BUSINESS RETENTION & EXPANSION INTERNATIONAL

Roles of Leaders

Local Leaders are the Key to a
Successful BR&E Visitation Program

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Success Factors

Pounding the Pavement by Karen Dickson

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Background

- Idea behind the continuous/segregated concept is that of "regionalism" or "clustering"
  - The whole is greater than the sum of the parts
- The idea behind the continuous/segregated network is that communities are able to develop more effective economic development strategies than silo efforts afforded
- This is a mindset change that involves
  - Understanding that the process that focuses on business needs
  - Convincing municipalities or counties to think about spillover effects; not just the "direct" effects that happen where the business is located
  - Localities having an "investment readiness" mindset

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Case in Point:
Nova Scotia REN Network Strength

- The continuous/segregated concept provides a state/province-wide mechanism for *focused* economic development
  - The stand-alone, silo approach to economic development has been proven to be not only inefficient, but also ineffective
- The continuous/segregated concept has process strengths
  - Common set of tools – common diagnostic tool that leads to common benchmarks and a work plan that allows the province to more effectively utilize its limited resources (Nova Scotia only)
  - Focused attention from the province that results in increased access to provincial resources
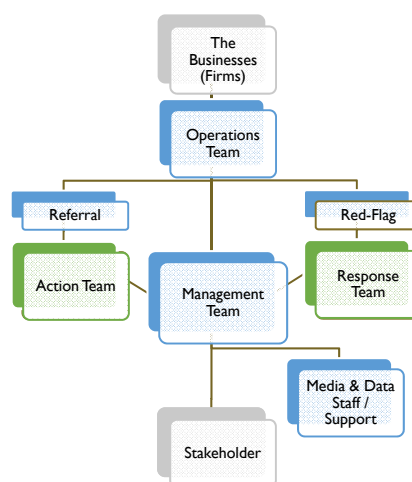 - Encourages local areas to think about a larger effort with greater results

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The Process

- The network requires a different mindset to be effective
- BR&E activities occur at the local level and are consolidated at the organizational and state/provincial levels
- This type of attitude change can result in:
  - Better identification of socio-economic trends affecting businesses
  - Better identification of business sectors that require special attention
  - More sound identification of companies/business sectors that are candidates for clustering and regionalism activities that require resources beyond the scope of local communities

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Remember the Features of the Continuous Process

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                    The
                  Businesses
                   (Firms)

                  Operations
                    Team

  Referral                         Red-Flag

 Action Team    Management        Response
                  Team             Team

                            Media & Data
                              Staff /
                              Support

              Stakeholder
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Blue: Internal Teams/Staff
Green: Partners
Grey: External

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Program Infrastructure

- The process coordinator or leader of the Management Team is responsible for the administrative functions and overall "health" of the BR&E program
  - Funding issues should be confined to management; the operations team should not be distracted with these issues
  - The process coordinator/Management Team Leader is responsible for assembling the other components of the program, particularly the Operations Team
- An important responsibility is the marketing/media relations staff to present an accurate picture to stakeholders and the community

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Responsibilities of Process Coordinator (also known as the Task Force Leader)

- Leading the Management Team and providing direction for the Operations Team
- Acting as the liaison for the program with stakeholders
- Determining the overall strategic direction of the program, including selection of business sectors
- Overseeing the infrastructure of the BR&E program, including resource procurement and allocation
- Recruitment and coordination of the Response Team
- Oversight of the yellow/red flag review process
- Action Team recruitment and engagement
- Oversight of marketing and communication activities

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Management Team (Task Force)

▸ The Management Team is the "executive" arm of the BR&E effort. Its roles include:

  ▸ Identifying and collaborating with Stakeholders to identify and document the overall strategic functions and evaluation of the program

  ▸ Determining the appropriate social capital creation and marketing functions of the program

  ▸ Overseeing the program's funding, staffing and administrative functions, particularly the development of the Operations Team

  ▸ Facilitating the identification of members of the Response Team to address red/yellow flag issues

  ▸ Facilitating the development and initiatives of the Action Team

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Stakeholders

▸ Stakeholders are crucial to the success of the program

▸ They should be the champions of the program and should represent the program to the overall community

▸ Should be a diverse group of 10-25 persons and include:

  ▸ Elected officials

  ▸ Educational institutions (both secondary and higher education)

  ▸ Business community

  ▸ Non-profits (particularly those concerned with workforce development)

  ▸ Other community leaders or interested groups

▸ Should have input into program direction and business sector selection

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Developing a Viable Approach

- Experience has demonstrated that a set of actions should be considered before full implementation of the program takes place.
- Developing a Bottom-Up program
  - Gaining a sense of buy-in from the community for this type of program is extremely important
  - It is important for the Management Team and the Stakeholders to demonstrate that this is not a replication of a previous program
  - It is important for the community to ascertain whether a similar program with the same goals has been previously implemented
  - The tool on the following slide is designed to demonstrate the need for this type of program in the local community

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Community Self-Assessment for BR&E Programs

	Agree	Disagree	Not Sure
At least 30 firms were visited	A	D	NS
Organized a local task force from a variety of backgrounds, including leaders from government, education, business and professional developers	A	D	NS
Had survey results analyzed by an independent analyst	A	D	NS
Had a research report with action plans for programs to help existing firms	A	D	NS
Task for decided on projects in the report	A	D	NS
Established an effective procedure for handling immediate business concerns	A	D	NS
Had a written report that listed leaders responsible for implementing each strategy	A	D	NS
Local task force met quarterly as part of the implementation effort	A	D	NS

Benefit to Program Leaders, Businesses and the Community

▸ A *mutual learning experience* should take place as a result of the program

▸ Enhanced *social capital* through *network building* will occur

▸ *SMART goals, objectives and strategies* is developed to enhance the business and economic environments

▸ The BR&E process is a *low risk, high reward process* if it is implemented "correctly"

▸ A *sense of caring* is shown by the community to local businesses

▸ The process can be *fun* to implement

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Marketing the Program

▸ Once the need for the program has been determined, it is important for the Management Team, in conjunction with the Stakeholders, to market the program to the local community and especially the local businesses

▸ The following slide contains a news release example that can help to inform local businesses about the BR&E Visitation Program.

  ▸ This sample news release can be found in the pdf file cd1605a.pdf.

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Sample News Release

News Release: Visiting Local Businesses

Beginning this week, *(number)* county industries will be given the opportunity to voice their opinions about the local economy and local state government as *(sponsor)* starts an economic development program.

The *(name of area)* business retention and expansion program officially begins this week as trained firm visitors meet with local industries to identify their needs and concerns, ask their opinions about local and state government, and determine in what ways the local business climate can be improved.

"The visits we are doing with local firms have four purposes," said *(name of local leader)*. "First, we want to show our local businesses that we really appreciate the contributions they are making to our local community. Second, we want to see if they have any local concerns, and if so, if there are any ways we can help. Third, we will be offering to help our local firms take better advantage of state and federal business programs. Finally, we want the businesses to help us set priorities on future directions of local economic development efforts."

The *(local sponsor)* is the local sponsor, while the *(name of organization)* is the state sponsor.

("Quote from the coordinator about the purpose of the interviews, or the importance of industries cooperating to make the program successful,") (name) said.

More than 25 states, several Canadian provinces and many other countries have developed programs similar to this one. Business Retention and Expansion International, an association for the advancement of business retention and expansion, was established in 1994 to encourage communities to work with their existing businesses. The *(name of state organization providing technical assistance/research support to BR&E)* has helped *(number)* of communities develop programs in *(name of your state)*.

Strategic Direction
Business Sector Selection

- With input from the stakeholder group, the process coordinator should develop vision/mission statements
  - The vision statement describes the environment that existing businesses should operate in over a time horizon (5 years)
  - The mission statement describes the capabilities of the program. The limitations of the program may be included by omission.
- Business sector selection should be made with careful consideration
  - All concerned groups should understand why certain sectors are selected
  - Chosen business sectors should contribute to the vision statement

Operations Team

- The Operations Team is the heart and soul of the BR&E effort – its roles **enable** the effectiveness of the program
  - Building effective relationships within the business community in order to initiate an effective BR&E **process** as possible
  - Initiating and undertaking site visits with firms to identify issues
  - Gathering, recording, verifying and analyzing data gathered from client visits
  - Maintaining a sense of the capabilities of the Action Team in addressing red/yellow flag issues and initiating efforts of the Action Team in addressing these issues
    - Communicating these issues with the Management Team so social capital with Stakeholders and the overall business sector can be improved

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Response Team

- The management team should be aware of potential yellow/red flag issues that can arise and understand the capabilities of area resources to deal with these issues
  - Develop an asset map of potential response team resources
  - The asset map could be used as an "expert system" of which resources can be accessed in times of crisis
- Identification of potential response team members is twofold:
  - The result of communication between the BR&E organization and other successful BR&E programs and local stakeholders
  - Knowledge of the Operations Team and Management Team members of the local community's resources

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Action Team

- The Action Team can be thought of as a "client services network" that is utilized to address non-immediate issues that are typically faced by the entire sector or the business community at large
  - As with the Response Team, an asset map of program/service providers can be utilized as an expert system to access business resources
  - Action Team members also have significant diagnostic capabilities to determine specific business/sector needs
- Referrals to the Action Team are made by the Operations Team with ***the explicit permission of the business*** (if the issue is company-specific)

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Skills Needed for the Process Coordinator Role

- Community Leader

- Basic understanding of the community…and of the local economy

- Ability to work with others

- Ability to understand the BR&E *process* and how this process can lead to an effective *product* for the community

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Resources for Local Leaders

- http://www.ag.ndsu.edu/ccv/publications/business-retention-and-expansion-visitation-fundamentals/view
- http://www.ag.ndsu.edu/ccv/publications/business-retention-and-expansion-visitation-fundamentals-appendix-a/view
- Certified BREI Project Coordinator – YOU!
- Universities or higher education (to aggregate and analyze research, write reports etc.)
- State/Provincial Economic Development and Community Development agencies

Questions

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