

# TRENDS in ENTREPRENEURSHIP SERIES

Reporting on data from a wide range of sources to measure, track, and compare trends related to entrepreneurship | 2020, No. 7

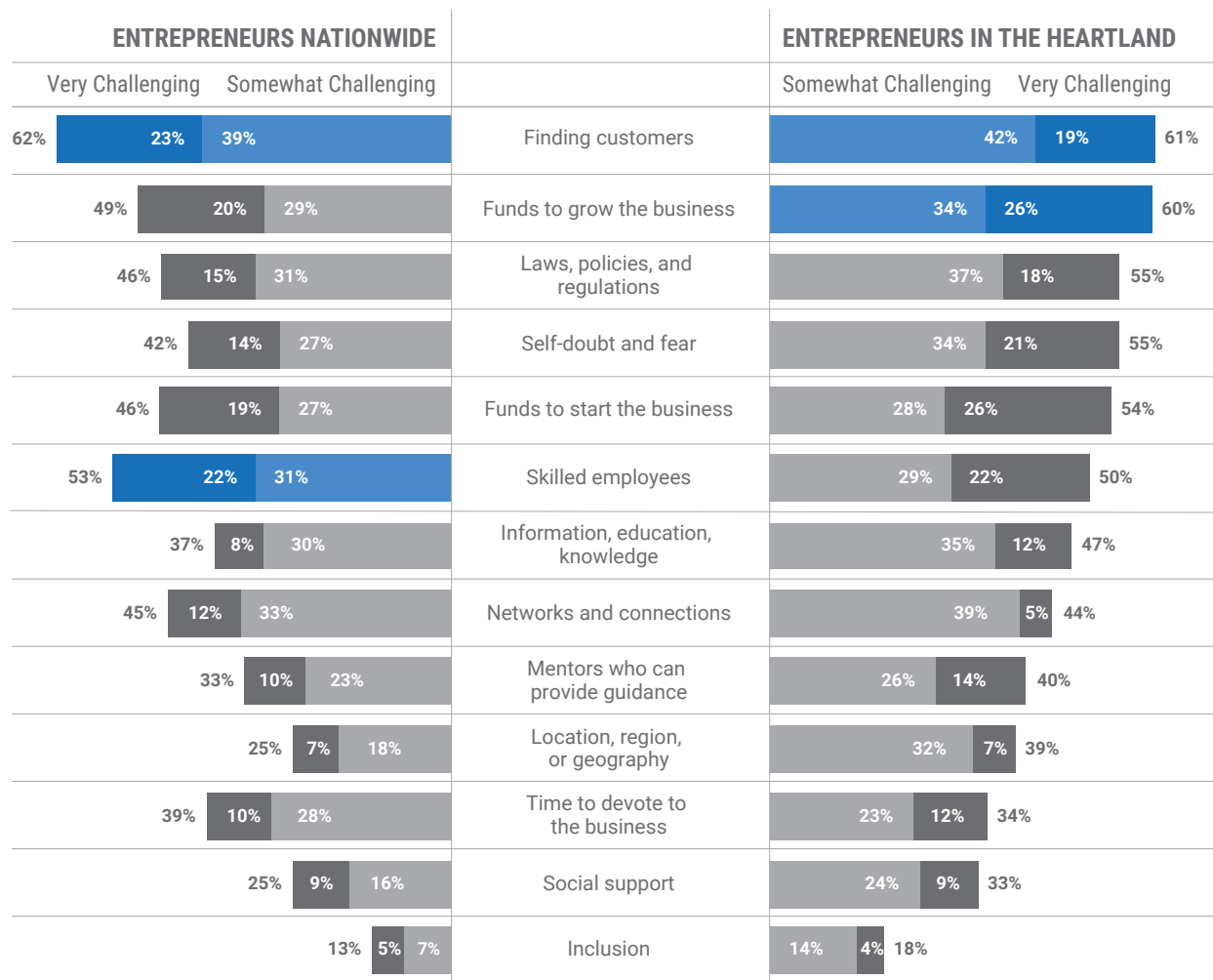
## CHALLENGES FOR ENTREPRENEURS IN THE HEARTLAND

How do entrepreneurs in the Heartland – Kansas, Missouri, Iowa, and Nebraska – perceive challenges compared to entrepreneurs nationally?



- Entrepreneurs in the Heartland and nationally most commonly report that **finding customers is challenging** – about 6 in 10 entrepreneurs in the Heartland and across the country.
- In the Heartland, **funds to start the business** is a challenge among 54% of entrepreneurs and **funds to grow the business** is a challenge among 60% of entrepreneurs, compared with 46% and 49% of entrepreneurs nationally.
- **Laws, policies, and regulations** are a challenge for 55% of Heartland entrepreneurs, compared to 46% of entrepreneurs nationally.
- **Self-doubt and fear** is a challenge for 55% of Heartland entrepreneurs and 42% of entrepreneurs nationally.
- Entrepreneurs in the Heartland report more difficulties in attaining **information, education, and knowledge** than entrepreneurs nationally – 47% compared with 37%, respectively.
- Both groups are similarly challenged by finding **networks and connections** – 44% in the Heartland and 45% nationally – and **skilled employees** – 50% in the Heartland and 53% nationally.
- Finding **mentors to provide guidance** is more of a challenge for Heartland entrepreneurs than nationally – 40% compared with 33%.
- **Time to devote to the business** is reported as challenging by 34% of entrepreneurs in the Heartland and 39% of entrepreneurs nationally.
- **Location, region, or geography** is a challenge for almost 4 in 10 entrepreneurs in the Heartland, compared with 1 in 4 entrepreneurs across the country.
- **Social support** is a challenge for 1 in 3 Heartland entrepreneurs compared with 1 in 4 entrepreneurs nationally.
- **Inclusion** based on race, ethnicity, gender, income, or other factors is a challenge among 18% of Heartland entrepreneurs and 13% of entrepreneurs nationally.

FIGURE 1: Challenges Facing Entrepreneurs in the Heartland and Nationally



Note: Blue bars denote top two responses from each group. The numbers reported reflect the total for challenging response options.

### But what matters most?

In addition to knowing many of the barriers that entrepreneurs face, it is helpful to understand what barriers are considered to be the most challenging. For example, an entrepreneur may identify obtaining knowledge, inclusion, and mentors as challenges, but one might be much more difficult to overcome than another. This helps provide balance in interpreting how severe the above barriers may be for entrepreneurs. To gain this kind of insight, entrepreneurs in the Heartland also ranked their **most challenging** concern.

In addition to being reported most frequently by entrepreneurs (61%), **finding customers** was also the most challenging concern among 20% of Heartland entrepreneurs. **Laws, policies, and regulations** was the most challenging concern among 15% of Heartland entrepreneurs. The most challenging concern for 13% of Heartland entrepreneurs was **skilled employees**. While a striking majority of Heartland entrepreneurs reported that **funds to start** (54%) and **funds to grow** (60%) the business were challenging to 1 in 10 reported funds as the most challenging concern. And, while **self-doubt and fear** were identified as a challenge by more than half of Heartland entrepreneurs, less than 1 in 10 reported this as the most challenging. All other barriers discussed above were identified as the most challenging by less than 6% of Heartland entrepreneurs.

## About the Data

Entrepreneurs across the United States (405) and in Kansas, Missouri, Iowa, and Nebraska (247) were surveyed in Fall 2019. Entrepreneurs were identified as individuals who had either opened or co-opened their own business. Respondents were asked to rank the order of the 3 to 5 most challenging barriers from a list of 13 barriers. They were also asked to rank each as “very challenging,” “somewhat challenging,” “not that challenging,” “not at all challenging,” or “not applicable to my business.” Responses of “very” or “somewhat” challenging are considered challenges. Probability weights were used to calculate descriptive statistics. Refer to Looze and Desai (2020) for expanded discussion of barriers faced nationally.

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**Sources:** (1) Looze and Desai. 2020. Challenges Along the Entrepreneurial Journey: Considerations for Entrepreneurship Supporters, Ewing Marion Kauffman Foundation: Kansas City. [View report](#).

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