

**College:** Hazard Community College  
**Location:** Hazard, Kentucky  
**Practice:** Business and Technical Assistance Center  
 Developing skills and entrepreneurial potential  
 in a persistently depressed region

<i>Year Started</i>	1987
<i>Budget</i>	\$100,000
<i>Program Participants</i>	N/A
<i>College FTE</i>	1,750
<i>Target Sector</i>	Small business development
<i>Staff Size</i>	N/A
<i>Structure</i>	Technical assistance center
<i>Key Outcomes</i>	Development of over 225 small businesses, with 75% success rate; assistance in transition from coal mining to health care, service and light manufacturing.

## Introduction

The people and communities in the mountains of eastern Kentucky have long depended for their livelihoods on coal mining, an industry in steady decline. In the wake of that decline, lies a dearth of jobs, opportunities, and investments.

Hazard, located in Perry County, is a town with just such a dearth. President Clinton visited Hazard during his second term in office as part of a tour of America's poorest communities. Built around coal interests, Hazard and its residents are struggling to find opportunities and lure investors. Doing so is not easy. Part of the problem lies in the fact that the skills used by the coal industry are not likely to be of much value to other industries. Part of the

solution lies in recreating the economy on a foundation of small- to medium-sized, locally owned and controlled businesses that can help develop and then use a workforce with diverse skills and qualifications.

Hazard Community College has been contributing to this effort since 1987 with its Business and Technical Assistance Center (BITAC). The program accomplishes two goals. First, it provides the training and support necessary for residents interested in starting or expanding their own businesses. Second, it works with industry to meet its workforce needs by providing training tailored to particular sectors and individual firms.

Program focus	Sector specific	Economic condition	Economic base			Target populations
			Mfg	Agr	Svc	
Business services	No	Distressed	1	0.1	31	Dislocated workers, economically disadvantaged, women

Service Area Perry, Knott, Letcher,  
Leslie, Breathitt, Owsley,  
Wolfe, and Lee Counties

Total Population	112,000
Median Household Income	\$16,000
% Below Poverty Level	38.0
% Unemployment Rate	7.9
% Minority Population	1.0
% Rural Population	92.6
% High School Graduates	44.0
% College Graduates	7.6

## Community Background

*... Well, the Depression was ended with the war,  
But nobody told Kentucky, that is sure.  
Some are living in a sewer while the jobs are  
getting fewer,  
But more coal is mined than ever was before.  
Well, minin' is a hazard in Hazard, Kentucky...  
from Hazard, Kentucky by Phil Ochs, 1963*

The economy of eastern Kentucky was built on coal mines. And excerpts from newspapers dating to the turn of the 20th century describe the excitement and optimism surrounding the development of the coal industry in this region. Coal mining was expected to have a rich future and bring riches to local communities.

Today, coal mining in the region is diminishing. But as Phil Ochs' lyrics put it, "nobody told Kentucky." The region has been slow to replace coal with new industry and experiences high poverty levels as a result of low employment. According to a local banking agent, "the lack of job opportunities and lack of support for those seeking jobs are the main contributing factors to the continued depressed conditions within the region."

*Fortunately, the region is diversifying. Health-care, services, and light manufacturing are emerging as replacements to coal mining. Clearly, ongoing efforts to support job growth and skills development for residents are important to this region; it cannot hope to turn its economic situation around without providing these basic supports and opportunities.*

## Program Description

In 1987 Hazard Community College (HCC) initiated the BITAC to provide the support, networking, and skills necessary for small businesses to get started, and thereby lay the foundation for stable economic growth. Started with federal grant funds, the program's yearly budget of \$100,000 is currently funded through college and independent grant funds. Over 100 businesses and organizations participate as partners. BITAC is the only program of its kind in Hazard and the eight-county region of eastern Kentucky. A program partner describes its niche:

*It has been my experience that the program fills a need that no other in the area addresses. There is a lack of adequate technical assistance services in the eight-county region. Many of the aspiring business owners in the region lack the necessary skills or training to fully develop workable business plans. This limits their ability to adequately present their proposals for funding packages.*

The prevalent problem, therefore, is not a lack of desire for business start-ups. Rather, residents with business ideas need assistance in building on the extant desire and developing the skills and plans necessary to create viable businesses—businesses that instill confidence in lenders and investors. Consequently, BITAC's primary offering is assistance in developing business plans. This is done by offering the Rural Entrepreneurship through Action Learning program (a nationally implemented entrepreneurship curriculum), one-on-one counseling, business seminars, and an entrepreneur's library.

BITAC, however, also provides assistance to existing and relocating industries. Industries come to BITAC with training needs and it responds with curricula designed to fit those needs. The program's timely response to the needs of industry has already had the effect of attracting businesses to the region. Examples of sector-specific training programs BITAC offers are several health-related curricula such as EMT training, Pharmacy Technician training, and Call Center training.

BITAC is a veritable one-stop shop in its region for firms and individuals seeking to begin or expand a business in the area.

## Outcomes

While BITAC's programs are not uncommon for a community college, their impacts are. Through BITAC's assistance, over 225 small businesses have opened in the region since 1987. As of 1999, 75 percent of these businesses were still open. In addition to its entrepreneurship assistance, BITAC helps expand job opportunities in the region through its customized training programs, helps companies explore and manage expansion of their operations, works with firms to find new markets, and acts as a broker among businesses to match complementary production and sales.

## Strengths, Challenges, and Replicability

BITAC's strengths are its wide array of programs and the sense among local stakeholders that BITAC is responsive to local needs. BITAC has adapted its focus over the years and is capable of playing many roles in order to "do what it takes" to support economic development. This is a lesson for other colleges in distressed communities—it is important to be willing and able to change in order to continue to be a valuable asset.

Hazard's remote and mountainous location makes it difficult to attract manufacturing that relies on easy access to interstates. The challenge the BITAC faces is to help the region identify value-added sectors in which it can compete and that can create better paying jobs and build wealth.

*For more information, contact:*

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