



The University of Georgia

Teaching Academy

Date: April 11, 2014

To: Professor Pamela Whitten
Senior Vice President for Academic Affairs and Provost

From: Faculty Entrepreneurship Break-out Group: Mark Huber (facilitator), Joshua Berning, Bynum Boley, Maric Boudreau, Linda Fox, Audrey Haynes, Itai Himelboim, Ann Hollifield, Janice Hume, Suzanne O'Connell, Jose Reyes-De-Corcuera, Claudio Sant, and Brock Tessman

Re: Recommendations for Faculty Entrepreneurship

Dear Provost Whitten,

On behalf of all the members of the 2014 Academic Affairs Faculty Symposium Faculty Entrepreneurship break-out group, thank you for the opportunity to participate in this program, an activity we consider critical for effective faculty development. We were charged with providing you with our recommendations, ranging from relatively easily produced items to "big ideas" that would enhance "faculty entrepreneurship" at the University of Georgia. You will find below a listing of these recommendations. Because faculty entrepreneurship is a concept that escapes consensus in terms of definition, we provide a working definition here, primarily for context, but recognize the multiple dimensions of this concept.

For the purposes of our work, rather than focusing on traditional faculty entrepreneurship (which focuses primarily on enhancing faculty remuneration through activities such as consulting, contractual research, external teaching), we instead use the term institutionally-oriented academic entrepreneurship and define it as efforts to transform individual or collective academic expertise and research results into: intellectual property, marketable commodities, and economic development - thereby enhancing remuneration (direct or indirect) to the University, but also allowing for individual benefit to faculty (as in material incentives or some other form of benefit), while serving the broad array of stakeholders to the University, particularly our students, who may be served well by the learning opportunities that will be linked to academic entrepreneurship. We recognize that there are many non-material ways in which faculty can act entrepreneurial on behalf of the university (course and curriculum innovations, service work, etc.), but our concentration is on the means to create new resources or free up resources for UGA that will be used to support the University's mission, particularly in the vein of "a commitment to excellence in public service, economic development, and technical assistance activities designed to address the strategic needs of the state of Georgia."

To begin with, let us state that we believe that efforts to promote academic entrepreneurship must fit within a framework that allows free pursuit of academic entrepreneurial benefits without overt pressure to do so. In other words, there must be a positive spin on entrepreneurship, but not pressure for every faculty member to become an entrepreneur, as these types of opportunities are not distributed equally across academic disciplines nor are individuals equally inclined towards undertaking the risks or developing the skills necessary to successful entrepreneurship. Instead, the University should provide opportunities for those who wish to act entrepreneurial on behalf of the University, and create an environment that encourages thinking about academic entrepreneurship generally - giving faculty more of a role as a stakeholder in sustaining the University's mission.

During the discussion, members of the group shared multiple examples of obstacles their units had encountered during previous attempts to seize entrepreneurial opportunities. Among the obstacles already experienced by those within this working group were: problems with funds transfer and use between corporate partners and academic units; response times in the Office of Legal Counsel, Grants and Contracts, and the Human Subjects Office; ability to establish co-location agreements in public/private partnerships; lack of flexibility in faculty assignments and pay related to entrepreneurial activities; lack of guidelines for sharing the value of intellectual property generated through learning partnerships, particularly those involving undergraduate students; absence of seed money for entrepreneurial projects that permit the acceptance of even a low level of risk.

With these ideas in mind, our group generated multiple actionable items that would facilitate the following goals:

1. Creating a mind set among faculty that embraces academic entrepreneurship as defined.
2. Building the tools, support structures, incentives, and so on to support academic entrepreneurship.

These ideas range from easily actionable to those that require significant investment of resources.

RECOMMENDATIONS

Entrepreneurial Focus Groups: Generate focus groups across the University (including staff, faculty, administration and students) that focus on the obstacles and unrealized opportunities that exist with regard to academic entrepreneurship. They would ask the fundamental questions: What things (frequently encountered obstacles) keep us from acting collectively to generate intellectual property, marketable commodities, and economic development as a partnership (University in conjunction with faculty and staff) for our mutual benefit? This information is critical to the further development of strategies and structural supports to encourage academic entrepreneurship.

Summer Entrepreneurial Fellows: Create a fellowship that would teach interested faculty with little exposure to entrepreneurial activities to think as academic entrepreneurs. This program would be led by faculty previously engaged in entrepreneurial activities benefitting the University of Georgia. The program would include workshops on a variety of topics with the end goal being the creation of an action plan for the faculty member's own entrepreneurial ideas.

Entrepreneurial Think Teams: Support the formation of interdisciplinary "think teams" across the University along the lines of an interdisciplinary research and grant-writing team. Those who work on these projects should have some reward/incentive for their participation as well as their production of concrete/actionable academic entrepreneurial projects.

Fiscal Flexibility: Create more nimble contracts/budgets in order to provide incentives for academic entrepreneurship at the institutional level. An issue is the limit on faculty earnings. Faculty may earn no more than 100% of their salary from the University. This is an inhibitor of productivity especially for faculty on 12-month appointments and a catalyst for the loss of highly productive faculty who may use their time hunting for higher pay at other institutions instead of leading internal entrepreneurial efforts. If a faculty member on a 9-month contract earns \$60,000 then they can earn no more than \$20,000 in the summer (9-month \$60K = 12-month \$80K). If a faculty member has the opportunity to earn \$50K from summer consulting or projects with community or business partners, they cannot do this through the University. Therefore, the University loses out on a share of the income as most faculty members will choose to earn the money in the summer privately. This also applies to income earned during the year. Faculty may work on weekends or evenings during the year to avoid conflicts with University salary caps. Again, the University loses out on any revenue sharing that might occur if the faculty member funneled the consulting engagement through the University.

EFT Flexibility: Allow departments the ability to include academic entrepreneurship as a category in addition to our current three (teaching, research and service) and adjust EFT's during the time faculty are engaged in academic entrepreneurship to facilitate academic entrepreneurship, as defined.

The University Entrepreneurial Year Program: Provide some incentive/support (e.g. reduced course load) for an academic year where faculty members (regardless of what point it is in their career) would have time to work on an entrepreneurial project with the end result being a valuable outcome for both faculty and University. This could be a competitive program requiring applications by interested faculty.

AESB (Academic Entrepreneur Support Board): Create a board composed of individuals with varied areas of expertise, in particular legal and financial, relating to academic entrepreneurship from both internal and external positions relative to the University. The mission of the board is not to "clear" certain projects but to help find ways to support academic/institutional entrepreneurship and overcome roadblocks to success at the University of Georgia. How can we find a way around obstacles? What is the checklist of items that need to be met? What potential conflicts of interest may arise and how can these be avoided? What are the real limits to this particular effort at academic entrepreneurship? In addition, the board would act as a central point for information flow answering questions such as: Are there other groups doing similar

work and could our efforts be joined? Are there potential interdisciplinary or external partners for this project?

Academic Entrepreneurship "Race to the Top": Create a President or Provost initiated University-wide competition among units to create some sellable commodity or reduce cost to University. The work must be done by the unit (department, center, school, etc.) with the goal of creating this on behalf of the University, but with the "profit" being shared by the University as well as the unit and the individual team members involved. The race to the top could focus on judging the end result and recognizing the unit that accomplished the "best" project. In the end, the University would end up with multiple entrepreneurial projects, units would have incentives to generate projects that would be beneficial to themselves as well, and the environment of this institutionally collective entrepreneurship would be supported as well.

We recognize that there is already a culture of faculty entrepreneurship at the University. Many faculty engage in entrepreneurial activities - from the traditional, loosely linked to institutional entrepreneurship (University receives no direct benefit) that is found in book authorship, consulting, expert testimony, etc. to traditional, closely-linked joint entrepreneurship found in patent-generating projects and grants (University receives benefit as well as unit, and faculty member in some cases). There has been less support available at UGA for creating opportunities outside of these traditions. We encourage the University to be proactive in developing that support by creating this new category of academic entrepreneurship whereby participation is not forced but encouraged; outcomes are mutually beneficial, and the goal is to support a collective effort to maintain the excellence of the University by working together in an entrepreneurial fashion.