



UNC Basic Economic Development Course - Business Retention & Expansion

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Group Exercises

The class will be divided into groups and assigned one of the scenarios below. As a group, form a response to the scenario. Choose a team leader to record and present the response to the class. A few groups will be selected to present.

- A. Inadequate capacity of water and sewer are limiting not only recruitment opportunities but also existing business expansions. One example is that businesses are required to install expensive pre-treatment equipment because the city will not make needed investments in wastewater upgrades. Another example is that the city is hesitant to extend service to potential development areas because of its commitment to manage growth.
Build a case for investing in water and sewer infrastructure using a needs assessment from existing businesses. What is your strategy to convince the city?
- B. An advanced manufacturing company is planning an expansion of equipment, building, and jobs. Their current facility is landlocked and will not accommodate the expansion. Company owners have retained a site selection consultant to find a new facility. The company is searching for an existing building (your county does not have a suitable one), shell building (your county does not have one), or a site to build a new facility (you have a site that needs a lot of work). If the company chooses another location for the expansion, they will move the entire facility. Your county stands not only to lose the expansion, but the existing tax base and 100 jobs. If they stay in your community, will only the expansion be eligible for incentives?
Put together a creative deal to land the expansion and retain the existing business.
- C. Many of your existing businesses are in the hospitality industry. Tourism is the economic engine of your economy. On your regular BRE visits, you hear that hospitality training is desperately needed across all business sectors serving the tourism industry.
What steps can your organization take to assist in the development of a specialized training program for a cluster of tourism businesses?
- D. A recent survey of existing businesses revealed that a major obstacle to expansion is the local regulatory process. Follow up interviews indicate that the main issue is the city UDO (uniform development ordinance), more specifically, varying interpretations of the UDO. Companies are hesitant to start projects because they know the city will give different answers on different days and back track on answers, all driving up the cost of development.
How can your BRE program help solve the problem?
- E. Your stakeholders are interested in jobs and investment numbers; however, that does not capture much of the work of economic development. You understand



the need to measure results and use that information for policy development and strategic planning.

Create a dashboard of the top four to six nontraditional metrics you believe capture the real outcomes of economic development. Describe how you will use this information in feedback loops for strategic planning, policy, and organizational development.

- F. Your community is starting to see growth in start-up technology companies associated with the local university. Your ED organization has helped build good relationships between the university and private sector. One common need of the emerging cluster is start-up space. Your community does not have an incubator, co-work, accelerator, or other space for fledgling companies.

What role can the EDO play to determine the need for start-up space? Come up with key talking points for a meeting that will include the university, local governments, business leadership, and EDO. Your goal is to get momentum around an idea.

- G. Talent attraction and retention is a hot topic among your existing businesses. They cannot find enough qualified people to fill positions. Also, they have a hard time convincing professionals to relocate to the community. How do you convince your EDO leadership that recruiting people, instead of companies, is the way to go?

Outline strategies to transform the external marketing program into a talent recruitment campaign.

- H. Small business is the backbone of your local economy. Retention of a small business once the owner has retired is a real struggle. You see storefronts, service businesses, and others close because there is no succession plan.

What is an appropriate role for EDOs in supporting succession planning? What proactive strategies can you include in your BRE program that will retain small businesses?

- I. Workforce development is the key issue for existing businesses. Training new, retraining existing, upgrading skills, and mandatory training are critical to success. EDOs are an important part of the workforce development system because of our connection to business and industry. Discuss partnerships formed in your community for workforce development or best practice partnerships you have learned about from others.

Who was the idea generator for the partnership? What role did the EDO take? How did you bring together the stakeholders? What is the sustainability plan?

- J. Your role in the EDO is in business recruitment. In fact, the BRE program is underfunded, understaffed, and, frankly, does not receive much attention.

What are some takeaways from the BRE program you can use to make the recruitment program better? How can you integrate and align the two economic development strategies?