

# BUSINESS RETENTION AND EXPANSION – PRE- AND POST-DISASTER

As discussed, disasters strike with little or no warning, causing dramatic social, humanitarian, and economic consequences to local communities. In this environment, economic development should play a leading role in the retention of existing businesses – particularly ones that drive the local economy. Local businesses are likely to be struggling with responding to impacted employees, facilities, customers, and supply networks. However, your organization can stay in touch with these impacted businesses and can help connect them to the resources they need for long-term recovery.


Existing relationships with businesses are crucial during a disaster as communication channels can become disrupted and chaotic. Local businesses are likely to call on your organization for guidance and direction. Others may not call but should receive some form of outreach in order for them to know they are a valued part of the local area and will play a vital role in the community's recovery process.

What is critical is that **there needs to be multiple outreach methods that economic development staff use to care for impacted businesses**, to gather information on how they've been impacted and then to use that information as a means for providing them critical business assistance. It is important to stress the need to tailor these ideas to what makes sense in your own individual community.

**A business retention and expansion program should be your number one economic development activity.**

Business retention and expansion (BRE) is one of the key practices of any economic development organization. The purpose of a BRE program is to provide assistance with the business challenges that may force a company to fail and subsequently close, and to prevent companies from relocating to a new community. Either through personal visits, surveying, focus groups, going door-to-door or other methods, an economic development professional will seek to understand the needs of impacted businesses, particularly those at risk of closing or relocating elsewhere, respond to those needs by connecting them with needed resources, and address local issues that detract from a healthy business climate in which local businesses can prosper and grow. *BCEDA has specific Business Retention and Expansion Workshops and other resources for communities.*





BRE efforts should result in strong relationships with businesses and developing a deep understanding of their challenges they face so that your organization can provide the most appropriate suggestions of private and public resources – either at the local, state and federal level. When a disaster hits, those organizations with existing relationships will facilitate better communication with impacted businesses and trust that your organization will deliver on pointing them in the right direction for recovery resources.

In large-scale disasters, it is important to remember that many business owners are likely to be dealing with a number of overwhelming challenges. They may be facing losses within their business as well as damage to their personal home and possibly, the loss of loved ones. Many of the economic developers in disaster-impacted communities talk about how they first served as an unofficial counselor with business owners crying, sharing frustrations and other emotions when first meeting shortly after the event. It is important that your staff serving in this function be prepared to demonstrate that they care for them and assist them in the hour of need. In some cases, training on how to be sensitive to these issues may be necessary.

It is hoped the majority of communities have an active BRE program in place prior to any disaster. It is during this time (pre-disaster) that your BRE program can be implementing activities that will assist in post-disaster BRE. These activities have been discussed previously and include:

- Collect critical emergency contact information from local businesses
- Establish a remote service to back-up BRE database
- Establish a tiered system of business re-entry
- Convene local banks to discuss the need for flexible financing
- Prepare media messages and communication channels

Even if there is an active BRE program pre-disaster, communities are often unprepared for the chaos that emerges after a disaster. The needs may be overwhelming, and resources are stretched in every direction. Businesses may need short- and long-term financing and planning resources, and economic development organizations are tasked with how to best meet these needs. There is a need to quickly locate recovery information, financial, technical assistance, and planning resources, and determine the best method to deliver its services to businesses.

A disaster-impacted community also needs to develop a long-term vision for how it will rebuild its economy. It takes time, leadership, and resources – all of which will be in short supply – to develop an economic recovery plan with buy-in from community stakeholders. Yet, a post-disaster strategic plan provides the opportunity to re-evaluate economic objectives in light of vulnerabilities and establish strategies and action steps to make progress toward long-term recovery.

Strategies for a post-disaster BRE program can include:

- Establish a Business Recovery Centre
- Establish a business recovery hotline
- Develop an online web portal to facilitate communication and information
- Establish an outreach campaign for priority businesses
- Survey local businesses
- Deliver business recovery workshops