The Power of Entrepreneurship

CSG Entrepreneurship Days
Kauffman Foundation
May 13, 2014
I think the greatest satisfaction I have had, personally, is helping others, doing something that either inspires them or aids them to develop themselves in their future lives so they’ll not only be a better person but be a better productive citizen of the United States.

Ewing Kauffman
Helping people attain economic independence through education and entrepreneurship, which Ewing Kauffman saw as two ends of a continuum.
Kauffman at a glance

• $2 Billion in assets
• Grantmaking + Operating
• Local roots, national impact, global reach
• Significant local employer providing 200+ jobs
• State-of-the-art conference center available for use by qualifying nonprofits; a record 71,000+ guests utilized the space last year
1. Data on why entrepreneurship matters
2. Data on entrepreneurship in Tennessee
3. Policy Ideas
Job Creation & Dynamism
Startups Drive Job Growth

Source: Haltiwanger (2012)

Source: US Census Bureau
Where Tennessee Stands
Falling Entrepreneurship: Startups as % of Total Firms

Source: US Census Bureau

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Tennessee, like the Nation: Lots of Small Businesses, Small Share of Employment

Source: US Census Bureau
Startup Funding Deals in Tennessee

Source: Crunchbase
High-Growth Firms in Tennessee

Source: Inc magazine, Inc.com.
## Thumbtack Survey of Small Business Friendliness in Tennessee

<table>
<thead>
<tr>
<th>Category</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall friendliness</td>
<td>B+</td>
</tr>
<tr>
<td>Ease of Starting a Business</td>
<td>A-</td>
</tr>
<tr>
<td>Regulations</td>
<td>B+</td>
</tr>
<tr>
<td>Health and Safety</td>
<td>B+</td>
</tr>
<tr>
<td>Employment, Labor, Hiring</td>
<td>A</td>
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<tr>
<td>Tax code</td>
<td>A</td>
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<tr>
<td>Licensing</td>
<td>B</td>
</tr>
<tr>
<td>Environmental</td>
<td>B+</td>
</tr>
<tr>
<td>Zoning</td>
<td>B</td>
</tr>
<tr>
<td>Training and Networking Programs</td>
<td>B</td>
</tr>
</tbody>
</table>

Policy Implications
Old Top-Down Strategy

GOVERNMENT

INCUBATORS

VENTURE FUNDS

ENTREPRENEURS
New Entrepreneur-Centered Approach
Reinvent Incubators and Investments

• Provide a shared space for entrepreneurs to interact and collaborate

• Foster mentorship and peer-learning

• Avoid awarding one large prize. Instead, award many smaller prizes so a cohort of entrepreneurs can face the entrepreneurial journey together
Remove Barriers to Entrepreneurship

• Licensing

• Immigration

• Non-Compete Agreements
A Role for Public Officials
Entrepreneurship Policy Digest

Created to educate policymakers and entrepreneurship supporters about relevant and actionable policy resources and recommendations that are born out of the Foundation’s extensive research.

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Thank you

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