EXTENSION BUSINESS

RETENTION AND EXPANSION

PROGRAM

REFERENCE MANUAL

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Second Edition

This Extension Business Retention and Expansion Reference Manual is the second edition. Revisions have been based on the pilot project in Arizona, Montana, Utah and Wyoming.

Sections V, VIII, and IX have more changes than the others. The remaining sections have undergone revisions to bring consistency throughout.

Those who have used the first edition will recognize that the Task Force has been incorporated into the program earlier in the process and continues to be an integral part of the process. Sections XIII and IX dealing with Following-up on Survey Information and Writing Recommendations with the Task Force, have been rewritten to reflect more education (new information) and improved implementation approaches (developing Strategies and Recommendations). Overall, these revisions increase local involvement and ownership, and strengthen decision-making by the Task Force and local leaders.
PREFACE

This handbook is designed for community leaders planning to implement the Cooperative Extension Business Retention and Expansion (R&E) Program. It explains in detail the general steps of an R&E program for the R&E Task Force, Coordinator, Assistant Coordinator, and other participants to follow in implementing a successful program. This handbook does not discuss application procedure. For application information, contact your University Extension faculty person responsible for the program.

The R&E program is a structured, locally-implemented, action-oriented economic development project aimed at stimulating local economic development and growth by assisting existing industry. ("Industries" will be used for purposes of this program to describe the range of enterprises including but not limited to farming and ranching, home based businesses, service enterprises, retail operations, manufacturers, and other concerns which employ people to engage in a profit making venture.) Studies indicate that existing industry accounts for 40 to 70 percent of the net change in employment in a given area. Focusing economic development efforts on existing industry, therefore, is critical to employment stability and growth in a community.

Before a community can assist its industry, however, it must have some mechanism for pinpointing industry’s problems, concerns, and opinions. The R&E program is that mechanism. The mechanics of the program involve local volunteers visiting businesses to gather information about industry’s development problems, economic concerns, and opinions about the community as a place to do business. Once aware of these problems and concerns, local leaders can assist their industry.

If a manufacturer, for example, wants to expand its facility but lacks the financial backing, perhaps local leaders can introduce the owners to a state development program that offers financial incentives for such expansions. Or, if a manufacturer has found it difficult to recruit adequately-trained employees, perhaps local leaders can introduce another state program designed to enhance labor training. Or perhaps they can act as ombudsmen between the regional vocational school and industry with the intention of helping to match the school’s training with the industry’s needs. These examples illustrate the essence of the R&E program: to assist existing industry.

The State of Ohio implemented a similar R&E Program that began in the spring of 1986. Since that time, 39 communities (six cities and 33 counties) have participated in the program which is sponsored by the Ohio State University’s Cooperative Extension Service and the Ohio Department of Development. In addition, each program is sponsored locally, often by a chamber of commerce, County Board of Supervisors, community improvement corporation, or some other organization involved in local economic development.

The sections of the handbook have been divided sequentially according to the general steps of a program. Section I discusses briefly the objectives, structure, and conceptual model of the R&E program. Sections II and III explain the Certified Training correspondence/field work course which the Coordinator, Assistant Coordinator, and Consultant of the local program must complete prior to implementing their program. Section IV provides sample news releases for publicity for specific stages of the program. Section V describes the practice visits and Task Force meeting which each community holds prior to the volunteer training and after completing the Certified Training. Section VI outlines the recruiting of volunteers who visit local industry and the training session each must attend. Section VII describes the
actual visits. Section VIII explains some of the ways the Coordinator, Assistant Coordinator, Consultant, and Task Force can further prepare themselves for follow-up on the information gathered from the industry visits. Section IX explains the process that the Task Force uses to write its recommendations for future economic development in the community. Section X recommends a format from which the results and recommendations of the program should be presented to the community at large. Section XI titled, "Special Topics" suggests methods and ideas that can further be used to support and strengthen each individual R&E Program.

This handbook has gone through several editions prior to this adaptation for use in the Western Region and eventually in the other regions of the United States. As a result of the extensive experience and testing, it is offered as a structured step by step program to help you implement a successful program. Should you see a need to modify the procedures, it is suggested that you check with the University Extension faculty specialist so that together you can investigate and decide on the most viable modification in keeping with the spirit and intent of the procedures in the handbook.

This handbook has been color-coded for your convenience. The essential information for each section appears on blue pages. The yellow pages represent back-up material, references, assignments, or examples that support or illustrate points made earlier in the section.

Please contact your University Extension faculty/staff person responsible for the Extension R&E Program if you have any questions about the handbook or program.
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I. INTRODUCTION

Program Objectives

The retention and expansion of a community’s existing firms is key to increasing employment, maintaining a stable tax base and attracting new business. Since the early 1970’s, research indicates that upwards of 70% of all new employment growth is accounted for by the expansion of existing businesses. Moreover, most of those net new jobs created come from smaller and newer firms, the kinds of businesses we would expect to find in much of rural America. In addition to their vital role in creating new jobs, commercial and industrial attraction efforts are enhanced through the increased success of existing businesses, the development of a positive working relationship with local and state governments, and the identification for potential target industries and markets. Similarly, new business opportunities can be identified and encouraged, and a ready-made early warning system for preventing impending plant closures can be a direct outcome of a Business Retention and Expansion Program. It is the foundation for local, grass-roots economic development.

Specifically, there are six objectives of the program:

Short-term Objectives

1. demonstrate the community’s support to local businesses
2. develop a detailed data base about local establishments
3. solve immediate/short-term problems

Long-term Objectives

1. increase the competitiveness of local establishments
2. develop a strategic plan for economic development
3. continue local R&E efforts

In the short term, the program demonstrates the community’s pro-business attitude because its overall goal is to assist existing businesses. The program enables the community to gather primary data on its local economy. The program also helps to identify and address local immediate problems, concerns, or issues mentioned by firms during the visits. Often the solutions to these problems, such as securing financing for a planned expansion, improve the firm’s competitiveness. Competitive firms are more likely to expand than other firms.

In the long term, the program can improve the competitiveness of local establishments by assessing their broader needs and concerns. By assisting firms to solve these problems, the likelihood of those firms remaining in the community and perhaps expanding increases. The program also provides an excellent opportunity for strategic planning. Having local leaders working cooperatively, having identified the strengths and weaknesses of the community, and having gathered current data about local industries and
businesses, the stage is set for the community to write a unified, strategic plan for its future economic development. The last objective of the program in the long term is to encourage communities to continue their R&E efforts. Continuing visitation programs, holding economic development forums, hiring full-time economic development professionals, establishing committees to meet the specific needs of local businesses, or publishing a newsletter to maintain communication among local businesses and local government are all viable extensions of the R&E program.

Additionally, continuing efforts to foster retention and encourage expansion often include management training, marketing assistance, federal procurement help, "custom fit" training and seminars on other subjects such as financial and tax analysis.

Program Structure

The program is sponsored by the University Cooperative Extension Service and is implemented on a local scale. In some states the State Department of Development is a co-sponsor. During the first stage, local leaders participate in training sessions to prepare them for the program. During the second stage, these leaders visit local business firms with a survey to collect information. After the visits, the local Coordinator, Assistant Coordinator, Consultant, and Task Force address the concerns, issues, or requests made by the establishments. Meanwhile, the University Cooperative Extension faculty/staff analyzes the information from the surveys and prepares a report of the results. The last stage involves the presentation of the program's findings, accomplishments, and recommendations for future economic development to the public at a community meeting/banquet.

From a more abstract and long-term point of view, the program can serve as a stimulus for job creation, job retention, and attraction, and perhaps as an agent for minimizing the impact of plant closing.

Conceptual Model

The conceptual model for the R&E visitation program, presented on the next page, indicates that this program not only generates a range of potential benefits - from demonstrating support and commitment to the local business community to attracting new firms - but also involves consideration of both economic and non-economic factors, higher profits and an improved quality of life. From the conceptual model diagram it also is clear that the connection between firm visits and the program's ultimate goals is not direct--certain conditions and results are necessary before the program can help expand, retain, or attract establishments, or help soften the impact of plant closings. Nonetheless, the connection between visits and these ultimate goals definitely exists.

If during a visit, for example, an establishment explains that it is considering relocating because local production costs are too high, local leaders can identify specific state and federal economic development programs designed to make establishments more competitive. Such programs can help the establishment adopt new technology, enter new markets, and develop new skills -- all of which could increase profits and make the community, once again, a competitive location for that establishment.

The key to meeting the ultimate goals of the program as shown in the conceptual model, is the follow-up work after the visits. The visits alone will not retain or create jobs, they will not attract firms, and they will not forewarn of plant closings. Only by following-up on the information gathered from the visits may a community achieve these results.
Conceptual Model of the R&E Business Visitation Program

R & E Visitation Program

Outcomes of R & E Visits

Demonstrate Pro-business Attitudes

Local Leadership Networks

Collect Data on Firm and Community

Strategic Planning

R & E Follow-up Programs

Solve Local Problems

Help Firms Use State Programs

Early Warning of Plant Closures

Initial Benefits to Firms

Reduce Costs

Subsidies

New Technology

New Markets

New Skills

Intermediate Goals

Improve Public Relations

Better Quality of Life

Higher Profits

Retention of Local Firms

Rapid Assistance to Those Adjusting to Plant Closures

Attraction of New Firms

Ultimate Goals

Expansion of Local Firms
Main Players

The Coordinator, Assistant Coordinator, Consultant, R&E Facilitator, Task Force and Volunteer Visitors are the main players in R&E programs. The Coordinator, a well-respected leader in the community, organizes and leads the local program. The Assistant Coordinator assists the Coordinator in the planning phase and has primary responsibility for implementing the local Retention and Expansion program. The Consultant is an economic development and business professional who is quite familiar with state and federal development programs. The role of the Consultant is to assist the Coordinator and Assistant Coordinator, and most important, to propose solutions to non-local problems mentioned during the business visits. The Coordinator, Assistant Coordinator, and Consultant complete a correspondence course (explained in Sections II and III) to help prepare them for the program. Upon completion of this correspondence course with its assignments, the Coordinator, Assistant Coordinator and Consultant become CERTIFIED. This certification process is an essential ingredient, should not be taken lightly and should not be passed over. This maintains the quality of the R&E program in your state, particularly as it networks with the other participating states. Experience has shown that the success of the program is directly related to the local leaders completing the course and becoming CERTIFIED. Certificates will be awarded upon completion. Certificates of Recognition will also be awarded to the Volunteer Visitors and, on the discretion of the local leaders, could also be made available for the participating businesses. Your Facilitator has the information regarding these certificates.

The R&E Facilitator is a University Extension faculty/staff member. The role of the Facilitator is to provide training, guidance, and support to the Coordinator, Assistant Coordinator, Consultant, Task Force and Volunteers Visitors. The Facilitator works closely with the R&E program participants in both the planning and implementation phases of the program.

The members of the Task Force are local leaders from the community. Members usually include a mayor, county board supervisor, extension agent, community improvement corporation representative, city council member, banker, realtor, utility representatives, vocational or public school superintendent, and other influential citizens interested in economic development. The role of the Task Force is to propose solutions to local problems mentioned during the business visits and to write recommendations for economic development, based on the program’s findings.

The Volunteer Visitors are also local leaders from the community. Often they represent various public offices, regional planning agencies, schools, economic development agencies, and local businesses. The volunteers receive two and one-half hours of instruction prior to visiting businesses. Their main role is to visit local businesses and to gather data from them through the survey, that has been developed and reviewed by Task Force members.

The Importance of Confidentiality

The information gathered from the visits is strictly confidential. The emphasis on confidentiality in this program is important to the businesses and helps ensure their participation. The Volunteer Visitors must understand this so they do not share information from their visits. The Coordinator, Assistant Coordinator, and Consultant, of course, will learn of this information as they review the surveys. They, along with the Task Force members will review every completed survey to identify short-term, immediate follow-up issues. If an establishment, for example, has requested information about export marketing, the Assistant Coordinator or Consultant needs to send such information to the establishment. In this instance, they must know the identity of the establishment to give assistance.
Confidentiality of the survey information applies to the Task Force as well. The Task Force reviews all surveys to address problems or issues that require some collective discussion. Procedures for this are outlined in Section XIII. For instance, if a large portion of the establishments complain about the poor quality of water in the community, the Coordinators or Consultant can not address this problem alone or by sending the business some information. This is an issue that the Task Force must address. As the Task Force reviews these surveys, the identity of the establishments is not disclosed. The names of the businesses have no bearing on the type of follow-up action selected. In fact, if the follow-up work does not require disclosing the identity of the firms making the complaint, the identities will not be disclosed.

In such an example, it is unlikely that the names of the businesses need to be disclosed. The key finding is that a large portion of the establishments made the same complaint. If several establishments complained about road conditions, however, the names may have to be shared with appropriate departments in order to have repairs made.

The Coordinator, Assistant Coordinator, Consultant, Volunteer Visitors, Task Force members, and the participating businesses must understand that the visits are confidential, but that should follow-up work be necessary, disclosure of the establishment's name is possible.

The Business Retention and Expansion Partnership

The Business Retention and Expansion Program is a partnership between the state support team and the local community. The state support team usually consists of the University Cooperative Extension Service and in some cases the State Department of Development. In this Western Regional R&E project University Extension will take the lead. Therefore, throughout this Handbook the University Extension faculty/staff will be written in as the "facilitator" or principal contact with the local leaders. By mutual agreement these two agencies will determine their roles as they help communities accomplish the goals of the R&E program. The flow chart of the Business Retention & Expansion Partnership is on the next page.

The Role of Cooperative Extension

The University Extension faculty/staff usually performs the role of facilitator for the overall R&E program. One of the early responsibilities of the Facilitator is to assist the sponsor, in a community/county that has expressed interest in the program, to complete the Application. The guide, COMMUNITY SELECTION/APPLICATION CRITERIA CHECKLIST will be very helpful in assisting the sponsor and ensuring a high degree of subsequent success. This person(s) also trains the Coordinators, Consultant, and Volunteer Visitors and briefs the Task Force members. Second, it conducts applied research on employment trends and analyzes the survey data. Third, it assists the Task Force in writing recommendations. Also, County extension agents have been quite active in previous programs, serving as a Task Force member and visitor, and occasionally serving as a Coordinator or Consultant. A further, over-all function is to coordinate with the State Department of Economic Development, statewide and regional utilities and other appropriate organizations to maintain direction and support for Retention and Expansion activities statewide.
The Role of the State Development Department

This will vary from state to state. In some states they provide financial resources only. In other states the Department may commit personnel to the project. In one state both the University Extension Service and State Development Department supply facilitators to guide and work with the local leaders. Other partnership models may be developed by mutual agreement.

For More Information

For more information about the R&E program, contact your local Cooperative Extension Agent or the Extension Faculty person responsible for the R&E Program.
II. CERTIFIED TRAINING FOR COORDINATOR AND ASSISTANT COORDINATOR

This section is divided into two main parts: Certified Training for the Coordinator and Certified Training for the Assistant Coordinator. Their training, responsibility and eligibility requirements are described below.

The Coordinator's and Assistant Coordinator's roles are separately defined. As these two leaders work together they may want to follow the specific responsibilities, as typically defined. On the other hand, in some situations, they may want to share these duties. Working relationships will differ from project to project, and may be negotiated.

A. Training Program for R&E Coordinator

Since the Coordinator is one of the most important people in an R&E program that person must complete a Certified Training correspondence/field course to become familiar with the program so that it can be organized locally. The training is a correspondence course; that is, the Coordinator takes the course in their own community and at their own convenience.

The first part of the Certified Training, assignments 1 through 6, requires about four hours to complete; the second part, assignments 7 through 8, requires a day. The course involves several reading assignments and field experiences. By the end of the course the Coordinator will be familiar with:

1. the objectives, costs, and benefits of an R&E program;
2. the Volunteer Visitor training;
3. the business visits and follow-up procedures; and
4. the application of local businesses' economic outlooks.

The Coordinator's Main Responsibility

The R&E Coordinator's main responsibility is to organize and oversee the local program. Specifically, the coordinator is responsible for:

1. introducing the R&E program to the community;
2. publicizing the program (e.g. preparing news releases to the local media);
3. holding Task Force meetings;
4. ensuring follow-up on problems or concerns noted in the surveys with the help of the Assistant Coordinator, Consultant, and Task Force;
5. organizing and running the final community meeting.

Eligibility Requirements

The R&E Coordinator is a local person who provides leadership for the local program. Generally, we recommend that the Coordinator be a well respected resident of the community, a person who can systematically organize the effort, and has skills to oversee it through its completion. The Coordinator could be a retired executive, business person, or a community resident able to apply administrative and management skills to effectively work with volunteers, with other community leaders, and with the Assistant Coordinator to supervise the implementation of the entire R&E program. Usually, the Coordinator works one or two days per week on the R&E program during the first two months. During this time, the Coordinator is completing the Certified Training, and along with the Task Force and the Assistant Coordinator, finalizing the list of Volunteer Visitors and identifying the firms to be visited. Programs usually take about six to nine months to complete, depending on how quickly volunteers complete their visits.

B. Training Program for R&E Assistant Coordinator

The Certified R&E Assistant Coordinator, like the Coordinator, is one of the most important people in an R&E program. The Assistant Coordinator’s Certified Training is a correspondence-field course that is completed in their own community. Assistant Coordinator’s Certified Training requires the same amount of time as the Coordinator’s training. At the end of the training, the Certified Assistant Coordinator will be familiar with:

1. the objectives, costs, and benefits of an R&E program;
2. the Volunteer Visitor training;
3. the business visits and follow-up procedures; and
4. the application of local business’ economic outlooks to economic development.

The Assistant Coordinator’s Main Responsibility

The R&E Assistant Coordinator’s main responsibility is to assist the Coordinator and run the program in the following areas:

1. Introduce the R&E program to the community.
2. Work with the Coordinator in preparing a work plan.
3. Recruit Volunteer Visitors.
4. Arrange training of Volunteer Visitors for their firm visits and interviews in cooperation with the University Extension faculty/staff facilitator.
5. Plan visits and interviews with local firms.
6. Collect the surveys.

7. Help the Consultant identify appropriate sources of federal, state, regional, and local assistance for specific requests, problems, or concerns noted during the firm visits.

8. Help the R&E Task Force present its final results to the community at a banquet or community meeting.

Eligibility Requirements

The Assistant Coordinator is a local person who has the skills to implement the R&E program from beginning to end. This person will oversee the day to day operations. The Assistant Coordinator could be a staff member of a local chamber of commerce, community improvement association, local development organization, or a volunteer with time, patience, and skill to work with others in carrying out the tasks of the R&E Work Plan. Like the Coordinator, the Assistant Coordinator will work one or two days per week during the first two months. During this time the Assistant Coordinator is completing the Certified Training, compiling a list of Volunteer Visitors and firms to be visited and tasks, as identified in the Work Plan. Programs usually take from six to nine months to complete, depending upon how quickly the volunteers’ visits are completed. A typical program schedule for an R&E program is provided below.

Typical Program Schedule

A typical program schedule is provided below. Generally a fall schedule, beginning the middle of August with completion in March/April, and a spring schedule, beginning in January with completion in September, has been found quite workable. In this way the community visitations avoid the Thanksgiving/Christmas holidays and the summer vacation periods. Concurrently, the tabulation and analysis of the data can be completed during these periods. The typical schedule, below, has been generalized to monthly intervals to allow flexibility. Then each state can adapt it to their seasonal and climatic variations and constraints.

<table>
<thead>
<tr>
<th>Stages in the Program</th>
<th>Schedule</th>
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<tbody>
<tr>
<td>Complete Certified R&amp;E Training</td>
<td>month 1</td>
</tr>
<tr>
<td>Conduct practice visits with local businesses</td>
<td>month 2</td>
</tr>
<tr>
<td>Hold volunteer visitor training sessions</td>
<td>month 3</td>
</tr>
<tr>
<td>Complete business visits</td>
<td>month 4</td>
</tr>
<tr>
<td>Analyze survey results and write rough draft</td>
<td>months 5-8</td>
</tr>
<tr>
<td>Hold community meeting</td>
<td>month 9</td>
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</tbody>
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C. Training Assignments for R&E Coordinators & Assistant Coordinators

Below is a list of assignments that Coordinators and Assistant Coordinators must complete to become certified. Upon completion of these assignments, participants will be recognized as "Certified R&E Coordinator" or "Certified R&E Assistant Coordinator". Coordinators and Assistant Coordinators should complete assignments 1 through 6 and send their work to the University Extension faculty/staff Facilitator. After reviewing the first part, the University faculty/staff Facilitator will schedule a day for conducting practice visits. These visits are part of the second half of the Certified Training. Before beginning the specific assignments, read through the entire R&E Handbook and become familiar with it. The specific assignments are:

1. Read the article, "Success Stories in R&E Business Visitation Programs." Answer questions for Assignment 1.

2. View the videotape "The Ohio Business Retention and Expansion Program" and answer the questions for Assignment 2.


4. Interview two Certified R&E Coordinators by telephone or in person, asking them about their programs' primary benefits and problems, and their suggestions for making your program successful. See Assignment 4.

5. Based on the interviews in assignment 4, write a short summary of an R&E "success story". See Assignment 5.

6. Meet with your R&E Assistant Coordinator/Coordinator and prepare a work plan listing tasks, persons responsible and the deadlines. See Assignment 6.

After completing Assignments 1 through 6, send copies to the University Extension Facilitator. That person will provide feedback and discussion on the assignments.

7. Convene a meeting of the Task Force to orient them to the objectives of the program, their roles and responsibilities, and the work plan. See Assignment 7.

8. Conduct practice visits and interviews with two local businesses with the R&E Assistant Coordinator/Coordinator, Consultant, University Extension faculty/staff Facilitator, one or more task force members, and two local leaders. Before the interviews, prepare one-page summaries based on information from the U.S. Industrial Outlook or other available economic sources about the economic trends facing these businesses. See Assignment 8.

9. Hold a Task Force meeting following the practice visits to discuss the role of the Task Force and the objectives of the program, and to plan the Volunteer Visitor training sessions. See Assignment 9.

Assignments 8 and 9 will be completed in one day. After completing them, meet with the University Extension faculty/staff Facilitator and review the results. The certified training checklist found on the next page should be used to plan the training assignments.
CERTIFIED TRAINING CHECKLIST
FOR R&E COORDINATORS AND ASSISTANT COORDINATORS

<table>
<thead>
<tr>
<th>Completion Date</th>
<th>Assignments*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Read the article, &quot;Success Stories in R&amp;E Business Visitation Programs&quot; and answer the questions for Assignment 1.</td>
</tr>
<tr>
<td></td>
<td>2. View the videotape &quot;The Ohio Business Retention and Expansion Program&quot; and answer the questions for Assignment 2.</td>
</tr>
<tr>
<td></td>
<td>3. Read the factsheet &quot;The R&amp;E Partnership&quot; and answer the questions for Assignment 3.</td>
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<tr>
<td></td>
<td>4. Interview one or two Certified R&amp;E Coordinators (or Task Force Directors or Project Managers, if in Arizona) asking them about their programs. See Assignment 4.</td>
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<td>5. Based on the interviews in assignment 4, write a short summary of an R&amp;E &quot;success story&quot;. See Assignment 5.</td>
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<td>6. Meet with the R&amp;E Assistant Coordinator/Coordinator and prepare a work plan. See Assignment 6.</td>
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<td>7. Convene a meeting of the Task Force to orient them. See Assignment 7.</td>
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<td>8. Conduct practice visits and interviews with two local businesses. See Assignment 8.</td>
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<td>9. Hold a Task Force meeting following a practice visits. See Assignment 9.</td>
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</table>

Mail completed assignments to the University Extension faculty/staff Facilitator. It is recommended that assignments be completed within two weeks from start date except for the practice visits and Task Force meeting.

* Assignments for Coordinators and Assistant Coordinators are the same, one copy included in the Handbook. They should collaborate on completing the following assignments:

- Assignment 6, Writing a Work Plan
- Assignment 7, Task Force Meeting
- Assignment 8, Practice Visits
- Assignment 9, Task Force Meeting
ASSIGNMENT 1: READING

Read the article "Success Stories in R&E Business Visitation Programs" and answer the following questions with either "true" or "false".

_____ 1. An R&E visitation program is usually the first step in an overall R&E effort.

_____ 2. In the short-run, one of the impacts of the program is to increase employment.

_____ 3. In the long-run, one of the impacts of the program is to improve the competitiveness of local industry.

_____ 4. Only in a few instances has the program generated a pro-business attitude or feeling to the industry.

_____ 5. Greater cooperation among local development groups is an overlooked but valuable side-benefit to the program.

_____ 6. The organizations about which industries complain really do not benefit from this program.

_____ 7. One drawback to the program is that it has no connection to attraction efforts.

_____ 8. Strategic economic planning can be and has been an important result of the program.

_____ 9. The program can help broaden informal networks of communication.

_____ 10. Although effective, the R&E program has lost some popularity as evidenced by the decreasing number of states implementing such programs.
Retention & Expansion

Business Visitation Programs: Success Stories

Written by George W. Morse, Robert T. McLaughlin, and Ellen W. Hagey | Edited by Judith Gildner

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Iowa State University
Ames, Iowa 50011

The credibility of an economic development program largely rests on its accomplishments or success. In economic development, as in most community development programs, there are many ways to measure success. Measuring the number of jobs created from development efforts is relatively simple; measuring the improved cooperation among local organizations or the development of strategic planning is not. This article describes the major types of success or benefits in a retention and expansion (R & E) business visitation program. Examples from local R & E programs in Idaho, Georgia, New Jersey, Ohio, and Wisconsin illustrate different types of success.

This pamphlet is the last in a series that evolved from the Business Retention and Expansion Conference held in Columbus, Ohio, in October 1985. The conference was sponsored by the Ohio State University and the North Central Regional Center for Rural Development, with associate sponsorship by the Farm Foundation, and assistant sponsorship by the USDA Extension Service.

Organizing the Program
An R & E visitation of businesses is usually the first step in the overall R & E program. Typically, trained volunteers, in teams of two, visit local businesses to identify and record the local concerns or problems affecting their operations, and to determine if they need technical, labor, managerial, financial, or legal assistance. The volunteers use a questionnaire during the business visit to gather information about the firm and the firm’s concerns or problems. Following the interview, the team returns the questionnaire to the local R & E coordinator.

The coordinator is the local leader of the program who reviews each questionnaire and decides on the appropriate follow-up action. Local issues are handled by the coordinator, who contacts organizations or professionals who can help solve a problem mentioned by a firm. Referring firms to these organizations or professionals or simply sending pertinent information to the firm may suffice.

Some local issues are handled by the R & E task force. The task force is an interdisciplinary group of eight or ten local leaders representing local government, civic organizations, the school system, banks, and other organizations interested in local economic development. The interdisciplinary character of the task force is ideal when members discuss possible solutions to concerns, issues, or problems mentioned by local firms.

Issues of a nonlocal nature may be handled by the R & E consultant or the R & E task force. The consultant is an economic development professional who is knowledgeable about state and federal economic development programs. The consultant’s extensive network of development professionals and his/her knowledge of available programs is critically important to successful follow-up work during a program.

After the coordinator reviews each questionnaire, a copy is sent to the state R & E leaders (usually located at a university) where the data are coded and analyzed. The results are sent to the task force, which reviews them along with secondary information describing the community. The task force writes recommendations based on this information.

Some of the successes of the R & E visitation program tend to occur immediately, while others take much longer to realize. The short-run impacts of the program include:

• Demonstration of a community’s pro-business attitude
• Development of a high degree of cooperation between public and private development agencies and leaders.
• Creation of a forum in which sensitive information on the needs or complaints of businesses can be addressed effectively, yet confidentially.
• Collection of data on a community’s strengths and weaknesses as a place to do business.

The long-run impacts of the program include:

• Improved understanding of a community’s economic outlook.
• Development of a comprehensive strategic plan for encouraging local economic development.
• Implementation of programs that improve the competitiveness of local firms and assist in expanding their markets.
• Development of informal channels of communication among local development-related organizations to facilitate flow of information.
• Retention and expansion of jobs, income, and investment in the community.

Demonstrating a Pro-Business Attitude

As soon as it is publicly announced that a local group is going to conduct the R & E program, local businesses often start to feel more appreciated and perceive a positive shift in community attitudes toward them. This feeling is strongly reinforced by business visitations.

In a 1984 study of Ohio R & E visitation coordinators, the demonstration of a pro-business attitude was rated as the most important goal of their respective local programs. As Mary Lee Gecowets, executive director of the Urbana (Ohio) Area Chamber of Commerce, said, “The R & E program is one in which you can’t lose. At the very least, you’ll demonstrate to firms that the community appreciates them and [you will] probably be able to help a few firms.”

A 1987 telephone survey of local R & E coordinators in five states found that many communities have neglected their most important resource: existing local firms. Debra Eckes, economic research director for the Green Bay (Wisconsin) Area Chamber of Commerce, stated, “Instead of thinking in terms of ‘growth,’ this last deep recession has sobered us a lot. We’re thinking now that we ought to at least give some thought to what our community already has.”

Karen Crousby, director of the Catoosa County (Georgia) Economic Development Commission, echoed this sentiment. “We’re saying, ‘Look, we realize that maybe 70 percent or more of our jobs are created by existing industries. We’re not forgetting that. So consider expanding here before you go outside the county.’” I went to [local business leaders] and said, ‘Let’s go over this quiz and answer some basic questions. I want to answer your questions.’ That’s when they know you’re really there to help. . . . So many communities can lose an existing industry because they didn’t pay attention to it, to its needs; they didn’t listen to its complaints. . . . Now when we prepare a brochure or press release, we send it to our existing industries. When one of them expands, we tell it we’re glad it’s here. You need to treat it just like you would someone you’re trying to recruit into the county.”

Steven Heller, the coordinator of training for new local R & E programs for New Jersey Bell Telephone, emphasizes that the attitude of local government is an important factor in a firm’s decision to relocate or stay in the community. He cited a study by David Birch as helpful in considering this phenomenon.

When volunteers from the local chamber of commerce, government, education institutions and other development-related agencies are mobilized to express a pro-business attitude, business owners and managers are more likely to choose to stay and expand within the community. The number of visits is a measure of the extent to which the pro-business attitude has been conveyed successfully. In addition, the number of media stories about the local R & E program and the contributions of existing firms is a good proxy measure of pro-business attitude impact. Finally, the publication of a final program report—which demonstrates that the program is more than just a public relations event—can contribute to the pro-business attitude.

In many of the early programs, expressing a positive attitude toward business was often the only goal and primary “success” of the R & E efforts. Yet, if the program participants limit their sight to only this public relations goal, subsequent expansion of jobs and income is less likely to occur.

Cooperative Spirit among Local Development Groups

Developing a spirit of cooperation among local development groups is an important side benefit of R & E visitation programs. A recent case study of one local Ohio R & E program suggests that cooperation occurs and is so highly valued partly because the local development leaders come to discover that they share important common interests and values. From this discovery of shared intentions, and through the development of friendships among development leaders, powerful networks emerge for, as one participant said, “all pulling in the same direction.”

The program often dissipates local rivalries among development leaders. By conducting community-wide surveys of firms to identify needs and complaints and also desires for the future, R & E groups can formulate development plans that are founded upon widespread consensus.

Jack Marineau, director of the Economic Development Commission in Moscow, Idaho, explained that prior to the R & E program his community had been sharply divided concerning local development issues. In Moscow, citizens affiliated with the local university had been interested in retaining economic assets. Marineau explained, while the business community advocated a policy of aggressive growth and firm recruitment. Business groups debated with environmental conservationist groups. Those who owned and managed
existing firms sometimes feared the potential competitive threats that newly attracted firms might constitute.

As a result, Marineau said, efforts to formulate and enact development plans in Moscow were often impeded. Marineau sees the R & E survey process as having been crucial in making "ours a community-wide organization. It gave us credence within all of the diverse groups in our community. . . . Right at the beginning, our community was seen as not being a special interest group, but a group which had the interests of the community as a whole in mind. And then, that's the group that worked to form a plan of action [after the survey process]."

While the survey process removes barriers to local cooperation, it is not the only aspect of the program that does so. The formation of an R & E task force to respond to concerns identified by the visitation survey also may play an important role. In one community, divisiveness between the leaders of various local factions led to a heated public debate in which one leader suffered a stroke. "This appalled me so much," said this community’s R & E coordinator, "that I decided then and there to find a way to get people to work together. When I first heard about the R & E idea I thought this might be [the way]." By the end of the program, "these same people who had [once] fought each other are now working together—and actually enjoying it." (This local coordinator requested anonymity due to the sensitive nature of his story.)

While very few economic development programs are operated on a countywide basis with the collaboration of several cities and chambers of commerce, 14 of the 17 R & E visitation programs conducted in 1986-87 were countywide programs. There is a much greater sense of cooperation and less fear of raiding in the R & E program than in industrial attraction programs.

Through the R & E task force, members initially may recognize that they need to coordinate the efforts of their respective organizations, and over time they come to enjoy the coordination process. At the conclusion of their task force responsibilities, many indicate that they have come to value highly not only the practical advantages of coordination, but also the personal benefits of cooperation.

Create Forum for Addressing Problems

One advantage the R & E program has, unlike many conventional approaches to local development, is that program participants create a nonpublic forum in which often sensitive information regarding business complaints and concerns is kept confidential. This benefits both the firms and local organizations with which they sometimes may perceive themselves as having problems.

The firm whose concerns are identified by the visitation benefits by knowing, as Crasby said, "that someone cares about you," and often by having its problem resolved. Eckes described the story of a local firm that had lost thousands of dollars from periodic flooding of a nearby drainage ditch. The local R & E task force, comprising local chamber, government, and other leaders, was able to resolve this problem "within two days of our finding out about it."

The organizations who receive complaints also benefit by being able either to resolve a problem or to explain why the problem cannot or need not be resolved. In a few cases, as one R & E coordinator explained, "the firm's complaint proves not to be well-founded, so you can't just assume that the business is always right. But what you do need to do is find out whether they really do have a problem and then help whenever you can."

A firm in one community, for example, felt that the local utility company had been providing poor service because it had "refused" to provide a particular kind of current. The problem was relayed by the R & E task force to the utility company manager, who, in turn, investigated and learned that such current would not be appropriate for the firm's equipment. As a result, the business owner thanked the utility manager for "talking the time to come out here" and for explaining the utility's actions. The utility executive, meanwhile, appreciated being able, he said, "to satisfy them that we are here, that we care, and that we want to help them grow." Thus, action is not necessarily required to solve some of the problems identified through the visitation process.

By keeping information regarding local business concerns confidential, businesses interviewed by the R & E volunteers as well as local development organizations are saved unnecessary embarrassment. Thus, leaders of these organizations benefit by being able to become more effective through their comprehensive knowledge of business concerns without having to suffer any loss in credibility.

Data on Community Strengths and Weaknesses

The survey forms used by most states R & E programs ask questions concerning whether the firm is considering relocation, closure, or expansion; what specific problems or complaints the firm has; whether and in what ways the firm might wish assistance in resolving these problems; and what the businesses' perceptions are regarding the community as a place in which to do business. By collecting and aggregating this survey information, the local program is able to generate a wealth of information on the "positives" and "negatives" of the community's business climate.

The positive findings may be used by the task force member organizations and other local development groups to attract new firms to the community. Negative findings are either quietly addressed or are identified as reasons to develop new local program and policy initiatives. Negative information is essential to identify ways to improve the local business climate.
As a result of the Fayette County, Ohio, R & E visitation survey, explains Bill Grunkemeyer, good labor/management relations were found to exist among its local firms. Using these data, Grunkemeyer, an extension agent who heads the Fayette County development program, has been able to correct the misleading view that the county had poor labor/management relations. What had once been a major obstacle for recruiting became a centerpiece for attraction efforts.

Understanding the Community's Economic Outlook

Changes in the demand for locally produced goods and services are the major determinants of the economic outlook for individual firms and, in the aggregate, for the community. Changes in the cost of production, new technology, new products, and other supply factors can influence price and thus, the market share for a particular firm's products. While communities can seldom control these factors, they can take advantage of positive trends and minimize the costs of negative ones.

After examining employment trends in the retail and wholesale trade sectors, using shift-share analysis, the R & E task force in Fayette County, Ohio, recommended a greater emphasis on these sectors. Their examination showed that retail and wholesale trade in the county should have grown by 670 jobs from 1977 to 1985, while it actually lost 248 jobs, resulting in 918 fewer jobs than would have been expected based on national trends. The service sector had 288 fewer jobs than expected. Bill Grunkemeyer reported, "These data confirmed our need to work directly with the retail and service sectors as sources of employment rather than to just assume that spin-off jobs would be created as we had expansion in manufacturing firms. The two go hand-in-hand. The more retail and service the community has to offer, the more attractive it will be to industrial firms, and vice versa."

Debra Eckes says that in Green Bay, Wisconsin, data on the economic outlook for the area and individual firms has been used to (1) identify local suppliers who can cost-competitively meet the resource needs of other local firms; (2) determine the kinds of firms the community needs to attract to meet substantial local resource needs; (3) encourage "reverse investment" by Japanese companies in local food processing ventures; (4) establish a foreign trade zone; and (5) create a local venture capital group to assist in both new firm creation and existing small firm expansion. The Green Bay experience suggests the many uses of data regarding firm and community economic outlook. One important benefit of basing development plans on such data, moreover, is that plans to expand existing firms or to recruit new firms are made in ways compatible with the interests of local firms.

Local Economic Strategic Planning

Strategic planning requires a careful review of the local environment, the development of alternative strategies, and the evaluation and selection of the strategy most appropriate to local resources and preferences. Using the data collected in the business visits, the R & E task force develops and assesses ideas for local action. Some of the ideas they generate, of course, concern very specific actions or short-term projects. Other task force recommendations, however, are made with regard to longer term strategies.

For example, in Champaign County, Ohio, the R & E task force recommended that a permanent economic development council be established and that a half-time professional be hired to staff the council. According to Roland Patzer, Champaign County R & E coordinator, the achievement of this strategic recommendation came much faster than expected and wouldn't have been possible without the R & E planning process.

The visitation survey process not only generates new ideas for local development projects and strategies—it also may be used to collect data that are useful in seeking new or increased support from state and federal governments. Survey information regarding the transportation concerns of local firms, for example, was acquired by the Logan County, Ohio, program. "We've known all along about the need to widen the highway in the county," said Lee Dorse, the executive director of the county's Chamber of Commerce. "We've been after the state for years to do something about it. But with this survey data, we've got some ammunition. . . . The state keeps telling us we have to show how [widening the highway] will spur development—well, this survey shows how many businesses need that road widened."

Programs to Improve the Competitiveness of Local Firms

Any program that allows a firm to cut its costs of doing business puts the firm in a more competitive position in the national and international market. State programs that provide assistance with labor training, labor/management relations, marketing, management, and other information all may contribute to the firm's competitive position. Financing subsidies and tax exemptions, on the other hand, also provide a competitive edge to firms, but do not help them develop the human capital and technological expertise needed to realize permanent gains in competitiveness.

In one county, specific survey information was used to create a new program, using public sector resources to prevent a firm relocation. A firm in Washington County, Ohio, needed to add 40 jobs to its work force, but had to reject nearly 800 applicants because they could not pass the firm's mathematics tests. Emerson Shimp, the R & E coordinator, developed a response team that met with administrators from the chemical plants and educational administrators in the region. As a result, a chemical workers training program was developed to meet the needs of local employers. This program enabled local chemical firms to hire local people rather than recruiting employees from outside the area.

Howard Wise, manager of the Office of Industrial Development at the Ohio Department of Development, one of the co-sponsors of the Ohio R & E program,
points out that personal contact is often essential in helping firms use the best state and federal programs. "The volunteer R & E visitation teams give our state staff a tremendous multiplier effect. This allows my staff to focus its attention on the most critical R & E problems where the state can get the greatest bang for the buck. There is no question that communities with R & E programs can tap into state programs better than those without."

Sometimes programs already exist to support firm retention and expansion. However, survey information may enable local leaders to ensure that these resources are directed to better meet the level of local need for them. Tim Ashmore, industrial relations director for the Columbus (Georgia) Chamber of Commerce, describes how the chamber has for some years operated a variety of committees concerning such matters as employer-employee relations, management training, marketing workshops, and the like. What the visitation process allowed the chamber to do, he explained, was refer information regarding a firm's need for various kinds of services to the relevant committees. Chamber members, who volunteer to serve on these committees, then would contact the firm and explain the nature and values of the services available.

Thus, those benefiting include not only the firms demanding the services but also the organizations whose goal it is to market and deliver such services. Chambers of commerce, state agencies, local community colleges, and a wide variety of other service providers benefit by an increase in demand for, use of, and therefore appreciation for their services. One state department of development official confidentially remarked that local R & E programs "greatly improve our effectiveness . . . because they make people more aware of what we're able to offer them."

Developing Informal Communication Networks
As suggested earlier, local R & E task forces bring together leaders from a variety of local development-related organizations. As they come to recognize more fully their shared interests and goals, it appears that greater mutual respect and friendship also may develop. Observation of one task force's interaction indicates that new channels of communication develop.

Prior to the R & E program, representatives of many local development-related organizations interact through more formal channels, via public statements, written memoranda, and sometimes even litigation. Membership in the task force, however, appears to make it more difficult for those who have interacted in formal ways to continue to do so.

Most communities, of course, have networks. One problem is that in many localities the networks are limited to a fairly restricted membership and, often, do not include leaders from the wide range of development-related organizations that businesses need to be able to draw upon to meet their diverse needs. Through the R & E program, these networks are widened.

Retention and Expansion of Jobs, Income, and Investment
Generally, economic development researchers will argue that one can prove anything with a few well-selected examples. They would claim that you need to examine growth rates and other impacts of an R & E program in communities with and without R & E visitation programs.

Only pilot efforts have been completed in such comparative research, suggesting very high benefit-cost ratios. Much more research is needed. As the number of communities using the R & E program increases, the feasibility of this comparative approach improves. Directors of state R & E training programs in several states have remarked about the frequent program design changes they have made, based on improvements suggested by local participants and their experiences. Action-oriented professionals should encourage such collaborative research as a means of better demonstrating the "success" of their R & E programs.

Further qualitative research also is needed. Such research, which more open-endedly asks participants themselves to describe and explain the advantages and disadvantages of R & E as a local development strategy, may provide rich information with which to note the variety of tangible and intangible costs and benefits of the program.

While the authors have had to rely more heavily on Ohio examples, due to budget constraints in contacting other states, it appears that a number of other states are starting R & E visitation programs. While the visitation programs are only a small part of the total retention and expansion program, they are a good place to start. The programs not only help local groups set priorities that meet the needs of existing firms and improve the attractiveness of the community to new firms, but also build the capacity of local groups to implement economic development. The growing number of states implementing such programs strongly suggests the increasing importance of this approach to local development.

Notes
1. Reference materials for organizing new R & E visitation programs are available for nominal fees from Ohio State University, Contact Ellen Hagey, R & E Program Consultant, Ohio Business Retention and Expansion Program, Ohio Cooperative Extension Service, The Ohio State University, 2120 Fyffe Road, Columbus, Ohio 43216.


3. Interviews completed by Robert McLaughlin in collabora-

ASSIGNMENT 2: VIEWING THE VIDEOTAPE

View the videotape outlining the R&E program. After viewing the tape, answer the following questions.

1. What specific reasons prompted Champaign County to implement the R&E visitation program? (Circle all that are true.)
   
   A. wanted to solve unemployment problems
   B. wanted to attract new firms
   C. wanted to improve business climate
   D. wanted to prevent businesses from relocating
   E. wanted to increase tax revenues

2. What type of information is presented to Volunteer Visitors during the Volunteer Visitor training sessions? (Circle all that are true.)
   
   A. economic orientation of the local area
   B. advice about the interviews and questions
   C. information about local firms
   D. lectures about economic development theory

3. Why are industrial outlooks important? (Circle all that are true.)
   
   A. they provide enough information so that volunteers need not conduct their visits
   B. they help volunteers be more comfortable during the interviews
   C. they help volunteers demonstrate the community's interest and concern for their well-being by informing the volunteers about particular industries

4. Is confidentiality of the survey information important in this program?
   
   A. yes
   B. no

5. Briefly describe an example of how the program assisted a local business.
6. What were some of the benefits of the program for Champaign County? (Circle all that are true.)

A. the program demonstrates the community's pro-business attitude
B. the program increases cooperation among local leaders
C. the program enhances the community's ability to influence its economic development
D. the program provides information that can be used for marketing the community to attract new firms
E. the program identifies problems facing businesses which need to be addressed
F. the program immediately created 60 jobs

7. List three questions you would like to ask based on the videotape.

1. ____________________________

2. ____________________________

3. ____________________________
ASSIGNMENT 3: READING

Read the article "The R&E Partnership" and review the flow chart. Then answer the following questions as either "true" or "false".

This assignment is particularly important because it illustrates the cooperation between the community and University Extension faculty/staff person that must exist for a successful program. After you have answered the questions, distribute copies of the article and figure to your Task Force members so they better understand the structure of the program.

_____ A. The University Extension faculty/staff Facilitator work independently of the local community when implementing the R&E program.

_____ B. After the practice visits, it takes two months to prepare for the Volunteer Visitor training.

_____ C. Following the Volunteer Visitor training, volunteers should wait two weeks before contacting their businesses.

_____ D. The University faculty/staff Facilitator handles the follow-up work and the R&E Assistant Coordinator/Coordinator analyze the survey data and writes the final report.

_____ E. The Task Force members write the final recommendations.
THE R&E PARTNERSHIP

The R&E Visitation Program requires a partnership among the University Extension faculty/staff Facilitator, the R&E Coordinator, the R&E Assistant Coordinator, the R&E Consultant, and the R&E Task Force members. Each stage of the program is sequential and dependent on each preceding stage. In other words, the completion of a stage by the local leaders generates the start of the next step by the University faculty/staff Facilitator which, in turn, generates the start of the next step by the local leaders. This chain of events is shown in the flow chart.

After the Coordinator, Assistant Coordinator, and Consultant complete their Certified Training assignments and send them to the University Extension faculty/staff person, the Extension Facilitator schedules a day during which they, the Coordinator, Assistant Coordinator, Consultant, and several Task Force members conduct two practice visits with local businesses. Afterwards, the University Extension Facilitator holds a Task Force meeting to discuss the program with the Task Force members.

After the Task Force meeting, the University faculty/staff Facilitator, Coordinator, Assistant Coordinator, and Consultant prepare for the volunteer training sessions. Preparation usually takes two to four weeks. Two training sessions are held during one day with one afternoon and one evening session. Each session is only two and one-half hours. Each volunteer attends only one session; two sessions are offered simply to accommodate different schedules of volunteers.

Immediately after the training, volunteers should contact their businesses to schedule visits. When the volunteers return their completed surveys to the Assistant Coordinator, the Coordinator, Assistant Coordinator and Task Force members review each one to identify those concerns needing immediate attention. If, for instance, a firm has mentioned that it will decide whether or not to relocate to another state during the next month, the Coordinator should ensure that firm be contacted immediately and offered assistance. Also, if an establishment simply wants information about a particular labor training program, for example, the Coordinator and/or Assistant Coordinator should be able to provide a brochure or contact for the business. Less urgent and more complicated requests or concerns should be discussed among the Coordinator, Assistant Coordinator, and Task Force members collectively. Having such an interdisciplinary group of local leaders address these problems improves the quality of follow-up work, thereby improving the credibility of the program among local businesses. The R&E Consultant may be called in for technical assistance.

As the follow-up work proceeds, the Assistant Coordinator sends copies of the surveys to the U of A Cooperative Extension Facilitator for coding and analyzing. The University Extension faculty/staff also prepares the survey results. Copies of the results are sent to the Coordinator who distributes them to the Task Force members. After review and discussion, they write recommendations based on the survey results. The strategies and recommendations are presented during a community meeting or banquet and then implemented.

From this description and the flow chart, it should be apparent that an R&E program is a collaborative effort among the Coordinator, Assistant Coordinator, Consultant, Task Force members, and University faculty/staff Facilitator. The success of the program depends on each of these players fulfilling their responsibilities.
ASSIGNMENT 4: INTERVIEWING A LOCAL R&E COORDINATOR  
(TASK FORCE DIRECTOR/PROJECT MANAGER)

Interview two local R&E Coordinators (Task Force Directors or Project Managers, if in Arizona) by telephone or in person. Complete the forms on the following pages. A list of Coordinators with telephone numbers is provided. Also, be sure to ask the Coordinators about a "success story" which you will need for Assignment 5.

### Arizona Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Coordinator</th>
<th>Telephone</th>
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<tbody>
<tr>
<td>Lake Havasu City</td>
<td>Annabelle Lewis</td>
<td>602-855-7812</td>
</tr>
<tr>
<td>Sierra Vista/Huachuca City</td>
<td>Carole Vaughn</td>
<td>602-456-9326</td>
</tr>
<tr>
<td>Sierra Vista/Huachuca City</td>
<td>Jeff Haff</td>
<td>602-458-5263</td>
</tr>
<tr>
<td>Wilcox Area</td>
<td>Howard Bethel</td>
<td>602-384-2221</td>
</tr>
<tr>
<td>Wilcox Area</td>
<td>Eddie Browning</td>
<td>602-384-2995</td>
</tr>
<tr>
<td>Graham County</td>
<td>Dee Jaksich</td>
<td>602-428-2511</td>
</tr>
<tr>
<td>Yuma County</td>
<td>Don Soldweede</td>
<td>602-783-3311</td>
</tr>
<tr>
<td>Florence</td>
<td>Diana Reid</td>
<td>602-868-4731</td>
</tr>
<tr>
<td>Greenlee County</td>
<td>Lynn Ruger</td>
<td>602-865-3122</td>
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<th>Telephone</th>
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<tr>
<td>Anaconda Area</td>
<td>Barbara Andreozzi</td>
<td>406-563-8421</td>
</tr>
<tr>
<td>Great Falls</td>
<td>Mary Dunn</td>
<td>406-727-4643</td>
</tr>
<tr>
<td>Great Falls</td>
<td>Gordon McManus</td>
<td>406-453-1464</td>
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### Montana Programs

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<tbody>
<tr>
<td>Wayne County</td>
<td>Mat Creamer</td>
<td>801-896-5403</td>
</tr>
<tr>
<td>Mt. Pleasant</td>
<td>Verne Fisher</td>
<td>801-462-2456</td>
</tr>
<tr>
<td>Delta</td>
<td>Vince Crawford</td>
<td>801-864-3818</td>
</tr>
<tr>
<td>Kanab</td>
<td>Julie Ingersol</td>
<td>801-644-2551</td>
</tr>
</tbody>
</table>

### Utah Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Coordinator</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Champaign County</td>
<td>Roland Patzer</td>
<td>318-653-6511</td>
</tr>
<tr>
<td>Champaign County</td>
<td>Mary Lee Gecowets</td>
<td>513-653-5764</td>
</tr>
<tr>
<td>Crawford County</td>
<td>Steven Prochaska</td>
<td>419-562-8731</td>
</tr>
<tr>
<td>Defiance County</td>
<td>Michael Shultz</td>
<td>419-782-7946</td>
</tr>
<tr>
<td>Fayette County</td>
<td>Bill Grunkemeyer</td>
<td>614-335-3525</td>
</tr>
<tr>
<td>Guernsey County</td>
<td>Renee Magee</td>
<td>614-432-4882</td>
</tr>
<tr>
<td>Guernsey County</td>
<td>Earl Joy</td>
<td>614-432-4882</td>
</tr>
<tr>
<td>Guernsey County</td>
<td>Marianne Mrohaly</td>
<td>614-432-4882</td>
</tr>
<tr>
<td>Washington County</td>
<td>Emerson Shimp</td>
<td>614-373-6623</td>
</tr>
<tr>
<td>Wyoming Programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Torrington</td>
<td>6,000</td>
<td>Milt Green</td>
</tr>
</tbody>
</table>
INTERVIEW #1 WITH A CERTIFIED R&E COORDINATOR (TASK FORCE DIRECTOR/PROJECT MANAGER)

Name of R&E Coordinator

Name of R&E program

Coordinator’s professional title

Address

City State Zip Code

Phone

1. How many businesses were visited in your program?

2. How many trained volunteers participated?

3. What were the primary benefits of your R&E program?

4. How did businesses react to the visits?

5. How well did the R&E visitation program demonstrate the community’s pro-business attitude and its appreciation for the businesses’ contribution to its economy? (circle one)

   A. EXTREMELY WELL
   B. WELL
   C. FAIRLY WELL
   D. SOMewhat
   E. NOT AT ALL

6. How useful was the final report to your development efforts? (circle one)
A. EXTREMELY USEFUL
B. VERY USEFUL
C. USEFUL
D. SOMewhat USEFUL
E. NOT USEFUL

7. Was your program able to help any businesses solve local problems?
   A. NO
   B. YES (please cite an example)

8. Did your program help any businesses use state development programs?
   A. NO
   B. YES (please cite an example)

9. How much flexibility is there in the program?

10. What were the primary problems with the program?

11. What advice would you offer to a Coordinator starting a program?
12. List three of your own questions and the responses below.

A. Question


Response


B. Question


Response


C. Question


Response


Be sure to ask the Coordinator about a success story that you can use for Assignment 5. See Assignment 5 for details.
INTERVIEW #2 WITH A CERTIFIED R&E COORDINATOR (TASK FORCE DIRECTOR/PROJECT MANAGER)

Name of R&E Coordinator ______________________________________

Name of R&E program _______________________________________

Coordinator’s professional title ______________________________________

Address ______________________________________

City __________ State __________ Zip Code __________

Phone ______________________________________

1. How many businesses were visited in your program?

2. How many trained volunteers participated?

3. What were the primary benefits of your R&E program?

4. How did businesses react to the visits?

5. How well did the R&E visitation program demonstrate the community’s pro-business attitude and its appreciation for the businesses’ contribution to its economy? (circle one)

   A. EXTREMELY WELL
   B. WELL
   C. FAIRLY WELL
   D. SOMewhat
   E. NOT AT ALL
6. How useful was the final report to your development efforts?  (circle one)
   A. EXTREMELY USEFUL
   B. VERY USEFUL
   C. USEFUL
   D. SOMewhat USEFUL
   E. NOT USEFUL

7. Was your program able to help any businesses solve local problems?
   A. NO
   B. YES (please cite an example)

8. Did your program help any businesses use state development programs?
   A. NO
   B. YES (please cite an example)

9. How much flexibility is there in the program?

10. What were the primary problems with the program?

11. What advice would you offer to a Coordinator starting a program?
12. List three of your own questions and the responses below.

A. Question

_________________________________________________________________

_________________________________________________________________

Response

_________________________________________________________________

_________________________________________________________________

B. Question

_________________________________________________________________

_________________________________________________________________

Response

_________________________________________________________________

_________________________________________________________________

C. Question

_________________________________________________________________

_________________________________________________________________

Response

_________________________________________________________________

_________________________________________________________________

Be sure to ask the Coordinator about a success story that you can use for Assignment 5. See Assignment 5 for details.
ASSIGNMENT 5: WRITING A SUCCESS STORY

"Success stories" are essential for selling the program to new communities and for maintaining credibility of the program locally. Based on interviews in Assignment 4, write a summary of an R&E success story. The following form is designed as a guide for the summary.

The success stories can describe results, such as the solution of the local problems, an actual plant expansion, the retention of a plant planning to relocate, or the establishment of new programs to provide development assistance to local businesses. The key question is: "What happened that would not have happened if the R&E program had not been implemented?"

At the beginning of the interview, indicate to the Coordinator that you want examples of success stories in which you can reveal the name of the business and contact it if necessary.

Name of the R&E Program

Name of the R&E

Name of business assisted by the R&E program

Address and telephone of business

Describe the problem for which the R&E program provided assistance.

________________________________________

________________________________________

________________________________________

Explain the role the R&E volunteer team played in helping the business.

________________________________________

________________________________________

________________________________________
List the dates during which the R&E volunteer team provided assistance.

Explain the impact that the R&E assistance had on the business. In other words, what happened that would not have happened without the R&E program?

Indicate whether or not the R&E assistance helped the business save jobs, increase its growth, or expand its production, facilities, or market?

A. SAVED JOBS
   ______ number of jobs saved

B. INCREASED GROWTH (created jobs)
   ______ extent of growth

C. EXPANDED BUSINESS (increased production, marketshare, or facilities
   ______ extent of expansion

D. OTHER ____________________________

Indicate whether or not the Coordinator is willing to allow you to contact the business directly.

A. YES
B. NO

If yes, ask the Coordinator to send a letter verifying the approval. If no, ask the Coordinator if there is another example where you could contact the business directly.
ASSIGNMENT 6: DESIGNING A WORK PLAN

After reviewing this handbook, meet with your R&E Coordinator/Assistant Coordinator to develop a tentative work plan for your program. The form shown is a guide for organizing the work plan. You may modify it as necessary.

BUSINESS RETENTION & EXPANSION PROGRAM
WORK PLAN

Community

Coordinator/Assistant Coordinator

Phone

I. PREPARATION FOR PROGRAM

<table>
<thead>
<tr>
<th>Task</th>
<th>Person Responsible</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Write a news release announcing the R&amp;E program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convene Task Force meeting to orient members to the program and their role and responsibility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct two practice visits and interviews with the University Extension Facilitator and others listed earlier</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hold Task Force meeting to assess practice visits, select volunteers, and plan volunteer training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete the Certified Training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nominate business visitation volunteers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Request the volunteers' participation by mail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finalize a list of volunteers agreeing to participate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### II. TRAINING OF VOLUNTEERS

<table>
<thead>
<tr>
<th>Task</th>
<th>Person Responsible</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group volunteers in teams of two</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assign teams to interview two-four specific local businesses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schedule training sessions for volunteers (check schedules with Coordinator, Assistant Coordinator, Consultant, and Facilitator)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notify volunteers and Task Force of training sessions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mail letters and surveys to businesses describing the program and requesting participation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Send information to the University Extension Facilitator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hold two training sessions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### III. CONDUCTING VISITS

<table>
<thead>
<tr>
<th>Task</th>
<th>Person Responsible</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete visits and interviews</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Write letters of appreciation to local businesses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reassign firms to volunteers willing to conduct visits</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
IV. FOLLOWING-UP AFTER VISITS

<table>
<thead>
<tr>
<th>Task</th>
<th>Person Responsible</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detach cover sheets and first page and send copies of surveys to the University Extension Facilitator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Follow-up on urgent problems or concerns from survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hold Task Force meeting to discuss problems and concerns mentioned in survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keep a record of all follow-up</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Write a news release about visits and all success stories</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

V. PREPARING THE FINAL REPORT

<table>
<thead>
<tr>
<th>Task</th>
<th>Person Responsible</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review survey results prepared by University Extension faculty/staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hold Task Force meetings to review the survey results, view videotapes about economic development, and write strategies and recommendations based on the survey result's findings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hold a community meeting to announce the program's results and recommendations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ASSIGNMENT 7: ORIENTATION MEETING WITH THE TASK FORCE

The R&E Task Force should be involved in the program as early as practical, as they provide support and assistance to the Coordinator and Assistant Coordinator. Usually the meeting takes two hours. The Consultant, Assistant Coordinator, University Extension Facilitator, Coordinator, and Task Force members should attend this meeting. During the meeting, these items will be discussed:

1. Introduction
   A. History of the program
   B. Endorsements received
   C. Objectives of program
   D. Introduction of Consultant and Assistant Coordinator
   E. Introduction of Task Force members
   F. Introduction of University Cooperative Extension Facilitator

2. Video tape about the R&E program and teleconference

3. R&E Model and the Partnership (use packet enclosures)

4. Role and Responsibilities of the R&E Task Force (use Community Guide: Task Force Responsibilities)

5. Other Questions or Business

The Coordinator and Assistant Coordinator will discuss items 1 and 5.

The University Extension Facilitator will discuss items 2, 3, and 4.
ASSIGNMENT 8: CONDUCTING TWO PRACTICE VISITS

1. Use the U.S. Industrial Outlook or other economic outlooks to complete the one-page summary on the following page about the trends facing two local businesses you are going to visit. (This sheet is identical to that the Volunteer Visitors will receive during their training.)

2. Mail each of the two businesses that you intend to visit an advance or introductory letter and a copy of the survey. (See Section V for sample letter and a typical agenda for the day.)

3. Contact the University Extension Facilitator, R&E Assistant Coordinator/Coordinator, Consultant, and businesses to determine the best time to schedule visits with these two businesses.

4. Conduct the visits and interviews. Frequently as many as six people will conduct the practice visits with you. These include yourself, the Assistant Coordinator/Coordinator, University Extension Facilitator, and a Task Force member or another local leader.

5. Send copies of these surveys to the University Extension Facilitator.
ECONOMIC OUTLOOK SUMMARY SHEET

Firm ID: 
(Coordinator/Assistant Coordinator fills in)

To familiarize yourself with the industries you will be visiting, please read the short industrial outlook summaries in your visitor packet. After reading, please answer the questions below. Hand in this sheet with your completed surveys. This information is needed for the data analysis.

1. What is the expected growth rate of this industry now and during the next five years? (For your own information, compare your answer to the firm’s from the survey).

   _____ currently    _____ during next five years

2. Circle up to five factors that are likely to influence the industry’s profits/output during the next five years. (For your own information, compare your answers to those the firm gives on the survey).

   a. new products
   b. changing consumer tastes
   c. demographics
   d. higher consumer incomes
   e. defense spending
   f. foreign competition
   g. domestic competition
   h. raw material shortages
   i. energy costs
   j. transportation costs
   k. wage rates
   l. raw material costs
   m. new technology making older plants/equipment obsolete
   n. financing availability
   o. taxes or other government policies
   p. other factors ____________________

3. Based on the information from the industrial summary you have read, what one or two questions would you ask the firm during the visit?

Firm name: ________________________________

Industrial or Economic Sector: ________________________
ASSIGNMENT 9: MEETING FOLLOWING PRACTICE VISITS WITH THE TASK FORCE

Hold an R&E Task Force meeting after the practice visits. Usually the meeting takes one and one-half hours. The Consultant, Assistant Coordinator, University Extension Facilitator, Coordinator, and Task Force members should attend this meeting. During the meeting these items will be discussed.

1. Practice Visits

2. Volunteer Training Sessions
   A. Nominate volunteers
   B. Set a date, time, and place

3. Other items of business

The Coordinator and Assistant Coordinator will discuss items 1, and 3.

The Coordinator, Assistant Coordinator, and University Extension Facilitator will lead the discussion for item 2.
III. CERTIFIED TRAINING FOR CONSULTANTS

A. Training Program for R&E Consultant

The R&E Consultant plays an important role in the R&E program, particularly in support assistance to the Coordinator and Assistant Coordinator, and in follow up assistance to the local firms with problems or opportunities, as identified in the individual questionnaires. Although the Consultant's Certified Training requires less time than that of the Coordinator and Assistant Coordinator, this person will be familiar with:

1. The objectives, costs, and benefits of an R&E program;
2. The Volunteer Visitor training;
3. The business visits and follow-up procedures;
4. The U. S. Industrial Outlook; or other economic outlooks
5. The application of local businesses' economic outlooks to economic development;
6. The local, state, regional and federal resource people available to assist in follow-up.

The Consultant's Main Responsibility

The Consultant will work closely with the Coordinator, the Assistant Coordinator, and the University Extension Facilitator. The specific responsibilities include:

1. Assist with the Volunteer Visitor training in the application of the U. S. Industrial Outlook or other appropriate economic outlooks.
2. Identify and broker appropriate sources of federal, state, regional, and local assistance for specific request, problems, or concerns noted during the firm visits.
3. Counsel with individual firms on identified problems or issues.
4. Maintain a follow-up program with the community and firms to ensure that problems are solved.
5. Help the R&E Task Force present its final results to the community at a banquet or community meeting.
6. Attend R&E meetings and provide technical assistance as needed.
The Consultant's most important role is helping the Coordinator and Assistant Coordinator identify appropriate sources of state and federal assistance as part of the follow-up credibility of the program because if you simply gather information from industries and then do not act on it, your effort is greatly weakened and largely ineffective.

The Consultant accompanies the Coordinator, Assistant Coordinator, the University Extension Facilitator, and several members of the Task Force on practice visits with two local businesses. During the program, the Consultant (if a resident from another community) visits the community at least eight times: to conduct practice visits; to help train volunteers; to work with the Task Force on follow-up and writing recommendations; and to attend the final community meeting or banquet. In some cases the Consultant may assist the Coordinator and Assistant Coordinator by phone as well.

Eligibility Requirements

We strongly recommend that the R&E Consultant be an experienced economic development professional with business management expertise. Typically, the Consultant works for utility companies, regional planning agencies, county government, private consulting firms, community college or state development agencies.

B. Training Assignments for R&E Consultant

A Consultant must complete Assignments 1 through 10. When you have completed Assignments 1 through 6 send them to the University Cooperative Extension Facilitator. You will complete Assignments 7 through 10 later in the program. Before beginning the specific assignments, read through the entire R&E Handbook and become familiar with it.

The specific assignments to be completed are:

1. Read the article, "Success Stories in R&E Business Visitation Programs." Answer questions for Assignment 1.

2. View the videotape, "The Ohio Business Retention and Expansion Program" and complete Assignment 2.


4. Interview one Certified R&E Consultant and one Certified R&E Coordinator by telephone or in person, asking them about their programs' primary benefits and problems, and their suggestions for making your program successful. See Assignment 4.

5. Read the material on "The Role of the Certified R&E Consultant" and complete Assignment 5.

6. Compile a listing of federal, state, regional, and local resource people for the Coordinator and Assistant Coordinator. See Assignment 6.

III - 2
After completing Assignments 1 through 6 send copies to the University Extension Facilitator. That person will provide feedback and discussion on the Assignments.

7. Participate in the orientation meeting for the Task Force. See Assignment 7.

8. Participate in practice visits and interviews with two local businesses, the R&E Coordinator, Assistant Coordinator, University Extension Facilitator, one or more task force members, and two local leaders. Before the interviews, prepare one-page summaries based on information from the U.S. Industrial Outlook or from other sources about economic trends facing these businesses. See Assignment 8.

9. Participate in a Task Force meeting following the practice visits to discuss the practice visits and to plan the Volunteer Visitor training sessions. See Assignment 9.

10. Present a short workshop about the usefulness of the U.S. Industrial Outlook or other economic outlook aids included in the volunteer packets during the volunteer training sessions. See Assignment 10.

The following checklist should be used by the R&E Consultant in planning for the training assignments:
CERTIFIED TRAINING CHECKLIST FOR R&E CONSULTANTS

<table>
<thead>
<tr>
<th>Completion Date</th>
<th>Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Read the article, &quot;Success Stories in R&amp;E Business Visitation Programs&quot; and answer the questions for Assignment 1.</td>
</tr>
<tr>
<td></td>
<td>2. View the R&amp;E videotape, &quot;The Ohio Business R&amp;E Program&quot; and answer the questions for Assignment 2.</td>
</tr>
<tr>
<td></td>
<td>3. Read the factsheet &quot;The R&amp;E Partnership&quot; and answer the questions for Assignment 3.</td>
</tr>
<tr>
<td></td>
<td>4. Interview one certified R&amp;E Consultant and one Certified R&amp;E Coordinator/Assistant Coordinator See Assignment 4.</td>
</tr>
<tr>
<td></td>
<td>5. Read the article, &quot;The Role of the Certified R&amp;E Consultant&quot; and answer the questions for Assignment 5.</td>
</tr>
<tr>
<td></td>
<td>6. Compile a list of business and economic development resources and contacts. See Assignment 6.</td>
</tr>
<tr>
<td></td>
<td>7. Participate in the orientation meeting for the Task Force. See Assignment 7.</td>
</tr>
<tr>
<td></td>
<td>8. Conduct practice visits and interviews with two local businesses. See Assignment 8.</td>
</tr>
<tr>
<td></td>
<td>9. Meet with the Task Force following the practice visits. See Assignment 9.</td>
</tr>
<tr>
<td></td>
<td>10. Present the short workshop about the usefulness of the U.S. Industrial Outlook or other economic outlook aids in the volunteer packet at the Volunteer training session. See Assignment 10.</td>
</tr>
</tbody>
</table>

Mail completed assignments 1-6 to the University Extension Facilitator. It is recommended that assignments be completed within two weeks from start date except for practice visits, Task Force meeting, and volunteer training workshop. (Assignments 7-10). The Consultant should collaborate with the Coordinator and Assistant Coordinator on these assignments.
ASSIGNMENT I: READING

Read the article "Success Stories in R&E Business Visitation Programs" and answer the following questions with either "true" or "false".

1. An R&E visitation program is usually the first step in an overall R&E effort.
2. In the short-run, one of the impacts of the program is to increase employment.
3. In the long-run, one of the impacts of the program is to improve the competitiveness of local industry.
4. Only in a few instances has the program generated a pro-business attitude or feeling to the industry.
5. Greater cooperation among local development groups is an overlooked but valuable side-benefit to the program.
6. The organizations about which industries complain really do not benefit from this program.
7. One drawback to the program is that it has no connection to attraction efforts.
8. Strategic economic planning can be and has been an important result of the program.
9. The program can help broaden informal networks of communication.
10. Although effective, the R&E program has lost some popularity as evidenced by the decreasing number of states implementing such programs.
This pamphlet is the last in a series that evolved from the Business Retention and Expansion Conference held in Columbus, Ohio, in October 1985. The conference was sponsored by the Ohio State University and the North Central Regional Center for Rural Development, with associate sponsorship by the Farm Foundation, and assistant sponsorship by the USDA Extension Service.

Organizing the Program
An R & E visitation of businesses is usually the first step in the overall R & E program. Typically, trained volunteers, in teams of two, visit local businesses to identify and record the local concerns or problems affecting their operations, and to determine if they need technical, labor, managerial, financial, or legal assistance. The volunteers use a questionnaire during the business visit to gather information about the firm and the firm’s concerns or problems. Following the interview, the team returns the questionnaire to the local R & E coordinator.

The coordinator is the local leader of the program who reviews each questionnaire and decides on the appropriate follow-up action. Local issues are handled by the coordinator, who contacts organizations or professionals who can help solve a problem mentioned by a firm. Referring firms to these organizations or professionals or simply sending pertinent information to the firm may suffice.

Some local issues are handled by the R & E task force. The task force is an interdisciplinary group of eight or 10 local leaders representing local government, civic organizations, the school system, banks, and other organizations interested in local economic development. The interdisciplinary character of the task force is ideal when members discuss possible solutions to concerns, issues, or problems mentioned by local firms.

Issues of a nonlocal nature may be handled by the R & E consultant or the R & E task force. The consultant is an economic development professional who is knowledgeable about state and federal economic development programs. The consultant’s extensive network of development professionals and his/her knowledge of available programs is critically important to successful follow-up work during a program.

After the coordinator reviews each questionnaire, a copy is sent to the state R & E leaders (usually located at a university) where the data are coded and analyzed. The results are sent to the task force, which reviews them along with secondary information describing the community. The task force writes recommendations based on this information.1

Some of the successes of the R & E visitation program tend to occur immediately, while others take much longer to realize. The short-run impacts of the program include:

- Demonstration of a community’s pro-business attitude.
- Development of a high degree of cooperation between public and private development agencies and leaders.
• Creation of a forum in which sensitive information on the needs or complaints of businesses can be addressed effectively, yet confidentially.
• Collection of data on a community's strengths and weaknesses as a place to do business.

The long-run impacts of the program include:

• Improved understanding of a community's economic outlook.
• Development of a comprehensive strategic plan for encouraging local economic development.
• Implementation of programs that improve the competitiveness of local firms and assist in expanding their markets.
• Development of informal channels of communication among local development-related organizations to facilitate flow of information.
• Retention and expansion of jobs, income, and investment in the community.

Demonstrating a Pro-Business Attitude
As soon as it is publicly announced that a local group is going to conduct the R & E program, local businesses often start to feel more appreciated and perceive a positive shift in community attitudes toward them. This feeling is strongly reinforced by business visitations.

In a 1984 study of Ohio R & E visitation coordinators, the demonstration of a pro-business attitude was rated as the most important goal of their respective local programs. As Mary Lee Gecowets, executive director of the Urbania (Ohio) Area Chamber of Commerce, said, "The R & E program is one in which you can't lose. At the very least, you'll demonstrate to firms that the community appreciates them and [you will] probably be able to help a few firms."

A 1987 telephone survey of local R & E coordinators in five states found that many communities have neglected their most important resource: existing local firms. Debra Eches, economic research director for the Green Bay (Wisconsin) Area Chamber of Commerce, stated, "Instead of thinking in terms of 'growth,' this last deep recession has sobered us a lot. We're thinking now that we ought to at least give some thought to what our community already has."

Karen Causby, director of the Cataas County (Georgia) Economic Development Commission, echoed this sentiment. "We're saying, 'Look, we realize that maybe 70 percent or more of our jobs are created by existing industries. We're not forgetting that. So consider expanding here before you go outside the county.' I went to [local business leaders] and said, 'Let's go over this quiz and answer some basic questions. I want to answer your questions.' That's when they know you're really there to help. . . . So many communities can lose an existing industry because they didn't pay attention to it, to its needs; they didn't listen to its complaints. . . . Now when we prepare a brochure or press release, we send it to our existing industries. When one of them expands, we tell it we're glad it's here. You need to treat it just like you would someone you're trying to recruit into the county."

Steven Heller, the coordinator of training for new local R & E programs for New Jersey Bell Telephone, emphasizes that the attitude of local government is an important factor in a firm's decision to relocate or stay in the community. He cited a study by David Birch as helpful in considering this phenomenon.

When volunteers from the local chamber of commerce, government, education institutions, and other development-related agencies are mobilized to express a pro-business attitude, business owners and managers are more likely to choose to stay and expand within the community. The number of visits is a measure of the extent to which the pro-business attitude has been conveyed successfully. In addition, the number of media stories about the local R & E program and the contributions of existing firms is a good proxy measure of pro-business attitude impact. Finally, the publication of a final program report—which demonstrates that the program is more than just a public relations event—can contribute to the pro-business attitude.

In many of the early programs, expressing a positive attitude toward business was often the only goal and primary "success" of the R & E efforts. Yet, if the program participants limit their sight to only this public relations goal, subsequent expansion of jobs and income is less likely to occur.

Cooperative Spirit among Local Development Groups
Developing a spirit of cooperation among local development groups is an important side benefit of R & E visitation programs. A recent case study of one local Ohio R & E program suggests that cooperation occurs and is so highly valued partly because the local development leaders come to discover that they share important common interests and values. From this discovery of shared intentions, and through the development of friendships among development leaders, powerful networks emerge for, as one participant said, "all pulling in the same direction."

The program often dissipates local rivalries among development leaders. By conducting community-wide surveys of firms to identify needs and complaints and also desires for the future, R & E groups can formulate development plans that are founded upon widespread consensus.

Jack Marineau, director of the Economic Development Commission in Moscow, Idaho, explained that prior to the R & E program his community had been sharply divided concerning local development issues. In Moscow, citizens affiliated with the local university had been interested in retaining economic assets. Marineau explained, while the business community advocated a policy of aggressive growth and firm recruitment. Business groups debated with environmental conservationist groups. Those who owned and managed
existing firms sometimes feared the potential competitive threats that newly attracted firms might constitute.

As a result, Marineau said, efforts to formulate and enact development plans in Moscow were often impeded. Marineau sees the R & E survey process as having been crucial in making "ours a community-wide organization. It gave us credence within all of the diverse groups in our community. ... Right at the beginning, our community was seen as not being a special interest group, but a group which had the interests of the community as a whole in mind. And then, that's the group that worked to form a plan of action [after the survey process]."

While the survey process removes barriers to local cooperation, it is not the only aspect of the program that does so. The formation of an R & E task force to respond to concerns identified by the visitation survey also may play an important role. In one community, divisiveness between the leaders of various local factions led to a heated public debate in which one leader suffered a stroke. "This appalled me so much," said this community's R & E coordinator, "that I decided then and there to find a way to get people to work together. When I first heard about the R & E idea I thought this might be [the way]." By the end of the program, "these same people who had once fought each other are now working together—and actually enjoying it." (This local coordinator requested anonymity due to the sensitive nature of his story.)

While very few economic development programs are operated on a countywide basis with the collaboration of several cities and chambers of commerce, 14 of the 17 R & E visitation Ohio programs conducted in 1986-87 were countywide programs. There is a much greater sense of cooperation and less fear of raiding in the R & E program than in industrial attraction programs.

Through the R & E task force, members initially may recognize that they need to coordinate the efforts of their respective organizations, and over time they come to enjoy the coordination process. At the conclusion of their task force responsibilities, many indicate that they have come to value highly not only the practical advantages of coordination, but also the personal benefits of cooperation.

Create Forum for Addressing Problems
One advantage the R & E program has, unlike many conventional approaches to local development, is that program participants create a nonpublic forum in which often sensitive information regarding business complaints and concerns is kept confidential. This benefits both the firms and local organizations with which they sometimes may perceive themselves as having problems.

The firm whose concerns are identified by the visitation benefits by knowing, as Crasby said, "that someone cares about you," and often by having its problem resolved. Eckes described the story of a local firm that had lost thousands of dollars from periodic flooding of a nearby drainage ditch. The local R & E task force, comprising local chamber, government, and other leaders, was able to resolve this problem "within two days of our finding out about it."

The organizations who receive complaints also benefit by being able either to resolve a problem or to explain why the problem cannot or need not be resolved. In a few cases, as one R & E coordinator explained, "the firm's complaint proves not to be well-founded, so you can't just assume that the business is always right. But what you do need to do is find out whether they really do have a problem and then help whenever you can."

A firm in one community, for example, felt that the local utility company had been providing poor service because it had "refused" to provide a particular kind of current. The problem was relayed by the R & E task force to the utility company manager, who, in turn, investigated and learned that such current would not be appropriate for the firm's equipment. As a result, the business owner thanked the utility manager for "taking the time to come out here" and for explaining the utility's actions. The utility executive, meanwhile, appreciated being able, he said, "to satisfy them that we are here, that we care, and that we want to help them grow." Thus, action is not necessarily required to solve some of the problems identified through the visitation process.

By keeping information regarding local business concerns confidential, businesses interviewed by the R & E volunteers as well as local development organizations are saved unnecessary embarrassment. Thus, leaders of these organizations benefit by being able to become more effective through their comprehensive knowledge of business concerns without having to suffer any loss in credibility.

Data on Community Strengths and Weaknesses
The survey forms used by most states' R & E programs ask questions concerning whether the firm is considering relocation, closure, or expansion; what specific problems or complaints the firm has; whether and in what ways the firm might wish assistance in resolving these problems; and what the businesses' perceptions are regarding the community as a place in which to do business. By collecting and aggregating this survey information, the local program is able to generate a wealth of information on the "positives" and "negatives" of the community's business climate.

The positive findings may be used by the task force member organizations and other local development groups to attract new firms to the community. Negative findings are either quietly addressed or are identified as reasons to develop new local program and policy initiatives. Negative information is essential to identify ways to improve the local business climate.
As a result of the Fayette County, Ohio, R & E visitation survey, explains Bill Grunkemeyer, good labor/management relations were found to exist among its local firms. Using these data, Grunkemeyer, an extension agent who heads the Fayette County development program, has been able to correct the misleading view that the county had poor labor/management relations. What had once been a major obstacle for recruiting became a centerpiece for attraction efforts.

Understanding the Community's Economic Outlook
Changes in the demand for locally produced goods and services are the major determinants of the economic outlook for individual firms and, in the aggregate, for the community. Changes in the cost of production, new technology, new products, and other supply factors can influence price and thus, the market share for a particular firm's products. While communities can seldom control these factors, they can take advantage of positive trends and minimize the costs of negative ones.

After examining employment trends in the retail and wholesale trade sectors, using shift-share analysis, the R & E task force in Fayette County, Ohio, recommended a greater emphasis on these sectors. Their examination showed that retail and wholesale trade in the county should have grown by 670 jobs from 1977 to 1985, while it actually lost 248 jobs, resulting in 418 fewer jobs than would have been expected based on national trends. The service sector had 288 fewer jobs than expected. Bill Grunkemeyer reported, "These data confirmed our need to work directly with the retail and service sectors as sources of employment rather than to just assume that spin-off jobs would be created as we had expansion in manufacturing firms. The two go hand-in-hand. The more retail and services the community has to offer, the more attractive it will be to industrial firms and vice versa."

Debra Eckes says that in Green Bay, Wisconsin, data on the economic outlook for the area and individual firms has been used to (1) identify local suppliers who can cost-competitively meet the resource needs of other local firms; (2) determine the kinds of firms the community needs to attract to meet substantial local resource needs; (3) encourage "reverse investment by Japanese companies in local food processing ventures; (4) establish a foreign trade zone; and (5) create a local venture capital group to assist in both new firm creation and existing small firm expansion. The Green Bay experience suggests the many uses of data regarding firm and community economic outlook. One important benefit of basing development plans on such data, moreover, is that plans to expand existing firms or to recruit new firms are made in ways compatible with the interests of local firms.

Local Economic Strategic Planning
Strategic planning requires a careful review of the local environment, the development of alternative strategies, and the evaluation and selection of the strategy most appropriate to local resources and preferences. Using the data collected in the business visits, the R & E task force develops and assesses ideas for local action. Some of the ideas they generate, of course, concern very specific actions or short-term projects. Other task force recommendations, however, are made with regard to longer term strategies.

For example, in Champaign County, Ohio, the R & E task force recommended that a permanent economic development council be established and that a half-time professional be hired to staff the council. According to Roland Patzer, Champaign County R & E coordinator, the achievement of this strategic recommendation came much faster than expected and wouldn't have been possible without the R & E planning process.

The visitation survey process not only generates new ideas for local development projects and strategies—it also may be used to collect data that are useful in seeking new or increased support from state and federal governments. Survey information regarding the transportation concerns of local firms, for example, was acquired by the Logan County, Ohio, program. "We've known all along about the need to widen the highway in the county," said Lee Dorsey, the executive director of the county's Chamber of Commerce. "We've been after the state for years to do something about it. But with this survey data, we've got some ammunition. The state keeps telling us we have to show how [widen the highway] will spur development—well, this survey shows how many businesses need that road widened."

Programs to Improve the Competitiveness of Local Firms
Any program that allows a firm to cut its costs of doing business puts the firm in a more competitive position in the national and international market. State programs that provide assistance with labor training, labor/management relations, marketing, management, and other information all may contribute to the firm's competitive position. Financing subsidies and tax exemptions, on the other hand, also provide a competitive edge to firms, but do not help them develop the human capital and technological expertise needed to realize permanent gains in competitiveness.

In one county, specific survey information was used to create a new program, using public sector resources to prevent a firm relocation. A firm in Washington County, Ohio, needed to add 40 jobs to its work force, but had to reject nearly 800 applicants because they could not pass the firm's mathematics tests. Emerson Shimp, the R & E coordinator, developed a response team that met with administrators from the chemical plants and educational administrators in the region. As a result, a chemical workers training program was developed to meet the needs of local employers. This program enabled local chemical firms to hire local people rather than recruiting employees from outside the area.

Howard Wise, manager of the Office of Industrial Development at the Ohio Department of Development, one of the co-sponsors of the Ohio R & E program,
points out that personal contact is often essential in helping firms use the best state and federal programs. "The volunteer R & E visitation teams give our state staff a tremendous multiplier effect. This allows my staff to focus its attention on the most critical R & E problems where the state can get the greatest bang for the buck. There is no question that communities with R & E programs can tap into state programs better than those without."

Sometimes programs already exist to support firm retention and expansion. However, survey information may enable local leaders to ensure that these resources are directed better to meet the level of local need for them. Tim Ashmore, industrial relations director for the Columbus (Georgia) Chamber of Commerce, describes how the chamber has for some years operated a variety of committees concerning such matters as employer-employee relations, management training, marketing workshops, and the like. What the visitation process allowed the chamber to do, he explained, was refer information regarding a firm's need for various kinds of services to the relevant committees. Chamber members, who volunteer to serve on these committees, then would contact the firm and explain the nature and values of the services available.

Thus, those benefiting include not only the firms demanding the services but also the organizations whose goal it is to market and deliver such services. Chambers of commerce, state agencies, local community colleges, and a wide variety of other service providers benefit by an increase in demand for, use of, and therefore appreciation for their services. One state department of development official confidentially remarked that local R & E programs "greatly improve our effectiveness . . . because they make people more aware of what we're able to offer them."

Developing Informal Communication Networks
As suggested earlier, local R & E task forces bring together leaders from a variety of local development-related organizations. As they come to recognize more fully their shared interests and goals, it appears that greater mutual respect and friendship also may develop. Observation of one task force's interaction indicates that new channels of communication develop.

Prior to the R & E program, representatives of many local development-related organizations interact through more formal channels, via such means as public statements, written memoranda, and sometimes even litigation. Membership in the task force, however, appears to make it more difficult for those who have interacted in formal ways to continue to do so.

Most communities, of course, have networks. One problem is that in many localities the networks are limited to a fairly restricted membership and, often, do not include leaders from the wide range of development-related organizations that businesses need to be able to draw upon to meet their diverse needs. Through the R & E program, these networks are widened.

Retention and Expansion of Jobs, Income, and Investment
Generally, economic development researchers will argue that one can prove anything with a few well-selected examples. They would claim that you need to examine growth rates and other impacts of an R & E program in communities with and without R & E visitation programs.

Only pilot efforts have been completed in such comparative research, suggesting very high benefit-cost ratios. Much more research is needed. As the number of communities using the R & E program increases, the feasibility of this comparative approach improves. Directors of state R & E training programs in several states have remarked about the frequent program design changes they have made, based on improvements suggested by local participants and their experiences. Action-oriented professionals should encourage such comparative research as a means of better demonstrating the "success" of their R & E programs.

Further qualitative research also is needed. Such research, which more open-endedly asks participants themselves to describe and explain the advantages and disadvantages of R & E as a local development strategy, may provide rich information with which to note the variety of tangible and intangible costs and benefits of the program.

While the authors have had to rely more heavily on Ohio examples, due to budget constraints in contacting other states, it appears that a number of other states are starting R & E visitation programs. While the visitation programs are only a small part of the total retention and expansion program, they are a good place to start. The programs not only help local groups set priorities that meet the needs of existing firms and improve the attractiveness of the community to new firms, but also build the capacity of local groups to implement economic development. The growing number of states implementing such programs strongly suggests the increasing importance of this approach to local development.

Notes
1. Reference materials for organizing new R & E visitation programs are available for nominal fees from Ohio State University. Contact Ellen Hagey, R & E Program Consultant, Ohio Business Retention and Expansion Program, Ohio Cooperative Extension Service, The Ohio State University, 2120 Fyffe Road, Columbus, Ohio 43216.


3. Interviews completed by Robert McLaughlin in collaboration with George Morse.

ASSIGNMENT 2: VIEWING THE VIDEOTAPE

View the videotape outlining the R&E program. After viewing the tape, answer the following questions.

1. What specific reasons prompted Champaign County to implement the R&E visitation program? (Circle all that are true.)
   
   A. wanted to solve unemployment problems
   B. wanted to attract new firms
   C. wanted to improve business climate
   D. wanted to prevent businesses from relocating
   E. wanted to increase tax revenues

2. What type of information is presented to Business Visitation Volunteers during the Business Visitation Volunteer training sessions? (Circle all that are true.)
   
   A. economic orientation of the local area
   B. advice about the interviews and questions
   C. information about local firms
   D. lectures about economic development theory

3. Why are industrial outlooks important? (Circle all that are true.)
   
   A. they provide enough information so that volunteers need not conduct their visits
   B. they help volunteers be more comfortable during the interviews
   C. they help volunteers demonstrate the community’s interest and concern for their well-being by informing the volunteers about particular industries

4. Is confidentiality of the survey information important in this program?
   
   A. yes
   B. no

5. Briefly describe an example of how the program assisted a local business.
6. What were some of the benefits of the program for Champaign County? (Circle all that are true.)

A. the program demonstrates the community’s pro-business attitude
B. the program increases cooperation among local leaders
C. the program enhances the community’s ability to influence its economic development
D. the program provides information that can be used for marketing the community to attract new firms
E. the program identifies problems facing businesses which need to be addressed
F. the program immediately created 60 jobs

7. List three questions you would like to ask based on the videotape.

1. ____________________________________________________________

2. ____________________________________________________________

3. ____________________________________________________________
ASSIGNMENT 3: READING

Read the article "The R&E Partnership" and review the flow chart. Then answer the following questions as either "true" or "false".

This assignment is particularly important because it illustrates the cooperation between the community and the University Extension Facilitator that must exist for a successful program.

___ A. The University Extension Facilitator works independently of the local community when implementing the R&E program.

___ B. After the practice visits, it takes two months to prepare for the Volunteer Visitor training.

___ C. Following the Volunteer Visitor training, volunteers should wait two weeks before contacting their businesses.

___ D. The University Extension Facilitator handles the follow-up work and the R&E Assistant Coordinator/Coordinator analyzes the survey data and writes the final report.

___ E. The Task Force members write the final recommendations.
THE R&E PARTNERSHIP

The R&E Visitation Program requires a partnership among the University Extension Facilitator, the R&E Coordinator, the R&E Assistant Coordinator, the R&E Consultant and the R&E Task Force members. Each stage of the program is sequential and dependent on each preceding stage. In other words, the completion of a stage by the local leaders generates the start of the next step by the University Extension Facilitator which, in turn, generates the start of the next step by the local leaders. This chain of events is shown in the flow chart.

After the Coordinator, Assistant Coordinator and Consultant complete their Certified Training assignments and send them to the University Extension Facilitator Office, the University Extension Facilitator schedules a day during which they, the Coordinator, Assistant Coordinator, Consultant and several Task Force members conduct two practice visits with local businesses. Afterward, the University Extension Facilitator holds a Task Force meeting to discuss the program with the Task Force members.

After the Task Force meeting, the University Extension Facilitator, Coordinator, Assistant Coordinator and Consultant prepare for the volunteer training sessions. Preparation usually takes two to four weeks. Two training sessions are held during one day with one afternoon and one evening session. Each session is only two and one-half hours. Each volunteer attends only one session; two sessions are offered simply to accommodate different schedules of volunteers.

Immediately after the training, volunteers should contact their businesses to schedule visits. When the volunteers return their completed surveys to the Assistant Coordinator, the Coordinator, Assistant Coordinator and Task Force members review each one to identify those concerns needing immediate attention. If, for instance, a firm has mentioned that it will decide whether or not to relocate to another state during the next month, the Coordinator should ensure that firm be contacted immediately and offered assistance. Also, if an establishment simply wants information about a particular labor training program, for example, the Coordinator and/or Assistant Coordinator should be able to provide a brochure or contact for the business. Less urgent and more complicated requests or concerns should be discussed among the Coordinator, Assistant Coordinator, and Task Force members collectively. Having such an interdisciplinary group of local leaders address these problems improves the quality of follow-up work, thereby improving the credibility of the program among local businesses. The R & E Consultant may be called in for technical assistance.

As the follow-up work proceeds, the Assistant Coordinator sends copies of the surveys to the U of A Cooperative Extension Facilitator for coding and analyzing. The University Extension faculty/staff also prepares the survey results. Copies of the results are sent to the Coordinator who distributes them to the Task Force members. After review and discussion, they write recommendations based on the survey results. The strategies and recommendations are presented during a community meeting or banquet and then implemented.

From this description and the flow chart, it should be apparent that an R&E program is a collaborative effort among the Coordinator, Assistant Coordinator, Consultant, Task Force members, and University Extension Facilitator. The success of the program depends on each of these players fulfilling their responsibilities.
ASSIGNMENT 4: INTERVIEWING A LOCAL R&E CONSULTANT AND R&E COORDINATOR

Interview one certified R&E Consultant and one certified R&E Coordinator (Task Force Director or Project Manager, if in Arizona) by telephone or in person. Complete the forms on the following pages. A list of Coordinators and Consultants with telephone numbers is provided.

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<td></td>
<td>Earl Joy</td>
<td>614-432-4882</td>
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<tr>
<td>Guernsey County</td>
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<td>Marianne Mrohaly</td>
<td>614-432-4882</td>
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<tr>
<td>Washington County</td>
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<td>Emerson Shimp</td>
<td>614-373-6623</td>
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<td><strong>Wyoming Programs</strong></td>
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<tr>
<td>Torrington</td>
<td>6,000</td>
<td>Milt Green</td>
<td>307-532-2436</td>
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INTERVIEW #1 WITH A CERTIFIED R&E CONSULTANT

Name of R&E Consultant

Name of R&E program

Consultant's professional title

Address

City State Zip Code

Phone

1. How many businesses were visited in your program?

2. How many trained volunteers participated?

3. What were the primary benefits of your R&E program?

4. How did businesses react to the visits?

5. How well did the R&E visitation program demonstrate the community's pro-business attitude and its appreciation for the businesses' contribution to its economy? (circle one)

   A. EXTREMELY WELL
   B. WELL
   C. FAIRLY WELL
   D. SOMewhat
   E. NOT AT ALL

6. How useful was the final report to your development efforts? (circle one)

   A. EXTREMELY USEFUL
   B. VERY USEFUL
   C. USEFUL
   D. SOMewhat USEFUL
   E. NOT USEFUL
7. Was your program able to help any businesses solve local problems?
   A. NO
   B. YES (please cite an example)

8. Did your program help any businesses use state development programs?
   A. NO
   B. YES (please cite an example)

9. How much flexibility is there in the program?

10. What were the primary problems with the program?

11. What advice would you offer to a Consultant starting a program?
12. List three of your own questions and the responses below.

A. Question

Response

B. Question

Response

C. Question

Response
INTERVIEW #2 WITH A CERTIFIED R&E COORDINATOR (TASK FORCE DIRECTOR/PROJECT MANAGER)

Name of R&E Coordinator ____________________________

Name of R&E program ____________________________

Coordinator's professional title ____________________________

Address ____________________________

City __________ State __________ Zip Code ______

Phone ____________________________

1. How many businesses were visited in your program?

2. How many trained volunteers participated?

3. What were the primary benefits of your R&E program?

4. How did businesses react to the visits?

5. How well did the R&E visitation program demonstrate the community's pro-business attitude and its appreciation for businesses' contribution to its economy? (circle one)

   A. EXTREMELY WELL
   B. WELL
   C. FAIRLY WELL
   D. SOMewhat
   E. NOT AT ALL

6. How useful was the final report to your development efforts? (circle one)

   A. EXTREMELY USEFUL
   B. VERY USEFUL
   C. USEFUL
   D. SOMEWHAT USEFUL
   E. NOT USEFUL
7. Was your program able to help any businesses solve local problems?
   
   A. NO
   B. YES (please cite an example)

8. Did your program help any businesses use state development programs?
   
   A. NO
   B. YES (please cite an example)

9. How much flexibility is there in the program?

10. What were the primary problems with the program?

11. What advice would you offer to a Coordinator starting a program?
12. List three of your own questions and the responses below.

A. Question


Response


B. Question


Response


C. Question


Response


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ASSIGNMENT 5: READING

Read the article, "The Role of the Certified R&E Consultant" on the next page. Afterward, answer the following questions with either "true" or "false".

_____ A. The R&E Consultant’s most important role is helping the local Coordinator/Assistant Coordinator identify appropriate sources of state and federal assistance for specific problems or request noted by local businesses.

_____ B. The R&E Consultant needs to visit and become familiar with the community. This is usually done by visiting the community at least eight times during the project.

_____ C. The dates of the trips to the community are decided jointly by the R&E Consultant, the local Coordinator and Assistant Coordinator and University Extension Facilitator.

_____ D. Any person can become a Certified R&E Consultant.
THE ROLE OF THE R&E CONSULTANT

Business Retention and Expansion (R&E) is becoming more popular as a local economic development strategy. This recent popularity stems from two sources. First, there is a new awareness that 40 to 80 percent of all the changes in net employment growth in a community come from the existing businesses rather than from new ones moving into the community. Secondly, the earlier informal R&E programs were only marginally effective, while the more recent highly-structured programs are much more successful.

A team of four professionals is essential for the development and implementation of a successful R&E program. The team is composed of:

A. the local R&E Coordinator and Assistant Coordinator;
B. the R&E Consultant; and
C. the University Extension Facilitator

The local R&E Coordinator and Assistant Coordinator are local leaders designated by the program’s sponsor to run the R&E program.

The R&E Consultant is an economic development professional who provides a link between the local R&E Coordinator, Assistant Coordinator and the University Extension Facilitator. The R&E Consultant should have considerable experience in working with local economic development programs and businesses, and will write the reports about employment shifts and the economic outlook for local businesses.

The University Extension faculty/staff computerizes, analyzes, and summarizes the findings from the survey of local businesses.

The Role of the R&E Consultant

The R&E Consultant provides assistance to the local project Coordinator and Assistant Coordinator in the following areas:

1. Assist with the Volunteer Visitor training in the application of the U.S. Industrial Outlook or other appropriate economic outlooks.
2. Identify and secure appropriate sources of federal, state, regional and local assistance for specific requests, problems or concerns noted during the firm visits.
3. Counsel with individual firms on identified problems or issues.
4. Maintain a follow-up program with the community and firms to ensure that problems are solved.
5. Help the R&E Task Force present its final results to the community at a banquet or community meeting.
6. Attend R&E meetings and provide technical assistance as needed.
Questions and Answers About the R&E Consultant's Role

1. What incentive is there for the R&E Consultant to participate?

There are two incentives:

A. the R&E program offers the Consultant an opportunity to work with local leaders on an economic development program that has immediate pay-offs and very high odds of success; and

B. the R&E program and Consultant can receive a high level of positive media coverage. During the program at least five news releases are written. Also, the Consultant's name appears on the title page of the final report and he is one of the speakers at the banquet or community meeting.

(The guests at the community meeting includes all participating businesses, Volunteer Visitors, local and state public officials, representatives from the University Extension Service, the State Department of Development and others interested in the community's economic development.)

2. After the community decides to start the program, how will the R&E Consultant become familiar with the community? Suggested guidelines for eight visits are outlined below.

In programs where a Consultant from the local area is available, this person should attempt to attend all eleven meetings. Just as the University Extension Facilitator may not attend all eleven meetings, an outside Consultant (not from the local area) may do likewise. Final decisions on which meetings the Consultant will attend should be jointly made by the local leaders and Consultant.

First Meeting
The initial meeting is an "Orientation Meeting with the Task Force" early in the process and is a "must" for attendance. The purpose, objectives, structure, and time frame is covered as well as the specific responsibilities of the Task Force members. The work plan, developed by the Coordinator and Assistant Coordinator is also covered.

Second Meeting
The second meeting is held to conduct practice visits with businesses. The R&E Consultant, accompanied by the Coordinator, Assistant Coordinator, the University Extension Facilitator, and a Task Force member, conducts two practice visits with two local businesses. The Task Force members meet with the Coordinator, Assistant Coordinator, and Consultant on the same day after the visits to discuss the interviews, plan the recruitment of additional volunteers, and plan the Volunteer training sessions.
Third Meeting
The third meeting is held to train volunteers. The University Extension Facilitator, for the most part, runs the training sessions for volunteers. The Consultant may be responsible for explaining the purpose and usefulness of industrial summaries from the U.S. Industrial Outlook or other economic outlooks. Usually two sessions are offered during one day to keep the groups small and to accommodate the volunteers' schedules. Each session lasts about two and 1/2 hours.

Fourth, Fifth, Sixth, and Seventh Meetings
The next four meetings (described in detail in Section VIII) are held to review the surveys, discuss follow-up assistance, and review information about the local employment profile, review the outlook for key local businesses, and review state programs. With the Consultant's network, background, and work experience, he can identify the best sources for assistance for a given business problem. Once the Consultant suggests a solution to a problem, it is the Coordinator's responsibility to apply the Consultant's advice. Although the Consultant often becomes actively involved in the program by carrying out his own follow-up, he is not obligated to do so and may maintain a purely advisory role.

Eighth, Ninth, and Tenth Meetings
During these meetings the Task Force, Coordinator, Assistant Coordinator, and Consultant review the survey findings with the University Extension Facilitator, discuss strategies for economic development, develop criteria for identifying and selecting recommendations, and write Strategies and Recommendations. Plans for the community meeting are also discussed.

Eleventh Meeting
And now for the public recognition and glory! The last meeting is held to announce the findings and recommendations from the program. During this meeting, the Consultant reports some of the highlights from the program.

3. When are these trips to the community scheduled?

The dates of the trips are decided by the Consultant, University Extension Facilitator the Coordinator and Assistant Coordinator.

4. Which of the above trips are conducted solely by the Consultant? Which ones include the staff?

The meeting for advising on follow-up action is made by the Consultant only. The other four may include University Extension Facilitator.

5. Can anyone become a Certified R&E Consultant?

No. The person must be an economic development professional with business management expertise.
6. Is the R&E Consultant assigned to a community or does he select the community with which to work?

Neither. The sponsor selects the Consultant.

7. Who provides the certification?

The University Extension Service provides the certification.
ASSIGNMENT 6: LISTING OF DEVELOPMENT RESOURCES AND CONTACTS

1. Review the survey that Volunteer Visitors complete during their business visits. A copy of the survey has been included in Section V. After reviewing it, complete the list of local/state/regional/federal key contacts for your program (outlined on the next page). "Key contacts" are people who can provide you with accurate information about the economic development programs listed on the next page. You will probably be contacting these people as the surveys are returned. The surveys will indicate the type of information firms are requesting and the types of problems that one of these programs might be able to solve. Please add other programs to this list as you think necessary.

2. Provide copies of this list to the Coordinator, Assistant Coordinator and Task Force members for their use.
List of Local/State Regional and Federal Economic Development Resource People

<table>
<thead>
<tr>
<th>Topic</th>
<th>Program</th>
<th>Person</th>
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<tbody>
<tr>
<td>Recruiting Employees</td>
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<td>Technological Innovations</td>
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<td>Labor Training</td>
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<td>New State Regulations</td>
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<td>Financing Programs</td>
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<td>Labor/Management Relations</td>
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<td>Export/Foreign Markets</td>
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<td>Marketing Strategies</td>
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<td>Management Seminars</td>
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<td>Relocation Plans</td>
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<td>Enterprise Zones</td>
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<td>Tax Abatement</td>
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<td>Small Business Development Centers</td>
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The above topics are not necessarily exhaustive. The Consultant should feel free to change and/or expand this list.

Note: The attached list of publications should serve as a starter list of sources in compiling the above list of contacts.
Reference Sources

State Rural Economic Development Resource Directory, State Department of Development


ASSIGNMENT 7: ORIENTATION MEETING WITH THE TASK FORCE

The R&E Task Force should be involved in the program as early as practical, as they provide support and assistance to the Coordinator and Assistant Coordinator. Usually the meeting takes two hours. The Consultant, Assistant Coordinator, University Extension Facilitator, Coordinator, and Task Force members should attend this meeting. During the meeting, these items will be discussed:

1. **Introduction**
   
   A. History of the program  
   B. Endorsements received  
   C. Objectives of program  
   D. Introduction of Consultant and Assistant Coordinator  
   E. Introduction of Task Force members  
   F. Introduction of University Cooperative Extension Facilitator

2. Video tape about the R&E program and teleconference

3. R&E Model and the Partnership (use pocket enclosures)

4. Role and Responsibilities of the R&E Task Force (use Community Guide: Task Force Responsibilities)

5. **Other Questions or Business**

The Coordinator and Assistant Coordinator will discuss items 1 and 5.

The University Extension Facilitator will discuss items 2, 3, and 4.
ASSIGNMENT 8: CONDUCTING TWO PRACTICE VISITS

1. Use the U.S. Industrial Outlook or other economic outlooks to complete the one page summary on the following page about the trends facing two local businesses you are going to visit. (This sheet is identical to that the Volunteer Visitors will receive during their training).

2. An advanced introductory letter will be mailed to each of the two businesses that you intend to visit along with a copy of the survey. (See Section V for sample letter and a typical agenda for the day.)

3. Check with the Coordinator for the scheduling of these visits.

4. Participate in the visits and interviews. Frequently as many as six people will conduct the practice visits with you. These include yourself, the Coordinator, Assistant Coordinator, University Extension Facilitator, and a Task Force member or another local leader.
ECONOMIC OUTLOOK SUMMARY SHEET

Firm ID:_____

(Assistant Coordinator fills in)

To familiarize yourself with the firms you will be visiting, please read the short industrial outlook summaries in your visitor packet. After reading, please answer the questions below. Keep this sheet for your information and follow-up.

1. What is the expected growth rate of this industry now and during the next five years? (For your own information, compare your answer to the firm’s from the survey).
   
   _____ currently _____ during next five years

2. Circle up to five factors that are likely to influence the industry’s profits/output during the next five years. (For your own information, compare your answers to those the firm gives to the survey).
   
   a. new products
   b. changing consumer tastes
   c. demographics
   d. higher consumer incomes
   e. defense spending
   f. foreign competition
   g. domestic competition
   h. raw material shortages
   i. energy costs
   j. transportation costs
   k. wage rates
   l. raw material costs
   m. new technology making older plants/equipment obsolete.
   n. financing availability
   o. taxes or other government policies
   p. other factors ____________________

3. Based on the information from the industrial summary you have read, what one or two questions would you ask the firm during the visit?

Firm name: ____________________________

Industrial Sector: _______________________
ASSIGNMENT 9: MEETING FOLLOWING PRACTICE VISITS WITH THE TASK FORCE

Participate in the R&E Task Force meeting after the practice visits. Usually the meeting takes one and one-half hours. The Consultant, Assistant Coordinator, University Extension Facilitator, Coordinator, and Task Force members should attend this meeting. During the meeting these items will be discussed:

1. Practice visits
2. Volunteer Training Sessions
   A. Nominate volunteers
   B. Set a date, time, and place
3. Other Items of Business

The Coordinator and Assistant Coordinator will discuss items 1 and 3. The Coordinator, Assistant Coordinator, and University Extension Facilitator will lead the discussion for item 2.
ASSIGNMENT 10 PRESENTING A WORKSHOP

The objective of the workshop regarding the U. S. Industrial Outlook or other economic outlooks is to prepare volunteers for their interviews. Specifically, this information helps them feel more comfortable during the visit and enables them to ask follow-up questions about the economic trends facing the businesses they visit. To prepare for the presentation, complete the following tasks.

1. Review the pages under "Special Features" in the U. S. Industrial Outlook to familiarize yourself with the publication.

2. Review Assignment 8. The form you completed for that assignment will be the same one used during the volunteer training sessions. A copy of the form is on the next page.

3. Read the short article "Reasons to Read the U. S. Industrial Outlook" at the end of this section.

4. During the Volunteer Visitor training sessions give your presentation about the utility of economic outlooks. Be sure to explain the purpose of the U.S. Industrial Outlook or other economic outlooks and the reasons why it is important to read the summaries prior to the visits. Also, have each volunteer complete their forms (like the one on the next page). These forms will be provided at the sessions.
Review of the U.S. Economic Outlooks for Volunteer Training

Read the attached summary from the economic outlooks and be prepared to discuss the answers to the few questions below.

1. Is this firm growing, declining, or remaining constant?

2. Which of the following demand shifters are currently affecting or are likely to affect this firm's growth within the next five years?
   a. general status of economy
   b. structural changes in the economy
   c. growth in related industries
   d. product substitution
   e. price changes
   f. demographic changes
   g. foreign competition

3. Which of the following supply shifters are currently affecting or are likely to affect this firm's growth within the next five years?
   a. relocation of suppliers
   b. government policies (embargoes, tariffs, price supports, taxes, etc.)
   c. environmental conditions (droughts, floods, etc.)
   d. surpluses or stockpiles
   e. production costs

4. What new technological innovations will this firm likely adopt? How will these innovations affect its productions and processing methods.

5. What new products will this firm likely develop, and what new markets will it likely enter?
REASONS TO READ THE U.S. INDUSTRIAL OUTLOOK

The U.S. Industrial Outlook is an essential reference for all economic development professionals. The economic forecasts for more than 350 manufacturing and service firms are discussed in addition to the macroeconomic forces affecting our and the world's economy.

The U.S. Industrial Outlook is used extensively in the R&E program for several reasons. First, the information makes the Volunteer Visitors feel more comfortable during their interviews. Secondly, the visitor's familiarity with the firm, may impress the firm representative being interviewed which improves the program's credibility and may encourage the representative to share more information. Thirdly, the information can be the basis for an early-warning system of plant relocations, closings, or contractions.

Typically, a team of two volunteers is assigned two to four firms to visit. Often visitors are unfamiliar with the various firms with which they will visit. To help prepare them for their interviews, we recommend that each visitor read the summaries pertaining to the firms they will visit. The summaries from the U.S. Industrial Outlook, which are provided by the University Extension faculty/staff or the Consultant, are inserted in each visitor's packet of information. By reading a few pages about the current and predicted economic status of a particular firm, the volunteer develops an informed point-of-view or perspective. The volunteers will understand the firm representative's answers better than if they had no information about the firm. In addition, the volunteer will be able to ask more pertinent questions and pursue an answer more often than had the volunteer not read about the firm.

Sensing that the volunteer is somewhat familiar with their industry, the firm representative will have more respect not only for the visitation program but also for the volunteers themselves. Consequently, the firm representative is likely to share more information with the visitor. Since the information gathered during these visits is the basis for the final report and recommendations, eliciting as much information as possible from the firm representative is critical.

Besides improving the quality of visits, the information from the U.S. Industrial Outlook can help local leaders establish an early-warning system against plant relocations, closures, and contractions. Not surprisingly, firms planning to relocate or to close or to reduce their labor forces seldom announce their plans early. If the reason for such a major change involve foreign corporate strategies, the community may have little influence in the firms' decisions. The community can, however, minimize the damage of such changes by establishing an early-warning system. Since it is unlikely that firms will announce their relocation, closing, or contraction plans, local leaders must rely on secondary information, such as the U.S. Industrial Outlook. By reviewing the economic forecasts for their major industries, local leaders will discover which firms are facing a difficult period during the next five years and which ones are likely to prosper. In so doing, local leaders can act to minimize the potential damage (unemployment, lost tax revenue, decline of linked industries) or perhaps even avoid such damage.

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1 This information should be applied and adapted to any other economic outlooks that are used.
IV. GETTING MEDIA COVERAGE

While the information gathered during the visits is confidential (unless the industry gives its permission for disclosure or unless follow-up is necessary), publicity of the program is vitally important. There are at least six occasions during an R&E program when the Coordinator or Assistant Coordinator should write news releases. These occasions are:

1. applying for the program;
2. being accepted in the program;
3. training the volunteers;
4. visiting local businesses;
5. following-up on industry’s concerns or problems (e.g. reporting success stories); and
6. presenting the final report (e.g. sharing the results and recommendations) to the community.

Sample news releases and copies of actual news articles printed about these occasions are provided on the following pages.

The first three occasions are excellent opportunities to obtain enthusiasm for the program because many of the local leaders acting as volunteers and local industry will read about the local effort. This media attention may motivate volunteers and industry to participate because it enhances the credibility of the program.

The fourth occasion, visiting local businesses, is another excellent opportunity for media coverage for two reasons. First, it proves that the program is action-oriented, that it is, in fact, a sincere attempt to improve the local business climate. Second, it provides tangible news for a reporter. The program is no longer an idea or proposal -- it is actually being implemented. By covering this stage in the program, a reporter can interview all parties involved, including industries, volunteers, the extension agent, Task Force members, the Coordinator, Assistant Coordinator and Consultant, for their feedback about the program.

Similarly, reporting on the follow-up work (item five) demonstrates the action orientation of the program. Follow-up work includes disseminating information, meeting with industry representatives to discuss solutions to a problem, referring to a firm an economic development professional who may be able to help it with its problem, establishing a seminar series about labor-management relations if that is the topic many industries mentioned as a concern, inviting speakers to discuss with local industry issues, such as export marketing or federal taxes, that are repeated during the visits, or even notifying state officials of serious concerns, such as the cost of workers compensation, about which industries complained during the visits. All of these examples are considered follow-up. They should be reported by the media because such coverage proves that the community is concerned and committed about helping its industry.

Local media should also cover the final meeting during which the results from the program and especially the recommendations written by the Task Force are presented to the community. Coverage before the event should be sought to generate more enthusiasm for it, and it should be sought afterward since only then will the results and recommendations be known.

Newspaper coverage is not the only source of publicity for an R&E program. Radio interviews, television coverage, newsletters, and information bulletins are also excellent methods of informing the community and state about your community’s pro-business attitude and efforts to promote economic development.
NEWS RELEASE

Applying for the Program

____ (sponsoring agency) ____ has applied for acceptance to a state economic development program, according to _________________, president of ____ (the sponsoring agency) ____.

The program, the (name state or community) Retention and Expansion Program, is designed to stimulate economic development and growth by assisting existing industry. The program is sponsored by the University Cooperative Extension Service and the (state) Department of Development. The total cost of the program is estimated to be $7,300 but the community pays only $500. The state sponsors cover the remaining cost.

"Quote from the sponsoring agency or the Coordinator about the objectives or expectations of the program," said _________________, of _________________.

If the application is accepted, the program will begin in _________ according to _________.

According to (name) ____ (title) ___, at ___ (local state university) ___, before a community can assist its existing industry it must identify the industry’s needs, concerns, and problems. Under the R&E program, local volunteers visit businesses and, with a questionnaire, gather this information. In turn this information is given to _________, the program’s Coordinators. They, along with the R&E Consultant and Task Force, try to solve those problems or needs identified by the businesses.

"Quote about program’s confidentiality," according to _____________________.

The information gathered from the visits is compiled and analyzed at ___ (local state university) ___, (coordinators) ___ (consultant) ___, and the task force members review this analysis and then write recommendations for future economic development initiatives for _________ County/Community.

"Quote about the program’s potential benefits," said _________________.

IV - 2
Anaconda expecting grant for pilot business program

By Dave Kirkpatrick
Standard Staff Writer

After this Friday, Anaconda should be home to one of two pilot programs in the state for business retention and expansion, Barbara Andreozzi, county extension agent, said Tuesday.

In an interview, Andreozzi said the program, offered through Montana State University and the University of Wyoming, will help businesses in Anaconda survive and possibly expand.

She said Anaconda is in the lead for one of two grants being offered in the state since the county put on a good showing at a meeting in Bozeman several weeks ago.

Under the program, a task force consisting of local business people will interview at least 30 area businesses owners, she said, and the information will be used to assess the business climate in Anaconda.

After that information is gathered, she said, Local Development Corp. Chairman Jim Davison and himself will look for any "red flags."

A red flag would be a business that needs immediate help, such as one filing for bankruptcy, she said, adding that experts would then be brought in to assist that business.

She said when the program was administered in an Ohio town, one of the red flags was a business that didn't have proper lighting near its front door.

Morale and production were low, she said, but when the utility company added street lights near the entrance the situation improved dramatically.

When all the red flags are sorted out, she said, the information will be sent to MSU where officials will double check for more red flags before sending the data to Wyoming.

At UW graduate students analyze the group's findings and make recommendations on how businesses can be retained and expanded in Anaconda, she said.

Andreozzi said the long questionnaire asks business owners such questions as where they market their products, if local government is pro- or anti-business and whether the community supports local businesses.

Basically it asks: "What can we do to assist them so they can expand?" she added.

Anaconda has had its ups and downs in trying to retain businesses, she said, citing Grizzly Boot as one example of a business that folded.

And she said studies show that 70 percent of new jobs created last year were the result of established businesses expanding.

Those same studies show that trying to attract new industries to a community is not always the best idea, she said.

Only 800 firms each year seek to relocate, she said, but about 20,000 communities are vying for them.

Andreozzi said the grant for the program is an undetermined amount since it covers all the expenses needed to compile and study the information, which is confidential.

She said the grant is part of the federally funded Western Rural Development Center.

Once the final document is complete, several public meetings will be held to make it available to businesses, she added.
NEWS RELEASE

Being Accepted into the Program

_______ County/Community will be implementing a local economic development program early next year according to ___________, the program’s local Coordinator.

The county’s/community’s application for the program was accepted by the ___(state university)___ Cooperative Extension Service and the ___(other agency)___, both of which co-sponsor the state economic development program.

"Insert a quote from the sponsoring agency about its enthusiasm for the program or the potential benefits, such as creating jobs, keeping industry, and improving the business climate," said _____________, president of _____________ which is sponsoring the program locally and paying the ___(dollar amount)___ fee.

The main objective of the R&E program is to assist existing businesses within the county/community to become more competitive, according to _____________, ___(title)___ of the university. According to _____________, helping firms become more competitive increases the chances of those firms staying and expanding in the community, hence the name of the program.

_________ from the university said that the focus of the program is on assisting existing businesses rather than attracting new ones because existing businesses account for about 40-70 percent of all new jobs.

To assist existing businesses, _____________ volunteers, who will be selectively recruited and briefed about the program during the next several months, will visit about _____________ local manufacturers and service businesses in _____________ to gather information. The volunteers will use a questionnaire prepared by the county/community and state sponsors to identify, among other items, the businesses’ needs, criticisms, and concerns about the county/community. This information is reviewed by the local Coordinator, Assistant Coordinator, Consultant, and Task Force who will try to solve these problems.

"Need a quote from the Coordinator emphasizing the confidentiality of this information during the visits," said _____________.

Assisting _____________ with the program are _____________, who will be Assistant Coordinator, _____________, who will act as the Consultant and _____________ Task Force members. These members include (list the Task Force members).

"Need another quote from Coordinator describing the cooperative nature of the program or his expectations", said _____________.

IV - 4
Working together

Miami Mayor Tim Campos, left, and Globe Mayor Bob Hickman look over plans for a local business retention and expansion survey that will be conducted in the area this coming June. Some 44 local volunteers will be trained to conduct the interviews of local businesses. The Globe Area Economic Development Corporation is sponsoring the survey in conjunction with the University of Arizona and the Arizona Department of Commerce.

Globe, Miami join to help firms develop

The communities of Globe and Miami have joined together in a program to support and assist local area businesses, according to an announcement made at a press conference Friday.

"We have been accepted to participate in the Arizona Business Retention and Expansion Program," said Rick Crawford, executive director of the Globe Area Economic Development Corporation (GAEDC). "The focus of the program is to keep existing businesses in the area, to explore their concerns and suggestions for improving the community, and to support any plans for expansion. Studies show that 40 to 80 percent of all new jobs are created through the expansion of existing, successful businesses, rather than through the attraction of new firms to the community."

Crawford said the program is patterned after a very successful operation developed in Ohio, and is being jointly sponsored in Arizona by the Department of Commerce and the University of Arizona Cooperative Extension.

Douglas Dunn, University of Arizona Cooperative Extension director, said he was quite pleased with the strong interest and support from the two communities for the program.

"The program has really pulled the two communities together," said Globe Mayor Robert Hickman and Miami Mayor Tim Campos, co-directors of the program.

Crawford is serving as local project manager.

"In the first phase of the project, teams will visit local businesses to discuss their needs concerns and development plans," Crawford said. "Sixty-six businesses, representing a cross-section of the business communities, will be contacted. These business will be interviewed by the visitation teams beginning the week of June 17th and finishing by July 5th."

"Each visit will be approximately one hour in duration," Crawford continued. "An interview form will be mailed to each business prior to the actual visit. The visits are designed to give us a clearer picture of the wants, needs and perceptions of businesses, and to pinpoint any problems they may be experiencing while doing business in our two communities."

"Respected individuals in the two communities have been recruited to make up the visitation teams," explained Ken Crockett, chairman of the GAEDC Retention and (Continued on page ten)

(Continued from page one)

Expansion Committee, who is in charge of recruitment.

"The visitation volunteers will work in pairs," he continued. "Each team will interview two to four businesses. Training for the visitation teams will take place in three works sessions on June 11 and 12."

Once the interviews have been completed, the data collected will be tabulated at the University of Arizona, and recommendations developed. Resources from within and outside the community will then be mobilized to work on the issues identified, and to assist local businesses and the development opportunities identified. Assisting in this phase will be Bill Stephenson of Arizona Public Service and Joe Brannan of the Arizona Department of Commerce. A final report will be developed with strategy recommendations, and community meetings will be held to discuss and implement the findings.

"The ultimate goal of the program is more jobs and a stronger local tax base," said Crawford. "We wish to clearly demonstrate a pro-business attitude in our twin community."

Arizona Silver Belt

Globe:
May 13, 1991
NEWS RELEASE

Training Volunteers

A ______ (state university) Extension specialist held two training sessions last night at the ______ (place) ______ for participants in an economic development program which begins this week.

The program is sponsored by the Cooperative Extension Service and the ______ (other agency) ______.

According to ____________, coordinator for the program, ______ (number) "volunteer visitors" attended two two-and-one-half-hour training sessions to become familiar with the ____________ County/Community Business Retention and Expansion Program.

"Quote from the Coordinator emphasizing the importance of the volunteer visitors to the program," ______ said.

The program is designed to stimulate economic development by assisting existing industry, according to ____________. ____________ pointed out that to assist industry, a community must first identify industry's needs and problems and then address those concerns to improve the local business climate.

The volunteer visitors will be visiting ______ local firms between now and ______. During each visit, the volunteers, in teams of two, will use a questionnaire to gather information about each business. The two training sessions last night were held to help prepare the volunteer visitors for their interviews.

"Quote from a volunteer about what he/she learned from the training sessions or his/her opinion of the program after the training or about his/her participation in the project," said ____________, one of the volunteer visitors.

During the training, volunteers viewed a videotape documentary about ______ (county's/community's) R&E Program which was one of the first communities to implement the program. They also asked questions of ____________, Coordinator of ______ County's/Community's R&E Program via teleconference. They also reviewed the questionnaire and the industrial summaries pertaining to the businesses they will be visiting.

__________ (coordinator) ______ emphasized that the information gathered through the surveys will be strictly confidential. The information will be reviewed by ______ (coordinator) ______ (assistant coordinator) ______ (consultant) ______, and ______ task force members, all of whom will address the problems, concerns, and needs mentioned by the businesses with the intention of improving the local business climate.

"Quote from coordinator about the his/her expectations of the program or the results and recommendations at the end," ____________ said.
Business R & E volunteers trained

by Christy Tyler

As Anaconda, one of two communities in Montana to be pilot cities in a Business Retention and Expansion (R & E) Project, begins to undertake the project, training of the volunteer volunteers has begun.

The volunteers, about 60 of them, attended a seminar Thursday to learn about their part in the project. They will be visiting different local businesses to survey them on a number of aspects.

Dave Sharpe, Community Development Specialist from MSU, presented the seminar. The project’s short term goals are to demonstrate the community’s pro-business attitude and help identify and deal with immediate problems. The long term goals are to make local businesses more competitive by evaluating and addressing their needs and concerns, to help businesses remain in the community and even expand.

Sharpe said statistics show that 40-70 percent of changes in employment occur in existing businesses, and 80 percent of new jobs created occur in existing businesses. In addition to strengthening existing businesses the project looks for ways to attract new businesses, but Sharpe pointed out that there are about 25,000 communities competing for 640 new industries each year, so the odds of getting them here are not very high.

Sharpe said the data collected will do two things, provide information on specific difficulties or problems businesses are having, and identify community-wide problems that affect all the businesses.

The project is being paid for through a grant that will pay for $3-7,000 worth of data collection, analysis and circulation, according to County Extension Agent Barbara Andreozzi. She will be the project coordinator, Jim Davidson of the Local Development Corporation (LDC) will be the project consultant, and Virginia Carosone, chamber director will be the will be the assistant coordinator. They’ve also received training for their positions.

Andreozzi said that about 81, out of 84 businesses have agreed to participate. Any businesses who have not been contacted, but would like to participate can contact Andreozzi.

By April, the information the teams gather will be shipped to MSU and then onto the University of Wyoming. The project is being done through a joint state grant with Wyoming. There, graduate students will input the information in computers and the semi-finished product will be sent to MSU to polish off the rough edges and then back to the community. Copies will be provided by MSU for the county, businesses, volunteer visitors, etc.

Once back in Anaconda the finished product will be presented to the community at a meeting, and depending on what the community wants to do the task force will be disbanded or it may continue on after the grant to help with local business problems and strategic planning.
Project seeks answers

By Mike Schneider
Univ Cooperative Extension

Greenlee County is one of nine cities and counties statewide to be selected for participation in the Business Retention and Expansion Program. The program was developed in Ohio and adapted for Arizona by the University of Arizona Cooperative Extension and Arizona Department of Commerce.

The purpose of the Business Retention and Expansion Program is to retain and strengthen existing businesses in Greenlee County. Although it is offered by the state, the program is conducted in the county by local leaders.

"It is not a project conducted by outsiders, it is something that the community of Greenlee County does for its self," explained Lynn Riger, project manager.

As a means of identifying our business's concerns and needs, teams of local volunteers will be visiting selected businesses throughout Greenlee County to gather information about each business. "When the volunteers complete their visits, the questionnaires will be sent to the University of Arizona, where a report of results and recommendations will be prepared. "Answers on the questionnaires will be very confidential," stressed Benavidez-Fooks. "The report will be done on an aggregate basis, Which answers came from which businesses won't be known."

"Volunteer Visitors" will receive four and one-half hours of training provided by the University of Arizona and Arizona Department of Commerce prior to the business visit/Interviews.

According to Task Force Director Terry Benavidez-Fooks, "The volunteers will be visiting 32 local businesses between April 22 and May 3. During each visit, the volunteers, in teams of two, will use a questionnaire specially developed for Greenlee County."
NEWS RELEASE

Visiting Local Businesses

Beginning this week, __________ County/Community industries will be given the opportunity to voice their opinions about the local economy and local and state government as _____(sponsor)_____ starts an economic development program.

The _____ County/Community Business Retention and Expansion Program officially begins this week as trained volunteers meet with local industry to identify their needs and concerns, ask their opinions about local and state government, and determine in what ways the local business climate can be improved.

"Quote by coordinator about the importance of the interviews, the cooperative nature of the program, the advantages of gathering primary data through person-to-person interviews, or the impossibility of such a program without these volunteers," _____________, coordinator of the program said.

The ______ (local sponsor) _______ is the local sponsor, while Cooperative Extension Service and the ______ (other agency) ______ are the state sponsors.

"Quote from the coordinator about the purpose of the interviews, or the importance of industries cooperating to make the program successful," ___________ said.
Business retention/expansion program

In the past 30 days more than 40 local volunteers have conducted interviews with 49 businesses as part of a business retention/expansion program in the Willcox area. The interview questionnaires were designed to help identify strengths, weaknesses and attitudes about Willcox.

"I learned a lot about what I thought I knew everything about."

The above quote is from one of the local volunteers conducting the interviews and demonstrates that one of the most important results of this retention/expansion program has already occurred. The process of local people interviewing local businesses has opened a line of communication and dialogue that has not happened before. Many of the volunteers have expressed what a positive experience this has been, and that they have a better perspective about our business climate. From the business side, many have said this is the first time anybody has cared enough to ask my opinion.

But we cannot live by process alone! Therefore the questionnaires from the interviews have been sent to the University of Arizona for tabulation and correlation. The U of A will report back to the Willcox Economic Development Group (WEDG) and the WEDG committee will develop strategies and will address the identified problems. The report to the community will be in September.

Some observations about the questionnaires: many businesses have plans for expansion; most feel Willcox is a fair-to-good place to do business; and the best features of Willcox are the people, the climate, and the size of the town.

Also according to the survey, the best opportunities for future economic development are Agriculture/Ag processing and Tourism/Highway services. These two categories were virtually tied. I want to thank the volunteers and the businesses for participating. There will be more to follow as we receive the results back from the U of A.

The Willcox Economic Development Group (WEDG) is a committee of the Chamber of Commerce in charge of the Economic Development Program for Willcox. Members of the WEDG committee are: Howard Bethel-chairman, Jim Martin, Sandra Ousley, Linda Olsen, Jim Beeler, Lynn Gunwall, Bruce Kelly, Duke VandeYacht, Bud Eyrich, Wayne Bowdoin and Jeff Fairman.
NEWS RELEASE

Follow-up

This news release is not fully developed because follow-up work or success stories can follow many different channels. A few leads are provided to give you ideas about an article.

The President of (business) announced today that he/she will not relocate their plant to Oregon but will expand here creating an estimated _____ jobs. (This might occur if the R&E Program somehow convinces the firm to stay, perhaps by introducing it to financial programs, improving transportation facilities, rezoning land, finding available land for expansion, etc.)

The superintendent of the vocational school introduced at last night’s _________ meeting a revised training curriculum to better meet the needs of local industry. (This might occur if businesses complain that they have difficulty employing adequately-trained workers.)

A traffic light will be installed at the intersection of _________ and _________ as the result of a local development effort, according to _______________. (This might occur if a business complains that the intersection is hazardous for its truckers which increases its insurance premiums.)

A petition to Congressman _________ and Senator _________ was sent yesterday urging them to either review and revise (state’s) workers compensation laws or risk the strong possibility of losing industry in _________ County. (This might occur if many businesses complain about a certain state law or agency that adversely affects their operations, especially if similar laws in neighboring states are less severe.)

A (other agency) official spoke at a seminar series about labor-management relations which began last night at _______. (This might occur if the Task Force, in response to a large number of firms wanting more information about labor-management relations or some other topic, forms a seminar series or breakfast forums featuring speakers from the state government, regional organizations, and the private sector.)
Business project develops strategies to help Great Falls firms

By MARC STERGIONIS
Tribune Staff Writer

The Great Falls Business Expansion and Retention Project has developed five strategies to help companies already in the city, citing figures that show existing businesses account for 40 percent of net growth in jobs.

In a summary report released Thursday, the business-retention task force identified areas where the "good-to-fair" business climate could be improved, based on in-depth interviews with the operators of 101 local businesses:

• Immediately address the problems of individual businesses in the survey.
• Retain businesses which have plans to relocate and assist businesses with problems, through direct follow-up.
• Create and distribute educational programs and materials.
• Create a committee to examine four particular problems.
• Coordinate communications on government services.

On a scale of 1 (excellent) to 5 (very poor), the respondents gave Great Falls an overall rating of 2.6 as a place to conduct business.

Businesses gave high marks to local schools and recreational opportunities, while panning the state and local tax structure.

David Sharpe, community-development specialist for the Montana State University Extension Service who managed the program, said Cascade County was the first in the region to complete its study, which was undertaken to see what might be done to stimulate the economy.

“We’ve got to make it easier, smoother and better to do business in Great Falls,” said Dennis Anderson, president of the Great Falls Area Chamber of Commerce.

Of the four often-mentioned problems, transportation was cited by 42 of the surveyed businesses, and transportation from suppliers affected 32. The survey showed the businesses buy a majority of raw materials, supplies and services from out-of-county concerns. A consideration in the transportation issue is the condition of highways connecting Great Falls and Billings, the state’s two largest cities.

Art Preston, a manager for Burlington Northern Railroad noted that close to 100 miles of the 225-mile route from Great Falls to Moore, Harlowton, Lavina and Billings is being upgraded or is planned for improvement.

Survey subjects gave high marks to airport accessibility and less-than-fair marks to railroad service.

Almost 60 respondents identified as a problem the difficulty of finding qualified employees. The retention program will put together a panel to work with Job Service and the Great Falls Vocational Technical Center to match workers to jobs.

Another panel would respond to concerns of 35 managers who said they had difficulty obtaining financing. And a group will study a problem cited by 11 businesses: handling and disposing of hazardous waste.

Business factors that earned the highest marks included:
• Proximity to airport, 1.6.
• Elementary/secondary schools, 1.6.
• Recreational activities, 1.7.
• Health care, 1.7.

Factors that earned fair or worse grades:
• Transportation costs, 2.9.
• Availability of rail service, 3.1.
• Local taxes, 3.5.
• State taxes, 3.6.

The survey was conducted by 67 volunteers during February and March, and the pilot program was sponsored by MSU, Cascade County Extension Service and the chamber. The 13-state Western Rural Development Center put up $15,000 to pay for computer time, and for travel and training of Sharpe and other business-retention program managers in the region.
NEWS RELEASE

Presenting the Final Report

This news release is not fully developed either because the final meetings vary considerably in format and content. Two leads seem obvious: either start with the number of people attending or start with the most important or interesting finding or recommendation that is presented at the meeting. Sample leads are provided. the remainder of the news release should describe the results and recommendations of the program and quotes from the principal leaders as to the success of the program.

More than ______ people attended the ___________ County/Community Business Retention and Expansion Meeting last night at the _______(place)______, according to ____________, coordinator of the R&E program and organizer of the event.

More than 80 percent of the local industries consider _________ County/Community to be an excellent or good place to do business, according to the results of a recent survey.

Two out of every five industries in _________ County/Community want Route ___ to be widened, according to a recent survey.

Nearly 30 percent of industry within the county/community are dissatisfied with medical care in the county/community, according to a recent survey.
Survey results point way to business growth

By CHARLES DOWNS
The Lake Havasu City Herald

Lake Havasu City must take steps to improve the quality of its work force, make more low-cost housing available and improve communications between business owners and city officials if it is to help local businesses expand and discourage them from leaving the city.

The recommendations are among those contained in a preliminary report prepared from a survey conducted by the Lake Havasu Commission for Industrial Development (CID) under the auspices of the Arizona Business Retention and Expansion Program.

Of 65 local manufacturing, wholesale, retail, service and construction businesses asked to participate in the survey, 45 agreed to be interviewed.

Among survey findings were these:
- Fifty-five percent of the service businesses reported they have problems recruiting satisfactory semi-skilled and skilled workers. Among those in the retail business, 50 percent said they have problems finding semi-skilled workers. More than half, 57 percent, of the companies in the city's largest business category in terms of gross sales, the construction business, reported problems in hiring skilled workers.
- Once hired, employees' work attitude and personal characteristics are a problem, 31 percent of those responding said. Only 9 percent cited wages as a problem in retaining employees but 18 percent blamed lack of goods and services in the community.
- Although the survey did not specifically address the problem of affordable housing, 29 percent of those responding listed it as causing employee retention problems.
- The survey indicates that better performance and communications is needed from the city's planning and zoning department, city administration, the Commission for Industrial Development, the local electric utility, the waste disposal company, and reports that the lack of public transportation is a problem.
- The CID's 11-member task force formed to evaluate survey results and draft recommendations suggested some solutions to the problem.
- The Arizona Department of Economic Security should institute programs such as the Job Service Corps to improve the quality of the work force. Professional groups should be made aware of programs available to ensure successful employee recruitment and retention, and a task force should be formed to deal with the problem.

A task force should be established to explore the feasibility for forming a Lake Havasu Housing Authority or using the Mohave County Housing Authority to provide subsidized housing for low-income families.

Local building ordinances might be relaxed to encourage private development of affordable housing.

Most of the respondents, 71 percent, faulted services provided by the city's planning and zoning commission, city administration and the Commission for Industrial Development. The task force recommended that an "ambassador/partnership program" be formed to improve relations between those agencies and business owners, and that corrective action which is taken by the agencies be publicized.

It further recommended that the city hire a public relations official who could serve as an ombudsman to investigate citizens' and businessmen's complaints. Also recommended was an "electric/waste" review board to consider the problems of the high cost of electricity and waste disposal problems.

A complete copy of the 83-page report may be obtained from Rich Senepole at the Mohave Community College Small Business Development Center, 1977 W. Acoma Blvd., or from Pat Forrest at the CID, 1795 Civic Center Blvd.
Business leaders hear about economic ideas

By Dick Crockford
Leader Editor

Anaconda's "business climate," while not all that bad, could be improved through a four-part strategy, according to a report released here yesterday.

Actions taken following a survey conducted earlier this year by the U.S. Department of Agriculture's Extension Service Western Rural Development Center. Besides Montana, Wyoming, Nevada, Utah and Arizona are participating in the program, the report says. The process used is adapted from one conducted by the Ohio State Extension Service with 38 counties in Ohio.

Cooperation between the Montana State University Extension Service, the Anaconda Local Development Corporation, the Anaconda Chamber of Commerce and the Anaconda-Deer Lodge-County Commission was cited as a major reason Anaconda was selected as one of the two Montana pilot communities.

Great Falls is the only other city in the state to conduct a similar survey.

The overall goal of the Retention and Expansion Program is to help existing businesses improve their competitive market position, thereby increasing income and employment in Anaconda. The project's three objectives are to:

- identify specific problems of individual businesses that can be addressed locally;
- identify the common problems, needs and wants of existing businesses that might be addressed locally;
- learn the future plans of local firms with respect to expansion or relocation.

Calling the report a "springboard," Andreozzi said the findings of the BRE report will in improving the local business climate.

"I'm really proud of what you've done here," he said.

The program in Anaconda is sponsored locally by the Anaconda Local Development Corp., Anaconda Chamber of Commerce, Anaconda-Deer Lodge County Commission and the Anaconda-Deer Lodge County office of the Montana State University Extension Service.

Gene Vuckovich, Anaconda-Dear Lodge County manager, opened the meeting and welcomed the guests. Dave Sharpe of Bozeman, an Extension Service community development specialist from MSU, provided a brief explanation of the project's origin and purpose.

Jim Davison, executive director for the ALDC and co-chairman of the task force, described some specific actions taken as a result of what was learned during the visits to the 72 employers.

Presenting outlines of the four strategies were Ed Forwood of Pad and Pencil, John Stephens of First Security Bank, Bill Case of the Anaconda Job Corps Center and Mary Jo Oreskosvich, School District 10 superintendent.

Virginia Carson, executive director of the Chamber of Commerce, distributed certificates of appreciation to the volunteers who conducted the surveys. On behalf of the BRE task force, member Dean Neitz, publisher of the Anaconda Leader, expressed appreciation to First Security and Norwest banks, which sponsored the meal.

In his remarks, Sharpe said he and Davison had begun discussing the project about four years ago, and complimented those involved locally.

"I'm really proud of what you've done here," he said.

According to the introduction of the report, "existing businesses account for 40-70 percent of the net change in employment for most communities."

Sharpe said that Anaconda was one of the two Montana communities which participated in a pilot project to bring community business retention and expansion programs to the state.

Part of a Regional Business Retention and Expansion Project, the local effort was funded by the U.S. Department of Agriculture's Extension Service Western Rural Development Center. Besides Montana, Wyoming, Nevada, Utah and Arizona are participating in the program, the report says. The process used is adapted from one conducted by the Ohio State Extension Service with 38 counties in Ohio.

Cooperation between the Montana State University Extension Service, the Anaconda Local Development Corporation, the Anaconda Chamber of Commerce and the Anaconda-Deer Lodge-County Commission was cited as a major reason Anaconda was selected as one of the two Montana pilot communities.

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Calling the report a "springboard," Andreozzi said the findings of the BRE report will in improving the local business climate.

"I'm really proud of what you've done here," he said.

People believe if a spider swings down in front of you, you will hear good news.
V. THE INITIAL TASK FORCE MEETINGS AND THE PRACTICE VISITS

If the Coordinator, Assistant Coordinator, University Extension Facilitator, and Consultant have not yet met with the Task Force members, this is the time to do so. In some cases the initiating R&E committee in a community is the Task Force or makes up the nucleus of the Task Force involved early in the process is a distinct advantage. In this way they feel ownership of the program from the beginning.

Depending on the local situation, the R&E Task Force could consist of 8 - 20 respected individuals in the community that would provide direction and coordination to the program. As indicated in the Application procedure, Task Force members should represent the key economic development organizations in the community, such as city and county government, chamber of commerce, local development councils, IDA's, community college, utilities and financial institutions. Additionally, members should also represent other organizations which lend further credibility to the program.

When the Task Force is involved early in the process, they can assist in generating resolutions of support from the organizations they represent. Some communities have also asked these supporting organizations to contribute toward the registration fee and operating costs of the program.

A. Orientation Meeting with the Task Force

The purpose of this first meeting is to ensure that all members understand the purpose, objectives, structure, and time frame of the R&E program. Even more important is that they understand their roles and responsibilities. Finally, this is an excellent opportunity for the Coordinator and Assistant Coordinator to share with the Task Force members the draft work plan they developed as part of their certification process. A copy of the BUSINESS RETENTION & EXPANSION CHECKLIST is included at the end of this section for your use.

Suggested Agenda

1. Introduction (10 minutes)

   The Coordinator introduces each person (or asks each person to introduce themselves). The Coordinator and Assistant Coordinator should explain the objectives and structure of an R&E program, the sponsorship, and perhaps a historical note as to how other communities have benefitted from the program.

2. Videotape and Teleconference (40 minutes)

   The videotape about R&E program is presented so the Task Force can "see" a similar program. Following the videotape, questions for the teleconference should be brainstormed. A teleconference should be arranged in advance with a Coordinator or Assistant Coordinator in communities that have already gone through the program.

3. Task Force Responsibilities (30 minutes)

   The University Extension Facilitator orients the Task Force members to their role and responsibilities. They are listed below.
a. **Provide Community Representation**

The R&E Task Force, consisting of 8-20 respected individuals in the community, is responsible for providing direction and coordination to the Business R&E program. The Task Force is to represent the key organizations involved in economic development in the community, such as city and county government, chamber of commerce, local development councils, IDA’s, community college, utilities, and financial institutions. The Task Force should be involved early on in ensuring support for the R&E program within their respective organizations. The R&E Task Force may be responsible for generating resolutions of support for the program from local organizations, as required in the final application form. Some communities have asked these supporting organizations to also contribute toward the registration fee and operating costs of the program.

It is recommended that official stationery be printed, to include the names of Task Force members and the sponsoring organizations. This stationery will be used in making contact with the firms to be visited, as well as other correspondence. It gives public recognition to the organizations sponsoring the program. The listing of names and organizations on the letterhead has also been found to increase the survey response, in that it clearly conveys the community’s commitment to the program.

b. **Assist in the Development and Coordination of the Work Plan**

The R&E Task Force should meet regularly with the Coordinator and Assistant Coordinator to help plan the logistics of the Work Plan, found in Handbook assignments, and to coordinate its implementation.

c. **Identify Firms to be Visited**

The R&E Task Force should work with the Coordinator and Assistant Coordinator in identifying and finalizing the 30 to 100 firms to be visited. A decision needs to be made as to which segments of the local economy are to be included on the list of firms to be visited. Use the form "Firms To Be Visited," at the end of this section (Part A) as a worksheet in generating your visitation list. The survey, with a cover letter, will be mailed to the firms to be interviewed a week prior to the team visits.

d. **Publicize the Program**

The R&E Task Force should look for opportunities to publicize the program among service clubs and other community organizations. The Task Force may wish to set up a speakers’ bureau to carry out this task. The Coordinator will coordinate media coverage.
e. **Review Survey Questionnaire and Determine Local Questions**

Although the survey used during the interviews is standard, the Task Force may choose to delete questions which are not pertinent to their community. They may also include two local questions. These local questions should concern local development issues. For example, the widening of a major thoroughfare, the increasing of a sewage treatment plant’s capacity, the effects of tax abatement, the role of the community college, the upgrading of a regional airport, or downtown development may be pertinent issues in the community about which the Task Force would like community opinion. Changes to the standard questions are possible but are costly and time consuming in that the computer program must be changed to tabulate the results.

f. **Serve on a Volunteer Visitor Team and Recruit Additional Volunteers**

Task Force members are encouraged to serve as Volunteer Visitors themselves, and to go through the training. The business visitations are the most satisfying part of the program. Task Force members should also assist in the identification and recruitment of respected individuals in the community to serve as Volunteer Visitors.

Prior to the training, a practice visit is made to two business firms. The practice visit should include the Coordinator and Assistant Coordinator, one of the consultants and 1 or 2 Task Force members. Different Task Force members should be used in each of the two practice visits, to allow for wider participation.

It is recommended that a Task Force meeting be held the evening of the practice visits, to allow for reflection and evaluation, to orient Task Force members not able to participate in the practice visits, and review final arrangements for the training of the Volunteer Visitors.

g. **Set Policy on Reassignments**

A few of the volunteers will not complete their visits, for various reasons. To prevent the program from being delayed excessively, the Task Force should discuss and ratify its policy on reassigning the firms to be visited. One option is for the Task Force members themselves to complete the visits along with a volunteer.

h. **Address Concerns and Problems Cited by Businesses in the Surveys**

**Local Problems** This is one of the Task Force’s most important roles. When the surveys are returned to the Assistant Coordinator, certain complaints or concerns by businesses will be of a local nature, such as zoning regulations or street repair. It is the Task Force’s job to discuss these issues and to try to solve them.

**Non-Local Problems** Issues of a non-local nature will be addressed by the Consultant(s). Examples of non-local concerns might include financing, environmental issues, state and federal assistance.

**Procedures for Reviewing Surveys** After 10 to 12 surveys have been returned, the entire Task Force should meet and review each of the surveys. The purpose of this review is to identify specific ways that the R&E program can provide assistance to each firm.
Several meetings will be required to complete the process of reviewing the surveys. The process used for review is as follows:

i. The Assistant Coordinator runs a photocopy of the survey, but omits the cover sheet with the firm name and the page which includes the employment data and products produced. This is usually the first page. If this information is not removed, the review process violates the confidentiality promised to each of the firms during the visits.

ii. At the meeting, the Task Force is sub-divided into small groups of three people each. Each group reviews three surveys, with each person in the group reading all three surveys. The small group then completes the "Follow-up Worksheet" that outlines the nature of the problem, the suggested follow-up, and the person that should be asked to handle it. (See copy of the "R&E Task Force Follow-up Worksheet" at the end of this section (Part A))

iii. The entire Task Force reconvenes and the small groups report back. The full Task Force then either accepts or modifies the suggested ideas for follow-up.

This review process not only helps address the immediate problems of local firms but also helps local leaders understand the long-term major concerns of firms. These longer term problems are addressed formally after the data is fully tabulated by the University. But the review of individual surveys gives the Task Force members a stronger grasp of the nature of these concerns. This makes it easier for them to have thoughtful and significant input into the preparation of the final report later in the process. Additionally, it provides them insights as they participate in the implementation of long range economic development strategies. Finally, it also gives them time to think about various options for handling the problems that firms mention.

Groups that have used the full survey review process have been very satisfied with it. The primary benefit it provides is the complete ownership by the Task Force of the results of the survey.

i. Write the Economic Development Recommendations

This is the other important role of the Task Force. After the volunteers complete their interviews and copies of all the surveys have been sent to the University Extension faculty/staff person will code and analyze the data. A rough draft of the findings will then be sent to the Coordinator.

The Task Force, Coordinator, Assistant Coordinator, Consultant(s), and the University Extension Facilitator will meet to review and discuss the findings. Based on the findings, the Task Force will write its recommendations for future economic development efforts in the community.

The process of writing the recommendations for stimulating economic development in
the community is one of strategic planning. To gain the support of the business community, the recommendations must lead to effective local programs that local firms see as beneficial. To achieve this goal, the Task Force will need to know the survey results, the overall employment profile and industrial outlook of the community, and the community’s resources, abilities, and values.

This section outlines a series of three Task Force meetings that are necessary, based on the experiences of other similar programs, to develop effective recommendations. While some R&E Task Forces have met less frequently than suggested below, they have not been as effective in implementing their recommendations as those that met more often.

**Meeting #1** (held after the Task Force receives the rough draft report). During this two to three-hour meeting, the University Extension Facilitator and Task Force review the rough draft of the survey results. The Facilitator, using the Nominal Group Process, leads the group through the process of identifying the obvious conclusions/issues from the survey results. Based on these key findings several economic development strategies will be brainstormed. Together, using the nominal group process, the Task Force identifies and agrees on the strategies to be pursued for the community’s future economic development. Given sufficient time, the Task Force may be able to finalize the list of strategies at this meeting. If not, the Facilitator, coordinating with the Coordinator or Assistant Coordinator, should draft a report from this meeting and present it for final decisions at the next meeting.

**Meeting #2** (held about two weeks after meeting #1). At this two to three-hour meeting the report, with the suggested strategies is distributed (preferably in advance) to the Task Force members. The final selection and wording of the strategies should be the first order of business. Once this is done, the group can move on to the topic of implementation recommendations for each strategy. As in meeting #1, the Facilitator should use the nominal group process for brainstorming and selecting recommendations appropriate for each strategy.

**Meeting #3** (held about two weeks after meeting #2). During this meeting (about two hours), the task is to finalize the writing of the recommendations. The recommendations must be widely supported to be adopted. This is to ensure that each Task Force member understands and is committed to the final recommendations.

The recommendations reflect only the attitudes of the Task Force. Thus, it is best to limit recommendations to those for which there is broad consensus. If there is consensus, the recommendations can then be sent to the University Extension Facilitator to be included in the Final Report.
The Task Force members should also discuss arrangements for the upcoming community meeting during which the findings and their recommendations will be announced publicly.

j. Participate in the Community Meeting

The community meeting, during which the survey findings and recommendations from the R&E program are presented, provides the opportunity for the community to recognize the "end" of the R&E visitation program and the "beginning" of new economic development initiatives. Even though the visitation stage of the R&E program has concluded, you have just gathered detailed information on the local firms surveyed and have just announced recommendations for economic development. The community meeting, therefore, should signify the start of local initiatives to improve your business climate.

Who to Invite: The Task Force can help the Coordinator in identifying the key players in the community to be invited to the community meeting. This can include representatives from the news media; the sponsoring and supporting organizations that originally endorsed the R&E program; the business firms visited; the Volunteer Visitors; city officials; the county supervisors; city and county planning officials, state Senator and Representatives; all economic development groups; Private Business Council; local school and community college officials; business persons, major employers in the community, and interested citizens.

Presentation of Final Recommendations: Selected Task Force members will be asked to present the highlights of the Final Report. A SUMMARY REPORT, highlighting the survey results and recommendations will be distributed to participants of the community meeting. This provides credibility and visibility to the R&E Program and facilitates follow through.

4. Task Force Responsibilities for Immediate Action (20 minutes)

The Coordinator should guide the Task Force members through the process of accomplishing several immediate responsibilities. They are: c) (above) Finalizing the list of firms to be visited; e) (above) Review the questionnaire and determine the local questions, and f) (above) Discuss progress of volunteer recruitment.

5. Review and Approve Final Work Plan (10 minutes)

If not already done, this would be a good time to walk the Task Force members through the Work Plan, discuss it, and consider any suggested changes.

6. Time frame of Total Program (10 minutes)

Having gone through the Work Plan, The Coordinator or University Extension Facilitator will summarize the time frame for the Task Force so that each member realized when each stage, such as the volunteer training and visits, will occur. This review is important because members will be able to see the beginning and end of this effort.
**FIRMS TO BE VISITED** Because of the greater economic impact that manufacturing firms and large (more than 50 employees) non-manufacturing firms make, you are strongly encouraged to include all of these firms on your list "to visit". Under **Public Administration/Public** you are also encouraged to include educational, health care and military facilities, as these also impact the economy. The questionnaire may require revision or a different questionnaire may need to be developed for them.

Agriculture/Mining

Construction

Manufacturing

Transportation, Communications, Utilities

Wholesale Trade

Retail Trade

Finance, Insurance, and Real Estate

Services

Public Administration/Public
<table>
<thead>
<tr>
<th>FIRM ID</th>
<th>COMMUNITY/COUNTY</th>
<th>DATE OF VISIT</th>
<th>TODAY'S DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RESPONSES THAT NEED FOLLOW-UP</strong> (QUESTIONS #)</td>
<td>NATURE OF CONCERN/PROBLEM</td>
<td>RECOMMENDED FOLLOW-UP</td>
<td>WHO? WHEN?</td>
</tr>
<tr>
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</tbody>
</table>
# BUSINESS RETENTION & EXPANSION CHECK LIST

<table>
<thead>
<tr>
<th>TASK</th>
<th>RESPONSIBLE PERSON</th>
<th>TARGET DATE</th>
<th>DATE COMPLETED</th>
</tr>
</thead>
</table>

1. Obtain Community Commitment
   - Set up an informational meeting.
   - Insure representation from local government and community organizations involved in economic development.
   - Personally contact key influencers.
   - Explain the R&E program.
   - Secure sponsor(s).
   - Clarify geographic area to be covered.
   - Form Task Force.

2. Make Application
   - Select Coordinator
   - Select Assistant Coordinator
   - Select Consultant(s)
   - Secure the application fee.
   - Obtain letters of support.
   - Identify the mix of firms to be visited.
   - Complete application.
   - Arrange publicity.

3. Complete Certification
   - Certification of Coordinator, Asst. Coordinator and Consultant(s).
   - Conduct Task Force training.

4. Plan Visitation Program
   - Formulate a work plan/schedule.
   - Review questionnaire; add local questions.
   - Identify specific firms (key decision-makers in the business community) to be visited.
   - Communicate with firms to be visited; verify contact person(s), address, etc.
   - Complete one or two practice visits.
<table>
<thead>
<tr>
<th>TASK</th>
<th>RESPONSIBLE PERSON</th>
<th>TARGET DATE</th>
<th>DATE COMPLETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Recruit and Train Volunteer Visitors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Task Force identifies individuals that would make good volunteer visitors.</td>
<td></td>
<td></td>
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<tr>
<td>• Recruit volunteer visitors.</td>
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<tr>
<td>• Mail letter of confirmation to each volunteer.</td>
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<td></td>
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<tr>
<td>• Match visitation teams with firms to be visited.</td>
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<tr>
<td>• Conduct visitation team training (2½ hours).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Complete Business Visits</td>
<td></td>
<td></td>
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<tr>
<td>• Arrange publicity.</td>
<td></td>
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<tr>
<td>• Develop and mail information packet to the firms to be visited.</td>
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<tr>
<td>• Make interview appointments.</td>
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<tr>
<td>• Complete the interviews within two weeks.</td>
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<tr>
<td>• Return completed surveys to Assistant Coordinator.</td>
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<td></td>
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<tr>
<td>• Asst. Coordinator/Task Force follows-up on stragglers.</td>
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<tr>
<td>7. Analyze Survey Results</td>
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<tr>
<td>• Make a photo-copy of each of the completed surveys.</td>
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<tr>
<td>• Mail surveys to University faculty for computer tabulation and analysis.</td>
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<tr>
<td>• Task Force reviews completed surveys.</td>
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<tr>
<td>• Task Force with aid of Consultants respond to immediate concerns/problems, and provide requested information.</td>
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<tr>
<td>• Letter of appreciation sent to businesses and visitation volunteers.</td>
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</tbody>
</table>
8. Develop Recommendations

- Task Force reviews University tabulation, discusses and analyses the results.
- Task Force reviews available socio-economic trend data on the community and correlates with R&E results.
- Task Force with aid of Consultants and Facilitator formulate strategies and develop recommendations to address survey findings.
- Facilitator prepares draft report.
- Task Force edits report.

9. Community Presentation

- Summary Report of survey findings with recommendations is printed.
- Organize community meeting(s) and presentation of report.
- Task Force presents recommendations to the community.
- Distribute Summary Report to local businesses, government officials, community influencers, resource agencies, etc.
- Arrange publicity.

10. Follow-Up

- Establish responsibilities and timelines to implement the recommendations.
- Establish a mechanism to coordinate the on-going R&E program.
- Formulate business development strategies.
B. Practice visits

The purpose of the practice visits is to demonstrate the procedure for a typical business visit to the Coordinator, Assistant Coordinator, Consultant, and two Task Force members.

Although only two businesses are visited, this experience is extremely valuable because it enables these leaders to see for themselves businesses reaction to the program. They can see the extent to which business supports this type of local initiative, they can hear the degree to which business is willing to share information, and they can learn the extent to which the community is meeting businesses needs. These observations should then be shared during the training sessions with the Volunteer Visitors who may be a bit nervous about interviewing plant managers and presidents and who are very eager to hear encouraging, first-hand accounts of an actual visit.

The suggestions below for organizing the practice visits are based on experiences from other programs similar to yours. Since these are only suggestions, you can, of course, alter them according to your local situation. Please contact us, however, if you want to make significant changes to these suggestions so we can discuss them thoroughly. (If you do need to alter the program for your local situation, we may be able to help you by sharing experiences from the other programs that we have worked with, and your ideas to alter the program will help us understand new approaches to different situations. Either way, please call us.)

These are the steps the Coordinator needs to follow to organize and hold the practice visits.

1. The people listed below will be participating in the practice visits. The Assistant Coordinator should call them to set possible dates for the visits:

   a. the University Extension Facilitator
   b. the Coordinator
   c. the Assistant Coordinator
   d. the Consultant
   e. a key leader usually from the Task Force
   f. another key leader usually from the Task Force

   The first four visitors attend both practice visits; the other two visitors take turns. In other words, one key leader will attend the morning interview and the other key leader will attend the second interview. This allows two key leaders to have first-hand experience in the visitation process and keeps the number of visitors to five or six for each visit. Although visits with more people can be held, we suggest that the number of visitors be held to five or six to prevent the business from feeling invaded.

   Frequently we ask an experienced Consultant or Assistant Coordinator who has worked with another R&E program in the state to work with new programs on the practice visits and first Task Force meeting. They have first-hand experience in R&E programs and can offer you valuable insights.
2. The Coordinator should select two businesses to visit. Since these businesses are the first to be visited, the Coordinator may wish to select two businesses owned and operated by people with whom the Coordinator is familiar and comfortable. We recommend that the two businesses be contrasts; that is, one that employs few people and one with a large work force, or one that is labor-intensive and one that is capital-intensive, or one that is growing and one that is declining or stagnating. These contrasting businesses often provide very different answers during the visits because they face different economic problems. This allows the visitation volunteers to experience two potentially different interviews.

3. The Coordinator should call the two businesses to schedule an appointment. Both appointments must be made for the same day, one in the morning (9 a.m.) and one in the early afternoon (1:30 p.m.). Often, interviews last one hour but some stretch to two hours, so you may wish to leave two hours between them.

While on the phone, the Coordinator should explain to the businesses the purpose of the R&E program, the purpose of the practice visits, and the possibility that five or six people may attend the interview. Also, the Coordinator should explain that although these two visits are practice ones they are still "official visits", meaning that they are part of the program and the survey information will be used in the final analysis. The Coordinator must stress the confidentiality of the interview and tell the businesses that a copy of the survey which will be used during the interview will be sent to them beforehand.

4. Once the Coordinator has scheduled the two interviews, a letter needs to be sent to University Extension Facilitator with the following information:

   a. the date and times of the interviews.
   b. the names and SIC codes or category of the two businesses; and
   c. the names of the people conducting both visits

This information is used to prepare packets for each visitor.

5. The Coordinator should send a copy of a survey to each business at least several days before the practice visits. The Coordinator should also send a letter* mentioning the purpose of the program, the confidentiality of the survey information, the importance of businesses cooperation, and appreciation of the business to agree to meet with the Task Force members. The Coordinator should also indicate in the letter those people who will be attending the interview. A sample survey and letter are provided in this section.

* We strongly recommend that the Coordinator develop a letterhead specifically for the R&E Program. Using an R&E letterhead lends credibility to your program and gives the impression that this is not just another survey program where the information gathered sits on a shelf. The letterhead suggests that this effort is both action-oriented and long-term.
It is important that the names of the members of the Task Force (including the Coordinator, Assistant Coordinator, and Consultant) appear on the letterhead so that business recognizes the different organizations participating in this effort. Another reason to list the names and organizations of the Task Force members is to give public recognition to the contribution these individuals have made. Also, listing the names and organizations on the letterhead may improve response rates if a business representative recognizes one or several of the individuals. A sample letterhead is provided in this section.

6. As you will see, the interviews virtually run themselves. Nonetheless, during the first visit, the University Extension Facilitator will run most of the interview. The Coordinator should, during both interviews:

a. explain the program's purpose briefly to the business representative;

b. mention the local and state sponsors;

c. have everyone introduce themselves to the business representative;

d. express appreciation to the business representative for the interview meeting;

e. emphasize the confidentiality of the program but also the need for follow-up work;

f. explain that all answers are voluntary and if so inclined, the business representative does not have to answer them; and

g. give the business representative a copy of the survey, should they not have one.

During the first interview, after the Coordinator's introduction, the University Extension Facilitator will read each question of the survey. During the second interview, the Coordinator, after giving the introduction, should read through the survey.

7. As a rule, while one Volunteer Visitor asks the survey questions, the other records the answers. So, during the first interview, the Coordinator or Assistant Coordinator can record the answers. During the second interview, the Assistant Coordinator, Consultant, or University Extension Facilitator can record the answers. In fact, everyone except the interviewer can record the answers if they want, just as long as one person is doing it.
8. After each interview, the Coordinator should explain that the business representative will be invited to a report presentation which will be held in about six months. During that presentation, the results from the survey and the Task Force’s recommendations for economic development will be announced. The Coordinator should also tell the businesses that they will receive copies of the program summary during that event.

9. Following the interview, each business representative should receive a “thank you” letter. A sample letter is provided in this section.

Lunch: Time Between the Two Practice Visits

The University Extension Facilitator, the Coordinator, Assistant Coordinator, and the Consultant will meet for lunch to discuss the program and visits. The other two visitors (the key leaders) may attend if they are eager to join.

C. Task Force Meeting Following Practice Visits

The Task Force meeting is held in the afternoon (3 to 4 p.m.) after the two practice visits or that same evening. The purpose of this Task Force meeting is to 1) review and share with the Task Force members the reactions from the businesses visited earlier in the day, 2) plan the recruitment of additional Volunteer Visitors, and 3) plan the Volunteer Training Sessions. A suggested agenda for the Task Force meeting is as follows:

**Suggested Agenda**

1. Practice Visits Review and Discussion (30 minutes)

   The Coordinator, Assistant Coordinator, or Consultant can share and discuss with the Task Force the reactions from the businesses visited earlier in the day.

2. Recruit Additional Volunteer Visitors (30 minutes)

   At this point in your program, you will have most of your volunteers recruited; however, often you still need a few. If such is the case, the Task Force should be delegated the responsibility to recruit additional volunteers which is discussed in Section VI.

3. Plan Volunteer Visitor Training (30 minutes)

   It would be good to involve the Task Force members in working out the details of the training session. Usually the Task Force members will participate in the visitation effort, although this is not essential. (See Section VI).
SAMPLE LETTER

Asking Industry for Participation

Chief Executive Officer
Some Company
Some Address
Some City and State and Zip

Dear Chief Executive Officer:

The economic well-being of our community depends on the well-being of our existing industry such as your firm. Realizing the importance of local industry, the ___ sponsoring agency ___ is sponsoring and implementing an economic development plan to not only assist existing industry but also improve the local business climate.

The development plan, ______________ County’s/Community’s Business Retention and Expansion Program, is a county-/community-wide effort bringing together several organizations concerned about local economic development. These organization include ___ (list those organizations endorsing the program and those represented by the Coordinator, Assistant Coordinator, Consultant, and Task Force members ___), the University Extension Service and the ___ (cooperating agency) ___

The program involves local leaders visiting industries to identify the needs of our industry. To do so, these leaders are using surveys to gather information. Specifically, the objectives of using the survey are to:

1. understand our industry’s viewpoint of the local economy;
2. understand our industry’s relationship with the local economy;
3. identify your concerns related to economic development in this area;
4. provide our industries with information about current state development programs; and
5. establish or maintain a channel of communication between your firm and local leaders.

Enclosed please find the survey that the volunteers will be using during the interviews. The volunteers, ______ their names _______ will be contacting you this week to schedule an appointment with you. The interviews usually last about an hour. Let me emphasize that all information shared during the interviews is strictly confidential.

I would greatly appreciate your cooperation with this community effort. Please, if you have any questions regarding this program, call me at your convenience.

Sincerely,

R&E Coordinator
MONTANA STATE UNIVERSITY

BUSINESS RETENTION & EXPANSION PROGRAM

ANACONDA-DEER LODGE COUNTY

TASK FORCE

Gene Vuckovich
Connie Temes-Daniels
Jim Yoeman
Ed Forwood
Virginia Carosone
Dick Verstreete
Tim McKeon
Bruce Grabosky
Mary Jo Oreskovich
Sandy Puccinelli
Bill Case
G.J. Walker
Gary Wright
John Stephens
Dean Neuz
Jim Davison
Barb Andreozzi

EXTENSION SERVICE
Courthouse, 800 S. Main
Anaconda, Montana 59711
406-563-8421 Ext. 231

Anaconda Chamber of Commerce
306 E. Park
Anaconda, Montana 59711
406-563-2400

Anaconda Local Development Corporation
P.O. Box 842
Anaconda, Montana 59711
406-563-5538

Anaconda-Deer Lodge County Commission
Courthouse, 800 S. Main
Anaconda, Montana 59711
406-563-8421 Ext. 231
SAMPLE LETTER

Thank you to Participating Firms

Chief Executive Officer
Some Company
Some Address
Some City, State and Zip

Dear Chief Executive Officer:

Thank you for meeting with our volunteer visitors in the ________ County/Community R&E Program. Your participation in this effort has been extremely important to the success of the program.

The information gathered from the estimated ____ industries being visited will be analyzed during the next few months. Afterward, recommendations based on that information will be written concerning the economic development in ________ County/Community. You will be invited to a report presentation during which the results and recommendations from the program will be announced. I look forward to seeing you at this event which will probably be held in ____month____ at the _____hotel banquet room____.

Again, thank you for your participation in the R&E program. Your time and effort have contributed greatly to our efforts in improving the business climate in ____________ County/Community.

Sincerely,

R&E Coordinator
R&E BUSINESS VISITATION SURVEY

Instructions for R&E Visitors

In order to maximize the results of this business retention effort it is vitally important that you explain the following general facts about the program to the person you are about to interview.

I. The program is sponsored by

II. The following local organizations have endorsed the program:

III. The survey is a cooperative effort involving many volunteers like yourself drawn from other local businesses, local governmental institutions, and community organizations.

IV. There are three objectives for this project:

A) To identify specific problems of individual businesses that might be addressed locally.

B) To identify the common problems, needs and wants of the existing local businesses so the community can do all it can to help local businesses prosper.

C) To learn the future plans of the areas' local firms with respect to expansion, relocation, and/or closure.

V. CONFIDENTIALITY: Your individual responses to this survey are confidential and will not be released. They will be summarized with the responses from other firms in a final report of the overall results.

VI. Copies of the report will be provided to all firms interviewed.

VII. Check responses or fill in the blanks as appropriate.

VIII. Feel free to write additional information in the margins.
R&E Business Visitation Program

Interview Guide

Firm ID: _______________________

FIRM: __________________________

ADDRESS: ______________________ PHONE: _______________

_______________________________ ZIPCODE: _______________

PERSON INTERVIEWED: _______________

POSITION: _______________________

VOLUNTEER VISITORS: _______________

DATE OF VISIT: ____________________

(Note to Coordinator: After placing the ID number on this page and pages 1 & 2 of the survey, remove this sheet and page 1 before giving the survey to the Task Force. Then file these two sheets separately to ensure confidentiality.)
R&E BUSINESS VISITATION SURVEY

BUSINESS CHARACTERISTICS:

1. Indicate the type of business (check only one primary function.)
   a. ____ Agriculture & Mining
   b. ____ Construction
   c. ____ Manufacturing
   d. ____ Transportation & Communication
   e. ____ Wholesale Trade
   f. ____ Retail Trade
   g. ____ Finance, Insurance,
       Real Estate
   h. ____ Services
   i. ____ Public
       Administration
   j. ____ Other (specify)

2. When was your firm established? Year ________

3. How many years has your firm been operating in this community? ________ years

4. Does your firm have multiple locations?
   a. ____ Yes
   b. ____ No

5. If yes, please list the other locations and functions (e.g., headquarters, manufacturing, warehousing, distribution, etc.)

   Location

   Function

   ____________________________

   ____________________________

   ____________________________

   ____________________________
6. Is your business seasonal?
   a. ___ Yes  When is your busy season?
   b. ___ No

7. If your business is seasonal, what could be done to extend the season?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

8. What are the major products, or services offered, by this establishment and what percentage of your sales come from each one?

<table>
<thead>
<tr>
<th>Product or Service</th>
<th>Percent of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>__________ %</td>
</tr>
<tr>
<td>b.</td>
<td>__________ %</td>
</tr>
<tr>
<td>c.</td>
<td>__________ %</td>
</tr>
<tr>
<td>d.</td>
<td>__________ %</td>
</tr>
<tr>
<td>e. Other Products or Services</td>
<td>__________ %</td>
</tr>
</tbody>
</table>

Total = 100%
LABOR FORCE:

9. How many people, including yourself and other family members, are employed in your business? We’d like you to break this out between full-time, part-time and seasonal.
   
a. How many people are currently employed?

b. How many people were employed in your business five years ago?

c. How many people do you expect to be employed in your business five years from now?

   a. Current
      _____Total Employees = _____full-time + _____part-time + _____seasonal

   b. 5 Years Ago:
      _____Total Employees = _____full-time + _____part-time + _____seasonal

   c. 5 Years From Now:
      _____Total Employees = _____full-time + _____part-time + _____seasonal

10. If the number of employees has increased in the past five years, is this due to:

     a. _____ Entered new markets
     b. _____ Expanded share in existing markets
     c. _____ Renovation/expansion
     d. _____ Addition of a new product or service (specify) ________________________________
     e. Other (explain) ________________________________________________________________

11. If the number of employees has decreased in the past five years, is this due to:

     a. _____ Declining sales
     b. _____ Labor saving technology
     c. _____ Improved efficiency
     d. _____ Other (explain) ____________________________________________________________
12. Where do your employees live? Number
   a. City #1 ___________________________ ______
   b. City #2 ___________________________ ______
   c. In the rest of the county ______
   d. In other parts of the state ______
   e. Outside the state ______
   Total = ______

13. How many full-time and part-time workers left your employment during the past 12 months?
   a. ___ (number)

14. Why did these people leave?
    __________________________________________
    __________________________________________
    __________________________________________

15. Overall, how do you rate employees with respect to their ______.
    Excellent   Good   Fair   Poor
   a. Attitude toward work  4   3   2   1
   b. Productivity  4   3   2   1

MARKET FACTORS:

16. Where does your firm sell its products or services?
   a. In this community _______\%
   b. In this county _______\%
   c. In the rest of the state _______\%
   d. In the rest of the U.S. _______\%
   e. Outside the U.S. _______\%
   Total = 100  \%
17. Approximately what percent of your total business is to tourists, winter visitors and highway travelers?

__________ percent

18. Compared to last year, is your business......

a. Better__________
b. Worse__________
c. About the same____

Why?_________________________________________
_________________________________________
_________________________________________

SOURCES OF GOODS, SUPPLIES AND INVENTORY:

19. Outside of goods you buy for resale, what are the five largest volume raw materials, supplies or services that you purchase out of town for your business?

<table>
<thead>
<tr>
<th>Materials, supplies, services purchased:</th>
<th>Percent purchased from outside the area:</th>
<th>Why do you purchase these outside the area:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a____________________________________</td>
<td>________________________</td>
<td>____________________________</td>
</tr>
<tr>
<td>b____________________________________</td>
<td>________________________</td>
<td>____________________________</td>
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<td>c____________________________________</td>
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<td>____________________________</td>
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<tr>
<td>d____________________________________</td>
<td>________________________</td>
<td>____________________________</td>
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<tr>
<td>e____________________________________</td>
<td>________________________</td>
<td>____________________________</td>
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</tbody>
</table>
LOCAL SERVICES:

20. Please scan the list of local services below and check of those with which you are dissatisfied.

a. ___ Airport facilities
b. ___ Access to shipping
c. ___ Access to highway/roadways
d. ___ Adequacy of highways/roadways
e. ___ Ambulance service
f. ___ Health care/hospitals
g. ___ Disposal of processed waste material
h. ___ Energy resources
i. ___ Fire protection
j. ___ Inspections (plumbing, etc.)
k. ___ Appearance of shopping area
l. ___ Public parking
m. ___ Public transportation
n. ___ Snow removal
o. ___ Street cleaning
p. ___ Street repair
q. ___ Telecommunications
r. ___ Waste water treatment
s. ___ Water supply
t. ___ Natural Gas
u. ___ Electricity
v. ___ Police Services
w. ___ Other (specify) ________________

21. Please explain the problems you have experienced with the local services you checked above.

<table>
<thead>
<tr>
<th>Service</th>
<th>Problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a,b,c, etc.)</td>
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</table>

22. While the R & E Task Force can’t promise to solve these issues, they are willing to look into them. Would you like the R & E Task Force to make contact or assist you in any way on these stated problems?

a. ___ Yes
b. ___ No

If so, what do you suggest?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
LOCAL STATE AND COUNTY AGENCIES/PROGRAMS:

23. Please give your opinion on the following program that you have used or sought assistance from?

<table>
<thead>
<tr>
<th>STATE</th>
<th>VERY USEFUL</th>
<th>USEFUL</th>
<th>SOMEWHAT USEFUL</th>
<th>NOT USEFUL</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Department of Commerce or Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>b. Department of Economic Security/Job Service/TPA</td>
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<tr>
<td>c. Department of Health Services</td>
<td></td>
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<tr>
<td>d. Industrial Commission</td>
<td></td>
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<tr>
<td>a. Labor Department</td>
<td></td>
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<tr>
<td>b. Safety Division</td>
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<tr>
<td>c. Workman's Compensation Agency</td>
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<tr>
<td>e. Department of Environmental Quality</td>
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<tr>
<td>f. University/County Cooperative Extension</td>
<td></td>
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</tbody>
</table>

LOCAL/COUNTY

|                                                                 |             |        |                 |            |
| g. Municipal Administration                                         |             |        |                 |            |
| h. Municipal Planning and Zoning Commission                         |             |        |                 |            |
| i. Municipal Building Department                                     |             |        |                 |            |
| j. County Planning Department                                       |             |        |                 |            |
| k. County Health Department                                          |             |        |                 |            |
| l. County Board of Supervisors                                       |             |        |                 |            |
| m. Local Economic Development Organization                           |             |        |                 |            |
| n. Chamber of Commerce                                               |             |        |                 |            |
| o. Community College                                                 |             |        |                 |            |
| p. Small Business Development Center                                 |             |        |                 |            |
| q. Merchants Association                                             |             |        |                 |            |

OTHER

|                                                                 |             |        |                 |            |
| r.                                                               |             |        |                 |            |
24. If you have not found any of the above agencies or programs useful or experienced dissatisfaction with any of them, please explain the problem.

<table>
<thead>
<tr>
<th>Agency #</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

**BUSINESS FACTORS:**

25. Please circle the number of any of the following factors that are a problem for your business. As you circle a factor, then go on to do 26 and 27.

26. Briefly describe the problem.

27. If assistance is desired, indicate the type of assistance desired, for example, information, individual consultation, seminar/workshop or other.

<table>
<thead>
<tr>
<th>FACTOR</th>
<th>DESCRIBE PROBLEM</th>
<th>TYPE OF ASSISTANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. RECORDS:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Maintaining Daily/Weekly Business Records</td>
<td></td>
<td></td>
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<tr>
<td>2. Preparing Financial Statements</td>
<td></td>
<td></td>
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<tr>
<td>3. Preparing Tax Returns</td>
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</tr>
</tbody>
</table>

<p>| B. FINANCIAL MANAGEMENT: |                   |                   |
| 1. Performing Financial Analysis |                   |                   |</p>
<table>
<thead>
<tr>
<th>FACTOR</th>
<th>DESCRIBE PROBLEM</th>
<th>TYPE OF ASSISTANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Paying Bills on Time</td>
<td></td>
<td></td>
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<tr>
<td>3. Collecting Receivables</td>
<td></td>
<td></td>
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<tr>
<td>4. Reducing Taxes</td>
<td></td>
<td></td>
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<tr>
<td>C. LABOR:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Finding Qualified Employees</td>
<td></td>
<td></td>
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<tr>
<td>2. Keeping Good Employees</td>
<td></td>
<td></td>
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<tr>
<td>3. Training Employees</td>
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<tr>
<td>4. Employee Productivity</td>
<td></td>
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<tr>
<td>5. Labor Unions</td>
<td></td>
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<tr>
<td>6. Employee Motivation</td>
<td></td>
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<tr>
<td>7. Employee Substance Abuse</td>
<td></td>
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<tr>
<td>8. Wage Levels</td>
<td></td>
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<tr>
<td>9. Communication With Employees</td>
<td></td>
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<tr>
<td>FACTOR</td>
<td>DESCRIBE</td>
<td>TYPE OF ASSISTANCE</td>
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<tr>
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<tr>
<td>D. OPERATIONS:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Quality Control</td>
<td></td>
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<tr>
<td>2. Cost Reduction</td>
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<tr>
<td>3. Long Range Business</td>
<td></td>
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<tr>
<td>Planning</td>
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<tr>
<td>4. Inventory Control</td>
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<tr>
<td>5. Stealing, Shoplifting</td>
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<tr>
<td>6. Product Pricing</td>
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<tr>
<td>7. Developing New Products</td>
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<tr>
<td>8. Advertising</td>
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<tr>
<td>9. Product Display</td>
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<tr>
<td>&amp; Merchandising</td>
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<tr>
<td>10. Packaging</td>
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<tr>
<td>11. Increasing U.S. Sales</td>
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<tr>
<td>12. Export Sales</td>
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<tr>
<td>13. Capturing Market Share</td>
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<tr>
<td>FACTOR</td>
<td>DESCRIBE PROBLEM</td>
<td>TYPE OF ASSISTANCE</td>
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<tr>
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<tr>
<td>14. Salesperson Competency</td>
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<tr>
<td>15. Customer Service</td>
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<tr>
<td>16. Government Procurement</td>
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<tr>
<td><strong>E. FACILITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Age of Facility</td>
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<tr>
<td>2. Waste Disposal</td>
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<tr>
<td>3. Size of Facility</td>
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<tr>
<td>4. Employee Parking</td>
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<tr>
<td>5. Customer Parking</td>
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<td>6. Customer Traffic</td>
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<tr>
<td>7. Competition</td>
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<tr>
<td>8. Location of Competitors</td>
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<tr>
<td><strong>F. FINANCING:</strong></td>
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<tr>
<td>1. Availability of Short Term Loans</td>
<td></td>
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<tr>
<td>FACTOR</td>
<td>DESCRIBE PROBLEM</td>
<td>TYPE OF ASSISTANCE</td>
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<tr>
<td>2. Availability of</td>
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<tr>
<td>Long Term Loans</td>
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<tr>
<td>3. Workers</td>
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<tr>
<td>Compensation</td>
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<tr>
<td>4. Unemployment</td>
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<tr>
<td>Insurance</td>
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<tr>
<td>5. Business</td>
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<tr>
<td>Insurance Costs</td>
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<td>6. Employee Health</td>
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<tr>
<td>Insurance Costs</td>
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<tr>
<td>G. REGULATIONS:</td>
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<tr>
<td>1. Licensing</td>
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<tr>
<td>Requirements</td>
<td></td>
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<tr>
<td>2. Product Safety</td>
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<tr>
<td>and Labeling</td>
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<td>3. Waste &amp; Effluent</td>
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<tr>
<td>Requirements</td>
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<td>4. Labor</td>
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<tr>
<td>Requirements</td>
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<td>5. Construction &amp;</td>
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<td>Zoning Codes</td>
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<td>6. Government</td>
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<tr>
<td>Inspectors</td>
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<td>7. Inconsistent</td>
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<td>Regulations</td>
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<td>FACTOR</td>
<td>DESCRIBE PROBLEM</td>
<td>TYPE OF ASSISTANCE</td>
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<tr>
<td><strong>H. TECHNOLOGY:</strong></td>
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<tr>
<td>1. Cost of New Technology</td>
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<tr>
<td>2. Local Supply of New Technology</td>
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<tr>
<td>3. Info. on New Technology</td>
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<td></td>
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<tr>
<td>4. Financing for New Technology</td>
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<tr>
<td><strong>I. TRANSPORTATION:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Transportation to Markets</td>
<td></td>
<td></td>
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<tr>
<td>2. Transportation from Suppliers</td>
<td></td>
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<tr>
<td><strong>J. OTHER: (specify)</strong></td>
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<td>1.</td>
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<td>2.</td>
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<td>3.</td>
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</tbody>
</table>
FUTURE BUSINESS FACTORS:

28. Are there any major technological innovations on the horizon in your industry that might impact your business?
   a. ___ Yes
   b. ___ No
   c. ___ Not sure

   If Yes, what is the innovation and how will it impact your business?

   __________________________________________
   __________________________________________
   __________________________________________

29. Do you have any plans to modernize or expand your present building(s) or equipment in the next five years?
   a. ___ Yes
   b. ___ No
   c. ___ Not sure

   If Yes, please explain.

   __________________________________________
   __________________________________________
   __________________________________________

30. Does your company currently own or lease sufficient property to allow for expansion, if necessary?
   a. ___ Yes
   b. ___ No
   c. ___ Not sure

   Please explain?

   __________________________________________
   __________________________________________
   __________________________________________

31. What impact will or would your modernization or expansion have on the number of employees?
   a. ___ No Change
   b. ___ Add employees How many? __________
   c. ___ Reduce employees How many? __________
   d. ___ Not sure
32. **Are you currently considering closing your business or relocating outside the community/area?**
   a. ___ Considering closing
   b. ___ Considering relocation
   c. ___ Neither

33. **If you are considering relocation, which of the following are reasons for your planned move?**
   a. ___ Changing market conditions
g. ___ Environmental concerns
   b. ___ Overcrowded building 
h. ___ Rigid code enforcement
   c. ___ No land for expansion 
i. ___ High local taxes
   d. ___ Transportation problems
   j. ___ High state taxes
   e. ___ Crime/vandalism
   k. ___ Lease expiration
   f. ___ Low work productivity
   l. ___ Other (specify) ____________________

34. **If moving where would you move?**
   a. ___ Elsewhere in this community/county (specify) ____________________
   b. ___ Elsewhere in the state (specify) ____________________
   c. ___ Another state (specify) ____________________
   d. ___ Abroad (specify) ____________________
   e. ___ Undecided

35. **If you are considering closing, which of the following are reasons for closing?**
   a. ___ Changing market conditions
   b. ___ Transportation problems
   c. ___ Crime/Vandalism
   d. ___ Low work productivity
   e. ___ Environmental concerns
   f. ___ Rigid code enforcement
g. ___ High local taxes
   h. ___ High state taxes
   i. ___ Lease expiration
   j. ___ Other (specify) ____________________
36. While the R&E Task Force can’t promise to solve the problems that relate to possible closing, or relocation, they are willing to look into them. Would you like the R&E Task Force to assist you in any way on these problems?

a. ___ Yes (List any specific assistance desired below.)
b. ___ No

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

37. Are there any other changes in business plans for the next three years? (Check all that apply.)

a. ___ No change in operation
b. ___ Change the mix of goods/services
c. ___ Add product line
d. ___ Change production technology
e. ___ Other (specify) ______________________________________

38. What impact will these changes have on the number of employees?

a. ___ No change
b. ___ Add employees  How many? ___________
c. ___ Reduce employees  How many? ___________
COMMUNITY FACTORS:

39. Hypothetically, if you were deciding where to relocate your business, and you were considering this community as a possible site, how would you rate the community with respect to the following location factors? (Circle the appropriate numbers.)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Poor</th>
<th>Fair</th>
<th>Good</th>
<th>Excellent</th>
<th>No Opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Availability of labor</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>b. Labor costs</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>c. Basic skill level of employees</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>d. Vocational training</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>e. Business supplies</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>f. Business services (legal, accounting, etc)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>g. Reliability of utilities</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>h. Shipping/transportation costs/service</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>i. Parking</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>j. City government</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>k. Highway/streets</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>l. Water quality &amp; supply</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>m. Sewer</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<td>n. Solid waste</td>
<td>1</td>
<td>2</td>
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<td>4</td>
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<tr>
<td>o. Police/fire protection</td>
<td>1</td>
<td>2</td>
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<td>4</td>
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<td>p. Energy costs</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>q. Quality of telecommunications</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>r. Business taxes</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<td>s. Banking services</td>
<td>1</td>
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<td>4</td>
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<tr>
<td>t. Availability of capital</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>u. Land &amp; development costs</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>v. Planning &amp; zoning/code enforcement</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<td>w. Housing</td>
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<td>4</td>
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<td>x. Recreational opportunities</td>
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<td>y. Public schools</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<td>z. Community College</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>aa. Media</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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<tr>
<td>bb. Medical Services</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>cc. Community appearance</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>dd. Chamber of Commerce</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>0</td>
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</tbody>
</table>
40. For those factors you rated as "fair" or "poor", please explain your rating. Identify the factor by letter from the list and then describe experiences you have had.

<table>
<thead>
<tr>
<th>Letter</th>
<th>Explanation</th>
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</table>

41. What is your overall opinion of this community as a place to conduct business?

a. ___ Excellent
b. ___ Good
c. ___ Fair
d. ___ Poor
e. ___ No Opinion

**SUMMARY CONCERNS:**

42. In your opinion, which of the following provide the best opportunities for future economic development in the community? (Rank in order of importance, 1 through 6, with "1" being most important.)

a. ___ Mining
b. ___ Agriculture/Agribusiness
c. ___ Tourism, recreation & highway services
d. ___ Retirement/winter visitors
e. ___ Attract manufacturing firms to the community
f. ___ Reduce retail leakage
g. ___ Other (explain)
43. How do you perceive (a) yourself, and (b) the community in general, with regard to support for economic development? (Circle one of the numbers on the four point continuum).

<table>
<thead>
<tr>
<th>Strongly Pro-Growth</th>
<th>Somewhat Pro-Growth</th>
<th>Somewhat No-Growth</th>
<th>Strongly No-Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yourself</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>b. The Community</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

44. What are the 2 or 3 areas of greatest concern to you and your business at this time?

a. __________________________________________________________

b. __________________________________________________________

c. __________________________________________________________

45. What are 2 or 3 of the greatest community concerns to you at this time?

a. __________________________________________________________

b. __________________________________________________________

c. __________________________________________________________

46. What should be done about these concerns?

a. __________________________________________________________

b. __________________________________________________________

c. __________________________________________________________
47. What are the best features of this community? (up to three)
   a. 
   b. 
   c. 

Local Question 1:

Local Question 2:
FOLLOW-UP SUGGESTIONS

1. Please complete this short form in your car immediately after the interview. Both visitors should discuss this.

   a. According to the firm's representative, what are the key concern(s) or information request(s) that require follow-up?

   b. Write in the number of the question related to this concern.

   c. Rank the urgency of scheduling follow-up with this business. For example, if a firm is considering relocation, closing, or expanding, follow-up by the R&E Coordinator, Assistant Coordinator or Consultant is urgent. If, however, the only real need expressed by the firm representative is to receive information about labor training or financial programs, then the urgency is low. Rank the urgency of follow-up from 1 to 5 with 5 being most urgent.

   d. Suggest type of follow-up (letter, phone call, visit, etc.).

<table>
<thead>
<tr>
<th>Key Concern or Information</th>
<th>See Question</th>
<th>Urgency Rank</th>
<th>Suggested Follow-Up</th>
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<tbody>
<tr>
<td>1.</td>
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</table>
**RECORD OF FOLLOW-UP ACTION**

(This is completed by the Assistant Coordinator)

<table>
<thead>
<tr>
<th>Date Completed</th>
<th>Follow-up</th>
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<tbody>
<tr>
<td></td>
<td>Thank you letter.</td>
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<tr>
<td></td>
<td>Information sent to the firm, if requested.</td>
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<tr>
<td></td>
<td>Telephone call to the firm to either supply information or to discuss some of the information conveyed during the interview, if necessary.</td>
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<td></td>
<td>Problem cited during interview is conveyed to the appropriate office or agency.</td>
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**OTHER TYPES OF FOLLOW-UP**

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<th>Person Responsible</th>
<th>Type of follow-up</th>
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22
VI. RECRUITING AND TRAINING VOLUNTEER VISITORS

A. Recruiting Volunteers

Recruiting volunteer visitors is a critical step in organizing your R&E program because the visitors, perhaps more than any other players, represent the program to local industry; thus, their performance influences the success of the program. Enthusiastic, friendly, informed, and eager volunteers are likely to have better visits than those who are unsure, less friendly, and less committed. The volunteers are critical also because they gather the information which is the basis for the final report and recommendations.

Determining the Number of Volunteers Needed

The number of volunteers you will need will depend in part on the number of industries you plan to visit during the program. As a general rule, volunteers visit industries in teams of two. Based on the experience of successful programs, two industry visits per team seems to be ideal. If you plan to visit 50 industries, for example, you need to recruit 50 volunteers. This ratio of 1:1 is based on the assumption that each volunteer will be paired with another, and together, they will visit two industries.

You can, however, have each team visit fewer or more industries than two. If you reduce the number of visits per team, you will need to recruit more volunteers. If you increase the number of visits per team, you will need to recruit fewer volunteers. As many as four visits per team, although not ideal, is still reasonable.

We have found that few Volunteer Visitors drop out of the program after they have attended the Volunteer Training Session (discussed latter in this section). Since some of your volunteers will be unable to attend the session (illness, conflict in meetings, etc.), you should recruit more volunteers than you need. We recommend from observation that you recruit about 10 percent more visitors than you need. Thus, if you need 50 volunteers, recruit 55.

Volunteers who do not attend the training session rarely complete their assignments which only delays the program; therefore, these volunteers should not be assigned visits.

Types of Volunteer Visitors

Volunteer Visitors in previous programs have represented a cross-section of professions and organizations. Ministers, plumbers, and school superintendents have all been Volunteer Visitors. Despite this variety, all volunteers should be enthusiastic about the program, influential in the community and must understand the confidentiality of the information they will be gathering. Local influential leaders who are or have been active in the community are usually the best Volunteer Visitors because they recognize the importance of helping to improve the community’s economy.

Local leaders should include people from both the private and public sectors. Volunteers, such as
business owners and executives, from the private sector legitimize the program from industry’s point of view. The program is perceived as more of a community effort than a "chamber" or "council" or "city" effort. In some communities, these labels may damage the credibility of the program. Volunteers, such as chamber of commerce executives, however, are important to the program because they have the resources, contacts, and leverage to address many of the concerns that industry reveals during the visits.

In some rare cases, it might be best not to recruit certain public officials for personality reasons. One of the purposes of the program is to identify industries’ criticisms of local and state government. If the mayor or other prominent public official visits an industry, the industry representative might be reluctant to share their criticism of local government if that criticism somehow involves the mayor’s office. Even if the representative shares this criticism, the mayor may take offense and stifle the exchange of information. Public officials must be resilient and listen objectively to the industry’s opinion even if that opinion criticizes their work. Most public officials understand this situation. Accordingly, they reassure the industry representative that one of the purposes of the visit is to gather information, not defend their work. We strongly encourage you to recruit public officials, such as mayors, chamber executives, county commissioners, council members, and other local government officials, as long as they understand the purpose of the visits.

As stated earlier, volunteers from the private sector must be recruited also. These volunteers can include bankers, realtors, teachers, school superintendents and principals, extension agents, state or regional development department representatives, clergymen, hospital administrators, businessmen, retirees, planners, engineers, newspaper editors and publishers, university professors, secretaries, restaurant owners, sales personnel, plant managers, and even law enforcement officials. All of these people can be great volunteers if they are enthusiastic about the program.

Why Should a Volunteer Participate?

When you begin recruiting volunteers for the program, several may ask you directly why they should participate. There are many reasons why people participate as volunteers most of which are intangible and personal. The most tangible evidence is, they are recognized as individuals who helped make the program successful and they can take pride in the final report and summary.

Many volunteers participate because they care about the economic development of their community. Some (public officials, extension agents, development department representatives) participate because the program is essentially an extension of their current job. Some participate because they want to learn more about local industry. Some (new residents) participate because they want to learn more about their community in general. Some (public officials, retirees, new residents, business owners and managers) participate because they want to meet new people and develop more personal and professional relationships. Still others (retirees, housewives) participate because they want to become more active in their community. And still others participate because of peer-pressure. Probably one of the most important reasons is that it has been proven that volunteering prolongs your life by an average of 3 years. These are just some of the reasons that motivate volunteers to participate in the program.
Ways to Recruit Volunteers

Since you have already submitted your application for the program, you have a partial list of Volunteer Visitors who have agreed to participate. To help you complete your list, we suggest the following recruiting hints:

1. Contact each potential volunteer in person first.

Although time-consuming, contacting potential volunteers personally greatly improves the response rate. Phone calls are the next best option followed by letters. Letters, however, seem to be ineffective. To distribute this burden, have each Task Force member personally request the participation of several (perhaps five) potential volunteers who they know.

The initial contact should be followed by a letter explaining the overall objective of the program, the volunteer's critical role in it, and the date, time, and location of the Volunteer Training Session they need to attend. A sample letter is provided in this section.

(Although Volunteer Training is discussed in the next chapter, one point should be made here. Two identical training sessions are held on the same day. Volunteers need only attend one session. We always schedule two sessions because it reduces the number of volunteers in each session and allows the volunteers to decide which session best fits their schedules.)

2. Return to those organizations that endorsed your program and ask for volunteers. These organizations are likely to provide several volunteers as part of their support for the program.

3. Try to obtain media coverage (newspaper articles) about the program prior to your recruiting. When contacted, some of the volunteers may have already read about the program which lends credibility and generates enthusiasm for your local effort.

---

1Be sure to use the Information Series, Recruiting Task Force Members and Visitation Volunteers to supplement this section.
B. Training Volunteers

After you have recruited your Volunteer Visitors, two Volunteer Training Sessions are held to prepare the volunteers for their visits. Volunteers need to attend only one of these sessions but attendance is mandatory.

Volunteers who do not attend a session either delay the program by not visiting their industries or tarnish its credibility by conducting poor visits. In other programs, coordinators have discussed the program on a one-to-one basis with those volunteers who missed the training sessions. These coordinators have told us that despite this briefing, these volunteers tend not to complete visits. The apparent correlation between missing the sessions and failing to complete assignments may indicate the volunteers’ lack of confidence in visiting industries, or their lack of understanding of the program, or even their lack of time to give to this effort despite their assurances otherwise. The end result is that experienced coordinators recommend that volunteers who cannot attend a session should not conduct visits.

Prior to Holding the Training Sessions

Materials Needed

Before holding your training sessions, send the University Extension faculty/staff person the following information:

1. a list of the volunteers' names, occupations, and public offices held;
2. one set of adhesive labels (like mailing labels) with the names, SIC codes, contact persons, addresses, and phone numbers of each industry to be visited;
3. a list of the volunteer teams and their industry assignments;
4. two sets of adhesive labels with the names, addresses, and phone numbers of each Volunteer Visitor; and
5. (optional) the Coordinator's business card (the number of cards should equal the number of industries being visited) or a local publication.

We must have this information two weeks prior to the training sessions to prepare the Volunteer Visitor Packets. If we do not have this information two weeks before, we may have to postpone the sessions. The packets are individually compiled for each volunteer. The information in the packet tells the volunteer who their partner is and what industries they will be visiting. Also provided are surveys, industrial outlook reports about the industries they will be visiting, brochures about the R&E program for them to give to the industries, and guidelines for conducting the interviews. (Forms for items 1 and 3 in the above list are provided at the end of this section).

Whether you want to send business cards or a local publication (item #5), is your decision. We have a pamphlet that briefly describes the R&E program. The volunteers can distribute this pamphlet to each industry after the interview. On the back panel of the pamphlet is a space for the Coordinator's business card. If you want, we will (or you can just before the sessions) attach the card to the pamphlets and
enclose them in the Volunteer Visitor Packets. Giving the pamphlet to the industries establishes a connection between the program and them, and provides them with a contact should they need assistance.

Some communities prefer to produce their own pamphlet describing local services which the volunteers distribute to the industries. A sample local pamphlet is provided in this section. You decide whether you want the volunteers to distribute the R&E pamphlet or local publication, and send that information with the other items listed above.

Creating Volunteer Teams and Assigning Industries

As a general rule, avoid all conflicts when pairing volunteers in teams and assigning industries. The Coordinators (with the help of the Consultant and Task Force) should reassign volunteers to other teams or reassign their industry assignments if the volunteers are uncomfortable with their initial assignments. If a volunteer, who owns or manages a business, refuses to work with their assigned partner because their partner represents the bank which refused to approve his/her loan application, for example, the Coordinators should reassign these volunteers to new teams. Likewise, if a volunteer is assigned to visit an ex-employer, the Coordinators should reassign that volunteer's visits.

If at all possible, pair public officials with private sector people. The combination gives the industry the impression that this program is indeed community-wide, adding credibility to your effort. Also, the private sector volunteer may be more sympathetic to the industry's opinions or concerns than the public official. Additionally, the public official may have more knowledge of local organizations and state programs that can address the industry's concerns.

Arrangements to be Made

Before scheduling the date of the training sessions, please call the University Extension Facilitator to discuss convenient dates. Once the date is confirmed with the University Extension Facilitator, the Task Force Director and Project Manager can begin preparing the information listed above.

In addition to preparing and sending the above information to the University Extension Facilitator, the Coordinator and Assistant Coordinator need to have the following equipment available in the meeting room: an overhead projector, a screen, an easel with newsprint and markers. These items will satisfy the needs for the training schedule outlined below.

In some Visitation Volunteer training sessions, the videotape providing an overview of the R&E program is shown, followed by a teleconference discussion with a leader from the completed R&E program. This experience tends to reassure skeptical volunteers. For communities/counties deciding to include this, the Coordinator and Assistant Coordinator need to reserve a meeting room with a phone jack. This question-and-answer period can be a very important element of the visitor training. It is the means by which the skeptical volunteers are motivated. They can raise concerns or doubts somewhat anonymously, and once reassured, or at least answered, are ready to participate. Should this component be included, additional equipment needed would be: a teleconference/loudspeaker telephone, a television monitor, and a VHS (1/2") videotape machine. This component is optional and should be considered as an addition to the
Typical Training Session outlined below.

**Scheduling the Training Sessions**

The training sessions last about two and one-half (2 1/2) hours and are offered at two different times during the day. As stated before, volunteers need to attend only one session. Usually (but not always), the sessions are held in the late afternoon and evening with time for dinner in between:

- First training session: 2:30 to 5:00 p.m.
- Dinner: 5:30 to 6:30 p.m.
- Second training session: 7:00 to 9:30 p.m.

Be sure to offer the Volunteer Visitors the choice of either session so they can attend that which best fits their schedule. A sample letter to the volunteers appears in this section.

**Mailing Letters**

Just a few days before the training sessions, the Coordinator must mail letters with surveys to all the industries. (The University Extension faculty/staff will not provide these surveys; the Coordinator must produce them locally. The University Extension faculty/staff will provide surveys for the volunteer training sessions). The timing of this step is crucial to the success of your program. Sending these letters and surveys to the industries just before the training sessions allows volunteers to schedule their visits immediately. Having received a letter, the industries will be expecting the volunteers’ calls. The more delay between the industry letters, the training sessions, and the volunteers’ calls, the lower the participation rate of the industries, the lower the volunteers’ enthusiasm, and the weaker your program. We cannot emphasize enough the importance of sending your letters with surveys to the industries a few days before the volunteer training. A sample letter asking for the industry’s participation is provided in Section V.

**Holding the Training Sessions**

A typical agenda for the sessions is presented below. Each session begins with the Coordinator or Assistant Coordinator briefly explaining to the volunteers how the local R&E program got started, who the sponsor and endorsing organizations are, the importance of the volunteers, and then introducing the main players present (Task Force members, Coordinator or Assistant Coordinator, University Extension Facilitator, Consultants, and Volunteer Visitors).
## TYPICAL TRAINING SESSION AGENDA

<table>
<thead>
<tr>
<th>Item</th>
<th>Person Responsible</th>
<th>Time</th>
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<tbody>
<tr>
<td>Introduction to local R&amp;E program &amp; introduction of main players</td>
<td>Coordinator or Assistant Coordinator</td>
<td>5 minutes</td>
</tr>
<tr>
<td>Distribution and review of business Visitation</td>
<td>Coordinator or Assistant Coordinator</td>
<td>10 minutes</td>
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<tr>
<td>Volunteer packets</td>
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<tr>
<td>Overview of local R&amp;E program and timetable</td>
<td>University Extension Facilitator</td>
<td>10 minutes</td>
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<tr>
<td>Review of economic climate and trends</td>
<td>University Extension Facilitator Consultant, or designated person</td>
<td>20 minutes</td>
</tr>
<tr>
<td>Practice Visits Experience</td>
<td>Task Force Members/Coordinator</td>
<td>10 minutes</td>
</tr>
<tr>
<td>Guidelines for visitation teams</td>
<td>University Extension Facilitator or designated person</td>
<td>15 minutes</td>
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<tr>
<td>Coffee/ Juice break</td>
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<tr>
<td>Review Questionnaire OPTION #1</td>
<td>University Extension Facilitator/Coordinators</td>
<td>65 minutes</td>
</tr>
<tr>
<td>Role play of interviews using questionnaire OPTION #2</td>
<td>Task Force members and Consultant or Assistant Coordinator</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Practice interviews by Volunteer Visitors OPTION #2</td>
<td>University Extension Facilitator</td>
<td>20 minutes</td>
</tr>
<tr>
<td>Summary of training session, review of deadlines, final questions and answers</td>
<td>Coordinator or Assistant Coordinator</td>
<td>10 minutes</td>
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Following the introductions, the Coordinator and Assistant Coordinator distribute the packets, which have been previously prepared, to the assigned visitation teams. If questions arise regarding the team and business assignments, they should be clarified.

Since this is the only time the Volunteer Visitors will be involved in a training session, this is the time to provide them with a complete overview of the R&E program with specific reference to their responsibilities. The contents of the packets should provide a basis for this overview. If the videotape
and/or teleconference component is used, this is the appropriate spot for it. The videotape would give an overview. Local details would supplement it. The teleconference with an experienced leader from a completed program would provide reassurance for those volunteers who might be skeptical or have anxieties about the visitations. The visitors should also be given a timetable for their portion as well as for the entire program.

Information of national and state economic trends and their application to the local situation may increase the comfort level of the volunteers as they prepare to go out and complete the interviews with business persons. If portions of the U. S. Industrial Outlook or other outlooks are included in the packets of the volunteers, their importance and use should be discussed.

It is extremely important that the Volunteer Visitors are totally familiar and comfortable with the steps of the interview process. The usefulness and validity of the Summary Report, which is based on the data from the questionnaires, is dependent on securing good and complete information. The Guidelines sheet, in the packet needs to be emphasized point by point. Experience has shown that this cannot be overemphasized. As in other parts of the training, each question deserves a response.

Following the break, the review of the questionnaire is probably the most useful part of the team training. Using the questionnaire, systematically review all the questions in the survey form. In Utah they first introduce each section of the questionnaire, and then go through each question. Volunteer Visitors should understand each question, particularly why it is included. They should also be encouraged to, and given training on how to probe for useful answers and for explanatory information. This is extremely important for valid input (OPTION #1).

An alternative to reviewing the questionnaire is to role play an interview. Getting full and useful information requires a skill which this part of the training will attempt to teach. The demonstration, observation, and analysis of the role playing is crucial to reviewing and/or learning this skill. The use of the actual questionnaire lends credibility to this exercise (OPTION #2).

Following the role play and discussion, each Volunteer Visitor will pair off with a partner and actually practice their interviewing skills using the questionnaire. Again, if questions come up, they need to be dealt with (OPTION #2).

No training session should end without a summary of what was accomplished. This wrap-up reinforces the importance of the visitation volunteers to the program and reminds them of the challenge they face. The deadlines should be emphasized again, followed by any last minute questions and answers.
SAMPLE LETTER

Recruiting Volunteers

Some volunteer
Some organization
Some address
Some City, State Zip

Dear Volunteer:

Thank you for agreeing to participate in the ______ Business Retention and Expansion (R&E) Program. As a volunteer visitor, you are a critical element in this project, sponsored by ______ local sponsor ______, the state University Cooperative Extension Service, and the state development department. This program developed at the University Cooperative Extension has been adapted from Ohio State University’s nationally-recognized R&E program.

The overall purpose of the R&E program is to assist our existing industry. To do this, we have asked local leaders, like yourself, to visit several firms with a survey to gather information about their needs, concerns, and opinions of ________________ as a place to do business. This information will help us improve our local business climate to better meet the needs of our existing businesses and future businesses.

To tell you more about the program and your role in it, we are holding two training sessions for all ___ volunteers. You need to attend only one of these sessions which lasts two and one-half hours. These sessions are:

1. Place, date, and time of session 1
2. Place, date, and time of session 2

Please complete the enclosed response card (Coordinator, or Assistant Coordinator you’ll have to design your own response card) and send it to me at your earliest convenience. If you are at all unsure about participating, please attend one of these sessions anyway. After the meeting you can make your decision.

We greatly appreciate your cooperation in this county/community-wide effort. Your participation as a volunteer is critical to the success of the program because we would be unable to implement this program without the help of our local leaders.

If you have questions about the program, please call me.

Sincerely,

R&E Coordinator
## LIST OF VOLUNTEER VISITORS

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<th>Name of Volunteer</th>
<th>Occupation</th>
<th>Public Offices Held</th>
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<th>Volunteer Team</th>
<th>Industries to Visit</th>
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Urbana Area Chamber of Commerce
300 N. Main St.
Urbana, OH 43078
(613) 563-6764
Local Representative: Mary Lee Gecowets, Executive Director

1. Provides a comprehensive source of marketing the business and industry community of the Urbana-Champaign County area to the outside world.

2. Provides information through public forums, seminars, meetings, and publications to the business community on current business, educational, governmental, and economic trends.

3. Provides an advocacy role for the free enterprise system to the political, educational, and community leadership.

In most cases, services of the Chamber are at no cost except a fee for membership.

Provided as a service by:
Champaign County Community Improvement Corporation

NOTES

AGENCY SERVICES

Available to

CHAMPAIGN COUNTY EMPLOYERS
Ohio Bureau of Employment Services
239 E. Columbia Street
Springfield, OH 45501
(513) 325-7326

Local Representative: James Matthews
Employment Contract Specialist

1. Provides recruitment, testing, and placement services which can reduce the cost of doing business while providing employers with qualified employees.

2. Provides financial incentives such as WIN, Targeted Tax Credits, and Invest-ina-Vet programs which can increase a company's assets through hiring of qualified, eligible employees.

3. Provides labor market information to assist in company short and long-range planning, including labor force estimates, affirmative action planning data, industry employment, and earnings trends.

4. Provides account executive service which helps to better utilize labor force supply by linking labor with current job vacancies and future employment needs of employers.

Services at no cost to employers.

Ohio Technology Transfer Organization (OTTO)
Clark Technical College
P.O. Box 570
Springfield, OH 45501
(513) 325-0801

Local Representative: Stephen S. Cooper
Coordinator

1. Provides information and assistance to business and industry to increase productivity, expand markets, and increase profits.

2. Provides state-of-the-art information ranging from human relations concepts to sophisticated technology to the business community.

3. Provides linkages to training programs, technological services, funding agencies, research centers, and business resources to assist the business community.

In most cases, services from OTTO is at no cost to the employer.

Small Business Enterprise Center (SBEC)
Clark Technical College
P.O. Box 570
Springfield, OH 45501
(513) 325-SBEC

Local Representative: Stephen S. Cooper
Director

1. Provides counseling to entrepreneurs on how to start a business.

2. Provides consulting assistance to small business on management, financial and training needs.

3. Provides linkages to business and industry with government, educational and professional services.

4. Provides seminars and customized training programs.

Services at no cost to client.

Tecumseh Consortium - JTPA
714C High St.
Urbana, OH 43078
(513) 653-6511

Regional Representative: Roland D. Patzer
Private Industry Council Representative

1. Provides recruitment, screening, selection, and training services which can reduce cost of operations.

2. Provides custom-designed training programs suited to company needs for new employees on-site or local educational training institutions.

3. Provides fifty percent (50%) wage reimbursement to the employer for new employees on-the-job training.

Services at no cost to the employer.
VII. VISITING LOCAL ESTABLISHMENTS

Volunteer Visitor's Responsibility

Once the volunteers have attended a training session, they are responsible for conducting their visits. In fact, volunteers have the following responsibilities:

1. meeting with their partners;
2. contacting their assigned industries within one week;
3. preparing for each visit;
4. conducting their interviews within two weeks; and
5. returning completed surveys to the Assistant Coordinator.

Meeting with Their Partners

The volunteers need to meet with their partners to discuss convenient dates and times for their visits. The names, addresses, and phone numbers of each volunteer's partner is indicated on the packet to facilitate this meeting.

Contacting Industries Within One Week after Training

The visitors are responsible for calling each industry representative or contact person to schedule an appointment within one week after their training. Having received the survey and letter asking for their participation in the program, the representative will be expecting the volunteers' calls. The name, address, phone number, SIC code, and contact person for each industry is given in the visitors' packets.

Although a few industries will refuse to participate because they prefer not to have their answers recorded, refusals are rare. To decrease the chance of refusals, volunteers need to call their industries within one week, preferably within one or two days after training. The refusal rate increases as the time between the letter asking for participation and the volunteer's call lengthens.

Preparing for the Visits

Before a visit, both volunteers in each team should read the economic outlooks provided in their packets about the industry they will be visiting. Reading this two- or three-page summary is worthwhile because often the volunteers are unfamiliar with the industry they will be visiting. Reading the summary makes them better visitors because they are informed. They know the types of products and services this industry offers, they know whether it is declining, growing, or stagnating, and they know the degree to which foreign competition, protectionist policies, tax reform, raw material supplies, research and development, and labor costs affect their profits.
Knowing just a few facts about the industry they visit makes the volunteers more comfortable in conducting the interview. It also demonstrates to the industry that the community (via the volunteers) does care about its well-being. A sample economic outlook is provided at the end of this section. In addition to reading the economic outlooks, the volunteers should review the survey questions for their own familiarity. A sample survey is provided in Section V. The volunteers should also be sure to take to the interview the brochures that they are to give to the industry representative.

Finally, the volunteers should confirm their appointment with the industry by telephone the day before their appointment. This is not only a courteous gesture but also a reminder of the visit to the industry.

Conducting the Interview within Two Weeks after Training

Both volunteers should attend the interview. Having at least two representatives conduct the interview suggests greater community commitment to and concern for the growth of local businesses than if only one volunteer conducts the interview. Also, with two volunteers, one can ask the questions as the other records answers.

Furthermore, they need to explain to the businesses that the survey analysis aggregates the data to indicate trends, tendencies, or patterns in the overall local business community. Detection of a single business’s answers is impossible.

At the beginning of the interview volunteers should:

1. introduce themselves;
2. briefly explain the purpose of the survey and the objectives of the R&E program;
3. provide a survey for the representative of the industry if he/she does not have one;
4. reassure him/her that the surveys are confidential but that follow-up may be necessary;
5. explain that the representative does not have to answer questions he/she finds objectionable; and
6. never promise any specific assistance - only state that the R&E Task Force will try to help.

After these points have been made to the industry representative, one of the volunteers should begin asking each question. Volunteers should not feel uncomfortable reading the questions directly from the survey. Memorizing questions is impossible because it is a long survey and paraphrasing questions may lead to inaccurate answers. As the representative answers the questions, the volunteers should feel free to probe; that is, to ask tangent or related questions. The more information the volunteers can gather during their visits, the more likely the Coordinators, Consultant, and Task Force members can assist these industries.

When the questioning has concluded, the volunteers should thank the representative, give him/her the necessary brochures, and explain that the results of the program will be announced at a community event in about six months.
Completing Each Survey

Following the interview, volunteers should complete "Follow-up Suggestions" which appears on the last page of the survey. This one-page report indicates the immediate concerns of the industry, the types of information the representative requested, and the urgency of a follow-up meeting with this industry. This information serves two purposes. First, it forces volunteers to record their impressions of the interview while they are still fresh in their minds. Secondly, it notifies the Coordinators of items that need immediate attention. After completing "Follow-up Suggestions", volunteers should review the surveys to ensure that all answers are complete, understandable, and legible.

Volunteers should return the completed survey and "Follow-up Suggestions" sheet to the Assistant Coordinator who then sends copies to the University Extension faculty/staff and Consultant. Since the survey’s cover sheet reveals the name of the industry, it must not be copied or distributed to maintain confidentiality.

Setting the Deadline for Completing Visits

During the training session, the volunteers are told they have two weeks to complete their visits. Although they are told this, we expect them to take twice as long. Vacations, illness, and apathy have caused delays in visits in previous programs. If we tell the visitors, however, that they have a month to complete their visits, they will take two months. A one-month deadline is a reasonable time period for the teams to visit two to four industries. But to ensure that this deadline is met, we tell the volunteers they have only two weeks.

Keeping a Record of the Visits

To prevent volunteers from procrastinating by not contacting their industries, the Assistant Coordinator should request each volunteer team to call during the first week of visits and let the Assistant Coordinator know about the team’s appointments. Or, the Assistant Coordinator should ask the teams to record their appointments on a post card which they can mail to the Assistant Coordinator’s office.

Both methods put a little pressure on the volunteers to make their appointments immediately, and both give the Assistant Coordinator an early indication of the volunteers’ progress in visiting the industries. If a team seems to be procrastinating, for example, the Assistant Coordinator can reassign its industries to another team.

Writing Letters of Appreciation

To express the community’s appreciation for the industry’s participation in the program, the Coordinator should write a letter to each industry representative after the interview. A sample letter has been included at the end of this section.
LUMBER

The sawmills and planing mills industry (SIC 2421) primarily produces lumber. Softwood lumber accounted for about 58 percent of the total value of the industry's shipments in 1989, while hardwood lumber made up about 12 percent; the remaining shipments were of wood chips (approximately 10 percent) and a wide variety of wood products, including railway ties, softwood flooring and siding, and fence pickets (20 percent). Until the 1987 revision of the Standard Industrial Classification (SIC) system, SIC 2421 also included logging operations combined with sawmills and planing mills, but these firms are now classified as part of SIC 2411 (logging).

In 1989, U.S. lumber production declined about 5 percent. Total production of lumber amounted to about 48.4 billion board feet—37.0 billion board feet of softwood lumber, and 11.4 billion board feet of hardwood lumber. Softwood lumber historically makes up about 80 percent of the total. Hardwood lumber did not move up in relative importance, as expected, largely because of reduced sawlog supplies brought on by inclement weather in the major hardwood lumber-producing regions.

The constant-dollar value of shipments of both softwood and hardwood lumber rose sharply in 1987, by 9 percent and 13 percent, respectively, reaching record levels. Shipments rose only modestly in 1988 and then declined in 1989, mostly because of difficulties in obtaining logs during the poor weather conditions.

The principal market for lumber, particularly softwood, is new single-family housing, which was off by almost 6 percent in 1989. This market has been strong and relatively steady, although declining progressively since 1986, when new housing starts reached 1.8 million. Home improvements currently account for approximately 30 percent of the overall domestic demand for lumber. Although growth in remodeling and renovating activities has slowed, this market grew 2 to 3 percent in 1989, a rate that is expected to prevail in 1990. Many families are choosing to upgrade their current homes rather than investing in new ones, and the wood products industry remains optimistic about this market.

Employment in the sawmill and planing industry decreased about 4.1 percent in 1989, largely because of log supply shortages, labor strikes, and mill renovations.

The short supply of logs is due in large measure to the spotted owl controversy in the Pacific Northwest, which has restricted logging in many areas, especially in the states of Washington, Oregon, and California. The State of Washington has officially declared the spotted owl to be an endangered species, while Oregon and California have declared the owl to be a threatened and sensitive species. Attempts are underway within the Congress to expand protection for the spotted owl to even larger habitat areas through the Federal Endangered Species Act. In addition to the spotted owl controversy, severe forest fires in the Pacific Northwest and inland areas during 1989 exacerbated the tight log supply.

Hurricane Hugo's destruction during September 1989 will particularly affect the southern yellow pine lumber industry. Salvage operations are expected to make up less than half of the immediate loss in log supply attributable to the storm, the long-term effects have not yet been determined.

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Trends and Forecasts: Sawmills and Planing Mills, General (SIC 2421)

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<tr>
<td>Value of shipments (1987$)</td>
<td>17,177</td>
<td>17,685</td>
<td>17,829</td>
<td>-</td>
<td>4.0</td>
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<td>Total employment (000)</td>
<td>147</td>
<td>147</td>
<td>141</td>
<td>141</td>
<td>1.0</td>
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<td>Production workers (000)</td>
<td>128</td>
<td>128</td>
<td>122</td>
<td>122</td>
<td>0.0</td>
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<td>Average hourly earnings ($)</td>
<td>8.30</td>
<td>8.36</td>
<td>8.41</td>
<td>8.41</td>
<td>0.7</td>
<td>0.6</td>
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<tr>
<td>Value of shipments (1987$)</td>
<td>16,775</td>
<td>17,454</td>
<td>17,330</td>
<td>-</td>
<td>4.0</td>
<td>-0.7</td>
<td>-</td>
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<tr>
<td>Value of shipments (1987$)</td>
<td>16,775</td>
<td>16,946</td>
<td>16,017</td>
<td>16,364</td>
<td>1.0</td>
<td>-5.5</td>
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<td>Value of imports</td>
<td>3,312</td>
<td>3,169</td>
<td>3,033</td>
<td>3,057</td>
<td>-4.3</td>
<td>-4.3</td>
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<td>Import/new supply ratio</td>
<td>0.167</td>
<td>0.158</td>
<td>0.151</td>
<td>0.176</td>
<td>-5.4</td>
<td>-4.4</td>
<td>16.8</td>
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<tr>
<td>Value of exports</td>
<td>1,518</td>
<td>2,087</td>
<td>2,377</td>
<td>2,466</td>
<td>37.5</td>
<td>13.9</td>
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<td>Export/shipment ratio</td>
<td>0.092</td>
<td>0.124</td>
<td>0.140</td>
<td>0.146</td>
<td>34.8</td>
<td>12.9</td>
<td>4.2</td>
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1 Industry and product data are preliminary. Trade data are adjusted to conform to the 1987 SIC.
2 Estimated, except for exports and imports.
3 Estimated.
4 Forecast.
5 Value of all products and services sold by establishments in the sawmills and planing mills, general industry.
Lumber prices were up in 1989, by 5 percent, because of restricted supplies of logs, a decline in competition from Canadian softwood lumber imports, and increased exports of solid wood products.

**Foreign Trade**

According to trade data for the first 6 months of 1989, the value of U.S. lumber industry exports was up about 10 percent from that for the comparable period in 1988, which itself was about 41 percent higher than in the first 6 months of 1987. Softwood lumber exports were up 24 percent in 1989, while hardwood lumber exports increased less than 1 percent, constrained primarily by lower production. Woodchip exports increased by almost 48 percent in 1989, while those of railway ties, softwood flooring, and the miscellaneous wood products that fall within SIC 2421 were down by about 4 percent.

Canada and Japan continue to be the major importers of U.S.-produced lumber and sawmill products. Currently, Japan imports 1.5 billion board feet of U.S. lumber (almost 35 percent of all U.S. lumber exports), while Canada accounts for another 18 percent.

The domestic lumber industry continues to pursue new markets within the Pacific Rim and Europe. So far, these efforts have met with only limited success, but housing shortages in these regions, along with the lack of raw materials from other sources (log export restrictions in Malaysia and Indonesia), may lead to significant markets for U.S. producers.

Imports of SIC 2471 products are mainly of softwood lumber from Canada, which accounts for more than 95 percent of total softwood lumber imports. A Memorandum of Understanding (MOU) between Canada and the United States implemented in 1986 resulted in a 15 percent export tax or equivalent cost increase on softwood lumber imported from Canada. Since then, imports of softwood lumber from Canada have decreased from one-third of U.S. consumption to about 28 percent.

**Outlook for 1990**

Softwood production is likely to drop again in 1990, by almost 2 percent, and hardwood lumber production should increase, but only by about 2.5 percent. Woodchip production will continue to grow in importance because of increasing exports needed to fill fiber demand in the growing Southeast Asia pulp and paper industries.

Shipments of lumber industry products in 1990 are expected to remain at or near their 1989 level, depending on housing starts, which are not expected to increase. Exports should be up, however, which could offset some of the negative effects of stalled housing starts.

**Long-Term Prospects**

Shipments by this industry are projected to grow about 1.5 percent a year through 1994. The industry will continue to show positive gains, although at a decreased rate, because of a strong domestic economy and growth in exports.

Housing starts are expected to remain below 1.5 million units during the next few years. The current high level of interest in remodeling and repair, fostered by relatively low interest rates and tax benefits for home equity loans and second mortgages, is expected to continue into the early 1990s. Consumers are also beginning to move away from the use of artificial materials and back to real wood, not only in the home but also in commercial buildings, restaurants, and schools.

Many segments of the sawmill industry have become more efficient during the past several years in order to remain competitive with other producers worldwide. This has been accomplished by closing marginally economic mills and by investing in more modern equipment. Although the 5-year outlook does not provide tremendous incentive for investing in new facilities, it does highlight the advantages of modernizing current operations and expanding into export markets.—Barbara Wise, Office of Forest Products and Domestic Construction, (202) 377-0375, October 1989.
SAMPLE LETTER

Thanking the Industry for its Participation

John Jones
President
ABC Manufacturing Company
City, Ohio 09999

Dear John:

Thank you for your time in participating in the ____________ Business Retention and Expansion Program. A summary of the findings will be sent to you when published and you will be invited to our report presentation in about six months.

I very much appreciate the candid and thorough responses you gave to the survey questions. The results of the study will help our local and state government officials, educational organizations, and chambers of commerce understand our industries’ needs. They will also provide a guideline for future planning and implementation of economic development strategies.

Again, thank you for taking time from your busy schedule to participate in this important project.

Sincerely,

R&E Coordinator
VIII. TASK FORCE MEETINGS AND HANDLING FOLLOW-UP

The long term success of an R&E program depends largely on the effectiveness of handling the short-run follow-up. In this section, the role and responsibilities of the Coordinator, Assistant Coordinator, Consultant, and Task Force on these immediate concerns are outlined. In Section IX, the development of the written recommendations for handling the long-term concerns is described.

The Cooperative Nature of Follow-up Work

Short-term follow-up work can be very tedious and time-consuming for the Coordinators if they tackle it alone. The best follow-up work is accomplished in a cooperative fashion. The Coordinator, Assistant Coordinator, Consultant, and the Task Force should all participate in the follow-up work. The Coordinator, Assistant Coordinator, Consultant, and Task Force, however, have different responsibilities with respect to follow-up work.

The Coordinator and Assistant Coordinator

Although both the Coordinator and Assistant Coordinator should work together as the returned questionnaires are reviewed, the Assistant Coordinator should take care of the day to day details of this task, eg., insuring the completion of the visits and turn in of the questionnaires as well as scheduling the review sessions with the Task Force members. The Assistant Coordinator then works with the coordinator in the necessary follow-up work described below. In some cases, especially when the consultant is a local person, all three, the Coordinator, Assistant Coordinator and Consultant can divide up the immediate follow-up with the businesses as they see fit.

The Coordinators should review the surveys as the volunteers return them, particularly the "follow-up suggestions" on the last page. The Coordinators' role at this point is to address simple, short-term, or urgent follow-up work. If an establishment, for example, has requested information about local financing programs, the Coordinators can send it a brochure with such information.

If an establishment, for example, has indicated that it may relocate, the Coordinators must act immediately. In such a case, the Coordinators should contact the establishment to identify why it is considering moving. If the establishment is moving because its corporate headquarters has decided it will, there may be little they can do to prevent this.

If, however, the move is prompted by local issues, such as zoning conflicts, no room for expansion, no financing available for expansion, the lack of skilled labor, perhaps the Coordinators can make a difference. Although these issues are not easily solved, especially in the short-term, the Coordinators can begin addressing these concerns by contacting the local zoning board to discuss variances or by determining other sites in the county that may be available for the establishment's expansion. They can ask the Consultant to identify available state and federal programs for financing expansions and for training workers.
The Consultant

The Consultant should also review the surveys as they are returned. The Consultant's principle job in terms of follow-up is to provide information (names, phone numbers, brochures) to firms inquiring about nonlocal assistance, such as state and federal financing programs, labor/management committees, or export marketing strategies. As indicated above in some cases the Consultant may assist with local assistance. Since the Consultant is an economic development professional they will know the appropriate organizations and offices that should be able to assist these establishments. While the Coordinators can provide information about local assistance in the form of programs or agencies, the external Consultant principally provides information about nonlocal assistance or concerns. If the program has a local Consultant, such as a Small Business Development Center Director, the Director could handle local concerns.

The Task Force

After 10 to 15 surveys have been returned, the entire Task Force should meet and review each of the surveys. The purpose of this review is to identify specific ways that the R&E program can provide assistance to each firm and to assign the responsibility to one or more of the Task Force members for working with each firm. Typically, it takes two or three or more meetings to complete this process of reviewing the surveys, depending on the number of interviews completed.

The process used for review is as follows:

1. The Assistant Coordinator runs an extra photocopy of the survey, but omits the coversheet with the firm name and the first page which includes the employment and products produced. If this information is not removed, the review process violates the confidentiality promised to each of the firms during the visits.

2. At the meeting, the Task Force is sub-divided into small groups of three people each. Each group reviews three surveys, with each person in the group reading all three surveys. The small group then competes the "Follow-up Worksheet" that outlines the nature of the problem and suggested follow-up and the person that should be asked to handle this. (Copy of "Follow-up Worksheet" shown at end of this section).

3. The entire Task Force reconvenes and the small groups report back. The full Task Force then either accepts or modifies the suggested ideas for follow-up.

This review process not only helps address the immediate problems of local firms but also helps local leaders understand the long-term major concerns of firms. These longer term problems are addressed formally after the data is fully tabulated by the University. But the review of individual surveys gives the Task Force members a stronger grasp of the nature of these concerns. This makes it easier for them to use the report of the results later in the process. It also gives them time to think about various options for handling the problems that firms mention. Groups that have used this full survey review process have been very satisfied with it. The primary benefit it provides is the complete ownership by the Task Force of the results of the survey.
Task Force Meetings and Agendas

The meeting agendas for the Task Force include the above review and also some new information necessary for developing strategy local economic development plans. The agendas are as follows:

<table>
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<tr>
<th>Meeting</th>
<th>When</th>
<th>Agenda &amp; Topic</th>
<th>Length</th>
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<tr>
<td>1</td>
<td>2 Weeks after Visits Start</td>
<td>Review of Surveys</td>
<td>90 min</td>
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<td>Review of Secondary Data</td>
<td>30 min</td>
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<tr>
<td>2</td>
<td>2 Weeks later</td>
<td>Discussion of Follow-up</td>
<td>30 min</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review of Surveys</td>
<td>30 min</td>
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<td></td>
<td></td>
<td>Outlook for Key Industries</td>
<td>60 min</td>
</tr>
<tr>
<td>3</td>
<td>2 Weeks later</td>
<td>Discussion of Follow-up</td>
<td>30 min</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review of Surveys</td>
<td>60 min</td>
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<tr>
<td></td>
<td></td>
<td>Outlook for Key Industries</td>
<td>30 min</td>
</tr>
<tr>
<td>4</td>
<td>2 Weeks later</td>
<td>Discussion of Follow-up</td>
<td>30 min</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review of State Programs</td>
<td>90 min</td>
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**Review of Secondary Data** Trends on employment in the county/community, broken down by manufacturing and other sectors should be presented at this meeting. This data should compare the trends in the county/community to that of the state over the past 15 to 20 years. This data can help to point out how the county/community is similar to or different from the state.

**Discussion of Follow-up** After the first meeting, it is desirable to spend a few minutes hearing reports from those responsible for handling the follow-up assignments from the earlier meetings. This encourages those responsible to move ahead and allows for changes in direction whenever desirable.

**Outlook for Key Industries** A review of the economic outlook for the county's/community's key industries is an essential part of any early warning system. This review should concern the major trends in supply and demand factors that impact upon the industry. While every firm has unique elements, it operates in a national and international market that provides both opportunities and challenges.

A practical means of understanding the outlook of key industries is to review the U.S. Industrial Outlook or other economic outlooks for those industries and then discuss this. A practical means of doing this is for each member of the Task Force to be given a photocopy of the 3 to 4 pages from the U.S. Industrial Outlook for 2 or 3 of the major firms at the first meeting. Then one person should be asked to make a short (5 to 10 minute) presentation on highlights from this summary at the second meeting. The process should be repeated at the third meeting. The worksheet entitled "Review of Economic Outlook for Local Industries" can help the presenter organize their talk. (See the worksheet at the end of this section).

**Review of State Programs** By the fourth meeting, the survey results will suggest which state and/or federal programs are in greatest demand. As a first step in deciding how to help firms use these programs more productively, the Task Force should invite representatives from some of the key programs to speak to them. States which have a teleconferencing series will find that a useful tool for some of the programs.
Examples of Follow-Up Work

To make the process of follow-up less vague, specific examples of results and assistance are presented below. Based on previous programs, follow-up work falls into several different categories. These are:

1. providing information to industries that requested it during the visits;
2. acting as ombudsman by investigating industry’s complaints and concerns with the intention of reaching some sort of agreement;
3. referring an industry to a local or state government official for assistance; and
4. attempting to solve local problems adversely affecting an industry’s operation.

Providing Information

In every program, the Coordinators and Consultant have supplied information to those industries requesting it. This information is most often in the form of a factsheet or brochure, and less often in the form of a name and phone number. Check for the questions on the survey which help to identify the types of information each industry wants.

In an Arizona community during a visit, it was discovered that a linen and towel supply firm wanted to expand but thought they were locked in without any adjacent land to expand on. They did have part of their operation in a nearby building that they were leasing. They expressed this need but added that the adjacent land that they were interested in was not zoned Industrial. Therefore, they didn’t know what to do and were considering other options including relocating. One of the team on that visit was a city official. Upon hearing their predicament he explained that the adjacent land upon which they wished to expand was in the process of being rezoned and consequently would be available. The firm received this information with great interest. As it turned out, with this new information and the open contact with the city, this firm, through a land swap, was able to expand on adjacent property and remain in the community.

In a Montana community the 101 businesses surveyed by their local volunteer task force were pleased to find that the community cared about them. Within a matter of weeks following data collection, someone from the community was helping a business owner get a variance to display an additional sign, and someone else assisted several businesses with workmen’s compensation difficulties. Other concerns received information about a newly formed waste oil removal recycling service, about city and county services to the community, or about implementation of the emergency 911 telephone service.

Acting as an Ombudsman

Working with the retention and expansion program in Arizona communities, Extension Specialists find that the process draws economic development interests into a cooperative effort. In one town several entities including the local Chamber of Commerce, an economic development foundation, a main street project, etc. were struggling separately and competitively to revitalize a seriously sagging economy. The Cooperative Extension Specialist was able to facilitate meetings among the groups and pull them together to work for a common goal. Rather than competing for success, the separate development agencies now see that creating a healthy economic environment benefits all of them. For instance, the two neighboring communities in this program recognized lack of communication as a barrier to effective development
efforts and by jointly sponsoring the retention and expansion project, were able to begin working together.

In one Arizona community, the development process was hindered by fractured, city departments acting independently from each other. This concern having surfaced during the interviews, the city has reorganized its city engineering, planning and zoning, and building departments into one-stop planning service to minimize red tape and hindrances to development.

In the above Arizona county there was business concern about goods and services purchased outside the county by local government. As a result, city and county purchasing directors have established an educational program to assist local firms in the bidding process.

Giving Referrals

In an Ohio county, an industry wanted to expand its facility but was unable to provide adequate training for its new employees. The Coordinator, after the volunteer team had notified him of this concern, put the industry in touch with the Private Industry Council for assistance. Through that referral, the Private Industry Council was able to supply Job Training Partnership Act funding for the industry so it could afford to hire new employees and expand. This follow-up work created 15 new jobs.

In another county, a chemical manufacturer complained to the volunteer team that the local area lacked a sufficiently skilled labor pool of chemical workers. The Coordinator contacted the appropriate state agencies including the Industrial Training Program and the Bureau of Employment Services. As a result, a state-sponsored training program involving 20 workers will be begin.

Attempting to Solve Problems

Although all of the examples above are examples of solving problems, here are a few more examples.

Results of the Montana community study indicated that fourteen businesses planned to relocate, seven of them outside the county. Loss of one particular business, which had been courted by communities from other states would mean a loss of about 80 jobs. When the community development specialist at Montana State University, applied IMPLAN to the situation, it showed that if all of the businesses interested in moving did leave, total job loss in Great Falls would be more than 730. Several members of the task force began immediately to work with management of the dissatisfied and struggling businesses and were able to convince five firms to stay in the community. Three of the companies have closed their doors, but business has improved for the other concerns and they remain optimistic.

In an Arizona county residents demonstrated the power of timely concern and attention when a visitation team discovered that a regional utility company had purchased property outside the county and was preparing to move its facility. Prompt intervention by volunteers of the retention and expansion project persuaded the company to reevaluate its plans. The result is a new building in the local Industrial Park, 18 engineering jobs, and an annual payroll of $500,000. No small feat for a community of 3,243 souls.
Organizing the Follow-up Work

To help the Coordinators keep a record of all follow-up work, a follow-up worksheet for each establishment visited should be used. Two examples of a worksheet, developed by a consultant from a local gas company and an agent from the Cooperative Extension Service, both from Ohio, are shown at the end of this section. The designs of both worksheets are excellent because they identify the problem, assign specific follow-up action, and record the completion of follow-up in an organized, efficient, and confidential way.

Sending Copies of the Surveys to the University Extension Staff/Faculty

When the Assistant Coordinator receives 10 to 12 completed surveys from the volunteers, copies should be sent to the University Extension faculty/staff. They will begin coding those surveys and entering the data in the computer. Before the University Extension faculty/staff can run the data analysis on the survey information, the Assistant Coordinator must notify the University Extension faculty/staff that it has received all the surveys.

Factsheets on State and Federal Programs

A number of the firms are likely to request additional information on state and federal programs. It is best to use the following principles in providing this information:

1. Send them a thank-you letter for participating in the R&E Visitation Program as soon as possible.

2. With the above letter include factsheets only on those programs requested. A notebook on all state and federal programs not only leads to information overload but reduces your opportunities to assist them in the future.

3. Be sure that the factsheet or your letter lists the name, address, and phone number of the local resource person that they should contact.

4. Do not arrange follow-up meetings with every firm. Some of them ask for information out of idle curiosity. Neither the firm nor the program representative will appreciate participation in this type of meeting. Rather, call every firm after a week and ask if they have any questions and if they would like additional assistance in working with the state agency. This weeds out those that aren’t yet ready for a serious discussion.

SAMPLES OF FACTSHEETS ARE INCLUDED AT THE END OF THIS SECTION. YOU WILL NEED TO COLLECT THOSE FOR YOUR STATE FOR THIS SECTION OF THE HANDBOOK.

Two examples of resource lists from Georgia are: Business R&E Yellow Pages for Local Government Officials compiled and published by the Georgia Department of Community Affairs; the second is a Directory of Business Development Services published by the University of Georgia, Institute of Technology.

Another example from Arizona, Rural Resource Directory compiled by the Department of Commerce, has a section on "Business".
Worksheet

REVIEW OF ECONOMIC OUTLOOK FOR LOCAL INDUSTRIES

Many economists believe that structural changes in our national and international economies may have greater impacts on our local economies than the best of local development programs. There is no question that competition is increasing, that natural resources are less important in terms of location, and employment in manufacturing is likely to continue to fall. The impact on a community, however, depends largely on its ability to understand the changes already underway and to adapt to them.

The economic outlook for your community depends heavily on the outlook of your existing industry. If industries employing your local labor force are facing difficult times during the next five years, your entire economy will also suffer. While there might not be anything that the Task Force can do to reverse the declines in these firms, it is helpful to have an early warning.

For example, if you have a plant that is producing a product that is losing market share rapidly, it is likely that this plant will close in the near future. What contingency plan should be undertaken if this happens? Will feasibility studies be needed to explore alternative uses of the facility and the labor force. Are employee stock options a possibility? Developing answers to these questions takes time. Building support for a program based on the answers takes time also. Communities that look at the economic outlook of its major firms are likely to foresee these problems and develop contingency plans better than those that get caught by surprise and lack the time to develop solutions.

The Task Force should answer the following questions when reviewing the outlooks for the major industries in your community:

1. How has employment shifted in your local economy relative to the state and nation? Why or why not?

2. Does the community have several major industries or firms in which employment is concentrated? Are these industries subject to supply and demand forces which might in the future affect their scale or location of operation?

3. What is the long-term outlook for industry (#1)?
   3a. What factors are leading to growth, what to decline?

   3b. What are the implications for our community?
3c. Should we do any contingency planning for plant closures or establish an ad hoc committee to follow this particular industry?

4. What is the long-term outlook for industry (#2__________________)?

4a. What factors are leading to growth, what to decline?

4b. What are the implications for our community?

4c. Should we do any contingency planning for plant closures or establish an ad hoc committee to follow this particular industry?
# R&E TASK FORCE FOLLOW-UP WORKSHEET AND/OR SUMMARY

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Community or County Name

Survey ID#____

Short Range = 1  
Long Range  = 2  

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>SIC Code</th>
<th>SR = 1</th>
<th>LR = 2</th>
<th>Nature of Concern/Problem</th>
<th>Follow-up Assign.</th>
<th>Date Completed</th>
</tr>
</thead>
</table>

- LOCAL ISSUES

- NONLOCAL ISSUES

VIII - 9
LABOR/MANAGEMENT
COOPERATION PROGRAM

Established in 1984, the Office of Labor/Management Corporation (OLMC) exists to promote cooperative labor management relationships in Ohio, in order to improve productivity and the quality of life.

RESEARCH
The OLMC is primarily a research office, engaged in collecting first-hand data about cooperative labor/management programs throughout the state. The information collected is used in two ways:

- To establish guidelines for future state funding to help businesses and labor groups develop working cooperative systems.
- For direct use by any interested business or industry in developing cooperative plans. Many completed case studies are currently available through OLMC.

CONFERENCES
The OLMC sponsors or helps to sponsor important statewide and regional conferences on labor management relations. The first Governor's Conference on Labor Management Cooperation, in May, 1984, brought together business and labor leaders from throughout the state to establish primary goals for state participation in labor/management development.

Six regional conferences since that time have laid the groundwork for statewide progress.

PROGRAMS
A two-part grant program is planned for the immediate future. It will:

- Establish university-based training centers, available to businesses, for cooperative work practices.
- Create community-level, non profit corporations to facilitate discussion between labor and management leaders in different businesses, to identify and act upon shared economic interests.

REFERRALS
OLMC can refer interested businesses to a variety of public and business resources for information and aid in developing new cooperative programs.

For more information about OLMC programs and data, contact:

Office of Labor/Management Corporation
Ohio Department of Development
P.O. Box 1001
Columbus, Ohio 43266-0101
(614) 462-8758
Factsheet

U. S. SMALL BUSINESS ADMINISTRATION
DIRECT LOANS TO SMALL BUSINESS
(Special Business Loans - 7(a)(11) Loans)

Type of Assistance

The Small Business Administration is authorized under Section 7(a) of the Small Business Act to provides direct loans to small businesses owned by low-income persons or located in areas of high unemployment. The loans can be used to assist in establishing, preserving, and strengthening businesses owned by low-income persons or located in areas of high unemployment. Excluded uses are for publishing media, radio and television, nonprofit enterprises, speculators in property, lending or investment enterprises, and financing real property held for investment.

Eligibility Requirements

Eligible for the program are those credit worthy individuals with income below basic needs or businesses located in areas of high unemployment which have been denied the opportunity to acquire adequate business financing through normal lending channels on reasonable terms. The business must be independently owned and operated, and not dominant in its field and must meet SBA business size standards. Generally, for manufacturers, the range is 500 to 1,500 employees, depending on the business; for wholesalers, up to 500 employees is allowed; retailers and service concerns having revenues up to $13.5 million for retailers and $14.5 million for services; agricultural enterprises having gross sales not exceeding $0.5 million to $3.5 million.

Information Contacts:

Small Business Administration
2005 N. Central Avenue, 5th Floor
Phoenix, Arizona 85004
Ph: (602) 379-3732
U. S. SMALL BUSINESS ADMINISTRATION
MINORITY BUSINESS DEVELOPMENT - PROCUREMENT ASSISTANCE
(Section 8(a) Program)

Type of Assistance

In order to foster business ownership by individuals who are socially and economically disadvantaged and to promote the competitive viability of such firms, the Small Business Administration provides minority-owned firms and other disadvantaged business owners with contract, financial, technical and managerial assistance as may be necessary to become independent and self-sustaining in a normal competitive environment. This program is authorized under Section 8(a) of the Small Business Act. It allows the SBA to enter into procurement contracts with other Federal Agencies and to subcontract to program participants the performance of contracts SBA has obtained.

Eligibility Requirements

Firms applying for the 8(a) program participation must meet certain requirements which include, but not limited to:

(a) status as a small business

(b) at least 51 percent ownership, control and management of the business by an American citizen(s) determined by SBA to be socially or economically disadvantaged, or by an economically disadvantage Indian Tribe, Alaska Native Corporation, or Native Hawaiian Organization and

(c) demonstrated potential for success

Absent evidence to the contrary, the following individuals are presumed to be socially disadvantaged: African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and Subcontinent Asian Americans. Individuals who are not members of the named groups may establish their social disadvantage on the basis of clear and convincing evidence of personal disadvantage stemming from color, national origin, gender, physical handicap, long-term residence in an environment isolated from the American society, or other similar cause beyond the individual’s control. Economic Disadvantage must be demonstrated on a case-by-case basis.

Information Contacts:

Small Business Administration
2005 N. Central Avenue, 5th Floor
Phoenix, Arizona 85004
Ph: (602) 379-3732
Type of Assistance

The Small Business Administration provides management and technical assistance to existing or potential businesses which are economically and socially disadvantaged or which are located in areas of high concentration of unemployment. The purpose of the program is to assist such firms to overcome historic flaws in the free enterprise system and provide the opportunity for successful and full participation in that system. The types of management and technical assistance provided may include financial services (bookkeeping and accounting), marketing, specialized training and production analysis and others.

Eligibility Requirements

Eligible participants for the program are persons who are socially and economically disadvantaged, businesses which are owned and operated by economically and socially disadvantaged, participants in the 8(a) program, or businesses operating in low-income or high employment areas.

Information Contacts:

Small Business Administration
2005 N. Central Avenue, 5th Floor
Phoenix, Arizona 85004
Ph: (602) 379-3732
U. S. SMALL BUSINESS ADMINISTRATION
GUARANTEED LOANS TO SMALL BUSINESS
(Regular Business Loans - 7(a) Loans)

Type of Assistance

The Small Business Administration provides guaranteed loans to small businesses which are unable to obtain financing in the private credit marketplace, but can demonstrate an ability to repay loans granted. Additionally, such guaranteed loans may be provided to low-income business owners or businesses located in areas of high unemployment, nonprofit sheltered workshops and other similar organizations which produce goods or services; to small businesses being established, acquired or owned by handicapped individuals; and to enable small businesses to manufacture design, market, install or service specific energy measures. Loans may be used to construct, expand or convert facilities; to purchase building equipment or materials; or for working capital. Funds may not be used for gambling establishments, publishing media, nonprofit enterprises, speculators in property, lending or investment enterprises, and financing of real property held for investment purposes. Further, funds may not be used to pay off a loan to an unsecured creditor who is in a position to sustain a loss.

Eligibility Requirements

The SBA’s loan guarantee program is available to small businesses, including low-income and handicapped business owners, businesses located in high unemployment area which is independently owned and operated and not dominant in its field. Generally, size standards for manufacturers range from 500 to 1,500 employees, depending on the business; for wholesalers up to 500 employees is allowed, retailers and service concerns having revenues of $3.5 million and in certain cases up to $14.5 million, may be considered small; and depending on type of business, agricultural enterprises have size standards from $500,000 to $3,500,000 in annual receipts.

Information Contacts:

Small Business Administration
2005 N. Central Avenue, 5th Floor
Phoenix, Arizona 85004
Ph: (602) 379-3732
Type of Assistance

The Small Business Administration provides management counseling, training, and technical assistance to the small business community through Small Business Development Centers (SBDCs). In Arizona, the SBDC Program is a partnership between the Small Business Administration and Arizona's educational community. Arizona's statewide network provides free counseling and low-cost training on the practical, problem-solving skills you need to make your business succeed. Currently there are ten SBDCs in the State. The Centers are located as follows:

**ARIZONA WESTERN COLLEGE SBDC**
Century Plaza  
281 W. 24th St., #121  
Yuma, AZ 85364  
Ph: (602) 341-1650

**MOHAVE COMMUNITY COLLEGE SBDC**
975 San Juan Dr.  
Lake Havasu City, AZ 86403  
Ph: (602) 453-1836

**CENTRAL ARIZONA COLLEGE SBDC**
Gila River Skill Center  
P.O. Box 339  
Sacaton, AZ 85247  
Ph: (602) 723-5522

**NORTHLAND PIONEER COLLEGE SBDC**
1001 Deuce of Clubs  
Show Low, AZ 85901  
Ph: (602) 537-2976

**COCHISE COLLEGE SBDC**
901 N. Colombo, Room 411  
Sierra Vista, AZ 85635  
Ph: (602) 459-9778

**PIMA COLLEGE SBDC**
655 N. Alvernon, #112  
Tucson, AZ 85711  
Ph: (602) 884-6306

**EASTERN ARIZONA COLLEGE SBDC**
1111 Thatcher Blvd.  
Safford, AZ 85546  
Ph: (602) 428-7603

**RIO SALADO COMMUNITY COLLEGE SBDC**
301 W. Roosevelt, Suite D  
Phoenix, AZ 85003  
Ph: (602) 238-9603

**GATEWAY COMMUNITY COLLEGE SBDC**
3901 E. Van Buren, #149  
Phoenix, AZ 85008  
Ph: (602) 392-5220

**YAVAPAI COLLEGE SBDC**
1100 E. Sheldon St.  
Prescott, AZ 86301  
Ph: (602) 445-7300
Eligibility Requirements

Small businesses that meet the size standards of the Small Business Administration are eligible for services from any of the Small Business Development Centers.

Information Contacts

For more information contact the SBDC nearest you or call:

Arizona Small Business Development Center Network
108 North 40th Street, #148
Phoenix, Arizona 85034
Ph: (602) 392-5225
(800) 541-3858 - Toll Free
Factsheet

ARIZONA DEPARTMENT OF COMMERCE
REVOLVING ENERGY LOANS FOR ARIZONA
(RELA)

Type of Assistance

The Arizona Department of Commerce provides low interest loans to Arizona businesses to promote energy conservation and economic development in the State. The Revolving Energy Loans for Arizona Program is capitalized with oil restitution funds received under a federal court-ordered settlement issued in 1986. Loan proceeds may be used for plant expansion for manufacturers of energy-related products, energy-conserving building retrofits involving acquisition and installation of qualified energy-related improvements and equipment, or short term contract financing for production of energy-related products. Funds may not be used for research, the purchase of real property (land), recycling projects, and utility rate demonstrations or fare subsidies of public transit.

Eligibility Requirements

Companies eligible for assistance under the RELA program are existing Arizona manufacturers of renewable energy, alternative energy, or energy-conserving products, or existing Arizona companies installing renewable energy or energy-conserving products in their own facility. Eligible loan recipients must have a minimum of two (2) years of operating history.

Information Contacts

Business Finance
Arizona Department of Commerce
3800 N. Central Avenue, 15th Floor
Phoenix, AZ 85012
Ph: (602) 280-1341
Type of Assistance

The Arizona Business Connection is a program within the Arizona Department of Commerce that provides information, referrals, analysis and advice to existing and start-up businesses in Arizona. The program provides information on State requirements for licenses, applications, and permits; information on applicable taxes; referral to sources of financing; referral to local, state and federal agencies and programs; information on importing and exporting; help with developing marketing strategies; help in formulating a business plan; and answers to other questions a small business owner might have about starting and/or operating a business in Arizona.

Eligibility Requirements

The services of the Arizona Business Connection are available to established businesses domiciled in Arizona as well as to anyone thinking about starting a business in Arizona.

Information Contacts:

Arizona Business Connection
Arizona Department of Commerce
3800 N. Central Avenue, 15th Floor
Phoenix, AZ 85012
Ph: (602) 280-1480
(800) 542-5684 - Toll Free
Factsheet

COMMERCE AND ECONOMIC DEVELOPMENT COMMISSION
COMMERCE AND ECONOMIC DEVELOPMENT FUND

Type of Assistance

The Commerce and Economic Development Commission is authorized, under Senate Bill 1397 enacted by the Arizona State Legislature in 1989, to provide financial assistance for business retention, location, and expansion in the state. Financial assistance provided by the Commission may be in the form of loans, loan guarantees, grants, and interest rate subsidies.

Eligibility Requirements

Eligible applicants include businesses, universities, nonprofit economic development organizations, cities and counties and the state. Priority consideration is given to projects in economically disadvantaged areas of the state. Each award of financial assistance must be supported by evidence of projected tax revenue increases and other benefits that will result from the project.

Information Contacts:

Commerce and Economic Development Commission
C/O Arizona Department of Commerce
3800 N. Central Avenue, 15th Floor
Phoenix, AZ  85012
Ph: (602) 280-1360
IX. DEVELOPING ACTION RECOMMENDATIONS: A TASK FORCE JOB

In the previous section, short-term follow-up was discussed. In this section, long-term follow-up, in the context of reviewing the survey findings and writing recommendations, is explained.

Introduction

The process of writing recommendations to stimulate economic development in your community is one of strategic planning. To gain the support of the business community, the recommendations must lead to effective programs that are beneficial to local firms. To achieve this goal, your Task Force will need to know the survey results, the overall employment profile and economic outlook of your community, and the community's resources, abilities, and values.

There are many different recommendations or strategies which could be used to stimulate local economic development. The Task Force must select and recommend strategies which are feasible and appropriate at the community or local level.

Once the local business R&E problem has been clearly defined, the Task Force must exercise caution in the development and selection of recommendations or strategies. Each recommendation and strategy has advantages and disadvantages. Improper development of recommendations could adversely affect the progress of the R&E program.

This section outlines the minimum of three Task Force meetings that are necessary to develop effective recommendations. These meetings outlined below assume that the Task Force has already met four times and covered the items suggested in Section VIII. Some groups will find it takes additional meetings to complete this task. Those that meet more frequently, also find that they are more effective in implementing their recommendations.

Next, three sources of information to be used in developing long-term recommendations and strategies are listed.

Then several suggested strategies and potential recommendations are reviewed. These are examples only. Each community needs to carefully develop its own strategies based on the R&E Survey results.

Finally, a process of setting priorities is outlined.

Outlining the Meetings

The minimum of three meetings needed for the Task Force to write recommendations will require about seven hours of time. There are two models both of which have been used successfully in the development and writing of strategies and recommendations. In the first one, the University Extension Facilitator drafts a report of the findings of the survey and suggests several strategies for consideration. This draft is sent out to the Task Force members in advance. The Task Force members respond to this draft. In the second model the University faculty/staff drafts only the findings of the survey and sends them out in advance. No strategies are suggested. In either model, it is the responsibility of the
Facilitator to lead the members through the process of developing strategies and recommendations. The second model provides greater involvement of the Task Force members, and consequently greater ownership. Based on Model #2, the meetings are set up as follows:

Meeting #1 (held after the Task Force receives the rough draft report). During this two to three hour meeting, the University Extension Facilitator and Task Force review the rough draft of the survey results. A typical agenda appears at the end of this section. The Facilitator, using the Nominal Group Process, leads the group through the process of identifying the obvious conclusions/issues from the survey results. Based on these key findings several economic development strategies will be brainstormed. Together, using the nominal group process, the Task Force identifies and agrees on the strategies to be pursued for the community's future economic development. Given sufficient time, the Task Force may be able to finalize the list of strategies at this meeting. If not, the Facilitator, coordinating with the Coordinator or Assistant Coordinator, should draft a report from this meeting and present it for final decisions at the next meeting.

Meeting #2 (held about 2 weeks after meeting #1). At this two to three-hour meeting, the report, with the suggested strategies, is distributed (preferably in advance) to the Task Force members. The final selection and wording of the strategies should be the first order of business. Once this is done, the group can move on to the topic of implementation recommendations for each strategy. As in meeting #1, the Facilitator should use the nominal group process for brainstorming and selecting recommendations appropriate for each strategy.

Experience has shown that the writing of the recommendations in final form requires a great deal of thought and discussion. The University Extension Facilitator may suggest one of four techniques to accomplish this task. The total group together may write them; the total group may be divided into smaller groups, by strategy, to write them during the meeting; subcommittees may be assigned, each in charge of writing a set of recommendations for presentation at the following meeting; or as in the previous meeting, the Facilitator may want to summarize the discussion in a report and present it at the third meeting for final writing. Which technique to use should be a group decision based on the local situation.

Meeting #3 (held about two weeks after meeting #2). During this meeting (about two hours), the task is to finalize the writing of the recommendations, following the technique decided at the previous meeting. The recommendations must be widely supported to be adopted. This is to ensure that each Task Force member understands and is committed to the final recommendations.

If a specific recommendation is approved by only a narrow margin after a heated debate, the odds of implementation are very low. After all, the Task Force does not have funding to support certain recommendations and has no formal authority. The recommendations reflect only the attitudes of the Task Force. Thus, it is best to limit recommendations to those for which there is broad consensus. If there is consensus, the recommendations can then be sent to the University Extension faculty/staff to be included in the final report.

The Task Force members should also discuss the arrangements for the upcoming community meeting during which some of the findings and their recommendations will be announced publicly.

IX - 2
Information Sources for Developing Strategies

There are primarily three types of information necessary to develop strategies and recommendations for problem-solving.

1. Information from R&E Surveys

In developing strategies and recommendations, the Task Force should focus in on the problems and issues identified by the local firms through the R&E surveys. This should be the primary source of information.

2. Information from Past Experience

Another source of information is to learn from past experience. The Task Force could compare previous solution-based experiences that relate to current problems and apply these those that have been successful.

3. Information from Other Business R&E Communities

Other communities that have participated in R&E programs may have solutions to similar problems existing in your community. Ask the participants in those communities or the University Extension Facilitator who have worked with them, to learn how other communities solved problems like yours, and share them with you. The 6-8 page Summary Reports of their communities are a good source of this information.

Suggested Strategies for R&E Programs

There are a number of commonly used strategies which have been used in other communities. While it is strongly encouraged that the local Task Force should customize strategies that address their specific problems, these commonly used strategies may be appropriate and, at the least, will stimulate further thought. The most common BR&E strategies used are:

1. Improving firm competitiveness by sharing information on state and federal programs.
2. Enhancing the attractiveness of the community by improving the available labor force.
3. Enhancing the quality of life in the county and community.
4. Developing contingency and strategic plans for local economic development.
5. Developing a support and assistance network to respond to immediate and on-going business retention and expansion problems and opportunities.
6. Providing management assistance and educational seminars to address the problems identified in the survey.
7. Improving the community’s existing support services and infrastructure.
8. Examining frequently identified problems by issue-oriented task forces.
STRATEGY ONE: Improving firm competitiveness by sharing information on state and federal programs

Many state and federal programs are aimed at helping firms become more competitive thus lowering their per unit costs. Providing up-to-date information on these programs is not easy for several reasons. First, firms need these programs only when they plan to expand or have other unusual circumstances. Second, the nature of the programs and the personnel in charge of the programs change frequently making it difficult to keep up-to-date. There are a variety of steps which a community can undertake, however, to help firms use these state and federal programs.

1. **Develop local fact sheet on regional offices and programs**

   Many state and federal programs have regional or multi-county offices and representatives. A brief fact sheet should be developed, made available, and distributed to business firms in the local community. The fact sheet should outline each of the programs available; contact person; address and telephone numbers; and, other information important to the business firms.

2. **Provide a local office space**

   Face-to-face contact between business firms and R&E representatives are necessary. Often, business firms would like to meet business R&E representatives before participating in the program. The local office space could be used as a place for initial contacts between the University Facilitator, R&E Facilitators and program Consultants; State and County government representatives; and, local Task Force members. The office space could also be used to arrange appointments and schedule office visits for state, federal, and county government representatives working closely with business firms.

3. **Professional economic development staff**

   Business firms participating in the business R&E program often request additional information about various state and county agencies. A professional staff can facilitate the transfer of this information and maintain the momentum of the R&E program. However, the professional staff still needs the strong voluntary participation, support, and leadership from the local Task Force to make the R&E program successful.

4. **Repeat R&E survey at different levels of detail**

   The survey of business firms should be thorough to gather information needed to identify the needs and problems of the firms. Since it is desirable to maintain contacts with business firms on an annual basis, it is suggested that a short survey be used to contact the firms after two years. It should focus on the concerns of the firms, without going into the details of their employment, products, economic outlook, etc. It is recommended that the full survey which is usually done on the first year, be repeated every fourth or fifth year.

5. **Newsletter to business firms**

   Information about state, federal, and county programs could be disseminated via a newsletter. The newsletter is one of the inexpensive ways to provide information and provide announcements on different activities associated with the business R&E program.
STRATEGY TWO: Enhancing the attractiveness of the community by improving the available labor force

The size and quality of the local labor force are frequently determining factors in the expansion of existing firms in a community. Likewise, the attraction of new firms depends heavily upon the availability and quality of skilled labor. Labor/management relations are also an important determinant in decisions to expand or to relocate to another area.

1. Identify the type of skilled labor demanded

The task force should form a subcommittee to identify the labor skills in demand by the business firms. Once identified, the subcommittee should report their findings to the secondary and vocational schools to help stimulate curriculum modifications.

2. Inform business of labor training programs

There are various job training programs available such as those offered by the Job Training Partnership Act (JTPA) and the Small Business Development Centers (SBDC). They are designed to improve skills, labor/management relations, and competitiveness. The subcommittee assigned to address skilled labor needs should also inform business firms of these job training programs. The business firms benefit by the extra training received by its employees.

3. Conduct labor training workshops and seminars

The same labor subcommittee should sponsor different labor training workshops and seminars to improve the local labor force. Federal and state representatives could be featured to provide vital information on labor issues. The use of existing videotapes and teleconferencing make it possible to share this information with small groups or even individual firms at a minimal cost.

STRATEGY THREE: Enhancing the quality of life in the county/community

A county’s/community’s quality of life refers to the quality of schools, recreational opportunities, public services, medical facilities, and other amenities that make the area a desirable place to live. As labor shortages become more common and recruiting skilled labor and professionals becomes more difficult, the quality of life will become more important. One company president said, "Many small companies could locate nearly anywhere in the country. But, if the company president finds your community a nice place to live, you will probably get the company."

1. Create an R&E newsletter or brochure informing business firms about services.

Opinions about the quality of life in a community are largely based on perceptions. Business firms need to know the facts about the public and local services available which relate to the quality of life in the community such as: educational facilities (elementary, secondary, vocational schools and colleges); recreational and leisure opportunities; telephone, utilities, water; computer communications, etc. The perceptions of business firms would likely improve when they are informed about what the local community has to offer.
STRATEGY FOUR: Developing contingency and strategic plans for local economic development

While county/community leaders cannot control the national and international marketplace, they can develop strategic plans to maximize the growth potential and can develop contingency plans which allow them to respond quickly to major plant closings or other business changes.

1. **Establish ad-hoc economic outlook council**

The economic outlook council is a group which focuses on the economic outlook, business trends, or issues of the local community and county, and develops and recommends strategic and contingency plans for future economic growth. The council works closely with the R&E Task Force. The council should be composed of three or four R&E Task Force members and three or four local leaders outside the Task Force. The primary goal of the council is to assist the R&E Task Force and the local community in understanding the issues which impact the community's economic growth and to present options for future action.

2. **Review economic outlook reports for major businesses and the community/county**

The R&E Task Force should review, annually, the economic outlooks and trends for the major businesses located in the community, as well as for the community in general. The *U. S. Industrial Outlook* provides an indicator on the trends and pressures present in the major businesses located in the community. It is a five year economic summary of the production trends occurring throughout the United States in the different business sectors. Other economic outlook reports for use include: *Arizona's Economy, Arizona Business*, and *Arizona Progress*, published respectively by The University of Arizona, Arizona State University, and the Valley National Bank. Other states should identify similar publications.

3. **Sponsor feasibility studies on new businesses**

In most R&E programs, firms report a number of items which they feel could be produced locally. The R&E Task Force should explore the feasibility of attracting or creating firms to produce those items. The feasibility studies should focus on the types of products which could be produced locally and on the production factors for those products. The feasibility studies can then be distributed to existing firms or new firms which might be interested in producing the inputs and products demanded.

4. **Develop strategic plans for future economic growth**

Strategic planning should be an on-going process in the R&E Task Force because of the constant changes faced by the local business firms. The R&E Task Force should focus its attention on the local business environment, and on the business trends and issues in the structures of both the national and international economy.

STRATEGY FIVE: Developing a support and assistance network to respond to immediate and on-going business and retention problems and opportunities

Data from the surveys indicate numerous instances for both the immediate and on-going need to follow-up in Retention & Expansion of individual businesses as well as the need to survey additional businesses and to repeat previous surveys after a period of two or three years. Given business start-ups and closures,
changing economic conditions, and relocation decisions, it is incumbent to establish a network and system to continually monitor and work with local businesses if the R&E program is to be a successful local effort.

1. **Establish a standing R&E Task Group as a joint effort**

Members of this Task Group could include representatives from the Chamber of Commerce, economic development organization, municipality and local community college. One group will want to take the leadership and provide staff support. The group would have the responsibility to oversee implementation of recommendations and support job creation through the Retention & Expansion of local businesses. It would also develop long range plans for the on-going program.

2. **Identify and assist local businesses to expand**

Review the completed surveys and follow-up with the individual firms that have indicated expansion plans. Facilitate those efforts by helping those firms work through government requirements and providing a checklist to smooth the transitional procedures. A guide such as "Doing Business in Arizona" could be made available. Use a similar publication in your state.

**STRATEGY SIX: Providing management assistance and educational seminars to address the problems identified in the survey**

Several questions in the survey identify these problem areas. Small business persons traditionally are unable or choose not to take advantage of management assistance and educational opportunities. The challenge lies in designing an approach that provides incentives for such participation. Getting the business persons involved in designing the assistance and programming and choosing instructors is one technique to provide incentives.

1. **Determine effective traditional and innovative delivery systems**

Delivery methods to include: newsletters, short bulletins, videotapes, teleconferences, satellite transmissions, breakfast or lunch seminars, speakers bureau, one-on-one visitations -- with the opportunity to request additional information or assistance. Community colleges can use a mentor program to monitor instructors so that they select and encourage instructors that effectively relate to the real world needs of local businesses.

2. **Develop a counseling network involving local bankers**

Usually, the first sign of a problem comes to the attention of the loan officer. Here is where an innovative network could immediately trigger financial management counseling for the troubled business owner or manager. If volunteer participation fails, the loan officer is in a position to assert some leverage.
STRATEGY SEVEN: Improving the community’s existing support services and infrastructure

Several questions on the questionnaire rate community services and other infrastructure assets. Where there are weaknesses, Task Force members have a responsibility to communicate and offer suggestions and assistance to those agencies or firms. Frequently, perceptions expressed in the surveys are not necessarily true. Yet, those persons base their decisions and actions on those perceptions. Remedial actions may easily correct such false perceptions and improve business practices.

1. Establish an Ambassador/partnership program

Many times the municipality is the entity under fire. Such a program bringing together businesses and the city can defuse potentially explosive situations, and concurrently, improve delivery of services or eliminate bottlenecks. In some cases, a public relations official or ombudsman is an effective strategy.

2. Arrange conciliation meetings where problems exist

Bringing parties together may be the most effective method to resolve differences and improve services and infrastructure constraints. Citizen review boards, informal advisory groups, and effective use of the media can move this process along. The basic problem tends to be lack of communication. If this is the case, any improvement in communication will go a long ways in resolving these issues.

STRATEGY EIGHT: Examining frequently identified problems by issue-oriented task forces

A number of questions and particularly the open-ended questions reveal community issues or problems endemic to the community/county. Many of these issues may have been identified previously by individuals. The survey substantiates the frequency of concern and offers an opportunity to establish a specific task force to address these issues. Some examples follow:

1. Transportation to markets and from suppliers

When significant numbers of respondents indicate negative impacts and request assistance, then clearly this is an issue to be followed-up. A transportation task force for businesses should be created to examine the present situation and make recommendations for alleviating difficulties.

2. Finding qualified employees

As in the transportation issue, when significant numbers indicate concern, a task force to study the availability of qualified employees could be created with participation from the Job Service office, the local Vo Tech service, from other appropriate agencies and from some larger employers indicating difficulties in obtaining qualified employees.

3. Securing short-term financing

Again, review of the surveys indicates a problem. This task force, on the availability of short-term financing for businesses in the area could be organized. It could involve bankers, business persons and appropriate development agencies that have a stake in the local business success.
4. **Handling hazardous waste**

Often, the open-ended questions reveal issues not specifically dealt with in the questionnaire. In this case a study group of city, county and private organizations interested in the problem was assembled to research the issue.

5. **Downtown appearance**

To capitalize on the downtown revitalization efforts, already begun with the assistance of a University Department of Architecture, a task force was established to consider signs to inform people of the location of the community and its greatest attributes, including signs on the Interstate; and to consider alternative forms of signage to attract tourists to the community.

6. **Business and customer parking**

The matrix revealed a persistent unresolved problem. The task force was to consider customer and employee parking, maintenance of parking lots and use of alley entrances for business.

**Selection of High Priority Recommendations:**

**Using The Nominal Group Process**

Two major resources are needed to implement the recommendations stemming from an R&E program: money and local leadership. Both are generally bottlenecks. But frequently, especially in smaller communities, leadership time is the most severe bottleneck to new projects. Few communities can undertake new efforts on all of the suggested recommendations that are shown in the previous section. Attempting to do too many new projects in a short period of time can lead to none of them being done well and many failures. Thus, it is necessary to set priorities.

In setting priorities, the Task Force must consider the survey results, their own experiences, and the experiences of other communities. They need to identify the advantages and disadvantages of each recommendation. Some of the factors that they ought to consider are:

A. the urgency of the need
B. impact of the solution on the problem
C. implications of the solution
D. acceptability to the Task Force
E. unlikelihood of repetition
F. cost effectiveness
G. availability of federal, state, local financial and leadership resources
H. quality of each program
I. time required for implementation
J. specific benefits

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1 The Nominal Group Process suggested is optional and can be used in a variety of ways at the discretion of the Facilitator.
The nominal group process is a useful tool for setting priorities in a group that must consider a larger number of alternative ideas or recommendations. It includes the following steps described earlier.

1. The University Extension Facilitator gives an overview of the survey findings. (It is recommended that the draft report be mailed out to the Task Force at least one week in advance, but the group is still asked to review these at the meeting.) This usually requires from 30 to 45 minutes. The following procedure is based on the second model, described at the beginning of this section, where the University Extension faculty/staff drafts only the findings of the survey. If the first model is used, where suggested strategies are also suggested, adjustments may be made.

2. The group should be sitting in a circular or horseshoe arrangement. Starting with the Coordinator, the University Extension Facilitator asks them to nominate one obvious conclusion/issue from the survey findings. Each person is allowed to nominate only one item. After nominating the item, the individual can give a brief explanation as to why they see this as an obvious conclusion/issue. This process is repeated, going completely around the room and allowing every person at the table to nominate an item. The nominated items are written on a blackboard or flip chart. Each item is labeled with a letter.

3. When every person has offered one conclusion/issue from the survey findings, the process is continued until all items have been contributed.

4. Once all the nominations are recorded on the flip chart, the group is encouraged to discuss the conclusions/issues more fully. Questions of clarification usually are a good way of encouraging discussion. Groups which have met several times before, as outlined in Section VIII, usually handle the discussion much better than ones that are meeting for the first time.

5. After discussion, the group may decide to combine like items before they vote on their top three priorities. It is advisable to explain to the group, here, that strategies will be developed from the conclusions/issues receiving highest priority. To simplify the voting, each person gets three small slips of paper. On each slip, the individual votes for one conclusion/issue. The letter shown on the flip chart is recorded in the upper left-hand corner and priority (1st, 2nd, or 3rd) is shown in the lower right-hand corner.

Sometimes an individual will try to short-circuit the voting process claiming that it would be better to just make a group decision. This usually means that if everyone would just agree with their point of view there would be no need to vote. It is best to announce that there will be a vote, even if there appears to be no need for one because of such a high degree of consensus. This avoids one individual railroading through their point of view.

6. Vote counting is done immediately and publicly. After sorting all the ballots by letter, one individual reads the number of 1st, 2nd, and 3rd place votes for each conclusion/issue (item). The University Extension Facilitator writes these directly on the flip chart.
7. The group then determines what the results mean. There usually is a suggestion to give the results a reverse weighing so that a single score can be developed for each item. While this can resolve ties and rank the results, it also forces an artificial differentiation on the results. Typically there is a very clear differentiation in the results. But in a few cases, there may be no clear winner. In that case, it is necessary to discuss the issues further and vote again.

This same procedure is applied when selecting and writing the final strategies and recommendations.

**Summary and Final Report**

It is very important that the strategies, recommendations, and the data from the R&E survey be published and disseminated widely. Some states publish the results in two formats: a full final report, typically running 50 to 70 pages long, and a summary, running 5 to 8 pages in length. The full report is distributed to the Task Force, University Extension Facilitator, and local sponsor. The summary is given to all that participate in the final meeting plus the visitors, the firms, and other community leaders.
AGENDA

ROUGH DRAFT REVIEW MEETING

I. Introductions (local Coordinator) (5-10 minutes)
   A. purpose of meeting
   B. introduction of Task Force members
   C. introduction of others not previously introduced

II. Review of Key Findings (University Extension Facilitator and/or faculty/staff) (30 minutes)
   A. illustrated presentation of the key findings
   B. conceptual model of R&E programs

III. Discussion of Key Findings (University Extension Facilitator and Task Force) (45 minutes)
   A. identification of obvious conclusions/issues
   B. voting via nominal group process

IV. Discussion of Selection of Strategies from priority conclusions/issues (University Extension Facilitator and Task Force) (2 hours)
   A. identifying strategies from conclusions/issues
   B. nomination of strategies (Task Force)
   C. voting via nominal group process (Task Force)

   (this outline may be followed for each strategy; discussion of each strategy takes about 30 minutes. This outline may also be used for developing and finalizing recommendations.)

V. Summary of accomplishments, assignments, and development of next meetings' agenda. (10 minutes)

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2 This agenda to be used as a guide for the three or more necessary meetings outlined at the beginning of this section.
X. HOLDING THE COMMUNITY MEETING

The community meeting, during which the survey findings, strategies and recommendations from the R&E Program are presented, provides the opportunity for the community to recognize the "end" of the R&E visitation program and the "beginning" of new economic development initiatives. Even though the visitation stage of your R&E Program has concluded, you have just gathered a detailed data base about your industry and have just announced recommendations for economic development. The community meeting, therefore, should signify the start of local initiatives to improve your business climate, not the end of your economic development efforts.

Suggested Format for the Meeting

From the experience of a number of community meetings held, the format described below seems most effective. It was developed after considerable trial and error and reflects the best elements of several R&E programs.

The agenda for the meeting is as follows:

1. Introductions (Coordinator)
   a. sponsoring organization(s)
   b. endorsing organizations
   c. Assistant Coordinator and Task Force members
   d. volunteers
   e. participating firms
   f. R&E Consultant
   g. University Extension staff/faculty
   h. dignitaries

2. Dinner (optional, but at this point, if included)

3. Review of the program's purpose and history (County Extension Agent, R&E Consultant or University Extension faculty/staff)

4. Testimonials (business representatives) and/or program accomplishments (Coordinator, Assistant Coordinator or Consultant)

5. Presentation of Recommendations
   a. survey findings (University Extension faculty/staff or Coordinator)
   b. strategies and recommendations (Coordinator and Task Force)
   c. implementation (Coordinator or Task Force)

6. Closing remarks/adjournment
Introduction

The R&E Coordinator should introduce and recognize the key players in the program. These include the organizational sponsor, the endorsing organizations, Task Force members, volunteers, industries, the Assistant Coordinator, the R&E Consultant, University Extension faculty/staff, and dignitaries. The rule of thumb is that all those not on the program should be introduced here.

The sponsor of the program should be introduced by name and the Assistant Coordinator, R&E Consultant, University Extension faculty/staff, and Task Force members should be introduced individually and asked to rise. The organizations endorsing the program should be read, and their representatives asked to rise and be recognized collectively. The volunteers should be recognized in the same manner. The visiting dignitaries should stand as their name is read and be recognized as a group.

Although individual recognition of everyone who participated in the R&E Program is ideal, it can take an exceedingly long time. The introduction of volunteer visitors and participating businesses as a group will conserve time significantly. Another effective option for recognizing all of the participants in the R&E Program is to give each guest a packet which may include an agenda, summary report, lists of participants, pamphlets, and other relevant information. These optional packets are generally distributed before the meeting begins in order to minimize disruptions during the presentations. If you decide not to use these packets, the summary report may be given to the audience before the meeting or during a suitable interval between presentations. Some suggest that the packets and/or summary reports be distributed at the end of the meeting.

Dinner (optional, but at this point, if included). Some communities have used breakfast, luncheon meetings or served hors d’oeuvres and cocktails before or after the presentation. The bottom line on this is, "If it works in your community, do it".

Review of Program’s History and Purpose

The speaker for this section of the program should explain briefly the objectives, purposes, and the background of the program; why the community implemented it, when it began, and any other information about the program to help the audience understand it. The speaker could be either the County Agent, R&E Consultant, or University Extension faculty/staff (depending on their roles for the remainder of the meeting).

Testimonials and Program Accomplishments

This part of the meeting is important because it illustrates the action-orientation of the R&E Program in which local leaders responded to the firms’ concerns. In a few instances, significant assistance may have been made which could be shared at this meeting. Testimonials work best if the Coordinator calls on the firm representative(s) from the audience. This person stands and gives the testimonial from where he/she stands (this is pre-arranged). An alternative would be for the Coordinator to read a firm’s testimonial via letter and then recognize its representative in the audience. Another method would be for the Coordinator to briefly summarize the significant accomplishments of the local program. (Remember to keep confidentiality when applicable.)

This portion of the meeting is important because it reinforces a "can do" attitude and gives tangible proof
of the success and effectiveness of the local program. If possible, the testimonials and accomplishments should relate to the strategies and recommendations.

Presentation of Strategies and Recommendations

The presentation of strategies and recommendations should take no more than 30 to 45 minutes. It needs to have a varied format to maintain the audience’s interest.

Survey Results. The results presented are those which are related to the strategies and recommendations. This aspect of the program should be short and succinct. The University Extension faculty/staff uses graphics on overhead transparencies to illustrate the results.

Strategies and Recommendations. It is essential that the strategies and recommendations be presented by the Coordinator and/or Task Force in order to increase local ownership and credibility. The linking of the survey results with the strategies and recommendations demonstrates that they are based on fact and are in response to the concerns of local firms. The Summary Report can be used in two ways. It offers credibility and visibility to the R&E Program. Although it is preferable to distribute it at the conclusion of the meeting to avoid distraction while the presentation is being made, some distribute it at the beginning of the meeting, and then it can be used by the audience to follow along when the strategies and recommendations are presented.

Implementations. Although recommendations are usually directed to a specific entity, it would be good to have sign-up sheets for persons to indicate their interest in working on a specific recommendation.

If the audience is large, it is impossible to generate discussion and reactions about the strategies and recommendations and still keep the presentation orderly and within the time limits. Realizing this, the Coordinator should offer to meet with individual organizations to discuss the recommendations in greater detail. This option allows the Coordinator (and Task Force) to better inform local leaders about their strategies and recommendations. The Coordinators could also announce that they will be available after the meeting to answer questions.

Modifications

Communities are welcome to modify this format. Changes should be discussed with the University Extension faculty/staff so that their presentation and graphics can be planned accordingly. It is also important to make certain that the key players have active roles in the meeting.

Who to Invite

You should invite University Extension faculty/staff, Coordinator, Assistant Coordinator, Consultant, Task Force members, sponsoring and endorsing organizations, volunteer visitors, representatives of the firms which were interviewed, local government officials (city and county), chamber executives, state representatives and senators, economic development groups, planning departments, local educational institutions, county agent, state employment and development agencies, and anyone who is interested in economic development in your community or involved in the R&E Program.
Ways to Improve Attendance

The experience of holding a variety of community meetings, indicates certain elements that seem to be associated with well-attended and meaningful sessions. Some communities may not be able to follow all of these suggestions because they may have fewer resources than others; nonetheless, the following are strongly recommended:

1. **Organize and plan the meeting collectively.** The Coordinator, Assistant Coordinator, Consultant, and Task Force members must decide as a group the specifics for the community meeting, such as the date, time, place, format, and audience. Be sure to check the dates, times, and format with the University Extension faculty/staff before announcing the meeting.

2. **Make the meeting social.** Have the meeting in a banquet room or hotel. Send out invitations with R.S.V.P.s instead of just letters. Serve refreshments or a meal. A hosted dinner is ideal. If you follow this pattern, dinner can follow the introductions on the agenda. Allow time for mingling and socializing. Although it may seem that the social aspect of the occasion is being emphasized more than the content, it really is not. It has been the observation that if you want good attendance and attentive guests, you need to make the meeting more than just a meeting; you need to make it a social event.

3. **Get media coverage.** Newspaper articles, radio spots, and television coverage before the meeting will help increase your attendance because the media coverage somehow gives the event more credibility and importance than it would receive otherwise. Media coverage after the event, however, is probably more likely since there will be more "news" to report.

4. **Do not invite a guest speaker or include a controversial topic (unrelated) which will completely overshadow the purpose of the meeting which is reporting the program’s findings.** For example, inviting a public official during an election campaign focuses the audience’s attention on him, not your program and accomplishments.

5. **It is preferable to hold a separate meeting just for the final report of the R&E Program, thereby emphasizing the R&E Program.** If this is not practical it may work to hold the R&E presentation in conjunction with another organization’s meeting (for example, Rotary Club). This arrangement guarantees an audience, but it may also present some difficulties because of time limits for guest speakers, other items on the agenda, or attendance restrictions (members only). Therefore, it is important to obtain adequate time for the R&E presentation (40-45 minutes) and to make certain that the meeting will be open to all interested persons. If this is done the agenda will have to be changed.

6. **Even though the industries will receive an invitation, have the volunteers invite their industries by phone.** This adds a personal touch to the meeting and may increase attendance.
7. **Do not present the findings, strategies and recommendations prematurely.** It takes at least two months between the time the Task Force receives its rough draft copy of the survey findings and then writes its strategies and recommendations. It takes another month to have the Final Report and Summary printed. During these months, some communities have wanted to simply share the findings before the reports are ready. We think this approach only weakens the purpose of the community meeting. If these guests attend a similar presentation but do not receive a report, most of the information they hear at the meeting will not be retained and their enthusiasm for the strategies and recommendations will wane. By providing guests with a summary they hear and read the results of the program; therefore, the message of community development is conveyed more effectively.
SECTION XI. SPECIAL TOPICS

This section provides suggestions and topics of special interest which could be used and adapted to facilitate the Business R&E program. Special topics of interest can be added at anytime.

The University Extension faculty/staff are the contacts to obtain factsheets about programs available from the national, state, private, university, or industry level.

The fact sheet which is written by the University Extension faculty/staff person usually include the benefit of the special topic to the R&E process. A brief description of the topic is included on the page. The resource person or organization is also listed along with the address and telephone number. As each fact sheet is produced please insert the fact sheets in this section.

For more information contact your Business R&E Extension resource person for other special topics developed.

Special topics of interest for the R&E program are unlimited. Samples of topics of interest include:

- electronic teleconferencing
- use of slides set and video tapes
- job partnerships
- School-community partnerships
- Community leadership volunteer training
- Alternative economic development options
- State tax incentives
- Job corps
- Small Business Administration
- Direct loans
- Loan guarantees
Economic Development Teleconferencing Series
(sample)

This is a series of short videotapes about state and federal development programs. After the videotapes are presented, a teleconference question-and-answer period with a representative from the featured program is held. This is perhaps the most efficient and convenient means of informing forms and local economic development professionals of available programs.

An advantage of using the teleconference (loud-speaker) phone is that it ensures that the videotape information is current, and it allows immediate response to questions. The teleconference arrangement is ideal also for state or regional representatives who are unable to visit the community in-person.

The major advantage of using the teleconference series and phone is that it allows you to run a program for a very small number of people. It is embarrassing to schedule a speaker from Columbus and draw only two or three local people. Yet, given the nature of business interests and the pressure of their business, it is difficult to guarantee larger groups (20 to 50). Since the teleconference approach requires only 15 to 30 minutes of the state resource person's time, it is feasible to hold a meeting with a very small group.

More information could be obtained from these sources:

Center for Interactive Programs
Old Radio Hall
975 Observatory Drive
Madison, Wisconsin  53706
Phone: (608) 262-4342

Bell and Howell Satellite Network
985 L'Enfant Plaza
SW, North Building
Washington, D.C.  20034
Phone: (202) 484-9270

Public Service Satellite Consortium
1660 L Street, NW, Suite 907
Washington, D.C.  20036
Phone: (202) 331-1154
Video-tapes and Slide Sets

(sample)

Video-tapes and slide sets bring reality into a business R&E meeting. The visual presentation brings the actual and evident community experience to meetings. Most often the visuals from video-tapes and slide sets attract attention, arouse interest, add emphasis, give variety to presentation, explain and clarify information about the R&E program.

Design the visuals for each main idea.

For assistance in the use of video-tapes and slide sets contact your local Cooperative Extension Service or Business R&E Extension resource person.

Local Extension Contact Person:
School / Business/ Community Partnership

(Sample)

Business firms normally examine the availability of local skilled labor when considering location in a community. The skilled labor supply frequently is met from the vocational and secondary schools.

When the schools are rated fair or poor, in the survey, this hurts recruiting efforts and limits economic development in the community. Labor supply is only one example of a need for this partnership. One way to deal with these concerns is to:

- Form a school/business/community partnership to deal with common concerns. All entities would benefit. One outcome might be curriculum modifications and creative labor training programs with all three entities cooperating.

For more information contact your local Cooperative Extension Service Office or Business R&E Extension resource person.

Local Extension Contact Person:
Community Volunteer Leadership Training Options

(Sample)

Volunteers make the Business R&E program viable and productive. They bring different skills and experiences into the business R&E programs. These skills and experiences need to be nurtured and focused for the R&E Program to be successful.

The Cooperative Extension Service provides volunteer leadership training thereby equipping the volunteers with the basic skills and knowledge needed to perform their assignments effectively.

Periodic leadership training for volunteers is always relevant, rewarding, and improves any community program including the R&E program.

For more information on community volunteer leadership training, contact your R&E extension specialist or agent.

Extension Contact Person:
Direct Loans and Loan Guarantees

(Sample)

The State Department of Development can help communities secure loans and loan guarantees for new development purposes such as new fixed-asset financing: land, buildings, and equipment. In some cases it has special funds for rural development efforts.

Loans and loan guarantees are intended to stimulate expansion or relocation in _your state_ for businesses engaged in industry, commerce, research, and job creation.

The State Department of Development evaluates applications on the number of jobs to be created or retained. The evaluation also includes the need for government assistance, as well as ability to repay the loan on the terms established.

For more information about direct loans and loan guarantees, please contact:

Economic Development Financing Division
Department of Development
P.O. Box, 2007
City, State 98904-1000
(689)789-9000

Local Extension Contact Person:
This report contains a complete summary of the results of the Business Retention and Expansion survey conducted in November of 1991. Forty-six (46) local businesses selected to represent a cross section of the businesses in the Benson-San Pedro area were interviewed. The interviews were conducted by visitation teams made up of trained volunteers using a standard questionnaire. The result were tabulated by the University of Arizona.

In tabulating open-ended questions, a sampling of the individual comments made is provided with an indication of the number of similar responses. While the R&E survey technique was not intended to provide a statistically representative picture of business activity in the community, it has been proven to be an effective barometer of community attitudes, problems and concerns.

1. **Indicate type of business:** Check primary function. If more than one function, rank in order of importance (1 = primary function; 2 = secondary function). Number of firms.

   a. Manufacturing/Assembly  
      4  0
   b. Construction  
      4  0
   c. Retail  
      16 (36%) 10
   d. Service  
      18 (39%) 5
   e. Agriculture  
      2  0
   f. Public Administration  
      2  0

   Total 46

2. **For how many years has your business been operating in the Benson/San Pedro Valley area?** Number of firms.

   a. Less than 2 years.  
      5
   b. 2-5 years  
      8
   c. 6-10 years  
      11
   d. 11-20 years  
      8
   e. 21-40 years  
      9
   f. Over 40 years  
      5

   Total 46
3. Approximately what percent of your sales are to people who live (in the following locations):

Table 3/6a. Employment, by Customer Origin, Full (FTE) and Part-time (PTE) Employees supported by customers residing in the following locations.¹ (Number of firms in parenthesis.)

<table>
<thead>
<tr>
<th>CUSTOMER LOCATION</th>
<th>RETAIL(16)</th>
<th></th>
<th>SERVICE(18)</th>
<th></th>
<th>OTHER(10)</th>
<th></th>
<th>TOTAL²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FTE</td>
<td>PTE</td>
<td>FTE</td>
<td>PTE</td>
<td>FTE</td>
<td>PTE</td>
<td>FTE</td>
</tr>
<tr>
<td>Benson/San Pedro Valley</td>
<td>38.3</td>
<td>53.7</td>
<td>76.7</td>
<td>45.4</td>
<td>21.2</td>
<td>1.4</td>
<td>136</td>
</tr>
<tr>
<td>Rest of Cochise County</td>
<td>17.2</td>
<td>17.6</td>
<td>35.6</td>
<td>11.3</td>
<td>74.1</td>
<td>5.8</td>
<td>127</td>
</tr>
<tr>
<td>Rest of Arizona</td>
<td>19.8</td>
<td>7.8</td>
<td>19.0</td>
<td>7.6</td>
<td>316.8</td>
<td>11.4</td>
<td>356</td>
</tr>
<tr>
<td>Rest of U.S.</td>
<td>2.6</td>
<td>1.7</td>
<td>12.3</td>
<td>8.3</td>
<td>29.9</td>
<td>2.4</td>
<td>45</td>
</tr>
<tr>
<td>Outside U.S.</td>
<td>.1</td>
<td>.2</td>
<td>.4</td>
<td>.3</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td>81</td>
<td>144</td>
<td>73</td>
<td>442</td>
<td>21</td>
<td>664</td>
</tr>
</tbody>
</table>

¹Explanation of the above table: In question #3, the businesses interviewed were asked to identify where their customers live, i.e. what percent of their sales in turn are to residents of the Benson area, Cochise County, Arizona, the rest of the USA and foreign citizens. These percentages were then multiplied by the number of persons employed by that firm and totaled for the 46 firms interviewed. The results are indicated in the above table. For example, if a firm has 20 full-time employees, and reports that 60% of its sales are to Benson area residents and 40% are to Arizona residents outside Cochise County, then it can be concluded that 12 of those workers are supported by sales to local residents and 8 are employed through sales to Arizona residents outside the county. When similar calculations were made for each of the firms visited, and then totaled (in the right hand column), it was determined that the sale of goods and services to Benson area residents employed a total of 136 full-time and 101 part-time workers among the 46 firms interviewed. Similarly, sales to Arizona residents outside Cochise County created 356 full-time and 27 part-time jobs among the firms interviewed. Such sales included goods produced in Benson (e.g. Apache Nitrogen products) and shipped elsewhere for sale, as well as goods and services sold in Benson to tourists and other visitors.

²Totals rounded to the nearest full number.

4. What percent of your total business is to tourists, winter visitors and highway travelers?

<table>
<thead>
<tr>
<th>Number of firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. less than 5%</td>
</tr>
<tr>
<td>b. 5-10%</td>
</tr>
<tr>
<td>c. 11-24%</td>
</tr>
<tr>
<td>d. 25-49%</td>
</tr>
<tr>
<td>e. 50+%</td>
</tr>
</tbody>
</table>

Table 4/6a. Tourism Employment, Full (FTE) and Part-time (PTE) Employees supported by tourists, winter visitors and highway travelers in the community, among the firms surveyed. (Number of firms in parenthesis.) (See footnote to table 3/6a for explanation.)

<table>
<thead>
<tr>
<th>Business Sector</th>
<th>FTE</th>
<th>PTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail (16)</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Service (18)</td>
<td>33</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>41</td>
<td>29</td>
</tr>
</tbody>
</table>
5. Outside of goods you buy for resale, what are the largest volume raw materials, supplies or services that you purchase out of town for your business? (The number in parenthesis indicates the number of businesses who make all or most of their purchases for the indicated goods or service out-of-town.)

1) Office Supplies and Paper Products (19) Almost half of (41%) of the businesses interviewed, indicated they bought most (an average of 90%) of their office and paper supplies out-of-town.
2) Computer Supplies & office Equipment (5)
3) Cleaning Supplies/Linen Service (9)
4) Lumber and Building Materials (7)
5) CPA/Accounting/Tax Service (5)
6) Produce/Meat/Restaurant Food (5)
7) Gasoline (5)
8) Vehicles (4)

6a. How many people, including yourself and other family members, are presently employed in your business? How many of those people are full-time, part-time or seasonal employees?

Number of firms employing:

- a. 1-4 full & part-time employees 21
- b. 5-9 full & part-time employees 12
- c. 10-19 full & part-time employees 5
- d. 20-49 full & Part-time employees 1
- e. 50-100 full & part-time employees 3
- f. Over 100 full & part-time employees 2

- a. Total number of employees 849
- b. Total number of full-time employees 662
- c. Total number of part-time employees 175
- d. Total number of seasonal employees 12

6b. How many people were employed in your business 5 years ago?

- a. Total employment 5 years ago 651
- b. Total full-time employment 5 years ago 563
- c. Total part-time employment 5 years ago 83
- d. Total seasonal employment 5 years ago 5

- a. Number of firms showing increase in employment over 5 years. 15 (33%)
- b. Number of firms showing reduction in employment over 5 years. 8 (17%)
- c. Number of firms showing equal employment over 5 years. 10 (22%)
- d. Number of firms not in business 5 years ago. 13 (28%)
<table>
<thead>
<tr>
<th>Change in Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1991 (31)</td>
</tr>
<tr>
<td>1986 (31)</td>
</tr>
<tr>
<td>Change</td>
</tr>
<tr>
<td>New Firms (13)</td>
</tr>
<tr>
<td>Total Increase</td>
</tr>
</tbody>
</table>

( ) Number of firms in parenthesis.

6c. How many people including yourself and members of your family, do you project will be employed in your business in five years?

<table>
<thead>
<tr>
<th>Change over 1991</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Total employment in five years</td>
</tr>
<tr>
<td>Total full-time employment in five years</td>
</tr>
<tr>
<td>Total part-time employment in five years</td>
</tr>
<tr>
<td>Total seasonal employment in five years</td>
</tr>
</tbody>
</table>

7. Where do your employees live?

<table>
<thead>
<tr>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Benson/San Pedro Valley area</td>
</tr>
<tr>
<td>Sierra Vista</td>
</tr>
<tr>
<td>Tucson</td>
</tr>
<tr>
<td>Elsewhere</td>
</tr>
</tbody>
</table>

8a. From the list below, check up to four factors likely to have a major impact on your establishment's profits during the next five years. Number of firms indicating.

1. market share 15
2. new products/services 8
3. changing customer demands 14
4. marketing/business promotion 11
5. new technology 5
6. foreign competition/export 3
7. transportation/shipping costs 8
8. wage rates 12
9. getting qualified workers 5
10. cost of goods/raw material 19
11. financing 16
12. government regulations 21
13. energy costs 8
14. insurance costs 13
15. tourism 17
Comments on the factors likely to have a major impact on your establishment’s profits during the next five years. (Summary of comments made.)

Market Share/Changing Customer Demands/New Products and Services/Marketing Foreign Competition/Tourism

-- Condition of the economy/tourism/new business development.
-- Poor economic outlook.
-- If Benson grows, there will be a larger customer base/more business for each of us.

-- Competition could grow along with Benson’s growth.
-- Possibility of a bigger, fancier outfit coming in and squeezing me out.
-- Increased competition gives us a smaller slice of the pie.
-- Industry has shrunk while the number of competitors has increased.
-- Tucson and Sierra Vista pull business away from Benson. The city should try to protect the businesses that are already here—not attract new businesses to Benson that will compete with existing businesses.
-- Tucson hospitals, doctors and HMO’s are major competition factors.

-- Hopefully tourism will bring more people, result in more development and increased population.
-- Kartchner Cave and other tourism will generate more business.
-- No tourism—no business.
-- The most important factors are tourism and winter visitors—they will be the life of Benson.
-- Additional tourism creates additional jobs which creates additional demand for my services.
-- Businesses should give information about other businesses, and promote each other.

-- Lack of housing prevents people from moving into town.
-- Increase in tourism traffic due to development of Kartchner Caverns and other county projects will necessitate increase of infrastructure to supply increased businesses.
-- Business growth means more business for us.

-- It is hard to keep up with changing customer demands.
-- New fads reduce demand for our product.
-- People are eating less beef which impacts ranching.
-- I’m just now figuring out seasonal variations in demand, e.g. when to release or promote different items.
-- It’s up to businessmen to find out what changing needs are, then promote, while using new technology.
-- People building homes today are using better materials as far as glass, insulation, doors, etc., smaller rooms—trying to make heating and cooling easier and more cost effective.
-- Customers are fickle.
-- Customers often are not knowledgeable, are not able to compare quality versus cost.
-- It is presently impossible for a company our size to undertake any speculative building projects.
-- The cost of changing over to new equipment/new technology is high.
-- New equipment requires retraining.

-- In past, most of our work has come from referrals. In the future, we will have to become more aggressive in the pursuit of new contracts.
-- People still don't know we are here.
-- Must learn how to market our business more professionally, to maximize the impact of our marketing effort.
-- New marketing techniques could bring customers from outside the area/develop new markets.
-- We are prohibited from erecting the signage we need to pull in customers.
-- We are presently planning an aggressive promotional/marketing campaign to expand market share.

-- Free trade with Mexico will kill craft trade business.
-- Increase export or import--good or bad impact on price of beef.
-- Newspapers and radio advertising in Mexico will add to our business.

Financing
-- Must expand to become profitable, but no financing available.
-- With additional financing, could expand and add more business.
-- Difficult to get financing.
-- Had to go outside community for financing.
-- Local banks are only interested in checking and P.R.; not financing business loans.
-- Property is owned free and clear and bank still will not loan money to business. Need funds to refurbish to bring in more customers to increase business, to hopefully, increase staff.
-- No financing available for anyone in business less than 5 years.
-- Need long-term 5-year financing. Local banks only offer short-term 3-year financing.
-- Customers as well as businesses cannot obtain financing.
-- Operating loans can be back breakers.
-- It is impossible to obtain financing at an affordable rate.
-- Interest rates have a lot to do with general economy.

Operating Costs
-- Shipping costs increase because of fuel costs and EPA regulations which increase the cost of goods sold and decrease profit margin.
-- Rising cost of fuels and shipping cost resulting in declining profit margin.
-- Cost of freight large factor because of distance from wholesaler.
-- Difficult to maintain comparable prices with higher fuel costs.
-- Energy costs are 11%-12% of total expense of the company.
-- Price fixing on gas in local area.

-- Increase of minimum wage causes problems with large and small businesses--wages increase and benefits increase and costs of insuring people or equipment increase which increases cost of goods.
-- Pressure to compete with "prevailing wage" rates.

-- Insurance rates keep going up.
-- Can't carry all insurance needed due to costs; carrying liability only.
-- Health, compensation, liability and bonding are all going out of sight!
-- Current insurance rate is $15,000/year.
-- 50% increase in insurance.
-- One of our biggest costs and concerns is whether we have enough liability insurance.
-- Increased environmental regulations and taxes.
-- Government regulations and changes are expensive.
-- Regulations are stifling small business.
-- Increased time required for building permits, inspecting and tighter controls.

**Government Regulations/Taxes**
-- The government regulates the use of equipment (who can use it), requiring licenses, government regulations on the use of supplies and materials used in building. The disposal requirements of old materials from buildings is a problem. The testing of property required by EPA before building has become very bad for building industry.
-- Keep getting more strict codes for new business, but old businesses are often left grandfathered resulting in unfair competition.
-- Government is getting tougher on environmental controls. Increased requirements for health insurance, mandatory leave, etc. adds to cost. Had to get out of body shop business because of government regulations.
-- Sales tax disadvantage leaves the business in a non-competitive position as compared to other immediate areas.
-- In 8 years, federal and state taxes have gone up 5 to 6 times.
-- Taxes--new and never ending. They pay all taxes--the customer doesn't.
-- Registration fee on owner's 20 year old truck in $700/year.
-- Trash fees, water and gas--all city utilities went up.
-- Grazing laws, if passed, would devastate local ranching business and economy.
-- Government programs (medical and AHCCS) are 80% of hospital's revenue.

**9. Compared to last year, is your business? Why?**

1. Better 20 (47%)  
2. Worse 15 (35%)  
3. About the Same 8 (19%)

**BETTER**
-- Has doubled in past 3½ years due to improved efficiencies.
-- The business is growing more rapidly than expected. They've been watching daily business to find a good day to close for a half day off--can't find one.
-- Changes in marketing; business plan, product mix (hitting target group better).
-- Offer more service, better facilities, more advertising.
-- Volume of sales up. Better known and better established, quality service and competitive in price.
-- Pursuing smaller but more profitable jobs.

-- Attained more customers and contracts.
-- Competitor closed down.
-- Moved from part-time to full-time.
-- Fewer people cook at home; more winter visitors.
-- Used advertising/promotion to increase participation by community and outsiders.
-- Improved the image of business by cleaning up exterior and interior.

-- Offer more services; more people know of the service.
-- Because of return business, word of mouth advertising, and integrity of work done.
-- New location, more adequate building.
-- Customer base increasing due to advertising outside of Benson. Have good prices; back
products. Family atmosphere.
-- Expanded menu. Longer hours. Public relations skills are better.
-- Expanded by purchasing competitor; better cash flow; added additional services.
-- The market is holding its own; the product maintains its integrity, resulting in increased sales.

WORSE
-- Even though we have a higher gross; our net profit is down.
-- Down 10½%—due to poor economy; complaints from customers.
-- Have declined for over three years. Economy bad in Tucson which affects Benson a lot. Tourism slow because of Gulf War. When economy is bad, people don’t eat out.
-- Because of business move, economics, higher rent, higher utilities.
-- Because of some bad decisions.
-- Declining profit margins do not allow absorption of the tax discrepancy between Benson and other areas.
-- The economy, the Gulf War, people saving and not spending their money.

-- Recession has had strong impact on customer spending.
-- Everyone experiencing smaller cash flow; owner can’t afford to finance the work they do.
-- Industry as a whole is down 35-50%. Times are bad, more people in the business, and increased tax.
-- Economy, recession, war in Middle East. Visitors spent money on necessities, not on luxuries.
-- Has built-in self-competition by opening up another competing business down the road.
-- Building construction was slow and Gulf War pulled plug on the slow economy.
-- Economy is bad—no funds available, so construction of new buildings is slow; but there is an increase in remodeling.

ABOUT THE SAME
-- Hasn’t changed more than $3,000.
-- Business is off a little from last year; but compared to the rest of Benson he’s doing okay.
-- Weather; economy, sales off 19% over last year.
-- Decline in in-patient utilization is offset by increase in out-patient utilization.

-- Business climate worse due to conflicts with city versus harder work on their part.
-- Up and down, seasonally, due to economy and no new construction in this area. Get roofs, bathrooms, remodels but nothing new.
-- Didn’t have any construction going on this summer. When there is a new construction going on during summer their business increases.
-- A lot of people don’t know what is available in Benson because the town hasn’t been promoted outside of this area.
10a. Does your business have problems recruiting and keeping employees in the following groups?

<table>
<thead>
<tr>
<th></th>
<th>Recruiting</th>
<th></th>
<th></th>
<th>Keeping</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
<td>Not Apply</td>
<td>Yes</td>
<td>No</td>
<td>Not Apply</td>
</tr>
<tr>
<td>Unskilled</td>
<td>8 (31%)</td>
<td>18</td>
<td>10</td>
<td>10 (38%)</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>Skilled</td>
<td>16 (62%)</td>
<td>10</td>
<td>9</td>
<td>10 (36%)</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td>Clerical</td>
<td>4 (22%)</td>
<td>14</td>
<td>16</td>
<td>4 (21%)</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Sales People</td>
<td>5 (36%)</td>
<td>9</td>
<td>21</td>
<td>4 (26%)</td>
<td>11</td>
<td>20</td>
</tr>
<tr>
<td>Professional/Management</td>
<td>6 (40%)</td>
<td>9</td>
<td>19</td>
<td>3 (20%)</td>
<td>12</td>
<td>19</td>
</tr>
</tbody>
</table>

10b. Describe problems in Recruiting Employees:

1. Skilled Workers:
   -- For qualified workers, must look to Tucson. Benson's remote location is not conducive to a progressive career move.
   -- General lack of skilled construction workers in the area. (5)
   -- Many people who seek work in construction do so because they can't find other work, not because that is what they want to do.
   -- Availability of skilled people needed is not here; professional expertise not available in local labor pool. Must recruit nationally.
   -- Good housing not available to attract skilled people.
   -- 50% of employees are (auto) technicians. Can't find this kind of qualified workers in Benson. In 14 years, only three technicians have come from Benson. Skilled not available in area.
   -- Shortages of R.N.'s and hospital technicians.
   -- In specialized areas it is hard to find qualified candidate.
   -- Can't recruit skilled cooks and waitresses.
   -- Advertised for baker and florist, but no response.
   -- Small pool of good sales people around here.
   -- Unable to retain a qualified worker that can make $50 an hour in Tucson and only $10 an hour in Benson.

2. Unskilled Workers:
   -- Young people don't have basic job skills; i.e., what to wear, how to act. Suggest having schools give dummy interviews to students and then critique their performances.
   -- Unskilled require extensive training.
   -- No prior job experience.
   -- Kids want a paycheck, but don't want to work.
   -- Don't really want a job--just want to have unemployment slip filled out.
   -- Persons who want to work in restaurant are not available.
   -- Most Benson residents are retired and on social security.
   -- Nature of business--can't pay high enough.
   -- We cannot afford even minimum wage.
   -- Cannot pay higher salary--90% of our employees have other income or spouse is
employed.

10b. Describe problems in Keeping Employees:

-- Unskilled have unrealistic expectations of job.
-- Unskilled people are not dependable; would rather live on welfare. High school kids last no longer than two weeks. Don't want to work. Hard to keep. Young and unskilled employees lack commitment.
-- Work for us only until they can find other work.
-- Hire high school kids. many do good work but leave to go to school.
-- Unskilled have lower pay scale and are always moving about.
-- Offer part time work only; it's hard to keep people part time.
-- When we get good skilled employees, it is difficult to guarantee enough hours for them to make a decent living.
-- On hiring retired military: "set in their ways" and "free to move on."
-- Don't want to stay in Benson, especially young people.
-- Can't pay clerical enough to keep them; they get training and move on.
-- Pay scale is $3.25; they can go to McDonald's and make more.
-- Better wages elsewhere.
-- Doing this until they can get another job. Looking for higher pay.
-- Pay scale--you can't pay if you can't charge the customer. Most Benson residents are retired and on social security.
-- Low wages; people quit to go on DES benefits.
-- Good housing not available (for skilled people).
-- No problems due to good training and good recruiting.

11. Employee turn-over during the past 12 months. (Number of firms in parenthesis.)

<table>
<thead>
<tr>
<th>Number of Turn-Overs During Past Year</th>
<th>Employee Turn-Overs as Percent of Total Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>None (15)</td>
<td>0 (15)</td>
</tr>
<tr>
<td>1-2 (8)</td>
<td>Less than 15% (5)</td>
</tr>
<tr>
<td>3-4 (6)</td>
<td>15-25% (4)</td>
</tr>
<tr>
<td>5-8 (5)</td>
<td>26-35% (4)</td>
</tr>
<tr>
<td>10-25 (2)</td>
<td>36-50% (4)</td>
</tr>
<tr>
<td>Over 25 (2)</td>
<td>51-99% (4)</td>
</tr>
<tr>
<td>N/A (8)</td>
<td>100+ (2)</td>
</tr>
<tr>
<td></td>
<td>N/A (8)</td>
</tr>
</tbody>
</table>
12. Please review the following list, and check those benefits that you now offer your employees:

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Firms Indicating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Paid vacation</td>
<td>14</td>
</tr>
<tr>
<td>2. Health insurance</td>
<td>16</td>
</tr>
<tr>
<td>3. Store discounts</td>
<td>19</td>
</tr>
<tr>
<td>4. Retirement and/or savings plan</td>
<td>8</td>
</tr>
<tr>
<td>5. Training</td>
<td>30</td>
</tr>
<tr>
<td>6. Life Insurance</td>
<td>2</td>
</tr>
</tbody>
</table>

13a. Overall, how would you rate your employees?

1. Poor                  0
2. Fair                  4
3. Good                  19} 89%
4. Excellent             15}

13b. How would you rate your employees overall?

-- Work force and office personnel are dedicated employees.
-- Experienced and dedicated.
-- 25% turnover normal for this type of business. The more skilled people stick to the job, and are more loyal.
-- They listen and try to do what you want; honest.
-- Real good, as to honesty, friendliness, how they treat customers, availability.
-- Employees are enthusiastic about job for the most part.
-- Good training; good recruiting.
-- Low turnover; loyal employees.
-- Majority are fair--do what is expected.
-- They give good service, friendly.
-- Loyal, hard workers.
-- Our employees are all better than average. They are loyal.
-- Problems with learning to give change.
-- Employees show up 30 minutes early and don't complain when asked to work late.
-- Technicians are well trained. Sends them to school. Several employees have been with him for a long time.
-- Honest, reliable and flexible.
-- Highly trained and highly motivated.
-- Trained, conscientious and dedicated.
-- They get along with each other; punctual; they know their jobs; they know they are appreciated.
-- For those who want to move up within organization, owner believes in promoting from within.
-- Sophisticated team of people--highly qualified. Constant upgrade of staff skills.
14a. Would you like additional information or assistance on any of the following subjects?

Requests for Information

14b. Indicate specific type of assistance desired and explain need.

**Acquiring Government Contracts (9)**
- Would like to sell more to government. What do they put out contracts for? Is there a list?
- More information on securing local government bids.
- Education for people preparing bids and writing contracts.
- Framing jobs for the Fort or Davis Monthan.
- Food service contract; would like more information.

**Employee Recruitment and Training (4)**
- How to attract and recruit applicants to Benson.
- Would like high school to start some type of on-job-training for students in real jobs.

**Government Regulations and Licensing (3)**
- Change the procedure for reporting unlicensed contractors in a small community. The Registrar will not accept anonymous tips. Commercial licensing requirements should be enforced at the permit level.
- Information on hazardous wastes, contractor's license requirements and building specs.

**Financing (11)**
- Have trouble getting financing because bookkeeping doesn't tell bank what they want.
- Grant package—minority financing.
- Would like to expand while costs are lower; would like financial consulting.
- How can small business obtain decent financing without major collateral?
- Financing for self-employed services.
- Low-cost, long-term financing for monies required, under $50K.

**Marketing, Merchandising, and Advertising (14)**
- Get businesses/merchants unified.
-- Customer service and merchandising within store.
-- Very interested in this--getting more business and keeping it.
-- Marketing building materials in this day and age.
-- Information on small business marketing and advertising.
-- Ideas on how to promote services and expand business at reasonable costs.
-- Tools and aids for advertising.
-- Economical way to market our services to customers.

**Foreign Markets/North American Free Trade Agreement** (4)
-- How do you get involved in the programs that sell to Japan, etc.?
-- Has problems getting vehicles into Mexico.
-- Tap Mexico market (advertising).

**Employee Health Care Insurance/Benefits** (8)
-- Would like information on health insurance plans.
-- Always looking for help to lower over-all costs; does not provide health insurance for employees.
-- What's available and cost.
-- Affordable and within employees financial means.
-- Information on other companies for comparison.
-- Information directed toward self-employed. (2)

**Business records and financial analysis** (2)
-- Bookkeeping system that will help get financing.
-- Never had any business training except in parents' store. Would appreciate help if a service is available.

**Computer use** (9)
-- Training with IBM programs--assistance with inadequate manual for programs.
-- To keep records.
-- For use in storage of information on sales, listings, etc. as well as general office use.
-- Purchasing and training on a computer.
-- Need help in locating programs and using computer.
-- All aspects including business/financial use.
-- Training in accounting and inventory.
-- Don't have one, will need one.
-- Speed up paperwork and estimate on jobs. Need someone to come in and let him know what he needs in way of programs for the computer.

**Employer/Employee Relations and Motivation** (4)
-- What are other companies doing to motivate employees.
-- I waste too much time motivating self--need help!

**Long range business planning** (7)
-- They see this business expanding, "kids taking over"--want to buy building and expand.
-- Financial analysis--how to handle cash flow and budget.
-- Needs to know where Benson's long range goals are so she can plan business around tourism.
-- How to strategically plan the business' future.
-- Five year projection of local economy.
-- Legal advise on how to sell business as income for retirement.

**Solid waste reduction and recycling (10)**
-- Foresee that this will become a matter of concern. They are presently experimenting with recycling.
-- Would like to have sensible program to recycle.
-- Knowledge of places where they can dispose of their solid waste for recycling or set up bin at their location.
-- Reducing solid waste might be something for city to consider doing. We have lots of unskilled workers. Recycling is growing. Maybe we should get into that business.
-- Have leftover materials that could be recycled. How to safely dispose of turpentine, paints, acrylics.
-- Information in recycling batteries, tires, etc.
-- Individual home recycling information.
-- Information on where to distribute locally; wishes to see local composting facility.
-- Is a national problem; businesses have to get involved.

15a. **Have you used any of the programs or agencies listed below? (Please circle those which you have used.)**

**State**
1. Department of Commerce  8
2. D.E.S./Job Service  16
3. Department of Environmental Quality  8

**Local/County**
4. City Administration  22
5. Municipal Building Inspector/Zoning  22
6. County Board of Supervisors  9
7. County Planning Department  9
8. County Health Department  21
9. Chamber of Commerce  29
10. Cochise College  9
11. Small Business Development Center  1
12. JTPA Job Training  4

15b. **Identify and explain problems experienced with agencies or programs.** (Number of businesses expressing concern indicated in parenthesis. Comments have been edited (...) to remove specific details that might identify the source.)

**D.E.S./Job Service (7)**
-- Can't provide skills we need.
-- Quit using DES--very little screening--most applicants not qualified.
-- Didn't send qualified job applicants.
-- Applicants were unprofessional, not making or keeping appointments.
-- Did not send qualified applicants.
-- Used twice and they sent him every bum that ever got off the bus--poor screening.

City Administration (12)
-- Too much outside influence/favoritism.
-- Problems with city hall over ... being corrected.
-- Staff not responsive.
-- Not listened to.
-- Talked to city manager several times but city manager puts him off. Don't listen to little guy, only interested in progress and growth for new businesses.
-- City salaries are too high.
-- Certain city council members have a lot of power and want no growth in town. They have a very negative attitude.
-- The city has to act first. They have to do something to start the ball rolling. We, the local businesses, can't do anything until the city acts first. They need to work on bringing jobs here.
-- Government used to be good when we had a charter type of government.
-- Mayor is great guy, but doesn't understand what it's like to be a small business owner in Benson.
-- Charter government was more streamlined; things ran better. Government should be talking about cutbacks not more government spending. City personnel need closer supervision.
-- Problem with construction assistance provided.

Municipal Building Inspector/Zoning (14)
-- Present permitting procedure does not discourage unlicensed contracting.
-- Had problem with Kreps regarding regulations. He was very abrupt, "Either you comply with regulations or you are out of business." Presently in dispute with city over ...
-- Benson has unrealistic ordinances that favor grandfathered businesses.
-- Not knowledgeable, shows favoritism.
-- Feels Building Inspector over steps bounds, makes things overly complicated.
-- Feels ... problem with zoning inspector is not being handled properly.
-- Kreps doesn't have a clue as to what's going on; has never been helpful.
-- Sign ordinances more trouble than it's worth.
-- Hazardous material license.
-- Restrictive zoning requirements that have more than one interpretation. Owner is being required to ...
-- Excessive regulations with selective enforcement.
-- Larry Kreps does not know his business. He hurts this town. You spend time and money doing it and then he changes his mind and says you don't need it. I would not recommend that anyone build in this town. I expect people in the position to know what they are talking about.
-- When I went to Building Inspector for ..., I gave him my plans and told him exactly what I was going to do. I asked him what I needed. He said certain things were no problem and then later was on my back about those things.
-- Kreps told me I needed ... Then I ran around Tucson pricing it. After I got back, I checked with another business owner who said I didn't need it. I called Larry and he said he might be wrong. After I went to his office, he spent one hour of mine and his time calling Tucson and Sierra Vista to prove me wrong, and it turned out he was wrong.
-- I put up ... and Kreps came out and said it looked nice. After I fixed it permanently, he came out and said "I didn't approve it, I just said it looked nice."
-- I was told I had to ... That was all the reason he gave. It makes no sense. Common sense
needs to prevail.
-- I sold a property. Larry said don't worry about ... I was worried about what Larry told me so
I talked to Mark Battaglia. He said absolutely not. So I had to go back to purchaser, and
ended up paying $300.
-- Larry Kreps doesn't know the laws, isn't able to interpret them, interprets them differently for
different people.
-- We got permit to build, had all plans approved, etc. Then Kreps came in and stopped
construction workers three times because something wasn't right. In the end, Kreps was
wrong, yet it cost me lots of money in extra construction costs.
-- Kreps made us ..., but didn't require other similar businesses to do the same. Selective
enforcement.
-- P&Z board don't know the laws. Invoked closed meeting laws; says we can't talk about
things, in public.
-- Sign code--couldn't put up sign at street entrance.

**County Board of Supervisors (3)**
-- Kim Bennett has always been helpful--but overall the rest of the Board have not been as
helpful.
-- Wildcat dumping; water transfer rights; needs to stop federal land being taken away for
private ranchers use.
-- Haven't been able to get taxes lowered.

**County Planning Department (3)**
-- Very angry with County Planning. Mistreated and have letters to prove it. Regulated to a
degree which is not workable!!
-- Uncooperative in attempts to relocate business to facilitate zoning requirements.
-- Restrictive zoning requirements that have more than one interpretation. Owner is being
required to move this business from existing location--at home.

**Chamber of Commerce (10)**
-- Paid dues but never got help; didn't benefit.
-- Historically absence of focus; firecracker organization.
-- Too social. Making mistake by excluding non-Chamber businesses. Doesn't know what
direction they are going; need short and long range goals. Doesn't feel has helped business.
-- Chamber has developed "yo-yo" appearance in handling business affairs. Not strong
enough; has lost professional touch; will improve in time.
-- Everything costs us additional money and we have never seen any benefit.
-- The Chamber approached the owner to join. When the owner was not interested in joining,
she was informed that the Chamber would not purchase from her and referred customers to
her competitor. (This occurred two years back.)
-- Don't believe the Chamber has really done anything for business. All it is about is getting
together and talking. Never did anything. Their job should be promoting business. Chamber
people do not get out and associate with others. Chamber makes plans, but doesn't follow
through. Chamber doesn't know what to do.
-- Asked for current active list of businesses in Benson. No follow-up or feedback was received.
-- Lack of interest in promoting businesses in community.
-- No problems, but would like to see Chamber more open and consistent from year to year
with membership. Feels there is no smooth transition from one new board to another.
15c. Identify agencies found to be particularly useful and explain.

**Department of Commerce (3)**

-- Great source of information for energy efficient technology and application for the construction industry.
-- Used in planning for future business and industry.

**D.E.S./Job Service (3)**

-- Work closely with meeting our employee needs.
-- Sent out temporaries.
-- Contracted with owner for placement of individual retrained after receiving on-the-job injury. DES did excellent job of training.

**Municipal Building Inspector/Zoning (5)**

-- Larry Kreps takes time to explain the what and why of spec. Is very helpful.
-- Larry Kreps was good about inspecting building and writing letter to landlord. Made them feel their concerns were important.
-- Very supportive.
-- Very happy with the way Sign problem was handled.
-- City building inspector easy to work with; knowledgeable Larry Kreps comes on time, clear with his instructions. Feels his permit fees entitle him to quality service from inspector and feels current inspector is great.
-- For identifying new street addresses.

**County Health Department (10)**

-- Very helpful very satisfied.
-- Found Benson employees very helpful in giving information to facilitate the process of getting license and meeting standards.
-- Particularly helpful in obtaining necessary permits, etc.
-- Health and wellness program.
-- Has been precise and helpful.
-- Gives a lot of constructive criticism, a benefit to the community.
-- Provides information freely. Would be nice if they offered classes to employees at little or no cost.
-- Mary Jo is real decent and knows what she is talking about.
-- Good working relations, quick to pay, and easy to work with.

**Chamber of Commerce (6)**

-- Worked closely with meeting our employee information needs and in changing our image.
-- Information available from Chamber particularly helpful in real estate business for people new to area.
-- Through advertising for their business and trying to help the small businesses.
-- Support business.
-- Recently had good experiences; in last year and before they were useless.
-- Always a positive response.

**JTPA Job Training (2)**

-- For 90 days will help pay salary. Will train on all aspects.
16a. Is your company considering physical expansion during the next five years?

1. Yes   22
2. No     14
3. Not sure 6

16a. Comments if company is considering expansion during next five years. (28)

-- Current manufacturing capabilities do not meet current needs of our customer. Will be expanding by 50%.
-- Expanding with restaurant and patio.
-- More employees; plan to buy building and expand services.
-- Additional 1000 square foot expansion planned.
-- Plans to expand to include bed and breakfast.
-- Considering expansion to Sierra Vista, Green Valley, Tucson and Bisbee.

-- Plans to increase inventory; not sure on expanding building.
-- If business improves will remodel and open back for sales floor and purchase adjacent land.
-- Opening an office in Tombstone and one more employee.
-- If Benson grows, we will expand to meet our customer's needs.
-- Within the building they will expand inventory—not physical addition. Have growth potential and plans.

-- Outside of Benson, within Pima County.
-- Small expansion as business increases.
-- Considering expanding into ... Considering putting it on land outside of town so doesn't have to deal with P&Z.
-- Will complete addition. This may be for retail or offices.
-- Increasing production levels by 35%.
-- Remodeling and expanding recently acquired property next door.
-- Will remodel existing building.

16b. Are you considering closing your business or relocating outside the community?

1. Yes   3
2. No     36
3. Not sure 4

16b. Comments on possibility of closing your business or relocating outside the community. (10)

-- Currently seeking contracts in Tucson market but are not planning to move there.
-- Might consider selling!
-- Depends on availability of work.

* -- Near term—possibly before end of 1991. Would like assistance, but none available.
-- Has had businesses in other communities which have a friendlier atmosphere.
-- If he had a buyer he would sell today.

* -- We would go now if they didn't have kids in school. I would sell now real cheap to get out. General negative attitude of town and other business owners.
-- Have given it consideration—relocating elsewhere within Cochise County. Right now trying to second guess where the city will expand its boundaries to and then relocate outside the city limits.
17a. From the perspective of your business, how would you rate the Benson area with respect to the following factors?

<table>
<thead>
<tr>
<th>Factor</th>
<th>Excellent</th>
<th>Good</th>
<th>Fair</th>
<th>Poor</th>
<th>Average Score</th>
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<tbody>
<tr>
<td>Reliability of utilities</td>
<td>20</td>
<td>19</td>
<td>4</td>
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<td>Police/fire protection</td>
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<td>22</td>
<td>4</td>
<td>2</td>
<td>3.14</td>
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<td>13</td>
<td>8</td>
<td>5</td>
<td>2.81</td>
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<tr>
<td>Quality of telecommunications</td>
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<td>29</td>
<td>6</td>
<td>3</td>
<td>2.81</td>
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<td>21</td>
<td>7</td>
<td>4</td>
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<tr>
<td>Sewer</td>
<td>5</td>
<td>22</td>
<td>8</td>
<td>3</td>
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<td>12</td>
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<td>Shipping/transportation costs/service</td>
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<td>9</td>
<td>3</td>
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<td>Banking services</td>
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<td>4</td>
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<td>Parking</td>
<td>5</td>
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<td>Basic skill level of employees</td>
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<td>15</td>
<td>6</td>
<td>2.36</td>
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<td>13</td>
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<td>19</td>
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<td>10</td>
<td>15</td>
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<td>14</td>
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<tr>
<td>Availability of capital</td>
<td>0</td>
<td>7</td>
<td>7</td>
<td>19</td>
<td>1.64</td>
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</tbody>
</table>

17b. Describe factors you rated as fair or poor and explain rating. (Summary of individual comments. Number of firms making similar comments in parenthesis.)

1) **Availability of Labor (13)**
   -- Lack of proper skills.
   -- Small pool of quality employees.
-- Hard to find semi-skilled labor at low wages.
-- Professional expertise not available in local labor pool.
-- Not qualified; lack willing and reliable labor pool.
-- Recently failed to get applicants to fill some positions.
-- Availability of labor to meet their needs in poor.
-- Can't get good workers because you can't afford to pay them.
-- Unskilled is all that's available here in Benson.
-- Labor generally unskilled; lack service skills needed.
-- Low pay is a must in his business; no pride in work.

3) **Basic Skill Level of Employees** (12)
-- Not trained for our industry.
-- Professional expertise not available in local labor pool.
-- Limited trainable labor.
-- No prior job experience.
-- Had to take unskilled labor and train them.
-- Our work requires unique job training.
-- People are lazy; would rather get unemployment and welfare.
-- Basic skill levels lacking.
-- Need in-service training to keep up with advancements.

4) **Available Market Share** (7)
-- This business is presently saturated in the community.
-- People use unlicensed professionals (construction).
-- Too many similar businesses in Benson.
-- His market share has gone from good to poor because of prohibitive sales tax.
-- Bad because of leakage.
-- Competition from Tucson hospitals, doctors and HMO's.

5) **Business Supplies** (25)
-- Hard to find and high price.
-- Don't stock what we need.
-- Availability and cost.
-- Poor selection/not open at convenient hours.
-- We buy very little in Benson; not available.
-- Realizes low demand causes high cost.
-- Poor selection, but prices are not bad.
-- High cost of materials in Benson--bulk sales not available.
-- Price and availability.
-- Business should make a reasonable profit, but prices are excessive.
-- Availability OK but price sometimes high.

9) **Parking** (11)
-- Pot holes, inadequate.
-- Not enough (and dangerous) in their area of town.
-- No place to park; difficult to get to business; no crosswalk; dangerous to cross street.
-- City could provide additional parking spaces.
-- State right-of-way is muddy; need chip and seal.
-- Part of parking is good (shopping center). Downtown 4th Street is poor.
-- RV's and trucks need designated parking.
-- Not enough adequate parking downtown.
-- Does not have adequate property to expand parking.
-- Would love to pave his parking lot but doesn't dare because 18-wheelers getting off Exit 304
by mistake and make u-turns in his parking lot tearing up the ground.

10) City Government (12)
-- Lack of personal communication. Open city hall evening one day a month.
-- Feels city manager/attorney is conflict of interest.
-- City officials not meeting and talking with public, not aware of what people want. But they
do have community at heart.
-- Has done a lot of good things but have neglected to help their business community.
-- Upset with city council; they don't have spines.
-- City council needs to be concerned with the whole community and not just with their own
business. Too many council members don't want community to grow.
-- No support from local government, i.e., bidding process.
-- City does not want the prison. Don't grasp that business is good for the town.
-- Lagging behind in what's going to happen in next five years to promote the opportunity
they've got in Kartchner Caverns.
-- It's a good ol' boy kind of city government. If you're a good ol' boy, you'll like our form of
government.
-- City government too worried about bringing in industry.

11) Highway/Streets (13)
-- Traffic on 4th Street is increasing. City needs to address that concern.
-- Highway 80 speed limit too high. Talked to D.O.T.; can't change.
-- Pot holes, poor maintenance especially across the tracks.
-- Need more paving; clean up the side streets.
-- A city map is needed.
-- Streets have potholes—eventually get done, but very slow. (6)
-- Unmarked, unclear lanes on 4th Street at Ocotillo and Patagonia.

12) Water Quality and Supply
-- St. David area, only some have this luxury.
-- Very poor, have had mud in system/
-- Big problem with meter readings from Sue Juan. Have complained to ACC.
-- Has to use a water purifier; waste treatment plant smells.
-- Water has to be distilled; taste is not good.
-- Availability and contamination of water.
-- Dirty water at shop.
-- Water quality at store is poor, oily, tastes bad.

14) Solid Waste (11)
-- Desperately need to come up with municipal recycling program. (7)
-- City garbage people great; many people are wildcat dumping in washes.
-- Thinks paying at the dump and hours open will lead to trash problems. (4)
-- Should look at long range solutions before big problem.
-- Would like to share a dumpster with a nearby business but was told by a council member
that it would cost him $89 a month.
-- Owner only needs one pick up a week at business.
-- Why charge all businesses the same?
16) Energy Costs
   -- Price fixing.
   -- Gasoline prices too high with respect to what they pay in Tucson. (6)
   -- Electricity seems high compared to other areas. (8)

18) Business Taxes (17)
   -- Anti business attitude.
   -- Vehicle taxes are too high. (2)
   -- Have to take in $10 every night of year to pay taxes.
   -- Property taxes are higher here than Pima County. I don’t know what we’re getting for the money. (8)
   -- Bed tax—we are taxing ourselves out of the tourist trade. (3)
   -- Taxing businesses for things residents should be taxed for, e.g. disposing of solid/hazardous waste.

20) Finance (25)
   -- We do not deal directly with people who are authorized to loan money. Chain of command involved and they don’t know our needs and situation. (4)
   -- Have to go out of town for any financing, except for a car.
   -- Not receptive to individuals locally.
   -- Banked with ... twenty some years. Asked for loan, was turned them down. Went to ... and had money in two weeks.
   -- They do not meet the needs of Small Business. Loans are short term.
   -- Very hard to get business loans; no place for small business to go for capital. (13)
   -- Loan denied because of locality. Was told if we lived in the bigger cities we would have been approved.
   -- He can get a personal loan but cannot get a business loan.
   -- Have equity but can’t get loan.
   -- Have to go out of town to get loan--to same financial institution as in town.
   -- Not available for smaller business in smaller amounts.
   -- Not supportive of expansion of local businesses.

22) Planning & Zoning (8)
   -- P&Z department needs to be more congenial in enforcing codes.
   -- Rules and regulations are easily passed but enforced sporadically and interpreted differently by different individuals.
   -- Have improved over past three to four years.
   -- Kreps is always jumping the gun with development projects without proper research and consultations with city council or community members.
   -- Sign code hurts business.
   -- Need more stringent enforcement.

23) Housing (19)
   -- Limited selection and overpriced. Not enough available housing. (12)
   -- Cost compared to quality.
   -- Poor quality—older homes are in poor condition.
   -- Need developer to come in the Benson area and build new, affordable houses.
   -- Lack nice rentals.
   -- Need medium price houses.
   -- No one’s building houses here.
-- Only one apartment complex available and it is expensive. Trailer parks and motels junky. No small condominiums.
-- No short or long term housing available.
-- Limited housing inhibits growth.

24) Recreation (22)
-- No golf course. (5)
-- Community/Teen Center needed. (4)
-- Lack organized activities for teenagers. Need more for young people. (12)
-- When they are put in, it should be paid with user fees.
-- Money could be better spent on parks.
-- City needs to be more responsive with volunteers and find a way to encourage them more and not be as frightened of liability.
-- Hard to get winter visitors to stay and people to move here because of this.
-- There's nothing for snowbirds to do. (3)
-- Not much to do in Benson; goes to Tucson for movies.

25) Public Schools (11)
-- Few excellent teachers--total lack of administrative responsibility for school's problems.
-- Too many hanger-on's waiting for retirement.
-- Teacher quality inconsistent--some really good, some bad; thinks tenure is mistake.
-- Lack of communication between school and parents. (4)
-- Quality of education--don't prepare kids for college.
-- Need new people at top. Top administration is stale and riding it out.
-- Canceled higher math class because there weren't enough students enrolled.
-- Have to retain public support/funding of public schools!

27) Media (21)
-- Does not report subjectively; they try to sensationalize; stories are incorrect; doesn't check validity. (5)
-- Needs to concentrate on things that would benefit area.
-- Small newspaper and radio station do not attract top quality people. (3)
-- Newspaper and radio not very hometown attitude.
-- Always focus on negative side.
-- Newspaper ads are bad. Have used newspaper in past (for one year) and didn't get good response.
-- Rinky-dink. Standards are poor.
-- Radio-broadcasting area programmed for Tucson not San Pedro Valley. DJ's voice not pleasant to listen to. Advertising not appealing and in poor taste.
-- Not adequately proofread, and delayed reporting; does not tell both sides of the story; items taken out of context.
-- CAVE radio wanted $30 more to do co-op advertising. She refused to pay. Will not run an add written by someone else.
-- Newspaper does not cover us right. We have to beg to get them to come down.
-- Sub par radio and newspaper media. They do Benson a disservice. (8)
-- Paper (ok and improving), radio (poor).

28) Medical Services (20)
-- Don't have needed specialty services. (4)
-- Limited medical services and equipment due to small size of hospital. (5)
-- Inadequate level of care; better to go to Tucson. (5)
-- Opposed to ambulance situation. Feels they have created a money monster. Feels ambulance should be voluntary.
-- Hospital lacks proper equipment, supervision, trained personnel.
-- BAD attitude on part of providers. Doctor and ER talked to two drug sales reps while I was waiting for ER care.
-- Won't do drug testing; have no concern for community needs.
-- Administrator needs to be a very strong community figure and leader. Serious problem with doctors there.
-- Employees are not allowed to use their services for worker's comp because of unethical practices.
-- Good relative to other small towns; it's fair compared to larger cities.
-- Lack of professionalism, shotgun approach versus thorough diagnosis.
-- Need more competent services. They're fine for a cold, etc., but for serious problems we go to Tucson. Don't have much experience with new doctors.
-- Local doctors do care about you.
-- Fine for minor problems and emergency.

29) Community Appearance (28)
-- Poor community appearance--depressing.
-- Entire community needs clean-up. (4)
-- Schlocky--Benson needs to work on its generally tacky appearance.
-- Forget wild flowers; place rock, cactus, trees in historic downtown.
-- "Island" trees are going to help make 4th Street attractive.
-- Community look not appealing. (8)
-- Better than it was but needs much improvement. (6)
-- Would like to see desert landscape (no grass) at 4th/80 intersections. Put that grass and water to better use at park.
-- Need to clean off-ramp from I-10 all the way to 4th Street. Presently leaves negative first impression.
-- Huge problem--need to go through with 4th Avenue beautification, not just talk about it.
-- Spotty landscaping; looks like no one cares what the city looks like.
-- Nearby businesses are eyesores for people as they're driving into Benson.
-- Has improved some. Some people are improving their buildings.
-- One city worker is always taking weeds out of one particular spot every 3-4 days. If they'd clean the dirt out, the weeds wouldn't grow. A lot of money has been spent on 4th Street with limited results. Should have brought in professional landscaper. Instead the city is trying to do something they know nothing about.
-- Exit 303 east bound passes a junk yard and dilapidated buildings. Barriers should be put up. Bad first impression.
-- Enforcement of codes for weeds, cleanliness, abandoned or disabled vehicles.
-- A truck dropped some garbage two weeks ago. Every city employee has driven by, yet it hasn't been picked up.
-- "We have the ugliest main street in the world."
-- Where is the survey on downtown beautification?
-- Lack of interest and sophistication. 4th Street could be so charming.
-- A clean city that's well landscaped draws business.
-- Better beautification effort/possible false fronts.
-- Personal and community pride lacking.
30) Chamber of Commerce (16)
-- They have a business and can't get to meetings--Chamber should come to them.
-- They "need to get their act together."
-- Board of Directors too social, don't have businesses in mind.
-- Bad personal experience with past board; it didn't work with businesses. Hopeful new board will improve.
-- They want to promote chamber, not businesses.
-- Can't seem to get it together. Doesn't know which direction it's going. (5)
-- Office hours should accommodate tourists/visitors, not employees. The Chamber should be the door to Benson, supporting and promoting all the merchants not a select few.
-- I have to give them credit for time and effort.
-- Better at this point.
-- Needs to provide a complete directory of businesses, churches, eating places, clubs, services, etc.
-- "Butterfield Stage Days" had inadequate advertising (flyer passed out the Thursday before), should be held on 5th Street not in the park; time of year held is bad.
-- Chamber billboards are a joke--should take them down and save the money (Bad locations and bad design concept).
-- Director needs to be more understanding of local issues.
-- Very cliquish. They help their friends. They neglect certain areas of town, e.g. Christmas decorating). They tell people where to buy and where not to buy. Chamber should be for the whole town. Make everybody feel like they're wanted, then if they decide not to be a part of it, that's their problem.
-- Past chamber has relied on us helping them and not them helping us. New director should go into all businesses and introduce herself to become familiar with business.
-- Lack of communication.
-- Lack of dollars focused toward beautification.

18. What is your overall opinion of this community as a place to do business?

1. Poor 4 \ 42%
2. Fair 14 /
3. Good 19 \ 58%
4. Excellent 6 /

19a. Best features of this community as a business location. (Number of similar responses indicated in parenthesis.)

1. Location (23)
   l-10; railroad; transportation hub
   Close to Tucson & Sierra Vista
   Proximity to Tucson airport
   Close to urban amenities

2. Small town/homey atmosphere (22)
   People are very good to work with; supportive
   Congenial, friendly people
   You get to know people well; develop rapport with customers
Small town atmosphere

3. Climate (12)

4. Quality of Life (12)
   Wealth of natural beauty
   Low crime
   Non stressful environment; quiet
   Rural lifestyle
   Clean air; good water
   Low cost of living

5. Growth Potential (8)
   Near Tucson
   High traffic count
   Potential for tourism, winter visitors
   Close to Mexico
   Kartchner Caverns
   Low cost land/rents
   Utilities
   Bedroom community to Sierra Vista and Tucson

19b. Worst features of this community as a business location (Number of similar responses indicated in parenthesis.)

1. Outshopping (19)
   Proximity to Tucson.
   Retail leakage to Price Club, etc.
   Limited availability of goods and services.
   Prices not competitive, e.g. food and gasoline.
   People pass through but don't stop.
   Distance from suppliers.
   Too much competition.
   Bargain Shoppers.

2. Small Economic Base (15)
   Small population base.
   Limited employment; few good paying jobs.
   Not enough local demand to support my business.
   Excessively slow growth during past 10 years.
   No industry; no large employers.
   Tourists leave in summer.
   Largest segment of population is fixed-income retirees.

3. Community Attitude (13)
   Negative attitude among some merchants, unsupportive.
   Lack of cooperation among businesses, in the Chamber and with the City.
   Conservative fear that growth creates competition.
   Apathy
Critical attitude toward snow birds.
Poor communication between school and parents.
Lack of city plan for economic development.
No growth attitude among certain influential people.
Initial excitement about new businesses; older businesses taken for granted.

4. **Limited Resources and Amenities (10)**
   Limited labor force.
   Many business support services lacking.
   Must go to Phoenix for financing.
   Soil conditions.
   Limited housing.
   Very limited recreational opportunities.
   Price and availability of needed supplies.
   Cost of commercial space/high rents.
   Distance from suppliers.

5. **Community Appearance (8)**
   Unattractive; uninviting.
   Lack parking.

6. **Regulations/High Taxes (7)**
   City sales tax; bed tax.
   County government.
   Planning and Zoning.
   Government overspending.

20. **What should be done to insure that Benson and the San Pedro Valley benefit from the Kartchner Caverns Development.** (Edited summary of comments.)

To have most business and merchants get behind an economic development effort and put aside their differences. Probably should be done through Chamber or BEDC to have active community committees, city legislation and venture capital.

1) Stop price gauging before it starts.
2) Develop added attractions, i.e. motor cross track, local lottery on temperature.
3) Offer best possible service.

I don't thing it will benefit Benson greatly--only businesses out there. Highway advertising would help, but need to create a tourist draw--good restaurant, theater, railway exhibit.

At the present, the development plans are designed to benefit a few wealthy investors and does not include the present Benson development district.

Development of main street in conjunction with the railroad.

Benson already has 100,000’s of visitors driving through town. Caverns will not make them stop in Benson any more than Tombstone and Bisbee do now. Benson needs to develop it’s own theme and historic downtown.
Don't let it go to your head! Feels it will turn community into commercial junky and spoil looks of country side.

Excited; feels it will be an asset to area; can't see that "boom" will occur. Would hate to see everything go commercial like Tombstone.

a. Let local people do the developing (i.e. don't let chains come in).
b. Cooperation between businesses, i.e. motel could put coupons on desk for movie rental and vice versa.

Business community may benefit. How will general community benefit? Feels tax base should expand. Feels a study should be done on whether the investment by the community will benefit the community.

1) Continuation of plans for annexation, as planned.
2) Development of things to draw people to Benson proper.

Local government reacts rather than initiates action. We need to be more pro-active.

Relocating to upper area to get benefit of traffic.

Southern access road--utilize a circuit loop for exposure, e.g. trap traffic to route through Benson.

If not handled carefully, it can kill business in Benson. Need to find a way to bring tourist into town. Need something unique.

San Pedro Valley will benefit more than Benson; it will be easy to bypass Benson because of ingress and egress to caverns. Businesses and Chamber need to work to draw people to museum, shops; train would be great.

Business people have to help and promote each other. Use signs to let people know Benson is alive and well and wants their business. Indicate how many hotel rooms and restaurants are here. Need better working relations with ADOT. All business people need to be on positive note, not just out for themselves.

4th Street Beautification, tourist train and railroad museum and advertise at caverns of what's in Benson.

Need organization to allow communication between older businesses and new businesses coming into community. Set aside pettiness between businesses. City government needs to help small businesses to stay in business and not fight them. Planning and Zoning inspector needs to be a "pro-business" person.

Move Caverns to Benson. That's the only way it will benefit the city.

Need advertising/publicity of what is available in the Benson area. Better promotion and support of what we have will encourage other small businesses to relocate in Benson.

People will only visit the Cavern one day then they have their choice of Benson, Tucson or Sierra Vista. Advertise on I-10.
I'm against state forestry allowing RV spaces to be placed at Cavern--competes with local businesses. Need to oversee development at Caverns so it does not compete with local businesses.

Have to get travelers off of the highway. They'll go just to Hwy 90. Need signage on highway to direct them into Benson.

Insure that people know it is a part of Benson. Furthermore, one worries about snowbirds and tourism. They don't care about the people who live here all year. We cater more to temporary people and ignore the people who live here all year. The bottom line--help your own town's people and the rest will come.

Get rid of bed tax.

City should be working with state parks to insure Benson gets its share. Put Ocotillo Access in as the only way to cavern. The cave could hurt Benson if not handled properly. The whole thing will be a bummer if we don't get people into Benson and Tombstone.

Get professional help (consultant), someone who knows about development. We've got lots of good volunteers, but we're amateurs. No one in this community could say they know how to develop this. Benson has no identity (Tombstone has an identity--a little western town). Benson is such a hodge-podge. Get all 4th Street merchants to set a common theme and fix up store fronts. Planning & Zoning could guide the development.

Make Benson the hub of Cochise County. Develop a good golf course/shuttle service to the Caverns/promote facilities and services that will result in long-term visits from tourists visiting Caverns. Provide additional access roads to Caverns that start from Benson.

Build an information center at entrance of Caverns. Have road leading from Benson to Caverns, with no other roads by-passing Benson.

Development should be in stages to meet the need of the valley rather than someone's dream of grand scheme.

I feel Kartchner Caverns won't help Benson a bit. Kartchner will develop land out there and employees will choose to live in Sierra Vista.

Need to make Benson more attractive; carry a cave theme.

Extend Ocotillo to entry road from 90.

Develop a comprehensive plan to manage (not hinder) growth along the corridor. Consistent planning regulations and enforcement. Develop a community theme to maximize tourist impact, e.g. Scottsdale, Wickenberg, Sedona, Payson.

Advertise along I-10; decrease gasoline costs, provide more campers and visitors facilities e.g. Public Restrooms; publicize the resources available to tourists.

Thoughtful development--develop something classy not a hodgepodge of design and neon lights. Develop good zoning laws--get rid of unprofessional signage.
Encourage new businesses.
Make sure that state officials get proper funding to keep it a live cave. That ADOT controls access roads at proposed new intersection development, with 150' to 200' turning lanes.

21a. How important would the proposed Benson area airport be to you and your business? (Circle one of the numbers on the five point continuum.)

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<td>3</td>
<td>4</td>
<td>10</td>
<td>23</td>
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</table>

21b. Explain importance of proposed Benson area airport to you and your business. (Edited summary of comments. Number of similar comments indicated in parenthesis.)

- We're only 45 minutes from Tucson airport, I question the need. Present facilities are adequate. (12)
- Won't benefit my business. (7)
- The airport might provide some jobs and would aid in flying emergencies out of town.
- Costs, maintenance, and services for the airport would represent a budget deficit for the community. Would run up taxes. (5)
- Indirectly would bring larger amount of people into area. (4)
- How many will actually use it?
- Sufficient people (both in Tucson and Mexico) own airplanes to make a difference.
- General public needs more education/information on topic.
- Very important to future growth, but don't need it now. (5)
- Would provide potential for corresponding industrial growth. Would help attract more businesses. (3)
- Relatives could fly in.
- Would get parts and supplies here faster.

22a. In your opinion, how important is 4th Street beautification to Benson's economic development? (Circle one of the numbers on the five point continuum.)

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<td>29</td>
<td>10</td>
<td>3</td>
<td>1</td>
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</table>

22b. How important is 4th Street beautification to Benson's economic development? (Edited summary of comments. Number of similar comments indicated in parenthesis.)

Needed to capture Benson's share of Kartchner Cavern.

Would consider it very important if entire city were included.
Our main street is our visitors' first impression.

Only the area by the Arena Bar looks good! Others look like tumbleweed patches. Try gravel and decorations. Get rid of junkyard. Paint the bowling alley.

It will make Benson appear to be a community with strong civic pride.

Very important to Benson's development; would draw additional highway travelers.

Do not like plan of wild flowers on 4th Street islands--should have uniform rock and cactus or greens. Flower plan looks too messy. If they want wild flowers pick a spot near highway for a large patch. Need downtown fixed up with historical theme through out with replica of train depot for train travelers.

Good first impression is important. Make it inviting enough to stop instead of driving through.

Appearance important; creates interest and motivates people to want to spend time there.

Include parking lots and lights. Will improve his building front.

Beauty is not the cause of high turnover. Should be neat, clean, but not a big deal.

First impressions are most important. Presently not worth remembering. Maybe get a theme like a railroad town. Parking is in wrong location.

Junk yards; no uniform appearance.

People need a "warm fuzzy" when they pull into town, and currently it doesn't happen.

First thing you see as you come off I-10, i.e. bowling alley and junk yard give bad impression. Restaurants may be good but look dingy, so people don't stop. Need loans for refurbishing. Drop flowers--not cost effective; go with desert landscaping.

If we don't, Benson will die!

Present a good clean nice package to people, to draw more quality businesses.

People are attracted to a nice looking town.

Give people a reason to stop and shop in Benson.

Increases business and personal morale; makes it more enticing for people to come into Benson.

First impression of town is very important. Because first impressions are lasting impressions. (8)

Should look clean but offer more than flowers. To get some growth, landlords should fix up their buildings and lower their rent.

More people, more business.
Makes no difference.

It is Benson's "living room;" our best room of the house, it should be our show piece.

4th Street needs more than clean up.  It needs a draw, e.g. a train depot.  If a place isn't appealing, people won't stop.

Expresses quality and pride in community.

No, because of current management and what they currently have planned.  Put some rock and crushed brick in.  Easy to maintain.  SP needs to shape up.

We have unattractive town.

Aesthetics are very important.

People like to live, work, and spend money in attractive towns.

If people don't like what they see, they won't stop.

Class sells!

An attractive downtown is always a plus for a community.

Town would look better if all businesses would take care of the appearance of their store.

23a.  **How important is a golf course to Benson area economic development?**

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<td>17</td>
<td>13</td>
<td>7</td>
<td>3</td>
<td>6</td>
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</table>

23b. **Would you support a bond issue to expand Benson's waste water treatment facility to provide irrigation water for the golf course and/or parks?**

a. Yes 28
b. No 5
c. Not Sure 11

23c. **Support for a bond issue to expand Benson's waste water treatment facility to provide irrigation water for the golf course and/or parks.** (Edited summary of comments. Number of similar comments indicated in parenthesis.)

Should attract business people and winter visitors, bring people with money into town. (10)

Willcox does it.  Present location is poor.

It could be a means of solving a problem that already needs attention, the sewage system.  It would attract people who have money to spend.
Anytime you can recycle water, we need to do it. (5)

Depends on how they are going to pay for it. People will come to see Kartchner Caverns and then want to play a round of golf.

Not enough information available on cost and benefit. (8)

Golf course would be frequented by only a few and paid for by many.

Should be changed to housing.

Other things need to happen first. Talking about adding icing without cake.

Parks should take higher priority--more people could utilize park facilities. Need walking trails, flowers, places to bird and desert watch. (3)

In last five years, golf has really increased in popularity.

Golf course would help bring summer people from Tucson and increase summer revenue.

Not if it means raising taxes or rates.

Important, because of retirees and snowbirds. Benson can become an excellent retirement community. Every retiree's dream is to either golf or fish. (9)

Very few communities don't have a golf course; should be a municipal course. Build small waste water plant near golf course for houses and businesses that are in close proximity instead of pumping across town.

Golf course is privately owned. Shouldn't have to support their private business. (3)

Build something to last (15-20 years), taking in potential for growth.

Not necessarily the one we have, but a golf course is important. Support of bond issue depends on what they plan to spend, what they expect to get out of it, if expanded to 18 holes.

Make existing 9 hole up to par and build an 18-hole golf course. Statistics from golf magazine and TV sport network say that golfers are exceeding good golf courses. People from Benson and Tucson go to Sunsites to play.

Use water to enhance appearance of community, main street beautification. (3)

Whether city or privately owned, water should be paid for. Bond should only cover initial installation.

We had Canadians as visitors who used present golf course. But golf course in poor condition so have moved elsewhere.

Would want to see plans, effect on local water supply. Bond would have to show the potential of growth and revenue. (3)
I think the amount of benefit (long-term) should be weighed against the amount of the bond--cost of running pipe line -- location? Need long-term goals and costs.

Not a priority--but a definite draw to visitors.

Yes, if Benson owned the golf course.

24. **Suggestions on how Benson area merchants could reduce the amount of shopping being done out-of-town.** (Edited summary of comments. Number of similar comments indicated in parenthesis.)

a. Recognize that competition is Tucson/Sierra Vista, our society is very mobile.
b. Merchants should have guaranteed "RED TAG DAY SALE."
c. When new business comes to town /they need to be welcomed.

Network the various businesses. I don't have a lot of time to get and see what other businesses stock myself.

Competitive Pricing. Get prices in line with out of town competition. (14)

Better selection, more variety. (8)

Longer hours. (5)

A reputation for impeccable customer service. (10)

More variety in types of businesses. (For instance, tire service after hours.)

Safeway is an improvement over Bayless, but they ran the competition out of town. If more of our population were to find work here instead of out of town, they would also do more shopping here. If the local merchants could provide household goods and clothing at reasonable prices even on a seasonal basis, they would secure a larger part of the market. But we are in a tough situation and will not probably see much significant change here until there is general improvement in the economy.

1) Determine target market more accurately and move to appeal to that market.
2) Training programs in customer relations would be extremely important.

1) Develop Valley wide promotion plan where merchants refer customers to other places of business and tourist sites locally.
2) Shop local campaign; advertise lower prices than Tucson in newspaper and on radio. Plan activities, i.e. dance, to accompany promotions.

Have competitive prices. "Home town buyer" discounts? Absolute integrity and reliability in services. Big ticket items that we leave town for are because of past dealings with certain businesses.

Stay open more--Saturdays, Sundays, evenings (Coast to Coast is great to have open on Sunday and its always busy); be more available; more stock.
People would rather stay in town, but groceries are 20% more here, Foxworth and Coast-to-Coast are 40% more.

Better cooperation between competitors. Could be getting discount if buying cooperatively. With volume buying can compete better with bigger cities.

Clothing price range, variety and availability not here.

If social economic conditions were to improve, then people would buy here.

Improve attitudes toward customers. Widen range of merchandise available.

Local businesses do not want other businesses to come into town. They are afraid of competition. Business begets business. Need to understand that competition is healthy.

Lower, competitive prices are needed, but feels Tucson is close enough that even lower prices won’t keep people from going.

More community involvement by businesses. If price close and business supports community, residents will shop local because they know some benefit will come back to community.

Quit complaining about people going out of town and prove to people we have better customer service. Business people have a negative attitude. They need to unite and be aggressive in sales and merchandising. Find out needs of people. Business people need to find a way to prove to residents that they should stay and shop in Benson.

Something needs to be done regarding groceries. People go out of town for groceries and get most other things. Stress customer service and that prices are comparative to Tucson.

1) Businesses should not "milk" residents by overcharge for products, e.g. gasoline.
2) Keep "small town atmosphere," treat clients as friends with personalized service and caring.

Be more responsive to customer needs.

Advertise locally within your budget--radio and newspaper. Also put flyers/brochures at hotels and restaurants.

Safeway’s ads in the Tucson paper should also pertain to the Benson store.

We shop ads and shop in town as much as possible.

People shop out of town because they want to get out of town for a change, for fun.

Service is what Benson area merchants have to offer. We have to push personal service. People in Benson need someone to listen to them.

Lower prices can be done in this town by lowering the rent of building available, insurance cost, property taxes, and realizing that the business is a long term investment.

Have business work together. Would like to see an area merchants group.
It will never stop. But quit ripping off the people with prices. I pulled into gas station $1.75 for ice, the man said "Oh, you live here, it is $1.25." Ripping off tourists isn’t right. I don’t mind paying a little higher price than in Tucson, but I’m not going to be ripped off.

Tough one to stop. People go where grass in greener. People are always looking for a better deal. Local merchants need to concentrate on price and selection. Most merchants here have good customer relations. Price Club is a big factor.

More advertising; coupon books with City and Chamber sponsoring; business directory; reception for Snow Birds.

Give more service. Treat people like people (friends).

By offering better quality, more professionalism, personalized care, better communication and networking among businesses.

Don’t know. Hasn’t been able to lick that problem in 30 years. Winter visitors are a big part of our business, but we lose dollars they spend in Tucson for groceries, etc.

Merchants should have employees that are friendly, who do a little extra and know what is available in town. Do unto others as you would have them do unto you.

Roll back the 2% sales tax. Give service.

Outwork the competition with good promotion, clean stores, marketing, fair pricing, etc. I am frustrated by those who are afraid of competition because I feel they should spend the energy making themselves better than the next guy.

Establish more accommodating hours to serve the customer.

By doing a good job of building relations. Care must be taken by city not to forget the existing merchants.

If two businesses would lower their prices (gas stations and groceries), we would all prosper.

Businesses need to find a niche and run with it. Word of mouth is best advertisement.

25. In your opinion, which of the following provide the best opportunities for future economic development in the community? (Ranked in order of importance, 1-6, with "1" most important.)

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Weighed Score*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism</td>
<td>189</td>
</tr>
<tr>
<td>Attract manufacturing firms to the community</td>
<td>182</td>
</tr>
<tr>
<td>Retirement/winter visitors</td>
<td>174</td>
</tr>
<tr>
<td>Highway travelers</td>
<td>131</td>
</tr>
<tr>
<td>Reduce retail leakage</td>
<td>118</td>
</tr>
<tr>
<td>Government and government contracts</td>
<td>93</td>
</tr>
</tbody>
</table>

*Weighed score based on: 1st choice = 6 points, 2nd choice = 5 points, etc.
26. How do you perceive (a) yourself, and (b) the Benson/San Pedro Valley community in general, with regard to support for economic development. (Circle one of the numbers on the four point continuum.)

<table>
<thead>
<tr>
<th></th>
<th>4 Strongly Pro-Growth</th>
<th>3 Somewhat Pro-Growth</th>
<th>2 Somewhat No-Growth</th>
<th>1 Strongly No-Growth</th>
<th>Average Score</th>
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<tr>
<td>The Community</td>
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<td>16</td>
<td>14</td>
<td>3</td>
<td>2.68</td>
</tr>
</tbody>
</table>

27. What are the 2 or 3 areas of greatest concern to you and your business at this time. (The responses to this questions have been grouped into the following categories. The number of similar responses is indicated in parenthesis.)

1. Economic Conditions/Growth (28)
   -- Not having a sufficient economic base for sustained support of local businesses. (2)
   -- Social economic condition of the community. (3)
   -- Lack of employment in the area. (2)
   -- Business expenses are increasing but the economy is not.
   -- Economy in general--people concerned about spending money without knowing about economy.
   -- National economy has increased my concerns for survival.
   -- How long this recession will continue. Our business would greatly increase almost immediately when the economy improves.
   -- Less businesses, less income for our business, less sales tax to city.
   -- Attracting other manufacturers--more jobs, more spending.
   -- We need jobs and better wages. Attract a prison.
   -- Attracting new business (20-50 employees) to community; not just service. Service doesn't pay high enough wages.
   -- Is very favorable to the prison locating in area. People who want to live in area can't because there are not jobs. The prison would provide jobs. Young people would have good job, pensions, and benefits.
   -- Economic development for the entire community.
   -- Lack of outside money coming in results in death for community.
   -- Lack of money in the community. People forced to make payments or do without.
   -- The financial health of our customers.
   -- No new people coming to town--need more housing.
   -- Eroding tax base causing higher individual tax load.
   -- No comprehensive plan for community development.
-- To expand or not--not knowing what direction town and economy is going.
-- As the west end of town grows, the east end will die.
-- Community doesn’t want to grow, want to stay small. Businesses and Chamber want to grow.
-- Some people in town are pro-growth; people doing this survey are pro-growth. Community as a whole is older, retired on limited income who want a small town that’s relatively inexpensive. Don’t want much growth. (2)
-- Likes Benson the way it was. Nothing growth wise that’s been done has helped.

2. Market Share (21)
   -- Attracting and keeping new customers. (4)
   -- Marketing to promote business. (3)
   -- Being able to stay in business.
   -- Expansion, trying to accommodate the community.

   -- Business going outside the valley. County officials soliciting bids from Tucson.
   -- Opportunity to bid for local government contracts.
   -- More competitive pricing of goods and services; school system must take lowest bid.
   -- Retail leakage. (2)
   -- Businesses that go out of business affect other merchants resulting in retail leakage.
   -- Companies are competing for larger account by writing their own insurance.

   -- Money, profit and availability of work.
   -- Business opportunities/cost.
   -- Shrinking availability of markets.
   -- Industry shrinkage; more dealers, more choice, market getting smaller.
   -- The non-competitive tax situation--can’t compete with Pima County. Used to lure people because of lower taxes, now he has to explain taxes are higher than in Tucson.

   -- Creating more choice by having local businesses with competitive prices. Would more people shop locally if there was more choice? Customer relations and service needs improvement. People should care if you shop in their store. Need to become more service oriented.
   -- Friendly employees, greet customers.
   -- Hoping she doesn’t have to relocate to make a living.

3. Cooperation (18)
   -- Local businesses need to pull as a group. (3)
   -- Lack of unity between Chamber, city and business community. These entities should work closer together to promote Benson and its businesses. It’s discouraging when you don’t have community support.
   -- Negative attitude of Benson public, caused by business people themselves. Chamber of Commerce can be big factor in overcoming negative attitude of people. With problems such as 4th of July celebration--people blame Chamber which reflects on business community.

   -- Lack of city planning and the community’s inability to communicate and cooperate to attract the very large tourist business now driving through town daily.
-- Need more personal communication from chamber and city council.
-- That city and chamber take positive measures to help small businesses.
-- Attitude of city council—more business people need to take an interest and run for city council.
-- Small business people need to get on Chamber of Commerce board.

-- Local government approach and pursuit of solution to attracting new businesses to the community.
-- Growth of community is a concern. We need to be more active.
-- Lack of advertisement for Benson. (Present billboard is inadequate and pointing wrong way.)
-- Community image.
-- Negative appearance of main street Benson.
-- Really angered when ADOT ripped out lilac bushes from sides of 4th Street.
-- Rural Arizona needs to promote themselves through Department of Commerce and Legislature.
-- Recognition by urbanites of value of rural/agricultural interests.

-- Lack of communication and professionalism within local government.
-- City Government—we can’t do anything without them and they do everything without us.
-- Government to keep pace with problems.
-- Insensitive attitude by county officials.
-- Policies of state and federal government are destroying our economy.

-- Planning and Zoning. Contemplating a new business and sees the board as a major stumbling block.
-- Planning and Zoning requirements. (2)
-- Support and promotion of small businesses by state and federal government agencies.

-- Government spending too high; control too much, waste too much; taxes too high. Erected building and taxes went from $600 to $2200.
-- Taxes are too high. We need them lower. Need to reinstitute capital gains tax break.
-- Federal taxes.
-- Property taxes are too high. (2)

-- Environmental compliance.
-- Environmental myths causing rift between producing and consuming Americans.
-- Feels water rights will be a serious problem if Benson area doesn’t get involved.
-- Federal and state agencies purchasing private lands and reducing our rural tax base.

5. Quality of Life (11)
-- More recreational facilities. (3)
-- Benson’s lack of recreational facilities.
-- Entertainment for adults which allows youth to participate, e.g. golf course, recreation facility, parks.
-- Nothing for the teenagers to do.
-- The schools unwillingness to get involved and communicate with the community resulting
in poor quality education. (2)

-- Community sprawl in a fragile environment.
-- Quality of life—we must maintain rural atmosphere and respect what is here!
-- Crime (increase in transients and fraud).
-- Personal health; nobody can do anything about it but it concerns me.

6. **Tourism Development (9)**
   -- Need to improve tourism (bring back history) to improve economic level of town.
   -- Improve on tourism and bring in more people. (3)
   -- Need to determine ways to take advantage of our natural resources and capitalize on Karterner Caverns, e.g. opening B&B’s, tours, things to locate between Cavern and Benson proper. (3)
   -- Provide more facilities for winter visitors and program to welcome them.
   -- Winter visitors staying longer.

7. **Operating Costs (9)**
   -- Costs of goods going up.
   -- Operating costs—especially insurance; can I make enough money to pay all these expenses; liability costs keep going up.
   -- Getting skilled labor needed.
   -- The need to institute in-school training programs to help children understand what is going to be expected of them in the job market.
   -- Availability and price of raw materials. (2)
   -- Rising costs of energy and materials.
   -- If my business grows, will there be reasonably priced, decent office space available?

8. **Financing (7)**
   -- Financing for improvement of property (betterment loan).
   -- Expansion—once again availability of venture capital and problems with cash flow make this difficult.
   -- Cash flow/venture capital availability due to rural nature of community.
   -- Lack of working capital to increase inventory and put in a wider variety. (3)
   -- High interest rates.
   -- Arizona school finance structure.

9. **Community Services and Infrastructure**
   -- Parking for downtown stores.
   -- Establishment of adequate housing for sale and rent. (2)
   -- We need more housing.
   -- Hopes problems (sewer, waste disposal, etc.) can be handled before they become big problems.
   -- Water resources.