

MANUFACTURING ENTREPRENEURS

Entrepreneurs Are Made, Not Born.

By Mark D. Burdette

Entrepreneurs are made, not born. While some would argue that there are people who simply have it “in their blood,” entrepreneurial drive is not limited to certain genetically-predisposed people. Entrepreneurs exist in all walks of life, but they often go unnoticed and/or undervalued in a system where creativity and trailblazing are not always encouraged.

Lichtenstein and Lyons (2001) posit three key beliefs about entrepreneurship: (1) entrepreneurs are successful to the extent that they have necessary skills, (2) entrepreneurs come to entrepreneurship at different levels of skill, and (3) these skills can be developed. What is necessary is a system to develop or “manufacture” such entrepreneurs.



BENEFITS OF AN ENTREPRENEURIAL COMMUNITY

Entrepreneurial communities are distinguished by certain kinds of behaviors or activities. First, they possess a critical mass of entrepreneurs who are actively engaged in capturing new market opportunities.

Second, there is a group of entrepreneurs that constitute a distinct and recognizable segment within the community. This group – characterized by a network of relationships that serves as a conduit for support, resources, know-how and business – provides its peers the conditions necessary to grow their firms. The observation that it takes a village to raise a child applies in this situation as well; it takes a community to develop entrepreneurs and their ventures (Lyons, 2002).

Third, the community as a whole is entrepreneurial, not just a few of its parts. The community is open to change and invests in the conditions necessary to encourage entrepreneurship. Sometimes referred to as entrepreneurial *spirit* or entrepreneurial *culture* (labels that tend to confuse or mystify), this characteristic is specifically reflected in the actions taken by various members of the community to support the entrepreneurial process, such as making bank loans to startups, passing favorable legislation, welcoming new members and including new members in social and economic networks. If an area is going to successfully encourage entrepreneurship, the entire community must support it.



David Clayman, Ph.D., Owner
Clayman & Associates AA Entrepreneur

"EVERYDAY ENTREPRENEURS ARE FACED WITH ISOLATION, REJECTION, AND FEAR; BUT WHAT ELS GIVES US IS CONNECTEDNESS, ACCEPTANCE, AND THE ABILITY TO BUOY OURSELVES. WHEN THE WORST OF THE WORST HAPPENS, WE HAVE OUR TEAMMATES THERE TO BACK US UP."

WHAT IS ELS?

The Entrepreneurial League System® (ELS) is an innovative approach to methodically developing entrepreneurial talent, creating successful companies and building entrepreneurial communities. Modeled on one of the most successful processes in the world for systematically developing talent – the farm system of professional sports – the mission of ELS is to create a supply of highly skilled entrepreneurs capable of building successful companies and to do so in *sufficient numbers* to transform a region's economy and to create individual and community wealth. Far more than just a set of ideas, ELS is a powerful operational system and a set of well-organized business activities. Every element of the system has been implemented successfully in different communities (e.g., high-tech, urban and rural) in various parts of the world.

The critical determinant of a community's economic vitality is the quantity and quality of its entrepreneurs and how well they are matched to the market opportunities they pursue (Lichtenstein & Lyons, 2001). Communities can and must do something to improve their supply of entrepreneurs. We methodically cultivate many other kinds of talent, why not entrepreneurs? ELS creates a breeding ground for entrepreneurs and helps them build the skills necessary for success as they work their way up the various league levels, just as athletes do in baseball.

Current programs in enterprise development deal with only half of the equation for economic success; they address the needs firms have for technical and financial assistance but do nothing to build a pipeline of highly skilled entrepreneurs capable of using that assistance to build companies.

In the ELS system, entrepreneurs are assigned to a league level (i.e., Rookie, Single A, Double A, Triple A, and Major League) according to skills specific to starting and operating a new enterprise. Entrepreneurs are recruited by Talent Scouts who use a variety of methods to find or encourage individuals with the potential and drive to become an entrepreneur.

Led by a Performance Coach, entrepreneurs at the same league level are organized into Success Teams to develop the skills necessary to be successful entrepreneurs and to support each other in the tasks needed to build their businesses. With the help of their coach, entrepreneurs establish individualized Game Plans that help them focus their energies. Consulting services, technical assistance and financial assistance are customized to the entrepreneurs' level of development and their precise needs. These processes facilitate the entrepreneurs' progress to the major leagues – not necessarily in terms of size but in terms of performance and profitability.



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Participating service providers are organized into a coordinated and disciplined system to improve entrepreneurs' ability to get the right kind of help at the right time and the right price. This is achieved by adopting a common yet interdisciplinary diagnostic framework that was uniquely designed for this purpose.

ELS also includes an innovative market development service led by individuals known as Opportunity Scouts, whose function is to actively identify new market opportunities and link them to existing and prospective entrepreneurs.

The final operational components – local stewardship and performance monitoring of processes and outcomes – result in a system capable of improving its results. All of these elements are designed to be mutually reinforcing so system results are greater than the sum of its parts.

ELS is a new approach to economic development that helps communities develop entrepreneurial talent and builds successful companies effectively, efficiently and equitably on

a large-scale, sustainable basis. It provides entrepreneurs with a clear ladder to success and access to resources, support and opportunities to develop new skills that make it less costly to start a business, more likely to succeed, less time-consuming to achieve success and more capable of generating a greater return on investment. For service providers, ELS provides more qualified, prescreened clients. It also enables them to take preventive rather than corrective action on problems entrepreneurs are experiencing.

ELS IN ADVANTAGE VALLEY

ELS was introduced to the West Virginia community by Dr. Thomas S. Lyons at the first West Virginia Conference on Entrepreneurship in 2002. Dr. Lyons and Dr. Gregg Lichtenstein are the designers of ELS as it is being implemented in the Advantage Valley region.

Following the presentation in 2002, a small group of community leaders comprised of entrepreneurs, service providers and civic leaders recognized the potential of the system and decided to pursue it further. The Advantage Valley Board of



"EACH MONTH WHEN I SIT DOWN WITH MY FELLOW WARRIORS. NOT ONLY DO I GET GOOD, LOGICAL, PRACTICAL ADVICE FROM OTHER PEOPLE WHO ARE IN THE TRENCHES RIGHT NEXT TO ME, BUT I ALSO GET A LOT OF EMOTIONAL AND PSYCHOLOGICAL SUPPORT THAT IS REALLY VALUABLE."

**Kent Milholland, President
NeoNexus Corp.**

A Entrepreneur

Directors embraced the concept and became the sponsor of the initiative. The Advantage Valley Entrepreneurial Task Force determined the resources that would be needed to implement ELS, and, based on recommendations from the community, Advantage Valley sought and was awarded start-up funds from the Claude Worthington Benedum Foundation.

In preparation to compete for funding from the W.K. Kellogg Foundation, those initial funds were leveraged to form the Advantage Valley Entrepreneurial Development System Collaborative, a partnership among Advantage Valley and seven other agencies: Advantage Valley Community College Network, Ashland Area Innovation Center, A Vision Shared – Increasing Entrepreneurship Task Force, Capital Area Development Corp. Foundation, Center for Economic Options, WV Department of Education’s Office of Program Services, and WV Small Business Development Center.

The collaborative is honored to be one of six programs out of 183 competitors across the United States receiving funding from the W.K. Kellogg Foundation.

At this time, Advantage Valley ELS boasts four Success Teams, including two teams that have been meeting for more than eight months. Each team is comprised of peer groups of entrepreneurs who are focused on skill development and support. They attend a monthly meeting during which they report on progress on their Game Plans and discuss ways to develop skills and overcome obstacles. These meetings are facilitated by a skilled Performance Coach and are the foundation for sharing and strengthening entrepreneurial thinking, behaviors and beliefs.

Entrepreneurs are challenged to develop personal maturity skills including self-awareness, accountability and emotional balance.

ALWAYS ROOM FOR MORE

While Advantage Valley ELS takes great pride in the 48 entrepreneurs participating in the four existing Success Teams, there are plans for five additional teams – 60 entrepreneurs – in the coming year. Those who meet the following criteria could be considered for participation in ELS:

1. Launched venture in an Advantage Valley county
 - a. In West Virginia: Boone, Cabell, Clay, Kanawha, Lincoln, Mason, Putnam, or Wayne
 - b. In Kentucky: Boyd or Greenup
 - c. In Ohio: Lawrence
2. Involved in entrepreneurship (i.e., growing a business) versus self-employment
3. Driven to succeed and highly motivated to use Advantage Valley services and investments to benefit entrepreneurs and community
4. Demonstrated commitment to being coached and attending Success Team meetings

Interested entrepreneurs should contact Advantage Valley ELS at 304-760-0950 or mark@advantagevalleyels.com.

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Advantage Valley ELS is making strides in creating a culture that fosters an entrepreneurial community in the Advantage Valley region. The focus on acknowledging varying levels of existing skill among entrepreneurs and providing the system to develop the skills necessary for success is already yielding positive results. So far, the salient outcome is the feedback from participating entrepreneurs who say their team has helped them focus on growing their business.

One might say ELS is not just making entrepreneurs, but making entrepreneurs better. ⚙️



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