HOW TO MEASURE ENTREPRENEURIAL ECOSYSTEMS

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IEDC
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About the Center for Economic Development

- Applied Research Center in the Maxine Goodman Levin College of Urban Affairs
- Economic Development Administration University Center
- Expertise in economic development, performance of industry clusters, industry analysis, & entrepreneurship
- Entrepreneurship applied research:
  - Examining High-Growth Firms in Metropolitan Ohio
  - Fund for Our Economic Future “What Matters to Metros”
  - Economic impact of entrepreneurial service providers
  - Minority and women owned business research
Entrepreneurship as a component of ED strategy
Vibrant Entrepreneurial Ecosystems

Kauffman Foundation:
1. Density
2. Fluidity
3. Connectivity
4. Diversity

Interviews & Literature
• Business Environment
• Financing
• Innovation Ecosystem
• Human Capital & Knowledge
Measuring Entrepreneurship Ecosystems: Kauffman Foundation

Density
- Startups
- New & young firms
- Employment share of new & young firms

Fluidity
- Population Flux
- Labor Market Churn
- High-growth firms

Connectivity
- Entrepreneur Connectivity
- Program Connectivity
- Connectivity of Investors

Diversity
- Immigrants
- Economic Mobility
- Economic clusters
Measuring Entrepreneurship Ecosystems: Interviews & Literature

- **Business Environment**
  - Business Costs (taxes, rents, etc.)
  - VC Tax Credits

- **Financing**
  - Angel/VC/Private Equity
  - Small Business Loans

- **Innovation**
  - Patents
  - University Presence
  - SBIR/STTR & R&D Spending

- **Knowledge**
  - Bachelor Degree Attainment
  - STEM Degree attainment
Types of Indicator Projects

- Indicators - one year
- Indicators - over time
- Indicators with comparable communities - one year
- Indicators with comparable communities –over time
- Statistical analysis

As complexity increases, problems increase:

- Data collection
- Communication of results
Keys to Data-Driven Decision Making

1. Determine the indicators that are relevant to you
2. Establish realistic expectations for movement by indicator
3. Figure out who are your comparable cities and regions for the different indicators

Existing Dashboards to Examine:
- Kauffman Index of Entrepreneurship
- CEOs for Cities - City Vitals
- What Matters to Metros
- Virginia Innovation Dashboard
- National Neighborhood Indicators Partnership
THANK YOU

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