

North Carolina's AdvantageWest's Certified Entrepreneurial Program: Preparing Communities for a New Economy

*By Rick Farmer
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The loss of manufacturing jobs in America has left virtually no American community unscathed. As manufacturers relocate from the United States to cheaper locales, or shut their doors in the face of global competition, more communities find themselves chasing fewer industrial projects with fewer jobs.

To combat this growing problem, many states and communities have begun pursuing entrepreneurs in the quest to create jobs, lure investment and further diversify their economies -- at least on paper. Many of the programs end up being superficial and redundant, offering little more than information on Small Business Administration loans and directions to the nearest small business development center.

In western North Carolina, though, they have found a substantive approach to fostering entrepreneurialism through a first-of-its-kind effort.

In 2002, AdvantageWest Economic Development Group, a 23-county regional partnership in mountainous and primarily rural western North Carolina, joined the quest for entrepreneurs through the creation of the Blue Ridge Entrepreneurial Council (BREC) and the Blue Ridge Angel Investors Network (BRAIN). Since its inception, BREC has supported entrepreneurs through education, mentoring and training; communications and capital formation. Meanwhile, BRAIN has invested more than \$2 million in fledgling entrepreneurs who often are long on ideas, but short on capital.

By all accounts, the new programs were well received and successful for the region. They highlighted the importance of creating jobs and investment from within, helped entrepreneurs secure early-stage funding, and gave fledgling businesspeople some of the tools they needed to succeed. However, it soon became clear that to truly be successful, the program would need to go local, deep down into the communities, and it would need to be implemented by local folks with stakes in their communities.

Designed similarly to a certified sites program, the Certified Entrepreneurial Community(SM) (CEC) program constructs demanding standards for communities wishing to participate. Also like certified sites programs, the CEC program seeks to allay the fears of investors by assuring them the players involved are up to the task.

"Just like a certified industrial sites program made our sites shovel-ready, the Certified Entrepreneurial Community program makes our communities entrepreneur-ready," says Dale B. Carroll, former president and CEO of AdvantageWest (Carroll has moved on to the North Carolina Department Commerce as Deputy Secretary with the new Beverly Perdue administration). "The idea is to improve their states of readiness to support entrepreneurship in their communities. At the same time, we're improving their existing industry conditions, too. It's a win-win scenario all the way around."

The 13 communities enrolled in the CEC process began by establishing local leadership teams, composed of business leaders, educators, elected officials and others with interests in their communities. In August of 2007, leadership teams representing the participating communities went through training through the Rural Policy Research Institute's Center for Rural Entrepreneurship. The training was designed not only to educate these community leaders, but to inspire and motivate them as well.

"The training was critical," says Gary Dills, a member of the Macon County Economic Development Commission and his community's team leader. "The training really provided the spark we needed to get our local effort off the ground."

Now equipped with the basic knowledge they need, the leadership teams are putting their communities through a rigorous set of steps designed to prepare them for hosting entrepreneurs. The five steps are:

- Community Readiness
- Community Assessment
- Community Strategy
- Community Capacity
- Community Evaluation

Thirteen communities are working through the CEC process, Carroll says. Once complete, these communities will have spent so much time studying, strategizing and communicating on their states of affairs that those acts alone will have improved their business climates. Often the process can be as valuable as the goal, he adds.

"The communities that complete the program will have better access to capital, better access to telecommunications, and will have created a more nurturing environment for entrepreneurs," Carroll says. "There is a big citizen engagement component to this as well, including promoting (entrepreneurship) in our public schools."

Carroll says once a community completes the program, it will provide both short- and long-term commitments to the community to include co-op marketing opportunities, recognition on Web sites, the establishment of a revolving loan fund, pursuit of funding for "last-mile" telecommunications infrastructure, and continuing staff assistance.

Dills says by educating the local communities in entrepreneur development, AdvantageWest is helping the communities help themselves. Maybe, he notes, a surge in entrepreneurship will not only further diversify the local economies and present new opportunities for existing businesses, it also will help those communities hang onto their young people, who all too often take their talents elsewhere, for lack of opportunity at home.

"We're now able to help the entrepreneur find the resources he needs to succeed," Dill says. "AdvantageWest should get an awful lot of credit for the idea of looking at individual communities and their economies and getting all these communities to work together."

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