Communities invest significant resources and support to help entrepreneurs succeed, and there is a rich history of entrepreneurs engaging communities in return. In fact, the origin of much philanthropy in America is entrepreneurship. However, a lot remains unknown about how the rising generation of entrepreneurs thinks about community engagement and giving back.

Philanthropy for Active Civic Engagement (PACE) and New Economy Initiative (NEI) partnered on a project to explore the relationship between entrepreneurs and community engagement, asking the question: How can we motivate and position rising generations of entrepreneurs to give back to the communities that supported them along the way?

**KEY FINDINGS**

- 91% of entrepreneurs are currently engaging their communities outside of their business responsibilities.
- 44% of entrepreneurs say their businesses have grown as a result of engaging their communities; this increases to 54% for female entrepreneurs.
- Entrepreneurs’ most commonly selected motivations to engage the community—by a significant margin—center around intrinsic motivations like personal values and passion.
- Entrepreneurs see more than double the benefits than obstacles to engaging their communities. Across all demographics, the largest reason entrepreneurs do not start or increase their community engagement is business demands on their time.
- While 53% of entrepreneurs define community as the place where they live and work, 43% have a different definition of community and 4% have no definition of community.
- 69% of entrepreneurs say their current geographic community helped them on their entrepreneurial journey.

**COMMUNITY ENGAGEMENT IS GOOD FOR BUSINESS**

- Advertises values to customers and investors
- Models values for employees and hiring candidates
- Provides opportunities for business development and feedback from customers

**COMMUNITY ENGAGEMENT IS GOOD FOR ENTREPRENEURS**

- Helps entrepreneurs find balance and stamina for building their businesses
- Broadens entrepreneurs’ networks
- Makes better business leaders

**COMMUNITY ENGAGEMENT IS GOOD FOR COMMUNITIES**

- Makes stronger communities
- Increases entrepreneurs’ connection to their communities
- Contributes to stronger local economies

In addition, the paper provides helpful strategies to entrepreneurs to engage their communities, including how to assess their readiness, build an engagement approach, and balance community engagement with business responsibilities. Strategies are also shared for entrepreneurship funders and ecosystem builders on how to catalyze this conversation and help entrepreneurs prioritize engagement in their communities.