

Targeted Economic Growth

As the comprehensive nature of this process suggests, a community's competitive position is tied to a wide range of factors. But at the most fundamental level, prosperity is linked to the availability of quality jobs for a community's residents. Greater Columbus is fortunate to have tremendous corporate citizens and a military installation that infuses billions of dollars into the local economy. Ensuring that these entities can continue to thrive in the region is of paramount importance. But so too is diversifying the economy – as stakeholders noted, the region's current large employers cannot do all the heavy lifting on their own. While this entire strategy can be viewed as supporting the growth of quality jobs in Greater Columbus, specific actions must be taken to address targeted economic growth. These include supporting key existing business and sectors, promoting the region to new firms from outside the area, and laying long-term groundwork for better connectivity to other markets.

KEY FINDINGS FROM RESEARCH AND INPUT:

- 👤🗣️ Job growth has been relatively slow in Greater Columbus in recent years. Even in the pre-recession "boom," local employment remained essentially flat, and as of February 2015, the region still had fewer civilian jobs than it did in January 2000. More job growth is needed to increase the region's prosperity.
- 👤🗣️ Fort Benning is by far the region's largest employer and one of its principle economic engines. According to Chamber figures, it accounts for more than 40,000 jobs and has an annual impact of \$5 billion on the local economy. But the Third Brigade is set to shrink by 3,402 positions in the coming years, and a potential new round of Base Realignment and Closure (BRAC) could bring potential opportunities or lead to further uncertainty.
- 👤🗣️ For a community of its size, Greater Columbus has a remarkable roster of major employers and corporate headquarter operations. But many stakeholders expressed concerns about the extent to which the region relies on a few employers such as Aflac and TSYS, and noted that the region could be vulnerable to a sudden downturn in a single business sector such as insurance.
- 👤🗣️ Infrastructure in the region's most developed areas tends to be strong, and the region benefits from affordable business costs and a favorable business climate. The primary concern from an infrastructure standpoint is the region's connectivity to other markets. Stakeholders viewed the lack of mainline Interstate access as a significant competitive disadvantage, and this is supported by data points such as the region's very low concentration of employment in business sectors related to the movement of goods.
- 👤🗣️ An extensive Target Business Analysis identified six target sectors for the region: Insurance & Financial Services; Financial Technology & Information Security; Aerospace; Automotive Parts; Call Centers; and Shared Services. The report also highlighted Travel & Tourism and Fort Benning as key economic drivers.
- 👤🗣️ The Marketing Review identified multiple ways in which the Chamber and its partners can improve the effectiveness of community and economic development marketing for Greater Columbus, including a revamped website, new inbound marketing events, and a potential reduced focus on trade shows.
- 👤🗣️ As discussed in the Target Business Analysis, Greater Columbus' finance and insurance cluster could give the region an opportunity to develop some local capacity for innovation in fields such as cybersecurity.

OBJECTIVE 2.1: GROW AND EXPAND EXISTING BUSINESSES

A common refrain in economic development circles is that the process of job creation is a “three-legged stool” comprised of business recruitment, expansions of existing businesses, and entrepreneurship. As the figure of speech suggests, all three components are important. But various studies have indicated that expansions of existing businesses represent a large majority of a community’s job creation. And existing businesses are particularly important in Greater Columbus. The community is home to a set of key large and mid-size employers – including several very large firms – that are vital to its economic health. Greater Columbus must therefore do all it can to ensure that its existing businesses can grow and thrive in the community.

2.1.1 Formalize a collaborative business retention and expansion (BRE) program to ensure conditions are optimal for existing firms to thrive.

As a representative of the business community and a provider of economic development services to Columbus-Muscookee County and the broader region, the Columbus Chamber of Commerce maintains many positive relationships with employers both large and small in the region. The same can be said for other public and private entities representing local jurisdictions within the region. But no single organization can address the needs and challenges of businesses alone. A successful BRE program requires a collaborative approach that leverages the staff expertise and resources of multiple organizations and partners that can influence the business climate. This section focuses on the components of an effective program, which are well-established across many high-performing organizations. The partnership structures needed to facilitate such an approach will be outlined in the forthcoming Implementation Plan.

Development of a new BRE approach should begin with a review of current outreach methods and the results they produce. A BRE program is primarily intended to:

-  Understand the challenges and opportunities facing existing businesses
-  Alleviate burdens and barriers to competitiveness
-  Support expansion plans and identify businesses poised for a potential expansion
-  Prevent existing businesses from relocating elsewhere
-  Identify relocation prospects based outside the region through relationships with local businesses

An effective program should be built around annual in-person interviews with the community’s largest businesses (potentially 100 or more employees). Additional small and medium-sized businesses can be contacted if time allows or a need arises, and all businesses in the community should be welcomed to participate in an annual online survey. Specialized software (such as Synchronist or ExecutivePulse) should be considered to track BRE activities, and the collaborative team should develop protocols for follow-up actions modeled after best-practice BRE programs from around the country. With these tools and protocols, the collaborative team should be able to identify and reach out to firms at risk of closing, downsizing, or relocating and identify specific ways in which community, economic, and workforce development partners can help employers increase their competitive positions and remove barriers. A community’s BRE program should in no way be tied to member recruitment efforts for an organization supporting economic and business development.

Potential Actions:

- ☞☞ Allocate staff capacity and develop needed resources (e.g. specialized software) to launch successful program
- ☞☞ Identify an initial list of companies – likely large employers and selected firms in target business sectors – to contact through face-to-face meetings
- ☞☞ Develop an interview questionnaire and online survey
- ☞☞ Establish protocols internally and with partners for sharing and responding to information received through the BRE process
- ☞☞ Ensure that existing industry groups such as the Manufacturer’s Council are incorporated into and utilized for BRE activities
- ☞☞ Evaluate the feasibility of a “supply chain mapping” initiative to match local suppliers with local buyers and identify potential prospects for recruitment

2.1.2 Launch a pilot “economic gardening” program to help second-stage firms grow in Greater Columbus.

Greater Columbus can boast numerous successful companies that began locally and have grown to achieve regional, national, and even global influence. In addition to strategies to retain these existing large firms, the community can also broaden its business development efforts to support companies that have the potential to become new success stories. One way to do so is by launching a pilot “economic gardening” program in Greater Columbus. The economic gardening model has been successfully implemented by many communities around the country. The program provides customized support to second-stage firms that are poised for growth by helping them identify new markets and sales leads, develop new business relationships, and optimize their existing business and marketing plans. Much of the market and business intelligence that the program provides would be expensive or otherwise difficult to obtain or develop for many firms. The Edward Lowe Foundation provides pilot program implementation assistance for communities interested in economic gardening. To be eligible, communities must recruit five second-stage companies and provide financial, staff, and organizational support. Alternatively, the community could research established economic gardening programs and launch its own effort.

Potential Actions:

- ☞☞ Become familiar with the economic gardening concept and determine whether the Edward Lowe program or a customized solution is appropriate
- ☞☞ Develop necessary resources and staff capacity to support the program
- ☞☞ Identify and recruit eligible second-stage firms to participate in the program
- ☞☞ If successful, consider expanding the program to additional community businesses

OBJECTIVE 2.2: ATTRACT NEW FIRMS AND INVESTMENT

In decades past, economic development was often thought of primarily as the act of recruiting outside firms to relocate or invest in a community. As previously mentioned, contemporary economic developers take a much more comprehensive view of job creation, incorporating business retention and expansion (BRE) and entrepreneurship. Additionally, best-practice communities now embrace *holistic community and economic development* as the preferred model based on the understanding that a wide range of factors – from talent to quality of life and place – must be addressed in order to improve a community’s competitive position and build wealth. In other words, economic development work is just as much as it is about creating an optimal “climate” for job creation as it is job creation itself. Recruitment is not dead, however. Attracting outside jobs and investment remains an important means by which communities can expand their economic base. But the “pipeline” of competitive economic development projects is shrinking; large-scale projects such as major corporate office relocations and new original equipment manufacturing facilities are in especially short supply. In this more challenging environment, communities must ensure that their economic development marketing programs are efficient and optimized.

2.2.1 Develop an updated comprehensive economic development marketing program.

As part of the research phases of the Regional Prosperity Initiative, Market Street conducted a review of the Greater Columbus’ existing economic development marketing program and identified areas for improvement. A full list is available in the Marketing Review report, but a partial list of key initiatives follows.

Potential Actions:

- 👤👤 Update websites and social media accounts based upon established best practice examples that will serve as the “front door” to the region’s economic development resources; ensure that readily available and current online data is available in downloadable spreadsheets
- 👤👤 Establish a GIS-enabled, searchable database of all available sites and buildings in the region, leveraging the Columbus Chamber of Commerce’s existing list and expanding it to be as comprehensive as possible and inclusive of a variety of property types (e.g. opportunities for historic renovation); ensure that properties with redevelopment potential (see 4.2.2) along the riverfront and in neighborhoods such as Uptown, Midtown, Downtown Phenix City, City Village, etc. is appropriately positioned and marketed
- 👤👤 Develop of an inbound marketing event or events to showcase Greater Columbus to key site selectors and other ED decision-makers
- 👤👤 Evaluate the return on investment generated from outbound marketing functions such as trade shows, with the recognition that the benefits of outbound marketing (direct lead generation, exposure to industry trends, etc.) must be balanced with an efficient allocation of limited resources
- 👤👤 Synchronize updates to the region’s economic development marketing program with potential updates to various brand and messaging components (see 5.1.1) to avoid duplication or repletion of work
- 👤👤 Develop a systematic follow-up program to assess the community’s competitiveness with both successful and unsuccessful relocation prospects to accompany ongoing BRE efforts (see 2.1.1)

BEST PRACTICE (ECONOMIC DEVELOPMENT WEBSITE): OpportunityLynchburg.com (Lynchburg, VA)

OBJECTIVE 2.3: PURSUE SPECIAL OPPORTUNITIES FOR GROWTH AND DIVERSIFICATION

On occasion, communities will be presented with opportunities for economic growth that fall outside the traditional scope of a BRE or economic development marketing program but fit within an overall strategy of targeted economic growth. According to stakeholders, Greater Columbus presently has three such opportunities that it should pursue, each of which is detailed in this objective. Additionally, while the Regional Prosperity Initiative process has identified a set of target business sectors that hold the best prospects for local growth within the next five years, this list should not be seen as set in stone. Greater Columbus should seek to capitalize on any and all realistic opportunities for economic growth or diversification that may emerge in the coming years, regardless of whether they fall into a targeted sector.

2.3.1 Continue to pursue the development of an additional hotel adjacent to the Columbus Georgia Convention and Trade Center.

Greater Columbus' travel and tourism industry has a significant impact on the economy; out-of-town visitors who come to the community for meetings and conventions tend to spend more in the local economy on a per capita basis than individuals who visit for other reasons. In addition to the monetary benefit they provide, events such as conventions may also expose Greater Columbus to an audience of talented individuals and decision-makers for businesses, helping to improve the region's outside profile (see 5.2.2). But research has shown that the Columbus Georgia Convention and Trade Center is unable to maximize its potential due to an insufficiency of hotel rooms within walking distance of the facility. Greater Columbus should pursue the development of an additional hotel adjacent to or near the Center in order to improve the region's competitiveness for conventions, trade shows, and other events. Stakeholders said the research also showed that current market conditions might not support an entirely privately financed development, but that a project could be feasible with some public assistance.

Potential Actions:

-   Continue to convene stakeholders including the CVB, elected and appointed officials, and economic development professionals to work on the issue
-   Evaluate options for a public-private partnership if necessary
-   Work with accommodation industry experts and development professionals to identify potential private-sector partners, including developers and operators

2.3.2 Evaluate the viability of expanding cybersecurity research capacity in Greater Columbus.

As discussed in the Target Business Analysis, Greater Columbus' capacity for research-and-innovation driven economic growth is limited. The region does not have a Tier 1 research university, while startups in fields such as cybersecurity and financial technology generally emerge in markets such as Atlanta that have well-developed entrepreneurial ecosystems and clusters in addition to academic research capacity. But Greater Columbus does have large employers with a direct role or significant interest in cybersecurity, and Georgia may be well-positioned to become a leader in the field given the strength of Atlanta's cybersecurity agglomeration and the relocation of the Army Cyber Command operations to Fort Gordon in Augusta. Cybersecurity therefore

represents the most promising opportunity for the region to expand its capacity for research and innovation to drive job growth.

Potential Actions:

- 👥 Engage Columbus State University, the region's top employers, and state level partners to discuss the possibility of expanding research capacity, potentially as an expanded focus for the TSYs Cybersecurity Center for Financial Services at Columbus State University
- 👥 If pursued, expand capacity by hiring research-oriented faculty, securing funding through research grants and possibly additional corporate commitments, and potentially developing partnerships with other academic and research-oriented institutions
- 👥 Advocate with relevant economic development and political leadership at the state level to make cybersecurity a statewide economic development focus in Georgia
- 👥 Complement greater Columbus research activity with existing and planned activities in the Atlanta and Augusta areas as part of the potential statewide initiative

2.3.3 Explore possibilities to leverage the Columbus campus of the Mercer University School of Medicine.

In February 2012, Mercer University announced that it would establish a Columbus campus for its School of Medicine. Students may elect to complete their third and fourth years of training at the campus, the third in the system based in Macon. While the primary focus of the School of Medicine is on training physicians, the campus also incorporates clinical, basic science, and health care delivery research into its mission. Stakeholders in Greater Columbus should continue to work with the school and area hospitals to explore current and future opportunities to expand the research activity surrounding the campus and potentially drive economic growth if the right conditions emerge.

Potential Actions:

- 👥 Continue to promote conversations between Mercer Medical, local hospitals, and other relevant partners to explore ways in which the school's regional presence can lead to expanded local capacity for medical research
- 👥 Work with Mercer Medical and other partners to explore the possibility for an enhanced physical presence for the school in the region

OBJECTIVE 2.4: ADVOCATE FOR ECONOMIC GROWTH

While the implementation of this strategy must be driven by leaders and volunteers in Greater Columbus, the region's prospects for economic growth are also impacted by decisions made at the state and federal levels. For instance, the health of the region's economy relies in part on continued support for Fort Benning in Washington, D.C. State or federal support may also be needed to advance recommendations within the strategy itself, even those in other goal areas such as the expansion of Pre-K services (see 1.2.1). Accordingly, public and private leaders alike must advocate for Greater Columbus through all appropriate channels.

2.4.1 Continue to lobby on behalf of Fort Benning through the appropriate state and federal channels.

Throughout the public input process, stakeholders consistently mentioned Fort Benning as one of the region's greatest strengths and economic drivers. But the base is faced with an impending force reduction and further uncertainty awaits with a potential round of Base Realignment and Closure (BRAC) activities. Given these potential threats, many input participants expressed a strong desire for Greater Columbus to diversify and strengthen the local private sector so that it might be more resilient in the face of any future force reductions or realignments. This is undoubtedly an important task; substantial portions of this strategy are devoted to it in some fashion. Fort Benning is and will remain tremendously important to Greater Columbus due to its impact on the local economy, workforce, and community identity. Accordingly, the community should continue to lobby and provide a broad base of support for Fort Benning to ensure that it remains as strong as possible.

Potential Actions:

-  Continue to support the existing Grow Benning military affairs activities of the Columbus Chamber of Commerce
-  Leverage the findings of the Community Impacts Associated With Army Personnel Reductions (CIAR) study for future lobbying efforts
-  Facilitate collaboration between base and private-sector leadership on workforce initiatives, potentially with a study and creation of a talent retention program designed to keep retirees and individuals exiting the military from Fort Benning within the Greater Columbus region (see 1.3.3)

2.4.2 Work with all appropriate partners to identify near- and long-term opportunities for improving connectivity between Greater Columbus and major markets.

During the input process, stakeholders generally expressed satisfaction with the region's transportation capacity and mobility, though a few bottlenecks and trouble spots remain. The region also has a demonstrated commitment to making necessary improvements, as evidenced by its passage of a Transportation Special Purpose Local Option Sales Tax (TSPLOST) in 2012. However, the most significant challenge related to transportation – and one of the largest challenges in the region in general when it comes to economic and population growth – is a relative lack of controlled-access highway connectivity (Interstate or otherwise) to major markets and population centers. Stakeholders noted that this condition is unlikely to change in the short run, and this statement is almost certainly true. But the region must continue to work to overcome this limitation and accentuate other positives. Simply put, if Greater Columbus continues to lack Interstate connectivity relative to its competitors far into the future, the consequences will be slower growth and lower overall economic potential. Accordingly, Greater Columbus should continue to pursue expansion of controlled-access highways serving the region even if the chances of near-term success are low. The region should also remain open to other opportunities to improve connectivity to major markets.

Potential Actions:

-  Maintain good working relationships with state Departments of Transportation

- 👥 Ensure that short-term projects (e.g. fixing bottlenecks) are included on relevant plans and programs of work
- 👥 Continue to maintain dialogue about long-term options for controlled-access highway expansion and other connectivity options
- 👥 Evaluate the possibility of pursuing passenger rail service between Columbus and Atlanta if discussions at the state level advance

2.4.3 Ensure that the region's legislative agendas are aligned with strategic community and economic development needs.

In many communities, chambers of commerce and other organizations representing the business community or other private interests draft legislative agendas to outline formal positions on various matters of local, state, and federal concern. These agendas are frequently drafted in close cooperation with local government officials, state legislators, and federal Congressional delegations to ensure that the community presents a united voice of advocacy. This is particularly important in instances where an action cannot possibly be completed at the local level and instead requires funding assistance or enabling legislation at the state or federal level.

Potential Actions:

- 👥 Public, private, and nonprofit leaders who volunteer to implement the Regional Prosperity Initiative should work with the Columbus Chamber of Commerce and other member organizations that form annual legislative agendas to advance the tactical recommendations of this strategy at various levels of government