

The Entrepreneurial University

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What is an entrepreneurial university, and how does it address the world's biggest problems?

It's a question that we've been asked regularly the last few months in the run-up to the recent publication of our book, *Engines of Innovation: The Entrepreneurial University in the 21st Century* (University of North Carolina Press). We wrote the book because we think this is an important question. Friends of higher education who believe, as we do, that universities are the key to taking the U.S. economy to a prosperous and more egalitarian future need examples and evidence to help make the case for investment in universities and basic research.

But before we attempt to define the entrepreneurial university, let's agree on what it's not.

First, it is not a trade school designed to train students how to start or run a commercial activity. Practical "how-to" guides, online tutorials and seminars of all kinds abound and do an excellent job of addressing the nuts and bolts associated with start-ups of all kinds. But that's not why we need great research universities.

Second, an entrepreneurial university does not involve the wholesale adoption of methods and values from the commercial world. Research universities are unique learning communities that have evolved over hundreds of years. They are important cultural institutions that should not be tampered with lightly. In fact, many of the very traditions and ways of doing things that are part of a university's culture position it to assume the role of what we call an engine of innovation.

Third, an entrepreneurial university is not merely an assembly line for the creation of new companies. High-impact research aimed at complex problems will inevitably lead to promising enterprises. But most of the hard work will take place outside of academia in a structure and culture better suited to the day-to-day exigencies of a start-up.

Finally, entrepreneurial universities are not economic development authorities. Few within academe are expert at wooing new industry, creating technology hubs or revitalizing old

industries. This is not to say that the innovation that takes place at research universities will not lead to economic development in the form of new industries and the reimagining of old ones, especially if such innovation is informed by deep and complex relationships with the private, civic and government sectors. Economic development is a byproduct of the exciting work of the entrepreneurial university. But for the most part, like enterprise creation, the work is done by non-academics and takes place outside of academia.

By now, you know that we don't think a university becomes more entrepreneurial by blowing up centuries of tradition or replacing the expertise and culture that make these institutions great.

On the other hand, we believe that the entrepreneurial university **does** embody these characteristics:

It recognizes that liberal arts education has fueled American innovation. The largest differentiating factor between international higher education and the U.S. is the breadth of learning. Universities around the world are now attempting to adopt the U.S. liberal arts model. Innovation that addresses major problems facing the world requires an understanding of the human condition, an appreciation of human relations that brings different viewpoints to the table, and a relentless pursuit of collaboration. The study of the humanities and social sciences is critical to the skills and worldview needed by successful entrepreneurs in all sectors. Some proponents of greater commercial activity by universities feel that our broad rubric dilutes the potential focus on seeding high-growth businesses, but we believe that our emphasis on the liberal arts and inclusion of social entrepreneurship strengthens the institutional perspective.

It thrives on big problems. With vast financial and intellectual resources at its disposal, high expectations from donors and funders, and a generation of students committed to making a difference in the world, the entrepreneurial university is naturally attracted to big, complex societal problems and involves the entire community in seeking solutions. An entrepreneurial mindset views these big problems as opportunities and gravitates to them. Such a problem-based focus has a number of advantages. It energizes students, faculty and alumni around a mission that resonates with their values and their ideas about the nature of the university. It encourages multidisciplinary teams that leverage the unique strengths of the entire institution. It connects the academic community with the world outside because complex problems can't be confronted without interaction with the environments in which they occur and this connection, we believe, makes the work of the academy better. On our own campus and others, a focus on big problems has injected a new vitality and energy as academics and students, out of necessity, venture from their comfort zone to develop new professional relationships in and outside the academic community. Picking what problems to tackle is an important part of the process. There will be a great deal of discussion about this, and ultimately, the best choices will be those that consider a university's comparative advantages and build upon them.

It values both innovation and execution. With the demise of the great corporate research labs and the practical limitations on the growth of government research institutes, research universities are increasingly being called upon to become primary sources of all kinds of societal innovation. The entrepreneurial university welcomes the challenge. As Peter Drucker, the

renown commentator on the subject once said, “Entrepreneurs innovate.” It is in their DNA. When a research university embraces an entrepreneurial mindset, innovation becomes the rule and not the exception. As we talk to colleagues all over the country as well as friends and supporters of our own institution, we have been struck by how innovative many universities have already become and how open many others are to innovative initiatives of all kinds. But innovation without execution has no impact, and academic communities are less comfortable with the day-to-day blocking and tackling required to turn innovation into reality. The culture of an entrepreneurial university embraces and even celebrates great execution and the processes that accompany it. It welcomes objective measurement and benchmarks, it strives for continuous improvement, and it understands that seemingly minor mid-course corrections can result in high-impact innovation. The entrepreneur thrives at the intersection of innovation and execution, and we believe that attention to this space will result in the highest payoff for university communities.

It places culture ahead of structure. When an institution commits to solving important societal problems, the magnitude of the task can be used to move beyond prosaic concerns such as the name of the effort or the department in which it is housed. But absent a concerted effort, research universities, like other large institutions, will place organizational priorities and individual recognition ahead of high-impact problem solving. The entrepreneurial university addresses this problem by focusing on culture ahead of structure. Less time is spent on developing new programs, institutes and departments. More time is spent developing an environment that thrives on problem solving, celebrates risk taking and accepts a certain amount of failure as a necessary component of the learning process. A culture that focuses on big problems is impatient — there is so much to do and so little time. The result is a dramatic change in the institutional conversation where bureaucratic impediments are replaced by innovative compromises.

It encourages partnerships between academics and entrepreneurs. Partnerships between academics and entrepreneurs can produce remarkable results, often exceeding the most optimistic expectations. In fact, many of our most distinguished research universities were founded by such teams. In our own experience, curriculums developed and taught by such teams have proven far superior to those created by one or the other. Similarly, virtually every major university initiative we reference in our book involves academics and entrepreneurs working together. Whether it is Michael Bloomberg working with academics at Johns Hopkins on a worldwide anti-smoking initiative, Pierre and Pam Olmidyar working with Larry Bacow at Tufts on micro-finance, or Gary Parr working with Geoff Sayre-McCord on a center for ethics on our own campus, such partnerships have an impressive track record. It’s not that academics are incapable of envisioning and executing important enterprises but rather that such enterprises can often have dramatically greater impact when an entrepreneurial mindset is injected into the mix.

Our description of the entrepreneurial university is purposely broad because if our ideas have any merit, they will be interpreted and applied differently by any institution that chooses to embrace them. We have already begun the process on our own campus and have concluded that we are engaged in an iterative exercise — more trial and error than grand plan. We are certain we will know much more in a year or two about the challenges associated with implementing some of the principals we have enunciated. To facilitate the conversation among all who are willing to

take the plunge, some of our current and former students have established a website — revupinnovation.com. Please join the dialogue as we continue to explore how an entrepreneurial university can impact the world's big problems.

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