Abstract:
The purpose of this paper is to propose recommendations for building a strong local economy driven by university and non-profit partnerships. The paper will provide evidence from a unique partnership in Jersey City, New Jersey between the Ignite Institute at Saint Peter’s University and the non-profit organization Rising Tide Capital, which can serve as a model for other cities. The partnership seeks to build the capacity of micro-entrepreneurs by providing research recommendations and technical training, facilitating partnerships with student teams, faculty experts and other resource providers, and ultimately developing a more sustainable business ecosystem. The primary research included long-form interviews with local entrepreneurs and also observational and ethnographic research in Jersey City to better understand local entrepreneurs’ experiences and the value – academic, practice, policy and service- impact of the partnership to date.

Introduction
Entrepreneurship and local economic development initiatives, particular in our urban areas, are increasingly being explored by policy makers, funders and academics. There is a growing excitement about the concept of revitalizing low-to-moderate income neighborhoods and communities by empowering local residents to open and run successful businesses aka “the local economy movement” promoted in the USA by BALLE- Business Alliance for a Local Living Economy. This movement is accompanied by increasing campaigns to “shop local,” source locally, and re-think buying behavior in terms of where consumers spend their money and acquire products and services. St. Peter’s IGNITE and Rising Tide Capital and its Jersey City Local Economy Working Group have founded one of the first academic, policy and practice collaboratives in the country to come together to explore solutions for challenges facing entrepreneurs in urban environments.

This paper discusses a newly established Jesuit University Institute that was created in partnership with a local non-profit organization to provide thought leadership and direct service in the local urban community in the area of accelerating entrepreneurship for sustainable urban communities by fostering stronger economic and social networks and promoting supportive economic clusters among local small businesses. The paper illustrates the successes and challenges of the ongoing experiences of the Ignite Institute in partnership with Rising Tide Capital in their efforts to improve the sustainability of the local economy and connect micro-businesses to the larger regional economy and principal anchor institutions, including universities, hospitals, museums, libraries and arts centers (Maurasse, 2007). The research process involved identifying local business trends, clusters and anchor institutions, with the support of ICIC, the Initiative for a Competitive Inner City and an independent researcher. Through
this collaboration, the team seeks to gain a deeper understanding on effective practices to connect the micro-entrepreneurs more effectively to the local and regional economy and leverage the vast knowledge resources of the university in impacting local economic development.

In addition, the paper incorporates a qualitative study, led by one of the co-authors (Lacka, 2014) and discusses in detail the research methodology, process and findings from a survey sample of diverse micro-entrepreneurs in Jersey City. This study’s findings and analyses, in part, helped drive the formation and evolution of the Ignite Institute at Saint Peter’s University. In the final part of this article, a brief analysis of a pilot program launched by the Ignite Institute in 2014, called the Micro-business Community Partnership, modeled after the Service Learning approach, will be described in addition to several recommendations for creating much needed similar community partnerships at Jesuit institutions throughout the world. The rationale behind launching the institute and progress is based on the premise that improving university resource access and increased capacity for underserved micro-entrepreneurs is an essential building block for accelerating the benefit of local economies. Developed as part of a growing cluster of economic value creation and harvesting, one element of Ignite is to work to identify useful activities, such as reviewing procurement procedures at larger businesses and anchor institutions and aligning with goals to support local entrepreneurs.

Since many of our Jesuit universities are located in urban areas facing similar challenges, we are eager to share recommendations for the benefit of engaging Jesuit universities in local economy efforts, especially by leveraging the human capital of our faculty and students, in their urban surroundings, in order to promote social and economic justice and strengthen neighborhoods and achieve a more complete capital force for good- intellectual- ideas, human- local action, social- value creation networks and financial- credit to capital access while at the same time provide learning and research opportunities through a mutually beneficial relationship.

**Defining Local Living Economies**

The concept of local living economies, or more simply sustainable local economies, is not new, and the move towards socially responsible businesses and social entrepreneurship has been gaining popularity and acceptance over the past fifteen years (Wicks, 2009). New measurements of performance that incorporate the “triple bottom line” of people, planet and profit, and now even the “quadruple bottom line,” incorporating purpose, are being proposed and adopted by companies across industries and geographic boundaries (Savitz, 2006). Large global companies like Apple and Nike are touting accomplishments in ensuring social responsibility along the supply chain and almost all large firms have divisions and webpages dedicated solely to CSR.

While these efforts are laudable, the reality is that many local communities that were once prosperous with many employment opportunities are now in decline and experience diminished social cohesion and community, decreasing local Gross Domestic Product as measured in value creation and capture, all reflected in unemployment as measured by Labor Force Participation rate, failing schools as measured by International Academic Standards for academic achievement and reflected in blight, abandoned buildings, unkempt homes and streets and crime and gang activity.
As local living economy advocates assert, a healthy global economy with positive social, environmental and economic outcomes, is very much dependent on healthy and sustainable local economies (Wicks, 2009). Advocates call for a new strategy for building a more just, equitable and sustainable global economy and diversifying the current model of economic growth measures. In Wicks’ words (2009), “Growth can be measured in ways other than physical size - expanding creativity, knowledge, and consciousness, deepening relationships, and increasing happiness and well being.”

In the local living economy model, entrepreneurs are seen as change agents with a real ability to channel unique talents and passions into locally relevant and diversified business ventures that in turn build better communities (MacKay, Scheerer & Takada, 2005; Moreno, 2014). In the literature on local living economies, a strong focus on local self-reliance and interdependence in addition to sustainability is prevalent. To varying degrees, local economy advocates call for an alternative to national branding and a corporatized business model, and instead promote decentralized control, regional brands and more local ownership that can begin to create a local job creation engine. This approach prizes local economic control and offers a different perspective on competition, where brands and businesses aren’t seeking to compete to expand and dominate markets, but instead work in partnership with similar companies in other local economy regions, while maintaining a local identity and presence. This model empowers local stakeholders by ensuring a closer proximity of business decision-making connected to the public, consumers and residents and awareness of the impacts that specific business decisions are affecting and creating (Schnell, 2013).

What are the building blocks of the local economy? Wicks (2009) identifies the “building blocks” of new local, living economies and they include: the local food system, sustainable energy, alternative transportation and fuels, locally designed and made clothing, recycling and reuse, green building, independent retailers, localized arts, education & culture, neighborhood tourism, crafts production, holistic health care, eco-friendly cleaning products, and independent media. By maintaining independent local businesses in these categories, entrepreneurs help to build local character and differentiate one place from the next- further establishing unique comparative advantage areas based on local talents and resources. These building blocks are well represented in the qualitative study and micro-business community partnership, which are described below.

The Ignite Institute and Conceptual Models

Just as local economies and communities are influencing and also influenced by global forces, universities and higher education institutions are very much impacted by the larger communities where they are located and also have the ability to impact and influence the surrounding area, given their permanent place and role in neighborhoods. An Initiative for a Competitive Inner City (ICIC) report (Maurasse, 2001) highlights these long-term economic benefits and describes the role of inner city universities as economic “anchors.” Another analysis (Hahn, Connerette & Peaslee, 2003) on this topic of universities as economic anchors recommends building economic initiatives in cohesive and coordinated manner, that is, as an integrated cluster of activities and practices, and not as uncoordinated or piecemeal phenomena. The report advises that colleges and universities consider economic roles as an organizing theme in and of itself.
for planning, monitoring, fine-tuning, and ultimately institutionalization, which is one of the influencing factors behind the Ignite Institute.

Higher education institutions, particularly mission-driven Jesuit institutions, have an opportunity before them to provide much needed leadership in creating practical solutions to urban challenges. Campuses can more effectively and more closely engage with their communities to address social issues by facilitating the growth of local economies, while at the same time building new learning and research opportunities for students and faculty (Maurrasse, 2001; Boyer, 1990). This approach helps position the university and university stakeholders in a critical role in incentivizing and rewarding community engagement initiatives supported by a Complete Capital approach- intellectual, human, social and financial and especially strengthens the practice economic development component. The stakes are high in our globally competitive world and we must succeed in serving and leading the way in innovative work with communities struggling to renew and maintain vibrant neighborhoods with locally produced and sourced goods and services to offer residents. By integrating economic development with civic and community engagement efforts in strategic and holistic ways, institutions can create “engaged learning local economies” that have the ability to foster positive civic and economic change. The basic premise of an engaged learning local economy is that civic engagement is the mechanism that connects economic outreach and democratic education (Wittman & Crews, 2012). The authors posit that this is best accomplished through partnerships with other organizations that are deeply engaged in these economic endeavors and who have very strong relationships with small businesses and entrepreneurs, which is how the Ignite Institute at Saint Peter’s University evolved.

Through a committed and sustained dialogue, that started with the establishment of the Jersey City Local Economy Working Group, led by Rising Tide Capital, higher education institutions, local government and business people, chaired by this Jesuit-nonprofit, has created a dynamic alliance that has spurred a new type of broad conversation on the benefits and methods for building a local economy and a “change the rules” perspective on policies and practices currently not in alignment with strengthening the local economy and empowering local residents and entrepreneurs. Academic programs that seek to make an impact in this area and which should be even more encouraged on the college campus include: Service-learning, community-based research, engaged scholarship, and aggressive promotion of social entrepreneurship capacity building, which are all critical aspects of civic engagement. As academics and practitioners collaborate, educators leverage different perspectives and generate useful organizational knowledge that can be incorporated into the classroom (Boyer, 1996; Barge and Shockley-Zalabek, 2008). There are many rewards to facilitating learning outside the classroom, and in particular these types of partnerships encourage researchers, students, and community partners to participate in the co-discovery of knowledge and experiences in ways that enhance, and to some extent displace, knowledge from the traditional, disciplinary locale of the campus (Gray, Heffernan & Horton, 2010). At the same time, these types of experiences and successful partnerships require increased resources- financial and human, extra time on task – often beyond the typical scope of an academic class-room environment, increased campus and community communication, investment in the support and motivation of students and partners while managing expectations on all sides, and it is critical that universities and promotion and tenure
processes recognize this type of engaged scholarship and place a new value in helping to support it. Increasingly effective alignment of academic knowledge, policy influence, the skills and values needed to make both meaning and money by local community members through localized ownership of the means of producing and harvesting value, all point to an opportunity for a renewal of relevance in the role of the university in the local economy and community.

The goals and outcomes of these university-community initiatives can also be long-term and significant, leveraging the proven models of community service, social responsibility and philanthropy. As a recent ICIC report describes (2011), a successful learning local economy is more than just a commitment “to place”, “to innovation”, and “to start-up ventures”. The break-through is in the creation of “shared value.” Campus leaders have the opportunity before them to now help generate new types of economic activities and opportunities with the potential to meet numerous local and regional needs by focusing, aligning and leveraging the assets of both the campus and the community. In order to do that and truly impact the health of the community, local community partnerships are vital, and an effective backbone local partner joining with the university can help to drive new pathways to innovative economic development (Shaffer & Wright, 2004). In this case, Rising Tide Capital’s (www.risingtidecapital.org) has a well-established reach in the local Jersey City community and their data-driven “activities to impact” measures provide knowledge and social capital to us here at St. Peter’s University, the Jesuit partner, thereby providing immediate and direct opportunities for engagement with the possibility to effectively connect to the local community and join in the effort to grow businesses, increase employment, open the job market, and use research and thought leadership to inspire economic innovation.

**The Jersey City Entrepreneur Study**

In order to achieve the outcomes described above and gain deeper understanding of entrepreneurs and small business owners in Jersey City, Rising Tide Capital with support from Saint Peter’s University partnered with an independent market research consultant, Aleksandra Lacka, to conduct an in-depth market research study of Jersey City entrepreneurs. The main goal of the study was to explore key challenges facing entrepreneurs in Jersey City and identify the most viable opportunities for new programs and initiatives that effectively and efficiently address those challenges. Those initiatives are being catalyzed by Ignite Institute in partnership with local non-profit organizations, governments and other anchor institutions. The ultimate objective of such programs is to stimulate entrepreneurial activity and increased knowledge capital, social capital and financial capital that in turn will help reshape and revive Jersey City’s local economy and business environment via increased rates of local ownership and local job creation.

The in-depth exploration consisted of multi-phase qualitative study that was designed in a way that it allows to identify the common threads in the entrepreneurial journey and across various types of entrepreneurs. Our sample included: service providers like marketing consultants, web designers, yoga teachers and product manufacturers including products like clothing and apparel and various localized and community valued crafts among many others.
Phase I of the research consisted of polling of an ongoing Facebook Community of thirty-five Jersey City entrepreneurs via structured discussions and exercises and also more organic conversations and interactions over a longer time period. The key advantage of this methodology is that all the interactions are in a closed, private group, which assures high level of confidentiality. Facebook is a platform that everyone is familiar with and has easy access to 24/7 making it possible to get responses in ‘real time’ and for participants to also share relevant photos and website links, giving additional dimension to our research. It was both a participatory and observatory experience from the research standpoint as the researcher was able to moderate some of the more structured discussions and also observe the more dynamic interactions in the group.

Phase II was a more in-depth exploration consisting of a series of 1 to 2 hour in-depth individual interviews with twenty entrepreneurs in their home or work environments, which allowed the respondents to be more open and focused on their individual experiences without being influenced by others. Being able to observe their everyday work settings enabled us to incorporate an ethnographic aspect to our analysis. The twenty entrepreneurs in the study represent different types of product and service categories.

In Phase III, the Ignite Institute hosted a structured exploration and ideation workshop that brought together twenty entrepreneurs representing a diverse dissection of Jersey City’s small businesses, from construction services to yoga studio operators. In the first part of the workshop, entrepreneurs performed structured brainstorming exercises to identify and prioritize key challenges they are facing. The second part of the workshop consisted of small group ideation sessions to come up with most creative, innovative and efficient ways to address those challenges.

During the workshop, entrepreneurs identified the following opportunities that, if prioritized, would make most impact on the vitality of the entrepreneurial community:

- Create a vision for development of Jersey City neighborhoods in a way that is collaborative, participatory and inclusive of all stakeholders;
- Designate affordable shared work spaces, such as kitchens, office space, and artist studios for entrepreneurs;
- Foster stronger connections with local funders and investors;
- Set up a centralized database that lists all business grant programs and connects entrepreneurs to local services, also allowing them to enlist their services and offerings.

Many of the entrepreneurs are offering unique products and services in the local marketplace and they are looking for opportunities to build local partnerships and gain access to capital and expertise. Some examples of entrepreneurs in attendance include Angela McKnight, owner of Angela Cares, Inc., a company dedicated to providing care and support services for senior citizens and catalyzing the youth to volunteer helping seniors in their community; Niambi Cacchioli, owner of Bloomsbury Sq, an enterprise dedicated to making body care products and cosmetics from natural, plant-based ingredients sold both in local brick and mortar stores and online.
Entrepreneurs believe that in order to create a vision for development, the community members, anchor institutions and city officials must come together to research each neighborhood, understand its history and develop a common vision for future development. They proposed a highly innovative and less conventional approach, recommending for the vision to be first implemented in the most challenging neighborhood and then continued to other parts of the city. They emphasized that institutions like Saint Peter University’s Ignite Institute have a great potential to serve as catalysts to bring together all the stakeholders, engage them in discussions, get their buy-in and serve as incubators to help implement that common vision.

To address working spaces challenge, entrepreneurs suggested that vacant buildings, kitchen incubators, and even local colleges or universities could be valuable resources for space if leveraged in a way that benefits all parties involved. Another, cost-effective solution was a concept of virtual mall that would serve as a platform for businesses that do not have physical locations but would like to gain increased local visibility.

In order to connect business owners with local funders and investors, the entrepreneurs came up with solutions that provide more local visibility to their businesses and incentivize local customers and investors. A membership club for the local community could offer community discounts, raise money for entrepreneurs, and plan events such as a Jersey City Entrepreneur Week, a local business expo that would allow all entrepreneurs to showcase their products and services and angel investors to get involved in sponsorship of Entrepreneur Week’s events and to match funds raised by entrepreneurs.

It is important to note that dedicated institutions like Ignite Institute and Rising Tide Capital play an enduring and vital role in catalyzing the local entrepreneurial community and creating a strong sense of belonging and effective web and service based engagement platform for collaborative planning and idea implementation that brings together local businesses, community, anchor institutions and key stakeholders in Jersey City- voices and people not likely to meet up in typical community of influence power structures.

Pilot Project: Micro-Business Community Partnership

In an effort to “jump start” our direct service goals by Ignite and also in response to the qualitative survey responses regarding entrepreneurs’ need for help with marketing, business planning and social media, Ignite launched the Micro-Business Community Partnership program. Building on the proven and effective Jesuit service learning model which focuses on community service or academic partnerships with nonprofit organizations in the context of a class (Maurrasse, 2001), this program partnered micro-businesses and entrepreneurs, mostly women and minority-owned businesses in underserved areas of the city, with student teams in semester-long classes. The program was piloted in Spring, 2015 and twelve micro-entrepreneurs were selected from the applicants, based on specific type of requests and availability of student expertise and academic content of courses. The type of businesses include a music studio, a maker of natural body products, contractor, marketing firm, makers of jewelry, clothing and multicultural dolls, and a green printing business. Two of the partner entrepreneurs were participants in the qualitative study described above. The partner classes in the pilot round of the project included the subjects of marketing, international marketing, entrepreneurship and Africana Studies.
The principal reasons for selecting this type of project were to facilitate real world skills development and applications of academic work for students and also provide some much needed assistance to local entrepreneurs, who are making a difference in their communities but often so focused on running the operations of the business that they don’t have the time to assess the business and marketing plans. In the first round of the project, several benefits were realized, but problems and areas for improvement were also identified.

Jumping into the partnership project quickly helped accelerate new partnerships and awareness of the Ignite Institute and also immerse students more in the community. Partnering with so many micro-businesses allowed a higher level of engagement and more practical projects with actual real-world implications to be launched right away. However, by not fully vetting the partners and managing expectations in a very standardized and specific manner, there were some misunderstandings in terms of scope and impact. Similar to a service learning partnership, partners should understand limitations of the partnership, in terms of time constraints and the fact that students are taking up to 6 classes, and that this project is only one component of one class. Students also need a more extensive coaching and training experience to precede the partnership program. Learning how to interact professionally and properly communicate business feedback and suggestions, without creating negative perceptions is very important. Finally, at the time of implementation there was no funding to provide compensation or a stipend for faculty members facilitating the program, which was a barrier to success since this local learning economy requires so extremely intensive strategic, operational and logistical work in order to effectively implement it. Lessons learned? In the future, the number of businesses per year will be reduced to a more optimal level, the qualifying interview process will be more intense to better assess needs and match viable partners and clarify roles, duties and expectations, and more preparation, implementation and close-out training will be designed and provided for local entrepreneur partners, and our students and faculty.

Recommendations

As this project and Ignite builds upon the proven research and model work already done on engaging higher educational institutions in communities and in spurring local economic development, these recommendations address the questions defined in Wittman & Crews (2012), customized specifically to the Jesuit mission.

How should Jesuit higher education institutions successfully incorporate economic development into the framework of the engaged campus? Jesuit colleges and universities are already making significant impacts in local and global communities through service learning, campus ministry initiatives, volunteer work and experiential learning projects. The CJBE and IAJBS are excellent at bringing together leaders and faculty members from Jesuit universities around the globe to share best practices and ideas. It would be helpful to create a knowledge and influence/practice to policy learning community on Local Learning Economies and website with an interactive component with resources specific to Jesuit institutes, centers or departments focused on economic development initiatives, to enable more opportunities for collaboration and idea-sharing.
What is needed to support institutional alignment for an engaged learning economy? Institutional alignment is not easy to address and spans areas from organizational culture, strategy, structure and policies, technology, human resources practices and measurement systems and communications (Furco, 2009), which requires a meaningful study of existing practices and examination of how they impact deep community engagement. One example of this is at the procurement level: if purchasing contracts are unbreakable with many large corporate suppliers, it makes it very difficult for local suppliers and entrepreneurs to establish sales relationships with an important community anchor such as a Jesuit university partner, potentially limiting growth of local businesses and the local economic impact. This practice and policy must be reviewed and changed.

Also, if HR practices and academic policies do not recognize or consider learning and community engagement in appraisal and rewards systems, it may discourage vital campus faculty and administration members from becoming actively involved in these activities and efforts, which take up a lot of time and require persistence and patience. At the same time, we as a life-long learning community, must become more aware of the great value and potential in engaging the adult learner local entrepreneur who may not have completed the beneficial undergraduate or graduate work that would further accelerate the local business. To this end, Ignite is extending up to 6 college credits for adult learners who complete Rising Tide Capital’s 12 week intensive Community Business Academy and seek to begin or complete their degrees. And in its first year of partnership, St. Peter’s University and Rising Tide Capital saw 2 degree completing graduates thanks to this partnership innovation.

What are the best strategies for developing democratic partnerships in line with the Jesuit mission to tackle pressing community challenges? In the case of all economic development type initiatives, including basic workforce development, it is important to develop partnerships with local governments, agencies, nonprofits and companies. In the case of Ignite Institute, with a scope that is a bit broader and requires input and participation from many independent micro-entrepreneurs, it was key to create a strategic partnership with a closely aligned organization with geographic proximity also. The Saint Peter’s University—Rising Tide Capital partnership embodied in Ignite, is truly a mutually beneficial relationship and Ignite has benefited greatly from accessing Rising Tide’s networks, including more then 1,114 local entrepreneurs, who have graduated from their Community Business Academy.

There are also benefits with funders and foundations to be closely aligned with this nonprofit that has so many concrete outcomes already established and recognized by local, national and global organizations, including President Obama, BALLE- Business Alliance for Local Living Economies, CNN Heroes, FORBES and the World Economic Forum. Saint Peter’s brings it’s Social Capital- expertise and knowledge resources from faculty, students and alumni, research capabilities and offers its much valued facilities as well for a wide range of functions- from intimate Local Economy Working Group meetings to large annual gatherings of the Local Economy Summit. While there many be some challenges in identifying a single nonprofit as the joint venture partner, such as limiting some opportunities with perceived competitors, if the right partner is chosen, leadership is committed across the organizations and the relationship nurtured and strong,
it can be a great opportunity to “ignite” the local learning economy for immediate and significant collective impact in line with the Jesuit mission.
Resource Information:

BALLE- website- https://bealocalist.org/

ICIC- website- http://www.icic.org/

Ignite Institute- website- http://www.saintpeters.edu/ignite-institute/

Aleksandra Lacka- Researcher- website- https://www.linkedin.com/pub/aleksandra-lacka/1/298/ba4

RISING TIDE CAPITAL- http://www.risingtidecapital.org
References


