of policies. For example, Oregon and New Hampshire have no state sales tax, others, like Texas and Florida, have no income tax, and Nevada relies almost entirely on tourism, hotel and gambling taxes (Tax Foundation).

Outside of these statewide policies, most states have a state development plan and a state economic development office. These state institutions can take several forms. In some cases, they are an extension of the Governor’s office, in others they are under the purview of the Secretary of State, and in others they exist as a stand-alone state agency. These agencies’ responsibilities range from recruiting large multinational corporations, to coordinating other state agencies, and even to attending national and international gatherings on the behalf of the state. Each state has different policies and expectations. Bradshaw and Blakey’s (1999) early study of state economic development programs outlined the different “waves” or strategies of state development policy that continue to
overlap and shape policy across the country today.

**Waves of Economic Development**

The first strategy, beginning in the 1930s, attempted to recruit industry to states through policy designed to attract firms with subsidized loans, tax incentives, and other subsidies. The second phase, following World War II focused on offering more indirect forms of assistance like new business creation, investment capital, and providing technical assistance to new and expanding businesses. An example of this second wave can be found in the aforementioned BAWI program implemented by Governor Hugh White in the 1930s. The third wave, starting in the 1970’s and 1980’s focused on increasing the competitive advantages of the entire state on both national and international scales. Folder (1992) argued that states “are now more concerned with the overall performance of the state economy in achieving high levels of productivity and competitiveness that improve the quality of life for all residents “rather than “simply creating jobs.” These states are more concerned with how firms within their borders, and customers across the globe, operate in “networks” and “clusters” (Bradshaw and Blakely 1999).

Viewing the issue practically, Bradshaw and Blakely (1999) concluded that despite the large amount of attention incentive-driven industrial attraction receives it “is but a small part of the overall economic development effort by state economic development programs” and states would be better served to promote and support the “day-to-day state efforts that provide technical assistance, facilitate permits, build infrastructure, train employees, market state products and tourism, and process federal funds.” States that are able to realize and expand the human capital resources of their state in coordinated ways
are better positioned to succeed in a growing global market place than their counterparts who rely on attracting large industry.

Within the last 15 years, literature has begun to include a fourth and fifth wave of economic development policy. Jepson and Haines (2003) describe this fourth wave as a strategy that optimizes the outcomes of the wide range of social, economic, and environmental factors in play. A company cannot truly be a contributor to development if it does so in a way that does not recognize and act in the best interest of all parties involved. In practice, if a company is polluting the water around its plant, treating its employees in a dehumanizing way, or producing some entity that is harmful to the community, then that firm does not benefit the community: economic growth does not necessarily entail community growth. The fifth wave, beginning in the 1990s, has called on government to facilitate public-private partnerships and public financing while also encouraging mentorship resources for burgeoning businesses. This phase has focused largely on developing underdeveloped or socioeconomically depressed areas. However, without controls, this policy has the potential to lead to unintended gentrification that benefits higher-income individuals at the expense of lower-income residents (Leigh & Blakely 2013, pg. 62). By no means are these five stages mutually exclusive; there are glimpses of them all in nearly every states’ development strategy; however, these five strategies combine to represent almost all of the past and current strategies employed by states.

State Economic Development: Practice

The scope of this study does not intend to analyze the state level policy of every
state in the country, but regional context is helpful to understand the mission of MDA.

Taking a cursory glance at neighboring states, it becomes abundantly clear that each state approaches economic development differently.

Arkansas, the state just to the northwest, has two state economic development engines. The first, the Arkansas Development Finance Authority (ADFA) “administers funding in the form of tax exempt bonds and other debt instruments” (ADFA). While the ADFA focuses on securing funding for projects, the Arkansas Economic Development Council functions more like the Mississippi Development Authority and attempts to “create economic opportunity by attracting higher paying jobs, expanding and diversifying our state and local economies, increasing incomes and investment, and generating positive growth” throughout the state (SEDC). Arkansas has chosen to incorporate a number of the development strategies.

In Louisiana, Mississippi’s western neighbor, the Louisiana Economic Development (LED) is a state agency that appears nearly identical to the Mississippi Development Authority in how it operates. Focusing on everything from attracting international business to workforce education, the LED attempts to create an environment that is holistically conducive to business. Like MDA’s Entrepreneur Center, the LED also has a division dedicated to small business. However, unlike the MDA, which is centrally located in Jackson, Mississippi, LED spreads its entrepreneurial resources throughout the state. Likewise, it appears, that the state of Louisiana’s efforts in entrepreneurship combine a lot of existing services such as Small Business Development Centers (SBDCs), regional alliances, and federal programs (LED).

Similarly, Tennessee’s development entity has a diverse mission. There are nine
regional entrepreneur centers across the state aimed at providing mentorship and assisting entrepreneurs as they launch businesses. Many of these programs are not under the direct guidance of the state Department of Economic and Community Development, but rather they operate as independent institutions that small business creators can turn to for guidance. Utilizing the existing infrastructure created by federal, state, and local overlap helps ensure that resources are being allocated most efficiently (DECD).

On the other hand, Alabama offers a slightly different approach. Combining three programs, the private non-profit Economic Development Partnership of Alabama, the public Alabama Department of Economic and Community Affairs (ADECA), and the “Made in Alabama” Initiative of the Alabama Chamber of Commerce, a number of different entities play their part in the state’s economic development. The parallels between Mississippi and Alabama are intriguing. Like Alabama, Mississippi has a private non-profit called the Mississippi Economic Council that focuses on the business development of its members. Alabama’s ADECA is also an extension of the state’s Governor’s office, but does not have the wide reaching mission that MDA has (ADECA). Instead, ADECA focuses on dispersing funds provided by Congress and the state legislature. Furthermore, the Chamber of Commerce’s “Made in Alabama” initiative closely resembles a number of programs that Mississippi has attempted in the past to promote Mississippi made products.

These examples illustrate the diversity of approaches that states can and do take when constructing and implementing development policy. This brief analysis is only focused on southern states, but one can find a similar dispersion of strategies across the country.
State Economic Development: Mississippi

The Mississippi Development Authority (MDA) “is the state of Mississippi’s lead economic and community development agency, with approximately 300 employees engaged in providing services to businesses, communities and workers throughout Mississippi” (MDA). The central mission of the organization is to “foster a strong state economy and vibrant communities through innovation, use of talent and resources to improve our citizens’ lives” (MDA). This mission includes recruiting multinational corporations like Toyota and Nissan to the state, retaining existing businesses through incentives, managing state energy programs, and providing technical support to entrepreneurs. Different branches of MDA meet these objectives.

State Economic Development: Entrepreneurship

The state’s Entrepreneur Center (EC) exists in the Existing Industry and Business division of MDA, and is led by John Brandon. Though the staff is only four individuals, the bureau “provides financial, marketing, management, and technical assistance to new and existing small businesses. Services are offered at no charge to people interested in starting a new business or expanding an existing firm” (EC). This assistance can take a number of different forms. The staff provides general business guidance, from developing business plans to educating about licensing and permitting regulations. At its core, the Entrepreneur Center aims to answer the plethora of questions that a new or aspiring business owner may have. They are equipped to assist businesses in expansion and capital acquisition. The Center often assists clients in finding new capital, identifying more business space, and advising on other general growth strategies. It can also assist firms with marketing: from identifying new markets to advising on strategy, the Center
provides hands on expertise to clients. Finally, the Entrepreneur Center’s offers retail
assistance, including help with tasks like store layout and design, staffing, and
scheduling.

Analyzing Entrepreneurial Development

Much research has attempted to identify the structural elements of states’ public
policy environment that lead to successful levels of entrepreneurship. New firm
formation has been associated with population, industrial structure, human capital, and
financial capital, among other factors (Goetz & Freshwater 2001; Singh-Knights et al.
2006). More recently, seemingly in support of third and fourth “wave” theory, studies
have argued that entrepreneurship is positively related with “friendly entrepreneurial
climes” that create “incubators” and promote diversity and creativity (Goetz &
Freshwater 2001; Singh-Knights et al. 2006, Garret and Wall 2006). A number of factors,
especially investments in human capital and supportive business climates, increase the
viability of entrepreneurship. Though the literature establishes and argues about what
affects state entrepreneurial development, it fails to discuss the impact that state-level
agencies have on creating entrepreneurial growth.

It is difficult to isolate which specific variables lead to productive entrepreneurs.
So, identifying the exact impact that MDA’s Entrepreneurship Center has on
Mississippi’s entrepreneurs compared to similar entities in other states is extremely
intensive, and beyond the scope of this project. Such a comparison is further complicated
by the independent nature of each state and the corresponding structure of similar
agencies, if they exist at all. Therefore, this project does not aim to explicitly measure the
effectiveness of the Entrepreneur Center relative to entities in other states. However,
because MDA and the Entrepreneur Center are under the funding purview of the Governor’s Office and beholden to the state’s taxpayers, it is important to at least attempt to measure how well they meet their stated missions. MDA has an appropriation of 23,042,081 for the 2016 fiscal year, a 1.71% from 2015 (State Budget 2016). Therefore, this project aims to examine how effectively the Entrepreneur Center serves the state’s small business and entrepreneurs.
Chapter III. Data and Methodology

The goal of this project is to identify the entrepreneurial ecosystem of the state, and then examine how well the Entrepreneur Center is operating within this framework. To do this, I draw on two surveys. The Mississippi Entrepreneurial Ecosystem Survey (MEES) was administered by the University of Mississippi’s McLean Institute for Public Service and Community Engagement last fall to more than 4,000 business and community leaders across Northeast Mississippi and the Mississippi Delta. This survey is used to contextualize the business ecosystem of the state. I administered a subsequent survey of more than 2,000 individuals in the Entrepreneur Center’s contact list and received 209 responses. This survey aims to assess the usefulness of the current services that the Center provides and provide guidance for future efforts. Along with these two original surveys, this report makes use of several primary and secondary data sources. Data from the Census Bureau’s American Community Survey, the Mississippi Department of Revenue, and a host of other local, state, and federal entities are used to create a portrait of the sociodemographic and economic trends of the last three decades.

MEES Survey

This first survey conducted by the McLean Institute polled 4,214 individuals with 573 responses from more than 40 counties across the state. The McLean Institute, through the work of the Executive Director Dr. Albert Nylander and the Catalyzing Entrepreneurship and Economic Development’s (CEED) previous Program Director Ryan Parsons, identified community leaders by accumulating contact information for
local political, business, and social leaders. Then, after formulating an online questionnaire with IRB approval, a link was emailed to the entire contact list. Though much of the survey’s results focused on Northeast Mississippi and the Mississippi Delta, because over half the state’s counties were represented, and the questions were sufficiently broad, I feel that data gleaned from this report provides a representative portrait of the state’s entire entrepreneurial climate.

The following tables display the results from several questions on the survey, and provide important background information regarding the personal and demographic structure of the population sampled. The entire survey questionnaire Appendix A. More than three-fourths of the survey respondents were an owner, manager, or employee of a business. Furthermore, the Table 2 below presents more specifically the relationships that respondents have with these businesses.

<table>
<thead>
<tr>
<th>How would you describe your position at your place of employment?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Answer</td>
</tr>
<tr>
<td>Owner</td>
</tr>
<tr>
<td>Manager</td>
</tr>
<tr>
<td>Employee</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Table 2

The businesses surveyed varied across a wide spectrum of fields. The largest areas were retail and education, with 14% and 10% respectively, but food service, construction, transportation, finance and accounting, agriculture, and a host of other areas of business focus were included in the sampled population. These responses are indicative of the breadth of backgrounds that this survey was able to reach. Another important data point
in this original survey provided information on how long these businesses have existed in their communities. This is an important factor when considering how to help develop new businesses, because an area without many young businesses may have an environment that is not conducive to emerging businesses.

<table>
<thead>
<tr>
<th>Answer</th>
<th>Responses</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>7</td>
<td>2%</td>
</tr>
<tr>
<td>1 - 5 years</td>
<td>48</td>
<td>15%</td>
</tr>
<tr>
<td>6 - 10 years</td>
<td>45</td>
<td>14%</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>218</td>
<td>69%</td>
</tr>
<tr>
<td>Total</td>
<td>318</td>
<td></td>
</tr>
</tbody>
</table>

*Table 3*

As these data point out, the overwhelming majority of businesses in these communities have existed for more than a decade. However, without further investigation, it is difficult to interpret how much of this is due to strong business practices that have allowed these specific companies to succeed and how much it may indicate challenges for new businesses to open and survive.

A major characteristic of Mississippi, and something that has been discussed at length in this report, is its rural geography. Being overwhelmingly rural creates both unique opportunities and special challenges. Compounding rurality with poverty can create vicious structural problems that result in cyclical patterns of poverty. Likewise, when a state entity like the Entrepreneur Center is mandated to provide services across the entire state, and thus is called upon to serve these exceptionally rural areas at the far-reaches of the state, it can find itself spread thin. The results in Table 4 highlight this dynamic.
Please describe your metro status:

<table>
<thead>
<tr>
<th>Answer</th>
<th>Responses</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>74</td>
<td>18%</td>
</tr>
<tr>
<td>Suburban</td>
<td>74</td>
<td>18%</td>
</tr>
<tr>
<td>Rural</td>
<td>258</td>
<td>64%</td>
</tr>
<tr>
<td>Total</td>
<td>406</td>
<td></td>
</tr>
</tbody>
</table>

Table 4

The survey’s qualitative questions, provide more specific responses regarding individual’s experiences. The next question asks the respondents to rank “the availability of programs which support entrepreneurs or small businesses” from “very harmful to business” to “very beneficial to business.” The mean response for this question indicates that leaders are ambivalent towards the availability of small business programs: on average they find them neither harmful nor helpful. The next question indicates that though citizens believe that their community is only a fair location to start a small business, they believe that the future will be better for their area. Question six asks respondents to rate their level of agreement from one to five, with one representing strong disagreement and five indicating strong agreement on a number of topics. Two responses stand out. The first asks whether “a recent graduate from a nearby University could move to my county and find a job at an existing business.” Citizens felt that well-paying jobs were sparse for recent college graduates, but the next question that asked if a recent graduate could “move to my county and start a new business” was met with a higher level of agreement. This would seem to indicate that though existing jobs are scant, leaders felt that there is enough infrastructure to support new businesses. Furthermore, these data illustrate the impact that business incubation and support services can have on a community’s growth.
Several questions in the MEES survey were left open ended, and the responses from these questions are fascinating. Question 8 asks, “What are the top three things that you think your county needs to address in order to be more welcoming to new businesses and entrepreneurs?” Some insightful responses include:

- **Address workforce issues, public school issues, [and] improve economic development marketing practices as a whole**
- **Enhanced support and acceptance of “new” businesses as opposed to wariness of perceived outside, non-native interests.**
- **Increased support for entrepreneurial growth emanating from the University of Mississippi (professors, graduates, etc.)**
- **Greater utilization of the assets and resources available through the University of Mississippi.**
- **Entrepreneur training programs in elementary and middle schools [could be beneficial]**
- **Make it easier to start a business, it’s hard to understand the steps, permits, taxes, licenses, etc.**
- **...Fully utilize all of the services offered through the Northeast Mississippi PDD, and put more resources into the County Development association**
- **Establish a true business incubator program...Develop high speed internet access**

All of these responses serve to illustrate how business and community leaders regard the basic business development strategy of their areas, and by extension, the entire state. The next open response question asks respondents if there is anything else they’d like to share about the entrepreneurial environment of their county. Several engaging responses were gathered:
• No support or knowledge of collaborate or joint ventures as a means towards (economic) development. County and city government leaders need more understanding of all aspects of community development.

• It would be extremely helpful to have experienced federal and state grant writers who can help small communities successfully navigate the system.

• Very difficult to network with high technology sectors in other areas

Again, a common theme in many of the answers to this question, like the one before it, talk about the disconnect between the various business services offered by different entities. In the lens of this study, these comments point at the necessity of this sort of research.

It is important to recognize that there are several positive responses to other questions in this survey. Though this report aims to improve the services provided to the state’s entrepreneurs, it must also acknowledge the exemplary work that many people do in this state already. Many individuals commented on the relatively low cost of starting a new business in their community. More wrote about how the closeness of their community, in both social and geographic terms allows for easy communication between business owners and community leaders. In this same vein, many people discussed the importance and vitality of their county’s residents. One response to the final question on the survey asking for general comments, underlines the absolute imperative nature of this work:

• I am just impressed that someone is interested in engaging in a discussion that would involve attracting business to local communities in Mississippi for Economic Development purposes.
Entrepreneur Center Client Survey

After using the first survey to contextualize the entrepreneurial ecosystem of Mississippi, the second survey aims to examine how well the Entrepreneur Center accomplishes its intended mission of providing basic business support and services to Mississippi small businesses and entrepreneurs. The full text of this survey is available in Appendix B, but the general gist of the questions asked respondents for an assessment of the current Center services, considered future programming that the Center is already working on, and requested suggestions for improvement. The survey was sent to the accumulated client list of the Entrepreneur Center. This client list had recently been expanded by interns (I was one of those interns) to include all of the businesses that the Center’s employees had worked with, most of the mayors and city council officials for each town in Mississippi, the “Mississippi Mainstreet” leaders, and a host of other federal, local, and state economic development entities from the SBA, SBDCs, universities, Chambers of Commerce and innovation hubs. As part of the University of Mississippi’s McLean Institute for Public Service and Community Engagement, I interned with the Entrepreneur Center during the summer of 2015 as an Innovation Scholar with the Catalyzing Entrepreneurship and Economic Development initiative. The survey was constructed with assistance from both my thesis advisor, Melissa Bass, and the director of the Entrepreneur Center, John Brandon. There were a few specific questions that Mr. Brandon wished to have in the survey to gauge the effectiveness of some of their current and planned projects.

The diversity of this client list is similar to those surveyed in the MEES case above. Though no cross tabulation was done on the client lists, it is highly likely that some of the
same people were surveyed by both. Furthermore, both surveys represent similar populations, even if the samples are different. Sampling a similar population — either small business owners or those directly involved in the lives of small business owners— provides a fairly representative portrait of how well the Entrepreneur Center is providing the services that entrepreneurs need.

The first question in the survey aims to identify the respondents’ sector of business development, along with the approximate size of the business. The results are shown in the Table 5.

<table>
<thead>
<tr>
<th>Which of the following describes your organization?</th>
<th>Response</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business (Less than 10 employees)</td>
<td>81</td>
<td>41%</td>
</tr>
<tr>
<td>Medium Business (Between 10-25 employees)</td>
<td>13</td>
<td>7%</td>
</tr>
<tr>
<td>Large Business (More than 25 employees)</td>
<td>11</td>
<td>6%</td>
</tr>
<tr>
<td>City or State Government</td>
<td>45</td>
<td>23%</td>
</tr>
<tr>
<td>Economic / Community Development Organization</td>
<td>46</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>196</td>
<td></td>
</tr>
</tbody>
</table>

Table 5

The respondents are incredibly diverse. With a large plurality of small businesses, the feedback from this survey should provide important information that is made more credible because it comes directly from the exact group this entire project aims to assist. Likewise, the sizable number of government and economic development organizations should provide some feedback on how the trifecta of small business, local government, and economic / community development entities either are, or can do better at, working together. To capture the diversity of businesses in the sample, the next question asked for business specific NAICS, or North American Industry Classification System codes, to
classify businesses into sectors. With over 74 unique responses, we can conclude that the sample is relatively diverse.

The next question aims to gauge the usage rate of the Entrepreneur Center. Because the Center is theoretically tasked with assisting all the entrepreneurs in the state, one might imagine that the majority of respondents would have contacted or used the Center in some capacity.

<table>
<thead>
<tr>
<th>If you have used the Entrepreneur Center, which of the center’s services have you used?</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have not used the Entrepreneur Center</td>
<td>56%</td>
</tr>
<tr>
<td>Personal Consulting</td>
<td>11%</td>
</tr>
<tr>
<td>Webinars</td>
<td>18%</td>
</tr>
<tr>
<td>Entrepreneur Center Website Resources</td>
<td>16%</td>
</tr>
<tr>
<td>Workshops hosted by the Entrepreneur Center</td>
<td>27%</td>
</tr>
</tbody>
</table>

*Table 6*

However, looking at table 6, the majority of respondents have not used any of the Center’s services. Of those that have, the workshops and webinars appear to be the most popular services as indicated in the responses to the above question. Question seven asks clients to rank the helpfulness of four services: personal consulting, webinars, Entrepreneur Center website resources, and workshops hosted by the Entrepreneur Center. Only “Entrepreneur Center Website Resources” and “Workshops hosted by the Entrepreneur Center” have ratings higher than indifference (16% and 27% respectively), with the workshops again being the most popular service. The next question asked people about expanding the current services of the Center.
Which of the Entrepreneur Center’s current services would you like to see expanded?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Responses</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Consulting</td>
<td>54</td>
<td>36%</td>
</tr>
<tr>
<td>Webinars</td>
<td>48</td>
<td>32%</td>
</tr>
<tr>
<td>Entrepreneur Center Website Resources</td>
<td>45</td>
<td>30%</td>
</tr>
</tbody>
</table>

Table 7

These responses are insightful; again they indicate that the clients find the center’s workshops worthwhile. Though this makes sense, in-person workshops are oftentimes the most labor-intensive services provided by the Center.

A question vitally important to the Center, as they look to spread their services and assistance to the furthest corners of the state, is to capture the capability of new technologies, and harness them to provide opportunities to areas that they cannot service well in person. One proposed plan is the creation of a mobile app that would contain a number of interactive programs and can be downloaded for free. For example, one element would allow for a perspective business owner to create basic business plans and other draft documents that could be shared with investors, other businesses, and even the Entrepreneur Center. Therefore, Mr. Brandon wanted this survey to include a question about a mobile app. The responses from the survey are reflected in Table 8 below.

How likely would you be to use a mobile app from the Entrepreneur Center?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Responses</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Unlikely</td>
<td>29</td>
<td>16%</td>
</tr>
<tr>
<td>Unlikely</td>
<td>32</td>
<td>18%</td>
</tr>
<tr>
<td>Somewhat Unlikely</td>
<td>18</td>
<td>10%</td>
</tr>
<tr>
<td>Somewhat Likely</td>
<td>49</td>
<td>27%</td>
</tr>
<tr>
<td>Likely</td>
<td>32</td>
<td>18%</td>
</tr>
</tbody>
</table>
From this data, one can see that though a majority of respondents (56%) were amendable to using a mobile app; however, nearly the same percentage would probably not use an app. This would seem to indicate that producing a mobile app would not be the best use of the Entrepreneur Center’s resources; however, based on the age of the respondents, these responses are likely more positive than they seem.

One element of any good organization is consistent communication, and question 8 asks about how well the Entrepreneur Center communicates. Respondents were asked to rank the office’s responsiveness to email, phone calls, and general communication during in-office visits from one to five, with one being not helpful and five being extremely helpful. Most respondents found communication from the Center helpful, except for during office visits. Though the majority of people found personal visits helpful, there was still a sizable portion that rated these interactions as less than helpful or not helpful at all. Table 9 demonstrates these conclusions.

| How would you rank the communication that you have had with the Entrepreneur Center? |
|-----------------------------------------------|---|---|---|---|---|---|
| **Answer** | **No Communication** | **1** | **2** | **3** | **4** | **5** | **Mean** |
| **Responsiveness to Email?** | 29 | 1 | 6 | 12 | 20 | 45 | 3.19 |
| **Responsiveness to Phone Calls?** | 89 | 2 | 5 | 16 | 17 | 37 | 2.89 |
| **In Office Visits** | 101 | 3 | 6 | 8 | 16 | 27 | 2.48 |

Because so much of its mission involves working directly with other people, effective
communication is essential for the staff of the Entrepreneur Center. Question nine asks clients to rank the usefulness, ease of use, and organization of the Center’s online resources from one to five using the same helpfulness scale as in question eight. These results are reflected in Table 10.

| Focusing on the online resources of the Entrepreneur Center, how would you rank them? |
|-----------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Answer                                        | Have Not Used Online Resources | 1   | 2   | 3   | 4   | 5   | Mean |
| Usefulness                                    | 90              | 6   | 4   | 13  | 17  | 35  | 2.78 |
| Ease of Use                                   | 90              | 3   | 6   | 18  | 19  | 28  | 2.74 |
| Organization                                  | 90              | 4   | 4   | 15  | 21  | 30  | 2.77 |

*Table 10*

In this case, nearly all of the responses had the same mean value of about 2.7. This indicates that while many people feel that the Center does well in these categories, there are still relevant amounts that remain indifferent or rate these categories poorly.

Another important question, and one with implications to be discussed later, aims to identify what other small business resources Mississippi’s entrepreneurs were using. There are a multitude of resources at the small business owner’s disposal; however, overlap of services can and often does occur between these different entities. The respondents’ answers to these question are displayed in Table 11.

| What other resources has your business used? |
|---------------------------------------------|-----------------|-----------------|
| Answer                                      | Responses       | %               |
| Small Business Administration               | 55              | 45%             |
| Mississippi Mainstreet / Chamber of         | 61              | 50%             |
| Small Business Development Centers          | 61              | 50%             |

*Table 11*

Businesses could provide more than one response for this answer, and thus the
percentages add to greater than 100%. The survey also allowed respondents an option to input other entities they had used. Respondents included over 20 different programs and agencies, not limited to, but including Innovate Mississippi, the Mississippi State Extension Service, Make Mine Mississippi, Alcorn Extension Service, South Mississippi Planning and Development District, and the WIN Job Centers. This is a long list and leads to questions about organizational, but also how well they communicate and share resources among themselves.

The survey asked respondents what other services they wished the Center to provide in an open ended format. The goal of this question was to both identify expansion areas for the Center, and to determine if there were more efficient uses of resources available. Some of the responses are included below:

- *Continue and expand webinars on social media marketing, e-commerce, and SEO.*
- *Growth of staff to allow personal consulting with entrepreneurs. More support in business plan development.*
- *I would like for the Entrepreneur Center to be the state’s sole official source of small business assistance.*
- *Regional information for assistance in professional services, available university assets, and capital assets.*
- *Not sure, I have not looked at it in quite some time. Maybe monthly emails about new services or success stories might help get your story out.*
- *Develop strategies to assist minority entrepreneurs in overcoming barriers that hinder (sic) success... Minority Entrepreneurs throughout Northeast Mississippi
are not aware of the services provided by the Entrepreneur Center.

- Outreach to local high schools.
- A greater variety of workshops geared to small towns

This list of statements gets to several key points that will be discussed in the next section; however, the responses above indicate that the clients of the Entrepreneur Center can feel alienated from the Center in Jackson. Likewise, they are confounded by the multitude of available programs with overlapping missions, goals, and clients. Another point that has been raised several times in this report, and is echoed in the statements above, is that the rural nature of the state creates unique challenges for both entrepreneurs and the entities trying to serve them.

This survey asked three final open-ended questions, and it is important to include quotations from those responses, as well as a brief discussion of the takeaways. The first question asked, “What do you see as strengths of the Entrepreneur Center?” Several responses are included below.

- That is exists, has resources, and is trying to get better.
- Mississippi Market wholesale show.
- Entrepreneurial support systems and resources, such as those provided by the Entrepreneur Center, are highly needed and currently underfunded in Mississippi.
- Expertise, experience, and weight of state support.
- Very friendly and caring professional that were knowledgeable and helpful with the services provided.
- Nice concentration of resources...1 stop shop.
For context, the Mississippi Market is a yearly event held in Jackson, and serves to bring Mississippi business owners and artisans together with buyers from around the region. This event allows budding entrepreneurs an opportunity to introduce their products to a wide range of buyers and increase their sales. Since its inception in 1996, the Mississippi Market has had exhibits from more than 962 businesses. This past summer, there were about 200 businesses selling wares to over 200 credentialed buyers (the Market is not open to the public), with total sales of $1,555,162. There is no other statewide program like this in the country, and it serves as an example of how Mississippi, the Mississippi Development Authority, and the Entrepreneur Center are cooperating to help grow small business. The list of responses to this question only reinforced the good work that Mr. Brandon and his staff do every day. They have a momentous task – to be Mississippi’s foremost small business development branch – with limited staffing and resources.

The next question aimed to identify what clients saw as weaknesses of the Entrepreneur Center. The responses for this question were rather diverse.

- The Entrepreneur Center needs to “get out of the building”[and] perform outreach across the state.
- Under appreciated/utilized.
- Hard to be effective trying to cover the whole state.
- Budget and need for more staff ... what they do is exceptional important to our state... what they do is important to our state... we need them!
- Most small businesses are not able to travel 4 or 5 hours to sit in a seminar that may not be of help to them.
- Lost in shuffle of alphabet soup of other providers.
• Database and website [are] too hard to find pertinent information [on] quickly. Lists of partners with a lot of information, but hard to find the most useful contacts quickly.

• Small office and could probably assist more if (the Entrepreneur Center) it had more employees.

Again, this list is not exhaustive, but it does capture most of the points that respondents discussed. If one were to speak with the staff of the Center, and especially Mr. Brandon, that person would likely find that they see many of the same weaknesses. They know that they have a small staff with a huge mission, and that there are multiple other organizations attempting to do similar work. As a result of these constraints, they are constantly attempting to update and refine their Internet resources, in the effort to reach as many citizens as possible. So, the feedback on website accessibility will be helpful into the future as the Center attempts to reach more Mississippians.

The final question asks, “What would you like to see the Entrepreneur Center do differently?” The goal of this question is forward thinking, as it aims to have respondents provide feedback aimed at growing the Center. Building on successes and addressing weaknesses, several perceptive quotations are below.

• Organize local tailored support through local economic development organizations.

• Expand its outreach and work together with the MSBDC.

• I am in the southern part of the state and ... 80% to 85% of small businesses in this area are not even aware of the existence of the Entrepreneur Center.

• Just would like for the state’s small business assistance framework to let John
and the Entrepreneur Center take the lead.

- **Have someone from the Center drop by my facility to get an up close and personal view of what I am attempting to accomplish.**

- **Get bigger and much more relevant in the overall economic development strategy for Mississippi.**

- **Monthly emailings.**

Many of these responses come again and again; however, this theme from the data gathered only serves to reinforce the points that clients are making. From the statements above and from other questions, it is apparent that there is ample need for the services provided by the Center, but for several reasons, people are either not able to get to them or get as much of them as they would like. Only a few, less than ten, responses to any of the open-ended questions had any direct criticism of the Entrepreneur Center.
Chapter IV. Discussion and Policy Recommendations

One of the most interesting aspects of this type of research, the type that compares human experience with current policy, is that the outcomes can result in changes that make lives better. Likewise, because state policy is involved, these impacts will be spread across the state to small business owners and entrepreneurs alike. This section will use the literature review, the MEES survey, and my original survey to answer the four research questions presented in the introduction to this report. After each question I propose a possible policy solution. The goal of this section is to tie together all of information contained in this paper and then move to actionable outcomes.

1. Does the state’s entrepreneurial engine, the Mississippi Development Authority’s Entrepreneur Center, provide a benefit to the state’s entrepreneurs and small business owners?

   The answer to this question has to be unquestionably yes. All four of the staff members of the Entrepreneur Center have a monumental task, as they, as a unit, are mandated to provide basic business development assistance to the entire state of Mississippi. Understanding that other entities exist to provide this support as well, from the federal, state, and even local levels, the Center is still the only entity funded and run by the state specifically for entrepreneurship. Further complicating this already arduous task, the Center operates in the sometimes-unfriendly business climate of Mississippi. Though every state has areas that are underdeveloped or disadvantaged, Mississippi is overwhelming rural, and the business infrastructure of these rural communities often
lacks necessary intermediate business services like high-speed Internet access, regular parcel delivery, and consistent lending opportunities. All of these factors can make creating and sustaining a business quite difficult.

Despite all of this, the response from the survey respondents speaks to the importance of the Center’s continued work. One quotation, reads, “Entrepreneurial support systems and resources, such as those provided by the Entrepreneur Center, are highly needed and currently underfunded in Mississippi” speaks to the necessity of the programming, while another comments the Entrepreneur Center’s “expertise, experience, and…state support” are a source of strength. It is necessary for budding entrepreneurs to know that they have a professional, reliable entity that they can turn to for business assistance, and as the state continues to fight persistent poverty, it is an imperative that the work of the Entrepreneur Center remains a priority.

An excellent example of what the state can achieve through the efforts of the MDA and the Center is the annual Mississippi Market event in Jackson. Survey results showed that this was one of the most popular events that the Entrepreneur Center participated in, and the results of such an ambitious event was immediately felt by Mississippi businesses that garnered over $1.5 million in sales as a result.

Policy Recommendation:

Because of the limited size and budget of the Entrepreneur Center, the Center should focus on large events like the Mississippi Market that centralize time and effort to maximize the benefits for all players involved. Specifically, instead of holding the event only once a year, hold it twice, or even three times. Holding a similar event in North Mississippi, continuing the Mississippi Market in Jackson, and then hosting another on
the Coast would allow smaller vendors access to the exposure that the event provides. If more markets are not possible, facilitating large networking events, with all of the other entrepreneurial entities and small business owners together, could not only help the Entrepreneur Center market itself, but it could also reduce the strain placed on the Center as entrepreneurs would learn about resources closer to them.

2. How can the Entrepreneur Center improve its service and reach to citizens across Mississippi?

One of the strongest complaints of survey respondents was either a lack of knowledge of the Center, or a disinclination to use its services because of its distance from where they operate. Again, the Center is located in downtown Jackson; however, there are large population clusters along the Gulf Coast and North Mississippi that are too far away to make regular use of the support that the Center provides. It is difficult for a state entity to serve the entire state when it relies so heavily on personal consulting for business development.

Many of these concerns were echoed in the statements made by survey respondents. When clients state that it’s “hard to be effective trying to cover the whole state,” or that they are in the southern part of the state and “80% to 85% of small businesses in this area are not even aware of the existence of the Entrepreneur Center,” there are obvious problems. Knowing the potential that Mr. Brandon and his staff have, and the resources that are available for the entrepreneurs, allowing the entire state access to their services could profoundly assist entrepreneurs who feel disenfranchised by distance. A similar point was raised regarding local economic development organizations. Programs like Mississippi Mainstreet, SBDCs, and university resources are underutilized as well, and
the connection between these institutions and the Entrepreneur Center is sometimes difficult to determine for busy small business owners. One respondent commented that organizing “local tailored support through local economic development organizations” could help alleviate these concerns. Likewise, another individual bluntly commented that they “would like for the state’s small business assistance framework to let John and the Entrepreneur Center take the lead” on business development. Both of these comments are illuminating, and demonstrate the importance of making access to resources as simple as possible for entrepreneurs.

Policy Recommendations:

A. Expand the marketing efforts of the Entrepreneur Center. This can take many different forms, many of which are cost efficient. One request from several people asked for a monthly email from the Center outlining recent business success stories from clients, future events hosted by the Center, and links to useful resources. This would be a relatively simple way of keeping a fresh and salient message with clients across the states.

B. Explore ways to consolidate all of the different resources the multitude of economic development organizations provides. Potentially, the Entrepreneur Center could serve as a “hub” for the different entities, directing clients to the resources nearest them. This could work, but only with a concentrated effort by the Center and the other programs to market themselves as an effective confederation of cooperative groups.

3) What specific challenges does the state of Mississippi face, and how does the Entrepreneur Center address (or not address) them?

This report spoke at length about the specific challenges that Mississippi faces. As
the majority of counties in the state have seen depopulation in the last decade, and over 100,000 manufacturing jobs have left since the implementation of NAFTA, Mississippi’s reliance on big industry has left it underprepared to combat its current economic situation. Furthermore, rural concentrations of poverty with inadequate education — never mind business — resources leave huge swatches of the population without access to the basic tools needed to create their own income. Oftentimes these circumstances are outside of the purview of the Center; however, it is the economic reality in which they must work.

How can a small group of people address problems as deep-seated as intergenerational poverty and education from within the Entrepreneur Center? As was discussed in the literature review, entrepreneurship is not limited to large businesses with potential to grow, but must include everyone and everything from the multinational corporation to the small quilter or pottery maker. Throughout Mississippi, but especially in areas as economically depressed as the Delta region, there are individuals creating things, yet they have little to no ability to get these goods to a broad market. The CEED program at the University of Mississippi is identifying and exposing students to examples of this type of thinking. Programs like the Sunflower County Freedom Project, the Tri-County Workforce Alliance, and so many more are using the resources available in their communities to problem solve and create tremendous change. This same type of thinking is undoubtedly entrepreneurial and needed.

Policy Recommendation:

Another example of the work that CEED is exposing individuals to is the type of projects Dr. Roberto Gallardo of the Mississippi State Extension Service is working on.
Dr. Gallardo seeks out communities with week broadband internet access and attempts to educate community leaders of these structural problems. Potentially, as the Entrepreneur Center expands its footprint in the state it can pass along the importance of these amenities to communities as well, as well as link the programs and individuals that have the resources to help solve these problems.

4. Is there a need, or could it benefit, the various entrepreneurial programs that operate in the state — the Entrepreneur Center, the SBA, SBDCs, university innovation hubs, etc. — to create a central entrepreneurial hub?

There may be. Drawing on the conclusions from the survey data, citizens feel overwhelmed and even confused about which business services best fit their specific needs. By creating a single entity that can be a conduit to other programs, while also eliminating wasteful overlap, there is potential to be more effective and efficient in reaching all of the state’s entrepreneurs. Even if a single entity cannot be formed, an easily usable website that is accessible to even the least computer savvy Mississippian would allow more people to effectively use the various resources available. There is ample room for all of the existing entities, and it will take the concerted efforts of all of them to create sustainable change in the state; therefore, this recommendation does not intend to infringe upon any one group, but rather, it wishes to illuminate the needs of business owners and attempt to provide a workable solution.

Using the Entrepreneur Center in Jackson as the central thoroughfare, all of the existing programs, despite their various funding models, can better serve Mississippians than the Center can from Jackson. So, for example, a business that exists in Lafayette County reaches out to Mr. Brandon and the Entrepreneur Center team in Jackson with a
business idea. Mr. Brandon can, and should be able to, direct that individual to the multitude of resources available in the Oxford-Lafayette area. This already happens, but there are ways to streamline this process. One of the best ways to do this would be through internet resources. An entrepreneur could go to a central website, type in his or her location and business type, and then immediately be directed to a list of local entities that can service him or her. There is room for more collaboration, and one of the best ways to harness it, without increasing the burden on one specific resource, is to create easily accessible internet resources to direct people in the right direction.
Chapter V. Conclusion

As No Time 2 Cook, and hundreds of other Mississippi businesses demonstrate, hands-on assistance is paramount to the success of small business and, especially in Mississippi. Though the state’s challenges are well documented, and were discussed at length in this thesis, its successes are equally impressive. To move the needle in Mississippi’s economy, especially concerning opening and expanding small businesses, it will take the concerted efforts of individuals along with state and federal programs. There are tremendous opportunities to have success in this state — innovative people, plentiful resources, and supportive programs — that will play integral parts in the state triumphs going forward. At the center of this push will likely be the Entrepreneur Center.

The Entrepreneur Center, as the state’s small business development authority must function as the intermediate authority on small businesses for all of Mississippi. This is an awesome task. Despite the breadth of their mission, this report concludes that the Center has done a terrific job with the individuals they have been able to reach. However, they do not have the resources or ability to serve the entire state, and therefore must continue to develop partnerships with federal and regional development programs. Through the careful marshaling of resources, the Entrepreneur Center can and will continue to expand its reach.

An intriguing avenue of continued study would examine exactly how all of these entities operate (SBA, Mississippi Mainstreet, Delta Regional Authority, Etc.) both
independently and cooperatively. With this information in hand, programs could begin streamlining resources and partnerships. Redundancy of programming and confusion over which programs best served certain areas were common comments of survey respondents, and this path of research could possibly help alleviate many of these issues.

This project was also limited slightly in scope, as not every county was represented by responses. It is highly likely that the results would mirror those that this project relied on, and this project is confident in its predictive and representative abilities, but a larger sample population would only make the analysis more rigorous. Likewise, a national comparison study does not exist. To compare all of the different economic development and entrepreneurship machinery of all 50 states would be an arduous task, but it would provide a wealth of information for each state. Comparing the different systems that each state uses, and their respective effectiveness would allow policymakers a chance to adapt current policies to better fit the needs of their states.

All of these continued areas for research only open more questions in the emerging academic field of entrepreneurship. However, this project provides a starting place for state legislators and policymakers to discuss the state’s entrepreneurial climate development structure. For the first time, this is comparative data on the state’s primary small business engine, the Entrepreneur Center. The way forward for Mississippi cannot rely on the manufacturing prowess of the past, the international economy is just too far diverse. Therefore, it is an absolute imperative that Mississippians discuss and implement other means of generating jobs and growth; this is the role of entrepreneurship, and the goal of this project.
Chapter VI. Works Cited


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Chapter VII: Appendices

Appendix A: Survey 1

McLean Institute’s MEES Survey

The McLean Institute for Public Service and Community Engagement at the University of Mississippi is conducting this survey to learn more about the entrepreneurial environment in Mississippi. An "entrepreneurial ecosystem" is: "the individuals, organizations, or institutions that affect the choice of people to become entrepreneurs, pursue innovative ideas, and the probabilities of success following the launch of new ventures."

This survey will ask about your perception of different factors and institutions that might help or hinder new small businesses or entrepreneurs in the county where you work. This survey is not just intended for individuals who own or work at for-profit businesses. We are also interested in hearing from community leaders and local government officials. Please reflect on your own experiences and those of businesses you are acquainted with when answering these questions. All results from this survey will be kept confidential, and it has been reviewed by the University of Mississippi Institutional Review Board. We estimate that this survey will take 15 minutes to complete. There are no known risks to this survey, and your participation is completely voluntary. The results of this study may help assist new and existing businesses in your area. If you have any questions about this study, please do not hesitate to contact us at parsons@olemiss.edu or (662) 915-8832.

Sincerely,
Ryan Parsons, Project Manager
Dr. Albert Nylander, Director
McLean Institute for Public Service & Community Engagement, University of Mississippi

IRB Approval

This study has been reviewed by The University of Mississippi’s Institutional Review Board (IRB). If you have any questions, concerns, or reports regarding your rights as a participant of research, please contact the IRB at (662) 915-7482 or irb@olemiss.edu.

Statement of Consent

I have read and understand the above information. By completing the survey/interview I consent to participate in the study.

Are you 18 or older and consent to participate in this study?
☐ Yes (1)
☐ No (2)

If No Is Selected, Then Skip To End of Survey
This survey will ask about opportunities for entrepreneurs and new ideas in your community. If you live and work in different counties, please select the county where your current or most recent employer is located. If you represent one or more of these counties in a regional or state institution, please select the county with which you are most familiar.

4. Section 1: Business Environment

In this section we would like to learn more about the factors that affect businesses or community organizations in your county. Thinking about your place of work and/or businesses with which you are familiar, please rate how each factor affects businesses or community non-profits, particularly new organizations.

5. Please rate how harmful or beneficial the following factors are to businesses or community organizations in your county.
<table>
<thead>
<tr>
<th></th>
<th>Very harmful to business (1)</th>
<th>Harmful to business (2)</th>
<th>Neither harmful nor beneficial (3)</th>
<th>Beneficial to business (4)</th>
<th>Very beneficial to business (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The overall quality of your county's transportation (e.g., roads, rail, airports) (1)</td>
<td>ō</td>
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</tr>
<tr>
<td>The overall quality of your county's communication infrastructure (e.g., high speed internet, cell phone service) (2)</td>
<td>ō</td>
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<tr>
<td>The cost of doing business in your county (3)</td>
<td>ō</td>
<td>ō</td>
<td>ō</td>
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</tr>
<tr>
<td>The level of taxation affecting businesses in your county or region (17)</td>
<td>ō</td>
<td>ō</td>
<td>ō</td>
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<td>ō</td>
</tr>
<tr>
<td>State and local government regulations and permitting procedures which affect business (16)</td>
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</tr>
<tr>
<td>The cost of living in your county (4)</td>
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<td>ō</td>
<td>ō</td>
<td>ō</td>
</tr>
<tr>
<td>The overall quality of life (5)</td>
<td>ō</td>
<td>ō</td>
<td>ō</td>
<td>ō</td>
<td>ō</td>
</tr>
<tr>
<td>The overall quality of nearby public schools. (7)</td>
<td>ō</td>
<td>ō</td>
<td>ō</td>
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</tr>
<tr>
<td>The overall quality of nearby colleges and universities (6)</td>
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<td>ō</td>
<td>ō</td>
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</tr>
</tbody>
</table>
The quality of potential employees with necessary skills in your county or region (9)
The availability of loans from banks in your county (12)
The quality of promotional and marketing materials featuring your county (19)
The availability of programs which support entrepreneurs or small businesses (20)

6 Considering all of the factors presented so far, how would you currently rate your county overall as a place to start a successful business?

<table>
<thead>
<tr>
<th></th>
<th>Poor location (1)</th>
<th>Fair location (2)</th>
<th>Good location (3)</th>
<th>Very good location (4)</th>
<th>Excellent location (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Today (1)</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
</tr>
<tr>
<td>In five years (2)</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
</tr>
<tr>
<td>In twenty years (3)</td>
<td>◦</td>
<td>◦</td>
<td>◦</td>
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<td>◦</td>
</tr>
</tbody>
</table>
Section 2: Regional Norms and Attitudes

This section asks about the culture and attitudes in your county. Thinking about new residents and/or new businesses, how would you rate regional norms and attitudes in your county?

Please indicate to what extent you agree with the following statements about your county.
<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree (1)</th>
<th>Disagree (2)</th>
<th>Neutral (3)</th>
<th>Agree (4)</th>
<th>Strongly Agree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New residents can easily integrate into the business community in my county (1)</td>
<td>o</td>
<td>o</td>
<td>o</td>
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</tr>
<tr>
<td>A recent graduate from a nearby University could move to my county and find a job at an existing business (13)</td>
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<td>o</td>
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</tr>
<tr>
<td>A recent graduate from a nearby University could move to my county and start a new business (14)</td>
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<td>o</td>
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</tr>
<tr>
<td>A recent graduate from a nearby University could move to my county and have an active social and cultural life (16)</td>
<td>o</td>
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<td>o</td>
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<td>o</td>
</tr>
<tr>
<td>The county is welcoming, tolerant, and attractive for people of diverse backgrounds (2)</td>
<td>o</td>
<td>o</td>
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<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Leaders in the county are responsive to all regional residents, regardless of race, gender, occupation, sexual orientation, or place of origin (3)</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>The culture in the region understands that failure is part of the learning and innovation process (4)</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Artists and businesspeople frequently interact in the county (6)</td>
<td>o</td>
<td>o</td>
<td>o</td>
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<td>o</td>
</tr>
<tr>
<td>Local government institutions are eager to partner with the private sector to promote new business development (7)</td>
<td>o</td>
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<td>o</td>
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<td>o</td>
</tr>
<tr>
<td>The county's residents participate in civic life (9)</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
</tbody>
</table>
The county's residents participate in community development projects or organizations (10)

Business leaders in this county are committed to the economic development of the whole community, not just the success of their business (12)

My county should do more to encourage people to move here. (15)

Local and regional governments are transparent and fair. (26)

What are the top three things that you think people should know about doing business and living in your county?

What are the top three things you think your county needs to address in order to be more welcoming to new businesses and entrepreneurs?

Is there anything else you'd like to share about the entrepreneurial environment in your county?

Are you an owner, manager, or employee at a business?

☐ Yes (1)

☐ No (2)

If Yes Is Selected, Then Skip To Section 4: Demographics. If No Is Selected, Then Skip To Respondent Demographics
Section 3: Business Demographics

In this section we'd like to know more about the types of businesses in your county. This section is optional; however, this will help us further understand the entrepreneurial ecosystem in your county.

How would you characterize your position at your place of employment?

- Owner (1)
- Manager (2)
- Employee (3)
- Other (4) ____________________
Approximately what percentage of your company's sales are to customers in your county or in neighboring counties?

In what industry do you work? If your company has more than one area of focus, please select the one that involves the largest percentage of your company's resources.

- Retail (23)
- Restaurant / Food service (24)
- Aerospace (1)
- Manufacturing (2)
- Finance / accounting (3)
- Insurance / real estate / legal (4)
- Medical / dental / health (5)
- Telecommunications services (6)
- Transportation / utilities (7)
- Construction / architecture / engineering (8)
- Data processing services (9)
- Wholesale / resale / distribution (10)
- Education (11)
- Marketing / advertising / entertainment (12)
- Research / development lab (13)
- Business service / consultant (14)
- Computer / network consultant (15)
- Hospitality / tourism (16)
- Agriculture (18)
☐ Government (19)
☐ Social/non-profit (20)
☐ Community Development (21)
☐ Other (22) ________________

How many years has your business been active in your county?

☐ Less than one year (1)
☐ 1 - 5 years (2)
☐ 6 - 10 years (3)
☐ More than 10 years (4)

How many people did your business or place of work employ in December of 2014?

☐ 1 to 10 employees (1)
☐ 11 to 50 employees (2)
☐ 51 to 100 employees (3)
☐ 101 to 500 employees (4)
☐ More than 500 employees (5)
Section 4: Respondent Demographics

In this section we'd like to know more about the types of leaders in your county. This section is optional; however, this will help us further understand the entrepreneurial ecosystem in your county. All responses are confidential.

What is your gender?

☐ Male (1)
☐ Female (2)
☐ Other (3) ____________________

What is your marital status?

☐ Married (1)
☐ Divorced (2)
☐ Widowed (3)
☐ Separated (4)
☐ Single (never been married) (5)
☐ Other (6) ____________________

Please describe your metro status:

☐ Urban (1)
☐ Suburban (2)
☐ Rural (3)
What is your highest level of education?

- Less than high school (1)
- GED, High school diploma (2)
- Some college, no degree (3)
- Associate’s degree (4)
- Bachelor’s degree (5)
- Master’s degree or higher (6)

With which racial or ethnic group do you most closely identify?

- American Indian or Alaska Native (1)
- Asian (2)
- Black/African American (3)
- Native Hawaiian or Pacific Islander (4)
- White (5)
- Other, please specify (6) ____________________

Are you Hispanic/Latino?

- Yes (1)
- No (2)
What is your age?

- 18 to 24 (1)
- 25 to 34 (2)
- 35 to 44 (3)
- 45 to 54 (4)
- 55 to 64 (5)
- 65 and older (6)

Which category best describes your total 2014 household income BEFORE taxes?

- Under $15,000 (1)
- $15,000 - $24,999 (2)
- $25,000 - $34,999 (3)
- $35,000 - $44,999 (5)
- $45,000 - $54,999 (6)
- $55,000 - $64,999 (7)
- $65,000 - $84,999 (8)
- Over $85,000 (9)

We hope to hear from a broad and diverse group of leaders in your county. If you think we should share this survey with someone else you know, please share their contact information here.

We would like to follow up with you to do more in-depth interviews about doing business in your county. If you are interested, please share a contact email address or phone number below.

If you would like to receive a summary of the results of this survey, please provide a contact email address below.
Please use the space below to share any final comments that you wish to add about entrepreneurship, community development, and business development in your county.

Thank you again on behalf of the McLean Institute for your time and participation! If you have any questions about this survey, please contact us at (662) 915 – 8832.
Appendix B: Survey 2

Entrepreneur Center Client Survey

Q1 Which of the following describes your organization?

- Small business (Less than 10 employees) (1)
- Medium Business (Between 10-25 employees) (2)
- Large Business (More than 25 employees) (3)
- City or State Government (4)
- Economic / Community Development Organization (6)

Q2 If you are a business, which NAICS code best applies: http://www.naics.com/search/

Q3 If you have used Entrepreneur Center, which of the center's services have you used?

- I have not used the Entrepreneur Center (1)
- Personal Consulting (10)
- Webinars (11)
- Entrepreneur Center Website Resources (12)
- Workshops Hosted by the Entrepreneur Center (13)
Q4 Which of the Entrepreneur Center's current services would you like to see expanded?

- Personal Consulting (1)
- Webinars (2)
- Entrepreneur Center Website Resources (3)
- Workshops Hosted by the Entrepreneur Center (4)

Q5 What additional services would you like for the Entrepreneur Center to provide?

Q6 How likely would you be to use a mobile app from the Entrepreneur Center?

- Very Unlikely (1)
- Unlikely (2)
- Somewhat Unlikely (3)
- Somewhat Likely (4)
- Likely (5)
- Very Likely (6)
Q7 With 1 being not helpful at all, and 5 being extremely helpful, how would you rank the value of:

<table>
<thead>
<tr>
<th>Service</th>
<th>Did Not Use This Service (1)</th>
<th>1 (2)</th>
<th>2 (3)</th>
<th>3 (4)</th>
<th>4 (5)</th>
<th>5 (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Consulting (1)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Webinars (2)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Entrepreneur Center Website Resources (3)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Workshops Hosted by the Entrepreneur Center (4)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

Q9 With 1 being not helpful at all, and 5 being extremely helpful, how would you rank the communication that you have had with the Entrepreneur Center:

<table>
<thead>
<tr>
<th>Communication</th>
<th>No Communication (1)</th>
<th>1 (2)</th>
<th>2 (3)</th>
<th>3 (4)</th>
<th>4 (5)</th>
<th>5 (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsiveness to Phone Calls? (1)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Responsiveness to Email? (2)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>In Office Visits (3)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
Q10 With 1 being not helpful at all, and 5 being extremely helpful, focusing on the online resources of the Entrepreneur Center, how would you rank them in terms of:

<table>
<thead>
<tr>
<th>Have Not Used Online Resources (1)</th>
<th>1 (2)</th>
<th>2 (3)</th>
<th>3 (4)</th>
<th>4 (5)</th>
<th>5 (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Usefulness (1)</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Ease of Use (2)</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Organization (3)</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
</tbody>
</table>

Q11 What other resources has your business used?

☐ Small Business Administration (1)

☐ Mississippi Mainstreet / Chamber of Commerce (2)

☐ Small Business Development Centers (SBDCs) (3)

☐ Other (6) ____________________

Q12 What do you see as the strengths of the Entrepreneur Center?

Q13 What do you see as the weaknesses of the Entrepreneur Center?

Q14 What would you like to see the Entrepreneur Center do differently?