The Entrepreneurial Revolution: Reflections on Forty Years as Participant & Observer

ACCEL REE USA
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Jeffry A. Timmons
Franklin W. Olin Distinguished Professor of Entrepreneurship
The secret of those who amaze the world is that they regard nothing to be impossible.

Henry David Thoreau
1817-1862
Who is the Competition?

“The best swordsman in the world does not need to fear the second best swordsmen in the world, but rather the man ignorant of swords but knowledgeable about gun powder.”

Mark Twain
“The New Nobel Prize Winner Makes a Case for Entrepreneurship”

Front Page of Wall Street Journal
October 10, 2006

“Entrepreneurship is lucrative - and just.”

Edmund S. Phelps, Columbia University
2006 Nobel Prize – Economics
“Instituting a high level of dynamism, so that the economy is fired by the new ideas of entrepreneurs, serves to transform the workplace in the firms developing an innovation and also the firms dealing with the innovation.”

Edmund S. Phelps, Columbia University
2006 Nobel Prize – Economics
Four Entrepreneurial Revolutions That Are Changing the World

- New Management Paradigm
- New Education Paradigm
- Not-for-Profit World
- Beyond Business Schools
Entrepreneurship as a New Management Paradigm

Companies trying to reinvent themselves and to compete globally

- Flat, fast, flexible, fluid, and innovation-driven
- Principle- and values-based management
- Opportunity- and customer-focused
- Resource parsimonious
- Living with and managing chaos/change
- People- and team-centered management
A Great Entrepreneurial Leader

Ewing Marion Kauffman
1916 – 1993
Founder, Marion Laboratories

Three Core Values

• Treat people as you would want to be treated
• Share the wealth with the people who helped create it
• Give back to the community
Entrepreneurship as New Education Paradigm

Antidote for the Conventional Classroom

Transformation of what and how business leaders learn

Entrepreneurship faculty:

• Are student and opportunity-centric
• Are mentors, coaches, advocates for students
• Use interactive teaching methods and diverse pedagogies
• Integrate various business topics into holistic, multi-disciplinary courses
Babson’s FME Course

(Foundations of Management and Entrepreneurship)

• Year-long, interdisciplinary core course for all first-year students
• Teams work together to invent, develop, launch, manage and liquidate a business
• $3,000 start-up loan from the college
• Profits are donated to a community service project such as Habitat for Humanity
• Students donate service hours to the organization throughout the year
Babson’s EIT Course

Second year MBA
Entrepreneurship Intensity Track

• Competitive Selection (25 – 30)
• May Kick-off & Mentor Meetings
• Focus on New Venture Creation

“We give up when you give up !”
Olin College of Engineering

The first new undergraduate college of engineering in the US in over 40 years
The Olin Triangle
Entrepreneurship in the Curriculum

Foundations of Business and Entrepreneurship
(required for every student during 2\textsuperscript{nd} semester of first year or during second year)

User-oriented Collaborative Design
(required studio course during second year)

SCOPE -Senior Consulting Program for Engineering
(required capstone course, many projects have an entrepreneurship element and Babson MBAs can cross register)
Co-curricula Activities

• Olin Entrepreneurship Group (student club)

• Foundry (Business Incubator)

• Collaborations with Babson Students
  (Babson-Olin students teams have won 1st prize in Babson Business Plan Competition for 3 consecutive years)
Babson-Olin SyE³ Vision

• To improve global prosperity through entrepreneurship education

• Innovation through engineering combined with entrepreneurship leads to new ventures and the commercialization of society enhancing products and processes

• Enhance engineering education through the “clashroom”
  – Technology entrepreneurs teamed with engineering educators
Babson-Olin SyE³ Program Goals

• Raise the technology entrepreneurship literacy of engineering students and faculty and demonstrate the importance of this literacy to economic prosperity (job and wealth creation).

• Improve the art and craft of teaching entrepreneurship in engineering schools

• Motivation to understand and engage in the entrepreneurship process.
First Open Enrollment Program
June 2006

12 Teams representing the following Colleges & Universities:

- Florida A & M University
- Kettering University
- Lawrence Technological University
- Olin College of Engineering
- Rose-Hulman Institute of Technology
- University of Colorado at Colorado Springs
- University of Detroit Mercy
- University of North Dakota
- Valparaiso University
- Washington University
Participant Testimonials
Babson-Olin Sye³

The Babson-Olin SyE³ program is an intense and engaging experience not to be missed by people interested in teaching engineering entrepreneurship. Prepare to work hard, knowing you’ll walk away deeply enriched.

Andy Borchers, Kettering University

This is the only workshop/symposium that I have ever been sorry to have end.

Susan Blanchard, Florida Gulf Coast University
Participant Testimonials
Babson-Olin Sye

Hands down, this was the best professional development program that I have ever had the pleasure of attending. Jeff Timmons has truly amazing philosophies about both entrepreneurship and education, and I was inspired by the integrity, intellectual capacity, and dedication exemplified by the course delivery team members.

Richard R. Schultz, University of North Dakota
Entrepreneurship as the New Not-for-Profit Management Paradigm

Applying the entrepreneurial venture model to philanthropy

- Conceptualizing an idea
- Transforming it into an opportunity
- Building a Brain Trust
- Raising funding
- Growing the management team and organization
Some Not-for-Profit Examples

- Ewing Marion Kauffman Foundation
- The Kauffman Fellows Program
- Endeavor – Latin American, South Africa
- National Foundation for Teaching Entrepreneurship (NFTE)
- Legacy Foundation
“A simple yet revolutionary idea – in the form of a $90 loan – changed her life, pulling the Bangladeshi villager out of a devastating cycle of poverty. Yesterday, that idea – lending tiny sums to poor people looking to escape poverty by starting business – won the Nobel Peace Prize for economist Muhammad Yunus and the Grameen Bank he founded.”

Farid Hossain, Associated Press
New Hampshire Union Leader
October 14, 2006
2006 Nobel Peace Prize

“Lasting peace cannot be achieved unless large populations groups find ways in which to break out of poverty,” the Nobel Committee said in its citation in Oslo, Norway. “Micro credit is one such means. Development from below also serve to advance democracy and human rights.”

Farid Hossain, Associated Press
New Hampshire Union Leader
October 14, 2006
Entrepreneurship Beyond Business Schools

The “Genie” is out of the bottle

- Kauffman Campuses Initiative - 8 U.S. Universities
- Singapore - 2 national universities
- Mexico - ITESM across 36 campuses
- UK – University of Ulster
- New Zealand - University of Auckland
- Sitting Bull College, North Dakota
- Programs at K-12 level and on-line for adults
- China’s 5-year plan
Why Has This Happened?

The Energy Creation Effect

- Entrepreneurship attracts the change agents, the movers and shakers
- Creative, passionate faculty are institution builders
- Links to world of practice bring relevance and excitement to courses and research agendas
- Think in terms of opportunity
- Powerful role models for students
- Create powerful strategic alliances with colleagues, alumni and entrepreneurs
- Career and life transformations
Future Challenges

• Will entrepreneurship curricula maintain its holistic integrity and cohesion?
• Will the center of gravity of research in the field shift to more traditional disciplines within and outside business schools?
• Will internet-based learning programs increase the enrollments in entrepreneurship but lower the quality of what is taught and learned?
• Will students continue to have the opportunity for rich, engaging and accelerated “clashroom” learning?
The best way to predict the future is to create it.

Jeffry Timmons
I was seldom able to see an opportunity until it ceased to be one.

Mark Twain