Examination of Small Business Owners in Rural Pennsylvania
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by:
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Small businesses are an important source of entrepreneurial activity and employment growth in most rural Pennsylvania communities and the state as a whole. Research on small businesses, however, is typically descriptive in nature and contains little more than basic statistical analysis. Moreover, the majority of recent literature examines rural small businesses at the industry and business level but not the owner level.

This research looked to provide a more comprehensive profile of rural Pennsylvania small businesses, including a profile of the typical rural small business owner, their use of publicly available service providers and their satisfaction with these service providers.

It also identified the stage at which small business owners seek help from publicly available service providers and learned more about the types of services they find most valuable.

The research found that 28 percent of small businesses were home-based and that two-thirds of all businesses were related to the owners’ previous work or occupation.

Businesses had an average of 11 employees: however, the median number of employees was four.

The research also found that small businesses in rural Pennsylvania were very “local” in nature, with 90 percent of all revenues from sales within Pennsylvania.

The respondents’ awareness of service providers in rural Pennsylvania was low and their use of service providers was correlated with their awareness.

Based on these and other findings, the researchers offered several considerations for state government that may bolster small businesses and strengthen the public services that help them thrive.
Introduction

Small businesses represent 90 percent of all businesses and employ two-thirds of the population in rural communities of the United States (Velázquez, 2006). According to the Pennsylvania Department of Labor and Industry, 98 percent of all businesses in Pennsylvania employ fewer than 100 workers. In most rural Pennsylvania communities, small businesses represent the main source of entrepreneurial activity and employment.

An understanding of who rural Pennsylvania’s typical small business owners are and in what ways they are benefiting or not benefiting from publicly provided business assistance programs may assist the commonwealth in the effective and efficient deployment of its limited resources.

Research on small businesses is typically descriptive in nature and contains little more than basic statistical analysis. Moreover, the majority of recent literature examines rural small businesses at the industry and business level but rarely at the owner level. Much of this research is narrow in scope, profiling only minority segments such as women- or veteran-owned business owners. A select few studies examined the broader group of all small business owners.

A 2004 study by the W. K. Kellogg Foundation looked at rural entrepreneurship and found that roughly 11 percent of the U.S. adult population was engaged in some form of “entrepreneurial activity” (W. K. Kellogg and Corporation for Enterprise Development, 2004). Another study, the Kauffman Index of Entrepreneurial Activity (Fairlie, 2005), analyzed national data pertaining to small business owners and entrepreneurs, drawing conclusions about their typical age, gender, race, and regional location.

While both of these studies reaffirm the importance of small businesses to rural regions, neither provide comprehensive profiles of the typical rural small business owner, which is necessary to effectively create and target business assistance programs.

A second topic of significant research pertains to the assessment of publicly funded financing and technical assistance programs. Most of the literature pertaining to rural small business owners, and the public policy that affects them, echoes Atkinson’s (2004) position on the importance of rural policy to the nation’s long term economic growth. However, few studies delve deep enough to evaluate the public programs that are in place to assist rural small business owners. Although some literature is available on federal, state, and local government policy pertaining to economic development and business and entrepreneurial assistance in rural areas, the majority of this literature is descriptive in nature and provides little in the way of in-depth statistical analysis on which to frame public policy.

Pennsylvania plays an important and immediate role in addressing the needs of its rural entrepreneurs and small business owners. By better understanding these business owners, the state can better target its assistance programs.

This study examined the demographics of small business owners and the resources they are using to start, expand and transition their businesses to the next level. While Pennsylvania provides many types of assistance to rural business owners, not much is known about the services they are using at what stage of their business they are using them. This study looked at the actual use of service providers by small business owners.

Goals and Objectives

The first goal of this study, which was conducted in 2008, was to create a profile of rural small business owners, including the demographic characteristics of the small businesses. It also asked small business owners to identify relevant business history and their future plans, such as expansion. As part of this profile, the researchers asked small business owners about the barriers and opportunities they currently face as they plan for the expansion or transition phases of their business.

The next goal was to identify the federal, state, and local government providers of small business assistance services, including university outreach programs. The study examined small business owners’ perceptions about the access to and availability of these services in rural areas. The researchers also assessed which services provided by publicly funded, and in some cases private, small business assistance organizations were being used and if they were perceived as beneficial.

The research then looked at best practices and model programs that are assisting rural small business owners with growth and expansion opportunities.

Finally, the researchers developed policy considerations for Pennsylvania state government that may further improve and target public service programs.

Methodology

The researchers used a variety of methodologies to collect data for the research. First, they developed and administered two surveys, one for small business owners and another for service providers. They also conducted a focus group with business owners, policy
makers, and service providers to gain additional information.

Small business owner survey
The small business owner survey was designed to garner the following information: demographics, business history, the use of publicly funded financing and business assistance, plans for expansion and transition, and perceptions of opportunities and barriers to expanding in rural Pennsylvania.

The researchers used Reference USA’s database to identify a stratified sample of 5,000 small businesses in rural Pennsylvania.

The researchers used the guidelines of the U.S. Small Business Administration (SBA) to identify a “small business.” The guidelines were used to determine the maximum revenues and/or workforce size for small businesses in each industry. The industry categories were as follows, along with the criteria used to identify small businesses within each category:

- Agriculture/Forestry/Mining (maximum $1 million in revenues)
- Construction (maximum $10 million in revenues)
- Manufacturing (maximum 250 employees)
- Legal Services (maximum $5 million in revenues)
- Wholesale Trade (maximum 100 employees)
- Retail Trade (maximum $5 million in revenues)
- Transportation (maximum $5 million in revenues)
- Health Services (maximum $5 million in revenues)
- Business and Personal Services (maximum $5 million in revenues)
- Finance, Insurance and Real Estate (maximum $5 million in revenues)

The researchers used the Center for Rural Pennsylvania’s definition of a rural county to identify the location of rural small businesses. They further divided the state into four regions (See Figure 1).

The surveys were mailed, and respondents were given the opportunity to reply by mail or online. The final responses totaled 301 by mail and 64 via the Web, for a response rate of about 7 percent.

Service providers survey
The researchers developed a list of service providers from their initial literature review. They targeted service providers who worked at the local level rather than those who worked at the state and federal level, when applicable.

The researchers sent the survey to 362 service providers, including state loan programs/organizations, Ben Franklin Technology Centers, chambers of commerce, the Pennsylvania Department of Community and Economic Development (DCED), the Governor’s Action Team, PA CareerLink, Industrial Resource Centers, Small Business Development Centers (SBDC), tourism bureaus, U.S. Department of Agriculture (USDA) Rural Development, and the Workforce and Economic Development Network of Pennsylvania (WEDnetPA).

The service providers were offered the opportunity to respond by mail or online. In total, 64 service providers responded for a response rate of about 18 percent.

Focus group
The researchers also conducted a focus group to obtain in-depth responses from the following participants: public service providers, private service providers, elected public officials, economic development officials, and small business owners.

For the focus group, approximately 30 invitations were sent out to state and county level members of these organizations. Among those in attendance were: a commercial lender (SBA preferred lender); a president and CEO of a major regional bank; a regional SBDC director; a dean of a College of Business; a county economic development director; two county economic development specialists; a regional U.S. SBA director; a county commissioner; and a state representative.
Results

The business owner survey resulted in a response rate of about 7 percent (364 respondents), with a ± 5 percent margin of error at the 95 percent confidence level.

The service providers survey resulted in a response rate of about 18 percent (64 respondents). Table 1 lists the provider respondents to the survey.

Demographic profile of small business owners

Two-thirds of all business owners said their business was related to their previous work or occupation.

Twenty-eight percent of the businesses were home-based.

Seventy-eight percent of the respondents were male and 22 percent were female. The National Foundation of Women Business Owners reported that women accounted for 26 percent of business owners in Pennsylvania (Frear, 2007).

The average age of the respondents was 53, and the median age was 54. (See Table 2).

The education level of the respondents was quite high, with about 52 percent possessing a college degree (See Table 3). This is high when compared to the percentage of all rural Pennsylvanians with a college degree (18 percent) (The Center for Rural Pennsylvania, 2005-2007).

About 96 percent of respondents were Caucasian, mirroring the Caucasian population of 95 percent in rural Pennsylvania (The Center for Rural Pennsylvania, 2005-2007).

The mean and median ages of the respondents’ current businesses were 25 and 21 years, respectively (See Table 4 on Page 8).

Statistically, the respondents did not match the original distribution of businesses across various industries in the Reference USA database. A few categories had larger variations (such as wholesale, retail, and agriculture), whereas some of the largest categories (such as professional service and construction) had very small over/under representation (See Table 5 on Page 8).

Respondents had an average of 11 employees in each of 2005, 2006, and 2007. The median number of employees was four in each of those years. About 6 percent of respondents had more than 30 employees, which explains why the median number of employees was as low as four. The range was from one to 250 employees.

Nearly half of all the small businesses were sole proprietorships. A significant percentage, however, were corporations (See Table 6 on Page 8).

Ninety percent of all revenues were from sales within Pennsylvania. Less than 4 percent of revenues came from international sales and the remainder were from sales throughout the U.S.
About 2 percent of sales were Internet sales.

About 25 percent of respondents grossed more than $1 million (See Table 7). In addition, about 67 percent experienced a growth in the previous 3-year time period (See Table 8).

About 70 percent of respondents owned one business, 18 percent owned two, 8 percent owned three and 4 percent owned four or more businesses.

Respondents cited a variety of reasons for starting their own business but most (46 percent) wanted to be their own boss (See Table 9).

Internet service
Seventy-five percent of respondents had broadband Internet service.

Fifty-five percent had DSL service, 31 percent had cable service and the rest did not indicate the type of service.

Four percent of respondents did not have broadband Internet service because it was not available in their area. Less than 3 percent of respondents did not have broadband Internet because it was too expensive.

Ninety-two percent of respondents said their current Internet service was meeting their business needs.

Most respondents who indicated the need for but unavailability of broadband were located in the central part of the state.

Table 4: Age of Respondents’ Businesses

<table>
<thead>
<tr>
<th>Age of Business</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5</td>
<td>11.5</td>
</tr>
<tr>
<td>6-15</td>
<td>23.3</td>
</tr>
<tr>
<td>16-25</td>
<td>26.3</td>
</tr>
<tr>
<td>26-35</td>
<td>18.0</td>
</tr>
<tr>
<td>36+</td>
<td>20.9</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5: Distribution of Respondents’ Industries

<table>
<thead>
<tr>
<th>Industry</th>
<th>Survey (%)</th>
<th>Responded (%)</th>
<th>Over/(Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional service</td>
<td>26</td>
<td>26</td>
<td>(0.06)</td>
</tr>
<tr>
<td>Retail</td>
<td>25</td>
<td>19</td>
<td>(5.77)</td>
</tr>
<tr>
<td>Finance, insurance, and real estate</td>
<td>6</td>
<td>11</td>
<td>4.15</td>
</tr>
<tr>
<td>Health services</td>
<td>13</td>
<td>10</td>
<td>(2.24)</td>
</tr>
<tr>
<td>Construction</td>
<td>10</td>
<td>9</td>
<td>(1.23)</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6</td>
<td>9</td>
<td>3.17</td>
</tr>
<tr>
<td>Agriculture, forestry, mining</td>
<td>3</td>
<td>8</td>
<td>5.44</td>
</tr>
<tr>
<td>Transportation</td>
<td>4</td>
<td>7</td>
<td>2.81</td>
</tr>
<tr>
<td>Wholesale</td>
<td>7</td>
<td>1</td>
<td>(6.28)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Table 6: Types of Businesses

<table>
<thead>
<tr>
<th>Form of Ownership</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole proprietorship</td>
<td>45</td>
</tr>
<tr>
<td>S-corp</td>
<td>22</td>
</tr>
<tr>
<td>Corporation</td>
<td>16</td>
</tr>
<tr>
<td>LLP/LLC</td>
<td>9</td>
</tr>
<tr>
<td>Partnership</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 7: Annual Sales of Respondents’ Businesses

<table>
<thead>
<tr>
<th>Annual Sales</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$&lt;100,000</td>
<td>20</td>
</tr>
<tr>
<td>$100K - $500K</td>
<td>40</td>
</tr>
<tr>
<td>$501K - $1M</td>
<td>13</td>
</tr>
<tr>
<td>$1M - $3M</td>
<td>14</td>
</tr>
<tr>
<td>$3M+</td>
<td>13</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 8: 3-Year Growth/Decline of Businesses (2005-07)

<table>
<thead>
<tr>
<th>3-year Sales Growth</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decline</td>
<td>19</td>
</tr>
<tr>
<td>Flat</td>
<td>14</td>
</tr>
<tr>
<td>1-10%</td>
<td>39</td>
</tr>
<tr>
<td>11-100%</td>
<td>25</td>
</tr>
<tr>
<td>&gt;100%</td>
<td>3</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Table 9: Respondents’ Reasons for Starting Business

<table>
<thead>
<tr>
<th>Reason for Starting Business</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wanted to be his/her own boss</td>
<td>46</td>
</tr>
<tr>
<td>Generate income</td>
<td>28</td>
</tr>
<tr>
<td>Lifelong ambition</td>
<td>21</td>
</tr>
<tr>
<td>Flexible work schedule</td>
<td>20</td>
</tr>
<tr>
<td>Dissatisfied with previous job</td>
<td>16</td>
</tr>
<tr>
<td>Joined family business</td>
<td>13</td>
</tr>
<tr>
<td>Create something for future generations</td>
<td>11</td>
</tr>
<tr>
<td>Had a product/service idea</td>
<td>10</td>
</tr>
<tr>
<td>Downsizing by previous employer</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
</tr>
</tbody>
</table>

Note: Multiple reasons were cited by the respondents, therefore percentages do not add up to 100.

Impact of external factors on businesses
The survey also addressed the perception of small business owners of the impact of several external factors on their businesses (See Table 10).

The economy was perceived to be a barrier (the survey was administered in the fall of 2008 when energy prices were rising).

Infrastructure, international competition and the availability of
publicly funded assistance service providers were not seen as barriers.

Business owners were most confident about the overall market for their products and services. The service providers had similar perceptions about these factors.

Owners’ awareness of service providers in rural Pennsylvania

General awareness of most service providers was low (See Table 11).

Awareness was high for chambers of commerce, Pennsylvania CareerLink, tourism bureaus, universities, and the U.S. Small Business Administration (SBA).

A small percentage of respondents reported that certain service providers were not available in their area; in reality, that was not the case.

Small business use of service providers in rural Pennsylvania

More than 90 percent of respondents had never used the services of 13 out of 20 service providers named in the study. Table 12 on Page 10 shows the use of the various service providers by respondents who had indicated the service to be available in their area.

The use of service providers was significantly correlated (95 percent to 99 percent for different service providers) with awareness.

Of the respondents who indicated that a service was available in their area, only the chamber of commerce was used by more than 50 percent of rural small businesses.

Satisfaction with service providers

Most of the service providers received average or above average ratings on satisfaction.

The WEDNet GFT program and the SBDCs received the highest ratings.

Since use levels were low for many service providers, the researchers could not conduct any further analysis on satisfaction.

Types and extent of business services

There was a strong correlation between the types of services small businesses used and those offered by service providers. Of the 64 service provider respondents, 18 of the 20 service types were represented in the responses. Table 13, on Page 11, presents the summary data with percentages for the various service types.

Service providers rated all service types greater than 3.0 on the importance scale of 1 to 5.

Marketing, human resources/training, funding assistance, and feasibility studies were the most popular service types used.
A small number of small businesses were using services in the areas of engineering/product design, accounting and legal while several service providers offered these services and deemed them as fairly important.

Service providers perceptions of their importance

All the service providers received a mean rating of 3.0 to 3.9 on a 1 to 5 scale of importance (See Table 14). Interestingly, the service providers that were used the least by the small businesses were in fact rated lower on the list of importance by the providers.

Services provided during business life cycle

Service providers were asked to indicate the level of service they provided to businesses in five different life cycle stages, including pre-start-up, start-up, growth, maturity, and exit/transition.

Services were provided during all life cycle stages of the businesses, but, overall, the greatest level of service was provided during the growth stage of the business.

Business transition/succession

Of the 259 business owner respondents, 23 percent had a transition/succession plan while 77 percent did not have a plan. The reasons cited for not having a plan were they did not plan to transition ownership, it was too early to plan, transition planning was too complex, adequate advice/assistance was not available, transition planning was too time consuming, and the owners did not want to deal with family/employee issues.

Of those with a transition/succession plan, 23 percent planned to transition the business through a will and 20 percent through a gift to family members. Thirteen percent planned to sell to competitors, 12 percent planned to sell to family members, another 12 percent planned to sell to partners, 8 percent planned to sell to investors, 7 percent planned to sell to management/key employees, and 5 percent planned to sell/liquidate assets and close the business.

Only one out of the 62 respondents with a transition plan said he/she would rely on “publicly funded service providers” for transition/succession planning, 52 would rely on private entities, and seven would rely on “no one.”

Other results and relationships

Respondents from the manufacturing industry were more aware of the various service providers than respondents from other industries. That is statistically significant in the cases of the Ben Franklin Technology Centers, eBizITPA, GCAP, the Governor’s Action Team, industrial resource centers, state loan programs, and WEDNet GFT.

There was no statistically significant difference in awareness and use of services between male- and female-owned businesses.

The focus group participants recommended that the researchers look at the differences between awareness and the use of service providers among small businesses that are very small and those that have at least 20 employees.

Based on that distinction, the researchers observed that small businesses with at least 20 employees had greater awareness and use levels of all service providers than those with fewer employees. Specifically, at a confidence level of 90 percent, this was true with awareness and use of chambers of commerce, DCED’s www.newpa.com, industrial resource centers, PA CareerLink, state loan programs, and WEDNet GFT.

Also, upon the recommendation of the focus group, the researchers looked at the differences between awareness and use of service providers and the number of years a business was operating. The researchers used
Examination of Small Business Owners in Rural Pennsylvania

Table 13: Type and Extent of Various Services Available and Used

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Small Businesses</th>
<th>Service Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% that used the service (# that used service)</td>
<td>% that provide the service (# that provide the service)</td>
</tr>
<tr>
<td>Marketing</td>
<td>25% (90)</td>
<td>78% (14)</td>
</tr>
<tr>
<td>Human resources/training</td>
<td>20% (73)</td>
<td>83% (15)</td>
</tr>
<tr>
<td>Funding assistance</td>
<td>14% (52)</td>
<td>88% (16)</td>
</tr>
<tr>
<td>Feasibility/business plan/product development</td>
<td>14% (51)</td>
<td>88% (16)</td>
</tr>
<tr>
<td>Information technology</td>
<td>10% (35)</td>
<td>67% (12)</td>
</tr>
<tr>
<td>Operations/quality</td>
<td>5% (18)</td>
<td>34% (6)</td>
</tr>
<tr>
<td>Legal</td>
<td>4% (16)</td>
<td>61% (11)</td>
</tr>
<tr>
<td>Accounting</td>
<td>2% (8)</td>
<td>34% (6)</td>
</tr>
<tr>
<td>Engineering/product design</td>
<td>2% (9)</td>
<td>39% (7)</td>
</tr>
<tr>
<td>Export assistance</td>
<td>0% (0)</td>
<td>50% (9)</td>
</tr>
</tbody>
</table>

Table 14: Perception of Service Providers of Their Own Importance

<table>
<thead>
<tr>
<th>Service Providers (multiple locations of same service provider in parentheses)</th>
<th>N</th>
<th>Mean (1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBDC (2)</td>
<td>60</td>
<td>3.9</td>
</tr>
<tr>
<td>DCED’s <a href="http://www.newpa.com">www.newpa.com</a></td>
<td>58</td>
<td>3.9</td>
</tr>
<tr>
<td>State loan programs (4)</td>
<td>53</td>
<td>3.9</td>
</tr>
<tr>
<td>Universities (3)</td>
<td>54</td>
<td>3.8</td>
</tr>
<tr>
<td>WEDNet GFT</td>
<td>44</td>
<td>3.8</td>
</tr>
<tr>
<td>PA CareerLink (6)</td>
<td>57</td>
<td>3.8</td>
</tr>
<tr>
<td>USDA Rural Development</td>
<td>46</td>
<td>3.7</td>
</tr>
<tr>
<td>SBA</td>
<td>59</td>
<td>3.7</td>
</tr>
<tr>
<td>CJT</td>
<td>54</td>
<td>3.6</td>
</tr>
<tr>
<td>Industrial resource centers</td>
<td>51</td>
<td>3.6</td>
</tr>
<tr>
<td>Chambers of commerce (8)</td>
<td>57</td>
<td>3.5</td>
</tr>
<tr>
<td>Tourism bureaus (5)</td>
<td>54</td>
<td>3.4</td>
</tr>
<tr>
<td>PennTAP</td>
<td>53</td>
<td>3.3</td>
</tr>
<tr>
<td>Governor’s Action Team</td>
<td>51</td>
<td>3.3</td>
</tr>
<tr>
<td>GCAP</td>
<td>40</td>
<td>3.2</td>
</tr>
<tr>
<td>Ben Franklin Technology Centers</td>
<td>44</td>
<td>3.2</td>
</tr>
<tr>
<td>SEAP</td>
<td>40</td>
<td>3.1</td>
</tr>
<tr>
<td>SCORE (6)</td>
<td>54</td>
<td>3.1</td>
</tr>
<tr>
<td>eBiTTPAT</td>
<td>42</td>
<td>3.1</td>
</tr>
<tr>
<td>Business Retention and Expansion Program</td>
<td>45</td>
<td>3.0</td>
</tr>
</tbody>
</table>

A cutoff of five years of operation. Businesses in operation for five years or more had greater awareness and use levels of all service providers than their “younger” business peers. Specifically, this was true of the Ben Franklin Technology Centers, DCED’s www.newpa.com, industrial resource centers, PA CareerLink, and WEDNet GFT.

The researchers conducted a similar analysis between business owners with a college degree (bachelor or graduate/professional) and business owners without a college degree. The researchers found no statistically significant difference in awareness or use of service providers related to business owner education levels.

Home-based business owners had lower awareness levels of service providers than non-home-based business owners. This was true for the Business Retention and Expansion Program, eBizITPA, Governor’s Action Team, and SCORE. There was no statistical difference in the use of any of these services.

The awareness and use of service providers were higher among companies that had growth plans for the next three years. At a confidence level of 90 percent, this was true for the Ben Franklin Technology Centers, Business Retention and Expansion Program, CJT, DCED’s www.newpa.org, eBizITPA, PennTAP, SBA, SBDCs, and WEDNet GFT.

Conclusions

The research found that 28 percent of small businesses were home-based and that two-thirds of all businesses were related to the owners’ previous work or occupation. The average age of entrepreneurs was 53, which reflects the aging population of rural Pennsylvania, and the majority of entrepreneurs were Caucasian. The education level of entrepreneurs was high, with more than half of all rural entrepreneurs possessing a college degree.

Businesses had an average of 11 employees: however, the median number of employees was four.

About 47 percent of businesses were professional service, healthcare, finance, insurance and real-estate; 28 percent were retail, wholesale and transportation; and 25 percent were manufacturing, construction, agriculture, and mining.

Nearly half of all small businesses were sole proprietorships, but a significant percentage of the businesses were corporations.

The research also found that small businesses in rural Pennsylvania were very “local” in nature, with 90 percent of all revenues from sales within Pennsylvania. Less than 4 percent of sales came from international sales and about 2 percent came from online sales.

Ninety-two percent of respondents said their current Internet service was meeting their business needs. Of the respondents that indicated a need for broadband but lacked of availability, a majority were located in the central region of Pennsylvania.

Small business owner respondents said the regional
The Center for Rural Pennsylvania

The Center for Rural Pennsylvania

The Center for Rural Pennsylvania

The Center for Rural Pennsylvania

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Industrial Resource Centers located throughout the commonwealth. The centers were established to help small- and medium-sized manufacturing enterprises respond to changing markets, new technology and the competitive pressures of today’s global economy. (Source: www.pairc.net/about.asp.)

Pennsylvania CareerLink
CareerLink, under the Pennsylvania Department of Labor and Industry, is a collaborative project between multiple agencies to provide career services to Pennsylvania employers, potential employees, and others. Offices and access points are located in each of Pennsylvania’s 67 counties. (Source: www.cwds.state.pa.us.)

Pennsylvania Chamber of Business and Industry
The Pennsylvania Chamber is the statewide advocate for business and is the largest broad-based business association in Pennsylvania. (Source: www.pachamber.org.)

Pennsylvania Department of Community and Economic Development (DCED)
DCED helps foster opportunities for businesses and communities so that they may succeed and thrive in a global economy. (Source: www.newpa.com/what-can-pa-do-for-you/about-dced/index.aspx.)

Pennsylvania Procurement Technical Assistance Centers (PA PTAC)
PA PTACs are part of a congressionally authorized initiative to assist businesses in marketing their goods and services to the U.S. Department of Defense, other federal agencies, and state and local governments. (Source: http://jari.com/paptac.)

Pennsylvania Small Business Development Centers (SBDCs)
SBDCs help to grow the economy of Pennsylvania by providing entrepreneurs with the education, information and tools necessary to build successful businesses. SBDCs are a network of 18 university-based centers and more than 90 outreach locations. (Source: www.pasbdc.org/index/about/default.asp.)

Pennsylvania Technical Assistance Program (PennTAP)
PennTAP engages, guides, and empowers businesses and organizations throughout the commonwealth and beyond by providing objective and experience-based technical and workforce solutions that enable clients to succeed and thrive, stimulating economic growth for Pennsylvania. (Source: www.penntap.psu.edu.)

Pennsylvania Tourism Office
The office, under DCED, develops and implements strategies that grow Pennsylvania travel and tourism. (Source: www.visitpa.com/contact-us/index.aspx.)

Service Core of Retired Executives (SCORE)
SCORE is a nonprofit association dedicated to educating entrepreneurs and the formation, growth and success of small business nationwide. It is a resource partner with the U.S. Small Business Administration (SBA). (Source: www.score.org/explore_score.html.)

U.S. Department of Agriculture (USDA) Rural Development
Rural Development works to eliminate substandard housing from rural America, creates jobs by funding the growth and creation of rural businesses and cooperatives, helps rural communities build or improve community facilities and build or extend utilities. Assistance includes direct or guaranteed loans, grants, technical assistance, research and educational materials. (Source: www.rurdev.usda.gov/rd/aboutrd.html.)

U. S. Small Business Administration (SBA)
SBA is an independent agency of the federal government that aids, counsels, assists and protects the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of the nation. (Source: www.sba.gov/aboutsba/index.html.)

Workforce and Economic Development Network of Pennsylvania (WEDnetPA)
WEDnetPA was created to make companies across Pennsylvania more competitive by updating and improving the skills of their employees to meet specific company needs. It is an alliance of educational providers - including Pennsylvania’s 14 State System universities, Pennsylvania’s 14 community colleges and other educational providers - that acts as the delivery mechanism for the commonwealth’s Guaranteed Free Training (GFT) program. (Source: www.wednetpa.com/about/.)
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