RELATIONSHIP FORMATION AND MAINTENANCE STRATEGIES IN

NETWORK KANSAS E-COMMUNITIES

By

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Abstract

RELATIONSHIP FORMATION AND MAINTENANCE IN NETWORK

KANSAS E-COMMUNITIES

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Entrepreneurship ecosystem building is an emergent local economic

development strategy that has garnered increased attention since 2010. The

entrepreneurship ecosystem consists of the local context and the networks of

institutions and individuals and how they function interdependently to enhance

or detract from local entrepreneurs' ability to start and grow firms. As

an economic development strategy, entrepreneurship ecosystem

building focuses on strengthening the local business environment to improve

the rate at which entrepreneurs can start and grow firms. This dissertation

explores how the elements that constitute an entrepreneurship ecosystem

interact. It does this by focusing on relationship formation and maintenance

strategies in entrepreneurship ecosystem building. A case study methodology

was used to examine three Network Kansas E-Communities, a local

entrepreneurship ecosystem building strategy practiced in over 60 county or

sub-county local communities in Kansas. The primary research finding

reinforces previous research that each entrepreneurship ecosystem is unique and requires unique relationship formation and maintenance strategies. Additional findings indicate that different strategies are used to form and maintain relationships with entrepreneurs versus entrepreneur support providers, the design of the entrepreneurship ecosystem building program influences relationship strategies, and that collaborative action and providing information and awareness were dominant relationship formation and maintenance strategies.

Dedication

This dissertation is dedicated to my family and my community. First of all, to my wife, Lena Gines, who has supported me through my entire college education from my undergraduate degree at Grace University through this final degree at the University of Nebraska at Omaha. Without her support, this dissertation and final degree would not have been possible. I love you very much. Secondly, my father, Henderson Gines, Jr. (rest in peace), and my mother, Jan Gines. To my father for unknowingly setting a goal for me to beat when he received his master's degree. I only wish he were alive to see this moment. My mother has always been a pillar of support, even when I was not acting right. I still remember the days she took us to the summer reading club at the library, inspiring my love for reading. Thirdly, to my five children, Destiny, Devine, El Elyon, Eternity, and Rendell, Jr. There is no prouder accomplishment in the world than being their father. Finally, I dedicate this to my community, North Omaha. North O shaped who I am as a man, from growing up off 40th and Ames to Fontenelle Park basketball to Omaha North High. The grassroots community in North Omaha has always had my back, and I am proud to represent you also.

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CHAPTER 1: OVERVIEW AND INTRODUCTION

The research literature reveals a wide variety of economic development definitions. However, what these definitions have in common are similar themes of local economic growth and wealth creation, economic sustainability, and the improvement of the local population's quality of life (Bartik, 2003; Blair & Carroll, 2008; IEDC, 2016). Because of its wide-ranging impacts, local economic development is an ongoing concern for states, cities, and local communities. This ongoing concern regarding the impact of economic development is shared by the field of public administration and local public administrators, as they seek to inform, develop, and implement policy and perform or support the local practice of economic development (Luke, J., Ventriss, C., Reed, B.J., & Reed, 1988).

The broad purpose of this research is to support the field of public administration by expanding research insight into the field of local economic development. The specific purpose of this research is to increase understanding of the emergent field of local economic development called entrepreneurship ecosystem building. Entrepreneurship ecosystem building centers entrepreneurs in the local economic development process to leverage the impact that new startup and growing firms have on the local economic development (Stam, 2014). Entrepreneurship ecosystem building as a practice focuses on improving the business environment. As a part of this process, entrepreneurs start and grow firms to make the startup and growth process more efficient and effective. As an emergent field, it is important to situate entrepreneurship ecosystem building with three contemporary strategies that emerged beginning in the early 1900s. These three strategies are industrial recruitment, entrepreneurial development, and cluster-based development.

Local Economic Strategies in Recent U.S. History

Modern local economic development strategies are most often thought to have originated in the southern U.S. states in the 1930s with industrial recruitment (Eisinger, 1988). As many of these southern states faced the economic challenges caused by the great depression and other location-based disadvantages, they sought to create new local economic growth strategies (Levy, 1992). What emerged in these states and is still the dominant form of economic development is a local economic development strategy called industrial recruitment. Industrial recruitment's dominant feature was the provision of local tax incentives for firms to induce them to relocate to a community (Hart, 2008).

Industrial recruitment was the near singular local economic development strategy until the late 1970s and early 1980s. New local development strategies began to emerge as the economy shifted from industrial-based to service-based, and the U.S. faced increased economic challenges caused by globalism (Eisinger, 1988). The primary emerging local economic development strategy was entrepreneurial development. Entrepreneurial development focused on supporting entrepreneurs through local programs such as small business incubators, state-run venture capital firms, and product exporting (Campbell & Allen, 1987). This local development strategy was developed, in large part, because of research from the late 1970s demonstrating the significant impact small businesses had on the local economy.

During the mid-1990s, a new local economic development strategy emerged called cluster-based economic development. Cluster-based development, unlike its two predecessors, focused on industrial clusters and the local business environment. Industrial clusters are groupings of firms, their supporting supply chains, and other associated

supporting factors. Industrial clusters provide local states or cities with a competitive local economic development advantage (Bradshaw & Blakely, 1999). Instead of picking specific firms (industrial recruitment) or providing a narrow band of programming for smaller firms (entrepreneurial development), the objective of cluster-based development was to support the entire business environment to help local clusters develop.

In the 2010s, entrepreneurship ecosystem building, the subject of this research, emerged as a local economic development strategy. In part, this strategy was spurred by research that showed the impact that young and growth-oriented firms have on local economic development (Henrekson & Johansson, 2010). Entrepreneurship ecosystem building focuses on strengthening the local economic development business environment to better support entrepreneurs as they start and grow firms (Malecki, 2018). While there is no standard definition in the field, one often-cited definition of entrepreneurship ecosystems is: "…an entrepreneurial ecosystem is an interdependent set of actors that is governed in such a way that it enables entrepreneurial action. It puts entrepreneurs center stage but emphasizes the context by which entrepreneurship is enabled or constrained" (Stam, 2014, p. 2).

While there is no consensus in the literature on the elements that comprise an entrepreneurship ecosystem, much of the research literature shares six primary elements. These elements are human capital, social capital, financial capital, culture, infrastructure, and policy. While these elements exist in all entrepreneurship ecosystems, their scope, scale, and how they interact synergistically to support local entrepreneurs is what drives entrepreneurial growth (Hechavarria & Ingram, 2014). Therefore, the local economic developer's role, which in this local economic development strategy is called

entrepreneurship ecosystem building, is to develop the business environment to better

support local entrepreneurs. By developing the local business environment, the

expectation is that entrepreneurs will more efficiently and effectively start and grow

firms, leading to improved local economic development (Nadgrodkiewicz, 2013).

Entrepreneurship ecosystem building shares the same general objective of

achieving local economic development as three of its main contemporary strategies,

industrial recruitment, entrepreneurial development, and cluster-based development.

However, it differs from these three strategies in two ways. First, it is unique from

industrial recruitment, and cluster-based economic development in that entrepreneurs and

not firms or industries are the focus of the strategy. Second, it is unique from

entrepreneurial development (and like cluster-based development) in that it focuses on

improving the local business environment versus targeting specific firms or firm types.

The field of entrepreneurship ecosystem building has continued to gain research

and practitioner attention. The field itself is thought to have first developed in the late

1980s and 1990s (Stam & Spigel, 2016). However, attention on this local economic

development practice has increased significantly since the 2010s. In part, this attention

has been driven by research that shows local entrepreneurship growth generates

substantial local economic growth (Morfessis & Malachuk, 2011; Stangler, 2010). An

example of this research attention can be seen in the rapid increase in research articles

listed when doing a cursory search of the term "entrepreneurship ecosystem" in Google

Scholar. Only 71 results were found up to the year 2010. From 2011 to 2020, a search for

that term returned 5,100 results in Google Scholar as of the time of this writing.

Research Purpose

While research interest in entrepreneurship ecosystem building has grown, there are still several research gaps in the literature. One of these gaps is the limited research on how the elements of entrepreneurship ecosystems interact. Much of the existing literature is limited to describing the elements (Malecki, 2018). There is even less research examining the role relationships play in supporting entrepreneurship ecosystem element interaction. This dissertation focuses on how the elements of entrepreneurship ecosystems interact by examining relationship formation and maintenance strategies in entrepreneurship ecosystem building to address this research gap. The specific focus of this research is the Network Kansas E-Community program, an entrepreneurship ecosystem building strategy originating in 2007 in Kansas.

Strategy of Inquiry

An exploratory case study methodology was the strategy of inquiry used for this research. Exploratory case studies are useful methodologies when there is little prior research or theory on a phenomenon (Yin, 2009). This methodology allows the researcher to develop a body of knowledge for future theory development and research (Zainal, 2017). It enables the researcher to provide a rich description of the phenomenon by examining what is occurring and describing it in detail. Three primary forms of data were collected and analyzed to construct this case study: a survey of 31 Network Kansas E-Community leaders, three E-Community committee focus groups, and eight interviews with local leaders in the entrepreneurship ecosystem.

The research question used in this inquiry was: *What strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with*

individuals and institutions in order to facilitate entrepreneurship ecosystem growth? In addition, three secondary questions were created to help frame the research:

- *Sub-question 1*: What strategies are being used to form new relationships when building the entrepreneurship ecosystem?

- *Sub-question 2*: What strategies are being used to maintain existing relationships over time when building the entrepreneurship ecosystem?

- *Sub-question 3*: What are the barriers to relationship formation and maintenance when building the entrepreneurship ecosystem?

Dissertation Organization

This dissertation is arranged into five chapters. The introductory chapter provides an overview of the emergent local economic development strategy entrepreneurship ecosystem building, identifies the research gaps being addressed, and introduces the strategy of inquiry and research question. Chapter 2 contains a literature review that provides an overview of local economic development and situates entrepreneurship ecosystem building with its contemporary local economic development strategies. Chapter 3 discusses the strategy of inquiry and details the research methodology. Chapter 4 provides analysis and identifies findings from the research. Chapter 5 concludes the dissertation by offering a discussion of the findings, recommendations for future research, and discusses the limitations of the research.

CHAPTER 2: LITERATURE REVIEW

Entrepreneurship ecosystem building is a nascent and growing field of local economic development. Entrepreneurship ecosystem building focuses on improving the local business environment so that entrepreneurs can more efficiently and effectively start and grow firms. Success with this strategy, in turn, improves local economic development. This form of local economic development is unique when compared to other major local development forms, including industrial recruitment, entrepreneurship development, and cluster-based development. It is unique from industrial recruitment and entrepreneurial development because it is not hierarchically driven or program focused, but instead business environment focused. It differs from cluster-based economic development because it focuses on the entrepreneur versus the local industrial cluster.

As an emergent local economic development practice, there are still many research gaps in entrepreneurship ecosystem building. This literature review will provide a historical review of four local economic development strategies: industrial recruitment, entrepreneurial development, cluster-based development, and entrepreneurship ecosystem building. The objective of this historical review will be to examine the origins, practice, and role of the public sector of each form of local economic development. It will also ground entrepreneurship ecosystem building in the field of local economic development by demonstrating how it draws features from both entrepreneurial development and cluster-based development. Finally, it will examine the current gaps in entrepreneurship ecosystem building research that need to be addressed to strengthen the practice of entrepreneurship ecosystem building as a local economic development strategy. The

literature review does not attempt to evaluate each economic development strategy's effectiveness which, while important, is beyond the scope of this research.

This chapter is organized as follows. First, it will provide various definitions of local economic development. Second, it will discuss local economic development institutional arrangements. Finally, the bulk of the chapter will examine major local economic development strategies as they emerged in the United States from the 1930s to the emergence of entrepreneurship ecosystem building, which will receive an extended examination.

Local Economic Development Definitions

There are many definitions of local economic development in the literature (Reese & Fasenfest, 1997). The largest economic development certification body in the nation, the International Economic Development Council (IEDC, 2016), argued that there is no single definition that sufficiently captures every economic development perspective. However, many economic development definitions center on the four primary goals of job creation, citizen prosperity, quality of life, and economic growth. While IEDC does not provide a specific definition, the organization does share that the primary goal of economic development is "…improving the economic wellbeing of a community through efforts that entail job creation, job retention, tax base enhancements, and quality of life" (IEDC, 2016, p. 3).

Blair and Carroll (2009) stated that economic development goals center on improving the quality of life of local citizens, improving equity in the population, and ensuring that development is sustainable. Feldman (2014) and Bartik (2003) focused on defining economic development as the creation of wealth/prosperity. Bartik stated,

"Local economic development may be defined as increases in the local economy's capacity to create wealth for local residents" (p. 1).

Capital investment is often either implicit or explicit in many economic development definitions. Capital investment is often used as a precursor to the final economic development objective of job growth or tax base growth in economic development literature. Eisenger (1988) stated that economic development policies are, "…those efforts by government to encourage new business investment in particular locales in the hopes of directly creating or retaining jobs, setting into motion the secondary multiplier, and enhancing and diversifying the tax base" (p. 44).

Reese and Fasenfest (1997) and Krumbolz (1999) shared Eisenger's (1988) position that the economic term in economic development is traditionally referred to as private market capital investment to spur business growth in the field (Reese & Fasenfest, 1997, p. 197). Other authors sought to define the term by contrasting it with the economic term *growth* which, pre-1960s, was used interchangeably in many instances with the term economic development. Reese and Fasenfest (1997) argued that economic development is broader than just economic growth, which is often a quantitative measurement of positive changes in the local economy (p. 198). Blair and Carroll (2009) noted that while economic growth is important, economic development is also focused on the qualitative aspects of the population including, but not limited to, the distribution of the benefits of growth and also the sustainability of growth.

Because of the variations in defining economic development, both Reese and Fasenfest (1997) and Malizia (1986) argued that local practitioners and policymakers need to clearly define the term for their geographic area or program. Malizia (1986)

stated that this is necessary to avoid ambiguity and that a clearly understood definition needs to be in place as policies and programs are developed and implemented. Reese and Fasenfest (1997) argued that creating a clear definition helps create clearer economic development measurements.

Local Economic Development History From the 1930s to Present

Entrepreneurship is an emergent local economic development strategy. Because of this, it is important to ground the strategy within the history of local economic development. This will reinforce its emerging role in the field of local economic development and distinguish it from other contemporary local economic development strategies that originated before its emergence. This section will discuss the historical emergence of major local economic development strategies used in the United States. It will begin in the 1930s with the emergence of industrial recruitment and conclude with entrepreneurship ecosystem building which emerged in the 2010s.

As a new local economic development strategy emerged, it operated concurrently with the prior economic development strategy. While it is recognized that the federal government played a role in local economic development to varying degrees throughout the history of the United States, this section will focus mainly on the role of states, regions, and local municipalities. Table 1 provides the approximate period in which each local economic development strategy emerged, a summary of the strategy and practice, and the rationale behind each strategy. Each sub-section will discuss the origins, practice, and rationale for each local economic development strategy. There will be an expanded discussion on entrepreneurship ecosystem building in preparation for the research methodology and findings discussion, which will occur in chapters 3 and 4.

Table 1

History of Local Economic Development Strategies

1930s – Current	1970s – Current	1990s – Current	2010s – Current
Industrial Recruitment	Entrepreneurial Development	Cluster-Based Development	Entrepreneurship Ecosystem Building
Summary: Focus on reducing firm cost to relocate or remain in a community.	Summary: Focus on helping small businesses grow by accessing resources and markets through targeted programs.	Summary: Focus on the economic development environment in which industries and firms group together and create a competitive advantage.	Summary: Focus on the local community's business environment and elements that enable entrepreneurs to start and grow companies effectively.
Practice and Public Sector Role: Provide tax incentives, lease abatements, and other forms of cost-cutting to induce firms re-locate to a community.	Practice and Public Sector Role: Provide access to capital, support with exporting, additional training, and incubators to help reduce initial cost.	Practice and Public Sector Role: Identify strong local industry clusters in an area and work to strengthen the business environment that supports those clusters through specific cluster focused policies and resources.	Practice and Public Sector Role: Foster collaboration and interaction between policymakers, capital providers, and entrepreneurship support organizations to create an environment that helps entrepreneurs start and grow as quickly as possible.

1930s to Current – Emergence of Industrial Recruitment

Industrial recruitment strategies are often considered the first formal local economic development strategies in the United States. The industrial recruitment strategy is still the dominant strategy used by local economic developers today. This section will discuss the origins, practice, and rationale of industrial recruitment.

Origins and Practice of Industrial Recruitment. Economic development has always been a concern in the United States (Redburn & Buss, 1979). The formal practice of local economic development is considered to have emerged in the 1930s in the southern part of the U.S. and shortly after that in the western portion of the United States (Eisinger, 1988). This early form of development is most often known as industrial recruitment or industrial attraction; for this dissertation it will be referred to as industrial recruitment. Industrial recruitment prioritizes the use of incentives, such as tax abatements and other forms of support, that reduce a firm's business costs. Lowering firm costs was believed to create a more attractive local environment for firms that were seeking to relocate. This strategy was the near-exclusive local economic development strategy through the 1930s to the 1960s and was characterized as having limited complexity (Eisinger, 1988).

While these strategies often are referenced as industrial recruitment or attraction, they also have been called supply-side development and smokestack chasing (Eisinger, 1988). Supply-side development refers to local economic development strategies designed to reduce firm business costs (financial or regulatory) to spur economic growth. The term smokestack chasing is often used when referring to local municipalities pursuing manufacturing firms but has expanded to include all recruited industries.

These strategies emerged after the great depression and were developed in the South due to the poor performance of state economies (Levy, 1992). Southern states began offering various economic incentives to entice a firm to relocate to their state. The use of incentives was part of an effort to create an advantage to encourage firms to relocate by reducing the firm's cost of doing business (Hart, 2008). The first known

formal use of incentives in local economic development occurred in Mississippi with the *Balancing Agriculture With Industry Program* (Lowe & Freye, 2015). However, as more states began using industrial recruitment strategies to attract "footloose" firms, firms that could be swayed to relocate to a community, interstate and even intrastate municipal competition grew. This led to industrial recruitment, becoming the dominant local economic development model.

Research on local economic development during this time prioritized research on location advantages with a weighted focus on transportation (Davis, 1969). Freidmann and Alonso (1964) co-edited the often-cited reader, *Regional Development and Planning*, which served as an extensive compendium of research around location theory. This reader provided insight into comparative advantages of locations and how they drove or dissuaded firm recruitment. Transportation and its associated costs were dominant factors in local economic development in the early 1900s (Blair & Premus, 1987). Researchers such as Davis (1969), who conducted case study research on location factors in San Antonio, often used transportation cost, the cost accrued to a firm for transporting supplies and products, as a proxy for location suitability for industrial firms.

According to Weaver and Dennert (1987), local economic developers of the time sought location advantages to attract firms in growth industries. This entailed reducing traditional location costs, providing incentives, and working on labor force needs. This led to firms' capital investment in an attempt to create the greatest return for the lowest investment when they made firm location decisions. The research that emerged around local economic development indirectly supported the highly competitive industrial recruitment focus by local municipalities.

Eisinger (1988) held that the rise of industrial recruitment strategies based on incentives should have been expected. Eisinger stated that:

As long as the basis of steady American economic growth remained in place, it was entirely predictable that economic development policymakers would pursue initiatives consistent with the assumptions of domestic industrial capitalism. These assumptions…led policy-makers to embrace a theory of economic growth that deferred to capital and relegated government to a subsidiary role. The result in practice was the location incentive in the form of tax concessions, land write-downs, and capital subsidies (p. 73).

Eisinger's (1988) position was consistent with the premise of location theory. Firms practicing economic rationality would seek the lowest cost location that would provide the maximum return on profit. According to Eisinger, industrial capitalism, which largely relied on factory work and wage labor and was the dominant form of capitalism at the time, held that if firms pursued profit maximization and competed with other firms that the optimum economic outcome would occur. This is consistent with Clarke and Gaile's (1989) reflection on this era of local economic development:

…local development officials had three policy options regarding economic development: rely on general economic growth to sustain local revenue needs, utilize national economic development program resources, or exercise local taxing authority, regulatory powers, and direct expenditures to encourage economic activities (p. 574).

Capital mobility is an alternative way to discuss firm location when viewed through a financial lens. In the literature, capital mobility is a firm's ability to invest in a new location or retain its current investment in its current location. A firm invests capital to generate the highest return rate for the investment (Eisinger, 1988; Friedman, 1963). For example, a firm may invest in placing a division in a new location with the expectation that this location will provide the firm with the highest rate of return. The objective of the local economic developer's use of incentives is to reduce firm operations costs. All else being equal, reducing the firm's cost of doing business increases the return on capital investment. This is also consistent with location theory, in which capital is invested to maximize profit relative to expense. While the local economic development tools available were limited during this period, they reflected a dominant focus on national economic growth, location cost factors, and the U.S. economy's industrial-based domestic nature. This focus began to shift in the late 1960s and early 1970s due to the nation's economic challenges. These shifts included a restructuring of the economy into a service-based economy and the emergence of globalism in the 1970s. This shift caused local economic development to become an increased priority at the state and local levels due to economic distress and job loss. In turn, the shift helped usher in entrepreneurial development based on local economic development strategies (Eisinger, 1988).

Role of the Public Sector in Industrial Recruitment. The public sector's role in industrial recruitment is to create policies and state-run or supported programs that reduce firm costs for relocating and existing large local firms (Eisinger, 1988). This often includes creating tax incentives or other forms of incentive packages that support land assembly and improve transportation infrastructure and other local infrastructure forms to

make a location more attractive. The public sector also leads or participates in conversations with other local economic development organizations, with firms seeking to relocate.

1970s to Current – Emergence of Entrepreneurial Development

Entrepreneurial development strategies emerged in the late 1970s and early 1980s to address the significant shifts in the national economy by elevating small businesses' role in the economic development process. There was an increase in the belief that alternative strategies to industrial recruitment were necessary due to the shift in economic structure. Industrial recruitment strategies came to prominence during a period of national economic growth driven by industrial capitalism. Municipalities, particularly those with location disadvantages, sought to spur local development by providing incentives. As the economic development process shifted from industrialism, new strategies for local economic development were created, the most notable being entrepreneurial development.

The Origins and Practice of Entrepreneurial Development.

The late 1960s and 1970s heralded a shift in both the country's economic structure as well as a growth in attention paid to local economic development. The U.S. economy was in the process of shifting from a domestic manufacturing-based economy to a service-based global economy (Eisinger, 1988). Also, perspectives on the effectiveness of local economic development strategies were shifting. As previously discussed, many policymakers and researchers felt that local development would have little or marginal impact without national economic growth (Dewar, 1998). Also, technological advancements reduced the need for municipalities to have traditional location factors in

place before a firm would locate in their municipality. For example, advances in transportation and communication reduced the significance of transportation and communication as factors when firms were selecting sites to expand or relocate.

The most critical piece of research during this period was David Birch's (1979) research report, *The Job Generation Process*. This was a seminal report that provided a research-backed rationale for local developers to shift to more entrepreneurial development approaches in the early 1980s. Birch found that the majority of job growth came from small firms. This research also showed that firm migration, a central feature in industrial recruitment, provided negligible job growth (Birch, 1979). Birch's research provided both a platform for focusing research on smaller firms and a local economic development rationale for focusing on the creation and growth of local small businesses (Landstrom, 1996).

Friedmann (1963) detailed the emergent shift in the U.S. to a service-based economy:

> Considering all new investment, accessibility to product markets has become the most significant single issue in location decisions, while other criteria have receded into the background. Thus, the importance of raw materials as a cost element in production has, on the average, declined for all industries, as has the importance of labor and especially of low-skilled labor. At the same time, the market for capital and professional workers has been extended to embrace the entire nation... The consequent liberation of economic activities from the rigidities of resource immobilities has been reinforced by the greater distance over which fuels

and electric power can be shipped at economic rates. Accompanying these

basic trends, the structure of demand has been gradually shifting from

commodity-producing to service-producing industries, with sharp gains

being made in…services, including education, research, development,

administration, and information (p. 1074).

As the economic development environment shifted, the value of industrial

recruitment as a local economic development strategy was increasingly called into

question. Location-based costs were declining due to various technological and

infrastructure advancements. Previously, local economic development strategies existed

in a relatively stable industrial manufacturing-based economic environment. As the

economy shifted away from manufacturing, the value of providing incentives to reduce

location cost for firms and attract firms' mobile capital saw increased questioning.

Eisinger (1988) noted that the most significant challenge with the shift to a

service-based economy was that the number of service-based jobs often did not keep pace

with local manufacturing job losses. This was also exacerbated by the impact of oil

shocks on the national economy during this time (Teitz, 1987). These economic

challenges created a significant number of communities in economic distress in the mid

to late 1970s. This distress caused local municipal leaders to increase their focus on local

economic development, which drove the emergence of new local economic strategies.

While many local economic development strategies emerged in the late 1970s and

1980s, entrepreneurial development was the dominant new focus of local economic

development. This form of local economic development prioritized the support of small

businesses to create local jobs and improve local economies. Entrepreneurial

development strategies supported small business educational programs, capital, and access to export markets (Eisinger, 1988).

Later in the decade, in the 1988 book, *The Rise of the Entrepreneurial State,* Eisinger provided a history of local economic development in the United States. The book made a distinction between industrial recruitment, which Eisinger called supply-side economic development, and the shift to the emerging entrepreneurial development strategies in the late 1970s and early 1980s, which Eisinger called demand-side strategies. Eisinger (1988) argued there was a shift away from development policies that used incentives and subsidies to lure mobile capital and firms to communities to policies that prioritized the identification, exploitation, or creation of new markets.

According to Eisinger (1988), these entrepreneurial development strategies often focused on increasing entrepreneurship and developing new technology, and concentrating on exporting in the increasingly global economy. In many instances, state and local economic development efforts in facilitating these new strategies created some form of public/private partnership, which had budgets that existed outside of the local municipality.

At the end of the 1980s, there was a proliferation of research on the emergence of entrepreneurial local development strategies. Clarke and Gaile (1989) focused on the opportunities and barriers of moving towards more entrepreneurial policies. They characterized the shift to these new policies as a paradigm shift from prior industrial recruitment strategies. According to Clarke and Gaile (1989), the new emerging policies needed to address the uncertainty caused by international capital mobility. This meant

that the local government's economic development role was to support innovation that would capture new market shifts and thereby capture mobile capital.

There was also an increase in research, reviews, and analysis of strategies that supported the new entrepreneurial development strategies. These strategies were designed to enhance local businesses' ability to start, grow, and access new markets. Ahibrandt and DeAngelis (1987) classified the functions of these entrepreneurial strategies as technical assistance, credit and capital, and space and permit support. This period saw the creation and significant growth in both business incubators and state venture capital funds. A business incubator is an organization that helps new and startup companies to develop by providing services such as management training and office space. State-run venture capital funds were designed to spur capital investment in local businesses.

In the late 1980s, Campbell and Allen (1987) performed an analysis on the rise and rationale for incubators. As a development strategy, incubators provided technical assistance and resources to spur business growth in local economies. Campbell and Allen (1987) found that by 1986 there were 200 business incubators in the nation, with 90% of these created since 1983. Kuratko and LaFollette (1987) also discussed the rapidity of new incubator growth, examined the various types of incubators that were emerging, and stated that the model had demonstrated some success. Campbell (1989) argued that incubators were a long-term solution to local economic development challenges. Also, Campbell held that incubators played an important role in correcting market inefficiencies and addressing the local economic development needs of economically distressed locations.

State venture capital programs emerged during this period to address the credit and capital needs of local entrepreneurs. These funds were created through state legislation to provide equity or debt to small business owners. The rationale for these funds was based on Birch's (1979) work pointing to the job-creating power of small businesses and the funding these businesses needed to innovate and grow. According to Fisher (1988), these funds were "…quasipublic, not-for-profit corporations or public authorities, governed by a publicly appointed board of directors…capitalized with federal grants or local government appropriations" (p. 166).

While both incubators and state venture funds expanded in scope, one specific focus of many of these new local development tools was on technological innovation and technology firms (Grossman, 1987). Malecki (1984) addressed this focus in the early 1980s. Malecki explored how states were shifting from older manufacturing industries towards cutting edge innovation-based technology industries, which Malecki referred to as "high-technology" to stabilize economic growth. Malecki argued that high-technology development provided increased benefits over traditional industrial recruitment. High-technology provided opportunities for innovation, industry spinoffs, and created job diversity that was necessary for regional growth and stability. This shift towards entrepreneurial local economic development took place during a period of increased local focus on local economic development and the emergence of numerous new local economic development strategies.

The Role of the Public Sector in Entrepreneurial Development. The public sector's role in entrepreneurial development is to provide capital, support with exporting, and provide additional training and incubators to help reduce initial small business startup and

growth costs. These activities often occur through state-run or supported venture capital programs, micro-lending programs, various small business training and development programs, and the support of state run, non-profit or private incubators.

1990s to Current – Emergence of Clusters-Based Development

The 1990s were characterized by the emergence of cluster-based economic development and other local economic development strategies that focused on the economic development business environment (Bradshaw & Blakely, 1999). Since its origin, the concept of cluster-based development has become "…a dominant paradigm in the world of both economic development theory and practice" (Wolman & Hincapie, 2015). During this period, industrial recruitment continued to be the primary local economic development strategy (Zheng & Warner, 2010). Conversely, entrepreneurial development saw a decline (Reese, 1994). The new strategies emerging in the 1990s were unique. They focused on the economic environment in which firms made decisions and the interconnection between actors in the local economic development environment. Cluster-based economic development served as a significant shift in local economic development orientation. The following section will discuss the origins, practice, and rationale for cluster-based development.

The Origins and Practice of Cluster-Based Development. The most significant new local economic development strategy that emerged in the 1990s was cluster-based economic development. According to Ketels (2003):

Clusters are groups of companies and institutions co-located in a specific geographic region and linked by interdependencies in providing a related group of products and/or services. Because of the proximity among them –

both in terms of geography and of activities – cluster constituents enjoy

the economic benefits of several types of positive location-specific

externalities (p. 3).

Cluster-based economic development was part of a broader local economic development

trend that saw a shift in focus away from specific programs toward a focus on the local

business environment, consisting of the local context and networks of organizations,

activities, and relationships. Agranoff and McGuire (1998) held that this form of

development is driven less by a single agency assigned responsibility for local

development and more by a network of actors. They classified these emerging

relationship structures as "strategic interdependence" among various entities responsible

for local economic development (p. 152). Cluster-based and other business environment

driven strategies:

….include investments in job training and education, industrial

modernization initiatives, support for community-level economic

development planning, and encouragement of industrial clusters of firms

for the purpose of pooling resource to achieve higher levels of

international competitiveness than each firm could manage on its own

(Eisinger, 1993, p. 153).

Porter (1998) distinguished cluster-based development from both industrial

recruitment and entrepreneurial development. Porter noted that cluster-based

development is distinguished from industrial attraction because local strategy prioritizes

strengthening all clusters instead of selectively targeting specific firms for subsidization

or protection. Cluster-based development is distinguished from entrepreneurial

development because it focuses on cluster productivity, not exports or capital investment specifically.

Cluster-based development was popularized by Porter's 1990 article, *Competitive Advantage of Nations* (Ketels, 2003). In the article, Porter (1990) argued that to sustain a competitive advantage, each nation has four attributes called "The Diamond of National Advantage" that it has to leverage:

1. *Factor Conditions.* The nation's position in factors of production, such as skilled labor or infrastructure, necessary to compete in a given industry.

2. *Demand Conditions.* The nature of home-market demand for the industry's product or service.

3. *Related and Supporting Industries.* The presence or absence in the nation of supplier industries and other related industries that are internationally competitive.

4. *Firm Strategy, Structure, and Rivalry.* The conditions in the nation governing how companies are created, organized, and managed, as well as the nature of domestic rivalry (p. 78)

After Porter's initial national level argument, the concept of clusters and cluster-based development was regionalized and localized as a development strategy.

Porter followed up the 1990 article in 1998 with one of the most well-known articles on cluster-based economic development, *Clusters and the New Economics of Competition*. In this article, Porter argued that, "Governments should not choose among clusters, because each one offers opportunities to improve productivity and support rising wages" (Porter M. , 1998, p. 89). Instead, government and local economic developers'

role was to work with the private sector to "…reinforce and build on existing and emerging clusters rather than attempt to create entirely new ones" (p. 89). Wolman and Hincapie (2015) argued that the role of local economic development policymakers and practitioners was to "…focus not solely on individual export sectors but on the wider set of firms, actors, and institutions that form a cluster and help determine the cluster's competitiveness, including export industry supply chains" (p. 144).

Porter's (1998) argument for cluster-based development was that economic clusters create a local competitive advantage. Firm colocation and proximity help firms and subsequently regions because both colocation and proximity "…creates lower input costs for firms through agglomeration economies and…facilitates knowledge spillovers that produce innovation and increased productivity" (Wolman & Hincapie, 2015, p. 135). These agglomeration economies were critical to local economic development because they lowered production input costs and increased firm productivity (Phelps, 2004). This increase in productivity, in turn, created local economic benefits. Bradshaw and Blakely (1999) argued that cluster-based development and other emergent strategies that focused on the business environment did not eliminate past strategies but created an environment where networks could facilitate effective economic development. Their position was that cluster-based development enhanced pre-existing strategies by providing insight into the complex economic environment in which states and cities operate.

The Role of the Public Sector in Cluster-Based Economic Development. The public sector's role in cluster-based economic development is primarily to produce policies that strengthen local clusters and enhance their competitiveness. According to Ingstrup and Damgarrd (2013, p. 52), "…cluster policies are embedded in an industrial

policy tradition including macro, meso, and microeconomic incentives, promoting industry-government cooperation, networks, foreign direct investments, and infrastructure". In addition to the public sector's policy role, the public sector also participates within the network of cluster actors. Examples include public workforce development programs, programs that connect firms within the local clusters to domestic and foreign markets and serving as a relationship broker between cluster actors.

2010s to Current - Emergence of Entrepreneurship Ecosystem Building

In the 2010s, entrepreneurship, once again, became an increasingly discussed topic in the field of local economic development with the emergence of entrepreneurship ecosystem building. While similarities to prior strategies were present, entrepreneurship ecosystem building had clear distinctions from its predecessors in that this strategy prioritized both entrepreneurship and the business environment. For this research, the terms business environment and entrepreneurship ecosystem will be used interchangeably.

There is no standard definition of an entrepreneurship ecosystem in the field (Brown & Mason, 2017). While there is no standard definition, two often cited definitions are as follows. Mason and Brown (2014) defined an entrepreneurship ecosystem as:

> …a set of interconnected entrepreneurial actors (both potential and existing), entrepreneurial organisations (e.g., firms, venture capitalists, business angels, banks), institutions (e.g., universities, public sector agencies, financial bodies) and entrepreneurial processes (e.g., the business birth rate, numbers of high growth firms, levels of 'blockbuster

entrepreneurship,' number of serial entrepreneurs, degree of sell-out

mentality within firms and levels of entrepreneurial ambition) which

formally and informally coalesce to connect, mediate and govern the

performance within the local entrepreneurial environment… (p. 5).

Stam (2014) defined entrepreneurship ecosystem this way, "…an entrepreneurial

ecosystem is an interdependent set of actors that is governed in such a way that it enables

entrepreneurial action. It puts entrepreneurs center stage but emphasizes the context by

which entrepreneurship is enabled or constrained" (p. 2). While there is no standard

definition for entrepreneurship ecosystems, there are consistent themes in the literature.

These themes include a focus on entrepreneurship as the mechanism for improving local

economic development and an emphasis on improving the local context and networks of

a community (the ecosystem) so entrepreneurs can start and grow firms more effectively.

Because entrepreneurship ecosystem building is the subject of the research in this

dissertation, more space will be devoted to discussing this local economic development

strategy than the prior strategies. The next section will first compare entrepreneurship

ecosystem building with other prominent local economic development strategies. It will

then discuss the origins of entrepreneurship ecosystem building, the practice of

entrepreneurship ecosystem building, and the rationale for entrepreneurship ecosystem

building. It will conclude by examining research gaps as a transition to chapter 3 on

methodology.

Entrepreneurship Ecosystem Building in Contrast and Comparison.

According to Mason and Brown (2014), what made the focus on entrepreneurship

ecosystem building new to the economic development field was that:

First, it has merit as a metaphorical device which offers a holistic

understanding how clusters of economic activity come into being and

specifically to offer a new perspective on firm growth which emphasizes

the firm's external environment rather than its internal characteristics and

operations. Second, it shifts the unit of analysis away from the 'firm' to

the entirety of the ecosystem where it is situated. This is important

because often these externalized and relational aspects strongly mediate

firm performance... Third, its biological metaphor links to the 'economic

gardening' approach to local economic development. It therefore

emphasizes the importance of viewing the wider ecological environment

in which firms operate (p. 24).

These traits distinguish entrepreneurship ecosystem building from prior local economic

development strategies. Industrial recruitment focused on recruiting and retaining larger

firms by reducing firm costs through local incentives. Entrepreneurial development

strategies prioritized creating programs to support entrepreneurs through business

incubators, financial capital programs, and training and support. Both approaches,

according to Brown and Mason (2017), were considered "single-actor interventions" that

focused on individual firms (big and small) versus a broader focus on the economic

development environment (p. 25). This is consistent with Auswald's (2014) view that

before the emergence of cluster-based strategies, local development actions were often

taken without considering the broader business environment in which firms were started

or created. Figure 1 provides a generalized representation of the distinction between

entrepreneurial development strategies and entrepreneurship ecosystem building
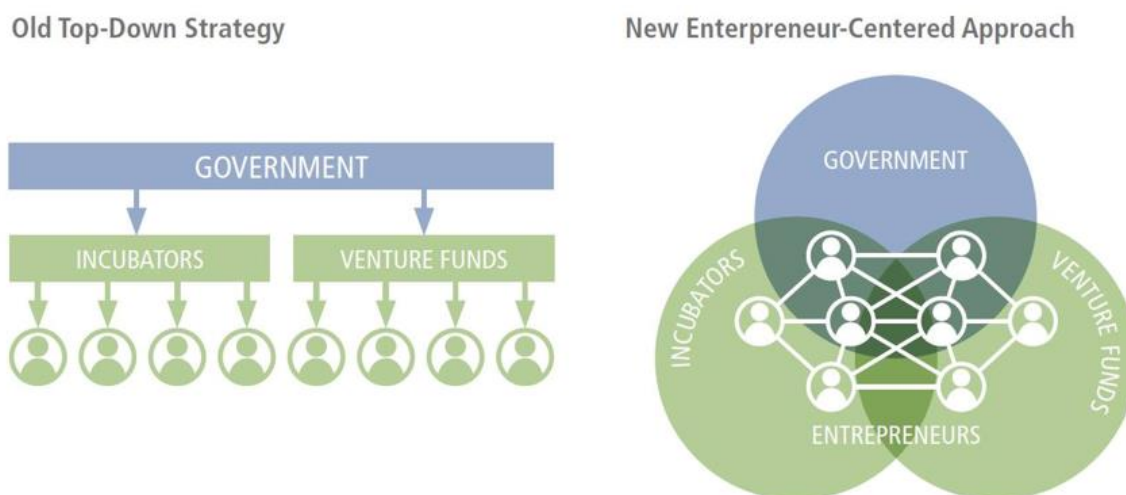
strategies.

Figure 1. Kauffman Foundation's Public Support of Entrepreneurship. From Kauffman
Foundation Research Series on City, Metro and Regional Entrepreneurship 2015.

Cluster-based strategies that emerged in the 1990s brought the importance of the

economic development business environment to the forefront, and this served as a

precursor to entrepreneurship ecosystem building. However, entrepreneurship ecosystem

building differs from cluster-based development because entrepreneurship ecosystems

focus on entrepreneurs and improving the business environment in which they start and

grow firms versus an entire industry (Mason & Brown, 2014; Stam, 2014). According to

Mason and Brown (2014), the difference between cluster-based development and

entrepreneurship ecosystem building is threefold:

> First, the explicit focus is on entrepreneurial activity and especially on
>
> high growth firms. Second, the emphasis is on local and regional

environments and the conditions required to generate and support

ambitious entrepreneurship. Third, it emphasizes the interactions between

framework conditions and local/regional geographical environments (p.

8).

The distinction of being entrepreneurship-focused was echoed by Stam (2014), who

stated that entrepreneurship ecosystems start with individuals (the entrepreneur) as the

focal point. This differs from cluster-based researchers and developers, who focus on

firms and industries (Stam & Spigel, 2016).

While entrepreneurship ecosystem building has significant distinctions from

entrepreneurial development and cluster-based development, it also has common

features. In some ways, entrepreneurship ecosystem building combined the focus on

entrepreneurship that emerged in the 1980s with the business environment orientation in

local economic development that emerged in the 1990s and 2000s (Malecki, 2018;

Motoyama & Knowlton, 2016). In particular, the focus on the business environment

provides a clear connection with cluster-based economic development (Malecki, 2018;

Nicotra et al., 2018; Spigel, 2017). In both entrepreneurship ecosystem building and

cluster-based development, the business environment is seen as a critical factor in helping

an entrepreneur create a competitive firm or an industry retaining a competitive

advantage. Both forms of local economic development also emphasize the interaction

between the network of actors in the local geography that shapes the conditions and

strength of the business environment (Mason & Brown, 2014).

Entrepreneurship Ecosystem Building Origins. The early beginnings of

entrepreneurship ecosystem building were during the late 1980s and 1990s (Stam &

Spigel, 2016). Before that, much of the research on entrepreneurship focused on the

individual attributes of the entrepreneur. During the late 1980s and 1990s, researchers

began to shift towards the broader environment in which entrepreneurs operated and

made entrepreneurial decisions (Dodd & Anderson, 2007). The term *ecosystem* was

originally a biological term coined by Roy Clapham in the 1930s. It was used in reference

to the units of a biological environment existing, interacting with, and mutually

reinforcing one another (Nicotra et al., 2018). The first use of the term applied to business

and entrepreneurship is most often attributed to James Moore (1993) in his article,

Predators and Prey: A New Ecology of Competition. In this article, Moore stated that

"…innovative businesses can't evolve in a vacuum. They must attract resources of all

sorts, drawing in capital, partners, suppliers, and customers to create cooperative

networks" (p. 75).

At the same time, Stam and Spigel (2016) noted that various entrepreneurship

research and economic development strains began to converge.

> In recent years the fields of entrepreneurship studies, economic
>
> geography, urban economics, and the economics of entrepreneurship have
>
> moved closer to each other through research on the context of
>
> entrepreneurship … the growing recognition that not all types of
>
> entrepreneurship are equally important for economic growth … and the
>
> increasing interest in the entrepreneurial actor within urban and regional
>
> economics (p. 3).

As interest in the local practitioner increased, so, too, did entrepreneurship

ecosystem research. A cursory Google Scholar search provided only 71 results when the

term *entrepreneurship ecosystem* was searched for up to 2010. From 2011 to 2020, however, a search for that term returned 5,100 results as of this writing time. A standard Google search for the term yielded 311,000 results.

In 2010, one of the seminal works in the entrepreneurship ecosystem literature was written by Isenberg, "How to Start an Entrepreneurial Revolution." In this article, Isenberg laid out a framework and the key elements believed to exist in an entrepreneurship ecosystem. Isenberg also discussed the critical factors in developing an entrepreneurship ecosystem. Isenberg followed up in 2011 with another often-cited work titled, *The Entrepreneurship Ecosystem Strategy as a New Paradigm for Economic Policy*. Isenberg's follow up article expanded on the ecosystem framework but went a step further, providing policy recommendations on developing entrepreneurship ecosystems.

Another seminal work in the early 2010s was Feld's (2012) book, *Startup Communities: Building an Entrepreneurial Ecosystem in Your City*. It was during this period that entrepreneurship ecosystems expanded rapidly as a topic in local economic development. In this book, Feld shared a detailed story about and insight into Boulder, Colorado's entrepreneurship ecosystem. Feld then laid out a series of principles and participants that should be included in developing a local entrepreneurship ecosystem.

As the practice and research on entrepreneurship ecosystems expanded, researchers began to look at entrepreneurship ecosystems from various dimensions. In 2011, Hackler discussed entrepreneurship ecosystems from the city economic development context. Hackler argued that it was the responsibility of cities to create policies and strategies that reduced barriers to entry and supported entrepreneurial

development. In 2014, Autio, Rannikko, Handelber, and Kiuru explored the history of global entrepreneurship ecosystem building. They called emerging policies on entrepreneurship ecosystem building a *meta-trend*, meaning that the emerging policies in local municipalities were focused on coordination of sets of new and pre-existing policy initiatives designed to support entrepreneurship.

In one of the few, to date, quantitative studies that provide insight into entrepreneurship ecosystem development, Dossou-Yovo (2015) explored networks and entrepreneurship growth aspirations in Canada. Dossou-Yoyo's findings showed that, in general, an entrepreneur's growth aspirations were related to the economic development resource providers present in the local network. In one of the few articles that sought to determine how entrepreneurship ecosystems emerge and change over time, Mack and Mayer (2016) used archival data and interviews to assess how the entrepreneurship ecosystem evolved in Phoenix, Arizona. Using Isenberg's (2010) entrepreneurship ecosystem framework, Mack and Mayer (2016) identified phases of an ecosystem life cycle: the growth phase, sustainment phase, and the decline phase.

In 2016, Motoyama and Knowlton published one of the few research articles that sought to examine the impact of governments intervention on entrepreneurship ecosystems. Using a case study methodology, Motoyama and Knowlton evaluated the effect of a government program designed to provide funding, technical assistance, and connect entrepreneurs into the broader entrepreneurship ecosystem. They found that government intervention in entrepreneurship ecosystems extended beyond the direct resources provided and extended into other spillover effects. These spillover effects

included increased network-driven business opportunities and increased peer-to-peer learning within the entrepreneurship ecosystem (Motoyama & Knowlton, 2016).

In another quantitative study, Audretsch and Belitski (2017) analyzed multiple variables related to entrepreneurship ecosystems to examine culture, infrastructure, amenities, institutions, and internet access. They found that local culture, physical amenities, administrative efficiency in government services for entrepreneurs, and internet access were positively associated with increased entrepreneurship within an ecosystem. Finally, Spigel (2017) published a research article on the different entrepreneurship ecosystem attributes among cities. Using a comparative case study approach, Spigel examined the relationships between three entrepreneurship ecosystem elements, which Spigel defined as material, social, and cultural attributes. Spigel's objective was to determine differences in entrepreneurship ecosystem formation based on these elements' strength. Spigel found that the strength of each element differed between communities, with some being more or less dominant, but that each ecosystem was strong despite their respective differences. This indicated that a more thorough analysis of how the interaction between elements drive the growth and strength of entrepreneurship ecosystems needs to occur.

Entrepreneurship Ecosystem Building Practice. The entrepreneurship ecosystem builder's objective is to positively influence the business environment in which entrepreneurs start and grow firms. The business environment consists of a community's local context and networks, which enhance or detract from entrepreneurs starting and growing firms. Context, defined in the most general way, is the environment in which an entrepreneur makes decisions that enhance or detract from their ability to start or grow a

firm (Brown & Mason, 2017; Hechavarria & Ingram, 2014). Context is the composite of the entrepreneurship ecosystem elements, which will be discussed shortly. Context is often considered a local phenomenon (Brown & Mason, 2017), influences the type and scale of entrepreneurship (Audretsch & Belitski, 2017), and leads to the development of a locally unique entrepreneurship ecosystem (Mason & Brown, 2014). Stam (2014) held that "…context sensitivity is a strength of the entrepreneurial ecosystem approach, as it provides both insight into the causes of the (dis)functioning of the ecosystem and the limits of adapting the system in the short term" (p. 11).

The context for each entrepreneurship ecosystem is often considered local for the entrepreneur (Mason & Brown, 2014). While sometimes viewed as sub-national/regional, this locality is most often considered to be at the county, city, and in some cases even sub-city level (Audretsch & Belitski, 2017; Auswald, 2014). This makes it a priority for local economic developers to assess or develop an entrepreneurship ecosystem around each locality's uniqueness. Isenberg (2010) stated, "The most difficult, yet crucial, thing for a government is to tailor the suit to fit its own local entrepreneurship dimensions, style, and climate" (p. 4).

The local nature of entrepreneurship ecosystems is driven by resource and relationship proximity. As Isenberg also (2011) stated,

> …resources tend to be concentrated locally and attract each other: human, capital, information, and markets tend to gravitate to one another. In addition, the demonstration effects are more potent when they are proximal, and the spillovers...are stronger as well (p. 11).

Having the appropriate elements within an entrepreneurship ecosystem does not necessarily indicate the entrepreneurship ecosystem will produce the economic growth desired. The literature's consensus is that various entrepreneurship ecosystem elements need to be effectively networked and collaborative to have an effective entrepreneurship ecosystem (Hechavarria & Ingram, 2014; Nadgrodkiewicz, 2013; Stam, 2014; Yaribeigi, Hosseini, Lashgarara, Mirdamadi, & Omidi, 2014). Networked and collaborative, often used interchangeably in the literature, have been identified as critical factors in high-performing entrepreneurship ecosystems (Autio et al., 2014; Motoyama & Knowlton, 2017; Nadgrodkiewicz, 2013).

According to Motoyama and Knowlton (2016), networking occurs formally and informally and enables coordinated action and collaboration to support the entrepreneur(s). According to Isenberg (2010), "In isolation, each (element) is conducive to entrepreneurship but insufficient to sustain it. That's where many governmental efforts go wrong—they address only one or two elements. Together, however, these elements turbocharge venture creation and growth" (para. 10). This was echoed by Motoyama and Knowlton (2017) in their entrepreneurship ecosystem case study research. They found that "support organizations were aware of their supported entrepreneurs and had some knowledge about how, and how much, other organizations had helped them. Again, this interconnection between support organizations…is essential" (p. 21).

Just as there is no generally agreed upon entrepreneurship ecosystem definition, there is no consensus on the elements that comprehensively constitute the entrepreneurship ecosystem. However, some elements tend to be present in much of the

entrepreneurship ecosystem literature; these include human capital, social capital, financial capital, culture, infrastructure, and policy.

> > > *Human Capital*. Developing the human capital of entrepreneurs is a key element in the entrepreneurship ecosystem. Human capital in the entrepreneurship ecosystem context is wide-ranging. It primarily references individuals' overall skill and ability to launch and manage entrepreneurial ventures effectively. However, it also references the human capital assets in the ecosystem, including individuals who support entrepreneurs, such as consultants, mentors, and other technical experts, along with the connection to formal and informal institutions that provide education and training (Dossou-Yovo, 2015; Hackler, 2011; Insenberg, 2010). Human capital can be developed through formal or informal education. Human capital development is often identified as entrepreneurs having access to universities, entrepreneurship training organizations, and in some cases, K-12 entrepreneurial education (Hackler, 2011; Isenberg, 2011; Nicotra, Romano, Giudice, & Schillaci, 2018). Human capital can also be developed through the acquisition of informal knowledge. These asssets are developed through relationships entrepreneurs form with others in the entrepreneurship ecosystem that can be used for entrepreneurial purposes in the future (Mason & Brown, 2014; Motoyama & Knowlton, 2016). Informal knowledge can be found in mentoring, peer-to-peer relationships, and other environmental knowledge access points in the ecosystem also.

> > > *Social capital*. Social capital consists of the collective resources distributed through relationships, connections, and networks that enable actors within the entrepreneurship ecosystem to act by using those resources (Nicotra et al., 2018). Social capital is distributed through both formal and informal settings and relationships. Social

capital in entrepreneurship ecosystems encourages innovation and risk-taking and

distributes and helps develop entrepreneurial knowledge (Hackler, 2011). The

development of social capital also serves as a "bridging asset" according to Mason and

Brown (2014). As a bridging asset, it connects "people, ideas, and resources" within the

ecosystem (p. 11). Social capital also helps entrepreneurs find social legitimacy and

acquire tangible support (Motoyama & Knowlton, 2016). One of the primary influences

of social capital in entrepreneurship ecosystems is its ability to drive decision-making

through relationships. Motoyama and Knowlton (2016) found that entrepreneurs'

decision-making was driven heavily by other actors' recommendations within their

network. This was echoed by Nicotra et al. (2018) as they discussed the uncertainty

entrepreneurs often face, sharing that, "…individuals in ambiguous and uncertain

contexts tend to base their decisions on social influence" (p. 650). Finally, Motoyama and

Knowlton (2017) identified four primary areas of connectivity in entrepreneurship

ecosystems. These were connections between entrepreneurs, connections between formal

support organizations, connections entrepreneurs have to key support organizations, and

connections entrepreneurs have to other forms of support (i.e., events, other

entrepreneurs, and other organizations).

   Financial Capital. As may be expected, financial capital's role in helping start

and grow firms is an important element in the entrepreneurship ecosystem (Dossou-

Yovo, 2015; Motoyama & Knowlton, 2017; Simatupang, Schwwab, & Lantu, 2015).

While venture capital is often discussed as important, diverse funding sources of all types

are seen as valuable. According to Mason and Brown (2014):

Indeed, there is a general tendency to overstate the importance of venture

capital in entrepreneurial ecosystems… Most firms were initially funded

through a combination of self-financing, loans from family and friends

and bootstrapping. So, whereas venture capital may accelerate the growth

of successful firms it does not create such firms (p. 16).

Culture. Many authors identify the critical role that entrepreneurship ecosystems

play in creating and maintaining a culture of entrepreneurship (Isenberg, 2011; Mason &

Brown, 2014). A culture of entrepreneurship is often referenced as the local norms and

values that encourage and support the innovation and risk-taking necessary to create new

ventures (Hackler, 2011; Hechavarria & Ingram, 2014). This entrepreneurial culture is

often seen as one that values innovation and disruption (Auswald, 2014), provides high-

value status to entrepreneurs (Mason & Brown, 2014), encourages appropriate risk-taking

and failure (Insenberg, 2010), creates an environment of trust between the entrepreneur

and the other elements in the entrepreneurship ecosystem (Audretsch & Belitski, 2017),

and normalizes entrepreneurship (Spigel, 2017). Hechavarria and Ingram (2014) believed

that the objective of an entrepreneurship ecosystem is to create a local "society" that has

a culture which "…values venturing activity, and has a high propensity to engage and

assist in facilitating it" (p. 9).

Infrastructure. The value of infrastructure, the built environment in which

entrepreneurs operate, is seen as an important element in entrepreneurship ecosystems.

Infrastructure helps develop social capital, which is done through the agglomeration of

entrepreneurs and organizations that support entrepreneurs (Audretsch & Belitski, 2017).

In many instances, infrastructure occurs in the form of co-work, incubator, and

accelerator spaces, technology parks, or other locations that create a density either through workspace or education for entrepreneurs and support providers (Nicotra et al., 2018). Entrepreneurship supporting infrastructure is also seen as providing key connection points (see social capital), allowing entrepreneurs to have greater access to key actors and resources in the entrepreneurship ecosystem (Dossou-Yovo, 2015; Mason & Brown, 2014).

Policy. Entrepreneurship policy is seen as one of the critical elements in entrepreneurship ecosystems. According to Hackler (2011), the role governments play in creating policy to support entrepreneurship ecosystem growth is "…not one that actively creates new businesses, but instead, through its policies and ability to network relevant actors, local government can influence the environment and enhance the probability of innovation that engenders entrepreneurship and its business development" (p. 7). Successful entrepreneurship ecosystem building policies are seen as policies that expand entrepreneurship knowledge and training, help foster a culture of entrepreneurship, promote and reward entrepreneurship, streamline the process of becoming an entrepreneur, and reduce regulatory burdens on entrepreneurs (Hackler, 2011; Hechavarria & Ingram, 2014; Spigel, 2017). Other policies fund research and development grants, help develop various forms of resources and capital access and support an entrepreneurship infrastructure (Spigel, 2017). Finally, these policies should be developed to support the entire entrepreneurship ecosystem (Auswald, 2014; Mason & Brown, 2014; Nicotra et al., 2018).

Entrepreneurship ecosystem building prioritizes all six of the identified elements, while other local economic development strategies emphasize a select few. Industrial

attraction prioritizes the elements of policy, infrastructure, and financial capital. Entrepreneurial development prioritizes the elements of human capital and financial capital. Cluster-based development prioritizes the elements of policy, infrastructure, financial capital, and human capital.

In summary, the entrepreneurship ecosystem builder's objective is to positively influence the business environment to improve entrepreneurs' ability to start and grow firms. This often means improving local context by either developing the elements in the local ecosystem or ensuring the elements are effectively networked through fostering local collaboration. The improvement of the entrepreneurship ecosystem is expected to improve local entrepreneurship and lead to local economic development.

The Role of the Public Sector in Entrepreneurship Ecosystem Building. The role of the public sector in entrepreneurship ecosystem building is twofold. The first role is to develop policies and programs that strengthen the various elements and the interconnection of the elements within the local entrepreneurship ecosystem. This includes the traditional ways the public sector supports entrepreneurship when using the entrepreneurial development strategies that emerged in the late 1970s and 1980s. This support would entail developing or funding various capital and technical assistance programs and other programs that help small business owners access markets and develop effective regulation.

The second role of the public sector in entrepreneurship ecosystem building is to strengthen the network of support providers and entrepreneurs in the local entrepreneurship ecosystem. This includes the development or support of entrepreneurship ecosystem building programs like Network Kansas. The focus of this

dissertation is specifically centered on the activities that support the development of the local entrepreneurship business environment.

Entrepreneurship Ecosystem Building Research Gaps. While entrepreneurship ecosystem research has increased substantially since 2010, it has not been without criticism. The most dominant criticisms on ecosystem research are that:

- the research describes the elements in an entrepreneurship ecosystem but fails to sufficiently examine the interaction between them.
- there is a lack of focus on how entrepreneurship ecosystems evolve.
- there is a lack of theoretical underpinnings for ecosystem research.

The most significant critique is that prior research focuses on identifying only the entrepreneurship ecosystem elements and not how they are connected. Stam (2014) criticized much of the research as a description of an entrepreneurship ecosystem's features without a clear analysis of the interaction between features and the key mechanisms that drive entrepreneurship ecosystems. Stam stated that "summarizing the critique: the entrepreneurial ecosystem concept lacks causal depth and is not properly demarcated" (p. 2). Mason and Brown (2014) further discussed the limitations of "identifying generic features of entrepreneurship ecosystems" (p. 13). They held that the simple identification of elements does not account for the context in which those elements emerge and interact at the local level. This critique is also echoed by Mack and Mayer (2016), Malecki (2018), Motoyama and Watkins (2014), and Simpatupang, Schwab, and Lantu (2015).

Another significant critique of entrepreneurship ecosystem research is that it often fails to chart the evolution of ecosystems over time. This is the position held by Mason

and Brown (2014), who stated that "…they are (ecosystems) discussed as if they emerged fully formed and do not change. There is little understanding of how successful entrepreneurial ecosystems come into being and evolve" (p. 13). This is a critique shared by Malecki (2018), Mason and Brown (2014), Motoyama and Watkins (2014), Simpatupang, Schwab, and Lantu (2015), and Spigel (2017).

The lack of theoretical underpinning in entrepreneurship research has also been criticism. Stam (2015) stated that "…the rush to employ ecosystem approach has run ahead of answering many fundamental conceptual, theoretical and empirical questions" (p. 1761). The lack of theory in entrepreneurship ecosystem research is a criticism shared by Simpatupang, Schwab, and Lantu (2015) and Spigel (2018).

While the previous criticisms of entrepreneurship ecosystem research are some of the most significant, there are other criticisms of existing entrepreneurship ecosystem research in the literature. There is criticism on the lack of geographic definition (Nicotra et al., 2018), the lack of analysis of ecosystem impact on diverse (gender, race) entrepreneurs (Malecki, 2018), and that research is aimed at practitioners and not academics (Stam & Spigel, 2016).

Chapter Summary

There is no standard definition of local economic development in the field. While the IEDC does not provide a specific definition, the organization does opin that the main goal of economic development is "…improving the economic wellbeing of a community through efforts that entail job creation, job retention, tax base enhancements and quality of life" (IEDC, 2016, p. 3). Local economic development strategies have emerged in the U.S. beginning in the 1900s. The first of these was industrial recruitment, which focused

on reducing firm cost by providing incentives. This strategy remains the most used local economic development strategy. The second strategy was entrepreneurial development, which emerged in the 1980s. This strategy focused on supporting entrepreneurs by developing programs such as incubators, state-run venture capital programs, and exporting support. Cluster-based development emerged in the 1990s; these strategies focus on improving the business environment for dominant industries in local geography. The objective was to strengthen industrial clusters to improve the local economic development competitive advantage. In the 2010s, entrepreneurship ecosystem building emerged. Entrepreneurship ecosystem building focused on improving the business environment, which consists of the local economic development context and networks, to better support entrepreneurs as they start and grow firms.

As entrepreneurship ecosystem building continues to gain academic and practitioner attention, it is essential to address some of the major research gaps in the field to move the field forward. There are three major criticisms and subsequent gaps in existing research on entrepreneurship ecosystems. The first is that research most often focuses on a description of entrepreneurship ecosystem elements and not their interactions between each other and entrepreneurs. The second is that the research does not focus on how entrepreneurship ecosystems evolve. The third is that there is a lack of theoretical underpinning in entrepreneurship ecosystem research. This dissertation's research will address the first research gap on the interaction of entrepreneurship ecosystem elements and entrepreneurs. It will do so by focusing on relationship formation and maintenance in entrepreneurship ecosystems. This research will focus specifically on Network Kansas E-Communities, which are local entrepreneurship

ecosystem building strategies employed in Kansas to facilitate local economic growth.

The research methodology will be discussed in detail in chapter three.

CHAPTER 3: RESEARCH DESIGN

This dissertation's methodology is an exploratory case study, which will use qualitative data to answer the following research question: *What strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions to facilitate ecosystem growth*? The research question was designed to address the research gap in the current literature on how entrepreneurship ecosystems elements interact. The interaction between the elements is important in entrepreneurship ecosystem research. Examining an entrepreneurship ecosystem's elements in isolation does not explain how they collectively interact to form a business environment that enhances or detracts local entrepreneurs from starting and growing firms.

This dissertation explored this research gap by focusing specifically on how relationships between entrepreneurship ecosystems builders are used to connect the local entrepreneurship ecosystem elements (Mack & Mayer, 2016; Malecki, 2018; Mason & Brown, 2014; Motoyama & Watkins, 2014; Simatupang et al., 2015; Stam, 2014). Relationships are seen as critical to successful local economic development, particularly in network-driven models like entrepreneurship ecosystem building (Agranoff & McGuire, 1998). What makes relationships important is that they drive critical resources and knowledge through the local entrepreneurship ecosystem. Also, relationships enhance collaboration between various entrepreneurship ecosystem actors, which strengthens the local ecosystem.

The research method used was an exploratory case study methodology. The exploratory case study focused on Network Kansas E-Communities and entrepreneurship ecosystem building program practiced at the county or sub-county level in Kansas.

Currently, there are over 64 E-Communities. Two of the primary E-Community goals

are, "Grow a flourishing, sustainable entrepreneurial environment supportive of business

startups and expansions" and "Forge a community vision centered around

entrepreneurship as a tool for economic development" (Network Kansas, 2018, para 4).

This chapter includes a discussion of Network Kansas E-Communities and how

they represent a local entrepreneurship ecosystem building strategy, the research

methodology, and the research design.

Network Kansas E-Communities as a Local Entrepreneurship Ecosystem Building

Strategy

As discussed in Chapter 2, entrepreneurship ecosystem building emerged in the

2010s and renewed focus on entrepreneurship. For this research, entrepreneurship is

defined as an individual or group that seeks to sell a product or service to generate profit.

The primary focus of entrepreneurship ecosystem building is that it focuses on the local

economic development context and networks (the combination of which can be defined

as the entrepreneurship ecosystem or business environment) where entrepreneurs start

and grow firms. The objective of entrepreneurship ecosystem builders is to strengthen the

ecosystem to help entrepreneurs start and grow firms more efficiently and effectively to

improve local economic development.

Critical to entrepreneurship ecosystems' success is the interaction between the

major elements that comprise an ecosystem. These elements have previously been

identified as human capital, social capital, financial capital, culture, infrastructure, and

policy. All the elements that comprise entrepreneurship ecosystems are formed and

maintained through various relationships between individuals and the institutions they often represent.

Network Kansas has the explicit purpose of building a statewide entrepreneurship ecosystem. Network Kansas was established by the Kansas Economic Growth Act of 2004 as the Kansas Center for Entrepreneurship. It officially launched in 2006 as an independent 501c3 with the purpose of: "…developing an entrepreneurial ecosystem in Kansas that connects aspiring, emerging, and established businesses to a wide network of business-building resource organizations across the state" (Network Kansas, 2018, para 1).

At the state level, Network Kansas has coordinated a small business support provider network with over 500 providers participating. The organization provides an online searchable database, allowing entrepreneurs and other support providers to identify and connect. Also, Network Kansas offers regular entrepreneurship networking events, training webinars, and various other entrepreneurship support activities at the state level. Network Kansas also provides two primary loan funds that can be accessed by entrepreneurs.

The primary Network Kansas entrepreneurship ecosystem building programs is the E-Community program, a program launched in 2007 designed:

> ...to establish a locally-administered loan fund to assist entrepreneurs with capital, to increase connectivity to resources available to assist entrepreneurs and small businesses, to initiate activities to generate entrepreneurial development, and to participate in a statewide partnership with other E-Communities (Network Kansas, 2018, para 1).

E-Community programs are delivered at the county level or sub-county level as an entrepreneurship ecosystem building strategy. A complete list of E-Community goals and components can be found in Table 2.

Table 2

E-Community Goals and Components

E-Community Goals	E-Community Components
Grow a flourishing, sustainable entrepreneurial environment supportive of business startups and expansions.	Local leadership teams, committed to meeting regularly to provide the overall direction and leadership for the E-Community and to discuss ways to create a flourishing environment
Engage and/or develop entrepreneurial resources to meet identified community and business needs.	Local financial review board, tasked with acting as the loan committee for E-Community loan applications
Create a revolving loan fund to provide matching loans to entrepreneurs and small businesses with local control of decisions and terms.	Locally-controlled revolving loan fund
Forge a community vision centered around entrepreneurship as a tool for economic development.	Active engagement with local sources of public and private funding
	Access to a statewide network of over 500 partners, focusing on connecting entrepreneurs and small business owners to the education, expertise, and economic resources they need
	Access to entrepreneurship programming designed to benefit different types of businesses

There is a competitive application process required to become an E-Community. Each community that wishes to have an E-Community must establish a local committee consisting of diverse entrepreneurship support providers who will manage the program.

In the application, the community members seeking to form a new E-Community must detail a process on how they will select new committee members or replace existing committee members once the E-Community is formally established. The E-Community committee must have a plan developed to connect local entrepreneur and economic development support providers and have a financial review board to administer the state loan fund that comes with becoming an E-Community.

For this research, a support provider (also referenced as "provider") was defined as anyone who supports or provides a service to entrepreneurs. Support providers are most often employed by formal small business or economic development organizations, banks, or local governments. This research also classifies other individuals as support providers, such as entrepreneurs or/and non-entrepreneur stakeholders in the community who are actively volunteering or otherwise directly supporting the local entrepreneurship ecosystem's growth. For example, many E-Community committees have local entrepreneurs or individuals from the community who participate in executing E-Community activities. According to a conversation with Steve Radley in 2017, President of Network Work Kansas, E-Communities are driven by personal relationships. This is important due to the E-Community committees' autonomous nature and the necessity for each E-Community committee to understand and develop local ecosystem strategies that fit their respective communities.

The E-Community loan fund is the most well-known E-Community program. This fund is a gap financing loan fund. This means that the entrepreneur must have a bank loan or other sources of public matching dollars (e.g., city/county revolving loan fund, foundation funding) in place that will not fully fund the entrepreneur's request

before accessing E-Community funding. Each E-Community has access to a pool of

funds to launch Network Kansas board certified programs at the local level. In some

instances, this pool of funds can also be used to support other local E-Community

ecosystem building activities. Also, each E-Community is supported and connected to the

over 500 Network Kansas partners across the state. As of this writing, there were 64 E-

Communities in Kansas (See Figure 1).

Figure 2. Network Kansas E-Community Map. From Network Kansas 2019,
https://www.networkkansas.com/ecommunities.

In 2017, Steve Radley, Network Kansas President, was approached about

conducting dissertation research on the E-Community program. After a conversation with

Erik Pederson, Vice President of Entrepreneurship for Network Kansas, and responsible

for the E-Community program, an agreement was reached to support the research. In

November 2017, in preparation for the dissertation proposal, a follow-up meeting to

request preliminary information on Network Kansas was held. The E-Community

handbook and data sets with various ways E-Communities are measured were acquired

by the researcher. Also, various Network Kansas staff were instrumental in providing other E-Community literature and sharing insight into how E-Communities worked for this research. Additional information on Network Kansas can be found in Appendix A.

The Research Question and Sub Questions

One of the features of exploratory case studies is that they start with no prior research hypothesis (Yin, 2009). Instead, a general question frames the research and guides inquiry (Zainal, 2017). This allows the researcher to develop a body of knowledge to enhance theories and hypotheses for future research. The primary research question that was formed to guide this research was: *What strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions in order to facilitate entrepreneurship ecosystem growth*? Also, three secondary questions were created to help frame the research:

- *Sub-question 1*: What strategies are being used to form new relationships when building the entrepreneurship ecosystem?

- *Sub-question 2*: What strategies are being used to maintain existing relationships over time when building the entrepreneurship ecosystem?

- *Sub-question 3*: What are the barriers to relationship formation and maintenance when building the entrepreneurship ecosystem?

Phases of Research

Dissertation research and writing began in Spring 2019 and was divided into four phases of research.

- *Phase 1*: Gathering Insights. This phase was used to acquire high-level insight into the E-Community process along with general information on the E-

Communities that formed selection criteria for the case studies. During this phase, quantitative data from Network Kansas was used to help identify E-Community case study candidates. A survey was designed and deployed to 64 E-Community committee leaders. Using the quantitative data from Network Kansas and qualitative data from the survey, three mature E-Communities were selected to be the subject of case study research. Mature E-Communities were E-Communities that, via researcher-developed proxies, demonstrated high commitment to and success in their relationship formation and maintenance strategies. The full rationale and proxies to determine E-Community maturity will be discussed in detail later.

- *Phase 2*: E-Community Data Gathering. This phase included the survey to identify case study communities and focus groups and interviews in the case study communities. During this phase, survey data, focus group data, and interview data were collected.

- *Phase 3*: Case Study Analysis and Findings. An analysis was done, and the findings were written. During this phase, preliminary, primary, and secondary coding methodologies were used on all three data sources.

Strategy of Inquiry

The strategy of inquiry was a multiple-case holistic exploratory case study. This section will discuss case study methodology, the role of exploratory case studies, how cases were selected, data sources and data collection methods, and how the data was analyzed.

Case Study Methodology

The following will discuss the case study as a research methodology. Two useful case study definitions are offered by Yin (2009) and Gering (2004). According to Yin, "A case study is an empirical inquiry that investigates a contemporary phenomenon in depth within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident" (p. 18). Gering defined a case study as an "...intensive study of a single unit for the purpose of understanding a larger class of (similar) units. A unit connotes a spatially bounded phenomenon—e.g., a nation-state, revolution, political party, election, or person—observed at a single point in time or over some delimited period of time" (p. 342). Yin (2009) goes further in defining the technical definition of case study inquiry as follows:

> The case study inquiry copes with technically distinctive situation in which there will be many more variables of interest than data points, and as one result relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result benefits from the prior development of theoretical propositions to guide data collection and analysis (p. 18).

Exploratory case studies are particularly useful when theory needs to be developed, and there is limited current research or data on the phenomenon of interest (Gerring, 2004). It provides the researcher with the opportunity to conduct research asking "what" questions to discover how interactions, processes, and behaviors occur within a bounded phenomenon of interest. Because entrepreneurship ecosystem building is an emerging field with little prior research and theory development, conducting an exploratory case study will fill research gaps within the field of public administration. An

extended discussion and rationale for using a case study methodology for this dissertation can be found in Appendix B.

Asking the "what" questions versus the "why" or "how" questions is seen as appropriate when using an exploratory case study to explore E-Communities and entrepreneurship ecosystem building. Asking the "what" allows for the creation of a rich description of activity via the case study methodology. It does not attempt to identify generalizable themes nor test hypotheses derived from prior theories. It does allow either the researcher or future researchers to begin developing theory based upon the descriptive findings to build or expand the field of knowledge on entrepreneurship ecosystem building. This is appropriate due to entrepreneurship ecosystem building being a relatively nascent field that has limited theory-based research.

Yin (2009) discussed four types of case study designs: single-case holistic, single-case embedded, multiple-case holistic, and multiple-case embedded. This research used a multiple-case holistic case study design. Single-case study designs focus on one case as a focus of research, while multiple-case designs focus on two or more cases. Holistic case studies focus on one unit of analysis, while embedded cases focus on subunits of the primary unit of focus. A multiple-case study was chosen because "Analytic conclusions independently arising from two cases…will be more powerful than those coming from a single case…alone" (Yin, 2009, p. 61).

Research Protocol

This research protocol was developed using various strategies and recommendations from Creswell's work, *Qualitative Inquiry & Research Design: Choosing Among Five Approaches* (Cresswell, 2007). This design uses a consolidated version of his data collection activities (p. 146), interview protocols (p. 164), reading and coding (pp. 183-187), and a model for case study analysis (p. 190). Figure 2 provides an overview of the data collection and analysis methods.
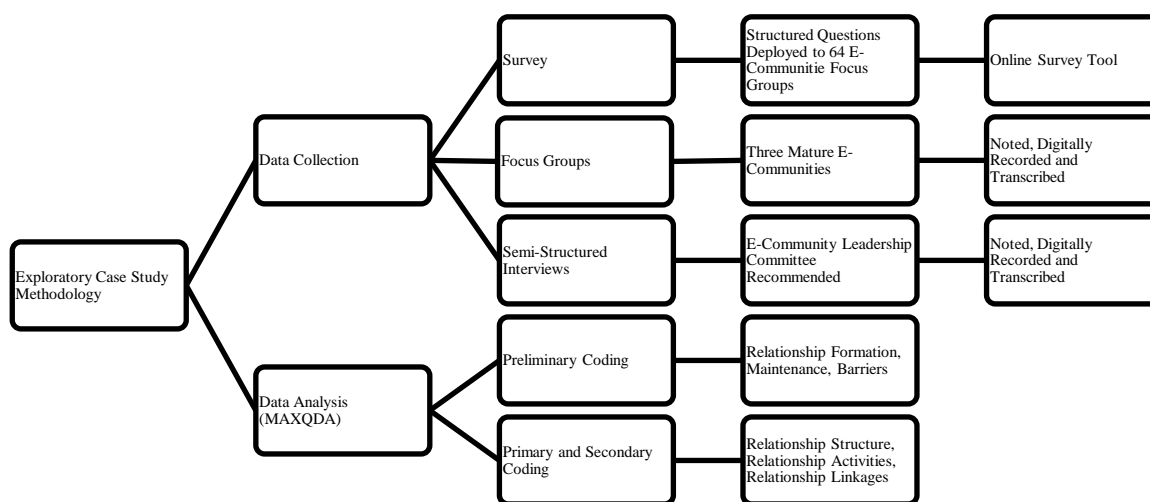
Figure 3. Data Collection and Analysis Methods.

Data Sources and Data Collection. One of the advantages of case study methodology is it provides the researcher with the ability to use multiple data collection tools (Eisenhardt, 1989). This enhances the validity of research findings (Mills et al., 2010). Data analysis is not limited to quantitative or qualitative methods but often is a combination of each.

Data collection tools for this research included:

- *Network Kansas E-Community Program Data*—This data was used to help construct the survey and consisted of various data points Network Kansas collects to evaluate its E-Community programs.

- *Surveys*—A survey was distributed to all 64 of the Network Kansas E-community leaders via email using the Qualtrics online survey instrument. The survey received responses from 31 E-Community committee leaders. Survey data were exported from Qualtrics into a Microsoft Excel file. The excel file was then organized, coded, and analyzed.

- *Focus Groups*—In-person focus groups were conducted with each of the three E-Community leadership committees. The focus groups were approximately an hour long and held at the E-Community committees' location regularly used for meetings. The researcher moderated the focus groups. Each focus group was recorded, transcribed, coded, and analyzed.

- *Interviews* —Eight phone interviews were conducted with entrepreneurship ecosystem leaders residing in two mature E-Community geographies. Four entrepreneurship ecosystem leaders were identified in each E-Community geography by focus group participants. Each interview lasted approximately 30 minutes. Each interview was recorded, transcribed, coded, and analyzed.

The survey served two purposes. In addition to providing insights to inform research, it was used as a tool (in conjunction with Network Kansas data) to determine which E-Communities would be considered candidates for case study research. The focus groups' purpose was to gather information from E-Community leadership members to

ascertain how they formed and maintained relationships. Focus group participants were

then asked to refer key actors in the entrepreneurship ecosystem who could be

approached for interviews. The interviews provided additional insight from a single actor

perspective on how relationships were formed or maintained in the local entrepreneurship

ecosystem. The following funnel (Figure 3) shows how each of those three data

collection methods supported the research process. Additional details on the data

collection process can be found in Appendix C.

Survey - Identifies characteristics of E-Comunities to help with focus group selection.
Provides data to inform research.

Focus Groups - Provides in-depth data to inform research. Helps identify
entrepreneurship ecosystem leaders to interview.

Interviews - Provides in-depth data to inform research.
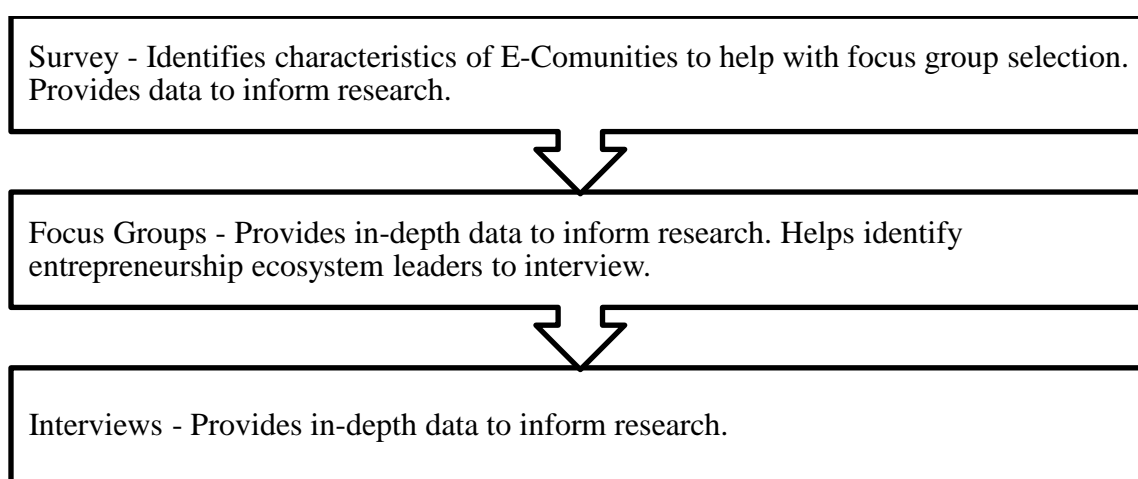
Figure 4. The Data Collection Process

Mature E-Community Selection Process. Three E-Communities that could be

defined as mature were selected for this research. There was no pre-existing definition for

maturity; thus, proxies were developed to identify which E-Communities would be

considered mature. The rationale for choosing mature E-Communities was that, based

upon their time in existence, they had probably developed commitment to

entrepreneurship ecosystem building and expanded their level of engagement with local

entrepreneurs. It was assumed these E-Communities could provide more in-depth insight

into relationship formation and maintenance than less mature E-Communities.

E-Communities were selected based upon the data that Network Kansas collects annually as well as the insights from a survey distributed to E-Community committee leaders. As previously stated, there is no objective measurement for E-Community maturity, so proxies for maturity were developed based upon the previously mentioned data sources. These proxies attempted to identify local ecosystem commitment, entrepreneurship engagement, and the E-Community committee leader's perception of their E-Community's relationship formation and maintenance success. Thirty-one E-Community committee leaders responded to the survey. Table 3 provides an overview of the proxies and their purpose.

Table 3

Variables and Proxies

Variable	Proxy
Network Kansas Data	
E-Community Age	Ecosystem Commitment
E-Community Paid Staff	Ecosystem Commitment
E-Community Loans	Entrepreneurship Engagement
E-Community Annual Programs	Entrepreneurship Engagement
E-Community Annual Meetings	Ecosystem Commitment
E-Community Survey Data	
Relationship Formation Strategy	Ecosystem Commitment
Relationship Maintenance Strategy	Ecosystem Commitment
Relationship Formation Self-Ranking	Perception of Relationship Success
Relationship Maintenance Self-Ranking	Perception of Relationship Success

Network Kansas provided historical data through 2019 on their 64 E-Communities: Data on each E-Community consisted of age, total number of loans, total number of programs, and total number of meetings per year. The number of loans and programs were chosen as variables because they are indicators of engagement with entrepreneurs. The number of committee meetings per year was chosen as a variable because it indicates a commitment to the local entrepreneurship ecosystem building process.

The E-Community survey collected responses from leaders concerning E-Community relationship formation and maintenance. These items included whether the E-Community had paid staff, had a strategy for forming and maintaining relationships, and how they self-ranked on the success of relationship formation and maintenance. These variables were chosen to measure maturity because they indicate commitment to the process of entrepreneurship ecosystem building (paid staff), commitment to the process of relationship formation and maintenance (defined strategy), and success at forming and maintaining relationships (self-rank).

Network Kansas data were sorted, and averages were created for age, loans, programs, and meetings. All E-Communities that were above average in all categories remained on the list, and the rest of the E-Communities were removed. This left a list of seven E-Communities out of 64 based upon Network Kansas data. Next, the survey data were analyzed. All E-Communities were retained on the list if respondents reported that they had both a relationship formation and maintenance strategy and ranked themselves eight or above in having success in relationship formation and maintenance. This also left seven E-Communities out of 64.

The two lists were then cross-referenced to determine the final mature E-Communities that could be targeted for research. When the lists were cross-referenced to determine which E-Communities were on both lists, four remained. For the purposes of this research, these four were considered mature E-Communities. Each of these E-Communities leaders was then asked if they would be interested in participating in this research. The leaders from the three E-Communities that responded affirmatively became the participants in this case study research. One hundred percent of the top four mature E-Communities had both relationship formation and relationship maintenance strategies. Of all the E-Communities, 67% had a relationship formation strategy and 61% had a relationship maintenance strategy. A comparison of the four mature E-Communities with all E-Communities can be seen in Table 4.

Table 4

E-Community Maturity Rankings

E-Communities	Avg. Age	Avg. Self Rank Formation	Avg. Self Rank Maintenance	Avg. Total Loans	Avg. Annual Programs	Avg. Annual Meetings
Top Four Mature E-Communities	9	8.5 out of 10	8.5 out of 10	31	7	13
All	8	7 out of 10	7 out of 10	11	4	8

Survey Methodology. The purpose of the survey was to provide broad insight into how a wide range of E-Community leaders attempted to form and maintain relationships in their entrepreneurship ecosystems. The survey provided context for the more in-depth insight provided by the focus groups and the interviews conducted in mature E-Communities. The survey consisted of 18 questions, with most of the questions being open-ended response

questions derived from the research question and sub-questions. The full survey can be found in Appendix D.

     Focus Group Methodology. Three focus groups were held at the location of the E-Community committee's choosing. The focus group participants were exclusively members of the local E-Community's leadership committee. The focus groups had between three to nine participants each. Each focus group lasted between 45 minutes and an hour. Focus group facilitation process consisted of the researcher asking participants semi-structured questions related to the research and sub-research questions.

     Interview Methodology. At the end of each focus group, participants were asked to provide other local entrepreneurship ecosystem leaders' names that would be good interview candidates. Each focus group, except for one, provided a list of approximately five to seven names. Four interviews from each E-Community geography were conducted. Interviewees were selected based upon the first four positive responses to the interview request. The Focus group and interview questions can be seen in Appendix E.

     Eight semi-structured phone interviews were held in total, with four each in two E-Communities. Due to circumstances beyond the researcher's control related to local leadership challenges, interviews could not be conducted in the third E-Community. More detail cannot be provided due to commitments to anonymity and confidentiality. Interviewees were selected based upon the recommendations of E-Community focus group participants. The purpose of the interviews was to provide additional in-depth insight into entrepreneurship ecosystem relationships from key actors in the local community.

Data Analysis. Coding was performed on all three forms of data acquired—the survey, the focus groups, and the interviews. The software used was MAXQDA. A standard coding format was used as a framework to identify dominant themes found in each data source using a preliminary, primary, and secondary coding structure. The research question was initially divided into three sub-questions used to provide a preliminary coding structure, which served as the research's foundational codes. These questions can be seen in Table 5.

Table 5

Preliminary Codes

Sub-question	Preliminary Code
What strategies are being used to form new relationships when building the ecosystem?	Relationship Formation
What strategies are being used to maintain relationships when building the ecosystem?	Relationship Maintenance
What are the barriers to relationship formation and maintenance when building the ecosystem?	Relationship Barriers

An additional round of coding followed the preliminary coding process of the survey responses, focus groups, and interview transcripts. This led to the formation of a primary code that focused on relationship structure. Relationship structure is defined as "who" are the two (or more) actors interacting in the relationship being discussed. While multiple relationship structure primary codes were developed, only three primary relationship structures were consistently observed. These were provider-to-provider relationships, provider to entrepreneur relationships, and the combination provider-to-provider and provider to entrepreneur relationships.

A final round of coding was then completed. Secondary codes were identified related to relationship activities and relationship linkages. Relationship activities were the type of

actions occurring between the actors. There were four consistent relationship activity codes identified: cooperative action, mutual support, information and awareness, and service to entrepreneurs. Relationship linkages were the connection points participants referenced in terms of how they connected with other providers or entrepreneurs. Table 6 provides the full list of primary and secondary codes**.**

Table 6

Primary and Secondary Codes

Primary and Secondary Codes	
Primary Code: Relationship Structure	Description: The primary actors interacting in the relationship
Provider to Entrepreneur	Providers interacting with entrepreneurs
Provider-to-Provider	Provider interacting with providers
Provider-to-Provider and Provider-to-Entrepreneur	Providers simultaneously interacting with other providers and entrepreneurs
Secondary Code: Relationship Activities	Description: The primary activities actors conducted in the relationship
Cooperative Action	Providers working together with other providers and/or entrepreneurs to achieve a common goal
Mutual Support	Providers working together to help build their respective organizations capacity to serve entrepreneurs
Information & Awareness	Providers sharing information about their organization's resources or market their organization
Service to Entrepreneur	Providers providing direct service/support to the entrepreneur
Secondary Code: Relationship Linkages	Description: The primary connection point where actors formed or maintained relationships
Events	An activity designed to bring ecosystem stakeholders together on a non-routine / annual or more basis

Meetings	Activities where providers/entrepreneurs meet to make decisions on a program or activity to support entrepreneurship
One on One	Individuals meeting interpersonally to discuss or support the ecosystem or other ecosystem actors
Programs	Formal or informal regular activities designed to help entrepreneurs gain a skill or resources

The following examples provide regarding the coding process:

- *Example 1*: "We went to the local chamber of commerce meeting to discuss what programs we could develop next for small business owners." This would be coded as (primary) provider-to-provider, (secondary) cooperative action, meetings.

- *Example 2*: "We hosted our monthly business planning training and over 50 entrepreneurs attended." This would be coded as (primary) provider to entrepreneur, (secondary) service to entrepreneur, programs.

Chapter Summary

One of the research gaps in the emergent local economic development field of entrepreneurship ecosystem building is that existing research describes the elements that compose an entrepreneurship ecosystem but provides little insight into how the elements of entrepreneurship ecosystems interact. An exploratory case study methodology was used to examine how local entrepreneurship ecosystem builders from Network Kansas E-Communities formed and maintained relationships to build their local entrepreneurship ecosystems to address this gap. Exploratory case studies are a useful method for this type of research because they are designed to derive insight into a phenomenon when there is limited current research or data on the phenomenon of interest (Gerring, 2004). These case studies allow the researcher to ask the "what" question, to describe better and understand the phenomenon of interest, and to lay the foundation for future research.

More specifically, this research used the case study methodology to ask and answer the question: W*hat strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions in order to facilitate entrepreneurship ecosystem growth*? This research will inform the field of entrepreneurship ecosystem building by filling, in part, a research gap and it will lay the foundation for future research on how the elements of an entrepreneurship ecosystem interact. Chapter 4 will detail the findings and analysis of the case study.

CHAPTER 4: CASE STUDY ANALYSIS AND FINDINGS

This chapter will discuss the analysis and findings of three Network Kansas E-Communities. The methodology used to conduct this research was an exploratory case study. Exploratory case studies are used to explore a phenomenon when there is little or no prior theory. This research provides rich insight into the strategies E-Community ecosystem builders use to form and maintain relationships to facilitate local economic growth. The exploratory case study methodology is designed to answer "what" questions and describe a phenomenon versus attempting to determine generalizable behavior across a range of similar phenomena. This research form can then be used as a foundation for future theory building and further research in entrepreneurship ecosystem building. There is no attempt to compare E-Communities or any attempt to correlate relationship insights from the data collected for the case study with local economic development or entrepreneurship performance.

The primary research question this case study explored was: *What strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions in order to facilitate entrepreneurship ecosystem growth?* The case study was constructed using a survey, focus group, and interview data.

This chapter includes a summary of the coding structure that was shared in chapter 3, a summary of the E-Community survey, and the findings of the focus groups and interviews conducted with the three E-Communities.

Coding Structure Summary

The coding structure serves as a framework for analyzing all three data collection methods: the survey, focus groups, and interviews. The research question was initially divided into three sub-questions used to develop a preliminary coding structure. Because of its importance in constructing the case study, a summary of the coding structure will be shared again in Table 7. The preliminary codes are used to help organize, analyze, and report findings on the data collected in this chapter.

Table 7

Preliminary Codes

Sub-question	Preliminary Code
What strategies are being used to form new relationships when building the ecosystem?	Relation Formation
What strategies are being used to maintain relationships when building the ecosystem?	Relation Maintenance
What are the barriers to relationship formation and maintenance when building the ecosystem?	Relationship Barriers

Preliminary coding was the first round of coding. The second round of coding identified primary codes based upon relationship structure. Another round of coding identified codes consisting of relationship activities and relationship linkages. Table 8 provides an overview of primary and secondary codes. This will also be useful as a reference when reading the analysis and findings that follow.

Table 8

Primary and Secondary Codes

Primary and Secondary Codes	
Primary Code Relationship Structure	Description: The primary actors interacting in the relationship
Provider to Entrepreneur	Providers interacting with entrepreneurs
Provider-to-Provider	Provider interacting with providers
Provider-to-Provider and Provider-to-Entrepreneur	Providers simultaneously interacting with other providers and entrepreneurs
Secondary Code Relationship Activities	Description: The primary activities actors conducted in the relationship
Cooperative Action	Providers working together with other providers and / or entrepreneurs to achieve a common goal
Mutual Support	Providers working together to help build their respective organizations' capacity to serve entrepreneurs
Information & Awareness	Providers sharing information about their organization's resources or marketing their organization
Service to Entrepreneur	Providers providing direct service / support to entrepreneurs
Secondary Code Relationship Linkages	Description: The primary connection point where actors formed or maintained relationships
Events	An activity designed to bring ecosystem stakeholders together on a non-routine / annual or more basis
Meetings	Activities where providers/entrepreneurs meet to make decisions on an activity to support entrepreneurship
One on One	Individuals meeting interpersonally to discuss or support the ecosystem or other ecosystem actors
Programs	Formal or informal routine activities designed to help entrepreneurs gain a skill or resources

Survey General Analysis and Findings

Survey analysis revealed that most of the E-Community leaders responded that their E-Community had a strategy in place for both forming new relationships and maintaining relationships in their entrepreneurship ecosystem. Those responding that they did have a strategy in place, self-ranked as having more success in forming and maintaining relationships in their ecosystem. Respondents noted that relationship formation and maintenance strategies were primarily focused on relationships with other providers in the ecosystem. However, relationships with entrepreneurs had the most responses to the question asking which relationships had the biggest barriers in the ecosystem.

The following sections will examine the survey responses in more detail. These sections include a description of the survey, the process used to analyze the survey, and an overview of high-level survey findings and analysis and sub-findings. Table 9 shows the abbreviated coding structure used in the survey analysis, which will be used in future tables when examining the findings.

Table 9

Abbreviated Coding Structure

Primary Code	
Relationship Structure	Abbreviation
Provider-to-Provider	PP
Provider-to-Entrepreneur	PE
Provider-to-Provider / Provider-to-Entrepreneur	PPPE

Secondary Code	

Relationship Activity	Abbreviation
Cooperative Action	CA
Mutual Support	MS
Information & Awareness	IA
Service to Entrepreneur	SE
Relationship Linkages	Abbreviation
Events	E
Meetings	M
One on One	OO
Programs	PR
Unidentified	UI

Survey Findings

As previously mentioned, primary codes were organized around the three research sub-questions that focused on relationship formation and maintenance and relationship barriers. The following sections share high-level findings and then findings on relationship formation, maintenance, and barriers.

High-Level Survey Findings. High-level survey analysis and summary of findings show that most survey respondents reported they had a strategy to form and maintain relationships in their local ecosystems. Twenty of the 29 respondents indicated they had a new relationship formation strategy, while 19 of 29 indicated they had a strategy to maintain relationships.

Respondents were asked to self-rank the success of their relationships formation and maintenance strategies on a scale of one (low) to ten (high). The average response for both relationship formation and maintenance was seven out of 10. This indicates that

most respondents felt they were having above-average success at forming and

maintaining relationships in their local entrepreneurship ecosystem with their E-

Community program. Respondents who responded they had a relationship strategy in

place for new relationship formation and maintenance also self-ranked higher on their

perception of relationship success. Table 10 provides a breakdown of responses by

relationship strategy and self-rank on the success of relationship formation and

maintenance.

Table 10

Survey Relationship Strategy Responses

Respondents	Has Relationship Formation Strategy	Relationship Formation Success Self-Rank	Has Relationship Maintenance Strategy	Relationship Maintenance Self-Rank
All	29	7	29	7
Yes	20	8	19	8
No	9	5	10	6

General survey analysis was also conducted on what relationship structures

participants identified as their primary focus in relationship formation, maintenance, or

barriers. Respondents indicated that forming provider-to-provider relationships were the

primary focus of relationship formation strategies and maintenance strategies. Responses

indicated that relationships with new providers were only slightly higher than

relationships with entrepreneurs. Eleven respondents out of 29 indicated that they focused

on relationships with other providers, while eight out of 29 indicated they focused on

forming new relationships with entrepreneurs. The gap was wider when respondents were

asked about relationship maintenance. Fourteen out of 29 respondents indicated that

relationships with other providers were the focus of relationship maintenance strategies, versus five out of 29 who indicated they focused on entrepreneurs.

More respondents identified that relationship barriers with entrepreneurs were higher than relationship barriers with service providers. Thirteen of 29 respondents indicated that relationships with entrepreneurs were their biggest barrier. Seven out of 29 respondents indicated that relationships with other providers were their biggest barrier (See Table 11.).

Table 11

Survey Respondents' Primary Relationship Focus

Relationship Structure	Relationship Formation	Relationship Maintenance	Relationship Barriers
All	PP (11)	PP (14)	PE (13)
	PE (8)	PE (5)	PP (7)
	PPPE (6)	PPPE (6)	PPPE (2)
	UI (4)	UI (4)	UI (7)

The secondary codes relationship activity and relationship linkage were then analyzed. Survey responses were aggregated across relationship formation, maintenance, and barrier questions. Information and awareness was noted most as a relationship activity, with thirty-five responses; service to entrepreneurs was second with 20 responses. Relationship linkages had near equivalent responses with the codes programs and one on one receiving 20 and 19 responses, respectively. Table 12 shows the aggregated responses across all questions for relationship activity and relationship linkage.

Table 12

Primary Relationship Activities and Linkages Focus

Code	Relationship Activity	Code	Relationship Linkage
Information & Awareness	35	Programs	20
Service to Entrepreneurs	20	One on One	19
Cooperative Action	17	Meetings	15
Mutual Support	1	Events	14

The following sections will offer a more in-depth analysis of responses around relationship formation, maintenance, and barriers. The objective is to give the reader additional insight into specific relationship formation, maintenance, and barriers responses.

Relationship Formation. Respondents were asked to describe what approaches they took to form new ecosystem relationships. The responses were then organized into relationship structure, activity, and linkage codes. When analyzing the primary code, relationship structure, twelve respondents shared that a focus on provider-to-provider relationships was their primary focus, while nine shared provider to entrepreneur as their primary focus. The average self-ranked success of respondents' relationship formation activities was seven out of 10, indicating that most respondents felt they had above-average success in forming new relationships in their E-Community.

Responses to the secondary codes showed that respondents reported that information and awareness (13) and service to entrepreneurs (10) were strategies used

most often to form new relationships in the E-Community. The responses identifying the

relationship linkage used to form new relationships were clustered with programs (9)

receiving slightly more responses that one-on-one engagements, events, and meetings.

See Table 13 for a breakdown of survey data on new relationship formation.

Table 13

New Relationship Formation Approaches

Describe the approaches you take to creating new ecosystem relationships?	Relationship Structure	Relationship Activity	Relationship Linkage	Respondent Self-ranking on Relationship Formation Success
All Responses	PP (12)	IA (13)	PR (9)	7
	PE (9)	SE (10)	OO (7)	
	PPPE (6)	CA (7)	E (6)	
	UI (4)	UI (10)	M (5)	
			UI (15)	

The survey also asked which relationships in the ecosystem were the easiest and

hardest to form. Easiest relationships to form responses were split nearly equally between

new relationships with providers (13 responses) and new relationships with entrepreneurs

(12 responses). There was a larger difference in responses to which new relationships

were the hardest to form. New relationships with entrepreneurs were shared as the hardest

relationships to form, with 14 responses; new relationships with providers had eight

responses. See Table 14 for a breakdown of easiest and hardest relationships to form.

Table 14

Easiest and Hardest Relationships to Form

Responses by Respondent Type	What were the easiest new relationships to form?	What were the hardest new relationships to form?
All Responses	PP (13)	PE (14)
	PE (12)	PP (8)
	PPPE (1)	PPPE (2)
	UI (5)	UI (7)

Relationship Maintenance. Analysis of relationships maintenance strategies from survey respondents was conducted in the same fashion as relationship formation strategy analysis. Respondents were asked to describe what approaches they took to maintain ecosystem relationships. The responses were then organized into relationship structure, activity, and linkage code categories. Relationship structure codes were then cross-referenced with the respondents' self-ranking of relationship maintenance success. Respondents shared that relationships with other providers were the primary focus of relationship maintenance, with 14 out of 31 respondents. Respondents self-ranked themselves as seven out of 10 in relationship maintenance success.

Relationship activity and relationship linkage responses were more clustered. Information and awareness received the most responses (10) as a relationship maintenance activity. Meetings and programs both had eight responses as relationship linkages for relationship maintenance. See Table 15 for a breakdown of survey data on relationship maintenance formation.

Table 15

Relationships Maintenance Approaches

Describe the approaches you take to maintain new ecosystem relationships?	Relationship Structure	Relationship Activity	Relationship Linkage	Respondent Self-ranking on Relationship Maintenance Success
All responses	PP (14)	IA (10)	M (8)	7
	PPPE (6)	CA (6)	PR (8)	
	PE (5)	SE (5)	OO (6)	
	UI (4)	MS (1)	E (5)	
		UI (11)	UI (9)	

The survey also asked which relationships were the easiest and hardest to maintain in the entrepreneurship ecosystem. These responses were then also broken down by the primary code *relationship structure*. Slightly more responses shared that provider relationships were easier to maintain than provider to entrepreneur relationships. Thirteen out of 29 respondents shared that relationships with providers were easiest, while 10 out of 29 responded that relationship with entrepreneurs were easiest. Provider-to-provider relationships and provider to entrepreneur relationships received 10 responses out of 29 each as being the hardest relationships to maintain. See Table 16 for a breakdown on the easiest and hardest relationships to maintain.

Table 16

Easiest and Hardest Relationships to Maintain

Response Type	What were the easiest new relationships to maintain?	What were the hardest new relationships to maintain?
All Responses	PP (13)	PP (10)
	PE (10)	PE (10)
	PPPE (2)	PPPE (1)
	UI (4)	UI (8)

Relationship Barriers. Responses to questions around relationship barriers were analyzed differently due to the questions' different nature. Barrier questions were general, and not associated with whether the barrier was a relationship formation barrier or a relationship maintenance barrier. The primary question to identify the respondent's relationship structure focus was: *Which relationship types had/have the biggest barriers*? The question that identifies relationship activity and linkage was: *How, if you did, overcome these barriers*? One additional code was included with the relationship activity codes, which is the code HN, standing for have none. This code indicates that the respondent shared they had no strategy to address the relationship barrier.

Respondents noted that relationship barriers with entrepreneurs were seen as having the biggest barriers. Thirteen out of 29 respondents shared that these relationships had the biggest barriers. Information and awareness were used to address this barrier, with 12 out of 29 responders using this strategy. The second-largest response to barriers was no response, with eight responders sharing they had no strategy or did not know how to overcome barriers. There were limited responses to relationship linkages used to overcome relationship barriers. The largest response was using one-on-one engagement,

with six responses. Nineteen out of 29 responses, however, did not have a linkage that

could be identified. Table 17 provides a breakdown of relationship barrier responses.

Table 17

Relationship Barriers

Response Type	Which relationships types had/have the biggest barriers?	Relationship Activity to Address Barrier	Relationship Linkage to Address Barrier
All Responses	PE (13)	IA (12)	OO (6)
	PP (7)	HN (8)	PR (3)
	PPPE (2)	CA (4)	M (2)
	UI (7)	SE (5)	UI (19)
		UI (4)	

Survey Summary

Most of the E-Community leaders responded that their E-Community had a

strategy in place for both forming new relationships and maintaining relationships in their

ecosystem. Those that responded that they had strategies also self-reported they had a

higher level of success in relationship formation and maintenance. Respondents noted

that relationship formation and maintenance strategies were focused most on

relationships with other providers in the ecosystem. However, relationships with

entrepreneurs had the most responses to the question asking which relationships had the

biggest barriers in the ecosystem. The survey provides a high-level view of how multiple

E-Community leaders approach relationship formation, maintenance, and barriers in their

E-Community. A more focused insight on relationships in E-Communities will be shared

in the following section consisting of the focus group and interview findings.

Focus Group and Interview Findings and Analysis Overview

This section will share the findings and analysis of the relationship codes

identified in the three E-Community focus groups and interviews. The respective E-

Communities will be titled E-Community 1, E-Community 2, and E-Community 3. The

primary code *Relationship Structure* is used to provide a framework for analysis. The

secondary codes were used to help identify findings, but other terminology may be used

to reflect the theme better. For example, referrals are a form of cooperative action.

However, for clarity, the term "cooperative action (referrals)" would be used. Table 18

provides a chart of how the focus group findings were analyzed.

Table 18

Primary and Secondary Codes

Preliminary	Primary Codes	Secondary Codes
Relationship Formation	Provider-to-Provider (PP)	PP Secondary Codes
	Provider-to-Entrepreneur (PE)	PE Secondary Codes
Relationship Maintenance	Provider-to-Provider	PP Secondary Codes
	Provider-to-Entrepreneur	PE Secondary Codes
Relationship Barriers	Provider-to-Provider	PP Secondary Codes
	Provider-to-Entrepreneur	PE Secondary Codes

E-Community committee members who participated in the focus groups will be

identified as either participants or committee members. Any individual or organization

that was working to support entrepreneurs was identified either as support providers or

simply providers. Those defined as providers encompassed a large group and consist of

public or private actors representing government, banks, economic and small business development organizations; or, in this case, entrepreneurs or individuals from the community that were working to support entrepreneurship. Individuals who participated in the interviews were identified either as interviewees or by their primary role in the ecosystem, such as banker, support provider, etc.

A general overview of the findings showed that each E-Community committee discussion and interviewee took a unique approach to relationship formation in their ecosystems. The commonality between all E-Communities was the E-Community objective and structure. The common objective was to build the local entrepreneurship ecosystem. The structure required each E-Community to have a diverse leadership committee responsible for making various lending and program decisions, most often through cooperative local networks. Each E-Community was unique in that the E-Community process was designed to create a high level of autonomy in who the E-Community committee led to, what programs they chose to create or support, and who they invited to participate on the committee or form external relationships with.

As a general note, many additional supporting quotes from both the focus groups and interviews have been placed in Appendix F. For easier reading and consistency in formatting, each of the following sections will provide a chart with the high-level findings from either the focus group or interviews from each respective E-Community then move into a more detailed discussion of the findings from the E-Community's focus group or interviews. The first findings discussed will be the E-Community 1 Focus Group and interview findings. The following is the coding key to help remind the reader of the terminology that is used in the analysis.

Focus Group and Interview Coding Key		
Relationship Structure Key	Primary Code Relationship Structure	Description: The primary actors interacting in the relationship
	Provider-to-Entrepreneur	Providers interacting with entrepreneurs
	Provider-to-Provider	Provider interacting with providers
	Provider-to-Provider and Provide-to-Entrepreneur	Providers simultaneously interacting with other providers and entrepreneurs
Relationship Activities	Secondary Code Relationship Activities	Description: The primary activities actors conducted in the relationship
	Cooperative Action	Providers working together with other providers and / or entrepreneurs to achieve a common goal
	Mutual Support	Providers working together to help build their respective organizations' capacity to serve entrepreneurs
	Information & Awareness	Providers sharing information about their organization's resources or marketing their organization
	Service to Entrepreneur	Providers providing direct service / support to entrepreneurs
Relationship Linkages	Secondary Code Relationship Linkages	Description: The primary connection point where actors formed or maintained relationships
	Events	An activity designed to bring ecosystem stakeholders together on a non-routine / annual or more basis
	Meetings	Activities where providers/entrepreneurs meet to make decisions on an activity to support entrepreneurship
	One on One	Individuals meeting interpersonally to discuss or support the ecosystem or other ecosystem actors
	Programs	Formal or informal routine activities designed to help entrepreneurs gain a skill or resources

Table 19

E-Community 1 Focus Group Relationship Strategy Findings

	Formation	Maintenance	Barriers
Primary Code	*Secondary Codes*	*Secondary Codes*	*Secondary Codes*
Provider-to-Provider	Cooperative Action (Leveraging Networks); One on One (Key Actor)	Mutual Support (Shared Views & Values); Cooperative Action (Stable Relationships)	Information & Awareness (Financial Institution Perceptions); Information & Awareness (General Public Awareness)

Provider-to-Entrepreneur	Cooperative Action (Referrals); Service to Entrepreneurs (Access to Capital)	N/A	N/A

E-Community 1 Focus Group Analysis and Findings

Overview. New provider relationships were formed by leveraging each other's networks, targeting specific provider partners, and a key local actor in the community that helped facilitate many new relationships in the community. E-Community 1 participants shared that referrals from their respective networks were the primary way they formed new relationships with entrepreneurs. Many of these referrals were one E-Community member connecting an entrepreneur they provided services to, to another E-Community member that could provide the entrepreneur with a different service.

Shared values were important to participants when it came to relationship maintenance with other providers. These values were mentioned as being both a shared general perspective on what entrepreneurs need in order to be successful in the community, as well as the E-Community committee member's shared "care" for each other and the community. Participants also expressed that having stable, longer-term relationships on the E-Community committee were important to relationship maintenance. Relationship barriers with financial institutions were a major theme for E-Community 1. In part, this was due to local bankers perceiving the E-Community loan program as competition. Also, other providers not being aware of the E-Community programs was a relationship barrier.

Relationship Formation. New relationships with other support providers were primarily driven by committee members leveraging their personal networks to identify new program partners, as well as diverse and committed new E-Community committee members.

This was an informal process where committee members identified targeted provider partners that had a specific set of values or were from an industry that would add value to the E-Community. Also, the committee shared the importance of a key actor who, through one-on-one engagements, was seen as an important driver in forming new relationships with partners early in the formation process of the E-Community.

Service to entrepreneurs through access to capital and cooperative action through referrals were primary ways E-Community 1 committee members formed new relationships with entrepreneurs. Access to capital was a primary motivator for entrepreneurs to connect with the E-Community. Referrals were often warm handoffs of entrepreneurs that entered service relationships with other providers. Many participants shared that they connected entrepreneurs to other committee members for additional services after they provided the entrepreneur with a service.

Provider-to-provider relationship formation findings focused primarily on the following two secondary codes:

- Cooperative Action (Leveraging Networks)
- One on One (Key Actor)

Cooperative action through leveraging personal networks was an important strategy used to develop targeted, new provider relationships for E-Community 1 participants. As one participant stated, "*It's based on the personal relationships with people surrounding this table. We all have kind of different subsets that we intersect with on a regular basis.*" These often-overlapping networks were used to identify and recruit new partners with specific characteristics or from targeted industries. One of the primary strengths identified by committee members was their ability to leverage each other's

networks to connect with other non-committee providers to foster provider-to-provider relationships. One committee member expressed:

> *And that just goes to speak to the fact that every single one of us has*
>
> *slightly different bubbles and circles with people that we work with. And*
>
> *just give you over time, bringing you the right people, you bring them to*
>
> *the table, you vet them, and then it's mostly organic.*

Many of the focus group participants shared that they looked for specific personal characteristics and diverse industry perspectives when seeking new committee members. When asked what a committee looked for when targeting new provider partners, one participant stated, "*Diversity. Integrity. Someone who knows about banking, maybe someone who knows about real estate, you know kind of diverse expertise.*" Expanding on this, another participant offered that, "*...to some degree, it's like…the more people(who) kind of work close to it to all who have the ability to be tenacious and just move and not take no for an answer."*

A key actor's role in helping form many of the early relationships with local providers was shared as important by the E-Community 1 committee members. Most focus group participants enthusiastically pointed to one critical actor who was instrumental in facilitating new provider relationships early on in the E-Community's formation and growth stages. One participant shared:

> *My theory is that we need to erect a statue for (key actor). Yeah…that's*
>
> *who brought me in. (Key actor) he used to be the president for eight years.*
>
> *Yeah, he was incredible. I mean he just wouldn't take no for an answer.*

It was the "*pugnacious*" nature and how he "*took the E-Community seriously*" that was cited as critical by participants in creating new relationships with providers and recruiting new providers to serve on the E-Community committee.

Provider to entrepreneur relationship formation findings focused primarily on the following two secondary codes:

- Service to Entrepreneurs (Referrals)

- Cooperative Action (Access to Capital)

Committee members shared that relationships with entrepreneurs were the easiest relationships to form. In part, this was because of the potential to access capital through an easy loan application, with one participant sharing that new relationships with entrepreneurs were, "*So easy. It's been so easy to apply to the applications. Easy.*" The opportunity to acquire funding was seen as the first entry point for an entrepreneur into a strong referral system. One participant shared this regarding the importance of capital in attracting entrepreneurs:

> *…what's one of the key kind of difficulties to being an entrepreneur? It's access to capital and so Network Kansas will bull… you and they will say the E-Community isn't just about the money, it's about all these other things. And, that's not complete bull… The other programs are awesome. You know, we are very active in almost all of them here. But the thing that attracts people to that (the other programs) is, man, I want to start a business. I can't come up with the money. Well we can help with that.*

Once connected into the network of small business support providers, entrepreneurs were supported in multiple ways through a strong referral network. One

participant referenced the way they refer entrepreneurs from one support provider to the next sharing, *"And then there's the type (of loan applicant) that needs their hand held the entire way. And that's what (provider name) and I do. (Provider name) personally brings people into my office to talk to me because they're scared."* This referral process was important because the E-Community committee was not a formal organization that had an office where entrepreneurs could come and receive support.

The importance of referral partners in forming relationships with entrepreneurs increased the importance of forming new relationships with other partners, with one committee member sharing that:

> But at the end of the day too, we're a board, he's in (organization name),
> he's a COO, she has a Main Street job, she's economic development
> coordinator. They know who we are and kind of what we do. But they can't
> come to our office because we don't have an office. All I do is refer.
> (Committee member name) has an office or (other committee member) has
> an office. These two have been amazing to send them (entrepreneurs) that
> way.

Relationship Maintenance. E-Community 1 focus group participants emphasized that provider-to-provider relationship maintenance were a primary focus. Mutual support based upon shared views and values and stable relationships were important to the E-Community 1 focus group participants. Shared views and values were important in helping the group align their actions. Stability in provider participation on the E-Community committee was seen as important to maintaining relationships as it helped in the referral process and ensured that information exchanged was trustworthy.

Provider-to-Provider Relationship Maintenance Findings focused primarily on the following two secondary codes:

- Mutual Support (Shared Views and Values)

- Cooperative Action (Stable Relationships)

Mutual support in the form of shared views and values were important in relationship maintenance among the E-Community 1 participants. Two of the longer-term committee members felt that their shared views on entrepreneurship and entrepreneurship support allowed them to work better together on the committee. While shared views were important in coordinating committee action, shared values were an important factor in keeping the E-Community strong and cohesive. A term many committee members used was "care" and how the group cared for each other and the community. This was a source of pride for the committee; many shared the belief that each committee member was willing to help and support each other's organizations' growth. One committee member shared:

> *Well I think also from the standpoint of the individuals on the board at, at around this table… I see it with other small businesses applying is there. So, you know, so willing to ensure that you're successful in that process from getting the application started all the way through to just checking up and making sure that, you know, how's everything going? Is your business doing well? What can we do to support you as a community? And I think, that's been a breath of fresh air. Cause I don't see many organizations like that that are willing to, without anything expected that*

gives so much in information and support. And I think that's what that

goes (to show what types of)individuals (that are) around the table.

Stable relationships were also a major theme in relationship maintenance for E-Community 1 participants. This was a factor leading to the success of the E-Community. The ability to have a relatively consistent group of individuals who understood each other's respective organizations and how to leverage their relationships was seen as important in relationship maintenance. One participant shared that, *"There's a fair amount of stability on this board…You know, people that come (and go) as well they should…But a lot of us have been around long enough to know or have a pretty good guess what the other folks do."* In addition to general committee member stability, many of the participants felt that the ability to retain stability with municipal appointed committee members was also beneficial because it created a consistent connection with the local government.

Relationship Barriers. Provider-to-provider relationship barriers were important relationship barriers shared by E-Community 1 participants. The two major relationship barriers reported by participants were information and awareness barriers. These barriers were relationships with financial institutions due to banks perceiving their loan product as a competitor and a general lack of awareness of the programs available through the E-Community. There were no major barriers to forming relationships with entrepreneurs shared by the participants.

Provider-to-provider relationship barrier findings focused primarily on the following secondary code: Information & Awareness (Financial Institution Perceptions as well as General Public Awareness). Forming and maintaining relationships with financial

institutions was seen as a barrier to E-Community 1 participants. One participant shared that, *"I'd say (the biggest barriers were) with financial institutions, yeah, there's been opposition. (The perception is) we're taking away from their ability to loan and we continue to let them know this is gap funding where they have to have a bank loan in place."* Making bankers aware that the E-Community loan fund was not a competitor but a complement to the bank's existing loan fund was part of the challenge.

While participants wanted bankers as partners, one participant offered that the barrier was also caused by the challenge of how bankers viewed the E-Community lending model. The participant shared, *"…it is (E-community lending) very not a banking model, banking in entrepreneurship and startup often don't go together really well. This is designed to fill in the gap … if you apply any underwriting concepts and principles to it, I think it just gets a little bit too unlikely."* Despite this, the providers shared they still had bankers on the E-Community committee. However, they had trouble retaining them as committee members, with one sharing:

> *I mean, we even had people that were vice presidents of banks on our board, but they didn't last very long cause I don't, we've tried hard and we've tried to keep them and, but they kind of, it was kind of a conflict of interest for them. They, you know, they were nice and everything, but I don't, they both, they all slipped away.*

Information and awareness was also a relationship barrier shared by E-Community 1 participants. This awareness was a general awareness of the existence of the E-Community and the awareness of the E-Community's programs' value. While sharing the challenge of not being known or valued, one offered that this motivated the E-

Community committee. Being seen as the known "*underdogs*" pushed the committee to provide more and better service.

Some participants said that the lack of perceived value of the E-Community in the local community was a source of frustration and confusion. One participant used their attempt to form a relationship with an important banker and community leader as an example, *"...I hate to use the name (banker), every year I send it to him (E-Community materials). He's like, Oh, sounds great. Sounds great. Then he never takes advantage of it."*

Awareness of the value of the E-Community was a considerable challenge by participants. They also recognized that they struggled with broad-based awareness across their community, with one participant offering, *"We're still working on awareness. That's something that (is a challenge) even with people that we work with within the municipalities, the county level...so that's something that we're still struggling with after all these years."*

E-Community 1 Interview Analysis and Findings

Overview. The four E-Community 1 interviewees included a small business support provider, a volunteer who managed one of the E-Community programs, a local municipal employee responsible for supporting the county's small business work, and a county economic developer. Each interviewee approached relationship formation and maintenance differently, as well as identified different barriers. Table 20 shows each interviewee's findings. Information and awareness was the only finding that all interviewees shared in one or more of their relationship strategies or identified as a

barrier. The following sections discuss in more detail the various major relationship

strategies and barriers shared by the interviewees, Table 20 provides a summary of these.

Table 20

E-Community 1 Interview Analysis and Findings

	Support Provider	Volunteer	Municipal Employee	Economic Developer
Relationship Formation with Providers	Outreach	Outreach, Meetings	No Findings	Meetings
Relationship Formation with Entrepreneurs	Cooperative Action (Referrals)	Programs	Information & Awareness, Programs	Meetings
Relationship Maintenance with Providers	Cooperative Action (Trust)	Information & Awareness	No Findings	Meetings, Cooperative Action (Trust)
Relationship Maintenance with Entrepreneurs	No Findings	No Findings	Programs	Meetings, Cooperative Action (Trust)
Relationship Barriers with Providers	Cooperative Action	Cooperative Action (Culture)	No Findings	Information & Awareness, Cooperative Action (Trust)
Relationship Barriers with Entrepreneurs	No Findings	Cooperative Action (Culture)	Information & Awareness	Information & Awareness, Cooperative Action (Trust)

The Small Business Support Provider. The small business support provider was

part of a statewide small business support organization. The support provider served

multiple communities and primarily helped business owners with technical assistance.

The support provider focused on outreach as the primary method of forming new relationships with other providers. The support provider noted that he used a well-defined method of outreach, which he called, *"...a very business development-oriented approach."* In detailing this method, the support provider shared that *"...step one is prospecting, set two is establishing a dialogue. So, of course, that involves listening, understanding exactly what people are doing, understanding how what we do fits into what they do. I think that's it."*

Prospecting consisted of direct outreach to bankers and professional service providers like CPAs and economic developers for the support provider. This prospecting was targeted to other providers who could help support the E-Community. Unique to the support provider was his well-defined method of forming relationships. Unlike others interviewed during this research, the support provider was the only one who shared a detailed method that he constructed to form relationships with other providers.

Referrals were the primary way the support provider formed new relationships with entrepreneurs. The support provider shared that this, in large part, was due to his participation in the E-Community, "…*there are businesses that I've gotten to know because of my participation in the E-Community that came from somebody else's connection*." According to the support provider, the connection with "connectors," other support providers in the community, was important to forming new relationships with entrepreneurs. The provider shared that participating on the E-Community committee helped the local community trust him more. In turn, this led many local support providers to steer entrepreneurs to him for technical assistance and support.

I can speak for me personally. My trust and credibility within that

community has grown because of my participation in the E-Community.

I'm probably the main technical service provider. So when somebody

walks into a random bank or walks into (other provider's) office and says,

'well, here's what I'm doing, you know, what I really need is help with

market research for my business plan' (other provider) is then going to

connect that person to me every time.

The support provider emphasized no findings on relationship maintenance with

entrepreneurs but shared that trust was a major factor in maintaining relationships with

other providers. He believed that this was due to his consistent participation over a long

period of time on the E-Community stating, "*I've spent a ton of time with these people*

and with time comes trust." The support provider consistently brought up the fact that

"*there is no shortcut*" to building trust. He felt that developing trust was complex, and

required consistent communication and time. The benefits of building this trust were

important to the service provider offering, "…*the trust relationship that I built with all of*

these people means that like, I can walk into damn near any business in (the community)

and people will have heard of my center and what we do."

The support provider shared that bankers' relationships were one of the main

barriers to relationship formation and maintenance. Speaking primarily from the

perspective of being an E-Community committee member, the support provider shared

that bankers from traditional banking institutions could pose problems when working

with the E-Community or participating on the E-Community committee. The support

provider felt that, in some ways, conventional banking practices and the E-Community

loan product did not work well together, citing, *"…bank thought creep"* being

"*unhelpful.*" The support provider felt that an increased orientation towards traditional

banker thinking, which often focused on risk mitigation and conservative lending, often

reduced the focus on various other entrepreneurial support forms. Detailing the

challenging relationships with bankers serving on the E-Community committee, the

support provider shared, "*I think it's really hard for them to let go of the banker. And if*

you're going to be in that room making those decisions, you have to let go of the banker

because these credit decisions are completely different."

      The Volunteer. The volunteer was the leader of a county youth program. The

volunteer spent much of his time working with schools in various small towns, helping

them launch the program. Like the support provider, the volunteer used outreach as a

primary method for forming new relationships with providers. In particular, the volunteer

was very active in reaching out to principals and teachers in schools to share information

about the program and gain school participation. The volunteer shared, "*I go out by*

myself or unless somebody said, well, can I go? I said, sure, just meet me there sort of

thing…And so I, if I'm free and available, then I'll either just, you know, ask for the time

off."

      The volunteer was a regular participant in meetings at local chambers of

commerce, rotary clubs, and other similar organizations, which he used to form

relationships with new providers. These meetings were a good way to share information

about the various entrepreneurship programs and recruit new providers to the E-

Community committee. The volunteer details how he recruited a new E-Community

committee member at a local chamber of commerce meeting:

I think it was at chamber of commerce meeting or something to do with the

community. Met a bunch of people, talked about the YEC, talked about

(the E-Community) and what we're doing. And all of a sudden, we had

somebody that we contacted (there) and said, well, you asked about

whether anybody would be interested in doing this. And ...I'd be interested

in joining or at least coming in and listening to a meeting and, and then

giving you feedback on it. And then that guy subsequently has joined the

(E-Community) board.

The volunteer shared no major findings on maintaining relationships with entrepreneurs. The volunteer routinely shared information to create awareness of the youth program's various activities and the activities of the E-Community to maintain relationships with other support providers. The volunteer spent time writing letters to the Youth [community organization] judges, sharing beneficial information with principals and teachers, and providing regular updates on the Youth [community organization] and the E-Community activities at various meetings.

The volunteer identified small-town culture as a relationship barrier. The county they served consisted of multiple small towns. This made relationship formation and maintenance a challenge because small towns were, "…*a little more insular.*" Some of the challenge was being seen as an outsider by individuals in the town even though the programs supported the entire county. The volunteer shared that, "*If I were to drive out and go visit somebody, and it had to do with Youth [community organization] business and in general with regard to (the E-Community) loans, I would be viewed as an*

outsider." The volunteer felt that this barrier was not insurmountable and that with time and consistency could be overcome.

   The Municipal Employee. The municipal employee was responsible for supporting entrepreneurship at the city level on behalf of the local government. The municipal employee was appointed to serve on the E-Community committee as part of their city government role. The municipal employee focused heavily on sharing information and creating awareness of various programs and activities that supported entrepreneurship. They felt this was important when forming relationships with local entrepreneurs. The municipal employee shared that one of the important things in relationship maintenance with entrepreneurs was getting them to use E-Community programs. The municipal employee identified a lack of awareness in the community was a primary relationship barrier.

   The municipal employee consistently discussed the relationship the E-Community committee had with the local media, specifically the local newspaper, as important to new relationship formation with entrepreneurs. Because of this media relationship, the newspaper would regularly share entrepreneurship programming and information from both the city and the E-Community. The municipal employee stated, *"Our local newspaper, they publish every time we do a check presentation. So that leads another business to say, hey that business got a loan, how can we get one?"*

   This relationship with the paper and expanding the promotion of the E-Community loan program through the E-Community newsletter helped increase the number of entrepreneurs applying for loans. The municipal employee shared that, *"…(we did) less than a handful of loans a year. I think we had two, three and two in the years*

prior. And we really just increased that through promotion to the community through our

city newsletters and all the things I just mentioned."

   The municipal employee also shared that they recently began proactively sharing

at other programs and events hosted by other local support providers. This allowed the

municipal employee to get in front of large groups of entrepreneurs and share about the

E-Community, the county's programs, and other local resources. These included a county

matching grant program and support from other programs, like the local Main Street

program. The municipal employee stated:

> *About a year and a half ago, I started talking with a group on (location).*
>
> *They do a (entrepreneurship program). And so, I started going up there*
>
> *quarterly, uh, giving presentations to groups of about 30… I kind of tell*
>
> *them about all of our local things that we have to offer, including the*
>
> *community grant program and other incentive programs that we might*
>
> *have.*

   The municipal employee also said that the programs were instrumental in

maintaining relationships with entrepreneurs. As the E-Community expanded the number

of programs they provided, the municipal employee saw the same entrepreneurs use

multiple programs. In some instances, entrepreneurs who participated in various

programs would then apply and receive an E-Community loan, further maintaining the

relationship between the E-Community and the entrepreneur.

   The municipal employee felt that the biggest relationship barrier with

entrepreneurs was awareness. There were sufficient local resources for entrepreneurs but

the problem was that many local entrepreneurs were *"… unwilling or don't know about*

how they can use it to the best of their ability." The municipal employee felt that many entrepreneurs did get support. They also thought that the expansion of programs by the E-Community was beneficial. However, "…*for every person that gets assistance, there's probably five more that could use it but don't know or don't want to*."

 The Economic Developer. The economic developer worked for a countywide economic development organization. Their role involved supporting businesses of all types and sizes, not just entrepreneurs, and spending time working with other local development organizations across the region. Trust was a running topic throughout the interview. The economic developer shared that trust was critical to both relationship formation and maintenance. Participating in meetings was also an important strategy for maintaining relationships with both entrepreneurs and other support providers because the economic developer believed it helped create trust. The economic developer also saw the lack of trust as the biggest barrier to relationship formation and maintenance between local support organizations and entrepreneurs.

 The economic developer prioritized participating in meetings held by other organizations that supported entrepreneurship. They repeatedly shared the importance of these meetings as part of her role as an economic developer, and a critical way to form new relationships. The economic developer shared that participating in meetings allowed her to *"…lend…expertise."* Expanding on this thought, they said, *"I think that's helpful. I've been able to learn to meet more people and therefore provide more resources to businesses. So, I think that's super important."*

 The economic developer repeatedly expressed that participating in meetings and events was important to relationship maintenance because it helped build trust. As a

result, they believed that consistent participation helped relationship maintenance. The economic developer pointed out on multiple occasions that their regular participation in various meetings and events was an important part of their relationship maintenance strategy:

> *Our main street has an after-hours, once a month, in which businesses come to or are invited to come together and just have a little hors d'oeuvre and drinks together and talk with each other. I think about some of the chamber luncheons. Those can be so helpful, number one for meeting people and growing those relationships but also education and that helps with trust.*

The economic developer noted that information and awareness and trust were relationship barriers for both entrepreneurs and support providers. They said, *"...I would say knowing available resources, that would be a barrier. That would be a barrier for me. That would be a barrier for a business."* They added, "*So number one, the barrier would be if you don't know about resources or people. Number two, I would say, well, always trust.*" The economic developer further explained that this was the reason they participated in so many events and meetings. Also, being present at these events helped overcome the trust barrier, which allowed entrepreneurs to be receptive to using the services support organizations provided. According to the economic developer,

> *"...people want to know that you're not just out there to sell them something. You know, they need to know that you're there to really assist and help. So that would be a barrier too. Then (you use) opportunities to engage with people to create those relationships."*

E-Community 2 Focus Group Analysis and Findings

Overview. E-Community 2 focus group participants shared that participating in other entrepreneurship centered programs, events, and meetings were the primary ways they formed relationships with other providers. This allowed them to interact with other providers and identify potential E-Community committee members that would bring a diverse perspective to the committee. Similarly, programs and events also help participants form relationships with new entrepreneurs. In addition to using programs and events to form new relationships, they also relied on a strong referral network to form these relationships.

The perception of the value of the E-Community committee was seen as an important relationship maintenance strategy with other providers. Participants shared that the value the E-Community provided was important to their participation. This value was seen either as transactional, where the provider or the provider's organization gained something from participating, or altruistic, allowing the provider to give back to the broader community.

Participants shared that awareness was a relationship barrier with entrepreneurs. Many entrepreneurs in the community were not aware of the various programs that would benefit them or did not perceive them as valuable resources. As a result, it was difficult to form relationships with these entrepreneurs or have them continue to participate in programs and events across the ecosystem. The following is the coding key to help remind the reader of the terminology that is used in the analysis.

Focus Group and Interview Coding Key		
Relationship Structure	Primary Code Relationship Structure	Description: The primary actors interacting in the relationship
	Provider-to-Entrepreneur	Providers interacting with entrepreneurs
	Provider-to-Provider	Provider interacting with providers

	Provider-to-Provider and Provider-to-Entrepreneur	Providers simultaneously interacting with other providers and entrepreneurs
Relationship Activities	Secondary Code Relationship Activities	Description: The primary activities actors conducted in the relationship
	Cooperative Action	Providers working together with other providers and / or entrepreneurs to achieve a common goal
	Mutual Support	Providers working together to help build their respective organizations' capacity to serve entrepreneurs
	Information & Awareness	Providers sharing information about their organization's resources or marketing their organization
	Service to Entrepreneur	Providers providing direct service / support to entrepreneurs
Relationship Linkages	Secondary Code Relationship Linkages	Description: The primary connection point where actors formed or maintained relationships
	Events	An activity designed to bring ecosystem stakeholders together on a non-routine / annual or more basis
	Meetings	Activities where providers/entrepreneurs meet to make decisions on an activity to support entrepreneurship
	One on One	Individuals meeting interpersonally to discuss or support the ecosystem or other ecosystem actors
	Programs	Formal or informal routine activities designed to help entrepreneurs gain a skill or resources

Table 21

E-Community 2 Focus Group Findings

E-Community 2 Relationship Strategy Findings			
	Formation	Maintenance	Barriers
Primary Code	*Secondary Codes*	*Secondary Codes*	*Secondary Codes*
Provider-to-Provider	Programs & Events; One on One (Outreach)	Awareness & Information (Perception of Value)	None
Provider-to-Entrepreneur	Programs & Events; Cooperative Action (Referrals)	None	Awareness & Information (Entrepreneurial Knowledge); Awareness & Information

(Perception of
Value)

Relationship Formation. E-Community 2 participants shared major findings in

both provider-to-provider relationship formation and provider-to-entrepreneur

relationship formation. Provider-to-provider relationships were focused on using

programs, events, and meetings to connect with new provider partners. Participants also

targeted specific providers from industries they felt would help strengthen the E-

Community committee. Provider to entrepreneur relationships findings centered around

using programs and events to connect with entrepreneurs. Also, the E-Community

participants used referrals to form new relationships with entrepreneurs.

Provider-to-provider relationship formation findings focused primarily on the

following secondary codes:

- Programs and Events

- Outreach

Participants shared that attending programs, meetings, and events was one of the

most effective ways to form new relationships in the entrepreneurship ecosystem.

Programs and meetings were opportunities to connect with other support providers who

shared a similar focus. One participant mentioned that, "*…these are other people that are*

doing what we are trying to do. (We) go talk to them and see what they're doing." In

addition to providing E-Community committee members a way to connect with providers

through event partnerships, it allowed them to share information about the E-

Community's programs. Increasing participation in these meetings and events was a newer strategy for this E-Community. The objective was to stop "…*preaching to the choir"* and increase engagements *"…that would involve more partnerships with lenders or economic development types, just to let people know more about what an E-community could do."* The participants felt this strategy of increased participation in other organizations' meetings and programs helped form new provider relationships. One participant shared:

> *And I think that kind of coincides when they'd started reaching out, trying*
> *to bring other people in… (partner name) presented there. I kind of met*
> *him through some different stuff and so he'd reached out about sending*
> *out a (E-community program) meeting and kind of did that. I think with*
> *that there's a lot of crossover.*

Focus group participants also shared that targeted outreach to recruit new E-Community committee members was an important relationship formation strategy. This was part of an extended strategy by the E-Community committee members who *"…talked over several meetings about ways to be able to grow in different area.*" This targeted outreach was through direct engagement with other providers. Committee members shared the names of other support providers who would be either a good partner or a good candidate to serve on the E-Community committee. The committee members then did targeted outreach to agreed-upon individuals. This was a successful strategy, with one participant sharing, "*(Bank name) has been a great co-sponsor. I'm not saying I'm responsible for them coming in, but I made some suggestions and so…(the committee chair) reached out."*

Targeted outreach via specific communication channels was also shared as an important strategy in forming new provider relationships. One of the targeted partner audiences for E-Community 2 was bankers. This outreach consisted of bankers on the E-Community getting messages out through their bank's human resource department about E-Community opportunities. Also, brochures were shared, and other forms of direct engagement were part of the outreach strategy. Brochures were not seen as being very successful, but one participant stated that, "*…if you can engage them (bankers) and they understand better what this is really about and how it can benefit everyone,*" then the committee would have a better chance of forming a new relationship. Overall, the participants felt that these various strategies to form new relationships with other providers were beneficial. According to one participant, "*So again, we have banks very heavily represented finally. And that was great…And then looking at other professional partners. So, we were able to intentionally get an accountant.*"

Provider to entrepreneur relationship formation findings focused primarily on the following secondary codes:

- Programs and Events
- Cooperative Action (Referrals)

E-Community 2 participants used programs and events as well as referrals to help form new relationships with entrepreneurs. Programs and events were tools to attract new entrepreneurs and connect them with E-Community programs and other service providers in the local ecosystem. Programs and events were particularly useful to create awareness and form new relationships with entrepreneurs. One participant shared, "*We'll do events. We have workshops and forums that are used to be able to attract entrepreneurs to*

service partners to help create and develop relationships." This same participant stated

that this helped create deeper relationships with entrepreneurs and helped, "…*plug them*

more firmly into the ecosystem." E-Community programs and events were also seen as

serving the secondary purpose of supporting other providers as they formed relationships

with entrepreneurs by "…*helping the service partners be able to plug more deeply into*

entrepreneurship."

Participants also stated that they strategically hosted programs and events around

local topics to bring new individuals together and connect them to the local ecosystem.

These programs were industry-specific topics and other "…*hot topics of focus that will*

bring a different kind of folks to the room, to the table that then hear about (the E-

Community's) service." This allowed the E-Community committee members to reach

new audiences and connect with entrepreneurs that may not have previously heard about

the opportunities presented by the E-Community.

While programs and events were seen as "…*good ways to kind of get the word*

out to other folks that maybe aren't permanently connected in an ecosystem," E-

Community 2 participants also relied on strong relationships with other support providers

and entrepreneurs to get referrals. This referral network consisted of "*…referrals from*

current or former clients…lenders and economic development professionals." Also, the

E-Community committee members referred entrepreneurs to other committee members.

This helped increase the relationship the referred entrepreneur had among a diverse group

of support providers. Another participant shared that they specifically asked other

providers for referrals to connect with new entrepreneurs because of their belief that

"*…that kind of connectivity is what really propels our, our programs.*"

Relationship Maintenance. E-Community 2 participants emphasized only one relationship maintenance theme, and that was how the perception of value provided by the E-Community helped maintain relationships. Provider-to-provider relationship maintenance findings focused primarily on the following secondary code: Awareness and Information (Perception of Value).

E-Community 2 participants stated that the perception of value was one of the primary ways the E-Community committee maintained relationships. Like E-Community 1, this value was seen as either transactional or altruistic. Transactional oriented participants were committed to the E-Community because they felt they were receiving value that would benefit their organization. However, other participants saw participation in the E-Community committee as a way of giving back to their community by supporting the entrepreneurship ecosystem.

For many of the bankers on the E-Community committee, the value they saw in participating was transactional and based on leveraging the E-Community loan fund. One banker said that the E-Community loan fund is "…*a niche product that you've got to find the right fit where at least from my side of things where the bank is willing to do some (loans).*" This same banker shared that the ability to see how other bankers on the committee utilized the E-Community loan fund was important in influencing his bank's willingness to do similar loans.

Another banker reported that the value of participating in the E-Community committee and partnering on loan deals was the risk mitigation aspect of the E-Community lending process. The banker shared that, *"I mean we see this again, it's a benefit, another mitigation risk mitigation we can utilize because we want to lend to*

small business. We're going to lend to entrepreneurs." They also shared that E-Community committee participation was "…*another resource just to check out also what activity is in the community as well.*"

One local chamber E-Community committee member was explicit in their view that they served on the E-Community committee because of the transactional opportunities it provided. The chamber member shared that, "*Obviously there has to be something mutually beneficial, which is why we're all at the table.*" The chamber participant shared that serving on the E-Community was of direct value to the chamber and the chambers' membership of mostly of small businesses. The E-Community allowed the chamber committee member to stay informed about other programs and resources in the local ecosystem, which, in turn, could be shared with chamber membership:

> *I mean, that's why it was attractive for us when this opportunity came up,*
> *to kind of say, okay, well here's how we can benefit from this and here's*
> *how we can use it to not just obviously grow what the community is doing,*
> *but also helped (the chamber) add member benefits (for their members).*

While multiple participants shared that transactional value was important to relationship maintenance, others offered that the value was personal and came from supporting the community and entrepreneurs in the ecosystem. According to one participant, "*I think it comes down to either the personal motivation or the individual wants to, they are sort of like a volunteer mentality. They want to give back and they want to engage themselves.*" This view allowed other providers in the ecosystem to commit unpaid time and technical expertise to support the E-Community's programs. The E-

Community allowed many professional service providers like CPAs and bankers to give freely of their time to support entrepreneurs and their community's economic development. One participant shared:

> *Or like we have a, there's a CPA that's in our building and they'd been very generous in donating their CPAs' time to participate in programs like our (program name). (Volunteer name) a partner of the firm fully believes it. I mean, these are three-hour sessions and they go to five of them…they all are there and they're participating.*

Relationship Barriers. E-Community 2 participants shared that their major relationship barriers were with entrepreneurs. As one participant shared, "*So the most difficult has been, again, just that pure entrepreneur who could benefit from the (E-community) programs*." These barriers were awareness and information on the knowledge needed to be a successful entrepreneur, and the perception of the lack of value existing programs had for local entrepreneurs.

Provider to entrepreneur relationship barrier findings focused primarily on the two following secondary codes:

- Awareness & Information (Entrepreneurial Knowledge)
- Awareness & Information (Perception of Value)

When asked about the biggest relationship barriers E-Community 2 committee members faced in the ecosystem, the consensus was relationships with entrepreneurs. Local entrepreneurs' lack of entrepreneurial knowledge was one challenge expressed by the participants.. As one participant put it, "*I think the more we … as people who are providing support to small businesses, the more we can figure out how to get to these*

people (entrepreneurs) and really give them help, whether they know they need it or not (the better off they will be)." One non-bank lender shared their frustration with this lack of information and awareness by local entrepreneurs. The lender felt that too many entrepreneurs requested financing without understanding the things necessary to get a loan.

Another participant felt that the disconnect of many entrepreneurs from the entrepreneurship ecosystem created problems for the entrepreneurs. This, in part, was influenced by how many small businesses need to learn how to start a business. They shared:

> *People that are starting businesses these days don't necessarily need a loan to get a lease on a building to set up a retail store. They're working from home with their computer and maybe making more money than along with the brick and mortars in town. We don't even know they're there and they are not out in the ecosystem. They are not asking for help. I'm not saying that they don't need help. They're doing things wrong. They're not paying taxes... YouTube videos to tell them how to set up their business.*

The perception of value by entrepreneurs that were participating in specific ecosystem events and programs was also seen as a barrier. According to participants, many of these entrepreneurs ceased participating in local entrepreneurship events because they did not perceive them as valuable. Many of the participants viewed this as local entrepreneurs having higher expectations than they should have about the support they should be provided.

Many of the providers participated in a broader community ecosystem building process that failed due to the frustration of some of the entrepreneur participants. Entrepreneurs were very transaction oriented, and if the programs did not meet a specific need, then many of the entrepreneurs did not feel it was worth their time to continue to attend. This raised questions as to whether the problem originated with the entrepreneurs or the providers. One provider shared, "*I don't know if it's the expectation of the entrepreneurs or if what the service providers are providing isn't really speaking to them or we're not localized enough.*"

E-Community 2 Interview Analysis and Findings

Overview. The four E-Community 2 interviewees were a local business leader who was an active leader in developing a local ecosystem, an economic developer that focused on an emerging industry, a banker who served as an active connector in the ecosystem, and a small business support provider who was celebrated as an important ecosystem leader in the community. Each interviewee approached relationship formation, maintenance, and barriers differently. The following is the coding key to help remind the reader of the terminology that is used in the analysis.

	Focus Group and Interview Coding Key	
Relationship Structure Key	Primary Code Relationship Structure	Description: The primary actors interacting in the relationship
	Provider-to-Entrepreneur	Providers interacting with entrepreneurs
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	Cooperative Action	Providers working together with other providers and / or entrepreneurs to achieve a common goal
	Mutual Support	Providers working together to help build their respective organizations' capacity to serve entrepreneurs

	Information & Awareness	Providers sharing information about their organization's resources or marketing their organization
	Service to Entrepreneur	Providers providing direct service / support to entrepreneurs
Relationship Linkages	Secondary Code Relationship Linkages	Description: The primary connection point where actors formed or maintained relationships
	Events	An activity designed to bring ecosystem stakeholders together on a non-routine / annual or more basis
	Meetings	Activities where providers/entrepreneurs meet to make decisions on an activity to support entrepreneurship
	One on One	Individuals meeting interpersonally to discuss or support the ecosystem or other ecosystem actors
	Programs	Formal or informal routine activities designed to help entrepreneurs gain a skill or resources

Table 22

E-Community 2 Interview Findings

	Business Owner	Economic Developer	Banker	Support Provider
Relationship Formation with Providers	Outreach	Awareness & Information	Cooperative Action (Referrals), Awareness & Information, One on one (Key Actor), Meetings	Events, One on One
Relationship Formation with Entrepreneurs	No Theme	Outreach	No Theme	Outreach, Events
Relationship Maintenance with Providers	Outreach, Mutual Support, Cooperative Action	Key Actor, Meetings, Cooperative Action (Referrals)	Mutual Support, Outreach	Mutual Support, Cooperative Action
Relationship Maintenance with Entrepreneurs	No Theme	No Theme	No Theme	No Theme

	Business Owner	Economic Developer	Banker	Support Provider
Relationship Barriers with Providers	Programs	Cooperative Action	Awareness & Information, Cooperative Action	Cooperative Action (Culture)
Relationship Barriers with Entrepreneurs	No Theme	Cooperative Action (Culture)	Awareness	Cooperative Action (Culture), Programs

***The Business Owner*.** The business owner was highly connected in the community and worked on helping the local entrepreneurship ecosystem grow through substantial volunteer efforts. The business owner focused almost exclusively on relationship formation and maintenance, and relationship barriers with other providers throughout the interview. The business owner did not focus on major relationship strategies related to entrepreneurs.

The business owner focused on outreach as a primary strategy to form new relationships with other support providers and had a well-defined strategy. He shared:

Yeah, so I think that really one strategy was what I called, identify, activate, and mentor. And so, one was to identify all these different groups out there running around, maybe operating a little bit on their own or ad hoc, identify them and then really make it a very welcoming atmosphere to our meetings…

This approach to relationship formation was business development-oriented. According to the business owner, it was about selling the "*value*" of participating cooperatively in the entrepreneurship ecosystem during outreach. He and others worked

to identify then reach out to as many local entrepreneurship support providers as possible. Once they connected with the potential support provider partner, they attempted to show the provider how the provider's organization would benefit by participating in the local ecosystem building program.

Once the relationships with support providers were established, providing direct support and encouraging mutual support and cooperative action among partners was an important way to maintain those relationships. Some of this was done by leveraging networks to help local providers be successful. This often entailed connecting them to information or resources. At support provider meetings, individuals would get opportunities to share what their organization was doing and what challenges their organization was facing. The group of providers would then work to help address those challenges.

According to the business owner, creating an environment where cooperative action could occur also helped maintain relationships. The business owner said that, "*...we created very much an open environment where people would say, okay, 'Hey I can, I can work with you on this' or 'I have these particular items that we'll work with you.' And then they would start pairing up…*"

The business owner shared that providers who had rigid organizational structures or programs created the greatest relationship barriers in the ecosystem. They were not flexible or adaptable enough to support the broad needs within the local ecosystem. He stated that he *"…found that the more structured they were…getting them to be flexible and change to or adapt their model to kind of fit our ecosystem was difficult and sometimes, probably improbable to get them to change*." This opinion was particularly

true concerning organizations that were non-local in origin. According to the business owner, this situation was due to hierarchy and bureaucracy. Most non-local support organizations did not have leadership at the local level. This required local staff to go through multiple levels of management to modify existing or create new programs. As a result, the business owner believed that many of these non-local organizations could not adapt fast enough, or at all, to the changing needs in the local ecosystem.

The Economic Developer. The economic developer's job focused on supporting emerging industries and connecting entrepreneurs and businesses within that industry. Most of the interview was spent discussing a currently emerging industry and the entrepreneurship ecosystem around this industry.

Information and awareness were the primary strategy the economic developer used in forming new relationships with entrepreneurs. Because the industry they were focusing on was new, ensuring that they were connecting with entrepreneurs and getting them the appropriate information was vital. At the time of the interview, a significant number of new industry standards were being put in place. This created a time sensitivity for the economic developer who believed that "*If we're not able to help get our (industry) companies to become compliant, then they'll (entrepreneurs) miss out on getting more…work and diversifying further.*" The economic developer created various convenings, and outreach to other support providers to create a collaborative strategy around sharing information with the entrepreneurs in the emerging industry. She shared:

> *…(we) just yesterday pulled together (a meeting) with (organization) to*
> *identify those resources to try to see how we can help convene this in a*
> *couple of different ways, educating these companies, getting to know what*

(industry) professionals and companies we have here locally to help

provide that service.

While trying to help the emerging industry develop, the economic developer relayed that one-on-one engagement and meetings were the primary ways relationships were maintained. The economic developer talked about a personal counsel of experts in the network that served as a sounding board for ideas in the entrepreneurship ecosystem. She would reach out to technical professionals in the field for information and for help in coming up with new ideas on how to support entrepreneurs in the emerging industry. According to the economic developer, this was an organic and mostly informal process, "*…everything we do is relationship-based, and we all just connect naturally in that way. So, it doesn't really have to be a completely focused effort to make sure it's still being connected. It just naturally seems to happen.*"

Meetings were important to the economic developer, but it was important that they were strategic even if they were done without a formal structure. The economic developer reported multiple times that the goal of the meetings was to pull providers together in order coordinate support for entrepreneurs in the emerging industry.

The economic developer pivoted away from the specific industry they focused on addressing the broader ecosystem when discussing relationship barriers. The economic developer felt that the local entrepreneurship culture was a barrier, sharing that *"...sometimes I feel people (entrepreneurs) get so focused in on the negative aspects, they forget to see the support that they do have and focus on that positive side.*" Also, the economic developer worried that the entrepreneurs were receiving too much support in some instances:

I think sometimes, with some of the entrepreneurship community, they

expect just because they have an ID and have the label of entrepreneur on

themselves, you know, it's everyone else's fault if the product doesn't

succeed or the service. But that's part of the process as well. So, I kind of

get worried about, as bad as it sounds, that we're coddling them too much

almost.

The Banker. The banker was a relatively recent transplant to the community at the time of the interview. They spent a large amount of personal and professional time working to build the local entrepreneurship ecosystem. The banker discussed how challenging it was to be new to the ecosystem and the difficulty he had initially navigating the ecosystem. The banker shared very little on relationship formation and maintenance with entrepreneurs, focusing much of the interview on relationships with support providers.

The banker first shared that a key actor in the ecosystem, the small business support provider also interviewed for this dissertation, was highly instrumental in forming new relationships with other support providers. He shared that it was "…*just totally dumb luck in getting to know her."* This relationship with the small business support provider, who they considered a leader in the local entrepreneurship ecosystem, was very important to the banker. During the interview, they repeatedly referenced the small business provider's impact on helping them enter and navigate the ecosystem:

I come back to thinking about this…until (support provider) came along

and what would it be like without her, I don't think it'd be any different

than it was when I moved here. Single handedly driving a huge

conversation about entrepreneurship in the (a specific community) here.

And not only is she changing the perception of what entrepreneurship is

within her community, she's helping inform somebody like me, so I can go

to our vendor management people and change how they think about it.

By using the small business support provider as a connector to other relationships in the ecosystem, the banker became aware of and met other important support providers in the ecosystem and form relationships with them. Through referrals and meetings, the banker was able to expand the network of relationships with new support providers. This included forming a relationship with Network Kansas leaders and other support provider organizations supporting local entrepreneurship.

The banker shared that he considered himself *"...a connector and educator,"* which guided their relationship maintenance strategy with other providers. This strategy often consisted of outreach and providing support to other providers. In many cases, this was forming provider-to-provider relationships that created financial or other forms of support relationships between the providers. The banker said that through his bank, or outreach to other banks, he would often work successfully to secure funding to support various support provider organizations in the local ecosystem. This outreach to request resource support also extended to other banks and bankers.

...I kind of encourage them (other banks) and say, look, we're supporting

this organization at this amount of money a year. Do what makes sense for

you. But I would strongly encourage you to consider something, but too,

because you know, it's a very easy case in my opinion, for banks to be

supportive of this kind of work. Because if it's successful, it means good

things for the economy, which generally means good things for the

banking business.

The banker identified lack of awareness as a barrier, due to providers and entrepreneurs not knowing how to connect to the entrepreneurship ecosystem. From personal experience, the banker believed that it was challenging to get connected into the local entrepreneurship ecosystem if you did not know someone who was already connected. This created a barrier to support providers and business owners who relocated to the community and wanted to get involved. The banker believed this made the ecosystem *"…just hard to navigate, there just has been a lot of leadership in the space locally here for, I don't know, 20 years, 25 years."*

The banker also believed that cooperative action to develop the ecosystem was a barrier for both providers and entrepreneurs. In part this was because *"…there are weak and there are missing relationships."* In addition to missing relationships, the banker felt that while there were organizations and efforts to support entrepreneurs, there was difficulty getting them to work naturally together in the ecosystem. He believed *"…the folks in the ecosystem don't have a natural reason to gather or a gathering place."* This created a barrier to cooperative action in the local community due to fragmentation and disconnection among support providers and entrepreneurs.

The Small Business Support Provider*.* The small business support provider operated a program to help new businesses start and scale. The support provider was also seen by many in the entrepreneurship ecosystem as a key actor. They were repeatedly referenced by other interviewees and in the focus group as an important leader in the local ecosystem. Because of the uniqueness of this support provider's work, many of the

quotes will be heavily redacted or a summary of the quote will be used to keep confidentiality and anonymity.

The support provider formed and maintained new relationships through the provider's organization. They did not discuss forming new relationships with entrepreneurs focusing on forming relationships with other support providers. The support provider primarily used outreach, programs, meetings, and events to create relationships with other support providers. Events were particularly useful to accelerate the formation of new relationships with support providers.

The support provider took a strategic approach to forming new relationships with other providers when participating in meetings and events, sharing that "...*showing up and actually being physically present at a variety of events in the ecosystem and networking during those opportunities was very helpful in developing relationships a lot more quickly.*" According to the support provider, her selection of meetings was very strategic and intentional. She explained that she would target specific meetings or events where important support providers were attending and make "…*strategic ad hoc connections.*" After the initial meeting, they strengthen the relationships by reaching out and having one-on-one meetings or lunch with the provider.

The support provider also used programs and meetings to stay connected and form relationships with other support providers. This included taking advantage of a program that would allow the provider to be continually in the same location with other providers on a regular basis. This created visibility with other support providers in the ecosystem, which allowed the service provider to expand their relationship network with other providers. They shared that:

Officing out of (location) (was a) good strategy, even though I didn't

necessarily go into it thinking it was a strategy, but positioning myself at

what was the time the epicenter of entrepreneurship in (community) not

only gave me visibility that caused curiosities among people, which did

lead to additional connections, but it also kept me in very close contact to

what was happening beyond the (organization name) and work that I was

doing personally in the ecosystem.

In order to maintain relationships with other support providers and entrepreneurs, the support provider used one-on-one invites and shared information to create awareness of various activities in the entrepreneurship ecosystem. Once the support provider created a relationship network with many important support providers in the ecosystem, they strategically used these connections to bring in other non-traditional support providers and entrepreneurs into the network. After accessing many of these meetings and events, the support provider shared that they were "…*able to intentionally start bringing others into the fold."* The support provider also shared a short example of how they leverage networks to support other providers:

So, I make key introductions to various players. And not only that, I also

connected him to potential funders for his nonprofit. And those

relationships are continuing to thrive. And it's funny because now we

actually coexist in the same building, and our organizations are

completely friendly, and we grow one another. So that was a pretty great

example of what can happen when you open up your network to others.

Community culture was a major barrier by the support provider. To the support

provider, community culture consisted of how the local community perceived certain

types of small businesses and small business owners relative to others. Some small

business types and small business owners received preferential treatment while others

were marginalized in the community. The support provider shared that culture served as a

gatekeeper, limiting access for certain types of support needed by providers and

entrepreneurs. They went into detail in the interview on how culture served as a barrier to

relationships. The support provider also shared that the way many programs were

structured served as a relationship barrier between support providers and entrepreneurs.

One example of this barrier was how the service hours of the support providers were

misaligned with the working hours with entrepreneurs. They shared that, *"… there's a*

barrier of service hours. We'll just start there. A lot of these operations (support

providers) exist weekdays, nine to five…. the needs that the entrepreneur has might

happen after hours. That's a barrier."

Another program barrier was a metrics barrier, where support providers were

asked to measure things that were not necessarily valuable to the entrepreneur. The

support provider believed that *"…some of the methods are just antiquated from the*

service providers." Her position was that some of the programs and the way those

programs were measured and assessed to determine success did not actually support

entrepreneurs' real needs. As a result, entrepreneurs in the ecosystem were not getting the

best programming and information necessary to grow strong businesses.

E-Community 3 Focus Group Findings

Overview. There were no interview findings for E-Community 3. This was due to circumstances beyond the researcher's control, which cannot be shared in this dissertation for anonymity and confidentiality reasons. E-Community 3 focus group participants shared they most often sought to form relationships with entrepreneurs by increasing awareness of the E-Community loan fund and leveraging a strong referral network. Awareness occurred through relationships with partners who helped publicize E-Community loan recipients at events. Also, participants shared that cooperative action via referrals across a dense network of relationships with providers and other entrepreneurs helped form relationships with entrepreneurs. Also, entrepreneurs who received funding from the E-Community referred other entrepreneurs to the E-Community. See Table 23 for the focus group findings. The following is the coding key to help remind the reader of the terminology that is used in the analysis.

	Focus Group and Interview Coding Key	
Relationship Structure Key	Primary Code Relationship Structure	Description: The primary actors interacting in the relationship
	Provider-to-Entrepreneur	Providers interacting with entrepreneurs
	Provider-to-Provider	Provider interacting with providers
	Provider-to-Provider and Provider-to-Entrepreneur	Providers simultaneously interacting with other providers and entrepreneurs
Relationship Activities	Secondary Code Relationship Activities	Description: The primary activities actors conducted in the relationship
	Cooperative Action	Providers working together with other providers and / or entrepreneurs to achieve a common goal
	Mutual Support	Providers working together to help build their respective organizations' capacity to serve entrepreneurs
	Information & Awareness	Providers sharing information about their organization's resources or marketing their organization
	Service to Entrepreneur	Providers providing direct service / support to entrepreneurs

Relationship Linkages	Secondary Code Relationship Linkages	Description: The primary connection point where actors formed or maintained relationships
	Events	An activity designed to bring ecosystem stakeholders together on a non-routine / annual or more basis
	Meetings	Activities where providers/entrepreneurs meet to make decisions on an activity to support entrepreneurship
	One on One	Individuals meeting interpersonally to discuss or support the ecosystem or other ecosystem actors
	Programs	Formal or informal routine activities designed to help entrepreneurs gain a skill or resources

Table 23

E-Community 3 Focus Group Relationship Strategy Findings

	Formation	Maintenance	Barriers
Primary Code	*Secondary Codes*	*Secondary Codes*	*Secondary Codes*
Provider-to-Provider	N/A	Cooperative Action (Culture); Cooperative Action (E-Community Committee)	Service to Entrepreneurs (Funding Capacity)
Provider-to-Entrepreneur	Awareness & Information; Cooperative Action (Referrals)	N/A	Awareness & Information (Entrepreneurial Knowledge); Awareness & Information (Perception of Value)

Participants noted that local culture, which encouraged collaboration and mutual support for the community's greater good, helped maintain relationships with other providers. Local culture created an expectation of collaboration and reduced competition between small business support providers in the area. This culture, along with the E-

Community's ability to serve as a linkage for provider-to-provider relationships, helped to maintain provider-to-provider relationships.

The primary barrier to forming new relationships with entrepreneurs was the ability to lend funds. Shifts in the Network Kansas funding process reduced the dollars available to lend to local entrepreneurs, which limited the E-Community participants' ability to connect with entrepreneurs via the lending process. Relationship barriers with local policy makers were also noted as the most prominent provider-to-provider barrier.

Relationship Formation. New relationships with entrepreneurs were created by providing information and awareness of the E-Community loan fund and other E-Community programs. E-Community committee members used partner relationships with other local support providers to share information about the loan and programs, which, in turn, attracted entrepreneurs to the programs and created opportunities for new relationships.

Provider-to-entrepreneur relationship formation primarily focused on the two following secondary codes:

- Awareness & Information

- Cooperative Action (Referrals)

Focus group participants shared that new relationships with entrepreneurs were primarily driven by creating E-Community program awareness, specifically awareness of the E-Community loan fund. By creating program awareness, entrepreneurs would connect to the E-Community committee and be provided with support through lending or programs. Awareness was driven most often through sharing information in partnership with other local support organizations. One example shared by a focus group participant

was a unique arrangement with a local Chamber of Commerce. When an entrepreneur

received an E-Community loan, the entrepreneur was "…*required to join the chamber*

and have a ribbon cutting." This ribbon cutting created an opportunity for broader

exposure to the E-Community's programs, with one participant detailing the process as

follows:

> *Well the mayor cuts the ribbon and the chamber shows up. The board (E-*
>
> *Community) organizes it and we have somebody to represent the city.*
>
> *Somebody represents the chamber… a lot of times they're also…Main*
>
> *Street members. And so Main Street will do a presentation, and it goes in*
>
> *the newspapers, Facebook, it goes in our newsletter.*

The cooperative relationship with the Chamber of Commerce and other local

providers also created opportunities for the E-Community committee members to share

information with entrepreneurs. Committee members routinely shared information about

E-Community programs at support organization events and other community events.

These events "…*spurred more people in here (to the E-Community) with their*

applications and contacting us about it."

E-community 3 focus group participants also reported that a dense referral

network helped build new relationships with entrepreneurs. This referral network

consisted of both entrepreneurship support providers as well as entrepreneurs. These

referral networks consisted of a broad group of other support providers who knew of the

E-Community loan fund and programs and recommended the use of these programs to

entrepreneurs. Also, the E-Community committee received direct referrals from bankers

and was supported via word of mouth by other entrepreneurs. One participant mentioned

that they did much more marketing in the past, but now it was not necessary, stating that, "*.... we don't need to advertise. There's enough people in our network of bankers, the Chamber, Main Street and the SBA that know the program exists.*"

Bankers served as an important referral source for entrepreneurs. The E-Community loan fund is gap financing, meaning that it requires a bank loan to be in place prior to receiving E-Community funds. Because of this gap financing structure and the relationship the E-Community committee had with local banks, most banks in the area routinely referred entrepreneurs who needed gap financing to the E-Community loan fund. One participant provided an overview of this process:

> *...we get these applications in that have already been vetted (by) a qualified banker who has already looked at credit scores. They've already looked at projections and they've already said, yeah, I feel good about this. This is what we can do. But here you go, committee, this is the gap that we need to bridge. And a lot of times they write a recommendation letter to attach to the application that says they've vetted the loan and that they would recommend that we go ahead and get the additional financing.*

Entrepreneurs who received E-Community loan funds were also an important referral source. Focus group participants shared that entrepreneurs who received funding would share with other entrepreneurs in the community, eliminating much of the need to continue to market the program. One participant put shared, "*...a lot of awareness of course with that loan pool. No, anybody that has got that loan kind of knows about it and so, if they have a friend or family or whatever wanting to start it (a business), then there, again, it's word of mouth.*"

Relationship Maintenance. E-Community 3 participants shared that their relationship maintenance strategies focused primarily on managing relationships with other providers. The committee relied on a strong community culture of collaboration and mutual support for the greater good, which created expectations of collaboration even from institutions that would naturally be competitors. The E-Community committee itself was important in creating local collaboration and helping maintain relationships with support providers. This was particularly true in helping maintain relationships with local banks. Provider-to-provider relationship maintenance focused primarily on the following secondary code: Cooperative Action (Culture as well as the impact of the E-Community Committee).

One of the most discussed topics during the focus group was the role of local culture in fostering mutual support and cooperative action in the entrepreneurship ecosystem served by E-Community 3. According to participants, this culture expected providers and community members to work for the community's common good. Collaboration was expected, even by entities that are natural competitors in the marketplace, like banks. This culture of collaboration helped maintain relationships between providers, particularly providers that served on the E-Community committee. One participant stated, "*...I've never seen a banker look at any community loan as a comp, a competing program.*" This attitude was a benefit to the E-Community program. The role of culture was reinforced by another participant who shared:

> *But I think that's been a huge help (the culture of collaboration) because i,*
>
> *the bankers all of a sudden decided that the E-Community was a*
>
> *competing program…or if bankers came to the table and wanted to naysay*

this project because…I could see the program falling apart in a very short

period of time.

Focus group participants generally agreed that their community was prosperous and felt that this was an important factor in creating a collaborative culture among providers. Participants contrasted the prosperity of their community with peers in other communities who had economic challenges. Participants felt that these economic challenges could be why other communities did not collaborate similarly. This perception of prosperity was seen to have "…*lent itself considerably to a cooperative environment and atmosphere because when you go to these smaller communities, and I'm not trying to pick on them, the town is clearly dying."*

E-Community 3 participants took pride in their community's culture of collaboration and the relationships that drive it. One business owner who served on the committee said that the collaborative culture was unique in their experience and they have been part of the community for many years. They shared that, "*They (other communities) don't play well together and ours just always has. I mean we have those personal relationships that say we're going to work together to make this happen."*

This culture of collaboration was connected to a sense of community pride and community aspirations. Participants often mentioned how the community wants to be great, wants to continue increasing the quality of life, and collaborative relationships were the key to achieving that. Detailing the role of culture and community pride, one participant shared:

…well here we're all kind of pooling to do that and I don't know, I just think that

we've like say with it being a small enough town, we've built those relationships,

that community pride and you hear about make first and being wonderful and,

and we're going to keep playing on that. That's what we want.

This culture of collaboration also helped informally govern the E-Community committee processes. Participants discussed bankers that served on the committee being willing to refer or defer deals to other bankers on the committee in the spirit of cooperative action. Also, committee members said culture set the expectation of behavior by all committee members when making decisions for the community's good. One participant shared that culture helped:

…enforcing the neutrality and enforcing the objectivism of the committee

and saying, these are the rules that we're applying. If you want to be a

part of this committee, this is the restrictions, and this is how we view

these projects. I think (this) has also gone a long way to just enforce the

core, the cooperation and the mutual expectations and understanding of

everybody on the committee to say, this is what we're here to do.

According to participants, this collaborative culture allowed the E-Community to become a connecting point for the broader community of small business support providers as they worked to support local entrepreneurs. This was particularly true for banks and bankers. One process the E-Community committee used to maintain relationships with the banking community was to keep bankers on the E-Community committee. One participant stated, "*I guess not to grossly over simplify it, but I mean, I think a big part of it is have the banks, having a representative on the committee has been huge because it keeps them connected, it keeps them involved.*" Because this E-Community served a smaller community, it allowed the committee to engage nearly all

the local banks at some point by having local bankers on the E-Community committee. As one participant stated, *"Well most, not all, but most of the banks here in town have a representative on our committee or have been in the past."* Banking relationships were one of the most important types of provider relationships by participants. Bankers were the primary referral sources, making entrepreneurs aware of the loan program by the E-Community.

The collaborative E-Community committee structure also helped maintain relationships with other diverse small business support providers in the community. This committee structure served to increase new relationships with entrepreneurs via referral. One attorney serving on the E-Community committee shared:

> *We've had accountants on the board or on the committee and I'm an attorney. So, we get calls about, 'I'm gonna set up an LLC so I can start selling coffee or whatever,' and the accountants know about us (the E-Community). It's a small town, so the accountants know about it and, of course, the lawyers know about it.*

Relationship Barriers. E-Community 3 focus group participants identified one barrier in forming relationships with entrepreneurs and one barrier to relationship formation with providers. A barrier to relationships with entrepreneurs was the limitation of lending dollars through the E-Community loan program. Participants identified the unwillingness of local policy makers to collaborate as a provider-to-provider barrier.

Provider to entrepreneur relationship barriers focused primarily on the following two secondary codes:

- Service to Entrepreneurs (Funding Capacity)

- Awareness & Information (Entrepreneurial Knowledge and Perception of Value)

The ability to acquire additional loan resources from Network Kansas to deploy to entrepreneurs was seen as a barrier to forming relationships with local entrepreneurs. For context, the model for credit deployment through the entire statewide E-Community program had shifted before this focus group was conducted. Specifically, the new Network Kansas model reduced the amount of available capital that E-Community 3 could lend from previous years. One participant believed that the entrepreneurship ecosystem was well-connected and collaborative, but the biggest challenge was the E-Community's limited ability to provide capital to entrepreneurs. They stated, *"I don't think there's much we can do to improve our current E-Community network. When we keep steering the conversation back to the funds, it's because that's the tangible thing that changed that hurt us."* This new funding limitation created "*…kind of a catch 22."* Regarding relationship formation with entrepreneurs, with one committee member sharing *"...It's been a terrific tool but there's only so much money to go around."* Because loan funding was the primary focus of the E-Community 3 committee and the primary strategy of forming new relationships with entrepreneurs, loss of funding created a large barrier to forming new relationships and retaining them.

While the change in funding was a barrier to relationship formation specifically for entrepreneurs, the other provider-to-provider relationship barrier was with local policymakers. One participant stated, "*We're really connected. Right. And really in the last step, the municipal side, you know, the government, you know, how are they engaged? They're not*." This was expressed as the unwillingness of local policymakers to

collaborate around reducing regulatory burdens for local entrepreneurs and the unwillingness to compromise with entrepreneurs. One participant expressed, "*That has been like (other participant) said, not a unique challenge to our community, but that has been a significant barrier (relationships with local municipal leaders)."*

Chapter Summary

The chapter summarized the use of a survey, focus groups, interviews to construct the case study. The data collected was then analyzed and shared. The findings suggest that relationship strategies used to form and develop relationships in ecosystems to facilitate growth are unique to each E-Community committee and local entrepreneurship ecosystem leader. Each E-Community committee approached entrepreneurship ecosystem building using different combinations of relationship activities and linkages. The arrangements were contingent on whether the relationship was being formed or maintained with other support providers or entrepreneurs. Chapter 5 provides a detailed discussion of the findings and the implication of these findings.

CHAPTER 5: DISCUSSIONS, IMPLICATIONS, LIMITATIONS, AND

RECOMMENDATIONS

Entrepreneurship ecosystem building is an emergent local economic development strategy that focuses on improving the local economic development environment to improve support for local entrepreneurs as they start and grow firms. The purpose of this research was to explore the interaction between elements in entrepreneurship ecosystem building with a specific focus on relationship formation and maintenance strategies in Network Kansas E-Communities, a local entrepreneurship ecosystem building strategy practiced at the county or sub-county level. The interactions between elements in entrepreneurship ecosystem building are a fundamental feature of this local economic development strategy. These interactions are driven by relationships between individuals and the institutions and communities they represent. Therefore, to better understand the entrepreneurship ecosystem building process, understanding how relationships are formed and maintained is important.

The research methodology was an exploratory case study, which collected data from a surveys, focus groups, and interviews with members of all E-Communities that were identified as "mature." There was no standard definition of a mature E-Community, so a series of proxies was created. These proxies were developed using E-Community data from Network Kansas and data from the E-Community committee leader survey. The intent of the proxies was to assess ecosystem commitment, engagement, and self-perception of relationship success. For this research, those E-Communities that ranked the highest were considered mature. This chapter will discuss general findings, novel findings, research implications, and research recommendations.

General Research Findings Discussion and Implications

The primary question guiding this research was: *What strategies are E-*

Community entrepreneurship ecosystem builders using to form and maintain

relationships with individuals and institutions in order to facilitate entrepreneurship

ecosystem growth? The findings reveal that there is no generalizable answer to this

question. With minor exceptions, to be discussed later, there were few consistently shared

strategies of relationship formation and maintenance either across E-Communities or

within the same E-Community geography when comparing focus groups strategies and

interviewee strategies. Each E-Community committee used unique relationship strategies

to form and maintain relationships. As such, the findings in this research reinforces

previous research findings that indicate entrepreneurship ecosystem building is driven by

each unique local business environment where it is practiced.

One of the most vivid examples of the differences in local business environments

is the differences in banker relationships found in E-Community 1 and E-Community 3.

Findings from E-Community 1 identified relationships with bankers as a challenge. One

participant shared:

> *I mean, we even had people that were vice presidents of banks on our*
>
> *board, but they didn't last very long cause…we've tried hard to keep them,*
>
> *but they kind of, it was kind of a conflict of interest for them. They, you*
>
> *know, they were nice and everything, but they all slipped away.*

On the other hand, E-Community 3 participants shared an opposite experience

with bankers, with one participant sharing, *"…I've never seen a banker look at any E-*

Community loan as a competing program" and *"I guess not to grossly oversimplify it,*

but I mean, I think a big part of it is have the banks, having a representative on the committee has been huge because it keeps them connected, it keeps them involved."

In this particular scenario, the entrepreneurship ecosystem element of culture may be one of the primary differences between the two E-Communities and their relationships with bankers. E-Community 3 participants reported that the culture of their community mitigated competition and fostered the expectation of cooperation. This culture of cooperation was seen as creating an environment where bankers would work together with the E-Community for the good of the entire community. This attitude likely minimized direct competition between the bankers when they collectively made E-Community lending decisions. E-Community 1 offered no comments on a collaborative culture and consistently worked to mitigate local bankers' perception of the E-Community loan fund as a competitor.

This example indicates that unique local business environments impact the way local entrepreneurship ecosystem builders seek to form and maintain the relationship. Furthermore, this finding suggests that entrepreneurship ecosystem building relationship strategies cannot be standardized across communities. Instead, they must be crafted to fit the business environment where entrepreneurship ecosystem building is being practiced.

Also, both the focus groups and interviews showed that all participants used various forms of activities and linkages to form and maintain relationships in the local entrepreneurship ecosystems they serve. This finding suggests that while the strategies of relationship formation and maintenance are unique to each E-Community committee and interviewee, they are using similar activities and linkages to form and maintain relationships with other providers and entrepreneurs even if they are arranged differently.

To use a rough metaphor, the process of relationship formation and maintenance is similar to multiple carpenters having a shared toolbox but using the tools to build different types of houses based upon differing homeowners' demands.

For example, two E-Community committees may have a common objective of forming more relationships with entrepreneurs. However, one E-Community committee may use cooperative action (activity) and events (linkage) to form relationships with entrepreneurs, while another E-Community committee may use service to entrepreneurs (activity) and programs (linkage) to form relationships with entrepreneurs. Table 24 shows a composite of all the E-Community focus group findings and demonstrates the unique approaches each E-Community takes to relationship formation and maintenance.

Table 24

E-Community Focus Group Composite Relationship Strategy Findings

	Formation	Maintenance	Barriers
Primary Code	*Secondary Codes*	*Secondary Codes*	*Secondary Codes*
Provider-to-Provider	E-Community 1 - Cooperative Action (Leveraging Networks); One on One (Key Actor) E-Community 2 - Programs & Events; Outreach E-Community 3 - N/A	E-Community 1 - Mutual Support (Shared Views & Values); Cooperative Action (Stable Relationships) E-Community 2 - Awareness & Information (Perception of Value) E-Community 3 - Cooperative Action (Culture); Cooperative Action	E-Community 1- Information & Awareness (Financial Institution Perceptions); Information & Awareness (General Public Awareness) E-Community 2 - N/A E-Community 3 - Service to Entrepreneurs (Funding Capacity)

	Formation	Maintenance	Barriers
		(E-Community Committee)	
Provider to Entrepreneur	E-Community 1- Cooperative Action (Referrals); Service to Entrepreneurs (Access to Capital) E-Community 2 - Programs & Events; Cooperative Action (Referrals) E-Community 3 - Information & Awareness; Cooperative Action (Referrals)	E-Community 1 - None E-Community 2 - None E-Community 3 - None	E-Community 1 - N/A E-Community 2 - Information & Awareness (Entrepreneurial Knowledge); Information & Awareness (Perception of Value) E-Community 3 - Information & Awareness (Entrepreneurial Knowledge); Information & Awareness (Perception of Value)

Based upon the findings in this research, the uniqueness of each local entrepreneurship ecosystem served by E-Communities leads to unique relationship formation and maintenance strategies in each respective entrepreneurship ecosystem. This, again, reinforces the lack of standardization in entrepreneurship ecosystem building and the necessities of entrepreneurship ecosystem builders to be adaptable to the unique business environments in the communities they serve.

The most significant implication of these findings is that policies developed for and the practice of local entrepreneurship ecosystem building must allow local entrepreneurship ecosystem builders the flexibility to adapt to each local business environment's uniqueness. This finding, however, does not mean standardization cannot occur in the field. However, standardization does not mean that one entrepreneurship ecosystem building strategy will work in all local communities. Instead, standardization

refers to creating frameworks and generally held understandings of the field of practice that allows researchers, policymakers, and practitioners to organize activities in a cogent way. To return to the carpenter metaphor, this would then enable practitioners to understand the tools at their disposal and how to use those tools. However, the entrepreneurship ecosystem builder would still have the flexibility to use those tools to build something unique to their local community's needs.

This result also indicates that more research needs to be conducted to examine how the evolution of local entrepreneurship ecosystems influences and are (or can be) influenced by entrepreneurship ecosystem builders. Research is often used to justify policy decisions or create a foundation for policy advocacy. The field is currently driven by ad hoc local strategies and policies with little to no research foundation that demonstrates how and why these strategies can effectively achieve local economic development goals. As a result, the local economic development practice of entrepreneurship ecosystem building has developed few frameworks for guidance, few typologies of entrepreneurship ecosystem building, and often struggles with credibility compared industrial recruitment the dominant local economic development strategy.

The second implication of the general findings is that a broader exploration of how formal ecosystem building programs, like Network Kansas, influence the relationship formation and maintenance process. For example, one of the Network Kansas E-Community program's primary features is the program's significant focus on the E-Community loan fund and local lending. This impacted all three of the E-Communities relationship strategies with bankers, who were required participants in any loan provided by an E-Community. However, the entrepreneurship ecosystem builders

interviewed unaffiliated with the E-Community program rarely, if ever, referenced banks and bankers when discussing relationship strategies. This suggests that an entrepreneurship ecosystem building program can influence the entrepreneurship ecosystem builder's relationship strategies towards different types of support providers and entrepreneurs.

A potential second phase of this dissertation's research would be to examine how the E-Community program structure shaped or impacted the relationship formation and maintenance process. It could explore not just what relationship strategies were being used, but how the design of the E-Community program influenced those strategies.

Novel Research Findings Discussion and Research Implications

This section will discuss the following novel findings from the case study research: the differences in relationship formation and maintenance, ecosystem builder focus and choice of relationship strategies, and the role of cooperative action and information and awareness.

Differences in Relationship Formation and Maintenance Discussion and Research Implications

Relationship formation and maintenance sub-questions drove the direction of much of the research and subsequent findings. Each E-Community used different types of relationship strategies to adapt to their respective community's unique business environment. In addition to each E-Community using a distinct set of strategies in general, the findings suggest that different entrepreneurship ecosystem building strategies are used when relationships are formed versus when they are being maintained. Also, different strategies are used when targeting entrepreneurs versus other support providers.

Relationship Formation Differences. Different relationship formation strategies were contingent on whether the relationship strategy was focused on providers or entrepreneurs. The most notable difference was the use of one-on-one linkages to form relationships with other providers. The form of one-on-one linkage most often used was direct outreach to other providers. Two out of the three E-Community committees and five out the eight interviewees shared that one-on-one activities were a primary relationship formation strategy with other providers. None of the E-Community committees reported that they used one-on-one linkages as a relationship formation with entrepreneurs, while two out of eight interviewees shared that they did.

Conversely, a wider variety of formation strategies were used to form relationships with entrepreneurs. The most notable E-Community committee strategy was the relationship activity cooperative action using referrals. All three E-Community committees shared that they used referrals as a primary form of relationship building with entrepreneurs. In addition to referrals, both focus group participants and interviewees used programs and information and awareness to form new relationships with entrepreneurs.

Relationship Formation Differences Implications. These findings suggest what may be considered obvious, that forming relationships with support providers differs from forming relationships with entrepreneurs. This is likely due to the different roles each play in the entrepreneurship ecosystem. Providers play a supporting role, while entrepreneurs are the target of the support. Because providers are often targeted as formal or informal partners in the entrepreneurship ecosystem, direct one-on-one outreach is an important way many of the research participants brought new providers into the network.

Conversely, the findings suggest that because relationships formed with entrepreneurs are primarily designed to provide them with some form of support, activities that either provide that support (such as referrals and programs) or make entrepreneurs aware of support opportunities (information & awareness) were used. More specific research needs to be conducted to determine how the various stakeholders interact and perceive their role in the entrepreneurship ecosystem. In addition, practitioners need to determine the most effective way to engage different support providers and entrepreneurs within their entrepreneurship ecosystem. These findings seem to be reinforced by the differences found in relationship maintenance, noted in the following section.

Relationship Maintenance Differences. There were few findings as consistent across the three forms of data collection as the minimal focus on relationship maintenance with entrepreneurs. Out of 29 relationship maintenance survey responses, only five responses focused specifically on relationship strategies with entrepreneurs. There were no themes identified that discussed relationship maintenance with entrepreneurs in any of the three focus groups. Out of the eight interviews, only two interviewees shared relationship maintenance strategies with entrepreneurs. This differs from the wide variety of relationship formation strategies identified in the research.

Relationship Maintenance Differences Implications. The findings suggest that the dearth of relationship maintenance strategies focused on entrepreneurs may be due to the different roles that the entrepreneurs play in the local entrepreneurship ecosystem compared to that of the support provider. This is like the prior discussion on relationship formation strategies. The entrepreneur is the primary beneficiary of the work of the support providers. This often comes in the form of direct or indirect support by providing

human, social, or financial capital and the improvement of the local culture, infrastructure, and policies that support entrepreneurs. Once this support is received, the expectation is that the entrepreneur will continue to work on their firm.

The findings suggest that the support providers in an entrepreneurship ecosystem are tasked with continually providing support to the entrepreneurs in their ecosystem. It is likely that the support providers prioritize forming relationships with entrepreneurs to provide them with a service, but once the service is provided, maintaining a relationship is of lesser priority. Conversely, relationships with other support providers require longer-term interaction and need to be more durable so that entrepreneurs can be supported over the long run in the entrepreneurship ecosystem. Therefore, relationships with support providers require more maintenance.

Ecosystem Builder Focus and Choice of Relationship Strategies Discussion and Implications

The focal point of the E-Community committee or interviewee was often a strong determinant of their approach to relationship formation, maintenance, and perception of barriers in the entrepreneurship ecosystem. One example of this is E-Community 3's focus on lending as their E-Community's primary objective. This focus drove many of their relationship strategies. For example, a focus group participant from E-Community 3 shared that one of their primary reasons for participating in local events was because it *"...spurred more people in here (to the E-Community) with their applications and contacting us about it."*

The narrower focus on the E-Community loan program also guided E-Community 3 committees' relationship maintenance strategies and perception of relationship barriers.

For example, cooperative action was a key strategy for relationship maintenance with other providers with a specific focus on relationship maintenance with bankers. One participant shared that the E-Community committee was an important driver of cooperative action, primarily through the lending process, "*...I think a big part of it is have the banks, having a representative on the committee, has been huge because it keeps them connected, it keeps them involved.*" Finally, this orientation of the E-Community committee toward the lending program was seen as the primary barrier to building relationships with. When discussing barriers to relationships with entrepreneurs, one participant shared that the new limitation in funding by Network Kansas was a primary barrier, "*When we keep steering the conversation back to the funds, it's because that's the tangible thing that changed that hurt us.*"

While E-Community 3 focus group findings provided the most evident connection between entrepreneurship ecosystem orientation and relationship strategies, there were other examples in the findings as well. Another example is the E-Community 2 committee looking to stop "*…preaching to the choir.*" This led the committee to prioritize different relationship formation strategies than they had in the past and focusing on expanding their creation and participation in programs and events by doing more outreach to create these relationships. This was part of an extended strategy by the E-Community committee members who *"...talked over several meetings about ways to be able to grow in different areas.*"

The connection between entrepreneurship ecosystem focus and relationship strategies was also seen in several of the interview findings. The E-Community 1 volunteer interviewee was focused heavily on the Youth [Community Event] program.

Because of this, they said the E-Community focused most of their relationship formation

and maintenance strategies on relationships with various school stakeholders and other

local entrepreneurs and support providers who could support the program. This

interviewee also happened to be an E-Community 1 committee member who said this

allowed them to leverage the relationship strategies they were employing to support both

the youth program the E-Community committee.

Finally, another notable example of entrepreneurship ecosystem orientation and

relationship strategies can be seen in the E-Community 2 interview findings with the

economic developer. The economic developer was focused on an emerging industry that

required developing many relationships in a short time period. As a result, this led to

them focusing most of their relationship strategies on the entrepreneurship ecosystem as

it connected to the emerging industry.

Implications. These findings suggest that relationship strategies are likely driven

by three factors: the general business environment, the focus of the E-Community

committee, and the focus of the support provider. The implications of this finding for

researchers is that a more in-depth examination of how various focuses by

entrepreneurship ecosystem builders and other local support providers influence each

other and either develop or inhibit the entrepreneurship ecosystem's growth. This also has

implications for E-Community committee construction. Because support providers bring

their often-unique focus to the E-Community committee, the composition of these

stakeholders will influence the E-Community committee's focus. As such, it is

conceivable that an overreliance (or under reliance) of certain support provider types on

the E-Community committee could harm the entrepreneurship ecosystem building

process versus support it.

For example, if the majority of an E-Community committee is composed of

members from the banking community, there is a possibility that relationship strategies

will skew towards a focus on lending. This could limit the E-Community's focus on other

elements of the entrepreneurship ecosystem needed in the community. This insight is

consistent with the feedback from an E-Community 1 focus group participant that shared

the challenges of having too many bankers on the E-Community committee.

Cooperative Action and Information and Awareness Discussion and Implications

The findings on cooperative action and awareness indicate they are more often

used as a relationship activity to form and maintain relationships. The lack of these were

barriers to relationships. Out of 18 identified focus group relationship activity secondary

codes, 14 of the secondary codes were cooperative action (7 total) or information and

awareness (7 total). Out of 31 identified interview relationship activity secondary codes,

27 were information and awareness (9 total) and cooperative action (18 total). Out of 73

identified survey relationship activity secondary codes, 52 of the relationship activity

secondary codes were information and awareness (35 total) and cooperative action (17

total).

The findings on the emphasis of cooperative action reinforce existing research on

the importance of networks and collaborative action in entrepreneurship ecosystem

building. There is an inherent logic to cooperative action being a strategic

entrepreneurship ecosystem relationship strategy. Entrepreneurship ecosystem building

prioritizes developing the business environment instead of focusing on individual

programs like the local economic development strategy entrepreneurial development. This understanding suggests that the ability to network and connect various support providers with other support providers in the entrepreneurship ecosystems to work together to improve service to entrepreneurs is a key component of entrepreneurship ecosystem building.

There is also an inherent logic in relationship strategies that focus on information and awareness in entrepreneurship ecosystem building. If stakeholders do not know about opportunities and the value of these opportunities in the entrepreneurship ecosystem, the likelihood of collaborating or participating is limited.

Implications. Because the findings suggest that cooperative action and information and awareness are dominant relationship formation and maintenance strategies, it may be useful to examine the research and practice of other fields to gain insight into these activities. Researchers in community development literature, business literature, and other fields have done significant research on collaboration that may provide insight to help develop the field of entrepreneurship ecosystem building. Also, information and awareness relationship strategies could potentially be heavily informed by pre-existing advertising and marketing research.

Research Limitations

The research in this dissertation has limitations. First, there are a variety of methodological limitations in this research. One of the primary limitations of this research is the research methodology. Case studies are rarely generalizable and are non-confirmatory. While the findings can provide insight into a phenomenon, insight is often unique to the studied phenomenon. Most often, the insight will not apply directly to a

similar phenomenon. The relationship formation and maintenance findings in Network Kansas E-Communities will not necessarily apply to other entrepreneurship ecosystem building forms. However, the findings can be used to help frame future research.

There are also limitations in the form of the case study methodology, exploratory, chosen for this research. Exploratory case studies are often used when there is a lack of prior research and theory on the subject. This case study method asks the "what" question to provide a rich description of what is occurring with the phenomenon of interest. This method was suitable for this dissertation's research methodology because of the dearth of research on the interaction between entrepreneurship ecosystem elements in general and relationship formation and maintenance in entrepreneurship ecosystems. However, this strategy's limitations are that it offers little insight into why specific actions are taken. For example, this research describes what actions various actors in E-Communities are taking to form and maintain relationships, but little insight is gained into how and why they are taking these actions. A more specific example is that information and awareness may be identified as a strategy for relationship formation with entrepreneurs, but little insight is gained into how a practitioner designs their awareness and information strategies, the duration of these strategies, and the outcomes of these strategies.

The final limitation was defining a mature E-Community. Because there was no clear or standard definition in previous literature of what a mature entrepreneurship ecosystem is, nor does Network Kansas have a definition, this had to be constructed. As a reminder, the rationale for conducting focus groups on mature E-Communities was the assumption that they would provide stronger insight into relationship formation and maintenance in entrepreneurship ecosystems. While every effort was made to develop a

rational and systematic way to define maturity using Network Kansas data and insights from the E-Community survey, there are potential limitations. One of the limitations is that not all E-Community leaders filled out the survey. As a result, there may have been E-Communities more suitable for focus group research than the ones chosen Another limitation is that the variables used may not truly be reflective of what constitutes E-Community maturity. There may have been variables more suitable that were not used, or data may not be currently collected that would better help define maturity.

Recommendations for Future Research on Entrepreneurship Ecosystems and Relationships

This research sets the foundation for a wide variety of types of research on entrepreneurship ecosystems and relationships. Four recommendations will be discussed in this section. The first recommendation is expanding on this case study research to conduct additional research to establish a theory of relationship formation and maintenance in entrepreneurship ecosystem building. The lack of a theoretical underpinning in prior entrepreneurship ecosystem research has been identified as a research gap. Since exploratory case studies are a methodology designed to set the foundation for future theory building, a logical extension of this research would be to use it in conjunction with future research to establish theory.

The second recommendation is that the use of other theories and fields of research is recommended. Various social capital theories would be particularly useful. Examining entrepreneurship ecosystem relationships through the lens of social capital theory seems appropriate. Another useful prior research lens is Granovetter's (1973) *The Strength of Weak Ties* lens. Examining entrepreneurship ecosystem relationships through the lens of

strong and weak relationship ties and how these various ties strengthen and weaken the entrepreneurship ecosystem would be useful research.

The third recommendation is examining entrepreneurship ecosystem relationships from the orientation of the entrepreneur. The research in this dissertation examined relationship formation and maintenance from the lens of providers tasked with building the entrepreneurship ecosystem. Entrepreneurs are likely to have a significantly different orientation to relationships in the entrepreneurship ecosystem. One research methodology that may be useful for this form of research is social network theory. Social network theory examines how individuals interact with others in their network. Using this methodology to explore how the entrepreneur interacts with others in their entrepreneurship ecosystem would help inform the field. One added value is that this methodology could also be used to study how entrepreneurs in the same entrepreneurship ecosystem have access to and use different relationships to start and grow their firm. This would be particularly useful to examine how people from diverse backgrounds navigate a shared entrepreneurship ecosystem.

The fourth recommendation is research on effective collaboration in entrepreneurship ecosystem building. Collaboration is a critical feature of entrepreneurship ecosystem building, and additional research that examines collaboration strategies and effectiveness would strengthen the field. Potential research models for entrepreneurship ecosystem building can be drawn from Thompson and Perry's (2006) article titled, *Collaboration Processes: Inside the Black Box*. In this article, Thompson and Perry shared multiple collaboration models that would be useful research frameworks for entrepreneurship ecosystem research.

Conclusion

Entrepreneurship ecosystem building centers entrepreneurs in the local economic development process to leverage the impact that startup and growing firms have on local economic development. Entrepreneurship ecosystem building focuses on improving the business environment in which entrepreneurs start and grow firms to make the firm startup and growth process more efficient and effective. As an emergent field, and unlike its contemporary local economic development strategies (industrial recruitment, entrepreneurial development, and cluster-based development), entrepreneurship ecosystem building may lead to novel outcomes that are not covered by more traditional approaches.

This dissertation used an exploratory case study methodology to answer the research question: *What strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions in order to facilitate entrepreneurship ecosystem growth*? The case study consisted primarily of focus groups and interviews conducted in three Network Kansas E-Communities. E-Communities are a local entrepreneurship ecosystem building strategy practiced in the state of Kansas at the county or sub-county level.

This dissertation's findings demonstrate that, even with a shared E-Community program framework, each E-Community in the research took unique approaches to relationship formation and maintenance. Also, even with a shared geographical area of focus, both E-Community committee focus group participants and other local entrepreneurship ecosystem leaders interviewed also took unique relationship formation and maintenance approaches. This suggests that, just as each entrepreneurship ecosystem

has a unique business environment, the practice of ecosystem building, even if framed by a specific entrepreneurship ecosystem building program, will require unique relationship strategies to build the local entrepreneurship ecosystem.

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Appendix

APPENDIX A: NETWORK KANSAS ADDITIONAL INFORMATION

The Kansas Growth Act legislation, which served as the foundation for Network Kansas can be found here:

http://www.kansas.gov/government/legislative/supplemental/2004/CCRB2647.pdf

In 2014, the Center for Rural Entrepreneurship released a case study on the history of Network Kansas and E-Communities, which can be found here:

https://www.networkkansas.com/docs/default-source/default-document-library/kscasestudyfinal5-29-14.pdf?sfvrsn=ca7f8836_0

The 2019 E-Community annual report can be found here:

https://www.networkkansas.com/docs/default-source/default-document-library/2019-yearinreview_ec.pdf?sfvrsn=c3fe8f36_0

APPENDIX B: EXTENDED CASE STUDY METHODOLOGY DISCUSSION

Case Study Methodology

Case studies are a common research methodology across a wide variety of fields, including entrepreneurship, economics, political science, and sociology (Yin, 2009). They are often employed to research various phenomena of interest, including individuals, business processes, political institutions, geographic regions, and other bounded and defined phenomena (Ponelis, 2015). Case studies are used as a research method in public administration as well. One example of a case study based dissertation at the University of Nebraska Omaha is Patrick McNamara's (2007) analysis of community culture and cross-sectoral collaboratives using a comparative case study approach. Another example is the research Catherine Humphries-Brown conducted to explore foundation-funded nonprofit capacity building in the United States using a two-stage mixed-method research model that included a multi-case study analysis (Brown, 2014).

As a research method, case studies provide several advantages and research opportunities. Case studies allow a researcher to explore a phenomenon of interest holistically (Baskarada, 2014; Yin, 2009) and in great depth (Noor, 2008). They allow the researcher to gain a thorough understanding of the researched phenomenon that often cannot occur through other qualitative methods (Zainal, 2017). Case studies are also useful for researching complex social phenomena in uncontrolled environments and exploring these phenomena in their natural environment to determine why things happened or are happening the way they did or do (Noor, 2008; Rowley, 2002). Finally,

case studies can provide a dense description of a phenomenon that can potentially be generalized to other similar phenomena (Merriam, 2009).

Case studies can use both qualitative and quantitative research methods (Eisenhardt, 1989). They provide a researcher with flexibility and typically involve using a wide variety of data collection tools, including document analysis, interviews, focus groups, participation observation, questionnaires, and other tools (Ponelis, 2015; Rowley, 2002). According to Eisenhardt (1989), this flexibility in data collection allows case studies to triangulate, which Eisenhardt considered the greatest strength of the case study methodology.

Various researchers offer up suggestions as to when the case study methodology is the best research method. Yin (2009) suggested that case studies are best used to answer how and why questions when the research requires no control over behavioral events and focuses on contemporary events. How and why questions are used to explain versus predict and "…deal with operational links needing to be traced over time, rather than mere frequencies or incidence" (p. 8). Yin also suggested using case study methodology to answer the "what" question, which is relevant specifically to exploratory case studies. The value of the "what" question in this research will be explained shortly.

Ponelis (2015), citing Benbasat, Goldstein, and Mead (1987), offered four questions to answer when choosing a case study methodology:

1. Can the phenomenon of interest be studied outside its natural setting?

2. Must the study focus on contemporary events?

3. Is control or manipulation of the subjects or events necessary [or possible]?

4. Does the phenomenon of interest enjoy an established theoretical

base? (p. 537).

According to Ponelis (2015), if the phenomenon cannot be studied outside of its natural setting, must focus on contemporary events, the manipulation of subjects is not possible, and the subject of interest does not enjoy a significant theoretical base, the case study methodology may be the appropriate research methodology. Based upon these questions, using a case study methodology to explore E-Communities in order to understand better entrepreneurship ecosystem building was a suitable choice. E-Communities must be studied within their natural setting, evaluated within contemporary activities, cannot be controlled or manipulated for research purposes, and have limited or no theoretical base. Combined, this made E-Communities appropriate candidates for an exploratory case study.

Yin (2009) identified three case study types: descriptive, explanatory, and exploratory. This research will use the exploratory case study methodology. Both descriptive and explanatory questions use "how" and "why" questions as the framework for case study research. Descriptive case studies seek to describe events and processes to discover key variables within the phenomena of interest. Explanatory case studies aim to explain how events occurred within a given context. While all case studies are useful when there is a limited theory around the phenomenon of interest, exploratory case studies are specifically designed to be used when there is little, if any, prior theory (Baskarada, 2014).

Exploratory case studies seek to answer the "what" question. The "what" question, versus the "how" or "why" question used in descriptive and explanatory case

studies, provides the researcher with the flexibility to explore the phenomenon of interest without being bound by prior theoretical constraints. According to the *Encyclopedia of Case Study Research* (2010),

> …exploratory case studies are by definition often applied in a research context that is not clearly specified and still requires data for the formulation of valid hypotheses, their broad concept provides the researcher with a high degree of flexibility and independence with regard to the research design as well as the data collection. (p. 372)

Exploratory case studies are often conducted when there is little prior research, there is an emerging field of interest, there is limited available data, and there is inadequate prior theory (Mills et al., 2010; Rowley, 2002). The objective of exploratory case studies is often to provide rich insight into a phenomenon. Case studies are often used to offer up preliminary theory and provide a foundation for future research (Eisenhardt, 1989; Rowley, 2002; Yin, 2009). According to Gerring (2006), case studies in general and specifically exploratory case studies, are non-confirmatory and less useful in testing existing hypotheses. Conversely, because of their exploratory nature along with their ability to triangulate using various data collection tools, explanatory case studies are useful in establishing preliminary theory and serving as a foundation for future research (Mills et al., 2010; Zainal, 2017).

Asking the "what" question versus the "why" or "how" questions was appropriate when using an exploratory case study to explore E-Communities and entrepreneurship ecosystem building. The question in this research was: *What strategies are E-Community*

entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions in order to facilitate entrepreneurship ecosystem growth?

Asking the "what" question, and not the "why" or "how" questions, allows for the creation of a rich description of activity via the case study methodology. It does not attempt to identify generalizable themes nor test hypotheses derived from prior theories. It does allow either the researcher or future researchers to begin developing theory based on the descriptive findings to build or expand the field of knowledge on entrepreneurship ecosystem building. This is appropriate due to entrepreneurship ecosystem building being a relatively nascent field, with limited theory based research.

Yin (2009) discussed four types of case study designs, single-case holistic, single-case embedded, multiple-case holistic, and multiple-case embedded. This research used a multiple-case holistic case study design. Single-case study designs focus on one case as a focus of research, while multiple-case designs focus on two or more cases. Holistic case studies focus on one unit of analysis, while embedded cases focus on subunits of the primary unit of focus. A multiple-case study was chosen because, "Analytic conclusions independently arising from two cases…will be more powerful than those coming from a single case…alone" (Yin, 2009, p. 61).

Exploratory case studies are particularly useful when theory needs to be developed and there is limited current research or data on the phenomenon of interest (Gerring, 2004). This type of case study allows the researcher to conduct research asking "what" questions in order to discover how interactions, processes, and behaviors occur within a bounded phenomenon of interest. Because entrepreneurship ecosystem building

is an emerging field with little prior research and theory development, conducting an

exploratory case study will fill research gaps within the field of public administration.

APPENDIX C: DATA COLLECTION PROCESS

Data Collection Activities	Activity #1: Survey	Activity #2: Focus Groups	Activity #3: Interviews
Locating site/individual, gaining access, purposefully sampling	Network Kansas database of E-Communities and contact emails.	Two mature E-Communities will be identified through the evaluation process developed.	Phone interviews will be conducted with no more than four entrepreneurship ecosystem leaders in each E-Community, identified during the focus group phase.
Collecting data & recording information	Data will be collected through the online survey tool Qualtrics. The survey will be open for one month. Two reminders will be sent out. Once the survey is closed, data will be downloaded, compiled, and sorted from the site prior to coding.	Two audio recorders will be used (one for redundancy) to record the sessions. Handwritten notes will be taken. Audio recordings will be transcribed and filed in preparation for coding.	Two audio recorders will be used (one for redundancy) to record the sessions. Handwritten notes will be taken. Audio recordings will be transcribed and filed in preparation for coding.
Storing data	Data will be stored with an online survey provider, and data derived from the survey will be stored in a secure Dropbox folder and desktop computer.	Hard copy notes will be stored in a secure file cabinet; audio files and transcriptions will be stored in a secure Dropbox folder and desktop computer.	Hard copy notes will be stored in a secure file cabinet; audio files and transcriptions will be stored in a secure Dropbox folder and desktop computer.

APPENDIX D: SURVEY QUESTIONS

Question 1 – What E-Community do you represent?

Question 2 – What is your leadership role in your E-Community?

- Board or Leadership Committee Member
- Executive Director
- Other (please define role below)

Question 3 – Do you have a strategy for creating new relationships across your E-Community's ecosystem?

- Yes
- No

Question 4 – Describe the approaches you take to creating new ecosystem relationships?

Question 5 – On a scale of one to ten, with ten being highest, how successful do you consider your E-Community to be in creating new relationships across your ecosystem?

Question 6 – What were the easiest new relationships to form?

Question 7 – What were the hardest new relationships to form?

Question 8 – What are the most important new relationships to form?

Question 9 – Do you have a strategy to develop and manage existing relationships across your E-Community's ecosystem?

- Yes
- No

Question 10 – What approaches do you take to develop and maintain existing relationships?

Question 11 – On a scale of one to ten (with ten being highest) how successful do you consider your E-Community to be in forming and maintaining existing relationship across your ecosystem?

Question 12 – What relationships are easiest to maintain?

Question 13 – What relationships are the hardest to maintain?

Question 14 – Which relationships had/have the biggest barriers?

Question 15 – How, if you did, overcome these barriers?

APPENDIX E: FOCUS GROUP AND INTERVIEW QUESTIONS

Focus Group Questions

Guiding Research Question: *What strategies are E-Community entrepreneurship ecosystem builders using to form and maintain relationships with individuals and institutions in order to facilitate entrepreneurship ecosystem growth*?

Research Sub-Question 1 (Formation)	Research Sub-Question 2 (Maintenance)	Research Sub-Question 3 (Barriers)
What strategies do or did you use to form new relationships when building your E-community's ecosystem?	What strategies do or did you use to maintain relationships when building your E-community's ecosystem?	What were or are the barriers to relationship formation and maintenance?
Primary Focus Group Questions	Primary Focus Group Questions	Primary Focus Group Questions
Was relationship formation part of your E-community's strategy when it was started? If so, what was that strategy? If not, what approaches did you use to form relationships?	Do you have a strategy around relationship maintenance? Why / Why not? If so, what was that strategy? If not, what approaches did you use to maintain relationships?	What were or are the barriers to relationship formation and maintenance?
Follow Up Focus Group Questions (Time Contingent)	Follow Up Focus Group Questions (Time Contingent)	Follow Up Focus Group Questions (Time Contingent)
What institutions did you start with and why?	Why did you choose that strategy and how did you develop it?	Why were or are the barriers?
Who in the institution did you start with and why?	Is your strategy working well for your E-community?	Which relationship types had the biggest barriers?
What worked best in the strategies you used?	Do you have defined relationship management goals that you track over time? Why / Why not?	How, if you did, overcome these barriers?

What did not work at all in the strategies you used?	How did you develop those goals?
What institutions developed relationships the fastest?	Are you achieving those goals?
What institutions developed relationships the slowest?	Are those goals achieving the ecosystem impact you hoped for?
What were the strongest relationships developed?	Do you use any formal tools to manage and grow relationships? If so, what are they and how do they work?
What were the weakest relationships developed?	What informal tools do you use to manage and grow relationships? If so, what are they and how do they work?
What were the most critical relationships developed?	Why did you choose those formal or informal tools?
What were the least critical relationships developed?	What are the easiest and hardest relationships to manage and grow?
If you were to start the ecosystem building process over again, what would you do differently to develop relationships?	

Interview Questions

1. Question 1: What strategies do, or did you use to form new relationships across the ecosystem?
2. Question 2: What strategies do, or did you use to maintain relationships across your ecosystem?
3. Question 3: What were or are the barriers to relationship formation, growth, and management in the ecosystem?
4. Time Contingent – Questioned derived from focus group insights.

APPENDIX F: ADDITIONAL FOCUS GROUP AND INTERVIEW QUOTES

E-Community 1 Focus Groups – Supporting Quotes

Activity	Actors	Action	Supporting Quotes
Relationship formation	Provider-to-provider	Cooperative action – Leveraged networks	Diverse Industries on the Committee - *"So back to our partnership when you mentioned that we are partnerships here, that's how we started the board. So, we've got the County, we've got the small business development center, the municipalities, main street, individual businesses. So, I think that really strengthens our ability to do what we do. Just like (participant) said, we reach out to our networks as well."*
			Targeted New Committee Members - *"...when you look at someone, you know that as a potential candidate, someone that's invested, you know, in the community that cares about the community, that isn't just, you know, got this tunnel vision of their business or...their profession. But someone that cares about the success of the community as a whole is critical. Cause that's the only way you can be successful then."*
		One on one – Key actor	"*(Key Actor), he goes, and he set me up cause he brought me on the day of elections. I became the vice president. He knew he was transitioning out, but he mentored me and said, Hey, I know you got a lot of leadership or you do the same way I do. I don't take no for an answer, but I break knees and stuff like that…"*
	Provider to entrepreneur	Cooperative action -- Referrals	*"...we have a lot of older people like just like give an example, (provider name), we built a relationship with these people. We tell them it's going to be simple. Sometimes we hand walk these people into (providers name)'s office."*

Relationship Maintenance	Provider-to-provider	Mutual support – Shared views and values	*"(Other E-community committee member) and I have known each other for even a fair number a few years before that and so we probably tend to have some very similar paradigms about what kinds of things are successful, small businesses, successful small business communities."*
			"You know, and it may sound funny, but it's not, there's a whole lot of care there really is. Everybody really cares about this area and small businesses. And we care about each other too. I mean we really support each other on various things that we do. And uh, I don't know. I think it's just the right storm that came together. You know, this whole crazy thing started way back in the early 2000s, you know, and here it is right here and we've just got all these really killer people working here together on stuff."
		Mutual support – stable relationships	*"...it's been super beneficial to start. Right. Incredibly beneficial to have stability in those two positions. I think if you go back to when it first started, it took a lot and there had been cycling through three people over the amount of time that (committee member) has been here. I see this in other communities...And when there's a lot of instability in those (city / county appointed committee positions) it doesn't work to me. It takes everybody."*
Relationship Barriers	Provider-to-provider barriers	Information & awareness – Relationships with financial institutions	*"...we're having to educate the banking institution about the processes of all these other opportunities out there for entrepreneurs...I mean they still look at them as a little bit negative, at least the banking institutes."*

| | | | *"But (significant actor) name is all over everything in this community, but yet they still (bankers) don't. I don't know why banks should thank us because I talked to lots of small businesses starting up."* |
| | | Information & awareness – Community awareness | *"Well I know that we are kind of, the underdogs are right here. I mean, uh, you know, you've got your banks, you've got your elected officials you have, or these other groups that really barely know of know of us or care about us or don't think that we really are that beneficial. And I think that's one thing that actually kind of drives us because we know we're doing good."* |

E-Community 1 Interviews – Supporting Quotes

Small Business Support Provider

Relationship formation	Provider-to-provider	Outreach	*"We've prospected. And so that meant reaching out to banks who are going to form the other half of the community loan, for example. It means reaching out to CPAs, attorneys, other economic development professionals."*
	Provider-to-entrepreneur	Cooperative action: Referrals	*"I'm talking about like the bank that is looking at the business plan and the person's asking for 50,000 but the bank is looking at it more like a personal loan looking at credit score and they know they can only do 20 it's the bank that's going to connect us to that person to say, look, the business probably needs 50 we can do 20 based on everything that limits us. Let's connect you to the E-Community, you know, so that they can get what they really need to be successful in business."*
Relationship maintenance	Provider-to-provider	Mutual support: Trust	*"...the trust relationship that I built with all of these people means that*

like, I can walk into damn near any business in (community) and people will have heard, heard of my, heard of my center in what we do. Um, and it really helps. It just helps in every possible way. I wish I could say there was a shortcut to it. You know, we took step a, step B, step C, but it's a, just a lot more complicated than that. And you know, it involves, relationships and communications and trust built over time."

Relationship barriers	Provider-to-provider	Cooperative action: Financial institutions	"…*but one of the things that I have seen as a problem, the community leadership teams is when bankers serve on those E-community leadership teams. And when they take roles that are too prominent…And so bankers, I think it's really hard for them to let go of the banker. And if you're going to be in that room making those decisions, you have to let go of the banker because these credit decisions are completely different.*"

The Volunteer

Relationship formation	Provider-to-provider	Outreach	*"…we go out and call the teachers and the, and the principals and send them letters, send the YEC (youth entrepreneurship challenge) documents out to them. We try to gain at least just an audience or just a chance to tell him about what we do for five minutes.*"
			"But then when you're in the organizations such as the (organization)…they have district meetings. And so, you end up knowing other people because of that in other towns. And you can also use the chamber of commerce as links."
Relationship maintenance	Provider-to-provider	Information & awareness	*"Now these are the people, not just the bankers but business, those people in*

our community that they hear about different loans, about things we're considering that people have talked to us, uh, that they hear about the YEC. Cause we always had that as just as a topic every month. And then periodically if I'm writing a letter to the judges and I want them to take a look at something in the portal that I thought would be useful to them or will be different than we did last year, let's say weighting of the events and I'm explaining what the events are, I'll send a letter and we do a diagram as to how to get to the portal, what to do, what you know, how to find it. I always send it out to the rest of the members too."

			The Municipal Employee
Relationship formation	Provider-to-entrepreneur	Information & awareness	*"It seemed like pretty much anything that we do that we deem, you know, worthy of publicizing. We have a great partner with the paper. Um, they always kind of publish things with the city in a good light. So, I think our PIO just started sending them the photos and they started publishing them so they'd, they publish everyone that we do."*
Relationship maintenance	Provider-to-entrepreneur	Programs	*"I found that more people were aware of the E-community as we became more active just in loans or other programs through um, sending businesses to destination bootcamp that weren't necessarily loan recipients. But later on, did end up being loan recipients."*
Relationship Barriers	Provider-to-entrepreneur	Information & awareness	"*I think plenty do, I mean plenty (of local entrepreneurs) do get assistance, but for every person that gets assistance, there's probably five more*

that could use it but don't know or don't want to."

		The Economic Developer	

Activity	Actors	Action	Supporting Quotes
Relationship formation	Provider-to-provider	Meetings	*"...I attend various business entrepreneurship organizational meetings throughout the county. So, for instance, the (two local communities) have a chamber of commerce. And so, I attend meetings there. Then (another local community) has a chamber. I attend there..."*
Relationship maintenance	Provider-to-provider	Meetings and events	*"That's why they (local small business support organization) do it every Friday. So, I go probably at least twice a month. And I think that that has generated a certain trust."*
Relationship barriers	Provider-to-provider and provider-to-entrepreneur	Information & awareness	*"...that's, that's why I keep trying to show up to different events and different networking events, different, you know, organizational meetings so that I am aware. That would be a barrier. If you don't know about it, you don't, you can't utilize it, you can't share it, you can't, you know, provide it to someone else."*

E-Community 2 Focus Group – Supporting Quotes

Activity	Actors	Action	Supporting Quotes
Relationship formation	Provider-to-provider	Outreach	*"I kind of had an idea of who would be willing to come to the table. (Bank name) has been a great co-sponsor. I'm not saying I'm responsible for them coming in, but I made some suggestions and so… (committee chair) reached out."* *"… folks at the table that would really get…a lot of brochures to a lot of bankers and it goes in the trashcan. But if, if you can engage them and they understand better what this is really*

			about and how it can benefit everyone."
	Provider-to-entrepreneur	Programs and events	*"We did a (specialty industry) conference this year in (location), a business transition conference, a health opportunity conference. So, targeting certain hot topics of focus that will bring a different kind of folks to the room, to the table that then hear about our services, about the community, about other things that we're trying to get everyone connected with."*
			"...because I think it's just putting more resource resources out there and kind of the different work groups within the ecosystem working together to kind of help spread the word and kind of put some of that educational pieces out there."
	Provider-to-entrepreneur	Cooperative action (referrals)	*"...realizing that like since I don't have a lot of control over that, okay, what else can I do to be a resource on the back end as far as like, "Hey I think you should go talk to this person or this person. I think they can provide some information to kind of help you build your case or build your thing that maybe we revisit this in six months, or we look at doing."*
Relationship maintenance	Provider-to-provider	Information & awareness (perception of value)	*"I mean you guys (other bank) have done really, really well and I've kind of used that as a model cause where I was previously like I could never really get one sold and then we're seeing (other bank) now. I think we're a little bit more open to look at some of these and just trying to find the right deals with it. But I think there is a lot of crossover like in that ecosystem."*
			"I mean, 80% of our members are small businesses. So, when you have that, when you have that many

members then you have that many small businesses within our membership, we have to continuously look for opportunities to have value to them. So, this is a resource for where they say, Hey, this is what we're looking for. We can either say, Oh, well there's something to the E-community that we are sponsoring that you might benefit from"

"I think going back to what you said earlier about the personal versus the institutional and like for like, at least for me, I think it's both of those. I think that going back when we had several other people here, the personal want or need or to help was there. But then sometimes, you've got to get it through other people to do it."

"I mean for me, like I've had the conversation with our chief credit officer of like I get my job is not to be out chasing people that can't qualify for funding on themselves. And she's like, no it's not. But she was like, but that's also why we're here in the community...But like I like that there's a commitment to try to do some of that small business stuff to help and do those different types of things."

Relationship barriers	Provider-to-entrepreneur	Information & awareness (entrepreneurial knowledge)	*"I still see a gap where many entrepreneurs, they just don't know what it takes in order to get it loan...Like, if I could just have a recording every time, I have to go through that process. Um, so you know, telling them you got to do your homework, right. First impressions matter. There's still just that gap and it's not only in this market."*
			And I almost all consistently have to put my mom hat on because I've got two little boys' high testosterone and I'm like, no, you know, and like you

can't do that. I've consistently laid out next steps. And so again, it goes back to that knowledge gap from the entrepreneur and that could just be an in house issue…And so we've got people coming in and you know, they should have been here maybe six months ago and (now) their hair is on fire.

	Provider-to-entrepreneur	Information & awareness (perception of value)	*"...we were developing a framework and network where entrepreneurs can go and like a super referral chart, if you will… But then they got some of the entrepreneurs in and they said, well, you all say this, but these things really aren't happening… It was a lot of buzz about (a new program created through the ecosystem process) and then that kind of fell on itself."*
			"And so, the relationships that were a little bit harder to get into maintain are actual entrepreneurs. We had a group of, we're on a good while. Who's that with us at the table. We even went out to one of the programs. However, once they saw that they couldn't specifically benefit from taking out the loans, then they stopped showing that."
			"...that's (entrepreneur name) and she uses all the institutions. So, she's just excited to be able to grow her product that way. But she's also a (removed title), so she recognizes the value of community engagement. And so, she's at the table for that reason too."

E-Community 2 Interview – Supporting Quotes

Activity	Actors	Action	Supporting Quotes
		The Business Owner	
Relationship formation	Provider-to-provider	Information & awareness	*"So, we tried to locate every single group that we thought could play a*

role in the entrepreneurial ecosystem and we met with them to understand what their business model was and then said, okay, here's how you can impact it. Here's how you can be involved and here is the value that you'll get by being a part of it."

Relationship maintenance	Provider-to-provider	Mutual support	*"And then having an open door that during those, you know, during the interim, two weeks if you had an issue or a road bump or whatever, then reach out to the party that can get you off that road bump. So sometimes it might be contacts or making a phone call*
			"And then every two weeks we would have one or two of them get up and it would re, you know, it evolves over the 12 months and each time. And sometimes people, you know, in a twelve month period would get up two or three times and they would report in on how they're doing. And then if they had challenges, uh, even though they weren't given a report, they should bring up those challenges and we would solve them right there."
Relationship barriers	Provider-to-provider	Programs	*"Formal structured ones? Yeah. That had a national platform or a regional platform. You know, they were so stuck in their model and the problem is it was not culturally okay to pivot because then they'd have to go up the ranks. Right? Oh well, you know, regional has to approve this cause we have, we have four delivery systems of our education. And so, you know, we have to check with the attorney, well we have to check with the person that set up the program and then they would come back and say, no, I really can't do that. So, there's no flexibility. You know, those programs have to get flexible, otherwise they're not adapting*

to change and they're not adapting to the ecosystem that different ecosystems they might need to serve that have different challenges and need different solutions."

The Economic Developer

Relationship formation	Provider-to-entrepreneur	Information & awareness	*"...basically, making sure that their (industry) measures are in place...there are new standards that's being rolled out in 2020. If we're not able to help get our (industry) companies to become compliant, then they'll (entrepreneurs) miss out on getting more...work and diversifying further. So that's something that kind of shows the two worlds kind of emerging. So, we've been, I've been having several conversations with these (industry) professionals and companies..."*
Relationship maintenance	Provider-to-provider	One-on-one	*"As you meet with these professionals, you know, they're subject matter experts. So, kind of have them on as like a personal counsel to be able to bounce ideas off of if we're dealing with attraction projects, even we know we can go to them to help with valuable data. We're able to keep everything we do relationship-based, and we all just connect naturally in that way. So, it doesn't really have to be a completely focused effort to make sure it's still being connected. It just naturally seems to happen."*
	Provider-to-provider	Meetings	*"I mean, what's something we're trying to really not do? I guess it's just meet for the sake of meeting, actually making sure there is a goal to help align all of this...There's not a really a managed way at this point, but it's just kind of, it's showing itself as we're working through all these issues and stuff and how it all connects together.*

Just try to be strategic about every step."

		The Banker	
Relationship formation	Provider-to-provider	One-on-one	*"(Small business support provider) … I just totally dumb lucked into getting to know her by my wife being at a dinner and sitting next to her and her husband and my wife came home. And said, you need to call this woman. She's amazing. Uh, y'all need to work together."*
	Provider-to-provider	Information & Awareness	*"So (small business support provider) said, you really need to go talk to Network, Kansas, which we had never been a part of Network Kansas before…. We just weren't, we weren't really aware of the organization. I sat down with Steve (Network Kansas President) and really got realized that he plays a very valuable role."*
			"I started with (small business support provider) and (local ecosystem group) I've found 80 (small business support organizations) through the chamber and realize that we need to organize the entrepreneurship ecosystem here. So, I got involved with that group and did fundraising and joined their board…."
Relationship maintenance	Provider-to-provider	Mutual support and outreach	*"I've had numerous conversations specifically with (support provider) and her work at (support organization) with my counterparts in (banker's bank) and strongly urge them to be supportive, which they've responded."*
Relationship barriers	Provider-to-provider and Provider-to-entrepreneur	Information & awareness	*"…Yeah. As far as, you know, you've got someone who wants to raise their hand and say, I want to be involved and help push this forward. If you know somebody who's involved in it, it's easy to find. But if you know, you relocate a business to town, say I want*

			to be involved in entrepreneurship, it can be difficult still."
	Provider-to-provider and Provider-to-entrepreneur	Cooperative action	*"...in (community)the folks in the ecosystem don't have a natural reason to gather or gathering place...there's a scattered group of organizations that work in this area. You know, (list of organizations), the chamber does a little bit, everybody does a little bit, but there's not a place where we all go, to interact around entrepreneurship."*

The Small Business Support Provider

Relationship formation	Provider-to-provider	Meetings and events	*"...there are a couple of examples where I was really intentional. I'll take the first part of your question in a second. I'm after them and making strategic ad hoc connection. So, there is a couple of events (that brought) leaders together with entrepreneurs. And so, I attended those events initially as a mentee looking for coaches and there were two who I was able to connect with through those events where we were able to have a couple of follow up lunches and that did help my strategic growth."*
Relationship maintenance	Provider-to-provider and provider-to-entrepreneur	Programs, meetings, and events	*"...started inviting, (entrepreneurs from the support provider's program) to some of the typical events. So, the (event names) for example. I even encouraged people to go to the (meetings)."*
Relationship barriers	Provider-to-entrepreneur	Programs	*"...some of the methods are just antiquated from the service providers. You know, they have metrics based on their funders that don't compute necessarily in real time with what (entrepreneurs need)...So what ends up happening is staff members, even though they treat folks for the most part as good as possible, they're not hitting their metrics. So, it creates an*

internal conflict and stress in that particular workplace. Meanwhile, the entrepreneurs who are being served feel like they're not getting access to all the information that they can because the engagements are limited."

E-Community 3 Focus Groups – Supporting Quotes

Activity	Actors	Action	Supporting Quotes
Relationship maintenance	Provider-to-provider	Mutual support (culture)	*"The perception of prosperity and the perception of the high paying jobs and everything else that, that the community has going for it, it does lend itself to a more cooperative environment."*
			"So even though there are some of these variables that are not directly tied to each other, there is at least the perception of wealth and prosperity in (community name), that's not necessarily always the case in every single connection, but the perception is there. So, I think there's a perception of there is no shortage here. We have what we need. And I feel like that has also lent itself considerably to a cooperative environment and atmosphere because when you go to these smaller communities, and I'm not trying to pick on them, the town is clearly dying."
			"...everybody wants us to be a good community, a great community. We try to even bring in new industries where jobs are competing, and we have very high wages because of the great industrial base we have. So, we live here, and we want it to be a great town and we want to have no vacancies downtown."
			"But there, there are times where we start to drift a little bit just organically. And you know, we have some people

			on the committee that rights the ship quickly and says, okay, that's not why we're here. This is, this is why we're here."
			"...there's a certain, etiquette protocol on, on the community and I've never seen anything get out of hand, but I have seen an (committee member's name) speak up at times and say, look, this is the purpose of this committee. This is what we're supposed to be looking at. This is how we're supposed to remain objective."
		Cooperative action (referrals)	*"Most of our referrals come from banks because the people are, they're trying to get a loan and all the banks, we have several on our board, on our committee."*
Relationship barriers	Provider-to-entrepeneur	Programs (loan funds available)	*"...because of our reduction in loan resources, now we all collectively know where we're at and we have a conversation of, okay, well how much, how much, what kind of funds do we have left to, to, to lend out."*
			"I think that goes also into the, um, the thought process of approval because now we have to, I mean, not that we were ever not picky. Um, we, we declined loans that didn't look like they were well thought out or good projects. But now we have to be, we really have to scrutinize, because we have fewer funds available."
			"I mean, we've got it on our website, we talk about it at events that we go to when we just had the chamber annual dinner and discussed at...a community event and so we talked about it there and first that spurred more people in here with their applications and contacting us about it. And so, like you said, you know, it's kind of a catch 22 more...It's been a terrific tool but

		there's only so much money to go around to."
		"I'm saying that we have the infrastructure in place right now that we could continue to write more loans. And the hurdle or the barrier or the challenge to writing new loans is not who is not connected in the network or who is not getting plugged into the community program. It's literally the funds are now gone for the year and now we have to wait for another year to get more funds."
Provider-to-provider	Cooperative action	*"Like I said, there's definitely been an attitude from the fire department and the city of, well, we're not willing to compromise or write variances or, you know, work with you in any way, shape or form. It either needs to be code compliant or just don't do it or spending the $70,000 you need to do it."*

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