



# Cutting Loose

*Swift Current uses BR&E to turn the corner*

BY DOUG HOWORKO

Swift Current lies in the heart of Saskatchewan's great southwest. Home to just over 16,000 residents, it serves a regional population of 55,000. Fully six million people live within a 500-mile radius of the city. Traditionally, the Swift Current economy has been driven by the agriculture industry: cereal and specialty crops, and livestock. Oil and gas exploration and recovery also provide significant economic spin-off.

Yet 25 years ago Swift Current stopped growing. Our neighbour and one-time junior, Medicine Hat in Alberta, overtook us. (It now boasts 55,000 people.) Swift Current, the "Frontier City," was starting to look more like a pit stop on the Trans-Canada.

What happened here? Why did we grow only so far and then stop? Certainly, you can point to external factors. The agriculture sector went into a prolonged downswing. Job opportunities in the energy sector have been cyclical. Manufacturing and diversification stalled.

But in my view, most of our difficulties were on the inside. We had become a community that was stubborn, sleepy, and stuck.

We stubbornly denied that the stagnation of our population and lack of business development was a problem. We did not understand our real market and development opportunities, and instead fancied that the attraction of international corporate investment was our key strategy for growth. Personifying this attitude was a group we called the "CAVEmen" (Citizens Against Virtually Everything) whose negative assessment of local innovation carried a lot of weight in local circles.

We were sleepy. There was no common vision of what the city should become. Our expressed community development goals were uninspiring – investments in roads, sidewalks, and park maintenance. Businesses had lost their enterprise mentality; they were unwilling to challenge themselves with higher standards for success.

Finally, we were stuck. A fear of failure prevented us from considering innovative or alternative development opportunities. Well-meaning municipal and civic leaders and economic development practitioners were busy, rowing hard and fast; but they were not rowing in unison and had a very modest idea of what could be accomplished.

## Business Not As Usual

Yet here Swift Current is at the start of 2005, winning awards for innovative economic performance. We're No. 1 among small Canadian cities in creating small business (Bank of Montréal, 2003). We received the "Home Based Business Friendly Community Award" (Toronto, 2003), the "Outstanding Economic Development Achievement of the Year" (Economic Developers Association of Canada, 2004), and "Economic Development Initiative of the Year" (Saskatchewan Economic Developers Association, 2004). Swift Current's dramatic progress was also recognized by Business Retention and Expansion International (BREI) last May in Halifax.

How did we come to see the rut we were in, and then start to climb out of it?

It was about three years ago that the light bulb went on. Many residents understood that our population and economic base had not grown for over 25 years. Some understood how stagnation put the investments of every resident at risk, not just those of business owners. If the private sector actually began to shrink, people would seek employment elsewhere or relocate altogether. This exodus would reduce the value of every home in the community.

What people needed to learn was that conventional ideas of business develop-

ment were no solution to the problem. If we kept doing what we had been doing we would keep getting what we had been getting: an underdeveloped wealth-generating sector, growing dependency on outside investors, and a population tilting into decline.

In January 2002 community leaders from the city and surrounding rural municipality decided Swift Current should focus on creating an environment where our existing private sector could survive and thrive in the “new economy”: one of diminishing tariffs and government regulation (but growing concerns about health and disease), hot competition, and globalized markets. They formed Action Swift Current, a substratum of community leaders who, equipped with new information, have moved business owners and business development organizations from holding and controlling information, to sharing it; from a dependence on experts, to a commitment to building the capacity of local citizens; and from a uni-dimensional notion of community revitalization, to a multi-dimensional one.

What Action Swift Current implemented was a project management tool called Business Retention and Expansion. The BR&E philosophy is that if your community has a healthy, growing business base, investment and new entrepreneurs will follow of their own accord. They are actually *bi-products* of a healthy business climate.

Conventionally, too much emphasis in local economic development is placed on attracting new firms. Local, provincial

*Master the Fear of Failure. Communities progress by acting, making mistakes, & correcting course. In Swift Current we could not correct our community's course if we were standing still. So we got moving on the basis of the best evidence & best analysis available.*

and federal officials often ignore existing businesses and their problems in the course of going after “bigger fish,” offering more jobs and tax revenue.

Yet communities can achieve a much greater economic impact if they take care of their home-grown businesses:

- Generally, 60%-70% of new jobs originate in existing businesses.
- It is less costly to retain existing businesses and jobs than to attract new ones.
- Programs to attract outside business are more likely to succeed when existing firms are successful and happy.

The churning of business creation, expansion, contraction, and dissolution is a natural part of a local economy. The challenge to Swift Current and other communities is to capture the expansions while taking preventive action to reduce the number of dissolutions and diminish the contractions.

In brief, our focus had to move from attracting investors to building the businesses in our own backyard. And who should spearhead such an approach but the people who know those businesses best – local business owners?

Some might worry that this would lead to more of the same narrow, unimaginative

outlook on local development that we had seen in the past. But that has not been the case.

Actually, once business owners were invited to assume the role of economic leader, civic leaders and economic development practitioners were no longer flying solo. People came to have a deeper appreciation of the challenges that businesses face. The general public began to understand that ultimately it is businesses (not government) that undertake the expansions and new initiatives that create jobs, wealth, and community growth.

Viewing one another as teammates rather than opponents, business owners, bureaucrats, and other groups and organizations managed to agree on how the community must grow and to co-ordinate their actions to that end. A true community movement has taken shape around local revitalization.

### **BR&E's 7-Stage Process**

The BR&E program is community-based and volunteer-driven. Local business leaders are its cornerstone. But federal and provincial business service providers, municipal officials, representatives from

(previous page) A Swift Current industrial area, off Highway 4; (right) demolition downtown to make way for an outdoor patio café; (below) Best Western's third expansion in as many years.



*Grasp “Low-hanging Fruit.” We first undertook initiatives requiring little capital investment in order to begin building momentum & excitement.*

community and business development organizations, utilities, education, and labour also provide guidance and oversight in developing and implementing a framework for improving the local or regional economy.

In addition to retained businesses and jobs, business expansions, and new jobs, BR&E measures success in terms of increased tax assessments, export contracts, import replacement, and increased regional capacity for business and industry development.

Perhaps the most important goal, however, is to *build community capacity*. BR&E aims to strengthen collaboration between all community leaders, increase understanding of the strengths and weaknesses of the business climate, and create better linkages between local leaders and provincial and federal business development support. More and better information is shared, analyzed, and put to work in a planning process on which more players are determined to follow through.

Here is how Swift Current experienced the 7-stage BR&E process.

### 1. Gauging Community Readiness

*(2-3 months)*

Prior to undertaking the BR&E Visitation Program, it was extremely important to

determine whether or not Swift Current was ready to commit the time and resources necessary to see the process through. Gauging community readiness required numerous “back door” discussions amongst key economic development professionals and community leaders.

Rather just than an *endorsement* of the initiative, a *commitment* was sought. People had to affirm that they would make BR&E a priority within their organization and (preferably) indicate financial and/or in-kind support.

Endorsement and commitment was sought from the Chamber of Commerce, City of Swift Current, the Rural Municipality of Swift Current, the Regional Economic Development Authority, Community Futures Development Corporation, Saskatchewan Industry and Resources, and the Entrepreneurial Center. These were the local organizations best suited to sponsor and implement a BR&E program. Each had a community economic development focus, a business and strategic economic development mandate, and a well-developed organizational infrastructure. Each represented a large stakeholder group, a partnership mindset, and had made effective use of local volunteers in the past.

These organizations were to provide the overall co-ordination in building community readiness. They formed the strong strategic alliance that could explain and recommend the initiative to the community and enable other community leaders to be recruited to the BR&E leadership team.

### 2. Leadership Team Recruitment

*(2-3 months)*

Great care was taken in the selection of the leadership team. To ensure a breadth and depth of community perspective, a wide range of key stakeholders was sought: business owners, city councillors and employees, financial and legal institutions, provincial and federal government agencies, crown corporations, education officials, and representatives of major industrial sectors (agriculture, oil and gas, manufacturing, tourism), and environmental, social, and religious groups.

The initial leadership team began to connect with people they knew within these target groups. Soon over 20 stakeholders were participating on the BR&E leadership team and championing the process.

There is no shortage of people wanting to get involved and making a difference in Swift Current. The leadership team has evolved and made way for new leaders to inject fresh ideas and energy and keep the movement going.

### 3. Project Planning *(2-3 months)*

The next task was to strike a number of committees. (See diagram, next page.)

(left) Banners on Central Avenue; (below) through WindowWorks, local artisans beautify shopfronts that are currently vacant.



The *Visitation Committee* recruited 150 volunteers to survey businesses of all sectors (including retail, wholesale, service and manufacturing) to ensure validity of the survey results. The committee helped train volunteers to conduct surveys, co-ordinate the visits, and set up survey teams.

The *Media & Milestone Committee* kept all the media (radio, television, and newspaper) informed of project results. The committee also arranged celebrations as we achieved milestones in the BR&E process. This ongoing communication, acknowledgement, and celebration of successes helped build trust in the leadership team and BR&E process, and to maintain the project's momentum.

The *Survey Committee* developed the survey itself on the basis of surveys used by other communities engaged in BR&E.

Wherever possible, the *Red Flag Committee* addressed urgent concerns or requests voiced by survey participants so they could see that this long-term process also offered short-term results.

By means of sponsorship luncheons the *Finance Committee* raised \$30,000 in corporate donations and funds from various federal, provincial, and municipal government groups. Over the last three years it estimates that various community partners have contributed \$400,000 in in-kind co-ordination, administration, marketing, printing, photocopying, and office supplies. To this date an additional \$310,000 in funding to implement two of the chosen priority projects (Community Branding, Marketing, & Profile and the Regional Cluster Initiative) has been contributed by Western Economic Diversification Canada, and by the City of Swift

(below, left to right) Survey volunteer training, the downtown's new credit union building, and the launch of Swift Current's Brand.

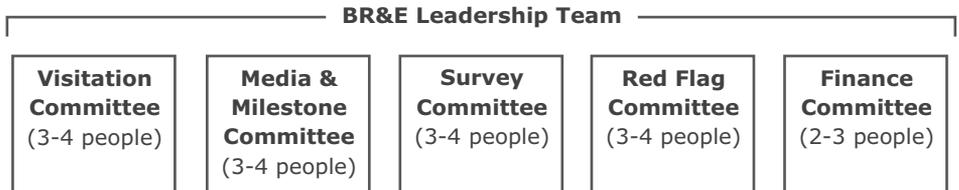
Current, the Southwest and Cypress Hills regional economic development authorities, International Trade Canada, and Canada-Saskatchewan Career and Employment Services.

**4. Business Visits & Follow-Up**  
(3-4 months)

Working in teams of two, the survey volunteers each visited 1-4 businesses randomly selected from a list of registered businesses in the city and surrounding rural municipality. In the end, 498 out of 1000 businesses were approached, and 200 participated – a very high response rate.

business retention and expansion *per se*, they involved local housing and health and employment services, regional partnerships, joint marketing and information initiatives – and more information gathering.

Upwards of 70 local leaders, including people from the health, education, business, enforcement, and financial sectors, as well as the federal, provincial, and regional governments, then reviewed the report. They made additions, changes, and finally rated the projects as to their priority for the business sector.



This interactive survey process was a milestone – our first step to building community capacity in regards to challenges and opportunities faced by the business sector. Personal letters and media press releases were sent thanking all survey participants and a subsequent barbeque celebrated their efforts and those of the survey volunteers.

**5. Research Report Review & Prioritizing** (5-6 months)

Michael Darger from the University of Minnesota, a researcher very experienced with BR&E and with community strategic planning, compiled and analyzed the data. His report recommended 21 initiatives to grow the business sector. In addition to

No project was considered a priority unless at least three local people were willing to take responsibility to see that steps are taken to implement it. The people who agreed to lead and work on each project did not need to be experts on the topic. They could recruit others to work on the project as well. On this basis, 10 priority initiatives were identified at the meeting, and each group then met to begin planning the implementation of its project.

Initiatives have differed in terms of priority, length of time, volunteer commitment and budget. To date the leadership team has moved on a total of 18. Some have been completed. Others are still a work in progress. (See next page, "Results To Date.")



## STAGES OF A BR&E VISITATION PROGRAM

### 1. Gauging Community Readiness

Do we have the dedicated core group, resources, & commitment?

### 2. Leadership Team Recruitment

Course Registration  
Informational Meetings

### 3. Project Planning

Begin Leadership Team Meetings & Orientation  
Volunteer Visitor Recruiting & Training  
Survey Development

### 4. Business Visits & Immediate Follow-up

Business Visits & Red Flag Response  
Volunteer Visitor & Business  
Appreciation Event

### 5. Research Report Review & Prioritizing

Data Tabulation  
Research Report & Research Review  
Meeting

### 6. Community Commencement Meeting

### 7. Implementation of Priority Projects



### 6. Community Commencement Meeting (2 months)

This was a community-wide event to celebrate the end of the visitation and strategic planning phase and the beginning of the implementation phase. All the leadership team members, volunteer visitors, and firms were invited as well as other local government, business, and community leaders, regional and provincial agency representatives, and citizens of Swift Current.

The meeting helped inform the entire community on the survey findings and the top ten projects. It also served to recruit more leaders to volunteer for a project that engaged their passion and expertise. Of the 200 people who attended, 50 more champions signed up and joined a project team. A committee of at least 10 committed volunteers was subsequently set up for each project.

### 7. Implementation of Priority Projects (1-3 years)

Project committees get to work, reporting their progress to the leadership team on a monthly basis.

## Results To Date

### Business/Service Retention & Expansion

Swift Current's downtown has witnessed some dramatic improvement already: an \$8 million credit union building, two new restaurants, and a \$2 million, 20,000 square foot Myers Norris Penny accounting firm expansion. A number of independent stores have filled vacant buildings and old buildings have been demolished to make way for the new.

The City has implemented a property tax incentive policy for new and expand-

ing businesses (0% year 1, 0% year 2, 25% year 3, 50% year 4, 100% year 5) proposed by Action Swift Current. Since the tax incentive program came into effect 12 months ago, about 15 businesses have made use of it, resulting in over \$20 million of commercial construction. They are expected to create close to 80 new jobs, apart from those in the construction trades.

All City-owned highway commercial properties have recently been sold for commercial development. City Hall has also approved borrowing the largest sum of money in the city's history to help pay for numerous infrastructure projects. Prominent among these are a \$15 million wastewater treatment plant, a \$6 million civic centre expansion, relocation of City Hall, and a skate board park.

There are also some new information services to advance business development. To help businesses investigate start-up, expansion, and investor opportunities, the Chamber of Commerce, the Southwest Regional Economic Development Authority, Southwest Community Futures, City Hall, the Entrepreneurial Center, and Saskatchewan Industry and Resources have together launched a toll-free hotline, the "GROW Line For Business."

Finally, an Employer Apprenticeship Registry has been established to connect students with employers in the trade sector and reduce the "brain drain" of young people away from Swift Current after high school graduation. The premise of this initiative is to create more student awareness and interest in the trades sector. If the interest and demand for specific trades training increases, the College along with other private institutions are prepared to respond and provide more trades programs.

*Learn from Others. Some of the best (& worst) thinking, strategizing, & actions has already been done by other communities. So why do it all over? Swift Current took pains to find out what other places had done, & modeled its actions after their successes.*

(left, top to bottom) One of three new residential areas; a local manufacturer expands operations.

## Housing & Health Services

The Doctor Noble Irwin Foundation, Cypress Health Region, rural communities, and the City of Swift Current have been working to see a new hospital built, the Cypress Regional Hospital. Construction is slated to begin in April 2005 at an estimated cost of \$35 million. With the new hospital, Swift Current can meet the future health requirements of residents of the entire southwest region. This new state-of-the-art hospital will draw professional healthcare individuals to our community and ensure that health care – essential to quality of life – is available. This will play a key role in ensuring Swift Current remains a great place for future business investment and attraction.

We have also seen a tremendous increase in housing and condominium starts and renovations, including a new \$2 million seniors' residential condominium downtown. Housing prices increased approximately 10% in 2004.

## Regional Initiatives/Partnerships

A regional cluster initiative has been established, initiated by a broad range of leaders. The purpose of this initiative is to work on and support the formation of strategic alliances among small and medium-sized businesses and foster a climate in which these networks can grow and flourish. This project will ultimately see the development of four regional business networks involving the key industry sectors of the region: agribusiness, energy, manufacturing, and tourism.

A key relationship is emerging between Swift Current, First Nations, and the provincial government. The community has worked with the File Hills Qu'Appelle Tribal Council and the Saskatchewan Indian Gaming Authority to plan a \$23 million entertainment complex involving a casino, hotel, performing arts, and convention centre. It is projected to create over 200 full-time jobs, \$4.8 million annually in local salaries and wages, \$1 million in government revenues, and \$1.5 million for community development initiatives.

Another project, currently at the pre-feasibility stage, is the Southwest Beef Initiative. SBI is bringing together



*Act Now. Since we set the community goal of growth, there has not been a day on which we have not taken some action that moves our community towards that goal.*

stakeholders from across the southwest including the Rural Municipality of Swift Current, the City, First Nations, the cattle industry, research and financial institutions, and economic development organizations to explore the development of a beef processing plant that would test 100% of animals processed.

## Tourism/Marketing

A committee worked with the City to develop a “brand” to market Swift Current as a place to do business, live, and visit. The community has remolded its image to emphasize what Swift Current has to offer in terms of accessibility, affordability, culture, education, environment, health, recreation, and security.

“Experience This” is a project that is conceived as a way to turn Swift Current into a tourist experience economy by helping business owners get passionate about tourism and lead the way by creating unique and fun visitor experiences. In that vein, a Petroleum Park Interpretive Center is currently at the pre-feasibility stage. It is projected to require \$2.5 million for capital construction costs and to attract 40,000 tourists annually.

## A Community on the Move

Over the next years, the primary task of Action Swift Current is to keep on doing what it has been doing for the last three:

- Continued local leadership through dedicated volunteers, project committees, and an effective leadership team.
- Continued local commitment to the idea of community growth, and trust in the BR&E process as the way to accomplish it.
- Continued information gathering, and marketing and celebrating of successes.
- Continued progress on projects, old and new.

Action Swift Current has become a true community movement where individuals, businesses, and organizations are sharing ownership in the work and resulting successes of building a thriving community. This win-win situation for everybody is what sustains momentum. Three years into its life, Action Swift Current is not understood as a narrow, short-term project. Rather, people know it to be a long-term, complex, and community-driven strategy, informed, explained, and championed by local citizens.



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