

**Proposal for Positions in Entrepreneurship and Establishment of a
Center for Entrepreneurship**

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The Isenberg School of Management (ISOM), in conjunction with the College of Humanities and Fine Arts, the College of Engineering, and the Bachelors Degree in Individual Concentration Program (BDIC) propose hiring five (5) faculty members related to Entrepreneurship. Such hiring would allow for the creation of an interdisciplinary research and teaching presence throughout the campus (and perhaps beyond, e.g., to Springfield) related to Entrepreneurship. The substantive potential outcomes from the hiring of these five faculty members include:

- Significant revenue raised through fundraising efforts with donors (goal of up to \$5 million over the next five years).
- The creation of a highly visible Center for Entrepreneurship which would serve as the hub for all entrepreneurship activity on campus. The proposed center could also be a driving force between entrepreneurship activities focusing on the creative economy and green industry development in Springfield. (See www.umass.edu/green.)
- The development of an academic minor in entrepreneurship which would allow students from all over campus to realize entrepreneurship education, with the end goal of increasing the number of alumni with the ability to start and lead small businesses.
- The creation of an online Entrepreneurship certificate that would be appealing to the workplace community and generate revenue for the campus.

Proven Excellence in Research/Teaching Area

The entrepreneurship-related activities already occurring on campus include:

- Efforts by ISOM Professor **James Theroux**, the Flavin Family Professor of Entrepreneurship – Professor Theroux is an innovator in the area of teaching entrepreneurship through the use of “real-time” cases where students learn with an organization as it faces real challenges. He has received over \$100,000 from the Grinspoon Foundation, Coleman Foundation, and Kaufman Foundation to support his work in this area.
- Efforts by Isenberg Professors **Soren Bisgaard** and **Mike Malone** (Dean of the College of Engineering), and ISOM Professor **Joe Stokes** related to the Technology Challenge, a business plan competition where students compete for funding related to their technology-oriented business plans.
- ISOM faculty member Professor **Linda Peters** is an entrepreneur and former Program Director for the Entrepreneurship Initiative associated with the Harold Grinspoon Foundation.
- The ISOM MBA Practicum course, which challenges students to work with Pioneer Valley and Massachusetts companies to help them solve business problems, many of which relate to growing the business of a fledgling organization.
- In addition to Professors Theroux, Stokes, Bisgaard, and Peters, ISOM Strategy Professor **Bruce Skaggs**, Marketing Professor **Thomas Brashear-Alejandro**, and Marketing

- Professor **Kwong Chan** are all conducting research and publishing in the area of Innovation or Entrepreneurship (see CV's attached). Professor **Robert Hyers** in Mechanical and Industrial Engineering also works in the entrepreneurship area.
- The Sport Management Department, lead by Department Head **Lisa Masteralexis** in partnership with the University Library, is a finalist to receive the papers of the late Mark H. McCormack, one of the foremost entrepreneurs in the sport industry, having started the first sport and lifestyle marketing agency and building it into a global brand impacting millions annually. Receiving the McCormack papers would lead to the creation of research and teaching projects related to sport entrepreneurship, as well as afford numerous fundraising opportunities with wealthy athletes and sports figures with whom McCormack worked.
 - ISOM is home to the Massachusetts Small Business Development Center (MSBDC), an award-winning government supported unit headed by **Georgianna Parkin**. Under Parkin's leadership, the MSBDC has received several national awards and widespread recognition throughout the state for the number of entrepreneurs it has assisted.
 - The **Entrepreneurship Initiative** - The Entrepreneurship Initiative (EI), in partnership with the Bachelor's Degree with Individual Concentration, offers a series of credit-based workshops that teaches students how to explore the entrepreneurial career path. Since its inception in 1999, the Entrepreneurship Initiative (EI) has helped launch a wide array of businesses and nonprofits and helped students improve their career opportunities upon graduation. Student involvement in the EI has increased from 20 to 200, and active student companies from 7 to 88, over the past three years. Engineering Professor **Robert Hyers** and BDIC Director **Daniel Gordon** have been key players in these activities.
 - **BDIC** - Approximately 20 students in BDIC at any time are working on interdisciplinary majors, called "concentrations," with a strong entrepreneurship theme. Recent concentrations include: "Entrepreneurship and Information Technology," "Artistic Business Entrepreneurship," "Music Business," etc. In addition to students in the entrepreneurship cluster, there is a larger number of students for whom entrepreneurship or business plays a smaller but significant role in the multi-disciplinary concentration. All of these students typically take some courses in the School of Management, increasing demand for already over-subscribed classes. The proposed cluster hires would alleviate this enrollment pressure.

The Potential for an Immediate Return on Investment

In March of 2009, ISOM administrators pitched a \$2.5 million proposal to ISOM alumnus Frank Kline to create a research and teaching center bearing his name. Mr. Kline expressed interest in the proposal, but indicated he was not quite ready to make such a gift. The next steps for this proposal were to work throughout the school in 2009-2010 to formalize and connect all of the entrepreneurship-related work being done in the school such that there is already progress toward the creation of a center when Mr. Kline might be ready to make the gift (Fall 2010). The awarding of faculty positions to an energized effort could help secure this gift. Additionally, the \$1 million gift already committed by ISOM alumnus Earl Stafford for a professorship would contribute to this entrepreneurship effort.

With respect to students, demand for the undergraduate majors in business (BBA), sport management (BS Sport Management), and hospitality and tourism management (BS in Hospitality and Tourism Management) are already very high. Based on this existing demand and the rapidly growing interest in the UMass Entrepreneurship Initiative, we envision there being strong demand for an undergraduate minor in entrepreneurship. Additionally, creating such a

minor would be consistent with AACSB's, our Accrediting body, expectation that as part of continuous improvement ISOM will create new programs.

Interdisciplinary Nature of the Proposal

Significant discussions have occurred with Dan Gordon from BDIC; Mike Malone, Dean of the College of Engineering; and Joel Martin, Dean of the College of Humanities and Fine Arts. In the case of HFA, significant collaboration will occur around entrepreneurship and the Creative Economy. In the case of Engineering, the focus would be on entrepreneurship around new technologies, particularly green industry technologies. Beyond Engineering, HFA and BDIC, this proposal has the potential to impact the life sciences (both in Amherst and in Worcester) relating to the creation of new concepts, discoveries, and technologies which will need to be taken to market. This proposal would also enhance and develop new entrepreneurial activities in Springfield, and could be a significant part of the UMass Amherst Springfield Initiative. The work around entrepreneurship would also intersect and relate well to the ongoing activities of the Office of Commercial Ventures and Intellectual Property.

Willingness of Departments/Schools/Colleges to Support Direction with Own Resources

Should the University use central funds to support the hiring of five faculty members related to entrepreneurship, ISOM commits to self-funding the hiring of a staff member to help organize and coordinate the efforts of a new center. A full-time staff member with significant experience in entrepreneurship is viewed as vital to the long-term success of a proposed entrepreneurship center. The Director, and potential staff that might be hired, would be responsible for coordination of events, creating linkages to business and other potential funding sources, and marketing the efforts of the proposed Center. All ISOM Departments are supportive of this concept.

Established Leadership

Initially, leadership of this initiative would be spearheaded by Jim Theroux, the Flavin Family Professor of Entrepreneurship. However, ISOM would like permission for one of the five proposed hires to be at the Full Professor level such that an established scholar in the area of entrepreneurship could be recruited to subsequently lead the proposed center. This person would be assisted by a professional staff person.

Ability to Attract Funds

The proposed entrepreneurship effort on the ISOM campus has the potential to generate significant revenue on several fronts:

- **Development** – As mentioned earlier in the proposal, a named center proposal has already been presented to Frank Kline (for \$2.5 million) and we believe this proposal has substantive chance for success, particularly if the University makes an investment in faculty in this area. We are also hopeful that the family of Mark H. McCormack will award his papers to UMass such that a significant development effort (of at least \$1 million) can be undertaken to support efforts to launch a McCormack Center. University commitment to hiring in the area of entrepreneurship could serve as a differentiator in UMass' candidacy for the papers. Finally, we view the entrepreneurship area as one in which alumni might be very interested in investing.

- **Foundations** – As evidenced by the success of Professor Theroux, there are a number of foundations that have monies available for entrepreneurship initiatives. This proposed effort, particularly related to the area of teaching, would seek to expand the dollars raised through foundations to support the student educational experience.
- **Enrollment** – A minor in entrepreneurship could serve as a differentiator to the University of Massachusetts and thus help the University in its efforts to increase enrollment over the next 10 years and increase out of state enrollment. Once created, this curriculum could be replicated to create a hybrid program related to entrepreneurship at area community colleges which could also increase revenues to UMass.
- **Intellectual Property** – With the existence of a center related to entrepreneurship, and with some focus on venture capital, we envision revenues related to intellectual property emanating from the Amherst campus to increase

Prospects for Leadership in Area

With these hires, UMass will be well positioned to carve a reputation as a leader in entrepreneurship activities related to the creative economy and green industries. While other business schools have defined reputations around entrepreneurship as a whole, the goal here would be to develop the entrepreneurship reputation around two focused areas.

Potential Revenue-Generating Extensions

Beyond potential short-term benefits, there are a variety of potential long-term benefits that could emanate from the implementation of this proposal:

- **Reputation** – An increased effort related to entrepreneurship could lead to the establishment of a national and international reputation in two areas of emerging importance (creative economy and green industries). Further, while it is not part of the scope of this document, we fully expect this effort to impact the life sciences as well.
- **Development** – A wide variety of naming opportunities could be offered to donors based on the programs created and research conducted through a new entrepreneurship center.
- **Revenue generating academic programs** – Once developed, there are a wide variety of potential revenue generating extensions. At a most basic level, ISOM could build on its already well developed on-line teaching capabilities to create entrepreneurship offerings on-line (certificates or degrees) which could potentially significantly enhance revenues. There is also potential to form partnerships with local community colleges (e.g. Springfield Technical Community College) around a four-year degree in business and entrepreneurship which could be offered in hybrid format and benefit both institutions.
- **Revenue generating center programs** – The knowledge generated through the Center for Entrepreneurship could result in the creation of proprietary information sales or executive education around creative economy or green industries entrepreneurship.
- **Outreach** – Central to the long-term success of this proposal would be involvement of the effort in the city of Springfield. This proposal has chosen to focus on the creative economy and green industries as this aligns with the City of Springfield's articulated goals for the revitalization of Springfield. This could occur in a variety of ways, including partnering around an academic program or having an established think tank or incubator in Springfield.

Proposal Specifics

Element	Proposal	Rationale
Faculty to be hired	<ol style="list-style-type: none"> 1. Professor of Entrepreneurship (Likely in the area of strategy) 2. Assistant Professor in Finance (new venture financing) 3. Assistant Professor in Management or Marketing related to new business planning) 4. Assistant Professor related to the creative economy (e.g. Music Business, Arts Entrepreneurship, etc.) 5. Assistant Professor in Engineering 	<ol style="list-style-type: none"> 1. Hiring one Professor and four Assistant Professors would allow ISOM, HFA and COE to immediately have a nationally recognized leader in the area and add assistant professors to the critical mass researching issues related to entrepreneurship 2. Hiring five professors is necessary if the proposed curriculum around entrepreneurship is to be developed
Facilities	<ol style="list-style-type: none"> 1. Space for faculty 2. Space for Entrepreneurship Center 	<ol style="list-style-type: none"> 1. Space for three additional ISOM faculty offices can be achieved by having lecturers share office space 2. Space for Center can be created in either ISOM 111 or ISOM G112. Additionally, creating highly visible and creative space for the entrepreneurship initiative could be a significant component of a campaign to add a new wing to the ISOM building
Assessment Plan	<p>Assess progress using the following metrics:</p> <ol style="list-style-type: none"> 1. # of publications related to entrepreneurship on an annual basis 2. # of awards won related to entrepreneurship 3. Presence in rankings related to entrepreneurship 4. Development \$ raised to support effort 5. Grant \$ received to support effort 6. # of students taking courses related to entrepreneurship 	<p>All of these metrics are easy to measure and fit with the Chancellor's priorities related to increasing the prominence, research output, enrollment, and revenue generated at UMass Amherst</p>