

95 Percent of Stanford MBAs Have Taken This Leadership Course. Now You Can Too

By Emily Canal

Inc. 5000. May 21, 2019

Stanford now offers non-students a version of one of its most popular business school courses.

Chicago is known for its harsh winters, but it's actually a [hospitable environment for entrepreneurs](#)--and blows away many of the other metropolitan areas trying to compete.

"We don't have it all, but we are pretty close," says Betsy Ziegler, CEO of the local tech incubator 1871, which is home to nearly 500 early-stage digital startups.

For starters, Chicago has a diverse business culture--no single sector drives more than 14 percent of the local economy--and its tech scene has been growing in recent years. That's helped Chicago land at No. 36 on *Inc.*'s list of Surge Cities, an index that measures [the U.S. hubs with the most economic momentum](#).

On May 21, *Inc.* is hosting the first stop of its two-city [Fast Growth Tour in Chicago](#). The event will include one-on-one coaching sessions, networking opportunities, and keynote speeches featuring [Ripple Foods co-founder Adam Lowry](#), RxBar co-founder Peter Rahal, and [designer and CEO Kendra Scott](#).

Besides deep-dish pizza, here are five other reasons entrepreneurs ought to check out Chicago and its startup-friendly ecosystem:

1. Diverse and healthy business climate

Chicago is home to 12 Fortune 500 companies, including Boeing, Conagra Brands, and Motorola Solutions. Startups also contribute to the city's economic diversity and health, in part because their founders often reinvest in their community following an exit. Prominent resident entrepreneurs who've stuck with Chicago include Rahal, who sold his protein-bar startup [RxBar to Kellogg's in 2016 for \\$600 million](#), and the co-founders of the digital coupon site Groupon, which went public in 2014, raising \$192.5 million. Two of Groupon's three co-founders, Eric Lefkofsky and Brad Keywell, have new Chicago-based projects: Lefkofsky launched Tempus, a medical data company that also has a library of clinical and molecular data, and Keywell started Uptake, a predictive analytics software maker for clients in the mining, aviation, rail, energy, retail, and construction industries.

2. Midwest hub

Locating in the major midwestern city has its advantages. Just ask Katlin Smith, the founder of Simple Mills, a Chicago-based company that [sells snacks and baking](#)

[mixes](#) that are free of gluten, grain, soy, and GMOs. She says quick access to her partners in manufacturing, food science, and transportation logistics has made it easier to run her business.

"You don't have to travel to meet partners to grow aspects of the business," says Smith, who also is speaking at the Fast Growth Tour. "If I was based on the West Coast, I would be traveling to Chicago a lot."

Tech behemoths like Stripe, Salesforce, Google, and Facebook have all gotten the memo, too. Each has a satellite office in Chicago. Further, Melissa Kaufman, the executive director of The Garage, an incubator and networking space on Northwestern's campus, says she is seeing more companies opening up a second headquarters in town.

3. Fundraising opportunities abound

It used to be that area startups looking for funding had slim pickings. "That has fundamentally changed," says 1871's Ziegler. For example, Lefkofsky and Keywell founded VC firm Lightbank in 2010 to invest in Chicago startups; since then, the firm has invested in 53 area businesses, including online learning platform BenchPrep and online music marketplace Reverb. And other local VC firms are following suit, as evidenced by two recent funding rounds by logistics software companies. Chicago Ventures contributed to Project44's \$45 million round, while Hyde Park Angels was part of FourKites's \$50 million round.

4. Reasonable cost of living

Chicago's cost of living is lower than that of coastal hubs like Silicon Valley and New York City. The median Chicago home value is \$226,200, \$500 below the national figure. The median monthly residential rent in the city is \$1,691, according to online real estate database Zillow. Compare that with Manhattan's prices, where the median home value is \$1.1 million and the median residential rent is \$3,217, according to StreetEasy.

Smith touts Chicago's relative affordability for businesses both in terms of office space and employee salaries. She further points out that startups are more likely to have a diverse clientele in Chicago, as the more affordable city attracts people from across the income spectrum. "It's more representative of the vast majority of the U.S.," Smith says. "Whatever market you're operating in, it gives you a better context that's not skewed by the hipness of the coasts."

5. Excellent area schools

It's not just affordable housing that attracts people. Chicago and its surrounding neighborhoods are home to some of the country's best MBA and engineering

programs, as well as entrepreneurship centers, which provide a talent pipeline for local businesses.

For example, the University of Chicago houses both the Booth School of Business and the Polsky Center for Entrepreneurship and Innovation, while Northwestern is home to the Kellogg School of Management and The Garage, where more than 60 student-founded startups and projects are currently being incubated. Loyola University, DePaul University, and Columbia College also boast popular entrepreneurial programs.

What's more, graduates of these programs are staying in Chicago. Since 2013, Illinois computer science graduates are nearly five times more likely to work in Chicago than San Francisco, the No. 2 most common destination, according to an analysis from LinkedIn that was cited in the [Illinois Innovation Index](#). The report, which was released in December, examines the state's STEM workforce between 2013 and 2017.