Chapter 5.7

A Case on University and Community Collaboration: The Sci–Tech Entrepreneurial Training Services (ETS) Program

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ABSTRACT

Small businesses are viewed as the backbone of America and integral in the recovery of any economic downturn. Creative approaches to university and community collaboration are being explored to achieve high rates of success in launching, sustaining, and growing small businesses. One such approach, the Entrepreneurial Training Services (ETS) program, is being studied by Sci-Tech University as a means of technology innovation and regional economic development. The ETS Program has several unique features including: the entrenchment of a large number of adults in the program, an intensive training approach that is implemented in a short time frame, personalized mentoring offered to each entrepreneur in the program, and the leveraging of resources with a large, diverse group of community partners. The case profiles the region using Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis, identifies an ETS framework on which the program is based and explains the process of implementation. The case concludes with challenges facing the university and local community in offering the ETS Program to a large and diverse group of entrepreneurs. It also summarizes benefits and successes from initial implementation efforts.

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BACKGROUND

“The entrepreneurial mystique? It’s not magic, it’s not mysterious, and it has nothing to do with the genes. It’s a discipline. And, like any discipline, it can be learned” (Drucker, 1985; cited in Kuratko, 2005).

The United States views small businesses as the backbone of America and integral in the recovery of any economic downturn. According to Minniti and Bygrave (2004), the U.S. has achieved its highest economic performance during the last 10 years by fostering and promoting entrepreneurial activity (Minniti & Bygrave, 2004). New business incorporations have averaged 600,000 per year creating millions of jobs. In 1995, 807,000 new small businesses were established becoming an all time high (Kuratko, 2005). Fifteen percent of the fastest-growing new firms (“gazelles”) accounted for 94% of the net job creation (Kuratko, 2005).

Entrepreneurship is a driving force in the U.S. economy through technology innovation and creation. In fact, Reynolds, Hay, and Camp (1999) state that about two-thirds of all new inventions are created by smaller companies. A simple illustration is recent innovation in business startups taking advantage of Web 2.0 technologies. Some well-known business startups include Facebook, Google, YouTube, MySpace, and LinkedIn. Many of these social media businesses have both university and community connections related to technology transfer, creation, and commercialization.

Entrepreneurs make two significant contributions in domestic and international market economies (Kuratko, 2005). The first contribution is a renewal process that pervades and defines market economies. Entrepreneurs play a crucial role in innovations that lead to technological change and productivity growth. Entrepreneurs are about change and competition because they change the market structure (2005; p. 578). Market economies are dynamic, organic entities rather than established ones. As such, entrepreneurial companies focus on future opportunities; they are not concerned about inheriting the past (Kuratko & Hodgetts, 2004).

A second contribution is that entrepreneurial companies provide a means by which millions enter the economic mainstream. Entrepreneurial companies enable women, minorities, those with disabilities, veterans, and immigrants the opportunity for economic success. Kuratko (2005) quotes from the US Small Business Administration (SBA, 1998), “Entrepreneurship plays the crucial and indispensable role of providing the “social glue” that binds together both high-tech and “Main Street” activities”.

University and Community Collaborations

Policy makers in the private and public sectors have realized the importance of universities in regional economic development (Chakrabarti & Lester, 2002). Many universities have initiated programs in partnering with entrepreneurs and both small and large businesses for technology transfer and innovation. Several high-tech areas in the U.S. with strong collaborative ties to local and regional communities include: Boston (Massachusetts Institute of Technology), Silicon Valley (Stanford University), Austin (University of Texas-Austin), San Diego (San Diego State University) and Research Triangle (North Carolina at Chapel Hill), among others. Technology innovations in these areas spur economic growth in communications, energy, sustainability, healthcare, technology, and information assurance, among others.

Universities benefit from community collaborations particularly in the areas of technology transfer and innovation. Kim and Marschke (2007) point out that technology transfer is typically not achieved through the private sector reading scholarly output about innovations and inventions. It is achieved through sustained, close interactions between businesses and researchers in transferring knowledge. This insight points out the need for