



INTRODUCTION TO ECONOMIC GARDENING FOR CEOS

Frequently Asked Questions

What is it – in a simple sentence?

An economic development program focused on helping local, stage 2 companies (10-100 employees) grow.

What does that name mean?

Traditional economic development focuses on recruiting companies to come to town (economic hunting). This program focuses on growing local companies (economic gardening).

What is a Second Stage Company and Why Focus on Them?

Second Stage companies, sometimes called emerging growth companies, are defined as having \$1 -50 million in sales and 10-99 employees. They have proof of product, proof of market and proof of management skills. They typically have the potential for additional sustained growth but do not have access to the sophisticated tools and concepts of larger companies.

There is substantial research that indicates 35-40% of the new jobs in a community come from this small band of companies (about 10-15% of all companies in most communities). Accelerating the growth potential of this highly productive group is a very efficient and effective economic development approach.

What does it take to qualify for the program?

Meet the thresholds for income (\$1 million in sales) and employees (10 employees). In rural areas these thresholds are (\$650,000 and 6 employees). Show growth in the past four years. The program is not for companies with local markets (retail, Main Street, Stage 1). Applicants must also be financially sound.

What do I get from the program?

The program provides research to help you make decisions in strategic areas, specifically:

- ***We identify high probability sales calls.*** We also research markets, industry trends, competitor intelligence, new product releases.
- GIS computer maps show densities and locations of customers/competitors/potential markets/trade areas.
- Analysis of your search engine optimization, web marketing, and social media will identify areas for improvements. .
- Identification of root problems in five areas::
 - Core strategy
 - Market Dynamics
 - Innovation
 - Temperament
 - Qualified Sales Leads

What will I not get?

We don't do implementation. You will have to hire your own consultants for that.

We don't analyze your financials.

We do not do primary research (surveys, telephone calls, focus groups).

We don't do business plans.

We don't do workforce or loans.

How will this work and how long will it take?

Initially, the team leader will interview you in a Discovery Call and establish a baseline of information. The questions will be about how you got started, what you do for your customers, who are your competitors, what does the market look like, are you working on any innovations and similar types of information. The call typically takes 1 to 1.5 hours.

At the end of that call, research tasks will be assigned to the specialists (after approval by you) and we will go to work for you immediately. We will also set up dates for check in calls and a close out call.

We have an engagement software and all work will be posted in that secure site. Our team will monitor the site to make sure all work is done, and your team will be

notified anytime something new is posted in there. The specialists will also call you any time work is posted to go over it. In particular, we need to know if the work is useful or whether we need to adjust the research items.

In about 10 days' time, the team leader will check in with a debriefing call with one or more of the specialists. If we need to adjust the focus, end some lines of research or drill deeper, this is the time to make those adjustments. There is another check in around two weeks.

In approximately 4-5 weeks, the team leader will conduct a Close Out Call. The team leader will review the stated business issues, the questions to be answered, the answers and supporting reports. You will have the opportunity to provide verbal rating (useful, partially useful, not useful) on each question at that point, as well as fill out short survey which will go to your economic development agency. .

Following the engagement, the National Strategic Research Team (NSRT) will hand the engagement back to the local economic development agency for assistance with implementation.

How do I work with the NSRT?

The basic relationship is one of high-powered staff on loan to you for a few weeks. Their question will be “what decisions are you getting ready to make, boss?” and “what information do you need to make those decisions?”

We are not industry consultants that will give you the top five recommendations for growing your company. We are, instead, excellent researchers that can provide you with information, data and conclusions about key issue with which you are dealing.

The national team consists of private sector contractors from all over the country who specialize in a number of areas. The Search Engine Optimization (SEO) companies, for example, do only that type of work all year long. You will have access to this sophisticated kind of technical assistance that you may not have been able to afford in your early growth stages.

You will get the most from the engagement if you provide them your full attention and availability for a short duration. It is not unusual for the CEO to pull in the senior management team (e.g. VP of Marketing) but it is vital that the CEO be involved from beginning to end.

How long will it take?

Engagements generally run about four to six weeks from initial interview to final survey. Obviously, the demands of business and personal lives may alter this, but

we try to work at the speed of business. That being said, the Team Leader will work with you to discuss what pace is best for you. If you need to slow it down a bit, just let us know.

What kinds of tools do you use?

Economic Gardening uses the best corporate level tools we can find. This toolbox is constantly changing and updating however the current set of tools includes.

- *Commercial Database Searching.* These services are by subscription only and much more focused than general Internet searches. Typical research includes markets, competitor intelligence, new product releases, potential customers, and regulations.
- *Deep Web.* Internet searches are easy for anyone to do but much of the valuable information is buried in the deep web beyond the first three pages of results. Knowing where these exotic databases and information sources are is critical to high quality work.
- *Geographic Information Systems.* GIS is computerized mapping of data and typically is used to spot densities of customers, potential markets, trade areas and competitors.
- *Search Engine Optimization.* SEO is used to get web sites as high in Google searches as possible. There are a number of known factors that Google considers and our experts will identify any problem areas on your web sites. Further, we will assist you with keyword research to be used in web marketing programs. We also provide social media options for finding watering holes of your targeted market.
- *Listening posts.* We have developed ways to monitor the operating environment that are improvements over simple Google alerts. We filter out noise and focus on high quality sources.
- *Network Mapping.* Maltego is a tool that diagrams the networks on the web, on twitter and Facebook. Understanding networks is important in developing qualified sales leads.

How much of my time will you need?

Past experience has indicated the CEO devote 8-12 hours over a four-six week period from beginning to end.

Where did this program come from?

Economic Gardening was created in the City of Littleton, Colorado and refined over a twenty-five-year period. In 1987, Littleton experienced nearly 7,000 layoffs at the nearby Martin Marietta (Lockheed Martin today) plant due to the end of the Cold War. While Martin had been a very good corporate citizen for Littleton, the 1987

city council was concerned about the major influence that out of state corporations had on the local economy and gave staff the charge to “work with local businesses and create good jobs.” Over the next two decades the program was tested and refined and the story of its success began to spread across the country. Over 800 communities made inquiry about how it worked and other Economic Gardening programs began to spout in other cities.

The program has received a number of national awards including being a finalist in Harvard’s *Innovation in Government* award program and the Financial Times of London.

What Kind of Results Are You Getting?

The program has run successfully in 34 states, regions and cities including state projects in Virginia, North Carolina, Florida, Michigan, Kansas, Louisiana, Wyoming, Colorado and regional projects in Minnesota, Maryland, New York, California and Utah.

Results have been significant. Littleton’s job base went from 15,000 to 30,000 in twenty years without recruiting a single company. Florida has added over 4,000 jobs. Growth rates in Kansas have averaged over 15%. Rochester reported 1,126 jobs and 30% revenue growth directly attributable to Economic Gardening.

Where can I get more information?

<https://economicgardening.org/>