EMPLACING NEW ECONOMY BUSINESSES IN SMALL METROPOLITAN AREAS:
EXAMINATION OF ROLE OF PLACE CONSTRUCTS

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ABSTRACT

It is often argued that only large metropolitan areas possess the preconditions for the origination of successful technology companies. However, smaller cities across the country have been successful in developing vibrant entrepreneurial ecosystems, thus contravening that observation. This case study presents one such city in order to further expand the conceptual understanding of what characteristics contribute to a thriving entrepreneurial scene. Previous research has identified multiple qualities related to culture, networks, and institutions as being important. It is argued that the attachment entrepreneurs develop with a location, as well as the location’s identity upon their business, are variables that might explain how seemingly globalized economic activity becomes emplaced.
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INTRODUCTION

Over the past decades, the United States has undergone a shift whereby the share of the economy devoted to manufacturing tangible goods has declined vis-à-vis to that of not only the service sector but also that of production of more intangible goods in the so-called creative economy (Markusen, Wassell, DeNatale, and Cohen 2008) or knowledge economy (Luque 2001). The former consists of those industries and occupations which “engage in complex problem solving that involves a great deal of independent judgement and requires high levels of education or human capital” (Florida 2002:8); the latter is conceptually similar and consists of products and services based on knowledge-intensive activities that are a result of and contribution to an accelerated pace of technical and scientific advancement (Powell and Snallman 2004). In other words, there is a greater reliance upon intellectual capabilities as an input rather than physical inputs like natural resources, thus shifting the geographic distribution of economic activity.

Advances in technology and its continued permeation throughout many facets of personal and social life have led to the attraction of significant sums of private capital. The resulting formation of companies in technology-related fields has been spatially unequal. Many regions do not possess the competitive advantages that allow them to respond to this economic transition (Flora and Bendini 2007; Leadbetter 2000:11-12). The closure of manufacturing plants negatively impacted many communities (Weeks and Drengacz 1982; Wu and Korman 1987). The loss of jobs, income, tax revenue, and collective sense of pride can lead to a downward spiral that is difficult to arrest (Emery and Flora 2006). The regions at the forefront are found mainly on the east and west coasts of the country; notable examples being the Route 128 corridor in Massachusetts (Dorfman 1983) and Silicon Valley in California (Keney and von Burg 1999). Spatial proximity still retains several advantages, in spite of the ease of communication and
globalized capital flows that has made the world more “flat” (Friedman 2005). The knowledge economy has an inherent tendency toward geographic concentration, in that workers in high-growth innovative industries tend to locate themselves in locations with high shares of workers in said industries. Knowledge, which is the raw material so to speak of those types of firms, can more efficiently be transmitted through interpersonal contacts and interfirm mobility of employees, both of which are eased by geographic and cultural proximity (Breschi & Malerba 2001). Greater economic returns among those types of industries only further reinforce regional inequalities (Moretti 2012).

The regions that have not acclimated well to this overarching economic transition include the so-called Rust Belt spanning the Midwest and Northeast (Bowen 2013). Rural areas, too, are challenged in maintaining viability under the new paradigm (Daly 2015; Woods 2007). In response, policymakers may look towards the aforementioned Silicon Valley, Boston, or other successful locales for guidance on how to recreate the exact mixture of assets that would lead to growth in technology-based sectors. This assumes that the practice of entrepreneurship in those regions can and should be emulated elsewhere. However, entrepreneurship in the creative-led and knowledge-intensive economy occurs in a variety of locations with an attendant variation in the predominant culture that is present. For example, Gill and Larson (2014) found the identities entrepreneurs create for themselves are made from both transcendent discourses and locale-specific discourses. The first, of transcendent discourses, are the cultural symbols presented by the high-profile, high-tech entrepreneurs who are viewed as prolific innovators and wealth generators (Boje and Smith 2010; Gill 2012), who often are based in Silicon Valley and thus has led to a proliferation of “silicon” as a marker to emulate (Rogers and Larsen 1986). This discourse views entrepreneurship under a new form of Foucauldian governmentality that sees the
need to produce rapid and continuous innovation through the resources of cultivated knowledge and creativity. The images this engender are that of the young, preppy, and tech-adept habitus of the new economy entrepreneur building companies meant to flip, not built to last (Thrift 2000). The second, of locale specific discourses, refers to the view of what entrepreneurship should be that are unique and perhaps counters some of the elements of the Silicon Valley ideal type. The need to find how these two discourses manifest across geographies is important given that place - which is space given investment with socially constructed meaning and value, often embodied in the built and natural things (Gieryn 2000) – is an important variable in sociological research. Each locality is different in terms of the predominant social, cultural, and political conditions that mark the area (Cochrane and Ward 2012).

Therefore, it is necessary to parse the specific conditions that encourage entrepreneurship to arise in a specific location to find what assets can be utilized as a competitive advantage especially those that differ from the ideal type of Silicon Valley and the like. One facet that has hitherto been underexplored is that of place attachment, defined as “an affective relationship between people and the landscape that goes beyond cognition, preference, or judgement” (Riley, 1992:13). Entrepreneurs are not only business owners who must take into consideration the functional needs of their company for it to survive and grow, but they are also people who are endowed with subjectivities and who are embedded within social networks. The choice on where to locate one’s business, especially those of the variety that are not constrained by the need to be proximal to natural resources or other location-bound inputs, may be influenced by the emotional connections owners may have with the location and the people who reside there.

The purpose of this thesis is to explore - in the case study community of Fargo, North Dakota - how entrepreneurs view the importance (or unimportance) of place to the operations of
their business, how the identity of the location affects the image of their business, and to
determine whether an attachment develops to a place that is mediated through the organizational
type that is a for-profit enterprise. Place attachment and its attendant elements of place
dependence, place identity, and sense of community will be the theory framework through which
this exploration will occur. Qualitative data were collected through numerous interviews with
business owners, primarily in technology-related industries, and with people who can be best
described as civic boosters. The themes drawn out of the data showed that for most respondents,
place is a relevant factor in multiple facets of their business including the effect it has upon their
company’s brand or reputation, the recruitment and retaining of employees, and their ability to
compete within their industry against firms from more well-known cities.

The relevance of this research is found in the efforts of policymakers and economic
developers to encourage the formation of vibrant entrepreneurial ecosystems, which is the “set of
interdependent actors and factors coordinated in such a way that they enable productive
entrepreneurship within a particular territory” (Stam & Spigel 2017:1). Although the creation of
a new venture is at its core the action of an individual or a small team, a holistic view of the
ecosystem will uncover the support, mentorship, funding, supplies, customers and so forth are
located in a place (Feld 2012; Jack and Anderson 2002). It is those resources, some publicly
available goods, that ease the creation and growth of enterprises. Spigel (2017) argued that the
entrepreneurial ecosystem consists of three major elements: (1) the social network; (2)
innovation organizations (i.e., universities, research and development firms), other institutions,
and policies that create supporting programming; and (3) the cultural attributes such as the
attitude towards entrepreneurship as well as the economic legacy of the region. The right
formulation of those assets are seen as necessary for robust entrepreneur-led economic growth to occur (Mack & Mayer 2016).

The recent focus given to ecosystem development is emblematic of policy diffusion whereby “knowledge about how policies, administrative arrangements, institutions, and ideas in another political setting” are enacted in a region (Marsh and Sharman 2009; McCann 2011). Forerunner regions set the example that other regions attempt to emulate, but to varying degrees of success due to inherent dissimilarities among spaces and the characteristics that distinguish them as unique places. One facet of the ecosystem which has thus far been underexamined is the role of place, the attachment that may or may not form, and the actions of individuals and companies that arise out of that attachment. The aim of this thesis is to fill in that gap in the literature by broaching the following questions: what variables can best explain entrepreneurs’ relationship with place and how does place affect the practice of entrepreneurship?
LITERATURE REVIEW

Richard Cantillon ([1755] 2010) is credited with the coining of the word “entrepreneur” and ascribing their basic characteristics: namely that they are non-fixed income earners who pay the cost of product, but earn uncertain incomes due to the fundamentally speculative nature of their business. Jean Baptise Say (1816:28-29) would go on to call the entrepreneur an agent who “unites all means of production and who finds in the value of the products… the reestablishment of the entire capital he employs, and the value of wages, the interest, and the rent which he pays, as well as the profits belonging to himself”. Entrepreneurship requires a certain set of skills, know-how, and a guiding mindset that facilitates the identification and seizing of opportunities within the market. In other words, it entails the range of activities necessary to create an enterprise where the market is not always well-defined or some part of the production process is unclear (Leibenstein 1968).

Sociological research on entrepreneurship recognizes the context individuals are situated within. As actors embedded in multiple and overlapping social circles entrepreneurs are reliant on the social network and the resources found therein, perhaps more so than their own internal stock of resources (Jack and Anderson 2002). This focus on the contextual factors, including culture and institutions, contrasts with research based in rational economic theory, which sometimes holds that entrepreneurial ability is akin to land, labor, and capital as an input in the production process (Endres & Woods 2006). It is imperative to acknowledge that entrepreneurs, like all people, are social creatures and engage in their craft under paradigms that they cannot directly control. Given the growing importance of knowledge-intensive industries in the economy and the spatially-variant effects this has caused, the variable of place and peoples’ reaction to it merit additional research.
To determine whether entrepreneurs utilize place as a component of their identities, as well as the effect place has upon their activities, the theories of place dependence, place attachment, and place identity will be lens through which the interview data is analyzed. The following sections will provide a brief overview of these theories and how they may be applied to contemporary entrepreneurship.

**Place Dependence**

Place dependence is the utilitarian assessment of a location’s ability to satisfy one’s goals and activity needs (Stokols and Schumaker 1981). It can be gauged by the level of agreement with the phrase “no other place will suffice as this one” for some given functional purpose (Trentleman 2009). In deciding where to locate their operations, business owners consider the resources – broadly construed – that are available and affordable to obtain. In the production of tangible goods, raw materials and the logistics of delivery are obviously paramount. In the industries that utilize knowledge and other forms of human capital, however, the need for spatial access has diminished. For example, the advances in technology that brought widespread available computing power at an affordable cost, the transfer of knowledge among mobile individuals (Carlsson & Stankiewicz 1991), and the ability to quickly and securely share data worldwide opened up a new geography of Internet-based businesses. The lowered barrier to entry for such firms now means, at least hypothetically, different criteria are used to judge the fit between a location and the functional needs of businesses.

Principally, this is the presence of a sufficient pool of educated and talented labor from which to hire from. This advantages more populated urban areas due to two factors: first, the greater preponderance of such individuals and second, the positive effects that arises as industry concentrates in an area. Regarding the first, urban areas and its suburban environs typically have
greater post-secondary educational attainment compared to rural (Glaeser and Saiz 2003). Even if the share of degree holders was not higher, the greater absolute numbers of skilled employees would make cities more attractive regardless. The second factor entails the benefits of agglomeration and the rise of clusters, defined by Michael Porter (2000:16) as “geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions (e.g., universities, standards agencies, trade associations) in a particular field that compete but also cooperate”. The tendency for firms of the same or similar sectors to be located spatially near each other are due to multiple reasons. The first is that the spatial proximity, in spite of the Internet and near-instantaneous communicating, still retains advantages. The process of tacit knowledge creation, dissemination, and learning is still often local (Maskell 2001). If one is embedded in the social network of an industry, which is easier to maintain through face-to-face interaction, it is easier to keep constant surveillance on competitors’ activities, become aware of potential business partners, and pick up tactic intelligence that is especially pertinent in an nascent industry’s early stages (Audretsch & Feldman 1996). Employees, too, will seek out better job opportunities within their industry. If competing companies are located in the same region, the costs of moving for those workers are minimized.

In short, entrepreneurship and clusters are intimately bound since they are agents who actively engage in the local cluster and further its system of localized learning (Feldman & Francis 2004). On the other side, it is the extent and vibrancy of the cluster in which opportunities arise and knowledge is shared that impacts the establishment of new firms by entrepreneurs rationally seeking a location that fits their needs (Garavaglia & Breschi 2009).
Place Attachment

Notwithstanding the increased mobility of people and capital along with homogenization of space in the contemporary era, people still have the propensity to form affective bonds with locations of significant personal and social importance, particularly so for one’s location of residence. This phenomenon is called place attachment, and is marked by the deep emotional connection people develop towards specific places over time via repeated positive experiences (Altman and Low 1992; Giuliani 2003). Undifferentiated “space” becomes meaningful “place” as people acclimate to the environment and endow it with value through the “steady accretion of sentiment” and experience (Tuan 1977:32). This definition is not to be confused with mere preference; meanings are “the thoughts, feelings, memories and interpretations evoked by a [location]” while preference is “the degree of liking for one [location] compared to another” (Schroeder 1991:232). Although it is often the emotions are positive, it is not necessary since place attachment is a “complex, multifaceted concept” (Farnum, Hall, & Kruger 2005). For many, however, place provides comfort both socially and physically, a sense of belonging, and serves as a territory in which personal memories are inscribed and from which one is grounded (Healey 2002).

Place attachment is multi-dimensional and not explained via a singular cause and effect relationship (Scannell and Gifford 2010). It is not only interactions with the place, but also the social interactions among the people who inhabit that place that parlay into a sense of connection. The symbolic meanings associated with place has a direct influence on the type and quality social interactions that occur there (Cuba and Hummon 1993), given that spatial bonds often symbolize social bonds (Lalli 1992), due to the effect place attachment has upon the identity of individuals and ability to define the boundaries of groups (Twigger-Ross and Uzzell
It has been found that those neighborhoods with high levels of place attachment have higher levels of formal and informal social control that reduces deviant behavior (Sampson and Groves 1989) and are able to fend off attempts by outsiders to change the social and physical nature of the area (Mesch and 1996). On the individual level, those with high place attachment demonstrate a higher sense of social cohesion, were more satisfied with life, possessed stronger social ties and social capital, and were less egocentric (Lewicka 2011). Positive communal experiences with place - and the cultivation of strong and meaningful social connections within, beget collective efforts to maintain and improve the place, thus reinforcing the elements upon which place attachment is created. Ergo, place is an agentic variable affecting social life and is not merely a container in which social life occurs (Paulsen 2004).

Attachment forms easier if their expectations and needs are met (St. John, Austin, and Baba 1986), when in other words place dependence is satisfied. The qualities of a location may appeal to those of a certain habitus more than to other groups, the resulting being a disproportionate share of that group inhabiting the place. For entrepreneurs, authors in both popular and academic literatures have proposed features of urban areas that are supposedly appealing to the highly desired young and tech-orientated innovators, namely walkable downtown districts with historic architecture and entertainment activities that are both fun and meet the aesthetic expectations laid out by the habitus. These districts are to have art and music establishments, a vibrant dining and bar scene, and ideally exhibit low rents amiable to a budget of beginning business owners and younger people (Florida 2008). The greater acceptance of the idea that entrepreneurial cultures are geographically concentrated and can be fostered has led many policymakers to invest public funds into the provision of amenities and infrastructure targeted to that subset of the population.
Place Identity

*Place identity* consists of the dimension of self that arise in relation to the physical environment by the mean of a pattern of beliefs, preferences, feelings, values, and goals (Proshansky 1978). These are the “pot-pourri of memories, conceptions, interpretations, ideas and related feelings about specific physical settings as well as types of settings” (Proshansky, Fabian, and Kaminoff 1983: 60). It is further delineated between personal place identification (e.g., the location “has become a part of me”) and social place identification (e.g., “I feel a part of” the location). This is to be distinguished from the identity of the place itself, as viewed by those who inhabit it and those who do not. As it will be seen through this thesis, this form of identity is consequential for the formation of entrepreneurs’ and, by extension, their businesses’ identity.

The identity of the location is noteworthy within the ever-present nature of homogenous, indistinguishable “non-places” that is one characteristic of contemporary consumer society (Augé 2009; Kunstler 1993). While place can be situated alongside or even subsumed to other features such as race, gender, and religion as parts of one’s complete identity. Nonetheless, it has the potential to “underwrite personal identities, render actions or activities intelligible, express tastes and preferences and mediate efforts to change environment” (Dixon and Durrheim 2000). Regarding the last point, the potency of place helps explains the immense loss of sense of continuity and attendant feelings of alienation that arise due to disruptions to place, such as disasters or significant redevelopment proposals (Brown and Perkins 1992; Hummon 1992).

Korpela’s (1989) definition of place identity is narrower and more focused on action. He views it as a psychological structure that comes about as a result of attempts to regulate and bring under control the physical environment. Creating a coherent sense of self vis-à-vis others
is done through the usage of the environment. In his view, people are actors with agency that can create a space of attachment or rootedness. This occurs not only on the individual level, as in the example of one’s home that is guarded, equipped, and decorated in order to maintain self-coherence and self-esteem, but also on a greater social scale. For example, Rowles’s (1983) research showed how this can occur, at least in an Appalachian community among elderly residents. These residents developed three senses of “insideness” that reflect their ties to the meaningful surroundings of their hometown: “physical insideness” that expresses bodily awareness through tactic knowledge of the details and layout of place; “social insideness” that defined their connection to a local social fabric or network; and an “autobiographical insideness” that was often taken for granted yet arose out of personal experiences in one’s history. The last dimension was particularly important to the residents because the individuals connected their life’s narrative to the changes occurring in the community, or in other words the social narrative of the place.

Other scholars have given more emphasis than Proshansky, Rowles, and Korpela on the group-level components of place identity. Bonaiuto, Breckwell, and Cano (1996) and Devin-Wight and Lyons (1997) moved towards that direction by highlighting how places become significant and contested areas of social belonging. Two theoretical principals explain why people more favorably evaluate their own places of significance than participants who didn’t. First, a cognitive strategy called defensive differentiation preserves positive in-group identity by maintaining distinctiveness. Second, place identities can be constructed at different sociospatial scales from the neighborhood (Bernardo, Fatima & Palma-Oliveira 2016; Martin 2003), to the city, to the state or province, and to the nation.
Research has shifted to the “place communication and denomination”, or in other words the “place discourse” (Bonnes & Secciaroli 1995:179). To understand this discourse, Sarbin (1983) recommended a humanistic approach that explores how peoples’ place-based identities form through a process of *emplotment*, or the form of creation of self that has person-place relations turn into a tenable self-narrative (Gutting 1996). It is language that is the material that constitutes the formation of the identity of the place itself and the relationship people have to it. This carries implications for formation of collectives and their actions that define the collective, namely the comparisons made to outgroups both an idealized reference group but also a devaluing of another out-group for avoidance. One result of this process is the enactment of territorial entitlement and affirmation of values and ideals associated with the people in the place.

**Role of Place in the Entrepreneurial Ecosystem**

The goal of this thesis is to help refine the idea that the quality of a place and any resulting attachment and identity adoption is an agentic factor in the rise of a vibrant entrepreneurial ecosystem. The literature explicitly linking the aforementioned place theories with the practice of entrepreneurship is scant. Most research doing so has examined the tourism industry (e.g., Moscardo 2014; Kajan 2014), and rightfully so since tourism is highly reliant upon the unique qualities of place and the experiences found therein. In a survey of small and medium-sized tourism businesses, Hallak, Brown, and Lindsey (2013) found that the place attachment of owners had a significant positive effect on support the community that concurrently had a significant positive effect on the business’s performance. Owners in the tourism industry may choose to engage in some enlightened self-interest by contributing to the location that their company’s business model is innately tied to. In a separate study, the same
authors found evidence suggesting the place identity of tourism entrepreneurs has a positive effect on self-efficacy, thus enhancing their entrepreneurial capabilities and minimizing self-doubt (2012). Kibler, Fink, Lang, and Muñoz (2015) conducted a case study on two firms that had social and environmental sustainability at the core of their business model. These types of firms explicitly mobilize place-bound norms of solidarity, tradition, and autonomy more so than companies that do not take sustainability as seriously. They found that owners developed place attachment through the support and legitimacy provided by the local community.

The literature on the relationship between place and entrepreneurship is still expanding. The goal of this thesis is to find out how entrepreneurs in one case study geography utilize and co-create place identity, as well as to gauge the extent of their attachment to the place and the effect both concepts have upon the operations of their business. These processes are relatively underexplored in the literature.
METHODS

Research on place attachment, and its constituent elements of place identity and place dependence, has a long history of interdisciplinarity, arising out of its “complex intertwining of the material, biophysical, geographical setting, and the human, social, meaning-rich elements of place” (Trentleman 2009, p. 193). Sociological research through the phenomenological perspective aims to understand the integral role of place in the formation of human identity (Relph 1976). In contrast to the positivistic approaches, which aim to find objective truths through a process of reductionism and where observer is separate from the subject, phenomenology embraces the lived experiences of people as not only the data, but also as the object of study. Theory is built by finding commonalities among multiple contexts. For something to be understood, qualitative methodology must be used which eschews a priori theory, concepts, hypotheses, predetermined procedures, statistical methods of correlation and the like (Seamon 2000). While this thesis utilized existing theory as the baseline, it is applied to a new geographical and thematic context. Instead of an individual’s relationship to place by living in or visiting the said place, this relationship is filtered through one organizational context of the for-profit business.

The primary purpose of this thesis is to examine if place attachment forms among one certain subsection of the population. The secondary purpose is to examine if place identity remains relevant even under the dynamics of the knowledge economy. To begin exploring this topic, two research questions need to be elucidated. First, is the concept of place attachment applicable to entrepreneurs and their businesses in a similar manner to residents? Second, how does the identity of a place affect a business’s formation, it’s operations, and overall reputation, particularly for those businesses that are not place-bound? One goal is to identify the broad
contours of the relationship between place attachment and the creation of an entrepreneurial community. The variables need to be drawn out for future studies employing quantitative methods with larger sample sizes. While not a robust test of theory, comparing in a critical matter theory to a particular locale will help the researcher determine the overall usefulness of theory for future studies.

This thesis employed the case study method. Although inherently narrow in focus and unable to draw generalizable conclusions from, it is nonetheless a valuable method in that it allows for a more in-depth examination that highlights the constructed realities of the respondents. Among the two halves that has demarcated urban sociology, of the culturalist approach looking at the ground-level micro phenomenon as the participants create and perceive them (Borer 2006), and the structuralist approach which focuses on the large trends impacting cities across contexts (Flanagan 2010), this study is tilted towards the culturalist side with a recognition of the influences at the larger scales which shape, in an indirect manner, the types of communities constructed at the local level.

The first step in this thesis was to conduct a comprehensive review of secondary data about the entrepreneurial scene of the case study location – Fargo, North Dakota - in order to create a list of potential interviewees. The next step was to conduct interviews with said subjects and to expand the list further via the snowball sampling method. Interviewees will be selected if they are active in an industry emblematic of the knowledge or if they are known within the community as a place-booster.

Data was collected from fifteen respondents via interviews conducted between April 2016 and August 2017. Twelve had in the past or are currently owners of businesses located in
Fargo. The following table provides an overview of the respondents according to categories readily identifiable to the researcher:

Table 1. Interviewee Characteristics

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of years company has been in Fargo</th>
<th>3 or fewer</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4 to 10</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Greater than 10</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Industry of respondents’ company</th>
<th>Computer Hardware</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Software/Applications</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Marketing</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Automation/Internet of Things equipment and/or services</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Entrepreneur support organization</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>E-commerce</td>
<td>2</td>
</tr>
</tbody>
</table>

Total number of industries is greater than 15 since companies may be involved in more than one.

Out of the fifteen respondents, four were born outside of the Midwest and moved to Fargo for business purposes. Ideally, a larger sample size would improve the findings that emerged from the data. However, the interview phase of the research ended once data reached saturation and the list of potential interviewees was exhausted. Many entrepreneurs said that they were too busy or were not interested to participate in the research.
Interviews were conducted in a location of the respondents choosing. The conversations were recorded by the researcher, and ranged from 20 to 90 minutes in duration. The interview questions which were asked according to the three place concepts are listed in Appendix A. Verification of Institutional Review Board approval is in Appendix B. Data analysis began before all the interview sessions were completed. This permitted the slight adjustment of questions to accommodate how respondents answered as well as to insert questions to address facets that were not foreseen at the beginning.

The coding of data was conducted through the standard procedure found in research inspired by grounded theory (Strauss and Corbin 1998). First, in the process of open coding initial categories are created based on common themes. Second, the data is assembled using axial coding to identify a model meant to breakdown the phenomena and its internal interactions, intervening conditions, and context. Finally, the categories were used to present hypotheses through selective coding. Regarding the unitization of text, for the purposes of exploratory research – such as this thesis –the meaning unit expressed by the interviewee is situated within the whole context of the interview as well as the purpose of the thesis. This helps to ensure that there was no unnecessary culling of insights simply due to existing literature or comparisons to other geographical contexts.

It should be noted that the researcher was the sole coder, therefore there may be deficiencies in the reliability of the data. There are three types of reliability: stability which concerns the coder’s use of codes staying the same over time; accuracy which entails the code accurately corresponding to the unit of text; and intercoder reliability which ensures different coders would categorize the data in the same way (Krippendorf 2004). The last cannot be firmly established in this thesis due to the individual coder.
Definitive conclusions are not possible given the choice of method. Although it is not possible to derive generalized findings, the qualitative nature of this study is not without merit. Due to the lack of extant research on the topic, a basic understanding of the underlying phenomenon needs to be established before conducting quantitative studies with large sample sizes can commence. Additionally, the unique permutations of each community necessitate the need for qualitative - ideally ethnographic - research that acknowledges the composition, history, and qualities of each location.
FINDINGS

Findings of this research is to be laid out in the following manner. First, a brief history of Fargo will provide a background into the city’s formation and growth to modern day. Information concerning demographic and economic conditions are to provide further context. Second, the respondents’ assessment of Fargo as a viable location for a business in their sector will examine the extent of place dependence. Third, the level and forms of attachment respondents noted vis-à-vis their business will be described. Finally, the prominent images of Fargo, its impact on audiences, and efforts to construct one that is beneficial to business concerns are presented.

Historical Background of Fargo, North Dakota

Located on Red River of the North on the eastern border of North Dakota with Minnesota, the city of Fargo was officially organized by the Dakota Territory legislature in 1875. This was less than twenty years after the first farm in the Red River Valley was established near Georgetown, Minnesota and four years since the Northern Pacific Railroad Company surveyed modern-day Moorhead, Minnesota, which was the highest elevation in which to cross the Red River. White settlers, many of Scandinavian and Germanic origin, continued to pour into the region as the railroad was built and farmland appropriated via the Homestead Act of 1862. Fargo would go on to become a center for the area, if not the state, by possessing advantages in banking, retail, culture, media, health care, and industry.

In the present day, Fargo’s economic base has become relatively diverse with strong suits in higher education and agricultural machinery and agricultural-related services. The technology sector began in earnest with the founding of Great Plains Software and in its subsequent sale to Microsoft in 2000. Multiple companies in technology, particularly application development and
electronics, have grown to national prominence. The growing scene in technology startups has brought newfound attention to Fargo, leading some respondents to refer to Fargo as a “tech hub”. In particular, the unmanned aerial vehicles (i.e., drone) industry has become a strong cluster that ranks well nationally.

The population of the Fargo metropolitan statistical area (includes Cass County, North Dakota and Clay County, Minnesota) has grown markedly since 2000, growing from slightly under 175,000 to approximately 233,000 in 2015, an increase of 33% in that time frame. Demographically, Fargo has become more diverse over time. Although still overwhelmingly Caucasian, minorities have grown in both numbers and in influence. Refugees from Bosnia, southern Sudan, Kurdistan, and Somalia arrived from the late 1990s through today, all the while transforming the city they now call home (Erickson 2010).

**Place Dependence**

Place dependence is defined as the extent of a location’s ability to satisfy functional needs. In the case of businesses this entails the access to and cost of resources needed in the production process. This can be construed broadly and includes sufficiently skilled labor, financial capital, and raw materials. In other words, it is the extent of reliance upon the unique permutation of local resources that may differ from other locales in terms of quality, quantity, and cost. Low place dependence opens the possibility for owners to find and move to locations that are better suited for their type of business that permits better opportunities for growth.

The theory of *community of limited liability* is one concept that helps explains the decisions some entrepreneurs make in choosing where to locate their business. Janowitz (1952) claimed that the community participation is intentional, partial, and voluntary. Attachments to place are contingent and tend to be based on instrumental values and pecuniary self-interests,
often tied to a rational investment rather than sentimental ties. Individuals will not invest their time unless there is a specific reason to do so. Perhaps, they may even demand more out of the community than what they contribute (Hunter and Suttles 1972). For business owners, their self-interest is obviously the success of their company. The decision to participate in pro-social activities with fellow entrepreneurs is judged by the perceived benefits that may arise against the cost of time and money necessary to do so.

The behavior of a few respondents seemed to not follow this pattern, however. A few decided to invest what appears to be significant amount of time in contributing to the community of entrepreneurs. That was time that could be spent on furthering one’s business solely was instead spent aiding others in the pursuit of their ideas. It is doubtful that pure altruism can be the answer, since peoples’ public-spirited behaviors are “sometimes motivated by a desire to win prestige, respect, friendship, and other social and psychological objectives” (Olsen 1965:60). Community attachment, if not place attachment, could be factors that determine the level of one’s involvement in the entrepreneurial ecosystem.

The set of questions aimed at determining the extent of place dependence began with asking what assets Fargo possesses, if anything, that provide a competitive advantage vis-à-vis other locations to the benefit of the firm. The most prominent answer respondents gave was the Fargo metropolitan area’s five colleges and universities which constitute a pipeline of motivated students eager for experience and trained workers upon graduation, albeit at a level that fell short of what entrepreneurs and policy makers consider adequate. Out of a metropolitan population of approximately 220,000, enrolled college students constitute approximately 12% of the total. Hiring new employees directly out of university is not an issue, since multiple respondents noted several academic programs are highly regarded and produce graduates with the requisite skills.
These institutions are also vital in that they bring in an influx of younger people from outside the region. If they become attached to the place and develop strong social networks, it goes far towards solving what is perceived to be a chronic shortage of talented labor.

Businesses must pay close attention to the costs of their operations for it to survive. The cost structure of being located in Fargo is often lower than larger metropolitan areas in terms of wages and rent. In comparing Fargo to other locales, two respondents said:

[W]e found that compared to Minneapolis our cost of living is much less in Fargo. It varies year to year, but it is general 10-20% lower here. And then in the space, the technology space, it is even a larger gap in terms of pay. A software developer in Minneapolis makes $100,000 is the same software developer that makes $60,000 in Fargo. That’s a good gap. When starting a new company, costs matter, how much you pay people matters.

and

We have been paying only $250/month for rent. Tell me a big city where you can do that. We are right downtown, right from all the other places where we can squat some space. That’s all it takes. So that is why Fargo… I talked with all of the other companies whose CEOs are in Boston or Silicon Valley and all that… is just how much they have to pour out for rent. The overhead is just killer. Our overhead is just nothing. We are able to startup… we have that nurturing atmosphere that allows to… after starting several companies, office space is not what you need to get sails. It allows us to actually still have the perfect blend of having an office that people can use, but people can work out of their homes…
If there is flexibility in where a business can be started, it is advantageous to seek out those areas that make the start-up and scaling of the business easier. One owner brought up the tendency to negatively compare Fargo to other regions and how it is often said that one must move to a larger metropolitan area to be successful:

I think there’s just this nature to believe that the grass is always greener somewhere else. Everyone in Bismarck asks, ‘Why aren’t you in Fargo?’ Then, you go to Fargo, and they say, “Why aren’t you in Minneapolis?” In Minneapolis, it is “why not Chicago?” From there, “why aren’t you in Silicon Valley?” Then, you go to San Francisco, and they’re like, “don’t move here, man.”

Talent, he claims, is harder to find in those areas due to the concentration of like-firms. The competition is more intense and it is easier for employees to move around for different opportunities:

In North Dakota, people are hard-working, they’re smart, they’re loyal… and when you go somewhere else, they’re not as loyal because they don’t have to be. They can jump ship.

Given that talent is the lifeblood of technology-based companies, this is a critical component of the owners’ place dependence.

The assessments of a place by entrepreneurs goes beyond what they deem important for their business. They consider, too, the quality of life a community provides for themselves and their families. For the respondents who had families, Fargo received positive marks compared to other locations, as seen in the following two quotes:

It’s funny I had that conversation today with some guys from Emerging Prairie. ‘What made you stay? You left, but came back.’ I said I was ready to go again. I was here for a
couple of years to get things cranking and then I’ll set out in another location or just move headquarters. I started with Start-up Drinks and started with some other stuff. As I got more and more entrenched into the community but also entrenched with people more similar to me, so people that really helped a lot. We moved two years ago from to house to originally come back to our great neighborhood, great kids. And now we discuss on staying as a home base. To be here for the long haul in Fargo. It’s a good place. And like I said, you can always travel. Eventually I’ll downsize and have less of that stuff. But we travel a lot and stuff like that to see the world and still be in Fargo. So right now in this point in my life, I think of Fargo is my home and I’ll keep it that way.

and

[We] got married; raised three kids and have a good family. It is a great place to raise a family. So number one, just from a quality of life… that’s number one. The best place to start your business is where you like to raise you family and kids, that alone is big. So after going around St. Louis [Missouri], we were not thinking that was the best place to raise kids. It was the culture, the big city culture with a lot more crime… we had crime incidents around us.

Place Attachment

Recalling that place attachment is defined as “an affective relationship between people and the landscape that goes beyond cognition, preference, or judgement” (Riley 1992:13), understanding how it is manifested in Fargo, at least among the target group of this study, requires looking at the three-dimensional organizing framework encompassing the concept, as elucidated by Scannell and Gifford (2010). The first dimension of “person” entails the individually and collectively determined meanings that arise because of personal experiences,
memories, and reached milestones (Manzo 2005). At the group level, meanings are created and shared among group members through the practice of culture as well as shared historical experiences, values, and symbols. It answers the question of ‘who is attached?’ This concept is most related to place identity and will be addressed in a different section.

The second dimension of “process” concerns the psychological processes by which people mentally structure social information into sets of coherent schemas. The most visible demonstration of the process is through the socialization of the self and self-definitions that are derived from places. Salient features of a location can become attached to one’s self-concept (Twigger-Ross and Uzzell 1996). This attachment is expressed through various actions, but the most notable being proximity maintaining behaviors such as the protection of place qualities (Anton and Lawrence 2016), relocating to like-places, and reconstruction of places to a previous state after an adverse event.

The third dimension Scannell and Gifford call simply “place” involves the attachment on two levels: social and physical (Riger and Lavarakas 1981). The physical aspect answers the question ‘what is it about the place to which one connects?’. Conversely, it is also the characteristics that hinder place attachment. Most research, however, has gravitated towards the social aspect, capturing how people are attached to those places that facilitate social interaction, relationships, and group identity. The discussion in this thesis of the social aspect will fall under the umbrella of “sense of community” that is conceptually very similar and thus used in research in that manner (e.g., Perkins and Long 2002; Pretty, Chipuer, and Bramston 2003). First, the physical aspect will be discussed because of the prevalence of Fargo’s environment in the respondents’ answers.
Attachment to Physical Environment

While Fargo’s reputation, as will be described the importance of in detail later, to outsiders may have been flavored by its cold climate and remoteness from major population centers, multiple respondents spoke fondly of one of the city’s environmental qualities: the revitalized downtown. Seven of the owners interviewed decided to have their businesses be based in downtown Fargo. Several reasons were proffered for their decisions. First, the urban design the downtown core meets the growing consumer demand, particularly among the Millennial generation, for walkable streetscapes, preserved historic architecture, and a dense mixture of uses (Birch 2009). Downtowns are better equipped to fulfill the functional preferences of employees and residents through the housing, transportation, and amenity choices they present, compared to more dispersed development patterns. Additionally, it could be that downtowns are easier to mentally draw a boundary around and identify as a discrete neighborhood thus making the formation of place attachment easier. One respondent alluded to this by saying:

[When] we talk about our entrepreneurial community, we are really talking about downtown. We are not talking about coffee meetings [in the suburb]. So, I think in some ways our sense of place in the community is pretty bifurcated between those in the core and those who are not. I think it is partly because of the lack of place, because once you get past the freeways and boxed “old Fargo”, there is little place and little identity of where you are and what neighborhood you live in and park you go to… it is just sprawl.

The old development patterns that were built before the rapid post-World War II phase of suburbanization lend well to the perception of a coherent, bounded neighborhood that contrasts with the homogenous built environment that Rypkema termed “Generica” (2003). Many cities
across the country, including Fargo, have invested significant sums of funds over the years in downtown revitalization efforts. The explicit aim was to increase property values, resulting in greater tax revenues for cities (Faulk 2006).

A benefit of properly done, context-specific downtown revitalization is the restoration of economic activity in a neighborhood that, because of its design and spatial layout, inherently encourages social interaction. The work of Jane Jacobs brought to the public’s attention this enormous influence urban design has upon social interaction, which is an ingredient that aids in the formation of place attachment (Milligan 1998). The sidewalk, for example, is an important venue for serendipitous interaction to occur. Jacobs eloquently likened the flow and contact among passersby as “intricate ballet in which the individual dancers and ensembles all have distinctive parts which miraculously reinforce each other and compose an orderly whole” (1992 [1961]:50). For the respondents who worked downtown, their remarks would back up Jacob’s observation that dense, walkable, areas with a mixture of uses, as seen in downtown Fargo, lead to often unplanned encounters with people they know. One respondent said

It’s great to be downtown. It’s engaging and lively and you get a lot of foot traffic. And you get to walk and see people. We were in the Black Building for the better part of the last year, and I don’t know how many times you’d look out the window or walk down the street and you’d see five or ten people you know. It’s a great environment to be in.

The density of downtown and the increased economic activity over the past decade since revitalization began in earnest has made it the center of the entrepreneurial scene in Fargo, as one respondent said:

I don’t stray too far because downtown is the center of where everything is and what is going on. You can only stray outside of downtown for so long before you have to come
back to meet up for information or figuring out if there is anything new that you need to pay attention to.

This centering of entrepreneurial activity in the downtown neighborhood is partly attributed to the establishment of a co-working space in 2014. Coworking spaces - defined as “office-renting facilities where workers hire a desk and a wi-fi connection … [and] … where independent professionals live their daily routines side-by-side with professional peers, largely working in the same sector” (Gandini 2015) - have become prevalent in many larger cities. These locations are meant to accommodate the increasing commonplace nonstandard forms of work that characterize the knowledge economy; in other words, the casualized, project-based, and freelance forms of employment that do not come with any semblance of job security (Cappeli and Keller 2013). These spaces are also geared towards the budding entrepreneur who is seeking the benefits of a collaborative community and who may not afford office space at their business’s current stage of development. Anecdotal stories offered by respondents highlighted the positives they or others have experienced resulting from using the coworking space, such as serendipitous introductions to new clients. One story in particular had a freelance developer who had been working out of the coworking space obtain a contract from a large local company that was in the process of updating their web presence. This was a chance encounter that could only occur because of the establishment of the coworking venue, which is an example of what urban sociologist Ray Oldenburg called third spaces. These are defined as the publicly accessible places on neutral ground where people can gather and interact; examples include restaurants, parks, coffeeshops, city halls, and so on. Oldenburg would claim that third places promote social equity by leveling peoples’ statuses, create habits of public association, and offer a form of
psychological support. This all leads to the creation of a spirit of cooperation, and by extension social capital:

The character of a third place is determined most of all by its regular clientele and is marked by a playful mood, which contrasts with people’s more serious involvement in other spheres. Though a radically different kind of setting for a home, the third place is remarkably similar to a good home in the psychological comfort and support that it extends…They are the heart of a community’s social vitality, the grassroots of democracy, but sadly, they constitute a diminishing aspect of the American social landscape. (Oldenburg 1999:42)

These locations are combined with the spatial proximity of downtown urban design create the conditions conducive to the emergence of a cooperative community, as one respondent said

I think that what has been built in downtown Fargo is a community that is familiar with each other, and that comes back to proximity and running into people. There are folks who are working downtown that want to be connected to the community and there is a mindset of helping one another. In other portions of the country, there is that sense of competition. That first barrier to people forming relationships or helping one another, if someone has an idea. But in Fargo, especially in the meetup groups, play a large role in getting people together in a room… it is not competition where I’m competing against someone for a client. You know, there are plenty of mobile tech developers where they talk about best practices in the industry. There are folks in e-commerce, where instead of them trying to protect all of their secrets on how to best do business. There exists instead a spirit of collaboration in downtown largely because there have been folks doing good work on putting that message into the community.
Extant research supports the assertion that urban design affects the level of social capital, although some are critical of following a spatial deterministic assessment (e.g., Talen 1999). Factors of the built environment that have been found to be relevant include walkability (Lund 2002), pleasing aesthetics (Ball, Bauman, Leslie, & Owen 2001), and the aforementioned opportunity for communal activities and social interaction (Altschuler, Somkin, & Adler 2004). If the environment facilitates the creation of social capital, it may lead over time to the formation of an overall sense of community.

Sense of Community

Attachment to place as a reified object is possible without forming meaningful relationships with those who also reside in a place. However, place attachment is often intertwined with some sort of attachment to the place-bound community of social actors. Opinions regarding the people who reside in a place are lumped in with assessments of the place’s physical qualities and ability to satisfy functional needs and wants to create an overall assessment. It is therefore important to conceptually distinguish between the varieties of attachment to better delineate how each arise and interact with one another.

Specifically, the relationships one builds with others can be qualitatively analyzed through the sense of community that arises, which is the fundamentally psychological perceptions and feelings of belonging that an individual has towards a community. Sarason (1974) defined it as:

the perception of similarity to others, an acknowledged interdependence with others, a willingness to maintain this interdependence by giving to or doing for others what one expects from them, and the feeling that one is part of a larger dependable and stable structure (P. 157).
McMillian and Chavis (1986) laid out a four-fold definition of sense of community. First, the person must be a member of the group according to the boundaries present that delineate in-and out-groups. They must feel that they belong to the community and are willing to make sacrifices for said community. Those personal investments lead them to believe they have earned membership which is both valuable and meaningful. Often, there is a common system of symbols as a means of identifying who belongs to the community. Second, there will be a measure of influence between the community as a whole and its members. Being able to affect, even if only in a minor way, the trajectory of the community aids in the perception of belonging. Third, integration with the social network allows for the fulfillment of functional needs as well as the continued positive reinforcement members receive from the community. Finally, the shared emotional connection that results from sufficient social contact and the quality of the interactions works towards building the intangible boundaries of the community.

Given that sense of community has been found to possess a bidirectional effect in which it is both the cause and effect of positive individual and community outcomes (Brodsky, O'Campo, & Aronson 1999) - including increased volunteerism (Omoto & Malsch 2005), lower levels of loneliness (Pretty, Andrewes, & Collett 1994), and higher levels of subjective well-being (Davidson & Cotter 1991) – it is sometimes conceptualized as a form of social capital (Lochner, Kawachi, & Kennedy 1999). As this relates to the network of entrepreneurs in Fargo, respondents discussed what they felt was a sense of community among a subset of the population consisting of fellow business owners and entrepreneurs. The perception that a willingness to accept new entrepreneurs and to help them get started permeates the culture facilitates the relative ease of entering into this specific social milieu. One respondent, in explaining why Fargo was a good location to start a business, said:
I think part of it is this idea of co-opetition [a portmanteau of cooperation and competition that highlights the potential for partial overlap of interests which lead to limited collaboration in public actions]. We live in a community where people understand working together. You didn’t move here without the help of your neighbor. You didn’t get the crops out of the ground unless you helped your neighbor.

This cultural quirk can be attributed, in part, to the size of not only the city as a whole but also to the limited number of entrepreneurs in technology industries vis-à-vis other cities. Respondents noted that the size of the social network affects the amount of impact one individual or his/her company can have upon the whole community of entrepreneurs. Unique dynamics emerge when the network is not as developed or complex. For one, promotion of the business is more face-to-face and interactional, as one interviewee said:

The advertising is usually more word of mouth based. The way to market in Fargo is way different than the way to market anywhere else, because in Fargo handing out flyers is still possible. Talking with someone and making plans in that moment is still a very viable way of even setting up a call meeting or something.

The small network size naturally makes relationships built upon trust more important. Maintaining positive reputations is paramount. The fewer number of potential business partners, employees, and customers that are local means that each connection is inherently more valuable. Extant theory to explain the relationship between size of community and its inhabitant’s sense of community is based off the work of classical sociologists Ferdinand Tönnies ([1887] 2011), who developed what is called the linear model of community attachment. Tönnies’s called the pre-industrial form of society Gemeinschaft, marked by small-scale and reliance on communal forms of association. As population grew, density increased, and society transitioned into the
industrial economy, social life became based more on associational basis, formal values, and codified beliefs, which he termed Gesellschaft. Some research has found that individual involvement in public affairs decreases as population increases, as seen in the amount of interaction with local officials, attendance at organization or public events, and voting in elections. This is attributable partly to the differences in social hierarchies and psychological orientations between larger and smaller places. While contemporary global society – firmly within the Gesellschaft mode, if not transitioned beyond to something new – exerts significant influence down to the local level, there can be practices more akin to Gemeinschaft if the population permits (Bradshaw 2008). For example, the tendency to reject the norms that are perceived to be associated with big cities and the desire to retain the almost mythological small-town qualities are found among the respondents, even as Fargo and its entrepreneurial scene continues to grow. This is exemplified in the following quote:

This place is becoming bigger and there’s new faces in the community. We’re growing, we’re becoming more urbanized. That does not mean that we have to act like some other urban areas. We’re Fargo, man. We’re unadulterated, undiluted Fargo. Act like it. Tow that guy when he’s stuck. Help that neighbor with that thing. Be late for work because of it. It’s Fargo. People will understand. Much of what makes the community great is our “Fargoness”.

However, empirical research has cast serious doubts upon the linear model (Sampson 1988; Goudy 1982;1990; Stinner, Van Loon, Chung, and Byun 1990). The vagaries of local communities, and their ability to maintain sub-cultures of social solidarities, doesn’t bear out the simplistic model. An alternative explanation is the systemic model of community attachment which is based on the Chicago School of urban sociology through the work of W.I. Thomas
(1967) and Robert E. Park and Ernest Burgess (1921). In their conceptualization, the community is not a residue of larger forces, but rather is a social construction the reflects ecological, institutional, and normative varieties on the local level. The sense of community among entrepreneurs in Fargo, with its congenial attitude and spirit of cooperation, is not a product of mere population size, but rather is a manifestation of the and predominant culture and the enactment of its values. However, this solidarity occurs among a specific, and numerically small, subset and shouldn’t be extrapolated to the whole population. Additionally, the homogenous nature of entrepreneurs may facilitate a greater sense of community that wouldn’t have arisen among a more heterogenous population, similar to Neal and Neal’s findings in the residential neighborhood context (2014).

One insight from the linear model helps to explain why this may be the case. Claude Fischer, noting how “community size leads to a variety of distinct and intense social worlds” (1982:11), thus set forth a series of propositions on the independent effects that emerge out of size and density. He emphasizes that cities do not, in fact, lead to a loss of cohesion or the atrophy of support. Rather, people voluntarily construct social networks that lead to overlapping social circles and subcultures (Fischer 1984). Cities incubate multiple subcultures with a wide range of values, if not deviations from social norms that are, in a sense, innovations in society. This is one reason why cities are natural locations for risk-taking and boundary-pushing entrepreneurship.

While the description respondents gave regarding what they felt the culture was like among entrepreneurs was often slanted towards positive representation, the narratives given shed a light on the culture that gave rise to the strong sense of community that was perceived. It is
narratives, too, that form the basis for Fargo’s identity as a location for entrepreneurial activities that distinguish it to other locales.

**Place Identity**

Every person has a self-built identity that may or may not always conform with what is publicly perceived by others. The creation of self-identity primarily takes its source material from the elements and institutions of society. One source is that of the place of birth, residence, or other such location of personal significance. While this has been observed often on the individual (Proshanksy, Fabian, & Kaminoff 1983) and community level (e.g., Shannon and Mitchell 2012), determining if this occurs within the context of one type of organizational form, the business entity, is a goal of this thesis. First, interviewees were asked what narratives of Fargo, both positive and negative, they came across as they went about their operations, particularly those narratives that arose while interacting with people from outside the region. Second, they were asked what impact these narratives had upon their business’s initial reputation. Third, it became clear that a narrative describing Fargo as an emerging hub of entrepreneurial activity was commonly held among the respondents. The repercussions of this newly held identity is discussed.

**Place-based Narratives of Fargo**

Given that places are culturally significant, discursively produced and consumed, and contribute to one’s identity, it is necessary to pay heed to the narratives which give rise to multiple coexisting, yet contested, meanings (Lichrou, O’Malley, and Patterson 2014). These social stories need not be based solely in an objective grounding. Instead, people are apt to define themselves according to the value systems they have adopted and the ideal types that arise out of those systems. Yet, these myths, for the lack of a better term, are not fantastical or totally
unsubstantiated. Rather, they are commonly accepted understandings “rooted in the past but living in the present, that helps shapes the ways people interpret events, explain problems, and devise solutions” (Danbom, 2005:ix-x). Andrews (2000:77-78) described these stories as “…not only the way in which we come to ascribe significance to experiences. . .they are one of the primary means through which we constitute our very selves. . .We become who we are through telling stories about our lives and living the stories we tell.”

Existing research on the relationship between entrepreneurship, place, and identity is rare. Korsgaard, Müller, and Tanvig (2015) found that entrepreneurs in rural Denmark used the environment as a value-added component to their product through branding. Removing themselves would negate all or most of the location-specific advantage that come about its intimate engagement with place. Gill and Larson (2014) examined high-tech entrepreneurs in Utah and Montana, finding that place both enables and constrains the creation of an ideal entrepreneurial self. Along with the intersection of varying discourses (i.e., gender, class, race, ethnicity, etc.) that concurrently play a role in the formation of one’s occupational identity, the location where this occurs is pertinent too. For high-tech entrepreneurs that were the subject of their study, the Silicon Valley ideal type remains a potent influence and serves as a metonym. It is shorthand for a start-up culture that is both risk taking and where the work is all-encompassing of one’s life. Among the Utah entrepreneurs, the Mormon influence rebalanced the work-life dichotomy. Among the Montana entrepreneurs, the appreciation of the lifestyle provided by natural amenities meant that quality of life became a more important factor even if they can earn more money elsewhere. In both samples, respondents saw their entrepreneurial efforts as being connected to the broader effort of re-imaging, if not rebranding, the places where they lived. This occurred, too, among Fargo entrepreneurs as will be described in the following sections.
Although it is difficult to systemically assess which narratives are prominent about a given place and the extent to which people buy into said narratives, there are several that appear to be commonly told about the city of Fargo and its status vis-à-vis the rest of the country. The first is that of Fargo’s geographical location, the small size of the metropolitan area and its relative remoteness from more significant population centers would entail that it is devoid of excitement. One respondent said:

I feel like image to outsiders… if you are not in Fargo you’ll never know. So everybody always assumes there is nothing to do and that it’s boring. Which isn’t true, it’s not true. That is not what Fargo is. People think farms, they think blank and boring, cows, no city, and just cold…

While multiple respondents expressed interest in overcoming this hinterland image that many in the rest of the country may hold, it is not aided by the eponymous 1996 movie directed by the Coen brothers nor the recent spinoff television program. Numerous respondents expressed anecdotes of having to explain to those not familiar with Fargo that the movie is not based on a true story nor is it reflective of the people in North Dakota and Minnesota. Others saw it as positive, in that most cities of Fargo’s size do not have something in popular culture that would put the area in the public’s consciousness. As one respondent said:

So I think that the Coen brothers, God bless them, I honestly think that Fargo… there are thousands upon thousands of cities of 100,000 people or less that we have never heard of. But you know with an Academy Award winning movie you can be anywhere in the world and people have *an* idea. I think that we are coming over the hump of people feeling negatively about it. I think that any press is good press, in a lot of ways.
To that end, the tourism bureau has embraced it as perhaps the first point of reference for most people and thus has built a strategy around taking what could be perceived as negatives (namely the cold climate) and promoting it instead as an asset. Also, in a sense of levity the woodchipper in the climax of the film is not utilized as a point of humor. A replica is found in the visitors’ center where tourists can take pictures with while wearing bomber hats.

Another common narrative is that of the congenial and humble nature of Fargo’s residents, often described colloquially “North Dakota nice.” Limited empirical research supports the contention that regional differences in the prevalence of personality types exist or that it can be perceived with accuracy (Rogers and Wood 2010). For example, Rentfrow, Kosinski, Stillwell, Gosling, Jokela, and Potter (2013) surveyed more than one and half million people online regarding the occurrence across the country of five broad dimensions of personality (openness, conscientiousness, extraversion, agreeableness, and neuroticism). It was found that the Great Plains region, which includes North Dakota, scored highly in conventionality and friendliness. While quantitative support for this observation is still in its infancy, the perception of inherent trustworthiness can nonetheless act as a lubricant for business transactions. Higher levels of trust among businesses or between businesses and their customers reduces transaction costs – defined as the costs needed to carry out a market transaction that go beyond the cost of the good or service itself (Coase [1937] 1988) – by reducing the extent needing to build confidence between the parties before engaging in a deal, the extent of negotiating terms in formal detail, the drawing up of the contract, and inspections to ensure contracts are being met. An expectation that the other part will not exceed norms for opportunistic reasons and is willing to engage in mutually beneficial partnerships are both seen as a quirk embedded in this place-specific culture, regardless of its actual factual basis.
Examples of this view came up often in the interviews. For example, one respondent compared Fargo to the city that they were born in and first started their business:

Fargo is charming; it is charming in its own way. It is a charm that you don’t see too often. It might be because of the Midwest niceness or it might be because it is small. I really want to build my business here. I can never go back to where I was, because the taste in my mouth when I think about my ideas coming to fruition is not the same. I thought that I would end up in New York or California, but I realized that is a fool’s errand. Why would I move out to those places where people act like A-holes. I don’t want that.

One respondent found the idea some people hold of those from the Midwest as being inherently honest to be quite amusing:

…[T]hey feel like that they can trust us since we are from the Midwest, which is something that I never expected. We had people say: ‘Well just send us your non-disclosure agreement, you’re from the Midwest so we can trust you.’ I guess, if you want. I hope that we are trustworthy but why do you assume that everybody from the Midwest is trustworthy. A lot of people, west coast and east coast, think that we can trust these guys more.

Some respondents explicitly pointed out their belief that most people who are in the entrepreneurial scene are willing to assist others, if not in an almost altruistic manner, and are not doing so to exploit the beneficiary. This is exemplified in the following quotes:

The fact that people have, and I had numerous conversations with guys who were ready to start places up, so that part is great because we’re like ‘yeah, I’ll help you.’ Let’s talk; if you have any questions I’ll help you do it. So I think the community doesn’t feel
threatened by … if I give out my secrets to somebody to start a business, there’s no secrets.

and

People genuinely want other people to do well. I sense that among companies and entrepreneurs here in Fargo. When [my partner] and I started talking about where the industry was going, and what we needed to do as a company, there wasn’t a guardedness of ‘what will you take of mine’, or ‘what’s better for me’, it was ‘what’s better in general.’ There was immediate trust of what could we build together, that would be better than what we could build separate.

and

We not only have a friendly economic climate but we have friendly, collaborative people. There is so much collaboration between government, education, industry, providers, startups and just others who want to see others succeed. Many of these people -- school officials, entrepreneurs, bankers, etc. -- see themselves as part of the same team so their work is not totally self-serving or ego-driven. I’ve grown accustomed to it now, but it is always fun to see the reaction of the entrepreneurs who either start here or move here, as they see what it is like.

No respondents spoke on any aspect of the entrepreneurial community as being guarded or suspect; instead, the common theme was that of trust and cooperation. Empirical research has shown that this communal spirit expressed through reciprocal support can aid in the public’s acceptance of a business and the business’s subsequent success. Kilkenny, Nalbarte, and Besser (1999) found through a survey of small businesses in rural Iowa that the level of entrepreneur’s service to the community was reciprocated to the business through increased purchases. This
factor was more important than a dozen other indicators gauging the characteristics of the managers, the business itself, or the community context. Repeated positive interactions and exchanges build up the social capital within the community, although it should be cautioned that communities which rely on personalized trust in the realm of business may find it difficult to translate that over into institutionalized trust, thus making one barrier for businesses to expand operations to larger scales. Westlund and Bolton (2003) explained that:

Social capital that has been adapted to a particular production structure in a region is of great importance to that region’s growth and horizontal and vertical integration. But such social capital also helps to prevent the emergence of new enterprises with competing networks associated with other kinds of production. (P.99)

For a region’s entrepreneurial scene to continue to grow and develop, the social capital must enable diversification and the ability to reorganize as needed. This necessarily entails that people must be willing to adapt to changing conditions, to accommodate a range of ideas, and to take the calculated, but large, risks that can move the ecosystem forward. Several respondents also spoke on the conventional mindset that seemingly permeates throughout Fargo and how it is actually a hindrance that holds back risk-taking:

Don’t let the midwestern mentality moderate our ambition. If Athens in the age of Plato and Aristotle could ultimately influence the world and introduce the principles of democracy, we don’t have to aim low because there’s a quarter million people in this town. Don’t be afraid of big ideas. We moderate because of our modesty a lot of what could make the community great. We’ve got ourselves on the leash sometimes. This mindset is also evinced by the comments given regarding the dearth of investment capital, such as the seed or venture capital that goes into a business at the early stages of its growth. This
is a common complaint across the country, however in Fargo it may be partly attributable to the conservative mindset that mitigates the speculative taking of chances in the business realm.

A third narrative respondents alluded to is that of a self-reliant people who are capable of creating opportunities for themselves with few initial resources or assistance. This myth draws upon the heritage of the homesteaders who started settling the land in the late 1800s, as exemplified in the following quote:

I think about old prairie farmers, maybe because I grew up around them. They were innovators. Every day they had to solve problems. There was no one to look to, nobody to call. They barely even had the materials and they had to solve it, and they did. On my grandpa’s old shop on the farm, when you walk in there and look around, you see inventions everywhere around you because he didn’t have anything else to do. I think it [entrepreneurship today] is tapping into that 21st century version of that prairie farmer.

As mentioned earlier, the veracity of this story is not as important as the effect it has upon the mindset and identity of those who believe it. For example, Graham (2002) noted how heritage is used to create representations of place within which the knowledge economy can remain firmly rooted. This heritage, if not the multiple coexisting heritages, are not perfect representations of the past but rather are stories used for contemporary purposes. In a supposedly “flat world”, heritage gives a place distinction, thus is one asset for capturing the free-flowing people and mobile capital (Sack 1992). Heritage anchors the present and frames the progression of history as an upward trajectory of advancement. It is that sense of progress that gives rise to a communal identity of a city emerging from humble origins to the current period where it can compete with larger, more established metropolitan areas not only economically but also socially. Embedded within that story of growth is an image of Fargo as an “underdog” city that can compete with
those of greater size. In other words, Fargo is viewed as performing better than normal for a metropolitan area of its size, as one respondent pointed out:

   The underdog story is great. If a new tech group comes out of Chicago, Minneapolis, or someone’s 3-D printing, there is no story there. But I think contradicting people’s assumptions of a place as an underdog I think is hardly creative, right? But with any small community I think you can exceed expectations.

   The narratives respondents spoke at length on – Fargo’s geography, the friendly quality of its population, the conservative mindset, and the myths of a self-reliant scrappy city – are perhaps only relevant in the effect it has upon the entrepreneurs and their businesses, particularly as they interface with customers and partners from outside the region whose exposure to Fargo may be minimal or nonexistent. The following section will describe the impact being located in Fargo has upon businesses and their public brands.

Fargo’s Effect on Company Identity

   Today more than ever, concerted effort is given to the cultivation of place identity. Chambers of commerce and tourism promotion organizations across the country devote significant resources to market a place as a good location to live, work, visit, and invest using symbolic images and themes (e.g., Higgins & Kanaroglou 2016; Neill 1995). Kavaratzis and Ashworth (2005:506) refer to this as a need for cities to “differentiate themselves from each other, to assert their individuality in pursuit of various economic, political or socio-psychological objectives.” In terms of place branding as an economic development strategy, the evidence regarding its effectiveness is deficient (Bergqvist 2009), although some studies do find a relationship between possessing a positive image and the decision of businesses to locate in a city (Clouse 2017).
A city’s image can be understood as the way people instinctively make sense of it and which tangible and intangible elements are important as they evaluate the city. The image of a city is important not only for the external purpose of promotion, but also for the inwardly process of self-definition and determining how the city is legible to its users. In the latter, the perceptions locals hold become embedded in the cultural milieu(s) and facilitate collective identities. In other words, it is a method for enhancing social cohesion and increasing civic pride (Kavaratzis 2004).

Respondents spoke of the effect of Fargo’s image upon their businesses by giving examples of the different reactions they have encountered from those not intimately familiar with this part of the country or who have seen representations solely through mass media. One reaction is just a general lack of knowledge of what Fargo is like, leaving a blank slate for representations to take that space. Secondly, there is sometimes the perception that it is a remote outpost with little to show for it. However, there is a counter-narrative emerging that shows the emerging reputation of Fargo as a hub for tech-based businesses. All of these have an effect on entrepreneurs as they interact throughout the country and the world. Some of them have even chosen to intertwine Fargo with their own companies identity to various degrees. Each of these examples will be described in turn.

For those who have not developed an assessment of a location, it is a blank slate where first impressions can become key. One respondent pointed this out by saying about customer’s remarks once hearing the company is based out of Fargo:

People are always curious about Fargo. It has this subconscious, subcultural… you know, embedded thing in their mind. People have heard of it but don’t really know what it is, so they’re curious.
A lack of previous exposure can actually be a positive, as seen in the following anecdote about a company that were flying in job interviewees:

One of the things that I noticed during that time is that… when people did come in to interview, we benefited from low expectations. It was kind of funny to think about it like this, but people just didn’t expect much. They didn’t expect people to be sophisticated. They didn’t expect people to be… generally they had low expectations and that is the image problem that Fargo has to some degree. If they are coming in from California, Connecticut, Texas, or London or whatever. But when they do come and they meet a bunch of people and they see the things that are going on here, they are extra impressed because their expectations were low to begin with. As a result, they leave with a big smile on their face and they think Fargo is really cool.

The ability to craft an image wholesale and to imprint a positive impression upon people is a valuable opportunity that few place-based leaders can claim. Most locations have some legacy in which to deal with as they adjust to the changing parameters of the economy and socio-demographics (e.g., Rich 2013) A purposeful effort to foster a positive identity is a common strategy among policy makers and economic developers. This is the case in Fargo. In an example of the aforementioned place branding, the Fargo-Moorhead Convention and Visitors Bureau, with the assistance of outside paid consultants, released a new slogan (“North of Normal”) and an attendant logo in 2015 that is meant to be a “reflection of our young, highly educated talent that’s churning out innovative ideas, eateries, events and businesses that are reshaping the face of this region” (Fargo-Moorhead Convention and Visitors Bureau 2015).

This is an example of an enactment of what Cox (1999) calls territorial ideologies by members of the growth coalition, which defines as the ideology held by the multiple actors
within the boundary of some locality that adheres to the growth machine imperative as described by Logan and Molotch (1987). The theory proffered by those two explained how the coalition of parochial elites in business and government work cooperativeoly to encourage economic development and the increase in property values, sometimes at the expense of other factors. It is the favoring of the exchange value of the city and its spaces over its use value, especially if the latter cannot be commodified and packaged in some way for consumption.

The manipulation and utilization of a place’s identity is one tool that civic boosters, such as the tourism bureau, use to show the city as a modern, if not progressive location for visitors and prospective entrepreneurs. In larger cities, the goal is often to define oneself as a globally important node in the economy; in smaller cities, it may just be to prove oneself as not being an irrelevant or backwards outpost. This ideological commitment to a locality overshadows the sense of community by taking that as raw material for promotional purposes, as Cox explained:

[People, to the extent that their experiences have been positive at least, come to feel an attachment to, an affection for, a place that can, among other things, be colonized by the growth coalition in its attempt to mobilize place identities for its own purpose. (1999:33)]

The need to create a new image for the post-industrial and post-modern world of highly competitive capitalism is paramount for cities (Short 1999). There is no reason to believe that this pressure would pass Fargo by.

A greater embrace of the city’s identity are also found in the fact that a few apparel companies now sell Fargo-branded clothing which offer playful interpretations of common tropes about the city. Another example is found with some entrepreneurs and ecosystem builders explicitly including Fargo in their online social media handles. One common template being their
name followed by “from Fargo.” The latter is one contemporary exemplification of how place matters to personal identity construction, as one respondent noted:

   So, I think just like names being the most important things to ourselves, where you live or what neighborhood you live in or work can be a drivable factor. So I think that emotionally attachment comes to identity… we are often tied to our identity which is often tied to place. Especially around here as well. ‘[respondent’s name] from Fargo’, you know.

   As it relates to businesses, however, Fargo’s identity had a more nuanced and often unintended effect. Multiple factors go into a business’s public identity including purposeful branding and its reputation earned over time. The location the business is based out of should be considered one factor impacting how it is perceived by customers and others in the industry. Few respondents made any mention to the negative effects of Fargo’s identity. One stated “The only disadvantage might be the assumption that it is a small town and might not be competitive in a certain market,” the belief being that companies in larger cities are more experienced or sophisticated.

   Most spoke positively of how Fargo’s identity helped their business’s public perception, with some even choosing to actively incorporate it into their branding or public relations materials. One respondent spoke of the reason why they chose to explicitly use Fargo in the name of their product, in spite of its worldwide audience:

   It was tempting to call it the Universal Rating System or the world or the international or whatever to convey that vision, but those words are so cheap. It is easy to call yourself the be-all, end-all universal rating system. So, we preferred, again, just getting Fargo in there. And it is unique. It is easy to say. It just has hard consonants, the hard G. And it is
catchy and easy to remember. it’s not about regionalism… but “Fargo” has just got that something about it that I think just sounds pretty cool.

In this instance, the use of Fargo was not to tie the product to the location, but rather that it was an appealing sounding name that did not have any negative perceptions associated with it. As the area’s reputation as a hub of activity – especially in the technology sectors – continues to grow, respondents said there is a greater willingness to actively associate the company with Fargo, or at least less desire to downplay it when it comes up in conversations, as seen in the following two quotes:

We are pretty proud of it. I definitely think of Fargo and that we are proud to say our headquarters are in Fargo. We are going to stay; we are not going to go anywhere. But it is kind of funny. We talk about it… if you say you are from Cincinnati, because in some of the trade shows we say we are from Cincinnati based on what’s the closest shipping location or say Las Vegas, but if you say you’re from Fargo it definitely creates a conversation most times.

and

I think Fargo, at a national level, is becoming cooler. A much hipper place so it does help us. I think that we are unique in that regard. It’s not, ‘oh you are Minneapolis too’ or NYC or Silicon Valley. So we are definitely standing out in the profiles of our company against another. It is pretty unique since we are the only one from Fargo. We are the only one from a smaller area, from North Dakota. I think that there is a competitive advantage there. I think it helps us. Whenever companies come to visit our office they are impressed so it works.
The fact that a company can be successful while being based out of Fargo counters the notion that one has to be located in larger cities. It is a unique identifier for these entrepreneurs, however the impact should not be overstated. Respondents gave anecdotal stories of how it helped, but in the aggregate it was not too much of a relevant factor. The quality of their product or service and its position in the marketplace still remains the most important contributor to their company’s success.

**Place Theory and the Entrepreneurial Ecosystem**

Over the past decade or so, greater academic interest in the place-based elements that are necessary to foster entrepreneurship have been conceptualized into a coherent and legible *entrepreneurial ecosystem* model which captures the communal resources and overall conditions that affect the rate and success of firm formation. One succinct definition of an entrepreneurial ecosystem describes it:

> [A]s a set of networked institutions ...with the objective of aiding the entrepreneur to go through all the stages of the process of new venture development. It can be understood as a service network, where the entrepreneur is the focus of action and the measure of success (Isenberg 2010).

Research has shown that the distinguishing features of a successful ecosystem include a core of relatively large established businesses (including some that have been started themselves by entrepreneurs), so-called entrepreneurial recycling whereby those who have sold their companies reinvest their time, money, and expertise into new ventures, and a social environment that shares information fluidly across boundaries and institutions (Mason & Brown, 2013). Ecosystems are the result of aggregated actions of many, often leading to a serendipitous, yet halting, pathway of development. They are also created by the purposeful actions of policymakers who seek to
improve the conditions of their jurisdiction for private business. This is done through the closure of resource gaps, improvement of infrastructure and public institutions, and the matching of firms together in value chain production (Spilling, 1996). Similar to biological ecosystems, however, these interventions affect all who inhabit the place. Each member shares the fate of the whole system and must adapt to deal with its shortcomings and strengths (Fuerlinger, Fandl, and Funke 2015).

Thus far in the literature, there has been no attempt to link the three place concepts that were the target of thesis to the ecosystem model. It is arguable that the subjective qualities of a place that can engender attachment should be considered as one pertinent component, although caution needs to be taken that the impact of place attachment and identity are not overstated. Despite the seemingly widespread global flow of people, capital, and knowledge in the contemporary era, place remains a factor that can collect, aggregate, and ensconce those flows.

The following section proffers some potential links between place theories and the entrepreneurial ecosystem model that shall the subject of future research. At this point, these links are quite preliminary since they were the result of one unique case study. First, however, a comprehensive model is described which explains the interconnected components that make up a vibrant entrepreneurial ecosystem that can more or less be geographically-bounded. This includes a discussion of how the place theories may be incorporated into the model. Finally, there will be by an assessment of Fargo’s entrepreneurial ecosystem, in particular highlighting the relevance of the city’s size.
Domains of an Entrepreneurial Ecosystem

One model of the entrepreneurial ecosystem came from Isenberg (2011) who conceptualized it according to six interconnected domains: policy, finance, culture, supports, human capital, and markets.

- **Policy** includes leadership from government and other institutions that make entrepreneurship promotion a priority. It also entails the regulatory framework which does not discourage, if not incentivize, entrepreneurship. Funding appropriations for public goods such as basic research and infrastructure are also within the domain of policymakers.

- **Finance** consists of investable capital in the amount and formats that fit the stages business progress through. Examples include microloans and other forms of debt as well as equity such as seed and venture capital.

- **Culture** is arguably the most nebulous and immeasurable of the domains, but entails the visible success stories of entrepreneurship. Societal norms need to tolerate risk, failures, and mistakes. It also needs to encourage creativity and experimentation as well as to elevate the status of the entrepreneurial identity in the community.

- The **Support** domain are those sources of expertise that can be formalized through organizations or are embedded informally in the social networks. Professionals in law, accounting, investment, and other such advisors assist entrepreneurs with facets of their business which they are not familiar with. Infrastructure such as telecommunications, transportation, and utilities are basic requirements for any economic activity.

- **Human Capital** are the set of skills found in the employable population gained through formal education and through experience. Serial entrepreneurs are a valuable source of
human capital for not only their successive companies but also for others to whom they serve as mentors.

- The *Market* domain is the one that is least place-bound, in that eventually the entrepreneur needs to expand their market reach in order to grow their business. However at the beginning, early adopters of proofs of concept lead to initial set of customers who are the early sources of feedback.

Isenberg’s model offers no causal paths stating which domain leads to another. Instead, outcomes may become causes for the other domains in a process that is difficult to parse with accuracy. There can be one or a few prominent events that can be pointed to as a forerunner to a significant portion of the ecosystem’s vibrancy. In Fargo, the founding of Great Plains Software and its later sale to Microsoft is often highlighted as a turning point event that had numerous positive externalities, such as employees taking their talents and deciding to start their own companies. However, Great Plains Software did not emerge in a vacuum, nor can all of Fargo’s subsequent success can be solely, or even mostly, attributed to that catalyst. The utility of Isenberg’s model is found not in the thorough examination of the root causes of the emergence of the entrepreneurial ecosystem. Rather, assessments of the ecosystem’s components at a given point in time uncovers areas of strengths and deficiencies that are useful for those who are active in ecosystem building.

*Fargo’s Entrepreneurial Ecosystem*

The role of culture in the entrepreneurial ecosystem is obviously important, however there is no singular cultural format that can be pointed to as an exemplar. For each location with its own legacy and quirks, the qualities of the culture will naturally differ. Place attachment and place identity can best be categorized under the domain of *culture* within Isenberg’s framework.
This is because the local milieu, for at least the subset of the population who are entrepreneurs, as an abstract space becomes a relational space whereby functional and hierarchical social and economic interactions occur and become embedded in geographic space over time. This is the result of the cognitive proximity that develops, including the shared behavioral codes, common culture, and sense of belonging (Camagni and Capello 2009). This can be subsumed, for many entrepreneurs at least, under the common shared identity of place. “Fargo”, in other words, is not just a name of a city but also represents the cooperative and reaffirming culture that is seemingly to be found there. Although respondents spoke mainly positively about the habitus of Fargo’s entrepreneurs, it may not be the one most well suited to the rigors of the economy as it functions today. In fact, it is arguably a limiting factor, as the overly conservative nature may foreclose taking the risks necessary for exponential growth. Also, the stigma that follows failure in business can be a potent deterrent to those thinking about engaging in an entrepreneurial venture.

Given that each ecosystem is unique per the specific pathways of how they were developed, the relative importance of place identity to Fargo’s may be a result of the city’s overall size as well as stature in the United States as being located in the hinterland of the country’s economic activity. Roundy (2017) contends that city size is an agentic factor in the composition and vibrancy of entrepreneurial ecosystems, since smaller locales typically possess a lesser endowment of resources and are often structurally deficient in socio-demographics and economic competitiveness (Partridge, Rickman, Ali, and Olfert 2008). However, a smaller population can actually be an advantage in one facet: the strength of the social network. By definition, the networks will be smaller compared to larger cities and this may make them less flexible due to the connects typically being older and more entrenched. Given that these connections arise out of a multiplex set of roles that go beyond business to religious, civic, or
familiar origins, there is an easier pathway for the network to be more tight-knit as measured by network density (i.e., the number of actual ties divided by the number of potential ties). A network with a higher density of connections, along with a greater share of those constitution bonding social capital over bridging social capital, can facilitate the transmittal of information. The smaller, denser social network may also present an advantage in that it is easier for one to make connections with key stakeholders and to integrate oneself into the network, if the culture of the network would allow outsiders to enter.

That is one advantage to Fargo’s entrepreneurial community that several respondents pointed out. Whether it can be attributed to the ethos among entrepreneurs in Fargo to be open and cooperative or if it is the cultural standard to not see oneself as being more important than others and to help maintain the perception that the hierarchy is relatively flat, the ease of reaching out to others in the network facilitates the access of resources necessary for an aspiring entrepreneur. In spite of the lack of empirical evidence that the small world hypothesis is valid (Kleinfeld 2002), the perception that one is not too far away from anybody in the entire network is highlighted in the following quote:

The six degrees of separation theory in Fargo is taken to an even smaller degree because anyone can be one, at maximum two, persons away from their next business partner, mentor, employer or employee. This is a game changer for anyone graduating from college wanting to kick off their career simply by interacting with people that can connect them to the right person. What’s even better is that people are very accessible and getting coffee with almost anyone is possible here in Fargo.

Whether or not the social network built by Fargo’s entrepreneurs can be considered both open to outsiders seeking entry and tight-knit enough where connections are dense needs to be
determined by formal social network analysis methods. This examination and any comparison to larger cities’ networks is beyond the scope of this thesis, but remains a potent line of future research to pursue. The perception that this is the case is something that can be viewed as an asset in Fargo’s entrepreneurial ecosystem.

On a final note, entrepreneurial ecosystems are not static entities. Rather, they are to be viewed as dynamic fields which evolve over time as the result of purposeful actions as well as unintentional consequences. As alluded to earlier, there are no set stages for ecosystem development since each is uniquely composed and reflects the assets found in each region, although many commonalities may exist among them. In Fargo’s case, several respondents remarked that the entrepreneurial ecosystem located there was stronger than would be conceived given the city’s size and remote location. The number of comparable locations is relatively rare, as said by one respondent:

I think part of that is Fargo is the biggest weight in the 200 mile area. Think of the experiment with the sheet and the basketball at the bottom of it to demonstrate the system and how everything flows. I think that is one of the factors that is hard to explain to people about Fargo is we are… a little bit of an outpost. We are the biggest metro in a long ways and there aren’t that many… that would be an interesting study. MSAs [metropolitan statistical areas] of over two hundred thousand people who are at least 150 miles from another MSA of two hundred thousand people. I mean, it has got to be us and like Casper [Wyoming] or Missoula [Montana] or some of those, right? But at the same time we are closer to Minneapolis and Winnipeg and those cities, which is a windfall for Fargo. It is hard to compare place.
In spite of, the disadvantages that would conceivably affect Fargo, the prominent discourse is one that’s progressive and describes the city’s growing stature, especially in select technology industries:

I think compared to other cities like Fargo we are unique, for the population, we have a larger tech scene. Our per capita tech scene is probably above average. If you go to Austin, San Francisco, Silicon Valley, even NYC those tech scenes are also probably above average per population. But Fargo is not big but we are standing out since we have interesting technologies going on.

Whether this is the case or not needs to be backed up with quantitative data on startup activity and success, looking both at inputs and outcomes. However, the narrative of Fargo’s development is a positive one that serves as material for the creation of a shared place identity. It is this identity that entrepreneurs help co-create but also can utilize in the identities of their firms as well as themselves.
DISCUSSION

The purpose of this thesis was to explore how the qualities of a place and the relationship people develop with it are mediated through one organizational context that has thus far received limited attention in the literature. The three closely related theories of place are useful theoretical lenses for this new context of entrepreneurs, just as it is for examining residents and tourists. The two research questions that allowed for that conclusion were, first, is the concept of place attachment applicable to entrepreneurs and their businesses in a similar to residents, and second, how does the identity of a place affect a business’s formation, its operations, and overall reputation, particularly for those firms that are not place-bound?

For the former research question, an entrepreneur’s formation of place attachment was the result of multiple factors that may or may not conflict with each other. First, the location where they choose to begin their business must satisfy basic criteria that differs from industry to industry. Businesses require resources that extend beyond that of the entrepreneur him-or-herself and which are found in the surrounding community. The availability of human capital embedded in a skilled and educated workforce is one example that is relevant in Fargo’s case. The satisfaction of this need, among others, is contributes to the extent of place dependence, or the capacity of a location to satisfy the functional requirements people may have that differ according to their chosen activities as well as their habitus. However, a person’s occupation is only one facet of their life. For some respondents, the level of place attachment came through their status as being part of a family. Fargo’s apparent better quality of life offered an avenue through which attachment to the place is developed. Given that the impetus for this research was the blind spot in the literature of the occupational context, when exploring the place attachment
of entrepreneurs consideration still needs to be provided for the personal and social sides of peoples’ lives that do not touch upon their entrepreneurial endeavors.

For the latter research question on whether the identity of a place that is perceived by those outside of the area is relevant for entrepreneurs and their companies, it was found, for Fargo at least, the city’s identity was either a non-factor or was something that could be utilized as a positive asset. For many of the respondents, it served as a unique identifier that may have helped, in a minor way, to differentiate themselves from their competitors based elsewhere. A greater acceptance and active use of a location as a component of a company’s public image should run counter to the notion that, under the parameters of the modern economy, the relevance of place has declined. For Fargo, the perception of its entrepreneurial ecosystem as being stronger than what the city’s population size would initially suggest is undoubtedly a positive representation. Entrepreneurs have latched onto this identity, particularly those who are active members of the ecosystem. Policymakers and civic boosters have made efforts to direct the narrative to one that is marketable to the outside, in particular to those who are looking for the next emerging region to move to. Growing one’s career alongside the growth of the entrepreneurial ecosystem entails the crafting of a personal identity that is intractably tied to place. More exploration of the intertwining of identities of place with personal identities in the context of contemporary entrepreneurship should explicate nuances across regions; the notable example of this type of research being Gill and Larson (2014).

This thesis has noticeable limitations which qualify its utility among the literature. First, the case study method is incapable of producing generalizable findings. Each entrepreneurial ecosystem is unique in its historical legacy, the composition of regional population, the characteristic of its social network and the resulting social capital, and the presence of any assets
which an entrepreneur can draw upon. A general framework of analysis is useful, but the results will naturally differ by location. Other parts of the country may not have the same level or type of affinity to place that Fargoans have. This would necessitate the rethinking of its relevance as an explanatory theory. Future case studies will have to be conducted in order to make that determination. Furthermore, quantitative surveys are needed to empirically link relevant socioeconomic variables (e.g., age, class, ethnicity, and so on) with the permutation of place attachment among the population. Specific focus on the entrepreneurs, cross-sectioned by type and place-boundedness of their industry, will highlight whether the relationship with place is mediated by their occupational status alongside the socioeconomic variables.

The practical implications of this thesis are in its lessons for policymakers, who are in a constant search for strategies to promote their jurisdiction as a good location for companies in high-growth industries in the technology sector. If cities are to be conceived as entities that are to be promoted in a competitive marketplace for mobile talent and capital, then cultivating a brand based off unique imagery associated with the place is necessary. The identity of a place is socially constructed over time by many actors; therefore, the branding efforts will have to deal with the constraints provided. As this case study has shown, however, those constraints are not insurmountable. A focus on the already existing assets found in a region - in Fargo, one example being the quality of life amiable to families – should be the starting point for ecosystem builders. Attempting to replicate the conditions of other metropolitan areas, particularly the ideal type proffered by Silicon Valley for example, is a strategy that will be difficult to implement, to say the least. Not all locations engender positive emotional attachments nor do they all possess identities that are endearing. For those that do both, it should be considered an integral part of the entrepreneurial ecosystem and should be given attention accordingly.
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APPENDIX A. INTERVIEW QUESTIONS

The following questions constituted the interview instrument. Questions were asked in a manner to allow for free-flowing answers. Due to the conversational nature of how respondents spoke, the list was not strictly followed in the order listed.

**Place Dependence:**

- What is the history of your company (If this data couldn’t be found elsewhere)?
- How and why did you choose to locate in Fargo?
  - Why did you choose downtown Fargo (if the company is located downtown)?
- Is there anything about Fargo and the resources/social networks it contains that provide a competitive advantage to your firm? Anything that would provide a competitive disadvantage?
  - What does Fargo contain that make it a good location for your businesses or other businesses in your industry?
  - Conversely, is there anything that Fargo is missing that would help your business grow?
- Would your company have same level of success/greater opportunities if located elsewhere?
  - Somewhat relatedly, do you feel if Fargo is contributing, hindering, or has no effect on personal growth?

**Place Identity:**

- Does being located in Fargo affect, if not contribute, to your company’s image or brand?
  - What is your customers’ reactions once they hear you are based in Fargo?
  - (If downtown) Is there anything particular about downtown Fargo that contributes?
- What has been the reaction of those in your industry when you mention your based out of Fargo? Is it relevant?
- What would be different for your business if you were instead located in a different, larger location that has a larger more developed tech scene (e.g., Minneapolis, Austin, Boston, Silicon Valley, etc.)?
- Is there anything we should do differently, collectively, to help improve Fargo’s image and thus help the companies based here?

**Place Attachment:**

- Do you anticipate ever moving central administration or headquarter functions to a different location in the future?
- Emotionally, are you attached to Fargo as a location for your business? For yourself?
  - How difficult would it be to move if the need arises?

**Sense of Community**

- Based on what you know or what you’d imagine would be true, do you feel it is easier in Fargo to build relationships/network with fellow entrepreneurs whether or not it is for immediate business ends? Do you feel they will be the same in larger cities?
• Are there other entrepreneurs to whom you can turn towards for advice or assistance? Do you provide advice or assistance to others?
APPENDIX B. INSTITUTIONAL REVIEW BOARD APPROVAL

March 2, 2016

Dr. Gary Goreham
Sociology & Anthropology

Re: IRB Certification of Exempt Human Subjects Research:
Protocol #HS16205, “Emplacing the Knowledge Economy: An Examination of the Role of Place within the Community Capitals Framework”

Co-investigator(s) and research team: Mitchell Calkins

Certification Date: 3/2/2016  Expiration Date: 3/1/2019
Study site(s): varied locations within Fargo/Moorhead
Sponsor: n/a

The above referenced human subjects research project has been certified as exempt (category # 2b) in accordance with federal regulations (Code of Federal Regulations, Title 45, Part 46, Protection of Human Subjects). This determination is based on the protocol application received 2/26/2016.

Please also note the following:
• If you wish to continue the research after the expiration, submit a request for recertification several weeks prior to the expiration.
• The study must be conducted as described in the approved protocol. Changes to this protocol must be approved prior to initiating, unless the changes are necessary to eliminate an immediate hazard to subjects.
• Notify the IRB promptly of any adverse events, complaints, or unanticipated problems involving risks to subjects or others related to this project.
• Report any significant new findings that may affect the risks and benefits to the participants and the IRB.

Research records may be subject to a random or directed audit at any time to verify compliance with IRB standard operating procedures.

Thank you for your cooperation with NDSU IRB procedures. Best wishes for a successful study.

Sincerely,

Kristy Shirley, CIP, Research Compliance Administrator

For more information regarding IRB Office submissions and guidelines, please consult http://www.ndsu.edu/research/integrity_compliance/irb/. This Institution has an approved FederalWide Assurance with the Department of Health and Human Services: FWA00002439.