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Feedback — Personal Learning Assignment 2

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You submitted this homework on **Tue 14 Oct 2014 10:21 AM PDT**. You got a score of **10.00** out of **10.00**.

Question 1

Why were Northeast Ohio foundations and donors so important to NEO's story? Would this type of support be feasible in your community?

Describe one or more active philanthropic institutions that exist in your region whose missions are geared toward entrepreneurial growth. If no such program exists in your community, describe why you think that is. How might philanthropy better support entrepreneurship and economic development in your region? Use what you have learned from this case and the discussions so far to explore your community's entrepreneurial landscape as it currently stands with regards to local philanthropic or donor involvement.

Word Count requirement: Minimum 150 words **NOTE: Check your writing in a word count program before submitting to be sure you have achieved the required word count **

Soft Deadline (for full credit): Thursday, October 16, midnight EST

Hard Deadline (for partial credit): Thursday, October 23, midnight EST

Note: Your assignment MUST BE WRITTEN IN YOUR OWN WORDS

Please do not copy and paste text from another source. This is meant to be a thought-provoking assignment that helps you to think about your own entrepreneurial ecosystem. If you do use other source material to back up your claims, please make sure to cite your sources.

CONTRIBUTE TO THE [WORLD STARTUP REPORT](#): Once you have submitted your PLA here, we encourage you to head over to the [Regional Discussion Boards](#), find your region/country and re-post your answer there in a new or existing thread.


We hope to grow some exciting region-specific conversations based on each week's PLA assignments, with the goal of contributing these learnings to future country entrepreneurial ecosystem reports on the World Startup Report wiki site.

Visit the [World Startup Report Wiki](#) for more information about these country reports.

Email us at entpecon@case.edu if you would like to be more involved in this effort.

You entered:

Karen West, Oct. 16th, 2014, for submission to Beyond Silicon Valley: Growing Entrepreneurship in Transitioning Economies,

Your Answer	Score	Explanation
Karen West, Oct. 16th, 2014, for submission to Beyond Silicon Valley: Growing Entrepreneurship in Transitioning Economies, Personal Learning Assignment (PLA) 2: Note that the answers below were taken from both the video lecture in regard to the experiences of the "Fund for Economic Future" role of philanthropy contributions to start-ups in Cleveland, Ohio, but for my local area here in Boston, MA, USA, it was all taken from web searching the topic, put into my own words. US Law allows individuals and corporations to donate money to non-profit organizations without paying taxes on the money. Often times the donations are channeled through foundations, and Cleveland had the first "community" foundation in the US back in the 1920's and 1930's when Cleveland's economy was good, and entrepreneurs like John Rockefeller still lived there. At first they focused on art museums and orchestras, but later in the 1980's, Cleveland's economy declined due to it's manufacturing sector going down, and these types of foundations instead invested in economic development. It was then that the government got involved to be the catalyst for the local entrepreneur donations through the "3rd Frontier Program". They also merged groups of the foundations that were formed from individuals and corporations who donate money to non-profit organizations without paying tax on it, and grouped them together in one large group called the "Fund for Our Economic Future". The "Fund for Our Economic Future" was a philanthropic collaboration and was considered unique	 10.00	

in the US. “Jump Start” was one of these philanthropic mixed with government funding organizations that funded start ups in Northeast Ohio (NEO). They believe the success of some local Cleveland entrepreneurs shows that this program has credibility, and serves the public good just as their original plan to fund things for public pleasure such as art museums and orchestras, because it helps their local economy for high tech start-ups, improving the local economy in which they live when the high tech start-up succeeds. They also observed the fact that if they did not fund local high tech start-ups as well as the art museums and orchestras they used to fund with their foundations, that people would be without jobs, and there may not be enough people to sustain the art museum and orchestra attendances required to keep them going as well, if people were unemployed and unable to enjoy the art and music pleasures of their city after work. Ohio's “Fund for the Economic Future” is the philanthropic response to long term economic challenges facing northeast Ohio. Currently they have 50 members who pooled their resources of money and time to determine what makes up the economic vibrancy of the northeast Ohio region, and fund them through grants, convening, and sponsoring research, in collaboration with the other sectors in the community. When Cleveland's corporate leaders who used to drive economic prosperity and jobs for the region moved away due to a declining manufacturing economy in the 1980's, philanthropy provided important leadership to fill these voids. They found that the powers that drove their economy now came from both corporations and entrepreneurs and that it was regional and not just according to the city in which you live. So if entrepreneurs could find funding from a place like the “Fund for Economic Future” that would match what the government funded program “3rd Frontier” would offer them to get started, they would also have government funding to get them going. The “Burton D. Morgan” foundation in northeast Ohio was also pivotal in building the entrepreneurship ecosystem and experiential entrepreneurship education. It leveraged its resources to build networks of people, ideas, organizations, and opportunities that foster the entrepreneurial spirit in northeast Ohio. Observations made by the “Brooking's Institution” for northeast Ohio's entrepreneurship ecosystem were that philanthropic donors tend to be more patient than both the private sector and the government in seeing their investments bear fruit. Their point was that many metropolitan

entrepreneurs such as those you may find in northeast Ohio are not the “celebrity” type entrepreneurs the news is always featuring. The way that these types of metropolitan environments, like Cleveland, prosper most are from thick ecosystems, networks of advanced research institutions, large companies, and small entrepreneurs, investors, institutions, that can help train workers and help firms strengthen their business plans, and re-tool their facilities. They believe that the philanthropic devotion to the start-ups they fund, are more likely to see them through to when they are self-sustaining elements of a region, and not just to the point where they have proven themselves. However, the challenge is keeping the philanthropist donor interested and engaged in their start up investment, and trying to keep them from getting “donor fatigue” from the start up taking too long to show return on their investment. The international entrepreneurship investment firm, Endeavor, believes that philanthropic donors around the world are in a more broken system, because the view is that those are more bureaucratic in nature in the way that they are run. They are perceived more as “box checkers”, and an analogy might be a garden, and once the garden (their investment in a start up) starts to grow, they go find another one to fund instead. The funds for international philanthropists typically include their foreign government’s development assistance program, as well as NGO’s (non-government organizations) and corporate donations. “Angel funders”, as some philanthropic donors are called, in foreign countries are treated as suspicious by government officials when they invest in local start-ups sometimes for “political reasons” rather than a “good reason”, and may ask too many questions about how the donor made money to make the investment, and the donors do not donate so as to avoid this type of questioning that is for political gain. To conclude about the success of the philanthropic investors in Cleveland, it was their ability to pool their resources, act together, trust each other, and provide strong leadership that resulted in the “Fund for Economic Future” being a success there. In general, I suspected the area in which I live may have a similar type program to the “Fund for Economic Future” that Cleveland described above. However, I was unaware of it specifically until I just did a web search to find out how this works in the greater Boston, MA area in which I live. In the Boston area it is called “The Boston Foundation”, or TBF, and it recently merged with “The Philanthropic Initiative”, or TPI. They are

described as “The Philanthropists, The Visionaries, The Social Entrepreneurs, and some of them are all three of these things. They look at problems and see nothing but opportunities. They never walk away from a problem and are never satisfied with the status-quo. They are healers, educators, and community leaders. They are the change-makers. They are people crazy enough to think they can change the world and they are the ones who do.” The Boston Foundation combines their donors aspirations and passions for giving with their deep understanding of the vital issues facing the Boston community. The “Donor Advised Funds” are able to fund grants anywhere in the US or abroad and operate like a private foundation, without the administrative or payout burdens. There are other funds that invest in the future of greater Boston, and the issues and organizations that have profound impact on their lives, through gifts or bequests to the “Permanent Fund for Boston”. When the Boston Foundation merged recently with The Philanthropic Initiative, they added to their capacity to advise donors to engage in strategic and effective philanthropy in Boston and around the world. So far they have 3 web sites to support these efforts. For an in-depth look at The Boston Foundation's work, you can go to tbf.org. The web site: bostonindicators.org gives unprecedented information and analysis on the greatest opportunities and challenges that Boston and this region in general face. The web site: givingcommon.org is the place to go for informed giving in Massachusetts. Through grant making and special initiatives in greater Boston, The Boston Foundation supports non-profits across a wide range of issues, guided by a focus on people and place, with a strategic focus on Education to Career, Health and Wellness, Jobs and Housing, Community Safety, and Civic and Cultural Vibrancy. The Foundation also works to strengthen non-profits and leaders through a range of work designed to enhance the long-term vitality of the Massachusetts non-profit sector. They build effectiveness through the “Vision Fund” and the “Institute for non-profit management and leadership” at Boston University. They encourage collaboration through the “Catalyst Fund for Non-Profits” and “Collaborate Boston.” They strengthen the entire non-profit sector by research and advocacy. They have a “Civic Leadership Fund” that has been successful in the areas of: K-12 and higher education, workforce development, health, housing, cultural facilities, municipal finance, and other critical areas such as: cutting edge research, major forums

and convenings, strategic and proactive grant making, task forces and coalitions, communications and media, and deep public policy work. The “Understanding Boston” series identifies challenges facing our city and region, commissions fresh research, and shares information through a series of forums that are attended by thousands of people every year. The “Boston Indicators Project” provides comprehensive information and analysis about every aspect of life in greater Boston and our region through a cutting edge web site and biennial bold reports. They quote Robert F. Kennedy who said, “The Future does not belong to those who are content with today.” So to conclude, “The Boston Foundation” sounds analogous to “The Fund For Economic Future” in Cleveland, but with a Boston twist to it, that also includes the US and abroad initiatives as well.

Total	10.00 /
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