



Appalachian
Regional
Commission

Entrepreneurship and Business Development Projects

This document provides specific guidance for **entrepreneurship and business development projects**. Applications may involve multiple activities as part of a single project; ARC encourages applicants to review the specific guidance for each type of activity included in an application.

All application guidance is grounded in the goals and principles of ARC's current strategic plan, which emphasize strategic focus, collaboration, sustainability, and measurable impact in ARC investments.

ARC invests in programs that support the development and expansion of entrepreneurial enterprises and business activity in Appalachia. These strategic investments will create and strengthen the ecosystems that provide broad-based support for business startup and growth, especially in distressed counties and areas. For entrepreneurs and businesses to succeed, they need skilled employees, robust support systems, the right types of investment, and engaged community leadership. With these fundamentals in place, Appalachian businesses can increase the number of high-quality jobs, build local wealth and contribute broadly to sustained economic and community development across the Region.

Generally, ARC categorizes these activities under Goal 1 of the Strategic Plan, however, entrepreneurship and business development activities may be components of projects under other goals.

Examples of possible entrepreneurship investments include, but are not limited to:

- Technical Assistance Programs for Entrepreneurs
- Entrepreneurship Education and Training Programs for Under-Resourced Populations
- Building Entrepreneurial Ecosystems by engaging local leaders and building community partnerships to create entrepreneurial communities
- Social Enterprise Organizational Development (e.g., workforce initiatives that produce income to continue program operations)
- Business Network Formation to maximize the efficient use of resources, skills, and capabilities for mutual success
- Place-based Business Development Strategies that Leverage Regional Assets
- Business Financing Programs/ Access to Capital

ARC's Access to Capital (ATC) Program

ARC has a separate program that utilizes various sources of funding for Access to Capital projects. There are guidelines and application requirements that are specific to ATC projects. Please see <https://www.arc.gov/access-to-capital-program/> for more information.

Key Principals of ARC Entrepreneurship and Business Development Investments:

As outlined in ARC's strategic plan, activities should be strategic, collaborative, sustainable, and impactful.

Strategic:

- Long-term strategic thinking is essential to transform assets into thriving communities and economies. How does the proposed activity fit within the ecosystem or fill a critical gap? What existing programs – public, private, and non-profit – provide relevant support to enterprises in the market area?

Sustainable:

More Information

For general guidance on how to develop a complete and competitive application for ARC project funding, all applicants should refer to the application framework and instructions detailed in the [Checklist for ARC Non-Construction Project Applications](#), the [Checklist for ARC Construction Project Applications](#) form, or the [Checklist for ARC Access to Capital Applications](#) as appropriate, available in the applicant resources section of our website.

Applicants should also consult their ARC State Program Manager*, their state's Appalachian Development Plan* and Annual Strategy Statement* for additional information.

*This information can be found [HERE](#) by navigating to the page and clicking on the appropriate state link.

- At the conclusion of the grant period, how will the program continue to deliver services? Typically, pro forma financial projections for several years are requested, clearly indicating sources of revenue and cost structure.
- As an initial step, ARC funds can be used to support the development of a business plan and financial projections for the proposed program or organization.

Collaborative:

- What partners will be involved in this activity? Possible partners include local or national business organizations, non-profit development groups, and key government offices.
- If the efforts focus on education and training, partners from the K-12 system, community college, or local university should be engaged. Projects that include technical assistance will likely need to involve private sector partners.
- Letters of commitment/support from strategic partners should be part of an ARC project proposal.
- Also, efforts to avoid any duplication of services from other existing organizations/partners should be addressed, specifically with existing SBDCs.

Impactful:

- Applicants should reference [ARC's Guidance on Performance Measures](#). Some examples of appropriate performance measures for entrepreneur and business development-based activities include number of participants served, number of businesses served, number of businesses started, number of jobs created, and the dollar amount of private investment leveraged as a result of the ARC investment.

Other Considerations

- Where appropriate, content from national studies on effective strategies should be incorporated into the project's scope of activities, including the use of advisory boards to leverage expertise, fundraising opportunities, and build additional networks.
- Applicants should demonstrate their organizational capacity and requisite expertise to deliver the proposed services. If consultants are to be engaged, what skill set must they have, and how will they be selected? If new staff are to be hired, job descriptions and qualifications are requested.
- Any application that involves the use of ARC funds to create a curriculum for a specific, targeted audience (e.g., youth, ESL students, artisans, on-line training) must demonstrate that a thorough review of the curriculum landscape has been conducted and can document that a clear product gap exists.
- The use of ARC funds as awards for a business plan competition is not encouraged, as it is prohibited to use ARC grant funds for payments to business owners. If an awards program includes the provision of technical services (e.g., marketing, engineering, legal) rather than a cash prize, the service providers must be selected using an open and competitive process. A description of that process should be included in the ARC application.

Helpful Resources:

- Center for Rural Entrepreneurship <https://www.energizingentrepreneurs.org/>
- One Million Cups <https://www.1millioncups.com/s/>
- IBIA International Business Innovation Association <https://inbia.org/>
- NACCE National Association for Community College Entrepreneurship <https://www.nacce.com/>
- NFTE National Foundation for Teaching Entrepreneurship <https://www.nfte.com/>
- Institute for Local Self-Reliance <https://ilsr.org/about-the-institute-for-local-self-reliance/>
- Association for Enterprise Opportunity (AEO): <https://aeoworks.org/about-us/>
- National Entrepreneur Center (NEC): <https://nationalec.org/>
- Kauffman Foundation Indicators of Entrepreneurship: <https://indicators.kauffman.org/>
- State Small Business Credit Initiative (SSBCI): <https://home.treasury.gov/policy-issues/small-business-programs/state-small-business-credit-initiative-ssbci>