

Existing Business Initiative



Program of Work
FY 08-09

INTRODUCTION

The Board of Directors, Staff and Leadership of Northwest Kentucky continue to identify a strong, on-going Existing Business Program as a key strategy to creating wealth and opportunity for the region for Fiscal Year 2008-09. 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, and solidification of partnerships with the Greater Owensboro Economic Development Corporation and various Evansville organizations.

Another example of the success of the Existing Business Program is the increase in interest on the Bluegrass State Skills Program. Every visit made results in discussion on the BSSP and fact sheets being left with the contact, as well as verbal information given on the WINS Grant through the Henderson Community College.

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 will outline a Program of Work for the Existing Business Program for Fiscal Year 08-09. While this Program of Work will be specific to this time-period, it will lay the groundwork for future initiatives.

BUDGET SUMMARY

Programs	\$ 15,250
Visitation	\$ 1,800
<u>Incentives</u>	<u>\$ 3,500</u>
GRAND TOTAL	\$ 20,550

PROGRAMS

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

Human Resource Manager/Plant Manager Councils

Description – By bringing together HR 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):

- Bi-monthly Henderson HR Council Breakfasts R, E, P
- Joint HR/PM meetings quarterly in Webster and Union each R, E, P
- Joint HR/PM meeting semi-annually in McLean R, E, P
- Leaders' Round Table semi-annually in Henderson R, E, P

Cost - \$6800. Due to increased attendance, each HR breakfast meeting and PM/HR lunch meeting will cost approximately \$400 for each of the 16 meetings. The 2 roundtables would cost \$400 total.

Timeline – Henderson HR breakfasts will be held bi-monthly starting in August 2007; Webster and Union County HR/PM meetings will be held quarterly Q1-Q4; McLean County Meeting in Q1 and Q3; Henderson Leaders' Round Table events in Q2 and Q4.

Training Programs

Description – Offering opportunities for training to meet our existing businesses needs can positively impact retention and promotion efforts.

Goals – The following training programs will be offered:

- 2, 2 HR Continuing education programs R, P
- 1 Supervisor Training program R

Cost - \$5200. Due to increased programs and attendance, the HR continuing education program would be a total of \$2300 and the Super Supervisor program \$2900.

Timeline – HR courses in Q2 and Q4; Supervisors' Training in Q3;

Appreciation Event & Wage & Benefit Survey

Description - The 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 - \$2500. The appreciation event will include \$2100 from NWKF. The W&B Survey cost is \$400.

Timeline - Appreciation event in Q1; W&B Survey in Q2;

Miscellaneous

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

Goals – Having funds available for additional programs/activities.

Cost - \$750.

Timeline - Ongoing

FY 08-09 and Beyond

All of the program activities of the Existing Business Program are ones that should be continuous. In early 2008, a new training program was added. This was a “Workplace Safety and Health” seminar provided for Safety and HR personnel, Supervisors, Maintenance personnel and Safety Committee members. While additional programs of this nature may be added and schedules changed, these activities should form the basis of the Existing Business Program.

Also gaining interest is a safety and health program sponsored by and conducted by NWKF. Several written and verbal requests have been made by various companies over the past few months, to have on-site training conducted by the Existing Business Manager due to her certifications in OSHA. This fills a specific need of the existing businesses. This type of program would be totally unique for economic development in the state and presents an outstanding opportunity to further develop the Program of Work. The growth of these efforts will depend upon funding for additional staff.

VISITATION

Purpose - By making regular, personal contacts with key decision-makers at local existing businesses, NWKF can enhance retention, expansion and promotion.

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

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

Timeline - With approximately 128 visits, this program will be on-going and will require slightly over 10 visits a month.

Plant Manager Lunches

Description – Scheduling lunches with local 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 plant manager lunch program will accomplish the following:

- Existing Business Manager will endeavor to schedule lunch with a plant manager twice a month R
- Each visit will result in a record for the database R
- Follow-up will be provided after each lunch R

Cost - \$1000. This is based on approximately 50 lunches at \$20 a lunch.

Timeline - This program would be on-going. The plant manager lunches should take approximately 2.5 years to complete one run.

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

Costs - \$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.

FY 08-09 and Beyond

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

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 \$250-\$500. 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 - **\$3500**. 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 $\frac{1}{2}$ to $\frac{3}{4}$ of a day of follow up work. This may include 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 or 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, Boards or assist the Cabinet of Economic Development or Kentucky Association for Economic Development as a representative of Northwest KY Forward.

There continues to be interest in introducing the Workplace Employability certificate to the local school systems and meetings have been held with key individuals to lay the groundwork. The growth of these efforts will greatly depend upon the availability of additional staff.