



A COMMUNITY APPROACH TO ENCOURAGE LOCAL BUSINESS SUCCESS

Community Leaders' Business Retention and Expansion Program (BR&E)

WHY BUSINESS RETENTION AND EXPANSION?

A healthy and vibrant local economy depends on the well-being of a community's existing businesses. Thus, efforts to help local businesses survive and grow in the local community are key to successful economic development. The community benefits because:

- Researchers estimate that existing businesses create 86 to 31 percent of all new jobs.*
- Businesses that stay competitive are more likely to remain in the community – and possibly expand.
- Keeping an existing business is often easier and less costly than recruiting a new business.
- Businesses considering coming to the community will talk to existing businesses. Odds for attracting new businesses are better if existing ones are happy with the community.

WHAT ARE THE BENEFITS OF THE COMMUNITY LEADERS' APPROACH?

Economic development efforts often require action from many community players. Without community consensus, economic development stalls. Our program (established 1990) is a proven approach for involving the community and building consensus to move forward. University of Minnesota Extension provides facilitation, technical assistance, training, and applied research to help communities assess business concerns, understand the structure of the local economy, set priorities, and implement projects that will help make communities more vibrant. We



recommend the complete BR&E Strategies Program package for Minnesota communities. It is described below on pages 2-4. We also have materials, tools and applied research services available (listed on pages 4-5). We once again offer a BR&E course with the next class starting January 2014. The course is a convenient "blended" format that combines in-person with online learning. Participants gain the skills needed to lead a Community Leaders' BR&E program. See the BR&E Course section on the website for more information.

WHAT GOALS AND OBJECTIVES CAN A BR&E PROGRAM ACCOMPLISH?

Short Term

- Demonstrate Community Support for local businesses.
- Help solve immediate business concerns.

Long Term

- Build community capacity to sustain business growth and development through creation of a broad-based coalition.
- Increase local businesses' ability to compete in the global economy.
- Establish and implement a strategic plan for economic development.

WHO IS INVOLVED IN A BR&E PROGRAM?

A Leadership Team introduces and promotes the program in the community, coordinates task force meetings, and organizes immediate follow-up.

A Local Task Force engages a broad-based group of local leaders, including representatives of economic development organizations, chambers of commerce, business, government, and educational institutions.

Business Visitation Teams are leaders from the task force and community. Each team has two members and visits two to four businesses.



WHAT IS THE FOCUS OF BR&E PROGRAMS?

University of Minnesota Extension has worked with communities to complete programs in rural, urban and suburban areas throughout Minnesota. BR&E initiatives have focused on urban corridors, single cities, groups of cities, counties and regions. Previous programs have focused on manufacturing, mixed-sector businesses, agriculture, tourism, and ethnic minority businesses. Future programs could focus on these businesses or others.

Diagram 1 illustrates the three steps that result in successful business retention and expansion.

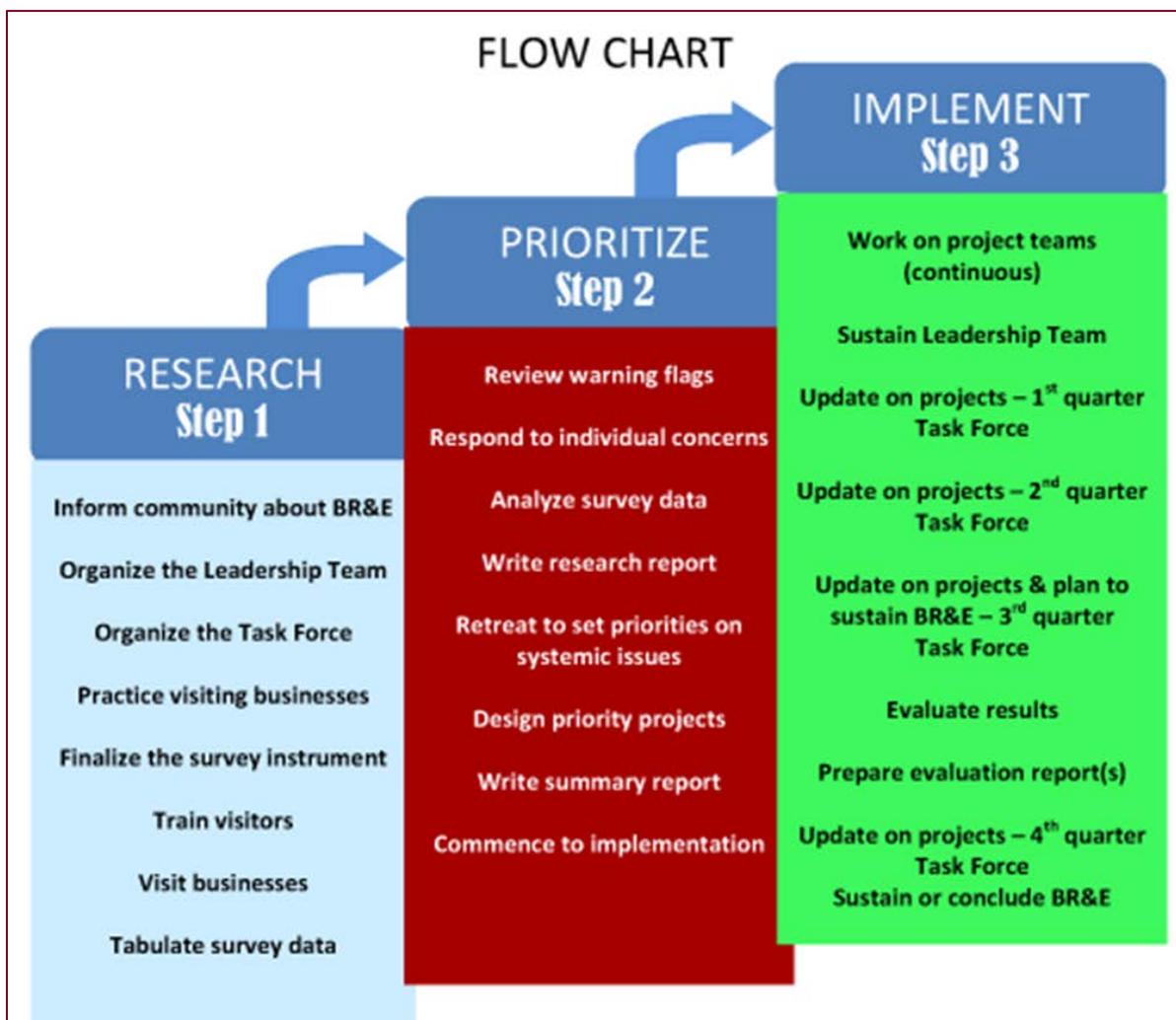


Diagram 1. Three Steps to Business Retention Strategies Program

Research

- Community leaders form a team that plans and conducts the BR&E Strategies project.
- Visitation Teams learn how to use a proven survey instrument to interview businesses in order to learn about their needs, concerns and plans.

Prioritize

- Surveys are reviewed, and trustworthy individuals respond to businesses' immediate needs, including linking businesses to economic development programs and services.
- A panel of University faculty and other economic development experts offer suggested projects to address business needs identified in the survey.
- Survey results are analyzed and documented in a written research report.
- The Task Force uses the report and their knowledge of the community to develop a strategic action plan.

Implement

- Local teams carry out priority projects identified in the strategic plan.
- Task Force evaluates results and decides how to sustain BR&E work.

Business Retention and Expansion Resources from the University of Minnesota Extension

BR&E STRATEGIES PACKAGE (AVAILABLE IN MINNESOTA)

The BR&E Strategies program is Extension's flagship BR&E program. This approach has moved over 65 Minnesota communities from ideas to action following our proven community leaders' BR&E model. The Strategies program maximizes Extension support, community organization, and applied research to support the business community.

Contact your Community Economics Extension Educator (see below). Community must complete an application for acceptance into the program.

Standard package includes in-person BR&E consulting throughout the three major steps of BR&E, complete research package below, and quarterly meetings in the first year of implementation.

Premium package includes the standard items above plus customized assistance (i.e. a customized survey instrument).

Research package includes a survey instrument, data tabulation/analysis, a campus research review meeting that gathers University faculty and other experts to suggest projects that meet business concerns, a four-chapter research report with narrative and graphs, a summary report, and a planning retreat to "Set Priorities and Take Action". BR&E consulting is not included in this package.

Urban/suburban programs typically are more complex, requiring more team-building, complex sampling to obtain representative sample sizes, and other specialized efforts. For this reason prices are as follows.

Packages Available:

- Premium Urban/Suburban \$15,000
- Standard Urban/Suburban \$12,000
- Premium Rural \$12,000
- Standard Rural \$9,500
- Complete Research \$7,000



BR&E TOOLS (AVAILABLE IN MINNESOTA)

Just as the name implies, the BR&E Tools program makes all of Extension's BR&E components available to practitioners. This approach allows communities to capitalize on their own strengths to conduct a BR&E. While Extension staff provides support during the project, the community leaders take the BR&E in the direction and at a scale suitable to their local resources. For the most self-reliant practitioners, our BR&E Tools includes free online resources such as a question bank and sample surveys.

Contact your Community Economics Extension Educator (see below) to explore how BR&E Tools might be implemented in your community. Community must complete an application for acceptance into the program.

Coaching sessions, facilitated meetings, and trainings can be delivered in Minnesota communities. Your Community Economics Extension Educator will work with you to design a plan that moves your community forward, customizing it for local needs and providing a little or a lot of expertise (\$300 each, except where noted). Mix and match these sessions, and consider other education or research provided by Extension's Center for Community Vitality.

- Planning Your BR&E - facilitation
- BR&E Leadership Team - training
- SurveyMonkey - training
- Putting Together a Good Survey - training
- Task Force - training
- Business Visitor - training
- Immediate Survey Follow-up (a.k.a. Warning Flags Analysis) – facilitation or training, so we will facilitate the meeting or train you how to prepare for it and successfully run warning flag sessions
- Basic Data Analysis & Report Writing - training
- Setting Priorities and Taking Action (i.e. planning retreat) – facilitation (priced at \$1,000, more for situations requiring more than 10 hours of prep and in-session time, at \$100/hour)
- Community Commencement Meeting – training from us to allow you to create and facilitate a successful event
- BR&E Project Implementation – training

Research services can also be provided to communities participating in a BR&E Tools program. These services support communities as they move through a BR&E Tools program designed with an Extension Educator. Research services are primarily handled by the Program Director.

- Custom survey instrument (\$2,000+)
- Data tabulation (\$1,000). Extension staff will enter collected survey data, from an Extension approved survey, into an Microsoft Excel spreadsheet. A copy of the questionnaire with summary statistics embedded, along with the spreadsheet, will be provided back to the community.
- Data analysis (\$1,000 – must purchase data tabulation also). Extension staff will critically review the survey data. Charts and tables highlighting important and noteworthy results will be created. A two-page written summary highlighting general themes in the data will be delivered, along with the charts and tables.
- Report writing (\$1,500 – must purchase tabulation and analysis also). Two-page summary, table and charts, and questionnaire with data will be reviewed by 1 to 2 Extension and/or DEED experts. This review will identify any major themes in the data and provide to the community suggestions for how to address these issues. The community will receive a 5 to 7 page summary of relevant ideas for potential implementation in the community.

OTHER BR&E PRODUCTS AND SERVICES

The University of Minnesota Extension offers a variety of research-informed tools to help communities manage successful business retention and expansion efforts. Prices are subject to change without notice. These services are available outside of Minnesota.

Web resources are available at the University of Minnesota website. At this web site, you can find free BR&E tips, sample surveys, sample survey questions, sample reports from BR&E programs, success stories, research on BR&E, and more. New tools are added regularly.

www1.extension.umn.edu/community/business-retention/

BR&E Course. *Retaining and Expanding Business in Your Community* is our course that we designed for economic and community development professionals and other leaders who want to conduct a community-led BR&E effort. It is unique among BR&E courses by providing a convenient "blended" format that combines in-person with online learning. The next class begins January, 2014. The early bird rate is \$400 until December 16, 2013, after which it is \$500. For more info: www.extension.umn.edu/community/business-retention/course/

WHO TO CONTACT FOR MORE INFORMATION

Contact Michael Darger, BR&E Program Director, 612-625-6246 or darger@umn.edu; or the Extension Educator in Community Economics in your area:

- South Central: Adeel Ahmed, 320-203-6050 or ahme0004@umn.edu
- Northeast: John Bennett, 218-726-6471 or jbennett@umn.edu
- Northwest: Rani Bhattacharyya, 218-281-8689 or rani-b@umn.edu
- Southeast: Bruce Schwartau, 507-536-6308 or bwschwar@umn.edu
- Southwest: Neil Linscheid, 507-337-2814 or lins0041@umn.edu
- West Central: Ryan Pesch, 218-998-5794 or pesch@umn.edu
- East Central: Liz Templin, 651-480-7745 or templin@umn.edu
- Central: Merritt Bussiere, 218-825-2175 or bussiere@umn.edu
- Twin Cities Metro: Michael Darger, 612-625-6246 or darger@umn.edu

REFERENCE

*A range of job estimates from Birch, Kraybill, Little compiled by Henry Cothran in *Business Retention and Expansion (BRE) Programs: Why Existing Businesses Are Important*, <http://edis.ifas.ufl.edu/fe651>.