

MIE Assists Small Businessmen

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How can the extension professional be more effective in his work with small businessmen? Rindt suggests a Management Information Exchange as a tool. MIE is organized and operated at the community level and makes the expertise of some businessmen available to others who want and need it. "Small businessmen prefer getting help from other businessmen," Rindt says. And they prefer getting assistance on a personal, one-to-one basis. MIE can help the already too busy extension professional reach many small businessmen, and more effectively, too.

What Is It?

The Stock Exchange, the Livestock Exchange, the Post Exchange, and other institutional forms bring together supply and demand to meet a given need. We now urge a new kind of exchange—the Management Information Exchange (MIE). Organized and operated at the community level, it would provide a mechanism for making the expertise of some businessmen available to others who want and need it. This mechanism is a roster of special skills and knowledge of those willing to share successful experiences with others. It would become a bank of experience to draw on when discussing problems and exchanging ideas. Then, those receiving help from the exchange would be expected to share their special skills or knowledge with others.

Why the Need?

How does a small businessman get information and advice to solve problems and make the business grow? Studies show that those who seek and use advice are more successful than those who don't.

Small businessmen prefer getting help from other businessmen. And, they prefer personal discussion to institutes, classes, or reading about successful managers. To extension educators, learning through personal observation and discussion with successful peers isn't new. In agriculture, talking with progressive farmers has been used to inform the farmer. In the field of small business, many universities, trade groups, and governmental and private sources disseminate information and advice. However, their methods have been limited to dis-

tributing publications and offering management courses or workshops. Much of this material isn't read, and the courses and workshops are ignored.

In Wisconsin's Fox Valley area study of business (Oshkosh, Green Bay), many businessmen said they'd attend courses and institutes, but also liked the idea of starting a Management Information Exchange.¹ One hundred executives said they'd be charter members if such an organization were formed!

L. T. White, initiator of the MIE, describes the need for this bank of experience:

Each owner-manager is good in certain phases of management but short in other phases. For example, in the Valley within a few blocks and in the same type of business, one proprietor had trouble getting and keeping good employees while the other proprietor was proud of his low turnover of employees. Yet, that first man was skilled in merchandising while this troubled the other man. If such strengths and weaknesses were shared—both companies would grow. Unfortunately, there was no communication—"no exchange"—neither person was aware of the other's special knowledge, or lack of it. At this point, the need for a listing of skills and names became apparent.²

How It Starts and Operates

As yet, no MIE has been set up in Wisconsin. The concept hasn't

been written about or publicized until now. Plans call for setting up a demonstration area, probably in the Fox Valley communities of Oshkosh, Appleton, Neenah-Menasha, and Green Bay.

The first step would be to develop the roster of management skills. Volunteer-interviewers would ask business executives: In what skills of managing do you have the most experience and education? In which do you feel most expert? Would you share your knowledge with others? In what ways would you like to do this? If you'll *share* your knowledge with *others*, we'll list you on our roster of MIE. Would you also indicate those parts of managing specific problems where you *need* more information? Within MIE perhaps we could find for you someone who has already done successfully what you are wondering about. If you need more information later on, just call MIE—a new kind of bank of ideas and experiences.

Table 1 is an example of how this information, filed according to field or function of management, would look.

In addition to the data in Table 1, the businessman's complete resume of experience and educational background would be in MIE's central file.

Where would the staff come from to organize and keep MIE going? Many sources of voluntary help are available in every community. Retired businessmen are an excellent source; they know the language

of business and can talk convincingly about MIE in the interviews. The SCORE people of SBA could be helpful.⁸ The Homemakers Club, Jaycettes, or other women's groups could help interview and staff the information center housing MIE. In one Fox Valley community, the public library wants to operate the MIE; in another, the Chamber of Commerce; in a third, the district of the State Employment Service.

Community support for MIE will vary. While one chamber was ready to budget \$500 to start MIE, another said, "The chamber's job is to promote the city, not develop the individual businessman."

MIE could be operated by a reference secretary-coordinator who handles requests and brings the two parties together to exchange their ideas. In each city at least one person said, "I know just the man for the job of reference secretary. He's a highly respected and retired businessman. He can afford to do it. In fact, he's looking for something to do that will be good for business and help the city."

Extension's Role in MIE

MIE fits into extension's philosophy of helping people to help themselves. In this case, it's extension's role to get the specialized skills of its businessmen and make this roster available to those wanting help.

MIE would give extension specialists and agents an added tool for resource development and

rural development. This information would be useful in other fields of community service and development as well. Hidden talent can be tapped for community leadership in projects like fund drives and other promotions, school and local government financing problems, etc.

In rural development, which extension has been committed to for some time, the cooperation and assistance of business is vital. Many small businessmen in rural areas would expand operations if they could overcome certain obstacles. This expansion would stem the tide of family migration to the cities. The obstacles businessmen face could be overcome with the right information and counseling . . . for instance, tutorial help from businessmen on how to get assurance of the market potential of a proposed new product. The businessmen could also contact a university marketing specialist and perhaps a consultant. But, he needs ideas from other businessmen who have gone through a similar experience . . . MIE would make this possible.

MIE would help meet the shortage of extension faculty serving business and industry. Many businessmen listed in the MIE would give extension a new source of speakers for its business management institutes and noncredit classes. Many businessmen are not only successful managers, but also have an advanced degree in business administration.

The county Cooperative Extension office would be the logical

headquarters for getting MIE started. This means playing the role of catalyst and doer in getting businessmen who want to be listed as members of MIE. This office could house the MIE, at least supervising it temporarily to get it off to a good start. Or, some community agency as the Chamber of Commerce, local employment office, or library could maintain the inventory file and service the MIE member requests. But the county Cooperative Extension office should initially coordinate the survey of businessmen to build the inventory list of skills.

The main rationale for MIE lies in its potential for providing businessman-to-businessman counseling. In Alcoholics Anonymous, those in difficulty can find someone who has faced and met the same problem. In MIE, the businessman

would know other businessmen he can go to for help. He'd no longer be limited to referrals by the C.P.A., attorney, banker, consultant, or meeting the right person by chance at Kiwanis or on the golf course.

Footnotes

1. "A Study of Small Business Growth in the Fox Valley" (Madison, Wisconsin: The University of Wisconsin, University Extension, 1963), mimeographed.
2. L. T. White, "A Wisconsin Way to Strengthen Small Business," Supplementary Report No. 1 (Madison, Wisconsin: The University of Wisconsin, University Extension, 1963), p. 11, mimeographed.
3. SCORE is the Service Corps of Retired Executives sponsored by the U.S. Small Business Administration (SBA).