



DECEMBER 2021

GREAT FALLS DEVELOPMENT AUTHORITY

SWOT ANALYSIS



Barber Business Advisors
Solutions in the Making

PREFACE

Pursuant to an agreement with the Great Falls Development Authority, consultants with the Barber Business Advisors (BBA) network have spent time in Great Falls asking knowledgeable stakeholders about their thoughts concerning the Great Falls Development Authority as an organization.

Interviews, conducted virtually and on the ground, represent the Phase 1 Discovery part of what will become an economic development strategic plan, which will be drafted in cooperation and input from GFDA.

During this initial phase, which has been completed, the consultants sought to determine the strengths, weaknesses, opportunities and threats to the community and the economic development organization. This is commonly referred to as a SWOT analysis.

Our “Salient Points” findings on the community were published earlier and formally presented in a board meeting on November 4, 2021 by BBA Principal Dean Barber. The focus of this SWOT analysis is on GFDA as an organization.

The interviewees included GFDA leadership and staff, board members, elected officials, law enforcement officers, educators, major employers, small business owners and nonprofits. A broad cross section of interviewees were engaged across all races, genders, and ages. The majority of the interviews took place with Cascade County residents. However, the consultants did interview business owners and residents in outlying rural counties served by GFDA during two regional focus group meetings.

Through a combination of confidential interviews and focus group meetings, the BBA project team gained a deeper understanding of the effectiveness of GFDA as an organization, and the challenges and opportunities that await it.

This document outlines the observations not only of those interviewed but also the findings by principal consultants Dean Barber and Christine Rambo. BBA consultants Tim Feemster and Barry Albrecht, assigned to analyzing specific industry sectors, were largely not involved in the organizational SWOT.

As a SWOT analysis stands for Strengths, Weaknesses, Opportunities and Threats, we list our salient points in that order. These salient points are based on our observations and interviews. We invite board members of GFDA to weigh in with your thoughts.

GFDA SWOT

Strengths:

- **Extensive Services:** GFDA offers a broad range of services that many other economic development organizations don't, including:
 - financing through a CDFI
 - small business training and consulting through a SBDC
 - government procurement advice through a PTAC
 - talent attraction
 - brownfield redevelopment program offers financing and technical assistance to redevelop contaminated sites
- **Community Perception:** Of those who are aware of GFDA's many services, the feedback is mostly positive but with some prominent detractors. (Relations with the City and Chamber are not ideal.)
- **Dedicated Staff:** The GFDA team is excited and passionate about their work to grow the community. They subscribe to the core values of the organization. While upper management has long term staff, there has been turnover with talent loss. Pay may be part of the issue.
- **Stability in Leadership:** The current President has led GFDA for 15 years, creating steady leadership and a clear direction. The Vice Presidents have been with GFDA for at least six years. Staff has confidence in the leadership.
- **Good Asset:** GFDA owns the Great Falls Agri Tech Industrial Park with a certified, rail-served site that could become a revenue generator.
- **Performance:** High performing track record of success with notable wins creating a positive momentum and excitement in community

Weaknesses:

- **Mission & Vision:** Better fleshed out mission and vision statements would provide more direction, common goals and a focus for resources.
 - What is the purpose of GFDA? What does it want to be remembered for? Who are its customers?
 - A clearly articulated vision for the community would rally partners, political leadership and community members around common goals and a clear direction.

- Collaboration would be enhanced if everyone is on the same page and pulling in the same direction. Initial visioning work has begun but final mission and vision statements need board approval.
- As a result, GFDA lacks a strong brand identity as an organization. It is very difficult to articulate GFDA's value proposition to an external audience if the organization itself has not fully articulated its mission, vision and core values.
- **Board Diversity:** Pay-to-play model board model has led to a **lack of diversity** on the board in terms of women, small business owners, entrepreneurs, rural representation, younger demographics, and etc. Board diversity has increasingly become an important issue because it promotes new ideas, perspectives and increased community engagement.
- **Board Engagement:** Long-term board members appear not to be as engaged as they could be. Many board members interviewed agree their participation and engagement has dropped off over the years. Some do not understand the mission. Some do not have an understanding of the basics of economic development. Most board members do not know how to engage more fully in GFDA's economic development activities.
- **Regional Relationships:** GFDA is city-centric with some regional presence despite the fact that the organization is a regional economic development organization. Currently, leadership believe they should be a Great Falls centric group with some free services to rural counties. Business attraction services are regional as well as PTAC and SBDC services.
 - During two regional focus group meetings, participants in outlying rural counties say they feel underserved.
 - Little to no awareness of GFDA services in rural outlying counties and communities; current marketing through print and online ads in local newspapers do not appear to have a strong ROI.
 - Because of the organizational name is "Great Falls" Development Authority, rural counties don't know they are included in the service area. Possibly a tagline that says "Serving the Golden Triangle" would help address misconceptions.
 - Little to no investment from outside of Cascade and Great Falls, so rural communities do not have "skin in the game." They are less likely to be engaged in GFDA, as evidenced by their lack of participation on the Board despite having seats at the table.
- **Operating Deficit:** GFDA is currently relying on its CDFI operations to fund business attraction and BR&E activities. As a 501(c)3 economic development organization, public-private investments along with grants should cover economic development activities.

- Explore other sources of revenue besides investments and grants. (e.g. revenue from Agri Tech Park)
- Past relational issues with the City of Great Falls along with the City's philosophy toward its role in economic development and budget restraints have led to the City not being a regular investor like the County.
- Can the state provide recurring financial support?
- **Staff turnover** has meant the GFDA team not completely coalesced and organizational culture is segmented among the business units. See reference above in "Dedicated Staff."
- **Business Retention & Expansion:** Allocation of staff time between Business Development and Attraction (BD) versus Business Retention and Expansion (BR&E) skewed more toward BD because of immediate BD deadlines and limited staffing. More attention needed in BR&E as the majority of new jobs are created by incumbent employers. We would grade GFDA's BR&E program as good but could be improved.
 - Due to staff turnover, the ongoing relationship-building with existing employers needed for a great BR&E program is lacking.
 - Constant ongoing training of less experienced staff due to turnover limits the BR&E program effectiveness in working with and growing second stage and high growth companies. Research shows that these types of companies are major job generators and require economic gardening strategies, business intelligence, marketing and the ability to analyze and address more complex issues.
 - GFDA's BR&E program should be branded and promoted similar to business attraction wins. There is a misperception among some stakeholders that GFDA concentrates only on business attraction.

Opportunities

- **Workforce Collaboration:** Support, partner and coordinate with workforce development initiatives, led by the Great Falls Chamber of Commerce. Work with state, regional and local partners in workforce development/job services, higher education, K-12 education, business community, social services agencies, political leaders and Malmstrom AFB to address the lack of quality and quantity of the workforce in Great Falls and the region.
 - Workforce Summit: bring in a national speaker to talk about workforce development. BBA is facilitating a conversation between GFDA and Jeff Lynn, President of Central Alabama Community College, who created and ran two state workforce development programs.

- Facilitate and encourage business/employer participation in workforce development
- Form more linkages with other workforce development organizations and partners:
 - Engage Job Services in economic development efforts
 - Sit on advisory committees for industrial programs at GFC MSU
 - Continue to collaborate with Chamber of Commerce's workforce development person
 - Develop partnerships with Malmstrom AFB to recruit trailing spouses
- Identify benchmarks and KPIs for upskilling and growing the workforce
 - Consider the ACT Work Ready Communities initiative which measures the skill level of your local workforce.
<https://www.workreadycommunities.org/>
- **Enhance Marketing:** Implement a coordinated marketing program, including increased public relations efforts and brand awareness for all areas of GFDA services and programming, including business attraction, BR&E, small business, and PTAC.
 - Enhance marketing of Agri Tech Park with more content and video marketing on all communications channels
 - Redesign of GFDA website (currently underway)
 - Rebrand GFDA after new strategic plan is complete, targeting internal audiences first
 - A 'pride in place' branding campaign that highlights the new community vision and GFDA's and others' role in that vision. The internal branding campaign encourages more civic engagement and bolster community self-esteem.
- **Investor Relations:** Leverage the new strategic plan to fundraise and to engage stakeholders and the communities within the region
 - Introduce the strategic plan with its new community vision to the public through announcements, PR campaign, earned media and digital marketing
 - Seek collaboration among economic development, workforce, education and business sector to implement strategies
 - Since investors were engaged during the strategic planning process, building buy-in for supporting and financing the plan will be easier.

- Opportunity for the Investor Relations Director to visit, update investors about the new strategic plan and seek higher levels of financial support
- **Improve overall collaboration** with economic development, education and workforce partners. GFDA works well with some organizations, not well with others. The overall environment in the community for collaboration can be improved.
- **New Allies:** Social agencies want to be allies of GFDA and have a seat at the table. During the focus group meeting with social service organizations such as the United Way, Rescue Mission, etc, these nonprofit leaders asked to be engaged in conversations about economic development.
 - This group, which has not been broadly engaged in economic development in the past, sees the value in creating opportunities for the population they serve to rejoin the workforce.
 - Lack of economic opportunities contributes to some of the social issues that they address so they wish to become allies. They can serve as cheerleaders for GFDA and help improve quality of life in Great Falls.
- **New federal dollars** could “seed” projects. The \$2.2 trillion “Build Back Better” bill, passed by the House and now being considered in the Senate, includes more than 30 place-based programs aimed at strengthening regional and local economies. The \$550B infrastructure bill passed by Congress opens up opportunities for transportation infrastructure improvements for the Great Falls region.
 - Explore grant opportunities that could provide seed money for a transload facility at Agri Tech Park
 - Seek funding for improved east-west connectivity along U.S. highways that transverse the Golden Triangle region
 - Study the minimum volume required for BNSF to build a transload facility and number of customers needed to make a transload facility viable.
 - Place an emphasis on addressing transportation costs for value-added ag processors and manufacturers
- **Cross-border Collaboration:** Partnering with the Sister City of Lethbridge on an International Food Corridor. The local economic developer there would welcome such collaboration.
 - Trevor Lewington, CEO of Economic Development Lethbridge, would like to explore ways to collaborate on the issue of transportation of value-added food products. Lethridge in Alberta, Canada is a food processing hub with similar issues of transportation/logistics. Most of Lethbridge logistics travel north/south on Interstate-15 back and forth to California.

- Enhance working relationships and partnerships with Economic Development Lethbridge to borrow best practices. ED Lethbridge is conducting a food processing best practice study which will be completed in January 2022, which they are willing to share with GFDA.
- **New Childcare Study** creates opportunities for GFDA and the community to receive grants and funding for new childcare facilities. Proposed DOD grants will soon be available for childcare centers within military communities
- **New Housing Study** will create new housing development opportunities.
 - Create RFP and incentive package to attract developers to build more affordable housing in the region
 - Conduct Zoom meetings with local and out-of-town residential developers, educating them on the housing study and local market demands and how GFDA can provide gap financing
 - Attract national or statewide multi-family and affordable housing residential developers
- **Tribal Communities:** \$100 million in the American Rescue Plan is available for Indigenous Tribal Communities. However, most Native American communities in the GFDA region do not have shovel ready projects to take advantage of the funding.
 - Partnering with the Native American economic development organizations and CDFIs to assist Blackfeet, Little Shell and other tribal communities located in GFDA with accessing federal dollars
 - Access to capital for Native Americans is very challenging – especially since tribal lands are held in federal trust thus collateral for Native Americans is difficult to access.
- **Rural Lending:** Expand CDFI loans to rural communities through a coordinated marketing program and enhanced partnerships with community banks in the region. Currently, 85% of the total number of loans (133 loans) made by GFDA are within Cascade County including the City of Great Falls. Only 14% of total loans by number (22 loans) are in the rural counties and tribal communities.
- **Rural Relations:** More relationship-building in rural communities will enhance awareness of GFDA services in outlying counties to improve regionalism in the Golden Triangle. While GFDA has good relations with some outlying EDOs/communities, relationships with other EDOs are challenging.
 - BD, PTAC and SBDC staff could be assigned a county to liaison with so there is a single point of contact for each county.
 - Regional caravan through the 13 counties to promote GFDA brand and services

- Increase regional collaboration specifically within key target sectors such as participating in regional or state agriculture associations
- **Team-building:** Intentional organizational activities to build teamwork and to strengthen corporate culture within GFDA employees beyond staff meetings
 - Staff retreats and luncheons
 - Fun team-building activities
- **Lead Generation:** Enhance lead generation program through consistent relationship-building with site selectors, commercial brokerage firms and potential prospective companies
 - Outbound recruitment trips to Chicago, IL; Dallas, TX; Greenville, SC; and Atlanta, GA where there are a number of site selectors – some of which specializes in food processing
 - Develop strong relationships with national commercial brokerage firms, like JLL, Newmark, CRE, Cushman & Wakefield, etc.
 - Frequency and relevancy are important when engaging with these targets
- **Strengthen BR&E Program:** the top issue for most employers is workforce – both in training incumbent workforce and recruiting new talent. BR&E team should have good relationships with Job Services and other workforce development partners, along with a strong understanding of state and local workforce and business incentives and programs. In Great Falls, a particular challenge among some small businesses is navigating the permitting and regulatory process.
 - A dedicated BR&E staffer with specialized training in working with second stage and high growth companies
 - Marketing for BR&E program
 - CEO mentors and roundtable discussions
 - Accelerator program working with high growth and second stage companies

Threats

- **Threat to CDFI Income:** Due to GFDA's over reliance on its CDFI income if this source of revenue declines, GFDA would have to cut its operational budget thus jeopardizing its current positive momentum and staffing levels. GFDA needs to diversify its funding sources and revenue, including more public/private funding.

- **Distrust** from rival economic development organizations limits partnerships and collaboration and hampers GFDA's effectiveness, especially in the region outside of Cascade County.
- **Staff Turnover:** The threat from other local and regional employers hiring away GFDA staff jeopardizes the organization's long-term performance and operational effectiveness
- **Business climate** in Great Falls threatens or constrains organizational effectiveness of GFDA
 - City of Great Falls is risk averse, taking a very limited and traditional role in economic development while other cities around the US are actively recruiting projects with innovative private-public partnerships, incentives and proactive leadership
 - Community's unwillingness to support infrastructure improvements and investments by passing taxes
 - Community's NIMBY attitude, "not-in-my-backyard," limits public support of economic development projects and the rezoning needed in some projects
- **Weak State Support:** State economic development agency is not as strong as other state agencies elsewhere in the U.S., resulting in less support for GFDA at the state level for infrastructure improvements, incentives, workforce development and business attraction leads.
 - Some other states provide direct funding of economic development organizations in rural regions
 - Some other states provide funding for BRE efforts in communities
 - GFDA only receives a partial match from the state for its SBDC operation