ENTREPRENEURSHIP AND COMMUNITY DEVELOPMENT

Presented to a conference on

Entrepreneurship as a Community Development Strategy: Opportunities for Community Foundations

by

Raymond W. Smilor

KAUFFMAN CENTER FOR ENTREPRENEURIAL LEADERSHIP
AT THE EWING MARION KAUFFMAN FOUNDATION
Entrepreneurship and Community Development
April 1997

Today we hear a great deal about the economic impact of entrepreneurship. More companies are being started than ever before in American history; new and emerging companies are the source of all net new jobs in our economy; women are starting firms at far faster rates than men; 70% of high school juniors and seniors want to start their own companies when they are out of school; thirteen million Americans--25 million if you count part time entrepreneurs--are now running their own businesses from home; and so on.

But I don’t want to talk about the economic impact of entrepreneurship, as significant as it is. I want to focus instead on the social impact of entrepreneurship. Entrepreneurship is not just an economic phenomenon. It is a force that creates social value and a resource for community development.

In “Building Community,” medal of freedom winner John Gardner presents an insightful examination of the importance of community and a provocative analysis of the need that individuals have for identification with and empowerment within the communities in which they live. He emphasizes that “Where community exists it confers upon its members identity, a sense of belonging, a measure of security.” I am convinced that entrepreneurship can help confer identity, belonging and security not only on those who elect to start and grow enterprises, but also on those who join them in that effort and on the wider environment in which they operate.

I. REMARKABLE ACCOMPLISHMENTS

Sometimes, from the most unexpected of places, the most remarkable of accomplishments can be observed -- accomplishments that actually build community and create social value.

- Consider Rick Krska. He was caught up in the nationwide downsizing movement of major corporations. He and a number of his colleagues came to believe that they were corporate misfits. So they built a company that shaped a new community for themselves.
- Observe Roberto Alfaro. He grew up among gangs in the Mission District of San Francisco. Now he runs his own firm there that promotes positive community involvement.
- Look at Danny O’Neil. He searched for what had meaning for him and found it in an unlikely location--the coffee bean fields of Costa Rica. So he invested everything he had to make the best coffee in the world, and in the process brewed an enterprise that he shared with others.
- Think about Charles Weisser. This 16-year-old in inner city Minneapolis did not think he had many options in his life. Then he discovered that he could sell
and launched his own firm with only $50. He made a job, instead of taking a job.

• Consider Jack Stack. He and his fellow 119 employees were in desperate straits when International Harvester decided to eliminate the division where they worked. So they bought the company with an 89:1 debt to equity ratio, which meant they were already dead but didn’t know it. Today, Springfield Remanufacturing Corporation is a successful high-growth company and a major community resource for Springfield, Missouri.

• And reflect on Phyliss Brockman. She was a single mother on welfare who wanted to give her four children, one of whom is a quadriplegic daughter, a better life. So she started her own company to give herself and others hope and choice.

Each of these people is quite different from the others. But they have two important achievements in common. Each is an entrepreneur. And each is a community builder.

Let me introduce you to these entrepreneurs and community-builders who are taking active and creative roles in developing self-sufficient people in healthy communities.

II. THE ENTREPRENEURIAL PROCESS

The ultimate destiny of any start-up company is difficult if not impossible to predict. Apparent winners sometimes lose; and certain losers sometimes win! Consequently, the entrepreneurial process can appear to be chaotic, complicated and disorderly, and thus hard to understand, influence, nurture and support. But we actually know a lot about what causes companies to succeed and fail. There are recognizable patterns to how a company starts and grows. And there are factors that can be identified and developed to enhance the success of new and emerging ventures.

The entrepreneurial process revolves around four key factors: talent, opportunity, capital and know-how. By understanding the forces behind these factors and by seeing how they relate to one another, it is possible to identify ways to support and accelerate the entrepreneurial process and thus provide not only economic but also social value to communities.

Talent

Talent refers to individuals who recognize market opportunities and then create organizations to take advantage of those opportunities. Entrepreneurs are thus dreamers who do. They envision the possible and then set out to do something to make it occur. They demonstrate a knack for seeing the unique in the common. This is obvious in the story about the entrepreneur who meets a frog who tells the entrepreneur that, if she will but kiss him, he will turn into a handsome prince for her. “No,” says the entrepreneur. “Come on,” says the frog. “Nah,” says the entrepreneur. “I don’t have time for a prince, but a talking frog, that’s really special!”
Where there is a pool of entrepreneurial individuals, there is the possibility of growth and community development. This pool of entrepreneurial talent is dependent on a number of variables. A climate for innovation may be a particularly critical variable influencing entrepreneurship--well-connected networks of individuals and organizations; the presence of other visible entrepreneurs through recognition programs; and encouragement of creativity and risk-taking through community-based organizations.

Research on entrepreneurship shows that those who become entrepreneurs demonstrate a desire to control and direct, a propensity for taking calculated risks, and a problem-solving style. In fact, the most often quoted reason for becoming an entrepreneur is not to get a lot of money, but rather to be one’s own boss, to control one’s own destiny. A particularly powerful influence on one’s decision to start a company is the presence of role models or mentors who through their own entrepreneurial activities present effective examples for would-be entrepreneurs.

Entrepreneurship is a genuinely egalitarian process. One does not need to be degreed, certified or accredited. In effective entrepreneurs, two characteristics appear to be especially significant--passion and proactivity.

Passion is the enthusiasm, joy and zeal that come from the energetic and unflagging pursuit of a worthy, challenging and uplifting purpose. In the entrepreneur, it is described as drive--the determined, optimistic and persistent desire to succeed at one’s own venture. It is the “fire in the belly” that makes the improbable possible.

Each entrepreneur, like Rick Krska, finds his or her own passion which gives purpose to what they do.

“We talk about being a bunch of laid off misfits, because we formed this company and really got off the ground during the time of corporate downsizing...A lot of these people were people who had a lot more potential than they probably would have ever realized in a big company. He added, “…we continue to work on building a company that is about benefiting all of us as we make something here. So we’re trying to build a company here based on all of us treating each other well, being good to each other, helping each other. I want them to feel like this is their company, and as this company prospers and does better, we want to make sure that every one of them prospers and does better.”

Rick Krska and his corporate misfits have grown Laser Cycle in Lenexa, Kansas, which remanufactures toner and ink jet cartridges, to 80 employees and $10 million in annual revenues.

It’s one thing to have purpose and passion. It’s another to do something about them. Entrepreneurship ultimately depends on performance. Entrepreneurs who perform demonstrate Steven Covey’s first habit of highly effective people--to be proactive. Proactivity means that our behavior is a function of our decisions, not our conditions.
Rather than let a situation determine how they would act, proactive people act to change their situation. Like Roberto Alfaro in the Mission District of San Francisco.

Latinismo uses its T-shirt business to create bridges of understanding among the Hispanic gangs that terrorize their community. Alfaro said he started with T-shirts because, “T-shirts were kind of the closest thing...because we already knew how to make T-shirts, we already had a few connections...so we just started with that.” Their designs focus on peace in the gang communities; they’ve seen too much violence. “Everybody here has friends who have died, someone who’s been hurt in some way or another.” The company is not only about selling T-shirts; it’s about promoting understanding. “People won’t take the time to listen to people, but if you only take the time and effort to understand somebody, you see a whole different picture.”

Roberto Alfaro continues to listen, and Latinismo continues to build his community.

Entrepreneurs face personal pushes and pulls that affect their decision to start a company. Pushes include loss of employment, like Rick, or discontent at work because an idea is rejected, a career stymied or the future perceived as insecure or unpromising. Pulls include a desire for independence, a chance to pursue an idea, a possibility for financial rewards, a perception of excitement, or a recognized need in the community, like Roberto.

**Opportunity**

Entrepreneurs recognize and pursue opportunities. An idea is always at the center of an opportunity, but not all ideas are opportunities. An opportunity is customer-driven. It is rooted in meeting a real need in the marketplace, solving a real problem, or filling a real niche within a reasonable time. Effective entrepreneurs thus understand the environment of their target market. They know the concerns, worries and problems of their customers and provide real solutions to real needs—not perceived or assumed needs.

Opportunity is based on competitive advantage. Emerging enterprises often try to compete on the basis of price and specifications. But in an increasingly competitive environment, these alone are not sufficient for success. New ventures must emphasize intangible qualities that can be powerful in persuading customers to buy. These include attributes such as quality, ease of use, reliability, productivity, and other qualitative features that add value or utility to a product or service. This is what Danny O’Neil has done with his company in Kansas City, Missouri.

As a foreign exchange student in Costa Rica, O’Neil fell in love with the romance of coffee. Later on, he built a company around that passion. “The Roasterie imports coffee from about 30 different countries from around the world. We take the best beans that we can from each country and then we custom blend ...and give the customer exactly what they want. We roast today, we ship today and the customer gets it today. And it’s just to make the coffee as absolutely fresh as possible.”

O’Neil credits some of the company’s success to his experience with Premier FastTrac, a business development program. In addition to the education and the
networking with other entrepreneurs, the program “reinforced our commitment to do business locally and give back to...local charities, and think about giving as much as we think about getting in building a company.”

Danny O'Neil now has a company with 11 employees and over $2 million in annual revenues. He continues to give back to his community.

Opportunity also springs from preparation. This reflects the truth of the adage that “chance favors the prepared mind.” And it indicates why most entrepreneurs start businesses in a field with which they are already familiar. One can actually work to develop a prepared mind. This is what the entrepreneur does in assessing market need by getting customer feedback, tracking trends, synthesizing information, and monitoring the competition.

In this regard, entrepreneurs are exceptional learners. The most successful learn to fail cheaply and quickly! They learn from customers, suppliers and competitors. They learn from employees and from other entrepreneurs. They learn from what works and from what doesn’t work. They learn by doing.

In the process, they sometimes find out that they can be good at something that they did not expect to be good at. I’m reminded of the story of the boy who took his ball and bat in the backyard to practice his hitting. He told himself that he would be the greatest hitter of all time, tossed the ball in the air, swung and missed. He picked the ball up, told himself that he would have a longer hitting streak than Joe DiMaggio, tossed the ball in the air, swung and missed again. He picked the ball up one more time, told himself that he would hit more homeruns than Babe Ruth and Henry Aaron combined, tossed the ball in the air, swung and missed a third time. Then, he picked up the ball, thought for a moment and exclaimed, “Wow, what a pitcher!” Something like this happened to 16-year old Charles Weisser.

“They (The National Foundation for Teaching Entrepreneurship) gave me $50 and they said go out there and start your business. And at first it was kind of a joke to me...But then I thought about how many teachers are involved, that they must really believe in the students that they can do something. So that’s what made me go out there and try my hardest to do the best I could in my business.” Weisser is part of a program that encourages young people to start small businesses. His business is selling cleaning products door-to-door. “I like door-to-door sales in a way...all the rejections I get, it builds me up inside and makes me more encouraged to go out there and get a yes.”

Charles Weisser continues to build his company by working for the “yesses” since he now knows that he can sell.

Capital

Capital may be the most elusive factor in the entrepreneurial process. The elusiveness stems from the diverse nature of the commodity and its sources of supply. Yet, capital is a critical element for every entrepreneurial venture.
Like a food chain in nature, there is a food chain in capital (see Exhibit 1.). This capital food chain consists of three sources of capital: personal, social/public, and private growth. As a company grows, that is as it goes up the capital food chain, there is a correlation between the stages of growth of the company and the appropriate sources of capital to tap for that growth. Usually, the entrepreneur pursues his or her venture with minimal or limited resources. The entrepreneurship faculty at the Harvard Business School has thus defined entrepreneurship as “the pursuit of opportunity beyond the resources one currently controls.” This definition applies to non-profit enterprise as well as for-profit ones.

In the seed or start-up stage, the entrepreneur tends to use personal funds, that is his own or those of family or friends (who sometimes become former friends when companies fail!). To make progress with little actual cash in hand requires entrepreneurs to use “sweat equity” and bootstrapping to get what they need “for free or better.” Entrepreneurs thus constantly seek to leverage resources for maximum use.

Because for most entrepreneurs, personal funds are quite limited, the search for capital then becomes more challenging, complex and uncertain, and at times very frustrating. One entrepreneur was so frustrated with his search for money that he went into a church to pray to God for help. While he was kneeling in the pew, he heard a deep voice from above say, “Do not give up hope.” The entrepreneur asked, “Is that You, God?” “Yes,” came the reply, “It is I, the Lord.” The entrepreneur said, “Lord, I've been trying to raise a million dollars for what seems like a million years.” The Lord said, “Remember, a million years to you is like a second to me.” “What's a million dollars like, Lord?” asked the entrepreneur. “A million dollars to you is like a penny to me,” he responded. “Then could I have one of your pennies, Lord?” the entrepreneur asked. “Yes,” said the Lord, “in a second!”

So the entrepreneur may look to social/public funding sources. These are funds that have a distinct social or public purpose, like job creation, associated with them. They include micro-lending initiatives, which are appearing across the country; city and community-based funds for targeted groups; and state and federal funding sources like the Small Business Administration.

If the company has the potential for continued or very rapid growth, then private growth funds become a source of capital for the company. These funds include business angels who are private, affluent individual investors; privately managed seed funds, institutional venture capital funds, and banks.

An entrepreneur may tap several sources of funds as he or she climbs the capital food chain, or may look for even more innovative ways to manage funds, as Jack Stack did with Springfield Remanufacturing Corporation.

“'We had no idea what we had gotten ourselves into. We knew we that had a $3 million payroll that we had to meet, and we had an interest expense to the tune of about $90,000 a month...So we knew right away we had to do something different.” Stack was convinced that the company's only chance for survival was to create a business run
entirely by business people capable of strategic business decisions. This meant teaching all of SRC’s employees how the business worked, making them business literate.

“I think people are beginning to get it…I think we’re breaking down this barrier…that somebody’s got to work for somebody else. And people are pulling themselves up by the bootstraps and they’re going out and they’re trying it and they’re doing it and they’re succeeding at it.”

In addition to spawning 22 employee-owned companies, Springfield Remanufacturing Corporation now does over $125 million a year and has been recognized as one of the one hundred best companies to work for in America!

Each of these capital sources has its own set of investment criteria and objectives. And each imposes important sets of requirements on the entrepreneur and his or her company.

**Know-How**

Know-how may be the most critical factor in ensuring the continued success of an entrepreneurial venture. Every entrepreneur must develop and/or acquire the skill and expertise to run an enterprise. This involves the practical but essential ability to manage change both personally and organizationally. Through education and training, entrepreneurs have access to expanding their know-how.

Personal know-how requires skills such as leading, communicating, listening, negotiating, and team-building. Organizational know-how involves learning about functions such as marketing, finance, accounting and business planning. Catalyst organizations, groups that enable and facilitate things to happen that might not otherwise occur are primary sources to provide personal and organizational know-how to entrepreneurs.

Importantly, entrepreneurs also gain know-how through their ability to utilize fluid, ad-hoc networks. Research on the sociology of entrepreneurship has shown that entrepreneurs learn from social relationships that expand access to information, resources and social support. Thus entrepreneurship is embedded in networks of continuing social relations. The more extensive, complex and diverse the web of relationships in a community, the more the entrepreneur is likely to have access to opportunities, the greater the chance of solving problems expeditiously, and ultimately the greater the chance of success for the venture. Networking thus provides access to professional expertise, like accountants, lawyers and experienced managers, who can troubleshoot for entrepreneurs. This ability to gain know-how is exactly what Phyliss Brockman demonstrated in starting her company.

Phyliss started a commercial and residential cleaning service through a program for low-income public housing residents that combined business development training with a microloan fund. The program, “showed me that instead of just going out there and thinking that you can start a business, you need the background on how the business is going to work for you...you need to know how to network.” But it takes more than just
know-how to take advantage of opportunities. “You need to look within yourself to tell you, hey, deep down, you can do it...if you keep looking for it, if you keep reaching for it, you’re gonna eventually get to where you want to go.”

Phyliss Brockman continues to seek a better life in Kansas City for herself and for the five employees of her company.

**III. THE ROLE OF COMMUNITY FOUNDATIONS**

Today, in many parts of our country, we face a breakdown of community. Too many of our inner cities seem torn from within and abandoned from without. Displaced workers rightfully worry about their futures while too many of our youth waver between apathy and anger. The problems that plague our society are profound and complex. There are no simple solutions. Entrepreneurship is certainly not a panacea, but I am convinced that it is one effective and proven way to confer “identity, a sense of belonging, a measure of security.” In other words, it can contribute to the hopeful and renewing process of building community.

Entrepreneurship holds a secret weapon against apathy and anger. It presents an ace in the hole for anyone who wants to build community. Entrepreneurs are inveterate optimists! They usually don’t know what they can’t do. This optimism, this belief in the possible, is a remarkably potent resource for building community.

Psychologist Martin Seligman in his classic book, *Learned Optimism*, did groundbreaking work on optimism and success. He found that depressed people tend to be more realistic than optimistic ones. And optimists, even when their good cheer is unwarranted, accomplish more. The more difficult the task and the greater the pressure, the more important optimism became to the success of any endeavor.

Every entrepreneur believes that his or her company will succeed. No entrepreneur ever predicts failure. Think about that. Every entrepreneur actually believes that the future will be better than the past and will certainly improve upon the present. That type of optimism is a force for community building that we need to capitalize on. But how?

*By encouraging talent.* Community Foundations can support training and education initiatives for entrepreneurs who want to learn. Our Foundation, for example, has helped develop a community-based entrepreneurship curriculum called FastTrac. The program requires community support and participation. There are now FastTrac programs in communities around the country, including Boston, Chicago, Columbus, Indianapolis, Kansas City, St. Paul and Oakland. These programs have had demonstrated results in advancing self-sufficiency, creating job opportunities, and providing hope and choice for those involved.

New entrepreneurship curriculums are being developed for specific communities. For example, Salish Kootenai Tribal College in Montana is developing an entrepreneurship curriculum for Native Americans. The curriculum incorporates traditional values of Indian Country with the principles and practices of entrepreneurship. Their goal is to
create a learning experience for Native Americans that enhances the fabric of tribal communities. The curriculum will be disseminated through the tribal college network.

At the college and university level, we have initiated an entrepreneurship internship program and are working with 39 higher education programs around the country to give undergraduate and graduate students a unique, hands-on learning experience in an entrepreneurial company. Importantly, we are finding that many of these internships result in job offers that keep talented youth in their communities. But these internship programs, in places like Case Western in Cleveland, Chatham College in Pittsburgh, and Northwestern University and the University of Illinois in Chicago, require additional community support to continue to develop.

In the K-12 arena, our Foundation has developed and is now disseminating programs like Mini-Society and EntrePrep. Mini-Society is an entrepreneurship curriculum for grades K-6. It is now in school districts around the country, including Boston, Chicago, Columbus, Indianapolis, Kansas City, Detroit, Milwaukee, St. Paul and Oakland. EntrePrep is an entrepreneurship program designed for gifted high school students. It provides a unique introduction to entrepreneurship during the summer before their senior year and then matches them with entrepreneurs in an internship during their senior year. The purpose is to expose these students who are destined for college to entrepreneurship as a career alternative choice. EntrePrep is now presented in Boston, Chicago, Indianapolis and Kansas City as well as other communities.

Some inner city youth have demonstrated entrepreneurial skills in black market activities or illegal trades. This type of entrepreneurship, however, is destructive of community. Initiatives like the National Foundation for Teaching Entrepreneurship, which started in New York and now is taught in many cities such as Minneapolis, is helping to channel the skills of inner city youth into productive entrepreneurial activities that benefit communities.

By expanding opportunity. Competitive advantage applies not just to individual entrepreneurs and their companies but also to communities. This premise is at the heart of Michael Porter's experiment, the Initiative for a Competitive Inner City, which is now being tested in Boston, Baltimore, Kansas City and Oakland. Porter has recognized that it is a myth that there are no entrepreneurs in the inner city. Inner cities have shown a demonstrated capacity for entrepreneurship, and this capacity needs to be expanded by creating a climate for entrepreneurs to build enterprises that can become meaningful employers and that create wealth. Porter persuasively argues that revitalization of America's inner cities can occur by recognizing and building on their genuine competitive advantages which include strategic location, integration with regional clusters, unmet local demand, and human resources.

For opportunity to flourish in a community, institutional support is essential. Government has an important role to play in developing policies and programs that enhance the quality of life, improve the local infrastructure, and expand access to other areas. Community-based organizations have a vital role in providing support and assistance as well as access to people and resources for entrepreneurs.
By increasing capital. Communities can fill in their own capital food chains and thus increase the amount of capital available to entrepreneurs while facilitating access to that capital. Some communities have established targeted seed funds, such as Kansas City’s Capital for Entrepreneurs, which provides equity funding for African-American, Hispanic American, and women entrepreneurs.

A national micro-lending movement is underway to provide capital to disadvantaged and low-income entrepreneurs. Programs like the First Step Fund in Kansas City and the Lakota Fund on the Pine Ridge Indian Reservation combine peer lending with training to help people reach self-sufficiency. The Enterprise Corporation of the Delta in Jackson Mississippi has set up a bold experiment in one of the poorest regions of our country to provide capital, training and mentoring to promising entrepreneurs in the Delta.

Community foundations also have a unique and powerful way to assist in increasing the pool of capital available to a community by helping successful entrepreneurs set up their own foundations, some of which may focus on helping entrepreneurs, as Mr. Kauffman did with his foundation. It has been estimated that in the next 15 years as many as 25,000 new foundations may be established through a huge intergenerational transfer of wealth, largely the result of a new breed of entrepreneurs who have found success in this most entrepreneurial era in American history. Many of them will need help in setting up, managing and administering their foundations. This presents community foundations not only with an opportunity to tap into this entrepreneurial market but also to provide a real service to these entrepreneurs. Among those who have succeeded, like Bill Mays who was recently featured in USAToday, there is a loud and clear signal of their desire to give back. Many will want to help other promising entrepreneurs with their resources and experience. By giving back, entrepreneurs will be helping to expand the pool of capital available to community development.

By providing know-how. A variety of catalyst organizations are providing innovative and effective ways to support entrepreneurship activities in their communities. Community-based groups like the Pittsburgh Enterprise Corporation, Enterprise Development, Inc., in Cleveland, CONNECT in San Diego, and the Midwest Entrepreneurial Education Center in Muncie, Indiana are linking business, government and academia to support and advance entrepreneurship. They conduct educational programs, set up networks of entrepreneurs, provide access to professional expertise, and facilitate access to capital for entrepreneurs in their communities. Incubators, like the Milwaukee Enterprise Center, not only provide a learning laboratory for growing entrepreneurs but also play a key role in mobilizing community support for emerging ventures. And mentoring programs, like the Helzberg Mentoring Program in Kansas City, match new and emerging entrepreneurs with very successful entrepreneurs who are trained to listen, provide feedback and assist in problem identification and solution.

Many communities have outstanding entrepreneurship centers located in their universities. The Lester Center at UC-Berkley, the Dingman Center at the University of
Maryland, the Jones Center at Carnegie-Mellon University, and the entrepreneurship center at St. Thomas University in St. Paul are remarkable community resources. Through their outreach programs, they bring real know-how to entrepreneurs.

CONCLUSION

Entrepreneurship is not only an economic phenomenon. It is also a force for community health and well-being. It does confer “identity, a sense of belonging, a measure of security”! Phyliss Brockman is proud of being an entrepreneur. Rick Krska now knows where he and his associates fit. Roberto Alfaro is rebuilding his community and helping others feel a part of that renewal. Danny O’Neil has found out what it means to share success. Charles Weisser has learned he can believe in himself and his future. Jack Stack and those with whom he works have found out that they can be safe in their own performance.

I admire each of them—as entrepreneurs and as community-builders. By nurturing, supporting and accelerating entrepreneurship in our communities, we can help others do the same.
BACKGROUND

The Kauffman Center for Entrepreneurial Leadership (a 501(c)3 not for profit education corporation) is a legacy of the late Ewing Marion Kauffman, and is funded by the Foundation which bears his name. The Center was created to "research, identify, teach and disseminate the skills and values which enable entrepreneurs to succeed," thereby accelerating entrepreneurship (and job growth) in America. In addition to its research activities, the Kauffman Center develops and delivers teaching and training curricula and materials to entrepreneurs, educators, and youth throughout the nation.

The Center is located in Kansas City, Missouri, the birthplace of Marion Laboratories, Inc. The company was founded by Mr. Kauffman in 1950 in the basement of his home. At the time of its merger with the Merrell Dow arm of the Dow Chemical Co. in 1989, Marion had sales of $1.0 billion and employment of 3400. The firm now operates as a major part of Hoescht Marion Roussel, a worldwide healthcare firm with revenues exceeding $9.0 billion and employing over 40,000 people.

The Ewing Marion Kauffman Foundation is a private philanthropy created by Mr. Kauffman long before his death (1993) and dedicated to encouraging the development of "self-sufficient people in healthy communities." The Foundation focuses its resources on two primary fields of interest, Youth Development and Entrepreneurship.

Ray Smilor is known nationally and internationally for his work and writing on entrepreneurship. He was the first person to hold the Marion Merrell Dow Chaired Professorship in Entrepreneurship at the Henry W. Bloch School of Business and Public Administration at the University of Missouri-Kansas City. He also served as executive director of the IC² Institute at the University of Texas as Austin before joining the Center.

Smilor has published extensively and is author or editor of a dozen books, including the Art and Science of Entrepreneurship (Ballinger 1987), Customer-Driven Marketing: Lessons from Entrepreneurial Technology Companies (Lexington Books 1989), Technology Transfer in Consortia and Strategic Alliances (Rowman & Littlefield 1992) and Leadership and Enterprise (Quorum 1996). In 1990, Smilor was selected as one of the Entrepreneurs of the Year and inducted into the Entrepreneur Of The Year Institute®.