

Every community in America must assume primary responsibility for its own development and success. Residents in every community have the right and responsibility to shape their futures. Our role as external partners is to work collaboratively and respectfully with communities, their leaders, and residents. This paper provides e2's **Community Analytics Framework** that could be evolved in support of work with communities and organizations across North America.

## The Role of Analytics

We define analytics as:

### Information resulting from the systematic analysis of data or statistics

We believe community analytics should be undertaken in partnership with the community. Our analytics approach is shaped by the questions for which a community is seeking insight. Why? From a values and best practice standpoint, we believe in **research-based** community engagement work. Appropriate research enables smarter decision making and contributes to enriched community engagement and empowerment.

### *Research → Data → Analysis → Conversations → Stories*

We believe analytics are the “heart” of research supported work. Smart research and data enable analytics to be undertaken. Sound analytics can stimulate and support community conversations that lead to rooted stories. As communities use these stories, the potential for consensus around strategy and commitment to action becomes reality.

Analytics is the process whereby experienced persons process research and data into insights, findings, and recommendations. Any medical laboratory and med tech can complete the labs workup supporting a diagnosis or an annual health checkup. But this information becomes powerful in the hands of a seasoned doctor or health practitioner. They have the ability to look at all the data and identify an overall picture of health and target areas for further exploration. The same is true with community analysts. Our system can employ different kinds of team members focusing on the analytics process.

### *Harvesting → Organizing → Summarizing → Visualizing → Analyzing → Using*

## Rural Community Prosperity Framework

For the past decade we have been field testing a prosperity framework with communities and those who care about community success. In partnership with the Rural Futures Institute (RFI), Nebraska Community Foundation, Heartland Center for Leadership Development and University of Nebraska Extension, we have been field testing our [Rural Community Prosperity Framework](#) with a group of communities in Nebraska with encouraging success<sup>1</sup>.

Contextual to the Rural Community Prosperity Framework are the following shaping forces:

<sup>1</sup> \***Nebraska Prosperity Communities**. The following Nebraska communities have been actively engaged in this initiative: Chappell, Valentine, Nebraska City, Ravenna, McCook, and Stanton. Other communities have been introduced to this framework including Arapahoe, Chadron, West Point, Red Cloud and Alma.

### **Our Globalized and Highly Competitive Economy and Society**

Every community, whether a major metropolitan area or a frontier rural community, must derive success within the globalized and highly competitive world economy and society. Competition is intense and growing more so. Foundational within this global competition is the competition for human talent.

### **Human Talent – the Cornerstone of Development Today**

We argue that human talent is the cornerstone of all successful development in today's environment. Developing, attracting, and retaining human talent is foundational to growing more prosperous communities in this time in the 21<sup>st</sup> Century. Human talent has choices. It can be mobile. Communities must focus smartly on meeting the human talent challenge. In many ways human talent is more important than development strategy. Smart people employ analytics to help them explore their development possibilities and grow community consensus around optimal choices.

### **Strategic Development**

“Strategic” is an overworked term that often lacks specific meaning. However, in this case we have a very precise meaning for strategic. In our meaning, strategic development focuses on those development opportunities with the capacity to enable a community to achieve and sustain prosperity over a generational period of time (25 years). Analytics are foundational to strategic development. We also believe that there is value in the interplay between community knowledge and external analytics. Internal and external views when cross-walked can help a community find its right development answers.

### **The Prosperity End Goal**

Our end game is greater, widely shared, and sustained community and resident prosperity. Key metrics measuring community prosperity include not only household disposable income, but also household current net worth and wealth embedded in community capitals. For more information about community capitals, download our paper, [\*Community Capacity Building, Shaping the Future of Hometowns.\*](#)

### **The Four Essentials of Community Development**

Growing and sustaining equitable community and resident prosperity is hard work. It is complex, but for rural communities in North America's Great Plains Region there are four essentials central to achieving greater and sustained prosperity:

**#1 – Demographic Health, Renewal and Diversity.** Distressed communities and regions express their decline in multiple ways. In some regions like the Delta, distress is reflected in persistent poverty. In America's Rust Belt distress is manifested in un- and under-employment. For America's Great Plains distress is primarily reflected in chronic and severe depopulation. For rural communities in this region development must address demographic health, renewal, and diversity. We have included diversity because human talent typically is looking for communities that have a diversity of people with corresponding social and cultural diversity.

**#2 – Increasing Economic Opportunity and Diversification.** Demographic health requires a community to increase economic opportunity (not just more jobs, but careers). Within this framework we believe that entrepreneur-led development is the primary strategy for increasing not only economic opportunity, but economic diversification. Economic diversification is paramount. Rural communities of the Great Plains are typically dependent upon one or two industries.

Production agriculture is the primary underlying industry, followed by manufacturing, transportation corridors and sometimes tourism. Unfortunately, these industries are impacted by boom and bust creating distress. Additionally, a narrow economic base results in a narrower band of job and career offerings. Diversification enables higher and more sustainable prosperity coupled with greater career options for human talent.

**#3 – Quality-of-Life Placemaking.** Talented people, including the children and grandchildren of rural residents, have choices and are often mobile. They can generally choose where they want to live. While the Great Plains does not have mountains, forests, or seashores, it can offer a genuine, hometown quality of life. Quality-of-life placemaking is the third essential for community prosperity. Excellent schools, broadband and cellular options, access to health care and shopping, recreation and entertainment and progressive community culture are necessary to not only growing an entrepreneurial economy, but hometowns that can compete for human talent.

**#4 – Community Capacity Building.** Community leadership and organizational development is the cornerstone of all successful community economic development. Planning for and building capacity for development ensures greater community vitality and prosperity.

With this contextual framing in mind, we turn to our Five Foundational Questions for data analysis.

## The Five Foundational Questions

The use of analytics should be accessible to communities and their residents. The use of an analytics framework can make accessibility more likely and contribute to analytics actually helping a community vision its future. We are proposing the use of an analytics framework first conceptualized by Janet Topolsky with the Aspen Institute Community Strategies Group and subsequently evolved and field tested by e2 Entrepreneurial Ecosystems. This analytics framework is organized around five foundational questions.

1. Who lives in our community?
2. How are our community's residents doing?
3. How is our community's economy doing?
4. How is our community doing?
5. What are the assets we can mobilize to pursue our strategic development?

### Q1 – Who lives in our community?

Our first question – “Who lives in our community?” begins by begging another question that we must answer as we engage in our analytics work, “How are we defining our community?” We cannot answer the community question, but we can help a community explore the possibilities so that we can operationalize the answer and secure appropriate data. Ultimately every community must answer the community question. Our field experience suggests that this answer may evolve over time as the community digs deeper into itself. We have a paper exploring this topic, [Defining Your Community](#).

On the surface, particularly in more rural and less complicated communities, the answer to “Who lives in our community?” may seem simple. Yet spending some time on this question and digging into the data may yield some important insights. Even rural communities are more complicated than they seem on

the surface. Typically, there is greater socio-economic diversity than we may assume. Understanding this diversity is critical to further exploration of the community's development opportunities.

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### Possible Bottom-line Outcomes

There is a body of research that suggest there are three bottom-line outcomes for communities and their residents:

**Happiness.** Happiness indexes are still more conceptual. However, work by University of Nebraska Lincoln's Rural Poll allows us to explore rural resident "satisfaction" or happiness. Happiness goes beyond financial indicators and addresses deeper human considerations.

**Health Span.** Health span is a relatively new concept. In the age of longer life spans, it addresses that part of a person's life span where there is sufficient health status to have a good quality of life.

**Life Span.** Life span is a bottom-line metric. When used spatially, it allows capture of a whole set of community causes and effects into one metric. Communities with longer life spans, and particularly longer health spans, are generally viewed as doing better.

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### Q2 – How are our community's residents doing?

By many indicators Lincoln, Nebraska is a prosperous and successful community. While there is truth in this view of Lincoln, a deeper look exploring how Lincoln's residents are doing provides concerning insights. For example, nearly 50% of Lincoln's public-school students qualify for free or reduced lunches. Youth hunger is a real problem on weekends and during summer break periods. While most Lincoln neighborhoods appear prosperous, there are neighborhoods like the Near South where life expectancy is 20 years less when compared to Lincoln's more wealthy neighborhoods.

Analytics should move beyond aggregate averages and dig deeper into how sub-segments of residents within a community are doing. In today's America where the gap between working poor and wealthy households is widening, and upward mobility is increasingly constrained, exploring how a community's residents are doing is critically important. This is particularly true if we are to have honest and rich community conversations capable of resulting in strategic development commitments.

### Q3 – How is our community's economy doing?

The third foundational question focuses on how a community's economy is doing. Both longitudinal and current timeframe data and analysis are essential. Like with residents, there will be complexity where one part of the economy is doing well, and other parts are struggling. For example, larger employers may be shedding workers while smaller ventures are creating jobs.

One approach we should consider is using "peer" or "benchmark" communities to help a community understand how they are doing relative to other similar communities. The University of Nebraska's Bureau of Business Research employs a desirable approach to community benchmarking:

**Peers.** Communities that are very similar in characteristics.

**Competitors.** Communities that are viewed as competitors. In the rural context, this could be a larger community within the area competing for workers and spending.

**Aspirational Communities.** Aspirational communities are those that a community hopes to become. They have more positive metrics and reputation.

A community should be engaged in deciding its peer, competitor, and aspirational communities.

#### Q4 – How is our community doing?

During the recent agricultural boom when commodity prices hit new highs and net farm income peaked, overall economic performance in the rural Great Plains improved. However, despite possibly the strongest agricultural economy in decades, this region continued to experience depopulation undermining many rural communities. A booming economy may be insufficient to stimulate and support community well-being and prosperity among a community's residents. This fourth foundational question allows us to go deeper and get into more complex questions of community and resident well-being. If 25% of a community's residents are doing great in a booming agricultural economy, but the remaining 75% of a community's households are struggling, we have development work to do.

The use of community surveys, focus groups, and conversations are helpful with Question 4. Providing our partner community sample questions and protocols can help them vision, design and execute community attitude and perception information that generates insight into "how is our community doing?"

#### Q5 – What are the assets we can mobilize to pursue our strategic development?

We embrace **asset-based development**. Our final analytics framework question focuses on "what are the assets we can mobilize to pursue our strategic development." With Question 5 we consider incorporating three questions:

1. What can we do for ourselves?
2. What can we accomplish with some help?
3. Where do we need significant external assistance?

These questions may return a community to a conversation about community definition. A rural community that sees itself a neighborhood in a larger regional economy and society will have more assets to draw upon than a more isolated and smaller community. Bottomline, focusing first on the assets a community does have and can mobilize is typically the starting point for smart and sustained strategic development.

## Considerations for Employing this Analytics Framework

### A Layered Approach

Hopefully the days of the inch-thick data dumps are over. We embrace a **layered** approach that is more accessible by the community and its residents. First, we suggest a consistent, but customized, higher

level overview of a community's economy and society employing the **Five Questions Framework**. Once a community has been able to process this higher-level information and analysis, we then employ **drilldowns** into areas where the community has identified the need for additional research, data, and analysis. We believe this layered approach allows for smarter analytics use and better community outcomes.

### **Secondary and Primary Data Inputs**

Our higher-level analysis employs primarily existing secondary data inclusive of readily available and trustworthy community-specific primary data. As part of our layered approach, employing community-focused drilldowns, the need and support for additional primary data collection, and analysis can be employed. Primary data and analysis work can be costly, require high-level assistance and takes more time (dragging out the community engagement process). The combination of the layered approach with smart use of secondary and primary data and analysis allows for optimal analytics use.

### **Community Engagement through Community Conversations**

Keeping with our value of “doing with” instead of “doing for” and respecting the community's primacy, we recommend a strong and smart community engagement approach that employs well designed and facilitated community conversations. Ultimately, community analytics should empower a community to better understand who they are, their opportunities for development and evolve community consensus and commitment for strategic development directions and actions.

### **Strategic Community Commitments**

At the end of the day the bottom-line outcome for analytics should be community commitments that are strategically important to current and longer-term prosperity. A primary challenge for many rural communities is the lack of consensus and sustained investments into strategic development. Increasing community consensus, coupled with increasing and sustaining strategic investments, is essential for achieving prosperity.

### **Questions and Additional Information**

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