



Business Retention and Expansion (BRE) Programs: Characteristics of Successful BRE Programs¹

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Introduction

Most current business retention and expansion (BRE) programs differ markedly from those adopted in the 1960s and 1970s. Those programs were typically informal efforts that focused on improving the relationship between local businesses and the community (Morse, 1990). Since the early 1980s, new types of BRE programs have emerged that incorporate a wide range of tools and services designed to help local firms become more competitive and to grow where they are, rather than relocate. As these programs have evolved and proliferated, the ones recognized for their success share several characteristics. The purpose of this publication is to identify and explore five of the most common ones.

This publication is third in a series on establishing Business Retention and Expansion programs. The publications in this series can be found online at the EDIS website at http://edis.ifas.ufl.edu/TOPIC_SERIES_BRE.

Leadership

Leaders of successful BRE programs focus on the necessity of valuing and serving the existing business community as a sound economic development strategy. They know their community's history, its socio-economic characteristics, and how it compares to other similar communities. They know the community's businesses and the people responsible for the day-to-day operation of those businesses.

Leadership is often viewed as the exercise of power and authority, but most people would agree that, in practice, leadership involves much more than simply issuing directives and waiting for results to occur. The best leaders are effective because they go beyond words to action. Effective leaders focus on opportunities rather than problems. They understand that partnership with other organizations and individuals with an interest in and the mission to serve existing businesses is essential to success. To this end they seek to establish and maintain partnerships. Dynamic leaders establish strong business visitation teams and train them to be successful. They set achievable and measurable goals, and they share credit for success.

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Partnerships

Existing businesses need access to a wide range of programs and services, including diverse areas such as workforce development, marketing, land acquisition, and financing. Because of this diversity, it is clear that BRE programs cannot be successful without partnerships. Service providers in both the public and private sectors must be actively sought out and engaged in the retention and expansion program and process.

The role of the BRE program leader is to identify all potential partners, enlist those that can and will join in a collaborative relationship, and serve as a focal point for identifying business needs and coordinating the response to that need. The role of the BRE program manager is to ensure that follow-up action is taken and to determine the degree of success that is achieved in meeting the needs of the business.

Typical partner organizations include educational institutions, workforce development organizations, local government regulatory and service providers, utilities, and professional associations such as the Chamber of Commerce. Successful BRE programs seek out partners from these and other sources because potential partners, both those with an existing mission focused on existing businesses and those whose mission can be broadened to include the existing business community, have an interest in retaining and expanding local businesses. Successful BRE programs engage their partners in the process of program and service development and delivery, and rely on these partners to provide resources to enhance and expand the capabilities of the BRE program.

Visitation Teams

BRE is a contact sport. It is difficult, if not impossible, to convince people that their businesses are important to the community if the BRE program leader is unwilling to engage in personal, face-to-face contacts to demonstrate that importance. Thus the business visit is a critical component of successful BRE programs. These visits generally serve one of three specific purposes: learning about the concerns of the business, introducing a program or service to

the business, or responding to a request for specific assistance. While a visit to learn about the business may be done by a single individual, introducing programs or responding to specific concerns requires a team approach.

A BRE visitation team is a cadre of people selected by the BRE program leader and trained in the art and science of business visits. Visitation team members may be recruited from a variety of sources. The most obvious sources are the BRE partner organizations. Often these organizations will make business visits part of the assigned duties of an employee, thus ensuring a longer-term commitment to the team and visitation process. Having service providers also serve as BRE visitation team members has the added benefit of increasing the provider-owner contact and putting a person in the business who can address and potentially resolve concerns raised by the business owner.

Business Awareness

Unless the intended recipients are aware of its existence, the greatest BRE program is worthless. The BRE program can be marketed in a number of ways, including brochures mailed to businesses, presentations to business groups such as the Chamber of Commerce, and face-to-face visits with the businesses.

As noted earlier, face-to-face visits are an essential part of successful BRE programs. An initial visit by the BRE program leader with local businesses works well to introduce the BRE program leader, present an overview of the programs and services available through the BRE office, enlist support for the program, and gain some strategic insight into the business being visited.

Development Community Support

BRE programs continue to gain in popularity as more and more communities learn that keeping what you have is less costly and far more successful over the long run at job creation than industry recruitment. Yet these programs are challenging to implement. BRE is not glamorous. Far more press attention is paid to industries moving in (or out) than to keeping a company in the community. A successful BRE

program enjoys the full support of the entire economic development community as an equal partner in the task of increasing jobs and wealth in the community. These programs are seen not as competitors to recruitment, but as partners in recruitment, and in many cases lead to targeted industry attraction efforts that further serve to make existing businesses more competitive.

Conclusion

Whether your community is just beginning the process of establishing a BRE program or already has a program in place, the characteristics of successful programs (leadership, partnerships, visitation teams, business awareness, and development community support) provide a benchmark against which a program can be evaluated and its success measured.

References

Morse, George W. (Editor). 1990 *The Retention and Expansion of Existing Businesses: Theory and Practice in Business Visitation Programs*. Ames, IA: University of Iowa Press.

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