

Business Retention & Expansion

An Economic Development Strategy to
Work With Your Existing Businesses

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What is a BR&E Program?

BR&E programs include all efforts to encourage the retention and growth of a community's existing businesses

- Technical training
- Management seminars
- Identify local sources of inputs
- Improve labor/ management relations
- Reduce cost and improve the quality of local services
- Improve school/work relationships
- Retaining youth in the community

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BR&E Visitation Program

- The visitation program is a special type of BR&E program
 - The program surveys existing businesses to determine their perceived strengths, weaknesses, opportunities and threats – particularly as these apply to the local/provincial/state economic environment
 - Uses a standardized survey instrument to obtain specific information from existing businesses
 - Surveys are conducted by trained economic development professionals on a “continuous” or “segregated” basis
 - Analysis of survey responses provides insight to the removal of barriers and the enhancement of opportunities to business (and job) growth
- But the goal – outcome – is relationships!

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Why Implement a BR&E Visitation Program?

- Communities can't do it **all** (ask yourself “What is all?”)
- The process identifies needs of individual companies (Company Specific issues) and systemic issues facing all companies (Company Common issues)
- Prioritizes existing firm-related projects subject to the following types of criteria:
 - **The types of firms in the community**
 - **The pressures they face**
 - **Other local factors**

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What is a BR&E Visitation Program?

“... is an action-oriented process for learning about the concerns of local businesses and setting priorities for BR&E projects to address those needs.”

George Morse
University of Minnesota

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Basic Types of BR&E Visitation Programs

- **Traditional or Volunteer Visitor**
 - Uses volunteer visitors from the community to survey the businesses; process is entirely community driven
- **Paid Professional**
 - Community drives the process, but a paid professional surveyor is used for the business visits
- **Segregated**
 - Economic development professionals develop and implement the process, but a community plan is the key process goal
- **Continuous**
 - Economic development professionals develop and implement the process, but the goal is focused on relationship building with the business

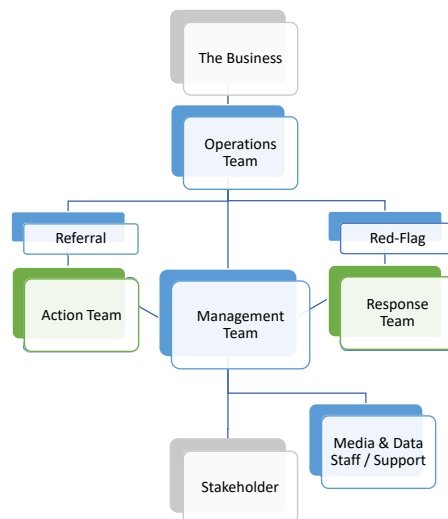
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Continuous/Segregated Process Key Features

- **The process is comprised of three main process sets**
 - **Internal Processes** – management team, account executives
 - Management team – facilitates the overall process
 - Account executives – responsible for firm visits and response/referral team interactions
 - **Partnership Processes** – response and action teams
 - Response Team – addresses red, yellow, and green flag issues arising from the diagnostic visit
 - Action Team – the “client services network” that provides programs and tools to BR&E clients
 - **External Processes** – businesses and stakeholders
 - Businesses – the primary beneficiaries of the BR&E program
 - Stakeholders – those in the community with an interest in the local economic environment

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Continuous/Segregated Process Key Features



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

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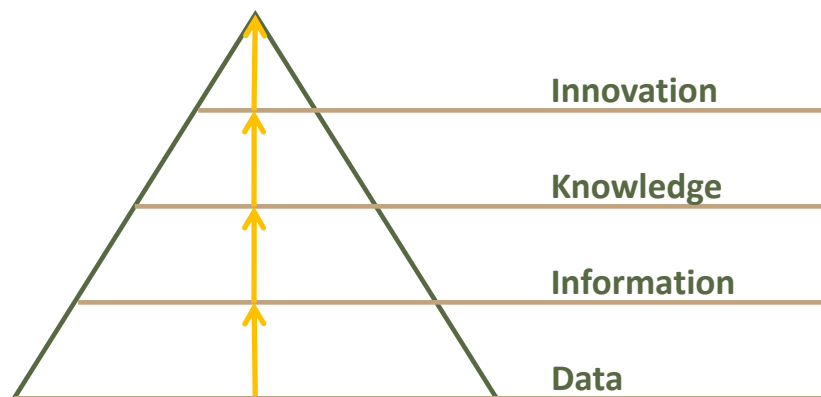
Continuous/Segregated Process Key Features

- Grassroots program with local buyin
- The local EDO plans and organizes the program
- Economic development professionals (account executives) visit the firms
- The program builds linkages and networks
- The stakeholders have a greater understanding of the local economy
- Followup is built into the program process
- BR&E programs plan for something to happen
- The program responds to the weaknesses and threats identified in the survey
- Business-specific solutions
- Local economic environment issues are addressed

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Continuous/Segregated Process Key Features

This type of activity can move the local development office up the innovation pyramid



Source: Steve Deller, University of Wisconsin. NACDEP presentation, 2010.

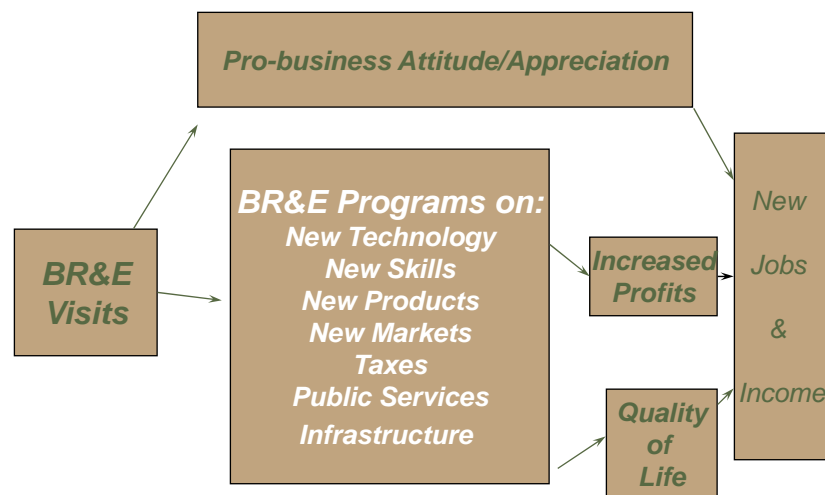
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Objectives of the BR&E Visitation Program

- Demonstrate to local businesses that the community appreciates their contribution to the economy
- Help existing businesses solve problems
- Assist businesses in using programs aimed at helping them become more competitive
- Identify and address issues that face all businesses
- Develop strategic plans for long-range BR&E activities
- Build community capacity to sustain growth/development

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From BR&E Visits to Jobs



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BR&E Program Components

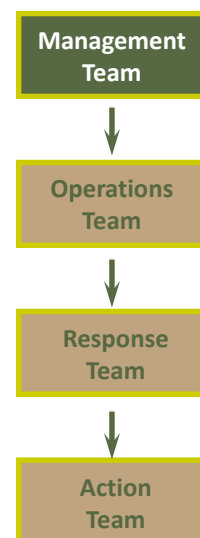
- Management Team
 - Develops and implements overall program
- Operations Team
 - Surveys businesses and builds relationships
- Response Team
 - Develops strategies for immediate crises
- Action Team
 - Addresses specific and common business issues



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BR&E Program Components

- Management Team
 - Develops and implements overall program
 - Primary liaison with stakeholders
 - Comprised of the program manager or director and support staff



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BR&E Program Components

- **Operations Team**

- Surveys businesses and builds relationships
- Implements the program designed by the management team
- Establishes initial contact with businesses
- Conducts follow-up visits with businesses
- Primary liaison with the Response and Action Teams
- Primarily composed of the Account Executive(s)



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BR&E Program Components

- **Response Team**

- Develops strategies to address immediate crises
- Specific membership is formed based on yellow/red/green flags identified through business surveys
- Membership must be prepared to address specific issues in a timely manner



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BR&E Program Components

- Action Team
 - Addresses common and specific business issues
 - Membership is usually more stable than that of the Response Team
 - Works with the Operations Team to identify specific issues that arise and program partners that can address specific issues



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BR&E Program Process

Firm Visits – Operations Team

Immediate Follow-up – Operations and Response Teams

Data Analysis – Operations, Response and Action Teams

Implementation – Action Team with overview by Operations Team



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Who is Involved in a Visitation Program?

LOCAL PLAYERS

- Stakeholders
 - Elected leadership
 - Employees
 - Economic development organizations
- Businesses
- Management Team
- Operations Team

RESOURCES

- BREC/BREP
- Regional Economic Network
- Universities
- Utilities
- Other

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Factors Influencing the Degree of Success

- Adoption of strategic planning methods/process
- Listing of individuals who will take responsibility
- Length of time between report completion and project implementation/completion
- Participation
- Having an adequate complement of resources
- Presence of full-time professionals in the community
- Effective program evaluation/accountability

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Questions

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