

## **Develop Your Community's Small-businesses Capacity**

No matter if your community is big or small, rural or urban, small businesses form a key component of the local economic engine.

However, an issue that communities face is how they can support the growth and development of small business. The goal is helping small businesses remain in business and have the resources they need to grow. It also includes the issue of business transition as family members enter and leave or owners retire and sell the business to new owners.

An even more crucial need for a community's small-business segment is maintaining a continuous stream of business startups.

"Succeeding as a small business is a difficult task," says (Insert name and title) of (Insert county). "The hurdles are many and the odds of survival are small. Yet there are ways to increase the odds for the small-business owner."

One useful tool in building successful small businesses has been the development of small-business incubators.

A standard incubator offers some shared services (support staff, basic office equipment, Internet access and a small library), a place to work with reduced rent, and perhaps access to professional services and consulting. However, incubators show wide variations in what they might offer and the kind of business types they support.

While offering an incubator sounds like a daunting task, many communities already are offering one variation: It is what some have labeled a marketing incubator, or a location where multiple businesses can sell their products and services.

"If you think about your small town, you may actually have a start in the development of just such a business-support tool," says Glenn Muske, the North Dakota State University Extension Service's rural and agribusiness enterprise development specialist.

Examples of existing activities that could form the start of a marketing incubator include:

- Farmers markets
- Craft fairs
- Cooperative marketing venues
- Hobby shows
- Bake sales
- Youth involved in school or club entrepreneurial programs

"All of these examples are helping business owners answer two important questions in terms of building a business," says Muske. "The question of whether there is a market for the product or service is answered. Plus the second question - Can I make a profit? - moves from theoretical to gathering specific information."

However, community members might wonder what more they can do.

A simple first step is the development of rules and procedures that marketing incubator participants must follow. Some such efforts go as far as having a screening process prior to admitting businesses to the incubator. Just adding a touch of professionalism goes a long way in getting business owners into a different mindset.

Additional services can include:

- Pooled or shared marketing, which can stretch everyone's marketing campaign; more vendors means more foot traffic for all
- Encouraging owner networking and camaraderie
- Connecting resource assistance agencies with businesses in the marketing incubator - This is an additional networking possibility for the owners that can offer group and one-on-one educational support and suggestions. This presence will build trust for future interactions.
- Such resource providers providing information and support when things go wrong at the marketing incubator or in other parts of the business
- Shared opportunities and collaboration outside of the marketing incubator

“Many of these things might happen without any additional community support just because business owners are in proximity to each other,” says (Insert last name). “Yet if a community can designate someone to coordinate this, the possibilities increase immensely.”

Small businesses are the lifeblood of an economy. Maintaining that segment requires a constant stream of new businesses entering the system. Not all will succeed, but communities can, and are, working to increase their chances.

So help build this segment in your community. Consider incubators and other means of supporting this key economic segment.

As you work to develop your small-business community, check with your local Extension Service office at [insert phone number and email address]. Also visit NDSU's small-business support website at [www.ag.ndsu.edu/smallbusiness](http://www.ag.ndsu.edu/smallbusiness) and sign up for the monthly newsletter. Or check out Facebook at [www.facebook.com/NDSUextsmallbiz](http://www.facebook.com/NDSUextsmallbiz) or Twitter at @gmuske.

Other resources include <http://powerofbusiness.net> and [www.eXtension.org/entrepreneurship](http://www.eXtension.org/entrepreneurship). The Small Business Administration and its related organizations, such as the Small Business Development Centers and SCORE, also can be valuable resources.

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