



The Montana Bear Program is a partnership with the Montana Department of Commerce, Montana Department of Labor, Governor's Office of Economic Development, and Montana Economic Developers Association (MEDA).

## **MONTANA STATEWIDE BEAR REPORT FOR 2015**

### **ESSENTIAL BEAR**

Business expansion and retention needs to be an essential piece to any successful economic development effort. The Montana BEAR Process which includes outreach, relationship building, resource connections, accountability, and follow-up with the purpose of strengthening Montana's businesses is a strong business, expansion, and retention model.

Research continues to show that small businesses conceived, incubated, and grown locally offer opportunities for the most growth, wealth creation, and expansion capabilities. For the past ten years, these are the businesses Montana BEAR Teams have targeted. While business, expansion and retention is an essential part of economic development, it cannot nor should it replace recruitment. However, recruitment is enhanced and made easier by thriving, growing existing local businesses. A functioning partnership between a business expansion and retention process and a strong recruitment effort has, we believe, helped to sustain strong economic development growth in Montana.

### **CHANGE IN THE BEAR MODEL AND PROCESS**

When the Montana Statewide BEAR Program was formed in 2006, a training program provided the model that included seven steps: 1. Team Training and Confidentiality, 2. Business Visit and Survey, 3. Data Entry, 4. Business Assessment and Review, 5. Reconnect with Business to Share Assessment Outcomes, 6. Make the Referral Contact, 7. Update Data including Referral Outcome(s). These seven steps launched BEAR Teams all across the state.

BEAR Teams in 2015 look very different. Several BEAR Teams follow the original model; other teams have modified the process to fit their community, staff capacity, business needs, and/or geography. Billings, for example, no longer enters business expansion and retention visits into the BEAR database, but instead uses its SBDC. The Bozeman BEAR model is innovative and has a person compensated at least part-time for his/her BEAR outreach efforts. The Kalispell Team has a solid base of volunteers but recently lost its full-time BEAR Coordinator and is adjusting its process accordingly; Kalispell continues to utilize ExecutivePulse as its data tool. Teams that serve smaller populations around the state continue to strive to meet small town business needs even with limited capacity. Thus, the BEAR model across the state continues to evolve to meet local needs.

### **BEAR BY THE NUMBERS: PROGRAM vs. PRACTICE**

It is obvious when running the numbers and comparing the data the Montana BEAR Program collects, that numbers are decreasing. Statewide, there are fewer counties involved, fewer outreach specialists reporting, and fewer business visits recorded. While it might be easy to assume that business expansion and retention efforts are not taking place across the state, this would be a huge error. In visiting with BEAR Team members and others involved in business expansion and retention across the state, several issues have been identified which serve to make the BEAR Program process difficult to sustain. Among those issues identified are a shrinking volunteer base (with the exception of Kalispell), few (if any) paid staff, and a growing number of reporting requirements. Because the Montana BEAR Program largely depends on volunteerism, it will continue to struggle to find enough players to serve business needs. So, business expansion and retention continues to happen, the BEAR Program continues to work

in many communities, and businesses continue to receive the support they need to survive and thrive. The struggle to maintain forward progress in business expansion and retention will, we believe, only grow more acute if the state and other partners do not expand its financial support for these efforts.

## **BEAR AND IWTG – Partnering to Train Montana’s Small Business Workforce**

The partnership between BEAR and MT Dept. of Labor’s Incumbent Worker Training Grant (IWTG) has proven to be an effective tool for helping Montana’s small businesses train incumbent workers. As a gateway to the IWTG funding, BEAR has proven its worth. In addition to offering many resources to business owners, the availability of up to \$2,000 per full time employee for training is of great benefit. IWTG funding, however, is used up early in each quarter which puts a worker’s training opportunity on hold for at least a quarter, and possibly into the next Fiscal Year when funding is once again available. With just over \$550,000 available for allocation per year and the potential to assist over 36,000 businesses, the funding is simply inadequate.

Here are the statistics for the Incumbent Worker Training program in SFY15. Thanks to Christine Wilhelm, IWTG Program Manager for providing this data:

<b>Funding Awarded</b>	<b>Applications</b>	<b>Employees</b>	<b>Recommending Entity:</b>
Allocated: \$ 556,496	Processed: 294	# Trained: 525	BEAR: 196
Awarded: \$ 515,019	Approved: 261	Cost Per Employee: \$981	MMEC: 0 (most MMEC Engineers are part of BEAR teams)
% Awarded: 98%	Denied: 5		SBDC: 97
	Withdrawn: 28		
	Average Cost Per App: \$1,973		

Since SFY10 when the program went statewide, IWTG has awarded \$3,689,017 in 2,226 applications which trained 4,484 employees.

## **2015 KEY STATISTICS FROM MONTANA’S STATEWIDE BEAR PROGRAM**

As of June 30, 2015, the contract with the state BEAR data provider ended and was not renewed. The cost to use the excellent data and analytical tool could no longer be justified due to lack of use. The BEAR Program now uses a simple Google Form. Each business visit can quickly and easily be entered, saving the outreach specialist the time and effort to learn new software or enter cumbersome data. There is always a tradeoff, however: the current form has very limited data analysis. [View the BEAR Survey Online Form](#) The information that follows is a summary of the activities of Montana’s outstanding business, expansion and retention teams.

## **OUTREACH STATISTICS**

Montana BEAR Teams reached out to businesses of all shapes and sizes to support and retain businesses in Montana. In 2015, 187 businesses were interviewed and assessed. The chart below right details the number of visits since the program’s statewide inception in 2006.

### **187 BUSINESS VISITS in 2015**

### **2,330 VISITS TO DATE**

<b>YEAR</b>	<b>VISITS</b>	<b>YEAR</b>	<b>VISITS</b>
2006	142	2011	312
2007	233	2012	320
2008	275	2013	175
2009	186	2014	295
2010	205	<b>2015</b>	<b>187</b>

Note: Normally the BEAR Annual Report contains aggregated data graphics regarding business needs, business profiles, referral sources, etc., but with the switch to a new database tool midyear, the data could not consistently be matched.

### Outreach Visits by County

2015 Participating Counties	Retention Visits	2015 Participating Counties	Retention Visits
Deer Lodge/Anaconda	2	Missoula	1
Flathead	71	Park	15
Gallatin	87	Ravalli	1
Lake	1	Stillwater	3
Lewis and Clark	4	Yellowstone	1
Lincoln	1		

### Outreach Specialists in 2015

While most BEAR Teams have Assessment members, Resource and Referral members, Outreach Specialists are those that make the face-to-face contact and conduct follow-up activities with the business. Here is a list of Montana Outreach Specialists and the number of interviews conducted in 2015. As stated previously, for most of Montana's BEAR Teams, individuals work as volunteers or as their job allows.

### Outreach Specialist and Visits

Those with multiple visits:	Those with one visit:	Sarah Skofield
Warren Vaughan - 88	Doug Bolender	Joe Bertolino
Mike Jackson - 33	Chad Moore	Jillan Knutson
Chany Reon Okert - 33	Deb Chouinard	Kari Martell
Chris Parson - 10	Mike Williams	Kristy McKay
Meagan Lannan - 8	Brian Obert	Julie Schroeder
Katie Weaver - 6	Chick Rolling	Gloria O'Rourke
Mora McCarthy - 6	Michelle Twist	Lynn Lagerquist
Marissa Hauge - 2	Dave Laber	Carol Cunningham
Kim Morisaki - 2	Joe Unterreiner	Stephanie Cunningham

### In Conclusion:

The BEAR program began in Billings in 2001 and spread to Kalispell, Great Falls and Butte. With the purchase of a statewide database tool in 2006, the Governor's Office of Economic Development (GOED) paved the way for the statewide BEAR (Business Expansion and Retention) Program to flourish. For nine years, GOED, Montana Department of Commerce, Montana Department of Labor and MEDA worked in partnership to grow and administer the program. Looking forward, the Montana BEAR Program must develop avenues to encourage continued volunteer involvement, encourage local and state financial investment in business expansion and retention, and improve meaningful data collection to accurately identify business needs. Now entering its 10<sup>th</sup> year, it is hoped the partnership can work through the changing needs reflected in this report and strengthen economic development efforts to further build Montana businesses.

Respectfully submitted,

