THE OHIO BUSINESS RETENTION & EXPANSION INITIATIVE
DATA ANALYSIS & REPORTING STRATEGIES

MODULE 4 - Nancy Bowen, OSU Extension, Van Wert County
LEARNING OBJECTIVES

• Identify a five-step process to evaluate, analyze, and report BR&E results

• Use BR&E survey results and data to respond to community economic needs

• Make use of reporting and communication strategies to “tell the local economy story”
FIVE STEP PROCESS

1. Perform a “risk assessment” — Red Flag issues

2. Analyze survey results to identify trends and competitive advantages

3. Blend findings and draw conclusions

4. Write report and develop presentation geared to “general audiences”

5. Present and report findings
STEP 1: IDENTIFY RED FLAG ISSUES

• Quickly evaluate each survey upon receipt or at conclusion of interview

• Situations requiring immediate community response
  – Is the company at risk for downsizing, closure, or relocation?
  – Is there evidence the company is considering expansion locally or elsewhere?
  – Has the company’s commitment to the community changed significantly?
DEVISE IMMEDIATE STEPS

• Team to decide on immediate action
• Review prior years’ red flag issues and how handled
• Inform resources (rapid response, etc.) to coordinate next steps
• Schedule follow-up meeting with company and resource options
STEP 2: ANALYZE RESULTS

- Sort responses by sector/characteristics
  - Size
  - Industry
  - Location (city, home-based, downtown)
  - Market

- Sums, averages, and percentages are the most informative ways to present data
  - Companies spent a total of $650,000 on training last year
  - Average retail company responding has 4 employees
  - 63% of respondents said they had difficulty getting city permits
LOCATION QUOTIENT ANALYSIS

• Location quotient analysis can help identify industry clusters in a community. A cluster is identified if it has a relatively large share of employment in comparison with the nation on average.

• BR&E analysis can focus on one or more clusters to draw conclusions about collective strength and trends.
HOW TO CALCULATE LOCATION QUOTIENTS

- Calculate the percentage of local employment in a particular sector (manufacturing can be a major sector)
- Calculate the percentage of national employment in that same sector
- Divide the percentage of local employment by the percentage of national employment in the same sector

Location Quotient = \( \frac{\% \text{ of local employment in sector}}{\% \text{ of national employment in sector}} \)
MANUFACTURING CLUSTER EXAMPLE

• Cluster includes manufacturing of fabricated metal products, stone, glass, clay and concrete, apparel, and other finished products.

• In Van Wert County, this cluster had a VERY strong LQ of 2.4, showing a strong concentration in manufacturing, basic jobs.

• The cluster currently employs about 4,500 people. There are 50 manufacturing establishments in the county.

• Diversification is necessary to weather downturns in the automotive industry. The manufacturing mix is heavily tied to auto.
STEP 3: BLEND FINDINGS & DRAW CONCLUSIONS

• **Business investment — a must include!**
  – How many and percentage of respondents will modernize or expand?
  – How many net new jobs are being created in the next three years?
  – Does the company plan a move or any other major change?

• **Look at results in the context of overall community development**
  – Expansions, number of employees
  – Education/type of training needed
  – Opportunities for potential new industries
  – Locally tied purchases
DRAW CONCLUSIONS

• List comments, particularly recurring, that identify opportunities or potential problems

• Pick out hot button local issues
  – Training needs
  – Logistical or traffic issues
  – Community or services issues (roads, snow removal, etc.)
  – Quality of life (school, hospital, downtown)
  – Search for competitive advantages brought out by companies (use as testimonials)
STEP 4: WRITE SURVEY REPORT & DEVELOP PRESENTATION

• Summarize conclusions in *Survey Gold*
  – Summary report format is great
  – Use graphs and charts
  – Highlight major findings
  – Emphasize the positive
  – Search for competitive advantages brought out by companies (use as testimonials)

• Review draft report with BR&E committee
  – Brainstorm action items based on conclusions
  – Select what to include in PowerPoint presentation
  – Discuss communications strategy
CUSTOMIZE PRESENTATION

• Purpose of BR&E

• Brief overview of methodology and number of respondents

• Who participated on the BR&E Task Force

• Specific local business examples — with permission

• Follow-up of action items from previous year
STEP 5: PRESENT & REPORT FINDINGS

• Post findings on web site

• Press release to all media
  – Provide highlights
  – Include action items
  – Contact information, available to present

• Present highlights to public
  – Attend and speak at as many civic meetings/groups as possible
EXAMPLE IMPACT HIGHLIGHTS

• **Retention.** BR&E efforts resulted in the retention of at least 750 jobs and 16 businesses in the county.

• **Expansion.** Approximately 90 percent of the businesses own or lease sufficient property to renovate or expand their businesses. About a third of the firms surveyed are considering renovation or expansion.

• **Establishment of a new service.** A need was identified for an LPN to RN training program, which graduated its first class of 25 students in 2005.

• **Response to an emergency.** Disabled employers represent lost jobs and payroll. The BR&E Initiative provides the impetus to respond because relationships have already been established.
ACTION PLAN OBJECTIVES

- An action strategy that specifies tasks needed to meet the objective
- Who will implement the action
- When the actions will be undertaken
- What resources are available to assist in the implementation
ACTION PLAN DEVELOPMENT

• Purpose of the Action Plan is to develop short- and long-term recommendations and actions to support BR&E and overall community and economic development efforts in the community.

• Each objective of the plan includes an action strategy that specifies tasks needed to meet the objective, who will implement the action, when the actions will be undertaken, and what resources are available to assist in the implementation.
Retain, expand, and attract businesses; improve infrastructure; develop partnerships; and strategically lead for your community’s future. Call the Ohio Business Retention & Expansion Initiative today.

Nancy Bowen, CEcD
Assistant Professor
Community Economic Development Educator
Ohio State University Extension, Van Wert County
419-238-2999
Nbowen@cfaes.osu.edu
www.vanwertcounty-edg.com
http://localecon.osu.edu