

College: Meridian Community College
Location: Meridian, Mississippi
Practice: JumpStart Entrepreneur Development
 Spurring economic development through recruiting, training,
 and supporting minority entrepreneurs

<i>Year Started</i>	1996
<i>Budget</i>	\$35,000
<i>Program Participants</i>	76 graduates
<i>College FTE</i>	150
<i>Target Sector</i>	Entrepreneurs
<i>Staff Size</i>	1 FT
<i>Structure</i>	Program is run through the community college. Main component is a 15-week course.
<i>Key Outcomes</i>	95% success rate for business start-ups Expanded opportunity in a depressed area

Introduction

For the past century, the region surrounding Meridian, Mississippi has relied on agriculture and, more recently, manufacturing for its economic base and employment. However, a recent decline in manufacturing in the area has caused the community to look toward more innovative means of securing adequate employment for their residents—particularly for minorities, who lag behind non-minorities on a variety of socio-economic indicators.

In order to spur economic development opportunities within the region, Meridian Community College, the Ewing Marion Kauffman Foundation for Entrepreneurial Leadership, the East Mississippi

Development Corporation, and the City of Meridian joined forces in 1995 to create the JumpStart Entrepreneur Development Program. The Kaufman Foundation has funded JumpStart efforts at eight community colleges across the country, targeting groups such as public housing residents and urban and rural minorities. The Meridian effort specifically targets rural African-Americans.

Community Background

Meridian Community College serves Lauderdale County in the central eastern portion of the state. The population of Lauderdale County, where the college is located, is nearly 77,000 persons. Poverty

Program focus	Sector specific	Economic condition	Economic base			Target populations
			Mfg	Agr	Svc	
Entrepreneurship	No	Distressed	20	0.4	34	Entrepreneurial candidates, general, minorities

Service Area	Lauderdale County
Total Population	77,000
Median Household Income	\$24,000
% Below Poverty Level	23.6
% Unemployment Rate	5.4
% Minority Population	37.9
% Rural Population	42.4
% High School Graduates	69.7
% College Graduates	13.3

and unemployment in the region are higher than the state averages. Over a third of the area's population is African-American.

While the region's economy is growing, higher-paying manufacturing jobs are being replaced by lower paying service jobs. Entrepreneurship is seen as a way to increase equity and build wealth in the community, particularly for minorities.

Program Description

Meridian Community College (MCC) is a publicly funded institution with some 3,000 students. Founded in 1937, it is a comprehensive community college offering certificate and two-year degree programs in health occupations, business, technical fields, and liberal arts. In accordance with the Workforce Education Act of 1994, which established the WEBB Center as a Mississippi One-Stop Career Center, the Meridian Workforce Council annually approves a workforce development strategic plan with both short and long term goals. At Meridian Community College, all WEBB Center programs fall under the auspices of the Meridian Workforce Council.

In 1994 the Meridian Workforce Council joined with MCC in an effort to promote overall education, community ownership, and economic development. As a result, participants decided to create an entrepreneurial development program targeted toward minorities. In 1995 the college applied for and received a two-year grant from the Center for Entrepreneurial Leadership (an initiative of the Ewing Marion Kauffman Foundation). Local business and community organizations matched the \$70,000 grant. By autumn of that same year, the

JumpStart Entrepreneur Development Program was up and running, recruiting its first batch of candidates.

Housed in MCC's WEBB Center, JumpStart is run by one full-time staff member and a consultant. Both teach courses and run seminars. Since the Kauffman grant ended, local businesses have sponsored the program's \$35,000 per year operating costs. Students take part free of charge.

There are four phases to the JumpStart Program:

Make a Job Workshop.

These workshops represent the recruitment and community awareness aspect of the program. Seminars are held at local churches and community organizations to promote entrepreneurship and to encourage individuals to learn more about the JumpStart Program. The college typically offers four of these workshops a year, attracting 65-90 attendees each year.

Entrepreneurship Study Group.

After attending the Make a Job Workshop, individuals who would like to learn more about the program are encouraged to join the Entrepreneurship Study Group, the development phase of the program. The study group seeks to motivate and begin training prospective participants for the JumpStart Program by introducing them to different aspects of running a firm and upgrading fundamental work skills. It also seeks to help individuals assess whether they are ready and able to commit themselves to starting a firm, before they enter the program. Sessions are held monthly, and participants can attend as often as they wish.

As part of this phase, participants' basic education is assessed. Those who need remedial training prior to taking part in the JumpStart curriculum are referred to the Job Skills Education Program for math and reading courses.

Entrepreneur Development.

This is the more substantive training portion of the program. The 15-week curriculum consists of one three-hour lab and one three-hour class per week. Each week focuses on a particular aptitude related to running a business, such as product research and development and computer software skills. In addition, basic entrepreneurial skills, such as developing a business plan, applying for loans, leasing office space, and networking are taught. Resources include the JumpStart Entrepreneur Manual, Entrepreneur Magazine's Small Business

Advisor, the Wall Street Journal, and QuickBooks Pro software. Many curriculum materials are specifically geared toward minority entrepreneurship, and profiles of minority entrepreneurs are used as additional instructional materials.

The program is offered once a year, and space is limited to 25 participants. Because demand usually exceeds space, interested individuals must go through an assessment and counseling process that determines who enters the program.

While the college does not collect specific demographic information on JumpStart participants, the program director estimates that about 80 percent are women, most are between the ages of 24 and 50, and most, though not all, are high school graduates.

The JumpStart Program is non-credit bearing; however, graduates receive a completion certificate.

Networking and Support.

To support graduates of the program and their business development plans, the JumpStart Program created the Million Dollar Team and the JumpStart Entrepreneur Association. All graduates of the program, whether or not they have started a company, are a part of the Million Dollar Team. The team's goal is to accumulate a net worth of \$1,000,000 within six years (it started in 1997). And according to MCC, the team is on track to meet that goal. The Million Dollar Team is a motivational group; those who have started companies encourage and mentor those who have not. Business owners also market their own companies to help attract customers. The team meets quarterly.

The JumpStart Entrepreneur Association is for graduates who have started companies. Through membership in the association, companies have access to a revolving loan fund run by the East Mississippi Development Corporation. It received a \$300,000 grant to start the revolving loan fund from the Farmers' Home Administration. MCC also loans a computer to members of the group for one year. JumpStart organizers would like to see this group develop into a more substantial network where members undertake joint activities such as bulk purchasing or share equipment. To date, however, this has not happened. The association meets annually.

Graduates of the program also attend the monthly Entrepreneurship Study Group meetings as a form of continuing education when the topic is of interest.

Outcomes

Between 1996 and 1999, the program graduated 76 individuals, 35 of whom have started businesses. A 1998 study by MCC found that the program had resulted in 21 businesses started, 28 jobs retained, and 45 jobs created. To date, all graduates have been African-American.

Most of the new businesses are service firms, ranging from childcare to landscaping to a delicatessen. As of 1999, the success rate for the start-ups was 95 percent. Beyond numbers, graduates describe how important it has been to have the opportunity to start their own businesses. As one graduate and owner of a landscaping company said, "The program instills confidence in people to help them fully realize the American dream by becoming successful entrepreneurs."

Strengths, Challenges, and Replicability

A key strength of the JumpStart Program is its holistic approach to entrepreneurship. By recruiting, motivating, training, and then supporting entrepreneurs, the program has been more successful than others that offer more limited assistance. Indeed, the system is self-reinforcing. As more participants graduate, the opportunity for peer networking—motivational and technical—increases.

Another strength lies in the relationship between JumpStart and the rest of the community. The program counts the East Mississippi Development Corporation, the board of Meridian Community College, and the Meridian City Council among its most powerful sponsors. Indeed, after the initial two-year grant from the Kaufmann Foundation ended, the East Mississippi Development Corporation agreed to cover the program's costs.

A challenge of the program is finding mentors for graduates from the local business community at large. These relationships would forge even stronger ties to local businesses. Another challenge is to identify minorities in the community with the technical skills and work experience suited for starting manufacturing or high value-added service firms. Since these companies tend to generate more and better-paying jobs than the retail and low-end service firms typically started by program graduates, such firms could help the African-American community build more wealth. Of course, such companies generally cost more to start and therefore impose fairly high barriers—something the

program would need to help entrepreneurs address.

As for replicability, MCC has helped two other Mississippi community colleges start similar programs. To assist with this, MCC has compiled a guide on specific activities and costs associated with running the program. As a result, one of these colleges has already offered the JumpStart Program for two years.

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