
Alexandria, Minnesota Project: Leadership Succession Planning for Community and Business

Alexandria Area Population: 11,323

Focus of Survey: Manufacturing

BR&E Drivers

- The Alexandria Area Economic Development Commission (AAEDC)
- West Central Initiative Fund
- University of MN Extension

Summary

In 2006, the Business Retention & Expansion (BR&E) Strategies Program helped establish community succession planning in the Alexandria lakes area. BR&E participants began the project “to establish a vehicle for viable leadership succession in the community,” as described by Pat Kalina of the Alexandria Area Economic Development Commission and a BR&E leadership team member. The projects featured open communication and cooperative succession planning. Outcomes include a partnership with the Minnesota Chamber of Commerce’s *Grow Minnesota* program to maintain ongoing contact with businesses, the establishment of the Alexandria Young Professionals Group, and workforce development partnerships.

Background

The Alexandria BR&E Program got underway in December of 2005. A leadership team recruited to lead the BR&E project included: the Executive Director and Marketing and Communication Coordinator of AAEDC (the sponsoring agency); the Executive Director of Alexandria Chamber of Commerce; an executive from West Central Sanitation, the President and Dean of Customized Training,

Alexandria Technical College; the City Planner for Alexandria; a banker; and a community resident at large.

Next, the leadership team recruited a Task Force of 22 people from a variety of sectors. The Leadership Team organized Task Force members into two-person volunteer calling teams. There are over 1,800 businesses currently licensed to operate in the Alexandria Area and 59 of them are manufacturers. Firm visits were conducted to 39 of these firms (66% of manufacturing businesses) from February 23 to March 21, 2006.

The BR&E survey results were tabulated and analyzed by University of Minnesota staff. A summary of the data was analyzed by a State Research Review Panel Meeting in April 2006. The review panel members included University faculty, government analysts, Task Force members, and others. SWOT (strengths/weaknesses and opportunities/threats) analysis was used to review survey results and to suggest projects that might respond to local firms' concerns.

The survey research was reported at a four-hour Task Force Retreat on May 9, 2006. The BR&E research report included over twenty project ideas pertinent to the situation in Alexandria. At this retreat, the Task Force selected five priority projects for continuing action.¹

One of the five key priority projects chosen was Community and Business Leadership Succession Planning. Coni McKay of the Alexandria Chamber of Commerce explains the choice.

“We looked around the room at the volunteer group that was out calling on businesses during the BR&E, and realized that most of those are boomers and we were or are in many cases the leaders of the community. There was a heightened awareness: of the 35 volunteers, there were probably less than 10% that were young professionals in that next generation of leaders, and so ... if the faces in here - in the leadership group of volunteers - are primarily boomers, then obviously it's also true in the business community that we're visiting. It was a real ah-ha moment.”

¹ Background section adapted with permission from *University of Minnesota Extension Service Business Retention & Expansion Strategies Program Alexandria Summary Report*, May 2006 by Marilyn Grantham, Consultant, with the assistance of Michael Darger and Ryan Pesch of the University of Minnesota Extension Service, Community Development and Vitality Capacity Area.

The Project

To enact a strategy to maintain Alexandria's community services, the Leadership Succession Planning project was started. According to the May 2006 BR&E Summary Report,

“The goal of this project is insuring that we plan adequately for leadership succession in our community. Recognizing that we already have an informal mentoring system, we will utilize current leadership and networking groups to communicate the importance of our mission. Information will be compiled into a pamphlet at a meeting on June 8, 2006.

“The following action items were identified:

- Team will meet four times each year.
- We will ... identify key contacts/groups including but not limited to government, schools, and non-profit, service, leadership, and business organizations.
- Each team member will meet with two identified contacts/groups each quarter to communicate the importance of our mission.
- By the third quarter each year, each member will choose and mentor a future committee member to take over their position for the following year.
- Community Conversations may be used.
- The team recognizes funds may be needed to expand current or new programs.
- Active community leaders have been identified to help mentor.
- Chamber/AAEDC will identify future contacts for potential leaders.”²

Results as of March, 2008

The open communication and planning that started during BR&E led to several later accomplishments. Current boomer generation leaders invited local young professionals into mentoring relationships. This created “an understanding of what the boomers' retirements will do to the business community and leadership. The young professionals now know that they will be required to step forward, to fill those gaps, and to take control of the reigns of community leadership,” said Coni McKay, of the Alexandria Chamber of Commerce. She noted that the younger generation immediately established an Alexandria Young Professionals Group and the current, older leaders started succession planning in their

² The Project section adapted with permission from *University of Minnesota Extension Service Business Retention & Expansion Strategies Program Alexandria Summary Report*, May 2006 by Marilyn Grantham, Consultant, with the assistance of Michael Darger and Ryan Pesch of University of Minnesota Extension, Center for Community Vitality.

businesses. “I know that there’s [succession planning] work going on and it’s at board room levels now, not necessarily open to the public... The topic is one I hear more and more about locally everyday.”

The Alexandria Area Technical College’s relationship with local businesses benefited as well.

Chad Coquette, Dean of Customized Training, said:

“BR&E brought out that the manufacturing and industry businesses visited have some of the same issues. So, with changes in economy in the news more - workforce demographics of baby boomers retiring, skilled worker shortages, which come hand in hand, more people have realized it. In the past two years, the info from BR&E has made it even more pertinent. For the health of the community and workers the local groups have realized they need to work together. For example, workforce development: the Lakes Area Manufacturing Partnership – BR&E set the groundwork for this - is part of a MN CEP Grant to address workforce development needs.”

Ultimately, many participants valued BR&E so highly that they wanted to continue the in-person meetings with local businesses. Thus, they joined Grow Minnesota, a Minnesota Chamber of Commerce program that is very similar to BR&E and allows for ongoing visits by teams of local volunteers to more businesses across all sectors of Alexandria. McKay says,

“Going out and sitting face to face with local business owners, managers, or CEOs to hear about what their day to day challenges are in regard to workforce, infrastructure, and a lot of areas we covered in BRE - *that was important*. Just sitting across from them hearing their perspective, face to face. I find a lot of value in that. I think the large volunteer base we had was really beneficial -- the large base of volunteers, who in many cases are community leaders. I think it was eye opening for them as well.”

Challenges

The leadership team in Alexandria overcame some challenges on their road to success. Pat Kalina, of the AAEDC, observed the difficulty of implementing ambitious projects. “Making desire into reality was more difficult than we hoped for. I can easily say for any of the projects, when the box was opened there were a lot more pieces to the puzzle than we hoped for.” One of the pieces to the puzzle was enticing busy employers to buy in and take the time from their busy jobs to meet and concentrate on making resolutions. Chad Coquette said he and others used their positional leadership to start discussions that set a good direction for gaining commitment from others. Others observed that it was a challenge to set goals for ambiguous projects, to know when goals were reached, and to maintain ongoing update and

check-in meetings. Perhaps the team overcame these challenges because it began the BR&E program with an ambitious spirit. “A self imposed challenge was met – we decided to do our visits in a three month time period. So, our goal was 50 and we called on 39 or 40 in 3 months” said Coni McKay. In fact, according to Extension’s BR&E Strategies Program Director, Alexandria’s team set and accomplished one of the tightest, most ambitious BR&E timelines that Extension has seen in the eighteen years of the program’s existence.

Resources

Pat Kalina and Coni McKay credit BR&E success to the large, varied volunteer base. This included the Task Force members, the willingness of local businesses to respond, and the strong direction of the leadership team. The Alexandria BR&E was sponsored by the Alexandria Area Economic Development Commission, the West Central Initiative Fund, and the University of Minnesota Extension. The University of Minnesota Extension’s BR&E Consultant was Ryan Pesch.

Kalina, McKay, and Coquette point to each other’s organizations as keeping leadership succession and business retention and expansion projects alive.

“Leadership succession planning will continue on; the conversations are being entertained more openly,” says McKay. “I think that 10 years ago if you had talked about succession planning for businesses, it would have felt like someone was going to be fired; you know what I’m saying? I think it now has a different connotation. Boomers suddenly realize that we’re not all going to be in the workplace 10 years from now and so there better be some effort in making sure that not only the businesses continue strongly, but the community does too.”

Additional Information

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