

Entrepreneurial Training for Small Farmers

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In 1997, Heart of Maine Resource Conservation & Development (RC&D) and the Center for Entrepreneurship and Small Business took the first step in creating an entrepreneurial culture by signing a Partnership Agreement with the Entrepreneurial Education Foundation of Denver, Colorado to provide FastTrac training in Maine. The FastTrac program is a tested, comprehensive business development program that equips entrepreneurs with the skills to develop and manage successful business ventures.

Through presentations, coalitions were built locally, regionally and statewide to support the training. There are now over 130 FastTrac coalition members.

The need to provide education and technical assistance to small businesses is particularly acute in rural, economically depressed areas of the state. It is often the small businesses that provide the bridge from welfare and poverty to self-sufficiency and prosperity. Many of these small business owners are reluctant to seek technical assistance or they are unaware that it is available to them. Consequently, it is crucial that educational efforts include intensive recruiting strategies in these rural areas.

To date, 12 FastTrac courses have been completed. The composition of classes has been quite varied which stimulates new ideas. Networking, quality instructors and integrity of the FastTrac training materials are some of the features that graduates cite as very valuable. Maine Governor Angus King, Jr. has said that the ten most important things that all small businesses should do is take FastTrac.

INTRODUCTION

Farmers and ranchers are challenged to find new ways to improve the bottom line if they are to remain an integral and productive part of the economies of rural communities. Many opportunities exist in small scale operations to develop value-added products, improve the marketing of niche products and develop other complimentary farm-based business. A pilot entrepreneurial training program, in Maine, aimed at

natural resource-based businesses, demonstrates that new jobs and ventures can emerge with adequate small business education.

BACKGROUND

In the last two years, the Heart of Maine Resource Conservation and Development (RC&D) and the Center for Entrepreneurship and Small Business at the University of Southern Maine have been providing FastTrac small business education to targeting rural Maine communities. They have also been creating local, regional and statewide coalitions to support Maine's emerging entrepreneurs. There are well over 500 Maine citizens who are participating in the FastTrac training or who are participating in the FastTrac coalitions.

WHAT IS FASTTRAC?

The Heart of Maine RC&D in partnership with the Center for Entrepreneurship and Small Business are supporting the educational needs of small businesses located in rural Maine through a nationally recognized business development program called FastTrac. FastTrac helps entrepreneurs and small business people acquire the skills needed to develop and manage successful business ventures. This innovative, two-phase training program is designed to:

- o provide entrepreneurs and small business people with the confidence to go forward with their ideas;
- o provide the basic skills to start and grow businesses;
- o develop the networking capability to strengthen these businesses;
- o open up financing to these businesses;
- o expose entrepreneurs and small business people to the expertise of the broader business community; and
- o create jobs either from new start-ups or by growing a business to a new level.

FastTrac New Ventures, tailored for start-up businesses,

is a 32 hour program which emphasizes identification of business opportunities, market research, launch strategies and the development of a feasibility plan. Participants completing the course will have developed a business feasibility plan. Fifty to Seventy five percent of FastTrac graduates launch a new business within one year of graduation. Up to an additional 20 percent launch a business within two years of graduation.

FastTrac Planning, designed for growing businesses, is a 45 hour program which focuses on planning, research and evaluation of strategic growth as well as the operational aspects of businesses. Participants completing the course will have completed a comprehensive business plan for their particular business. Ten to twenty five percent of graduates more that double their sales within one year. Forty to fifty percent of graduates more than double their sales within two years of graduation.

FastTrac New Venture and Planning both offer expert advice, networking opportunities with other small business operators and the collaborative learning process. The course is further supported through textbooks, workbooks and courseware.

TO TRAIN OR NOT TO TRAIN...

The U.S. Small Business Administration statistics show that only 40% of businesses are still open after 5 years. Conversely, FastTrac research has shown that after 31,000 students, 74% of its program graduates are still operating profitably after 6 years.

MAINE'S ULTIMATE ENTREPRENEURIAL TRAINING PROGRAM

The FastTrac program is more than a simple offering of a training program to the business community. This educational strategy is built upon broad-based involvement and cooperation among the business community; business organizations; financial institutions; and local, state and federal organizations. As such, the delivery of technical assistance via the FastTrac program requires careful and thorough coalition building prior to any classroom sessions.

The coalitions represent all aspects of the business community including local business leaders; small business advisory councils; economic development boards; and key organizations such as the Chamber of Commerce, Council of Governments and others. Coalitions promote the training in their local community and recruit participants; schedule training and locate a training site; and raise funds for scholarship .

Emphasis is placed on hiring experienced, successful entrepreneurs as instructors who are well known and

respected in the area. Instructors are ask to do much more than deliver a prepackaged FastTrac curriculum. They are expected to serve as mentors, role models and advisors to FastTrac participants. They are also expected to work with the coalition to identify business counselors, guest speakers and other community resources which will enhance the training. As administrators of FastTrac in Maine, the Heart of Maine RC&D and the Center for Entrepreneurship each have a designated service area but work jointly with communities in coalition building and things that build integrity for the statewide training program.

VISION OF THE PARTNERSHIP

The partnership is made up of three entities; the Heart of Maine RC&D, the Center for Entrepreneurship and a local entrepreneur. Together they firmly believe and work for the vision of "Vibrant, prosperous communities for the enrichment of all people". Prosperous communities are places where live, not just where they sleep! This successful partnership plays

off the strengths of each to create its synergy. The success of the FastTrac small business education program in Maine was highlighted by Governor Angus King Jr. at the 1999 Annual Small Business Conference when he said that the FastTrac training is one of the top ten things that all small businesses should do.

The training effort started in 1997 with the Heart of Maine RC&D piloting its first course in central Maine while the University of Southern Maine was doing the same in southern Maine. In 1998 the partnership was in full swing with plans to expand the training. With the successful completion of training at ten sites, the partnership once again expanded . The 1999-2000 plans offer the training in four more locations. The expansion also brought about the training of additional instructors which now numbers twenty, statewide. To date, twelve classes have been completed and 236 small businesses have completed the training.

INGREDIENTS OF SUCCESS

The characteristics of the Maine FastTrac program that creates success are:

- o Grassroots Coalition Building
- o Quality Instructors
- o Networking/Mentoring
- o Classes made up of diverse businesses
- o Quality Training Material
- o Evaluation

COSTS TO DELIVER THE TRAINING

The experiences of the partnership show that the cost to administer and deliver FastTrac New Venture is approximately \$10,000. Tuitions generated from participants is about \$4000. FastTrac Planning costs about \$14,000 with an income of \$6,600. Tuition income assumes a class of twelve in both cases. The tuition for FastTrac New Venture is \$349 and \$549 for FastTrac Planning. Differences between expenses and income in order to sustain the training program must come from communities, coalitions, larger classes or other support such as corporate sponsorship and/or grants.

WHAT FASTTRAC GRADUATES HAVE TO SAY

One graduate said: "I can't begin to tell you how helpful FastTrac has been. It was fast paced, no added useless fluff to take up my time, extremely well organized in easy to use steps".

Another said: "...as a matter of fact, the market was ready and we had to start building before the loan actually went through. The bank started advancing me money on the loan I would be getting. That's how much FastTrac pushed it along".

Another Graduate said: "From the first presentation, through the eleven weeks of classes and especially as time goes on, I realize the course has been nothing short of revolutionary for me!"

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