Methodology

Analysis of Results of an IEDC Survey reviewing the economic development industry in 2015
Respondents are mostly from the U.S. and Canada, but also Mexico and as far away as New Zealand.
IEDC Survey Results: ED in 2015
The following slides will examine the IEDC Annual Survey results on the State of Economic Development in 2015.

This includes a review of EDO priorities & challenges in 2015.
In comparison to 2014, how has your organization’s operating budget shifted over the past year?

- **Increased Funding**: 42%
- **About the same**: 39%
- **Decreased funding**: 19%
Do you consider your ED budget appropriate given the size of your organization?

- Yes: 56%
- No: 44%

Same as past 2 years
Have you entered into partnerships or combined resources with other community stakeholders to enhance ED efforts?

- 90% Yes
- 10% No
In 2015, what sort of educational institution did your organization partner with?

- K-12 School or school District: 56%
- Community College: 72%
- Public University: 42%
- Private University: 28%
- Vocational/Technical School: 55%
In the past year, how have you altered your organization’s strategy?

- Concentrating More on Business Retention: 40%
- More in Entrepreneurship & Sm. Business Dvpt.: 39%
- Investing more in Workforce Training and Education: 29%
- Concentrating More on Business Attraction: 28%
- Not altered strategy: 16%
- Collaborating More on a Regional Basis: 39%
- Using Social Networking More as Mktg. & Comm. tool: 30%
- Concentrating More on Local Quality of Life Issues: 25%
- Increasing FDI Efforts: 19%
- Collaborating More on a Regional Basis: 39%
In 2015 did your organization increase efforts in the following areas:

- **Workforce Development**: 54%
- **Foreign Direct Investment**: 25%
- **Sustainability**: 18%
- **Export Development**: 27%
- **Disaster Planning/Resiliency**: 18%
- **Reshoring Efforts**: 15%
- **Entrepreneurship**: 7%
- **Infrastructure Upgrades**: 8%
- **Measuring Performance**: 50%
- **Leadership Development**: 38%
- **Economic Inclusion**: 35%
Notable ways of how EDOs are increasing efforts in key areas:

- Expand **WFD programs** - develop initiatives with other local & regional entities – partner with school districts & colleges – hire someone to cope with WFD issues

- Work with regional partners & community leaders on **entrepreneurial support programs** – create a regional incubator - add startup focused programs like One Million Cups, Startup Week

- Increase spending on **infrastructure** improvement & upgrading – engage in PPPs – expand broadband fiber service - increase funding for place making projects

- **Boost trade missions & outreach** - enhance efforts to attract FDI & export development - work more with the state or SelectUSA - engage with foreign consulates
Does your organization plan to revamp its strategic ED plan in 2016?

- Yes: 53%
- No: 47%
Has your organization taken a proactive role to provide opportunities for the unemployed in your community?

- Yes: 55%
- No: 41%
In 2015, EDOs principally took a pro-active role to help the unemployed by:

- **65%** of respondents partnered with Community Colleges to offer training programs
- **53%** acted as an intermediary between employers and job seekers
- **37%** facilitated real estate redevelopment to foster job creation
- **36%** partnered with a private company for skills training

*EDO-Community College collaboration has become vital*
What 3 issues have posed the greatest challenges to your organization’s ED efforts in the past year?

3 greatest challenges of 2015

✓ Lack of Skilled Labor  **48%**
✓ City/County/State Budget Cuts  **30%**
✓ Inadequate Infrastructure  **27%**

3 greatest challenges of 2014

✓ Lack of Skilled Labor  **50%**  
✓ City/County/State Budget Cuts  **33%**
✓ Inadequate Infrastructure  **29%**
Two other issues grew as top challenges to EDOs in 2015...

“Debate Over Incentives” -> 26%

“Lack of Political Support for ED” -> 25%

* Lack of political support for ED is up from 20% in 2013
Other notable challenges in 2015:

- Lack of Access to Capital/Financing 20%
- Complicated Permit Process/Regulations 19%
- Inadequate Education 17%

*The permitting issue was a problem for 14% in 2012*
To what degree are equity & economic opportunity a concern for your EDO?

- Very important: 38%
- Moderately important: 41%
- Not a concern: 18%
- N/A: 3%
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<th>Projects</th>
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In which industries is your community primarily focusing its business recruitment efforts?

- Advanced Manufacturing: 72%
- Healthcare: 33%
- Energy: 34%
- Logistics: 32%
- Information Technology: 19%
- Services: 38%
Were there any situations in 2015 where local politics interfered with an incentive deal promoted by your EDO?

- Yes: 58%
- No: 42%
If an option, would you encourage local elected officials and leadership in your community to engage in ED training?
Are there any current or pending policy changes at the local, state or federal level that are impacting - or that will impact - ED in your community?

- Yes: 61%
- No: 39%
The most frequently stated concerns regarding policy changes included:

- Incentives: scrutiny & pending changes
- EPA & other energy related regulations
- Cuts in state level funding & EDO reorganizations
- Changes in taxes at all levels & categories
- TIF Changes
- Leadership Changes
- Minimum Wage
- ACA
Is staff diversity (ethnic, age, or gender) a priority for your organization?

- Yes: 48%
- No: 52%
From which sectors is your Board of Directors primarily composed?

- Education/Higher Ed: 41%
- Financial/Real Estate: 76%
- Non-profit: 32%
- Manufacturing: 48%
- Software/IT: 16%
- Green/Clean Tech: 3%
Some Things Don’t Change....
Economic Development Practitioners Are Optimistic!
How would you rate your organization's outlook for ED activity for 2016?

- Better than 2014: 68%
- Worse than 2014: 25%
- About the same: 7%
Survey Summary
Survey Summary

Budgets remained the same or increased for most EDOs

Workforce development & entrepreneurship remain top priorities

Incentives, reorganizations, & tax changes are big issues of concern

Community Colleges are top partners for WFD

Lack of skilled labor remains a primary challenge to EDOs

Educating leaders & stakeholders about ED is valuable to enhancing growth
Thank You!

Questions?

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