

Rural Business Incubators in Michigan: A Community Analysis of Montcalm and Ionia Counties

Michigan State University

Center for Community and Economic Development

EDA University Center for Regional Economic Innovation

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Introduction

This report examines the use of collaborative teaching and learning techniques in a classroom setting to analyze the development of a SWOT analysis and Feasibility Study of two rural counties in the state of Michigan, who are considering the development of a business incubator to spur economic development. This project was proposed by the West Michigan Regional Planning Commission (WMRPC) as an opportunity to develop recommendations for Montcalm and Ionia counties to spur economic development. The report will discuss the development of the project with WMRPC, explain the deliverables to the two communities under examination, and reflect on the importance of community based learning as a technique to prepare students for real-life work situations. Finally, this report will discuss the importance of a capstone experience within an undergraduate program of public administration.

Part one discusses student learning styles and their importance to integrating teaching techniques into student learning outcomes. In higher education, much attention has been given lately to providing a rationale for seeking a college degree, ranging from potential income gained over those with just a high school diploma (Cook, 2011; Doost, 1997; Associated Press, 2007), to the experiences gained from students in degree seeking programs across the country that are unique to the university environment (Bell, 2010; Boyles, 2012; "University of Phoenix; New Study Uncovers Skills and Education Necessary for Success in 21st Century Workforce," 2011). With the national unemployment rate hovering at 7%, down from 9% just two years ago, students enrolled in college face unique challenges to differentiate themselves for well-paying jobs upon graduation. Students within the state of Michigan, in particular, have unique challenges in the area as unemployment remains very high at 9% as of October 2013 (Statistics, 2013), thus providing experience in the classroom that allow for students to engage real-life, hands-on projects may be the difference in making them competitive in today's labor market.

Part two discusses project-based learning in the context of a capstone course offered at Grand Valley State University's program in public, nonprofit and health administration. This section will describe the program in public, nonprofit and health administrative at Grand Valley, provide information on student demographics, curriculum and describe the Community Analysis course in which the project with Montcalm and Ionia counties occurred. It will also detail the parameters of the assignment and will also explain the techniques used to compile the SWOT Analysis and Feasibility recommendations from student teams.

Part three will discuss the two communities under analysis, Montcalm and Ionia. First, this section will explain business incubators and their use as an economic development tool for communities around the county. Part three will also discuss the unique challenges rural communities face in implementing economic development programs and activities in recent years. This section will provide demographic, economic, and community data. It will also outline the findings from

the exploratory meeting with interested community leaders, data gathered from a roundtable discussion with business incubator managers in West and Mid-Michigan, and conclude with the findings from student groups to the West Michigan Regional Planning Commission in December of 2013.

Part four concludes with commentary on the efficacy of community-based learning techniques in a university setting, the benefits for communities in engaging with emerging student leaders to develop economic development programs, and concludes with suggestions for rural communities utilizing business incubation as a strategy to stimulate community engagement and economic health.

Part One: Student Learning Styles

The impetus for this project began as a response to the growing call from the media, school administrators, students and parents to update classroom activities to reflect the needs of the “new” economy of the 21st century. Higher education has traditionally utilized a variety of learning and teaching techniques to engage students. The most commonly referenced taxonomy for student learning comes from Dr. Benjamin Bloom (1956). Dr. Bloom was an educational psychologist developed this framework in order to promote a cohesive methodology for classifying statements of what educators can expect or intend students to learn as a result of instruction. Traditionally, teaching methodologies in higher education relied on rote learning (i.e., memorization and regurgitation of facts), Bloom instead identified three domains of education activities: cognitive, affective and psychomotor, all of which were integral to developing well rounded students who, upon graduating from institutions of higher learning, would be ready to engage in meaningful careers.

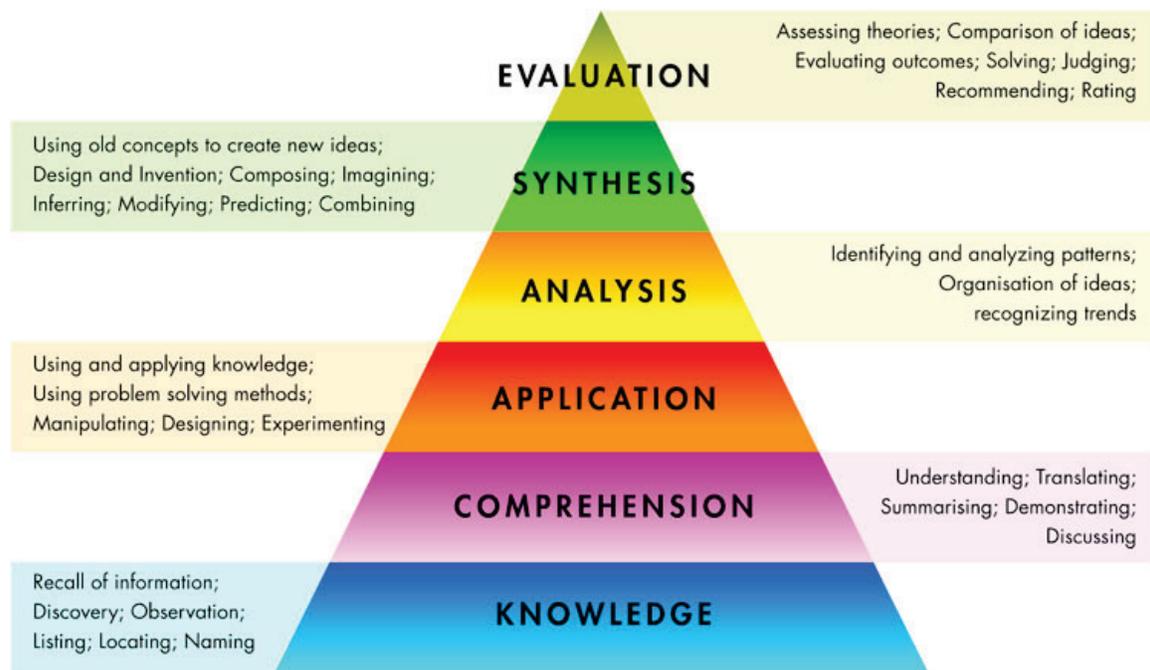
Bloom’s Taxonomy

The cognitive domain in the original taxonomy was structured around six key components: knowledge, comprehension, application, analysis, synthesis and evaluation. One of the most frequent uses of the taxonomy has been to classify curricular objectives and test items to show the breadth, or lack of breadth of knowledge gained by a student over the course of a class. Each level of the taxonomy as read from bottom to top indicates mastery of a particular subject, or concept taught. Instructors are assumed to be most effective when students show the ability to evaluate new information based on classroom teaching and integrate this information to make recommendations, rate the usefulness of options, and/or make suggestions about how something can be improved.

The affective domain in the original taxonomy involves the manner by which students respond to things emotionally. In college, it is assumed that classroom material that is controversial, of a sensitive nature, and challenging to preconceived notions of students is appropriate material to cover within the context of any subject. In this domain, focusing on values, motivations, attitudes and personal responsibility is the goal and teachers can identify whether students’ have achieved

this type of integration by observing group work, reading students' personal reflections on classroom activities, or observing commentary made within the context of classroom discussion.

B L O O M S T A X O N O M Y



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Finally, the psychomotor domain is concerned with the development of physical skills necessary to engage in learning. The psychomotor domain is usually the focus on early childhood education, although certain majors and/or minors at the collegiate level institute these types of techniques to teach students correct procedures for operating machinery, intake of patients in the medical fields, or in athletic training programs. In this particular project, only the cognitive and affective domains were the focus for student learning outcomes.

Bloom's taxonomy has undergone many updates in the intervening years (Anderson & Sosniak, 1994; Krathwohl, 2002) and has led to the development of several models that are utilized in the classroom when developing syllabi in higher education. Most recently, a focus on developing 21st century knowledge, skills and abilities (KSAs), attention to variations in learning styles (Felder & Silverman, 1988; Felder & Spurlin, 2005; Montgomery, 1998), personality types and multiple intelligences

¹ Adapted from: Alford, G., Herbert, P., & Frangenheim, E. (2006). Bloom's Taxonomy Overview. Innovative Teachers Companion, 176 – 224. ITC Publications.

(Campbell, Campbell, & Dickinson, 1996; Silver, Strong, & Perini, 1997) has all been brought under the umbrella of higher learning instruction in order to customize the student experience in the classroom. The underlying goals of instruction, however, remain fixed on producing students that are able to synthesize and evaluate new information, and apply this knowledge to tasks in the workforce upon graduation (Anderson, Krathwohl, & Bloom, 2001; Donald, 2002).

Inquiry-Based Learning and Project-Based Learning:

One of the more recent developments in higher education has focused on the use of inquiry-based and project-based learning throughout the undergraduate curriculum. Inquiry-based learning techniques were developed in the 1960s and are based in the constructivist learning theories of John Dewey and Jean Piaget. The constructivist theory of learning developed early in the 20th is a pedagogical perspective that believes learning is knowledge are best achieved by real life investigations of subjects (Dewey, 1905, 1961; Piaget, 1981). Professors using inquiry-based learning techniques will generally rely on a range of activities including: field work, case studies, investigations, group and or individual projects and implementing research projects into syllabi. These types of activities are generally student-led and the focus on allowing students to learn from experimentation, not being told what the “answer” is, and allowing, through trial and error to make their own inferences when completing work.

Project-based learning is an extension of inquiry-based learning techniques but instead of allowing students largely to direct their own learning through trial and error, the professor (instructor) instead acts as a collaborator and facilitator to learning. Utilizing the same activities as inquiry-based learning, the difference in project-based learning is that the genesis of teaching strategies comes from a “driving question” and turns the classroom into a pursuit by students to create solutions to nontrivial problems by “asking and refining questions, collective and analyzing data, drawing conclusions, communicating their ideas to others and creating artifacts” (Blumenfeld et al., 1991). Thus project-based and inquiry-based learning are structured around the following aspects:

- Open-ended challenges or driving questions
- Requires inquiry to learn and/or create something new
- Requires critical thinking, collaborative behaviors, and problem solving
- Allow a degree of student freedom and choice
- Incorporates revision and feedback
- And, should result in publicly presented products (i.e., presentations, performances, discussions, etc.)

Students are challenged to use any relevant materials at their disposal to create final products and the instructor’s role is to keep students on task throughout the learning process and providing feedback and guidance when necessary. This type of learning technique is particularly well suited for college students, but has been used

extensively throughout all facets of education from kindergarten through graduate school in the United States. The most important aspect of these pedagogies is that they are not to be used as supplements to syllabus development, but rather the basis of the curriculum.

Part Two: The Learning Environment

Before delving into the project and results of the study, some background on Grand Valley State University (GVSU), its students and the academic program where this project was housed is needed.

Grand Valley State University was chartered in 1960 by the Michigan legislature. At the time, all of the major universities (University of Michigan, Wayne State and Michigan State University) were located on the east side of state. Grand Rapids was at that time and remains the state's second largest metropolitan area after Detroit. Prior to being recognized as a university by the state legislature, Grand Valley was Currently, GVSU is a public university and has over 24,000 students (undergraduate and graduate) enrolled from over 82 countries. It is accredited through the Higher Learning Commission and has been ranked consistently as a "Best Buy" by the nation's leading publications by Forbes Magazine, U.S. News and World Report, The Princeton Review, among many others (Grand Valley State University Institutional Marketing Materials, 2013).

The main campus is located in Allendale, with additional campus locations in downtown Grand Rapids, Muskegon, Detroit, Traverse City, and Holland. Within the university, there are over 200 areas of study offered. The university grants Bachelors, Masters, graduate certificates as well as some doctoral degrees. There are eight divisions within the university. They include: the Seidman College of Business, the College of Education, the College of Liberal Arts and Science, the Padnos College of Engineering and Computing, the College of Health Professions, the Kirkhof College of Nursing, the Brooks College of Interdisciplinary Studies, and the College of Community and Public Service. GVSU is also home to the Frederik Meijer Honors College, which, although not a degree granting program, offers a more rigorous track of study for undergraduate students. The university also has a partnership with the Michigan State University College of Medicine and is well known for its green campus initiatives, student athletics and study abroad programs (GVSU Historical Timeline, 2013).

Public, Nonprofit and Health Administration Program at Grand Valley State University

The College of Community and Public Service (CCPS) was established in 2004 when the Provost, Gayle Davis, spearheaded a reorganization of the university's professional programs. CCPS is one of the three largest schools within the university and houses programs of Social Work, Hospitality and Tourism Management, Criminal Justice, and Public, Nonprofit and Health Administration (SPNHA). It offers over 20 undergraduate degrees and 4 masters degree programs.

The School of Public Service, the predecessor of the current iteration of the program today, was established in 1972 and has remained a strong unit within the university's architecture, providing leadership to cities, counties, and state agencies as well as to nonprofit and health organizations since its inception. For majors in the undergraduate program students have choice amongst six specializations that allow them to develop specialized skills for future employment.

The school, which is accredited by NASPAA and, was recently ranked on the top 25 schools for nonprofit administration by U.S. News and World Report in 2012 has a curriculum that emphasizes general public and nonprofit administration skills, but allows flexibility to develop specialized skills for students throughout their undergraduate career at the university. Of the core courses, all students are required to take Community Analysis in their senior year. This course acts as a capstone experience for students and generally involves hands-on community-based learning projects as a major component for the course.

Community Analysis: A Capstone Course in Public Administration

Community Analysis (PA 495), is a senior level course that all public, nonprofit and health administration students are required to take regardless of whether they are majoring or minoring in the subject at GVSU. The course catalog reads:

“This course teaches Basic analytical concepts, including group dynamic skills, housing and land use surveys, historic district analysis, and neighborhood identification. Offered every semester. Prerequisite: Senior standing. (GVSU 2013-2014 Undergraduate and Graduate Catalog”

The course description is fairly basic, however, with the expertise in our department, professors with specialized knowledge in urban studies, urban health care and nonprofit management tend to focus the subject matter taught in this course towards economic and community development activities within the Grand Rapids area. Within my syllabus, students are taught about urban design and contemporary urban planning (Fincher & Jacobs, 1998; Jacobs, 1985) as it relates to community cohesiveness, economic development strategies of communities (Koven & Lyons, 2010; Levy, 2011), how local leaders can capitalize on developing the new economy and workforce of the 21st century (i.e., the Creative Class concept as discussed by Richard Florida (Florida, 2005, 2009), as well as honing research skills using census, historical and legislative data of communities. The course also requires students to write extensively, discuss their observations on a variety of topics and present about communities in the state as well as across the country.

In each course, I have implemented a series of group-based projects, which allow for students to generate new knowledge of communities in the state and produce presentations to inform the other students in the class of their findings. This semester paired the class with a focus group made up of community leaders in Ionia and Montcalm counties who were interested in developing a business incubator.

Business incubation as a community strategy to spur economic development has not covered in previous classes but is fast becoming a strategy of economic and community development across the state. When presented to opportunity to have students work with a community group in the planning stages for this type of development, Community Analysis seemed a perfect fit for the project.

The project itself required students to do three things over the course of the semester:

1. Research and develop a literature review of the history of business incubation in the United States,
2. Identify examples of business incubators across the state and/or surrounding states that would be successful in Montcalm and Ionia counties based on their socioeconomic and location factors
3. Develop a small business proposal and feasibility study to present to the workgroup by the end of the semester.

A partnership with the West Michigan Regional Planning Commission (WMRPC) proved a valuable resource in approaching this project. In addition to identifying a manageable project for the students in the course, the WMRPC also provided meeting space, census data, maps and technical expertise throughout the semester. The WMRPC, also known as Region 8, is one of Michigan's 14 regional planning organizations. The WMRPC was organized in 1973 under Michigan's Regional Planning Act (P.A. 281 of 1945, as amended). The WMRPC serves communities in Allegan, Ionia, Kent, Mecosta, Montcalm, Osceola, and Ottawa Counties.

The primary focus areas of the WMRPC include Transportation Planning, Economic and Community Development, Land Use Planning, Data Compilation/Analysis, and promoting cooperation among communities.

The WMRPC is available to assist communities with their planning and community development requirements. Available resources include U.S. Census and other demographic information, mapping capabilities, facilitation skills, plan preparation (land use, master, recreation, etc.), identifying funding resources, planning literature, and many other resources specific to Region 8's communities (West Michigan Regional Planning Commission: About Us, 2012).

Under the direction of Dave Bee, the WMRPC coordinates a series of surveys and studies for the counties listed above. Currently, the WMRPC is involved in assisting communities in updating their respective Comprehensive Economic Development Strategy (CEDS) for the upcoming year, developing a map of bicycle facilities available through the region with the cooperation of MDOT, and working closely with the Economic Development Administration to identify funding opportunities for county economic development projects.

The WMRPC is formally organized as a 501c3 nonprofit organization with three full-time employees. A governing board, made up of at least one, or up to three,

representative from each member unit of government, serves the organization. The board meets several times per year to discuss the direction of the area, identify community or economic strategies that should be pursued by the organization as well as hosts speakers for the benefit of members. Montcalm and Ionia counties had expressed an interest in capitalizing on grants funding being provided by the state and federal governments to develop a business incubator project and turned to the WMRPC for help.

Part Three: Rural Business Incubators as Economic Development

Business incubators are typically described as an organization designed to accelerate the growth and success of local businesses in a community. Incubators can be virtual (i.e., no physical space) or be organized much like a small business development center. Business incubators have a variety of programs offered to startup businesses in an area ranging from how to find financing, classes on business taxes and licensing for small business, marketing assistance, to mentoring programs for new business owners.

An incubator manager, who manages the facility as well as the intake of small business applicants from the community, cultivates the business incubator. He or she is directly responsible for finding clients, finding capital, managing programs and administrative functions along with marketing and managing public relations throughout the community. Incubators and their managers often provide to those businesses they foster links with existing industries, access to potential private investors, strategic partners, business support services, financial resources, and initial marketing expenses.

Aside from finding space that is large enough to house several small businesses within it, incubators must also decide what their funding structure will be. Incubators can be incorporated as non-profits, for-profit incubators, public authorities, or a hybrid of some sort. Non-profit incubators receive their funding through donations, government support, and grants, whereas for-profits will not be eligible for funding from government entities. All incubators institute fee structure for incoming businesses. These fees cover facility costs like electric, water, telephony and shared conference space, as well as paying the salaries of the facility manager and associated staff. Regardless of business arrangement, a board of directors who are responsible for creating bylaws, intake requirements, developing incubator management policy and evaluating and hiring the incubator manager is integral for all incubators.

The board of directors plays a key role in business incubators. Non-profit business incubators have boards of directors who help them to make sure that they are meeting the needs of their clients and reaching their goals as an incubator. Boards can be many sizes; some incubators have an advisory board and a board or

directors. It is important that prior to allowing someone to be on the board, the incubators leaders decide what qualities they would like their board members to have. Most incubators find it very helpful to have a well-rounded board with individuals with different backgrounds of expertise and networks of people they can tap into for funding and marketing exposure. Another necessity is having people who serve that come from the community at large and represent a broad base of social capital, business expertise and enthusiasm for the incubator.

Business Incubators as an Economic Development Strategy:

If done well, businesses who are incubated stay in business longer in the communities who have them (84% retained in community and 87% in business longer than five years), and for communities who develop business incubator programs, they enjoy a much higher return on their investment as \$1 of public investment in business incubator development equals \$30 in local tax revenue as reported by the National Business Incubation Association (Knopp, 2012).

There are five main types of incubator programs found in the United States: technology, specialty or service incubators, manufacturing, and mixed-use. Some incubators serve niche markets such as tourism companies, arts and crafts businesses or fashion. About 53% percent of North American incubators are located in urban or suburban areas and 28% are located in rural areas (Knopp, 2012).

The clients companies who pay for specialized services generate most incubator income. Some income agreements include discounted rent for office space, proportioned utility costs, or program fees. Incubators that are incorporated as public entities can receive cash operating subsidies, contracts or grants to operate on a year-to-year basis. After a pre-determined period of time (on average five years), the companies in the incubator are graduated and the process begins again with the manager seeking out potential new businesses to go through the program and the cycle begins again. Incubated programs are encouraged to stay local and provide their knowledge to new companies joining the incubator. Thus capital and the workforce remain local throughout the entire process.

Rural Business Incubators

Rural incubators face special problems ranging from finding accessible land, issues of marketing reach, low education levels amongst residence, resistance to change and mismatched economic and community goals to name a few ("Interorganizational Challenges in the Design and Management of Business Incubators," 1991; Weinberg, 1988). There are four factors which influence new firm formation, availability of start up capital, entrepreneurial climate, information networks, and innovation. Unfortunately, rural America possess some but not all of the factors that foster high rates of business growth. This is also coupled with distinct shortages in other areas such as finding a community champion for the project or a competent incubator manager. While many rural communities face certain disadvantages in incubator development, including a limited entrepreneurial pool, availability of public and private capital, and public and private infrastructure,

incubators can be an important component of a local strategy for new firm formation.

Montcalm and Ionia County: A Case

Both Montcalm and Ionia counties are rural counties located in West Michigan. Montcalm is home to many lakes and small, unincorporated communities. The county seat is Stanton. Montcalm is bounded by Mecosta County to the north, Kent County, home of Grand Rapids to the west and Ionia to the south and Gratiot County to the east. Ionia County is surrounded by Clinton (to the east), Eaton (to the southeast) and Kent counties (to the west).

Montcalm has a total population of less than 64,000 residents. 14% of the population is 65 or older and the median income is \$18,775. It is a very large county, spanning over 720 square miles and its economic is based largely in manufacturing, agriculture and public services (state and county jails).

Ionia has a total population of about 65,000 residents. It is smaller than Montcalm at 580 square miles. Unlike Montcalm, the population is more evenly distributed with only 11% of the population over 65 (compared to the Michigan average of 13%). The economy of the county is largely focused in manufacturing, agriculture, retail trades, and education. Both counties enjoy the benefits of being in close proximity to Lansing, Michigan's capital and Grand Rapids, however both counties experience a lot of outmigration for workers employed outside county lines. Additionally, both counties suffer from low rates of college graduates and an anemic economy as both locations have seen several manufacturing and industrial firms leave in recent years (Ionia and Montcalm Community Profiles, WMRPC 2012).

Roundtable Discussion

The project began with a roundtable discussion at the WMRPC offices in September. Members from the Montcalm Alliance, the county's economic development team, the Right Place, Montcalm Community College, Ionia County Economic Alliance and Small Business Technology and Development Center in Greenville were in attendance. The students were prepped to be active listeners during this meeting, taking notes on the various needs, strengths, weaknesses, opportunities and strengths of the potential project. Several themes emerged from this meeting:

1. Strengths: the entrepreneurial spirit is high. Montcalm County is the home of several notable entrepreneurs, including Fred Meijer, founder of Meijer's supermarkets. Additionally, both counties have well developed agricultural business sectors.
2. Weaknesses: The lack of college graduates residing within each county, coupled with an aging workforce.
3. Opportunities: diversification of the economy is critical, land for developing an incubator site is plentiful, and the central location of the community college provides an opportunity to garner clients as well as connect to individuals with business skills needed for incubator programs.

4. Weakness: the major weakness that surfaced from the meeting was a lack of understanding of incubators as a concept. Also no community champion was identified to spearhead the project.

After this meeting the students' compiled literature on business incubators, their history, the organization, their success and best practices and collated this information into a document to be used as a resource for the final presentations. The class had a few guest speakers throughout the semester to fully flesh out the pros and cons of business incubators as an economic development option. Additionally, the class brought in several experts in business incubation throughout the state for participant interviews.

Sandra Cochrane, Business Consultant at the Small Business Technology and Development Center (MI-SBTDC) located at Grand Valley State University provided a wealth of information to the class. She presented a myriad of information during a class period ranging from the economic benefits of business incubation, to the development of feasibility studies, a critical component and necessary step prior to building an incubator whether virtual or physical. Additionally, Ms. Cochrane discussed the importance of facility management, business candidate identification and tenant eligibility, and community engagement as important topics to be considered throughout the business planning stages.

Participant Interviews

The class also heard from four experts in business incubation within the state. Thomas Stewart, CEO and founder of Common Wealth Enterprises (www.comwent.com); Madelyn Pinder, business services manager of the Southwest Michigan Innovation Center (SWIC, www.kazoosmic.com/index.php); Joseph Graczyk, incubator manager for the Michigan Alternative and Renewal Energy Center (MAREC, www.gvsu.edu/marec/), and Jeanne Ferro of the Michigan Small Business Technology and Development Center shared their experiences in managing, developing and cultivating successful incubator programs within the state. From this class period students learned a variety of things that were incorporated into their final projects, including:

1. Technology incubators such as MAREC and SWIC take tremendous amounts of physical space to support; therefore in developing a business incubator focused on new technologies and or drug development (as is the case for SWIC), startup and facility costs should be a critical consideration before moving forward.
2. Mixed-use incubators such as Common Wealth Enterprises reported that space, more specifically, starting small and growing is an integral part for developing a successful incubator. Finding qualified tenants takes times, therefore building out a space for 20 client companies (i.e., 8,000-20,000 square feet) may not be financially feasible in the beginning.
3. Finally, all participants mentioned the importance of mentoring and client/tenant company evaluation on a regular basis. This responsibility is a necessary part in not only determining when a company is ready to graduate

out of the incubator but also is important to identifying companies within the incubator who are stagnating.

Presentations and Findings

During the last class meeting of the semester the student groups presented their feasibility studies and SWOT analysis and recommendations to the workgroup (two of the four reports are included in the appendix as reference). The suggestions for potential business incubator projects ranged from a student entrepreneur incubator, modeled after The Hatch on Michigan State Universities' campus (<http://innovation.msu.edu/about.html>), to a kitchen incubator, were presented. The workgroup was very receptive to the suggestions and the MI-SBTDC center housed at Montcalm Community College has taken initial steps to act as a workforce development partner for whichever business incubator project is chosen by the voting members. In January of 2014, the student reports will be forwarded to the groups involved for further consideration. The WMRPC will continue in their advisory capacity to provide the necessary access to resources as the workgroup need it.

Next steps to business incubator development include: finding a community champion, identifying a feasible incubator program to develop, working with a business consultant to conduct a full-scale feasibility study, site identification and develop, hiring an facility manager, and opening the doors to the public. Generally after feasibility studies are completed and a location is identified, business incubators can begin operations in 12-18 months.

Part Four: Conclusions

Overall, this project was successful. The clients were satisfied with the final product; the student learning was evident based on feedback gathered after the course was finished. Additionally, this project upon completion seemed to be an appropriate addition to a course focused on Community Analysis. Finally, as a rural economic development strategy, business incubators have been shown to be a complement to communities wishing to diversify and strengthen the local economic base. Time will tell whether the recommendations from students will see fruition, but the exchange of knowledge between the students and community leaders was rewarding.

Inquiry-Based and Project-Based Learning Redux

As mentioned previously, inquiry and project based learning strategies require the professor, or teacher to take a backseat to the learning process. Instead of guiding students through lectures, rote memorization, testing or discussion, this type of learning process is student-led. Feedback from students was overwhelming positive for this project although students cognizant of the effort taken to complete such a large-scale project with little to no exposure to business incubators prior to the course. As students leave to take positions in communities across the country, this course acts as a bridge from lower-level learning to hands-on experiential learning

that will be useful in future career paths. Some examples from the self-assessments written by students upon completion of the project include:

“The rural incubator project was the largest project that we have done this semester. I required a significant amount of research, thought, and insight. I was responsible for the SWOT analysis for our incubator proposal as well as the write up for one of the incubator examples. I really enjoyed learning from all of the guest speakers; they provided more useful information than any of my classes at Grand Valley.

I did not think that I had enough knowledge and experience to perform a project like this and the entire proposal was very intimidating. The previous projects that we did throughout the semester really provided essential stepping-stones for this final project. I liked all the real world experience that I gained from it.”

“Through writing and researching information on the Rural Economic Incubator Paper, I was able to learn things I had never heard about before. A business incubator is a completely new concept for me so it was very interesting being able to see how my small idea of what a business incubator entailed was completely wrong. I thought a business incubator was probably just a space where entrepreneurs went to formulate their ideas, be heard, and maybe take classes. I was surprised when I found out the complex process that a business incubator really entails and how much it can actually help a community with startup businesses. I think with this knowledge I may be able to use it in the future by possibly implementing one in a community in need.”

“This was by far my least favorite project of the semester. I absolutely loved learning about incubators, however the project itself was not my cup of tea. What made the project so difficult was spending a majority of the semester learning about what exactly an incubator is and then have a week –maybe two to actually research and write the paper. The panel that came in was EXTREMELY helpful!! Another issue faced was that no one had a clear understanding of what the project was until the end. I feel like we spent 4 weeks extremely worried about the project and having absolutely no idea how to find all the information-which wasted a lot of time. However once the guidelines were clearer and the panel came, the project got a lot easier!”

Future Implications for Communities

As a strategy for community seeking to start a business incubator, involving outside actors such as the local university, its students and its faculty is highly recommended. Michigan is home to some of the best public administration programs in the country, but this type of project could be used in any course on economic development, public policy, community development, urban studies or urban economics. This type of project could also be adapted for graduate level

students and could be connected very easily to a feasibility study which would involve interviewing potential community partners and identifying space suitable for whichever incubator is chosen to developing client contracts prior to the incubator opening.

The project outlined here is also free to communities. Unlike feasibility studies that can cost into the tens of thousands of dollars, this type of project allows for community groups to identify weakness or threats to developing an incubator. It also allows for communities to identify business incubator ideas that may not have been chosen by members of the community group. Students provide an outside perspective that long-time residents do not have. Additionally, because their position on the success or failure of the venture is neutral, communities can be satisfied knowing that the information present is largely unbiased. Finally, this kind of project can also act as a catalyst to broadening the reach of community and economic development activities. Even if Montcalm and Ionia Counties do not go forward in implementing a business incubator, they now have the resources available to recommend other incubator programs to members of their chamber of commerce and other business associations within their locales.

Appendix: Final Student Project Submissions

Student submissions have been reprinted with permission. All identifying information has been removed.

Group One

Section One: Review of Economic Incubators

Business incubators are formed around the country to help aspiring entrepreneurs and startup companies organize to be sustainable on their own. An incubator is a program designed to increase the successful development of entrepreneurial companies. They often provide support resources and services as well as a network of contacts to help their business flourish. Entrepreneurs are drawn to incubators because of the management training, technical assistance, and guidance they can provide to help their company grow. An incubator's main goal is to produce successful clients who will leave the incubator financially stable and able to expand their company on their own. Often incubators are successful because there is a market for a certain expertise in an area.

Creating an incubator requires resources and groundwork before they can be successful or begin taking on clients. Typically successful incubators have a small staff of experienced individuals who are passionate about the idea. Before creating an incubator, communities perform feasibility studies and market assessments to test the viability of their idea and find out what kind of market individuals in the community would be interested in supporting. Feasibility studies help give focus to the project and identify reasons why an incubator will or will not succeed. These studies can take time and money to gather the proper resources but they are a valuable business investment.

After the incubators team has conducted a feasibility study and are confident that their idea will succeed, they have to make important business decisions. First, they must market their new business incubator by spreading the word in the community, in the press, and on social media. They must decide whether or not the incubator needs a building to work out of or if their services will be available online. This is an important first decision because not all incubators require a physical space so it is important to determine if there is a need. If a building is necessary it is important that leaders choose an appropriate sized space for what their clients will be doing inside the building. If clients will need work spaces or offices it must be large enough to house multiple clients needs. Experts recommend incubators not to choose abandoned buildings because if no one has had a desire to purchase the space there must be a reason and the cost of repair and upkeep is usually more than incubators can afford.

Incubators must also decide what their funding structure will be; there are non-profit incubators and for-profit incubators. Non-profit incubators receive their funding through donations, government support, and grants. Whereas for-profit's do not get funding from government entities and must charge their clients for the various services they will provide. Deciding which type of incubator to create is an important step in the process and will help to create a board of directors.

Board of directors play a key role in business incubators. Non-profit business incubators have boards of directors who help them to make sure that they are meeting the needs of their clients and reaching their goals as an incubator. Boards can be many sizes; some incubators have an advisory board and a board of directors. It is important that prior to allowing someone to be on the board, the incubators leaders decide what qualities they would like their board members to have. It is very helpful to have a well-rounded board with individuals with different backgrounds of expertise and networks of people they can tap into for funding and marketing exposure. The number of board members varies on the size of the incubator and the available members in the community, which is why it is important to do a county overview, discussed below.

Section Two: County Overview

The West Michigan economy website has information pertaining to population, demographics, education, and industry. The county information collected is known as the CSA (Combined Statistical Area) that is called Grand Rapids-Wyoming-Muskegon area (The Right Place, 2013). The counties included in the CSA are Allegan, Barry, Ionia, Kent, Ottawa, Mecosta, Montcalm, and Muskegon (The Right Place, 2013). Therefore, the total population in 2010 for the CAS was 1,393,000 people (The Right Place, 2013). The most populated age group is from 0 to 19 and the least populated is 80+ (The Right Place, 2013).

The exact population of Montcalm County in 2010 was 61,266 that covers six villages and 20 townships (WMRPC, 2013). Montcalm is known as a rural and farming community. However, they have other attractions other than farming. For example, they have retail stores in Greenville, resorts around their lakes, game areas, and golf courses (WMRPC, 2013).

Ionia is much like Montcalm County in that it is also a rural community. Ionia was formed in 1831 with a history in multi-generational farming, which the county attempts to preserve as its reputation (WMRPC, 2013). The population of Ionia County in 2010 was 63,905 within 16 townships (WMRPC, 2013). Much like Montcalm, Ionia is known for agriculture but also outdoor activities such as parks, fishing, and fairs (WMRPC, 2013).

Population isn't the only important factor of analyzing a county. Another important factor is educational attainment. In 2010, the highest level of educational attainment was a high school diploma at 32.2% (The Right place, 2013). Those with graduate degrees and those who have attained 9th-12th grade are tied at 8% (The Right place, 2013). The CSA also found information on the top ten degrees by field. The top three are business management health profession, and education (The Right Place, 2013). The major employers of an area is another factor in analyzing a space. For Montcalm County, the major employers are the Michigan Department of Corrections, Meijer Inc., hospitals, and public schools (WMRPC, 2013).

Section Three: SWOT Analysis

A SWOT analysis displays the Strengths, Weaknesses, Opportunities, and Threats of a given project. For a better understanding of incubators, we will begin

with a SWOT analysis of incubators in general. Finally, we will tie in how WMRPC's economic development strategy fits into creating an incubator.

The first step in a SWOT analysis is the strengths of the project. What are the strengths of creating an economic incubator? The most important strength of an incubator is that they are creative and inventive. Creating new ideas helps communities continue to grow and thrive over time. Another strength is that the entire process is up to the creator of the incubator. For example, if the owner decides they are only going to be open three times a week, they can. Also, they can decide if they want to use a building or not. The last important strength is that it is cost efficient for the owner.

The second step in a SWOT analysis is the weaknesses of the subject. A big weakness of incubators is that the start-up costs are expensive. Another weakness is finding people to network with and support your mission. If an incubator idea is hard for the community to grasp, then it will be difficult to find people and businesses to support you. A major weakness is that the success rate for incubators is low. Lastly, another major weakness is finding and maintaining sustainable funding sources.

The third step in a SWOT analysis is looking at the opportunities the subject can bring. For the community, a major opportunity of creating an incubator is creating a new market. Incubators are meant to be inventive and create new ideas. Therefore, the economic incubator within a community shouldn't be close to an already existing market. A second opportunity is that once people graduate from the incubator, they will be able to bring new expertise to certain fields. A third opportunity is that incubators are able to connect with an already existing community. An incubator is able to step into the community scene, build relationships, network, and find a niche. Lastly, and most important, incubators give the community an opportunity to make money and contribute to the economic activity.

The final step in a SWOT analysis is looking at the possible threats in the proposed subject. A major threat to incubators are that since they are limited on resources in the beginning, their marketing strategy will suffer. Marketing an incubator is important for the community to understand what the incubator is attempting to do. A second threat is that if people are not interested in what the incubator is offering, it will surely fail. Lastly, the biggest threat to incubators is having clients who take advantage of the incubator and cheap rent. The threat is that these clients will continue to use the cheap space for longer than necessary and will never graduate.

As we finished the SWOT analysis of incubators, how well does this idea fit into what Montcalm and Ionia Counties are needing/wanting? The West Michigan Regional Planning Commission has created an economic development plan for 2012. A sum of their goals and objectives is that they want to start new initiatives, build relationships with other cities, and recognize existing strengths and expand on them. An incubator would work best for their goals because it allows them to be creative, create new relationships with other businesses and communities, and can expand on their existing strengths (farming if chosen as the incubator).

Every incubator has its own specific strengths and weaknesses. It is beneficial to study successful incubators to learn what they are doing well and what mistakes they have made. In the next section we will review and explain two successful farming incubators. Both incubators are made from different models and have been successful for different reasons.

Section Four: Incubator Models

A lot can be learned by observing successful incubator projects. Below we will examine MAREC an incubator in Muskegon, Michigan and Viva Farms an incubator in Skagit Valley, California. Both incubators have been successful in their areas for teaching and graduating their clients.

MAREC is an incubator in Muskegon, Michigan that aims to recruit alternative and renewable energy entrepreneurs and business start-ups that are developing products and services. MAREC provides 4,000-square-feet of space for start-up enterprises, providing knowledge and support resources and an environment that supports business development. MAREC is partnered with Grand Valley State University, which allows them to use their facility for research and incubation.

A strength of this partnership is that it provides a network with existing renewable energy organizations. A weakness of this incubator would be that it was established because the funding was there and available. Now that it has been open for almost 10 years they are finding it more difficult to obtain funding. Opportunities are that the board of directors is a governance and advisory board. It is made up of 9 people throughout the city and the community. This means that there is an opportunity for additional funding because of the connections that the board has with the community. Threats are that MAREC is a very specific incubator that is only aimed at alternative and renewable energy. This is a threat because they may have had enough people for start-up but there is not a great interest in the renewable energy. Funding may start to decrease and stakeholders may become uninterested if they realize that the incubator is unsuccessful at creating businesses in the community. So far MAREC has successfully created 2 businesses. For more information on MAREC please visit <http://www.gvsu.edu/marec/>.

Another successful incubator is called Viva Farms, which is located in Skagit Valley, California. The region's farms and farmers have begun to vanish so the demand for fresh, local food has increased. Customers pay upfront to receive weekly produce boxes throughout the season. The local/sustainable food movement has recruited immigrants with agricultural experience and young people from non-farming backgrounds to pursue careers in farming. The program began in June 2009 to provide new farmers affordable access to education, training, technical assistance, capital and credit, land, and markets.

This incubator is a starting point to transition individuals into farm ownership and secure long-term tenure. Once farmers establish agricultural enterprises, Viva farms will help them relocate to new land and continue

growing their operation. Their clients will need enough money to acquire land, equipment, seeds, livestock, and other farm inputs. The goal of the loan fund is to provide affordable start-up and growth capital to new farmers.

Strengths are that they have their own land and farm equipment they use to teach individuals in the community how to farm. One of their weaknesses is difficulty of graduation. It may be difficult for their clients to raise enough money to purchase their own land and equipment to be successful on their own. An opportunity is that they can recruit students to become part of their program because they are interested in a career in farming and just need help getting started. The area that this incubator is located in has a lot of farmers retiring which makes room for new farmers to purchase land and take over the market. A threat is that they have to find individuals in the community who are interested in farming to utilize their program. If they cannot find individuals who are interested there incubator is unnecessary to the community.

Looking at these incubators is relevant to our proposal for Montcalm and Ionia because MAREC is connected with the local college, Grand Valley State University and Viva Farms is an example of a farming incubator, which we think would be a good fit for your area. In the next section we will describe our incubator proposal for Montcalm and Ionia.

Section Five: Incubator Proposal

Based on the research that we have conducted and the information we were given about Montcalm and Ionia County we have concluded that the best incubator for your area would be a farm management incubator. Our idea for a farm management incubator would be that young individuals or students from surrounding colleges, such as Michigan State University, could utilize the incubator to pursue their dreams of becoming a farmer or managing a farm. The incubator will teach people how to operate a farm from behind the scenes and how to perform the hands on tasks that farming requires.

Some of the farm management techniques we will teach are business planning, finding “the right” land, managing employees, recordkeeping, adhering to regulations, insuring crops, and marketing and product sales. The hands-on techniques that the incubator will teach will be more basic than the management side of things. Some of the topics covered are managing a diversified organic vegetable farm, tractor safety, and the use of specialized vegetable production equipment.

Strengths, Weaknesses, Opportunities and Threats

Having a farming incubator would be beneficial because the target market is there. Montcalm is the number one producer of vegetables in Michigan and Ionia is number four in livestock sales according to the Department of Agriculture in 2009. This population is a strength for a farming incubator because there are a lot of people in the counties who are passionate and willing to teach what they know. The area also has a good connection with Montcalm Community College where they

could implement internship programs and recruit students. Another strength of a farming incubator would be that the land is already available for use because of unsuccessful farm or existing farms.

There would be great opportunities for a farming incubator in this area because of Michigan State University close by. MSU is a huge agriculture school and they even offer an agribusiness management degree. Having a connection with MSU will help to bring additional students into the area also creates a new generation of farmers. There are also certain threats that a farming incubator could face. Since the area already has many successful farms that could mean that there is no more interest from other individuals in the community. A major threat is that the incubator would run out of clients or not have enough clients to make a profit.

In order for a farming incubator to be successful in this area there needs to be a strong, passionate leader that has a background with farming. Based on our meeting with the members interested in being involved with this process we found that a passionate leader was lacking. Another weakness would be finding employees and a board of directors that is as passionate and knowledgeable as the leader or founder. Maintaining farm equipment is also something to take into consideration because it can be very costly.

Next Steps

Before making any decisions on what type of incubator would be best, a feasibility study would need to be conducted. The four main components of a feasibility study are fact finding and orientation, preparing a preliminary plan, facilities and services, and finances and preparation for implementation. The importance of a feasibility plan is that it can gain support from potential stakeholders, creative ways to overcome obstacles can be explored and identified, a comprehensive plan include a facilities plan and a service program business plan which are both important tools for operation and lastly, most funders will require a study.

In order to start the incubator it is also important to think about staffing. How many employees, what kind of staff and full time or part time employees all need to be taken into consideration. The incubator will need to have a manager, clerical/switchboard staff, and depending on the size of the incubator, general staff to help things run smoothly. The main thing to pay attention to is that your incubator manager does not try and take on too much responsibility. It is important that the manager can balance their time between both managing the property and giving the clients necessary attention. Some major tasks of the manager are financial management, program management, administrative tasks, facility management, and marketing and public relations. It is not extremely to hire staff right away. Tenant recruiting should occur first, at least 4-9 months before the lease is scheduled to start. A part-time manager should be found around the same time. The clerical staff should be found the same day that the first tenant signs.

The board of directors is also an important aspect to consider. Some recommendations for structuring the board is to exclude incubator clients from being board members, have the board act as a whole and make attendance of board meetings a requirement. The board should be between 7 and 9 people and should be from many different aspects of the community. The board should also be involved in the creation of the mission statement so that they are all on the same page and involved.

Programs are based on the type of incubator that is decided. For a farming incubator some of the programs that should be offered are listed above. In addition to the farm management and hands on techniques that we will offer the incubator should also offer various services such as clerical support, fax and copier usage, and a conference room. These services should be available for little or no fee.

Group Two

Introduction

Business incubators are an economic development tool designed to accelerate the development and success of entrepreneurial startups in order to spur economic growth in a community. This type of program is effective in supporting new or existing small businesses with resources, services, and networking opportunities that are provided by an incubation management program. Successful incubation programs will lead to the integration of small businesses into the community at large, investing and circulating more money into the local economy as well as relevant markets that characterize the region. This paper will take a closer look at the function of business incubators as well as existing models and their best practices, and will explore the possibility of implementing a business incubation program into Montcalm and Ionia Counties by looking at the existing markets opportunities for the region and assessing the strengths and weakness of business incubators themselves.

Section I: Review on Economic Incubators

Business incubators are described as an organization designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections. The structure of incubators often provide to those businesses they foster links with existing industries, access to potential private investors, strategic partners, business support services, financial resources, and initial marketing expenses. This new trend in entrepreneur creation projects is founded and driven on the desire to support startup businesses to better be able to survive on a longer-term sustainable basis.

Private companies, municipal entities and public institutions connections assist with obtaining networking, funding, and resources and act as sponsors for business incubation programs. Incubators typically are operated and maintained by an intimate team of staff dedicated deeply to the future of both entrepreneurial

companies and incubator businesses. Before introducing an incubator into a community, ensuring that such a business is appropriate requires a feasibility study and market assessment to be performed. Result from such studies provides insight and better focus on why a given incubator might or might not succeed.

Upon completion and positive potential incubator feasibility, market promotion is essential first step. It is key to spread the word and create community interest through means of social networking, telecommunication, and word of mouth. Determining the most fitting setting rather it be virtual or physical structure is required based on incubator business focus area requirements. As well as determining if the incubator operating structure is to be based on non-profit, profit, or academic-related infrastructure. Such business decisions are vital steps in the development and creation of board of directors.

The role of the board of directors is a crucial and required element of any business incubator. Depending on the operating structure the extent and influence a given board of director have varying results in the goals of the incubator. The number of board members and board member background provide for a well-rounded and knowledgeable board dynamic. Establishing qualifications standards and seeking various expertise, expand networking potential and market funding exposure. Opening board membership to those with vastly different community influence and understanding assist in the development of a board of directors holds priceless footing and understanding of the business environment.

Section II: County Overview

This section will provide a brief glance at the demographic characteristics of Montcalm and Ionia Counties. We will look at the population and education profile of the community, employment trends, and leading occupations in the area in order to get a feel for the economic character of the area and identify any existing market opportunities.

The population of Ionia County as of 2012 was 63,941 people with the median age of 36 years old. There are about 22,645 households. The largest amounts of residents are employed in the Administration and Support/Waste Management & Remediation (4,246 jobs). Government and Manufacturing is ranking second on the list because they provide 17% of the jobs in the county. Agriculture, Forestry, Fishing and Hunting provide 6.6% and Finance & Insurance stands last in the list with only 3.2% of total jobs. The unemployment rate in Ionia in 2012 is 9.9% while the U.S. average for unemployment rate is 7.3%. The recent job growth in Ionia is shown negative or decreased by 0.45 percent. (Ionia County Economic Profile)

39 % of the population in Ionia is high school graduates and 23% is having some college degree. Ionia public schools spend \$5,691 per student while the

average school expenditure in the U.S. is \$5,691. In addition, there are about 14.4 students per teacher in Ionia. (Ionia County Economic Profile)

As of 2012, the population in Montcalm County was 63,092 and has increased 33.2% between 1980 and 2010. The County's population, age 65 and over, makes up 14.1% of the population, and 6.1% of the population is under the age of five. Montcalm County has fewer women than men (48.3% vs. 51.7%) due to the prison in Carson City. (Montcalm Community Profile). There are about 28,221 households within the county and the median income per household is \$18,775. Majority of the employment in Montcalm are from Manufacturing, Educational Services, Health Care and Social Assistance. The unemployment rate in 2012 was 12.1% and that has not changed much since 2011 (12.3%). For education, 15 percent of the population did not graduate from high school and 39 percent of the population graduated from high school. Only 32.76 percent of the population has some college or associate degree (Montcalm County Historical Education Level Data).

Section III: SWOT Analysis

A SWOT analysis is a key step in doing a feasibility study for developing an incubator. A SWOT analysis evaluates the strengths, weaknesses, opportunities and threats of creating an incubator. A SWOT analysis helps to find connections between economic development goals as well as target how to combat the weaknesses and threats with the strengths and opportunities.

The development of an incubator produces numerous strengths. First off, an incubator has the potential to accomplish at least three of the West Michigan Regional Planning Commission's (WMRPC) economic development goals outlined in 2012 Comprehensive Economic Development Strategy. These goals are as followed: communities recognizing the relationship between healthy urban centers and health rural areas, communities promoting a diverse economy based on the Region's strengths, and communities investigating the long-range impacts of projects instead of focusing on short-term solutions. An incubator will promote a healthy urban center and give residents an area to create and develop their business ideas. This will expand the diversity of the economy as well as setting up those businesses locally for longevity. In addition, incubators help new businesses have access to resources that they would not normally be able to afford in order to grow and be successful.

There are many opportunities in addition to the strengths. Incubators provide grounds for current business owners to work with the next generation and act as mentors to better their community. In addition, over time an incubator helps to create and retain jobs, Furthermore, incubators allow for diversification of the economy. Not only do incubators create economic benefits as well as increase community engagement, but also they create an opportunity to work with local/nearby universities and colleges.

During a SWOT analysis, some of the hardest points to consider are the weaknesses and threats. There are so many good features associated with developing an incubator, however there are other details to consider. One weakness is that incubators are not a quick fix. It takes years and years to see the economic results of an incubator as well as large amounts of money. There are many grants available to help start incubators, however sustainability is a key to a successful incubator. The best way to combat this weakness is to manage expectations and educate. Government officials and citizens need to understand that results take time and that success will not be shown in a few months, but instead results will not come for years

Finally, one needs to consider the threats of an incubator. In order to have a successful incubator, you need to have a population to serve. A thorough study is needed in order to determine if there is a need, want or curiosity within your population who will utilize an incubator.

[Section IV: Incubator Models](#)

In this section we will look at a few examples of existing incubator models and their successes as well as challenges they may face. There are many different models of business incubators which range from mixed-use incubators which will take any type of business start up to specific models which are geared towards a specific industry, such as kitchen incubators, technological incubators, or incubators which only focus in the agriculture industry. Incubators also differ between urban and rural sectors. It is important to understand the sphere of influence, effects, and challenges incubators face, and these elements can be better grasped through a look at different incubator models that are running today. It will also explore some of the best practices that successful incubators employ today.

We are going to look specifically at two types of models- the technological incubator and the specialty incubator. The technological incubator focuses on companies oriented around technology in order to merge new technology from research, development, and universities, with the business sector.

These incubators are research based and facilitate an environment for research and development of new, innovative technologies. “The vision of the incubator is to be a key support institution for start-up technological, innovative companies in the region and to promote knowledge-based economy via the interconnection of research, development, and innovation with business practice, and thus increase the competitiveness of the region.” (Types of Incubators) Technological incubators are often situated close to or connected with research labs, parks, or universities- giving tenants and client’s access to both research tools as well as professionals in the technological field. The specialized incubator is one that caters to clients and entrepreneurs in a specific field of industry. These often cater to a specific market that a given region has to offer and aims to develop businesses within that sector. (Types of Incubators)

An example of a both of these incubator models is the Michigan Alternative and Renewable Energy Center (MAREC), located right here in West Michigan. Based in the city of Muskegon, it is a cooperative economic development effort of several different partners, but is closely connected with Grand Valley State University. This incubator model focuses on technology development with a specialization in renewable and alternative energy. MAREC seeks to be a “destination point for business and technology development with a focus on the alternative and renewable energy sector” which features a self-sustaining distributive energy center, an active business incubator program, energy laboratory space, a conference center, and classroom facilities. It also serves as a destination of educational services in the renewable energy field as well. This facility provides the equipment, technological, and professional resources to facilitate innovative research while also focusing on developing entrepreneurship within a specific industry.

While it has grown from ten staff members to 110 since the time it has been open, it does face some challenges as well. In nearly ten years of operation it has only seen two of it’s clients graduate. And while it recognizes the challenges, which face these kinds of start-ups, one must wonder if the market for this type of industry is significant for this point in time. However, one of the key best practices of successful incubators that it does utilize its connection with the public sector (i.e. Grand Valley State University) which is key to the incubator’s general operations, programming, and most importantly funding, which leads to another best practice which is that incubation programs with larger budgets lead to higher success than those with financial restraints. (Lewis)

Another West Michigan incubator is The Starting Block, a kitchen incubator that focuses on growing entrepreneurs and business start-ups in the food systems and natural resources sector. This caters to the market for natural foods, which is one of the many characteristics of West Michigan. This kitchen incubator offers a shared commercial-use kitchen, a USDA meat processing facility, office rental that includes office services such as internet and phone access and business support, educational services, equipment, licenses with the Michigan Department of Agriculture, product development information, and warehouse storage.

This incubator also displays some of the best practices of incubators today being that, like most high-achieving incubators, is a nonprofit model. Unlike MAREC, however, it holds no public sector sponsors. Concerning partnerships, The Starting Block list grants from both the USDA Rural Development as well as the Michigan Economic Development Corporation. However, it is key that successful incubators are able to be financially sustainable, which could prove difficult for The Starting Block if it continued to operate on a significant amount of grant money. It should also be noted that one other significant best practice in highly successful business incubators is the close tracking of client progress, which includes the setting of benchmarks, and tracking progress for those goals, and closely tracking client outcome data over a long period of time. (Lewis)

Section V: Agriculture Technology Incubator

In combining all of the research and information gathered, an agriculture technology incubator would be the best fit for Ionia and Montcalm County. This incubator would be for those interested in starting a technology-based business and it will put a focus on agricultural technology. The incubator will facilitate affordable technology development in the agriculture industry. Specifically, the incubator will support businesses interested in food safety, food packaging and shipping and equipment development. The services provided to these businesses should include business planning, marketing, finance, intellectual property protection, regulatory compliance, legal services and mentoring.

The building should be approximately 25,000 square feet in order to provide adequate space for equipment and flexibility with the amount of clients. In addition, free Wi-Fi, phone lines, printing and a variety of the office supplies ideally will be provided. The clients of the incubator will pay rent and have quarterly requirements to fulfill.

SWOT Analysis

An agriculture technology incubator has numerous strengths, weakness, opportunities and threats to consider. As stated previously, forming an incubator helps to accomplish WMRPC's economic development goals. In addition, the counties have access to Herbruck's Poultry Ranch, Belco Industries, Crop Production Service Inc. and Gallagher Farm Services. In focusing on agriculture and technology, the opportunity to work with Michigan State and its College of Agriculture and Natural Resources will be beneficial and undoubtedly key to its success. Not only does Montcalm and Ionia Counties have access to a Big 10 school, but also they have the opportunity to work with Montcalm Community College, which will provide access to educators, students and potential clients.

One of the largest weaknesses the WMRPC faces in developing an incubator is attempting to serve two large, rural economies. However, Ionia is located between Lansing and Grand Rapids and is right off I-96, allowing for easier travel. In addition, there is not an obviously centralized located between both counties or within each county. Choosing an area to place the incubator that will be accessible to those interested will be difficult and has the ability to leave out potential clients.

Section VI: Next Steps

In order to make an educated decision on whether to develop an agriculture technology incubator, a professional consultant needs to be hired to perform a feasibility study. A feasibility study will assess whether or not there is a market that calls for implementing an incubator. If the feasibility study comes back with positive results, here are a few other steps to pursue.

Through the feasibility study, the consultant will identify funding sources available for the project. From here, start securing funding through the identified sources and applying for additional grants. Following secured funding, support is

needed for the incubator. This will include educating and propositioning local business and community leaders. In addition, connections need to be formed with public and private entities in order to receive support for services provided at the incubator. Economic sustainability is not only important for successful incubators, but is necessary in order for them to have any type of longevity. At least sixty percent of the incubator's funding needs to be secured by fees and rent from the clients, which also means that other sources need to be found through grants or partnerships- both are vital.

Author Bio

Professor Downey teaches undergraduate and graduate courses in local politics, public policy and public administration. She has authored and co-authored journal articles, book reviews and book chapters. Her most recent publications, "Civic Culture in Ottawa: The Endurance of Local Culture, co-authored with Laura A. Reese and Raymond Rosenfeld can be seen in *Comparative Civic Culture* published by Ashgate Publishing in 2012 and in the *Encyclopedia of Human Services and Diversity* to be published by Sage Publications in 2014.

Professor Downey is active in the American Society of Public Administration, and has served as a board member for the Capital Area chapter for over three years; she is also a member of the Urban Affairs Association, the American Political Science Association, the Midwest Political Science Association, and the International City/County Managers Association. She was nominated as IFC Professor of the Month at GVSU during her second semester at GVSU and currently serves as the faculty advisor for Pencils of Promise campus club.

Prior to joining the faculty at GVSU in 2011, Professor Downey served as a research and graduate assistant for the Global Urban Studies Program at Michigan State University.

Professor Downey holds a PhD in political science from Michigan State University (2011), a Masters of Public Administration from Eastern Michigan University (2005) and a BA in music performance from Albion College (1999).

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