

## **NACCE/ARC PARTNERSHIP**

### **Opening the Door for Entrepreneurship in Appalachia**

By Griffin Cottle, Director, Small Business & Entrepreneurship Center  
Jefferson Community and Technical College, Louisville, Kentucky

The NACCE-ARC *Opening the Door for Entrepreneurship in Appalachia* project is a partnership between NACCE and the Appalachian Regional Commission (ARC), a federal-state alliance that works with the people of Appalachia to create opportunities for sustainable community and economic development. Over the past year, 12 community colleges throughout the region have received guidance and support on how to become a hub of business development and entrepreneurship-related services in the areas they serve.

NACCE works with the colleges to address their infrastructure for research, development, and access to capital for small businesses in their communities; their ability to encourage change-resistant communities and economies to adopt and embrace an entrepreneurial culture; their best small business support models in each community where these community colleges are located; and how all of the above activities can be sustained at the local level.

The colleges were introduced to five existing NACCE initiatives designed to help them in their efforts to support local small businesses. These included:

- NACCE's Presidents for Entrepreneurship Pledge (PFEP)
- The NACCE Fellows Program
- NACCE's Regional Summit Series (February 20, 2014 in Ghent, West Virginia)
- NACCE's Entrepreneurship Specialist Certificate Training (February 3, 2014)
- The NACCE Annual Conference (October 12-15, 2014 in Phoenix, Arizona)

Of special importance was the interaction between the NACCE Fellow hired to help coordinate the project and the five action steps of NACCE's PFEP, which are crucial for community colleges seeking to advance entrepreneurship in their communities.

Work on the project began in November 2013 following the NACCE Annual Conference with major work commencing following the Regional Summit in Ghent, West Virginia, which several of the schools were able to attend. This also gave NACCE the opportunity to discuss the steps of the PFEP with the college leaders as a group, which led to a better understanding of what needed to come next both individually and regionally.

NACCE proposes to provide ongoing support to community colleges located in distressed counties in Kentucky, Tennessee and West Virginia by continuing to work with several schools that were heavily engaged – including Southeast Kentucky Community College, Hazard Community College, Big Sandy Community and Technical College, and Northeast State Community Colleges during the first year of the project, while cycling in newer schools from the region that are eager to take part.

### **INITIAL ASSESSMENT**

An initial assessment of the 12 schools revealed programs at varying stages of development ranging in four levels of institutional support and engagement.

### **Champions without Comprehensive Support & Siloed Activities**

- Individual members of the business faculty were proactive in pursuing entrepreneurship opportunities for their students, while also having administrations that provide them with few resources to build on.

### **Institutional Support, External Focus**

- Where the state encouraged community colleges to partner with local Small Business Development Centers (SBDCs), multiple business counselors on site were helping anyone work through the specifics of starting a business, all at no charge to the student. The shortcoming is that the training is often on the non-credit side, and the SBDCs are frequently left to their own devices with little direction or involvement from the administration.

### **Strong Interest, Little Experience**

- Despite having a strong interest in expanding entrepreneurship training and activities but little background or experience, some schools simply just aren't sure where to start.

### **No Interest, No Administrative Support**

- Some schools showed little interest in participating in the project either on the for-credit or non-credit side.

*Question: What then is the role of community colleges in promoting entrepreneurship in Appalachia?*

The question of what *specific* role they should play depends on the position of each school and the needs of their particular community. Ideally the colleges would be driving change and encouraging a whole range of activities and events, from pitch competitions to Startup Weekends, that can help drive the change in mindset that the region needs, while also playing a role in main street redevelopment efforts and business trainings that complement the work of local Small Business Development Centers.

Trying to determine what's already available in the area, though, can be a challenge in and of itself. One of the major challenges facing administrators who are interested in expanding their college's entrepreneurial culture is deciding where to step in and what to offer in the way of new initiatives on campus.

The most common approach that schools take in this situation is to look at the offerings of nearby schools and local chambers – taking stock of the program options, course offerings, partnerships and larger upcoming events – to try to develop something new based on their best sense of what's needed in the community that isn't already being offered by neighboring institutions. Although this approach often results in good trainings that address gaps in the surrounding entrepreneurial and business development environment, it usually does so with little fanfare or impact, sometimes at the risk of finding out at the very end that a similar program already exists.

As part of the project with ARC, NACCE chose to take a different approach, working directly with schools and their communities to develop entrepreneurial ecosystem maps that inventory not just what trainings and resources are available, but also what sources of early stage financing exist, what corporate intrapreneurship programs are being done under the radar, and what entrepreneurial events are present that can be leveraged to develop the best possible programs.

## **GAPS AND OPPORTUNITIES**

Mapping events at Northeast State Community College in Tennessee, and Hazard, Big Sandy, and Southeast KY Community and Technical Colleges in Kentucky resulted in community-centered maps that detailed a surprising amount of entrepreneurial activity, along with several gaps that the colleges are well placed to fill. Over and over the same opportunities for leading a cultural shift toward entrepreneurship were identified by participants at the different conferences, from underutilization of natural resources and adventure tourism, to a lack of online presence for existing businesses and few ongoing entrepreneurial events to get people in the region involved.

Other problems like a lack of county-level collaboration or regional approach to tourism were also mentioned, as were things like a lack of tech talent and training, limited youth entrepreneurship education, and limited plans for reclaimed coal land.

Categorizing these gaps as problems, however, is not to imply that they require a government intervention to solve them. In the world of entrepreneurship, problems are opportunities. The first person to figure out what to do with the abundance of coal land in the region, for example, or how to design regional tourism initiatives that receive a nationwide draw is going to make a lot of money. *The opportunities are there for community colleges to play a leading role in solving, but they need to embrace the mindset themselves first.*

Funding sources exist at every level to help anyone interested in starting a business get their idea off the ground. The region has developed a network of Community Development Financial Institutions (CDFIs), angel investors, and state-level grants for tech startups that are there to support people from the ground up. What they need are more investable ideas.

## **SUCCESS STORIES**

It's important not to lose sight of the fact that several schools have made strong starts in the area with relatively limited resources. Elizabethtown CTC in Kentucky, for example, has developed a rotating schedule with the Kentucky Innovation Network where students can pitch their ideas in front of funders and startup consultants. Southern West Virginia set up an e-commerce training that helped existing businesses in the local adventure tourism industry establish online scheduling and reservations systems to attract out-of-state customers.

Southeast Kentucky CTC did something similar, launching its "Selling to the World" event last spring with several hundred attendees interested in establishing stronger markets for their products outside of eastern Kentucky. Northeast State Community College in Tennessee also successfully engaged a significant portion of the region's business community during their "Developing a Curriculum" (DACUM) outreach, which used a storyboard process to uncover what successful entrepreneurs do in terms of duties, tasks, knowledge and skills to help them develop a new entrepreneurship training program.

## **NEXT STEPS**

The beginnings of an entrepreneurial culture are there to be built upon, and we are pleased that ARC is strongly considering continuing the NACCE project for an additional year. Continuing to map entrepreneurial environments in the region with other schools that are eager to take part, and expanding on the work done over the past year in building out college's internal teams, connecting them to entrepreneurs and other groups outside the college, and holding more entrepreneurial events and activities on campus is all part of a longer term strategy to ensure sustained economic growth in the region.

One of the most important steps will be applying the principles of effectuation to begin

teaching college faculty and administrators how to become “intrapreneurs,” identifying opportunities and combining them with a willingness to assume risk and implement change at their schools. Schools that want to be engaged and push forward with small business development as a core of their campus mission, need guidance when it comes to setting goals, outlining strategy, and implementing best practices in a field that many of them are new to. These skills aren’t learned overnight, but the core group of leaders are there to make a significant impact at their schools in the years to come.