3. Local champions: entrepreneurs' transition to philanthropy and the vibrancy of place*

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3.1 INTRODUCTION

Often the story of successful places is predicated on the story of an individual who was instrumental in creating institutions and making connections that were transformative for a local economy. Certainly this is the case for Silicon Valley in California and Fred Terman, the Dean of Engineering at Stanford University, USA, who offered his garage to his students, Hewlett and Packard, and encouraged other start-ups. Or George Kozmetsky, the founder of Teledyne, who created the Institute for Innovation, Creativity and Capital (IC2) and mentored over 260 local computer companies in Austin, Texas. Any reading of the lives of these individuals highlights their connection to community and motivations beyond making profits. These individuals are 'regional champions' (Feldman and Zoller, 2012) – highly connected individuals who live and work in a region and take responsibility for the stewardship of the place. This defines a class of individuals who have attachment to a community and who, through their actions, make a difference in the economic vibrancy and prosperity of a place. Driven by an attachment to a place, facilitated by a developed ability to perceive opportunity, and aided by a longer-term perspective, entrepreneurs are ideal agents for engaging the vibrancy of place. It also makes good business sense for regional champions as they expand their firms. Rather than unique individual stories, these actions appear to be fairly regular events, consistently making a difference in local economies.

Many places attempt to create vibrant economies by following the rather simple recipe that involves a heavy dose of venture capital funding, research universities as a driving force, concentrations of skilled talent and an open culture – the factors associated with the current functioning of Silicon Valley. In this chapter we explore an alternative recipe: the role of entrepreneurs who have made a difference in their local communities through business practices, complementary investments in the region and ultimately through philanthropy. According to the US Treasury Department (1965), American philanthropic foundations are 'uniquely qualified to initiate thought and action, experiment with new and untried ventures, dissent from prevailing attitudes, and act quickly and flexibly' (Treasury Department, 1965). This definition captures the essence of entrepreneurs as agents of change. We propose that through philanthropy entrepreneurs are able to influence the economy of a community. In this chapter we explore entrepreneurial ventures and philanthropy that exemplify an attachment to community that may appear to defy rational profit-maximizing behavior and speak more to an altruistic and longer-term set of objectives. A typology is developed that discusses the relative impact of entrepreneurs' decisions on the larger vibrancy of communities. The typology considers business operations, such as the provision of profit sharing and education benefits; local related and diversifying investment, such as stadiums, sports teams and real estate; and the establishment of philanthropic foundations with a local mission and community orientation.

Ewing Marion Kauffman serves as an example of a local champion who exemplifies the pattern we examine. He was born and raised in Missouri and lived in Kansas City. After what the literature defines as a strategic disagreement while working as a salesman for a pharmaceutical company, Kauffman started his own pharmaceutical company. Rather than locate in the Philadelphia–New Jersey corridor, where the industry was concentrated, Kauffman decided to stay in Kansas City, a rather unlikely place in the 1950s. He named his company Marion Laboratories, Inc., using his middle name rather than his last name to add legitimacy (Morgan, 1995). When he sold his company to Merrell Dow in 1989, the company had grown to become a global diversified healthcare giant with $1 billion in sales and employment of over 3400. Marion Laboratories was a generous employer and is noted to have provided educational and training benefits, profit-sharing plans and employee stock options before these were the norm in start-up companies. By 1968, 20 of Marion's employees had become millionaires, including a widow in the accounting department. After the merger with Merrell Dow in 1989, hundreds more employees had become millionaires (Morgan, 1995).

The impact on the local economy was significant. Kauffman was a leading benefactor of Kansas City. Although he was not interested in baseball, he purchased the Royals in 1968 to bring major league baseball to the city with the belief that a team was required in order for Kansas City to be considered a major city. The Kauffman Foundation, while well known for developing entrepreneurship as a topic of academic study, has a strong local profile contributing to education, the arts and social programs.

This path from successful entrepreneur with an attachment to a region to investments in complementary business and philanthropy to develop community capacity is the focus of this chapter. Once entrepreneurs, defined here as the founders of new companies, become successful in their fields of business, they have created a substantial amount of power and financial capital. When this success is coupled with an attachment to place, entrepreneurs may become local champions who use their standing and social capital to improve their community. This is accomplished through a series of strategic actions at their organizations, as individual community members and ultimately as philanthropists.

3.2 ENTREPRENEURS' TRANSITION TO LOCAL PHILANTHROPY

Entrepreneurs recognize opportunity and organize resources to start new organizations, develop technologies and enable change. Schumpeter (1947) views the entrepreneur as a reformer who exploits existing technology –an innovator as opposed to an inventor. North (1990), on the other hand, describes entrepreneurs as the agents driving institutional change (North, 1990; Schumpeter, 1947). Entrepreneurs actively engage with their local environment to build relationships and advocate for resources that assist their growing businesses (Feldman, 1999). Recognizing the importance of the local ecosystem, entrepreneurs develop a geographic community of common interest around their technology – building a cluster while building a firm.

Entrepreneurs use their local networks to shift norms that lead to institutional change when they transition to policy entrepreneurs – advocates who invest resources to bring about policy change (Mintrom and Norman, 2009; North, 1990). Institutions, defined as rules, norms and culture (North, 1990; Ostrom, 2009) are endogenous and subject to change. Focused on a specific objective, policy entrepreneurs are known for their political connections, persistence and push beyond the status quo to take risks. Policy entrepreneurs frame and define a mission and then use their political and institutional reach to direct resources towards that mission (Kingdon, 2002). They are distinguishable by their high levels of social acuity and their ability to define problems, build teams and lead by example (Mintrom and Norman, 2009). These policy entrepreneurs are in fact entrepreneurs who have focused their energy on opportunities to bring about institutional change.

Successful entrepreneurs can also use their wealth for socially beneficial investments. Although dominant actors in their own industry, these individuals see philanthropy as a means to achieve an elite status, acquire the power to act on a larger scale, and increase multiple types of their capital – cultural, social, economic and symbolic (Harvey et al., 2011). Social capital, the connections to others and organizations, can influence changes in other types of capital and increase total capital (Emery and Flora, 2006; Zahra et al., 2009). Thus, philanthropy can yield social, cultural and symbolic returns that then lead to economic returns; entrepreneurs are drawn to philanthropy as a source of these capitals (Harvey et al., 2011). The private and public benefits to philanthropy place it in an impure altruistic model (Andreoni, 1990). This theory allows for individuals to be both rational and altruistic in their giving and explains why despite financial incentives, not all wealthy individuals engage in philanthropy (Andreoni, 1990; Harriss, 1939). These theories help explain why entrepreneurs are predisposed to give: not only will the entrepreneur benefit from the improved economic standing of her surrounding community and increased capital, but their efforts to create resources and capacity has significant effects on the economic well-being of an area – making it a tool for economic development work (Irvin, 2007).

The US structure of philanthropy allows for many types of foundations that range in mission, size and focus. Corporate foundations receive their assets from a connected for-profit business, while family foundations have been endowed by members of a family, who stay actively engaged in the decision-making of the foundation. Independent foundations are usually funded by a single source and are set up to provide grants in specific designated areas of social assistance (Grant Space, n.d.). Community foundations are usually public charities, receiving funds from multiple donors that are then managed and dispersed to charitable grants for specific communities or regions (Grant Space, n.d.). Community foundations are arguably actively engaged in place-based economic development. Local donors pool their resources and then discuss allocation – expanding the number of voices participating in the grant-making decisions, but still rarely including other stakeholders (Ostrander, 2007). Venture philanthropy is a style of giving often used by entrepreneurs across foundation types that employs a more business-like approach to giving with greater attention to the grantee and with more expectations for returns on the investment (Letts et al., 1997).

3.3 CHAMPIONS OF THEIR LOCAL COMMUNITIES: A CONTINUUM

Entrepreneurs first assist their communities by being successful – spurring the local economy through a multiplier effect associated with export

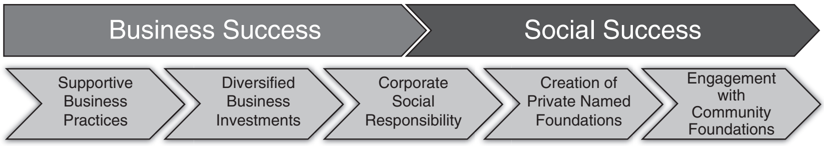

Figure 3.1 Local champions' continuum

industries. However, entrepreneurs can also improve the quality of life in a local community through supportive employment practices, such as paying what have become known as living wages, providing profit-sharing plans, investing in employees through education and training and providing health benefits. Entrepreneurs can also diversify their business investments in the community across industry. On the social end, they provide charitable giving to the community through the firm's corporate social responsibility practices and with direct personal donations through philanthropic organizations. They work as local elites to use their own social and financial capital to improve the local community. See Figure 3.1.

3.3.1 Supportive Business Practices

Providing supportive employee practices and creating a healthy business environment offers benefits to the community and employees. A 2012 report on North Carolina organizations showed the vast majority of survey respondents provided some employee benefits with 84 percent offering on-site training and 48 percent offering employee education (Graddy-Reed et al., 2013). These benefits increase the employee's skills and the quality of life in the community and are fundamentally different than wage-cutting and incentive-seeking behavior from firms. Entrepreneurs can also engage the community through positive business practices. In the North Carolina survey, 81 percent of respondents used local suppliers (Graddy-Reed et al., 2013), which is another business practice that strengthens the community's economy by keeping resources within the area.

3.3.2 Diversified Business Investments

Entrepreneurs become local champions when they invest resources to improve communities. Many entrepreneurs improve their local community by diversifying their investments while staying local; new ventures in sports teams, newspapers, real estate and entertainment bring up the community's amenities while improving the status and advancing the motives of the entrepreneur. These diversified financial investments in the community provide improved quality of life for employees and community members, which create short- and long-term benefits for the area.

3.3.3 Corporate Social Responsibility

Entrepreneurs also improve their community by engaging their company in charitable or civic-minded activity. In the above-mentioned survey, North Carolina respondents also strongly supported their community beyond business practices: 57 percent donated the use of their facilities, 51 percent supported K-12 education and 30 percent had a company service day (Graddy-Reed et al., 2013). The work of Tony Hsieh in Las Vegas and Dan Gilbert in Detroit are other examples of entrepreneurs who are using their financial success to make local investments in their cities' urban areas. These actions may be seen as an extension of what is known in the literature as corporate social responsibility (CSR) –the action by for-profit firms to give back to their community by providing time, funding, or their specialized skills and technology towards the greater good. CSR has long been practiced in the US but appears to be gaining popularity as many firms intend to keep or expand their efforts, even in poor economic conditions (Delevingne, 2009). In terms of who is engaged in CSR, research on the transition of business leaders into greater corporate citizenship found that women and young entrepreneurs and family firms are high givers (Reis and Clohesy, 2001).

Firms consider CSR to be influential for their reputation and chances of future success (Delevingne, 2009). The literature finds two main reasons firms engage in CSR: business success and customer base. The former has found mixed results of CSR affecting business success, with the most rigorous studies finding no effect of CSR on financial performance (Aupperle et al., 1985; McWilliams and Siegel, 2000). However, there is strong support for CSR in terms of customer base as CSR is strongly desired by certain segments of the population and can boost the reputation of a firm (McWilliams and Siegel, 2000).

3.3.4 Creation of Private Named Foundations

With a deepening commitment, entrepreneurs may expand their efforts to personal involvement outside of their business life. This type of investment includes personal donations to community efforts, support of local community foundations and their projects and potentially the creation of an individual and/or family foundation focused on sustaining and growing the community. Private donations and the creation of endowments allow for the entrepreneur to remain influential in the process of community development. At the turn of the last century, the creation of universities was one avenue through which philanthropists improved their communities. Often named after the philanthropist, these private universities have become anchors in the communities where they are located.

As with their business investments, entrepreneurs champion their communities through personal philanthropic investments that include short-term efforts to address immediate problems and longer-term investments to sustain improved conditions. For example, Tom Cousins, a local developer, transitioned into social entrepreneurship when he worked to revitalize the East Lake Meadows community, an impoverished neighborhood in Atlanta, Georgia. Tom Cousins moved through the continuum of investing his own capital, pulling in the resources of his extensive network, making investments through his named family foundation and creating a dedicated nonprofit community foundation (Van Slyke and Newman, 2006). Cousins was motivated by his own 'social theory of impact' which was 'predicated on a hypothesis that redevelopment could not emerge without these other [education, job training, child care] components in place, which would contribute to sustainability over the long term' (Van Slyke and Newman, 2006: 346). Because of his efforts, home values increased and more investment followed. The original lower-income residents mostly either remained in the neighborhood or moved to other neighborhoods that were better than the original East Lake Meadows (Van Slyke and Newman, 2006).

3.3.5 Engagement with Community Foundations

Community foundations are unique entities that exist to engage in place-based economic development and were created to pool charitable resources for greater impact. There are now more than 700 community foundations in the United States with $55 billion in assets (Foundation Center, 2012) and an equal number in the rest of the world. The mandate of community foundations is local. They are continuously informed by local developments and able to respond quickly to local needs and opportunities.

Entrepreneurs support the local community through their investment in and founding of community foundations. Unlike private and family foundations, community foundations are named for the area they are meant to improve and gain assets from multiple donors. They are tax-exempt charitable organizations that provide support for a particular community or region and walk the line between foundations as grant-makers and charities as they receive funds from multiple public donors (Grant Space, n.d.). They connect a network of local champions and unite the business community to address place-based problems.

The first community foundation was the Cleveland Foundation started in 1914 by Frederick Goff, a visionary banker and lawyer. While with contemporary eyes bankers are not perceived as entrepreneurs, legal changes around the establishment of the Federal Reserve allowed for opportunities of entry. Goff, who was attorney to John D. Rockefeller, created community foundations to follow the donor's intent as charitable needs changed in an area and for this to be ensured through a board of directors, chosen by public institutions (Carson, 1994). Goff is noted to have promoted the idea using his social standing and, in part due to his proselytizing, eight more community foundations were started within a year, mostly organized by bankers and trust officers (Grogan, 2013). By 1930, there were 22 community foundations, mostly in the Midwest (Carman, 2001).

Community foundations are rising in importance because as federal support of community development declines, communities need more support from foundations and businesses (Carman, 2001). While US community foundations account for almost 10 percent of all foundation giving, providing approximately $4 billion a year, they do so by giving differently: they are more likely than their private and corporate counterparts to fund arts and culture, education and religion, while they are less likely to fund international and public affairs (Foundation Center, 2012). Table 3.1 gives details of Community foundations with assets over $1 billion.

3.4 CASES OF LOCAL CHAMPIONS

We develop examples of how entrepreneurial action along the continuum affects local economic development. For small towns, local entrepreneurs are key stakeholders for the prosperity of the community by using their social capital to link professional and social networks (Tolbert, 2005). Sam Walton and the growth of Walmart, and Fred Carl and the evolution of Viking Ranges, serve as examples of single champions revitalizing rural areas in the South. Two urban entrepreneurs in Seattle, Paul Allen and Jeff Bezos, are then compared to showcase different stages of the continuum. Finally, the case of the Research Triangle Park in North Carolina is discussed to provide a counterfactual: how places respond when they lack a local champion.

3.4.1 The Waltons and Walmart: Making Northwest Arkansas an International Destination

Sam Walton, the creator of Walmart, was a modest man with a dislike for publicity (Rosen, 2009; Vance and Scott, 1992). He began his empire

Table 3.1 Community foundations with assets over $1 billion

Foundation	Assets	Founded	Founders
The Cleveland Foundation	$1.8B	1914	Frederick H. Goff (banker & lawyer)
Chicago Community Trust	$1.6B	1915	Albert W. Harris (banker)
California Community Foundation (Los Angeles)	$1.2B	1915	Joe Sartori (banker)
New York Community Trust	$1.9B	1924	11 New York financiers
The Columbus Foundation	$1.1B	1943	Harrison M. Sayre (publisher & founder of *Weekly Reader*)
The San Francisco Foundation	$1.1B	1948	Daniel Koshland, member of the Levi Strauss family
Oregon Community Foundation	$1.0B	1973	William Swindells (Willamette Industries)
Greater Kansas City Foundation	$1.2B	1978	Seven local entrepreneurs from diverse industries
Marin Community Foundation	$1.2B	1986	Leonard and Beryl H. Buck (oil industry)
Tulsa Community Foundation	$4.0B	1988	George Kaiser (oil industry and banker)
Silicon Valley Community Foundation	$2.1B	2006	Merger between Peninsula Community Foundation (1964) and Community Foundation Silicon Valley (1954)

by purchasing an existing store in Newport, Arkansas in 1945 (Vance and Scott, 1992). While there he took an active role in that community, but when he could not renew his lease, Walton left Newport for Northwest Arkansas (Hagge, 2009). He then opened his own store in Bentonville, Arkansas in 1950 and the first Walmart store in 1962, which was quickly followed by many more (Nene, 2005; Vance and Scott, 1992). Walmart went public in 1970 and continued to grow rapidly, expanding to new store types like Sam's Club and Supercenters (Nene, 2005; Vance and Scott, 1992). As of 2013, Walmart is the world's largest company and employs over 1.5 million people (Hemphill, 2005). Nine out of ten households have shopped at a Walmart in the past few months and the average household spends over $2000 a year there (Hicks, 2007).

Walmart's strategy for success is built around low profit margins on high volumes of sales. Initially the stores were concentrated in rural areas and supplied neighboring towns (Nene, 2005). They cut cost by using an innovative system of delivery through distribution centers, so vendors shipped to distribution centers which then sent out products to stores (Vance and Scott, 1992). They were also quick to incorporate technology, using computer systems for payroll and inventory in the mid-1970s and creating the largest private satellite communication system in the country in 1987 to manage inventory (Nene, 2005; Vance and Scott, 1992). Their most controversial strategy for cost-cutting has been on the supply side – by leveraging their buying power to force suppliers to cut costs of production, making them much more involved in the production process (Hagge, 2009; Hemphill, 2005).

Two sides of Walmart's impact

Walmart uses the term 'associate' over 'employee' to create a sense of equality and consensus (Rosen, 2009). The company believes it pays competitive wages and offers a variety of benefits including profit sharing, retirement plans, stock matching and loan programs, paid vacation time, health insurance, disability insurance and counseling (Hemphill, 2005). Although retail wages are low, many early employees became multimillionaires through profit sharing (Rosen, 2009). Walton facilitated employees' purchase of stock, provided stock as bonuses, and ordered stock splits to keep the share price low and affordable for employees and customers (Hagge, 2009). Walmart has been well regarded for its corporate citizenship, especially for its work within local communities, which is heavily advertised (Hemphill, 2005). It has also invested in green buildings for the corporation (Tyler, 2012). In 2012, Walmart and the Walmart Foundation donated $1 billion in the United States to hunger relief, sustainability, women's empowerment and career development (Walmart, 2013).

However, Walmart is often criticized for having poor employee benefits and discriminating against women and minorities. Walton himself admitted to not always taking care of his employees when the company was growing (Rosen, 2009). Studies have shown that Walmart stores, and any big-box store, result in a net loss of jobs and lower wages and benefits for a community (Hemphill, 2005; Nene, 2005). Further, studies have found that a large number of Walmart employees and their families receive anti-poverty public assistance and Medicaid health insurance (Hicks, 2007), which are paid by taxpayers, thus providing a public subsidy to Walmart (Nene, 2005).

In spite of these issues, Northwest Arkansas grew rapidly from the 1960s and morphed from a collection of rural towns to a thriving and diverse metro area due to the success and presence of Walmart's corporate headquarters and its suppliers. Walmart's decision to keep its headquarters in the area propelled the success of the region, bringing the banking industry in the state to the area and creating the need for the development of office parks and better housing and services, which all added to the capital of the area (Hagge, 2009; Rosen, 2009).

Sam Walton's philanthropy

Through Sam Walton's innovative strategies, Walmart has become the largest private employer in the US and, as a result, made the Walton's the richest family in the US. Their wealth has prompted the Waltons to turn to philanthropy. The Walton Family Foundation, founded by Sam Walton and his wife Helen, has assets of over $1.7 billion and supports the areas of systemic reform in K-12 education, marine and freshwater conservation, Northwest Arkansas and the delta region of Arkansas and Mississippi (Foundation Center, 2013b). Along with its focused areas of giving, the Foundation employs a venture philanthropy approach, considering its grants investments toward its specific goals and thoroughly evaluating these investments with benchmarks (Walton Family Foundation, 2013a).

The Walton Family Foundation is actively involved with its home region, following the desire of Sam Walton to improve the quality of life for Northwest Arkansas (Walton Family Foundation, 2013a). In 2012, the foundation provided grants of over $30 million to the home region to improve the education and economic development of the area (Walton Family Foundation, 2013b). The foundation is also an active funder of charter schools and school vouchers in an effort to revamp the nation's education system (Hopkins, 2004). In addition to the family foundation, the Waltons engage in individual philanthropic projects. Sam's daughter Alice

Walton created the Crystal Bridges Museum of American Art, located in Northwest Arkansas (Rosen, 2009). She was the primary financier of the over $800 million cost, which also received support from the community through a sponsorship gift from Walmart to provide free admission to the public, and an education program funded by the Walker Foundation, a local philanthropy of an early Walmart employee (Tyler, 2012).

The Northwest Arkansas community

The wealth of the area continues to be reinvested in it. The Arvest Bank, the largest in the state and the bank of Walmart, sponsored a new stadium for the minor league baseball team, which it owns (Rosen, 2009). In addition to the Walton Family Foundation, other family foundations like the Pat and Willard Walker Charitable Foundation were created with money made through Walmart's success and now support the area. The Walker Foundation with assets over $20 million invests in education, community development and health care for the area (Foundation Center, 2013c). Much of this local philanthropy was encouraged and promoted by the Waltons, who lived modestly and used their wealth to reinvest in the region (Hagge, 2009).

The large wealth in the area has also led to the creation of multiple community foundations, which have pulled wealth from many individuals to help develop the area. The Endeavor Foundation was established in 1999 and has assets of over $150 million and has provided over $60 million in grants (Endeavor, 2011). There is also the Fayetteville Area Community Foundation, established in 2004 as a regional affiliate of the Arkansas Community Foundation (Foundation Center, 2013a). With the help of Sam Walton and the success of Walmart, Northwest Arkansas has transformed from a region of rural towns into a wealthy hub of multiple industries and a community driven to keep improving its quality of life.

3.4.2 Rising Waves in the Delta: Fred Carl and the Viking Range

Greenwood, Mississippi was once the prosperous capital of the cotton industry, but mechanization favored the open spaces of west Texas, and globalization favored imports. In a familiar story of economic restructuring, Greenwood fell upon hard times. Located in the Mississippi Delta, Greenwood was a small city in the poorest region of the poorest state in the United States. In such a situation, it is difficult to engineer a comeback. While federal and state government programs were available, the lack of a tax base made it difficult to restructure the economy and to recover from the loss of a once prominent industry.

Fred Carl Jr emerged as a local champion for Greenwood, inventing a new product that provided jobs for residents, revitalizing the city through diversified investments and improving the quality of life for residents by offering human capital support. Fred Carl is indicative of a class of entrepreneurs who are dedicated to conducting business differently, with an emphasis on increasing prosperity in their home communities. This exemplifies an attachment to place and community that seemingly defies rational profit-maximizing behavior and speaks more to an altruistic set of objectives (Feldman, forthcoming).

A native of Greenwood, Fred Carl was a fourth-generation building contractor. Carl set out to create a household stove of commercial quality, which was absent from the market. After designing a prototype that combined commercial power and quality with the styling and safety of a residential range, Fred Carl gathered financing from investors and incorporated Viking Range Corporation. He quickly followed the advice of his wife's cousin and ran his company as if it was publicly traded, hiring the best accountants and lawyers (Carl, 2007). He approached his business with high expectations of quality and service to create his high-end product (Carl, 2007).

Viking Range Corporation was incorporated in 1984 (Viking Range, n.d.-a). After struggling to find partners, Carl partnered with a California manufacturer and began production in 1987. But when demand grew beyond their capacity, Carl decided to move production to Greenwood in 1989 (Kornegay, 2012; Mississippi Secretary of State, n.d.). While he had originally planned to relocate to Jackson, Mississippi, a larger and more successful city in his home state, he was moved by his feelings of disloyalty and guilt to instead move back home to Greenwood (Holliday, 2004). In 1992, Stephens, Inc. invested in Viking, allowing it to expand, growing from a 32 000 to 600 000 square feet of manufacturing space; it continued to grow and branch out into other appliances (Mississippi Secretary of State, n.d.). Viking quickly became the county's largest private employer and second overall to the hospital, with over 1000 jobs at its peak (Kornegay, 2012; McMillin, 2013).

But Carl and Viking did not just bring jobs to Greenwood: they brought strong employee benefits to improve the quality of life of Greenwood. Viking has 99 percent retention and attendance rates for its employees, with an average tenure of nine years. It is repeatedly named one of the best places to work in Mississippi by the *Mississippi Business Journal* (Carl, 2007; Kornegay, 2012; Viking Range, n.d.-c). It offers a competitive salary, advancement and educational opportunities, and strong employee benefits including full medical, pharmaceutical, vision and dental coverage to full-time employees. It also offers retirement savings plans with employer matching, life insurance and disability coverage (Viking Range, n.d.-c). Employees can be reimbursed for the full cost of their tuition for high school, college or graduate degrees and can receive on-site and external training to improve their skills (Carl, 2007; Viking Range, n.d.-c).

Viking's Greenwood

Fred Carl continued to revitalize Greenwood through diversified investments within Viking. Carl and Viking bought properties in downtown, started new businesses of restaurants and shops, and facilitated others to create start-ups by renting refurbished space (McMillin, 2013). Former cotton warehouses were retrofitted to serve as manufacturing sites in downtown, and Viking headquarters are a collection of historic buildings, including the 1903 opera house (Holliday, 2004). For these efforts, the Mississippi Heritage Trust and the National Trust for Preservation have recognized Viking (Viking Range, n.d.-b).

Furthering its efforts in historic preservation, and to diversify investments, Viking renovated the Hotel Irving into the Alluvian, a five-star boutique hotel and spa, in 2003. The motivation behind this investment was in part the lack of a nice hotel in Greenwood for buyers, suppliers and dealers (Holliday, 2004). The high-end hotel also features an art collection of Mississippi artists (Viking Range, n.d.-b). The hotel along with its spa and fine dining made Greenwood into a travel destination for cooking enthusiasts (Newsome, 2007). Adding to the travel package is the presence of the Viking Cooking School, of which there are multiple sites across the country (Mississippi Secretary of State, n.d.). In 2006, the Alluvian hosted 18 000 guests, which is roughly the same as the number of residents in Greenwood (Newsome, 2007).

Beyond investments, Viking has also improved the quality of life for Greenwood through service work and charitable donations. Viking sponsored a Professional Golfers' Association (PGA) tour, the Viking Classic, for five years beginning in 2007, which raised money for 90 charities in Mississippi (Newsome, 2007; Viking Range, n.d.-b). Viking employees are encouraged to volunteer and have had their own fundraising events for the American Cancer Society and the local United Way, and hosted a blood drive for the Mississippi Blood Services (Viking Range, n.d.-b). Viking's efforts have also improved Greenwood by inspiring others to invest in the city. Following their efforts, new investors have opened restaurants, museums and a nightclub (Holliday, 2004). These efforts have left a significant impact on Greenwood, revitalizing it for a modern generation.

Fred Carl's philanthropy

Fred Carl also acted on his own to promote the well-being of his hometown, financing a number of developments within the city including building renovations and a bookstore (McMillin, 2013). He also served on the Governor's Commission on Recovery, Rebuilding, and Renewal after Hurricane Katrina and was then appointed Housing Chair of Gulf Coast Rebuilding (Viking Range, n.d.-a). His effort in and leadership of Viking made him Man of the Year of the Greenwood Commonwealth in 2002. He was also awarded a national American Spirit Award in 2006 for his volunteerism and donations to areas affected by hurricanes (Viking Range, n.d.-a). Carl has supported student scholarships and student recruiting efforts at his alma mater Mississippi State University and has made his largest monetary donation to its College of Architecture with a $2.5 million donation to support the Small Town Center (University Relations, 2003). Carl and his wife have a foundation in their name, the Fred and Margaret Carl Foundation, located in Greenwood, which is an independent foundation but has not yet received a large endowment (Foundation Center, n.d.), possibly signaling that Carl is preparing for a greater presence through his foundation.

Changing roles and the future of Fred Carl, Viking and Greenwood

The success of the Viking Corporation has been waning following the recession of 2008–2009. As a result, Viking had to lay off a quarter of its workforce, decreasing it to approximately 1000 employees (Schoen, 2010). Then in January of 2013, Fred Carl announced that he had sold Viking to the Middleby Corporation for $380 million. He assured employees that little would change, but as with any shift in leadership, change was inevitable, and just one month later Middleby laid off 200 employees, half of whom were in Greenwood. In addition, Carl announced his resignation (Chandler, 2013a). The new chief executive officer (CEO), Selim Bassoul, said these would be the only layoffs and that Viking would remain in Greenwood (Chandler, 2013a). The laid-off employees did receive a minimum of four months of salary and benefits, costing Middleby $2 million (Chandler, 2013b).

In spite of this downturn, Carl remains optimistic about Viking and Greenwood and continues his investments and support in the city, including plans to open two new restaurants. On the philanthropic side, Viking donated the old Elks Lodge to Carl's foundation, under which it will be renovated and used for public and private events (McMillin, 2013). Now, Greenwood begins a new period, where Viking and Fred Carl still dominate, but it is clear that new investors are needed to sustain the vitality Carl built.

3.4.3 Two Sides of Seattle: Paul Allen and Jeff Bezos

Paul Allen and Microsoft

Paul Allen, a child of educators, was born and raised in Seattle, Washington (PGA Family Foundation, 2013). While in school in the 1960s, Allen met Bill Gates and they began the first high school computer club (Keiper, 2011). After working on small jobs together, the two quit college and launched Microsoft in 1975 as a company that made software for microprocessor computers. In 1980, they received a contract from IBM (Keiper, 2011).

In 1982, Allen was diagnosed with Hodgkin's lymphoma. He left Microsoft to treat the disease in 1983 (Keiper, 2011). Although he departed from Microsoft early on, the company continued to grow and now has over 40 000 employees in Washington alone (Microsoft, 2013). The company has a large philanthropic presence in the state and works on issues around public education, transportation and the arts to improve the quality of life for both employees and other citizens (Microsoft, 2013).

Beyond Microsoft

Microsoft went public in 1986 and Allen soon became a billionaire (Keiper, 2011). Allen had beaten cancer and decided to diversify his business ventures. He turned to his enjoyment of sports and purchased the Portland Trail Blazers basketball team in 1988 and then in 1997 purchased the Seattle Seahawks football team (Keiper, 2011). He is also part owner of the Seattle Sounders soccer team (Allen Institute for Brain Science, 2013). He described the purchase of the Seahawks as a 'civic chore' since he did not actually care for football at the time but instead saw the danger of the team moving to California and the need to keep the team in Seattle for its vitality (Keiper, 2011).

He founded Vulcan Incorporated, which manages both his business and philanthropic investments (PGA Family Foundation, 2013). In the 1990s he invested in a variety of entertainment and online companies that included services and content providers, a cable company, DreamWorks and Oxygen Media (Biography Channel website, 2013). At the turn of the century, Allen expanded his interests to space, and in 2004 he funded SpaceShipOne in an effort to put people in suborbital space. The company built the first spaceship to reach space that was not built by the government (Keiper, 2011). Then in 2011 he founded Stratolaunch Systems, a company that works on a new approach to airborne launches (Allen Institute for Brain Science, 2013). Allen has also invested heavily in real estate to redevelop Seattle's South Lake Union neighborhood (Allen Institute for Brain Science, 2013).

Allen's philanthropy

Allen has been generous and aggressive with his money, taking an involved venture approach to philanthropy. So far, he has given over $1.5 billion and has pledged to donate the majority of his fortune (PGA Family Foundation, 2013). In 1988 he and his sister founded the Paul G. Allen Family Foundation, which is largely focused on investing heavily in communities of the Pacific Northwest (PGA Family Foundation, 2013). They fund a variety of projects that support entrepreneurs, writers, artists and, following their parents' interests, fund libraries in the local area (PGA Family Foundation, 2013).

Beyond the foundation, Paul Allen also gives directly. After meeting with the experts in genomics, neuroscience and psychology in 2001, he launched the Allen Institute for Brain Science in Seattle in 2003 with a $100 million endowment. In 2006, their researchers produced the Allen Brain Atlas – a mapping of the active genes in a mouse brain, and a tool now used by hundreds of researchers (Wadman, 2007). He has since committed another $400 million to the institute (Allen Institute for Brain Science, 2013). The ultimate goal of the institute is to help cure neurological disorders like Parkinson's and Alzheimer's, a disease he witnessed firsthand with his mother (Keiper, 2011).

In 2010, Allen made a gift of $26 million to Washington State University for the Paul G. Allen School of Global Animal Health (PGA Family Foundation, 2013). He has also founded three museums: one around music and science fiction, one on aircrafts from World War II and another on computer equipment, all in the Seattle area (Allen Institute for Brain Science, 2013).

Jeff Bezos and Amazon

Also located in Seattle, Jeff Bezos is one of the wealthiest people in the US, with a net worth of over $20 billion (Cook, 2011; Gunther, 2012). The founder of Amazon stays out of the press, surrounding himself in a bit of mystery. While his family has a large expensive home on Lake Washington, they are often seen driving a Honda minivan (Ross Gardner, 2013). Born in Albuquerque, New Mexico, Bezos grew up in Houston and spent his summers working on his grandfather's ranch (Academy of Achievement, 2013). He attended Princeton University, where he studied computer science and electrical engineering, before moving to Wall Street and rising in the chain of command (Academy of Achievement, 2013).

Then Bezos was inspired by the rising use of the Internet and saw the book market was lacking a mail order shop (Academy of Achievement, 2013). He and his wife set out to start Amazon. They picked Seattle to be close to a book wholesaler and computer experts (Academy of

Achievement, 2013). The other appeal of Seattle was the small population: under the Supreme Court ruling at the time, online retailers did not have to collect sales taxes in states where they were not physically located, allowing most of his customers to not pay sales tax (Martinez and Heim, 2012). Amazon launched in 1995 and within one month, with no press, Amazon had sold books in every state (Academy of Achievement, 2013). Bezos's parents invested a large portion of their life savings into Amazon, \$300 000 at the time, and then quickly became billionaires (Academy of Achievement, 2013). Their strategy has been to run a tighter profit margin while maintaining a larger share of the market (Academy of Achievement, 2013; Martinez and Heim, 2012). As of 2013, Amazon is a large and successful company, second in the Northwest only to Microsoft (Martinez and Heim, 2012).

Amazon's business and community practices

Amazon's success has not led to a strong reputation for employee or social practices. While little is known about the employee benefits it does offer, Amazon came under fire in 2011 for poor working conditions in its Pennsylvania warehouse, where employees worked without air conditioning in over 90 degree temperatures (Gunther, 2012). Following a media uproar, Amazon installed air-conditioning at a cost of \$52 million (Shafer, 2013). Meanwhile, its white-collar workers appear to lack typical benefits like training: a director of a civic leadership program reported that Amazon employees who take the training say they have to cover their own cost, in juxtaposition to the other major corporations in the area that cover it for their employees (Martinez and Heim, 2012). There is also little incentive to volunteer or donate for Amazon employees, and they even face a disincentive at times: employees who would like donations deducted from their paychecks are charged a 6 percent fee from the company that processes Amazon's payroll (Martinez and Heim, 2012).

Amazon is also lacking in corporate social responsibility and support from and for its local neighbors in Seattle (Holtzman, 2011). Amazon does not publish a sustainability report, which is unusual for large corporations (Gunther, 2012). According to Amazon, employees have engaged in volunteering in many states, of which its largest contribution probably comes in the form of technology use and support as it lets nonprofits use a set of tools to generate online donations (Holtzman, 2011). It also hosts online appeals to customers, which have raised over \$35 million for disaster relief efforts (Holtzman, 2011). Following the increased attention towards its lack of service, Amazon has announced efforts to increase its local philanthropy. It has pledged two \$1 million endowments of professorships at the University of Washington in the computer science department and has reached out to local nonprofits to offer volunteers and donations (Martinez and Heim, 2012). It has also launched AmazonSmile which provides a 0.5 percent donation to charity when customers shop through the site (Research and Insights, 2013).

Amazon's limited social engagement runs parallel to its level of community development in Seattle. Bezos and Amazon continue to keep a low presence in Seattle, even as it expands. Even though Bezos was named 'Executive of the Year' by the *Puget Sound Business Journal* in 2011, he did not appear at the luncheon honoring him (Martinez and Heim, 2012). Further, the Amazon logo is missing from all of its buildings atits new campus in the South Lake Union area (Martinez and Heim, 2012). Seattle city planning seems happy with Amazon, however. When the company decided to move and expand to South Union Lake there were no negotiations with the city for incentives, just a desire to do it (Johnson and Wingfield, 2013). Amazon is also encouraging its employees to live within walking distance, and plans to buy a new streetcar for the light rail system that will run by its campus, as well as pay for part of a dedicated bicycle lane (Johnson and Wingfield, 2013). While Amazon does appear to be dedicated to remaining in Seattle and supportive of an environmentally conscious work environment, the move to South Lake Union has left Amazon's former neighborhood to deteriorate (Ross Gardner, 2013).

Bezos beyond Amazon

While Amazon is clearly his top priority, Bezos has begun to diversify his business ventures. He recently purchased the *Washington Post* for $250 million (in cash), though his plans for the newspaper are unknown at this time (Johnson and Wingfield, 2013). In 2004, he founded an aerospace company, Blue Origin, which is aimed at developing space travel and recreation (Academy of Achievement, 2013).

In terms of philanthropy, Bezos is beginning to leave a footprint. The Bezos Family Foundation is focused on education and improving children's ability to utilize their abilities (Bezos Family Foundation, 2013), though it has also funded cancer research (Martinez and Heim, 2012). Regarding individual acts, Bezos has donated $15 million to his alma mater Princeton for neuroscience research, $10 million to immunotherapy research to fight cancer, and funded the development of a 10000 Year Clock in Texas (Cook, 2011; Gayomali, 2011). Bezos is beginning to donate locally, with a $10 million donation to the Museum of History and Industry in Seattle (Cook, 2011). However these efforts are small in comparison to other tech giants, especially those of his neighbors, Bill Gates and Paul Allen of Microsoft. This may be due in part to his philosophy of philanthropy: Bezos has said that he feels that for-profit models are a better way to solve problems than philanthropy (Ross Gardner, 2013). Further, he sees Amazon's most important contribution to society as its success in business and the employment it provides (Martinez and Heim, 2012). However, Bezos has also said he thinks that philanthropy takes as much work as running a successful company (Academy of Achievement, 2013), so perhaps he has not yet been able to devote the time to it he feels it requires.

Contrasting Seattle's best

Although both Allen and Bezos reside in Seattle and call it home for themselves and many of their investments, the two represent two different approaches to business and philanthropy. Allen has a clear attachment to Seattle – he was raised there, began his business there and dedicates many of his resources to improving the area. Bezos, on the other hand, is a newcomer and seems less attached to Seattle as he has invested little in the community and focused his efforts where he has a greater attachment, like his alma mater. Interestingly, both Bezos and Allen have shown an interest in the brain, focusing much of their philanthropy in the area of neuroscience research and each creating their own centers, and in space travel, both funding business ventures in the area.

Though Allen is no longer a part of Microsoft, the companies do reflect different approaches to business. Microsoft is located in the suburbs of Seattle, while Amazon is in the heart of downtown. It was with Allen's help that Amazon was able to prosper in the city, since it was Allen who invested in real estate in the South Lake Union area and later leased and sold the property to Amazon (Johnson and Wingfield, 2013). But while physically detached, Microsoft is much more involved with Seattle than Amazon, through corporate and employee donations and a program of loaning executives to local charities (Holtzman, 2011). Amazon, on the other hand, still lags in terms of corporate responsibility (Gunther, 2012). However, Microsoft was also criticized in its early days for not giving enough back to the community (Martinez and Heim, 2012). So while we may be seeing two different examples – one with Allen as a champion of place and Bezos as a detached businessman – there may be another story, where Bezos is still developing his attachment to Seattle and how he wants to actualize that support.

3.4.4 The Counterfactual: Research Triangle Park and the Lack of an Entrepreneur

The lack of an entrepreneur tied to the Research Triangle Park (RTP) in North Carolina has left it without a local advocate and without strong ties to its community. What makes RTP unusual from other industry clusters is that it was a planned, public–private strategy to change the economy of the region. Its business success is attributed to a variety of factors including the timing after World War II, a concentration of research universities in the area, a critical mass of people who continue to thrive in the area and a long-term commitment by the varied interests that formed it (Weddle et al., 2006). RTP continues to develop and change.

The idea for RTP originated in the private sector in the mid-1950s. It was a grand idea to create a mecca for research and development (R&D) in a state that was at the bottom of per capita income in the US. But the idea was too grand for the private sector. Fortunately, the Governor, Luther Hodges, a former textile mill executive, believed in the idea and created a public–private partnership. Early on, the decision was made to stick to the target of attracting R&D operations even though manufacturing offered politically important employment (Feldman and Lowe, 2011). The recruitment of R&D was intensely personal, and locals advocated and lobbied large firms to locate. Through changes in governors, political administrations and political parties, a long history of adaptive and responsive public policy in the state was able to create conditions attractive to entrepreneurship. The industrial genesis is the story of the attraction of large multinational firms to locate their R&D operations in RTP and then the encouragement of start-up firms once the larger ones went through the inevitable mergers and acquisitions, lay-offs and restructurings (Lowe and Feldman, 2014).

The strategy did pay off, although it is said to be a 50-year overnight success. RTP's achievement defies the conventional wisdom that regions need to attract venture capital financing to grow an entrepreneurial economy. RTP did so by attracting proportionally more corporate venture capital. Entrepreneurial ventures in the region had good technology, which made them attractive for corporate venture capital investment (Zoller, 2010). Corporate venture capital often invests in potential acquisition targets rather than pursuing initial public offerings. Without venture capital money, companies in the region are likely to grow through mergers. Newly merged firms maintained a presence in the region because the region was attractive. But without many initial public offerings and strong locally grown companies, there are few local champions in RTP (Zoller, 2010).

New vision, new challenges

RTP's supporting foundation, the RTP Foundation, released a new vision in 2005 that set out for RTP to 'become the world's leading regional center for innovation, technology commercialization, and quality job creation' by 2020 (Weddle et al., 2006: 10). Based on this new vision, the RTP Foundation identified the areas it needs to improve upon: personal interaction, networks for spin-off firms and stronger entrepreneurial capacity (Weddle et al., 2006). Its new focus of attention on the smaller level, whether it be the individual or new firm, points to the changing makeup of RTP: the park is no longer made up of massive firms. Instead, 56 percent of its firms employ less than ten people, with only 6 percent employing over 1000 (Research Triangle Foundation, n.d.).

The Foundation is working on the personal interaction issue by providing community amenities and trying to foster relationships between employees and the community through volunteering and out-of-work activities (Research Triangle Foundation, n.d.). It expanded its community building efforts in 2008 with the creation of Outreach@RTP, a program which focuses on encouraging firms to expand their CSR programs (Research Triangle Foundation, n.d.). In 2007, the Triangle Community Foundation set up a website, Triangle Gives Back, to encourage giving and match donors to nonprofits in the RTP area (Friedman, 2009). Triangle Gives Back also started the 1 percent challenge in the Fall of 2010. The challenge tries to get firms to give at least 1 percent of their profits to local nonprofits (Triangle Gives Back, 2010). In 2008, the group published a report offering an in-depth look at giving in the Triangle region. It found that corporate giving in the Triangle is smaller than in older clustered economies, along with individual giving being below similar metropolitan areas and other cities in North Carolina. Wealthier citizens gave less than lower-income residents in the region (Guillory et al., 2008).

Giving from RTP

The lower levels of giving are not due to lower levels of need. The RTP area is currently struggling with sufficient care for children and seniors, affordable housing, education and a high poverty rate of one out of nine residents (Triangle J Council of Governments, 2008). The Triangle also has a lower number of grant-making foundations, as compared to similar regions in the United States with around 470 in the Triangle, 20 of which are corporate foundations, and only ten that give a high proportion to the local area. Of the total number of grant-making organizations, 82 gave less than 25 percent of their grants to organizations in the Triangle and 93 gave less than $10 000 to Triangle organizations in 2006. The top foundations, based on giving to the Triangle in the same year, were the Triangle Community Foundation, John William Pope Foundation, Progress Energy Foundation and Blue Cross Blue Shield of North Carolina Foundation (Guillory et al., 2008). This group includes a community foundation, a family foundation and two corporate foundations. The Triangle Gives Back report also conducted a survey of a small subset of Triangle firms. Larger firms tended to publish reports on their giving, have employee-matching programs and have CSR budgets outside of a corporate foundation. Smaller firms were less likely to have annual reports on giving or have employee-matching programs, and they also gave at a lower rate than larger firms (Guillory et al., 2008). Though not surprising, as they likely operate a smaller profit margin, the result is concerning since the majority of RTP firms are small.

There are multiple factors that contribute to the lower levels of CSR and community support from RTP. One reason is the scattered nature of the area: firms are primarily located in RTP while their employees live in many of the surrounding communities in the region. This causes two problems. First, employees may not feel much connection to their work community if they are commuting a long distance; and second, firms cannot easily provide support to their employees' community if that includes many different areas (Guillory et al., 2008). Also, almost half of RTP employees were not born in North Carolina, which could decrease the sense of community felt by employees and firms alike (Guillory et al., 2008). And since the area lacks locally based headquarters, the few larger RTP firms and their executives that have corporate and family foundations are not based in RTP (Guillory et al., 2008).

An alternate reason for lower giving is that firms in RTP often serve clients outside of North Carolina and even the United States, which takes away one of the major reasons for corporate giving: increased consumer support (Guillory et al., 2008). Such firms are more likely to provide CSR to the communities they serve or work with. This is seen in the self-reporting firms provided on their levels of giving overall and in the region. GlaskoSmithKline gave $558 million overall in 2006, $5.1 million of which went to the Triangle. The firm says its CSR is focused on global health, good employment practices, human rights, access to medicine and an improved environment and supply chain (GlaxoSmithKline, 2010). Although it has a strong presence in RTP, its international focus has led to most of itsphilanthropy going outside of the region.

IBM reported the second-highest amount donated to the Triangle, $3.2 million out of $148.5 million. The company is also focused on stakeholder engagement and as such focuses its CSR where its stakeholders are: globally. It is contributing to a high number of employee volunteer hours through its Corporate Service Corps, which sends employees to developing nations to help solve technology problems (IBM, n.d.). Progress Energy is the third-highest donor to the region as a firm, spending $3 million out of $12 million to the area. It is not surprising that this energy

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company would be high on both lists given that it is interested in supporting its consumers, who include residents of North Carolina (Progress Energy, 2010). Wachovia was the fifth highest donor, but only gave it is regionally focused in its CSR activities, that region also includes its home base of New Jersey, Delaware and Pennsylvania (Wachovia, 2010).

SAS provides an interesting contrast to these firms. A locally grown firm, SAS provides an annual report on its CSR and sets goals for each year. In 2009, it was focused on the environment and stewardship. It is also focused on stakeholder engagement, which it works for by providing volunteers, grants, donations and training. Itsr motto for giving, 'think global, act local', explains its focus on local community support. But even given these values, it does not make the list of top ten donors to the region. This may be explained by its focus on its employees as a main element of its community. Many of its efforts are based around improving the quality of life and education of its employees as opposed to the surrounding community members. However, this has led to only 2 percent turnover in 2009, as compared to the industry average of 22 percent (SAS, 2010).

Giving from RTP is lower than it should be as seen by its comparison to other areas and the remaining needs of the region. These lower levels of support are explainable. Ease of giving is low as the RTP community is spread out, with a high concentration of firms in one area but employees living in many surrounding towns. Motivation to give locally is also low since many of the consumers of RTP firms are not in North Carolina and many firms are driven to CSR in part to garner increased consumer support. Ability to give is low for the area as large firms are typically 'better' givers but they make up a small proportion of RTP. Though the smaller firms probably have a stronger attachment to the RTP community, they have not made enough profits to offer much support. While the industrial park continues to develop and contribute to the area through economic success and employment, RTP has failed to unite and thrive as a community. Its formation from a public–private partnership and lack of any major headquarters has left it without powerful local champions. There is, however, the potential for future success in this area. If any of the small start-ups succeed and remain in the area, their founders may then be able to expand their entrepreneurial efforts in the community and shape their philanthropy accordingly.

3.5 CONCLUSIONS

So much of our imagination and policy prescriptions focus on what we might call the Silicon Valley model. Many places attempt to create vibrant economies by trying to replicate the mix of venture capital funding, research universities, concentrations of skilled talent and open culture. But these factors do not exist in most places; instead, determined entrepreneurs propel many areas with a strong attachment to a community, pushing for the prosperity of their homes. These entrepreneurs are redefining their hometowns and the approach to business. While this chapter showcases positive examples of their roles in improving the prosperity of an area, there is also great risk to the town being too dependent on one major employer, as we see with the effect of the recession on Viking in Greenwood, Mississippi. Further, a single influential person or a small group may not engage the public in order to understand the needs and resources of an area (Ostrander, 2007). These local champions also may not be most efficient in their allocations for producing public goods, as they may be more motivated by increasing their own social capital (Zahra et al., 2009). Even with these limitations, however, local champions offer an alternate path to economic development for many areas, as these individuals use their own financial success to advance the quality of life in their communities.

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PART II

DIFFERING PERSPECTIVES – DIFFERENT EXPERIENCES?

From the broad overview provided by the authors in Part I, we move in this section to developing an understanding of the experiences of multiple segments of the entrepreneurial world and how the entrepreneurs in these segments experience and involve themselves in philanthropy. In sequence, the chapters present insights into female entrepreneurs, Black or African-American entrepreneurs, companies transitioned or transitioning from the founder, high-tech donors in the Northeast US, and the Silicon Valley entrepreneur.

The Diana Project (Chapter 4) provides insights into the experiences of female entrepreneurs and their philanthropies. This set of leading researchers, whose individual contributions to the research focus on entrepreneurs are long-standing and widely recognized, wisely provide us with both historical and cross-sectional perspectives of female entrepreneurs' involvement in philanthropy. The historical perspective provides evidence of the significant achievements effected by female philanthropists earlier in US history. These women were generally wives or daughters of wealthy individuals. The situation was a reflection of the limited roles then available to women in the work world. However, the situation has changed so that increasingly women involved in philanthropy are entrepreneurs in their own right, a phenomenon reflected in the expanding literature on female entrepreneurs.

The research on philanthropy has examined gender differences. Notably results indicate that women have differing motivations for philanthropic engagement and different strategies as they engage in philanthropy. However, research on philanthropy has only limited examination of entrepreneurs' experiences and the study of women entrepreneurs' involvement in philanthropy is, at best, sparse. Thus the observations of the Diana Project drawn from the research literatures and popular press characterizations of selected female entrepreneur philanthropists present a clarion call for systematic investigation.

Cox Edmondson and Taylor introduce us to the Black or African-American entrepreneur's experience in philanthropy in Chapter 5. Cox Edmondson and Carroll (1999) undertook the earliest systematic investigation of this issue. In this chapter Cox Edmondson with Taylor updates the earlier findings with insights drawn from the popular press as well as recent interviews with a small sample of entrepreneurs associated with Morehouse College, USA. The results from the recent investigation appear to confirm the results from the earlier study. However, the initial study did not differentiate between the entrepreneurs' involvement in the African-American and the broader community. In the current study a minority of the interviewees indicated that they focus their philanthropic efforts on the Black community. The authors note the need to compare the experiences of the African-American entrepreneurs' engagement in philanthropy with that of other ethnic groups – an area heretofore unexplored. The chapter underscores the importance of the Black entrepreneur's success as an entrepreneur as well as the involvement in philanthropy as an important role model and contribution to the African-American community.

Hoy and Rosplock (Chapter 6) draw on their significant research and practitioner backgrounds to provide intimate profiles of family businesses and their involvement with philanthropy. Their focus in this chapter is on firms that have moved from the first generation or founding entrepreneur to the second generation or to professional management. The two authors begin with an intimate portrait of Henry Bloch's evolution from entrepreneur (co-founder of H&R Block) to philanthropist. They note that as the entrepreneur's efforts move from founding and growing the firm to transitioning to the next generation and professional management, the entrepreneurial founder is able to focus on philanthropic investments and community engagement. The scholarly literature has provided significant insights into the ownership and management succession issues, but has as yet little emphasis on how the entrepreneur and associated family manage their philanthropic interests. Recent work indicates changes are occurring to more active involvement rather than reactive response to external solicitations.

These two authors draw insights through review of the available literature, the case study of Henry Bloch, and in-depth interviews with nine individuals who provided insights about other multi-generational enterprising families who demonstrated their philanthropic commitments.

From the interview transcripts they draw four themes: enduring qualities of the entrepreneur; balancing family wealth transfer and giving; building education, continuity and cohesion; and leaving a philanthropic legacy. Each of the themes is illustrated by a mini-case and data from other interviews. The chapter provides tantalizing possibilities for future research initiatives which, as the authors note, is much needed to augment the considerable practitioner literature on family firms, their philanthropies, and their foundations.

The work of Paul Schervish as Director of the Center on Wealth and Philanthropy at Boston College has provided significant insights into the motivational underpinnings of charitable giving and philanthropy. In Chapter 7 he revisits his 2001 co-authored report, 'Agent-animated wealth and philanthropy', an important and early contribution to our understanding of the high-tech entrepreneurs and the dynamics of their philanthropic activities. The 2001 report was based on interviews with nearly 30 individuals whose wealth was derived from their involvement in high-tech firms. Schervish notes that their philanthropy is different than what he and other scholars have observed in the philanthropy realm generally. Schervish describes these individuals as highly educated, less religious and generally actively involved in their philanthropic investments. These philanthropists seek to drive greater return from their investments in the philanthropic realm. In their philanthropy they remain market-conscious of the dynamics of the needs that are presented and the undersupply, focus on the need to both utilize and build human capital to meet those needs, and drive for impact through building scale. Schervish refers to the phenomenon as 'agent-animated philanthropy'. He acknowledges that the very intensity of the drive of these highly successful individuals has been viewed by the non-profits with which they work as arrogance. But he tempers this observation by sharing the experience of a particular individual case and notes his observation of a frequent sense of gratitude for unmerited advantage among the interviewees. He concludes that the current phenomenon of the entrepreneurial engagement in philanthropy may well be yielding even more abundant and adept philanthropy than we have observed in the past.

Our final chapter in Part II complements Schervish's observations in the Northeast United States with experiences from the West Coast, specifically Silicon Valley in the San Francisco area. Stilwell and Carson (Chapter 8) provide insights into their donors who are entrepreneurs, and their observations about how the entrepreneurs approach their philanthropic activities. Their long-term experiences in providing guidance to the Silicon Valley entrepreneurs provide insights strikingly parallel to those that Schervish makes from his research in the Northeast US. The clients that Stilwell and Carson work with tend to 'move quickly', take a libertarian view on non-government involvement, and drive for a return on the investments in philanthropy just as they and their funders drove for their investment in the for-profit world. Stilwell and Carson characterized these entrepreneurs engaged in philanthropy as highly optimistic and a group for whom failure is not an option. The chapter provides us with a unique opportunity to understand the Silicon Valley entrepreneurs with whom Stilwell and Carson have long been involved.

Together the five chapters in Part II provide rich insights into the dynamics of women entrepreneurs, Black or African-American entrepreneurs, family business members and high-tech entrepreneurs in the Northeast US and in the Silicon Valley. The authors challenge us to deepen and broaden our understanding of these under-researched segments of entrepreneurs engaged in the philanthropic world.

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