

Sustaining Existing Businesses

Exploring Opportunities for a Stronger Regional Economy



Outline

- Why focus on existing businesses?
- What is Business Retention and Expansion?
- How does the process work?
- Where can I get support/assistance to initiate a BR&E strategy in my region?



Why Focus on Existing Businesses?

	Creek		Lincoln		Payne		Region	
	2010	2013	2010	2013	2010	2013	2010	2013
Jobs by Establishment Type (in thousands)	26.5	28	10.3	10.3	50.8	61.2	87.6	99.5
Resident Businesses	80.7%	78.5%	81.0%	78.6%	82.3%	82.3%	81.7%	80.8%
Nonresident	11.9%	12.5%	8.8%	8.0%	9.1%	9.0%	9.9%	9.9%
Noncommercial	7.3%	9.0%	10.2%	13.4%	8.6%	8.7%	8.4%	9.3%
Jobs Gained (in thousands)	2.2	2.8	1.2	1.1	3.1	9	6.5	12.9
New Startups	71.8%	57.6%	75.8%	71.5%	63.6%	86.2%	68.6%	78.7%
Expansion Startups	4.0%	10.3%	3.1%	8.6%	3.9%	2.9%	3.8%	5.0%
Expansions	14.7%	18.1%	15.9%	17.4%	27.5%	10.4%	21.0%	12.7%
Move in	9.6%	14.0%	5.2%	2.5%	4.9%	0.5%	6.5%	3.6%

Source: <http://www.youreconomy.org>



Our Region

1. What economic development practices does our region (or communities within the region) use for economic development?
2. What impact do these practices have on existing businesses?
3. Based upon the discussion, what implications/inferences can be made regarding these practices and job creation?



What is Business Retention and Expansion?

A BR&E Program:

- **Assists** existing businesses in their survival and expansion.
- **Is driven** by feedback from business owners and managers.
- **Is proactive** in maintaining a vibrant local economy and assisting existing businesses to grow.



What is Business Retention and Expansion?

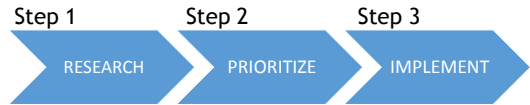
What benefits accrue to a region conducting a BR&E program?



How Does the Process Work?



Three Major Steps



Step 1: Research

- **Organize** a leadership team.
- **Develop** interview guide/visitation survey.
- **Recruit** and train volunteers.
- **Visit** businesses.
- **Tabulate** data.



Step 2: Prioritize

- **Identify** "red flag" items, those needing immediate response (or can be quickly addressed).
- **Analyze** interview data.
- Hold a leadership retreat to **prioritize** projects.
- **Design** priority projects.
- **Draft** reports describing survey results and priority projects.
- **Host** a regional meeting to announce projects/implementation.



Step 3: Implement

What types of projects get implemented?

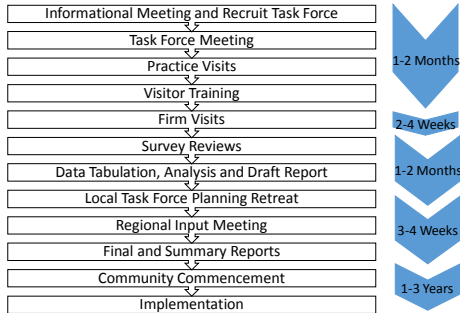


Step 3: Implement

- **Develop** project teams and commence work on projects.
- **Sustain** leadership.
- **Provide** updates on projects to the region .
- **Evaluate** projects.
- **Sustain or conclude** the BR&E program.



Timeline



What Resources Are Required?

- Leadership
- Volunteers
- Organizational capacity
- Analytical capacity
- Commitment/buy-in from businesses, governments and residents
- Funding



Summary of Estimated Time Commitments

Participants	Number of Participants Per Program	Total Hours Per Person	
		During Visits and Planning Phase (4 to 9 months)	During Implementation Phase (1 to 2 years)
Local Citizens and Leaders			
Overall Coordinator	1	70	40
Other Leadership Team Members	3-4	45	30
Task Force Members	25-30	20	20
Volunteer Visitors	25-30	10-20	0
Firm Owner/Operators	30-100	1-3	0
Technical Assistants			
BREI Certified Coordinator or Professional	1	100	30
Computer Technician	1	25-45	0
Report Writer	1	100	0



Regional Assessment

- Are we ready to take on a BR&E program?
- If not, where do we need to focus our efforts to get ready?



Where Can the Region Get Assistance to Initiate a BRE Strategy?

- SET State Resource Team
- Business Retention and Expansion International
 - <http://www.brei.org>



Questions?



