



# Measuring Entrepreneurial Ecosystems

Growing Entrepreneurial Communities Summit

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# Entrepreneurial Ecosystems: Why Measurement Matters

- Proliferation of programs
- Headline metrics are often vanity metrics
  
- What do I measure?
- How do I measure it?
- Brad Feld:
  - “I constantly get asked the question “how are we doing” and “how can we measure the success of our startup community.” I’ve never had a particularly good answer to this, especially one that is quantitative.”
  
- Must be for non-academics



# Measuring Entrepreneurial Ecosystems: Our Proposed Framework

- Density
- Fluidity
- Connectivity
- Diversity



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# Need to Test Framework

- **Density**
  - Entrepreneurial Density
  - Young firm employment share
  - High-tech firm density
- **Connectivity**
  - Program connectivity
  - Spinoff rate
  - Dealmaker network
- **Fluidity**
  - Population flux
  - Labor market reallocation
  - High-growth firms
- **Diversity**
  - Diversity of economic specializations
  - Economic mobility
  - Outsiders (immigrants)

Stangler and Bell-Masterson: Measuring an Entrepreneurial Ecosystem

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Startups

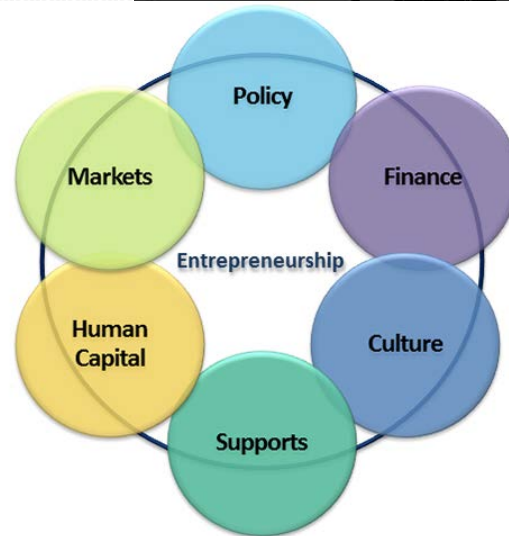
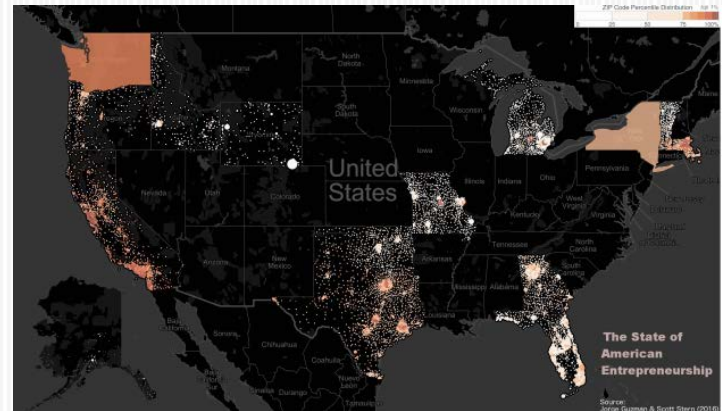
Growth

Main Street



# Other Challenges and Opportunities

- Closer to real-time
- Inputs v. Outputs
- Kitchen Sink
- “Ecosystem Trap”
- Incumbents
- Invisibility



Sources: MIT REAP;  
Babson Entrepreneurship  
Project

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# Thank You Please Let Us Know Your Thoughts

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