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SECTION 1: INTRODUCTION

Welcome to Ohio State University Extension's Business Retention and Expansion (BR&E) Initiative, a program sponsored by OSU Extension and managed by the Department of Agricultural, Environmental, and Development Economics on the Columbus campus of The Ohio State University.



Since the program's inception in 1986, more than 170 BR&E programs have been conducted in 79 of Ohio's 88 counties.

This *Handbook* (8th edition) is a hands-on, ready reference guide designed to assist your community in meeting its economic development goals. To the greatest extent possible, the *Handbook* is organized in sequential order, describing the major parts of a local BR&E program. It references many of the ready-made worksheets, cover letters, meeting agendas, and other materials to help you conduct a local BR&E program that are located at the "For Our Members" web site (<http://localecon.osu.edu>).

When BR&E became a focus of OSU Extension programming efforts in 1986, relatively few communities had full-time economic development professionals. Appropriately for that period, the program consisted of a step-by-step BR&E formula designed for community volunteers with little or no formal training in economic development strategies.

Today, many communities have economic developers on staff or they provide funds for local economic development organizations that have full-time staff. Such individuals are paid professionals, trained and experienced in local economic development. Rather than basic training following a step-by-step formula, what they seek now are tools and solutions with the flexibility to address problems in their communities. In recent years, they have increasingly sought assistance in the form of a "BR&E menu of options" rather than a generic formula to be followed by every community.

In response to the changing needs of the economic development profession, the BR&E program of today offers a set of resources and tools that can be adapted to fit the needs of communities and the skills and interests of local economic developers.

Our overarching goal is to assist you in monitoring and analyzing your local economy as it is today, and to use this information as a basis for identifying, designing, and implementing strategies to improve your local economy. We believe that your existing businesses and the existing workforce are the best barometers of how your community functions as a place to do business and as a place to live and work. Perhaps more importantly, research has shown that when new jobs are created, nearly 80 percent of the time they are created by existing businesses.

The BR&E Initiative provides the tools, resources, and training to help you read the local economic barometers on a regular basis and to help you use this local knowledge to set and achieve economic development goals. The bottom line — accurate local knowledge is a vital ingredient in creating self-sustaining community economies.

Please direct any questions about the program or this *Handbook* to:

Gregory A. Davis
Associate Professor and Leader,
Community Economics and Business Programs
Department of Agricultural, Environmental,
and Development Economics
The Ohio State University
231 Agricultural Administration Building
2120 Fyffe Road
Columbus, Ohio 43210-1066
Phone: (614) 292-6356
Fax: (614) 292-0078

Visit our web site at: <http://localecon.osu.edu>

SECTION 2: PROGRAM OVERVIEW

This program provides training, tools, and resources to assist you in strengthening your community's economy. The long-term goal of many communities is to stabilize and manage the local economy, while at the same time improving quality of life. This program can help you achieve this goal by developing and implementing a strategy to build a database of information that identifies the strengths and weaknesses of the local economy. Once armed with this information, you can implement data-driven strategies and make more informed community and economic development decisions.

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PROGRAM GOALS

A local BR&E program is typically part of a broader economic development effort that encompasses the retention and expansion of existing enterprises, as well as the attraction of new businesses (Morse, 1990). A key element of the program is a survey designed to provide valuable information for and about existing businesses within one or more industry sectors (Harmon, 1990).

Depending upon the objectives of the program, the focus of your survey may include: business health, workforce development issues, customer needs, or residential concerns. Most BR&E survey programs share similar long-term goals:

1. To implement a plan for action for retention and expansion of existing businesses and the workforce
2. To increase the competitiveness of local businesses
3. To create a narration of the local economy

Together these goals enable local economic development and community leaders to identify and address issues and opportunities that affect their local economy and the competitiveness of existing businesses. Some can be acted upon immediately. Others, which represent broader issues, are identified as “policy problems.” Policy problems often require a fundamental shift in the way things are done in the community. To address these problems, a plan for action can be helpful in identifying what will be done, who will do it, and when it will be done. We discuss this plan in greater detail in Section 9.

PROGRAM BENEFITS AND OUTCOMES

A BR&E program requires time and effort to listen and respond quickly to the issues, concerns, and suggestions of local businesses and the workforce. This can promote a pro-business climate in the community. It also establishes and improves relationships among businesses, residents, and community leaders.

An invaluable product of the survey process is the establishment of a database that focuses on existing businesses and the local workforce. This information can be used for community marketing materials and for tracking changes to key community indicators over

time. Such trend analyses are also a common part of community strategic planning efforts.

In addition, a BR&E program fosters improved relationships among local development organizations and individuals. This coordination may lead to more effective communications and long-term working partnerships resulting in more cooperative policy and decision-making. In short, it can help you do your job better. Finally, the BR&E survey process serves to build community capacity. This program provides your community the tools and resources to plan, develop, and successfully execute a continuous BR&E program that integrates local knowledge with economic data for use in planning and policy-setting for economic growth and sustainability.

The outcomes described above are measurable and we encourage you to do so. Identifying the extent to which your efforts are identifying issues, improving relationships, developing capacity, and creating/retaining jobs informs you of program progress. Such information is also useful in allocating resources to where they are needed most. You can find a range of program evaluation tools online at the “For Our Members” section at <http://localecon.osu.edu>.

KEY PLAYERS

While narrating the local economy and gathering data to better inform economic development strategies can be effectively undertaken by one or two local development professionals, the development of community capacity to better understand the local economy is best achieved by involving a variety of community stakeholders. Some of the most successful BR&E programs have relied on teamwork among a multitude of community organizations and individuals. To develop community capacity and distribute the workload, we strongly recommend you create a BR&E Task Force to assist the overall coordinator of such an effort. The key players in a local BR&E program are described in the following.

Coordinator

The Coordinator is responsible for managing all aspects of the program. Many communities opt for



a co-Coordinator or shared Coordinator role to distribute leadership responsibilities. Turn to Section 3 to gain a clearer sense of the duties and responsibilities of the Coordinator.

BR&E Task Force

The BR&E Task Force typically consists of 8 to 15 community leaders. Broad representation from agencies involved in community and economic development, educational institutions, local government, and private enterprises strengthens the ability of the Task Force to address the myriad of issues that are often identified via the dialogue with business. The duties and responsibilities of the Task Force and how to go about creating one are outlined in Section 3.

Participating Businesses

Of course, the most important participants in your BR&E program are the local businesses. The business owners, CEOs, or managers who agree to take time out of their busy schedules to complete questionnaires and/or participate in a visit from the Task Force should be recognized in BR&E reports and in community communications, such as press releases and newsletters. Whether the population of concern involves businesses, residents, or consumers, for example, you need to remember to recognize them for their willingness to foster improved relationships via the BR&E process.

The BR&E Initiative

Each local program conducted in partnership with the BR&E Initiative works with OSU Extension representatives who are available as a source of guidance throughout the program. These representatives are also available to provide information and training to the Task Force. In addition, resources and materials used in conducting a BR&E program such as questionnaires, forms, and report templates, as well as workshop registration and information, and other useful links are available online to you as a member of the BR&E Initiative at <http://localecon.osu.edu>.

LOCAL PROGRAM OBJECTIVES

Prior to launching a BR&E program, the Coordinator and Task Force members need to answer some key questions that will guide your efforts:

1. What are the goals of the BR&E program? Do these mesh with goals of the community?
2. How is “community” defined? Who will we include in our BR&E programming efforts?
3. How will the information be used? What is the role of each Task Force member?
4. What business sector(s) and/or issue(s) will be targeted?
5. What survey format will be used? Mailed questionnaires, business visits, both? Monthly or quarterly surveys, or once per year?
6. How will the results be communicated and to whom?

Addressing all of these issues upfront is critical to the success of the program. Doing so will help determine which organizations will sponsor and fund the program, how results will be communicated to the public, and how to interpret the data. This step is also critical in helping you identify the survey methods to be used (mail, in-person visit, Internet, etc.), how often data will be collected, and who will manage and analyze the data.

BR&E program objectives vary from community to community, and most programs have more than one. You should establish short-term and long-term objectives that can be easily measured in the early stages of your BR&E program. They may include the following:

Sample Long-Term Objectives

1. Building a pro-business climate within the community
2. Collecting and analyzing data about existing businesses and the local workforce to develop a better understanding of the local economy
3. Surveying residents for an analysis of the work skills, concerns, and future plans of the local labor force
4. Educating the community about the local economy

Sample Short-Term Objectives

1. Assisting businesses by addressing their immediate issues and concerns
2. Identifying businesses that are planning to close, sell, move, or expand
3. Identifying community services that need improvement
4. Collecting market data as part of a grant application or planning process
5. Developing local market statistics and information for attraction and community marketing
6. Establishing process for continuous dialogue with businesses