



“Knowledge Clusters and Entrepreneurship: Experiential Tourism in the Flint Hills of Kansas;” a White Paper, CBED Report 05-10-001

This is one of a series of White Papers on issues of interest to the Center of Business and Economic Development (CBED) and the ESU School of Business. Each White Paper summarizes readings, analysis and synthesis by the Director, William L. Smith, Ph.D., for discussion, to provide background information to direct our planning processes and to build content for the Center web site at:

<http://www.emporia.edu/business/cbedhome.php>

The Hubert H. Humphrey Institute of Public Affairs, University of Minnesota, recently released their report: “Knowledge Clusters and Entrepreneurship in Regional Economic Development,” based on their September 2004 international conference of the same name.¹ I have been following the research regarding the relationship of knowledge clusters and entrepreneurship based economic development activity for some time now. This particular report seems to bring the concepts all together and suggests to me that we now have, in the Flint Hills of Kansas region, all the ingredients for a “knowledge cluster” in “Experiential Tourism.” The report defines a knowledge cluster this way:

A knowledge cluster is an innovative, interrelated group of firms that gain competitive advantages through building and transmitting knowledge among local actors and institutions. A cluster can revolve around a certain industry that exports beyond the region or involves technologies that cross industry boundaries (p. 6).

Furthermore, a knowledge cluster recognizes that local businesses, which share a common knowledge base, can promote regional growth, partly by providing a dynamic environment for entrepreneurship. Research suggests that entrepreneurial activity is largely place-based and is a product of the local culture, institutional arrangements, the business environment, and the unique skills and knowledge base in a particular area. This knowledge tends to remain localized. Therefore, related economic developers must focus on improving the competitiveness of their “place.” In our case, this is the Flint Hills of Kansas.

On page 7, the report goes on to say that: “After years of neglect by economists and policy makers alike, entrepreneurship is now widely accepted as an important contributor

¹ The September 2005 Conference Report, *Knowledge Clusters and Entrepreneurship as Keys to Regional Economic Development*, from the State and Local Policy Program of the University of Minnesota's Humphrey Institute of Public Affairs, is available at:

http://www.hhh.umn.edu/img/assets/9140/knowledge_clusters_final_report1.pdf

Note: All page references in this White Paper are to this report.



to national and regional economic growth... with factors such as speed, innovations, flexibility, and knowledge essential to economic growth and development, entrepreneurship has been the main driver of U. S. growth in recent years.”

The Key Components to a Knowledge Cluster Strategy are presented as:

Understand your local knowledge base.

What specialized knowledge propels your most innovative and successful enterprises?

Foster links between firms and the local institutions that support them.

Industry and community leaders should be in communication with educational institutions so workforce development can be enhanced.

Develop strategies for promoting innovation around knowledge clusters.

Look for ways to stimulate research and development and technology transfer among existing firms. Technical assistance and access to risk capital are important as well.

Promote a regional basis for developing local strategies.

A specialized labor pool may be geographically dispersed, especially in a rural area. Important institutions that can foster knowledge cluster development may be regional in nature as well (p. 7).

Let us now examine each of these strategies in the local context of Experiential Tourism in the Flint Hills of Kansas:

Understand your local knowledge base.

Agritourism and nature-based tourism have a firm foothold in the Flint Hills of Kansas. These are a solid basis upon which to build a wider and broader brand of experiential tourism in the area. Local and state governmental units have shown strong support in recent months, from the Kansas Department of Commerce contracts with Fermata, Inc.,²

² See the “Experiential Tourism Strategy for the Kansas Flint Hills,” September 2005 report at: <http://www.fermatainc.com/kansas/>



Jane Eckert, and Ben Allen to the strong support of the Flint Hills Resource Conservation and Development (RC&D) AgriTourism Initiative to the recent formation of the Flint Hills Tourism Coalition. The set of twenty standards for experiential tourism was researched, reported by this office, and have now been accepted for publication in the International Journal of Services and Standards.³ Local practitioners, in operations primarily supplemental to their primary farming and ranching, have developed a good knowledge base that is growing by the month. Workshops sponsored by RC&D and others have encouraged the sharing of this knowledge and creation of new relevant knowledge. Their openness to additional activities is very encouraging for entrepreneurial growth for the future.

Foster links between firms and the local institutions that support them.

A strong linkage has been built among the private business operations, the state and local governments, and local educational institutions, such as Emporia State University. Both Allen and Butler County Community Colleges have shown support for entrepreneurial activities and the Flint Hills Technical College has shown interest in workforce development projects. These linkages need to be nurtured and grown to move toward a more mature level of knowledge cluster in experiential tourism in the Flint Hills of Kansas.

Develop strategies for promoting innovation around knowledge clusters.

The Fermata, Inc. report, referred to above, is certainly one recent stimulator of innovation around this knowledge cluster. This report has 15 recommended action steps that would involve every player in the region. Continued support and encouragement from the Kansas Department of Commerce and local Chambers and CVBs⁴ will also promote innovation around this knowledge cluster as will the continued growth and development, supported by the National Park Service and others, of the Tallgrass Prairie National Preserve⁵ – the heart of the experiential tourism experience in the region.

³ See working papers [CBED Working Paper #05002](#) - "Experiential Tourism around the World and at Home: Definitions and Standards" by William L. Smith and [CBED Working Paper #05005](#) - "Experiential Tourism Standards: The Perceptions of Rural Tourism Providers" by William L. Smith, now accepted for publication in the International Journal of Service and Standards <www.inderscience.com/ijss> Additional related reports are also available at: <http://www.emporia.edu/business/cbedreports.php>

⁴ Convention and Visitor Bureaus (CVBs) are prime supporters of development of additional experiential and other tourism opportunities for visitors to the Flint Hills of Kansas.

⁵ <http://www.nps.gov/tapr/>



Promote a regional basis for developing local strategies.

For the Flint Hills of Kansas, all assets and resources of the region are called to join in the development and growth of the Kansas Flint Hills Heritage travel and tourism model proposed by the Fermata, Inc., report to the Kansas Department of Commerce and the Kansas Governor. This model lays a solid foundation by calling for development of a plan for Kansas Flint Hills “National Heritage Area”⁶ recognition. This, in turn, requires extensive cooperation and collaboration by all interested private and public entities in the region. This process, alone, will significantly increase the existing embryonic knowledge cluster.

Entrepreneurial education is more than teaching the techniques of writing a business plan or securing financing; it incorporates a unique mindset (p. 9). Entrepreneurial skills training should be implemented across the curriculum and for all ages, another example of lifelong learning. This has been identified as a major weakness in the United States (p. 12). Educational institutions should do more to nurture the innovative person and encourage creativity. And, this effort needs to go beyond the teaching of entrepreneurship and requires a more fundamental reform of conventional teaching methods and assessments (p. 12).

Locally, we (CBED) have undertaken a research project (since June 2005) to inventory all entrepreneurial education opportunities in the central Flint Hills of Kansas region and develop an integration plan for expanding that activity. This inventory should be ready for public comment in November, and the integration plan a few months after that.

Knowledge clusters are built on **linkages** among many types of entities and many parties, including suppliers, workers, technical and scientific researchers, and customers. Entrepreneurs and venture capitalists need to find each other. So do business innovators and highly skilled academics. **Mentors** are important, especially in communities without strong entrepreneurial tradition (p. 14).

We need to encourage **mentoring** from experienced entrepreneurs and assist the development of **support networks** (p. 11). These can be developed and encouraged by:

1. **Organizing networking opportunities.** Networks are important to entrepreneurs for sharing experiences, bouncing ideas off each other, gaining useful contacts, and collaborating on new initiatives.

⁶ <http://www.cr.nps.gov/heritageareas/>



2. Educating local leaders on the value of entrepreneurship and providing opportunities for them to meet those involved in setting up businesses is important. Encourage experienced entrepreneurs to become mentors to those new to entrepreneurial challenges.

3. Involving community and technical colleges as another catalyst for rural clusters. It is important that they be involved in any cluster development strategy (p.11).

These activities are ones in which the ESU School of Business and the CBED are anxious to lead and participate, to coordinate and collaborate on with each and all other interested parties.

Many of the other recommendations of the report are already underway in Kansas and the Flint Hills of Kansas, such as, the enterprise portal, venture financing options, efforts to reduce regulatory burdens on small businesses and improving access and delivery for government support services. We commend all those involved in each of these processes.

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