

The Entrepreneurial Ecosystem

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Opportunities for improvement

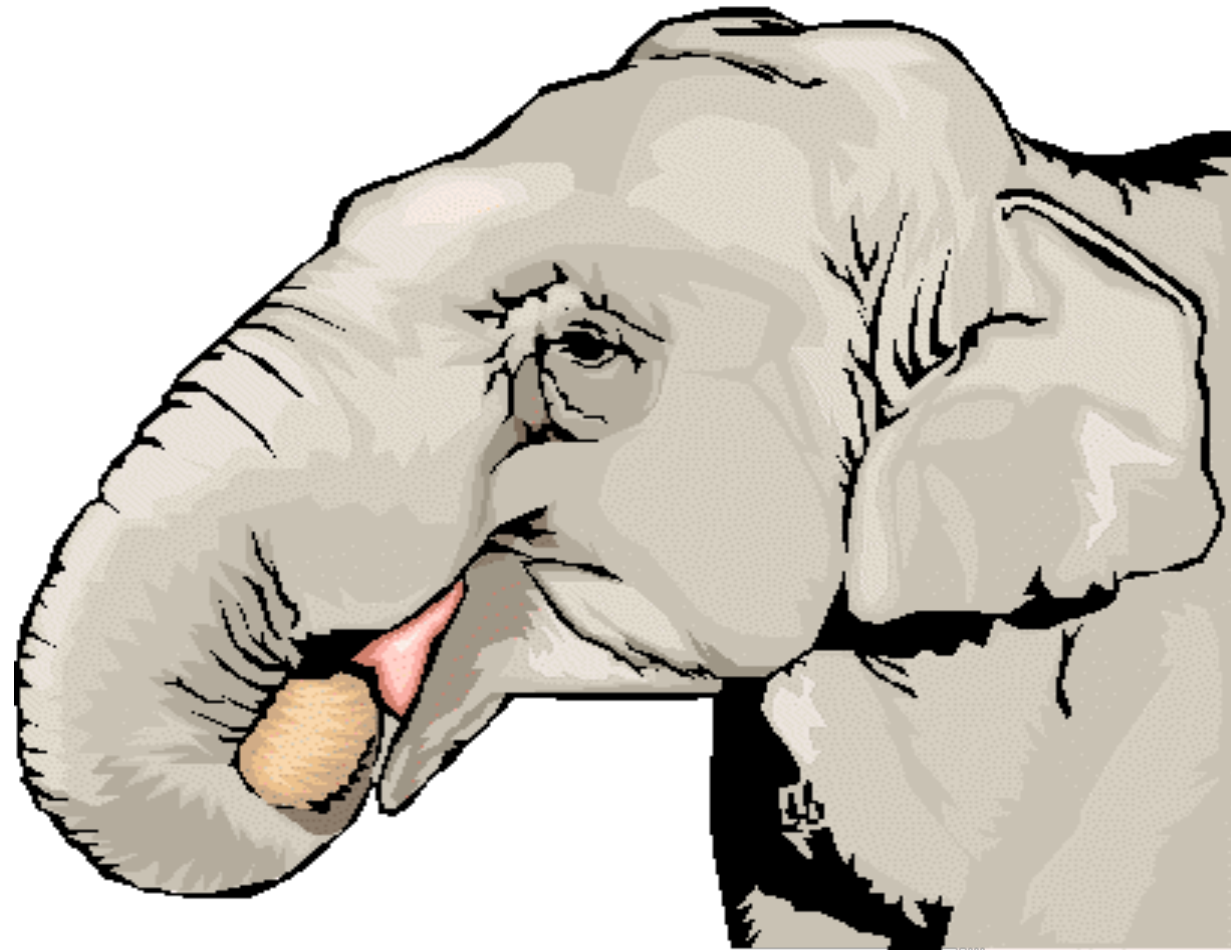
- **Risk Capital and Entrepreneurial Infrastructure Composite Index**
- **Alaska ranked 50th in 2008 and in 2004.**
 - Measures the stock of capable entrepreneurs and risk capital available to support the conversion of research into commercially viable *technology products and services*.

Different entrepreneurial animals

- Mice
- Elephants
- Gazelles



The vast majority of all firms. They start out small, grow very little and hence contribute only marginally to employment growth.



**Have a large employment *share* but
generate few new jobs.**



A small group of high-growth firms that generate most of the new net jobs in the economy.

Good news

- It is not all about technology
- Gazelles are not overrepresented in high-technology industries.
- Less than 5% of firms creating as much as 75% of net new jobs.

- *Acs et al* found that 'high impact' firms create almost all net jobs in the US economy.
 - Period was 1994- 2006

Green Gazelles and ‘sustainability entrepreneurship’

- Aspiring toward...
- 20% annual revenue growth
- Hiring 20 or more FT employees
- Similarly representative improvement of firm’s ‘ecological footprint’
- www.GreenGazelle.org
- Social impact?

The nest

ENTREPRENEURIAL ECOSYSTEM



1. Venture capital availability



2. Experienced entrepreneurs



3. Technically skilled labor force



4. Accessibility of suppliers



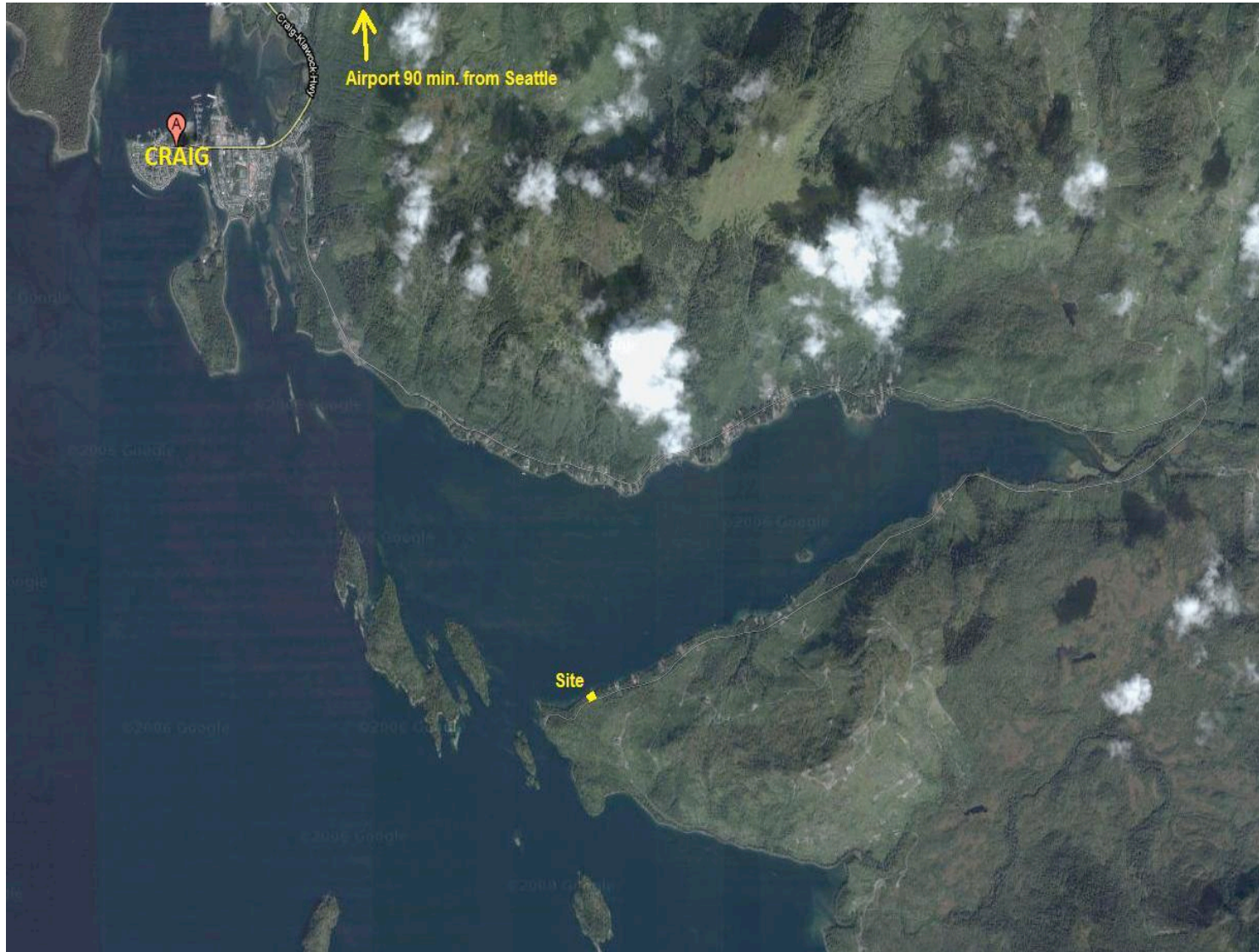
5. Accessibility of customers



6. Favorable governmental policies



7. Proximity of universities



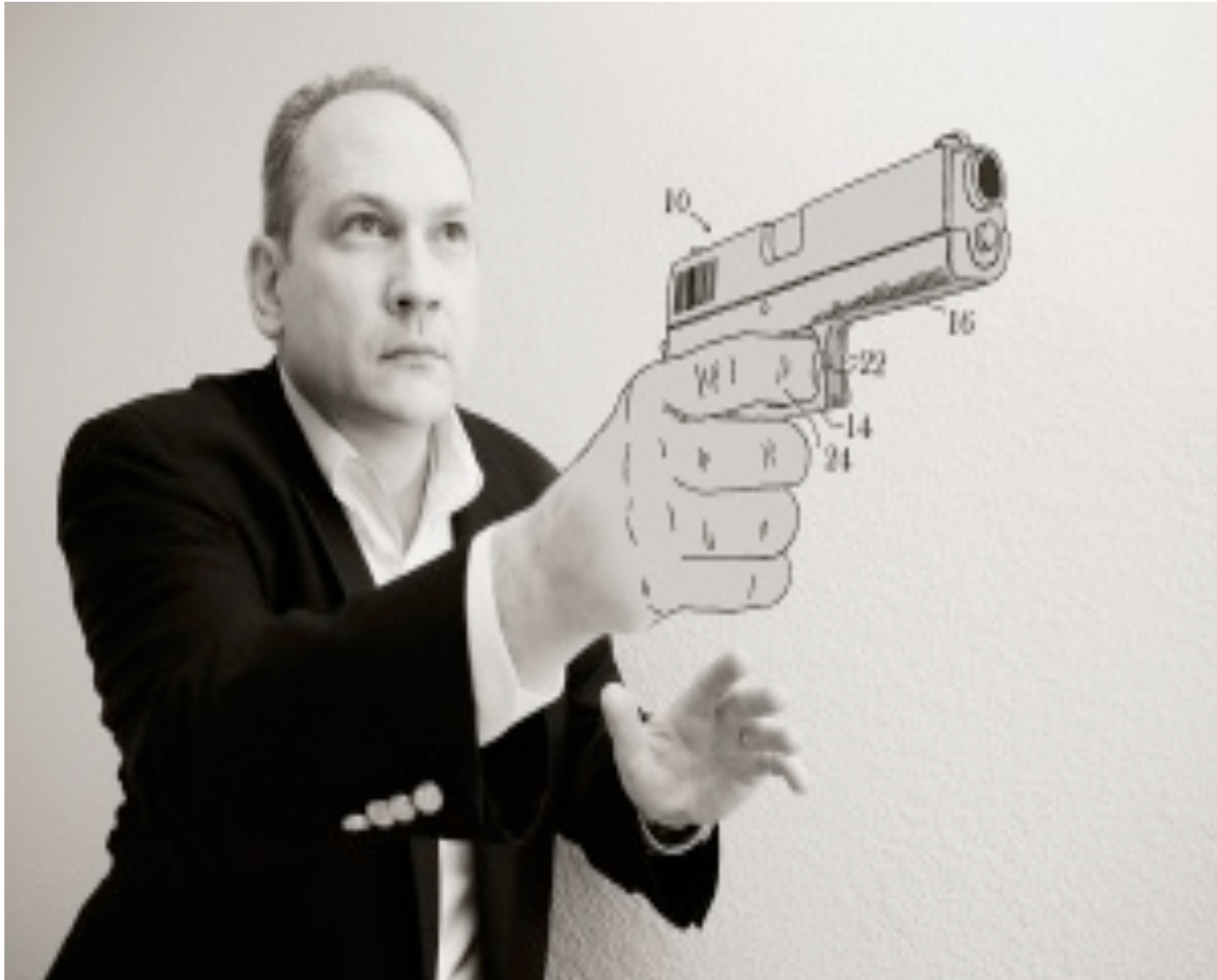
8. Availability of land or facilities



9. Accessibility to transportation



10. Receptive population



11. Availability of supporting services



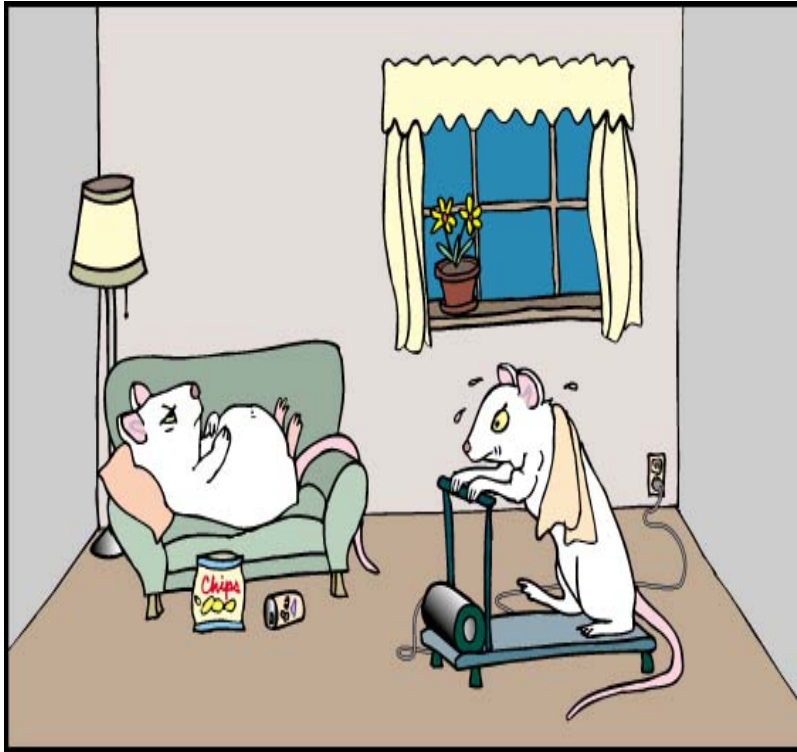
12. Attractive living conditions



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Entrepreneurial ecosystem

- Venture capital availability
- Presence of experienced entrepreneurs
- Technically skilled labor force
- Accessibility of suppliers
- Accessibility of customers
- Favorable governmental policies
- Proximity of universities
- Availability of land or facilities
- Accessibility to transportation
- Receptive population
- Availability of supporting services
- Attractive living conditions



**Mice vs.
Gazelles?**

We Need Both

- “An employment enhancing policy should aim at lowering barriers to new firm entry and firm exit to support an experimental process increasing the number of trials (new firms) from which potential Gazelles can be recruited, and not hindering the closure of failures.”
 - Gazelles as job creators, Henrekson and Johansson, Small Business Economics, 2010.