

Business Retention



Program of Work
FY 10-11

INTRODUCTION

The Board of Directors, Leadership of Northwest Kentucky and especially our Existing Businesses, continue to identify a strong, on-going Existing Business Program as a key strategy to create wealth and opportunity for the region for Fiscal Year 2010-2011. It is important that the entire program responds to the needs and concerns expressed by the businesses. The primary target for this program remains those manufacturers and service providers who qualify to participate in Kentucky economic development assistance programs. Since the beginning of 2007, it became obvious that the “Program of Work” had grown and strengthened significantly since its inception, resulting in the following:

- Increased awareness and acceptance of NWKF;
- The formation of strong working relationships with existing businesses throughout the four-county region;
- Additional programs and substantial increase in attendance and expense for the programs we offer;
- Solidification of partnerships other state and regional economic development organizations.

Northwest Kentucky Forward’s Existing Business Program has three objectives. The program will strive to accomplish the following:

1. ***retain*** existing manufacturers, qualified distribution centers, and qualified service providers;
2. ***expand*** employment and *increase* investment in capital and workforce by these businesses;
3. ***promote*** the existing business base as the area’s number one recruitment tool and source of both lead generation and product improvement.

All of the activities of the Existing Business program will seek to accomplish one of these three objectives, and in many cases, an activity may touch 2 or 3 objectives.

This document outlines a Program of Work for the Existing Business Program for Fiscal Year 10-11. While this Program of Work will be specific to this time-period, it will lay the groundwork for future initiatives.

BUDGET SUMMARY

Programs	\$ 19,800
Visitation	\$ 900
<u>Incentives</u>	<u>\$ 4,000</u>
GRAND TOTAL	\$ 24,700

PROGRAMS

Purpose—The Existing Business initiative will provide programs that provide training, assistance and networking opportunities to area General Managers/Plant Managers, Human Resource Managers and Supervisors.

HR/General Manager & Plant Manager Meetings

Description – By bringing together HR, General Managers and Plant Managers from existing businesses, NWKF can build relationships and networks while providing information and receiving valuable feedback.

Goals – Programming will hold the following events through the year that will fulfill the following objectives (R-retention, E-expansion, P-promotion):

- Quarterly HR Council Breakfasts R, E, P
- Quarterly joint HR/GM-PM lunch meetings in Webster & Union Counties R, E, P
- Semi-annual joint HR/GM-PM lunch meeting in McLean R, E, P
- Semi-annual Leaders' Round Table breakfast R, E, P

Cost - \$4800. Each HR breakfast meeting and GM-PM/HR lunch meeting will cost approximately \$300 for each of the 14 meetings. The 2 roundtables would cost \$600 total.

Timeline - HR breakfasts will be held quarterly starting in September 2010; Webster and Union County HR/GM-PM lunch meetings will be held quarterly Q1-Q4; McLean County Meeting in Q2 and Q4; Henderson Leaders' Round Table breakfast in Q2 and Q4.

Training Programs

Description – Focusing on our existing businesses, offering opportunities for training to meet their specific needs, can positively impact retention and promotion efforts.

Goals – The following training programs will be offered:

- Minimum of 2 - 2 hour HR Continuing education programs R, P
- Minimum of 2 Management Leadership or Supervisor Training programs R

Cost - \$7000. Due to increased programs, attendance and materials cost, the HR/Management continuing education program would be a total of \$4000 and the Leadership and/or Super Supervisor programs \$3000.

Timeline – HR and Management continuing education courses in Q2 and Q4; Supervisors' Training in Q3.

Appreciation Event & Wage & Benefit Survey

Description - The annual Existing Business Wine & Cheese Appreciation event provides a networking event for key decision-makers within our existing businesses; while the Wage & Benefit Survey provides employers with a tool to enhance their competitiveness.

Goals - The following programs will be offered:

- A relaxed appreciation event for Plant Managers, HR Managers and key decision-makers R, P
- Wage & Benefit Survey R, E, P

Cost - \$3100 - The appreciation event will include \$2600 from NWKF. The W&B Survey cost is \$500.

Timeline - Appreciation Event in Q2; W&B Survey in Q3.

Neighbors 4 Neighbors

Description - A new concept to be launched in 2010 the “Neighbors 4 Neighbors” is a e-mail based program to assist in strengthening the partnership among the four Counties of Henderson, McLean, Union and Webster.

Goals – Set up a website for the Counties to partner on resources, capabilities, technologies, capital and markets, which will require minimal oversight by NWKF.

Cost - **\$3500**. Once the website is up and running, there should be minimal, if any, further cost.

Timeline – 1st quarter of fiscal year 2010-2011.

Miscellaneous

Description – The ability to be flexible is a key strength to this plan. Therefore, having funds available for unplanned opportunities – program development - without delaying or replacing other activities is necessary.

Goals – Having funds available for additional programs/activities.

Cost - **\$1500**.

Timeline - Ongoing

FY 10-11 and Beyond

All of the program activities of the Existing Business Program are to be continuous. During the 1st quarter of 2009-2010 NWKF formed a partnership with the KY Manufacturing Assistance Center (KMAC) to provide additional training opportunities for the existing businesses under a special federal grant, resulting in 3-four hour workshops being held; the new KY Aluminum Network was formed in support of our aluminum industries; during the 2nd quarter of 2009, we held a second annual “Safety and Health” 2-day session presented by KY OSH for Safety, HR personnel, Supervisors, Maintenance personnel and Safety Committee members and during the 3rd quarter brought seven agencies together to present the first “Emergency Preparedness” session for the four county region. Also new during the 3rd quarter was an on-line “Economic/Employment Survey” conducted for our four county region, and the 2nd annual Henderson County Career & Technical Education Unit open house was held.

While additional programs of this nature may be added and schedules changed, activities such as those listed and the programs already in place, should form the basis of the Existing Business Program.

VISITATION

Purpose - By making regular, personal contacts with key decision-makers at local existing businesses, NWKF can enhance retention, expansion and promotion, as well as demonstrate community support for the local firms.

Annual On-Site Calls

Description - NWKF staff will visit with local key decision-makers on-site at every manufacturer, qualified distribution center, and qualified service provider during the fiscal year. This will provide decision-makers with an opportunity to provide input regarding company performance, needs and wants while providing staff with a venue to share information regarding relevant programs and opportunities.

Goals - The visitation program will accomplish the following:

- Every company will receive at least one visit during the year R, E
- Each visit will result in a record for the database R
- Follow-up will be provided after every visit R, E

Cost - This program will not require any additional costs beyond staff and ordinary travel.

Timeline - With approximately 134 existing businesses being visited, this program will be on-going and will require approximately 11 visits per month.

General Manager/Plant Manager One-On-One Lunches

Description – Scheduling lunches with local General Managers/Plant Managers one-on-one is a means to build relationships and share information. The lunches will provide key decision-makers with another touch that is focused exclusively on the individual.

Goals - The General Manager/Plant Manager lunch program will accomplish the following:

- Existing Business Manager will endeavor to schedule lunch with a General Manager/Plant Manager on a monthly basis R
- Each visit will result in a record for the database R
- Follow-up will be provided after each lunch R

Cost - \$300 This is based on approximately 10-15 lunches at \$20 a lunch.

Timeline - This program would be on-going.

Corporate Calls

Description - Many of the local facilities are part of large corporations. Often, corporate decision-makers are not aware of programs and opportunities available to grow local operations. By visiting with corporate decision-makers, staff can assist with retaining and expanding local facilities, as well as promoting the area for new operations.

Goals - The corporate call program will accomplish the following:

- 3-4 visits will be made to the corporate office of local companies E, P
- A NWKF gift will be presented at each call P
- Each visit will result in a record for the database R, E
- Follow-up will be provided after every call P

Cost \$200 for gifts. The calls will be coordinated with other travel in the area, reducing costs. The travel costs would come from the travel expense.

Timeline - This program would be coordinated with other efforts and depend on when those visits coincided geographically.

Existing Business E-Newsletter

Description - An e-newsletter will provide business leaders with news, updates and a calendar of events on a regular basis. It would provide yet another contact between NWKF and the existing business base.

Goals - The existing business e-newsletter will result in the following:

- Produce a quarterly publication P
- Share value-added information E, P

Costs - \$300. This e-newsletter would use the basic template employed by both the consultants' and investors' e-newsletters.

Timeline - The first e-newsletter will be sent mid-Q1 with additional e-newsletters sent the middle of each following quarter.

INCENTIVES

Description - Northwest Kentucky Forward has very few opportunities to incent companies to grow. The organization continues to encourage participation in state incentive programs, as well as local and regional loan programs. However, staff has identified one way to incent companies to apply for state incentives—covering the application fee which ranges from \$750-\$1,000. This potentially increases the probability of the company both receiving incentives and moving forward with the expansion.

Goals – The incentive fee program will accomplish the following:

- Pay the application fee for all companies looking to take advantage of programs offered by the Kentucky Economic Development Finance Authority E

Cost - \$4000 These funds come from the incentive expense line.

Timeline— This program will be on-going.

WORK

In addition to the Programs, Visitation Initiatives and the Incentive efforts, the Existing Business Manager will be involved with the daily activities of the work. For example, experience suggests that each existing business visit results in approximately ½ to ¾ of a day of follow up work. This may include sending a thank you letter, adding information to the data base, chasing resources, making contacts, investigating issues or concerns and getting back to the business. Each time a company applies for incentives can result in 4-8 hours of review and assistance from staff. Additionally, staff will need to go to Frankfort each time an application is reviewed.

The Existing Business Manager will continually be on the lookout for new and improved ways in which to assist our existing businesses. This may be accomplished by visiting a business 2 to 3 times to finalize outstanding issues, conceptualizing and implementing new and/or additional training programs or providing assistance on HR and Safety issues as requested by the companies.

The Existing Business Manager will also serve on various committees and boards, and will assist the Cabinet of Economic Development or Kentucky Association for Economic Development as a representative of Northwest KY Forward.

With the growth of NWKF's Education Initiatives, it is anticipated that the Existing Business and Education staffs will work closely on various projects.

FY 10-11 and Beyond

Each element of the Existing Business Program would be on-going initiatives.

Proposed is a manufacturing symposium presented by NWKF to bring northwest Kentucky manufacturers together to pursue ways to obtain sustainable growth and innovation in manufacturing throughout the regions.