

# Market alchemy

## Drawing the connection between entrepreneurial skills and philanthropic vision

The impact of entrepreneurship is all around us. It is evident in the direct impact of business growth in a community and through transformative philanthropic giving.

I have long ruminated on the connection between entrepreneurial success and philanthropic vision. How does an entrepreneur's business acumen inform and inspire the design of charitable initiatives?



**DEBORAH D. HOOVER**

President and CEO

The Burton D. Morgan Foundation

Deborah is committed to building the capacity of Northeast Ohio's entrepreneurial ecosystem.

(330) 655-1630  
dhoover@bdmorganfdn.org  
www.bdmorganfdn.org

### Entrepreneurs as change agents

Through philanthropy, the entrepreneur has the opportunity and freedom to design solutions to vexing social problems or promote a novel innovation to better the world. Entrepreneurs are change agents whether they are building a business or catalyzing social transformation. They bring to bear all their resources — dollars of course, but also influence, networks, expertise and informed risk-taking.

For entrepreneurs who are devoted to a geographic region, this social capital can be amplified to build powerful ecosystems that support whole communities. Entrepreneurs' predilections are often evident as they engage with community foundations to achieve their charitable aims. Asking probing questions, devising unique solutions and pushing the envelope are all characteristics of the entrepreneur's approach to social solutions. They embrace experimentation, failure and midcourse corrections, and seek out forward-thinking leaders and nonprofits to create strategic alliances. They have a talent for connecting far flung concepts and binding them together to bring dynamic solutions to fruition.

### Teaming up

In Northeast Ohio, community foundations are eager to harness this entrepreneurial mindset. Stark Community Foundation shared a tale about a group of entrepreneurs and business people who recently teamed up to design a program for Lake High School Academic Boosters. Ken Brott, vice president of marketing at DRB Systems

in Akron, spearheaded the effort to design a program that provides students with funding to pursue creative and educational entrepreneurial projects so they do not have to rely on the shifting sands of public funding. The Academic Boosters took advantage of the foundation's successful 50th anniversary campaign to create new endowed funds with the enticement of a foundation match of up to \$10,000. Demonstrating entrepreneurial know how, the Lake Academic Boosters Designated Fund has already supported 17 student projects.

At the Akron Community Foundation, fundholders like Roger Read are combating Northeast Ohio's entrepreneurial drain with their donor-advised funds. An investor in the local economic development agency, JumpStart, Read is donating JumpStart shares valued at \$250,000 to his donor-advised fund at the community foundation. In addition to fueling the area's few local sources of venture capital for young, energetic technology firms, any return on his JumpStart investments will fund future charitable giving through his donor-advised fund.

"The charitable benefit is great: Northeast Ohio gets sorely needed funding to grow young, talented companies in our region, the capital stays here, and the return on these companies' success will fund future giving in the community," Read said.

It also earns donors like Read an immediate tax deduction.

"It's a very forward-thinking strategy," he said.

These resourceful entrepreneurs have adapted their skills to achieve philanthropic goals and drive change. No doubt there are many other clever entrepreneurs out there dreaming up creative solutions to challenging social problems, and for this we applaud you. ●



**LINK UP** with Deborah D. Hoover on LinkedIn <http://linkd.in/1utvQVE>