

# Startup Grants: Can Government Programs Stimulate Entrepreneurship?

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A discussion about startup entrepreneurship out of universities would be incomplete without touching on the subject of grant funding. Many first-time entrepreneurs believe the initial order of business is to get a grant. Obviously, entrepreneurs need to pay bills and have to eat, and product development requires capital. All this makes it necessary to spend some time writing a good proposal, then submit it, and hopefully impress a panel of experts enough to receive some money. This tides over the startup team for the early months while they labor in their lab on a better mousetrap. This is the mainstream view under which most people operate, because most have never started a business and see this adventure through the lens of the employee. Nobody would show up at their job if they were not paid, so why should the entrepreneur? A result of this thinking is that first-time entrepreneurs are often more concerned about paying for their health insurance than market-testing their product.