

## **Jobs, Talent, and People Recommendations**

### **Recommendation Topic: Entrepreneurship and Innovation**

**Recommendation:** Embrace Michigan's entrepreneurial and innovation roots, driving rapid growth in early-stage and high-growth businesses and creating a culture that supports entrepreneurship and innovation for all.

#### **Description:**

**1. Create a continuum of capital to support entrepreneurs and growing small businesses, particularly focused on innovative, high-growth industries.**

Specific strategies may include:

- a. Establish an entrepreneurship and small business fund incorporating state and private investments that can support company scaling from seed funding to working capital.
- b. Increase access to financing for underserved communities and immigrants through innovative financing mechanisms.
- c. Engage Michigan expatriates to become angel investors in a state-seeded fund.

**2. Expand support services for entrepreneurs, start-ups, and second stage businesses.**

Specific strategies may include:

- a. Increase investment in Michigan's business incubation and accelerator network to build capacity for service provision to support business startups and growth, particularly for underserved communities and immigrant populations.
- b. Expand mentoring, entrepreneur-in-residence programs, and peer-to-peer engagement opportunities to support small businesses at all stages.
- c. Scale programs such as the public-private Second-Stage Growth Solutions (SSGS) to provide technical assistance, such as access to mentors and expert resources.
- d. Engage entrepreneurial support organizations in talent attraction and retention marketing to leverage their insight on strategic messaging for diverse populations and extend the campaign reach through their networks.

- e. Increase technology transfer out of Michigan's universities to contribute to industry innovation, business startups, and tech commercialization, particularly in targeted growth sectors.

## **Rationale:**

Michigan came in 10th overall in the CNBC's America's Top States for Business 2023 rankings, including improvement in the state's technology and innovation ranking:

- 6th for cost of doing business, up from 9th last year.
- 7th for cost of living, up from 12th last year.
- 12th for technology and innovation, up from 15th last year.
- 15th for business friendliness, up from 20th last year.

Michigan is starting to gain attention as an emerging tech ecosystem with entities such as Startup Genome. Michigan's universities are competitive in entrepreneurship rankings and are an invaluable asset to the state's business growth.

Entrepreneurship is an opportunity for international immigrants and underserved communities to gain economic equity with the right supports in place. Entrepreneurship is also connected to the regional industry growth and talent attraction strategies proposed by this workgroup. A reinvigorated entrepreneurship and innovation ecosystem, with the capital and connections needed to grow companies, will create the jobs of the future, with equity at the forefront, crucial to growing Michigan's population.