

Fundamentals Course Homework

Session 2

In this session, we've discussed the idea of integrating the idea of social capital into a BR&E program. In my view, this is only strengthened by the Regional Enterprise Networks Start-Up Guide (February 2014) that is located in the link on the course website.

For this session, I'd like you to think about the ways in which you can strengthen the social capital within your organization through a BR&E program. I'm not looking for an exhaustive study on this, but rather some ideas or practices that you could implement in your program that would increase the social capital standing with regard to your area's existing businesses. Please try to keep your responses to one page.

Due by the beginning of the September 19th session.

Response #1

To me, economic development in general revolves around social capital, since economic development is all about relationships and collaboration. I work to build social capital in the following ways:

- Inclusion in our quarterly alliance meetings: No longer are our quarterly meetings solely for the North Houston Economic Development Alliance. I invite local business connections, college professors, elected officials, and more in addition to the alliance members. It is a way to network and share our work. I would like to take this method and expand it to include businesses that are visited as part of my BR&E program.
- Provide data: Currently, I provide market research services to businesses that reach out to me either directly or through my partners at the Lone Star College Small Business Development Center. I want to offer those services to each business visited in the BR&E program as well.
- Incorporate the LSC SBDC: As I conduct BR&E visits, I would like to make known the services of the LSC SBDC. Not only will sharing these services strengthen my social capital with the LSC SBDC, it will assist the businesses in how they can receive business advising.

Response #2

- Reach out to the businesses that have never had a conversation before.
- Form business sector teams in key industries to identify opportunities and challenges, develop problem-solving partnership, make plans and build strategies to encourage all businesses to work together.

- Recognize some common economic issues or develop an idea that more than one group or community cares or supports and host a forum or group discussion about this concept. In other words, when the topic is regarding policies or local economic strategies, it is a great opportunity for businesses to get involved and find a solution together.
- Encourage conversation among different types of businesses/ industries. This action will help different businesses understand each other better.
- Create an online portal for business members to have input about community issues and share experience, best practices, resources, and news.
- Form a regional or provincial network that cares about issues you care about. Organize regional, provincial and national meetings to discuss issues in different levels. Build external relationship and learn experience from other regions and provinces.
- Encourage businesses to find their own ways to give back to the community. For example, the existing business offers experience sharing and mentor training to other new businesses in the community. Help not-for-profit social services group by donating or volunteering. To participate municipality projects discussions by attending the council meetings or giving input.
- Build connection between the companies that are facing a problem and the companies who may have a solution. It will benefit both. Connect them and let the collaboration happen.
- Organize social networking events to bring all partners together.

Response #3

1. Having our organization (Western REN) being led by a board of directors who have extensive business experience themselves is one way that we increased our social capital standing right from inception. They must be from the private sector or be leaders in their field and have demonstrated their commitment to the region in order to best represent our broad regional interest. This simple fact already lends credibility and trust to our organization.
2. Confidentiality is a key component of what we do. Businesses are assured that their anonymity is assured even though we are collecting data.
3. When we speak with businesses, we assure them that we will be touching base with them again (and include a timeline) and invite them to contact us at any time so that they understand that we are there for them for the long haul.
4. Whenever we speak about or market/promote the Western REN we describe what we do as being:
 - **Inform**- curate and share regional economic information. We identify issues and gain available intelligence, including what has already been achieved or attempted.
 - **Connect** – create partnering opportunities specific to business and industry needs. We present the curated information and facilitate an industry- or issue-specific exploration.

- **Accelerate** – proactively uncover regional issues and catalyze partnerships toward shared resolutions. We bring identified challenges and uncovered solutions to sector groups and the Province of Nova Scotia for resolution.

5. As much as possible, our interactions with business are done face to face- including any BRE visits. We believe that the building of a relationship begins with a personal connection. We want them to know us as people they can trust and reach out to. Our second option for connection is by phone. We use email to transmit any requested data but try to keep our communications as personal as possible.
6. We work with trusted and established partner resource providers whenever we make referrals for our business clients.
7. We work on projects that have a collective impact and ensure that we report on all initiative to ensure transparency.
8. We celebrate Western Wins in our communication streams – website, newsletter, and social media channels.
9. We report back on an annual basis to our stakeholder in a variety of ways e.g. networking summit, presentations to partners etc...

Response #4

The key to creating social capital in my service area is to establish connections where they do not naturally exist. We have two environmental conditions going against us. One, we are in the metro Houston area, so many of our local employers, particularly the large companies, operate in a vacuum. They have little to no dependence on the local community for assistance. Two, we are in the unincorporated areas of Harris County with very little local governmental oversight. Hence, there's little to force a relationship between business and community.

I see this as a two-step process. I must think of all avenues where I think I could bring value to a local company where they may not have thought they connect with the local community or have taken the time to think about it. This could include local governmental permitting for both on and off-site requirements, local charities and causes that they may want to partner with, local or state transportation representatives for both road & bridge and mass transit, energy providers, local workforce education and training resources, etc. Once a list is prepared, create a personal relationship with one or two key, reliable representatives with those interests or agencies, with the understanding that they would agree to be called upon if a local business needed assistance in any of those particular areas.

The second step, would have that list at the ready upon site visits, and if an issue were to arise through the course of the conversation, you could deliver immediately, a name and a phone of someone who can help them with their problem. If the business is reluctant to ask for help or insists the local area has nothing to offer, then take time to offer suggestions with the hope that certain lightbulbs will go on.

If a BRE program could demonstrate to a local business there are reputable local resources and services who take an interest in the business and have something of value to offer, and inversely, if you can get that local business to more openly engage in the local community, whether it be on business to business level and/or on a social or humanitarian level, then the local community would more likely embrace

their presence. This would hopefully bridge a gap rather than it just being perceived as that big isolated corporation where people go to work.

Response #5

Social capital is a vital ingredient to any successful community program. The importance of social capital cannot be understated when it comes to a program being successful or not. From the people that are involved with it, to the people that are impacted by it, and the rest of the community buying into the concept these are all forms of social capital that need to be understood.

One way to increase the social capital within our program would be to get buy in from our elected officials. If they are fully supportive of the program, and perhaps even partake in the program as one of the volunteers that help with the interviews, it would show the city is behind the effort and serious about it. When you have people in high levels of the city that are involved with the project, it immediately provides an air of authority.

Our local Chamber of Commerce is quite well known and respected throughout the region. By working with the Chamber and taking some Chamber members as a part of the team would be beneficial. Several of the chamber members are people that are well respected in their business fields, have been in business for quite a while, or are recognized as businesses that give back to the community. Over the years the City has worked hard to create a great working relationship with the Chamber, which has built up our social capital with them.

Here in our community we have several groups of people that are recognized as leaders in the community. We have such group as the Jersey Village Women's Group, Jersey Village Senior Outreach, a dads group, and others. Each of these groups does good things in the community. When someone works on a project and says they are a part of the group it immediately gives some authority to the project. Outside citizens can see that one of the well-respected groups in the community are behind it, and that helps to build legitimacy.

In doing a bit more research on social capital it's interesting to note that "development of some types of land use patterns can increase individual interactions and build social capital" (Rowe, 2009). As local governments strive for economic development, this land use topic is vital to keep in mind. One of the best things local governments can do is properly zone for development that creates a sense of place for the community. When you can push towards a space that the community can gather in, it helps create social capital. That capital is realized by the business community, as they reap the benefits from having the citizens visit that space frequently.

It all comes down to the relationships that we build every day. Whether we are a local government official reaching out to constituents, an economic development coordinator trying to assist businesses, or an entrepreneur looking to grow your own company it is all about relationships. When you build a relationship you are gaining trust with that person. Mutual trust is the most important piece of social capital. It's what keeps the world moving forward.

Rowe, J. E. (2009). *Theories of local economic development: Linking theory to practice*. Farnham, England: Ashgate.

Response #6

Based on existing internal board relationships and EDP staff, utilizing their (board member) input early on would be critical to successfully creating social capital through the BRE interview process. I would evaluate board member status and industry experience and build strategic in person interview opportunities to make the process an immediate value add for our area businesses. Having a board member that's a plant manager, retail owner, airport official, etc, meet with targeted groups within the businesses industry profile would serve to demonstrate both the thoughtfulness of the EDP and it's concern not only the company's growth, but their input into how we can improve the overall quality of life in community as well.

Response #7

Response – Ideas and Practices to Implement

Magnolia, Texas (pop. 2083 in approx. 5 sq miles) BR&E Program

Engage:

1. City has a good sampling of residents, business owners, and community leaders on Boards; build a core group of leaders (3-5) from these to lead and organize a BR&E steering committee to:
 - a. Further identify and contact Stakeholders i
 - b. Invite the Chamber to be part of the process
 - c. Including the City's economic partners including: the Governor's Economic Development and Workforce offices, County judge and commissioner and Lone Star College and LSCS North Houston Regional Economic Development Center, and Central and East Texas Alliance (for economic development)

Analyze:

1. Find a survey that will work for us with modifications
2. Train the Committee with a consultant on surveys
3. Divide the City and ETJ into quadrants
4. Schedule business visits on a timeline/deadline
5. Provide a report to the City, community and businesses –
6. Involve PR beginning before the visits and ending with the report
7. Celebrate the end of the survey, even before the Visioning process

Vision & Implementation:

1. Make it short and specific in scope and goals
2. Define goals first with a one-day consultant to facilitate
3. Merge Survey data with goals and timeline for action
4. Create a list: one side Goals the other side, related action; make this no more than 5 items listed by priority
5. Assign City board members and partners specific actions to participate in over the next year until the Review; set the Review date
6. Celebrate by with an event that shares the Report and Vision/Implementation List with regional partners and the Media

Here in Magnolia, Texas we have started an Entrepreneur Group, a loose gathering of entrepreneurs at

our local brewery, established and operated by an entrepreneur. Involve them as well and maybe use this venue for celebrations.

Response #8

1. When visiting area companies build relationships, work to assist with any issues the company may be facing, connect them with area companies/individuals that can help them, try to get them involved with the Chamber of Commerce and other organizations.
2. Breakfast program – Invite community leaders to a breakfast hosted by the company where they can get face to face and talk about why they chose our community, the history of their company, what they do, future plans, etc. Ask your stake holders (board members/community leaders) to sponsor the breakfast.
3. Appreciation Luncheon – invite companies to attend a luncheon to thank them for being a part of the community. If possible give awards for community involvement, humanitarian acts, etc.
4. Show these companies some love – on occasion drop by with donuts or cookies with a nice note just letting them know that you appreciate them.
5. Don't just focus on the large employers. Try to incorporate the small family owned businesses as well.
6. Organize "After Hours" networking events. I prefer to not have an agenda and encourage everyone to just visit and get to know one another.
7. Workforce is a major issue for these companies. I started a Job Fair six years ago to aide in recruiting skilled employees and we began a Workforce Initiative in partnership with the local colleges, high schools, workforce solutions, chamber and area employers to figure out what the issues are and how we can come together to address them.

Response #9

As a state department, we have a variety of internal teams assigned to various aspects of community and economic development. We have a Community Development team who go in to communities and work directly with local municipal leaders and economic development organizations to connect them with a variety of beneficial resources and opportunities. We also have a Small Business Development team where that is their primary focus. Our BR&E team can build on the relationships established by other teams under the LED umbrella, but we are not the primary community relationship builders. We are not the ones they will see at every chamber function or community event – our local partners are. When I worked for a local economic development organization, that is exactly what I did. The BERG team hones in on the top "Economic Driver" companies across the state. We try to show ourselves as the connection to resources and solutions across state government (Revenue, Environmental Quality,

Transportation, etc.). We also help to connect businesses by creating customized programs such as Louisiana Business Connection that provides a platform for smaller businesses to bid on large projects with prime contractors, thereby increasing their networks and opening doors that may not have been opened to them otherwise. Through regular visits with companies, we help them come up with solutions to issues they may be having. We bring with us a “bigger picture” perspective and hopefully leave with them viewing us as a true partner in their growth and success.

Response #10

At LED we work directly with and rely on the support of our Regional Economic Developers and also Parish/County Economic Developers. The State is divided up into regions and each of these regions have a REDO. The State has 64 Parishes and some of these even have Parish Economic Development representatives. With the combined effort of my available resources, I essentially grow my social capital immensely and use it to my advantage when arranging calls, meeting or simply obtaining information at a local level. This becomes very advantageous when working through any issues at a local level.

I personally cover two regions in the State that encompass 14 Parishes and also have two additional Parishes. It is only with the combined effort of my REDO and Parish level economic partners that I could reasonably cover this many Parishes. I typically take the lead in scheduling my direct face to face calls with our economic driver companies. We work in conjunction with our REDO's and Parish EDO's so I typically invite them to join me and make joint calls. This also cuts down on the number of times per year that our economic driver companies are contacted by economic development organizations.

It is only with social capital that I am able to efficiently do my job to work toward expanding and retaining our existing economic driver companies.

Response #11

After reading and looking at different models of improving and strengthen you social capital. The 1st thing is to look at what we have been doing in this area. Examines the role that social capital plays in the organization. I need to really look at the material again

1. **Give your clients a personal call.**
2. **Call all the people who have referred business to you.**
3. **List people to stay in touch with,** Be very detail on all your notes so others can just pick them up and able to keep the project going.
4. **Follow up.** Keep following up with them. Really care about the answers they give you.

Response #12

Social capital is very important in having a successful BRE program. There are many things that our organization can do to increase social capital with our existing businesses. Each BRE professional should focus on increasing their network and the relationships with existing business. Personalized visits each year can increase social capital. In these meetings you can use information from previous interactions to have an additional connection to the business. Also, being educated on a particular industry for

conversation with a business can increase social capital. You can also increase social capital through social media and email.