Business Retention & Expansion Program
A program that works

Minnesota Department
of Energy and
Economic Development
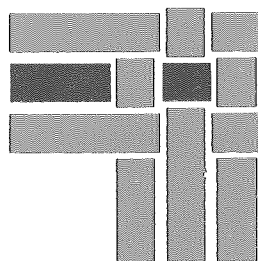
Business
Retention&
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Coordinator's
Manual
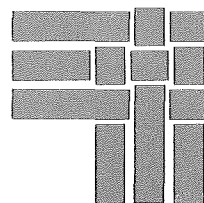
Dear Business Retention and Expansion Task Force Member:

The success of economic development programs in Minnesota relies on the
initiative and cooperation of civic leaders like you. Through your
participation in the Business Retention and Expansion Program you will
have a unique opportunity to learn the needs of local businesses. With
this information you will be able to address specific problems being
experienced by your business community through the cooperative efforts of
your task force and local government.

It has been demonstrated that the majority of new jobs created in a
community comes from the expansion of existing businesses. New jobs in a
community and the personal income they generate result in increased retail
sales, new home and business construction, a larger local tax base and, in
turn, more jobs. Keeping Minnesota businesses healthy and growing means
listening to their concerns and forming partnerships to solve potential
problems. This is the goal before the Business Retention and Expansion
Task Force.

Without your interest and hard work, this program cannot work. It is
therefore with my deepest appreciation that I support your efforts to
begin the Business Retention and Expansion Program.

Sincerely,

RUDY PERPICH
Governor

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INTRODUCTION

The Minnesota Business Retention and Expansion Program is designed to help communities increase employment, maintain a stable tax base and attract new industry and other businesses. It does so in two ways:

o   *By discovering problems* or potential problems within the business community and helping to provide the necessary information to solve these problems, and

o   *By identifying strengths* within the community so they can be capitalized on to encourage the retention and expansion of existing businesses, and perhaps the influx of new industry.

The primary tool used to gather this information is the Business Retention and Expansion Program Manual, which provides the basic elements and specific guidelines for planning and implementing a successful program, using volunteer workers. The program is designed to encourage cooperation and coordination between local government, the business/industry community, and the Business Retention and Expansion Program Task Force. This partnership works together toward a common goal: A stronger business climate in both the community and the state.

GETTING ORGANIZED

Before bringing people together to discuss the forma-
tion of a Business Retention and Expansion Program in
your community, you should preview all the provided
materials, following the step-by-step instructions in
this manual.   Since this manual is designed as a
reference guide and has only the basic material for
operating a program, you will add to and sometimes
modify the information to fit your community's needs.

Besides this manual, the materials you should have
are:

   o *Slide show* which overviews the program and
      describes the benefits to the community. The
      slide show is designed as a way to introduce
      possible task force members, government
      officials and program sponsors to the ideas.
      It should be used at the first meeting to help
      gain support for the program.

   o *Brochure* which can be given out at the
      conclusion of the slide show to restate the
      program's purpose and its benefits.   The
      brochure may also be sent to prospective
      program supporters or workers to introduce
      them to the program before a meeting.

   o *Coordinator's Videotape* which is to be used
      during your organizational meeting to help you
      establish the goals and objectives, prepare to
      solicit support, and set up the task force.
      The tape can be stopped so the organizing
      exercises in this manual may be performed.

   o *Volunteer Interviewer's Videotape* which is
      to be used during the orientation and training
      of interviewers prior to their business
      visits.   This video also uses the stop-tape
      method to allow the participants to role play
      interview situations.   This tape is designed
      to help the program coordinator instruct
      interviewers on proper survey methods and
      responses.

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OBTAINING SUPPORT

The next step is to identify individuals who may be interested in serving on the Business Retention and Expansion Task Force. You may want to include individuals who:

- o have real estate backgrounds
- o are involved in industrial development
- o are involved in the business community
- o have prior volunteer experience
- o are known community supporters
- o are involved with other community and civic groups

Identify community service groups with members who have the background and organizational skills necessary to help implement and operate the program. Contact these groups and offer to present the Business Retention and Expansion Slide Show and a brief talk on how the program can benefit your community. Most of the information you'll need for a presentation is provided in this manual. The degree of interest shown by individuals will help you with the next step. (A list of organizations to consider is at the end of this section.)

Select people whom you've met and identified as having the skills needed for the program and arrange to meet with them. Reintroduce these people to the program by personally contacting them to explain the need and primary purpose. The most effective way to do this is to meet with the individuals on a one-to-one basis, but a telephone call can be effective. Be ready to answer their questions and explain why they are important to the program. You may wish to review the first meeting's agenda with them to demonstrate what's going to take place and how they fit in.

Your first meeting will be informational as well as organizational. Some individuals may not wish to continue as task force members after the initial meeting. Plan for this by inviting a large enough group to compensate for drop-outs, but small enough to be workable. Be sure to choose people with varied backgrounds to assure a well rounded knowledge base.

One of the individuals at the organizational meeting should represent local government. The cooperation of local government is essential to the success of the Business Retention and Expansion Program. They should be informed about the program before the organizational meeting to enlist their active support. Certain critical tasks will be assigned to them as part of the program.

Suggested governmental representatives would include:

- o Mayor (including those of surrounding communities)
- o City Manager
- o City Council Members
- o County Commissioners

SOURCES OF PROGRAM SUPPORT

Governmental

City council
Mayor
City manager
Job Service Offices
Job Training Program
City planning office
State legislators

Service Clubs

Rotary
Lions
Pilot
Quota
Zonta
Kiwanis
Sertoma
Altrusa
Soroptimists

Business Groups

Chamber of Commerce
Jaycees
National Alliance
  of Business
Business People's Associations
Retired Business People Association
Business and Professional Women

Educational Groups

School board
School administrative staff
Business educators
PTA
Vo-tech school staff

Arts Organizations

Civic orchestra or theater
Arts council

Social Service Organizations

Nonprofit agencies
Community Action Programs

Agricultural Organizations

County Extension Service
Farm Bureau
Cooperatives

Labor Organizations

Unions
Central Labor Unions

Volunteer Organizations

Voluntary Action Centers
Neighborhood committees

Organizing

Notes

THE ORGANIZATIONAL MEETING

The goal of your Business Retention and Expansion Program is to help your community identify the needs, wants and concerns of local businesses so that communication may be improved between business, government and the community.

The focus of your first meeting will be to identify the objectives your task force will follow to reach this goal. The meeting must be well organized to elicit the necessary commitments to implement the program. To assist you in setting up the meeting we've provided you with the Coordinator's Videotape and Discussion Activities which address the major topic of organizing your task force.

The agenda for the first meeting should include:

1. Selecting sectors to survey.
2. Identifying the appropriate government officials to be contacted.
3. Identifying a sponsoring organization and corporate sponsor.
4. Setting goals and objectives.
5. Selecting a task force chairperson.
6. Finding potential volunteer interviewers.

Using the videotape and discussion activities will take two to three hours, depending on the amount of discussion and secondary subjects that may arise. Be sure that the people invited to this meeting are aware of the time needed to complete these items so they can stay for the entire meeting.

After setting the time and place for the meeting, you'll need to send a follow-up letter inviting the selected people. The letter should include a copy of the agenda and should be sent at least one week in advance of the meeting.

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You will need the following items for your meeting:

o   a half-inch VHS videotape player and
     television
o   copies of the worksheets
o   pencils or pens
o   extra agendas
o   copies of the brochure
o   flip chart with work tasks written
     out/easel
o   marking pens for flip chart

The program coordinator should chair this meeting.
Open the meeting with words of welcome from your
sponsor (usually a government official). Be certain
everyone knows:

o   Why they are there.
o   What you hope to achieve.
o   The name of the program.
o   Its basic goals and objectives.

Attendees should introduce themselves and the
organizations they represent. Then, break the group
into smaller discussion groups of three and hand out
the worksheets and materials.

Stop-tape discussion instructions:

The videotape will be self explanatory. Be prepared
to stop the tape at the appropriate times and to
restate the task that the groups are to work on. You
may want to have a flip chart listing each task or
question to be addressed.

first stop-tape

The small discussion groups should address which
industry/business sectors should be surveyed. Some
considerations are:

o What is the area's economic environment? Is it limited to your city?   Does it include the surrounding area? Surrounding cities? County?

o What type of industry/business employs the most people or pays the most taxes in your area?

o What resources are available to survey the industries and businesses?

o Should the project be divided into achievable sections,   i.e.,   manufacturing   this year, commercial businesses next year?

o Has a particular industry/business area had problems which should be explored and dealt with immediately?

o Do any of the business/industry areas represent large potential growth for your area?

After deciding on the area to be surveyed, discuss the most appropriate government officials to be contacted and the best person to do the contacting. Ask each person to write down a suggestion for the most appropriate official and person to do the contacting.   Have the group come to a consensus. Then have each group report to the entire assembly and give their reasons.   If possible, come to a consensus before returning to the tape.

Display a flip chart reading:

Government Officials' Tasks

o Endorse the program
o Send letter to industries and businesses to be surveyed (sample provided)
o Support the program during its duration
o Send follow-up thank-you letters to surveyed industries/businesses
o Help recognize volunteers

Allow 10 minutes for each exercise (total: 20 minutes). When you've completed this exercise, turn the tape back on.

second stop tape

Before small group discussion, review the job description of the task force (at the end of this section) to ensure that the group understands its tasks. You may want to print the following descriptions of responsibilities on a worksheet to hand out or on a flip chart to save time and provide a reference:

The job of the task force is to recruit the sponsoring organization and corporate sponsor, to oversee the entire program, and to be a resource for the people and materials needed.

The job of the sponsoring organization, usually a civic organization, is to lend its prestige and acceptance within the community to the project ... to help build credibility. It is also an important source and resource for task force members and other volunteers.

The job of the corporate sponsor also is to lend the weight of its community acceptance to the project, while it helps provide the physical resources necessary to such a volunteer effort: meeting rooms, perhaps a loaned executive, clerical time, copying machine, computer access, etc.

Break into your small groups and have them make one or more of the following lists. You should spend approximately 10 minutes on this task:

    A. If you needed community support, whom would you approach to build this support?

    B. In your estimation, who are the five most successful local people in your field?

C. If you needed the thinking of the entire community on an important issue, what five people would best represent the community?

D. List five people/organizations with *political* clout who would be valuable to the Business Retention and Expansion Program.

E. List five people/organizations with *business* clout who would be valuable to the Business Retention and Expansion Program.

F. List five people/organizations with *financial* clout who would be valuable to the Business Retention and Expansion Program.

Have each small group share results with the entire group. List on an easel or chalkboard. Examine results for adequate representation by sex, age, race or ethnic background, area, group or constituency represented, access to other people/ organizations, etc.

After compiling the lists, select the individuals, civic organization and corporation or company that should be contacted to participate in the Business Retention and Expansion Program. Also discuss who should make the initial contacts.

Allow 25-30 minutes to complete this task. When you've completed the tasks, turn the tape back on.

third stop tape

Discuss the program goals and objectives, the type of information needed in your community, and what the survey will do for your community.

The general goal of the Business Retention and Expansion Program has been stated in the beginning of this section and throughout the program materials. Have the group restate these goals and write them on the flip chart. Then discuss specific objectives. Remember that objectives are specific statements which detail what is to be achieved within what time

frame and by whom. They must be achievable and measurable and reflect the specific needs of the community.

The list of goals and objectives will become the work plan for the task force and eventually the entire program. A basic format may be as follows:

Objective: To recruit 15 interviewers to survey the local businesses by July 4, 19__.

Tasks to be completed: Identify individuals who may be willing to volunteer as interviewers.

By whom: Task force committee members

By what time: June 1, 19__.

Each objective will have several, if not many, tasks to reach its completion. Take the time to list all the program objectives and to clearly outline the tasks, time frame and individual(s) responsible for its completion. By writing this information out, you will be able to monitor progress at each stage of the program.

To start the group thinking about its objectives, ask questions like: "What do we need to do to complete a program like this?" Ask both practical and theoretical questions that the interested parties want answered. "What do we want out of this survey?" Later these categories will be further refined into specific questions for the survey.

The next step is to appoint a task force chair person. The chairperson should be a person who:

o   Has a record of completing projects.
o   Is enthusiastic and hard working.
o   Is eager to become involved and learn the program's background and objectives, and the functions of the various elements involved.
o   Is a good, persuasive manager able to delegate jobs and responsibilities.

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o   Has wide contacts in the community.

o   Has a good sense of humor.

The group should designate a chairperson as soon as possible to assure that the project gets started and stays on track.

Allow 30 minutes for discussion and decision making. When you've completed this exercise, turn the tape back on.

fourth stop tape

Discuss in small groups methods and resources of locating volunteer interviewers.

Each person should privately prepare three lists: The first, of people he/she thinks might have the skills necessary for and be interested in volunteering; the second, of groups, organizations, clubs, companies, etc., he or she has personal knowledge of and contact with... groups he/she would feel comfortable contacting personally for potential volunteers; the third, of any other sources of volunteers they may want to suggest. Then the individuals share their lists with their small groups and eventually assemble a list with phone numbers, addresses, and primary contacts.

Turn to the training section of this manual and give the group an overview of the material used with the volunteer interviewer's videotape and the training methods suggested. Discuss the best way to take full advantage of the other training resources within your community.

Allow 20 minutes for this task to be completed. When you're ready to continue, turn the videotape back on.

The coordinator's videotape will close by outlining the benefits of implementing a Business Retention and Expansion Program. Upon completion of the videotape, solicit reactions and comments from the group. Review information and confirm the next steps:

- o   contact government officials
- o   set the time for the second meeting or follow-up action meetings
- o   assemble task force
- o   recruit volunteers

Before the end of the meeting be sure that everyone understands his role in implementing the program and has agreed to complete the tasks for the next steps of the program.

BUSINESS RETENTION AND EXPANSION PROGRAM

Task Force Job Description

PURPOSE

The purpose of the Business Retention and Expansion Program task force is to determine program directions and policy issues and to interpret goals and programs to the community.

RESPONSIBILITIES OF TASK FORCE MEMBERS

This listing is intended to describe the range of responsibilities of the task force. Individual members will be expected to perform all tasks, and all responsibilities will not necessarily be undertaken simultaneously.

GENERAL RESPONSIBILITIES

A. To know/learn the history, purpose, programs, policies and practices of the program.
B. To know and understand duties and responsibilities of task force members and volunteers.
C. To be prepared, by general experience and interest in the program, to represent their respective groups on the task force.
D. To attend and participate in full task force meetings and to serve on sub-committees as needed.
E. To be a spokesperson or advocate for the program.
F. To encourage working relationships between the public and private sectors.

ADMINISTRATION

A. To provide input and make recommendations on program policies relating to volunteers, finance, and future planning.
B. To make recommendations on goals and objectives and to assist in establishing priorities for implementation.
C. To provide assistance in ensuring continued support of the program.
D. To review and make recommendations related to financial resources and expenditures.
E. To evaluate the work of the volunteers and task force members, and to make recommendations on improving the program.

COMMUNITY RELATIONS

A. To provide effective community relations which interpret the program to the total community and pursue a policy of community involvement in the activities and direction of the program.
B. To interpret informally the work of the task force in day-to-day contacts, and formally, when requested.
C. To represent the task force at various functions (e.g., volunteer recognition events, speaking to community groups).
D. To promote increased visibility for volunteers and the program.

DIRECT SERVICE AND ASSISTANCE

A. To assist in the development and implementation of the program.
B. To provide leadership, expertise or experience in specific areas and aspects of the program.
C. To provide professional and technical services to the program and be available to members and volunteers for consultation on matters of common concern.
D. To work on special projects and activities.

TIME COMMITMENT

The time commitment will vary for individual members, according to the availability of members, current activities of the program, and specific talents and skills needed to carry out those activities.

The minimum time commitment would involve preparation for and attendance at task force meetings; to review and comment on materials sent to members; and to consult with other members relating to the program, when requested.

DESIGNING THE SURVEY

The second task force meeting should focus on operating the Business Retention and Expansion Program. The first item to be covered is the letter from the mayor introducing the program to the businesses. The sample letter at the end of this section can be modified for your community. The letter is a natural lead-in to the major discussion topic, the survey format.

The first question when determining a survey format is: "What kind of information are we looking for and how will it be used?" A standard survey format is provided at the end of this section. It is designed to provide you with general information about the business and specific information on labor, business services and location. It is set up to be easily coded for computer analysis which will be provided by the Minnesota Department of Energy and Economic Development. The information can then be used both by the community and by the state to provide guidance for economic development decisions.

The information on the survey is general in nature and obviously cannot take into account the individual characteristics of your local community. Use it only as a basis for your survey; to make the survey yield as much information as possible for your community, consider what is unique about your economic environment and design appropriate questions to yield the information wanted. These questions can be added to the survey but will have to be tabulated and analyzed by hand methods at the community level. Do not delete any of the questions on the survey as provided in this manual.

Community characteristics which should be considered include:

- o Target population
- o Natural resources
- o Transportation needs
- o Export/import situation
- o Utilities

o   Communications
o   The balance or mix of industry/business/
     retail/service/tourist
o   City codes
o   City infrastructure

Prepare to design additional survey questions by
examining all sources of information available on the
survey topic.   This will assure that time and money
are not wasted gathering and processing information
that is already available.   Such a review may also
help improve the design of the survey by revealing
useful techniques or questions used in similar
surveys or by pointing out problems or mistakes to
avoid.   Common resources to review include government
publications, census information, social science
articles and books, and media reports. Professional
colleagues, policy makers and administrators should
also be consulted for suggestions regarding relevant
material.

When your task force designs additional survey
questions, keep these guidelines in mind:

o   Design introductory questions to be simple and
     non-threatening.

o   Make the major topic transitions smooth;
     additional questions should be entered in the
     appropriate sections.

o   Try to keep the questions short and to the
     point.

o   Make questions and response alternatives
     clear.

o   Keep wording neutral and non-judgmental.

o   Try to offer all possible responses to the
     question.   If you are not aware of all
     responses, include an open-ended category.

o Try to avoid open-ended questions. They are difficult to tabulate and often produce no tangible results.

o Do a pre-test to see if the new questions work.

A pre-test involves using the survey with an actual business person. It will reveal any problems in the survey questions and the format flow. This will give you the opportunity to avoid ambiguous, confusing and unusable questions. The pre-test can also help you determine appropriate length.

Next, devise a method to tabulate and analyze the responses. The analysis section of this manual will provide you with some helpful insights. Remember, the standard format questions will be tabulated by the state.

BUSINESS RETENTION AND EXPANSION PROGRAM

Survey Form

Interviewers: In order to maximize the results of this business retention effort, it is important that you discuss the following general facts about the program with the person you are about to interview.

o The program sponsors.

o The program's objectives:

1. To identify the needs and wants of the business community.

2. To assure a cooperative relationship between business and government.

3. To help with long- and short-term planning for business development.

o All responses WILL BE kept CONFIDENTIAL.

o The survey is a cooperative effort of volunteers like yourself, drawn primarily from the community.

o A personal visit is the best way to obtain this information.

o The survey will cover all businesses in the area to get the most accurate information on which to base recommendations.

REMEMBER:

o Ask all of the questions on the form!

o Don't interpret the questions for the person being interviewed.

o Try to get clarification of unclear responses.

o Don't argue with the person's opinion.

o A professional demeanor will result in a more accurate survey response and reduce the time necessary for the interview.

When you have completed the interview, check the survey form to be sure that all questions have been addressed. Check questions I and J in section III.   If they have a positive response, notify the program coordinator that the businesses are interested in planning assistance.

Code the survey using a RED pencil and return it to the coordinator.

BUSINESS RETENTION AND EXPANSION SURVEY

		Card 1

Survey Number_____   v1 | 1 __ __ __

Interviewer's Name_____

Date Interviewed _____   v2 | 4 __ __ __ __ __ __

I. GENERAL INFORMATION

Name of the Business_____

_____

Address _____

_____Zip Code _____   v3 | 10 __ __ __ __ __

Telephone _____

CEO or Manager's Name_____

Title_____

Identification Codes: Legislative district   _____   v4 | 15 __ __ __
                          Region   _____   v5 | 18 __ __ __
                          County   _____   v6 | 21 __ __ __
                          City   _____   v7 | 24 __ __ __

Primary Business Type: (1) Manufacturing (2) Retail (3) Service   v8 | 27 __

Principal Market Area:(Enter this as a percentage for each of the
                       following categories. The total of all
                       categories will be 100%.)

                          City   _____   v9 | 28 __ __ __
                          Trade area   _____   v10 | 31 __ __ __
                          State   _____   v11 | 34 __ __ __
                          National   _____   v12 | 37 __ __ __
                          International   _____   v13 | 40 __ __ __

SIC Code or Major Commodity or Service _____   v14 | 43 __ __ __ __
(SIC Codes may have to be assigned by the survey coordinator.)

II. LABOR

For questions in sections A record a number 1 through 8 as
it relates to employees interval chart as seen below.

	1	2	3	4	5	6	7	8	9
employees	0-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1000+

        Note:Full-time employment is 35 or more hours of work
             per week; anything less is considered part-time.

A. What was your average employment at this facility last year?

        Average employment   _____   v15 | 47 __
        Estimate the number of full-time   _____   v16 | 48 __
        Estimate the number of part-time   _____   v17 | 49 __
        How many are permanent (year-round)   _____   v18 | 50 __
        How many are seasonal (6 mos. or less) _____   v19 | 51 __

B. How many of your employees (full-time equivalent) are in each
   of the following occupational categories ?

Professional	engineer,lawyer,architect	_____	v20	52 __ __ __
Managerial	executive, plant managers	_____	v21	55 __ __ __
Sales	parts person, salesperson	_____	v22	58 __ __ __
Clerical	typist, bookkeeper, clerk	_____	v23	61 __ __ __
Services	dry cleaner, guard, cooks	_____	v24	64 __ __ __
Agriculture	groundskeepers, gardeners	_____	v25	67 __ __ __

Machine operatives	machinist,lathe operators	_____	v26	1 __ __ __
Precision prod.	plumber, appliance repair	_____	v27	4 __ __ __
Technical	dental hygienist, drafters	_____	v28	7 __ __ __
Handler/laborer	drivers,packager,handlers	_____	v29	10 __ __ __

C. What are the average wages for each of the following categories?
   Do not include fringe benefits. (Circle the appropriate number.)

$/HR	3.35-4	4-5	5-6	6-9	9-12	12-16	16-20	20 +		
$/YR in 000s	6.7	8	10	12	18	24	32	40		
Professional	1	2	3	4	5	6	7	8	v30	13 __
Managerial	1	2	3	4	5	6	7	8	v31	14 __
Sales	1	2	3	4	5	6	7	8	v32	15 __
Clerical	1	2	3	4	5	6	7	8	v33	16 __
Services	1	2	3	4	5	6	7	8	v34	17 __
Agriculture	1	2	3	4	5	6	7	8	v35	18 __
Machine oper.	1	2	3	4	5	6	7	8	v36	19 __
Precision prod.	1	2	3	4	5	6	7	8	v37	20 __
Technical	1	2	3	4	5	6	7	8	v38	21 __
Handler/Laborer	1	2	3	4	5	6	7	8	v39	22 __

D. Have you had difficulty recruiting or retaining employees in the
   following skills categories? (Enter appropriate number.)

   1=No problem   2=Moderate problem   3=Severe problem

	Recruiting	Retaining		
Professional	_____	_____	v40	23 __ __
Managerial	_____	_____	v42	25 __ __
Clerical	_____	_____	v44	27 __ __
Sales	_____	_____	v46	29 __ __
Services	_____	_____	v48	31 __ __
Agriculture	_____	_____	v50	33 __ __
Machine operatives	_____	_____	v52	35 __ __
Precision production	_____	_____	v54	37 __ __
Technical	_____	_____	v56	39 __ __
Handler/laborer	_____	_____	v58	41 __ __

E. Rate <u>all</u> of the following factors as they relate to the
recruitment or retention of employees. (Enter the correct number.)

1=Not Significant   2=Somewhat Significant   3=Significant

	<u>Recruiting</u>	<u>Retaining</u>		
Remoteness of the area	_____	_____	v60	43 __ __
Area skill and labor supply shortages	_____	_____	v62	45 __ __
Local training programs for needed skills unavailable	_____	_____	v64	47 __ __
Seasonal nature of the work	_____	_____	v66	49 __ __
Lack of educational facilities	_____	_____	v68	51 __ __
Wage rates	_____	_____	v70	53 __ __

Other/please note other problems relating to recruitment or
retention of necessary manpower: (Enter a 1 if problems are
noted.)_____

v72   55 __

_____

F. What are your major sources of recruitment? (Estimate the
percentage you use each source and enter that number in the
column. The total of all categories should equal 100%.)

	<u>Rating</u>		
Newspaper	_____	v73	56 __ __
Area vocational schools	_____	v74	58 __ __
Word of mouth	_____	v75	60 __ __
Job Service	_____	v76	62 __ __
Job Training	_____	v77	64 __ __
Other employees	_____	v78	66 __ __
College	_____	v79	68 __ __
Other	_____	v80	70 __ __

G. Has your business ever participated in any training programs?

        1=Yes   2=No   v81   1 __

H. If yes, indicate which program(s) they where and if they were
successful?

    1=Never used   2= Successful   3=Not successful

MEED-MN Employment & Economic Development Act	1	2	3	v82	2 __
Job Training OJT	1	2	3	v83	3 __
Job Skills Partnership	1	2	3	v84	4 __
Community College/Area Vocational schools	1	2	3	v85	5 __
Targeted Jobs Tax Credit	1	2	3	v86	6 __
Veterans OJT	1	2	3	v87	7 __

III. BUSINESS SERVICES

A. What importance do you give the following factors in
    considering remaining, expanding or relocating?

Rating Key
1-Very Important
2-Important
3-Somewhat Important
4-Not important

Remaining, Expanding or Relocating Factors
        (circle appropriate numbers)

(01) Labor (cost, skill, etc.)	1 2 3 4	v88	8 __
(02) Transportation (air, rail, water, port, foreign trade zones, etc.)	1 2 3 4	v89	9 __
(03) Land (zoning, cost, lease space, etc.)	1 2 3 4	v90	10 __
(04) Permit processes	1 2 3 4	v91	11 __
(05) Public utilities and services	1 2 3 4	v92	12 __
(06) Government programs (assistance, incentives)	1 2 3 4	v93	13 __
(07) Location to other companies	1 2 3 4	v94	14 __
(08) Capital (conventional, venture, industrial development bonds, etc.)	1 2 3 4	v95	15 __
(09) Business service (financial, legal, research)	1 2 3 4	v96	16 __
(10) Market access(local,regional,international)	1 2 3 4	v97	17 __
(11) Quality of life (environment, recreation, cultural, housing, etc.)	1 2 3 4	v98	18 __
(12) State/local taxes	1 2 3 4	v99	19 __
(13) Education (university,colleges, AVTI)	1 2 3 4	v100	20 __
(14) Supply access (raw materials, components)	1 2 3 4	v101	21 __
(15) Other (please specify) _____	1 2 3 4	v102	22 __

B. What factors listed above do you regard as most advantageous
    or favorable to remaining,expanding or relocating within this
    community? (Specify up to four corresponding factors from
    the above list.)

(1) _____	v103	23 __ __
(2) _____	v104	25 __ __
(3) _____	v105	27 __ __
(4) _____	v106	29 __ __

C. What factors listed above could discourage you from expanding
    or remaining? (Specify up to four corresponding factors from
    the above list.)

(1) _____	v107	31 __ __
(2) _____	v108	33 __ __
(3) _____	v109	35 __ __
(4) _____	v110	37 __ __

D. Have you ever sought *management assistance* from:

Bank	1=Yes	2=No	v111	39 __
Higher education institution	1	2	v112	40 __
Local economic development group	1	2	v113	41 __
State agency	1	2	v114	42 __
Federal agency	1	2	v115	43 __
Attorney	1	2	v116	44 __
Accountant	1	2	v117	45 __
Professional consultant	1	2	v118	46 __
Other _____	1	2	v119	47 __

E. Have you sought *management assistance* from any public agency
or organization listed below?

Housing Redevelopment Authority	1=Yes	2=No	v120	48 __
Small Business Development Center	1	2	v121	49 __
Regional Development Commission	1	2	v122	50 __
Small Business Administration	1	2	v123	51 __
Area Vocational Technical Institutes	1	2	v124	52 __
Community College	1	2	v125	53 __
MN Small Business Assistance Office	1	2	v126	54 __

F. Have you received *business financing assistance* within the
last five years from:

Bank/Savings & Loan	1=Yes	2=No	v127	55 __
Accountant	1	2	v128	56 __
Venture capital company	1	2	v129	57 __
Private investor	1	2	v130	58 __
Local economic development group	1	2	v131	59 __
State agency	1	2	v132	60 __
Federal agency	1	2	v133	61 __
Family or personal savings	1	2	v134	62 __

G. Have you ever sought *marketing assistance* from:

Bank	1=Yes	2=No	v135	63 __
Private consultant	1	2	v136	64 __
Local economic development group	1	2	v137	65 __
State agency	1	2	v138	66 __
Marketing club or group	1	2	v139	67 __
Corporate franchise or affiliate	1	2	v140	68 __
Trade associations	1	2	v141	69 __

H. Have you ever sought *marketing assistance* from any public agency or organization listed below?

Small Business Development Center	1=Yes	2=No	v142	1 __
Small Business Admininstration	1	2	v143	2 __
AVTI	1	2	v144	3 __
Community College	1	2	v145	4 __
MN Small Business Assistance Office	1	2	v146	5 __

I. Would you like assistance from the city to develop a business plan?

	1=Yes	2=No	v147 6 __

J. Would you like assistance from a Business Finance Specialist to develop expansion plans?

	1=Yes	2=No	v148 7 __

IV. LOCATION

A. What were your primary reasons for locating your business here? (Rank top four reasons, 1 being the most important and 4 the least important.)

Family ties	_____	v149	8 __
Proximity to other businesses	_____	v150	9 __
Area labor costs	_____	v151	10 __
Labor supply	_____	v152	11 __
Quality of life	_____	v153	12 __
Proximity to market	_____	v154	13 __
Financial incentives (loans or tax abatement)	_____	v155	14 __
Availability of land	_____	v156	15 __
Availability of raw materials	_____	v157	16 __
Educational resources	_____	v158	17 __
Profit potential of area	_____	v159	18 __

B. Are the services provided in our community, as listed below, adequate for your current or future business needs?

Rating key: 1=Major problem
2=Somewhat of a problem
3=Potential problem

Roads	1	2	3	v160	19 __
Sewers	1	2	3	v161	20 __
Water	1	2	3	v162	21 __
Police protection	1	2	3	v163	22 __
Fire protection	1	2	3	v164	23 __
Solid waste disposal	1	2	3	v165	24 __
Emergency medical services	1	2	3	v166	25 __
Electric/gas utilities	1	2	3	v167	26 __
School system	1	2	3	v168	27 __
Regulator inspection	1	2	3	v169	28 __
Availability of facility space	1	2	3	v170	29 __
Availability of land	1	2	3	v171	30 __

C. If you indicated a problem above, have you contacted the city or county about this problem?

<div align="right">1=Yes   2=No   v172</div>

D. If yes, was the problem solved?

<div align="right">1=Yes   2=No   v173</div>

E. What suggestions do you have to improve the services to businesses in our community? (Enter a 1 to note suggestions.)

<div align="right">v174</div>

_____
_____
_____

V. HISTORY

A. What year did you begin operating your firm?

<div align="right">Year _____   v175</div>

B. What year was the business established?

<div align="right">Year _____   v176</div>

C. What form of organization is your business?

<div align="right">v177</div>

(1) Corporation
(2) Partnership
(3) Family Business
(4) Sole proprietor
(5) Non-profit corporation

D. Have you expanded your business facilities within the past 3 years?

<div align="right">1=Yes   2=No   v178</div>

E. If yes, was it

<div align="right">v179</div>

(1) At the same location
(2) At a new location within our community

F. If the expansion was at a new location, did the old location remain an operative part of your business?

<div align="right">1=Yes   2=No   v180</div>

G. Have you reduced your business operation in the last 3 years?

<div align="right">1=Yes   2=No   v181</div>

H. What was the reason for the reduction?

<div align="right">v182</div>

(1) Market decline
(2) Increased competition
(3) Increased cost of production
(4) Other _____

I. What changes is your business planning for the next 2-3 years?

	No change	Change		
Mix of goods and services	1	2	v183	44 __
Expand facility	1	2	v184	45 __
Relocate	1	2	v185	46 __
Add employees	1	2	v186	47 __
Reduce number of employees	1	2	v187	48 __
Change production technology	1	2	v188	49 __
Add product line	1	2	v189	50 __
Other_____	1	2	v190	51 __

J. If you plan to relocate, where would you move?

    (1) Within city   v191   52 __

    (2) Within county

    (3) Within state

    (4) Other _____

K. When do you expect this relocation to take place?

    (1) Within the next 6 months   v192   53 __

    (2) 6 months to 1 year

    (3) 1 year to 3 years

L. What is your principal reason for relocating outside the city? (Enter 1 to indicate a response.)   v193   54 __

_____

_____

_____

M. Would you be interested in the results of this survey?

                          1=Yes   2=No   v194   55 __

Mr. John Doe
President
ABC Manufacturing Group
123 Any Street
City, Minnesota 09999

Dear John:

The economic well-being of our city comes from our industrial and manufacturing sector. Because of its importance to our community, positive steps are being taken to identify and meet the needs of these firms.

To support this effort, an in-depth survey of industrial firms is currently being conducted under the sponsorship of the (sponsoring agency) in cooperation with the Minnesota Department of Energy and Economic Development, the Chamber of Commerce, the Private Industrial Council and the city's Industrial Commission. The survey consists of interviews between business leaders and representatives of the City Business Retention and Expansion Program.

Our survey has four objectives:

   o To develop a clear understanding of your view of the city's
      economy.
   o To determine your expansion and relocation plans.
   o To acquaint you with available assistance programs.
   o To establish an ongoing channel of communication between your
      firm and my office.

I respectfully invite you to participate in this important survey. One of our interviewers will contact you soon for an appointment. Your candid responses to the survey questions, which will be held in strict confidence, are vital if you and we are to benefit from this study. The interview should require approximately an hour of your time. You will be provided with a summary report when an analysis of the study results is completed.

May we count on your cooperation?

                              Sincerely,

                              Mayor

PUBLICIZING THE PROGRAM

Design an ongoing promotional campaign while the project is in the planning stages. Promotion will prepare industry and businesses to expect the interviewers, as well as help to recruit volunteers, a sponsoring organization and a corporate sponsor. Promoting the program will help businesses to understand the purpose and be more open to responding to interviewers. It can also be a good way to spotlight a volunteer who has done an outstanding job and again get the details of the program before the community.

Intensify the promotion during the interview cycle and when the survey results are made available. Use the media as one effective way to relay the survey results to the respondents and to recognize interviewers for their efforts.

On the following pages are examples of news releases for newspapers and radio that can be used as guides for your program's publicity.

A comprehensive list of methods and outlets that may be used for informing the public about the Business Retention and Expansion Program are:

1. News releases at each stage of activity:

    Feature and human interest stories about

        - goals and objectives of program
        - government/industry cooperation
        - volunteers, including recognition
          activities
        - program results, especially problems
          solved
        - businesses/industries surveyed
        - task force, sponsoring organization,
          corporate sponsor
        - training sessions and media used
        - the survey itself

Interviews and follow-up articles for

- newspapers
- radio
- TV stations

Public service announcements

2. Speaking engagements, presentations, and reports which describe the project's goals and activities for groups and businesses

3. Word-of-mouth, personal phone calls and letters to influential persons

4. Organizational and business newsletters

For Immediate Release

Contact: _____
                    Name

          _____
                  Telephone

A stronger business climate for the City of_____ is the
                                                    name

goal of the new Business Retention and Expansion Program announced _____
                                                                        date

by _____, _____, who will
        name of program coordinator   local affiliation

serve as program coordinator.

"The economic well-being of our city comes from our industrial and manufacturing

sector," _____ said. "Because of its importance to our
                program coordinator

community, positive steps are being taken to identify and meet the needs

of these firms."

The key element of the program will be an in-depth survey of all industrial and

manufacturing companies. Community volunteers will conduct the survey and members

of the _____ Business Retention and Expansion Program task
                    city

force will analyze the survey data and recommend actions according to the findings.

In the survey, business executives will be asked their opinion of the city's

economy, whether relocation or expansion of their business is being considered,

-more-

and if their business has problems the city might help them solve, such as finding financing for expansion or technical assistance.

"In addition," _____ said, "we want to establish an
                        program coordinator

ongoing channel of communications between our businesses and representatives of community groups such as the Chamber of Commerce and city government that are committed to improving the city's economic future."

The program began when several community members met to discuss ways to assure a strong economy to meet _____'s   future needs.   The group
                                      city

decided to use the Business Retention and Expansion Program method -- a recent project designed by the Minnesota Department of Energy and Economic Development

-- as its focus, and selected _____ to lead the program.
                                      coordinator

Other members of the task force are _____ , _____ ,
                                              name   name

and _____ .
              name

Community volunteers will be sought to conduct the survey, which is expected to be accomplished by _____ .
                          date

For further information, contact _____ at _____ .
                                      coordinator   phone number

#

RADIO NEWS RELEASE

For Immediate Release

Contact: _____
                        Name

              _____
                      Telephone

_____ announced today the formation of
         Coordinator or Mayor

a _____ Business Retention and Expansion Program to
         city

strengthen _____'s business climate. _____,
                        city   Coordinator

who will serve as the program's coordinator, said the key element will be a survey

of all industrial and manufacturing business executives in the area. Volunteers

will conduct the surveys, to collect information important to the future of the

city's economy.

                                    #

NEWS RELEASE

For Immediate Release

Contact: _____
                        Name

          _____
                      Telephone

_____ residents of the _____ area have been
        Number   city

selected to conduct the city's Business Retention and Expansion survey, scheduled

to begin _____.
                    date

The volunteers will conduct a _____-question survey of all industrial and
                                        number

manufacturing company executives in the area, to gather data for an assessment

of the area's economy and its future.

_____, program coordinator, led the search and
          Program coordinator

selection process for volunteers, and will begin a ____-day training session
                                                            no.

_____.
        date

In the survey, business executives will be asked their opinion of the city's

economy, whether relocation or expansion of their business is being considered,

and if their business has any problems the city might help them solve.

"Our volunteer surveyors will receive top quality training and will conduct thorough

surveys which should give us good information on which to plan _____'s
                                                                        city

-more-

future economic program. We want our city to grow, and we want to be sure our present companies stay here to grow with us. Their personal contact is the beginning of what we hope will become a regular communication between our area business and community groups that care about the city's future," said

_____.
    coordinator

The volunteer surveyors are _____, _____,
                      name   name

_____, _____, and _____.
      name   name   name

"Every industrial and manufacturing business executive in the area will be asked to participate in the survey," _____ said. "Our goal, of
                                           coordinator

course, is 100 percent participation in a program we feel will form the basis for _____'s economic future."
         city

<div align="center">#</div>

RADIO NEWS RELEASE

For Immediate Release

Contact: _____
                    Name

         _____
                  Telephone

_____ volunteers have been selected to survey _____'s
      Number   city

industrial and manufacturing business executives in _____. They're
                                                              month

part of the _____ Business Retention and Expansion Program
                      city

to strengthen the city's business climate. The volunteers, who will undergo

extensive training before the survey begins, are: _____,

_____, _____, _____,

and _____.

                                        #

NEWS RELEASE

For Immediate Release

Contact: _____
                          Name

          _____
                        Telephone

Two of _____'s manufacturing firms will be working with city
                    city

officials, the Chamber of Commerce and other city groups to expand their

businesses and provide _____ new jobs within the next 18 months.
                            number

Both firms, the ABC Toy Company and the XYZ Tractor Corporation, were considering

expansions of their businesses when they were contacted by volunteer surveyors as

part of _____'s Business Retention and Expansion Program
                    city

last month.

When the surveyors, _____ and _____, learned
                              name   name

of the potential expansions, they reported their findings immediately to the

Business Retention Task Force, which met with the companies to see what help

might be offered.

ABC Toy Company executives said they needed help in rezoning a parcel of land

two miles from their existing plant so that an auxiliary assembly plant could

be built there. City officials began work with the company the following day

and the city council is expected to receive the rezoning request _____.
                                                                        date

XYZ Tractor Corporation executive _____ revealed in the survey
name

that existing sanitary sewer facilities were limiting his company's desire for

growth. The task force suggested several agencies from which to seek grant

money for the city to expand its sewer service to allow XYZ to expand at its

present site, rather than in another area. Grant applications are being written

by _____ Planning Department staff and will be
city

submitted _____.
date

"These are two successful businesses that might have expanded -- or even moved --

to another area if we hadn't contacted them personally to let them know that

_____ cares about its businesses and the business climate it
city

offers," said _____, program coordinator. "For these two
coordinator

reasons alone, we consider the Business Retention and Expansion Program a success."

The survey results -- encompassing the replies from _____ of _____'s
no.   city

_____ industrial and manufacturing firms -- have been tallied by the program
no.

task force and issued in a report to Mayor _____.
name

Among the findings are:

    * Eighty percent of the businesses in _____ have been here 25 years.
city

    * The average number of employees is _____.
number

    * Almost half the businesses own their own premises.

-more-

* Ninety-nine percent of the businesses bank locally.

* Eighty-four percent of the employees live within 10 miles of their plants.

* Major sources of financial difficulties, in descending order of importance, are interest rates, state corporate income taxes and transportation of the product.

* Ninety percent of the firms rate local public services as "excellent," eight percent as "good," and two percent as "needs improvement."

_____ said the information gathered during the survey will
   Coordinator

be used extensively by city officials as they begin to design long-range plans

for _____. "Sometimes it takes a full-scale effort like this
      city

to call attention to situations which have existed forever," _____
                                coordinator

said. "It's like the forest and the trees -- the trees stand out only

when we focus on them individually.

"Now that our preliminary work is done," _____ said, "_____
                       coordinator   city

can get down to the business of planning the future in a way that will be

good for all of us.

#

RADIO NEWS RELEASE

For Immediate Release

Contact: _____
                              Name

         _____
                           Telephone

Two of _____'s manufacturing firms plan expansions of their
                  city

business and creation of _____ new jobs in the next 18 months,
                              number

_____, coordinator of the _____ Business Retention
      coordinator   city

and Expansion Program, announced today. Both firms -- the ABC Toy Co. and the

XYZ Tractor Corp. -- were considering building new plants in other towns when

they were contacted for a business survey. The city and program officials met

with the two firms to work out problems and have agreed to help them expand

their businesses in _____. _____ said, "These
                              city   Coordinator

are two successful businesses that might have expanded -- or even moved -- to

another area if we hadn't contacted them personally to let them know that

_____ cares about its businesses and the business
                  city

climate it offers. For these two reasons alone, we consider the Business

Retention and Expansion Program a success." The survey also collected data

on all manufacturing and industrial firms to use in planning the city's future

development, especially as it relates to the economy of the area.

                                        #

NEWS RELEASE

For Immediate Release

Contact: _____
                    Name

        _____
                  Telephone

Thirteen _____ residents have been recognized for their volunteer
                    city

efforts during the recent Business Retention and Expansion Program survey of

industrial and manufacturing firms.

Certificates of appreciation were awarded to: _____, _____,
                                                    name   address

_____, _____ (etc.) at a dinner at the American
    name   address

Legion Club Tuesday, where members of the program's task force, city officials

and other members of the community gathered to honor the volunteers and to

talk about the program results so far.

The program -- initiated in _____ -- was designed to strengthen
                                  date

_____ 's business climate. A key element was the in-depth survey
        city

conducted by the volunteers to collect data for city planning purposes. It

was also designed to establish closer communications between the city's

business community and city officials.

_____, coordinator of the program and master of
Coordinator

ceremonies for Tuesday's event, praised the volunteers for "their seemingly

endless determination to get the best information possible to help our city

-more-

with its future plans. Two snowstorms, three dead batteries, a flu epidemic

and an empty gas gauge failed to deter these people from their objectives.

They exhibit the character of this city -- its steadfastness, loyalty and

determination to get the job done."

The volunteers entertained the group with tales of their experiences:

_____, who surveyed 17 business executives, said, "Thirteen
       name

of them didn't want me to take more than five minutes of their time. When

I walked into their offices with my 12-page questionnaire, I could see them

begin to have second thoughts. However, not one of them asked me to leave

before the last question was answered. On the contrary, they liked talking

about their companies so much that sometimes I had to interrupt them to keep

the survey to a reasonable amount of time."

_____, another surveyor, said she had never met "so many
       name

good people in one place before. I'd be delighted to be working for any of

them. It made me very proud of my city to know that this is the kind of

employer we attract."

The program task force is in the process of analyzing the collected data,

which has been submitted in preliminary form to Mayor _____.
                                                             name

The analysis will include recommendations for consideration by city planners

and the council as they plan the economic future of _____.
                                                            city

#

RADIO NEWS RELEASE

For Immediate Release

Contact: _____
                    Name

          _____
                  Telephone

The _____ Business Retention and Expansion Program
              city

volunteer surveyors were honored for their efforts at a dinner Tuesday at the

American Legion Club. The 13 _____ residents, who
                                            city

surveyed area industrial and manufacturing business executives over the last

_____ months, gathered the information for a major analysis of
     number

_____'s business climate. The data will be presented
              city

to city officials with recommendations for consideration as the economic future of

_____ is planned over the next year.
              city

#

DESIGNING VOLUNTEER JOB DESCRIPTIONS

The most important element of your Business Retention and Expansion Program will be the interviewer who will gather the information from the local businesses. The interviewer is your direct link to the business and will represent the program. If the interviewer doesn't project the right image or seems insincere about his task, the information can be skewed or incomplete. Respondents react quickly to their first impressions and will not devote time to answering questions from someone they perceive as unfamiliar with or disinterested in his work. Look for individuals who:

- o Are mature and will take on responsibility
- o Have good communication skills and a pleasant voice
- o Have a commitment to completing the task of gathering the data
- o Have a genuine interest in people
- o Have characteristics similar to those of the survey population
- o Will neither antagonize nor influence the respondent

To assist you in choosing the right individuals for the job it is helpful to have a written job descrip tion for the volunteer interviewers. The job description will define the tasks to be performed and clarify the responsibilities between the supervisor and volunteer. A job description reduces the possibility that the interviewer will be unclear about expectations of duties, methods and time commitments. The job description will become a basis for recruiting, managing and evaluating the inter- viewer's work. Training will also have more definition when there is a clear understanding of what an interviewer is expected to do and how to prepare for the job.

A suggested format for the volunteer interviewer's job description is shown on the following page.

VOLUNTEER INTERVIEWER'S JOB DESCRIPTION

DUTIES OR RESPONSIBILITIES:

I.   Major Area of Responsibility

   A. Specific task to be accomplished (wherever possible include performance standard or results expected - measurable in terms of quantity, quality and time)
   B. Specific task and performance standard
   C. Specific task and performance standard

II. Major Area of Responsibility

   A. Specific task to be accomplished
       B. Specific task to be accomplished
   C. Specific task to be accomplished

REQUIREMENTS OR QUALIFICATIONS:

Background and experience required.
Skills, knowledge and abilities needed for effective performance.
Minimum education/training needed.

TIME COMMITMENT:

Hours/days of the week. Is it negotiable?
Length of commitment requested in months/years.
Project length.

LOCATION:

Where will the volunteer serve?
Can he/she work at home? In the community?

SUPERVISORY PLAN:

Chain of command/to whom is volunteer responsible?
What methods of supervision will be used (meetings, conferences, phone contacts, etc.)?
Relationships with other staff/volunteers
Level of problem solving/freedom to act

BENEFITS AVAILABLE TO VOLUNTEERS:

Letter of recommendation available upon termination?
Performance appraisals - when, how and by whom?
Promotion, training, career development available?
Skill development and growth?
Reimbursement for expenses?

COMMENTS:

VOLUNTEER'S SIGNATURE_____ DATE_____

SUPERVISOR'S SIGNATURE_____ DATE_____

RECRUITING AND SELECTING VOLUNTEER INTERVIEWERS

The next step is to locate people who would be appropriate and willing to commit time as interviewers. Ask yourself, "What attracts or motivates people to volunteer?" There are many variables that affect a person's decision to volunteer. It will be the responsibility of the person doing the recruiting to find the one motivator that will appeal to the prospective volunteer and convince him that the Business Retention and Expansion Program is a good investment of his time. Some motivations that appeal to people are:

- o learning new skills and developing talents
- o working for a credible organization
- o exploring new opportunities
- o improving the community
- o gaining leadership experience
- o keeping skills fresh
- o changing public policy
- o meeting new people
- o influencing future decisions

Use your task force committee members to do the actual recruiting. Review with them the type of individual that is needed by going over the volunteer interviewer job description. Discuss where individuals who might volunteer as interviewers can be located. Then, decide who would be best to approach these people. Make a list of the people and organizations to be contacted and then make work assignments. Help your task force members to remember all of this information with a handout that lists the job duties and reasons that a person might wish to volunteer and a volunteer application form. Try to encourage as many people as possible to apply. It's better to have too many applicants than not enough and some interviewers will want to leave the program early, so have extras.

Not everyone who is recruited will fit the project needs as a volunteer interviewer. To screen individuals, have them complete a volunteer's application form. This form is designed to help the program coordinator decide which volunteer would match with the businesses to be interviewed. If an individual doesn't fit as an interviewer, consider him for other jobs that must be completed.

A suggested format for the volunteer application form is included in this section.

Once the application has been received, review it for completeness and content. This will give you your first idea of the individual's capabilities for recording information in a neat and competent manner. Acknowledge by letter or telephone that the application was received and arrange a time to interview the person for the job.

The job interview is important to assure that the individual is right for the job, but also to assure the applicant that the program is credible and his efforts will be worthwhile. The interview will give you a chance to gather more in-depth background information about the person's skills, knowledge and past experiences. Be prepared for the interview by having the job description, volunteer application form and some specific questions to be asked. Be sure to use open-ended questions that can bring out more information and lead naturally to areas relating to the job. An example of an open-ended question is: "What motivates you to put forth your best efforts as a volunteer?" Open-ended questions let the applicants give more than a yes or no answer by expanding on the information requested. Questions must be related to the job to be done. Personal questions are irrevelant to these interviews and can lead to discriminatory practices.

After selecting the individuals for the interviewers' positions, notify all applicants of your decisions. All letters can be positive in tone by offering everyone some way of participating in the work to be done. Those not interviewing might help with

clerical work, organizational tasks or tallying results. If you choose not to have an individual work on the program immediately, develop a reserve list to be used as volunteers leave the program. A positive rejection should be accepted by most applicants.

People selected as interviewers should be notified of the next step, their interviewer training. Training serves four purposes: to prepare the interviewers to collect the data, to standardize procedures, to develop motivation for the program and to continue the process of assigning interviewers to each business.

Date_____

Volunteer Application Form

Name_____ _____
      First   Initial   Last   Spouse's Name

Address_____
        Street/RFD   City   County   State   Zip

Employed At_____ Department_____

Telephones_____ _____ _____
           Home   Business   Extension

Education: High School ( ) Business or Trade School ( ) College ( )

              Major_____ Degree_____

Interests or Hobbies_____

Skills (be specific)_____

Previous volunteer work (Describe agency and your responsibilities):

1. _____
   _____
2. _____
   _____
3. _____
   _____

Availability: Sun. Mon. Tues. Wed. Thurs. Fri. Sat.

     Morning: _____
   Afternoon: _____
     Evening: _____

   Weekly ( )   Twice Monthly ( ) Monthly ( ) Other_____

Volunteering through what organization?_____

Who or what prompted you to volunteer? _____

References (Give names and addresses):

1. _____
2. _____
3. _____

VOLUNTEER ORIENTATION AND TRAINING

The orientation and training session should be rehearsed to assure that the information is given in a well-paced but relaxed manner. Review this section and the videotape to be shown during the training to become familiar with the organization and stop-tape procedures. You will want to develop role-playing cards that outline attitudes and situations that interviewers may encounter. (Suggestions follow in the stop-tape sections.) You will also need to enlist the aid of another person to act as a hostile respondent. (This could require a practice demonstration ahead of time.) Finally, you'll want to prepare an overview of the program and demonstrate how the volunteer fits in and is needed for the program to be a success.

The trainer or assistant interviewer should have some experience as an interviewer, with some knowledge about interviewing. This experience should at least entail the type of interviewing used in the specific project; ideally, it should include experience with more difficult kinds of survey instruments and interview situations. The trainer will then have an understanding of problems that can arise, as well as firsthand knowledge of how to handle them. The trainer should be familiar with the project and, again ideally, should be the one to supervise the interviewers throughout the project in order to provide continuity and to deal with questions and problems as they arise. Wherever possible, the trainer should be a member of the larger project team and be party to the decisions regarding the design of the survey instrument, the sampling, procedures for location respondents, and other survey-related details. Certainly the trainer should be familiar with all these aspects of the project.

The agenda for the volunteer interviewers' training should include:

- o A program overview to state goals and objectives
- o A review of the survey form and how to use it

- o Procedures for setting appointments
- o Conducting the interview
- o Reporting procedures and red flags
- o Role-playing using the videotape
- o Setting standards of performance

The meeting should take approximately three hours to complete, depending on the length of role-playing, lectures and discussion. Be sure the volunteers are aware of this and can stay for all the training.

Try to locate a room for training that is comfortable and has good accoustics. The role-playing activities can get quite loud. Once the time and place are set, send a letter to the volunteers informing them of the session. Allow at least two weeks' notice of the meeting.

The materials you'll need for the meeting are:

- o a half-inch videotape player
- o the videotape
- o pens and pencils
- o role-playing cards
- o survey forms

Start the meeting with words of welcome. Be positive about the tasks to be performed, outlining the agenda for the meeting. Before starting work on the agenda, have each person introduce and give some information about himself. Then begin with a speech that covers:

- o Goals set by the task force, and the interviewer's role.

- o The interviewer's job description to assure understanding of expectations and performance standards to be used in evaluating the work being done.

- o Survey format and how it's to be used, including the following points (hand out copies of the survey so the interviewers can follow along):

- Interviewers must read the questions exactly as they are worded in the survey.

- Interviewers must ask subjects every question in the survey.

- Interviewers must not anticipate or assume any type of response, nor guide the subjects.

- Interviewers must be certain the answer is understood and is complete. If it is incomplete, interviewers must probe, repeat the question, clarify.

- When subjects ask for clarification, interviewers must clarify non-directively, usually by repeating the question.

o The technique to be used in arranging interviews. Be sure to review the points covered in the interviewer's training videotape and provide them with a copy of the letter from the mayor introducing the program:

- Mention official's letter

- Clarify program objectives

- Reassure confidentiality

- Assure them that this will be a good investment of their time

- Mention program supporters

- Give the interviewer a choice of appointment times

Upon completion of the speech, you'll be ready to begin using the interviewer's training videotape. The video-tape communicates the qualities and specific skills needed to be an effective interviewer. It

covers the industry/business survey and its major components, how to set appointments, the importance of appearance and first impressions, interviewing techniques, handling problems and resistance, and the importance of confidentiality.

Be prepared to stop the tape when indicated and help the viewers participate in role-playing, discussion and activities as a group.

first stop-tape

Set up a telephone-appointment-making role-play situation. A sample telephone script is included at the end of this section. Break into groups of three: Interviewer, respondent and observer. Send interviewers out of the room to prepare their phone call. Tell respondents to take a specific attitude:

  o   Reluctant to set appointment, so interviewer has to be persuasive
  o   Confused about what program is about, so interviewer has to explain it more thoroughly
  o   Tense and apprehensive, so interviewer has to overcome resistance

Observers are to write down observations on friendliness, setting interviewee at ease, knowledge of program objectives, explanation of how respondent will profit from the survey, naming of supporters of survey, communication of its importance, etc. Observers must be cautioned not to present observations in a judgmental or threatening manner. Suggestions must be offered as items to consider.

Rotate the roles at least once during the time allowed to give as many of the interviewers as necessary a chance to practice these skills.

Have role-playing groups share reactions and results with entire group and review what was learned before going on.

Allow 10 minutes for the role-playing and 5 to 10 minutes for the group review. When you've completed this, start the videotape and proceed to the next task.

second stop-tape

Before doing the role-playing exercise, review with the interviewers the four parts of an interview. They are:

INTRODUCTION

1. Smile as you enter and shake hands.
2. Make sure your appearance and posture are good.
3. Don't sit down until you are offered a chair. Sit comfortably (not too stiff and not casual, either).
4. Don't smoke or chew gum.

GETTING ACQUAINTED

1. Talk about something pleasant and positive.
2. Make this conversation brief but friendly.
3. Explain the Business Retention and Expansion Program's goals. Mention the sponsoring organization and key community people involved.
4. Briefly explain how long the interview will take and that you will be asking questions and recording responses.
5. Assure the respondent that all information will be kept confidential.

BODY OF THE INTERVIEW

1. Begin interview by recording the company's name and address, and contact person's name.
2. Begin asking the questions, being sure that you read the questions exactly as they are worded.
3. Record all of the responses as completely as possible (writing should be legible).
4. If respondent does not understand a question, first reread the question and, second, try to rephrase the question without influencing or changing the context of the survey.

CLOSING THE INTERVIEW

1. Summarize the project and reaffirm the importance
    of the time that has been spent.
2. If the individual is interested in knowing the
    results of the survey, first explain how they
    will be publicized, and second offer to have the
    final report sent to the company.

Practice interviewing techniques using role-playing
and discussing active listening, clarification,
inflection, and effective use of pauses.

Use same groups of three: Interviewer, respondent
and observer. Rotate the roles. Give the inter-
viewer a few pages of the sample survey in this
manual and have him leave the room to familiarize
himeself with the questions.

Give the respondents an attitude to take:

    o Wanting to "small talk" all the time
    o Being very critical of the survey
    o Giving vague or incomplete answers

Have role-play begin from the moment the interviewer
walks in the door of respondent's office.

Have observers check specifically for friendliness on
first meeting, body language, eye contact, smiling
and nodding head to indicate attention and under-
standing, active listening, clarification,
inflection, and the effective use of pauses.

Switch roles at least once during the role-playing to
give as many of the interviewers as possible a chance
to practice these skills.

Share reactions and results with the entire group and
review what was learned.

Allow 10 minutes for the role-playing and another 5
to 10 minutes for the group discussion. When you're
ready to go on, start the tape.

<u>third stop-tape</u>

Discuss how to handle an interview situation when the respondent is unhappy, upset, or hostile toward the questions.

Role-playing an upset subject can be difficult. The session leaders should demonstrate this role-play in front of the group. You will want to practice this situation with someone who can portray the hostile person before going before the group. This may mean recruiting another person to help with the training. Be sure that your handling of the situation is similar to the videotape.

For your demonstration on handling the unhappy respondent, any excuse for anger can be used: length of survey, interruption, use of information, lack of government cooperation, lack of understanding of program, etc.

The entire group can function as observers and make suggestions, such as allowing the respondent to vent his feelings, not arguing or interrupting, agreeing with him, and so forth.

Review what you've learned from the role-play situations before continuing with the tape.

Allow 20 minutes for this exercise. At its completion continue with the videotape.

The videotapes should create some questions about situations interviewers may find themselves in. The trainer should have thought ahead about what unusual circumstances the interviewer might encounter within the community and be prepared to respond to questions and to suggest methods of overcoming problems. Two distinct situations that could arise are:

    o   Additional firm representatives sitting in on the interview with the CEO. (This is acceptable and can be helpful.)

o   Conducting the interviews in unusual work locations. (Define what is acceptable.)

When all questions have been discussed, move on to the interview schedule. The program coordinator will assign each ·interviewer the firms to be contacted. It is important that good interviewer/firm matches are made to assure that the maximum information can be gathered. Two things may help with the matching: the volunteer application form and the manager's response to how the interviewers participated in the orientation and training. Once a decision is made the interviewer should be given the company name, address, phone number and CEO's name. It will then become the interviewer's responsibility to telephone the individual and set the appointment. It will be most efficient if interviewers are assigned two or three firms at a time. This will keep the interviewer from becoming bogged down by delayed interview dates or uncooperative business people.

Stress that interviewers call to schedule their appointments shortly after the mayor's letter has been mailed. The program manager should set clear timelines for the interviews to be completed and returned.

Before the appointment time, the interviewer should review the guidelines on the front of the survey form to be sure nothing is forgotten. Interviewers should plan a minimum of two hours per appointment and spend between 45 and 60 minutes with the business person.

SAMPLE SCHEDULING SCRIPT

GOOD MORNING (AFTERNOON, EVENING), MR. (MRS., MS.) _____.
MY NAME IS _____ AND I'M WITH ANY CITY BUSINESS
DEVELOPMENT.   YOU SHOULD HAVE RECENTLY RECEIVED A LETTER FROM MAYOR JONES
REQUESTING YOUR PARTICIPATION IN A CONFIDENTIAL BUSINESS RETENTION
INTERVIEW.

DO YOU RECALL RECEIVING THIS LETTER?

THE PURPOSE OF THE INTERVIEW IS TO SEE IF THERE ARE WAYS THAT THE CITY AND
OUR BUSINESS DEVELOPMENT GROUPS CAN BETTER ADDRESS YOUR BUSINESS-RELATED
CONCERNS.   AND, AS I SAID, WHAT YOU DISCLOSE IN THE INTERVIEW WILL BE KEPT
CONFIDENTIAL.   THE INTERVIEW SHOULD TAKE NO LONGER THAN ONE HOUR AND WILL
BE CONDUCTED BETWEEN FEBRUARY 19TH AND FEBRUARY 28TH.

TODAY I WOULD LIKE TO SCHEDULE THE INTERVIEW TO BE HELD AT YOUR PLACE OF
BUSINESS, IF POSSIBLE. WHAT WOULD BE THE MOST CONVENIENT DAY AND TIME FOR
YOU TO MEET WITH ME?

(IF NO RESPONSE, SUGGEST A SPECIFIC DAY AND TIME.)

I WILL SEND A CONFIRMATION OF THIS DAY AND TIME.   TO SPEED UP THE
INTERVIEW PROCESS, I WILL INCLUDE THE EMPLOYMENT SECTION OF THE INTERVIEW
WHICH YOU SHOULD COMPLETE PRIOR TO OUR MEETING.

THANK YOU FOR YOUR COOPERATION.   I LOOK FORWARD TO MEETING WITH YOU
ON _____ AT _____ (AM) (PM).

VOLUNTEER REPORTING AND PROBLEM-SOLVING

Upon completion of the interviews, the interviewer should edit the data collected. This should be done as soon as possible after the interview while the information is still fresh in the interviewer's memory. Editing means correcting mistakes made in recording responses, eliminating irrelevant material that might be confusing, completing or elaborating on answers that time did not allow during the interview, and generally correcting and filling gaps in order to facilitate the subsequent coding and data entry tasks. The program coordinator should review and further edit completed interviews as well, to resolve contradictory or obviously misrecorded data.

Red flags (the red flag system is explained in the Surveying and Analysis section) or problem areas should be discussed immediately with the coordinator or a secondary contact from the task force. (Give the interviewer the back-up person's name and phone number during the training session.) The interviewer will be an integral part of the staff in detecting trends that will affect a business's attitudes and problems. Take the time to listen to his comments and opinions about what the company is experiencing and what action might be taken to help correct the problem. The interviewer must feel that the information he is gathering is of importance. Give him the attention he and the survey materials deserve.

After the survey has been returned and red flags discussed, assign the interviewer the next set of businesses to be contacted and deadlines. Thank the interviewer for his work and encourage him to keep up the good work.

With the information in hand the coordinator should send the business person a letter thanking him for his time and cooperation. A sample letter is shown on the following page.

SAMPLE THANK-YOU LETTER FROM MAYOR

Ms. Jane Doe
President
ABC Manufacturing Group
123 Any Street
Any City, Minnesota 55000

Dear Ms. Doe:

Thank you for taking the time to be interviewed for the Business Retention and Expansion project.   The information you and other local business people provided will be used to plan an economic development strategy for our community.

In addition to planning the city's future, we want to help you and your company to stay and grow in Any City. If your company is experiencing a problem that the city may work with you to correct, please contact my office at 000-1111.

Building strong business builds a stronger community. Thanks again.

Sincerely,

Mayor

RED FLAG MANAGEMENT SYSTEM

Many events in businesses and a community happen with little or no warning. These sudden events leave managers and city officials ill prepared to deal with the complex and sometimes devastating problems which may result.

Most changes begin slowly and burn like a fuse signaling that something is about to happen. If these signals could be identified quickly and confidently, the problems could be met head-on while small and manageable; plans could be made to capture otherwise lost opportunities.

A Red Flag Management System could be designed to give your community the ability to foresee events such as businesses moving or expanding. By acknowledging possible problems, timely plans can be developed and put into action.

A Red Flag Management System provides a systematic procedure for early identification and fast response to important trends and events both inside and outside the community.

The two main components of a Red Flag Management System are:

   o Identification - recognition of potential problems or opportunities. The Business Retention and Expansion survey offers a method of gathering this information.

   o Response - the action taken to counter/complement the problem/opportunity revealed by the identification process.

ENSURING EARLY IDENTIFICATION

The early identification of problems/opportunities can be assured if the following procedures are followed:

1. The first management team is continually examining strategic issues throughout the year. A realistic approach to this task would be to schedule periodic (monthly) reviews and updating of a Key Strategic Issues List.

2. Continuous surveillance must be kept inside and outside the community for issues which may arise in between meetings. If such issues arise, a "Red Flag Signal" alerts management of the need for immediate attention.

ENSURING A FAST RESPONSE

Early action taken to respond to the identification of problems or opportunities can be assured if these procedures are followed:

1. The task force which has the necessary resources is formed and given the responsibility for managing the system. This may be part or all of the Business Retention and Expansion Task Force or a new group that is sponsored by the city or other community organization.

2. The management team or individual (program coordinator) is given authority by the task force to initiate prompt action without unnecessary delays.

3. The assigned responsibilities are for resolving the issues and not for planning. The implementation process must be fluid with no appreciable breaks in action.

ASSIGNING RESPONSIBILITIES

Responsibilities can be divided into the following three groups:

1. Staff (volunteer interviewers and project coordinator)

This group is concerned with detecting trends. They evaluate each trend's impact and timing by assessing the time required for response, and alerting decision makers about sudden and important issues. The staff group maintains an up-to-date display of the Key Strategic Issues List, their priorities, and the status of projects. The staff monitors progress of various projects toward their assigned objectives.

2. General Management (your task force)

This group is responsible for assessing the relative importance of the issues, creating the Key Strategic Issues List, deciding how the respective issues are to be handled, assigning responsibilities for their resolution, and providing appropriate resources.

Strategical control over issues must be maintained by continual re-evaluation of the significance of issues and redefinition of both priorities and the direction of projects. It may be necessary to cancel some projects which tend to acquire a life of their own, and are continued beyond their useful life.

3. Workers (city or county authorities)

This group maintains units which have been assigned the responsibility for respective issues. These units may be asked to act as planners and to submit action recommendations. The key function of the Red Flag Management System is to resolve issues. Each role must be clearly established if paralysis by repeated analysis is to be avoided.

The size of each city or community will help determine team size. Many factors which affect one town may ultimately affect its neighbors as well.

Therefore, many cities may want to form a network with surrounding cities and towns in their region with which information could be shared.

IMPACT

The success of your Red Flag Management System depends on its ability to complete the response in time to head off threats or cash in on opportunities. The timeliness of response depends on the anticipation of changes, and in productively using the time provided by the advance warning.

Advance warning of pending change is a direct result of the business retention survey. With business-specific information in hand, the program coordinator should take action. The direction these actions will take will be determined by:

o   how the program task force decides to use the information.

o   the cooperation of city officials.

o   the cooperation of the business.

FINDING STRATEGIC ISSUES

It is difficult to learn what is going on inside a business from the outside, but there are trends and modes of business behavior which help indicate trouble spots.

The information base that will be developed from the Business Retention and Expansion survey can be used as a primary source of data about local business operations. From this base you will add new data to look for changes that signal a need for action.

Three possible sources of information about impending strategic issues are:

1.   trends in the external environment
2.   the evolutionary trends within the enterprise
3.   the trends in performance

To start, prepare lists of the respective trends, then eliminate attributes which do not apply to the particular enterprise being studied, and identify and add attributes which are specific to that enterprise.

Next, identify the potential impact of the trends on the future performance of the businesses. (One way to estimate impact is to assign, on a judgmental basis, a single number -- perhaps from +10 to -10 -- to the impact of each of the trends.)

The impact to both external and internal trends may be positive, negative, or both.

o   A positive environmental impact will be described as an opportunity, a negative one a threat; e.g., the effects your city has on its businesses.

o   A positive impact on an internal development is a strength, e.g., expansion; a negative impact is a weakness, e.g., layoffs.

Once opportunities, threats, strengths and weaknesses are identified, plans can be made for immediate or future use.

A Red Flag Management System is not designed to replace your current planning process. It is designed to fill a gap in periodic planning and offers the following advantages:

o   Quick "real time" response to new developments
o   Fast reaction time
o   Response to problems which may arise from any source, economic, political, social, or technological
o   Lightweight -- not affected by organizational size and complexity
o   Compatibility with most organizational structures and systems

It is vital to note that this system cannot work unless key city managers and business people accept a central role in the system.

SUGGESTED RED FLAG MANAGEMENT SYSTEM TRENDS
AND OBJECTIVES

ENVIRONMENTAL TRENDS

1. Business climate of surrounding states
2. Monetary trends
3. Inflationary trends
4. Changes in technology making plants obsolete
5. Growth of competition from outside
6. Emergence of new industries
7. Growth of the service sector
8. Changes in income of surrounding communities
9. Aging of the work force
10. Social attitudes toward business (e.g., taconite in Superior)
11. Government controls
12. Union pressures (e.g., Hormel Plant)
13. School closings
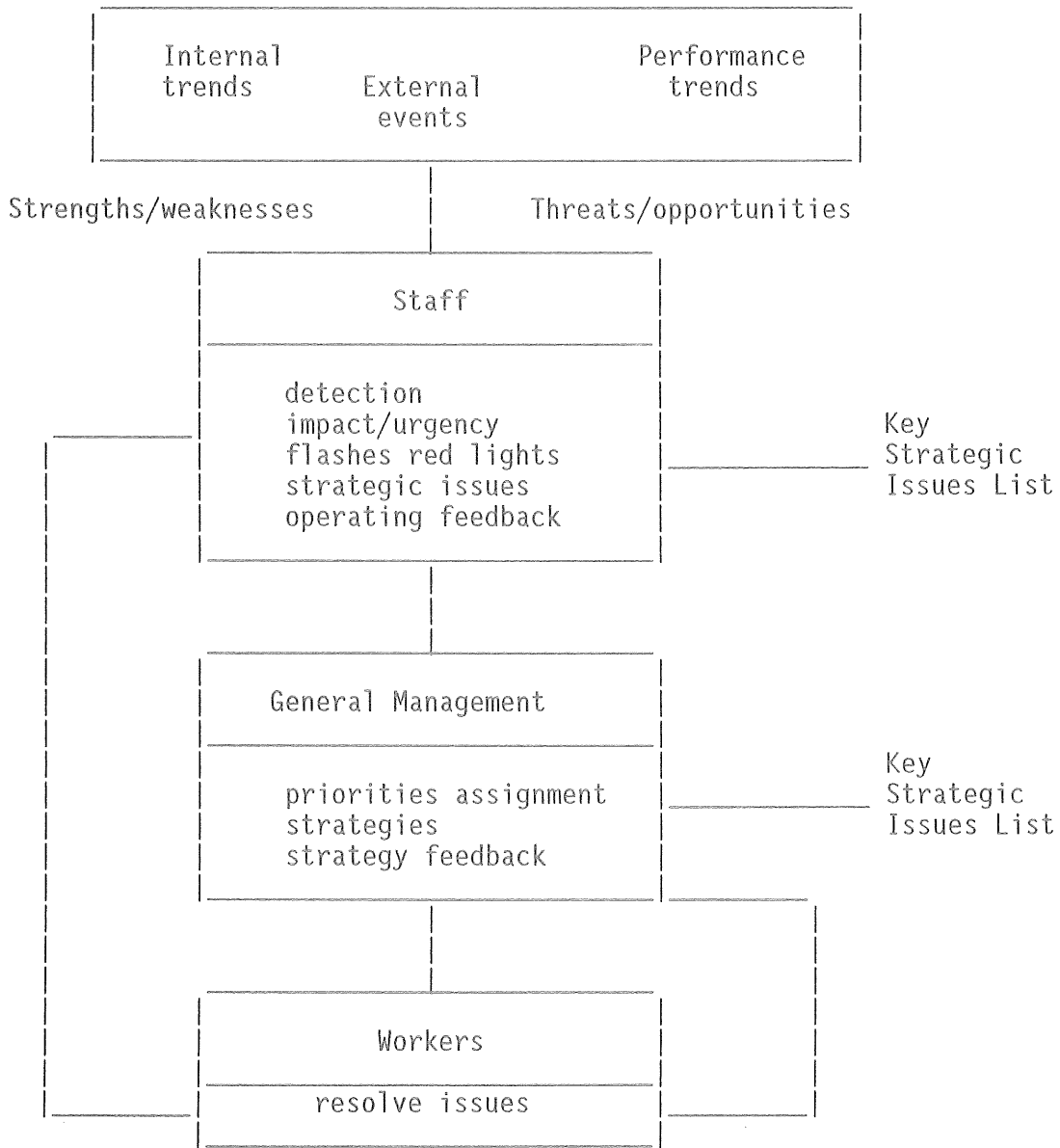14. Value of U.S. currency for exports
15. etc.

INTERNAL TRENDS

1. Size of organization
2. Change of CEO
3. Increase/decrease in power usage
4. Layoffs
5. Age of workers in plant
6. Increase/decrease in long-distance phone usage
7. Decreasing tax base
8. Neglect of building and machine maintenance
9. Increase/decrease in inventory
10. etc.

OBJECTIVES

1. Growth
2. Cyclical stability
3. Keep businesses from leaving
4. Create more jobs
5. More self-reliance
6. Keep contact with business leaders
7. Improve business climate
8. Good citizenship
9. Work satisfaction
10. etc.

RED FLAG MANAGEMENT SYSTEM FLOW CHART

```
 _____
|                                                |
|    Internal              Performance            |
|    trends       External    trends              |
|                 events                          |
|_____|

 Strengths/weaknesses        |    Threats/opportunities
                             |
         _____|_____
        |                                         |
        |              Staff                      |
        |_____|
        |                                         |
   _____|   detection                             |           Key
  |     |   impact/urgency                        |           Strategic
  |     |   flashes red lights                    |_____   Issues List
  |     |   strategic issues                      |
  |     |   operating feedback                    |
  |     |_____|
  |     |                                         |
  |     |                 |                       |
  |      _____|_____
  |     |                                   |
  |     |        General Management         |
  |     |_____|
  |     |                                   |           Key
  |     |   priorities assignment           |_____  Strategic
  |     |   strategies                      |           Issues List
  |     |   strategy feedback               |
  |     |_____|     _____
  |     |                                   |    |
  |     |               |                   |    |
  |      _____|_____     |
  |     |                                   |    |
  |     |            Workers                |    |
  |     |_____|    |
  |____ |         resolve issues            |____|
        |_____|
```

ANALYZING THE RESULTS

The purpose of the Business Retention and Expansion survey is to provide a base of information for local government officials. The success of this survey depends not only on the proper collection and analysis of the business information but on the ability to identify significant trends. The survey is intended to yield two types of information that will be acted upon. The first is business specific and will be identified when reviewing results with the interviewer. This information is confidential; therefore, actions must be taken with the cooperation of the business. Methods of dealing with business specific information are found in the section on the Red Flag Management System. The second type of information gathered is a compilation of all the businesses surveyed which will provide several indicators of the local business climate. This information is not specific to any one business, and can therefore be shared with business people, community leaders and the public at large. This chapter will focus on the how-to's of analyzing the survey results.

Analysis and interpretation of the survey results do not have to be difficult or mysterious. The trick is to remember that statistics are the compiling of the answers to questions and then stating the results in numeric form. Many computations simply tally the numbers to each response category and then restate those numbers as percentages of the total number answering. Other computations you'll be concerned with will deal with the distribution of the responses. Almost all initial analysis can be done by hand or with the aid of a calculator. More complicated analysis, such as cross-tabulations, will be provided by using computers available through the Minnesota Department of Energy and Economic Development.

THE TALLY SHEET

The first step to analyzing the data is to tabulate the responses. Tabulation is adding up the responses and then putting them into appropriate categories. The easiest way to accomplish this is to develop a tally sheet. The tally sheet is nothing more than a master list of the questions that is used to count the responses from all the surveys.

TALLY SHEET EXAMPLE

Question: Company type

	Number	%
Manufacturing		
Retail		
Services		
Totals		

The tally sheet will help you to arrange a great deal of information in a small amount of space. This will simplify identifying trends and getting comparative totals. On this sheet you'll also be able to figure percentages, averages and other computations. It will also bring out inconsistent data. If, for example, after tallying the types of companies contacted you notice that the total number of service firms contacted is more than had been scheduled to be interviewed, this suggests that something is wrong. If this is the case, look at the individual surveys to check for recording or tallying errors. If no errors are evident, check with the interviewers to see if a change in the type of business being conducted has taken place. It is possible that a retail store that offered repair service found that it was more lucrative to drop its retail sales and provide only the repair service. Whatever the reason, if inconsistencies exist they need to be examined and explained.

The tally sheet will also provide the basic information for the Business Retention Task Force to begin working on analysis and summary of results. It will take some time for DEED to generate a complete computer analysis of your survey. While you are waiting for the results, your time can be well spent on your own general analysis and examining other sources that will verify your data. In fact, this is the best way to familiarize yourself with the survey results.

The first objective of tabulation is to check that the survey itself is accurate and can be considered a reliable indicator of the community. The survey has been structured to collect information that can be compared to other sources such as the Census of Population, County Business Patterns and the Economic Census. Comparing your data to these sources, you will get an indication of the reliability of your statistics. If there is a wide variance between your data and another body of information, you will have to examine the reasons for the difference. If the problems of comparison are due to the information being based on a larger population or geographic area, you may have to seek out second sources that offer a more comparable base. Some resources you may look at would be the telephone directory, the Directory of Manufacturers or Community Profile sheets and the Census of Manufacturing, Services, Retail and Construction Industries. These sources can provide a means of checking the community's major business statistics. This will indicate if your raw data is accurate and your survey results valid.

DISTRIBUTION OF RESPONSES: MEAN, MEDIAN AND MODE

Once the tally totals and percentages have been completed you will want to make some simple computations to find the mean, median and mode for each question. These will indicate how the questions were answered by the respondents and distributed over the range of possibilities.

The mean is the arithmetic average which is figured by adding up all the scores and dividing the total by the number of scores counted. For example, if you received five responses, you total those numbers and divide them by the number of the responses (5). The answer is your mean score.

$$5 + 9 + 5 + 3 + 7 = 29$$

$$29 \div 5 = 5.8 \quad \text{(the mean is 5.8)}$$

The median is the middle score. Order your data from highest to lowest number of responses; the number in the center of the data set is the median. If there are an even number of responses, then the average of the middle two numbers represents the median. An example would be:

9 = highest response
5 = is the median score
3 = lowest response

The mode is the most common response to a question. In the first example the response given most often is five, therefore, 5 is the mode.

If the mean and median are greatly different from one another, then the data is in some way skewed and is not following a normal distribution pattern. When responses are skewed, generalizations based on the survey are less reliable. It should be noted that if an answer to a question is dominated by a particular response, it may be reflecting a characteristic of that community. These characteristics need to be explored further and explained if possible.

ANALYSIS

The analysis of information is a thought process. It is a process that requires that you review your tally sheet counts, percentages and distribution patterns for the entire survey. These results should then stimulate questions of what the figures are telling

you. Each question that is asked will provide a better understanding of the local economy. Listed below are basic questions to be asked for each section of the survey. Once the data is tabulated, you should be able to answer each of the following questions:

Section I: General Information

o Is there one type of industry that dominates the community? What is the percentage of the survey respondents in that category? Is that industry dominated by one or several firms?

o What is the percentage of businesses whose principal markets are local, statewide and national?

o What is the distribution of employment by major SIC codes?

Section II: Labor

o What is the average number of full-time employees for the businesses in your community? How does that compare to part-time and seasonal employment?

o What is the dominant occupational category for your community?

o Which occupational category pays the highest average wages? Compare these numbers to the number of people employed in those categories.

o What occupational category is having the most difficulty recruiting employees? Is retaining employees also a problem with that group?

o What factors are significant in recruiting employees to your town? Are those the same factors that affect retaining them?

o What is the major source of recruiting employees?

Section III: Business Services

o Which factors are the most important for a business to remain, expand or relocate from a community?

o Which factor is the least important for business to consider a community as a location?

o What are the community's most advantageous points for doing business there?

o What are its least advantageous points for business to operate?

o How many businesses have sought some form of business assistance?   Where are they getting help?

o What kinds of services do businesses perceive as being helpful?

Section IV: History

o What is the average length of time a business has been operating in the community?

o What percentage of businesses have expanded in the past 3 years?

o Of those expanding, what percentage stayed at their same location?

o What is the percentage of businesses that reduced their facility?   What is the reason for their decline?

o What is the largest type of change being planned by the businesses?

o How many of the respondents want information on the results of this survey?

As you work through these questions you should develop more specific questions about how the responses relate to each other. You should now be reviewing to answer the following questions:

o Are clear trends showing up? What are they indicating? For example: Is manufacturing growing more slowly than service industries?

o Is this information what you expected? If not, why?

o What factors in your community may have affected the data?

Follow this process through each section of the survey, then go back and compare one section's questions to the questions in each of the other sections. The analysis should flow in a logical manner, developing comparisons that offer information that will yield basic results and conclusions. Further on in this section we will discuss the process of comparing the relationship of specific questions using cross tabulation provided by the computer reports.

As the analysis proceeds, take some time to review the objectives that the task force outlined as the project began. Is this information bringing out issues that are being discussed or worked on in your community? If it is, define what those issues are and focus your inquiries about your data to relate to those issues.

COMPUTER ANALYSIS

The completed and coded survey results will be sent
to DEED to be entered into the computer for analysis
using the Statistical Program for the Social Sciences
(SPSS). This system will create a computer printout
that organizes the information in a series of tables
that allow for comparisons and analysis. The
printout will include the:

- o name of the community
- o variables or characteristics used
- o comparisons between variables
- o frequency distributions
- o cross tabulations

The result of the computer analysis should be
compared to your hand tally. This will assure you
that the informa tion matches and that it corresponds
to other statistical sources that you've already
checked. This will provide you with a quick validity
check that is necessary before proceeding through the
rest of your analysis. The portion of the computer
report that will provide you with this comparison is
the frequency distributions.

FREQUENCY DISTRIBUTIONS

Frequency distributions are the computer's version of
the tally sheet. The frequency distribution is the
most basic level of analysis conducted upon the
survey results. A frequency distribution presents a
table of data for each survey question or variable,
gives the total number of respondents to the
question, and the number of respondents to each of
the questions' subcomponents. Frequency distribution
also gives the percentage of respondents to each of
the questions' subcomponents or values. Table 1 is
an example of an output table from an SPSS report.

Note that the frequency table contains:

1. The value labels wherever present (e.g., Manufacturing, Retail and Service).

2. The raw or absolute frequencies associated with each value (e.g., 12, 38, 62).

3. The relative frequencies with missing values included in the percentages (e.g., 10.7, 33.9, 55.4).

4. Adjusted relative frequencies with missing values excluded from the percentage base (e.g., 10.7, 33.9, 55.4).

5. The cumulative adjusted frequency based on the nonmissing values (e.g., 10.7, 44.6, 100).

<div align="center">

Table 1

</div>

NOTE: A complete explanation of this table is provided on the following
       page.

SUNUP BUSINESS RETENTION SURVEY   (a)

FILE   SUNUP (CREATION DATE = 85/08/06.)   (b)

COMPANY (c)   TYPE (d)

CATEGORY LABEL(e)	CODE	(f) ABSOLUTE FREQ	(g) RELATIVE FREQ (PCT)	(h) ADJUSTED FREQ (PCT)	(i) CUM FREQ (PCT)
MANUFACTURING	1.	12	10.7	10.7	10.7
RETAIL	2.	38	33.9	33.9	44.6
SERVICE	3.	62	55.4	55.4	100.0
	TOTAL	112	100.0	100.0	100.0

VALID CASES 112 (j)   MISSING CASES 0 (k)

Table 1 can be read as follows:

(a) The Title of the survey is in the upper left-hand corner.

(b) The File holding the data is named "SUNUP." The creation date is also included.

(c) Company is the question name.

(d) Type is the variable label.

(e) The Category Label is the subcomponent of the question of "values." Manufacturing, Retail and Services are the "values."

(f) The Absolute Frequency means the actual number of businesses that responded to the question. The number 38 in the above example means that 38 businesses checked No. 2 or answered "retail" to the question of type. The total 112 represents the total number of businesses that answered the question.

(g) The Relative Frequency is the absolute frequency expressed as a percentage. It also includes in the percentage the frequency of missing values. The number 10.7 represents the percentage of businesses of the total 112 that answered "manufacturing" to the question of type.

(h) The Adjusted Frequency is also expressed in a percent. However, it excludes the frequency of missing values. The adjusted frequency of 10.7% represents the percentage of businesses of the 112 that answered "manufacturing" to the question of type.

(i) The Cumulative Frequency is also expressed in a percent and is based on the nonmissing values from the question. The cumulative frequency adds subsequent values to yield total percents.

(j) <u>Valid Cases</u> are the total of absolute cases or the actual number of businesses that responded to the survey. From the above example there were 112 valid cases.

(k) <u>Missing Cases</u> are the number of persons who did not answer the question. In the above example, there were no missing cases. Therefore, the relative and adjusted frequency would remain the same.

To analyze your frequency distributions you will ask the same questions as those used to analyze the hand tally. In our example, you can see that the survey questions and categories are the same for the hand tally and the computer report. The computer report is a simple restating of the same information in a different format. The computer version expands the data by adding calculations that are helpful but time consuming to do by hand methods. Therefore, the analysis questions outlined in the hand tally steps will be the same.

CONCLUSIONS

Hypothetical conclusions that can be made by examining this distribution pattern are that 12 businesses are in manufacturing, 38 are retailers and 62 provide a service. Manufacturing represents 10.7% of the businesses within Sunup while 33.9% are retailers and 55.4% are service related. The majority of the businesses in Sunup are service related.

CROSS TABULATIONS

The next step in computer analysis is to take significant questions and compare their relationships to each other. This analysis is called cross tabulation or crosstabs. The Business Retention survey has 270 variables that could be crosstabbed. Fortunately, not all of these would have significance to each other or you'd be wading through hundreds of thousands of tables looking for information. The crosstabs

provided in the computer analysis will have to be limited to those factors the community identifies as significant.

Crosstabs are a furthering of your data analysis. The purpose of a cross-tab is to enable you to make generalizations about a subset of the respondent population and to screen for relationships of the variables. They enable more than one question subcomponent or value to be analyzed by other variables/values. For example, company type could be compared to the number of full-time employees. Crosstabs also allow for two or more variables to be compared.

In cross tabulations there are two separate types of variables, dependent and independent. The dependent variable is the one you want to explain. The independent variable is the one that will be used to explain the dependent variable. In the following example, *Occupational categories* is the dependent variable and *Company type* is the independent variable. Looking at the first cell of Table 2, we can see the relationship between the number of professional workers as compared to the company type - manufacturing. It can be read as follows:

COMPANY TYPE

```
OCCU    I MFG  I
PROFESS I 11   I  Count is the number for this
        I      I    category
        I 22.9 I  Row percent is the count total
        I      I    stated as a percentage.
        I  3.0 I  Column percent is the percentage of
        I      I    the count in specific categories
        I      I    out of the total number of
        I      I    responses.
        I  1.0 I  Total percent is the percentage of
        I_____I    the count with the total number of
                     responses from both columns.
```

This cell tells us that Sunup's business retention respondents reported 11 professionals working in manufacturing-type businesses. This equates to 22.9% of all professionals reported for all company types. The column figure 3% indicates the number of professional jobs existing in manufacturing businesses. Only 1% of the total reported jobs for all occupational categories are professionals working within manufacturing companies.

Table 2

SUNUP BUSINESS RETENTION SURVEY (a)

FILE   SUNUP   (CREATION DATE=86/00/00.)   (b)

****************************CROSS TABULATION OF****************************
OCCUPATION (c) SUBJECT OCCU(d)   BY CO. TYPE (c) SUBJECT CO.TYPE (d)
PAGE 1 OF 1***

(e)		COMPANY TYPE			
(f) COUNT	I				
(g) ROW PCT	I	MANUFACTURING	RETAIL	SERVICE	ROW
(h) COL PCT	I				TOTAL
(i) TOT PCT	I	1. I	2. I	3. I	
OCCU	I	I	I	I	
PROFESSIONAL	I	11	2	35	48
	I	22.9	4.2	72.9	4.7
	I	3.0	.7	8.0	
	I	1.0	.2	3.4	
MANAGERIAL	I	25	49	82	156
	I	16.0	31.4	52.6	15.1
	I	7.1	19.0	19.1	
	I	2.4	4.7	7.9	
SALES	I	40	130	93	263
	I	15.2	49.4	35.4	25.4
	I	11.5	50.3	21.8	
	I	3.8	12.6	9.0	
CLERICAL	I	28	41	27	96
	I	29.2	42.7	28.1	9.3
	I	8.0	15.9	6.3	
	I	2.7	4.0	2.6	
SERVICES	I	20	18	105	143
	I	14.0	12.6	73.4	13.8
	I	5.5	7.0	24.6	
	I	1.9	1.7	10.1	
AGRICULTURE	I	5	4	12	21
	I	23.8	19.0	57.2	2.0
	I	1.2	1.6	2.8	
	I	0.4	0.3	1.0	
MACHINE OP	I	113	0	0	113
	I	100	0	0	10.9
	I	32.7	0	0	
	I	10.9	0	0	

	MANUFACTURING	RETAIL	SERVICE	ROW TOTAL
PRECISION PD	17	6	32	55
	30.9	10.9	58.2	5.8
	5.0	2.2	7.5	
	1.6	.5	3.1	
TECHNICAL	2	1	26	29
	6.3	5.0	89.7	2.5
	5	.3	6.0	
	.2	0	2.5	
HANDLERS	85	7	16	108
	78.8	6.6	14.8	10.5
	25.5	3.0	3.9	
	8.6	.8	1.9	
COLUMN TOTAL	346	258	428	1032
	33.4	25.0	41.6	100.0

<u>Table 2 can be read as follows</u>:

(a) <u>The Title</u> of the survey is in the upper left-hand corner.

(b) <u>The File</u> holding the data is named "SUNUP." The creation date is also included.

(c) <u>Occupation</u> and <u>Company Type</u> are both in the question name and the variable name.

(d) <u>Subject Occu</u>. and <u>Subject Co. Type</u> are the variable labels.

(e) The upper left-hand corner of the chart provides the key.

(f) <u>Count</u> is the number in the category.

(g) <u>Row Percent</u> is the percentage of the previous count figured by the row total.

(h) <u>Column Percent</u> is the percentage of the count in the specific category out of the total number of responses in the column.

(i) <u>Total Percent</u> is the percentage of the count with the total number of responses from both columns.

Examining each cell's results and comparing that information with the next cell of information will begin the process of analyzing the data by asking pertinent questions. This type of analysis is circular: it will answer some questions while creating others. The further you take the process, the more complete your understanding of the data will be. Proceeding with the analysis of Table 2, compare the distribution of professional workers in all categories of business types. Notice that the comparison is made of the entire row, including the Row Total and Row Column Percentage. Row Total is the total response for all categories of the dependent variable (Occupational Category); in this

example it is 48. The Row Column percentage is the row total stated as a percentage of all responses for all categories; in this example it is 4.7%.

COMPANY TYPE

OCCU		MFG		RETAIL		SERVICE		ROW TOTAL
PROFESS	I	11	I	2	I	35	I	48
	I	22.9	I	4.2	I	72.9	I	4.7
	I	3.0	I	.7	I	8.0	I	
	I	1.0	I	.2	I	3.4	I	
	I		I		I		I	

A comparison of this information tells that Sunup's survey respondents employ 48 professionals which make up 4.7% of the work force for all occupational categories. 72.9% of all professionals in Sunup work in service-related industries, while 22.9% work in manufacturing and 4.2% in retail. Within the service businesses professionals comprise 8.0% of all employed workers vs. .7% employed in retail or 3.0% in manufacturing.

Questions that should be asked of this information are:

o How does this information compare to a similar city like Sunup or state statistics that are available?

o What are some of the different driving factors that affect these results?

o Is Sunup's economy based on one industry?

o What is the major company type in Sunup and does that affect the number of professionals working in the community?

o If so, how?

o   Suppose 4.7% of the work force in Sunup are professionals as compared to 12% for the state; how does this affect Sunup's economy?

To answer these questions, further examination of the survey and some outside research will need to be conducted. As you work through the report, develop a list of questions concerning the local economy. These questions should be driven by both the survey results and the issues that concern the community. This list will serve as a research design for formulating and responding to local economic issues. Once all questions are identified, organize them in a logical sequence and begin seeking their answers.

Some hypothetical conclusions that can be drawn from Table 2 are:

o   Individuals working in sales represent the largest occupational category (263 people employed or 25% of the total labor force reported) in Sunup.

o   Fifty percent of the sales people are employed in retail businesses within Sunup.

o   The smallest occupational category for Sunup is agricultural workers representing 2% of the working labor force. This is followed closely by technical workers at 2.5% of the labor pool.

o   Over half of the professional and 90% of the technical workers are employed in service industries. This compares to no reported machine operator in the service industries.

READING THE TABLE

Depending on the crosstab being examined, you may want to make a cell-by-cell comparison or to simply look at row and column totals and comparisons. The extent you analyze a table will depend on its importance to the issues of your community. An example of comparing rows and columns is demonstrated in the following table:

```
                COMPANY TYPE

            MFG       RETAIL     SERVICE        ROW
OCCU    I         I          I          I    TOTAL
PROFESS I   11    I   2      I   35     I    48
        I   22.9  I   4.2    I   72.9   I     4.7
        I    3.0  I    .7    I    8.0   I
        I    1.0  I    .2    I    3.4   I
HANDLER I   85    I   7      I   16     I    108
        I   78.8  I   6.6    I   14.8   I     10.5
        I   25.5  I   3.0    I    3.9   I
        I    8.6  I    .8    I    1.9   I
```

Comparing these two rows shows us that handlers make
up 10.5% of the total employed workers as compared to
4.7% for professsionals.   Given that handlers have
the lowest educational attainment of all occupational
categories and are subject to technological-induced
unemployment, this data shows a substantial share of
Sunup's workforce could face employment difficulties
in the future. Sunup may therefore want to examine
possible opportunities to help individuals in this
occupational category to upgrade or change their
skill areas as a method of minimizing community
hardship.

As for professional workers, on the average Sunup
employs fewer than the state as a whole. This
occupational group earns higher incomes and is more
in demand than any other group. Sunup may want to
develop a strategy that encourages professional-
intensive employers to locate in the community. This
strategy could include attracting specific industry
types but also improving the city's quality of life.
These are just a few of the hypothetical conclusions
that could be drawn. The point is to encourage you
to look at your results and to develop conclusions
and strategies relevant for your community.

These are a few of the comparisons that can be made,
but from these analytical questions can be raised.
Each crosstab will require its own set of questions
and will yield its own conclusions. Determining if
this information is useful will be the job of the
coordinator. While DEED will provide you with a

series of crosstabs, we encourage you to think through the important issues for your community and request additional tabulations.

To give you some of the possibilities for other crosstabs that can be done, a short list has been provided.

Example Cross Tabulations

o   Company type vs. wages by occupational group. This table expresses the wages paid for each occupational group within each company type.

o   Recruiting problems vs. recruiting factors. This table explains which job categories are experiencing recruiting problems and which factors are perceived as being a significant barrier to recruiting.

o   Job program type vs. employer satisfaction. This table compares the job programs that employers have used to their satisfaction with the services received.

o   Employment type vs. occupational categories. This compares the four categories of employment (full-time, part-time, etc.) by each of the occupational categories.

o   Trade area vs. SIC code. This table groups businesses by SIC code to show the market area for that business code.

o   Business services vs. advantages of doing business within the community. This compares the importance of a service to the businesses to the listing of the services considered the most advantageous to doing business within the community.

o   Business service vs. disadvantages of doing business within the community. This table compares the importance the business community gives to a service to the services that business perceives as being disadvantageous to doing business within the community.

o   Type of assistance sought vs. the receiving of financial assistance. This comparison shows the type of assistance businesses have been seeking and if those types of assistance have led to the receiving of financial assistance.

o   Type of assistance sought vs. rating of business services. This compares the types of assistance businesses are seeking to those services (permit assistance, business information center, etc.) that they feel could be of potential value to their business.

o   Location factors vs. company type. This compares the responses for the reasons businesses located in a community to the company type.

o   Community services vs. problems solved. This table compares the problems experienced with services to the number of respondents that said the problems had been corrected.

o   Years in business vs. expansion. This table compares the number of years a business has been operating to its expansions, if any.

o   SIC code vs. relocation. This chart examines the companies that are considering relocation to the business category as defined by SIC codes.

These are only a few of the available crosstabs. It will be necessary for the program coordinator to determine which crosstabs the community will need. After receiving this information, the coordinator will examine all of the data from the computer analysis to be sure that relevant information is

brought before the Business Retention and Expansion Task Force. From this information, the task force must start to ask questions of what this is saying about their community and how it can be used to make feasible recommendations. Out of the conclusions and recommendations will come the next step: writing a report summarizing the findings.

PRESENTING THE INFORMATION

With the analysis of the survey completed, the final steps of the program will be to assemble the information in a way that will be meaningful and easy to use. The first step in this process is to review with your committee the results and analysis of the survey. The committee must agree with the interpretation of the survey results and how this information is to be used. The coordinator will have to take the lead in presenting the information and offering suggestions leading to group consensus. The consensus is necessary since it will be the basis for future actions the committee takes.

Once a consensus is reached you are ready to begin working on proposals that will offer methods to solving the problems that have been identified. Remember, you now have the most up-to-date information available. Put it to work in a positive manner by sharing the knowledge with community leaders and suggesting possible solutions.

After your committee has constructed its conclusions and prepared constructive proposals, you'll need a means to report your data. A written report is the most direct way to state the program's objectives and clearly communicate the survey's findings. Your report should include the following items:

- o a cover page
- o a section stating the program's goals and objectives
- o a section summarizing the survey's major finding of each topic area
- o a section outlining the conclusion and recommendations reached by the committee
- o a section acknowledging all those who worked on the project.

The report should not be a document that uses technical or confusing terms. Rather, it should be concise and direct in its statements and conclusions. It should give the reader a feel for the concerns and perceptions of the business community. Consider including comments that were gathered from open-ended questions but be sure that the quotes are appropriate and reflect the majority response to the question.

On the following pages is a hypothetical business retention survey report. Feel free to use it as a guide for your survey report.

With the report written you'll want to distribute it to city officials, the sponsoring organization's members, interested business people and other concerned community members. Local newspapers will also be interested in reporting the survey's findings. To assist you in writing a news release this manual includes a sample story in the section on publicity. The more publicity that the survey results receive, the more interest and support for action that will be generated. Action to help your businesses stay healthy and happy within your community should be the final result of this survey.

BUSINESS RETENTION AND EXPANSION PROGRAM

A Partnership Between

THE MINNESOTA DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT

And The

CITY OF SUNUP

SUNUP SURVEY REPORT

FEBRUARY 1986

CITY OF SUNUP

BUSINESS RETENTION AND EXPANSION PROGRAM

Survey Report

February 1986

BACKGROUND AND OBJECTIVES

The Business Retention and Expansion Program is a community-based program of aggressive survey research, conducted among businesses in Sunup by persons from both the public and private sectors. The survey program is designed to:

1. provide a general analysis of the stability and the strengths of the local economy;

2. determine if existing businesses in the community are contemplating relocations;

3. determine if existing businesses in the community might be planning for or receptive to expansions of operations, and under which conditions; and

4. learn if local firms are having financial problems that might be remedied through public grants, loans or other forms of technical assistance, before those problems reach crisis proportions.

The Business Retention and Expansion Survey concept was pioneered by a partnership between the Minnesota Department of Energy and Economic Development and the Star City program which offers technical assistance to communities in planning and conducting local business surveys.

One of the Minnesota communities that has designed and successfully completed a local business survey as part of this program is City of Sunup. What follows is an analysis of the information provided by Sunup businesses that were initially identified as potential inverviewees for the Business Retention and Expansion Program.

The report that follows is both descriptive and relational in character. Its primary goals are (1) to report on the distributions of responses to individual survey items and (2) to seek out and report patterns of relationships between and among the responses to key questions in that survey. For the former purpose, what follows builds on the excellent preliminary survey report compiled and submitted to Sunup City officials in February 1986.

SURVEY ANALYSIS

I. General Business Characteristics

The businesses that responded to the Sunup survey on business retention and expansion are, in the aggregate, a diverse group. They vary relatively widely in size and scope, in age, and in the type of business that they transact. To be more specific, the business retention survey results reveal that:

o Sunup's responding companies employ, on the average, 1032 workers; nonetheless, actual business sizes range widely around that average, from one-person "microbusinesses" to concerns employing hundreds of workers.

o The average company represented by a Sunup survey respondent is twenty-five years old but, again, the range around this average spans more than half a century.

o About one third of the responding companies (38.9%) own their current business premises.

o Exactly half the responding companies started business at the Sunup locations they currently occupy.

The diversity of the survey respondents and the companies for which they speak seems quite evident from these patterns.
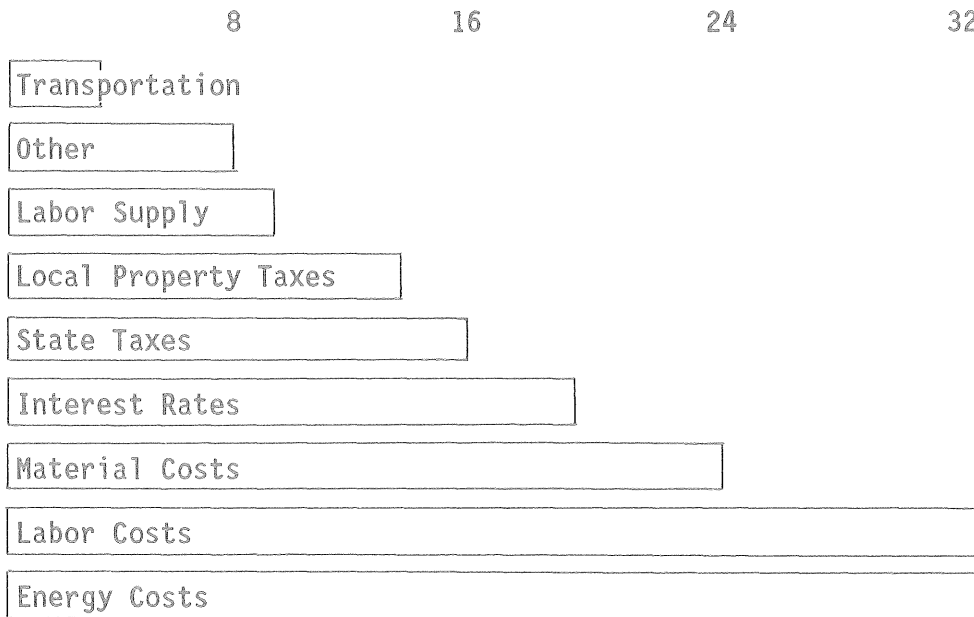
If the local economy tapped in the business retention survey conducted in Sunup is broad along many dimensions, it is relatively narrow on others. This is especially the case with regard to its market, for on the whole the companies responding to the survey constitute a predominantly local business community. Most deal in either retail sales (38.6%) or in services (51.8%); as a result, most (93.7%) have their "corporate headquarters" in Sunup. While a handful of responding companies service customers on a national and even international scale, most (76.8%) draw the bulk of their clientele from the residents of the city or from the larger population of this county. All bank locally, with 88.9% doing so in the city and the remainder elsewhere in the county.

While this obviously limits respondents to hiring from a relatively local labor pool, that does not seem from the survey to be a problem for these companies. Relatively few (24.2%) make use of professional personnel services, while even fewer (15.9%) have ever made use of "job development programs" sponsored by public sector agencies at any level of government.

If labor availability is not a serious current problem for the respondents to the Sunup survey on business retention and expansion, transportation cost--as well as utility cost--certainly is. In the survey, respondents were asked to rank 4 of 15 business factors with regard to the seriousness of the impact each was having on the respondents' current business conditions. As Figure I demonstrates, utility and transportation were by far the most frequently identified sources of financial difficulty; materials costs and business services ran a distant third and fourth respectively; the other items were, by comparison, far less frequently mentioned as problems.

Figure I.

NUMBER OF RESPONDENTS CITING SOURCES OF FINANCIAL DIFFICULTIES

| | 8 | 16 | 24 | 32 |

Transportation
Other
Labor Supply
Local Property Taxes
State Taxes
Interest Rates
Material Costs
Labor Costs
Energy Costs

II. The Quality of Local Public Services

Some have said that a community can make a large, positive contribution to local business retention by offering regular public services at high levels of quality to its business "citizens." Whether that holds true generally across communities is impossible to say with any degree of reliability, but the respondents to the business retention survey think that the City of Sunup is largely keeping up its end of the bargain. Large minorities of respondents are generally satisfied with the services they receive from the city, as indicated in Table 1. Particularly high levels of respondent satisfaction are registered for the services of: water pressure and supply; sanitary sewer services; the police protection; and schools. Nonetheless, all the services listed get relatively high marks from the Sunup survey respondents.

Table 1:

SATISFACTION WITH LOCAL PUBLIC SERVICES

Service:	Percent Responding Favorably
Water Pressure and Supply	90.0
Sanitary Sewer Services	88.7
Public Safety/Protection	78.5
Schools	82.5
Fire Protection	80.3
Emergency Medical Services	85.9
Roads	77.6

There is one somewhat troubling note to add with regard to perceptions of the quality of public services among Sunup survey respondents. While most respondents are indeed satisfied with most public services, it appears from the survey analysis that the dissatisfied (or, more accurately, the less satisfied) tend to be concentrated among Sunup's older companies and among its more "rooted" companies: those that started doing business in Sunup, that own their own premises, and that are most active in the local Chamber of Commerce. Although the old adage that "familiarity breeds contempt" undoubtedly overstates the case, the dynamic that it taps seems to reflect the Sunup situation, in a general way, vis-a-vis satisfaction with local public sector services.

III. Relocation, Expansion and the Quality of the Climate for Business

Most of the Sunup survey respondents feel quite positive about the quality of the business climate in which they tend most heavily to operate, the local community. When asked in the survey to rank that climate on a four-point scale, 6.0% rank it "excellent", 64.2% call it "good"; 28.4% call it "fair"; a mere 1.5% rank it as "poor." Obviously, local officials can be much heartened by this pattern of responses.

It is important to note at this point that the survey analysis revealed a clear and strong correlational result with regard to rankings of the local business climate: respondents most satisfied with local public sector services tend to rank the local business climate more positively than their less satisfied counterparts. This is especially true with regard to the services of water, sewer and parking enforcement, but it holds to some degree for all the services about which survey questions were asked. There is clear evidence here for the strong linkage in Sunup between public sector actions and their effects on private sector organizations.

Given the positive rankings of the local business climate offered by the Sunup survey respondents, it would be relatively surprising if more than a handful were considering "pulling up stakes" and moving to a more favorable economic climate. In fact, most respondents are not considering such a move. At the time the Sunup survey was administered, 15.1% of the respondents reported having plans to move their places of business, with most of those planning to move to new sites in either the city of Sunup or in this county. About one fifth of the respondents (21.4%) report having considered relocations in the past are planning to stay in their present business locations. Even so, the percent planning relocations emerges from the survey as relatively small, and the relocations planned as generally local.

Even though relocations may not be "in the cards" in any great number for most of Sunup's businesses, a good deal of economic activity is being planned for the near-term future. A sizable minority of Sunup survey respondents are looking to the future with anticipations of growth. Nearly half (44.1%) say they now own

sufficient space for future expansion, while about one fifth (19.4%) are actually planning such an expansion. In addition, about one third (36.5%) are planning a future modernization for either their plant, their equipment, or both. If these respondents do indeed carry through with their plans, then steady economic growth may be looming over the horizon for much of Sunup's economy.

The analysis of the Sunup survey data reveals that there are important connections between and among the experience of crime, satisfaction with local public services, and the likelihood of a business planning either a relocation or an expansion or modernization. To be more specific, the survey analysis reveals that:

o   respondents who have been victimized by crime are more likely to be planning relocations than are their crime-free counterparts;

o   respondents who are less satisfied with local public sector services are more likely to be planning relocations than are their more satisfied counterparts; and

o   respondents who rank the local climate for business more positively are the ones most likely to be planning business expansions or modernizations (or both).

Again, the importance of high quality public sector services in promoting a healthy and growing private sector looms large in these findings.

IV. Conclusion

The public and private sectors are intimately linked in Sunup. What the former does in producing and delivering services directly affects what the latter does with regard to business climate. Services have, in addition, a strong indirect effect on local business expansions and modernizations. Those are the primary lessons of this analysis of the responses to the Sunup business retention and expansion survey.

All of this, of course, must be taken in context. To date, large majorities of Sunup businesses seem quite pleased with the quality of local public services; discontent in this regard is neither rampant nor deep, a fact in which city officials can take some pride. Crime, while not unknown to the survey respondents, is not particularly widespread among them. The quality of the local business climate is ranked positively by most respondents, most of whom are not planning imminent relocations. To the contrary, many envision modernizations and/or expansions in their short-term futures.

Taken as a whole, what these survey results suggest is the need for continued vigilance among local officials in the city of Sunup in ensuring a positive public sector performance record and, perhaps, a special effort in this regard vis-a-vis Sunup's oldest and most deeply rooted companies.

This is not a particularly glamorous policy prescription, but the data analysis at many points yields clear evidence of the importance of the public sector to the life of the private. The survey suggests that local officials have done a commendable job in managing this connection in the past, and that a prudent and profitable strategy for the future would be more of the same.

ACKNOWLEDGEMENT

The City of Sunup Business Retention and Expansion Program was made possible through the dedication and support of the volunteer task force, the members of which were:

VOLUNTEER RECOGNITION

Volunteers are key to a successful Business Retention and Expansion Program. They give their time and energy to the project. It is the responsibility of the program coordinator to keep the volunteers interested and motivated in the project to assure that they continue with it until completed. Recognition of the interviewers' work is essential to maintaining a positive relationship with the volunteers.

There are two types of recognition:

o Formal (awards, testimonials and banquets are examples)

o Informal (the day-to-day reinforcement of a positive word or pat on the back for good work)

Formal recognition usually comes at the end of a project and is a way of saying thanks for the good work. It is also a means to tell others about the service that these individuals performed. On the next page is an example of a certificate of recognition that can be presented to the volunteer. (These certificates can be ordered through the State Documents Center, 117 University Ave., St. Paul, MN 55155.) This gives them a means of validating the work they have done and of knowing that their community recognizes their efforts.

Informal recognition is the way you deal with people on a day-to-day basis to tell them they are important to the project and performing well. It can take the form of a smile or word of encouragement to completing a task. Whatever form it takes, it is important to remember that recognition is not so much something you do as it is something you are. It shows that you are sensitive to others as a person, not as a strategy for discharging an obligation. Without this sensitivity it is difficult to recruit and keep volunteers working for the project.

Volunteer

Certificate of Recognition

This certificate is given in recognition to

_____

*who has proven to be an outstanding citizen of*_____

and of the State of Minnesota by freely giving the generous gift

of time, talent and energy as a volunteer in behalf of the

_____

_____   _____
Governor

Minnesota Office on Volunteer Services, 500 Rice Street, St. Paul, Minnesota 55155