



Entrepreneurship initiatives for recovery and growth: States providing access to knowledge

The National Governors Association (NGA) Center for Best Practices and NGA Partner, Ewing Marion Kauffman Foundation, are hosting this webinar. We will hear about national, state and local partnership efforts to help connect aspiring entrepreneurs from historically underrepresented and underserved backgrounds to entrepreneurial pathways, including access to training and mentorship on entrepreneurial skills and finance know-how.

November 4, 2021
NGA Center for Best Practices

Agenda

I. Welcome

Rachael Stephens, Program Director, Workforce Development & Economic Policy, NGA Center for Best Practices

II. Introduction

Jason Wiens, Policy Director in Entrepreneurship, Ewing Marion Kauffman Foundation

III. Panelists' Presentations

IV. Moderated Discussion with Audience Q&A

Moderated by: Loren Shimanek, Senior Policy Analyst, Workforce Development & Economic Policy, NGA Center for Best Practices

V. Panelists' Closing Remarks

The National Governors Association (NGA)

Founding

A 1908 meeting of President Theodore Roosevelt and governors led to the creation of NGA.



Photo: The first meeting of the nation's governors, convened by President Theodore Roosevelt in Washington D.C., 1908.

What We Do

- NGA is the nonpartisan organization of the nation's governors.
- Through NGA, governors identify priority issues and address public policy at the state, national and global levels.
- The NGA Center for Best Practices is the only research & consulting firm that directly serves governors, and helps them develop and implement innovative solutions to public policy challenges.
- Our Government Relations team ensures that states are a strong voice in Washington, D.C.
- We also provide management consultative services to both new and incumbent governors, their senior executive staff and trusted advisors.

The NGA Center for Best Practices

Services:

- Customized Technical Assistance
- Multi-State Consortia and Peer Learning
- Research & Published Reports

Program Areas:

- Children & Families
- Cybersecurity
- Energy and Environment
- Healthcare Cost and Coverage
- Health Data & Workforce
- Health Systems
- Homeland Security
- Infrastructure
- K-12 Education
- Post Secondary Education
- Public Health
- Public Safety & Legal Counsels
- **Workforce Development & Economic Policy**



Photo: Governor Reynolds, NGA Chair Governor Hutchinson and Governor Pritzker at the NGA Winter Meeting in 2020.

Introduction: Ewing Marion Kauffman Foundation



***Jason Wiens, Policy Director in Entrepreneurship,
Ewing Marion Kauffman Foundation***

- Directs Kauffman-led [Start Us Up coalition](#).
- Oversees portfolio of advocacy projects to educate policymakers on how government can support entrepreneurship.
- Spent 10 years on Capitol Hill, both in the Senate and U.S. House.

Moderator: NGA Center for Best Practices



Loren Shimanek, Senior Policy Analyst, Workforce Development & Economic Policy

- Provides technical assistance and research specializing in cross-system strategic state planning, workforce development policy, labor market analysis and performance and evaluation;
- +10 years experience working in workforce development at the state level.

Panelist: Launch Minnesota



Neela Mollgaard, Executive Director, Launch Minnesota, Minnesota Department of Employment & Economic Development

- Executive Director of Launch Minnesota, an initiative from the State's agency of Employment & Economic Development (DEED).
- In her role, Neela works to create an environment to support entrepreneurs by empowering and elevating Minnesota's innovation ecosystem.

Empower and Elevate Minnesota's Innovation Ecosystem



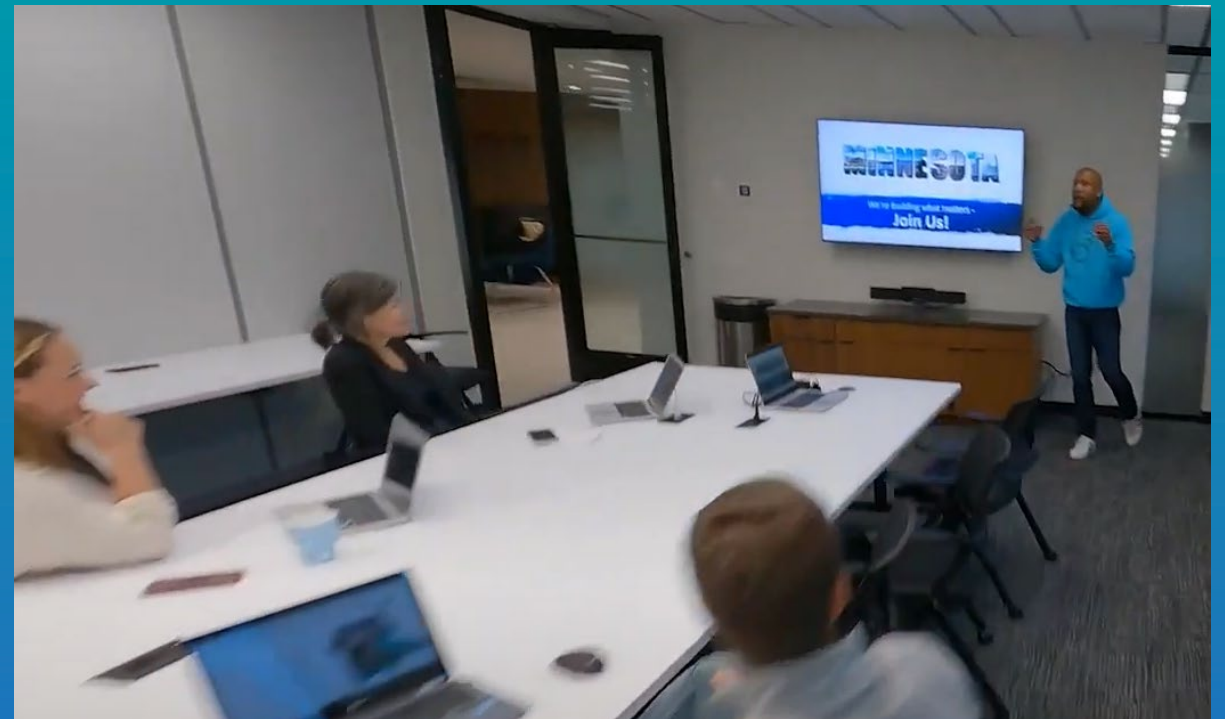


BUILD WHAT MATTERS IN
MINNESOTA

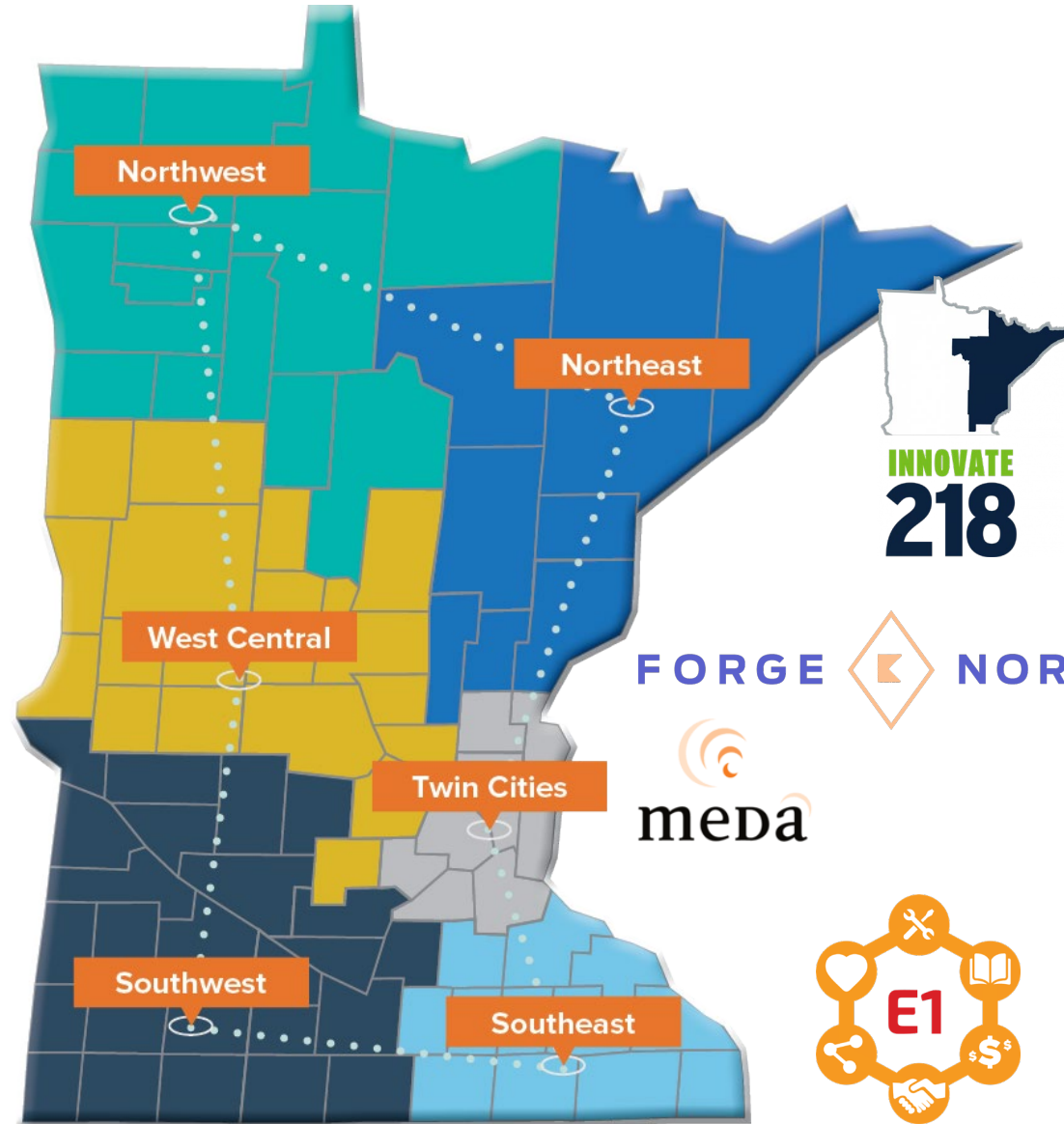
#JoinUsMN

Increasing access to Capital

- Innovation Grants
- Tax Credits
- Private Investors



Cultivating a Collaborative Culture



West Central



Developing Entrepreneurial Talent

- Education & Training
- Minnesota Exchange
- Industry Expertise





Lessons Learned

- Government plays a role
- Opportunity for ALL
- Innovation can happen anywhere



LAUNCH MINNESOTA

Thank you!

Neela Mollgaard – Executive Director

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#LaunchMN | @LaunchMinnesota | LaunchMinnesota.org

Panelist: Aspen Institute Forum for Community Solutions



***Yelena Nemoy, Senior Program Manager,
Aspen Institute Forum for Community Solutions***

- Senior Program Manager for the Opportunity Youth Forum at the Aspen Institute Forum for Community Solutions.
- Former Project Manager at the National Youth Employment Coalition.
- Former Youth Services Provider focusing on dropout prevention and homelessness.

Creating Entrepreneurship Pathways for Opportunity Youth

Yelena Nemoy

Senior Program Manager, Opportunity Youth Forum

Aspen Institute Forum for Community Solutions

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FORUM FOR
COMMUNITY
SOLUTIONS

 aspen institute

Who Are Opportunity Youth?

Opportunity Youth are youth and young adults who are neither

- working, nor
- In school (K-12 or postsecondary)

In 2020,
the estimated number
of opportunity youth in
the United States

6 Million

Youth Entrepreneurship Fund

Launched in 2017 to support collaborative approaches in creating pathways into entrepreneurship for opportunity youth

- 3 communities: Del Norte County & Tribal Lands, CA, Philadelphia, and San Francisco
- Focus on opportunity youth and under-represented entrepreneurs
- Ecosystem approach

OY experience disadvantages compared to peers



are neither enrolled in education
nor in the workforce

Source: Measure of America

Disconnected young adults are...

2x

more likely to
live in poverty

3x

more likely to
have a disability

9x

more likely
not to complete
high school

4x

more likely to become
young parents
than their peers

Youth Entrepreneurship Fund: Local Partners

- **Del Norte:** Wild Rivers Community Foundation (lead); ThinkPlace (Human-Centered Design curriculum); College of the Redwoods (community college); Redwood Coast Rural Action (community leaders' network); local workforce center; CBOs; Tribal governments and community leaders
- **Philadelphia:** Philadelphia Youth Network (lead); NFTE (Network for Teaching Entrepreneurship, curriculum); Philadelphia Department of Commerce; Philadelphia Department of Human Services; Philadelphia Office of Workforce Development; Philadelphia Works (WIB); CBOs
- **San Francisco:** Bay Area Community Resources (lead); NFTE (curriculum); HOPE SF (public housing, ant-racist community development initiative); 3 local youth-focused collaboratives; San Francisco Office of Economic and Workforce Development; Renaissance Entrepreneurship Center (incubator); Sky's the Limit (online mentoring, resources, microfinancing for underrepresented entrepreneurs)

Creating Entrepreneurship Pathways: Lessons Learned

1. Curriculum is Key:

- Must be adapted to the unique needs of OY

2. Skills Development for the 21st Century Economy

- Entrepreneurial mindset skills

3. Reframe Success

- OY need more time in the pathway and smaller cohorts

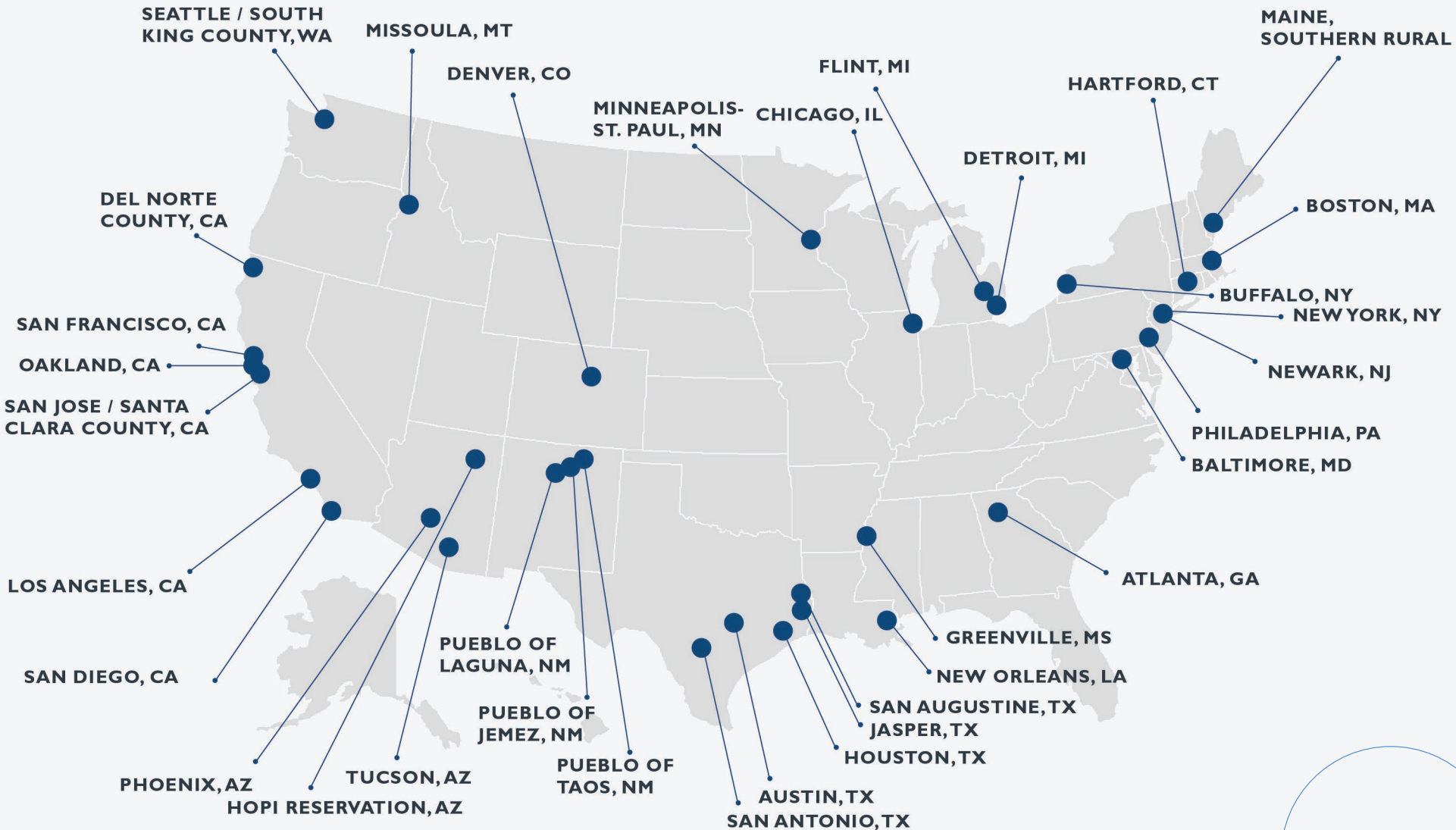
Opportunity Youth Forum

660,000

OPPORTUNITY
YOUTH IN

35

COMMUNITIES



Creating Entrepreneurship Pathways: Lessons Learned

4. Entrepreneurs Need Opportunities and Support

- Need: incubators, makerspaces, microlenders, mentors

5. Collaboration is Essential

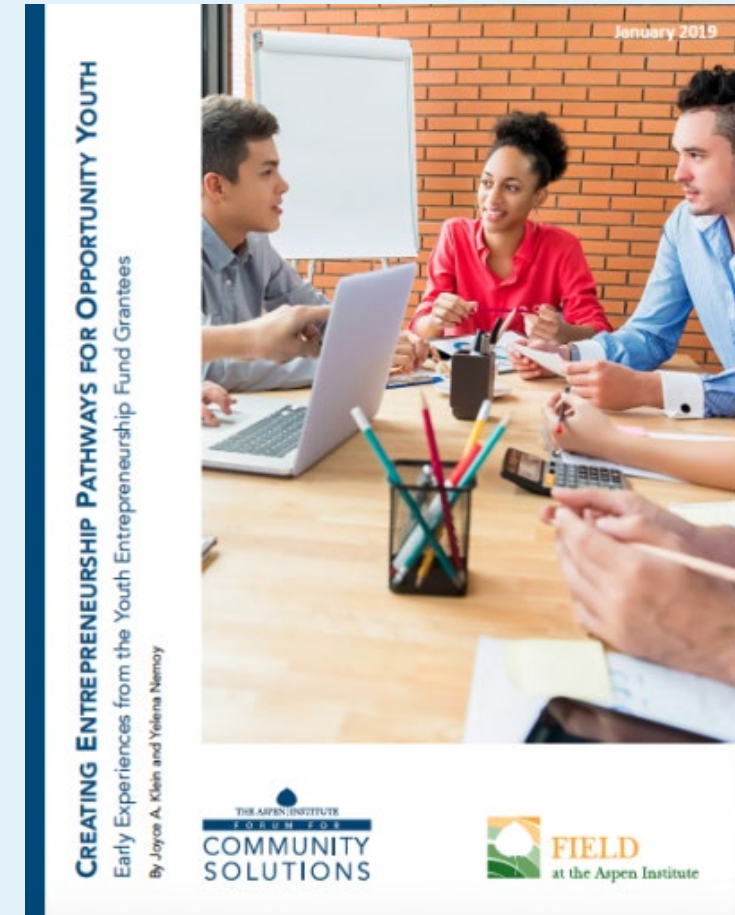
- Expanding opportunities and closing gaps

6. Long-term Investment is Critical

- Ecosystem development is time- and resources-intensive

Publications

- Creating Entrepreneurship Pathways for Opportunity Youth: Early Experiences from the Youth Entrepreneurship Fund Grantees
<https://www.aspencommunitysolutions.org/report/creating-entrepreneurship-pathways-for-opportunity-youth-early-experiences-from-the-youth-entrepreneurship-fund-grantees/>
- Creating Entrepreneurship Pathways for Opportunity Youth: Lessons from Del Norte and Tribal Lands
<https://www.aspencommunitysolutions.org/report/creating-entrepreneurship-pathways-for-opportunity-youth-lessons-from-dnatl/>



Panelist: MakeStartups



***Eric Parker, Co-Founder & CEO,
MakeStartups***

- Architect specializing in innovation and R&D facilities for many of the top companies and institutions in the world.
- MakeStartups provides local community partner feasibility studies, advocacy support, training, accreditation, assessments, and software to provide employment, wage, and economic impact reporting.
- Founded a nonprofit to study and improve entrepreneur ecosystem development.

Investing in an Entrepreneurial Workforce

Startups

1. are disproportionately responsible for the innovations that drive productivity growth and economic growth; ([Census Bureau 2017](#)) and,
2. account for virtually all net new job creation; ([Decker et al. 2014](#)) and,
3. over 50% are clustered in 20 counties across America. ([Economic Innovation Group 2016](#))

MAKESTARTUPS

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Investing in an Entrepreneurial Workforce

When starting a business

1. at least 83 percent of entrepreneurs do not access bank loans or venture capital at the time of startup.
2. Almost 65 percent rely on personal and family savings for startup capital, and
3. close to 10 percent carry balances on their personal credit cards ([Kauffman Foundation 2019](#), 5)

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Core challenge

1. Underserved entrepreneurs can't afford training
2. Private investment capital is not equipped to absorb training costs
3. Entrepreneur support organizations compete for limited national philanthropic and government grants
4. Without recurring revenues, ecosystem support organizations cannot provide proven, reliable entrepreneurial skills training

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Our solution

We work with financial institutions to develop and manage training standards to improve access to capital,

and provide communities with:

1. Feasibility & Strategic Planning
2. Workforce Program Development
3. Entrepreneurial Skills Assessments
4. Automated Employment Tracking
5. Economic Impact Verification

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Georgia Data

1. 0.36% of population starts a new business each year
2. 76.49% of Startups survive their first year
3. 5.38 average jobs created by startups in their first year

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Augusta's Data

1. 760 Startups per year
2. 28% poverty rate
3. 213 disadvantaged entrepreneurs per year

Augusta's untapped potential

1. 163 business surviving 1st year
2. 875 jobs awaiting creation
3. \$30m direct local economic impact

Investment needed - \$1.2m

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Georgia's potential

1. 6,116 disadvantaged entrepreneurs
2. 4,678 business surviving 1st year
3. 25,000 jobs awaiting creation
4. \$600,000,000 economic impact



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PI2 Grant Objectives

Help 5 Entrepreneur Support Organizations in Georgia to establish economically sustainable entrepreneurial skills training programs and improve access to capital for disadvantaged entrepreneurs.

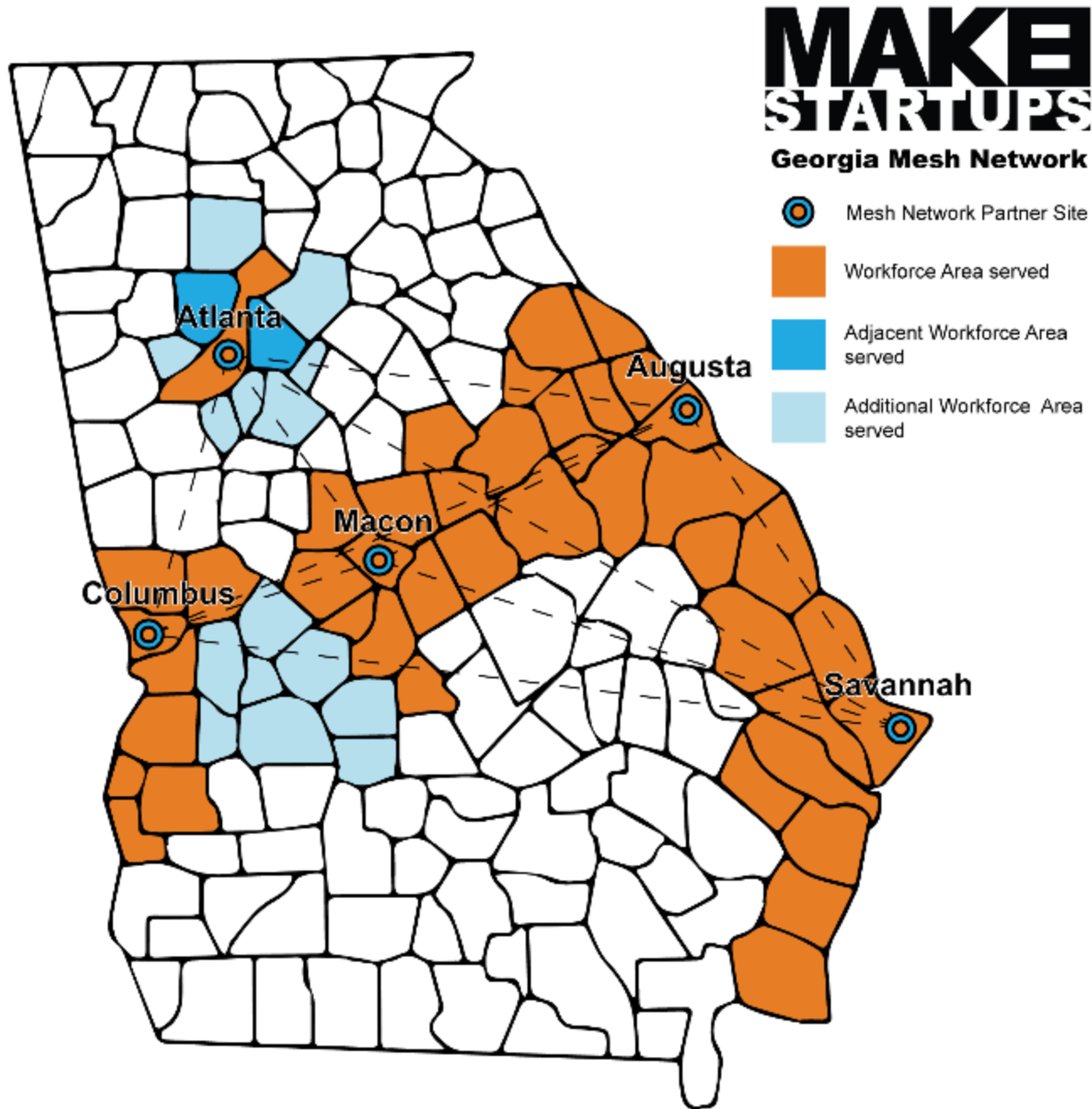
Goals:

1. Unlock \$1.2m workforce funds
2. Train 250 Entrepreneurs
3. Launch 200 Businesses
4. 160 Businesses Attain Capital (unlock >\$1.5m commercial capital)

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Georgia Mesh Network

45 counties

(36 rural / 9 urban)

4.4 million people

18,000 entrepreneurs

21 capital partners

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**Tonia Gibbons, Founder
Farr More & Associates**

**Georgia Alexander, Founder
SOCA Vegan Kitchen**

Our data so far

Program Demographics:

| | |
|------|----------------------------|
| 100% | Entrepreneurs of color |
| 87% | Female entrepreneurs |
| 25% | Active or retired military |
| 70% | WIOA funded |
| 15% | Veterans scholarship |
| 15% | Self pay |

Results after 12 weeks:

| | |
|------|--------------------------------------|
| 100% | Business license attainment |
| 50% | 1 st customer acquisition |
| 12% | Created employment for others |

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Workforce Barriers

1. Discrimination

- a) Entrepreneurship not viewed as viable career path
- b) Concerns for capitalization of disadvantaged entrepreneurs

2. Compliance

- a) Eligibility and suitability criteria inconsistent
- b) 6.28% of Georgia businesses make a first payroll within eight quarters

3. Budget

- a) Meeting compliance requires long duration programs and wraparound services

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The scale of need

Waco, TX – 200th largest city in America

Workforce Opportunity Calculator

State

Texas

County

McLennan

Submit

| | Texas | McLennan |
|--|------------------|---------------|
| Number of Disadvantaged Entrepreneurs | 20,384 | 217 |
| Number of Businesses Surviving 1st Year | 16,232 | 173 |
| Jobs Awaiting Creation | 90,898 | 970 |
| Estimated Economic Impact Potential | \$ 2,272,460,720 | \$ 24,243,135 |
| Estimated Investment Needed to Support Entrepreneurs | \$ 122,304,626 | \$ 1,304,774 |

See your community at
<https://makestartups.com/policy>

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Our impact together

1. 200+ sustainable entrepreneur support organizations
2. 10,000 disadvantage entrepreneurs trained / year
3. \$50,000,000 in federal investments / year
4. \$100,000,000 in new commercial capital investments / year
5. 40,000 new jobs created / year

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Moderated Discussion with Audience Q&A

Contacts

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Questions?
