

HEARTLAND

Together

MARSHALLTOWN, IOWA, ENTREPRENEURSHIP DIAGNOSIS DOCUMENT

The same names mentioned over and over when discussing entrepreneurship and who moves Marshalltown forward point to an overarching challenge: The pool of people driving change is too shallow.

That observation, based on a June session on fostering entrepreneurship, goes beyond frequent mentions of a “a small group doing a lot,” the chamber of commerce leader and the active Buzbee family. It extends to who is and isn’t part of the conversation:

- **“How many Hispanic names are up there?”**
- **“The white community is well represented here.”**

Repeatedly, “diversity” was used to describe the community, entrepreneurship, and the strengths, challenges and opportunities involving both. Often, but not exclusively, diversity meant demographics. That’s no wonder in once nearly all-white Marshalltown, where 4 in 10 residents are now Hispanic or Burmese, “we live in silos and groups don’t blend” and some insist “it was really great before ... (diversity came).”

Creating a “culture of representation” is a necessary, adaptive challenge to address if entrepreneurship and the city are to thrive. It’s a challenge not just of race and ethnicity but one requiring greater overall participation, collaboration and communication by factions including businesses, public officials, houses of worship, the arts community, and educators. It requires acknowledging skeptics, recognizing the losses “good old boys” and others feel from change, and encouraging involvement by “trusted ambassadors,” especially religious leaders with great sway in their communities.

Other potential adaptive challenges include addressing a shortage of housing (from apartments to high-end homes) and improving the online presence and perception of the

community – a challenge that can range from arriving at a shared vision of how the community presents itself to countering social media negativity and the belief the local paper and regional TV stations cover crime and skip good news.

The path forward may not be clear yet – other key challenges may need to be identified and moved up the list – but the end result is becoming a community less afraid to take entrepreneurial leaps and no longer lets “too many of its young people go elsewhere.”

Things to brag about, things to keep to oneself

Marshalltown has many strengths, including good schools, community college, infrastructure, master planning, energetic young leadership, arts scene, tradition of entrepreneurship (Lennox, Fisher Controls, Marshalltown Co.), and resilience after the 2018 tornado and 2020 derecho that delivered both damage and opportunity for renewal.

But challenges and frustrations remain. Some connect directly to entrepreneurship and business, such as unequal access to capital, lack of local retail options, reverse commuters who come for work and head home at night to spend their good paychecks, the “45-minute problem” of being close to Des Moines, Ames and Cedar Rapids and their housing and money-spending options. Other, broader challenges include poverty, crime, “the image of being a tough town” and white flight to neighboring school districts.

Marshalltown, too, is a city that often looks down on itself. A city where a new restaurant or different type of business is “too good for Marshalltown,” a city where “we’re fine just the way we are,” a city that, by appearances, enjoys beer but didn’t support a local brewery. A city where “locals that grew up here are less prideful than those who have come in.”

QUESTIONS TO CONSIDER

What does an entrepreneurial ecosystem really look like and what's realistic?

- A downtown bustling like decades ago, mimicking the revived 13th Street District and “embracing the weird.”
- The community building on its tradition of manufacturing and innovation and fostering “lifestyle businesses” as well.
- Further developing and publicizing entrepreneurial resources and building a larger network of mentors developing so it's not “pretty lonely” to start a business.

How do you create a “culture of representation?”

- Increasing representation, participation and communication among English-only speakers and those who are primarily non-English speakers. This includes elected officials, businesses, education, the arts community, police, churches and more.
- Expanding the pool of people involved in entrepreneurship instead of expecting a few to do the work and take the risks.
- Determining how much different communities are willing to work together and working to change that if not. Factors and groups include “good old boys

wanting good old days,” businesses seen as only serving certain groups, and whether competition for dollars keeps Hispanic and other business owners from helping “lift all boats.”

- Increasing equitable access to financial and other resources.

What roles do “online presence” and housing play in fostering entrepreneurship?

- Big challenges, no doubt, affecting the health of the community. But they might in some ways be outside the scope of helping start and support businesses. As one businessperson muttered, “we've lost the thread of entrepreneurship.”
- Discussion of “online presence” often quickly turns to toxic social media. Through an entrepreneurship lens, the challenge could instead focus on arriving at a shared vision of what Marshalltown is, telling its story consistently online and even trying to counter the “we are not worthy” view of some residents.
- Focusing on creating a representation of culture could improve the entrepreneurial ecosystem but also help create a model for addressing such gnarly challenges the housing shortage.



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