



PARKER'S POINTERS

Entrepreneur Shares Career Insights

By Tom Schuman

Kent Parker's story is not unique. He grew up in Indiana (a sixth-generation Hoosier in Gibson County), attended school here (the University of Evansville with a 1983 degree in mechanical engineering) and began his working life (three years with United Technologies Corporation) in Indianapolis.

Parker returned (with a home in New Harmony and numerous business and civic involvements) years later after a highly successful career that included key roles at Caribou Coffee in Minneapolis and Ariba (a software and information technology firm) in Sunnyvale, California. The entrepreneur and investor admits, "I never once considered after I left Indiana in 1985 that I would come back here to try and make a living. It just never crossed my mind."

But Parker is back now. He discussed creating a Dynamic and Creative Culture at the Indiana Chamber's *Indiana Vision 2025* forum in Evansville in December 2013 and in this recent interview with *BizVoice*.

***BizVoice:* You mentioned in Evansville that people are the most important factor for growing successful businesses. Does Indiana have enough people – entrepreneurs, members of the workforce?**

Kent Parker: "I think there are. Entrepreneurism is locally driven. It requires an entrepreneurial community; within that community, there are layers of people and their roles. When we started

Caribou Coffee, the managers and employees we hired – not classic entrepreneurs, but people with skills who were interested in this new kind of activity, new kind of company and the excitement around that.

"What makes an entrepreneurial venture successful is the ability to attract the people who are motivated to have the kind of career experience that truly is much different than working in a larger company or long-established company. You need this entire ecosystem."

***BV:* How much better are the chances today for someone looking to start their entrepreneurial career in Indiana?**

KP: "At the macro level, it's clearly become easier and continues to get easier for people to pursue entrepreneurial ideas and efforts on a number of fronts. I truly don't believe that the biggest issue for most entrepreneurs is raising money. It's a big issue, don't get me wrong, but I don't think

it's the biggest challenge they face. It's rare for me to have found great ideas and dynamic entrepreneurs who were going to be successful that simply failed because they couldn't raise money.

"Funding options have grown. Crowdfunding is an area that has taken off, changed the way of the land for start-ups and early acceleration. (The challenge is) trying to find great ideas. What you would hear any venture capitalist say is trying to find good ideas is a challenge; it's not, 'We've got too many ideas; we can't fund them all.' I don't think you're going to hear that. I think you would hear the opposite.

"On the second front, clearly we're entering an era of applied sciences for entrepreneurs and technology. Underlying technologies required to drive entrepreneurial activity have been a huge part of the fabric in California. But if you think about companies like ExactTarget and Aprimo in Indianapolis, they're applying cloud technologies, data management technologies that have changed the ability for entrepreneurs in the technology space almost anywhere in America to create new business models.

"Mobile technologies and cloud technologies have changed the game, because you're applying sciences that have been developed over the last decade in order to drive new business models. You can do that without the depth of technologists and scientists that might have been required to start a software platform in the Silicon Valley years ago."

BV: How much more difficult is it to have entrepreneurial success in Evansville or Fort Wayne, for example, compared to Indianapolis/Central Indiana?

KP: "What you see emerging in those two specific areas (Indianapolis and Bloomington) is this network, ecosystem, grassroots of participants that started to cluster there that makes it easier for a would-be entrepreneur to say I want to do a start-up. Entrepreneurs need to be



Kent Parker was among the guest speakers at the *Indiana Vision 2025* regional forum in Evansville in December 2013.

able to self-associate. They need to be able to find each other, find other people who are interested, be in a community that understands entrepreneurialism and the differences from trying to run an established business. The support system starts to take hold; that to me is the challenge, more so than funding or do we have enough technologists or are we teaching the right things in schools.

"(Communities can start with a) database of alumni from local high schools. What are they doing? Where are they? Are they interested in entrepreneurialism? I'd focus on that first. Would they ever consider coming back to the community to pursue that dream and how can you help them do that."

Our brand fuels the future.

A great University is a spark that ignites a lifelong passion for learning... a torch that leads the way on our quest to educate the leaders of tomorrow.

USI.edu/brand

UNIVERSITY OF

**SOUTHERN
 INDIANA™**
 Knowledge for Life



The music industry is only part of the Nashville success story.

BV: You talked about Nashville, Tennessee as a thriving entrepreneurial community. What has it done right?

KP: “Clearly, it has done a great job of creating these entrepreneurial focal points. The health care industry and the music industry are the two big ones. There is the Health Care America headquarters and Vanderbilt University. When you combine that with a vibrant, dynamic place where people want to live, it’s a compounding effect.

“A key tech executive at Ariba who has been in the Silicon Valley his entire career, he’s considering a company in medical commerce in Nashville. They’ve done a lot to invest in their city, put it on the map as a cool place in the nation to be.”

BV: Is the university-business relationship in Indiana as strong as it needs to be?

KP: (Parker is currently involved in an advisory role at the University of Southern Indiana’s [USI] Romain College of Business and the Global Enterprise in Indiana board at the University of Evansville’s Schroeder Family School of Business). “I’ve been able to witness involvement of those schools with business leaders. It’s pretty good at both places. They’re trying to define, determine what they can do to help support the business climate in general.

“At USI, the focus is on entrepreneurship. The program attracts students who have an interest. Hopefully they become attracted to the community. Hopefully they add to this entrepreneurial ecosystem by

Continued on page 33

Connecting Innovation & Application: Welcome to Indiana’s Technology Corridor



Amazing things happen in places where the education and business communities join forces. The global economy has been propelled by areas like Silicon Valley, where radically new concepts are transformed into practical everyday uses.

That’s what you’ll find in Indiana’s Technology Corridor. Centered upon the advanced technology being created in labs at Purdue University and Indiana University, powered by highly skilled training from Ivy Tech Community College, and inspired by a long tradition of individual initiative, this region is shaping the nation’s future.

Incorporating nine counties – Benton, Carroll, Cass, Fountain, Montgomery, Pulaski, Tippecanoe, Warren, and White – Indiana’s Technology Corridor combines leading-edge research and innovation with an enduring entrepreneurial spirit, abundant natural resources, and a surprising variety of lifestyles.

The result is fertile ground for growing companies with a strong focus on tomorrow. If that includes your company, you owe it to yourself to join us here.

IndianasTechnologyCorridor.com
itc@warrenadvantage.com



Kent Parker

Continued from page 26

being compelled to stay and seek their dream of entrepreneurship locally. The school has to arm them with skills they need to be successful business leaders and managers of people.”

BV: I sense a passion that you have for New Harmony. What makes it a special place?

KP: “As a child, my grandparents on my mother’s side had a strong love of New Harmony. We would come here often for festivals. I have a lot of fond memories. There was an entrepreneurial focus here, not on business but on culture and the arts. Jane Blatter Owen dedicated much of her life to developing New Harmony – this sanctuary, the gardens, roofless church, Red Geranium enterprises.

“There is a vibrancy here that was different. People from 36 states relocated here along with lifelong residents. It was not just a town, but a community of people that had a focal point in history, arts, community spirit. It is an interesting parallel with the

notion of when you create an entrepreneurial community – draw others to it, build the assets you really need, which is the people. The people bring the capital, bring the knowledge, bring the drive. New Harmony has that and still does.”

BV: In Indiana we’re conservative, which is good in a number of ways. Does that run counter to an entrepreneurial, risk-taking culture?

KP: “Fiscally, I’m a relatively conservative guy. I probably look a lot like my father and grandfather. I always eschewed debt. I like building things, to invest in real things, tangible things. My conservative roots ... I would have been less secure in some of the risks we had to take when, say, building Caribou Coffee. Dealing with venture capitalists for me in 1995 was like walking into a cage of lions. I had no idea. A lot of entrepreneurial ideas in technology were not worried about profit and loss (P&L) in the

traditional sense. It was more about where are they going to get their business model that proves they can get traction and grow very quickly; then, when they get to a different stage, we’ll focus on the financial health of a P&L.

“There is a difference between a business model and an operating model. First, you have to have the business model right. Once you have that, you can go in and work on the operating model. I think the conservative values can be very helpful for start-ups. Conservative values, on a fiscal level, are all about making sure you’re being prudent with the assets you’re working with, that you’re making the right kinds of trade-offs and choices to maximize your outcomes. That’s a healthy value to have in entrepreneurship. Because it’s all about deploying scarce resources every day to get what you need. That’s hard for any business; for a start-up, it’s very hard.”