

No. VII.A.4.

RECOMMENDED ACTION - Approval of New Academic Program for the Certificate in Small Business Development.

The following resolution was moved by _____ and seconded by _____ :

BE IT RESOLVED by the Board of Governors for the Missouri State University that the Certificate in Small Business Development be approved for submission to the Coordinating Board for Higher Education.

VOTE: **AYE** _____

NAY _____

COMMENTS:

1. Nationwide, small companies represent about 99% of employers, employ about half of the private sector workforce, and generate between 2/3 and 3/4 of the net new jobs. (*Source: Small Business Administration "Small Business Economic Indicators for 2003" report.*)

2. According to the MissouriBusiness.net "2001 Small Business Environmental Scan," businesses with 20 or fewer employees make up 75 percent of rural businesses, and small rural companies offer employees a wider range of job responsibilities than larger companies. (*Source: "After a Year of Change - The 2001 Small Business Environmental Scan Executive Summary," MissouriBusiness.net.*)

3. The U.S. Census Bureau's 2002 County Business Patterns report shows that for the Missouri State University-West Plains seven-county service area, 79.94% of the business establishments employ less than 10 people, 96.56% employ less than 50 people and 98.71% employ less than 100 people. These business owners and their employees are the target audience for the proposed Certificate in Entrepreneurship and the individual courses proposed as part of this program. (*Source: U.S. Census Bureau 2002 County Business Patterns (NAICS), <http://censtats.census.gov/cgi-bin/cbpnaic/cbpcomp.pl>*)

4. This program was developed specifically to support the education requirements of the small businesses participating in the business incubator located in West Plains, Missouri.

5. The program and curriculum have been reviewed and approved by the Missouri State University-West Plains Curriculum Committee and Faculty Senate. Upon approval by the Board of Governors, the program proposal will be forwarded to the Missouri Coordinating Board for Higher Education.

INTRODUCTION

Since 1963, Missouri State University-West Plains has successfully met the needs of its constituents in providing effective learning opportunities to students in liberal arts and transfer education. In the mid-1990's, those opportunities were extended to programs in career and technical education. The proposed Certificate in Small Business Development fits with Missouri State University-West Plains' stated mission and would benefit people within the Missouri State University-West Plains service area.

Nation-wide, small companies represent about 99% of employers, employ about half of the private sector workforce, and generate between 2/3 and 3/4 of the net new jobs. (*Source: Small Business Administration "Small Business Economic Indicators for 2003" report.*) About 6.2 in every 100 U.S. adults 18 years and older are engaged in trying to start new firms; this means that approximately 10.1 million adults in the U.S. are attempting to create a new business at any time. (*Source: The Entrepreneur Next Door - Characteristics of Individuals Starting Companies in America, a report sponsored by the Ewing Marion Kauffman Foundation.*)

Reports on small businesses in Missouri offer similar findings. In Missouri, businesses with 20 or fewer employees make up 75 percent of rural businesses, and small rural companies offer employees a wider range of job responsibilities than larger companies. (*Source: "After a Year of Change - The 2001 Small Business Environmental Scan Executive Summary," MissouriBusiness.net.*)

Small businesses and entrepreneurial ventures play an even more important role in the Missouri State University-West Plains seven-county service area. The U.S. Census Bureau's 2002 County Business Patterns report shows the following distribution in employment in the Missouri State University-West Plains seven-county service area:

County	Number of Establishments by Employment									
	001-004	005-009	010-019	020-049	050-099	100-249	250-499	500-999	1000 +	Total
Douglas	136	31	20	10	5	1	1	0	0	204
Howell	604	225	123	75	22	14	4	2	1	1070
Oregon	142	38	22	13	7	0	0	0	0	222
Ozark	107	35	11	6	5	0	0	0	0	164
Shannon	100	27	16	6	1	2	0	0	0	152
Texas	329	69	56	26	8	4	2	0	0	494
Wright	249	72	42	24	10	2	2	0	0	401
Total	1667	497	290	160	58	23	9	2	1	2707
Percent	61.58%	18.36%	10.71%	5.91%	2.14%	0.85%	0.33%	0.07%	0.04%	
Cum Total	1667	2164	2454	2614	2672	2695	2704	2706	2707	
Cum %	61.58%	79.94%	90.65%	96.56%	98.71%	99.56%	99.89%	99.96%	100.00%	

(Source: U.S. Census Bureau 2002 County Business Patterns (NAICS),
<http://censtats.census.gov/cgi-bin/cbpanaic/cbpcomp.pl>)

These statistics show that 79.94% of these establishments employ less than 10 people, 96.56% employ less than 50 people and 98.71% employ less than 100 people. These business owners and their employees are the intended audience for the Missouri State University-West Plains entrepreneurship programs.

The courses included in the proposed 15 credit hour Certificate in Small Business Development are also included in the AAS in Entrepreneurship and the Certificate in Entrepreneurship, so no new courses will be required. What makes the proposed Certificate in Small Business Development different from the AAS in Entrepreneurship and the Certificate in Entrepreneurship is that this proposed certificate can be completed in much less time. The Certificate in Small Business Development offers students an opportunity to take key entrepreneurship courses in one or two semesters, instead of one or two years.

The proposed Certificate in Small Business Development was primarily created to support the educational requirements of entrepreneurs housed in the Ozarks Small Business Incubator. The incubator will be located in a renovated building in downtown West Plains. The incubator will provide offices, commercial space, mentoring programs, and educational

programs, all of which will provide an environment that will encourage entrepreneurs to be successful. The anticipated opening of the Ozarks Small Business Incubator is late 2010.

While initially designed to support students participating in the business incubator, all students interested in starting and running their own business can benefit from the proposed Certificate in Small Business Development.

Certificate in Small Business Development**Credit
Hours**

EPR 150 Entrepreneurial Marketing and Sales	3
EPR 160 Legal Issues for Entrepreneurs	2
EPR 170 Business Ethics	1
EPR 201 Accounting for Entrepreneurs	3
EPR 210 Principles of Supervision	3
EPR 290 Business Plan Development	3
Total	15