January 1, 2023 Entrepreneurship Movements

Entrepreneur-focused community economic development has been shaped by 10 distinct, yet related movements. As movements, they embody champions, thought leaders, research and field experience. Collectively, these 10 E-Movements have shaped and are shaping the arena and practice of community-centered entrepreneurial development today in the United States and possibly the world.

Background and Introduction

The following 10 entrepreneurship movements (E-Movements for short) are rooted in my development journey, reflecting my experience and sense of what has shaped the field and practice of entrepreneurled community economic development. These 10 E-Movements include the following, and are summarized on the next section:

- 1. Chambers of Commerce
- 2. Capital-Led
- 3. SBA and Small Business Development Centers
- 4. Technology-Led
- 5. Incubation and Accelerators
- 6. Microenterprise Development
- 7. Economic Gardening
- 8. Training-Led
- 9. SourceLink
- 10. Ecosystem Building

These 10 E-Movements are not presented in any order of importance but do follow a general chronology of when they emerged and asserted influence.

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10 Distinct but Related Entrepreneurship Movements

The following provides additional detail on each of these 10 E-Movements:

Chambers of Commerce. Chances are good that the first chamber of commerce in the U.S. was created in Charleston, South Carolina in 1773. The U.S. Chamber of Commerce was created in 1912. Chambers of commerce are possibly the oldest form of intentional and organized entrepreneurial development in United States. While the chamber movement has evolved into primarily promotion and advocacy, there is a rich history of local chambers providing direct services to area entrepreneurs including empowering networking and relationship building opportunities and environments.

Capital-Led. Capital access or access to credit has been a long-running entrepreneurship focus and movement. Early entrepreneurship initiatives – think Kentucky Highlands, Maine's Coastal Enterprises



and Michigan's Northern Initiatives – led with capital access to foster entrepreneurial development. Capital continues to be a driving focus in entrepreneurship. More recently, the central driver with NetWork Kansas is capital-led entrepreneurship.

SBA and Small Business Development Centers. In 1953, associated with President Johnson's **Great Society** initiative, Congress created the U.S. Small Business Administration. Increasing small business credit access was a prime SBA mission. In the mid-1970s, Small Business Development Centers were created. This business-planning-led initiative, universally available throughout the United States, is considered by some as a major and long running entrepreneurial development movement.

Technology-Led. In the U.S. there is a long focus on fostering innovation in technology. Technology-led entrepreneurship continues to be a strong entrepreneurial movement and often associated with high-growth ventures empowered by new technologies (e.g., information, bio-technology, etc.). Some place the origins of contemporary technology-led entrepreneurship with the creation of North Carolina's Research Triangle Park in 1959. California's Silicon Valley did not emerge until the early 1970s.

Incubation and Accelerators. The National Business Incubator Association (NBIA) identifies the first Business Incubator as being created in Batavia, New York in 1959. Business incubation and acceleration is widespread in the United States and represents a form of entrepreneurship development. Incubation and accelerators are a form of "micro-entrepreneurial ecosystem" focused on a specific cohort of entrepreneurs.

Microenterprise Development. Some might argue the beginnings of microenterprise development as an entrepreneurial strategy began with Muhammad Yunus and the creation of the Grameen Bank in Bangladesh in 1976. Microenterprise development became a U.S. movement in the 1980s, driving a focus on smaller entrepreneurial ventures, creating access to appropriate capital and technical assistance. The American Enterprise Organization (AEO) created a national microenterprise movement in the United States.

Economic Gardening. Economic Gardening was founded by Chris Gibbons in Littleton, Colorado (i.e., a city in the southern Denver metroplex) in response to the economic setback caused by Martin Marietta cutting half its workforce in 1987. Economic Gardening, providing market intelligence research and analysis, has an international following and should be counted among the top 10 E-Movements in the United States.

Training-Led. The Ewing Marion Kauffman Foundation launched the first FastTrac entrepreneurial training program in January 1993 in Kansas City. Other similar entrepreneurial training programs have emerged over the years, some coming and going like Entrepreneurial Edge. America's SBDCs provide similar programs. Often, particularly with microenterprise programs, capital and training are combined.

SourceLink. In 2003 Maria Meyers and her team at the University of Missouri, Kansas City created the first SourceLink system called KCSourceLink. SourceLink is now nationwide and its practitioners are a source of entrepreneur-led development in the United States. Many SourceLink organizations are now leading state/territory (e.g., Puerto Rico), regional and community ecosystem-building efforts.



Ecosystem Building. Brian Dabson, Jay Kayne and Tom Lyons likely first framed the term *Entrepreneurial Development Systems* or EDSs. Tom Lyons and his team operationalized an EDS called the *Entrepreneurial League System*. At the Center for Rural Entrepreneurship, created in 1999, we adopted this framework and began 30 years of field-testing and refinement of our *e2 Entrepreneurial Development Framework*. Ernesto Sirolli created his *Enterprise Facilitation* program made widely known through his 1999 book <u>Ripples from the Zambezi: Passion, Entrepreneurship, and the Rebirth of Local Economies</u>. Victor Hwang in his 2013 book with Greg Horowitt, <u>The Rainforest: The Secret to Building the Next Silicon Valley</u>, evolved the EDS idea into the "ecosystem" concept. Victor, then with the Ewing Marion Kauffman Foundation along with Andy Stoll, hosted summits, research, projects and other activities advancing the idea of *Entrepreneurial Ecosystems*. At e2 Entrepreneurial Ecosystems, formerly the Center for Rural Entrepreneurship, we embraced the "ecosystem" frame and incorporated it intentionally into our e2 Development Framework. The ecosystem way of thinking incorporates the complexity inherent in a thriving and productive natural or sociological environment. Since entrepreneurial ecosystems are anchored in the human dynamic, ecosystems also involve complex and reinforcing social norms, ways of perceiving and behaving and culture.

