PART I

BUSINESS RETENTION AND EXPANSION IN GREAT BEND

A Research Report

prepared for

The Kansas Department of Commerce

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PREFACE

Project Background

In the summer of 1987, Southwestern Bell Telephone offered an executive-in-residence to work with the Kansas Department of Commerce. This Southwestern Bell executive was Brad Parrott. In cooperation with Kansas Governor Mike Hayden, the Department of Commerce decided to conduct a study on business retention and expansion in the state, and enlisted the assistance of the Institute for Public Policy and Business Research at the University of Kansas to assist with the project. This project was a joint effort between Southwestern Bell, the Kansas Department of Commerce, and the University of Kansas.

The project used a telephone survey to study the retention and expansion of business firms in: Coffeyville, Emporia, Garden City, Goodland, Great Bend, Hays, Hutchinson, Lawrence, McPherson, and Salina. In each community, a local committee of business representatives and community leaders were responsible for conducting personal interviews that provided additional in-depth answers to survey questions. These committees will receive a report of the community they represent, and will be responsible for local action.

Acknowledgements

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The authors alone are responsible for the contents of this report.

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PART I

BUSINESS RETENTION AND EXPANSION
IN GREAT BEND
EXECUTIVE REPORT

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EXECUTIVE SUMMARY

A sample survey of 105 business firms in Great Bend was completed to find determinants of business retention and expansion of existing industries in Great Bend.

These firms, drawn from sectors constituting the economic base (retail firms and service firms that were entirely local were not included), were surveyed to identify factors that influence the retention and expansion of existing industries in Great Bend, to identify the potential of Great Bend firms to expand within their community, to assist the establishment of local retention and expansion efforts, and to distinguish local issues that influence retention and expansion.

The major findings of the study are:

1. Employment growth in Barton county has lagged behind Kansas and United States growth rates. There was no employment growth in Barton county from 1978 to 1986.

2. Most of the surveyed firms in Great Bend (85%) have fewer than 20 employees.

3. Surveyed Great Bend firms sold a mean, or average, 50% of their goods or services in the local market, 39% in the state market, 10% in the national market, and an average 1% in the international market. In comparison to firms surveyed in the other eight communities for the state business retention and expansion report, Great Bend firms sold a lower average percent of goods/services in the local market and a higher average percent in the state market. However, Great Bend firms have accessed markets outside of Kansas less than firms in the other eight communities.

4. Recruitment of outside firms has generally not been successful for Great Bend. Of the total number of surveyed firms, 95% have not moved to the community from another city or state in the past five years.

5. Reasons for location given by Great Bend respondents stress the local orientation of these firms. Of the total number of respondents, 54% said a reason for location was that Great Bend provided a central location, while 51% said a reason for location was because Great Bend was the founder's hometown.

6. Very few of the surveyed firms are planning to leave Great Bend. Only 1% of the total number of firms will move from the community next year.

7. The majority of firms in Great Bend (89%) have no trouble attracting or maintaining management or professional employees. However, firms with 50 or more employees did have this problem more than smaller firms.

8. Of the total number of respondents, 96% said they did not have a negative image of rural life and 100% said they did not have a negative image of Kansas. However, firms with 50 or more employees did have a slightly more negative view of rural life.

9. A high percentage of surveyed firms in Great Bend have decreased employment the past two years. Of the total number of firms, 44% decreased employment and 18% increased employment. In comparison, 19% of the surveyed firms in the other eight communities decreased employment and 35% increased employment the past two years.

10. Many Great Bend firms have also decreased physical plant size the past two years. Of the total number of firms, 23% decreased physical plant size and 25% increased size. In comparison, only 7% of surveyed firms in the other eight communities decreased size and 36% increased physical plant size in the past two years.

11. Of the Great Bend firms that gave problems with expansion, 60% stated that a static or declining market was a problem with expansion. In comparison, 39% of the firms in the other eight communities mentioned this same problem. A declining or static market was also cited as a reason for contraction by 76% of the respondents who have had a contraction.

12. Fifty-one percent of the firms planning an expansion will expand outside of Barton county. In the other eight mid-size communities only 8% of the firms planning an expansion were expanding outside their home county.

13. Although there has been past decreases in employment and physical plant size, Great Bend firms are optimistic about future growth. Of the total number of respondents, 42% said their firms will increase employment in the next year and 19% said their firms will increase physical plant size in the next year. Only 2% said their firm will decrease employment and/or physical plant size.

14. There are firms in Great Bend that believe they have the potential and/or the desire to expand into the international market. Of those firms that responded, 15% stated their firm had the potential to expand and 15% stated their firm had the desire to expand. Every respondent that said their firm had the potential and/or the desire to expand was from a firm with fewer than 20 employees.

15. Financing sources for expansion come from traditional sources. Of those respondents that gave a financing source, 55% said internal financing was a source and 51% stated that a bank was a source for financing.

16. Expansion growth has been lost in Great Bend because of lack of financing. Fifteen percent (15%) of Great Bend respondents said their firm was forced to forego or postpone an expansion because of a lack of financing.

17. Of Great Bend firms surveyed, 60% perceive their local governments attitude toward the community as positive to very positive. However, 20% of the companies suggested that the local government be more responsive as a way to improve the local business climate.

18. The majority of local services were seen as good or adequate. However, local transportation services were viewed as poor by many Great Bend respondents. Of the total number of respondents, 49% rated the quality of public transportation as poor, 44% rated the availability of air transportation as poor, 29% rated the quality of roads as poor, and 24% rated the cost of transportation as poor. In addition, in comparison to surveyed firms in the other eight communities, Great Bend had a higher percentage of firms that gave poor ratings for 10 of the 13 local services asked about.

19. Economic development was seen as important to the improvement of opportunities for local businesses. Of the respondents that suggested ways to improve the local quality of life, 69% suggested that economic development would provide improvement; of the respondents that gave suggestions for improvement of the local business climate, 62% suggested economic development.

20. Economic development programs set up by the state are relatively unknown to firms in the Great Bend community. Of the total respondents, 93% had no knowledge of Certified Development Companies, 86% had no knowledge of Centers of Excellence, 60% had no knowledge of the Kansas Industrial Training Program (KIT), 40% had no knowledge of the Job Training Partnership Act (JTPA), and 31% had no knowledge of the Community Development Block Program. JTPA was used the most of these programs: 7% of the total number of firms had actually used this program.

21. The overwhelming majority of Great Bend firms (94%) stated that they have requirements for general, nonspecified skills.

22. The quality of life as perceived by firms in Great Bend is less than perceived levels by firms surveyed in the other 8 communities. Seventy four percent of Great Bend firms rated quality of life good, 21% adequate and 3% poor, while 82% of the firms surveyed in other communities rated the quality of life as good, 15% adequate and 2% poor.

SUMMARY OF RECOMMENDATIONS FOR ECONOMIC DEVELOPMENT

POLICY IN GREAT BEND

1. Local policies should be directed to encouraging entrepreneurs in Great Bend who are starting new businesses and to facilitating expansion of existing businesses. Examples of such efforts include incubators and small business development centers. Entrepreneurs should be actively involved in Great Bend's economic development strategies.

2. Although the recruitment of firms from outside of Great Bend should constitute one part of Great Bend's economic development strategy, the major focus should be on the establishment of new firms and the growth of existing businesses. A greater effort should be made helping local companies grow than in chasing after branch facilities of out-of-state companies.

3. A major part of Great Bend's economic development strategy should focus on facilitating expansion of firms within Barton county.

4. Great Bend, in cooperation with the Kansas Department of Commerce, should have a targeted business retention program. These ongoing programs should identify dissatisfied firms and concentrate retention efforts upon them. Only a very small percentage of firms are planning to leave the community or state. The vast majority of firms are satisfied with the community and are not planning to leave.

5. Larger firms and branch operations must be targeted as part of a business retention program. The loss of a large employer would have a devastating detrimental impact on a community and other firms that are suppliers to the large company. In addition, since the majority of larger firms are part of a larger corporation, the local chamber of commerce and the local government will need to be in contact with the parent organization of these firms.

6. Improved access to nonconventional sources of financing should be a top local priority. Included would be access to seed and venture capital to a greater extent than currently exists. Firms are primarily dependent on conventional sources of financing (banks and internal funds) and do not have access to seed, medium, or high risk financing. Consideration should be given to establishing a community based seed/venture capital firm in Great Bend.

7. Public transportation and the availability of air transportation are the two primary parts of Great Bend's transportation system that require improvement. Regional cooperation to improve the availability of air transportation needs to be pursued.

8. Firms in Great Bend should be encouraged to participate more actively in national markets outside of Kansas. Efforts to help firms realize their potential in larger markets is necessary. To do otherwise would seriously limit growth opportunities. The local business community needs to be actively involved in efforts to broaden markets.

9. Efforts to assist firms to participate in international trade are necessary. Such assistance may include programs to make firms aware of the potential of international trade. Specific barriers to international trade, such as financing, must be addressed. There is an unrealized opportunity to increase exports from Kansas mid-size communities such as Great Bend.

10. A major effort is required to assure that firms in Great Bend know what state programs are available to assist them. The local business community and local governments should initiate communication programs to insure that firms in Great Bend know about the Kansas Technology Enterprise Corporation, Kansas Venture Capital, Inc., Kansas Inc., and other state economic development programs.

BUSINESS RETENTION AND EXPANSION

EXECUTIVE REPORT

At the request of the Kansas Department of Commerce, the Institute for Public Policy and Business Research surveyed business retention and expansion in Great Bend. This was accomplished through a survey questionnaire given to a random sample of business representatives. Great Bend companies were surveyed to identify factors that influence retention and expansion in existing industries in the community, to identify the potential of Great Bend firms to expand within their community, to assist the establishment of local retention and expansion efforts, and to distinguish state and local level issues that influence retention and expansion.

Along with Great Bend, eight other communities (Coffeyville, Emporia, Garden City, Hays, Hutchinson, Lawrence, McPherson, and Salina) were surveyed as part of an overall state report of retention and expansion in communities with populations of 10,000 to 100,000 persons. Survey results for Great Bend are compared to results from the other 8 communities in Part II of this report.

A total of 105 randomly selected firms participated in this study. These firms were drawn from the economic base of the community, and represented the agriculture, mining, construction, manufacturing, transportation-communications, wholesale, finance, and services industries (retail firms and service firms that were entirely local were not included in this sample).

This report focuses on five major areas: (1) the description of the survey population, (2) the description and determinants of business location and retention, (3) the expansion of businesses in Great Bend, (4) the local and state business climate, and (5) economic development assistance. For a more detailed analysis of any subject covered in Part I, the reader is advised to study Part II of this report.

ECONOMIC GROWTH IN KANSAS

Before discussing the survey and the results provided by Great Bend firms, it is necessary to review several economic growth trends for Kansas. These data will provide a background for consideration when the survey results are discussed, and will provide trends and explanations that will give a view of the total state and of Barton county, along with the counties of the other 8 communities that were part of the overall state study of retention and expansion. It is important to remember that the data collected for this project must be observed within the context of the state as a whole.

Employment Growth

No employment growth was observed in Barton County from 1978 to 1986. From 1982 to 1986, employment growth was a negative 9%. From 1978 to 1986, only two of the other counties had lower growth rates and between periods 1982 and 1986, Barton County had the lowest employment growth rate of all counties in the study (see Table A).

TABLE A
TOTAL EMPLOYMENT - COUNTIES, KANSAS, AND U.S.
1978-1986 (In Thousands)

	1978	1980	1982	1984	1985	1986	% Change 1978-1986	% Change 1982-1986
Barton Co.	**13.5**	**14.4**	**14.9**	**14.9**	**14.6**	**13.5**	**0%**	**-9%**
Douglas Co.	26.6	28.2	27.5	28.0	29.2	30.4	14%	11%
Ellis Co.	10.9	11.5	11.8	12.5	12.1	11.6	6%	-2%
Finney Co.	9.4	9.9	12.6	13.6	14.3	14.2	51%	13%
Lyon Co.	14.4	14.6	14.4	14.7	14.8	14.4	0%	0%
McPherson Co.	10.5	10.8	10.7	11.2	11.1	11.1	6%	4%
Montgomery Co.	17.3	17.4	15.8	14.8	14.8	14.7	-15%	-7%
Reno Co.	27.0	27.1	24.9	25.3	25.9	25.4	-6%	2%
Saline Co.	22.2	23.1	21.8	22.6	22.2	22.5	1%	3%
Kansas	912.5	944.7	921.4	960.7	967.9	983.1	8%	7%
United States	86697	90408	89566	94496	97519	99610	15%	11%

Sources: Counties and Kansas - Kansas Department of Human Resources Research and Analysis Section; United States - Bureau of Labor Statistics, Industry Employment Data Section.

Establishment Growth

For Barton County, establishment growth from 1978 to 1985 has seen a growth rate of 14%. In the time frame from 1982 to 1985, establishment growth was only 6%, the lowest figure among all surveyed counties. These results are both much lower than establishment growth rates for Kansas and for the United States. Although Barton County has positive establishment growth rates, its poor showing in comparison to the state and the other counties indicates past expansion problems for the county, and potential problems for the future (all figures are from the Kansas County Business Patterns and the United States County Business Patterns).

Personal Income Growth

Personal income growth for Barton County was 92% for the time period 1978 to 1984. This is greater than both the Kansas growth rate of 75% and United States rate of 71%. Only two counties that were selected for the state report (Finney, and Ellis) had higher percentages of personal income growth (all figures are from the Bureau of Economic Analysis, Regional Economic Information System, U.S. Bureau of Economic Analysis, and the National Income and Products Accounts of the U.S.). Note that these figures are current only to 1984, and as a result, conditions may have changed which might alter these results (eg. downturn in the petroleum industry).

Summary

Employment growth and establishment growth in Barton County has lagged well behind employment growth in Kansas and the United States. This suggests weaknesses in the Great Bend economy and signifies the importance of designing and implementing appropriate economic developments strategies. Great Bend is particularly important for Kansas as a regional center for its part of the state. In recent years, the economy of Great Bend has been underperforming the Kansas economy.

DESCRIPTION OF SURVEY POPULATION

In this section firms are described in terms of (1) their size, (2) industry, (3) annual sales, (4) type of establishment, (5) location of headquarters, and (6) markets for firms' products. It is crucial to understand the nature of the firms that make up the economic base in order to discuss business retention and expansion. For the total sample, the size of companies ranged from 1 employee to 513 employees, and companies represented the agriculture, mining, construction, manufacturing, transportation-communications, wholesale, finance, and services industries.

The survey focused on firms that were part of the economic base of Great

Bend. Companies that were entirely local in their offering of goods or services were not surveyed. Because of this, retail businesses and some service organizations were not included in this study.

Company Size and Industry

Companies in Great Bend are small: 85% of the total number of surveyed firms have less than 20 employees (see Table B). The small firm in Great Bend is a great potential source for growth in the community. Notice that a very small percentage of the firms have greater than 50 employees, including firms in manufacturing, agriculture and mining.

TABLE B
SURVEY COMPANIES BY NUMBER OF EMPLOYEES AND BY INDUSTRY

	Number of Employees			Percent of Total Firms That Are In This Industry
Industry	1-19	20-49	50 Or More	
Agriculture	83%	17%	0%	7%
Mining	85%	11%	4%	30%
Construction	50%	50%	0%	2%
Manufacturing	87%	3%	10%	18%
Transportation-Communications	78%	22%	0%	10%
Wholesale	100%	0%	0%	13%
Finance	80%	20%	0%	6%
Services	84%	8%	8%	14%
Percent of Total Firms That Are In This Size Category	85%	11%	4%	100%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Total Annual Sales

For the firms that gave their total annual sales, 94% stated that annual sales were under $5 million dollars, and only 1% stated that annual sales were $20 million dollars or more (see Table C). On a comparison basis, Great Bend has a larger percentage of firms with sales of less than $5 million relative to firms in the other 8 communities (84%), and as a result, smaller proportions of firms in each of the other sales categories. These data suggest that Great Bend, on the whole, has small, low revenue companies.

TABLE C
TOTAL ANNUAL SALES

Annual Sales (000's)			
0 To 4,999 Dollars	5,000 To 9,999 Dollars	10,000 To 19,999 Dollars	20,000 Or More Dollars
94%	2%	3%	1%

n = 67

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Type of Establishment and Location of Headquarters

The majority of firms in Great Bend are single establishment companies and are not part of a larger corporation. Of the total number of firms, 67% stated they were a single establishment company (see Table D). The majority of firms in Great Bend also have their company headquarters in Kansas. As Table D shows, 82% of the total number of surveyed firms have headquarters in the state (67% are single establishments, 15% are part of a larger corporation). This data points out that with so many single establishment firms, the atmosphere for entrepreneurship in the community seems to be good. Another implication is that decisions concerning location and expansion will be made within the state, not by parent organizations outside of Kansas.

TABLE D
PERCENT OF TOTAL FIRMS THAT ARE PART OF LARGER CORPORATION, AND LOCATION OF HEADQUARTERS

Single Company Firm	Part of a Larger Corporation: Kansas Headquarters	Part of a Larger Corporation: Non Kansas Headquarters	Total
67%	15%	17%	100%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Scope of Products Sold

The scope of product markets for in Great Bend firms is relatively limited. Firms sold a mean, or average, 50% of their goods or services in the local market, while they sold an average 1% in the international market (see Table E). Firms in Great Bend sold 11% of their goods or services outside of the state. Size and industry breakdowns revealed that firms with 50 or more employees and manufacturing firms used markets outside of Kansas more than other size companies or other industry companies. Great Bend firms sell a fewer percentage (11%) of products in markets outside of Kansas than firms in other communities (19%). The future competitiveness of Great Bend firms will depend on how well they use many markets, particularly the international market. This data suggests that firms in Great Bend should be encouraged to further initiate trade in markets outside of Kansas. To do otherwise would seriously limit growth opportunities.

TABLE E
MEAN PERCENTS OF PRODUCTS SOLD IN THE
LOCAL, STATE, NATIONAL, AND INTERNATIONAL MARKETS

Mean Percent Sold In The Local Market	Mean Percent Sold In The State Market	Mean Percent Sold In The National Market	Mean Percent Sold In The International Market
50%	39%	10%	1%

n = 104

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Survey Description Summary

After examining the descriptions of Great Bend firms, it is possible to make the following summary implications:

1. The majority of surveyed firms in Great Bend (85%) have fewer than 20 employees.

2. Most firms do not have high annual sales. Of the firms that gave their total annual sales, 94% had sales that were less than $5 million.

3. Decisions concerning retention and expansion will be primarily made within the community and within the state. Of these surveyed firms in Great Bend, 67% are single establishment companies that are not part of a larger corporation, and 82% of the total number of firms have headquarters in Kansas.

4. The scope of where products are sold is locally and state oriented. Surveyed Great Bend firms sold a mean, or average, 50% of their goods or services in the local market, 39% in the state market, 10% in the national market, and an average 1% in the international market.

5. In comparison to firms surveyed in the other 8 communities for the state business and retention report, Great Bend firms sold a lower average of products in the local market and a higher average of products in the state market. However, Great Bend firms accessed markets outside of Kansas less than firms in the other communities.

DESCRIPTION AND DETERMINANTS OF BUSINESS LOCATION AND RETENTION

In this section, firms are described in terms of (1) their location, (2) reasons for location, (3) retention, (4) additional firms that would be of benefit, (5) retaining and maintaining management and professional personnel, and (6) perceived images of rural life and of Kansas.

Location

Attraction of firms from outside of the community. Great Bend has not been successful in attracting new companies to the community: of the total number of surveyed firms, only 5% have moved to Great Bend from another city or state in the past five years. Although industrial recruitment should constitute one part of an economic development strategy for Great Bend, the high percentage of single establishment firms and the low percentage of firms that have moved to the community suggest that the major focus should be on the establishment of new firms and the expansion of existing businesses.

Reasons for Location. Companies in Great Bend are home grown and see their community as providing the desired location and markets they need. Of the total number of firms, 54% stated a reason for location was that Great Bend provided a central location, 51% stated hometown was a reason for location, 29% stated that a reason for location was that Great Bend filled a product or service need, and 25% indicated good access to market (see Table F). These reasons emphasize the local orientation of Great Bend.

TABLE F
REASONS FOR LOCATION IN THE COMMUNITY*

Hometown	Strong Local Economy	More Receptive Local Govt.	Tax Incentives and-or Public Financing	Suitable Zoning	Affordable Lease, Purchase Prices	Good Local Labor Pool	Adequate Space for Expansion	Good Access to Market	Good Access to Raw Materials	Central Location	Good Transportation Facilities	Proximity To Educ.-Tech. Facilities	Filled A Prod.-Service Need	Small Town, Rural Life
51%	8%	0%	0%	0%	12%	4%	1%	25%	19%	54%	6%	0%	29%	0%

n = 105
*Since firms could give more than one reason, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Retention

Retention of firms in the community. Only a very small percentage of firms are planning to leave Great Bend. Of the total number of surveyed firms, only 1% stated they were planning to leave the community in the next year (see Table G). This implies that retention programs should be continued but are most likely to be successful if highly focused on the small number of dissatisfied companies who are planning to relocate outside of Great Bend.

TABLE G
PERCENT AND LOCATION OF WHERE FIRMS ARE PLANNING TO MOVE

	Moving Within The Community	Moving Within The State	Moving Out Of State	Total Percent Moving
Firms That Are Planning To Move From Their Present Location In The Next Year	0% Of Total Firms	1% Of Total Firms	0% Of Total Firms	1% Of Total Firms

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Additional Manufacturers or service providers that would be of benefit to existing companies. In the opinion of many firms, there are certain types of companies that are not presently in Great Bend that could benefit the firms already established in the community. Of the total number of surveyed firms, 31% stated that there were additional manufacturers or service providers that would be of benefit to their company if they were located in Great Bend. Of the companies that stated what types of firms that would be of benefit, 62% said raw materials suppliers and 35% said business services. Such companies should be targets for industrial recruitment and for targeting support for new firms or expansions. New firms in Great Bend will have the added benefit of strengthening existing companies and their ties to the community.

Retaining and attracting management and professional personnel and perceived images of rural life and of Kansas. The large majority of firms in Great Bend (a) do not have trouble retaining and/or attracting managers or professionals; (b) do not have a negative image of rural life; and (c) do not have a negative image of Kansas (see Table H). For these firms, retention strategies that focus on the quality of the community or of the state will have little impact on retention decisions.

TABLE H

PERCENT OF TOTAL FIRMS THAT HAVE TROUBLE ATTRACTING OR RETAINING PROFESSIONAL AND MANAGEMENT PERSONNEL, AND PERCENT OF TOTAL FIRMS THAT HAVE A NEGATIVE IMAGE OF RURAL LIFE AND OF KANSAS

Do you have trouble attracting and/or retaining professional and management level personnel?		Do you have a negative image of rural life?		Do you have a negative image of Kansas?	
NO	YES	NO	YES	NO	YES
89%	11%	96%	4%	100%	0%

n = 105 (for each question)

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

However, closer examination of the data revealed that firms with 50 or more employees (1) have more trouble attracting and retaining management and professional personnel, and (2) have a more negative image of rural life. Since the loss of a major employer would have a devastating detrimental impact on the community and on the service providers to the large firm, Great Bend needs to address the needs of the large firm or risk the possibility that they may become dissatisfied and leave.

Location and Retention Summary

After examining the data on location and retention, it is possible to make the following summary implications:

1. Recruitment of firms to the community has generally not been successful for Great Bend. Of the total number of firms, 95% have not moved to the community from another city or state in the past five years.

2. Reasons for location given by Great Bend respondents stress the local orientation of these firms. Of the total number of respondents, 54% stated a reason for location was that Great Bend provided a central location, and 51% stated a reason for location was that Great Bend was the founder's hometown.

3. Very few firms are planning to leave the community. Only 1% of the total number of firms stated they were planning to leave Great Bend next year.

4. Recruitment strategies should focus on manufacturers and service providers that would be of benefit to firms already established in Great Bend. Of the total number of surveyed firms, 31% stated that an additional manufacturer or service provider would be of benefit to their respective company.

5. The majority of surveyed firms in Great Bend (89%) have no trouble attracting or maintaining management or professional employees for their company. However, firms with 50 or more employees did have this problem slightly more than smaller firms.

6. Great Bend firms have positive images of rural life and of Kansas. Of the total number of respondents, 96% stated they did not have a negative image of rural life and 100% stated they did not have a negative image of Kansas. However, firms with 50 or more employees did express a slightly more negative view of rural life.

DESCRIPTION AND DETERMINANTS OF BUSINESS EXPANSION

In this section firms are described in terms of (1) expansion they have experienced in the past two years, (2) problems with expansion and factors that helped expansion, (3) planned expansion for the next year, (4) location of future expansions, (5) the perceived ability to expand into the international market, and (6) their sources for expansion financing. It is important to understand why firms do or do not expand, the barriers that may inhibit growth, and where companies go for financial assistance when expansion decisions are made. A major finding is that firms in Great Bend are optimistic about expansion opportunities, but barriers to expansion growth in the community remain.

Past Expansion

Employment and physical plant expansion. In the past two years, there has been much negative employment and physical plant size growth. The majority of firms (44%) have had decreases in employment, while 38% of the total number of firms stated they have had constant employment over the past two years (see Table I). Of Great Bend firms surveyed, 23% had decreases in plant size while 25% had increase in size. These results are much more negative than those for respondents in the 8 comparison communities. Obviously, employment growth has been virtually non-existent in the community over the past two years. Present growth rates must increase and efforts to achieve these must become a high local priority.

TABLE I
PAST INCREASES IN EMPLOYMENT AND PHYSICAL PLANT SIZE

In the past two years, has your firm increased or decreased its employment and/or its physical plant size?

	Decreased	Remained Constant	Increased
Employment	44%	38%	18%
Physical Plant Size	23%	52%	25%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Problems with past expansion and factors that helped expansion. For the firms that gave problems with expansion, 60% stated that a static or declining market was a problem, 16% stated lack of affordable financing was a problem, and 16% stated the decline in oil prices as a problem. Of the firms that had experienced an expansion, 44% stated that an expanding market was a factor that helped expansion and 31% cited more efficient operations as a factor that helped expansion.

As can be seen, the market for products was the number one reason for problems with expansion and with factors that helped expansion. This emphasizes the importance of increasing the scope of products to more than local and state markets. Affordable financing was a particular problem with past expansion, indicating a need for local officials to supply more information to firms about alternative means of financing.

Plans for Expansion

Employment and physical plant size expansion. There is optimism in Great Bend concerning future employment growth and future plant size. Although the majority of firms will remain constant in both employment and plant size next year, 42% of the total number of surveyed firms said they will increase employment in the next year and 19% stated they will experience a plant size expansion in the next year (see Table J). Closer examination revealed that firms employing between 20 and 49 employees are increasing employment much less than small and large firms and firms of this size are also expanding plant size more than firms in the other size categories. Nevertheless, with these perceived employment and physical plant size opportunities perceived by Great Bend firms, growth in the community can be significant and sustained.

TABLE J
PERCENT OF TOTAL FIRMS THAT ARE PLANNING AN EXPANSION IN THE NEXT YEAR

In the next year, is your firm planning to increase or decrease your employment? Are you planning an expansion or contraction in the physical size of your plant?

	Decrease or Contraction	Remain Constant	Increase or Expansion
Employment	2%	56%	42%
Physical Plant Size	2%	79%	19%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Expanding into the international market. There are firms in Great Bend that have the potential and the desire to expand into the international market. Although the large majority of firms do not believe they can expand, 15% of the firms that answered these questions stated they had the potential to expand, and 15% stated they had the desire to expand into the international market (see Table K). Size breakdowns revealed that small firms are the only ones that believe they have the potential and the desire to expand internationally, so to concentrate expansion efforts solely on the large firm would be a mistake. If the potential for exports is not realized, and the desire to export not encouraged, the scope of products for many companies will remain narrow and locally orientated.

TABLE K
PERCENT OF TOTAL FIRMS THAT BELIEVE THEY HAVE THE POTENTIAL OR THE DESIRE TO EXPAND INTERNATIONALLY

Do you feel your business has the potential to expand into the international market? Does your firm have the desire to expand into the international market?

	NO	YES
Potential to Expand	85%	15%
Desire to Expand	85%	15%

n = 100
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Financing for Expansion

Financing Sources. Financing sources for expansion for Great Bend firms come from traditional sources. Of the firms that gave a financing source, 55% said internal financing was a source and 51% said a bank was a source (see Table L). The major implication here is that firms in Great Bend may not have the access to, or the knowledge of, alternative sources for financing. Expansion could depend on how these firms can find alternative sources for financing, and how community officials can disseminate information about how to use other types of assistance. A first step in helping firms with expansion would be to make sure that companies know there are other forms of financing for expansion besides traditional, and where they might be able to access these sources. Continued dependence on standard sources for financing could impede expansion growth.

TABLE L
FINANCING SOURCES FOR EXPANSION*

Bank	Savings and Loan	Internal Financing	Private Sources	Small Business Administration	Industrial Revenue Bonds
51%	7%	55%	10%	1%	0%

n = 102
*Since firms could give more than one source, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Foregoing expansion because of a lack of financing. In the last five years, fifteen percent of the firms in Great Bend have been forced to forego or postpone a planned expansion because of a lack of financing. In comparison, 10% of surveyed firms in the other eight communities included in the state report on business retention and expansion stated they had to forego or postpone an expansion because of a lack of financing. City officials can work together with the state in providing information to firms concerning certified development companies, Kansas Venture Capital, Inc.,the Job Training Partnership Act, and the Kansas Industrial Training Program; forms of assistance that may help firms increase their opportunities to expand. Lack of financing may not be from not enough assistance available, it may be from not knowing that alternative methods exist.

Expansion Summary

After examining the data regarding expansion, it is possible to make the following summary implications:

1. A high proportion of surveyed firms in Great Bend have decreased employment the past two years. Of the total number of surveyed firms, 44% decreased employment and 18% increased employment. In comparison, only 19% of surveyed firms in the other eight communities decreased employment and 35% increased employment in the past two years.

2. Of the total number of firms, 23% decreased physical plant size the past two years and 25% increased size. In comparison, only 7% of surveyed firms in the other eight communities decreased physical plant size the past two years.

3. Of the Great Bend firms that had problems with expansion, 60% stated that a declining or static market was a specific problem with past expansion. In comparison, 39% of the firms in the other eight communities mentioned this specific problem.

4. There are firms in Great Bend with the potential and the desire to expand internationally. Of the firms that responded, 15% said they had the potential to expand and 15% said they had the desire to expand. Only firms with fewer than 20 employees indicated this potential and desire. There is an unrealized opportunity to increase exports from Great Bend.

5. Financing sources for expansion are traditional in nature (banks and internal funds). Of the total number of firms, 55% stated that internal funds were a source and 51% stated that a bank was a source for financing.

6. Expansion growth has been lost in Great Bend because of a lack of financing. Fifteen percent (15%) of Great Bend respondents said their firm was forced to forego or postpone an expansion because of a lack of financing.

BUSINESS CLIMATE

This section describes firms perceptions of (1) the local quality of life, (2) the attitude of the local government, (3) local services, (4) how to improve the quality of life, (5) how to improve the local business climate, and (6) how to improve the state business climate. For firms contemplating staying or expanding in Great Bend, the business climate plays an important part in the decision process.

Local Business Climate

Quality of life. The majority of surveyed firms in Great Bend believe that the quality of life they experience is good. Of the total number of firms, 74% said the local quality of life was good, 21% said the local quality of life was adequate, and 3% said the local quality of life was poor. Firms with 50 or more employees and finance and services industry firms in particular believed that the quality of life was good. This is a positive sign for the community; clearly, the majority of business representatives are not unhappy with the quality of life they experience in Great Bend.

Attitude of the local government. The majority of surveyed firms in Great Bend believe the local government has a positive attitude towards businesses in the community. Of the total number of surveyed firms, 60% stated that they thought the attitude of the local government was positive to very positive (see Table M). These data imply that now is an opportune time for the local government to get involved in economic development strategies that will help their firms and their community. The climate exists for mutual cooperation.

TABLE M
FIRMS' PERCEPTIONS OF THE
ATTITUDE OF THEIR LOCAL GOVERNMENT

Attitude of Local Government		
Positive To Very Positive	Neutral	Negative To Very Negative
60%	29%	11%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Perception of services. The majority of local services in Great Bend were seen to be as good or adequate (see Table N). High good ratings were given to fire protection (73%), the electric system (67%), the public school system (66%), and police protection (51%). High poor ratings were given to the quality of public transportation (49%) the availability of air transportation (44%), and the quality of roads[1] (29%). These relatively high poor percentages given for transportation issues need to be considered. As firms trade more in markets that are outside of Kansas, transportation will gain in significance. Companies will need modes of transportation that will be able to move products on time to and from their destinations. If Great Bend is to grow, transportation issues must be addressed.

[1] At the time when this survey was conducted, the highway system was a much debated topic in the state capitol and between Kansas citizens. Statements about the highway system made here may be different from opinions made if the survey were given in another time period, and this should be considered when reading any discussion of roads or highways.

TABLE N
GREAT BEND FIRMS' PERCEPTIONS OF SERVICES

	No Opinion	Good	Adequate	Poor
Quality of Roads	0%	24%	47%	29%
Quality of Railroads	31%	15%	36%	18%
Cost of Transportation	6%	19%	51%	24%
Availability of Air Transportation	14%	7%	35%	44%
Quality of Public Transportation	29%	8%	14%	49%
Freight Delivery Time	10%	38%	39%	13%
Quality of Training	16%	38%	24%	22%
Fire Protection	2%	73%	24%	1%
Police Protection	2%	51%	38%	9%
Telephone System	0%	48%	36%	16%
Electric System	1%	67%	31%	1%
Public School System	5%	66%	24%	5%
Quality of Garbage Collection	7%	49%	42%	2%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Business Climate Improvements

Improving the local quality of life. Ways to improve the local quality of life centered upon economic development. Of the respondents who suggested ways to improve the local quality of life, 69% suggested economic development, 15% suggested upgrading education, and 12% suggested more recreational activities Great Bend (see Table O). Officials in Great Bend must note the kinds of activities mentioned by their businesses, and find ways to improve the local quality of life. The quality of life will be an important factor in a company's decision concerning location and expansion in the Great Bend community.

TABLE O
WAYS TO IMPROVE THE LOCAL QUALITY OF LIFE*

Economic Development	More Entertainment	More Activities For Town	More Recreational Activities	Improve Public Morale	Upgrade Education
69%	10%	4%	12%	3%	15%

n = 56
*Since firms could give more than one suggestion, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Improving the local business climate. Of the firms that gave suggestions for improving the local business climate, 62% suggested economic development, 20% suggested that the local government be more responsive, and 14% suggested tax incentives and abatements (see Table P). Economic development as a way to improve the local business climate did receive the greatest percentage of responses from Great Bend firms. There is also a desire for the local government to be more responsive, to improve the local image, and to improve local financing. These are areas where the local government can have an impact on the future of its businesses. As seen in Table L, Great Bend firms believe that their local government has a positive attitude towards businesses in the community. The local government should build upon that impression and work with companies to improve the local business climate, and have a real influence on change.

TABLE P
SUGGESTIONS GIVEN FOR IMPROVING THE LOCAL BUSINESS CLIMATE*

Economic Development	Increase and Improve Local Image	Improve Local Financing	Tax Incentives, Abatements	Local Gvt. More Responsive	Help Entrepreneurs
62%	8%	8%	14%	20%	4%

n = 30
*Since firms could give more than one suggestion, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Improving the state business climate. Suggestions for improving the state business climate did not center so heavily on economic development. Of the firms that gave suggestions, only 18% suggested economic development, while 43% suggested changing or lowering taxes, and 24% suggested improving the highway system (see Table Q). Taxes and the highway system are seen as ways to improve both the state business climate, again pointing out the importance transportation issues have in Great Bend.

TABLE Q
SUGGESTIONS GIVEN FOR IMPROVING THE STATE BUSINESS CLIMATE*

Economic Development	More Cooperation Between State & Local	Increase and Improve State Image	Better Financing Opportunities	Tax Incentives	Better Communication	Eliminate Severance Tax	Improve Highway System	Seek Diversification	Change Or Lower Taxes
18%	0%	10%	7%	18%	3%	13%	24%	6%	43%

n = 73
*Since firms could give more than one suggestion, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Business Climate Summary

After examining the data regarding the local business climate, it is possible to make the following summary implications:

1. The majority of Great Bend respondents (74%) believe the quality of life they experience in the community is good.

2. The majority of firms (60%) believe the attitude of the local government towards businesses was positive to very positive. Now is an excellent time for the local government to assist in retention and expansion strategies.

3. Most local transportation services were viewed as poor by many Great Bend respondents. Of the total number of respondents, 49% rated the quality of public transportation as poor, 44% rated the availability of air transportation as poor, 29% rated the quality of roads as poor, and 24% rated the cost of transportation as poor.

4. Economic development was seen as important to the improvement of opportunities for local businesses. Of the respondents that suggested ways to improve the local quality of life, 69% suggested economic development; of the respondents that gave suggestions for improvement of the local business climate, 62% suggested economic development.

5. Taxes are associated with suggestions concerning improvement of the state business climate. Of those firms that gave suggestions, 43% mentioned changing or lowering taxes as a way to improve the state business climate. In comparison, 23% of the surveyed firms in the other eight communities made this suggestion.

ECONOMIC DEVELOPMENT ASSISTANCE

In this section (1) economic development programs designed to assist businesses in the state; (2) firms that utilize special employment skills for their operations; and (3) employees sought from state universities, community colleges, or vocational schools will be examined.

<u>Economic Development Programs</u>

State economic development programs are not well-known to companies in Great Bend. For the total number of surveyed firms, 93% had no knowledge of

Certified Development Programs, 86% had no knowledge of Centers of Excellence, 60% had no knowledge of the Kansas Industrial Training Program, 40% had no knowledge of the Job Training Partnership Act, and 31% had no knowledge of Community Development Block Programs (see Table R). Local officials need to assist the state in the distribution of knowledge about these programs; including who to contact, where contacts may be reached, and how these programs may help expansion efforts. Without such assistance, expansion and growth opportunities may continue to be unrealized.

TABLE R
KNOWLEDGE AND USE OF ECONOMIC DEVELOPMENT PROGRAMS

	No Knowledge	Knowledge, No Use	Used Program
Certified Development Companies	93%	6%	1%
Centers of Excellence	86%	14%	0%
Community Development Block Programs	31%	68%	1%
Kansas Industrial Training Program	60%	38%	2%
Job Training Partnership Act	40%	53%	7%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Firms That Need a Specialized Skill

Companies in Great Bend do not require a highly-skilled work force. Of the total number of surveyed firms, 94% stated they did not need a specialized work force for employment in their company. What is important to note is that with the rapid changes in technology and technical advancement in business operations, skilled positions will become more common for all types of firms sizes and industries. To remain competitive, companies will have to adapt. This will mean that companies in Great Bend will have to train a great deal of workers in the future, which will affect the resources available for expansion.

Using State Universities, Community Colleges, or Vocational Schools

The majority of firms in Great Bend have not used the services of these institutions in the past two years. Sixty-eight percent of the total number of firms said they have not used these educational institution's services in the past two years. Using schools like the Barton County Community College, or any other state educational institution, is important for firms in the community, as the services provided can greatly improve the skills of employees, the development of new products, and the implementation of new business operation processes.. Local officials should determine if any major barriers exist between Great Bend firms and these schools, and should encourage cooperation between education and business in the Great Bend community.

Employees sought from state universities, community colleges, or vocational schools. Of the firms that stated they sought employees from these institutions, 32% said they sought business management personnel, 22% said they sought mechanics and/or machinists, and 22% said they sought engineers (see Table S). Besides management personnel, the variety of employees hired reflects a good proportion of more highly skilled workers, a fact that contradicts what firms stated about needing a specialized skill for employment in their company. The future competitiveness of Great Bend firms will depend upon the recruitment and use of these highly-skilled employees.

TABLE S
EMPLOYEES SOUGHT FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS*

Entry-Level Clerical	Mech-anics, Mach-inists	Data Proc-essors	Elec-tronics, Elec-trical Techs.	Draf-ters	Chem-ical Pro-cess, Lab Techs.	Engi-neers	Bus-iness Manage-ment Pers-onnel	Agri-cul-tural, Vet. Pers-onnel	Heavy Equip-ment Oper-ators	General Labor
20%	22%	3%	12%	3%	13%	22%	32%	9%	0%	3%

n = 57

*Since firms could give more than one type of employee sought by their company, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Economic Development Assistance Summary

After examining the data regarding economic development assistance, it is possible to make the following summary implications:

1. State economic development programs are not well-known to firms in Great Bend. The majority of firms have no knowledge of the programs and only a small number have actually used the programs. Local officials must work in cooperation with state agencies in supplying information and means of access to Great Bend firms for better use of these programs. At the present time, economic development assistance has had an impact on only a marginal number of firms in the community.

2. The overwhelming majority of firms have requirements for general, nonspecialized skills. Of the total number of firms, 94% stated they did not need a specialized skill for employment in their respective company. This makes the ability to compete in the future heavily dependent on training and access to training.

3. The majority of firms do not use the services of a state university, community college, or vocational school, indicating possible difficulties for firms to find, make, and/or initiate contacts with these institutions.

SUMMARY

Most firms in Great Bend are basically small, low revenue companies that are pleased with their community and with their state. The majority of firms here have not moved to Great Bend from another city or state in the past two years, and the majority of firms are not planning to leave the community. It would be in the best interests of the community if local officials foster this hometown atmosphere and encourage the development of new firms in the community. Sustained future growth will come from the expansion and growth of the firms presently in Great Bend, not from firms recruited to relocate in the area.

Now is an opportune time to facilitate the expansion of firms in Great Bend. There is optimism about expansion capabilities, something that is quite different from the actualities of employment expansion the past two years. A static or declining market was a problem associated with expansion; the implication here is to find ways that local officials can help their businesses in finding methods to expand into markets other than the local or state markets.

Now is also a good time for the local government to assist business in Great Bend. The majority of companies believe the local government has a positive attitude towards their businesses, and firms feel that the local business climate can be improved with a more responsive local government. The climate exists for mutual cooperation between leaders of both entities, and Great Bend city representatives can influence real change.

Although there are firms in Great Bend that sell their goods or services in the national and international markets, the majority of firms are orientated to the state and local markets. For the future growth of firms here, expanding into broader markets, particularly the international market, is a priority. This is strengthened by the survey results: the greatest reason associated with contractions was a static or declining market and the greatest factor helping expansion was an expanding market. There are firms in Great Bend with both the potential and the desire to expand internationally, so the source for growth is there. Local officials must make sure companies have the information and the sources necessary for trade in markets outside of Kansas.

Firms in Great Bend also do not have much knowledge about state economic development programs. The majority of firms have not heard of most programs, and actual use of assistance was very low. Information about these programs needs to reach these firms. At the present time, many firms may be missing expansion opportunities simply from not knowing who to contact, where to go for help, or what these programs can do for their respective company. Great Bend should work with the state in disseminating this information, and should help companies find the type of assistance that will be beneficial.

PART II

BUSINESS RETENTION AND EXPANSION
IN GREAT BEND
SURVEY RESULTS

PART II

BUSINESS RETENTION AND EXPANSION IN GREAT BEND

A Research Report

prepared for

The Kansas Department of Commerce

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BUSINESS RETENTION AND EXPANSION GREAT BEND
SURVEY RESULTS

PART II

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BUSINESS RETENTION AND EXPANSION IN GREAT BEND

Introduction

A major component of state economic development is the retention and expansion of existing firms. Identification of problems that may cause a firm to relocate or forego expansion problems is critical to local economic efforts. Knowledge of factors favoring business expansion and retention also helps authorities at the local level capitalize on development opportunities.

At the request of the Kansas Department of Commerce, the Institute of Public Policy and Business Research analyzed business retention and expansion in representative Kansas communities of 10,000 to 100,000 persons, with the goal of identifying local and state issues that could influence this type of economic growth. Data was collected through a survey questionnaire given by phone to a randomly selected sample of firms. Specifically, the purpose of the study is to identify factors that influence retention and expansion of existing industries in Kansas mid-size communities, to identify the potential of Kansas firms to expand within their existing communities, establish local efforts of retention/expansion, and distinguish state level issues that influence retention/expansion[1].

Throughout Part II of this report, survey findings from Great Bend will be compared to the other 8 communities included in the state report

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[1] Firms surveyed made up the economic base of the community. This survey did not include retail or service firms that were entirely local in their operations.

(Coffeyville, Emporia, Garden City, Hays, Hutchinson, Lawrence, McPherson, and Salina).

It is hoped that this project will be used to open communications between the business sector and local economic development specialists concerning business retention and expansion. By discussing the findings and suggestions issued in this report, Great Bend can take the first step needed towards keeping and encouraging economic growth from their existing firms.

I.

ECONOMIC GROWTH IN KANSAS

Before discussing the survey and the results provided by the surveyed firms in Great Bend, it is necessary to review several economic growth trends for Kansas. These trends and explanations will give a view of the total state, for Barton county, for the counties of the comparison communities also surveyed, and a background for consideration when the survey results are discussed. It is important to remember that the data collected for this project must be observed within the context of the state as a whole.

Employment Growth

Total employment in Barton county grew 0% during the 1978 to 1986 time period. This percentage is much lower than the state percentage and the percentage for the United States. This percentage for Barton county is lower than five counties in which the state study's communities are located (see Table 1). Of particular concern is the negative growth rate of employment from 1982 to 1986. This -9% rate was the worst decrease of the nine counties, and was much lower than the rates for the state and the United States.

TABLE 1
TOTAL EMPLOYMENT - COUNTIES, KANSAS, AND U.S.
1978-1986 (in Thousands)

	1978	1980	1982	1984	1985	1986	% Change 1978-1986	% Change 1982-1986
Barton Co.	**13.5**	**14.4**	**14.9**	**14.9**	**14.6**	**13.5**	**0%**	**-9%**
Douglas Co.	26.6	28.2	27.5	28.0	29.2	30.4	14%	11%
Ellis Co.	10.9	11.5	11.8	12.5	12.1	11.6	6%	-2%
Finney Co.	9.4	9.9	12.6	13.6	14.3	14.2	51%	13%
Lyon Co.	14.4	14.6	14.4	14.7	14.8	14.4	0%	0%
McPherson Co.	10.5	10.8	10.7	11.2	11.1	11.1	6%	4%
Montgomery Co.	17.3	17.4	15.8	14.8	14.6	14.7	-15%	-7%
Reno Co.	27.0	27.1	24.9	25.3	25.9	25.4	-6%	2%
Saline Co.	22.2	23.1	21.8	22.6	22.2	22.5	1%	3%
Kansas	912.5	944.7	921.4	960.7	967.9	983.1	8%	7%
United States	86697	90406	89566	94496	97519	99610	15%	11%

Sources: Counties and Kansas - Kansas Department of Human Resources Research and Analysis Section; United States - Bureau of Labor Statistics, Industry Employment Data Section.

Employment decreases in Barton county have been more than that for Kansas, the U.S., and the other 8 counties from the period of 1982 to 1986. This nonexistent employment growth will eventually affect out-migration, population losses, retention of companies, and the ability to expand operations. When these county figures are examined, and when comparisons are made between Barton county, Kansas, and the U.S., it is apparent that economic development strategies are very important to Great Bend, and efforts should be made to initiate and enhance growth.

Establishment Growth

The total number of establishments has shown a positive growth of 14% for Barton county since 1978. This figure is lower than the rate for the state during the same period and much lower than the U.S. rate. For this 1978-1985 time period, four counties had a higher percentages of growth. From 1982 to 1985, growth in number of establishments for the county was 6%, which is 8% lower than the 1978-1985 period. This 1982-1985 percentage was not only lower than the state and U.S. growth rates, it was also the lowest rate of growth among the nine counties.

TABLE 2
TOTAL NUMBER OF ESTABLISHMENTS: COUNTIES, KANSAS, U.S.
1978-1985

	1978	1980	1982	1984	1985	% Change 1978-1985	% Change 1982-1985
Barton Co.	**1042**	**1079**	**1117**	**1248**	**1189**	**14%**	**6%**
Douglas Co.	1205	1246	1283	1574	1635	36%	27%
Ellis Co.	810	771	822	970	986	22%	20%
Finney Co.	728	744	751	900	953	31%	27%
Lyon Co.	724	725	731	901	881	22%	21%
McPherson Co.	754	731	716	825	832	10%	16%
Montgomery Co.	969	977	953	1069	1053	9%	10%
Reno Co.	1524	1489	1482	1736	1740	14%	17%
Saline Co.	1431	1458	1399	1618	1596	11%	14%
Kansas	54299	55021	55476	65015	65510	21%	18%
United States	4409223	4543167	5246737	5517715	5902453	34%	12%

Sources: Kansas County Business Patterns, United States County Business Patterns.

A combination of the losses in employment and some growth in number of establishments indicates that Great Bend's industrial climate has turned increasingly toward development of the smaller business rather than relying on big companies to strengthen the economy. This also points to the need Great Bend has to establish growth in their small developing companies.

To further illustrate this point, between 1980 and 1985 in Kansas, establishments with less than 50 employees increased their number of employees by 6%, while establishments with over 50 employees decreased their employment by 1%. A total of 21,486 net new jobs were created in Kansas in companies with less than 50 employees between 1980 and 1985, not including proprietors themselves. Small businesses are also a more important factor in the Kansas economy than in the national economy: as of 1985, firms in Kansas with less than 50 employees made up a higher percentage of companies, jobs, and payroll than they did for the nation as a whole (all figures are from the U.S. Bureau of the Census).

Personal Income Growth

Increases in personal income have been rapid in Barton county, and these changes have occurred in the other 8 counties as well as the state. From 1978 to 1984, personal income has increased 92%, which is much higher than the Kansas and United States changes, and greater than 6 of the other 8 counties where comparison communities are located (see Table 3). All nine counties have increased at least 57% in personal income between 1978 and 1984.

TABLE 3
PERSONAL INCOME: COUNTIES, KANSAS, U.S.
1978-1984 (Millions of Dollars)

	1978	1980	1982	1984	% Change 1978-1984
Barton Co.	**.252**	**.328**	**.435**	**.483**	**92%**
Douglas Co.	.420	.521	.604	.708	69%
Ellis Co.	.175	.224	.288	.338	93%
Finney Co.	.177	.219	.349	.383	116%
Lyon Co.	.242	.306	.374	.415	71%
McPherson Co.	.203	.255	.310	.352	73%
Montgomery Co.	.297	.384	.442	.466	57%
Reno Co.	.488	.599	.705	.804	65%
Saline Co.	.377	.482	.556	.647	72%
Kansas	18.529	23.198	28.247	32.454	75%
United States	1812.4	2258.5	2670.8	3110.2	71%

Sources: Bureau of Economic Analysis, Regional Economic Information System, U.S. Bureau of Economic Analysis, The National Income and Product Accounts of the U.S.

The rapid growth of personal income is a positive sign for Great Bend. It will be important to maintain these income levels, placing an emphasis on keeping and creating jobs that have provided such growth.

Summary

Employment growth in Barton county has been lower than employment growth in Kansas and the United States. This suggests weaknesses in the Great Bend economy and the importance of designing and implementing appropriate economic development strategies that will maintain growth. Great Bend is particularly important since it serves as a regional center for its part of the state. In recent years the economy of Barton county has been outperforming the Kansas economy.

II.

SURVEY METHODOLOGY FOR BUSINESS RETENTION AND EXPANSION

The primary data used in this research were collected by a telephone survey of businesses in Great Bend. The questionnaire was collaboratively developed by the Institute for Public Policy and Business Research and the Department of Commerce.

Sample

The findings for Great Bend and the comparison communities are based on a disproportionate stratified probability sample of businesses in Great Bend and other small to mid-size Kansas communities. These communities were restricted to those with populations between 10,000 and 100,000 individuals. In addition, towns such as Overland Park or Prairie Village were excluded as part of the greater Kansas City metropolitan area.

To assure coverage of the entire state, these communities were then divided into six geographical regions corresponding to the Department of Commerce districts. Besides Great Bend, eight communities were randomly selected from these six regions. They were: Emporia, Garden City, Coffeyville, Hays, Hutchinson, Lawrence, McPherson, and Salina.

In addition, Goodland was added to the sample. Kansas has a number of towns with less than 10,000 residents. Although small towns have few businesses, they may have unique problems creating and retaining businesses. Goodland was included in this study to test the research methodology in a small community. Goodland was also added to increase the representation of western Kansas. Goodland data are not included when making statistical comparisons between Great Bend and other communities. Their inclusion would violate proper sampling and reduce the validity of the overall results.

Once Great Bend was selected, individual businesses were sampled in the community. This research examines only businesses that buy or sell in a region larger than the specific community. All retail businesses are excluded unless the business is a regional headquarters, distribution center, or manufacturer. For example, a local shoe store would not be included, but a distributor for a line of shoes would be. These determinations were based on the examination of the Standard Industrial Codes (SIC) for all businesses in the community.

Manufacturing firms were over sampled. They are a primary focus of state economic policy and therefore warrant special attention. For example, 20 percent of the businesses in Great Bend are manufacturers. This over sampling allows greater accuracy in the analysis of manufacturing firms. Any biasing effect is eliminated from the overall findings through the use of weight factors.

Once selected for the sample, letters were sent to the highest administrative official at the local firm. These were followed by a telephone call to initiate the interview. Of those contacted, 92 percent agreed to participate in the study. This is a very high response rate.

Confidence Interval

The findings are based on 105 completed interviews. (The number of responses may vary with each question.) This large sample provides a solid basis for generalizing to all non-retail businesses in Great Bend. At the 95 percent level of confidence, the sampling error in Great Bend is plus or minus 10 percent. As in all sample surveys, other sources of error may affect the results.

The data were collected by trained and closely supervised interviewers thus reducing measurement error to a minimum. Interviews were conducted between mid-August and mid-October 1987.

III.

DESCRIPTION OF SURVEY POPULATION

In this section firms are described in terms of their size, industry, annual sales, type of establishment, and location of headquarters. It is crucial to understand the nature of the firms that make up the economic base in order to discuss business retention and expansion. The major findings are (1) the vast majority (85%) of surveyed firms in Great Bend have less than 20 employees, (2) most firms have total annual sales that are less than $5 million, (3) 67% of all surveyed firms are a single establishment company and are not part of a larger corporation, and (4) surveyed firms in Great Bend sell an average 50% of their goods or services in the local market, 39% in the state market, 10% in the national market, and an average 1% in the international market.

Firm Size and Industry

Firms surveyed in Great Bend are small: 85% of the total number of surveyed firms have less than 20 employees (see Table 4). Only 4% have 50 or more employees. Industry specific data shows that mining firms represented 30% of the survey sample; the next highest representation was with manufacturing firms (18%). Firms in this sample were small and oriented toward mining and manufacturing.

TABLE 4
SURVEY COMPANIES BY NUMBER OF EMPLOYEES AND INDUSTRY

Industry	Number of Employees 1-19	20-49	50 Or More	Percent of Total Firms That are In This Industry
Agriculture	83%	17%	0%	7%
Mining	85%	11%	4%	30%
Construction	50%	50%	0%	2%
Manufacturing	87%	3%	10%	18%
Transportation-Communication	78%	22%	0%	10%
Wholesale	100%	0%	0%	13%
Finance	80%	20%	0%	6%
Services	84%	8%	8%	14%
Percent of Total Firms That are in This Size Category	85%	11%	4%	100%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Annual Sales

Total annual sales are low for the majority of firms in Great Bend (see Tables 5-7). Of the companies that gave their total annual sales, 94% had sales that were less than $5 million. This was not size or industry specific data, all sizes and industries had a large majority of firms with sales of less than $5 million. Of special interest are the figures provided by Table 7: 94% of the surveyed firms in Great Bend had total annual sales of less than $5 million, while 84% of the surveyed firms in the other 8 communities had total annual sales of less than $5 million. Comparison community firms also had slightly higher percentages of firms with total annual sales over $5 million.

TABLE 5
TOTAL ANNUAL SALES
BY SIZE OF FIRM

Number of Employees	Annual Sales (X 1,000) 0 To 4,999 Dollars	5,000 To 9,999 Dollars	10,000 To 19,999 Dollars	20,000 Or More Dollars
1-19	95%	2%	3%	0%
20-49	100%	0%	0%	0%
50+	75%	0%	0%	25%
TOTAL PERCENTS	94%	2%	3%	1%

n = 67

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 6
TOTAL ANNUAL SALES
BY INDUSTRY

	Annual Sales (X 1,000)			
Industry	0 To 4,999 Dollars	5,000 To 9,999 Dollars	10,000 To 19,999 Dollars	20,000 Or More Dollars
Manufacturing	92%	0%	4%	4%
Finance/Services	72%	14%	14%	0%
Other Industries	100%	0%	0%	0%
TOTAL PERCENTS	94%	2%	3%	1%

n = 67

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 7
TOTAL ANNUAL SALES
BY COMMUNITY COMPARISON

	Annual Sales (X 1,000)			
Community	0 To 4,999 Dollars	5,000 To 9,999 Dollars	10,000 To 19,999 Dollars	20,000 Or More Dollars
Great Bend	94%	2%	3%	1%%
Other 8 Communities	84%	5%	6%	5%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

A great majority of firms in Great Bend are low revenue companies. Of the firms that gave their total annual sales, 95% have annual sales of less than $5 million and only 1% have sales of $20 million or more. This points out the nature of firms in Great Bend: small, low revenue companies. Table 7 emphasizes the fact that, in comparison to communities of the same relative size, Great Bend community firms are not high revenue companies. These data imply that the city must maintain and strengthen its business community if their companies are to expand their sales growth, and the growth of the local economy.

Type of Establishment

Although most companies in Great Bend are single companies (see Tables 8-10), 58% of firms with 20-49 employees are part of a larger corporation (see Table 8). Seventy percent of the companies with less than 20 employees and 71% of the companies with 50 or more employees are single establishment companies. Firms in the other industry category (agriculture, mining, construction, transportation-communications, and wholesale) had the highest percentage of firms that are part of a larger corporation (see Table 9). In comparison to firms surveyed the other 8 communities, Great Bend had a slightly higher percentage of surveyed firms that were single establishment companies (see Table 10).

TABLE 8
PERCENT OF TOTAL FIRMS THAT ARE A SINGLE COMPANY OR PART OF A LARGER CORPORATION, BY SIZE OF FIRM

Number of Employees	Single Company	Part of a Larger Corporation
1-19	70%	30%
20-49	42%	58%
50+	71%	29%
TOTAL PERCENT	67%	33%

n = 104
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 9
PERCENT OF TOTAL FIRMS THAT ARE A SINGLE COMPANY OR PART OF A LARGER CORPORATION, BY INDUSTRY

Industry	Single Company	Part of a Larger Corporation
Manufacturing	71%	29%
Finance/Services	71%	29%
Other Industries	64%	36%
TOTAL % OF FIRMS	67%	33%

n = 104
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 10
PERCENT OF TOTAL FIRMS THAT ARE A SINGLE COMPANY OR PART OF A LARGER CORPORATION
BY COMMUNITY COMPARISON

	Single Company	Part of a Larger Corpor-ation
Great Bend	67%	33%
Other 8 Communities	63%	37%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

The majority of firms in Great Bend are single establishment companies: 67% are single establishment companies and 33% are part of a larger corporation. This indicates that the majority of firms in Great Bend are small and will be making decisions regarding retention and expansion within the community itself, and not through a corporate headquarters. Total annual sales data (see Tables 5-7) also implies that city officials will be making development policies that will affect the prevalent type of firm in Great Bend: small, low revenue, single establishments.

Location of Headquarters

As can be seen in Table 11, the vast majority of surveyed Great Bend firms are headquartered in the state. Of the total number of firms, 82% have headquarters in Kansas. This again implies that retention and expansion decisions will be made for the most part, if not in the city, within the state. However, these figures also indicate that city officials will need to be involved with corporate headquarters that are in other parts of Kansas, and in other states concerning retention and expansion efforts.

TABLE 11
LOCATION OF FIRM HEADQUARTERS BY
KANSAS/NON KANSAS LOCATION

Kansas Headquarters	Non Kansas Headquarters	Unknown Headquarters	Single Company Firm	Total
15%	17%	1%	67%	100%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Regional/Corporate Headquarters

Of the firms that are part of a larger corporation, 54% stated they were a corporate/regional headquarters or a distributorship (see Tables 12, 13, and 14). No firm with 50 or more employees is a headquarters or a distributorship (see Table 12). Industry breakdowns reveal that 33% of all manufacturing companies are a headquarters or a distributorship, 40% of finance or services companies are a headquarters or a distributorship, and 63% of the firms in the agriculture, mining, construction, transportation-communications, and wholesale industries are a headquarters or a distributorship (see Table 13). The percentage of corporate headquarters in Great Bend is lower than that given by firms in the comparison communities (see Table 14).

TABLE 12
PERCENT OF TOTAL FIRMS THAT ARE CORPORATE/REGIONAL HEADQUARTERS OR A DISTRIBUTOR, BY SIZE OF FIRM

Is your local operation a corporate headquarters regional headquarters, or a distributorship?

Number of Employees	NO	YES
1-19	43%	57%
20-49	45%	55%
50+	100%	0%
TOTAL PERCENT	46%	54%

n = 35

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 13
PERCENT OF TOTAL FIRMS THAT ARE CORPORATE/REGIONAL HEADQUARTERS OR A DISTRIBUTOR, BY INDUSTRY

Is your local operation a corporate headquarters regional headquarters, or a distributorship?

Industry	NO	YES
Manufacturing	67%	33%
Finance/Services	60%	40%
Other Industries	37%	63%
TOTAL PERCENT	46%	54%

n = 35

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 14
PERCENT OF TOTAL FIRMS THAT ARE CORPORATE/REGIONAL HEADQUARTERS OR A DISTRIBUTOR BY COMMUNITY COMPARISON

Is your local operation a corporate headquarters regional headquarters, or a distributorship?

	NO	YES
Great Bend	46%	54%
Other 8 Communities	35%	65%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Table 14 shows that surveyed Great Bend firms that were part of a larger corporation had a larger percentage of firms that were not a headquarters or a distributorship than comparison firms in the other 8 communities. This implies that the majority of branch facilities in the city are particularly susceptible to retention and expansion decisions made by their parent organization.

Scope of Products Sold

Firms in Great Bend have a narrow scope of where they sell their products and services. Surveyed Great Bend firms sell a mean, or average, 50% of their products in the local market, while they sell only a mean 1% in the international market (see Tables 15 and 16). An approximate mean 11% of sales are outside of Kansas, which is critical because a community's economic future depends upon the ability to export and to participate in many markets. Larger companies are more oriented to national markets. Firms with 50 employees or more sell an average 41% of their products in the national market, while firms with 20-49 employees and firms with under 20 employees only sell an average 24% and 7%, respectively (see Table 15). Manufacturing firms access markets outside of Kansas more than firms in other industries (see Table 16). In comparison with the other 8 communities, Great Bend has a larger mean percent (68%) of products sold in the local market than firms in the other 8 communities (56%), and lower mean percentages of products sold in the state and national markets than surveyed firms in the other 8 communities (see Table 17).

TABLE 15
MEAN PERCENTS OF PRODUCTS SOLD IN THE LOCAL, STATE, NATIONAL, AND INTERNATIONAL MARKETS BY SIZE OF FIRM

Number of Employees	Mean Percent Sold In The Local Market	Mean Percent Sold In The State Market	Mean Percent Sold In The National Market	Mean Percent Sold In The International Market
1-19	54%	39%	7%	0%
20-49	30%	44%	24%	2%
50+	28%	29%	42%	1%
GRAND MEANS	50%	39%	10%	1%

n = 104
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 16
MEAN PERCENTS OF PRODUCTS SOLD IN THE
LOCAL, STATE, NATIONAL, AND INTERNATIONAL MARKETS
BY INDUSTRY

Industry	Mean Percent Sold In The Local Market	Mean Percent Sold In The State Market	Mean Percent Sold In The National Market	Mean Percent Sold In The International Market
Manufacturing	49%	34%	16%	1%
Finance/Services	69%	20%	11%	0%
Other Industries	45%	46%	8%	1%
GRAND MEANS	50%	39%	10%	1%

n = 104

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 17
MEAN PERCENTS OF PRODUCTS SOLD IN THE
LOCAL, STATE, NATIONAL, AND INTERNATIONAL MARKETS
BY COMMUNITY COMPARISON

Community	Mean Percent Sold In The Local Market	Mean Percent Sold In The State Market	Mean Percent Sold In The National Market	Mean Percent Sold In The International Market
Great Bend	50%	39%	10%	1%
Other 8 Communities	56%	25%	18%	1%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

The scope of where products are sold needs to include markets outside of Kansas for firms to be competitive in the future. A positive sign for the community can be seen in Table 17: Great Bend firms sold an average 50%

in the local market and an average 39% in the state market, compared to 56% locally and 25% in the state for firms surveyed in the other 8 communities. This implies that Great Bend firms are not so locally oriented as firms in communities of the same relative size. However, firms in the other 8 communities do access the national market slightly more than firms in Great Bend. Table 15 shows that the small firm, those with less than 20 employees, sell a higher average of goods or services in the local market. This is important to note since there are so many firms in the community that are of this size. It seems as if city officials will have to make known ways to access product markets in the national and international markets for firms in the community, or risk the possibility of contractions if the local market shrinks from losses of major employers or from increased competition.

Developing Additional Products

Most firms believe they cannot offer additional products which would help them participate in wider markets (see Tables 18-20). However, firms with less than 20 employees do believe they are more capable of offering an additional product than larger firms. Twenty-two percent of these firms believe they can offer additional products (see Table 18). Industry specific data reveals that more firms in the manufacturing, finance, and services industries believe they can offer additional products than firms in other industries. Of particular concern to city officials should be the percentage differences illustrated in Table 20: 20% of the total number of firms surveyed in Great Bend believe they can offer additional products or services compared to 35% of the surveyed firms in the other 8 communities (see Table 20).

TABLE 18
PERCENT OF TOTAL FIRMS THAT CAN OFFER ADDITIONAL PRODUCTS OR SERVICES BY SIZE OF FIRM

Are there any additional products or services that you feel your company could offer that it is not now offering?

Number of Employees	NO	YES
1-19	78%	22%
20-49	90%	10%
50+	86%	14%
TOTAL PERCENT	80%	20%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 19
PERCENT OF TOTAL FIRMS THAT CAN OFFER ADDITIONAL PRODUCTS OR SERVICES BY INDUSTRY

Are there any additional products or services that you feel your company could offer that it is not now offering?

Industry	NO	YES
Manufacturing	77%	23%
Finance/Services	77%	22%
Other Industries	82%	18%
TOTAL PERCENT	80%	20%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 20
PERCENT OF TOTAL FIRMS THAT CAN OFFER
ADDITIONAL PRODUCTS OR SERVICES
BY COMMUNITY COMPARISON

Are there any additional products or services that you feel your company could offer that it is not now offering?

Community	NO	YES
Great Bend	80%	20%
Other 8 Communities	65%	35%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

The majority of firms do not believe they can introduce new products, indicating a low growth potential for this type of expansion. This is especially evident when looking at Table 20. Since the addition of a product or service can eventually help companies broaden the scope of their products, city officials should be concerned about the low percentage of Great Bend companies that believe they can offer additional products, and look into ways, to the extent possible, to assist firms find the methods necessary to extend a product line.

Survey Description Summary

After examining the descriptions of mid-size Kansas firms, it is possible to make the following summary implications:

1. The majority of surveyed firms in Great Bend (85%) have fewer than 20 employees.

2. Most firms do not have high annual sales. Of the firms that gave their total annual sales, 94% had sales that were less than $5 million.

3. Decisions concerning retention and expansion will be primarily made within the community and within the state. Of these surveyed firms in Great Bend, 67% are single establishment companies that are not part of a larger corporation, and 82% of the total number of firms have headquarters in Kansas.

4. The scope of where products are sold is locally and state orientated. Surveyed Great Bend firms sold a mean, or average, 50% of their goods or services in the local market, 39% in the state market, 10% in the national market, and an average 1% in the international market.

5. In comparison to firms surveyed in the other 8 communities for the state business retention and expansion report, Great Bend firms sold a lower average of products in the local market and a higher average of products in the state market. However, Great Bend firms accessed markets outside of Kansas less than firms in the other 8 communities.

6. Great Bend firms are pessimistic about the possibilities of offering additional products or services. Of the total number of respondents, 80% stated there were no additional products or services they could offer that were not being offered at the present time.

IV.

DESCRIPTION AND DETERMINANTS OF BUSINESS LOCATION AND RETENTION

In this section we describe the attraction of firms from outside of the community, the reasons for location, the retention of firms in the community, the advantages of the community, reasons for relocation, additional manufacturers or service providers that may help existing firms, retaining or attracting management and professional personnel, and the perceived images of rural life and Kansas in general. Of particular importance are factors that influence the decision to locate in the community. The major findings are (1) only 5% of all surveyed firms have moved to Great Bend from another city or state in the past five years, (2) most firms are located in Great Bend because the city provides a central location and because it is the founder's hometown, (3) only 1% of the total number of firms are planning to move from Great Bend in the next year, (4) the majority of firms in the community do not have trouble attracting or maintaining management or professional employees, (5) the majority of firms do not have negative images of rural life or of Kansas, and (6) firms with 50 or more employees do have slightly more of a problem attracting and maintaining management or professionals and have a more negative view of rural life.

Location

Attraction of firms from outside the community. The great majority of surveyed firms in Great Bend have not moved from another city or state in the past 5 years (see Table 21-23). Only 5% of the total number of firms have moved to the community in the past five years, and all these firms have less than 20 employees (see Table 21). The finance and services industries have the greatest amount of firms that have moved to Great Bend (see Table 22), however, this within industry percentage is only 18%. In comparison with the other 8 communities, total percentages are nearly identical (see Table 23).

TABLE 21
PERCENT OF TOTAL FIRMS THAT HAVE MOVED FROM ANOTHER CITY OR STATE TO THEIR PRESENT LOCATION BY SIZE OF FIRM

Has your firm moved to its present location from another city or state in the last five years?

Number of Employees	NO	YES
1-19	94%	6%
20-49	100%	0%
50+	100%	0%
TOTAL PERCENT	95%	5%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 22
PERCENT OF TOTAL FIRMS THAT HAVE MOVED FROM ANOTHER CITY OR STATE TO THEIR PRESENT LOCATION BY INDUSTRY

Has your firm moved to its present location from another city or state in the last five years?

Industry	NO	YES
Manufacturing	97%	3%
Finance/Services	82%	18%
Other Industries	98%	2%
TOTAL PERCENT	95%	5%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 23
PERCENT OF TOTAL FIRMS THAT HAVE MOVED FROM ANOTHER CITY OR STATE TO THEIR PRESENT LOCATION BY COMMUNITY COMPARISON

Has your firm moved to its present location from another city or state in the last five years?

Community	NO	YES
Great Bend	95%	5%
Other 8 Communities	94%	6%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

There has been no major influx of companies to Great Bend in the past five years from other cities or states. This suggests that Great Bend has not been successful in attracting new companies, except for a small amount in the finance and services industries. Although the city should have a recruitment strategy, Great Bend may be better served by focusing on growth from the existing companies in the community.

Reasons for location. Over half of the surveyed Great Bend firms are in their location because it provides a central location and/or it is the owner's hometown. Of the total number of firms, 54% stated a reason for location was that Great Bend provided a central location, 51% stated a reason for location was because it was the owner's hometown, and 29% said a reason for location was that Great Bend met a product/service need (see Tables 24-26). Firms with 50 or more employees in particular gave hometown as a reason for location, as did firms in the finance and services industries. Very few firms gave a strong local economy, adequate space, or good transportation as reasons for location. In comparison to firms in the other 8 communities, Great Bend firms had noticeably higher total percentages for central location and good access to raw materials as reasons for location, and a noticeable lower total percentage for the community filling a product/service need as a reason for location.

TABLE 24.
REASONS FOR LOCATION IN THE COMMUNITY*
BY SIZE OF FIRM

Number of Employees	Hometown	Strong Local Economy	Affordable Lease, Purchase Prices	Good Local Labor Pool	Adequate Space for Expansion	Good Access to Market	Good Access to Raw Materials	Central Location	Good Transportation Facilities	Filled A Prod.-Service Need
1-19	50%	9%	10%	4%	1%	27%	20%	54%	7%	31%
20-49	53%	0%	21%	0%	0%	21%	11%	58%	0%	21%
50+	71%	0%	14%	14%	0%	0%	29%	43%	0%	0%
PERCENT OF TOTAL	51%	8%	12%	4%	1%	25%	19%	54%	6%	29%

n = 105

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 25
REASONS FOR LOCATION IN THE COMMUNITY*
BY INDUSTRY

Industry	Hometown	Strong Local Economy	Affordable Lease, Purchase Prices	Good Local Labor Pool	Adequate Space for Expansion	Good Access to Market	Good Access to Raw Materials	Central Location	Good Transportation Facilities	Filled A Prod.-Service Need
Manufacturing	48%	3%	13%	10%	0%	29%	10%	61%	7%	26%
Finance/ Services	71%	18%	6%	6%	0%	18%	0%	41%	12%	47%
Other Industries	46%	6%	13%	2%	2%	26%	28%	56%	4%	24%
PERCENT OF TOTAL	51%	8%	12%	4%	1%	25%	19%	54%	6%	29%

n = 105

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 26
REASONS FOR LOCATION IN THE COMMUNITY*
BY COMMUNITY COMPARISON

Community	Hometown	Strong Local Economy	More Receptive Local Govt.	Tax Incentives and-or Public Financing	Suitable Zoning	Affordable Lease, Purchase Prices	Good Local Labor Pool	Adequate Space for Expansion	Good Access to Market	Good Access to Raw Materials	Central Location	Good Transportation Facilities	Proximity To Educ.-Tech. Facilities	Filled A Prod.-Service Need	Small Town, Rural Life
Great Bend	51%	8%	0%	0%	0%	12%	4%	1%	25%	19%	54%	6%	0%	29%	0%
Other 8 Communities	55%	9%	2%	1%	1%	8%	7%	5%	26%	6%	42%	8%	3%	48%	1%

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Central location and Great Bend as the hometown are major factors for companies in determining their location. Basically, firms are homegrown and centrally located, and see Great Bend as providing the market and location they need, which once again emphasizes the local orientation of these firms.

A positive sign here is the receptive climate Great Bend seems to have for entrepreneurship.

Retention

Retention of firms in the community. Of the total number of firms in Great Bend, only 1% are planning to move in the next year, and this 1% will be moving within the state. At the present time, relocation of the city's firms does not seem to be a problem. It may be in the best interests for Great Bend to focus on the very small number of firms that are moving from the community in a specially targeted retention program. This data also suggests that the main focus on development policy within the community will be on expansion efforts, not retention.

TABLE 27
PERCENT AND LOCATION OF WHERE FIRMS ARE PLANNING TO MOVE

	Moving Within the Community	Moving Within the State	Moving Out of State	Total % Moving
Firms That Are Planning to Move From Their Present Location In The Next Year	0% of Total Firms	1% of Total Firms	0% of Total Firms	1% of Total Firms

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Advantages of the community. Surveyed firms believe that a the community provides their businesses with a central location, which respondents cited as a major advantage for locating in Great Bend. Of those firms that gave advantages, 55% mentioned central location. A relatively high percentage of firms with less than 20 employees gave hometown and a small town rural life atmosphere as advantages. The major advantage given by firms with 50 employees or more was the quality of the work force, which was given by 43% of these companies. Fifty-seven percent of finance industry firms believe their is no advantage for being located in Great Bend. However, 46% feel they have an advantage in the small town rural life the community offers. Manufacturing industry companies believe they have many advantages, and 77% of other industries (agriculture, mining, construction, transportation-communications, and wholesale) mentioned the advantage of a central location (see Table 28 and 29).

TABLE 28
LOCAL ADVANTAGES OF THE COMMUNITY*
BY SIZE OF FIRM

Number of Employees	No Advantage	Hometown Atmosphere	Small Town-Rural Life	Quality of Work Force	Central, Good Location	Filling A Need
1-19	8%	15%	17%	12%	51%	12%
20-49	0%	0%	11%	0%	90%	21%
50+	29%	0%	0%	43%	29%	0%
PERCENT OF TOTAL	8%	13%	15%	12%	55%	12%

n = 103
*Since firms could give more than one advantage, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 29
LOCAL ADVANTAGES OF THE COMMUNITY*
BY INDUSTRY

Industry	No Advantage	Hometown Atmosphere	Small Town-Rural Life	Quality of Work Force	Central, Good Location	Filling A Need
Manufacturing	6%	11%	6%	22%	50%	17%
Finance/ Services	24%	10%	33%	19%	19%	19%
Other Industries	3%	13%	11%	8%	69%	9%
PERCENT OF TOTAL	8%	13%	15%	12%	55%	12%

n = 103
*Since firms could give more than one advantage, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 30
LOCAL ADVANTAGES OF THE COMMUNITY*
BY COMMUNITY COMPARISON

Community	No Advantage	Hometown Atmosphere	Small Town-Rural Life	Quality of Work Force	Central, Good Location	Filling A Need
Great Bend	8%	13%	15%	12%	55%	12%
Other 8 Communities	7%	20%	28%	8%	50%	14%

*Since firms could give more than one advantage, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

In comparison with the other 8 communities surveyed, the main advantage in all communities, including Great Bend, is the central location. Looking closer, 16% of Great Bend firms believe they have an advantage in the small town rural life the community offers, while 28% of surveyed firms in the other 8 communities mentioned this as an advantage (see Table 30). This suggests that although companies are basically local in their orientation, the quality advantages of operating in a nonmetropolitan community are not as great as firms believe in other communities of relative size that were surveyed for this report.

Additional manufacturers or service providers that would be of benefit existing companies. The majority of surveyed firms in Great Bend (69%) do not believe that there are any manufacturers or service providers that would be of benefit to their company if they were located in Great Bend. All industries, especially the financing and services industry (71%) felt the same (see Tables 31 and 32). However, 31% of these firms do not have everything they need. Sixty-two percent stated they have a need for raw materials suppliers. Thirty-five percent of the smaller firms have a need for business services. Also, 40% of the finance services need more customers and 40% need more business services (see Tables 34 and 35). Surveyed Great Bend firms stated that they needed more business services than firms surveyed in the other 8 communities (see Table 36).

TABLE 31
ADDITIONAL MANUFACTURERS OR SERVICE PROVIDERS
THAT WOULD BE OF BENEFIT FOR FIRMS
BY SIZE OF FIRM

Are there any manufacturers or service providers that would be of benefit to your company if they were located in your community?

Number of Employees	NO	YES
1-19	70%	30%
20-49	58%	42%
50+	86%	14%
TOTAL PERCENT	69%	31%

n = 104

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 32
ADDITIONAL MANUFACTURERS OR SERVICE PROVIDERS
THAT WOULD BE OF BENEFIT FOR FIRMS
BY INDUSTRY

Are there any manufacturers or service providers that would be of benefit to your company if they were located in your community?

Industry	NO	YES
Manufacturing	57%	43%
Finance/Services	71%	29%
Other Industries	72%	28%
TOTAL PERCENT	69%	31%

n = 104

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 33
ADDITIONAL MANUFACTURERS OR SERVICE PROVIDERS
THAT WOULD BE OF BENEFIT FOR FIRMS
BY COMMUNITY COMPARISON

Are there any manufacturers or service providers that would be of benefit to your company if they were located in your community?

Community	NO	YES
Great Bend	69%	31%
Other 8 Communities	63%	37%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 34
ADDITIONAL COMPANIES THAT WOULD BE OF BENEFIT
BY SIZE OF FIRM

Number of Employees	More Customers For Products	Repair Maint-enance	Business Services	Raw Materials Suppliers
1-19	16%	2%	35%	56%
20-49	25%	0%	25%	100%
50+	0%	0%	100%	0%
PERCENT OF TOTAL	17%	2%	35%	62%

n = 32

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 35
ADDITIONAL COMPANIES THAT WOULD BE OF BENEFIT
BY INDUSTRY

Industry	More Customers For Products	Repair Maint-enance	Business Services	Raw Materials Suppliers
Manufacturing	7%	7%	29%	71%
Finance/Services	40%	0%	40%	60%
Other Industries	14%	0%	36%	57%
PERCENT OF TOTAL	17%	2%	35%	62%

n = 32

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute or Public Policy and Business Research, The University of Kansas, 1987.

TABLE 36
ADDITIONAL COMPANIES THAT WOULD BE OF BENEFIT
BY COMMUNITY COMPARISON

Community	More Customers For Products	Repair Maint-enance	Business Services	Raw Materials Suppliers
Great Bend	17%	2%	35%	62%
Other 8 Communities	29%	4%	16%	59%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

New suppliers or service providers can strengthen existing companies, and this presents an opportunity for a possible recruiting focus. As can be seen in Table 36, needs for types of additional companies are different for Great Bend than for firms surveyed in the other 8 communities. For these surveyed firms, business services was mentioned by a relatively high percentage of respondents. This implies that the recruitment of, or the expansion of, this type of firm will strengthen the existing economic base of the community.

Retaining and attracting management and professional personnel. The great majority (89%) of small and large firms in Great Bend has no trouble retaining and attracting management and professional personnel. Few industries have trouble attracting these employees, either (see Tables 37 and 38). However, there is a slight difficulty in firms with 50 or more employees (14%) for attracting management and professional personnel. This reflects the greater need larger firms have for all types of workers. A positive sign for city officials is that in comparison to firms in the other 8 communities, the percentage of Great Bend firms that stated they had this problem was slightly lower than the percentages for firms in the other 8 communities (see Table 39).

TABLE 37
PERCENT OF TOTAL FIRMS THAT HAVE TROUBLE ATTRACTING OR RETAINING PROFESSIONAL AND MANAGEMENT PERSONNEL BY SIZE OF FIRM

Do you have any trouble attracting and/or retaining professional and management level personnel to your business?

Number of Employees	NO	YES
1-19	89%	11%
20-49	90%	10%
50+	86%	14%
TOTAL PERCENT	89%	11%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 38
PERCENT OF TOTAL FIRMS THAT HAVE TROUBLE ATTRACTING OR RETAINING PROFESSIONAL AND MANAGEMENT PERSONNEL BY INDUSTRY

Do you have any trouble attracting and/or retaining professional and management level personnel to your business?

Industry	NO	YES
Manufacturing	90%	10%
Finance/Services	88%	12%
Other Industries	89%	11%
TOTAL PERCENT	89%	11%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 39
PERCENT OF TOTAL FIRMS THAT HAVE TROUBLE ATTRACTING OR RETAINING PROFESSIONAL AND MANAGEMENT PERSONNEL BY COMMUNITY COMPARISON

Do you have any trouble attracting and/or retaining professional and management level personnel to your business?

Community	NO	YES
Great Bend	89%	11%
Other 8 Communities	82%	18%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

That firms with 50 or more employees have more trouble in attracting and maintaining management and professionals indicates that this may become a larger problem if firms are to grow and expand. The fact that there is very little industry differences implies that the community itself may be a hindrance, not necessarily the type of firm. Issues such as the arts, recreational activities, and entertainment of all types will take on added importance when considering ways to attract and maintain the management and professionals of local organizations.

Perceived images of rural life and Kansas. Most of the surveyed firms in Great Bend do not have a negative image of rural life. However, 14% of the respondents from firms with 50 or more employees do have a negative image of rural life (see Table 40). The manufacturing industry has a small percentage of 8% that have a negative image and 6% of finance/services industries' firms have a negative image (see Table 41). It must be remembered that the majority of respondents stated a reason for location was that Great Bend was the company's hometown, so these low percentages of a negative image should not be surprising. The larger percentage of expressed negative attitudes among very large companies implies that as firms grow, there could be more perceived negative images concerning the aspects of rural life.

TABLE 40
PERCENT OF TOTAL FIRMS WITH A NEGATIVE
IMAGE OF RURAL LIFE
BY SIZE OF FIRM

Number of Employees	Do you have a negative image of rural life? NO	YES
1-19	96%	4%
20-49	100%	0%
50+	86%	14%
TOTAL PERCENT	96%	4%

n = 105

Source: Business Retention and Expansion Survey for Kansâs Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 41
PERCENT OF TOTAL FIRMS WITH A NEGATIVE
IMAGE OF RURAL LIFE
BY INDUSTRY

Industry	Do you have a negative image of rural life? NO	YES
Manufacturing	90%	10%
Finance/Services	94%	6%
Other Industries	98%	2%
TOTAL PERCENT	96%	4%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Great Bend firms believe almost the same way as the other 8 communities about rural life. Ninety-six percent of the firms in Great Bend do not have a negative image of rural life and ninety-four percent of firms in the other 8 communities do not have a negative image of rural life (see Table 42).

TABLE 42
PERCENT OF TOTAL FIRMS WITH A NEGATIVE IMAGE OF RURAL LIFE BY COMMUNITY COMPARISON

	Do you have a negative image of rural life?	
Community	NO	YES
Great Bend	96%	4%
Other 8 Communities	94%	6%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Not one of the firms surveyed in Great Bend had a negative image of Kansas (see Tables 43-45). This was slightly higher than the total percentage given by surveyed firms in the other 8 communities. This is a very positive sign for the community and for state officials. This implies, however, that strategy that stresses the high quality of life in Kansas may not affect too many firms in Great Bend. These firms already perceive this.

TABLE 43
PERCENT OF TOTAL FIRMS WITH A NEGATIVE IMAGE OF KANSAS BY SIZE OF FIRM

Number of Employees	Do you have a negative image of Kansas? NO	YES
1-19	100%	0%
20-99	100%	0%
100+	100%	0%
TOTAL PERCENT	100%	0%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 44
PERCENT OF TOTAL FIRMS WITH A NEGATIVE IMAGE OF KANSAS BY INDUSTRY

Industry	Do you have a negative image of Kansas? NO	YES
Manufacturing	100%	0%
Finance/Services	100%	0%
Other Industries	100%	0%
TOTAL PERCENT	100%	0%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 45
PERCENT OF TOTAL FIRMS WITH A NEGATIVE IMAGE OF KANSAS BY COMMUNITY COMPARISON

	Do you have a negative image of Kansas?	
Community	NO	YES
Great Bend	100%	0%
Other 8 Communities	98%	2%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Location and Retention Summary

After examining the data on location and retention, it is possible to make the following summary implications:

1. Recruitment of firms to the community has generally not been successful for Great Bend. Of the total number of firms, 95% have not moved to the community from another city or state in the past five years.

2. Reasons for location given by Great Bend respondents stress the local orientation of these firms. Of the total number of respondents, 54% stated a reason for location was that Great Bend provided a central location, and 51% stated a reason for location was that Great Bend was the founder's hometown.

3. Very few firms are planning to leave the community. Only 1% of the total number of surveyed firms are planning to move from Great Bend in the next year.

4. In comparison to firms surveyed in the other eight communities, Great Bend firms expressed a greater need for business service companies for their community. Of the Great Bend respondents that mentioned additional companies that would be of benefit to their own firm, 35% mentioned business service companies, while 16% of the respondents in the other eight communities mentioned business service companies as an additional company that would be of benefit.

5. The majority of surveyed firms in Great Bend (89%) have no trouble attracting or maintaining management or professional employees for their company. However, firms with 50 or more employees did have this problem slightly more than smaller firms.

6. Great Bend firms have positive images of rural life and of Kansas. Of the total number of respondents, 96% stated they did not have a negative image of rural life and 100% stated they did not have a negative image of Kansas. However, firms with 50 or more employees did express a slightly more negative view of rural life than did firms with fewer than 50 employees.

V.

DESCRIPTION AND DETERMINANTS OF BUSINESS EXPANSION

In this section we examine past expansion and plans for future expansion, which include employment changes, physical plant size changes, factors that help expansion, factors that lead to contraction, location of where expansion will take place, and problems that lead to expansion out of the community and out of state. Also described are findings that focus on additional products that may be offered, the potential and desire to expand internationally, factors that assist or impede exporting a product or service, and financing for expansion.

The major findings are (1) 44% of surveyed Great Bend firms decreased employment the past two years and 23% of surveyed Great Bend firms decreased physical plant size the past two years; (2) of the firms that gave problems with expansion and reasons for contraction, most cited a static or declining market as a specific problem associated with expansion and as a reason for contraction; (3) although there has been decreases in employment and physical plant size, 42% of the total number of firms stated they will increase employment next year and 19% stated they will increase plant size; (4) 15% of the total number of firms believe they have the potential and/or the desire to expand into the international market; (5) financing sources for expansion for Great Bend firms are traditional in nature; and (6) 15% of Great Bend firms have had to postpone or forego expansion because of a lack of financing.

Past Expansion

Employment expansion. Little employment growth has occurred the past two years for surveyed Great Bend Firms. Of the total number of firms, 44%

stated they decreased employment the past two years, 38% stated employment remained constant, and 18% stated that employment increased (see Tables 46-48). Employment in firms with 50 or more employees was all or nothing: 57% of these companies said they decreased employment the past two years while 43% said they increased employment (see Table 46). Forty-five percent of all manufacturing firms decreased employment (see Table 47). Of great concern to city officials is the data in Table 48: 44% of surveyed Great Bend firms decreased employment compared to 19% of surveyed firms in the other 8 communities, and 18% of Great Bend firms increased employment compared to the other 8 communities firms total percentage of 35%.

TABLE 46
PAST INCREASES IN EMPLOYMENT
BY SIZE OF FIRM

In the last two years, has your firm increased or decreased its employment?

Number of Employees	Decreased Employment	Employment Remained Constant	Increased Employment
1-19	44%	42%	14%
20-49	42%	26%	32%
50+	57%	0%	43%
TOTAL PERCENT	44%	38%	18%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 47
PAST INCREASES IN EMPLOYMENT
BY INDUSTRY

In the last two years, has your firm increased or decreased its employment?

Industry	Decreased Employment	Employment Remained Constant	Increased Employment
Manufacturing	45%	26%	29%
Finance/Services	24%	59%	17%
Other Industries	50%	35%	15%
TOTAL PERCENT	44%	38%	18%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 48
PAST INCREASES IN EMPLOYMENT
BY COMMUNITY COMPARISON

In the last two years, has your firm increased or decreased its employment?

Community	Decreased Employment	Employment Remained Constant	Increased Employment
Great Bend	44%	38%	18%
Other 8 Communities	19%	46%	35%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Clearly, there are employment expansion problems for surveyed firms in Great Bend. The fact that 44% of these firms decreased employment, compared to 19% for firms in the other 8 communities, is of particular importance. Continued loss of employment will likely affect out-migration and population losses, not to mention the adverse affect on all service providers in the area. Although there does seem to be some growth, it has not been enough to offset losses. These data imply that expansion policies are definitely needed in Great Bend, or losses in employment will continue. This continuance will have a major negative impact on the community.

Physical plant expansion. Most of the firms in Great Bend have kept their physical plant size the same the past two years. However, 23% of the total number of firms decreased physical plant size the past two years (see Tables 49, 50, and 51). Firms with 20 to 49 employees had the largest expansion in plant size (53%). Only 14% of firms with 50 or more employees increased their plant size, while 29% decreased plant size. Within industries, the largest percentages of contractions and expansions were from the agriculture, mining, construction, transportation-communications, and wholesale industries. In comparison to surveyed firms in the other 8 communities, Great Bend firms had a much higher percentage of companies that said they decreased plant size, while the other communities had a higher percentage of firms who said they increased plant size (see Table 51).

TABLE 49
PAST INCREASES IN PHYSICAL PLANT SIZE
BY SIZE OF FIRM

In the last two years, has your firm increased or decreased the size of its physical plant?

Number of Employees	Decreased Size	Size Remained Constant	Increased Size
1-19	26%	52%	22%
20-49	0%	47%	53%
50+	29%	57%	14%
TOTAL PERCENT	23%	52%	25%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 50
PAST INCREASES IN PHYSICAL PLANT SIZE
BY INDUSTRY

In the last two years, has your firm increased or decreased the size of its physical plant?

Industry	Decreased Size	Size Remained Constant	Increased Size
Manufacturing	7%	77%	16%
Finance/Services	12%	64%	24%
Other Industries	32%	40%	28%
TOTAL PERCENT	23%	52%	25%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 51
PAST INCREASES IN PHYSICAL PLANT SIZE
BY COMMUNITY COMPARISON

In the last two years, has your firm increased or decreased the size of its physical plant?

Community	Decreased Size	Size Remained Constant	Increased Size
Great Bend	23%	52%	25%
Other 8 Communities	7%	57%	36%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

As with employment, there is some difficulty with expansion in physical plant size. Again, this problem is slightly magnified when making comparisons to firms in the other 8 communities. This low growth is no doubt related to slow, or decreasing, employment growth. As with employment, these data imply that development strategies are needed that will stimulate growth in the community.

Problems with past expansion. The main expansion problem for smaller firms in Great Bend in the past was a declining or static market, which was given by 60% of those firms that mentioned specific problems with expansion (see Tables 52-54). Most responses came from small firms of less than 20 employees, which implies that if small firms stay locally oriented, a static or declining market will remain an expansion problem (see Table 52). Firms with 50 or more employees were also concerned with zoning regulations, the availability of labor, and a lack of training resources. Within industry breakdowns revealed that finance and services firms have a particular problem with a static or declining market, and manufacturing firms have problems with the availability of labor and a static market (see Table 53). Table 54 shows that Great Bend firms had a much larger percentage of respondents that gave a static market as a problem, while firms in the other 8 communities gave a relatively higher percentage to lack of affordable financing as a problem.

TABLE 52
SPECIFIC PROBLEMS WITH EXPANSION*
BY SIZE OF FIRM

Number of Employees	Zoning Regulations	Availability of Labor	Static or Declining Market	Lack of Affordable Financing	Utility Costs	Lack of Training Resources	Tax Laws	Strong Competition	Decline in Oil Prices
1-19	7%	7%	61%	17%	4%	7%	4%	4%	17%
20-49	0%	0%	0%	0%	0%	0%	0%	0%	0%
50+	50%	25%	50%	0%	0%	25%	0%	0%	0%
PERCENT OF TOTAL	10%	9%	60%	16%	3%	9%	3%	3%	16%

n = 35
*Since firms could give more than one problem, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 53
SPECIFIC PROBLEMS WITH EXPANSION*
BY INDUSTRY

Industry	Zoning Regulations	Availability of Labor	Static or Declining Market	Lack of Affordable Financing	Utility Costs	Lack of Training Resources	Tax Laws	Strong Competition	Decline in Oil Prices
Manufacturing	25%	38%	38%	13%	0%	13%	0%	0%	13%
Finance/ Services	0%	0%	71%	29%	0%	0%	0%	0%	0%
Other Industries	11%	6%	61%	11%	6%	11%	6%	6%	22%
PERCENT OF TOTAL	10%	9%	60%	16%	3%	9%	3%	3%	16%

n = 35
*Since firms could give more than one problem, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 54
SPECIFIC PROBLEMS WITH EXPANSION*
BY COMMUNITY COMPARISON

Community	Zoning Regu- lations	Avail- ability of Labor	Static or Declin- ing Market	Lack of Afford- Finan- cing	Lack of Raw Mat- erials	Util- ity Costs	Trans- por- tation Diffi- culties	Avail- ability of Space	Lack of Training Re- sources	Tax Laws	Strong Compe- tition	Decline in Oil Prices
Great Bend	10%	9%	60%	16%	0%	3%	0%	0%	9%	3%	3%	16%
Other 8 Communities	10%	10%	39%	26%	1%	2%	2%	8%	4%	2%	9%	11%

*Since firms could give more than one problem, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

As has been shown earlier in this report, surveyed firms in Great Bend are locally oriented and participate primarily in local and state markets. This could be part of the reason why the majority of firms that gave expansion problems mentioned a static or declining market. The future continuance of using predominantly local and state markets will continue to hinder expansion efforts. If companies continue to lose employment, as they have stated from this survey, the community will have less and less of a base to sell their goods or services, and the market will continue to decline. The main implication here is that firms in Great Bend need ways to expand their markets for new customers, and with such a large percentage of companies that gave a static or declining market as a problem, it appears to be a main priority.

Factors helping expansion. The main factor given that helped firms in Great Bend expand was an expanding market. Of the firms that gave factors which helped expansion, 44% mentioned an expanding market (see Tables 55-57). Manufacturing firms in particular believed an expanding market was a factor, as did firms with 50 or more employees. Other contributing factors for helping expansion of larger firms was the availability of space and more efficient operations. In comparison to firms in the other 8 communities, Great Bend firms had higher percentages for the availability of public assistance, improved internal financing, and more efficient operations, while the other communities had a much higher percentage for an expanding market as a factor that helped expansion (see Table 57).

TABLE 55
FACTORS THAT HELPED EXPANSION*
BY SIZE OF FIRM

Number of Em-ployees	Ex-panding Market	Avail-abil-ity of Public Assist.	Avail-abil-ity of Tech. Inno-vation	Avail-abil-ity of Space	Desire To Ex-pand Market	Im-proved In-ternal Fin-ancing	More Efficient Oper-ations
1-19	52%	14%	5%	14%	19%	10%	29%
20-49	0%	0%	0%	20%	60%	0%	40%
50+	67%	0%	0%	33%	0%	0%	33%
PERCENT OF TOTAL	44%	11%	4%	16%	26%	7%	31%

n = 33
*Since firms could give more than one factor, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was answered only by those firms that had previously stated they had increased plant size and/or employment.

TABLE 56
FACTORS THAT HELPED EXPANSION*
BY INDUSTRY

Industry	Ex-panding Market	Avail-abil-ity of Public Assist.	Avail-abil-ity of Tech. Inno-vation	Avail-abil-ity of Space	Desire To Ex-pand Market	Im-proved In-ternal Fin-ancing	More Efficient Oper-ations
Manufacturing	67%	0%	0%	11%	22%	0%	11%
Finance/ Services	33%	0%	17%	50%	0%	33%	50%
Other Industries	41%	18%	0%	6%	35%	0%	29%
PERCENT OF TOTAL	44%	11%	4%	16%	26%	7%	31%

n = 33
*Since firms could give more than one factor, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was answered only by those firms that had previously stated they had increased plant size and/or employment.

TABLE 57
FACTORS THAT HELPED EXPANSION*
BY COMMUNITY COMPARISON

Community	Expanding Market	Availability of Tax Incentives	Availability of Public Assist.	Availability of Tech. Innovation	Availability of Space	Desire To Expand Market	Improved Internal Financing	More Efficient Operations
Great Bend	44%	0%	11%	4%	16%	26%	7%	31%
Other 8 Communities	71%	1%	3%	4%	21%	26%	3%	28%

*Since firms could give more than one factor, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was answered only by those firms that had previously stated they had increased plant size and/or employment.

Just as a static or declining market was the greatest factor associated with expansion problems, an expanding market was given by the most firms as a factor that helped expansion. However, the total percentage for this factor was not near as high as for firms from the other 8 communities. This indicates that expanding the market scope does affect expansion opportunities for very small and very large firms alike. There were also relatively high percentages for a desire to expand market and more efficient operations as factors that helped expansion. If firms know more about how to expand their market, and the opportunities that could come from an expanded market, the desire may increase. Information and education about how firms, especially small ones, can increase efficiency may also help firms expand.

<u>Reasons for contraction.</u> Of those firms that gave reasons for contraction, the greatest reason by far for a contraction was a declining or static market (see Tables 58, 59, and 60). Ninety-three percent of

manufacturing firms gave this reason, as well as 100% of the firms with 20 or more employees. Other reasons given included were a decline in oil prices, a contracting labor pool, and rising raw material costs. Notable percentage differences between surveyed firms in Great Bend and surveyed firms in the other 8 communities were with a declining or static market, a decline in oil prices, and to increase efficiency (see Table 60). As is becoming clear in this report, the market firms use is having a major impact on expansion opportunities in Great Bend.

TABLE 58
REASONS FOR CONTRACTION*
BY SIZE OF FIRM

Number of Employees	Declining or Static Market	Contracting Labor Pool	Rising Raw Materials Costs	Lack of Affordable Financing	Decline in Oil Prices	Increase Efficiency	Taxes-Regulatory Costs
1-19	72%	9%	6%	3%	15%	6%	3%
20-49	100%	0%	0%	0%	0%	0%	0%
50+	100%	0%	50%	50%	0%	0%	0%
PERCENT OF TOTAL	76%	8%	8%	5%	13%	5%	3%

n = 48
*Since firms could give more than one reason, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was only answered by firms that previously stated they had experienced a contraction in physical plant size and/or employment.

TABLE 59
REASONS FOR CONTRACTION*
BY INDUSTRY

Industry	Declining or Static Market	Contracting Labor Pool	Rising Raw Materials Costs	Lack of Affordable Financing	Decline in Oil Prices	Increase Efficiency	Taxes-Regulatory Costs
Manufacturing	93%	0%	0%	0%	14%	0%	0%
Finance/ Services	75%	25%	0%	0%	0%	0%	0%
Other Industries	72%	7%	10%	7%	14%	7%	3%
PERCENT OF TOTAL	76%	8%	8%	5%	13%	5%	3%

n = 48
*Since firms could give more than one reason, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was only answered by firms that previously stated they had experienced a contraction in physical plant size and/or employment.

TABLE 60
REASONS FOR CONTRACTION*
BY COMMUNITY COMPARISON

Community	Declining or Static Market	Contracting Labor Pool	Rising Labor Costs	Rising Raw Materials Costs	Rising Plant-Office Space Costs	Lack of Affordable Financing	Decline in Oil Prices	Increase Efficiency	Taxes-Regulatory Costs
Great Bend	76%	8%	0%	8%	0%	5%	13%	5%	3%
Other 8 Communities	70%	2%	3%	1%	1%	5%	23%	19%	1%

*Since firms could give more than one reason, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was only answered by firms that previously stated they had experienced a contraction in physical plant size and/or employment.

Plans for Expansion

Employment expansion. Although many firms said they decreased employment the past two years, an almost equal percentage of firms say they will increase employment in the next year. Of the total number of firms, 42% said they will increase employment, 56% said they will keep their employment levels constant, and only 2% said they will decrease employment next year (see Tables 61-63). Large percentages of very small firms and very large firms plan increases, and no firm with less than 20 employees stated they will decrease employment (see Table 61). Fifty-two percent of manufacturing firms said they would increase employment, and no manufacturing firm believes they will decrease employment (see Table 62). Percentages given by surveyed Great Bend firms are similar to percentages given by surveyed firms in the other 8 communities (see Table 63). There is optimism for growth in Great Bend, and development policies should take advantage of this optimism.

TABLE 61
PERCENT OF TOTAL FIRMS PLANNING TO
INCREASE EMPLOYMENT
BY SIZE OF FIRM

In the next year, is your firm planning to increase or decrease employment?

Number of Employees	Will Decrease Employment	Employment Will Remain Constant	Will Increase Employment
1-19	0%	54%	46%
20-49	10%	79%	11%
50+	28%	29%	43%
TOTAL PERCENT	2%	56%	42%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 62
PERCENT OF TOTAL FIRMS PLANNING TO
INCREASE EMPLOYMENT
BY INDUSTRY

In the next year, is your firm planning to increase or decrease employment?

Industry	Will Decrease Employment	Employment Will Remain Constant	Will Increase Employment
Manufacturing	0%	48%	52%
Finance/Services	6%	53%	41%
Other Industries	2%	59%	39%
TOTAL PERCENT	2%	56%	42%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 63
PERCENT OF TOTAL FIRMS PLANNING TO
INCREASE EMPLOYMENT
BY COMMUNITY COMPARISON

In the next year, is your firm planning to increase or decrease employment?

Community	Will Decrease Employment	Employment Will Remain Constant	Will Increase Employment
Great Bend	2%	56%	42%
Other 8 Communities	3%	57%	40%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

There is opportunity for new employment growth in the community, also. Of the total number of firms, 21% decreased employment or kept employment constant the past two years and will increase employment next year (see Table 64). Only 1% of the total number of firms increased employment the last two years and will decrease employment next year. This brings out the opportunity for expansion, and indicates that, contrary to what has happened the past two years, surveyed firms in Great Bend believe they can experience employment growth in the coming year.

TABLE 64
PERCENT OF TOTAL FIRMS THAT HAVE
INCREASED EMPLOYMENT THE LAST TWO YEARS
AND ARE PLANNING FUTURE INCREASES IN EMPLOYMENT

Changes In Employment The Last Two Years	Employment In The Next Year: Will Decrease Employment	Will Remain Constant	Will Increase Employment
Decreased Employment	1%	12%	8%
Employment Remained Constant	1%	32%	13%
Increased Employment	1%	13%	20%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Physical plant size expansion. The great majority of firms in Great Bend are not planning to increase or decrease the size of their physical plant in the next year. Of the total number of firms, 19% said they will expand their physical plant size, only 2% said they will decrease size, and 79% said they will keep size constant (see Tables 65, 66, and 67). The most expansion, and contractions, will occur in firms with 20 to 49 employees. According to these firms, no contractions will occur in the manufacturing, finance, or services industries. There is a smaller potential for expansion in the next year compared to expansions in the past two years: 17% of the smaller firms and 14% of the larger firms. This is still a considerable amount and also 53% of middle size firms will expand. The greatest expansion will take place within the finance industry (24%) drawing employment away from the manufacturing industry (13%). Neither will contract and only 4% of other industries will contract (see Table 66). Overall, expansion is optimistic in Great Bend.

TABLE 65
PERCENT OF TOTAL FIRMS THAT
ARE PLANNING AN EXPANSION
BY SIZE OF FIRM

In the next year, is your firm planning on an expansion or a contraction in the size of your physical plant?

Number of Employees	Contraction	Size Will Remain Constant	Expansion
1-19	1%	82%	17%
20-49	10%	58%	32%
50+	0%	86%	14%
TOTAL PERCENT	2%	79%	19%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 66
PERCENT OF TOTAL FIRMS THAT
ARE PLANNING AN EXPANSION
BY INDUSTRY

In the next year, is your firm planning on an expansion or a contraction in the size of your physical plant?

Industry	Contraction	Size Will Remain Constant	Expansion
Manufacturing	0%	87%	13%
Finance/Services	0%	76%	24%
Other Industries	4%	77%	19%
TOTAL PERCENT	2%	79%	19%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Great Bend has less expansion potential as compared with the other 8 communities, but only by a slight difference (see Table 67).

TABLE 67
PERCENT OF TOTAL FIRMS THAT
ARE PLANNING AN EXPANSION
BY COMMUNITY COMPARISON

In the next year, is your firm planning on an expansion or a contraction in the size of your physical plant?

Community	Contraction	Size Will Remain Constant	Expansion
Great Bend	2%	79%	19%
Other 8 Communities	1%	77%	22%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Like employment, there is opportunity for new physical plant size growth. Of the total number of firms, 9% decreased or remained the same in plant size the past two years and will increase plant size next year (see Table 68). Only 1% of the total number of firms decreased plant size in the past and will decrease plant size next year. Although not as great as new growth in employment, there is optimism for increases in the physical structures of surveyed Great Bend firms.

TABLE 68
PERCENT OF TOTAL FIRMS THAT HAVE
INCREASED PHYSICAL PLANT SIZE THE LAST TWO YEARS
AND ARE PLANNING FUTURE INCREASES IN PHYSICAL PLANT SIZE

	Physical Plant Size In The Next Year		
Changes In Physical Plant Size The Last Two Years	Will Have A Contraction	Will Remain Constant	Will Have An Expansion
Decreased Plant Size	1%	8%	1%
Plant Size Remained Constant	1%	47%	8%
Increased Plant Size	1%	22%	12%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Location of expansion. The majority of firms that will expand will do so in the state. Of the small number of firms that were expanding, 38% will expand within the city limits, 13% within the county, and 49% within the state (see Tables 69-71). Although every firm with 50 or more employees will expand within the city, a fairly large percentages of firms with less than 50 employees are expanding outside of Great Bend (see Table 69). Firms in the other industry category (agriculture, mining, construction, transportation-communications, and wholesale) had the largest percentage of firms that will expand outside of the community (see Table 70). Table 71 reveals that surveyed Great Bend firms are expanding outside the city limits more than surveyed firms in the other 8 communities.

TABLE 69
LOCATION OF WHERE EXPANSION WILL TAKE PLACE
FOR FIRMS THAT ARE PLANNING EXPANSION, BY SIZE OF FIRM

	Where Expansion Will Be			
Number of Em- ployees	Within The City Limits	Within The Same County	Within The State	Out of State
1-19	44%	8%	48%	0%
20-49	0%	33%	67%	0%
50+	100%	0%	0%	0%
TOTAL PERCENT	38%	13%	49%	0%

n = 19
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was asked only to firms that previously stated they were planning an expansion.

TABLE 70
LOCATION OF WHERE EXPANSION WILL TAKE PLACE
FOR FIRMS THAT ARE PLANNING EXPANSION, BY INDUSTRY

	Where Expansion Will Be			
Industry	Within The City Limits	Within The Same County	Within The State	Out of State
Manufacturing	100%	0%	0%	0%
Finance/Services	50%	0%	50%	0%
Other Industries	20%	20%	60%	0%
TOTAL PERCENT	38%	13%	49%	0%

n = 19
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was asked only to firms that previously stated they were planning an expansion.

TABLE 71
LOCATION OF WHERE EXPANSION WILL TAKE PLACE
FOR FIRMS THAT ARE PLANNING EXPANSION,
BY COMMUNITY COMPARISON

	Where Expansion Will Be			
Community	Within The City Limits	Within The Same County	Within The State	Out of State
Great Bend	38%	13%	49%	0%
Other 8 Communities	66%	19%	8%	7%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: This question was asked only to firms that previously stated they were planning an expansion.

Although no firms will be moving out of the state, 62% of the small number of firms that are expanding will expand outside of the city limits. This is particularly important when comparing Great Bend to the other 8 communities: 34% are expanding outside of the city limits. The high percentage of firms that are expanding outside of the community and the county (49%) reflects the losses of employment and physical plant size the community has experienced in the past two years. The percentages here imply that city officials will have to examine reasons for this outward expansion, before trends develop that will force even more firms to expand outside of Great Bend.

Advantages that influenced expansion. Only one Great Bend firm gave a local advantage that influenced expansion, and that advantage was that space was available. Making conclusions for the community based on one firm is not possible. Surveyed firms in the other 8 communities also gave that space was available as an advantage, along with the advantages of a good local labor pool, tax incentives and public assistance, and a strong local economy as advantages that influenced expansion.

Problems that led to expansion outside of the community. Only four firms gave problems that led to expansion outside of the community. Conclusions for the community cannot be based on four firms. Firms in the other 8 communities gave "specific problems" with the community, city taxes, and zoning regulations as problems that led to expansion outside of the community.

Additional Products and Expansion. For firms that mentioned reasons for not offering an additional product or service, 31% gave that the business was complex enough now as a reason (see Tables 72-74). One-hundred percent of firms with 20 or more employees gave this reason, as did firms in the manufacturing and other industry categories. Firms with less than 20 employees also had a relatively high percentage of firms that mentioned lack of affordable financing as a reason for not offering an additional product or service. In comparison to surveyed firms in the other 8 communities, percentage differences of note include the higher percentages given by Great Bend firms for lack of affordable financing and that the business is complex enough; and the higher percentages given by firms in the other 8 communities for restrictive laws and/or regulations and that the firm was in the process of introducing a new product or service at the time of the survey (see Table 74).

TABLE 72
REASONS FOR NOT OFFERING AN ADDITIONAL PRODUCT OR SERVICE*
BY SIZE OF FIRM

Number of Employees	Lack of Affordable Financing	Lack of Specific Know-How	No Desire To Expand	Static or Declining Market	Low Cash Flow	Business Complex Enough Now	Lack of Skilled Labor	Lack of Equipment, Tech.	Introducing Product or Service Now
1-19	25%	6%	13%	16%	13%	25%	13%	6%	9%
20-49	0%	0%	0%	0%	0%	100%	0%	0%	0%
50+	0%	0%	0%	0%	0%	100%	0%	0%	0%
PERCENT OF TOTAL	23%	6%	12%	14%	12%	31%	12%	6%	9%

n = 21

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 73
REASONS FOR NOT OFFERING AN ADDITIONAL PRODUCT OR SERVICE*
BY INDUSTRY

Industry	Lack of Affordable Financing	Lack of Specific Know-How	No Desire To Expand	Static or Declining Market	Low Cash Flow	Business Complex Enough Now	Lack of Skilled Labor	Lack of Equipment, Tech.	Introducing Product or Service Now
Manufacturing	0%	0%	29%	14%	0%	43%	0%	0%	14%
Finance/ Services	25%	0%	0%	0%	25%	0%	50%	25%	0%
Other Industries	30%	10%	10%	20%	10%	40%	0%	0%	10%
PERCENT OF TOTAL	23%	6%	12%	14%	12%	31%	12%	6%	9%

n = 21

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 74
REASONS FOR NOT OFFERING AN ADDITIONAL PRODUCT OR SERVICE*
BY COMMUNITY COMPARISON

Community	Restrictive Laws or Regulations	Lack of Affordable Financing	Lack of Specific Know-How	No Desire To Expand	Static or Declining Market	Low Cash Flow	Business Complex Enough Now	Lack of Skilled Labor	Lack of Equipment, Tech.	Introducing Product or Service Now
Great Bend	0%	23%	6%	12%	14%	12%	31%	12%	6%	9%
Other 8 Communities	12%	15%	5%	9%	13%	13%	12%	10%	12%	23%

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

There are companies in Great Bend that believe a lack of financing is impeding an expansion process, namely, introducing a new product or service. The high percentage of firms that mentioned that the business was too complex may be a reflection of the large employment losses cited earlier in this report; companies may not have the work force for the process or to establish the networks for introducing a new product or service. This implies that if businesses increase employment like they predict they will (see Tables 61-63), more opportunities will arise for the introduction of new products. Unlike previous reasons given for not expanding, a static or declining market was not the number one reason for not offering a product.

Expanding into the international market. Although not large, there are firms in Great Bend with both the potential and the desire to expand internationally. Very few firms have the potential to expand internationally. Of the firms who responded, 15% said they had the potential to expand and 15% said they had the desire to expand internationally (see Tables 75-80). Firms with less than 20 employees in particular believe they have the potential and the desire to expand; indeed, this size firm was the only type to answer yes to these questions (see Tables 75 and 78). Manufacturing firms also had the highest within industry percentages of companies that had the potential and the desire to expand (see Tables 76 and 79). In comparison to firms in the other 8 communities, total percentages are almost equal (see Tables 77 and 80), although Great Bend firms had slightly higher percentages of firms that stated they had the potential and the desire to expand internationally.

TABLE 75
PERCENT OF TOTAL FIRMS THAT FEEL THEY HAVE
THE POTENTIAL TO EXPAND INTERNATIONALLY, BY SIZE OF FIRM

Do you feel your business has the potential to expand into the international market?

Number of Employees	NO	YES
1-19	83%	17%
20-49	100%	0%
50+	100%	0%
TOTAL PERCENT	85%	15%

n = 100

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 76
PERCENT OF TOTAL FIRMS THAT FEEL THEY HAVE
THE POTENTIAL TO EXPAND INTERNATIONALLY, BY INDUSTRY

Do you feel your business has the potential to expand into the international market?

Industry	NO	YES
Manufacturing	78%	22%
Finance/Services	94%	6%
Other Industries	85%	15%
TOTAL PERCENT	85%	15%

n = 100

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 77
PERCENT OF TOTAL FIRMS THAT FEEL THEY HAVE THE POTENTIAL TO EXPAND INTERNATIONALLY, BY COMMUNITY COMPARISON

Do you feel your business has the potential to expand into the international market?

Community	NO	YES
Great Bend	85%	15%
Other 8 Communities	87%	13%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 78
PERCENT OF TOTAL FIRMS THAT HAVE THE DESIRE TO EXPAND INTERNATIONALLY, BY SIZE OF FIRM

Does your firm have the desire to expand into the international market?

Number of Employees	NO	YES
1-19	83%	17%
20-49	100%	0%
50+	100%	0%
TOTAL PERCENT	85%	15%

n = 98

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 79
PERCENT OF TOTAL FIRMS THAT HAVE THE
DESIRE TO EXPAND INTERNATIONALLY, BY INDUSTRY

Does your firm have the desire to expand into the international market?

Industry	NO	YES
Manufacturing	74%	26%
Finance/Services	94%	6%
Other Industries	86%	14%
TOTAL PERCENT	85%	15%

n = 98

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 80
PERCENT OF TOTAL FIRMS THAT HAVE THE
DESIRE TO EXPAND INTERNATIONALLY
BY COMMUNITY COMPARISON

Does your firm have the desire to expand into the international market?

Community	NO	YES
Great Bend	85%	15%
Other 8 Communities	88%	12%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

The number of firms that stated they had the potential and the desire to expand internationally is a positive sign for the community. Expansion into wider product/service markets will increase the chances for expansion growth, and will increase the competitiveness of the community as a whole. Great Bend should make sure what firms need to expand: information about foreign markets, knowledge about exporting in general, and/or where financing may be available. City officials need to be aware of any barriers to the initiation of expansion into the international market, also. As has been shown, a many firms believe that a barrier to expansion is a static or declining market. Exporting, not only in the international market, but in the national market as well, can help to open up newer, broader markets. It is therefore important that Great Bend assist its firms in meeting their potential and desire to expand into the international market.

Reasons that prevent exports. Only 10 firms in Great Bend gave reasons that prevent exports. These reason included restrictive export regulations, lack of affordable financing, and that export costs are too high. Conclusions for the community cannot be based on 10 firms.

Financing for Expansion

Financing Sources. Most firms used financing sources that are traditional in nature. Of the firms that gave a source for financing, 55% said internal financing was a source and 51% said a bank was a source for financing (see Tables 81-83). Firms with 20 to 49 employees were especially likely to use a bank, while the finance/services industries had a high percentage of firms that used internal financing. Firms surveyed in the other 8 communities had a slightly higher percentage of firms that used a bank for financing, while Great Bend firms had a higher percentage of firms that used internal financing (see Table 83). Great Bend firms did not use a certified development company or industrial revenue bonds.

TABLE 81
FINANCING SOURCES FOR EXPANSION*
BY SIZE OF FIRM

Number of Employees	Bank	Savings and Loan	Internal Financing	Private Sources	Small Business Administration
1-19	49%	6%	54%	8%	1%
20-49	71%	12%	65%	12%	0%
50+	43%	0%	57%	43%	0%
TOTAL PERCENT	51%	7%	55%	10%	1%

n = 102
*Since firms could give more than one source, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 82
FINANCING SOURCES FOR EXPANSION*
BY INDUSTRY

Industry	Bank	Savings and Loan	Internal Financing	Private Sources	Small Business Administration
Manufacturing	52%	10%	61%	10%	3%
Finance/Services	44%	6%	75%	6%	0%
Other Industries	53%	6%	47%	11%	0%
TOTAL PERCENT	51%	7%	55%	10%	1%

n = 102
*Since firms could give more than one source, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 83
FINANCING SOURCES FOR EXPANSION*
BY COMMUNITY COMPARISON

Community	Bank	Credit Union	Savings and Loan	Internal Financing	Private Sources	Small Business Administration	Certified Development Comp.	Industrial Revenue Bonds
Great Bend	51%	0%	7%	55%	10%	1%	0%	0%
Other 8 Communities	54%	2%	2%	51%	6%	4%	1%	5%

*Since firms could give more than one source, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Great Bend firms use traditional forms of financing, which may be why some firms in the community associate problems with expansion with a lack of affordable financing. Alternative forms of financing, such as that which can be accessed through certified development companies and industrial revenue bonds, have not been used here. Firms in the community should have information about what types of alternative methods of financing are available, and how they can be accessed. Less reliance on traditional methods, no matter how familiar companies are with those processes, may lead to new ways for firms to take advantage of their expansion potential.

<u>Financing sources outside of Kansas.</u> The great majority of surveyed firms in Great Bend (92%) have not had to seek help outside of Kansas in the last 5 years for financing (see Tables 84-86). Larger firms use outside assistance more than smaller firms, however, as do manufacturing firms. Eight percent of Great Bend firms and 9% of the surveyed firms in the other 8 communities receive out-of-state financing (see Table 86). This is a positive sign for the community, and increased information about alternative

forms of financing and how to access this financing could help more firms in the community find money to initiate growth.

TABLE 84
PERCENT OF TOTAL FIRMS THAT HAVE GONE OUTSIDE OF KANSAS TO FINANCE AN EXPANSION, BY SIZE OF FIRM

In the last five years, have you had to go outside of Kansas to finance an expansion because of a lack of affordable financing?

Number of Employees	NO	YES
1-19	95%	5%
20-49	79%	21%
50+	71%	29%
TOTAL PERCENT	92%	8%

n = 104

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 85
PERCENT OF TOTAL FIRMS THAT HAVE GONE OUTSIDE OF KANSAS TO FINANCE AN EXPANSION, BY INDUSTRY

In the last five years, have you had to go outside of Kansas to finance an expansion because of a lack of affordable financing?

Industry	NO	YES
Manufacturing	87%	13%
Finance/Services	88%	12%
Other Industries	94%	6%
TOTAL PERCENT	92%	8%

n = 104

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 86
PERCENT OF TOTAL FIRMS THAT HAVE GONE OUTSIDE OF KANSAS TO FINANCE AN EXPANSION BY COMMUNITY COMPARISON

In the last five years, have you had to go outside of Kansas to finance an expansion because of a lack of affordable financing?

Community	NO	YES
Great Bend	92%	8%
Other 8 Communities	91%	9%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Foregoing expansion because of a lack of financing. In the last five years, fifteen percent of the firms in Great Bend have been forced to forego or postpone a planned expansion because of a lack of affordable financing (see Tables 87, 88, and 89). Twenty-nine percent of these firms have 50 or more employees and 14% have less than 20 employees. Twenty-four percent of these firms that stated they have had to forego an expansion are mostly in the finance industry, and 17% are in the manufacturing industry. In comparison to surveyed firms in the other 8 communities, Great Bend firms had a higher total percentage that have had to forego expansion because of a lack of financing (see Table 89).

TABLE 87
PERCENT OF TOTAL FIRMS FORCED TO FOREGO OR POSTPONE AN EXPANSION BECAUSE OF LACK OF FINANCING, BY SIZE

In the last five years, has your firm ever been forced to forego or postpone a planned expansion because of a lack of affordable financing?

Number of Employees	NO	YES
1-19	86%	14%
20-49	89%	11%
50+	72%	28%
TOTAL PERCENT	85%	15%

n = 104
Source: Business Retention and Expansion Survey for Kansàs Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 88
PERCENT OF TOTAL FIRMS FORCED TO FOREGO OR POSTPONE AN EXPANSION BECAUSE OF LACK OF FINANCING, BY INDUSTRY

In the last five years, has your firm ever been forced to forego or postpone a planned expansion because of a lack of affordable financing?

Industry	NO	YES
Manufacturing	83%	17%
Finance/Services	76%	24%
Other Industries	89%	11%
TOTAL PERCENT	85%	15%

n = 104
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 89
PERCENT OF TOTAL FIRMS FORCED TO FOREGO OR POSTPONE AN EXPANSION BECAUSE OF LACK OF FINANCING BY COMMUNITY COMPARISON

In the last five years, has your firm ever been forced to forego or postpone a planned expansion because of a lack of affordable financing?

Community	NO	YES
Great Bend	85%	15%
Other 8 Communities	90%	10%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Lack of affordable financing appears to be a problem in Great Bend. As these tables point out, there has been expansion loss due to a lack of financing. Although this may have hurt the community, city officials can work together with the state in providing information to firms concerning certified development companies, the Job Training Partnership Act, and the Kansas Industrial Training Act; forms of assistance that may help firms increase their opportunities to expand. Lack of financing may not be from not enough assistance available, it may be from not knowing that alternative methods exist.

Expansion Summary

After examining the data regarding expansion, it is possible to make the following summary implications:

1. The majority of surveyed firms in Great Bend have decreased employment the past two years. Of the total number of firms, 44% decreased employment 18% increased employment. In comparison, only 19% of surveyed firms in the other eight communities decreased employment and 35% increased employment in the past two years.

2. Of the total number of firms, 23% decreased physical plant size the past two years and 25% increased size. In comparison, only 7% of surveyed firms in the other eight communities decreased physical plant size and 36% increased size the past two years.

3. Of the Great Bend firms that gave problems with expansion, 60% stated that a declining or static market was a specific problem with expansion. In comparison, 39% of the firms in the other eight communities mentioned this specific problem.

4. Of the respondents that gave reasons for contraction experienced by their firms, 76% mentioned a declining or static market as a reason for contraction.

5. Although there has been past decreases in employment and physical plant size, Great Bend firms are optimistic about future growth. Of the total number of respondents, 42% said their firms will increase employment in the next year and 19% said their firm will increase physical plant size. Only 2% said their firm will decrease employment and/or physical plant size.

6. There are firms in Great Bend that believe they have the potential and/or the desire to expand into the international market. Of those firms that responded, 15% stated they had the potential and 15% stated they had the desire to expand internationally. Every respondent that said their firm had the potential and/or the desire to expand was from a firm with fewer than 20 employees.

7. Financing for expansion for Great Bend firms come from traditional sources. Of those respondents that gave a financing source, 55% said internal financing was a source and 51% said a bank was a source for financing.

8. Expansion growth has been lost in Great Bend because of lack of financing. Fifteen percent (15%) of Great Bend respondents said their firm was forced to forego or postpone an expansion because of a lack of financing.

9. Fifty-one percent of the firms planning an expansion will expand outside of Barton county. In the other eight mid-size communities only 8% of the firms planning an expansion were expanding outside their home county.

VI.

BUSINESS CLIMATE

In this section, we discuss firm perspectives of local government attitudes, perception of local services, laws and regulations that may impede business operation, taxes that affect business operation, and business climate improvements. The major findings here include (1) the majority of Great Bend respondents feel the quality of life in the community is good, (2) most business representatives believe the attitude of the local government towards the business community is positive to very positive, (3) many Great Bend respondents feel transportation services are poor, (4) economic development is seen to be very important for improving the local quality of life and the local business climate, and (5) changing or lowering taxes was suggested by many firms for the improvement of the state business climate.

Local And State Business Climate

Quality of life. The majority of surveyed firms believe that the local quality of life they experience in Great Bend is good. Of the total number of firms, 74% said that the quality of life was good and only 3% said that the quality of life was poor (see Tables 90-92). Firms with 20 to 49 employees had a slightly more negative view of the quality of life, as did firms in the finance and services industries. What should be of concern to city officials is the data shown in Table 92: in comparison to total percentages given by firms in the other 8 communities, firms surveyed in Great Bend had a lower percentage of firms that believed the quality of life was good, and a higher percentage that said the quality of life was adequate. Quality of life issues will be of importance when firms in Great Bend make decisions concerning retention and expansion.

TABLE 90
FIRM'S PERCEPTIONS OF THE LOCAL QUALITY OF LIFE
BY SIZE OF FIRM

Number of Employees	No Opinion	Good	Adequate	Poor
1-19	2%	74%	21%	3%
20-49	0%	63%	26%	11%
50+	0%	100%	0%	0%
TOTAL PERCENT	2%	74%	21%	3%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 91
FIRM'S PERCEPTIONS OF THE LOCAL QUALITY OF LIFE
BY INDUSTRY

Industry	No Opinion	Good	Adequate	Poor
Manufacturing	3%	65%	32%	0%
Finance/Services	0%	94%	0%	6%
Other Industries	2%	70%	24%	4%
TOTAL PERCENT	2%	74%	21%	3%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 92
FIRM'S PERCEPTIONS OF THE LOCAL QUALITY OF LIFE
BY COMMUNITY COMPARISON

Community	No Opinion	Good	Adequate	Poor
Great Bend	2%	74%	21%	3%
Other 8 Communities	1%	82%	15%	2%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Attitude of the local government. Most of the firms in Great Bend have a positive to very positive attitude toward their local government (see Tables 93-95). Twenty-four percent of finance and services industry firms and 13% of manufacturing industry firms stated that the local government has a positive to very positive attitude towards businesses in the community. In general, firms with 20 or more employees viewed the attitude of the local government to be more negative. In comparison to firms surveyed in the other 8 communities, Great Bend had higher percentages of firms that stated the attitude of the local government was both positive and negative (see Table 95).

TABLE 93
FIRMS' PERCEPTIONS OF THE
ATTITUDE OF THEIR LOCAL GOVERNMENT
BY SIZE OF FIRM

Number of Employees	Attitude of Local Government: Positive To Very Positive	Neutral	Negative To Very Negative
1-19	61%	30%	9%
20-49	55%	21%	24%
50+	60%	20%	20%
TOTAL PERCENT	60%	29%	11%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 94
FIRMS' PERCEPTIONS OF THE
ATTITUDE OF THEIR LOCAL GOVERNMENT
BY INDUSTRY

Industry	Attitude of Local Government: Positive To Very Positive	Neutral	Negative To Very Negative
Manufacturing	53%	42%	5%
Finance/Services	71%	24%	5%
Other Industries	57%	26%	17%
TOTAL PERCENT	60%	29%	11%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 95
FIRMS' PERCEPTIONS OF THE
ATTITUDE OF THEIR LOCAL GOVERNMENT
BY COMMUNITY COMPARISON

	Attitude of Local Government		
Community	Positive To Very Positive	Neutral	Negative To Very Negative
Great Bend	60%	29%	11%
Other 8 Communities	54%	37%	9%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

For the firms surveyed in Great Bend, 60% stated they had a positive to very positive attitude toward local government, which is slightly higher than the percentage given by firms in the other 8 communities. This suggests that community firms, especially smaller firms, will be receptive to the initiatives of the local government. Now seems to be an opportune time for the local government in Great Bend to actively involve itself in the expansion and retention efforts of the community.

Perception of services. The majority of public services in Great Bend are seen to be good or adequate. Of the total number of firms, 73% rated fire protection as good, 67% rated the electric system as good, and 66% rated the public school system as good. However, 49% rated the quality of public transportation as poor, 44% rated the availability of transportation as poor, and 29% rated the quality of roads[2] as poor (see Table 96). These are higher poor ratings for these services than given by firms surveyed in the other 8 communities (see Table 97). Overall, Great Bend firms gave higher poor ratings to more services than firms in the other 8 communities.

TABLE 96
GREAT BEND FIRMS' PERCEPTIONS OF SERVICES

	No Opinion	Good	Adequate	Poor
Quality of Roads	0%	24%	47%	29%
Quality of Railroads	31%	15%	36%	18%
Cost of Transportation	6%	19%	51%	24%
Availability of Air Transportation	14%	7%	35%	44%
Quality of Public Transportation	29%	8%	14%	49%
Freight Delivery Time	10%	38%	39%	13%
Quality of Training	16%	38%	24%	22%
Fire Protection	2%	73%	24%	1%
Police Protection	2%	51%	38%	9%
Telephone System	0%	48%	36%	16%
Electric System	1%	67%	31%	1%
Public School System	5%	66%	24%	5%
Quality of Garbage Collection	7%	49%	42%	2%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

[2]At the time when this survey was conducted, the highway system was a much debated topic in the state capitol and between Kansas citizens. Statements about the highway system made here may be different from opinions made if the survey were given in another time period, and this should be considered when reading any discussion of roads or highways.

TABLE 97
COMPARISON COMMUNITY FIRMS' PERCEPTIONS OF SERVICES

	No Opinion	Good	Adequate	Poor
Quality of Roads	1%	38%	44%	17%
Quality of Railroads	34%	30%	26%	10%
Cost of Transportation	11%	31%	45%	13%
Availability of Air Transportation	23%	13%	28%	36%
Quality of Public Transportation	27%	14%	27%	32%
Freight Delivery Time	13%	54%	29%	4%
Quality of Training	18%	37%	32%	13%
Fire Protection	3%	76%	20%	1%
Police Protection	1%	71%	26%	2%
Telephone System	1%	66%	29%	4%
Electric System	0%	75%	20%	5%
Public School System	7%	74%	17%	2%
Quality of Garbage Collection	6%	67%	23%	4%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Transportation issues are considered to be problems by surveyed Great Bend firms. This will be especially important when firms expand and transportation factors become key to potential growth opportunities. If Great Bend is to compete with other communities of its size around the state, the quality of its roads and shipping networks must be good. Also of concern is that Great Bend firms gave higher poor ratings than firms in the other 8 communities to 10 services. Of particular attention are the much higher poor percentages for quality of roads, cost of transportation, quality of public transportation, quality of training, and the quality of the telephone system. This implies that the improvement, or further decline, of these services in the eyes of existing firms will greatly impact decisions concerning retention and expansion.

Government regulations that impede business operations. Firms in Great Bend mostly feel that "hampering city or state regulations" cause business problems (see Tables 98-100). Comments by local business representatives included "The city tax laws are inadequate. They are too restrictive," "The city has a wasteful taxation process," and "Property taxes and flood insurance are too complex and too involved." Also, many firms feel they have problems from general government overregulation and EPA regulations. This is especially true for firms with 20 or more employees. The finance industry seems to have more of a problem with hampering city and state and government regulations than the manufacturing industry, however, the manufacturing industry has problems with EPA regulations and OSHA regulations that the finance industry does not have (see Tables 99). Comparisons to firms surveyed in the other 8 communities showed only one major difference: 38% of Great Bend firms that gave government regulations that impede business operations mentioned government overregulation, compared to 16% for firms in the other 8 communities (see Table 100).

TABLE 98
GOVERNMENT REGULATIONS THAT IMPEDE OPERATION*
BY SIZE OF FIRM

Number of Em-ployees	Hamp-ering City-State Regs.	KCC Over Reg-ula-tion	EPA Regs.	OSHA Regs.	Zoning	KS Dept. of Health	Gvt. Over Reg-ula-tion
1-19	94%	8%	11%	8%	17%	6%	31%
20-49	100%	0%	33%	0%	0%	0%	67%
50+	100%	0%	34%	0%	0%	0%	67%
PERCENT OF TOTAL	96%	7%	16%	7%	13%	4%	38%

n = 27

*Since firms could give more than one regulation, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 99
GOVERNMENT REGULATIONS THAT IMPEDE OPERATION*
BY INDUSTRY

Industry	Hamp-ering City-State Regs.	KCC Over Reg-ula-tion	EPA Regs.	OSHA Regs.	Zoning	KS Dept. of Health	Gvt. Over Reg-ula-tion
Manufacturing	82%	9%	46%	27%	18%	0%	9%
Finance/ Services	100%	0%	0%	0%	20%	0%	40%
Other Industries	100%	8%	8%	0%	8%	8%	50%
PERCENT OF TOTAL	96%	7%	16%	7%	13%	4%	38%

n = 27
*Since firms could give more than one regulation, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 100
GOVERNMENT REGULATIONS THAT IMPEDE OPERATION*
BY COMMUNITY COMPARISON

Community	Hamp-ering City-State Regs.	KCC Over Reg-ula-tion	EPA Regs.	OSHA Regs.	Zoning	KS Dept. of Health	Gvt. Over Reg-ula-tion
Great Bend	96%	7%	16%	7%	13%	4%	38%
Other 8 Communities	98%	5%	19%	4%	17%	7%	16%

*Since firms could give more than one regulation, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

There are city regulations that are impeding operation, and these will be factors in future expansion. It would be a mistake to assume that operations are impeded solely by state or federal regulations. Developing a better understanding of what laws and regulations are hurting businesses, and seeking to correct unnecessary restrictions, will improve the local business climate.

Taxes that influence expansion decisions. Great Bend firms gave many tax reasons to forego expansion. Of those firms that gave reasons, 58% stated that the property tax on inventories was a reason to forego expansion, 45% gave workers compensation as a reason, and 35% gave the unemployment insurance tax as a reason (see Tables 101-103). Firms with less than 20 employees were particularly concerned with property tax on inventories, as were manufacturing firms. Table 103 points out some interesting differences. Great Bend had much higher percentages for the overall city tax burden and the severance tax, while firms in the other 8 communities had slightly higher percentages for the property tax on inventories, the sales tax on machines and equipment, and the unemployment insurance tax.

TABLE 101
REASONS TO FOREGO EXPANSION*
BY SIZE OF FIRM

Number of Employees	Overall State Tax Burden	Overall City Tax Burden	Corporate Income Tax	Property Tax on Inventories	Sales Tax on Machines and Equipment	Unemployment Insurance Tax	Workers Compensation	Severance Tax	Gas Tax
1-19	25%	23%	24%	63%	33%	39%	39%	27%	4%
20-49	20%	40%	20%	20%	20%	0%	60%	0%	0%
50+	0%	0%	0%	50%	0%	50%	100%	0%	0%
PERCENT OF TOTAL	23%	23%	22%	58%	29%	35%	45%	22%	3%

n = 60

*Since firms could give more than one reason, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 102
REASONS TO FOREGO EXPANSION*
BY INDUSTRY

Industry	Over-all State Tax Burden	Over-all City Tax Burden	Corp-orate In-come Tax	Prop-perty Tax on Inven-tories	Sales Tax on Mach-ines and Equip-ment	Unem-ploy-ment Insur-ance Tax	Work-ers Compen-sation	Sev-erance Tax	Gas Tax
Manufacturing	18%	6%	12%	77%	18%	53%	59%	12%	6%
Finance/ Services	17%	17%	50%	67%	50%	33%	50%	17%	0%
Other Industries	26%	29%	20%	51%	29%	31%	40%	26%	3%
PERCENT OF TOTAL	23%	23%	22%	58%	29%	35%	45%	22%	3%

n = 60
*Since firms could give more than one reason, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 103
REASONS TO FOREGO EXPANSION*
BY COMMUNITY COMPARISON

Community	Over-all State Tax Burden	Over-all City Tax Burden	Corp-orate In-come Tax	Prop-perty Tax on Inven-tories	Sales Tax on Mach-ines and Equip-ment	Unem-ploy-ment Insur-ance Tax	Work-ers Compen-sation	Sev-erance Tax	Gas Tax
Great Bend	23%	23%	22%	58%	29%	35%	45%	22%	3%
Other 8 Communities	24%	11%	20%	62%	32%	48%	47%	5%	1%

*Since firms could give more than one reason, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

As was the case with regulations that impede operation, hampering city regulations are seen to be a reason to forego expansion. This time the regulation is seen to be the overall city tax burden, which was mentioned by a much higher percentage of respondents for Great Bend (23%) than from respondents in the other 8 communities (11%). Although the greatest reason given was property tax on inventories, this tax is scheduled to be abolished by the state in 1989. The major implication here is that there are city taxes which are affecting expansion in the community, and, to the extent possible, an examination of these taxes may be needed to distinguish what is unfairly restricting community firms.

Business Climate Improvements

Improving the local quality of life. The majority of firms who suggested ways to improve the quality of life in Great Bend believe that improvements can come from economic development (see Tables 104, 105, and 106). Twenty-five percent of firms with 20 to 49 employees also believe that the local quality of life could be improved with more entertainment and recreational activities and by upgrading education. The majority of the manufacturing and finance industries believe that improvements could come with economic development. Also, 22% of manufacturing industry firms and 20% of the finance and services industry firms mentioned upgrading education as a way to improve the local quality of life. Surveyed firms in Great Bend suggested economic development and upgrading education more than surveyed firms in the other 8 communities, while other community firms had higher percentages for every other suggestion (see Table 106).

TABLE 104
WAYS TO IMPROVE THE LOCAL QUALITY OF LIFE*
BY SIZE OF FIRM

Number of Employees	Economic Development	More Entertainment	More Activities For Town	More Recreational Activities	Improve Public Morale	Upgrade Education
1-19	67%	9%	5%	11%	4%	14%
20-49	75%	25%	0%	25%	0%	25%
50+	80%	0%	0%	0%	0%	20%
PERCENT OF TOTAL	69%	10%	4%	12%	3%	15%

n = 56
*Since firms could give more than one suggestion, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 105
WAYS TO IMPROVE THE LOCAL QUALITY OF LIFE*
BY INDUSTRY

Industry	Economic Development	More Entertainment	More Activities For Town	More Recreational Activities	Improve Public Morale	Upgrade Education
Manufacturing	72%	6%	0%	6%	6%	22%
Finance/ Services	70%	20%	0%	20%	0%	20%
Other Industries	67%	7%	7%	11%	4%	11%
PERCENT OF TOTAL	69%	10%	4%	12%	3%	15%

n = 56
*Since firms could give more than one suggestion, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 106
WAYS TO IMPROVE THE LOCAL QUALITY OF LIFE*
BY COMMUNITY COMPARISON

Community	Economic Development	More Entertainment	More Activities For Town	More Recreational Activities	Improve Public Morale	Improve Town, Fix Property	Upgrade Education
Great Bend	69%	10%	4%	12%	3%	0%	15%
Other 8 Communities	55%	17%	8%	17%	7%	6%	10%

*Since firms could give more than one suggestion, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Although percentages for entertainment and recreational activities were relatively low for Great Bend, one business representative stated: "We need more cultural events here. Activity in civic organizations should increase. The only way people will come here is if there is more to do." The very high percentage of firms that suggested economic development indicates the at least general knowledge of development, and implies that firms believe economic development strategies will help the community overall. This also indicates that now may be a good time to initiate and to use city or state economic development assistance.

Improving the local business climate. Economic development is also seen as a way to improve the local business climate. Of the firms that gave suggestions, 62% mentioned economic development, 20% mentioned that the local government needs to be more responsive to business needs, and 14% mentioned tax incentives/abatements as ways to improve the local business climate (see Tables 107-109). No firm with 50 or more employees mentioned any way to improve the business climate in Great Bend. A great majority of firms (69%) in the other industry category suggested economic development. In comparison to firms in the other 8 communities, Great Bend had higher percentages for economic development, and lower percentages for every other suggestion. No Great Bend firm mentioned that state and local relations should improve or that municipal funds should be spent (see Table 109).

TABLE 107
SUGGESTIONS GIVEN FOR IMPROVING THE LOCAL BUSINESS CLIMATE*
BY SIZE OF FIRM

Number of Employees	Economic Development	Increase and Improve Local Image	Improve Local Financing	Tax Incentives, Abatements	Local Gvt. More Responsive	Help Entrepreneurs
1-19	63%	9%	4%	15%	17%	4%
20-49	50%	0%	50%	0%	50%	0%
50+	0%	0%	0%	0%	0%	0%
PERCENT OF TOTAL	62%	8%	8%	14%	20%	4%

n = 30

*Since firms could give more than one suggestion, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 108
SUGGESTIONS GIVEN FOR IMPROVING THE LOCAL BUSINESS CLIMATE*
BY INDUSTRY

Industry	Economic Development	Increase and Improve Local Image	Improve Local Financing	Tax Incentives, Abatements	Local Gvt. More Responsive	Help Entrepreneurs
Manufacturing	50%	0%	0%	30%	20%	0%
Finance/ Services	50%	25%	0%	0%	25%	0%
Other Industries	69%	6%	13%	13%	19%	6%
PERCENT OF TOTAL	62%	8%	8%	14%	20%	4%

n = 30

*Since firms could give more than one suggestion, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 109
SUGGESTIONS GIVEN FOR IMPROVING THE LOCAL BUSINESS CLIMATE*
BY COMMUNITY COMPARISON

Community	Economic Development	Improvement Between State Local	Increase and Improve Local Image	Improve Local Financing	Tax Incentives, Abatements	Local Gvt. More Responsive	Help Entrepreneurs	Spend Municipal Funds
Great Bend	62%	0%	8%	8%	14%	20%	4%	0%
Other 8 Communities	59%	2%	12%	13%	15%	24%	12%	8%

*Since firms could give more than one suggestion, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Once again, local improvement suggestions center around economic development. The second highest percentage from Great Bend firms was for the suggestion that the local government should be more responsive to business needs. One business representative summed this suggestion for all by stating: "We need local government officials around here to make sure everyone knows each other and what we need. We also need them to recruit businesses we need." The fact that economic development is seen to be a way to improve both the quality of life and the local business climate implies that this community's firms may view development as a cure-all for local problems.

Improving the state business climate. Of the companies that gave suggestions, 43% mentioned changing or lowering taxes, 24% mentioned to improve the highway system, 18% mentioned economic development, and 18% mentioned tax incentives as ways to improve the state business climate (see Tables 110-112). Firms with 20 to 49 employees were more likely to suggest changing or lowering taxes, while a high percentage of firms with 50 or more employees mentioned improving the highway system (see Table 110). Changing or lowering taxes were also on the minds of manufacturing, finance, and services industry respondents (see Table 111). The other 8 communities had a much higher percentage of firms that mentioned economic development (31% vs 18%), while Great Bend firms had a higher percentage for changing or lowering taxes (43% vs 23%, see Table 112).

TABLE 110
SUGGESTIONS GIVEN FOR IMPROVING THE STATE BUSINESS CLIMATE*
BY SIZE OF FIRM

Number of Employees	Economic Development	Increase and Improve State Image	Better Financing Opportunities	Tax Incentives	Better Communication	Eliminate Severance Tax	Improve Highway System	Seek Diversification	Change Or Lower Taxes
1-19	17%	11%	7%	18%	2%	16%	25%	5%	38%
20-49	20%	0%	0%	13%	0%	0%	13%	13%	73%
50+	29%	14%	14%	14%	29%	0%	43%	0%	43%
PERCENT OF TOTAL	18%	10%	7%	18%	3%	13%	24%	6%	43%

n = 73

*Since firms could give more than one suggestion, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 111
SUGGESTIONS GIVEN FOR IMPROVING THE STATE BUSINESS CLIMATE*
BY INDUSTRY

Industry	Economic Development	Increase and Improve State Image	Better Financing Opportunities	Tax Incentives	Better Communication	Eliminate Severance Tax	Improve Highway System	Seek Diversification	Change Or Lower Taxes
Manufacturing	20%	10%	10%	25%	10%	10%	35%	5%	35%
Finance/ Services	36%	18%	0%	18%	0%	0%	36%	9%	46%
Other Industries	13%	8%	8%	15%	3%	18%	18%	5%	44%
PERCENT OF TOTAL	18%	10%	7%	18%	3%	13%	24%	6%	43%

n = 73

*Since firms could give more than one suggestion, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
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TABLE 112
SUGGESTIONS GIVEN FOR IMPROVING THE STATE BUSINESS CLIMATE*
BY COMMUNITY COMPARISON

Community	Economic Development	More Cooperation Between State & Local	Increase and Improve State Image	Better Financing Opportunities	Tax Incentives	Better Communication	Eliminate Severance Tax	Improve Highway System	Seek Diversification	Change Or Lower Taxes
Great Bend	18%	0%	10%	7%	18%	3%	13%	24%	6%	43%
Other 8 Communities	31%	1%	16%	7%	16%	7%	3%	31%	2%	23%

*Since firms could give more than one suggestion, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Unlike suggestions for local issues, economic development was not mentioned by as many firms when discussing state business climate improvements. Here, taxes were the main focus. Although city officials cannot change state taxes immediately, they can find specific tax problems and how they are hindering the operation of local companies. This can lead to communication to the state concerning perceived unfair or burdensome restrictions.

Business Climate Summary

After examining the data regarding the local and state business climates, it is possible to make the following summary implications:

1. The majority of Great Bend respondents (74%) fell the quality of life they experience in the community is good.

2. Most respondents (60%) believe that the attitude of the local government towards the business community is positive to very positive.

3. Local transportation services were viewed as poor by many Great Bend respondents. Of the total number of respondents, 49% rated the quality of public transportation poor, 44% rated the availability of air transportation poor, 29% rated the quality of roads poor, and 24% rated the cost of transportation poor.

4. In comparison to surveyed firms in the other eight communities, Great Bend had a higher percentage of firms that gave poor ratings for 10 of the 13 local services asked about.

5. Economic development was seen as important to the improvement of opportunities for local businesses. Of the respondents that suggested ways to improve the local quality of life, 69% suggested that economic development would provide improvement; of the respondents that gave suggestions for improvement of the local business climate, 62% suggested economic development.

6. Taxes are associated with suggestions concerning improvement of the state business climate. Of those firms that gave suggestions, 43% mentioned changing or lowering taxes as a way to improve the state business climate. In comparison, 23% of the surveyed firms in the other eight communities made this suggestion.

VII.

ECONOMIC DEVELOPMENT PROGRAMS

In this section we examine economic development programs designed to assist businesses in the state, firms that utilize special employment skills for their operations, services from state schools that are used by firms, and employees sought from these state schools. It is imperative that policy makers know whether programs designed for firms are being used, and whether the state is assisting companies to be more competitive.

The major findings are (1) Great Bend firms are not well informed about state economic development assistance; (2) the large majority of Great Bend firms do not have a need for specialized skills for employment; (3) services used from state universities, community colleges or vocational schools are mainly in the form of business courses; and (4) most firms seek management personnel, mechanics and/or machinists, and engineers from state universities, community colleges, or vocational schools.

Economic Development Assistance

Certified Development Companies (CDCs). Certified development companies assist small businesses with long term financing through the Small Business Administration 503 Loan Program. The nearest CDC to Great Bend is Great Plains Development, Inc., located in Pratt, Kansas. The great majority of firms in Great Bend have no knowledge of certified development companies. Of the total number of firms, 93% had no knowledge of the program and only 1% had ever used a CDC (see Tables 113, 114, and 115). Firms in the manufacturing industry used a CDC the most, and firms in the finance and services industries had the most knowledge of the program (see Table 114). Compared to firms in the other 8 communities, Great Bend had a higher percentage of companies with no knowledge of CDCs. The state needs to inform companies about this program and stress its importance and usefulness.

TABLE 113
PERCENT OF THE TOTAL NUMBER OF FIRMS THAT HAVE KNOWLEDGE AND HAVE USED CERTIFIED DEVELOPMENT COMPANIES BY SIZE OF FIRM

Number of Employees	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
1-19	93%	6%	1%
20-49	100%	0%	0%
50+	86%	14%	0%
TOTAL PERCENT	93%	6%	1%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 114
PERCENT OF THE TOTAL NUMBER OF FIRMS THAT HAVE KNOWLEDGE AND HAVE USED CERTIFIED DEVELOPMENT COMPANIES BY INDUSTRY

Industry	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Manufacturing	87%	7%	6%
Finance/Services	88%	12%	0%
Other Industries	96%	4%	0%
TOTAL PERCENT	93%	6%	1%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 115
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
CERTIFIED DEVELOPMENT COMPANIES
BY COMMUNITY COMPARISON

Community	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Great Bend	93%	6%	1%
Other 8 Communities	87%	11%	2%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

As will be the case when discussing most of these economic development assistance programs, the majority of Great Bend firms have no knowledge of a CDC. Obviously, the distance between Great Bend and Pratt, where the nearest CDC is located, does play an important role in this general lack of knowledge. However, information about CDCs should be given to firms so they at least have the knowledge to make informed decisions about if or how they can use its assistance. City officials will need to work with state officials and CDC representatives to bring this information to the Great Bend community.

The Community Development Block Program. The community development block program is a federal grant program administered by the state government to assist communities in providing additional services to low and moderate income persons. Grants are given for such projects as infrastructure improvement, business financing, and comprehensive planning for communities. The majority of firms in Great Bend had knowledge of this program, but did not use it. Of the total number of firms, 31% had no knowledge of the program, and 1% had actually used it (see Tables 116-118). Firms with less than 20 employees and firms in the agriculture, mining, construction, transportation-communications, and wholesale industries had the least knowledge of the program. However, Great Bend did have a higher percentage of firms with knowledge of this program than firms in the other 8 communities (see Table 118).

TABLE 116
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE COMMUNITY DEVELOPMENT BLOCK PROGRAM
BY SIZE OF FIRM

Number of Employees	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
1-19	33%	66%	1%
20-49	26%	74%	0%
50+	14%	86%	0%
TOTAL PERCENT	31%	68%	1%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 117
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE COMMUNITY DEVELOPMENT BLOCK PROGRAM
BY INDUSTRY

Industry	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Manufacturing	26%	74%	0%
Finance/Services	24%	71%	6%
Other Industries	35%	65%	0%
TOTAL PERCENT	31%	68%	1%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 118
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE COMMUNITY DEVELOPMENT BLOCK PROGRAM
BY COMMUNITY COMPARISON

Community	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Great Bend	31%	68%	1%
Other 8 Communities	38%	60%	2%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Many Great Bend firms know about the community development block program. Still, only 1% of these surveyed firms have actually been a part of the program. Although some firms need knowledge about the program, the data here implies that companies may need information on how to access this assistance, and how the community development block program may best be of use.

Centers of Excellence Programs. Centers of Excellence, located at state universities, offer state-of-the-art research capabilities, fit within the long range objectives of the universities, and offer long term potential for economic development. Commercialization of new technologies and attracting nationally recognized scientists are important goals of the Centers. The nearest Center to Great Bend is at Wichita State University. The great majority of firms in Great Bend had no knowledge of this program. Of the total number of firms, 86% had no knowledge of Centers of Excellence and no firm had actually used a Center (see Tables 119-121). Ninety-seven percent of manufacturing firms had no knowledge of the program, and 90% of firms with 20 to 49 employees had no knowledge. But, 57% of firms with 50 or more employees did know about the Centers, as did 29% of the firms in the finance and services industries. Community comparisons revealed little difference between surveyed Great Bend firms and surveyed firms in the other 8 communities (see Table 121).

TABLE 119
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE CENTERS OF EXCELLENCE PROGRAMS
BY SIZE OF FIRM

Number of Employees	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
1-19	87%	13%	0%
20-49	90%	10%	0%
50+	43%	57%	0%
TOTAL PERCENT	86%	14%	0%

n = 105

Source: Business Retention and Expansion Survey for Kansâs Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 120
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE CENTERS OF EXCELLENCE PROGRAMS
BY INDUSTRY

Industry	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Manufacturing	97%	3%	0%
Finance/Services	71%	29%	0%
Other Industries	87%	13%	0%
TOTAL PERCENT	86%	14%	0%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 121
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE CENTERS OF EXCELLENCE PROGRAMS
BY COMMUNITY COMPARISON

Community	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Great Bend	86%	14%	0%
Other 8 Communities	84%	15%	1%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

The very high percentage of firms that do not have knowledge of this program again points to the added effort that must be made in communicating these programs to firms in Great Bend. For increased use and assistance, companies must at least know the basic specifics for contacting the Centers, and how Centers of Excellence may be of benefit.

The Job Training Partnership Act (JTPA). The Job Training Partnership Act is a federal job training program aimed primarily at disadvantaged and dislocated workers. Information about JTPA may be obtained through the Kansas Department of Human Resources. Of the total number of firms, 40% stated they had knowledge of JTPA and 7% stated they have actually used it (see Tables 122-124). Fifty-seven percent of firms with 50 or more employees had used JTPA. Only 6% of firms with less than 20 employees have used JTPA, and 42% had no knowledge of the program. Ten percent of manufacturing firms have actually used the program, the highest use within industries. Total percentages for Great Bend firms are similar to those for firms in the other 8 communities, although other community firms did have a slightly higher percentage of firms that used JTPA.

TABLE 122
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE JOB TRAINING PARTNERSHIP ACT
BY SIZE OF FIRM

Number of Employees	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
1-19	42%	52%	6%
20-49	32%	68%	0%
50+	14%	29%	57%
TOTAL PERCENT	40%	53%	7%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 123
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE JOB TRAINING PARTNERSHIP ACT
BY INDUSTRY

Industry	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Manufacturing	29%	61%	10%
Finance/Services	53%	41%	6%
Other Industries	39%	54%	7%
TOTAL PERCENT	40%	53%	7%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 124
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE JOB TRAINING PARTNERSHIP ACT
BY COMMUNITY COMPARISON

Community	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Great Bend	40%	53%	7%
Other 8 Communities	43%	46%	11%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Great Bend firms had more knowledge about JTPA than of any other type of assistance. These firms also used JTPA more than other types of assistance. That this community's firms have more knowledge about the program in comparison to firms in the other 8 communities is encouraging. However, more firms need to know about this training assistance. Although some firms may not meet the requirements for use, greater knowledge will lead to more firms accessing this program.

The Kansas Industrial Training Program (KIT). The Kansas Industrial Training Program provides job training grants to firms that are new to the state or to existing firms that are expanding in Kansas. Information about KIT may be obtained from the Kansas Department of Commerce. Of the total number of firms, 60% have no knowledge of KIT and only 2% have actually used the program (see Tables 125-127). Lack of knowledge was greatest among firms with less than 20 employees and manufacturing firms, while actual use was greatest among firms with 20 to 49 employees and firms in the other industry category. Indeed, not one firm in the manufacturing, finance, or services industries had used KIT (see Table 126). Nevertheless, in comparison to surveyed firms in the other 8 communities, Great Bend firms had a higher total percentage of firms that had knowledge of the program (see Table 127).

TABLE 125
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE KANSAS INDUSTRIAL TRAINING PROGRAM
BY SIZE OF FIRM

Number of Employees	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
1-19	62%	37%	1%
20-49	47%	42%	11%
50+	43%	57%	0%
TOTAL PERCENT	60%	38%	2%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 126
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE KANSAS INDUSTRIAL TRAINING PROGRAM
BY INDUSTRY

Industry	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Manufacturing	74%	26%	0%
Finance/Services	35%	65%	0%
Other Industries	63%	33%	4%
TOTAL PERCENT	60%	38%	2%

n = 105
Source: Business Retention and Expansion Survey for Kansàs Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 127
PERCENT OF THE TOTAL NUMBER OF FIRMS
THAT HAVE KNOWLEDGE AND HAVE USED
THE KANSAS INDUSTRIAL TRAINING PROGRAM
BY COMMUNITY COMPARISON

Community	Had No Knowledge of This Program	Had Knowledge of Program, but Had Not Used It	Had Used The Program
Great Bend	60%	38%	2%
Other 8 Communities	65%	33%	2%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

KIT is a special program designed to aid new expansion that employs new personnel. Given the declines in employment these surveyed firms mentioned previously in this report, KIT may be of special significance when these firms expand employment again. The use of KIT can greatly assist firms in their training capabilities, and like the other assistance that has been discussed, more companies need knowledge about the program, and how to access it.

State economic development programs are not well known to firms in Great Bend (see Table 128). Only a very small percentage of companies have actually used the programs. A major effort is required to ensure that firms know what state programs are available to assist them. Resources available for economic development programs have been sufficient to have only a marginal impact on firms in Great Bend.

TABLE 128
SUMMARY TABLE FOR
ECONOMIC DEVELOPMENT PROGRAMS

	No Knowledge	Knowledge, No Use	Used Program
Certified Development Companies	93%	6%	1%
Centers of Excellence	86%	14%	0%
Community Development Block Programs	31%	68%	1%
Kansas Industrial Training Program	60%	38%	2%
Job Training Partnership Act	40%	53%	7%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.
Note: Percentages are of the total number of firms.

Firms That Need A Specialized Skill

The great majority of firms in Great Bend do not require a specialized skill for employment. Of the total number of firms, 94% stated that they did not need a specialized skill for employment in their organization (see Tables 129-131). One-hundred percent of the firms in the manufacturing industry and 100% of firms with 50 or more employees stated they did not need a specialized skill (see Tables 129 and 130). Great Bend firms did have slightly more of a need for skilled workers than firms in the other 8 communities (see Table 131).

TABLE 129
PERCENT OF TOTAL FIRMS THAT NEED A SPECIALIZED SKILL, BY FIRM SIZE

Does your firm need a specialized skill for employment in your company?

Number of Employees	NO	YES
1-19	95%	5%
20-49	90%	10%
50+	100%	0%
TOTAL PERCENT	94%	6%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 130
PERCENT OF TOTAL FIRMS THAT NEED A SPECIALIZED SKILL, BY INDUSTRY

Does your firm need a specialized skill for employment in your company?

Industry	NO	YES
Manufacturing	100%	0%
Finance/Services	94%	6%
Other Industries	93%	7%
TOTAL PERCENT	94%	6%

n = 105
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 131
PERCENT OF TOTAL FIRMS THAT NEED A SPECIALIZED SKILL BY COMMUNITY COMPARISON

Does your firm need a specialized skill for employment in your company?

Community	NO	YES
Great Bend	94%	6%
Other 8 Communities	97%	3%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Although the total percentage for Great Bend firms is slightly higher than that for firms in the other 8 communities, the lack of need for specialized workers could provide a problem for the community. Future production processes will depend on more complex types of jobs, and the highly skilled worker will be a necessity to remain competitive. This implies that if competition requires a sudden shift to more complicated types of technologies, these surveyed firms in Great Bend will not be in a good position to keep pace. This also suggests that training, and training assistance, will grow in importance in Great Bend.

Using state universities, community colleges, or vocational schools. In the past 2 years, 68% of firms surveyed in Great Bend have used the services of state universities, community colleges, or vocational schools (see Tables 132, 133, and 134). Firms with 20 or more employees and firms in the finance and services industries used these educational institutions the most, while 71% of those firms with less than 20 employees have not used these universities, community colleges, or vocational schools (see Tables

132 and 133). In comparison to firms surveyed in the other 8 communities, Great Bend companies had a lower percentage of firms that used these schools (see Table 134).

TABLE 132
PERCENT OF TOTAL FIRMS THAT HAVE USED THE SERVICES OF A STATE SCHOOL BY SIZE OF FIRM

In the past two years, has your company ever used the services of any state university, community college, or vocational school?

Number of Employees	NO	YES
1-19	71%	29%
20-49	53%	47%
50+	57%	43%
TOTAL PERCENT	68%	32%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 133
PERCENT OF TOTAL FIRMS THAT HAVE USED THE SERVICES OF A STATE SCHOOL BY INDUSTRY

In the past two years, has your company ever used the services of any state university, community college, or vocational school?

Industry	NO	YES
Manufacturing	65%	35%
Finance/Services	53%	47%
Other Industries	74%	26%
TOTAL PERCENT	68%	32%

n = 105

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 134
PERCENT OF TOTAL FIRMS THAT HAVE USED THE SERVICES OF A STATE SCHOOL BY COMMUNITY COMPARISON

In the past two years, has your company ever used the services of any state university, community college, or vocational school?

Community	NO	YES
Great Bend	68%	32%
Other 8 Communities	60%	40%

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Services used from state universities, community colleges, and vocational schools. Of those firms that stated they used services from these schools, 43% said they used business courses, 29% said they used the training that was provided, and 29% said they used technical courses (see Tables 135-137). Forty percent of larger firms, 28% of smaller firms and 33% of middle sized firms use training of presently employed personnel and technical courses. The manufacturing and finance industries had high percentages of firms that used business courses. Also, 50% of manufacturing industry firms use training of presently employed personnel. Of particular note is that 44% of the firms in the finance and services industries use the service of consulting in business planning (see Tables 136). Firms surveyed in the other 8 communities had a much higher percentage of firms which mentioned training of presently employed personnel as a service, while firms surveyed in Great Bend had a higher percentage for business courses as a service used (see Table 137).

TABLE 135

SERVICES USED FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS* BY SIZE OF FIRM

Number of Employees	Training of Presently Employed Personnel	Technical Courses	Business Courses	Consulting In Product Development	Consulting In Process Innovation	Consulting In Business Planning	Agriculture-Vet. Services
1-19	28%	28%	43%	11%	19%	17%	4%
20-49	33%	33%	33%	0%	22%	0%	22%
50+	40%	40%	60%	0%	20%	40%	0%
PERCENT OF TOTAL	29%	29%	43%	9%	19%	16%	6%

n = 41

*Since firms could give more than one service used, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 136

SERVICES USED FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS* BY INDUSTRY

Industry	Training of Presently Employed Personnel	Technical Courses	Business Courses	Consulting In Product Development	Consulting In Process Innovation	Consulting In Business Planning	Agriculture-Vet. Services
Manufacturing	50%	50%	58%	0%	8%	8%	0%
Finance/ Services	11%	22%	56%	11%	11%	44%	0%
Other Industries	32%	26%	32%	11%	26%	5%	11%
PERCENT OF TOTAL	29%	29%	43%	9%	19%	16%	6%

n = 41

*Since firms could give more than one service used, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 137

SERVICES USED FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS* BY COMMUNITY COMPARISON

Community	Training of Presently Employed Personnel	Technical Courses	Business Courses	Consulting In Product Development	Consulting In Process Innovation	Consulting In Business Planning	Consulting In Construction	Agriculture-Vet. Services
Great Bend	29%	29%	43%	9%	19%	16%	0%	6%
Other 8 Communities	42%	24%	20%	9%	10%	24%	2%	9%

*Since firms could give more than one service used, total percentages may not add to 100%.

Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Employees sought from state universities, community colleges, and vocational schools. All firms in Great Bend have mostly business/management employees especially larger firms. Smaller firm employees are 27% engineers and 27% of middle sized firm employees provide agricultural and vet services. The manufacturing industry consists mainly of mechanics and engineers and the finance industry consists mainly of entry level clerical employees and business management personnel (see Tables 138 and 139).

TABLE 138
EMPLOYEES SOUGHT FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS*
BY SIZE OF FIRM

Number of Employees	Entry-Level Clerical	Mechanics, Machinists	Data Processors	Electronics, Electrical Techs.	Drafters	Chemical Process, Lab Techs.	Engineers	Business Management Personnel	Agricultural, Vet. Personnel	General Labor
1-19	21%	27%	3%	12%	4%	15%	27%	28%	4%	4%
20-49	14%	0%	0%	14%	0%	0%	0%	43%	29%	0%
50+	20%	20%	20%	0%	0%	20%	20%	60%	20%	0%
PERCENT OF TOTAL	20%	22%	3%	12%	3%	13%	22%	32%	9%	3%

n = 57
*Since firms could give more than one type of employee sought by their company, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 139
EMPLOYEES SOUGHT FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS*
BY INDUSTRY

Industry	Entry-Level Clerical	Mechanics, Machinists	Data Processors	Electronics, Electrical Techs.	Drafters	Chemical Process, Lab Techs.	Engineers	Business Management Personnel	Agricultural, Vet. Personnel	General Labor
Manufacturing	17%	28%	6%	17%	6%	11%	28%	22%	11%	6%
Finance/ Services	50%	0%	0%	20%	10%	0%	10%	50%	0%	0%
Other Industries	11%	29%	4%	7%	0%	18%	25%	29%	11%	4%
PERCENT OF TOTAL	20%	22%	3%	12%	3%	13%	22%	32%	9%	3%

n = 57
*Since firms could give more than one type of employee sought by their company, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

TABLE 140
EMPLOYEES SOUGHT FROM STATE UNIVERSITIES, COMMUNITY COLLEGES, OR VOCATIONAL SCHOOLS*
BY COMMUNITY COMPARISON

Community	Entry-Level Clerical	Mechanics, Machinists	Data Processors	Electronics, Electrical Techs.	Drafters	Chemical Process, Lab Techs.	Engineers	Business Management Personnel	Agricultural, Vet. Personnel	Heavy Equipment Operators	General Labor
Great Bend	20%	22%	3%	12%	3%	13%	22%	32%	9%	0%	3%
Other 8 Communities	26%	20%	9%	7%	3%	4%	9%	31%	9%	7%	14%

*Since firms could give more than one type of employee sought by their company, total percentages may not add to 100%.
Source: Business Retention and Expansion Survey for Kansas Mid-Size Communities with Populations of 10,000 to 100,000, Institute for Public Policy and Business Research, The University of Kansas, 1987.

Economic Development Assistance Programs Summary

After examining the data regarding economic development programs, it is possible to make the following summary implications:

1. Great Bend firms are not well informed about state economic development programs. Of the total number of respondents, 93% had no knowledge of Certified Development Companies, 86% had no knowledge of Centers of Excellence, 60% had no knowledge of the Kansas Industrial Training Program (KIT), 40% had no knowledge of the Job Training Partnership Act (JTPA), and 31% had no knowledge of the Community Development Block Program. JTPA was used the most of these programs: 7% of the total number of firms had actually used this program.

2. Of the total number of respondents, 94% said their firm does not need a specialized skill for employment.

3. Great Bend firms use state universities, community colleges, or vocational schools mainly for business courses. Of the firms that stated they did use these schools, 43% mentioned a service used was business courses. In comparison, 20% of the surveyed firms in the other eight communities stated they used this service.

4. Of those Great Bend respondents that stated they sought employees from state universities, community colleges, or vocational schools, 32% said they sought management personnel, 22% said they sought mechanics and/or machinists, and 22% said they sought engineers.