Effective Business Retention & Expansion
(On a shoestring)

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August 21, 2013
What’s in store?

- BR&E background
- What you need to get going
- What your objectives should be
- Steps in the process (*quick overview!*)
- FAQ/ Q & A
- Case studies
- New ideas
  - ESOP/ Succession Planning as a Strategy
What is BR&E anyway?

- A strategic focus on helping existing businesses stay & grow
- Whatever you want it to be, so long as the goal is to aid your local firms
- Less of a project, more of a long-term commitment (you’re never really DONE)
And... why do we care?

- Most new jobs & investments come from existing firms
- They’re already here & have made commitments to the community
- Your best companies are another community’s prospects
And... why do we care?

- If they’re not already, they should be your FRIENDS!
- Best ROI out there
- Mandatory component on CECd exam
But what about bringing new businesses to town?

- The three-legged stool
- Good BR&E leads to good attraction
- At the end of the day, prioritize your resources
- Make BR&E sexy if you need to!
The Three-Legged Stool

Grow from the dirt (entrepreneurial/ small bus. development)

Grow what you have (BR&E)

Bring in new (recruitment/ attraction)
Lots of ways to get there…

- Using third-party software & professionals
- Using outside resources
- Dedicated staff & original platforms
- E-mail, web-based, snail mail, fax, phone calls, etc.
What you need to get started…

- Broad-based community support
- BR&E as a part of a plan somewhere
- Someone willing to spearhead, coordinate, etc. (staff)
- Partners, partners, partners (volunteers)
Who can lead/ partner?

- Chamber of Commerce
- City or County or State agency
- EDC
- Community College or University
- Employment agency and/or WIB agency
- SBDC
- Main Street program
Your objectives…

- Demonstrate to local businesses that the community appreciates them
- Help businesses solve problems
- Assist businesses in using programs aimed at helping them become more competitive
- Anticipate issues & trends, develop strategies to address
- Looking for “Red Flags”
Your objectives…

- Identify firms poised to expand
- Develop collaborative relationships
- Identify opportunities to attract support businesses
- Get into the mind of the CEO (industry knowledge)
- You get to know them; they get to know you
The basics of this approach

- Volunteer-driven (with staff support) business visitation & survey program
- Gather data, solve problems, build relationships
- No real “right” or “wrong” way to do it; needs to work for the community
  - There are MORE or LESS effective ways!
The basics of this approach

Benefits of this method:
- Low cost
- Builds relationships
- Gets the community involved

Downsides of this method
- Less control over the “professionalism”
- Usually not feasible to do annually or ongoing
- Inconsistencies in quality and capacities
Steps in the process:

1. Orientation
Steps in the process:

2. Selection of firms, survey & visitors
Steps in the process:

3. Volunteer training
Steps in the process:

4. Firm visits
Steps in the process:

5. “Red Flag” meetings & follow-up
Steps in the process:

6. Survey Analysis & summary report
Steps in the process:

7. Retreat for Setting Priorities
Steps in the process:

8. Community Commencement Meeting
Steps in the process:

9. Implementation of Priority Projects
Now What? Potential next steps…

- Facilitate expansions with government agencies, land/building owners, real estate brokers, developers
- Provide marketing assistance; export/import
- Interface with workforce development agencies
- Match suppliers & buyers
- Create a business forum
- Cluster development
Now What? Potential next steps… (cont.)

- Identify need for properly zoned land/buldings at the community level
- Opportunities to interface with local government on permitting processes; Red Tape Removal
- Identify ambassadors for community marketing projects
- Use your network & connections to help solve problems
FAQ

How often should we do surveys?
- Probably every 2-4 years; annual surveys are not feasible in most communities; less formal/ intensive can be done more frequently

How do we choose which firms to visit?
- Depends on community needs & issues; ideally, survey firms that have the ability to make the most significant impacts
- Target firms you know you can assist & firms that have an impact
FAQ

How much does it cost?

- For most programs, the survey and report are the largest, if not the only, real expense – assume around $5,000+
- Budget will be more if doing extensive annual meetings, award programs, business breakfasts, reprinting of reports, etc.
- If an agency isn’t offering its staff, there will be real staffing costs (don’t neglect this cost!!)
Case Studies

- Grants Pass/ Josephine County, Oregon
  - 1998-present
  - Handout

- La Grande/ Union County, Oregon
  - 2011-12

- More on UMN website
So… What’s New?

1. ESOP & Succession Planning (more to come…)
2. Economic Gardening
3. Data-driven & research services
4. More of an on-going professional science
5. Trade shows
6. HPECs
7. Intermediary marketing
8. Social media (& “old” media); create buzz
THANK YOU!

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