

Governor Ronnie Musgrove's Response to the  
National Governor's Association Center for Best Practices  
Request for Proposals to Participate in a Policy Academy on  
Building Entrepreneurial Policy Capacity in the States

Items Needed:

1. Governor's letter of support naming state team and designates team leader KF;
2. List members, addresses, and purpose – DS;
3. Short narrative outlining the policy institute (3-5 pp)

Objectives:

1. Define the opportunities (40%)
  - a. Vision thing;
    - i. Led the nation in 1998 small business start-ups, 1999 report by Dun and Bradstreet;
    - ii. Governor's Councils and advisory task forces;
    - iii. 2001 Economic Summit with the Mississippi Cultural Exchange Project;
    - iv. Technology;
    - v. Small Business Development Centers;
    - vi. Workforce Development;
    - vii. Access to capital;
  - b. Quantify the state investment;
    - i. Review existing statutory and regulatory efforts to promote business development and growth;
  - c. Identify the challenges to building support for the vision;
    - i. Access to capital;
    - ii. Access to information and training;
    - iii. Roles and responsibilities
      1. Education
        - a. universities
        - b. community colleges
        - c. k-12
        - d. technical schools
      2. Business Community
      3. Government
        - a. Local and regional
        - b. State
          - i. DECD
          - ii. STC
          - iii. MESC
      - iv. Follow-through and implementation
2. High-Level Commitment (40%)
  - a. Staff time and resources dedicated;

- i. Michael Boyd, Policy and Planning Director, Governor's Senior Staff Assignment
  - ii. Staff support from Mississippi Department of Economic and Community Development
  - iii.
- 3. Business Involvement (20%)
  - a. Mississippi Economic Council (State Chamber of Commerce)
  - b. Mississippi Manufacturer's Association
  - c. Mississippi Restaurant Association
  - d. Mississippi Tourism Association
  - e. Small Business Leaders
  - f. Enterprise Corporation of the Delta
  - g. Utilities (Shanks and Evans)

## **Mississippi's Response to the National Governor's Association Center for Best Practices Request for Proposals to Participate in a Policy Academy on Building Entrepreneurial Policy Capacity in the States**

### **Introduction**

Governor Ronnie Musgrove's commitment to expanding economic development can be expressed in his inaugural message, "Unprecedented goals. Unparalleled progress." He recognizes the importance of building relationships among all sectors to grow our communities and economy. Governor Musgrove's commitment to improved economic development can be demonstrated through his work to re-tool the economic incentives offered by the state to attract and grow businesses.

The Mississippi Economic Development Partnership, co-chaired by Governor Musgrove and Mr. Dwight Evans (CEO, Mississippi Power Company), is obtaining information from entrepreneurs, business leaders, academicians, policymakers, and the public on how Mississippi can better focus its resources and its energies. Additionally, the Governor has an Economic Development Task Force that works in conjunction with Mississippi's Institutions of Higher Learning and Economic Development Advisory Council that advises Mr. J.C. Burns, Executive Director, of the Mississippi Department of Economic and Community Development.

Each group is responsible for advising state leaders and policymakers on how to assist in the development of the beneficial policies and incentives for business development. The addition of a policy institute to focus primarily on the entrepreneurial development and recruitment will assist the Governor's Office in its determination to assist small businesses growth. In 1999, Mississippi led the nation in small business start-ups.

### **Status of Mississippi**

### **Opportunity Identification**

Mississippi has established itself as a strong partner to businesses upon its position in the marketplace. According to a Westinghouse survey, Mississippi has been the most business friendly state in the union during the last decade. Dun and Bradstreet reported Mississippi's success in growing more small businesses than any other state in 1998. In 2000, *Business Facilities* magazine ranked Mississippi sixth in the nation for business start-up—the only state in the East of the Mississippi River to make the Top 10. The magazine ranked such factors as business survival, job growth, and sales growth in its look at start-ups over a three-year period from January 1997 to January 2000.

Mississippi

*Access to Capital*

The consequences of insufficient capital can be devastating. According to a 1998 Bain & Company report commissioned by the Enterprise Corporation for the Delta, Mississippi has a capital gap of approximately \$1.2 billion from the rest of the nation, and \$2.5 billion between the Mississippi Delta and the U.S.

During the 1990s, Mississippi attempted to address this capital shortage by creating a quasi-governmental entity to provide venture capital; however, due to mismanagement and poor accountability, Magnolia Venture Capital Corporation filed bankruptcy and forfeited its assets to the state without attaining success.

*Qualified Labor Workforce*

*Equipment and Natural Resources*

### **Resource Commitment**

### **Stakeholder Involvement**