

## Executive Summary

The Tampa Bay Ecosystem Study was funded by the Ewing Marion Kauffman Foundation (Kansas City) and conducted through the John P Lowth Entrepreneurship Center, Sykes College of Business, University of Tampa. The research team included Zoltan Acs (George Mason U), David Audretsch (Indiana University), Diana Hechavarria (University of South Florida), Siri Terjesen (American University) and Rebecca White (University of Tampa). The purpose of the study was two-fold. First, the team sought to expand the limited current theory in entrepreneurial ecosystems. Second, the project sought to better understand the specific state of the ecosystem in Tampa Bay and create a baseline for future research.

Methods/Outcomes:

- Previous academic research was reviewed and the team produced a review of the literature in entrepreneurial ecosystems (to be published in 2017 in *Small Business Economics*)
- A comprehensive list of ESOs in the Tampa Bay region was developed
- Best practice from other ecosystems was examined
- The research team conducted in-depth interviews with 47 individuals from 6 groups
- Econometric variables of interest from the Tampa Bay MSA were identified and data were collected from secondary sources to determine a baseline and measure the current startup and investment activity in the Tampa Bay ecosystem
- A model for measuring entrepreneurial ecosystems was developed
- A white paper and academic theory paper are under development

The event on Tuesday, November 15<sup>th</sup> at the John P Lowth Entrepreneurship Center (Sykes College of Business, University of Tampa) will present findings from a year-long study that provides a model for measuring the health of the Tampa Bay ecosystem. ***The goal of the event is to bring together interested parties to begin a conversation about how we can collectively use these metrics to strengthen our ecosystem.***

In addition to the model, the team will present the current state of the Tampa Bay Ecosystem including leading performance indicators and an overview of the Venture Capital Ecosystem in Tampa Bay conducted by Dr. Speros Margetis, Professor of Finance, University of Tampa Sykes College of Business

The authors used the *Theory of Bottlenecks* developed by one of the authors in his work on the Global Entrepreneurship Index (GEDI) to provide insight into the strengths and bottlenecks in the Tampa Bay Entrepreneurial Ecosystem. The key strengths include a strong and positive energy directed towards the development of a strong ecosystem, a diverse population, ample knowledge spillover, low cost of living, lots of incubation opportunities and an excellent international airport. Bottlenecks, or areas that impede growth and development of the ecosystem include, a lack of vision and a lack of collaboration (and redundancy) among ecosystem stakeholders, lack of a strong urban core, lack of actionable direction on public transit, limited corporate buyers for entrepreneurs' products, a perceived difficulty getting our story out via news media outlets, talent needs for individuals with coding skills and CEO

leadership skills and experience and a lack of funding for early stage companies who need more than \$1m. The theory of bottlenecks suggests that until these issues are addressed the ecosystem will not grow.

### **Recommendations**

Entrepreneurial Ecosystems are created by and for entrepreneurs. Yet the entrepreneurs who were interviewed for this project felt the most powerless. In successful ecosystems, the system provides a place where entrepreneurs can thrive and focus on the challenges of running a company. They create safety nets where failure is seen as a learning opportunity. In Silicon Valley, investors are afraid of missing the next big opportunity. In Tampa Bay, investors are always looking for the next big opportunity. That subtle difference encapsulates the mindset difference between successful and nascent ecosystems. Entrepreneurial Ecosystems are like a social movement in that they are grassroots influenced and led and they thrive on collaboration and knowledge sharing and spillover. What makes a good social movement? A vision, lots of meetings that keep the populace engaged and involved, and a strong mantra or brand (e.g. “the 99%”). What we heard the most is that Tampa Bay’s ecosystem is *emerging, young, ill defined, ambitious, and growing* –an opportunity that has not yet been realized. This is incredibly exciting for anyone who thinks like an entrepreneur. However, social movements fail without a catalyzing moment when the vision and reason for the movement become crystal clear to the group. Identifying the bottlenecks on the system and coming together to collaboratively improve them can open up the ecosystem movement. In our findings it was especially interesting that we found a competitive nature and even a redundancy among the entrepreneurial support organizations (ESOs). This is common among stagnant and nascent systems. We recommend a focus on two key areas: 1.) Addressing the vision and lack of collaboration and redundancy and 2.) Education for all stakeholders in the ecosystem that is focused on building entrepreneurial mindset. Once the vision and an entrepreneurial mindset are in place, many of the bottlenecks will disappear and the system will be open to work for effectively.