

Five Keys to a Successful Business Retention & Expansion Program

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BRE, BREP, BRAP, BEAR, BARP, BOAP. Whatever you call it — and I have a list of 75 from A to S (I gave up before getting to Z) — most communities have been putting greater emphasis on their business retention and expansion programs.

The attraction of new businesses and support of business start-ups still are important parts of an overall economic development strategy. But given the economic situation in the recent past and foreseeable future, retaining and expanding businesses yields a better return on investment than recruiting new companies.

Successful communities understand that they need to invest significant resources in helping existing businesses grow and survive. Below are five characteristics of an effective BRE program.

1. **Bring value.**

To ensure your program and your businesses are successful, be honest about what you are trying to accomplish with your BRE program. Do you want to:

- Generate numbers for some report;
- Drum up business for your training or finance programs; or
- Build a long-lasting relationship with your businesses?

In other words, are you visiting with your local businesses to fulfill *your* program goals or to fulfill *their* business needs? If your visit is all about your business assistance programs, gathering employment or other data, you are not providing anything of value to your local businesses. Your program will fall flat and you will not have established any long-lasting relationships.

2. **Present information to businesses in a relevant way.**

Don't describe your programs –

- *“Through the XYZ program we advertise job openings, screen applicants, and send you referrals of the most qualified applicants.”*
- *“The ABC program funds employment and training to prepare workers and their occupational skills.”*

– present the benefits instead.

- *“We have a large pool of candidates that have already been screened, backgrounds checked, skills tested and are ready to start working for you.”*
- *“We have been able to present employers with as many as 40 qualified applicants for one position. And we can often get a portion of the wages covered during their probationary period.”*

Push relevant information to employers. Be a trusted and valued resource for them. Know their business, their challenges, staff skills, etc., and be on the lookout for resources, articles and industry events that may be of interest to them. Like a romantic relationship, let them know you are thinking of them often.

3. Make connections.

Build and expand your network of service providers and experts. Your goal should be that businesses recognize you as the go-to person for any business resource. Your network of business assistance partners should be varied and broad.

All city, county and regional departments should be an integral part of your economic development team, including: elected officials, city/county management, public works, planning, permitting, building inspector, fire marshal, police department, finance and others. Your team should also include: utilities, workforce agencies, colleges, universities, high schools, transportation agencies, business attorneys, financial institutions, and even successful entrepreneurs interested in advising peers.

And don't forget state and federal agencies. Being able to bring these folks to the table to help a local business is impressive.

Do not assume that the local business community knows about all the service providers and agencies available to them. Those of us in the economic development world take it for granted that all service providers are well known. Why not – we work with them every day!

But on a recent project Chabin Concepts just completed, we interviewed dozens of businesses and entrepreneurs. Only 20 percent of those interviewed were aware of the services available to them or of the existence of the typical service providers. Make sure your businesses know to call you, and make sure you call your partners to the table.

4. Use social media.

Connect with your local business on Facebook, Twitter, and other social media. Keep up with what they are doing and planning, new products, challenges and what's important in the industry.

- Follow, be followed, and encourage an interactive dialogue with your followers.
- Share stories about local business successes.
- Post case studies on how economic development partners made a difference for a local business.

5. Monitor results and progress, not activities.

The performance measurements you choose to monitor should be designed to assess the *effectiveness* of the program and the *impact* you have had on the local business environment. If improvements are not realized over time, adjust your program accordingly. You may decide to modify the activities or tactics used. Determine what you can do differently to achieve better results. For example, if attendance at workshops or inquiries from local businesses are not increasing over time, you may want to assess and evaluate:

- The tactics used to reach the audience
- The content or topics of the workshops or visits
- The timeliness and relevance of any follow-up, referrals or responses
- A need for new or updated assistance programs to meet businesses' changing issues

No matter what you call it — BRE, BEAR, BREP, etc. — the value of your business retention and expansion program is in the actions and corresponding results, not the name.