

College: Stanly Community College

Location: Albemarle, North Carolina

Practice: REAL Enterprises

Encouraging rural entrepreneurs through hands-on, customized training — tailored to fit individual needs

Year Started 1993

Budget Not considered a separate budget item; has received \$130,000 in donations and services.

Program Participants 400

College FTE N/A

Target Sector N/A

Staff Size 1 (plus administrative support)

Structure College-run program

Key Outcomes 40 new businesses have started since 1994
Nearly 90% of these businesses still in operation
40 businesses improving or expanding operations

Introduction

“The education gap is the biggest gap, not capital.” This is how a funding representative described the region that includes Albemarle, North Carolina, the home of Stanly Community College. He was referring to the fact that, in the wake of textile decline, there is potential for businesses to develop if the right people with the right ideas and the right resources are there to start them. One of those “right” resources is the practical training program known as Rural Entrepreneurship through Action Learning, or REAL.

REAL was established in the 1980s in rural communities in Georgia and North Carolina. The curriculum is now offered in more than 30 states by community colleges and high schools. What is new and exciting about REAL at Stanly is the commu-

nity support it has received and the leadership that drives it. With both local support and strong leadership, fledgling entrepreneurs enter the business world with a greater chance of success. In fact, REAL programs have very good success rates: 87 percent of business ventures started by REAL graduates since the early 1990s are still in operation. In contrast, 20 percent of the business ventures succeed that have been started by graduates of other programs at the college or by community members with little or no business training.

Community Background

Rural North Carolina’s economy historically was very dependent on the textile industry famous for its paternalism toward its employees. The company

Program focus	Sector specific	Economic condition	Economic base			Target populations
			Mfg	Agr	Svc	
Entrepreneurship	No	Stable	48	1.3	19	Economically disadvantaged, entrepreneurial candidates, women, minorities

Service Area	Stanly County
Total Population	54,200
Median Household Income	\$26,000
% Below Poverty Level	12
% Unemployment Rate	7.3
% Minority Population	12.6
% Rural Population	100
% High School Graduates	43.7
% College Graduates	5.4

surrounded employees with a family-like atmosphere in which they could find the resources they needed, but by doing so, created a dependency on the company. The decline of the textile industry in this region has meant restructuring of not only the economy but the attitudes of its residents.

The year 1995 saw the loss of 2,600 textile jobs in the area. In 2001, an additional 2100 jobs were lost in this industry. Such a loss severely affected Stanly County's economy—which now is rebounding, thanks to developing agriculture and small business interests. The REAL program, with its flexible scheduling, is of particular appeal to students who might not otherwise have the time or resources to invest in themselves, much less a business. Sixty percent of the program's participants are women, and 35 percent of program participants have incomes under \$20,000. Special attempts also are being made to invite minority participants to come into the program. Stanly's REAL program is an alternative to big business supporting local economies. As one funding agent commented:

It's motivated for the right reasons. Bigger is not better and this goes beyond looking for big companies to solve problems. Small companies who deal with customers are the backbone of America.

Program Description

REAL works by giving students hands-on, customized training and assistance. REAL facilitators help make a student's specific business dreams become realities. The course of study offered at Stanly, and now in neighboring Union

County, is a practical applications program that can culminate in the opening of a new business venture.

Courses generally meet one evening a week at times convenient for students who have employment or home responsibilities. The course begins by establishing the background necessary to open a business: market analysis, writing business plans, target populations. After graduation, students take their ideas and business plan to the bank. Through the North Carolina Rural Center, graduates have had access to a micro-enterprise revolving loan fund, where loans from \$250 to \$25,000 can be applied towards their new business improvement plan. The revolving fund operates on a short-term basis, and repayment is expected within the first five years. This ensures that the fund has sufficient capital for successive classes of REAL students.

In addition to the REAL facilitator at Stanly, further assistance and support comes from several community organizations, all seeking to help new businesses get started and further enrich the local economy. One of the most supportive agencies, and a good source of networking opportunities, is the Stanly County Chapter of the REAL Alumni Association. The Alumni Association was started by graduates of the first Stanly class in 1994. The graduates meet periodically to network and draw support from each other, discuss business ideas and get helpful feedback from their REAL colleagues. Other valuable sources of support include the Small Business Center Network and the Community Support Team.

The value of community support and commitment—not just to the program but to the graduates themselves—cannot be overlooked. Contributions, such as the Bank of Stanly's financial contributions towards training, or Concord Telephone Communication's \$50,000 donation towards the Stanly Community College (Stanley CC) Small Business Development Center (SBDC) prove the willingness of the community to invest in itself and rebuild its economy upon a foundation of small, local owned and operated enterprises. Stanly CC held its first REAL summer camp for high school students in 1998, the Stanly County REAL Youth Entrepreneurship Summer Camp. Such steps are important indicators of community interest in and support for programs that help build the local economy.

The positive effects of the program are also "real." Since 1993, REAL graduates have started more than 40 new businesses in Stanly County, creating over 80 to 100 new jobs for the local economy.

Strengths, Challenges and Replicability

The community's financial support and Stanly's leadership are the driving forces that maintain this program and contribute to strong outcomes. However, there are areas where the program could improve. An important indicator of long-term program sustainability will be how well the program trains its students to move with technological innovations, especially e-commerce and web-based business practices. REAL North Carolina (which coordinates and assists the program throughout the state) is introducing e-commerce modules and working on the development of an online REAL curriculum.

The REAL program is well-established across the country and highly adaptable to local circumstances. The Stanly Community College REAL program shows the particular success that comes from strong regional business support of the REAL concept.

For more information, contact:

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