

Board Training Program Strengthens Community Entrepreneurship Efforts in Rural Communities

Situation:

New business formation has been identified as one of the most important entrepreneurship activities necessary to economic growth in the 21st Century, urban and rural alike. Given the high rates of unemployment in rural Louisiana, spurring entrepreneurship activities seems to be a viable rural economic development strategy. Entrepreneurship activities can be accomplished using many different yet complementary strategies for rural economic development. The most obvious is to provide entrepreneurs in rural communities with access to networks, information, resources and institutions to reduce their costs of establishing new businesses.

Another strategy is to focus improving encourage better coordination of local resources within a given community to enable the development of infrastructure assets that could be accessed by local entrepreneurs. For example, a chamber of commerce might provide access to internet and other technological infrastructure assets to encourage expansion of downtown businesses into e-markets, such as using eBay to buy supplies or sell products.

But there is a fundamental problem when encouraging community entrepreneurship: often community leaders may not agree on how to develop infrastructure assets to improve the coordination of local resources and do not have access to a method that can help form consensus. And because community organizations such as chambers of commerce are governed by a board of local residents, the problem becomes more about how board members can effectively work with each other to encourage this type of community entrepreneurship. If board members cannot learn to work with each other, the entire process of encouraging community entrepreneurship can be stymied. Hence, it seems reasonable that one approach to encourage community entrepreneurship is to provide board members in rural communities with the tools to learn how to manage their resources more effectively to encourage community entrepreneurship while building trust among members and improving accountability.

The Louisiana Center for Rural Initiatives (LCRI) was created to understand more about the socioeco-

omic conditions and trends about rural economies in Louisiana, including how to spur community entrepreneurship activities. The LCRI is an interdisciplinary team of social scientists and policy professionals engaged in research and extension programs that contribute to sustainable community and rural development in Louisiana.

The LCRI, as created by Act 796 of the 2004 Louisiana Legislature, is a consortium initiative between the Louisiana State University Agricultural Center (LSU AgCenter) and the Southern University Research and Extension Center (SU Agricultural Center). The LCRI is housed in the Department of Agricultural Economics and Agribusiness at LSU and operates a satellite center, the Delta Rural Development Center, in Oak Grove, LA.

Action:

In 2005, the LCRI through its Delta Rural Development Center began piloting a program called "Healthy Boards (HB)." The HB program teaches board members how to work with each other to build trust and strengthen accountability. Dr. James Barnes created the program and refined it to be relevant for a variety of community organizations, such as agricultural organizations, health care providers and chambers of commerce. The program teaches several research based principles that can be used to strengthen the governance and improve coordination of local resources to encourage community entrepreneurship.

In 2006, two steps were taken to launch the program. First, the research based principles used to teach effective board governance were developed and later published in two articles in the Journal of Extension. Next, the marketing brochures and curriculum were completed to offer the program to rural community organizations.

During 2006 and with the assistance of LSU Agricultural Center community rural development agents Dora Ann Hatch and Cynthia Pilcher, the program was delivered to more than 70 people working in chambers of commerce (at Vidalia, Oak Grove, Lake Providence, Bastrop and Jackson), an agricultural organization,

Heifer International, which had participants from Mississippi, Louisiana and Arkansas, as well as a health care organization, the Emergency Nurses Association. The core of the HB program can be viewed at <http://www.lsuagcenter.com/drdc> by clicking on the subtopic rural governance and leadership.

Impact:

The fundamental impact of the program was to build trust among board members in agricultural and non-agricultural organizations to encourage community entrepreneurship. Results from post program surveys indicated more than 87 percent of all participants stated that after taking the program, trust increased among their respective board members. More than 95 percent of participants agreed they would recommend the program to other types of boards operating in rural communities.

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