

# IEDC State of the Industry Report

- January 2019 -

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INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

# Methodology



Results of the  
IEDC Survey on  
the Economic  
Development  
Industry in 2018

And a Glance at IEDC's  
2019 Salary Survey




## Who Takes the Survey

Most respondents are from the US and Canada, but replies come in from all over the world





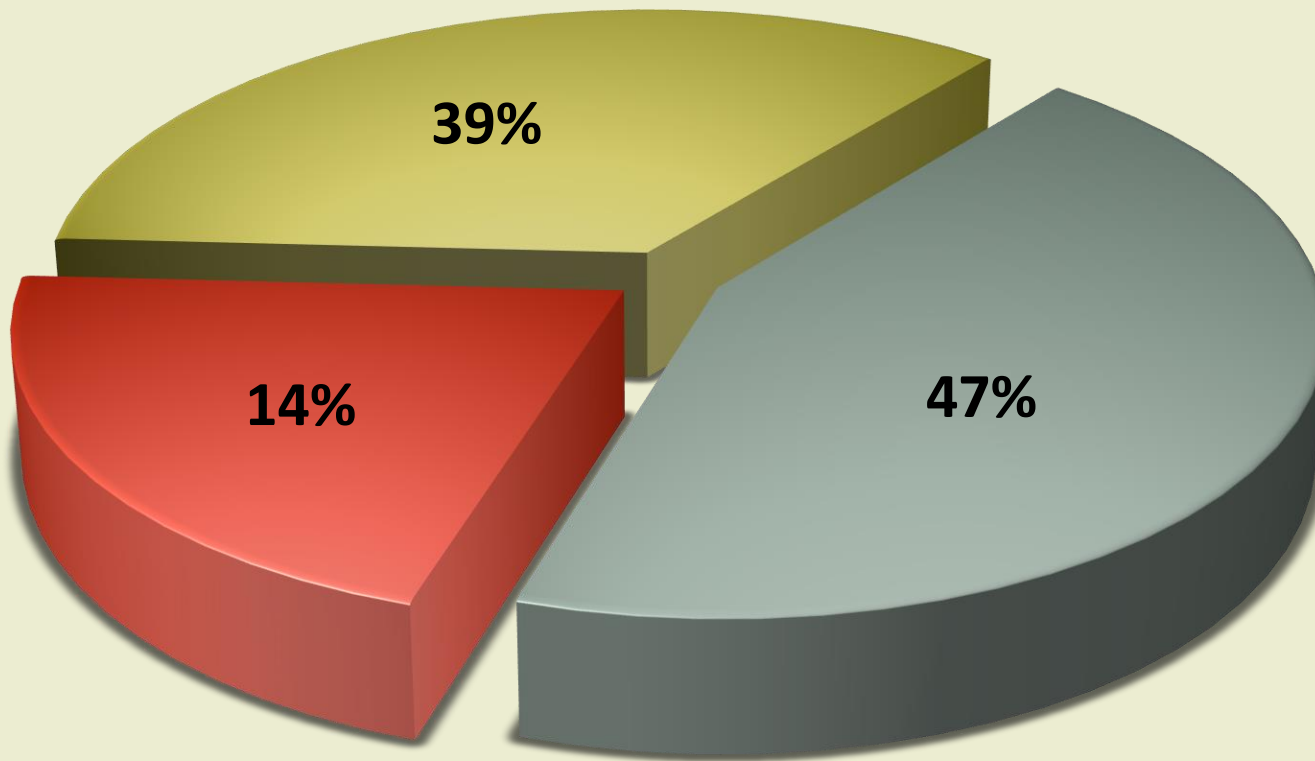


The IEDC Annual Survey  
results include a review  
of EDO priorities &  
challenges in 2018

**Let's have a look**



**In comparison to 2016, how has your EDO's operating budget shifted over the past year?**



- Same
- Decrease
- Increase



## **Other 2018 EDO increases:**

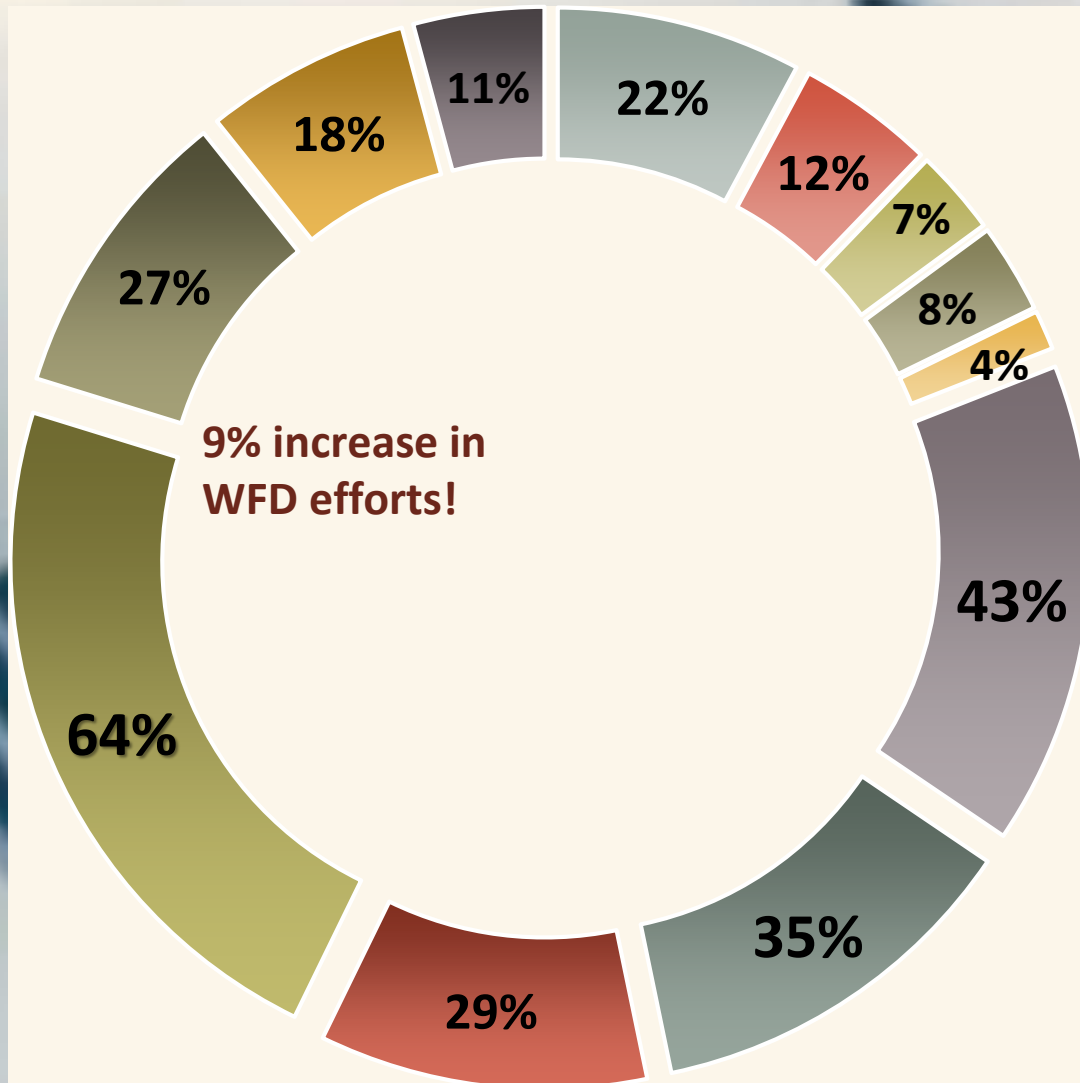
**45% increased staff pay or  
benefits \***

**35% hired staff**

**27% increased advertising &  
marketing spending**

**\* 10% more of EDOs this year replied that they increased staff pay & benefits over the previous year**

## In 2018 did your organization increase efforts in the following areas:



- Foreign Direct Investment
- Sustainability
- Export Development
- Disaster Planning/Resiliency
- Reshoring Efforts
- Entrepreneurship**
- Infrastructure Upgrades**
- Measuring Performance
- Workforce Development**
- Leadership Development
- Economic Inclusion
- Other (please specify)

## Other areas where EDOs increased efforts in 2018

- **Downtown Development**
- **Workforce Housing**



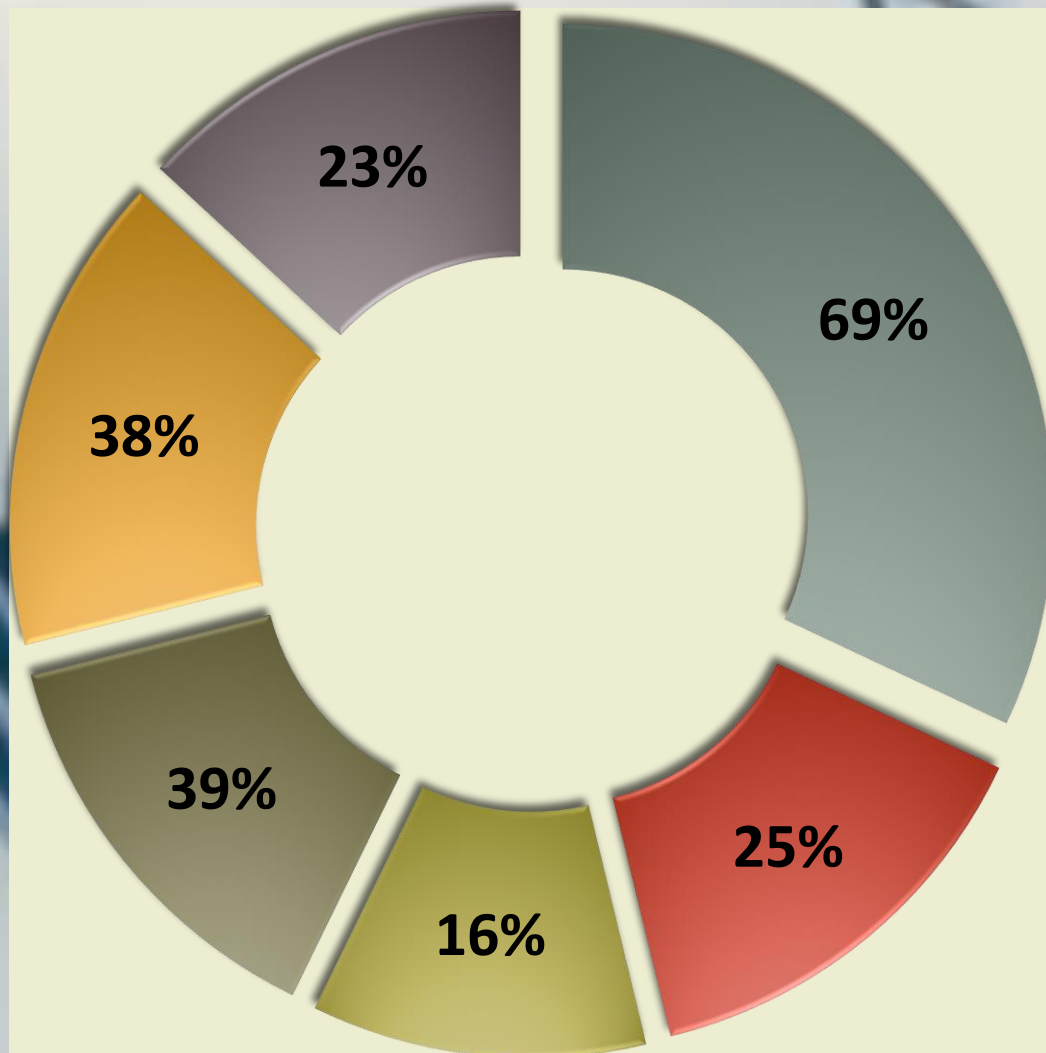


## As compared to last year's survey:

- **WFD, Entrepreneurship & Infrastructure upgrades maintain the top 3 places**
- **Sustainability is down by almost 4%**

**Reshoring is down almost  
8% from 2016**

**In 2018, which industries did your community primarily focus its business recruitment efforts?**



- **Advanced Manufacturing**
- **Healthcare**
- **Energy**
- **Logistics**
- **Information Technology**
- **Services**

7% less EDOs replied that they were focusing on logistics in 2018 as compared to last year...

*Thoughts on why?*







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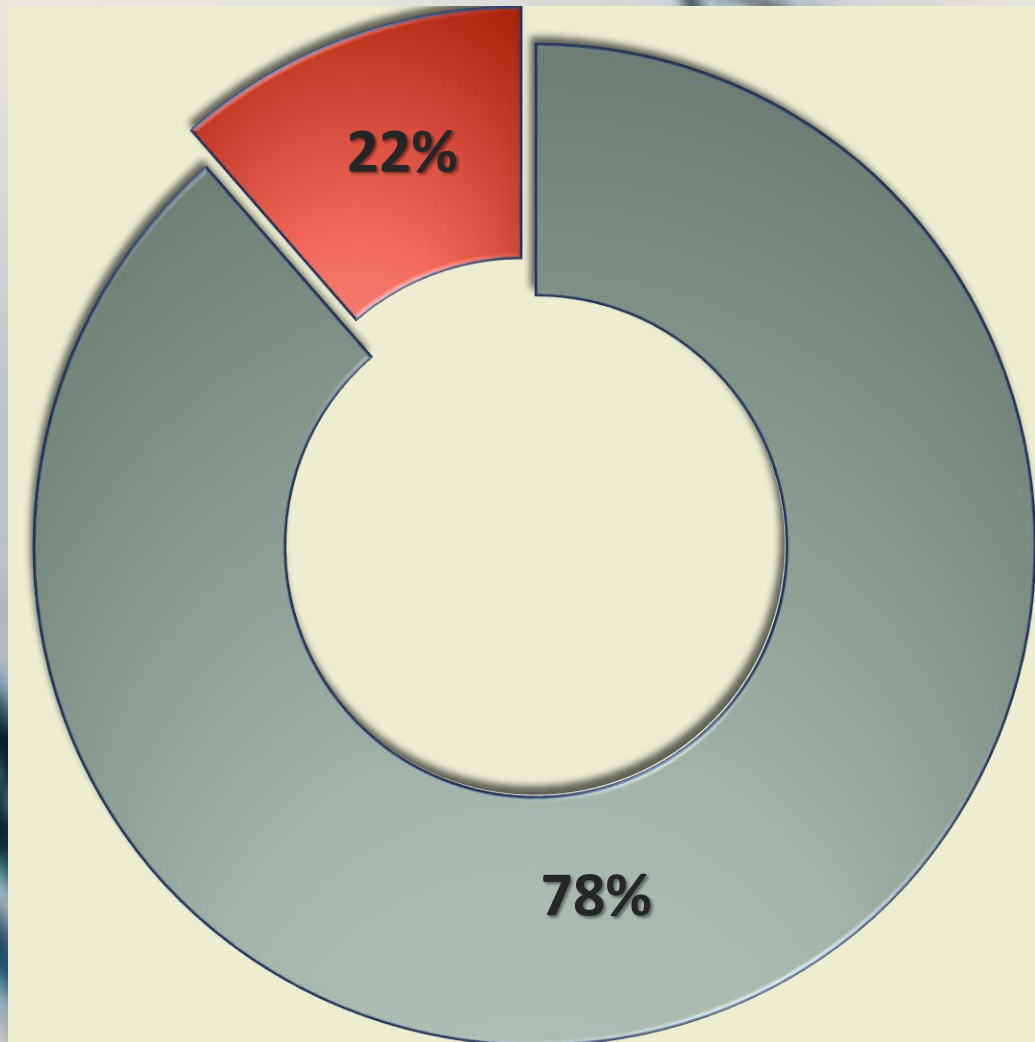
CONCISE

Aerospace, food processing,  
biosciences, were specifically  
cited in terms of advanced  
manufacturing





**Have you entered into partnerships or combined resources with other community stakeholders to enhance ED efforts?**



■ Yes ■ No

**An improvement from 50% that were partnering with others in 2014**

**Most popular entities that EDOs  
partnered with in 2018**



СОВІСІТ

**Chambers of  
Commerce**

**University/College/  
School**

**WFD Partners**

**Local or State  
Govt**

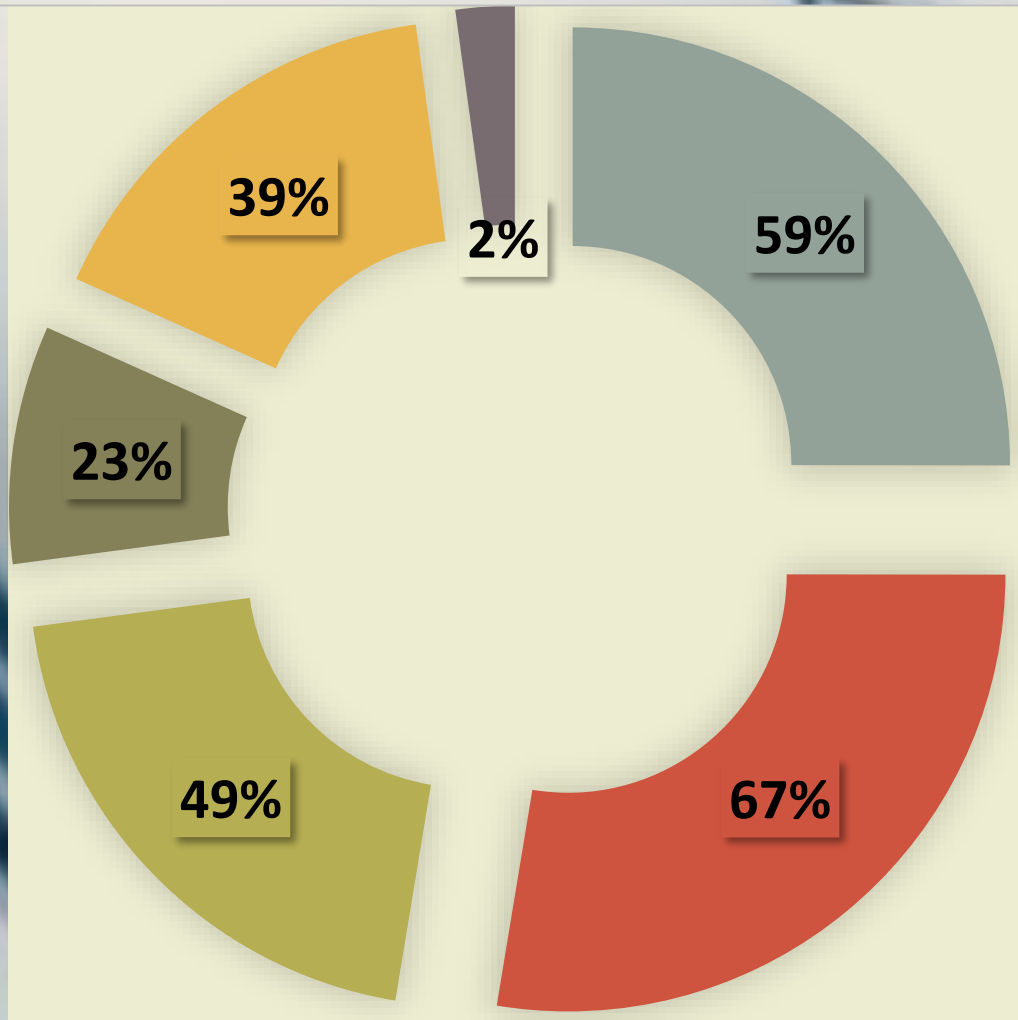
**Regional EDO**

**Private Sector,  
Foundations**

**Local  
Associations**

**State EDO**

# Educational institutions that EDOs partnered with in 2018



- K-12 School or school District
- Community College
- Public University
- Private University
- Vocational/Technical School
- Other (please specify)



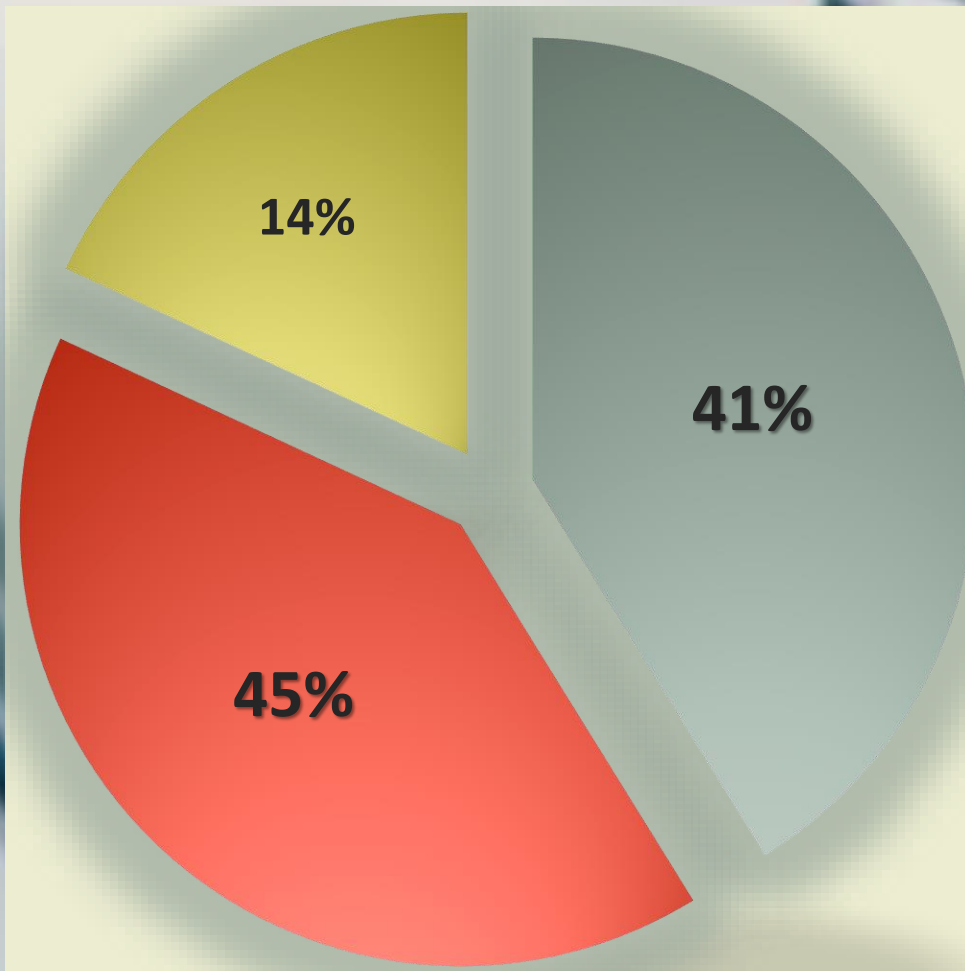
## Greatest Challenge to ED in 2018



- Over 2018, IEDC surveys have shown that the greatest challenge to EDOs has been finding qualified talent, impacting 80% of IEDC members
  - The labor/talent issue has grown exponentially since 2010, when 14% of EDOs listed it as a challenge
- Lack of affordable housing stymies talent attraction
- Scrutiny over ED & uncertainty over Federal policies are also prime concerns to EDOs



# To what degree are equity and economic opportunity a concern for your EDO?



■ Very Important

■ Moderately Important

■ Not a Concern

# In the past year, how have you altered your organization's strategy?

Investing more in Workforce Training and Education 37%

Collaborating More on a Regional Basis 35%

Engaging more in strategic partnerships 34%

Concentrating more on business retention 33%

More in Entrepreneurship & Sm. Business Dvpt. 31%

More Social Networking as Mktg. & Comm. tool 28%

Concentrating more on Local Quality of Life Issues 28%

Concentrating more on economic diversification 23%

Not altered strategy 21%

## **Other ways that EDOs altered strategies**

**Revised Incentive Policy to better convey 'community investment', rather than 'corporate welfare'**

**Resiliency enhancements, i.e., flood prevention, waste water improvements**

**Workforce Housing**

**Broadband Infrastructure**

## Looking Ahead



The top priorities noted for 2019 were:

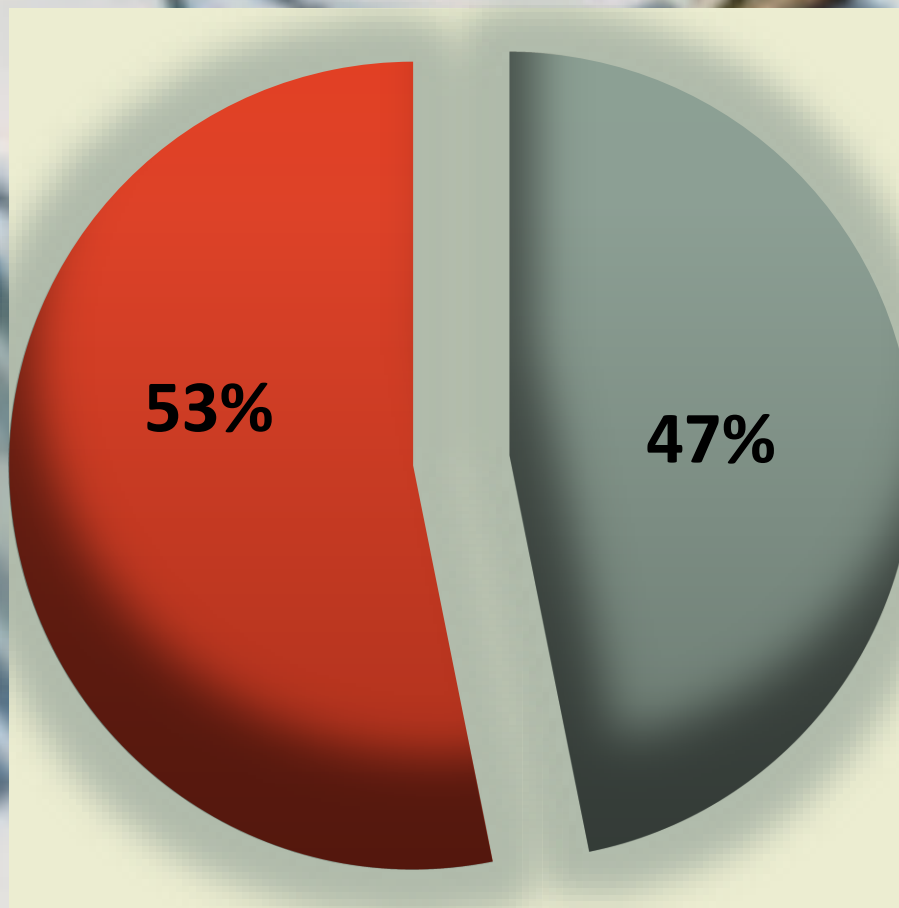
- **Business attraction**
- **Business Retention**
- **Investment in Workforce Training**

**\* Talent attraction is as a growing priority \***

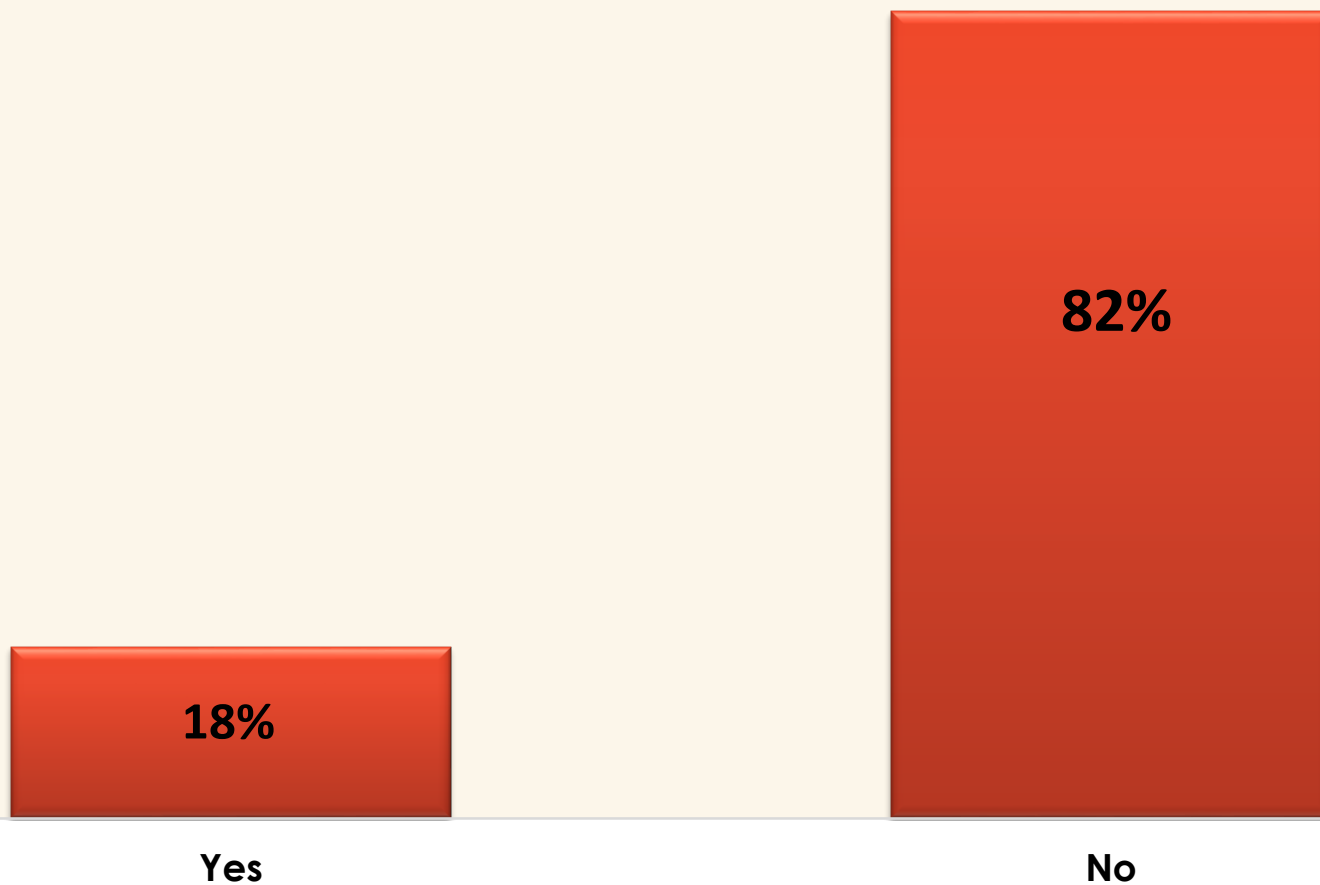


Does your organization plan to revamp its strategic ED plan in 2019?

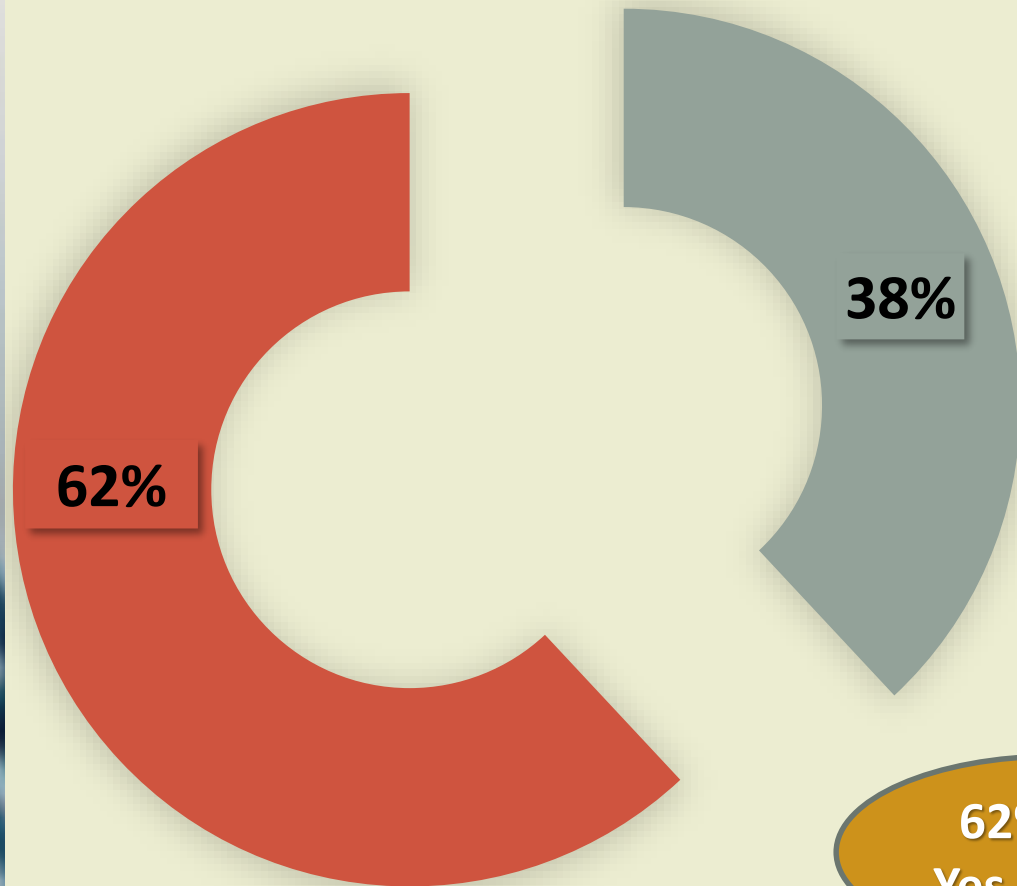
■ Yes ■ No



**Does your organization plan on launching a strategic fundraising campaign in 2019?**



Were there any situations in 2018 where local politics interfered with an incentive deal promoted by your EDO?

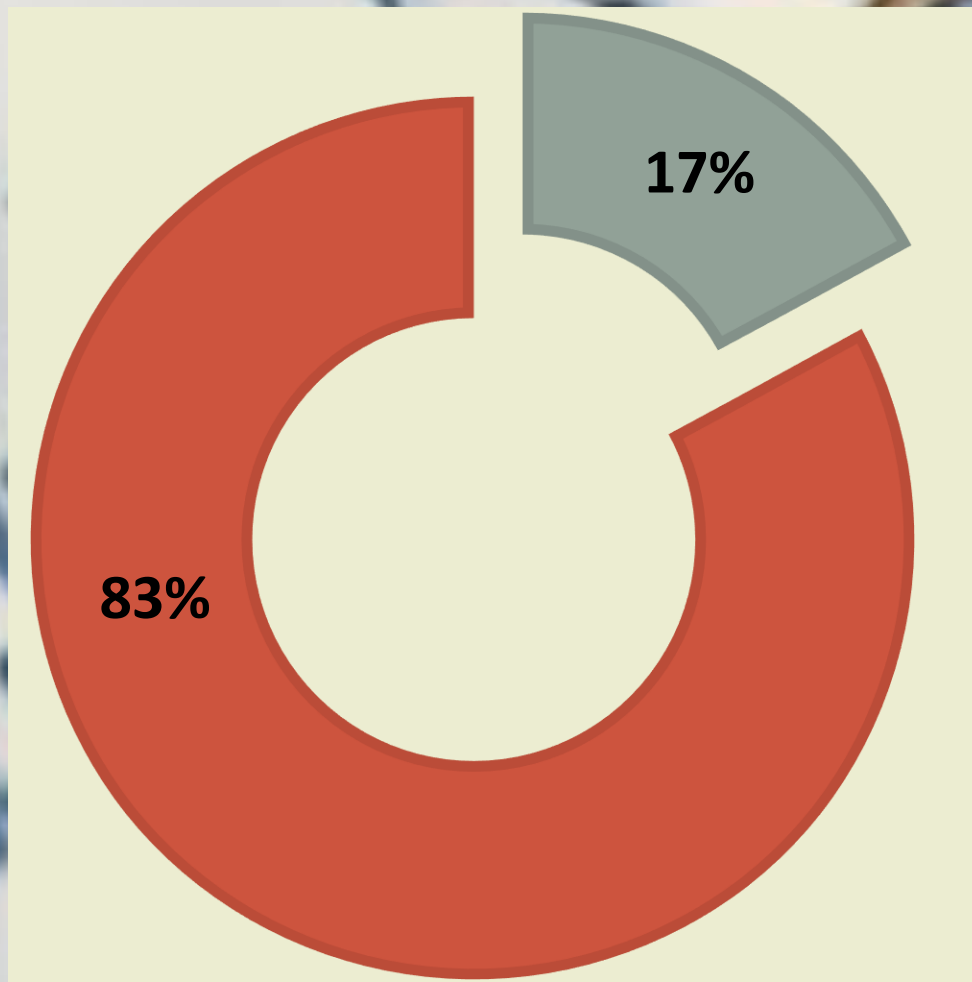


■ Yes ■ No

62% said  
Yes in 2014

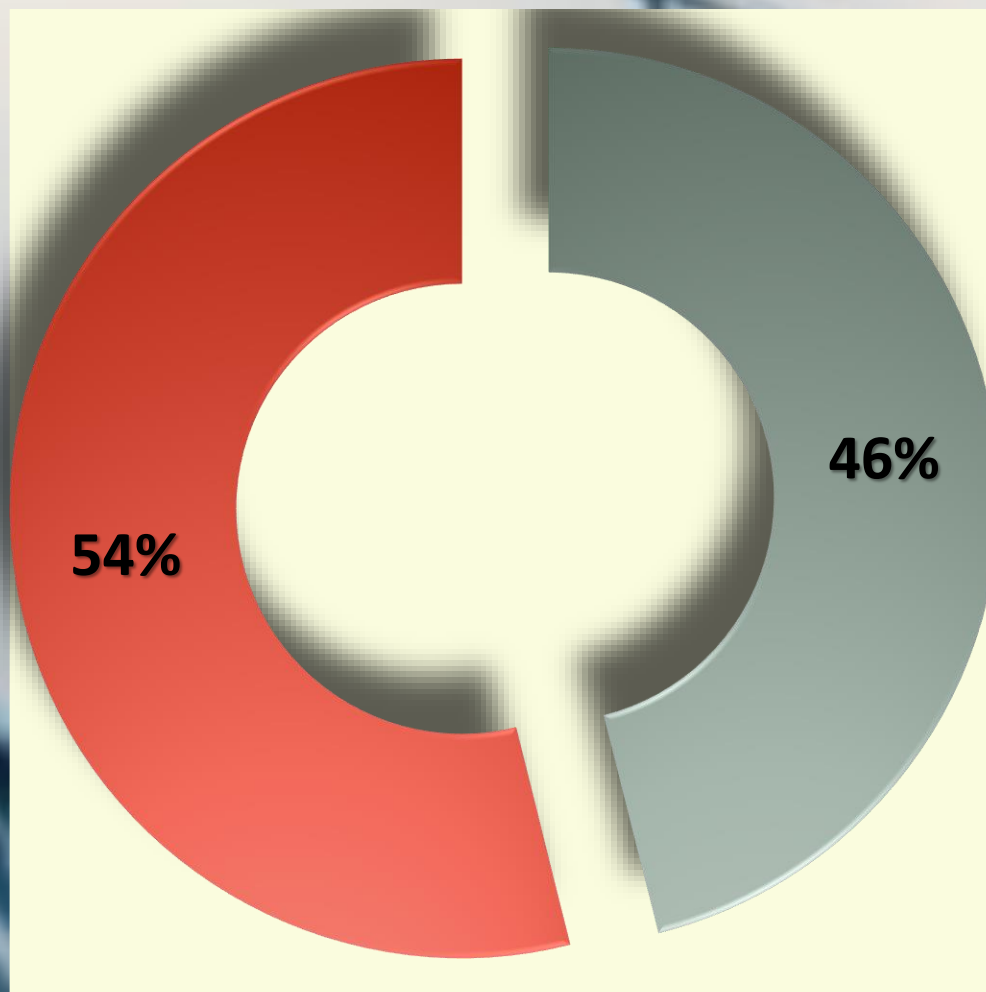
Do you plan on launching a strategic fundraising campaign in 2018?

■ Yes ■ No



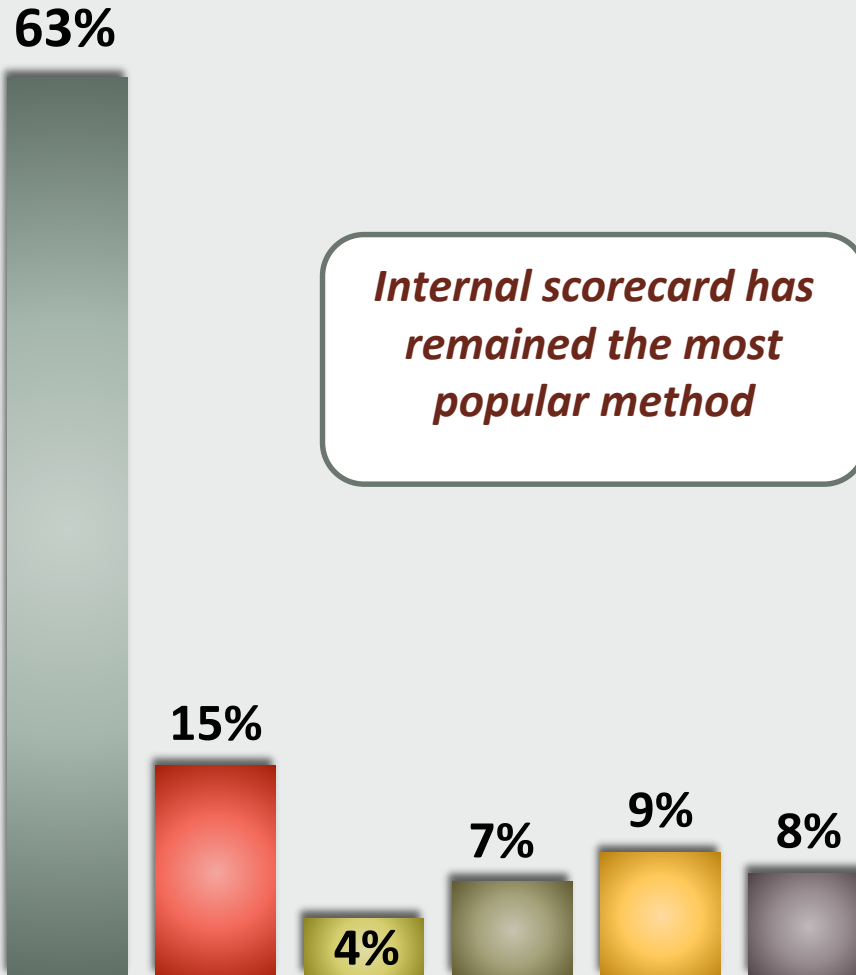


Is staff diversity (ethnic, age, or gender) a priority for your organization?



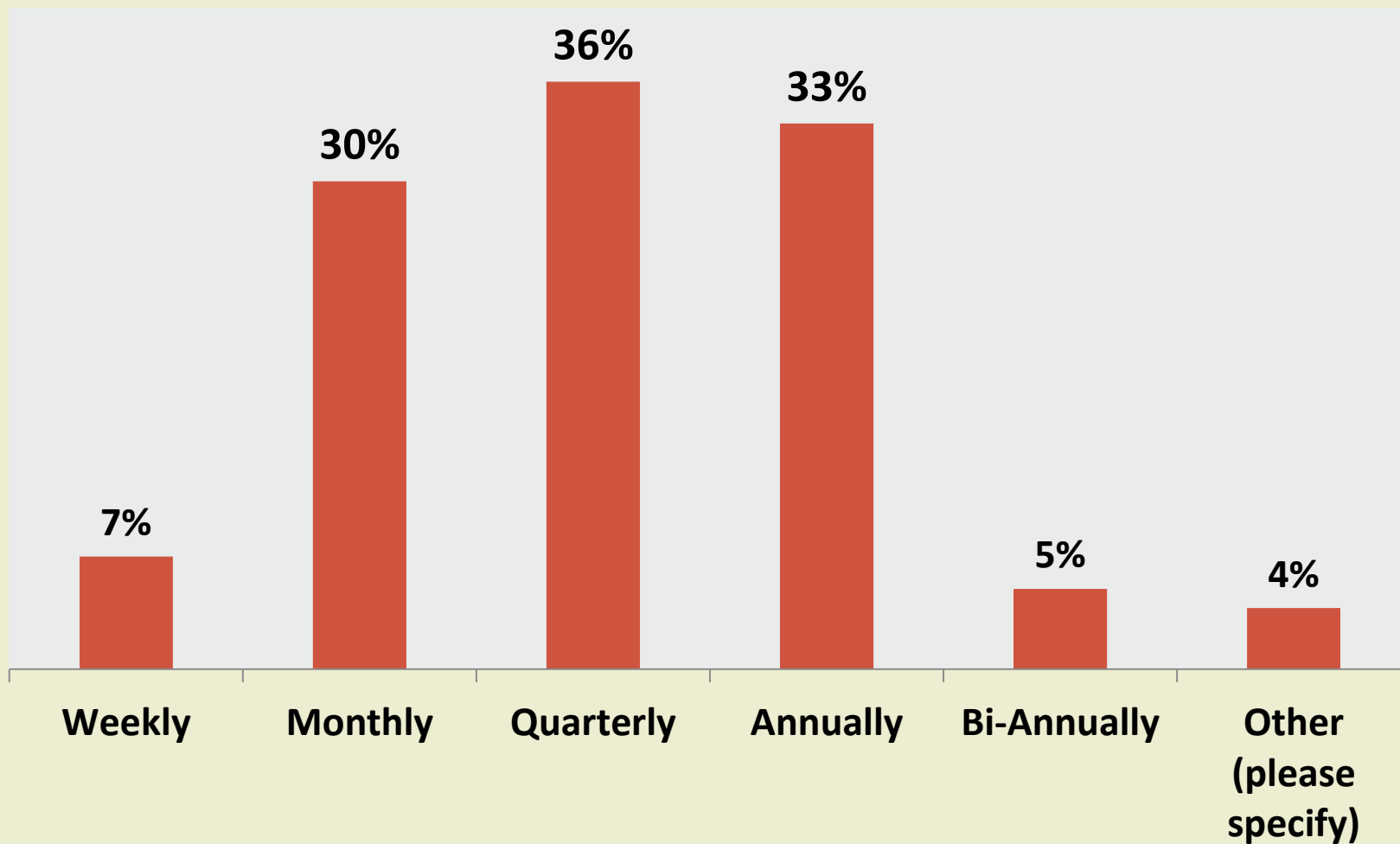
■ Yes ■ No

# How do you measure your EDOs performance?

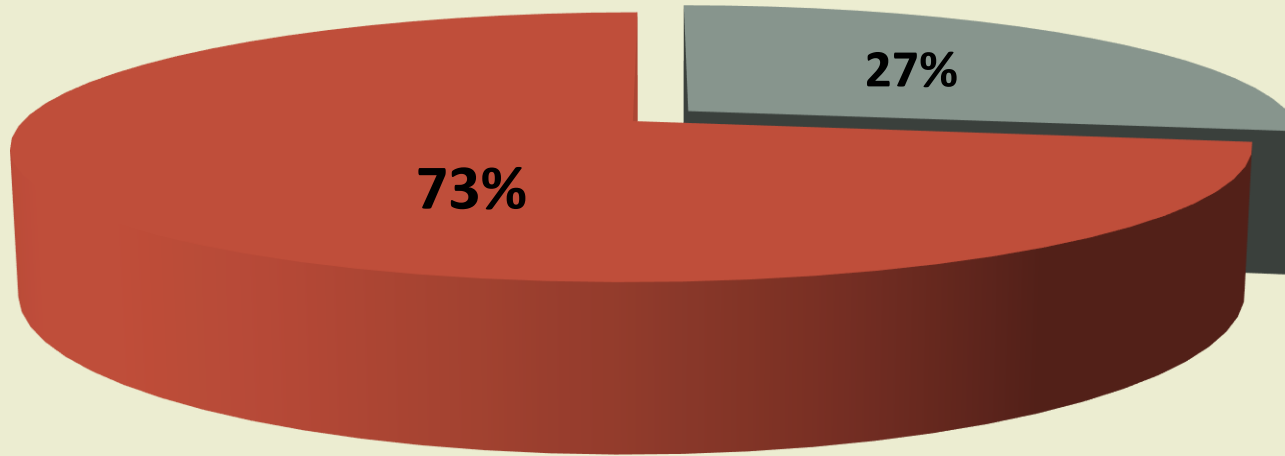


- Internal Scorecard
- Balanced Scorecard
- Logic Model
- We don't measure our performance
- We plan to start tracking our progress in the upcoming year(s)

## How often do you measure your EDOs performance?



**Does your EDO have a succession plan  
in place?**



■ Yes ■ No





## Succession Planning

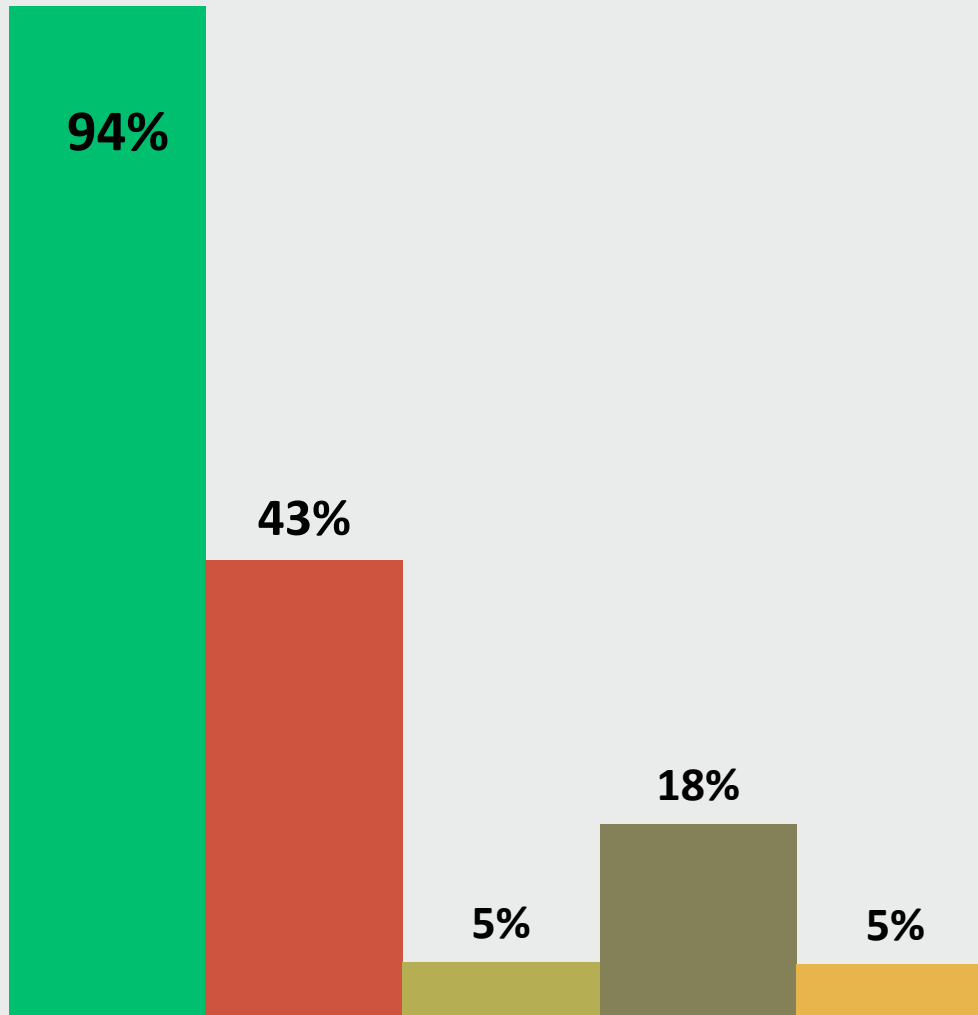


**Over 70% of EDOs do not have a succession plan in place...**

**...But succession plans can be vital to helping an EDO position itself for the future**

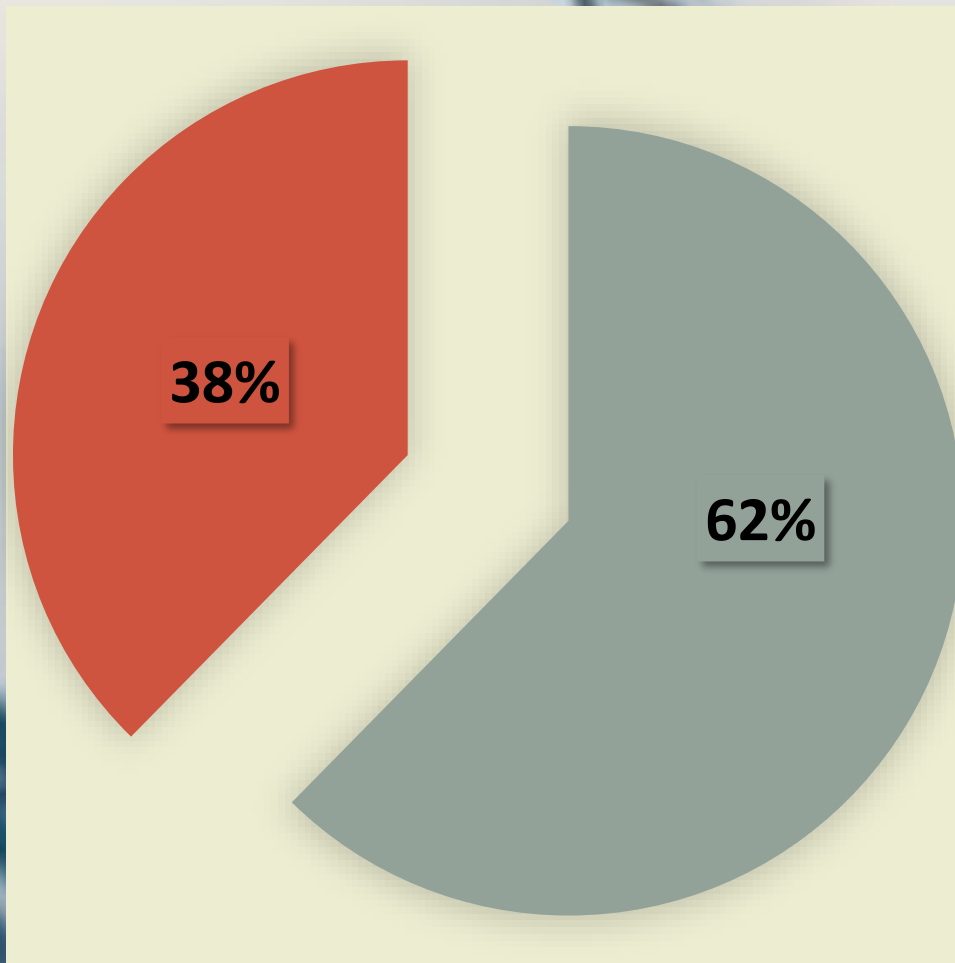
**Are EDOs prepared for the retiring boomers in the field?**

## How do you develop leadership skills in your organization?



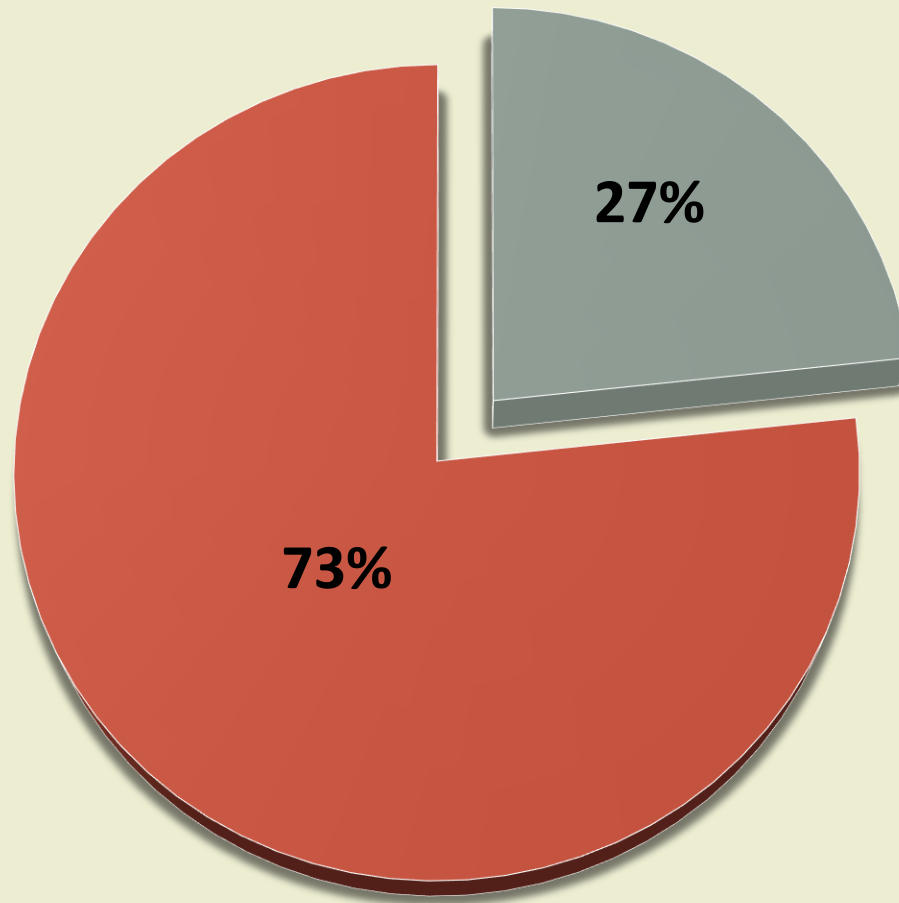
- Offer external training courses
- Offer internal training
- Enforce a targeted mentoring program
- Organize retreats
- Other (please specify)

**Does your EDO encourage staff to become certified (CEcD)?**



■ Yes ■ No

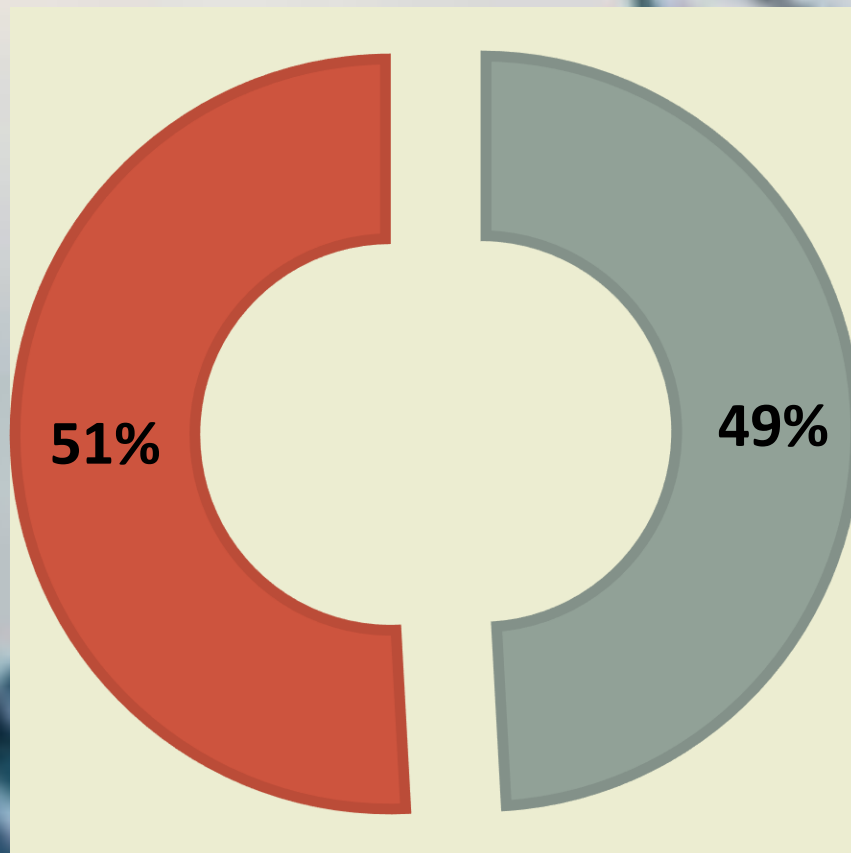
**Does your EDO desire to achieve AEDO  
(Accredited Economic Development  
Organization) status?**



■ Yes ■ No

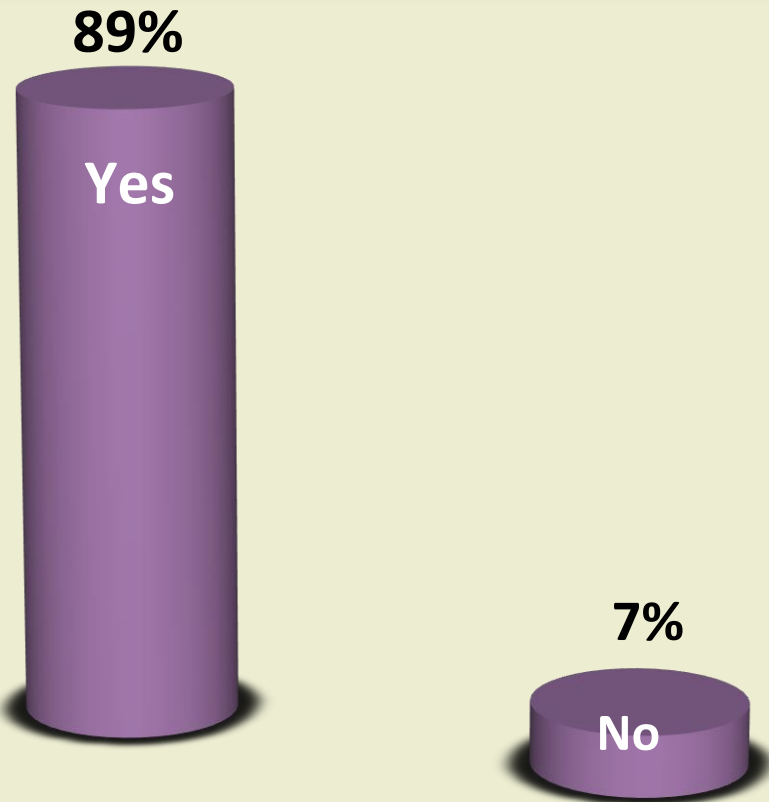


**Does your EDO offer board members & local elected officials economic development training?**



■ Yes ■ No

If an option, would you encourage elected officials & leadership in your community to engage in economic development training?



4% said maybe or possibly

How would you rate your organization's outlook for ED activity for 2019?



Better than 2018: 54%

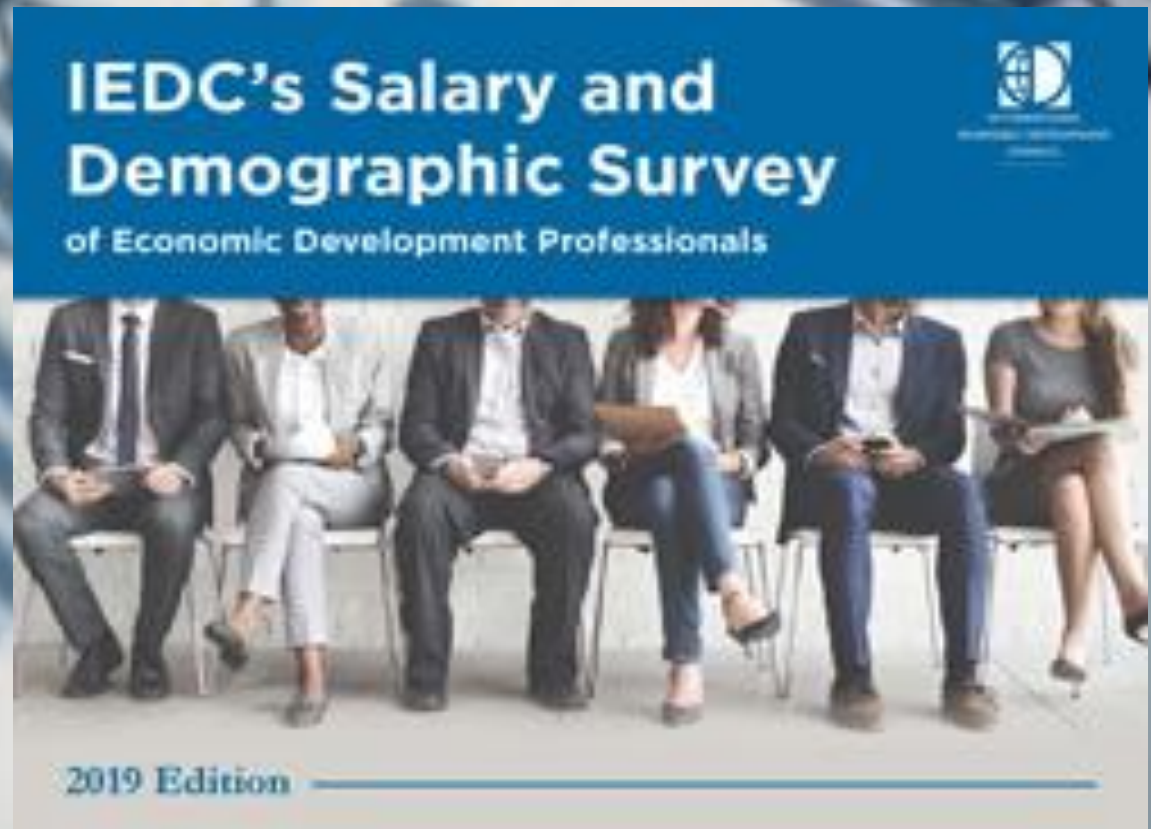


About the same as 2018: 41%



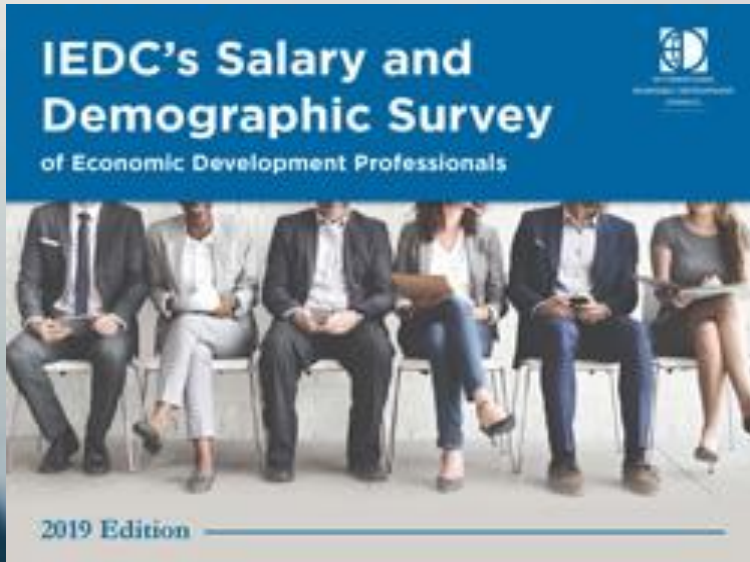
Worse than 2018: 4%

# IEDC's 2019 Salary Survey





# Methodology of IEDC's 2019 Salary Survey



- The survey was designed by IEDC and Readex Research
- It's the 7th edition of the biannual series
- The results represent the 2,321 respondents who work in an economic development related position



# A Glance at IEDC's 2019 Salary Survey



**Represented: all 50 states, the District of Columbia, Puerto Rico/Virgin Islands, and Pacific Territories**

**Most Canadian respondents were located in the provinces of Ontario, Alberta, and British Columbia**

**→ 51% were male, and 48% were female  
(1% did not reply)**

## Types of EDOs Respondents Work For

- **36% work for 100% Publicly funded EDOs**
- **25% work for mostly Public funded EDOs**
- **16% work for mostly Privately funded EDOs**
- **7% work for 100% Privately funded EDOs**
- **35% work for 50-50 Public & Privately funded EDOs**



## Most Prevalent Operating Budgets of Respondents



- 16% → \$250,000 - \$499,999
- 15% → \$1 - \$2.49 million
- 15% → \$100,000 - \$249,999

34% of  
respondents  
are CEOs/top  
executives



## Educational Background

- **42% of Practitioners hold a Bachelors Degree**
- **44% of Practitioners hold a Degree**

**48% have  
taken IEDC  
accredited  
courses**

# The CEcD

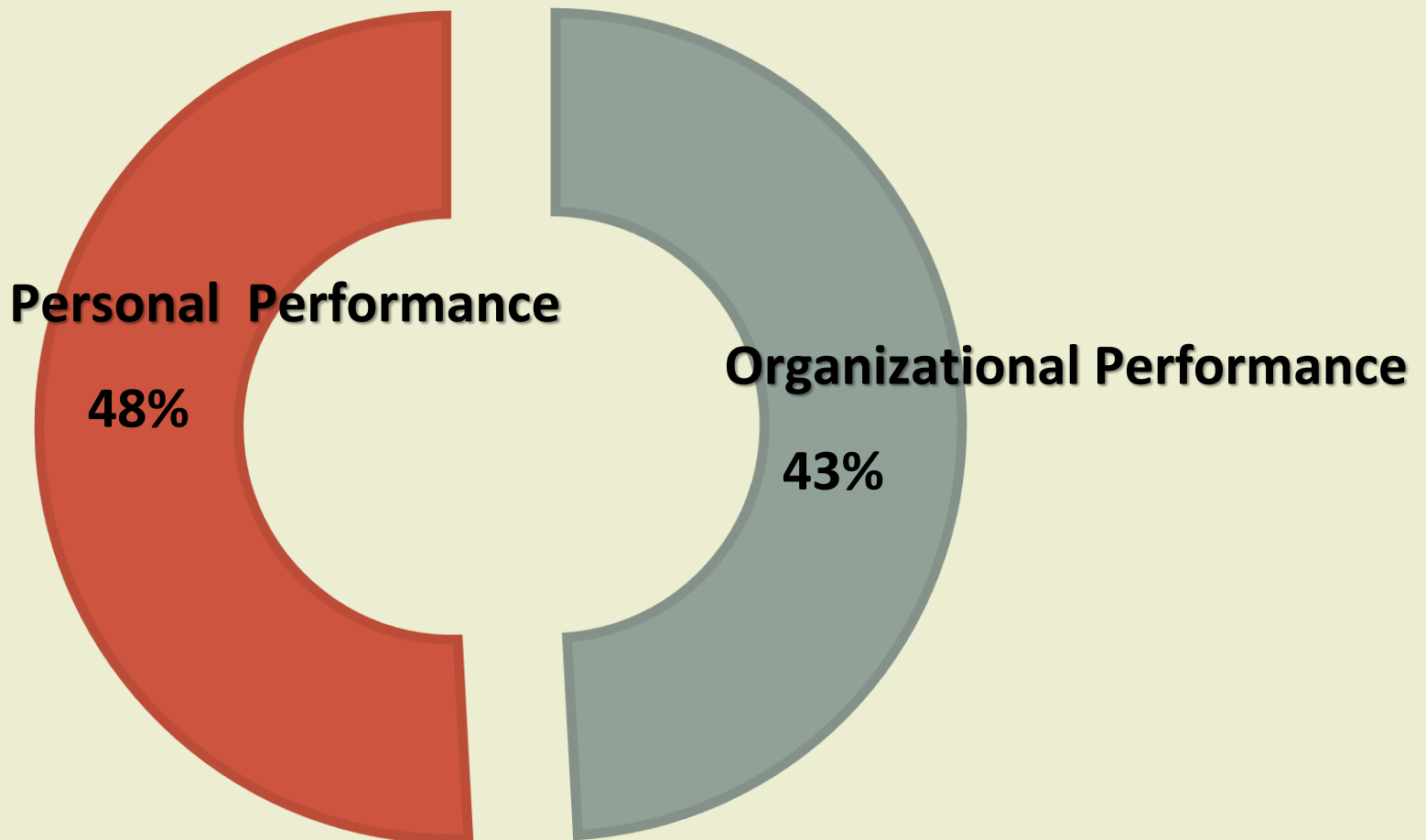


**The 2019 survey illustrates that the Certified Economic Developer (CEcD) credential is the most widely held certification among industry professionals**





# How Salary Adjustments Are Determined



## Top 3 Skills Required for Positions Held by Respondents

- **Strategic Planning**
- **Budgeting**
- **Supervisory**

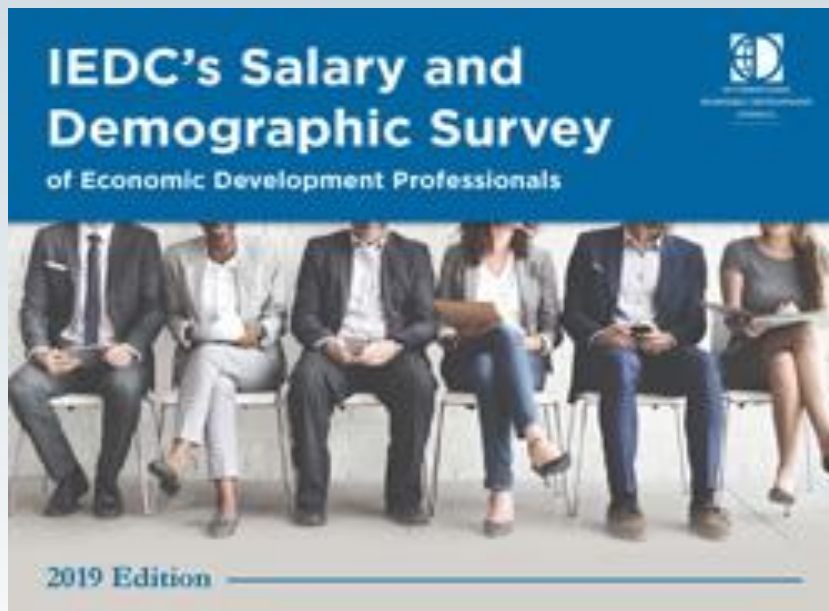


# How to Get the 2019 Salary Survey



To learn more and see the complete compensation results, order your IEDC 2019 Salary Survey via IEDC at:

<https://www.iedconline.org/main/featured-bookstore-titles/?link=FeaturedBookstoreTitles>



**Copies may be purchased at the conference**

## Take Aways



Lack of skilled labor remains a primary challenge to EDOs

10% more EDOs increased pay & benefits in 2018 than 2017

70% of EDOs do not have a succession plan in place

Top priorities for EDOs: WFD, Entrepreneurship, Infrastructure

More EDOs are concerned about workforce housing

Community Colleges are top EDO educational partner

**Thank You!**

**Questions?**

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