

**IEDC Executive Leadership Roundtable
New Orleans, LA
January 25, 2016**

~ Group A ~

Summary and Key Takeaways

Led by Master of Ceremonies Tracy Nichols, facilitators Gene DePrez and Judie Scalise, and scribe Dana Crater, a group of executive-level economic development professionals engaged in a half-day Executive Leadership Roundtable to discuss the key challenges impacting the economic development profession today. The Executive Leadership Roundtable was held during the IEDC 2016 Leadership Summit in New Orleans, LA.

The Executive Leadership Roundtable began with a synthesis of a short survey, and an assessment that in this current economic development landscape, communication is a key theme that impacts all major issues, including leadership succession, board interaction, strategic planning, funding, regional collaboration, and relationships with community stakeholders and elected officials

Working Regionally

The leaders recognized that several layers of dysfunction can exist among regional partners and the organization itself. The misalignment between a regional organization's goals with the partners within the region can be counterproductive. At the heart of any thriving regional partnership is trust and transparency. A code of ethics or MOU can provide formal guidance on what can and cannot be done in regards to other members, ensure the partners' agendas align, and clearly defines roles within the partnership.

Regional Disparity

There will always be feelings of disparity among partners within a regional organization. It was advised that partners find a common sector or goal to rally around. The use of metrics and data was advised to drive communities to work together regionally. Regional organizational leaders were advised to create reports or discussions with each community to demonstrate their value to the organization.

Working with Elected Officials

Economic developers acknowledge that elected officials need to demonstrate to their constituents the value of participating in regional organizations and even economic development in general. The economic developer needs to take the extra steps to educate their elected officials on what is important to their region. Regional organizational leaders need to focus on relationship building with elected officials, who are more eager to learn nowadays. As

part of the relationship, economic developers can pitch economic development goals and gain their trust and buy-in.

Funding

As more organizations become partially or fully privately funded, two challenges have emerged. First, with a regional and local community organizations, many companies are receiving multiple requests for funding. Secondly, a lack of a definition of what is a well-funded organization leads to questions of how much funding is necessary to deliver programs. It was recommended that economic developers educate potential funders about the programs that are being work on and the set of benchmarks to demonstrate the return on investment. Different value messages are needed for each potential funder to demonstrate the relevance of their investments.

Talent Attraction

Each generation has different motivations when it comes to work. For the millennial generation, there is an interest in a work culture that supports their drive to be autonomous, achieve mastery and efficiency of skill sets and to do important work. Organizational cultures should focus on opportunities for growth and manage outcomes instead of people. Frequent turnover of staff can be a barrier to keeping the arrow moving forward.

To Merge or Stay Separate

A rising question for communities has been when leaders of economic development organizations depart or retire, is it best to merge multiple organizations within a community or region or to keep the organizations separate and hire a new leader. The leaders felt that it depends on the dynamics of the community and personnel. Many times it is best to keep the separate organizations and hire new leaders. However, concerns about donor fatigue and similar programs may encourage decision makers to merge the organizations.

Breakout Discussions

The participants dove deeper into five core issues in smaller groups of 5-6 people.

Main takeaways on *educating stakeholders*:

- Always remind them of why economic development is important
- Provide talking points to stakeholders to become ambassadors
- Economic development is an ongoing process—need to focus on what economic development is—primary job creation and community development—and be consistent with elected officials.
- It is traditional for an EDO to provide the ED101 for elected officials

- Stakeholders need to see the goodness of EDOs. They should be positioned as a generator of jobs and provide a return on investment for their stakeholders and community. EDOs should avoid images as a charitable organization.

Main takeaways on *funding*:

- Educate funders on the benefits of economic development.
- If the sale tax dollars don't come in...have a plan B. A minimum of six months to a year of operation costs constitutes a reasonable reserve fund.
- A strategic plan that has buy-in from stakeholders is essential before asking for funding. Engage stakeholder groups on advisory councils or board of directors to participate in fundraising.

Main takeaways on *regionalism*:

- There is a need to respect public, private, and tribal priorities.
- All partners need to have a seat at the table with a defined role and responsibility.
- As a regional organization, start by answering what the organization is doing to solve the community's goals before moving to shared goals and principals. It is important to build a relationship locally and move to a situation of trust regionally.
- Within the region, create a code of ethics especially with prospecting and a process for how to address when getting a call within the region.
- Regular meetings and gathering with regional partners are essential. It is advised to offer regional training programs and to get the locals involves to provide several touchpoints
- Becoming a center for economic leadership for the region. The organization can provide the research, data, and analysis for the communities and the region as a whole. Regional partnerships can create and provide tools to communities to be successful in their work.
- Regional stakeholders need to adopt the value of regionalism. Industries don't care city limits and want to see regional demographics. Therefore, communities need to all sit together at the table and demonstrate a cooperative spirit.
- Regions should develop an economic development plan that best maximizes all of the assets within the geographic service area.

Main takeaways on *talent attraction*:

- Talent attraction is more important than business attraction in economic development today.
- Millennials can be highly productive with limited turnover and prefer a pathway for advancement in their career.
- Communities should complete a study to determine where graduates go after receiving bachelor's and advanced degrees to determine percentage who remain in the region.

- Develop a program for the relocation of mid-level positions including offsetting costs and jobs for trailing spouse.

Main takeaways in *succession planning*:

- Succession planning is like a life insurance policy... leaders don't want to spend too much on it.
- Organizations should interview both external and internal candidates to ensure they are getting the best candidate. The #2 leader may not be the best person for the position.
- It is important to mentor the potential leader of the organization. This rock star should have a transferrable skill set, be cross trained, and able to take on additional responsibility.
- Grooming and letting interns know where their career paths may lead them is important.

There were a few guiding principles recommended that the executives shared with their peers:

- Keys to success is being able to show we "suck" in some ways.
- Be realistic in what can be accomplished. Take an honest look at what can be accomplished in the next few years.
- Respect is essential.
- Most economic development activity grows out of a crisis.
- Communities need powerful leadership or a champion.