

# Thriving Communities Thriving State

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## Recommendations for Thriving Rural Communities

*Thriving Communities, Thriving State* is a Policy Choices project of the Indiana University Public Policy Institute. Informed by a representative group of community leaders and other stakeholders, it explores state and local strategies and policies that can help Indiana communities of all sizes thrive and fulfill their critical roles in attracting businesses, new business investment, and workers to Indiana.

Instead of examining local issues on a one-size-fits-all basis, *Thriving Communities, Thriving State* frames Indiana's changing demographic and economic realities for three kinds of communities:

- **Urban:** First- or second-class cities that have been among the 10 largest cities since 1900, generally with a population of 50,000+
- **Mid-sized:** 15,000+ population in 2010 that are not included in urban
- **Rural/small town:** Small towns are those not captured above with a population between 5,000 and 15,000 or a seat of county government smaller than 5,000. For the purposes of these designation, small communities and unincorporated areas are considered to be rural.

### The Rural and Small Town Commission

The Rural and Small Town Commission brought together 16 individuals from the public, private, and nonprofit sectors – people with an interest in small towns, rural communities, and unincorporated areas throughout the state – to identify common community challenges and opportunities, and to develop recommendations and strategies to address them over the next ten years.

Between January 2015 and January 2016, the Rural and Small Town Commission analyzed the issues important

to 58 Indiana rural counties and small communities everywhere throughout the state.

The commission identified areas of common interest, studied these areas, and developed recommendations. The commission met in person eight times. Between meetings, commission members interfaced with Institute staff. In addition, Institute staff conducted five public input sessions in communities throughout the state.

### Small towns and rural areas: select economic and quality-of-life advantages

Throughout Indiana's history, rural and communities have been wonderful places to live, work, and raise families.

**Rural and small towns: Where everybody knows your name.** Most rural communities benefit from a strong sense of civic pride, a willingness to contribute to the community good, and a sense of shared commitment to the well-being of community residents. In short, Hoosiers in small towns and rural communities look out for each other and their communities.

**Rural and small towns: Where you can step out front and make a difference.** Leadership and community social capital have always been cornerstones of Indiana communities, especially rural communities. In small towns, there are many opportunities to get involved and exercise leadership. Rural and small community leaders are generally more accessible and visible than leaders in other communities. And because of the strong social fabric that exists in these communities, it's easier to mobilize communities to action. In many ways, these assets position rural communities to effectively develop and exercise social capital in ways that would be more difficult in larger communities.

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**Rural and small towns: Natural beauty and unique structures worth preserving and developing.** Many of Indiana's rural and small towns benefit from tremendous natural assets, a strong community and civic heritage, unique spaces and structures, and a history of civic investment. All of these assets can serve as the basis for attracting a talented workforce, developing local businesses, and energizing local economies.

## While rural and small towns have charm and economic potential, they face significant challenges.

Rural and small towns: Stable population, changing demographics. From 2010 to 2050, rural county population in Indiana is expected to remain relatively stable (around 1.6 million individuals), compared with roughly 15 percent growth elsewhere in the state. But rural demographic composition is expected to change considerably. In rural areas, the 65+ population is expected to grow by nearly 62 percent, while every other age cohort is expected to decline. In the 45-to-64 age group, an age when many grow into community leadership roles, rural Indiana is expected to lose nearly 20 percent of its 2010 population by 2050 (See Figure 1).

**Rural and small towns: Where in the world do our citizens come from? (Hint: home and abroad.)** Most Indiana counties, and nearly all rural counties, are

experiencing an increase in foreign-born populations. Between April 2010 and July 2014, rural communities experienced a net increase of 2,495 individuals from international locations. One in 59 people currently living in rural Indiana is foreign-born and one in 50 have limited English language proficiency.<sup>1</sup>

**Rural and small towns: Where did our homegrown citizens go? (Hint: somewhere else, especially young people).** From April 2010 to July 2014, rural communities lost 21,285 more people than they gained through domestic (intra-United States) migration.

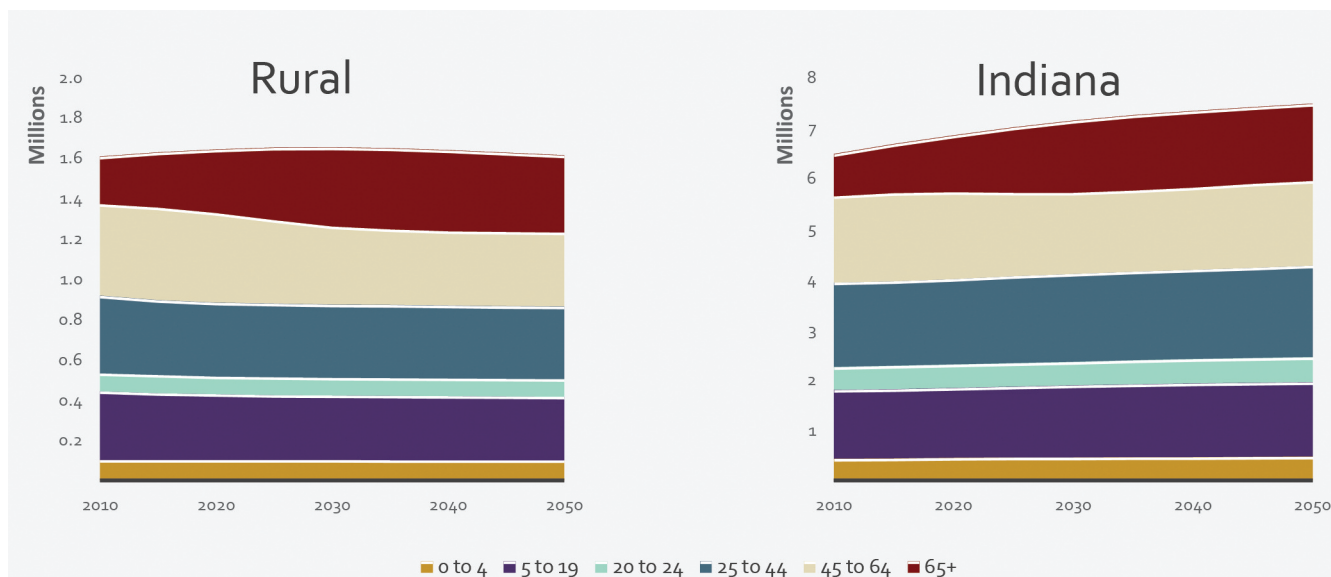
Perhaps the greatest demographic concern for many rural communities is the out-migration of rural youth to other places within the state and nation.

Between 2009 and 2013 Indiana's rural counties lost more than 3,000 residents to Indiana's urban counties, nearly 2,000 residents to mid-sized counties, and nearly 3,000 residents to other states (see Figure 3).

Indiana's rural counties, in the aggregate, have averaged a net loss of nearly 3,500 residents per year between 2000 and 2014 (see Figure 2).

Many rural communities disproportionately lose population as rural-educated youth enter college and then do not return to the community after college. This is both an outcome and a cause of economic development

**Figure 1. Rural and Indiana population projections by age cohort**



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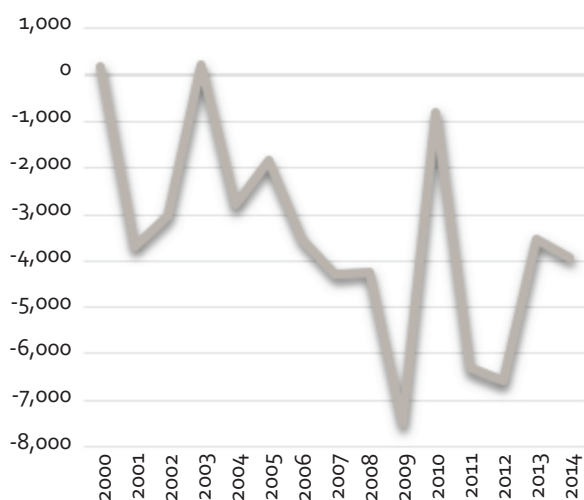


challenges for many rural communities. It also diminishes the pool of emerging and potential leaders.

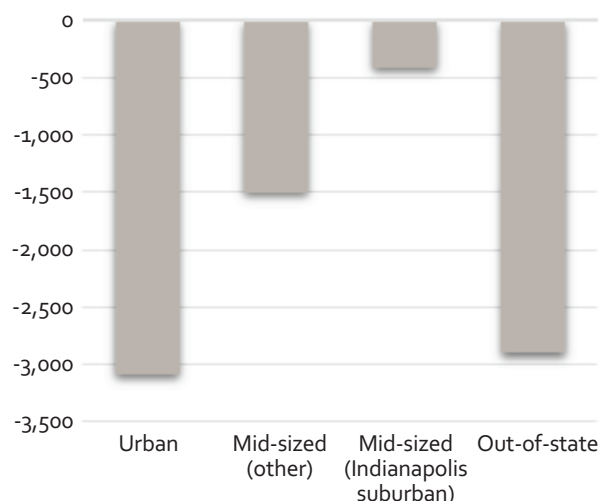
**Rural and small towns: Less local work, more –regional work.** Many rural communities have experienced the demise of local businesses and employment options in favor of broader regional options. Where many communities once had thriving commercial areas (and some still do), a considerable amount of resident employment and commerce now occurs outside the community.

Nearly 140,000 more rural residents travel to mid-sized, urban, or out-of-state workplaces than travel in from those communities (see Table 1). This local restructuring has occurred at the same time that many once locally-owned businesses have been incorporated into regional and national chains, reducing merchant and commercial involvement in local leadership. As fewer local businesses exist and more individuals leave the communities to work elsewhere, the pool of potential leaders and volunteers is further diminished, as are the resources available to support leadership initiatives.

**Figure 2. Net domestic migration, Indiana rural counties, 2000-2014**



**Figure 3. Source/Destination of net domestic migration for Indiana rural counties, 2009-2013**



Source: US Census Bureau & STATS Indiana (via Institute's Thriving Communities brief: Domestic Migration in Indiana Counties)

**Table 1. Aggregate net commuting, by designation (2013)**

	In	Out	Net
Urban	405,706	192,489	213,217
Midsized	175,738	310,951	-135,213
Rural	140,885	279,949	-139,064

Source: IU Public Policy Institute adaptation from STATS Indiana (2015)

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## INFRASTRUCTURE & QUALITY OF LIFE

From bricks to clicks, well-maintained physical assets and wired technology are vital to the success of rural and small communities



## HUMAN CAPITAL DEVELOPMENT

A strong pathway from Pre-K through post-secondary education is crucial to developing talent and economic success in Indiana's rural and small communities.



## THRIVING RURAL COMMUNITIES THRIVING STATE



## ENTREPRENEURSHIP

Creating a culture of entrepreneurship that supports starting businesses, growing those businesses, and continued success for those businesses is vital to a thriving rural Indiana.



## LEADERSHIP DEVELOPMENT

Build individual, organizational and civic leaders to develop civic vision, community approaches to problem solving, and generate funding

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## Four priorities for making Indiana's rural communities and small towns more successful

To help rural Indiana communities thrive in the immediate future – and to help them address or even counteract some of the challenges before them – the commission identified four priorities that 21st century state, community, and opinion leaders need to embrace.

- **Identifying, developing, and engaging strong leadership is vital.** Ensuring the continued strength of rural communities will require developing leaders – individuals and organizations – able to think locally and regionally to develop social capital, build community cohesiveness, and pursue the implementation of a civic vision. Doing so will likely require these leaders to engage with their communities in innovative ways.
- **Entrepreneurship is the key to creating jobs and retaining young residents.** Creating an entrepreneurial culture will require partnerships among education, industry, and finance sectors, while working within communities and regions to develop incubator space and material support. It will require looking systematically at opportunities presented by industries where rural Indiana has competitive advantages (e.g. agriculture), continuing to attract businesses to local communities, and leveraging the supply chains of existing businesses within a region. It also may require innovative strategies to overcome rural impediments to securing financing for new enterprises.
- **Increased access to and quality of education are critical to rural workforce development.** Indiana won't have thriving rural and small towns without thriving economies. Those economies, of course, require employees with the skills needed for an ever-changing workplace. Building a strong educational system – from preschool through high school and post-secondary opportunities – is essential. At the very least, rural communities need school systems that are able to give students the opportunity to maximize their potential, pursue their interests, and position them for success in professional or vocational career paths. Post-secondary options that are broadly accessible will help even more.

- **For quality of life and quality of place, rural and small towns must think beyond the status quo.** To deliver on its potential, rural Indiana needs to provide the infrastructure and amenities desired – and, in many cases, expected – by people and businesses in the modern world. Broadband Internet is a must. So, increasingly, are novel spaces and structures to nurture the development of businesses and thriving commercial corridors in rural downtowns. Maintaining and modernizing infrastructure – roads, bridges, water, and sewer, etc. – are also vital.

## Priority 1: Developing leaders from and for our rural and small towns

**BIG IDEA:** Build individual, organizational, and civic leaders to develop civic vision, community approaches to problem solving, and generate funding.

### Rationale

Our rural and small towns are at risk of losing their leaders. That's because:

- The current cadre of leaders is aging.
- Many young rural and small-town residents with the potential to become leaders are leaving their communities for opportunities elsewhere.
- Once economically vibrant rural communities have become bedroom communities for potential leaders who now work elsewhere.
- Busy people have more choices and less time, capacity, and opportunity to engage in community-driven activities.
- Local leadership needs have sometimes given way to regional organizations, and these regional leadership opportunities can be further away, take more time, and require different skills.

While many communities have excellent leaders, others struggle to fill important community positions, contributing to a wide divergence of capacity across Indiana's rural communities.

Many of Indiana's rural communities are already working on leadership and social capital development. In so doing, these communities must not only develop individual leaders, but also create meaningful structures through which these individuals can



participate and ensure the resources to support them and these structures.

**Recommendations for individual leadership and engagement.** Developing individual leaders and providing opportunities for engagement is the cornerstone of developing local social capital in and across communities throughout the state. The Rural and Small Town Commission discussed many strategies, from individual mentorship, to leadership-strengthening academies, to improving resources within the education environment. While all these avenues are necessary, engagement has changed from previous eras, especially with the advent of social media. So communities must employ modern and innovative strategies and structures to reach and engage a diverse group of community stakeholders.

How to do this:

1. Equip organizational leaders with vital skills for serving organizations, communities, and regions.
2. Increase opportunities for youth to be mentored by local businesses/owners.
3. Work with existing community groups and organizations to develop succession plans that help mentor/coach leaders.
4. Develop youth leadership programs through which students can offer input to local government and economic development organizations.
5. Connect existing leadership development programs to opportunities to transition into leadership positions (i.e., be more intentional about developing leadership pipelines).
6. Develop (or build the capacity of) local leadership academies to train leaders.
7. Work with community foundations and the Indiana Philanthropy Alliance to promote youth engagement in community-based philanthropy (giving and volunteering), thereby promoting a culture of service that cultivates leadership skills needed to address community challenges.

**Recommendations for promoting regional collaboration, coordination, and action.** Many organizations focus solely on their own fields of interest. But increasingly, organizations are working across sectors locally, regionally, or statewide to develop social capital and further community goals. It's important that

local community leaders build structures that capitalize on these collaborations to benefit their local communities.

How to do this:

1. Develop regional networks to connect individual local leaders across communities.
2. Encourage and incentivize additional collaboration among existing local and regional organizations.
3. Develop regional strategies in such a way that rural assets and communities are a celebrated part of the region, not marginalized within the larger structure.
4. Work with statewide organizations, universities, government, and others to develop regional affinity groups and incentivize/promote regional coordination and action.

**Recommendations for establishing and implementing civic vision.** It's often unclear who's responsible for developing a community's vision. Often, what a community can and should be varies from community to community and from individual to individual even within a small region. Sometimes, because our focus can be so narrow, it's difficult to define a holistic, cross-sector definition of *civic* and what is or is not included.

Given these realities, the Rural and Small Town Commission advocates open and transparent structures through which citizens can engage in shaping a civic vision, and how that vision corresponds with and is affected by the surrounding region.

How to do this:

1. Develop citizen-based committees to host community discussions and forums and develop a community vision.
2. Engage the Indiana Office of Community and Rural Affairs to counsel rural communities in developing local strategic plans.
3. Develop local processes to identify challenges/opportunities and develop strategies to address them; in so doing, incorporate innovative strategies to engage the public and promote an inclusive public discourse (e.g., use web-based technologies, meet people in the community rather than relying on community meetings, etc.).

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4. Create a culture of openness and inclusivity, especially with regard to how government interacts with its citizens in rural communities.

**Recommendations for developing leadership-enhancing resources:** Nearly any program or process that develops local leaders will require additional or re-prioritized resources. Communities need to take stock of their own assets (not necessarily financial, but human and organizational) that could support social capital and cross-network partnerships. Community foundation partnerships can be especially vital to these initiatives.

How to do this:

1. Engage local community foundations in supporting leadership development activities, within communities and across jurisdictions.
2. Asset mapping: inventory the assets that exist within communities that can serve local/regional community and/or economic development efforts.

3. Develop financial resources to develop local leaders and invest in leadership development efforts.
4. Improve funding for rural public schools, recognizing and promoting the role that they serve as a community anchor, enhancing the civic life of a community.

## Priority 2: Encouraging entrepreneurship and small business development

**BIG IDEA:** A thriving rural Indiana depends on a culture of entrepreneurship that supports starting businesses, growing those businesses, and continued success for those businesses.

### Rationale

Perhaps nowhere are successful small businesses more important than rural communities. From rural grain, pork, and dairy producers to furniture-makers to local service-oriented businesses, rural Indiana has historically been a good place to be an entrepreneur.

**Table 2. Industry clusters, rural counties (aggregated) and Indiana: Location quotient**

Industry	Rural Counties	Indiana
Advanced Materials	3.80	2.88
Agribusiness, Food Processing, & Technology	3.14	1.69
Apparel & Textiles	1.37	1.33
Arts, Entertainment, Recreation, & Visitor Industries	1.13	1.16
Biomedical/Biotechnical (Life Sciences)	1.41	1.82
Business & Financial Services	0.53	1.06
Chemicals & Chemical-Based Products	3.57	3.28
Defense & Security	1.15	1.12
Education & Knowledge Creation	0.92	1.72
Energy (Fossil & Renewable)	1.53	1.25
Forest & Wood Products	4.07	3.09
Glass & Ceramics	6.39	4.01
Information Technology & Telecommunications	0.69	0.97
Manufacturing Supercluster	4.99	3.43
Mining	2.37	1.26
Printing & Publishing	1.29	1.43
Transportation & Logistics	1.54	2.16

Legend	
	Location Quotient greater than 2.0
	Location Quotient > 1.2, < 2.0

Source: Stats America (2010)

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Looking forward, rural/small-town Indiana is well positioned – economically and geographically – to play a leading role in the emergence of new manufacturing practices, in the transportation and logistics industries, and in agriculture. Innovation within these sectors and their supply chains provides many opportunities for entrepreneurs (see Tables 2 and 3 for industry cluster charts).

While there is considerable potential in these areas, there are challenges, as well. Among them:

- **Lack of broadband connectivity in many parts of the state.** Entrepreneurs today can't operate without it. Therefore, our rural and small towns can't thrive without it.
- **Impediments to financing creative ventures or commercializing innovative ideas.**
- **Insufficient levels of education** to ensure that students have the means and skills necessary to start, manage, and grow a business should they so desire.

**Table 3. Industry clusters by economic growth regions (Indiana Department of Workforce Development Service Regions): Location quotient**

Industry	Economic Growth Regions											
	1	2	3	4	5/12	6	7	8	9	10	11	State
Advanced Materials	2.75	4.38	3.42	2.88	2.10	2.83	2.57	2.27	3.33	2.79	3.22	2.88
Agribusiness, Food Processing, & Technology	1.90	1.29	1.77	3.75	1.04	2.20	1.85	1.72	1.77	2.25	2.26	1.69
Apparel & Textiles	1.33	1.64	1.29	1.19	1.20	0.86	1.20	1.24	0.80	1.25	2.27	1.33
Arts, Entertainment, Recreation, & Visitor Industries	2.08	0.61	0.79	0.76	1.31	0.74	0.92	1.29	1.63	1.77	1.06	1.16
Biomedical/Biotechnical (Life Sciences)	2.18	1.46	1.64	1.81	2.00	2.40	1.93	1.68	1.37	1.67	1.70	1.82
Business & Financial Services	0.88	0.60	0.81	0.57	1.72	0.83	0.56	0.96	0.60	0.95	0.70	1.06
Chemicals & Chemical-Based Products	2.41	4.07	3.30	2.01	2.64	3.02	5.08	3.40	3.24	4.49	5.70	3.28
Defense & Security	0.81	1.17	0.69	0.76	1.61	0.75	1.47	1.66	0.62	0.67	0.62	1.12
Education & Knowledge Creation	1.58	1.85	1.49	2.75	1.42	1.80	2.27	4.49	0.76	1.33	1.30	1.72
Energy (Fossil & Renewable)	1.85	0.63	1.29	1.04	1.13	1.32	1.77	1.56	1.19	1.07	1.84	1.25
Forest & Wood Products	1.35	5.36	3.19	2.24	1.30	3.50	3.77	3.80	2.85	6.27	7.56	3.09
Glass & Ceramics	4.13	5.73	4.65	2.58	2.85	9.33	2.92	1.70	4.29	5.10	4.57	4.01
Information Technology & Telecommunications	0.53	0.62	1.16	0.78	1.35	0.69	0.51	0.95	0.87	0.64	0.73	0.97
Manufacturing Supercluster	2.68	6.13	4.97	5.23	1.62	3.76	2.67	1.29	7.10	2.75	2.75	3.43
Mining	1.93	0.38	1.17	1.16	1.05	1.29	1.38	3.20	0.95	4.21	0.79	1.26
Printing & Publishing	1.04	1.28	1.43	1.11	1.76	1.22	1.95	1.05	0.83	1.98	1.32	1.43
Transportation & Logistics	2.58	0.93	2.20	1.43	2.90	1.23	1.89	1.14	2.25	2.70	2.02	2.16

Legend	
	Location Quotient greater than 2.0
	Location Quotient > 1.2, < 2.0

Source: Stats America (2010)

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Creating an environment within which entrepreneurship can grow and thrive is multi-faceted. To be competitive in this job-creating arena, our rural and small towns must focus on:

- Creating and/or attracting the human capital interested in developing and growing a business.
- Providing material and informational support – through access to information on markets, shared spaces, back-office support, etc.
- Providing or promoting micro-lending operations, connections to venture capital, and access to other sources of financing. Access to capital is essential to making an envisioned business plan become a reality or taking an innovative idea to commercial success.
- Contributing to and benefiting from a strong regional economy with a mix of urban, mid-sized, and rural communities with economic opportunities, existing companies that attract talented workers who might create affiliated or spinoff businesses, and examples of successful business owners to emulate.

## **Recommendations for promoting entrepreneurship.**

Communities and regions seeking to develop entrepreneurs need to focus on:

- Targeting entrepreneurial opportunities within their regions (see industry cluster charts). Developing holistic understanding of opportunities presented through the intersection of core industries and emerging markets (e.g., agriculture and technology, respectively) as well as through gaps in regional supply chains, and creative financing strategies can make an enormous impact on small business success.
- Creating physical spaces for entrepreneurs to exchange ideas and receive back-office support.
- Providing a high-quality educational system that produces entrepreneurs and the quality employees needed to advance their companies.

An entire ecosystem—leveraging the capacity of institutions and organizations already working within communities—to support entrepreneurs and help them commercialize ideas should result in stronger rural communities and a stronger Indiana economy.

How to do this:

1. Develop facilities and programs that support co-location and back-office support for new businesses, encourage business incubation, and provide space for creativity and development.
2. Engage the agriculture, technology and engineering sectors with institutions of higher education and others to help entrepreneurs develop, finance, and commercialize new applications and products that capitalize on emerging and potential ag/tech applications.
3. Because spinoffs often emerge from existing companies, work to attract new companies to the community and help them see the potential in growing affiliates and suppliers from within their own ranks.
4. Systematically explore regional supply chains and identify opportunities for existing or potential local firms.
5. Create a forum to exchange ideas: a place for innovators to collaborate on novel ideas and identify strategies for commercialization of ideas.
6. Promote succession planning and develop strategies that help aspiring entrepreneurs take on legacy companies in transition.
7. Work with the finance sector and other investors to devise local, regional, and state strategies that improve access to all sorts of capital to support rural entrepreneurs and small-business development, including traditional financing, venture capital, angel investors, and microenterprise investment.
8. Work with schools, businesses, and economic development entities to devise cross-sector programs that contribute to an entrepreneurial ecosystem, including:
  - Formal instruction (e.g., incorporation of business concepts into school work),
  - Social interaction that promotes creativity and developing business acumen (such as robotics clubs and/or FFA),
  - Mentorship between existing and new/aspiring business owners, and
  - Strategies to promote entrepreneurship as a viable career path.

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## Priority 3: Workforce and human capital development

**BIG IDEA:** A strong pathway from Pre-K through post-secondary education is crucial to developing talent and economic success in Indiana's rural and small towns.

### Rationale

The jobs and economic opportunities of the future will require additional knowledge, skills, and abilities.

- In the last 30 years, all net job growth in America has been generated by positions requiring at least some post-secondary education.<sup>2</sup>
- By 2018, according to the Bureau of Labor Statistics, Indiana will have an additional demand for 123,000 STEM-related (Science, Technology, Engineering, and Math) jobs.<sup>3</sup>
- By 2020, 65 percent of all US jobs will require some form of post-secondary education or certificate.<sup>4</sup>

Shaping individual opportunities to succeed—and a system that supports opportunities across a spectrum of individual interests, capacities, and pursuits—is critical for the future success of Indiana's small and rural communities (and all Indiana communities for that matter).

Individual fulfillment and workplace success requires an educational process that starts at birth and extends through post-secondary education and into "lifelong learning." These educational experiences not only shape an individual's knowledge base, technical skills, and abilities, but also contribute to the development of social skills. Collectively, the quality of educational experiences across the population helps shape the potential for individuals, communities, regions, and the state to create a thriving economy (see Maps 1 through 3).

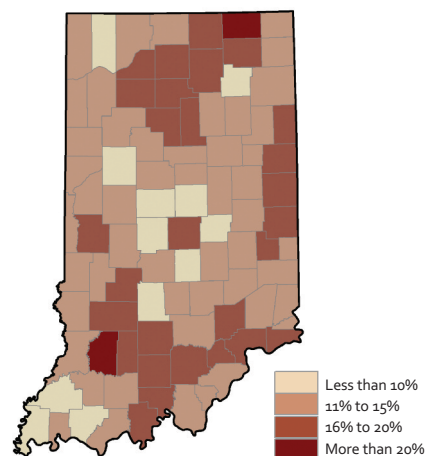
Many states are developing robust education and workforce development systems. If Indiana is to realize the full benefit of an educated populace and skilled workforce, the state must aspire to outpace its competition. So must its rural and small towns.

### Recommendations for enhancing Pre-K education in rural and small towns

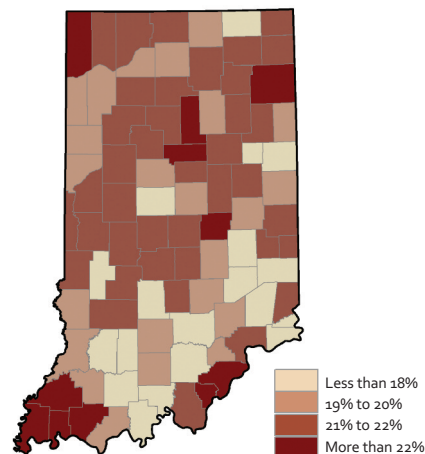
Early childhood education has been proven the wisest education investment of all. Children's brains develop quickly from birth to age five. How we teach them (or not) during that time can have an enormous impact on later learning, career choices, income potential, etc. In determining how to improve early childhood education options in rural and small towns, however, it's important to remember that one size does not fit all. Forcing standardization would likely create more challenges than benefits.

Many students in rural communities receive all or most of their Pre-K experience from family caregivers and/or in informal daycare

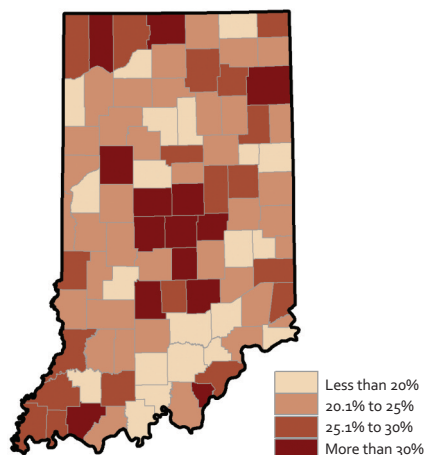
Map 1: Population with less than a high school diploma, 2014



Map 2: Population with some college but no degree (25 and older), 2014



Map 3: Population with associates degree or greater (25 or older), 2014





settings. Research presented by one commissioner stated that while it may vary from community to community, the supply-demand equilibrium for formal early childhood education is reached when there are slots available for 25 percent of all students. Ensuring high-quality experiences for children in rural and small towns is likely to require professional development for professional and ministerial day care and Pre-K providers. Also key is equipping parents, grandparents, and other caregivers with knowledge and resources to provide an optimal learning environment for young children in their care.

How to do this:

1. Equip parents and other caregivers with knowledge and resources to provide the best environments possible for young children to develop.
2. Develop programs to mentor parents and other caregivers on best practices in supporting child development.
3. Institute professional development programs for Pre-K providers.

## **Recommendations for enhancing K-12 education in rural and small towns**

Indiana's rural communities are perhaps as well positioned as any location to meaningfully apply skills derived from career and technical education in the workforce. However, rural educators and school systems face many challenges in being able to provide these opportunities – from the requirements of the Core 40 diploma, to finding and retaining qualified instructors, to meeting requirements for dual-credit courses. Declining enrollments reduce the resources available to many rural school systems. That, in turn, reduces the variety of programs available, including advanced programs. That, in turn, can lead to further declines in enrollment, as parents move their families elsewhere to pursue these opportunities. Overcoming these barriers and designing systems that provide all students with the full range of opportunities to realize their full potential will also require increased understanding that vocational tracks are viable – and sometimes comparatively better – career paths for some individuals.

How to do this:

1. Ensure that students leaving high school are life-ready and can pursue post-secondary education without need for remediation. Designated “suc-

cess coaches,” for example, can help students learn life skills and prepare for individualized post-secondary pursuits.

2. Expose middle school students to a variety of career options and give them opportunities to identify their interests and passions and how to pursue them.
3. Help guidance counselors understand a wide variety of current opportunities (especially those that are more vocational in nature and/or where Indiana is comparatively advantaged).
4. Put all educational/career pathways on equal footing (academic is no better or worse than vocational) and ensure that state/local policies and incentives are oriented toward that balance.
5. Seek viable, cost-effective strategies that enable rural students to pursue dual-credit courses through collaboration across school systems, coordinated course delivery, or other mechanisms without placing additional financial burden on individual local school systems.
6. Standardize measurement of school effectiveness while providing local systems latitude in how best to approach achieving progress on stated measures.
7. Use local communities as learning laboratories, especially for programs and projects that involve youth engagement and philanthropic activities.
8. Develop more support (funding and staff) for career and technical education.
9. As noted in the Promise Indiana Initiative, we need to remove fiscal and social impediments to improved educational attainment by leveraging cross-sector (private, public, philanthropic) community investments that support the pursuit of post-secondary degrees and certificates.

## **Recommendations for increasing post-secondary education options in rural and small towns**

Approaches to optimizing post-secondary outcomes for individuals may vary widely by the institution and individual. Perhaps most important to rural residents is access to educational opportunities that result in degrees, certificates, and other credentials available through nearby Ivy Tech campuses and/or distance education through other institutions. Reducing

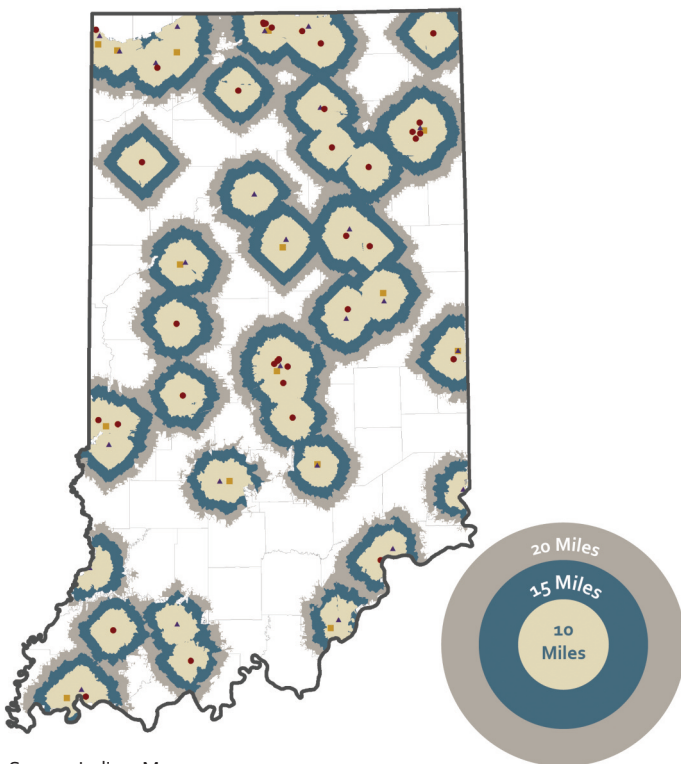


transportation barriers is a big concern, as many rural communities and regions are poorly served by alternative modes of transportation; several areas throughout rural Indiana are more than 20 miles from the nearest institution of post-secondary education (see Figure 4). So are financial aid rules. Addressing these can help students start and complete programs, and establish themselves as viable members of the workforce.

How to do this:

1. Provide more accessible/flexible transportation options that meet the realities of many nontraditional students and address issues of proximity and access in rural communities.
2. Ensure access to a high-quality post-secondary option within 20 minutes of every Hoosier (where they can access programming, whether locally or through Web-based media) (see Map 4).
3. Develop "start-here" locations in local communities where students can get initial coursework completed and then transfer to a campus environment.

**Map 4. Areas within 20 miles of institutions of higher education**



Source: IndianaMap

4. Normalize the use of "stackable credentials," a curricular pathway that ensures that students, even if they do not complete a degree program, receive a certificate demonstrating competence in a particular field.
5. Create flexibility in financial aid structures to support students who have a "stop-out" and ensure that they are able to use financial aid when needed.
6. Address issues of remediation in high school or concurrent with profession-specific post-secondary coursework so students aren't slowed in their efforts to obtain degrees and/or certification.

## Recommendations for aligning education and employment options within regions

Establishing relationships across sectors – especially between school systems, post-secondary educators, and industry – can help prepare students and workers for potential openings within the regional economy. Such approaches should provide space for an individual to pursue his or her own interests, but within that, better partnerships and coordination should improve the education-to-workforce pipeline.

How to do this:

1. Develop statewide and/or regional partnerships among Indiana colleges, universities, communities, school corporations, and business leaders to develop and implement strategies addressing the workforce readiness pipeline.
2. Align educational offerings (K-12 and post-secondary) with regional employers.
3. Develop a grant program to develop clear and efficient pathways between career and technical education, higher education, and workforce.

## Other recommendations

In addition to the targeted initiatives above, Rural and Small Town commissioners determined two other ways to enhance education:

1. Raise expectations/aspirations of parents to combat the mentality of "If high school was good enough for me, it's good enough for you."
2. Promote industry-recognized soft skills certification programs to support positive employment outcomes, such as the Perry County Work Ethic Certification program.



## Priority 4: Infrastructure and quality of life

**BIG IDEA:** From bricks to clicks, well-maintained physical assets and wired technology are vital to the success of rural and small towns.

### Rationale

Like the rest of the world, being wired (or wireless!) matters. Without high-speed Internet connectivity:

- Young, rural Hoosiers who leave for college will be less likely to return home,
- Fewer entrepreneurs will be able to start and maintain businesses,
- It's more difficult to educate students and develop human capital,
- It's more difficult to attract new businesses, and
- It's more difficult to develop and connect local leaders and the citizens they serve.

As important as being connected is today, it is likely to become even more important in the future. The future of innovation in many industries likely involves

harnessing the power of technology to increase productivity, reduce inefficiency, and provide access to markets. Places that are not connected risk being left out.

Conversely, rural communities that become well connected and offer a high quality of life could be positioned to thrive! Work within many industries can be done from anywhere with an Internet connection. And well-connected places with small-town amenities and quality of life could become attractive for talented, knowledge-based workers and business owners to live and work.

It is, therefore, essential for all rural communities and regions to work with the state and providers to ensure that they have ready access to high-speed broadband connectivity and that they work with residents and businesses to add this capability to their communities' infrastructure (see Map 5).

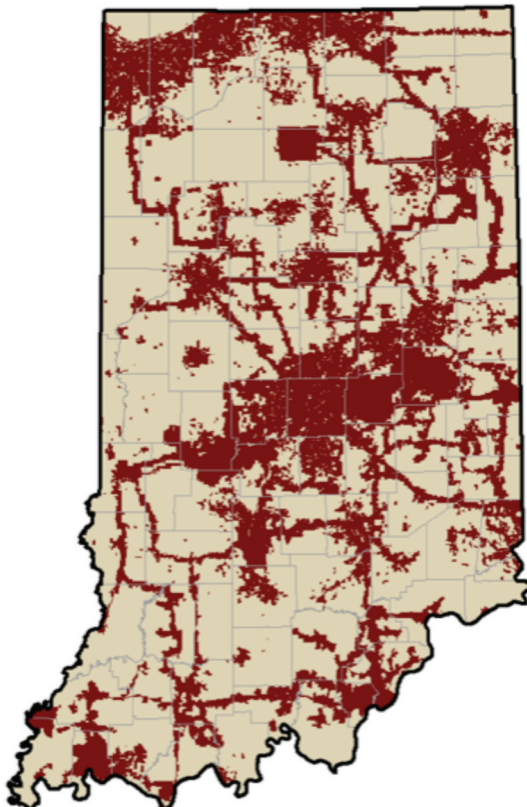
The challenge and necessity of maintaining our small towns' infrastructure. Beyond broadband connectivity, bricks and mortar matter. Yet many rural communities are struggling to keep up with necessary investments in streets, bridges, water systems, sewer systems, and more. In many cases, these communities' aging infrastructure needs to be upgraded or replaced. Yet a declining population and business base makes funding these repairs burdensome on local budgets. In turn, infrastructure deteriorates, more people and companies move away, and the spiral continues downward. With basic maintenance underfunded, it's also difficult to pursue additional quality of life investments, such as the parks, trails, and other amenities that many upwardly mobile residents seek when deciding where to live and work.

Many rural Indiana communities are blessed with unique structures and spaces, tremendous natural amenities, and a compelling heritage. The "cool factor" in these spaces appeals to many young workers and their families. Preserving, promoting, and programming these assets, in a manner that supports commercial investment and residential development, can serve as the basis for community revitalization. The challenge is finding the dollars and collective will to capitalize on these assets.

### Recommendations for enhancing infrastructure and quality of life in rural and small towns

**Broadband:** Connectivity is essential to education, economic development, equal opportunity, civic engagement and more.

**Map 5. Broadband connectivity exceeding 25 mbps, Indiana**



Source: BroadbandMap.gov (2014)

# Thriving CommunitiesThriving State



How to do this:

- Embrace efforts – public, private, and/or philanthropic – to expand access to and provision of rural broadband infrastructure.
- Promote local adoption in rural areas to make the provision of infrastructure more feasible to private providers.
- Promote development of "carrier-neutral access points" for communities that the private market is unlikely to serve (i.e., create the infrastructure to a "pod" or distribution point within a community, where private providers can provide "last mile" connections).

**Infrastructure and historic preservation:** More resources are needed to maintain and repair existing infrastructure. It's also important to leverage community assets, natural amenities, and novel structures and spaces. Finally, small towns and rural communities should promote the remarkable quality of life characteristic of these locations.

How to do this:

1. Actively incorporate the perspectives of younger generations in the planning and implementation of attraction/retention strategies in our communities.
2. Develop community-based models that support business location in historic buildings (without placing the entire burden for the facility on the business owner).
3. Celebrate and build on the exceptional natural and historic resources throughout rural communities as a cornerstone of regional tourism and economic development.
4. Develop an asset inventory to better understand the costs associated with making aging infrastructure (roads, water, sewer) functional for modern use.
5. Initiate financing tools and strategies to help rural communities maintain high-quality infrastructure.
6. Utilize the unique structures, spaces, and amenities of rural communities – historic, natural, and social resources – as catalysts for economic activity and community vibrancy.
7. Develop learning circles—in partnership with organizations such as the Indiana Philanthropy

Alliance and Indiana Landmarks—to help local communities organize and promote the assets of rural communities and to translate these assets into economic opportunity for local business, communities, and regions.

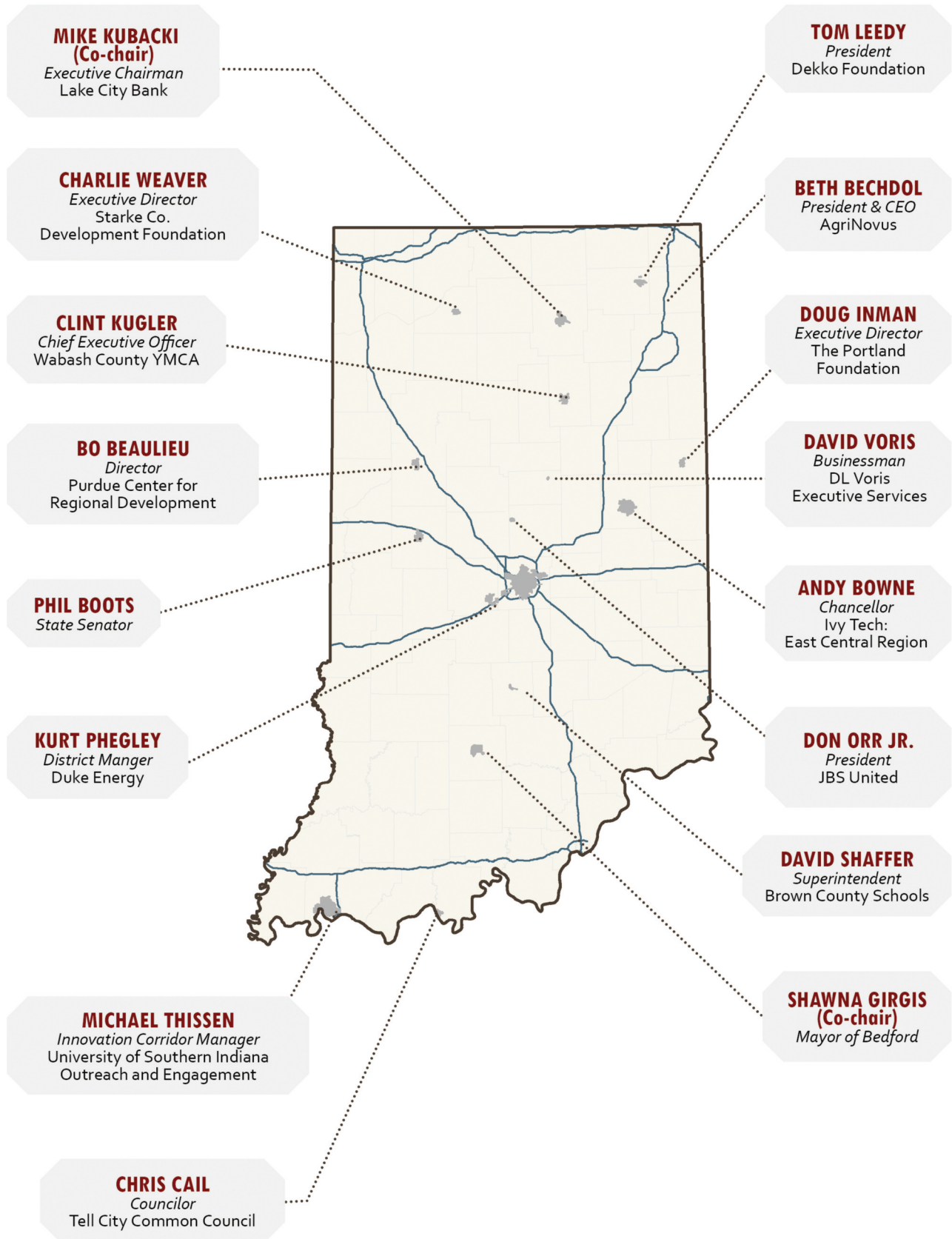
8. Use existing infrastructure, structures, and community assets as workforce development and entrepreneurship opportunities: Work with entrepreneurs and education providers to build skill sets needed to renovate and rehabilitate facilities and infrastructure, energize community spaces, promote events and activities, and operate businesses, while capitalizing on the natural and historic assets abundant in rural communities. In short, be intentional about using rural assets to provide learning opportunities, develop skills, and launch businesses, in such a way that boosts economic activity within communities.
9. Develop locally/regionally appropriate hubs (e.g. underused downtown buildings) for education and workforce development services (GED, distance education, WorkOne centers).

## Endnotes

- 1- US Census (2015)
- 2- Pathways to Prosperity (Harvard Graduate School of Education)
- 3- Meta-Analysis of Skills Gap Research (via Indiana Business Research Center)
- 4- Recovery: Job Growth and Education Requirements through 2020 (via Georgetown Public Policy Institute)



Map 6. Rural/Small Town Commission members



# Thriving Communities Thriving State



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