

Leveraging Commercial and Social Entrepreneurship for the Revitalization of Marginalized Urban Communities

Thomas S. Lyons, Ph.D.
Lawrence N. Field Family Chair in Entrepreneurship
Baruch College, City University of New York

Why Government and the Private Sector Can't Solve Our Most Pressing Social Problems

- Government
 - Lacks political will
 - Resource constrained
 - Transactional; not transformational
- Private Sector
 - Emphasizes shareholders over stakeholders
 - Downplays the reality of market failure

Social Entrepreneurship Can Be A Catalyst for Change

- It eschews political ideology for pragmatism
- It bootstraps and leverages resources
- It is innovative and transformative
- It perfects markets without destroying them
- It benefits all stakeholders (including shareholders)
- It brings social goods to markets in need
- It facilitates individual, family and community wealth building

Fostering 'Responsible' Capitalism through Entrepreneurship

- Via the efforts of individual commercial and social entrepreneurs in low-income, urban communities
- Through the work of social entrepreneurial intermediaries who support the work of these individual entrepreneurs
- Being systemic, systematic and strategic about managing these combined efforts

Individual Urban Entrepreneurship

- Must involve innovation and a goal of growth; not merely self-employment
- Must be focused on human development (skill building); not business development

Social Entrepreneurship Supporting Individual Entrepreneurs

- Community investment in providing technical, business and financial assistance
- Doing so transparently and equitably
- Examples:
 - Competition THRIVE (New York City)
 - West Side Business Xcelerator (Chicago)
 - Warsaw Entrepreneurship Forum (Poland)

Being Systemic in Our Approach: Entrepreneurial Support Ecosystems

- Preparing the community to think and act entrepreneurially
 - Mindset/culture
 - Leadership capability
 - Capacity for continuous learning and innovation
- Creating a broadly accessible system to develop properly motivated individuals into successful entrepreneurs
 - Clinical assessment of skills
 - Long-term coaching
- Blending these two systems