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Providing the EDGE for Small Businesses

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Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources
Department of Agricultural Economics
University of Nebraska – Lincoln

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Market Report	Yr Ago	4 Wks Ago	6/26/99
Livestock and Products,			
Average Prices for Week Ending			
Slaughter Steers, Ch. 204, 1100-1300 lb			
Omaha, cwt.	\$62.00	\$ *	\$65.12
Feeder Steers, Med. Frame, 600-650 lb			
Dodge City, KS, cwt.	*	83.67	78.00
Feeder Steers, Med. Frame 600-650 lb, Nebraska Auction Wght. Avg.	*	81.52	94.25
Carcass Price, Ch. 1-3, 550-700 lb			
Cent. US, Equiv. Index Value, cwt.	94.85	101.14	105.52
Hogs, US 1-2, 220-230 lb			
Sioux Falls, SD, cwt.	41.25	33.75	29.75
Feeder Pigs, US 1-2, 40-45 lb			
Sioux Falls, SD, hd.	*	36.23	*
Vacuum Packed Pork Loins, Wholesale, 13-19 lb, 1/4" Trim, Cent. US, cwt.	107.10	95.40	97.35
Slaughter Lambs, Ch. & Pr., 115-125 lb			
Sioux Falls, SD, cwt.	*	88.70	80.00
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb FOB Midwest, cwt.	170.00	186.00	174.00
Crops,			
Cash Truck Prices for Date Shown			
Wheat, No. 1, H.W.			
Omaha, bu.	3.10	2.81	2.92
Corn, No. 2, Yellow			
Omaha, bu.	2.30	1.97	1.90
Soybeans, No. 1, Yellow			
Omaha, bu.	6.52	4.33	4.24
Grain Sorghum, No. 2, Yellow			
Kansas City, cwt.	4.20	3.35	3.19
Oats, No. 2, Heavy			
Sioux City, IA, bu.	*	1.33	1.24
Hay,			
First Day of Week Pile Prices			
Alfalfa, Sm. Square, RFV 150 or better			
Platte Valley, ton.	125.00	*	*
Alfalfa, Lg. Round, Good			
Northeast Nebraska, ton.	*	*	*
Prairie, Sm. Square, Good			
Northeast Nebraska, ton.	82.50	55.00	*
* No market.			

Over the past decade, the explosive impact of small businesses on the United States economy has drawn the attention of policy makers and economic developers alike. And, with good reason! Information from the 1992 Small Business Administration Office of Advocacy showed that in Nebraska microbusinesses (businesses that employed less than 5 employees) accounted for more than 91% of all businesses in the state and contributed 20% of the state's payroll and proprietors' income. These businesses are located in communities and on the farms. They are auto repair shops, bakeries, jelly makers, tool and die shops, restaurants and crafters, just to name a few. The list is endless, but the impact reaches far into the community, providing jobs and economic security.

To assist these entrepreneurs and rural economies, many small and microbusiness programs have been developed to provide entrepreneurs with training, technical assistance and lending opportunities. The Nebraska Edge is one such program.

What is the Nebraska Edge Program? The Nebraska Edge (**E**nhancing, **D**eveloping and **G**rowing **E**ntrepreneurs), located at the University of Nebraska, is the umbrella organization for rural entrepreneurial training programs that are hosted by local communities, organizations and associations. Since 1993, the Nebraska Edge has assisted more than 900 individuals, entrepreneurs, small business owners and their partners start and improve their businesses. Over 50 training courses have been held from Scottsbluff to Omaha, and in many communities in between.

The Nebraska Edge represents business, government and education working together to create and retain jobs in Nebraska communities. More than 150 private businesses, organizations, associations and individuals are involved in the Edge training programs through their local coalitions. These community coalitions work together with the Center



for Rural Community Revitalization and Development to conduct the training program. Each coalition member is equally important in the decision making process and serves as an advisor to the program.

Types of Training. The Nebraska Edge currently offers four training programs for start-up and existing businesses. These programs are as follows:

1. **Business Start-up:** This 36-hour course is for those individuals who are wanting to start a business but don't know where to begin. Course instructors will walk participants through the process of developing a feasibility study for their business, looking at the legal structures, potential markets for their product or service and start-up costs of the business.
2. **Entrepreneurs:** This 40-hour course is for people who are serious about starting a business and/or are currently operating a small business. During this course, participants will develop a marketing, financial and complete business plan. Course instructors guide participants through the process of industry research, pricing, promotion, cash flow analysis, profit and loss statements, projections and even exit strategies for selling the business.
3. **NEW! Agricultural Entrepreneurs:** This 25-30 hour course is specifically designed to assist farmers, ranchers and gardeners who want to direct market an agricultural product. Participants will explore the different distribution channels needed to get their products to market, such as farmers markets, CSA's, delivery routes, Internet sales, mail orders, grocery store chains, etc. During the course, participants may decide to explore the niche markets of organic, sustainable and other value-added products. Instructors will also assist participants in exploring costs of production and cash flowing the operation.
4. **NEW! Human Resources On-Line:** Developed especially for past graduates of the Edge training courses, this self-directed Internet training course will assist entrepreneurs with the process of hiring staff to work in their businesses. Having an Instructor assist the participant as they work through the course is optional. Business owners can explore the various personnel issues, from employees vs. contractual labor, position descriptions, to the do's and don't's when terminating an employee. The course is currently offered free to the public on a trial basis. To enter, go to Nebraska Edge's Personnel Online,

www.ianr.unl.edu/nebraskaedge

Making a difference. In 1998, an external evaluation was conducted by the University of Calgary for all U.S. small business training programs that utilized the NxLevel Training curriculum. The Nebraska portion of the study was based on a sampling of 116 participants from the 1996 & 1997 programming year. Seventy-two course participants

responded to the survey (56%). Some highlights include:

- 1) Average sales growth from 1996 to 1997 was 8%.
- 5) Average employment growth was 7%.
- 6) Of the 50 participants who were in business at the time of the course, 98% were still in business at the time of the survey.
- 7) Of the 14 people who reported receiving assistance from other programs, 100% considered the course more useful.
- 8) Of the participants surveyed, 32.4% indicated the course provided a significant contribution to their business operations, 35.2% indicated very significant contribution and 11.3% showed a critical contribution.
- 9) The average respondent reported raising \$54,971 since the course started, of which \$46,095 came from banks or other financial institutions.
- 10) Respondents also indicated the impact the course had on their general understanding of business. 52.2% indicated a high impact in the area of increasing their confidence in businesses and 55.3% indicated a high impact in understanding their businesses and/or industry better.

Overall, more than 450 full-time jobs have been created through the Edge program since 1993.

What's ahead? This fall the Nebraska Edge is expanding the program nationally with the "*Tilling the Soil of Opportunity*" Agricultural Entrepreneurs curriculum. Six states worked with the Edge program to beta test the materials last Spring and plan to offer the full course next winter.

Individuals wishing to participate in any of the four training programs listed above should contact the Nebraska Edge Program at (800)328-2851. Most training courses will be offered in Fall 1999 and Winter 2000.

Other small business assistance. Besides the Nebraska Edge, there are numerous programs in Nebraska that provide microlending, technical and training assistance. The Nebraska Enterprise Opportunity Network (NEON), a microbusiness trade association, has developed an easy to navigate website that provides information on the programs available in each county in Nebraska. The NEON web site is <http://neon.ded.state.ne.us>.

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LAST ISSUE BEFORE SUBSCRIPTIONS END!!!