

A College's Role in Developing and Supporting an Entrepreneurial Ecosystem

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Abstract

From the earliest oil pioneers to today's business startups, entrepreneurs have paved the road to success for Oklahoma. Small businesses account for more than 80% of the business community in each of the state's two largest cities. Higher education must take a leadership role in developing and sustaining a thriving entrepreneurial ecosystem for small business. Community colleges are uniquely designed to nourish an entrepreneurial ecosystem in light of their ability to quickly respond to business and community needs, design curriculum to meet industry demands, and generate meaningful advances in the community's economic development. Budding entrepreneurs often look to the community college as the most flexible and accessible means to reach their goal of starting a new business. A college involved in cultivating and nurturing an entrepreneurial ecosystem must exhibit its own entrepreneurial spirit while creating an environment where discoveries are made, learning is emphasized, and lives are changed.

Introduction

Entrepreneurs have historically served as a vital component in Oklahoma's economic development. From the earliest oil pioneers to today's business startups, entrepreneurs have paved the road to success for the state. For example, according to the 2011 *Greater Oklahoma City Economic Forecast*, 92% of the 77,000 stand-alone or headquartered businesses in the Oklahoma City metropolitan statistical area have fewer than 10 employees (Evans & Long, 2011). Small businesses constitute 82% of Tulsa's business community and generate a \$3.1 billion impact on the city's economy each year (Tulsa Regional Chamber, 2012). Higher education must stand at the forefront of efforts to develop and sustain a thriving entrepreneurial ecosystem within which these individuals and their businesses can function.

In its earlier years, Tulsa focused on specific industries for the backbone of its economic development: oil, telecommunications, aerospace, and others. Unfortunately, that kind of singular investment resulted in significant economic fallout when companies left, industries declined, and layoffs occurred. More recently,

it has become apparent that Tulsa must diversify in order to grow its economy consistently. An entrepreneurial city requires four key elements: (1) an infrastructure that makes it easier for new firms to enter the market; (2) a higher percentage of the population with college degrees, which translates to a more educated workforce; (3) state and local policymakers who focus on developing a region that offers bright, entrepreneurial people and the quality of life they desire; and (4) robust relationships between educational institutions and entrepreneurialism (*Glaeser & Kerr, 2010*). Tulsa has intentionally positioned itself to offer all four of these key ingredients to budding entrepreneurs.

Named to *Southern Business and Development's* Top 10 Pro-Business Communities list in April 2011, Tulsa has been recognized for its low cost of living, business-friendly environment, and positive forecast for job growth (*Ten Pro-business, 2011*). That kind of favorable business climate strongly appeals to entrepreneurs. In fact, Oklahoma's strong pro-business climate, reflected in ongoing collaborative government-business programs such as Oklahoma's Quality Jobs Program (*Oklahoma Department of Commerce, 2012*) and other tax incentive programs, along with Oklahoma's demonstrated strong work ethic among employees, have converged to rank the state 11th nationally in *Chief Executive's* 2011 Best States for Business rankings (*Donlon, 2011*).

Colleges often include supporting a region's pro-business climate as part of their mission. Community colleges are uniquely designed to nourish the development of an entrepreneurial ecosystem in light of their ability to quickly respond to business and community needs, design curriculum to meet industry demands, and generate meaningful advances in the community's economic development.

In fact, the community college often acts as the convener for community-wide initiatives. As an educational institution, a college can take on the role of inviting all key constituents to the dialogue. In the case of creating an entrepreneurial ecosystem, the college setting also serves as a means to recognize potential entrepreneurs: those individuals who are returning to school and trying something new or making significant changes in their lives. These budding entrepreneurs often look to the community college as the most flexible and accessible means to reach their goal of entering the market with a new business. For the college, however, finding the best instructional methods and venues to equip these entrepreneurial students with the knowledge and tools they need to be successful presents a challenge.

Creating new instructional programs can be complex for several reasons. As with virtually any bureaucratic institution, many well-intentioned people can take on the role of college gatekeeper. Their focus lies in preserving and protecting what they perceive as the academic integrity of the institution. However, a college involved in cultivating and nurturing an entrepreneurial ecosystem must in fact exhibit its own entrepreneurial spirit. It must be willing to bend rules and develop new processes, enlist faculty and staff who are like-minded and understand the ultimate goal, and then work diligently toward success. A program champion often can accelerate the process and bring a project to fruition.

In Tulsa, these efforts have already produced results. In 2007, former Tulsa mayor Kathy Taylor, joined by a group of Tulsa's business leaders, developed the Tulsa Spirit Award competition to inspire an increase in entrepreneurial endeavors in Tulsa. In 2012, Tulsa Community College and the Lobeck Taylor Family Foundation became joint sponsors of the annual competition, now called the TCC StartUp Cup powered by the Lobeck Taylor Family Foundation (TCC StartUp Cup) and open to businesses in the Tulsa area in operation less than 5 years and with a net worth of less than \$1 million. Since its inception in 2007, finalists in Tulsa's annual entrepreneurship award competition have added \$8,287,740 to Tulsa's annual payroll, with an average salary of \$46,043 (*S. Griffin, personal communication, January 17, 2011*).

Also in 2010, Tulsa Community College announced the development of Launch: Your Entrepreneurial Journey (Launch), a new paradigm in non-traditional instruction designed to help local entrepreneurs take their ideas to market. The program functions as a coaching model that, over the course of 16 weeks, walks people interested in the entrepreneurial journey through the steps to begin their business. Nearly two years in development, the program was an "instant success." In its first year of existence, Tulsa Community College's Launch program added \$1,353,664 to Tulsa's annual payroll, with 29 new jobs created by seven new startups.

What leads to that kind of success? Those involved in Launch's development point to the involvement of more than 50 thought leaders from Tulsa's business community. These 50 proven, ongoing entrepreneurs have both succeeded and failed in business startups over the years. As thought leaders in Launch, they share their experiences and lessons learned (an invaluable commodity) with Launch participants.

A thriving entrepreneurial ecosystem requires the kind of synergy that has developed organically in Tulsa. Tulsa's Global Entrepreneurship Week, an annual weeklong assortment of events focused on recognizing and revitalizing Tulsa's entrepreneurial spirit, has led much of this effort. As a Tulsa Global Entrepreneurship Week partner, Tulsa Community College is directly involved in creating a vibrant, evolving environment that supports the development of new ideas, business models, and startup companies that build the local economy. Moreover, Tulsa Community College's Center for Creativity has become a hub for entrepreneurial activity on the southern end of Tulsa's downtown corridor and hosts many events that appeal to entrepreneurs, such as the finale of the TCC StartUp Cup competition, various Launch sessions, and other entrepreneur-related events throughout the year.

Clearly, the role of colleges and universities is critical to developing and supporting a thriving ecosystem for entrepreneurs. By serving as a collaborator and convener of those entities interested in fostering entrepreneurialism and thereby supporting its community's and its state's economic development, a college or university makes an indelible mark on the future. As a college undergirds and supports budding entrepreneurs, it supports all segments of its community by creating, nourishing, and cultivating an entrepreneurial ecosystem. The collective energy generated by this kind of atmosphere in which discoveries are made, learning is emphasized, and lives are changed reflects the very essence of higher education.

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About the Author

Thomas K. McKeon is president and CEO of Tulsa Community College, located in Tulsa, Oklahoma. His priorities as president of a comprehensive urban community college focus on academic quality in curriculum and programming, college access for underrepresented populations, participation in initiatives that support economic development, and developing collaborative partnerships with other higher education institutions for the benefit of all students. McKeon earned his bachelor's degree from California Polytechnical State Institute and his master's degree and Ed.D. from Oklahoma State University.

