

# Prince Albert Region

## Business Retention and Expansion Program

*“Prepared for Growth”*

March 31

# 2009

Strategy Development Update



**Prepared For:** Prince Albert Regional Economic Development Authority

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# Prince Albert Region Business Retention and Expansion Strategy

## 1.0 HISTORY AND BACKGROUND

In the fall of 2007, a number of economic development stakeholders within the Prince Albert Region came together to form a new working group called PREPARE (Pursuing Regional Economies through Prince Albert Region Engagement). Through a series of discussions, development of a Business Retention and Expansion Program for the Prince Albert Region was selected as a key strategic priority for the group.

Business Retention and Expansion (BR&E) is an economic development approach that emphasizes the importance of existing businesses to the local economy. Traditionally, economic development strategies have focused on new business attraction however studies from the Association of Business Retention and Expansion International in the United States estimate that 60-80% of new employment is created by existing firms rather than by attracting new businesses to communities. Furthermore, business attraction efforts are less likely to be successful if existing businesses are not happy with the local business climate.<sup>1</sup>

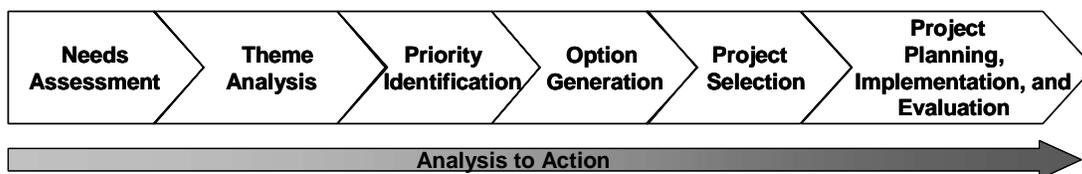
Through the BR&E program, concerns and barriers to survival and growth facing local businesses are identified and key projects and initiatives are then implemented to support business retention and expansion. There are four phases within the BR&E process:

- Phase 1: Project Planning and Business Visits;
- Phase 2: Immediate Follow-Up of Red Flag Business Concerns;
- Phase 3: Data Analysis and Strategic Planning;
- Phase 4: Public Meeting and Implementation of Initiatives.

Between November 2008 and March 2009, the Prince Albert Regional Economic Development Authority (PAREDA), with the assistance of a number of regional partners, completed visitations with approximately 200 business owners in the Prince Albert Region and provided follow-up on “red flag” business concerns.

On March 17<sup>th</sup>, 2009 a BR&E Task Force Retreat was held in Prince Albert to review the data gathered from the interviews and begin developing a strategy for addressing systemic issues identified through the visitation process. The following framework was utilized to provide context and guide participants through the strategic planning process:

### Strategy Development Process:



The Task Force Retreat focussed on analysis of key themes and identification of strategic priorities. This document highlights the outcomes from the retreat and identifies next steps for moving forward. An update on the Strategic Planning process will also be presented at a Community Forum to be held March 31, 2009 in Prince Albert.

<sup>1</sup> Source: Government of Saskatchewan website, Enterprise Saskatchewan, “Business Retention and Expansion,” <http://www.ei.gov.sk.ca/Default.aspx?DN=886a5962-325c-414f-b53b-4f2ec184ee6b>, accessed March 2009.

# Prince Albert Region Business Retention and Expansion Strategy

## 2.0 THEME ANALYSIS

The following table outlines key findings from the Theme Analysis.

Category	Key Concerns	Themes for Moving Forward
<b>Workforce (availability and quality of the regional labour force)</b>	<ul style="list-style-type: none"> <li>• Differing expectations between generations.</li> <li>• Difficulty attracting and retaining individuals for unskilled positions (such as clerks, kitchen staff, housekeepers, food and beverage servers, support staff, etc).</li> <li>• Difficulty recruiting and retaining individuals for part-time positions</li> <li>• Concern with the “employment readiness” of the local labour force.</li> </ul>	<ul style="list-style-type: none"> <li>• There is a need to work together to address the growing human resource concerns in the Region. (This is potentially the greatest challenge facing business owners and also the most complex).</li> </ul>
<b>Community Services and Infrastructure</b>	<ul style="list-style-type: none"> <li>• Quality of local roads (both within PA and the surrounding communities).</li> <li>• Limited airline passenger service.</li> </ul>	<ul style="list-style-type: none"> <li>• There would be benefits to working collectively to identify, prioritize, and address infrastructure and community service needs that negatively impact business growth in the Region.</li> </ul>
<b>Business Climate</b>	<ul style="list-style-type: none"> <li>• Perception that commercial property taxes are too high for services received or too high compared to other Western Canadian cities.</li> <li>• Need to ensure region is “business friendly” at a municipal level by updating policies to match current business realities (e.g. speed and processing of business documentation, consultation vs. advisement, improved response process for addressing concerns)</li> <li>• Need to encourage and support local businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• There would be value in providing more detailed information with regard to tax rate determination.</li> <li>• There would be benefits to enhancing mechanisms of consultation and interaction between municipalities and the business community.</li> <li>• There would be value in exploring options to encourage, promote, and support local businesses (e.g. joint marketing, “shop local” campaign).</li> </ul>
<b>Community Leadership and Engagement</b>	<ul style="list-style-type: none"> <li>• Need for community leaders to be more proactive vs. reactive.</li> <li>• Need for more community involvement in decision making.</li> <li>• Challenge working with municipalities.</li> </ul>	<ul style="list-style-type: none"> <li>• There is a need to increase communication and collaboration between community leaders and the business community in order to improve planning and decision-making.</li> </ul>

Each of these areas was discussed at length during the Task Force Retreat and the complexity of the issues embedded in each category is readily apparent. The themes, however, help to provide focus for future projects and initiatives.

### **3.0 VISION, MISSION, AND STRATEGIC PRIORITIES**

The purpose of the BR&E Program is to encourage the growth of local business by identifying the concerns and barriers facing business owners and working together to develop strategies and solutions to address these concerns. With that in mind, the following Vision and Mission Statements for the Prince Albert Region Business and Expansion Program were developed:

**Our Vision**  
***Prepared for Growth***

**Our Mission**  
***To develop a collaborative, system-wide approach  
to economic development in the Region.***

The Vision Statement represents an image of the desired future of a business community *prepared for growth*. In order to be successful, the preparation must occur on multiple levels and across multiple systems: individual, organizational, municipal, and regional. The solutions may span provincial, national, and international boundaries. The BR&E program can provide a forum for collaboration across these various levels and systems in order to advance economic development in the Region.

### **3.1 PRIORITY IDENTIFICATION**

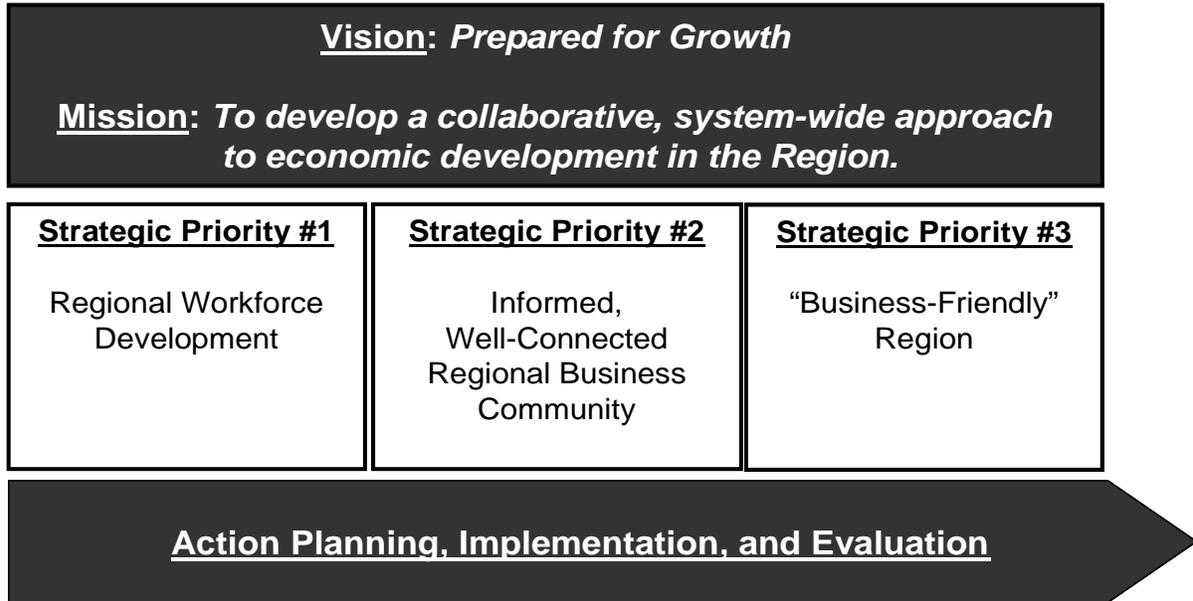
Based on the theme analysis, the following needs were highlighted by the Task Force members:

- **Need to Address Growing Workforce Issues.**
- **Need to Improve Communication, Collaboration, and Engagement Across Businesses, Agencies, and Sectors.**
- **Need to Support Local Businesses and Focus on the Creation of a “Business-Friendly” Environment within the Region.**

It is clear from this list that these needs tend to be very broad in nature and solutions will be multi-dimensional. That is to be expected at this stage of the process as the focus is on systemic issues that are difficult to address by a single individual or organization independently.

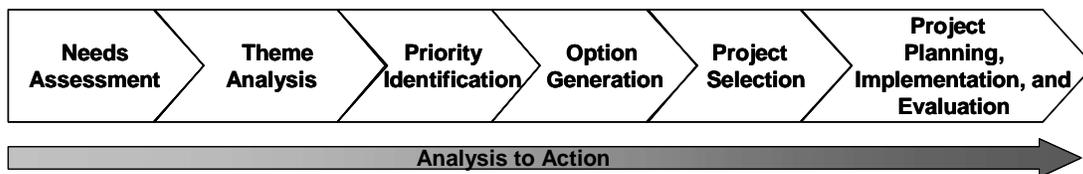
These needs have been identified as Strategic Priorities for Action for the Region’s BR&E Program as depicted in the following diagram:

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Each of the strategic priorities provides a focus for future initiatives and projects and a forum for system-wide collaboration. During the Task Force Retreat, participants divided into three groups to begin discussing each priority area and generating potential options for addressing the key needs targeted by the priority area.

## 4.0 NEXT STEPS



Moving forward, the task force has agreed to form three Action Teams – one to focus on each of the Strategic Priorities. Each Action Team will need to brainstorm options and put forward recommendations for projects or initiatives designed to address issues related to their Strategic Priority. The options will then be prioritized and those selected for implementation will move into the planning, implementation, and evaluation phase of the strategy development process.