

## University – Community Partnership for Entrepreneurship

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### Abstract

In the fall, 2003 several universities were partnered with the City of Anderson, Indiana to encourage entrepreneurship throughout central Indiana. Purdue University's contribution was a course entitled "Innovation and Entrepreneurship". Incorporated within this course were seminar workshops offered by the School of Business at Anderson University. These workshops were

"How to Start a Business"

"How to Develop and Organize your Company"

"How to Market and Sell your Product or Service"

"How to Manage and Operate your new Company"

"How to Develop your Financial Plan"

Another supporting entity was Indiana University, Bloomington, Indiana through their Industrial Research Liaison Program. This university provided guidance for obtaining financial start-up help via the Small Business Innovative Research Grants program.

The Innovation and Entrepreneurship course was designed to maximize available sources and resources. Rather than using a textbook, the course content was found at seven Internet websites concentrating on entrepreneurs and business start-ups. The material covered the necessary "What" and "How" Business Plan elements: the Executive Summary, the business/task/product identification, business management and marketing, customers and competition, go-to-market and expansion strategies, an exit plan, financial propositions, proposed transactions and funding. Several agencies in the City of Anderson that were utilized as valuable resources included the Flagship Enterprise Center, the Corporation for Economic Development, the Anderson Public Library; Research Department, Service Corps of Retired Executives, Twilight Venture Partners, LLC. And, from Indianapolis, advisors were available from the Central Indiana Small Business Development Center, the Small Business Administration office and the Venture Capitalist Club.

### Introduction

For over a decade the Organizational Development and Supervision Department, School of Technology, Purdue University has offered a course entitled "Innovation and Entrepreneurship". This course was designed in the typical fashion: textbook, lectures, assignments and examinations. In spring 2003, the State of Indiana designated three locations to become Flagship Enterprise Centers to encourage present and future entrepreneurs throughout the state. The city of Anderson, Indiana was one such site coupled with Purdue University and Anderson University. A consortium partnership developed to include multiple supportive agencies from the immediate area and throughout the state.

In August 2003, the Anderson, Indiana Flagship Enterprise Center sponsored “A Resource Day for Entrepreneurs” to inform and educate the community and future entrepreneurs. Representatives from the City of Anderson, the universities and the various supporting agencies all presented vital information about their respective entrepreneurial offerings. The organizations included

Anderson University

Purdue University

Indiana University

The City of Anderson

Corporation for Economic Development

Anderson Public Library

Anderson Chamber of Commerce: Service Corps of Retired Executives

Indianapolis, IN

Central Indiana Small Business Administration, Small Business Development Center

Venture Capital; Twilight Venture Partners, LLC

The key significance of having three Flagship Enterprise Centers throughout the State of Indiana is their partnerships with major universities: Purdue University, W. Lafayette, Indiana, Anderson University, Anderson, Indiana and Ball State University in Muncie, Indiana. One of their overall objectives is to interface with and coordinate entrepreneurial research and development efforts with the engineering and technology schools at the universities. The State of Indiana is funding these Flagship Enterprise Centers and much of the research and development efforts therein so they may be at the forefront of any major technological or engineering breakthrough that may occur at these universities. Such partnerships provide a real advantage for the engineering and technology schools’ research endeavors in the 21<sup>st</sup> century.

### **Purdue University**

The Purdue University course “Innovation and Entrepreneurship” was completely redesigned to assure the students (future entrepreneurs) received the most current and relevant information available. The course eliminated the normal textbook but incorporated the most current literature available via the Internet. All the available resources noted above were also built into the course to guarantee the participants would be totally prepared at the conclusion of the course.

Specifically, these sources are elaborated upon in the following sections beginning with those entities located in Anderson, Indiana.

### **Anderson University**

The Fall’s School of Business, Anderson University, offered a series of five one-night seminars directly related to key entrepreneur business elements. The seminars were

“How to Start a Business”

“How to Develop and Organize your Company”

“How to Market and Sell your Product or Service”

“How to Manage and Operate your new Company”

“How to Develop your Financial Plan”

Since these seminars were offered during the fall semester of the Purdue University course, the

students were expected to attend them as part of their course assignments. Therefore, the seminar content was incorporated directly into the Innovation and Entrepreneurship course and was augmented by discussion and other research findings.

### **City of Anderson, Corporation for Economic Development**

The basic charter for the Corporation for Economic Development is to avoid new business failures that normally run at an 80% failure rate. This agency provides totally confidential help for anyone planning on starting a business. Their representatives are business advisors in the four key areas of people, product, marketing and finance. Their service helps in all the components needed in a business plan and if there are any areas they cannot help, they will direct the individual to the proper person or agency. The Purdue University students were directed to use this agency to gain needed help and support for their assignments that included the development of a full business plan including Performa's and financials.

### **Anderson Public Library**

The Anderson Public Library was a very valuable source of information for the students. They could access the various databases and over 18,000 research documents via the websites [www.andersonlibrary.net](http://www.andersonlibrary.net) and [www.inspire.net](http://www.inspire.net). The research librarian was invaluable in helping find necessary and needed information, especially referencing the United States government's SIC and/or NAIC databases. The students had to extensively research their proposed company or business and the library was a significant help.

### **SCORE, Service Corps of Retired Executives**

The Chamber of Commerce SCORE organization offered excellent help especially in the areas of determining people needs, accounting (profit and loss statements and cash flow), marketing and insurance. These retired executives provided this free help to anyone who needed this guidance and assistance. The Purdue University students were encouraged to utilize this service rather than struggle independently. Many of the SCORE members were prior entrepreneurs and shared valuable insight for new business start-ups.

### **Central Indiana Small Business Development Center and Small Business Administration**

These Indianapolis, Indiana based agencies exist to provide assistance to small businesses and potential businesses in a full variety of areas: training, counseling, professional/technical and legal guidance, strategizing, management and to aid in obtaining financial support. The SBDC/SBA services are designed for the person or group who wants to start a business or already has a small business but cannot afford paid consultants. Information was provided to the Purdue University students about these agencies but using these organizations was not required for the course. The students did, however, use the local SBA, Small Business Administration, office in Anderson, Indiana.

### **Indiana University**

The Indiana University resource was also used by the students even though the SBIR, Small Business Innovative Research; agency was located in Bloomington, Indiana. The SBIR representative for the state of Indiana travels to any site needing her assistance. She helps entrepreneurs in their application for government financing for the research and development of technology products. The SBIR is a federal program that annually gives out over one billion dollars. The SBIR representative came to the Purdue University site to explain the program to these potential entrepreneurs.

### **Twilight Venture Partners**

The Twilight Venture Partners is a club of several hundred venture capitalists members located in Indianapolis, Indiana. A representative spoke with the Purdue University students on how to prepare critical documents designed to raise capital from venture capital firms. Sample business plans were shared that included the critical areas of

- Executive Summary
- Organization's Management
- Marketing Plan
- Technology/Product/Service Offered
- Customers, Present and Future
- Go-to-Market Strategy
- Expansion Strategy
- Competition
- Exit Options
- Financial Preparations
- Proposed Transactions and Funding

The final assignment in the Purdue University course was a Power Point Presentation based upon their business plan. The Twilight Venture Partner spokesman explained why such presentations were important, what items must be included and the preferred format. In fact, he said the Power Point presentation probably carried more weight in obtaining funding than the actual business plan. One grading criterion for their Power Point presentations was "Does the presentation include all the necessary elements in such a way to positively influence the audience to provide the needed funding?"

### **The Purdue University Course**

The Purdue University course "Innovation and Entrepreneurship" was redesigned to include all of the agencies above. Prior to involving any agency or outside entity, the students had to accomplish extensive research about being an entrepreneur and selecting/starting a business. They were given as an electronic text the following websites along with an evaluation of each:

<http://www.inc.com/home/>

This link is designed to help an entrepreneur with any and all aspects of starting a business. The site posts daily articles, a plethora of "how to" articles, and various tools for doing projections and form templates. This site should be visited first to answer the question "Where do I start?"

[http://www.entrepreneur.com/Magazines/MA\\_IssueArchive/0,1400,117411,00.html](http://www.entrepreneur.com/Magazines/MA_IssueArchive/0,1400,117411,00.html)

This link is an issue archive of Entrepreneur magazine and has a search feature, which is helpful if you know exactly what you are looking for. This site is excellent for specific information. The Magazines are listed by year/month, so navigation is intuitive. Each issue of Entrepreneur magazine covers the topics of money, smarts, marketing, management, technology, and being your own boss.

[http://www.entrepreneur.com/Magazines/MA\\_FrontDoor/0,4430,,00.html](http://www.entrepreneur.com/Magazines/MA_FrontDoor/0,4430,,00.html)

This link is virtually identical to the previous one but this site showcases the newest issue of Entrepreneur magazine, and thus has more of a “homepage” feel than the previous archived link.

<http://www.tannedfeet.com/>

The Entrepreneur’s Help Page is self-explanatory. This site allows entrepreneurs to submit articles, which provides helpful information from those who are going through business start-ups. This site accepts business plans for critique. The sections that are covered on this extensive site include business, legal, financial, marketing, humor, strategy, and office.

<http://www.loc.gov/rr/business/guide/guide2.html>

This site is like a revised, online publication of “The Entrepreneur's Reference Guide to Small Business Information 2nd edition”. Basically, this site is a large list of sources that are useful for the entrepreneur and for information providers working with small-business people. It is up-to-date and indicative of the most recent work in the field. A helpful index allows users to hunt for articles covering specific topics.

<http://www.bizroadmap.com/bizroadmap/index.asp>

This easy-to-use website is designed in Yahoo! style. Quick Tools and Quick Worksheets provide concise, precise information to a curious web surfer. Included is a forum for the exchange of entrepreneurial ideas and advice. The most intriguing aspect of this page is the “Ask a Biz Consultant” service. Here, you can get advice on anything from product lines to marketing campaigns, business name or logo advice, as well as demographics information.

<http://www.youngentrepreneur.com/>

This site boasts cool features with respect to its articles. You can see how many people have accessed the articles, and how they rate them. This helps sift through badly written or unhelpful material. This site contains a forum and tools.

<http://www.hbs.edu/entrepreneurs/>

This site is from the Harvard Business School where a video archive “HBS Entrepreneurs” presents twenty-seven interviews with leading entrepreneurs throughout the United States. Although the material in this site is quite extensive and time consuming, it is probably one of the best, most thorough and insightful websites on entrepreneurship.

The students used information from these sites as the basic guide for each segment of their business plan. They also were encouraged to get critiques of their materials from other students and from the helpful agencies prior to submission.

## **Conclusion**

The collaborative partnership for present and future entrepreneurs was quite successful. Every agency was very supportive and expended much time helping and giving advice to the Purdue University students. As with every course, some students did not avail themselves of this support mechanism. Their documents, the final business plans and Power Point presentations were far inferior to those of the students who obtained the help. Three of the students were seniors and planned to further pursue their entrepreneurial spirit and try for business start-up funding upon graduation.

If even only one student becomes a successful entrepreneur, I would evaluate the redesigned course a huge success. In addition, every engineering and technology student who is interested in research and development should investigate the Flagship Enterprise Centers at one of the three universities. You may one day become a leading entrepreneur for the State of Indiana. I must also extend much thanks to all those valuable and supportive individuals from the many agencies, organizations and universities.

## **Biographical Information**

**RONALD GOODNIGHT; professor, Organizational Development department, School of Technology, Purdue University located in Anderson, Indiana. Following twenty-six years experience in manufacturing and receiving his doctorate in Adult Education and Executive Development, he joined the academic world. While at Purdue University, he has taught twenty-two different courses including Innovation and Entrepreneurship.**