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# Business Retention and Expansion Program

**David Civittolo**

Area Leader, Western Reserve and Extension Educator, Community Development  
Ohio State University Extension, Medina County  
120 West Washington Street  
Medina, Ohio 44256  
Phone: 330-725-4911  
Fax: 330-764-8453  
Civittolo.1@osu.edu

## Introduction

In difficult economic times, economic development is on the minds of many. Workers are concerned about employment. Companies are trying to stay competitive in a global market, and local governments fear that a business closure will reduce their ability to provide quality-of-life services to their residents due to decreasing revenue. A proactive approach that could be taken by local governments and local economic development agencies involves learning more about the needs of local companies. One such way to learn is to conduct a Business Retention and Expansion (BR&E) survey of existing businesses. Such a survey can provide valuable insight into the business community and give local officials the ability to assist companies in staying competitive.

## What is a BR&E program?

A BR&E program is an economic development plan designed to assist local governments and eco-

nomic development organizations assess the needs and barriers of existing businesses in a community. BR&E includes all ongoing local economic development programs that focus on retaining and growing the existing businesses in a community. When issues facing businesses can be better understood, the local community is better positioned to work with businesses in addressing such issues to ensure business survival and growth. A formal BR&E program is a structured and coordinated effort involving a broad cross section of community interests, engaged in ongoing dialogue with the business community to help existing businesses remain profitable, competitive, and efficient (Morse, 1990).

## Who is involved in conducting such a program?

Although there are many community players that participate in BR&E programs, the leadership of the program typically comes from a local coordinator;

however, there is no distinct organization or individual that has to be the BR&E coordinator. Typically the coordinator will work in the area of economic development. For example, a Community Development Extension Educator with an expertise in economic development or land use might become the local coordinator. Or, a member of the local chamber of commerce, a public utility official, or a local government agency might desire to be the local coordinator. In fact, there might even be a civic-minded volunteer who is willing to be the local coordinator.

The BR&E coordinator introduces and promotes the program to the community, coordinates task force meetings, and organizes immediate follow-up to any business concerns. The coordinator also works with economic professionals to develop survey questions or to review surveys used in other communities.

An individual who desires to participate in the BR&E program (but who does not want to be the coordinator) might want to volunteer to be a member of the local task force. The role of the local task force is to work with the coordinator and assist in developing the survey, promoting the program, interviewing businesses managers, and addressing any business concerns. The task force is a broad-based group of local leaders including representatives of economic development organizations, chambers of commerce, business, government, educational, and religious institutions.

Local business officials are asked to participate in the program by completing survey documents and meeting with the local task force to discuss any issues concerning the companies.

### How do you conduct a BR&E program?

Most BR&E programs consist of task force volunteers who visit local businesses, interview senior-level managers, mail or fax surveys, action-plan, and conduct public relations. Such activities can be conducted in an ongoing or continuous format, or as a one-time approach. Of course, there are advantages and disadvantages to each. A continuous approach can enable BR&E to become a part of the community's everyday economic development work.

The 10-step process outlined below is useful re-

gardless of the approach you intend to take. Many communities lean toward the one-time approach to get started. If you choose this route, you should expect the 10 steps below to take at least 6–8 months from start to finish.

### Ten Steps to the BR&E Process

1. The BR&E coordinator is responsible for the overall organization and management of the local program. The following is a list of tasks typically handled by the coordinator.
  - Introduce the BR&E program to the community; inform the community about the program via local media (e.g., press releases and newspaper articles).
  - Organize and conduct meetings; schedule meetings required during the BR&E program as well as any additional meetings required with the task force. This includes the following:
    - a. Task force orientation and follow-up meetings to review surveys
    - b. Action-planning meetings to address critical business issues
    - c. Meetings to communicate the results of the program to the public
  - Prepare a list for the selection of businesses.
  - Coordinate data collection.
  - Collect contact information for the targeted businesses; print the questionnaires and cover letters; and mail or fax the materials.
  - Coordinate activities associated with business visits.
  - Collect and review the questionnaires.
  - Coordinate responses to immediate business concerns.
  - Manage the data entry and analysis process.
  - Coordinate action-planning, program assessment, and reporting.
2. The coordinator will form a BR&E task force and schedule meetings.
  - a. The task force will consist of local volunteers who are willing to create the questionnaire with

- the coordinator, conduct on-site business visits, and identify and address any issues impacting business operations.
3. The coordinator will schedule and hold task force meetings.
    - a. The coordinator will provide program overview and discuss goals with the task force.
    - b. The coordinator will discuss data collection methods and will introduce a timeline.
  4. The coordinator will announce the local BR&E program to the public through media channels.
  5. The coordinator will distribute questionnaires to businesses.
    - a. The task force and the coordinator will finalize the business list.
    - b. The coordinator and/or the task force will install software, will build (or import) the questionnaire, and will create and test its web form.
    - c. The coordinator and/or the task force will send advance-notice letters or will make advance calls to survey participants.
    - d. The coordinator and/or the task force will mail and/or e-mail the link to the questionnaire.
    - e. The coordinator and/or the task force will mail and/or e-mail reminder postcards and/or will follow up with reminder calls and/or thank-you notices.
  6. The coordinator will conduct business visits.
    - a. The coordinator and the task force will select businesses to visit.
    - b. The coordinator will assign task force members to business visits.
  7. The coordinator will enter and tabulate response data.
    - a. The coordinator and/or the task force will enter response data from the questionnaires into the software.
  8. The coordinator will identify and address red-flag issues.
    - a. The coordinator and/or the task force will review questionnaires as they come in.
    - b. The coordinator will engage task force members to assist with red-flag issues.
  9. The coordinator will analyze and report response data.
    - a. The coordinator will review responses with the task force.
    - b. The coordinator will identify and track action items.
  10. The coordinator will communicate results to the public.
    - a. The coordinator and/or the task force will identify internal and external audiences.
    - b. The coordinator and/or the task force will develop key messages.
    - c. The coordinator and/or the task force will create/hold appropriate media/events.

## Conclusion

A BR&E program is designed to capture business owners' thoughts, ideas, concerns, future plans, and valuable insights into the local community. The program requires time and effort to listen and respond quickly to local businesses and the workforce. These efforts can promote a pro-business climate in the community and can develop the capacity of the coordinator and task force members to engage in meaningful community and economic development efforts. Exercising this capacity enhances the local BR&E efforts, enables better-informed community and economic development strategies, and helps to inform task force members and the community-at-large about individual and community-wide business concerns. Most importantly, however, it fosters improved relationships among local development organizations and individuals.

Existing businesses are major contributors to the local government's tax base, and they also provide jobs for local residents. As the local economy becomes a global economy, making sure that businesses are operating at optimum capacity becomes a main priority for local economic development professionals. Conducting a BR&E program provides local government with a specific understanding of the needs and wants of vital businesses.

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Keith L. Smith, Ph.D., Associate Vice President for Agricultural Administration and Director, Ohio State University Extension  
TDD No. 800-589-8292 (Ohio only) or 614-292-1868