Collaborations Between Universities and Business Leaders Boost Economic Development

Sometimes, it takes just a seed to help small businesses grow.

The Southwest Louisiana Entrepreneurial and Economic Development Center, or SEED Center, opened last August to provide services and resources to strengthen existing businesses and to grow start-ups. Located on the campus of McNeese State University in Lake Charles, La., the SEED Center is a partnership between the university, the Calcasieu Parish Police Jury, the city of Lake Charles, and the Southwest Louisiana Economic Development Alliance. McNeese State—which provided the 7.67 acres of undeveloped land for the $13 million, 52,000 square-foot facility—is one of the only universities in the U.S. to house a regional chamber of commerce on campus.

“The SEED Center is a wonderful example of a university partnering with industry in areas that are unique and new in terms of the technology being developed,” says McNeese President Philip Williams. “Our strategic plan and our mission both include strong statements about the importance of university and community partnerships. Regional, comprehensive universities are expected to serve their regions, so this is a way we are able to demonstrate that.”

Williams notes that Southwest Louisiana—an area still trying to recover from the devastation of Hurricane Rita in 2005—is the epicenter of an industrial boom in liquefied natural gas projects, with billions of dollars being invested in the region by multinational corporations. The SEED Center will be valuable in nurturing this global energy industry, as well as contributing to the growth of existing industries such as aviation, agriculture, gaming and tourism. The ultimate goal is to help companies become viable and financially sustainable so that they, in turn, create jobs for the region, contribute to the vibrancy of local communities, and diversify the region's economy.

The SEED Center’s partners bring together a combination of resources to effectively create a one-stop shop that provides everything from office space, technical assistance and client management to entrepreneurial training, business coaching and consulting. The center houses a number of economic development programs and services, including the Southwest Louisiana Business Incubator and Entrepreneurial Center, the Louisiana Small Business Development Center, the Southwest Louisiana Partnership for Economic Development, and the Chamber Southwest Louisiana. The Institute for Industry-Education Collaboration provides customized training and professional development for businesses.
"Businesses tell us what they need in terms of training, and we design a custom curriculum to fit those needs," Williams says. "We can offer specialized education for that industry."

**Stewards of Place**

McNeese State University is just one of many AASCU institutions across the country demonstrating a commitment to becoming "stewards of place," embracing the role of engagement and leadership to address the opportunities and challenges facing their local communities and regions. According to AASCU's inaugural monograph on stewardship, *Stepping Forward as Stewards of Place* (2002), public institutions have historically joined forces with local government and private businesses to take on issues such as school reform, protecting the environment, and regional planning. Colleges and universities are fundamentally connected to their communities and regions, so as society and economies become more global, it's more important than ever to align higher education's mission and practices to support public engagement.

"AASCU institutions must find, create and seize opportunities to make public engagement a more deeply embedded core value that authentically defines them," states the monograph. "In so doing, these institutions will benefit, as well and increase the nation's ability to educate students for their roles in the New Economy. Building on that legacy, public engagement can be the defining direction for our future." (AASCU recently published a follow-up monograph that explores the application of institutional stewardship, *Becoming a Steward of Place: Four Areas of Institutional Focus*).

University and business partnerships can be mutually beneficial. These alliances can provide real-world experiences for students and an opportunity for faculty to apply their research expertise while allowing business leaders get to know and better understand the challenges and opportunities higher education faces today. It's a responsibility universities have in exchange for the public dollars that go into supporting the institution, many insiders say, and a way to generate goodwill between the university and the public.

"I think it's wonderful that higher education has taken an interest in community and economic development," says Kimberly Luse, President’s Office chief of staff at Valdosta State University (Ga.). "Universities promote big ideas and spirited discourse, and they are a place where people can gather and exchange information."

At McNeese State University, nurturing new businesses is just one part of the SEED Center's mission. The facility also serves as "the heartbeat" for the McNeese Student Innovation Center and the university's unique innovation curriculum, says McNeese President Philip Williams.

McNeese students can take courses or minor in innovation engineering, which is organized around four categories: create, communicate, commercialize and systems. These classes cover everything a budding entrepreneur needs to know, including marketing, creating a business plan, driving out fear, communication, cost and price estimating, and leadership. As students come to the end of the curriculum, they complete a capstone project to demonstrate their skills in leading a project,
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mentoring others, and applying principles to create a business. McNeese is just one of two universities in the U.S. to offer the innovation curriculum, which was developed by a professor at the University of Maine.

“Our students learn creativity science through these four courses, with opportunities to engage in group exercises and activities to develop solutions to problems using modern methods of creativity science,” Williams says. “It’s a very exciting course, and some of our best students end up in the Business Incubation Center to grow their new businesses.

Promoting an Entrepreneurial Spirit

Since the mid-1970s, the U.S. Small Business Administration has partnered with local government agencies and universities across the country to create a network of Small Business Development Centers (SBDC). With more than 900 service locations today, these SBDCs provide management and technical assistance, training, mentoring and other services to support existing or start-up businesses. These centers also have a strong focus on workforce training and professional development.

Many AASCU institutions host SBDCs, which provide a variety of educational and practical services for small business owners and aspiring entrepreneurs. Universities are in a position to share valuable intellectual capital, as well as accommodations such as athletic facilities, arts and entertainment venues, and meeting spaces with technological equipment. Often, students and faculty at these universities can provide support such as business consulting services, market research projects or financial analysis.

George Mason University (GMU), in Fairfax, Va., is the lead organization for Virginia’s network of SBDCs, providing more than 1,000 hours of free, one-on-one consulting services to over 500 local businesses each year. Other AASCU institutions in Virginia that host SBDCs are Radford, Longwood and James Madison (JMU) universities.

“It’s a roll-up-your-sleeve, feet-on-the-pavement interaction with business,” says Jody Keenan, state director of the Virginia SBDC Network and managing director of the Mason Enterprise Center at GMU. “As a university, we want to be good corporate partners. And universities are large employers, so helping our communities prosper, succeed and sustain economic viability is an important contribution. Ultimately, that helps to create a healthy environment for faculty, staff and students to live and work.”

In Harrisonburg, Va., JMU strives to be a national model of the engaged university, which is defined as “engaged learning, community engagement and civic engagement.” Mary Gowan, dean of JMU’s College of Business (which oversees the Shenandoah Valley SBDC), says that the SBDC fits naturally with the university’s community outreach goals and helps business leaders and other residents to see the university as an integral and vital part of the community.

“It’s just inherent in our mission that we as a university need to be doing this type of outreach,” Gowan says. “We are publicly funded, and so part of our mission should be to give back to the community by making sure resources are available to people who want to explore starting or growing a business. It goes back to helping the economy—when small businesses are stronger, the economy is stronger.”

Like GMU and JMU, more and more colleges and universities are teaching their students entrepreneurial skills. California Polytechnic State University, San Luis Obispo, for example, cultivates these skills in students through a campus-wide extra-curricular program called The Hatchery. Offered by the Cal Poly Center for Innovation and Entrepreneurship (CIE) and housed in the SLO Hothouse, the program provides office space, weekly workshops on entrepreneurial concepts, a peer network that includes regular roundtable discussions, and access to the CIE’s large network of volunteer mentors—including technology entrepreneurs, attorneys, accountants and other business leaders—from the community.

Cal Poly’s students and recent graduates also may apply to the CIE’s competitive Summer Accelerator Program, which offers intensive entrepreneurial coaching and resources to launch businesses that started at the university. Companies that have hatched out of this program include an engineering firm that invented wall-climbing robots to perform industrial inspections; a nonprofit organization dedicated to designing safe, sustainable playgrounds; a wine-tasting mobile app; and a service to help people connect with housecleaners. A select group of companies that complete the Summer Accelerator Program are invited to join the SLO Hothouse Incubator for two years as they focus on developing a viable product.

“It's the epitome of learning by doing, a strategy our whole university culture centers around,” says Judy Mahan, incubator director for Cal Poly’s Center for Innovation & Entrepreneurship and director of Cal Poly SBDC for Innovation.
“Students learn all aspects of running a business, including creating a viable product, conducting market research and building a team. Everything they do in their majors and in the classroom builds to this final moment of being able to launch a company around something they’ve created. We are then able to participate in economic development in this area by growing these businesses that hopefully will stay in the region.”

Strengthening the Talent Pool

In Western Michigan, business leaders became concerned several years ago about the need to nurture and retain homegrown talent and skills. With an estimated 38,000 additional jobs in the region requiring some type of post-secondary education, these leaders knew that talent development wasn’t keeping pace with the needs.

These leaders banded together and reached out to partner with higher education in 2009, establishing Talent 2025, a regional initiative designed to cultivate and retain talent in the region to attract new businesses and entice people to stay in the area. The organization’s vision is for Western Michigan to be recognized as a top 20 region in the U.S., “where entrepreneurship thrives, and employers want to be, because diverse talent wants to work, learn and live there,” according to its website.

AASCU members Ferris State University and Grand Valley State University are among 14 colleges and universities involved with Talent 2025. The program is supported by more than 70 businesses—including Blue Cross Blue Shield of Michigan, PNC Bank, Steelcase, Wolverine World Wide Inc., and Amway Corporation—across 13 counties in Western Michigan. The initiative is organized around working groups that focus on challenges such as early childhood development and K-12 education, college and career readiness and post-secondary education, workforce development, entrepreneurship, and employer talent strategies. The goals are to increase educational attainment, create jobs and attract people and businesses to the area.

“Talent 2025 is a remarkable effort and unlike anything I’ve ever seen,” says David Eisler, president of Ferris State University. “We have leaders in business, industry and higher education coming together to change the region, and all of our institutions are talking together. That’s unusual in my experience. When we work together with business and industry, it really strengthens our voice.”

Eisler says Ferris State and other participating colleges and universities are involved in data collection and analysis to make projections about the types of employees and skill sets needed for jobs in the future. With nation’s largest College of Engineering Technology, Eisler adds, Ferris State is positioned to direct students into emerging fields such as automotive technology, construction management, plastics engineering and rubber engineering.

“We want to be able to direct our students to those specialized jobs that are going to be available in the future,” Eisler says. “It’s not that economic efforts or partnerships with business and industry substitute for what we offer as a university. These relationships enrich and enhance what we do as a university. For students whose majors directly apply to business and industry, this is a rich connection that pays many benefits.”

For university leaders who want to form new partnerships with businesses or economic development organizations in their communities, Luse suggests starting with a meeting of all the region’s stakeholders. Invite leaders from government agencies, local businesses, the chamber of commerce, and other key organizations in the region to campus for a meeting of minds—a “Y’all Come,” as she calls it—to get the process started and give everyone a chance to discuss the challenges and opportunities the region is facing.

Williams recommends that presidents and other administrators become involved in the community. As a member of the local Chamber of Commerce, Williams says he has gotten to know a lot of business leaders on a first-name basis.

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“Don’t wait for local businesses to come to the university,” Williams says. “Getting involved in the community and meeting business leaders makes it easier to start these partnerships.”

These partnerships are worth pursuing, Eisler says. They not only benefit the universities and the businesses—they’re also a boon to the local community.

“When you stop doing things just for yourself, and you do it for the entire region, the rising tide floats all the boats,” Eisler says. “There’s a lot more you can accomplish working together than if you’re only concerned about what’s in it for your institution. If we’re thinking about what’s good for our region, we’re building a strong economy and making it a great place to live.”

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