



# **Wealth Creation in Rural Communities**

**PHASE ONE REPORTS**

## **Rural Entrepreneurship Development II: Measuring Impact on the Triple Bottom Line**

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## Wealth Creation in Rural America

This report is part of the Wealth Creation in Rural America initiative, funded by the Ford Foundation. The aim of the initiative is to help low-wealth rural areas overcome their isolation and integrate into regional economies in ways that increase their ownership and influence over various kinds of wealth. The initiative has produced nine previous papers, which can be found at <http://www.yellowwood.org/wealthcreation.aspx>. The goal of this report is to advance the initiative's broad aim of creating a comprehensive framework of community ownership and wealth control models that enhance the social, ecological, and economic well-being of rural areas.

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## Wealth Creation In Rural Communities

## Introduction

The Rural Entrepreneurship Sustainable Development Assessment Team developed insights into the impacts of entrepreneurship development on both the triple bottom line and wealth creation in rural places through its assessment of effective entrepreneurship practices or interventions. To gain greater insight into how entrepreneurship development practitioners are measuring the impacts of their work, the team looked closely at six specific interventions. These interventions reflect the diversity of approaches being used to encourage entrepreneurship development in rural places, ranging from a youth entrepreneurship program to a multi-county entrepreneur development system. Interviews with practitioners associated with these interventions provided insights into what is being measured currently and the gaps in measuring triple bottom line impacts.

The remainder of this report is organized into four sections. The first provides some context for discussing the impacts of these interventions by addressing the drivers associated with entrepreneurship development. The second section describes how entrepreneurship interventions have affected community wealth and the triple bottom line. The third section addresses indicators and measures associated with specific examples of entrepreneurship development practice. The fourth section offers some concluding observations about this assessment and measurement process.

## Drivers of Entrepreneurship Development

While the drivers of the interventions reviewed by the team are as diverse as the initiatives themselves, almost without exception, the driver behind entrepreneurship development was an **economic challenge**. This was most often articulated as the closing of a major employer or the loss of the traditional economic base, such as mining or agriculture. Other drivers, such as population loss or out-migration of youth are, in essence, related to the lack of economic opportunity associated with declining rural economies.

Because the drivers are primarily economic, the interventions also focused heavily on changing behavior that would result in economic outcomes such as:

- Entrepreneurs working **on** their business instead of **in** their business – an important requirement for growth.
- Entrepreneurs networking and identifying areas for mutual gain that help them grow their businesses.
- Entrepreneurs making decisions that are good for business **and** the environment.
- Entrepreneurs seeing that heritage preservation creates entrepreneurial opportunities.
- Public officials seeing the value of entrepreneurship as an economic development strategy and allocating resources to support/encourage entrepreneurship.

This focus on economic outcomes was not unexpected, given the nature of entrepreneurship development. However, the impacts of these interventions extended beyond strictly economic outcomes as demonstrated below.

## Impacts of Entrepreneurship Development on Community Wealth and TBL

The team shared the following underlying assumption with advisors and outside experts who provided input for this assessment process:

The desired outcome from using a sustainable, i.e., triple bottom line, framework to guide rural development is to more effectively create and maintain wealth in rural America.

Each key informant was asked to identify how the effective practice they identified was creating or maintaining each of the six types of capital or wealth and its impacts (or potential impacts) on each component of the triple bottom line.

### Effects on Wealth Creation

Gaining insights into wealth creation associated with entrepreneurship interventions proved to be challenging. Table 1 presents responses to the question of how a specific intervention was creating or maintaining each of the types of capital or wealth. While the key informants could articulate effects of entrepreneurship on at least some of the components of community wealth or capital, it was also clear that:

- They could readily identify ways in which the intervention was creating intellectual, individual and social capital (although the line between intellectual and individual capital was not clear to most).
- They were less aware of ways in which natural capital was being created or when they did identify impacts, they were not measuring ways that this was being created.
- They could not identify, and were thus not tracking, impacts on built or financial capital.

These observations suggest that while entrepreneurship can be an intervention that builds all forms of capital, the key challenge is getting practitioners to **value** and **measure** changes across all types of capital. Right now, they are not doing so in a systematic and rigorous way, based on input received from these key informants in the field.

Another issue related to wealth creation arises from how one defines community wealth. Most rural entrepreneurship development interventions are designed to help entrepreneurs build businesses and, in turn, grow their own assets – a process that would not be considered as community wealth building according to the project definition. However, since the focus of most of these initiatives is on the development of local entrepreneurs, the assumption is that the increase in individual assets, rooted in rural communities, will have an ultimate benefit for the community as a whole – through expanded job opportunities that help others build assets, expansion of community infrastructure in response to business growth, increased public sector revenues that can be used to support community asset building, and, in some cases, capture of individual assets for an explicit public purpose such as through a community foundation. This latter example, however, is relatively rare among the interventions reviewed for this project.

To develop more insight into this issue, an additional question was posed to some key informants – what do you mean by creating or maintaining community wealth?

Responses included:

- Finding new sustainable ways to manage the natural resource base that generate value for individuals – the foundation for wealth creation in rural places is the natural resource base.
- Transferring businesses to the next generation so the assets remain in the community.
- Stewardship of agricultural resources from one generation to the next because young people are returning to the farm.
- Sustaining community institutions, like schools, by reversing youth out-migration.
- Helping individual entrepreneurs move from the informal to the formal economy so that they are paying taxes and benefitting the larger community.
- Helping families make a better future in rural America which in turn helps sustain the rural community.
- Increasing wealth through the shared use kitchen which is an asset available to all in the region.
- Creating wealth by helping individuals build business assets – assets are the building blocks of wealth and owning and growing a business is one form of asset building.
- Entrepreneurs growing and sustaining a business or harvesting the assets in one business to start another creates wealth in the community.

These responses suggest that the language used to describe both wealth creation and the triple bottom line is extremely important in terms of changing behavior on the ground. The practitioners interviewed took a pragmatic approach, considering what incentives or arguments would be most persuasive to individuals and bring about the change in behavior that is desired. An example from Appalachian Sustainable Development (ASD) illustrates this point.

ASD is an entrepreneurship development intervention that has an explicit focus on the triple bottom line. A key question they raised at the start, which they have answered in the negative, is whether people managing the natural resource base have the skills, capital, and access to markets needed to restore and add value to this base. It takes real knowledge and skills to do this – it takes a comprehensive system to sell locally and manage sustainably. What ASD has been able to do is implement this system by:

- Developing the knowledge base about sustainable forestry or sustainable agriculture (increasing intellectual capital).
- Providing training and long term technical assistance to help producers adopt and implement new sustainable methods (increasing individual/intellectual capital).
- Providing access to markets by creating the infrastructure needed, e.g., farmers' markets structures and organizations, packing facility, sustainable wood kiln, networks, and Appalachian Harvest brand and developing relationships with major markets, e.g., grocery stores and now college food services (increasing built capital, increasing social capital).

This system has drawn many loggers and farmers into sustainable forestry and farming practices because they built the knowledge base about these sustainable practices and worked hard to sit down face to face with farmers/loggers and share that knowledge so that it might translate into behavior change. As they changed behavior, e.g., logging practices, the loggers began to build wealth both through the enrichment and preservation of their natural assets as well as by building their financial or economic assets, which in turn is building the community's assets or wealth – defined by ASD as

the natural resource base of the region, the source of all wealth. In this example, the entity with the public interest at heart, ASD, is not controlling the wealth but has provided a new framework for decision making that leads to individual wealth creation to the benefit of regional wealth creation.

This example and the insights of other practitioners suggest the need for a flexible and place-based definition of community wealth if the goal is to have communities embrace triple bottom line development practices. The challenge is to create a system, such as ASD's, that values all elements of the triple bottom line in such a way that individual behavior is changed to include public benefit in individual decision making. Rural communities may be ideally positioned as laboratories for sustainable development because, in many places, the need for **stewardship** of resources is glaring – whether embodied in the need to preserve the natural environment or the need to maintain local school infrastructure or the need to reverse out-migration of youth. **How** sustainable development is communicated to community leaders is as important as **what** is communicated.

### **Impacts on the Triple Bottom Line**

Since entrepreneurship development interventions are often implemented in response to some economic challenge, their impacts on the economic component of the triple bottom line are both well articulated and measured, as discussed below. These impacts can be generalized as:

- More entrepreneurs – increased numbers starting businesses
- Stronger entrepreneurs – entrepreneurs with increased skills
- More business growth – businesses increasing sales and adding jobs
- Economic impact on the community – increased sales taxes

Many entrepreneurship development interventions are designed to address the social isolation that many rural entrepreneurs experience – isolation from their peers, isolation from their markets and suppliers, isolation from community leaders. In addition, the type of entrepreneurs supported through many of these programs is intentionally broad including women, minorities, immigrants, youth, seniors, and the self-employed. As a result, impacts on the social inclusion component of the triple bottom line were identified for many of these interventions.

Few entrepreneurship development interventions had an explicit focus on environmental sustainability, with ASD being a notable exception. However, through discussions with practitioners, it became clear that there are **potential** impacts on the environmental component of the triple bottom line that are not being captured by these programs or that could be incorporated into the design of these interventions. For example, sustainable business practices could be incorporated into the coaching component of the Entrepreneurial League System® and the Wawokiye Business Institute as a way of building the knowledge base about sustainability among these entrepreneurs.

**Table 1. Effects of Entrepreneurship Interventions on Wealth Creation – Intellectual, Social, Individual, Natural, Built, and Financial Capital**

<b>INTELLECTUAL</b>	<b>SOCIAL</b>	<b>INDIVIDUAL</b>
<p>Increased creativity and innovation among entrepreneurs            Creation of knowledge networks within the kitchen incubator            Building local knowledge of sustainable development practices            Creation of learning laboratories for preservation-based development in the region            Enhanced pool of leadership capacity            Built pool of knowledge about innovative practices in community development            Transforming individual farmer knowledge into “community property” through sharing strategy for standards’ compliance            Strengthening knowledge and innovation through coaches and mentors network</p>	<p>Creation of networks – E to E, E to coach, E and coach to service provider            Increased trust among players new to sustainable development            Facilitation of new partnerships            Creation of a broader, more diverse leadership pool            Collaboration of people, businesses, non-profits, and government, many of whom were once competitors            Intentional service provider network created            Creation of cooperative with both bridging and bonding social capital.            Forging new relationships on the reservation            Building coaching relationships based on trust            Building relationships between youth and community elders            More youth considered important community members</p>	<p>Increased skills for entrepreneurs            Increased skills for community members in collaboration, leadership, preservation, etc.            Enhanced opportunity for community gatherings and celebrations            Increased pride of craft associated with selling to an expanded market            Increased pride of place associated with regional branding            Increased individual empowerment associated with building financial and business skills            Increased hope for the future being developed in and passed on by youth</p>
<b>NATURAL</b>	<b>BUILT</b>	<b>FINANCIAL</b>
<p>Increased use of local produce            Expanded use of organic or sustainable processes            Increased stewardship of the natural environment            Preservation of the natural environment through nature tourism            Preservation of unique regional assets through regional branding</p>	<p>Creation of a 12,000 sq. ft. kitchen incubator            Restoration, rehabilitation and reuse of historic properties            Expansion of water treatment facility to keep up with demand associated with business expansion            Expanded infrastructure at community college</p>	<p>Increased financial investments by entrepreneurs            Increased value of entrepreneurial ventures            Creation of grant and loan pools to assist business clients            Capturing wealth transfer through community foundations            Enhancing the performance of existing CDFIs through entrepreneur education and coaching</p>

Entrepreneurship development as presently designed is not generating impacts across the three components of the triple bottom line. These interventions demonstrate that without **intentional** focus on environmental outcomes (and to a lesser extent, social inclusion), the impacts of entrepreneurship development on these aspects of the triple bottom line will not be identified and measured. However, these examples suggest that there is nothing about entrepreneurship development that is in conflict with the triple bottom line. As demonstrated by ASD, the challenge is to build a knowledge base about the triple bottom line among entrepreneurs and articulate the economic benefit of considering the triple bottom line in their decision making.

To explore this idea further, the team asked a number of practitioners about the persuasive arguments they might use to help community residents take a triple bottom line approach to development. The tactics being used generally relate to making the **economic** argument for diversity or environmentally sustainable practices – how you can “do well by doing good”. Specific examples include demonstrating the potential impact on an entrepreneur’s bottom line of adopting energy efficient production processes or using local suppliers, showing loggers the economic benefit of adopting sustainable practices that yield higher prices for their logs, and providing access to regional markets and higher product prices for organic food processors. As the drivers for entrepreneurship development are primarily economic, the persuasive arguments for sustainable development are being articulated in terms of economic benefits.

### **Indicators and Measures across the Triple Bottom Line**

Through the assessment process, it became clear that practitioners (1) saw some value in considering triple bottom line impacts of entrepreneurship interventions and (2) were less clear about how one might measure impacts beyond more traditional economic outcomes. Identifying appropriate indicators and measures across the triple bottom line would be a valuable tool for practitioners to use in creating a new framework for sustainable entrepreneurship development in rural communities.

To advance this process, indicators and measures associated with six entrepreneurship interventions were collected (see Table 2). Several observations can be made about the measurement process in general:

- Baseline data for most measures were not collected, particularly regarding environmental or social indicators, making it difficult to identify changes in measures attributable to the intervention.
- Indicators and measures related to economic impacts were better articulated than those related to the environment or social inclusion.
- Often, the environmental measures were suggested or proposed, rather than actual data being collected.
- There is great diversity in indicators and measures across the interventions since measurement systems are designed to address project specific goals and outcomes.

Although indicators and measures are diverse, some commonalities were identified and these are described below.

## **Economic Indicators and Measures**

Generally, the interventions defined economic indicators that can be grouped as follows:

- More people considering entrepreneurship
- More entrepreneurs building skills
- More entrepreneurs growing their businesses
- Community benefits being generated from this business growth

For each of these indicators, some measures were commonly used across the interventions.

### **More people considering entrepreneurship**

- Increase in interest in entrepreneurship programs
- Increase in participation in entrepreneurship programs
- Number of coaching clients
- Number of entrepreneurs with potential for value added products

### **More entrepreneurs building skills**

- Number of entrepreneurs receiving coaching
- Number of entrepreneurs receiving technical assistance
- Number of entrepreneurs using incubator facility
- Improved financial literacy – e.g., increased credit scores

### **More entrepreneurs growing their businesses**

- Increase in sales
- Increase in employment
- Number of new markets entered
- Increase in business assets
- Increase in revenue per employee
- Increase in sales outside the region
- \$ of capital raised by business

### **Community benefits generated**

- Increase in sales tax revenues
- Investment in new infrastructure
- \$ raised for new entrepreneurial initiatives
- Number of new businesses started by family members

## **Social Inclusion Indicators and Measures**

Two primary themes encompass the indicators defined to address the social inclusion component of the triple bottom line for these interventions – more networking and greater participation by previously excluded groups. There was surprising consistency across the measures being used to inform these indicators.

**More networking**

- Number of entrepreneurs participating in a network
- Number of mentors
- Number of referrals made among service providers
- Number of partners working on the intervention

**Greater participation of previously excluded groups**

- Number of youth participating
- Number and percent of women participating
- Number and percent of minorities participating
- Number and percent of low income entrepreneurs participating
- Number of limited resource entrepreneurs participating

Another theme related to social inclusion was the increased sense of pride or hope in the community that was generated through the actions taken by the intervention. While this was a theme, only in the Arkansas Delta was this change being measured. Through stakeholder interviews at the beginning of the program, the Arkansas Delta Rural Heritage Development Initiative (RHDI) identified a lack of pride in the region as a widely shared view. They plan follow up interviews to ascertain change in this measure but have also identified some proxy measures that include:

- Number of businesses using the new regional brand (Arkansas Delta Soil and Soul) on their websites
- Number of businesses using the Soil and Soul logo in their businesses
- Number of festivals using the brand
- Number of new businesses using the brand as part of their name
- Number of references to the brand in media reports

RHDI provides a good example of developing measures to understand change in a relatively qualitative indicator such as “greater sense of worth or pride among residents in the region.”

**Environment Indicators and Measures**

As discussed earlier, few of the entrepreneurship interventions studied actually considered environmental impacts. For the two interventions that did address the environment (RHDI and ASD), the indicators were specific to these two regions but shared some similarities, focusing on preservation/restoration of the natural environment and heritage of the region and changing people’s attitudes toward being engaged in sustainable development. Some specific measures used are listed below.

**Preservation/restoration of the natural environment and heritage**

- Number of acres transitioned to sustainable management
- Number of acres transitioned to organic farming
- Number of iconic properties preserved or rehabilitated
- Slower population loss
- Increased retention in the community college

**Change in attitudes toward sustainable development**

- Increased participation in community outreach events
- Number of farmers adopting eco-tourism value-added opportunities
- Increased sales of organic produce

**Table 2. Indicators and Measures of Entrepreneurship Interventions' Impacts on Economy, Environment, and Social Inclusion**

(Measures in **BOLD** are those for which baseline data are collected.)

<b>ECONOMY</b>	<b>ENVIRONMENT</b>	<b>SOCIAL INCLUSION</b>
<b>Sustainable Forestry and Agriculture – Appalachian Sustainable Development</b>		
<p>More entrepreneurs using sustainable practices to manage their fields and forests in a way that creates economic benefit for them</p> <p><b>Number of farmers/loggers served by training, technical assistance</b></p> <p><b>Number of farmers transitioning to organic</b></p> <p><b>Number of farmers retained in organic</b></p> <p><b>Number of producers of sustainable wood</b></p> <p><b>Increased sales through Appalachian Harvest Brand</b></p> <p><b>Investment in built infrastructure – farmers' markets, packing house, sawmill, kiln</b></p>	<p>Changing people's attitude toward engaging in and having a say in the economy</p> <p><i>Increased sales of organic produce</i></p> <p><i>Increased participation in community outreach events</i></p> <p>Natural resource base restored and sustainably used</p> <p><i>Increased yield per acre</i></p> <p><i>Increased use of ecological farming practices</i></p> <p><b>Number of acres being transitioned to organic</b></p> <p><b>Number of forest acres transitioned to sustainable management</b></p>	<p>More networking and collaboration in the region among organic farmers</p> <p><i>Number of participants in organic farmers network</i></p> <p><i>Number of farmers mentoring other farmers</i></p> <p><i>Number of farmers hosting field days</i></p> <p>Lower resource and traditional farmers and loggers moving to sustainable practices</p> <p><i>Percent organic farmers with low income, limited education, small acreage</i></p> <p><i>Percent loggers with low income, limited education, small acreage</i></p>

ECONOMY	ENVIRONMENT	SOCIAL INCLUSION
<b>Heritage and Preservation Based Tourism Development – Arkansas Delta Rural Heritage Development Initiative</b>		
<p>More entrepreneurs growing their local businesses by capitalizing on unique heritage resources, including home-based businesses moving into storefronts and downtowns through Arkansas Delta Made</p> <p><b>Number of new markets entered</b>  <b>Increased sales income</b>  <b>Increased/retained employment</b>  <b>Expansion of products/services sold</b>  <b>Creation of new website</b>  <b>Increased participation in training programs</b>  <b>Increased use of technical assistance</b>  <b>Expansion of heritage tourism infrastructure, measured by new lodging, restaurants, B&amp;Bs, etc.</b></p> <p><i>Qualitative benefits of Delta Made program</i>  <i>Additional quantitative outcomes of program participation</i></p>	<p>Slowing the loss of people and heritage from the Arkansas Delta region</p> <p><b>Number of iconic properties preserved or rehabilitated</b>  <b>Increased high school graduation rates</b>  <b>Increased retention in community college</b>  <b>Slower rate of population loss</b></p> <p>Changing people's attitude toward the land by creating a sense of environmental stewardship</p> <p><i>Number of land owners changing their farming practices to create eco-tourism value added opportunities</i></p> <p>More preservation of existing buildings</p> <p><b>Number of properties converted for re-use</b>  <b>Number of properties preserved through historic preservation</b></p>	<p>Greater sense of worth or pride among residents in the region</p> <p><b>References to regional brand, Arkansas Delta Soil and Soul, in local media</b>  <b>Number of businesses using Soil and Soul logo on their websites</b>  <b>Number of businesses using Soil and Soul logo in their businesses</b>  <b>Number of festivals that are using the brand</b>  <b>Number of new business starts using brand as part of their name</b>  <b>Change in sense of pride expressed through stakeholder interviews</b></p> <p>More networking and collaboration in the region</p> <p><b>Number active partners in RHDl</b>  <i>Number referrals made by RHDl to partner organizations</i></p>

ECONOMY	ENVIRONMENT	SOCIAL INCLUSOIN
<b>Shared Use Kitchen – Appalachian Center for Economic Networks (ACEnet)</b>		
<p>More food-secure region  <i>\$ and percent local food sales</i>  <i>Increase in \$ size of local food economy</i>  <b>Number local foods available in the region</b></p> <p>More food businesses in the region  <b>Number farmers with potential for value-added products</b>  <b>Number of food sector businesses</b></p> <p>Stronger food businesses in the region  <b>Number of new jobs</b>  <b>\$ increase in business assets</b></p> <p>More famers using the shared kitchen  <b>Number farmers using the shared kitchen</b>  <b>\$ in sales produced in the shared kitchen</b></p>	<p>Reduced transportation costs and carbon input by substituting local for imported food  <i>\$ cost savings from replacing \$9 million in imported foods with local foods</i>  <i>Carbon savings from reduced transportation associated with \$9 million imports</i></p>	<p>More low income food sector entrepreneurs  <b>Number and percent of clients who are low income</b></p> <p>More women food sector entrepreneurs  <b>Number and percent of clients who are women</b></p> <p>More minority food sector entrepreneurs  <b>Number and percent of clients who are minorities</b></p>

ECONOMY	ENVIRONMENT	SOCIAL INCLUSION
<b>Entrepreneurial League System® Coaching Model – Central Louisiana ELS</b>		
<p>More entrepreneurs engaged in operating their own business</p> <ul style="list-style-type: none"> <li><b><i>Number of clients</i></b></li> <li><b><i>Number active/non-active clients</i></b></li> <li><b><i>Number exits</i></b></li> <li><b><i>Number self employed</i></b></li> <li><b><i>Number self employed women, minorities</i></b></li> <li><b><i>Increase in entrepreneurial skills</i></b></li> </ul> <p>More entrepreneurs seeing business ownership as building assets</p> <ul style="list-style-type: none"> <li><b><i>Increase in sales</i></b></li> <li><b><i>\$ of capital raised/accessed</i></b></li> <li><b><i>Increase in sales outside the region</i></b></li> <li><b><i>Increase in sales outside the US</i></b></li> <li><b><i>Increase in revenue per employee</i></b></li> <li><b><i>Increase in number employees</i></b></li> </ul> <p>Policy makers seeing entrepreneurship as a way of building an economy</p> <ul style="list-style-type: none"> <li><b><i>Number of service providers coming to them before they start a new program to see if it aligns with ELS</i></b></li> <li><b><i>Number of policy makers approaching them for input on new policy initiatives</i></b></li> <li><b><i>\$ raised for new entrepreneurship support initiatives, e.g., microenterprise fund</i></b></li> </ul>	<p>Greater knowledge of green business practices</p> <ul style="list-style-type: none"> <li><b><i>Number coaching sessions devoted to green practices</i></b></li> <li><b><i>Number of mentoring relationships between entrepreneurs around green practices</i></b></li> </ul> <p>Adoption of green business practices</p> <ul style="list-style-type: none"> <li><b><i>Number ELS entrepreneurs who adopt at least one green business practice</i></b></li> </ul>	<p>Greater inclusion of parishes outside of Rapides in the system</p> <ul style="list-style-type: none"> <li><b><i>Number of entrepreneurs from outside Rapides parish participating in ELS</i></b></li> <li><b><i>Number of service providers from outside Rapides parish participating in ELS</i></b></li> <li><b><i>Increase in number of women entrepreneurs in ELS</i></b></li> <li><b><i>Increase in number of minority entrepreneurs in ELS</i></b></li> </ul>

ECONOMY	ENVIRONMENT	SOCIAL INCLUSION
<b>Youth Entrepreneurship Education – 4H EntrepreneurShip Investigation</b>		
<p>More youth interested in and actually starting their own businesses  <b>Increase in interest in owning a business</b>  <b>Increase in actual business ownership</b></p> <p>More parents starting their own business because of demonstration effect  <i>Number of new businesses started by ESI parents</i></p>	<p>More youth starting sustainable businesses  <i>Number of eco-tourism, environmental for profit or non-profit enterprises started by ESI youth</i></p>	<p>More involvement of at risk youth through ESI  <i>Increased classroom attendance of at risk youth</i>  <i>Increased grades of at risk youth</i></p> <p>More youth engaged in community and in economic development  <i>Number of youth enrolled in community leadership program</i>  <i>Number of youth participating in civic organizations</i></p> <p>Youth focus to community and economic development activities  <i>Youth activities included in economic development plans</i>  <i>Youth entrepreneurship in schools</i>  <i>Change in focus of civic/philanthropic organizations to include youth</i></p>

ECONOMY	ENVIRONMENT	SOCIAL INCLUSION
<b>Wawokiye Business Institute (WBI)</b>		
<p>More tribal members with financial skills  <i>Improved credit scores</i>  <i>Financial plans developed and implemented</i>  <b>Improvements in self-assessed business skills</b>            More successful businesses started by tribal members  <b>Increased jobs</b>  <b>Increased sales taxes generated</b></p>	<p>Success coaches understand and impart knowledge of green practices  <i>Number of coaches trained in green business practices</i>  <i>Number of entrepreneurs adopting green business practices</i></p>	<p>Families become more supportive of tribal members' entrepreneurship  <i>Number of extended family members attending workshops</i>  <i>Number of family members who decide to start their own business</i></p>

## **Concluding Thoughts on Measuring the Impacts of Entrepreneurship Development on the Triple Bottom Line**

Entrepreneurship development is still considered to be an evolving economic development strategy. While some of the interventions assessed for this project have a long history on the ground, others are still in what might be described as their “start up” phase. Entrepreneurship practitioners do see the value in measuring their impacts and are taking the steps needed to develop effective systems to measure their progress toward achieving both intermediate and long term outcomes.

At the same time, entrepreneurship development is not yet being designed with explicit attention to all components of the triple bottom line. Based on this assessment, a number of issues must be addressed in order to move practitioners and rural community leaders toward consideration and measurement of a broader set of outcomes.

***Developing language that is persuasive and resonates with rural community leaders.*** Sustainable development and the triple bottom line do not necessarily resonate with rural community leaders. For practitioners, the notion of sustainability can be interpreted in at least three ways – the sustainability of their program or initiative, the sustainability of the community, and the sustainability of the natural resource base. The triple bottom line concept has become more common within the funding and practitioner communities, but is not every day language for community leaders. A concept that came up again and again in this assessment was the concept of **stewardship** – the careful and responsible management of something entrusted to one's care. In some ways, this is a rural concept – beginning with the stewardship inherent in the Homestead Act and continuing today as rural communities in the Delta and Appalachia try to preserve their natural and cultural heritage. It is a concept that can be applied to the people, environment, and governance of rural places. “It’s a word that people can be proud of.” (John Berdes)

***Being able to tie triple bottom line considerations to community needs and challenges.*** What makes Appalachian Sustainable Development effective in achieving triple bottom line impacts is their ability to communicate the direct connection between adopting a sustainable practice and the logger’s bottom line. They recognize an overriding concern among limited resource loggers is earning a living and ASD makes the argument for sustainable forestry in economic terms – if you produce in a sustainable way, you will sell your logs and earn 20-30% more than you are getting now. At least in terms of entrepreneurship development, finding the economic leverage points appears to be a key to moving entrepreneurship development practice toward the triple bottom line.

***More effective measurement needed to make the case for triple bottom line strategies in entrepreneurship.*** Over time, the field of entrepreneurship development has gotten better at articulating and capturing economic outcomes in a way that helps to tell the story about the importance of this strategy for rural communities. This assessment has demonstrated that there is more work to be done on articulating indicators and developing measures to get at outcomes related to the environment and social inclusion. It is not clear, however, that a single measurement instrument can capture the diverse range of outcomes associated with the unique and place-based approaches to entrepreneurship being implemented across rural America. A measurement guide, drawing on the unique experiences of some of the exemplary

development approaches that use the triple bottom line may be more useful to community leaders – in essence, sharing with them **why** they should measure, **how** to measure and providing examples of **what** to measure.

***Value of case studies in testing these insights.*** This assessment has shown the importance of using case studies to “road test” the language around triple bottom line development. Case studies also provide an opportunity to identify the leverage points and the persuasive arguments that might move entrepreneurs and communities toward triple bottom line development practices. Finally, the development of a measurement system or guide that works in communities requires some field testing of the concepts and the tools on the ground. The careful selection of case study sites – where there are practitioners open to understanding the triple bottom line and its implications for their work **and** interested in adapting their practice to become more focused on the triple bottom line – will yield insights that should improve the outcome of this work.

As part of this assessment process, we have identified entrepreneurship interventions that would be prime candidates for case studies:

- **GROW Nebraska** – a 10 year old, statewide microenterprise program that has not considered triple bottom line impacts associated with training and lending activities but the director has expressed strong interest in understanding and measuring these impacts.
- **Arkansas Delta Rural Heritage Development Initiative** – a relatively new regional program, led by an energetic young woman who is committed to measuring the impacts of their activities across the triple bottom line and who has established baseline data for many of their indicators.
- **Community Progress Initiative (Wisconsin)** – an established, county-wide collaborative effort with a well articulated logic model and measurement system focused on triple bottom line outcomes that has the potential to inform our work.