

## **Testimony for Cassandra M. Vanhooser**

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### **U.S. Senate Committee on Small Business and Entrepreneurship**



Small Business Resiliency:  
Learning to Succeed in America's Dynamic Economy

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## **Good afternoon, Senator Cardin, esteemed members of the Senate Committee for Business and Entrepreneurship, Senator Van Hollen, and Congressman Harris.**

My name is Cassandra Vanhooser, and I am the director of economic development and tourism in Talbot County, Maryland. It's an honor and privilege to speak with you today about an issue of vital importance in the ever-shifting landscape of business and entrepreneurship.

Resiliency is a word that often appears on college entrance exams and in strategic plans or government white papers. Though it's a word that has dominated headlines since 2020, it's not a term that most of us use in our daily conversations.

The dictionary defines resiliency as "an ability to recover from or adjust easily to adversity or change." Synonyms include tough, strong, nimble. One of the business owners I work with closely said it this way, "I had to get *scrappy* during COVID."

We're instructed on how to deal with adversity from the time we learn to crawl. It's what we teach our kids when they're dealing with life's ups and downs. It's what coaches tell their teams after a gut-wrenching loss. It's what we tell ourselves when we suffer a disappointment at work or when we have a broken heart.

Resiliency is woven into our lexicon, but this is how we say it.

- You've got to roll with the punches.
- Get back on the horse.
- You can weather this storm.
- Hang in there.
- Dust your pants off and get back in the game.
- When life gives you lemons, make lemonade.

## **The Role of Economic Development in Building Business Resiliency**

Business resiliency is far more than just "getting back on the horse." It's being proactive, anticipating change, identifying and taking steps to mitigate risks, and reacting quickly to disruptions, all while keeping the doors open, employees productive, and revenue flowing.

Economic development organizations play a critical role in building resiliency in the business community. Early in my career, I was surprised by an instructor who summarized the profession in seven simple words, "Economic developers are a conduit to resources." While that's largely true, our role is far more nuanced than that definition implies.

Communities invest in economic development because we help businesses grow and succeed. We help remove the obstacles that impede success, and we cultivate a strategic mindset that includes things like disaster preparedness, business continuity

planning, and succession planning. We market the community to attract new businesses, new workers, and new visitors. And yes, we connect business owners and managers with the resources they need to be successful.

Why is that important? Successful businesses employ people who live in the community. They help weave the social fabric of the communities we cherish, and they create the quality of life we enjoy. Imagine Main Street without small businesses. Imagine a community without a grocery store, gas station, or hair salon.

Successful businesses also generate tax revenue that supports community assets, including roads and infrastructure, public parks, schools, and public safety. It allows communities to pay public employees who offer the services we rely on, from trash collectors and snowplow operators to EMTs, paramedics, and corrections officers.

## Lessons from the Pandemic

There is no one-size-fits-all economic development plan. Economic development organizations create strategies and programs to meet the needs of the community or communities they serve. Economic developers worldwide are doing amazingly forward-thinking and innovative programming to support small businesses and create robust ecosystems for small businesses.

Yet, the pandemic underscored some foundational principles that define the work of an economic development professional. The work we do in these areas on a day-to-day basis lays the groundwork for what we can accomplish during times of crisis or economic uncertainty.

1. **Relationships matter.** No one knows the businesses in a community better than the economic development team. The bulk of what we do falls under the “Business Retention and Expansion” category, which requires knowing the players. Our connections with the private sector are crucial to preparedness, response, and recovery.
2. **Effective communication is necessary.** Accurate, timely information can save lives, and it can save businesses. Economic development organizations must be a reliable source of information for the business community. The respect, trust, and communications plan you build during the good times will pay dividends when times are tough.
3. **Time is money.** Economic development organizations that respond quickly can help their businesses get up and running faster. Whether it’s a natural disaster or an economic crisis, quickly deploying information and resources can shorten recovery times.
4. **Strong partnerships are a valuable force multiplier.** We are stronger together. I rely on the Small Business Development Center to help our businesses grow and expand. I rely on the Small Business Administration’s ability to fund well-thought-out business concepts. I rely on the Economic Development Administration to help

fund infrastructure needs that support business development and expansion. I rely on state resources to help support Talbot County businesses. I am only as strong as my resource partners.

5. **Preparedness is the cornerstone of resiliency.** The best defense is a good offense. People often fail to prepare for business disruptions because some things are too scary to consider. That's human nature. But planning pays off for individuals, businesses, and communities, and not just for natural disasters and public health emergencies. Change in the business world can be just as disruptive as a natural disaster. Today's shifting economy comes with new workforce expectations, price changes, and supply chain disruptions. The world can change overnight, and businesses must account for these changes. Business owners and managers can manage change by being prepared. You cannot prepare for every emergency or crisis, but planning for as many contingencies as possible helps businesses react quickly, and it helps businesses be ready to take advantage of unforeseen opportunities.

## Talbot County's Hazard Mitigation and Resiliency Plan

Talbot County has integrated the business community into its emergency preparedness planning for many years. The Talbot County Department of Emergency Services created its first Hazard Mitigation and Community Resiliency Plan in 2015, years before the coronavirus swept the globe. The COVID-19 pandemic put our plan to the test.

While FEMA encourages Emergency Services professionals to create hazard mitigation plans focused on prevention, Talbot County took the process further by marrying community resiliency with hazard mitigation. We turned the process "upside down" by focusing on community strengths rather than weaknesses when doing hazard mitigation planning.

Leaders asked, "What event could take us down as a community?" The outcome of this process was the establishment of five community pillars – Infrastructure, Education, Public Health and Safety, Environment, and Economic Stability. When the COVID-19 health emergency emerged, we already had a roadmap to follow.

Because economic stability had been recognized as one of the pillars of our community, I had already been assigned to the Emergency Operations Center to represent Talbot County's businesses. Economic Development and Tourism had a seat at the table when assembling the county's core emergency management team for the pandemic.

Working with the Emergency Operations Center, the Talbot County Department of Economic Development and Tourism helped create a COVID-19 website, and we launched it within three days. We also created a "Private Sector Call" to give businesses direct access to the health officer and up-to-the-minute information on closures, changing health directives, and financial resources. I programmed it like a radio call-in show and called on my business resource partners to address issues of concern to the

business community. The calls featured accounts, lawyers, local and state officials, and the Small Business Development Center.

I only realized the importance of these calls once I spoke to the vice president of a prominent local company. He said, “I’ve got notes from every one of those calls. As soon as the call ended, we had a staff meeting to review the information and plan how to keep our business running. That call was a lifeline for our business, and it helped us make it through the pandemic.”

## **The Eastern Shore Economic Resiliency Toolkit**

As economic developers, we also need tools that help us prepare for, monitor, and measure the impact of any crisis that affects businesses. Thanks to the U.S. Economic Development Administration, we built an award-winning suite of tools called the Eastern Shore Economic Resiliency Toolkit.

In the spring of 2020, EDA offered grants to qualified Economic Development Districts to develop resiliency plans. Because the Mid-Shore Regional Council already had a resiliency plan in place, we were able to access these funds to create data-driven tools to help us understand the economic crisis and gauge recovery.

Scott Warner, executive director of the Mid-Shore Regional Council, assembled a group of partners to work on this project. The group included nine regional organizations: two regional councils, two workforce investment boards, three county economic development organizations, in addition to the Eastern Shore Regional GIS Cooperative and Salisbury University’s Business Economic and Community Outreach Network.

The tools included interactive dashboards, web mapping applications, and interactive reports, in addition to key points and summaries. Features included:

- A central website that offers quick, easy access to key economic indicators and uses publicly accessible data from resources such as the U.S. Census Bureau, American Community Survey, and County Business Patterns.
- Using information from the Maryland Comptroller’s Office, the ESRGC developed a series of dashboards showing Maryland sales tax collections across years, county boundaries, and industries.
- BEACON developed a Business Sentiment Survey that economic development offices administer in all nine counties. The survey is repeated at regular intervals, and the data is used to identify challenges facing the region and assist in long-term planning and public policy development.

The group avoided focusing solely on creating tools for the pandemic, instead taking a broader approach to developing tools for any economic crisis. We believe we can harness the lessons we learned during the pandemic—and the tools we developed—to better respond to future economic downturns. Best of all, the tools are all free and publicly accessible.

The Eastern Shore Economic Resiliency Toolkit is now a permanent part of the Delmarva Index, a tool the ESRGC developed as a centralized repository that provides streamlined access to data and visualization of information about the Delmarva Peninsula, including Delaware, the Eastern Shore of Maryland, and the Eastern Shore of Virginia.

The tools have also become part of the strategies both regional councils employ. The Mid-Shore Regional Council and the Tri-County Council of the Lower Eastern Shore of Maryland are recognized by the U.S. Economic Development Administration as Economic Development Districts. They are required to develop and maintain regional Comprehensive Economic Development Strategies (CEDS).

To access the Eastern Shore Economic Recovery Project, visit [recovery.delmarvaindex.org](http://recovery.delmarvaindex.org). The complete Delmarva Index can be found at [delmarvaindex.org](http://delmarvaindex.org).

## **No One Stands Alone**

I want to say something quite clearly as I wrap up my remarks. I am just one of many economic development professionals on the Eastern Shore, across the state of Maryland, throughout the United States, and around the world who are doing this work.

My heart goes out to those affected by the wildfires in Hawaii, widespread flooding in California, and devastating storms in Mississippi and Vermont. In these places, right now, businesses are wondering if they will be resilient enough to rise from the ashes, and in these places, economic development professionals are working hard to help make it possible.

Your continued support of the Small Business Administration, the U.S. Economic Development Administration, and USDA Rural Development is essential to their work and mine. We need programs that allow businesses to grow and prosper, even during times of uncertainty, and your commitment through funding that provides the resources and the flexibility for local jurisdictions to implement programs that help small businesses thrive.

Business resiliency is a strategic imperative in an increasingly interconnected and unpredictable world. The businesses that survive and thrive will be those that master the principles of resiliency, those with the competence, confidence, and character to carry on in the face of adversity.

**Thank you for your time and attention today. I look forward to answering any questions you may have.**