



Soap Box Time –

In this inaugural edition of the Northwest Region IEN Newsletter, I would like to talk about entrepreneurial development.

I am often asked to talk to communities and other groups seeking advice on entrepreneurial development. We discuss all aspects of the issue; but first I make certain that we are all on the same page. This is all about "rural entrepreneurial development". The client list for the NWREC contains hi-tech, low-tech and no-tech companies. It contains startup companies working out of their home or garage. At any given time, 25-30% of the clients are pre revenue startups. About 30% of those clients are "serial inventors" who often have more ideas than time or money to pursue them. Some of these ideas have world class potential with guidance and early stage financing. The remaining clients are growing companies with a few or a few hundred employees and have long ago (by entrepreneurial standards) figured it out. They know when to seek advice outside of their area of expertise and whom to contact when they have a new opportunity or challenge.

Some of these companies will fail for one or more reasons. Since 2004, less than 10% of our startup companies have shut down. There are two main reasons that these companies fail within the first few years: lack of a genuine "early funding" system and in a few cases, unwillingness to listen to sound business or technical advice.

The NWREC works with small business (entrepreneurial) clients and provides or facilitates whatever assistance they might need as their business unfolds.

The NWREC is the coordinating partner of the Illinois Entrepreneurship Network (IEN) in the 10-county Northwest Region of the state. We work primarily with those startup or existing small businesses that have a realistic potential of rapid and continuous growth and job creation. Illinois has a small business development system (IEN) to be proud of. When it was set up, one guiding premise was to avoid the duplication of services (hence turf battles and mission creep). It works! The various partners in the region and in special cases, across the state, share clients so that they get the benefit of the best expertise available. This modus operandi is real not just on paper. It is not uncommon for us to setup "innovation networking" meetings involving other IEN Partners, private consultants and other entrepreneurs to brainstorm a new idea, a new challenge to be faced or a new opportunity to be leveraged.

It is crucial that this effort continue and grow in Illinois. There will always be some entrepreneurs, like myself, who will start up a company with minimal assistance. But rural Illinois has a tremendous untapped talent pool with the ideas and the creativity to start and grow new business ventures.

The times of attracting companies that will provide lifetime employment and security are rapidly dwindling in most areas of the country and gone in some.