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UNC EASTERN N.C. JOB-CREATION INITIATIVE YIELDS RESULTS

Rocky Mount, N.C. – A new job-creation initiative developed by a team from the University of North Carolina at Chapel Hill is yielding results for two eastern North Carolina counties six months after its launch.

The Twin County Business Growth Initiative has helped two companies in Nash and Edgecombe counties identify and connect with community resources needed to hire and train new employees and retain their existing ones. Developers aim to replicate the model in other N.C. communities to promote economic growth.

“The initial results in our two pilot counties have been very positive,” said Thomas A. Stith III, program director for economic development for the Frank Hawkins Kenan Institute of Private Enterprise, who conceived and leads the initiative. “In a part of the state where the unemployment rate has topped 15 percent, preserving jobs is significant. It has an impact.”

Jim Simmons, chief operating officer at Digital Repair LLC in Rocky Mount, one of the companies helped by the initiative, said, “Working with the Twin County Business Growth Initiative has absolutely contributed to our ability to be successful.” The company serves the telecommunications industry and has grown from five to 25 employees since opening in 2009.

“They have provided us with options we would not have been aware of, such as the training grant,” Simmons said. “I’m an engineer and I’ve never been involved with that side of the business, so it’s been a great help.”

Economic developers typically work to stimulate economic growth in three key ways: attracting new companies to a community, promoting new company formation, and supporting the growth of existing businesses. The Business Growth Initiative focuses on the third strategy: helping existing businesses grow.

The Kenan Institute, part of UNC’s Kenan-Flagler Business School, teamed with Carolinas Gateway Partnership to pilot the new program. Carolinas Gateway Partnership is the public-private economic development agency that promotes economic growth for the two-county region that surrounds Rocky Mount.

The model includes three key components:

- Identifying high-potential companies – working with local officials to develop a database of companies that are well positioned for growth and local vendors that can service and supply them. That includes

businesses that are already partners of the economic development agency as well as companies identified by institute researchers using a proprietary company database.

- Mobilizing a community action team – recruiting individuals and organizations that are willing and able to respond to the needs of local businesses, such as community colleges that provide workforce training and development; banks that can provide loans and financial services; business support organizations that provide technical assistance; and universities that offer research, expertise, and knowledge workers.
- Assessing business needs – sending UNC Kenan-Flagler MBA analysts to interview leaders of high-potential companies, understand their business strategies and find out what they need to grow.

The initiative arms communities with a wealth of company data, a robust technology tool (ExecutivePulse) for researching and managing company information and contacts, and a community poised for collaborative action to help its businesses grow and create jobs.

Digital Repair in Rocky Mount and SePRO Corp. in Whitakers were the first companies to receive assistance through the Twin County program. Analysts found that both needed workforce training, said Krista Ikirt, vice president of Carolinas Gateway Partnership.

They helped Digital Repair secure a workforce training grant and connect with Nash County Community College to create a customized training program for employees. They also connected Digital Repair with a local business, Tri-County Industries, to fill some of its temporary staffing needs. Digital Repair expects to hire new employees in the near future.

Workforce training was also the primary business growth issue for SePRO, a local aquatics and ornamental horticulture company. Team members connected SePRO with Edgecombe Community College, which will provide training for five SePRO employees at the company's Rocky Mount facility, and Nash Community College, which will train its 18 employees in Whitakers.

"This is just an example of how successful the business retention program is for our local companies, not to mention the job creation and retention success for the Twin County region," Ikirt said. "Both companies are very pleased with this program."

Businesses in a community often are not aware of the resources and opportunities that exist to support them, such as funding through grants, Stith said.

"Private-sector companies often don't realize they are eligible for certain types of funding," he said. "The Business Growth Initiative helps make those valuable connections."

Carolinas Gateway Partnership President and CEO John Gessaman said he is encouraged by the early results of the initiative.

“This is a long-term effort to address economic development in Edgecombe and Nash counties,” Gessaman said. “But already we have specific evidence of companies benefiting from the Twin Counties Growth Initiative and that will continue to build upon itself. We continue to bring in more community partners to keep this effort going.”

The Kenan Institute hopes other communities will use the new program to develop and expand their existing businesses as part of their economic development strategies.

“There is great strength in the public and private sectors, universities and economic development agencies working together to address the needs of existing businesses,” Stith said. “And while new business is certainly a component of economic development strategy, existing businesses are currently creating most of the new jobs.”

For more information on the institute’s Business Growth Initiative, contact Stith at (919) 962-8444 or thomas_stith@unc.edu or visit www.kenaninstitute.unc.edu/businessgrowth.

To learn more about the Twin County project, contact the Carolinas Gateway Partnership in Rocky Mount, (252) 442-0114 or cgp@econdev.org.