

**IEDC Executive Leadership Roundtable**  
**Jacksonville, FL**  
**January 30, 2017**

**Discussion Summary**

Led by Master of Ceremonies Dyan Brasington, facilitators Gene DePrez and Jon Roberts, and scribe Shari Nourick, 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 2017 Leadership Summit in Jacksonville, FL.

The Executive Leadership Roundtable began with a synthesis of a short survey, and an assessment (based on survey results) that in this current economic development landscape, economic developers are grappling with four (4) core issues: globalization, disparities, disruptive technologies, and regionalism.

Notably, since the Great Recession, recovery has been uneven and educational attainment has had an impact on the ability of different populations to economically recover. Going forward - with changing markets and a new administration in the White House - the areas that will most directly affect the economic development profession include:

- Oil and gas sector;
- Environmental regulations;
- Increase in privatization (particularly in terms of infrastructure);
- Corporate tax rates;
- Healthcare;
- Immigration;
- Organizational restructuring and priorities at the federal level;
- Federal stimulus.

Moreover, the economy will continue to be challenged by shifts and disruptions in terms of technology, demographics, changing consumer preferences, political forces, and existing international agreements. In addition, with the new administration, the use of public-private partnerships may be used more frequently as a vehicle to enhance economic development

With this information as a backdrop, the group undertook an exploration of the four core issues mentioned above. The groups examined the factors that are most pertinent to economic development organizations (EDOs) in the current and near future, identifying actions that an EDO can undertake to better navigate in this landscape.

The following pages will summarize the key points covered in the Executive Leadership Roundtable discussions.

## **Globalization**

Globalization created unprecedented economic opportunities at the turn of the 21<sup>st</sup> century, and practitioners have been coping with similar challenges as business leaders, balancing global demands in order to better serve their locality. However, in the wake of the recession, cross-border capital flows decreased and some countries have increased the use of protectionist measures. Understanding the complexities of the global marketplace is essential to developing strategies that will strengthen local assets and enhance a community's attractiveness to investors and talent.

- In order to remain competitive and relevant, attracting and retaining talent has become a priority for many communities and EDOs.
- The best way to recruit companies that are embracing innovation is to help build the local workforce to meet industry needs for today and for tomorrow.
- Practitioners have a vital role to play on convening public and private stakeholders to develop strategies to improve the workforce pipeline, especially to address disruptive technologies and changing business models.
  - This entails working with local schools and industry to identify talents needs and collaboratively create a capacity-building ecosystem.
- EDOs today are placing greater importance on growing and sustaining viable systems, and in some instances, are less transactional.
- In order to implement and maintain relevant approaches, it is essential to have an educated group of stakeholders. Thus, educating elected officials and the general public is an important issue for EDOs today.
  - Looking ahead, educating stakeholders will grow as a priority in the future as practitioners seek to gain support for new initiatives and to bridge schisms.
    - EDOs can begin this process by educating board members and investors as a first step, through workshops, training, and interactive sessions.

## **Disparity**

The issue of disparity has increased in importance for EDOs. The prolonged uneven recovery, changing demographics, a growing income divide, and long-term unemployment have acerbated the situation across the nation. Disparities can be viewed in terms of a) geography (i.e., urban vs rural), b) generational values, c) the digital divide, d) wages, and e) between ethnicities. It may even be viewed in terms of the U.S. compared to the rest of the world. Today's growing disparities have placed greater pressure on economic development practitioners to balance investor and business demands with equity issues in order to foster economic opportunity and local - as well as national - competitiveness in the new economy.

- Disparity is impelling practitioners to take a greater role in quality of life issues.

- Having an attractive quality of life is more critical than ever for locations in terms of luring and retaining talent and investment.
  - A skilled workforce is a competitive advantage, and talent follows place, while companies follow talent.
  - Youth are more likely to be more attracted to a vibrant place than by an employer.
- The focus on vibrant places can displace lower income residents.
- EDOs must collaborate alongside community development and workforce development entities to ensure that fundamental items, such as broadband, housing, transportation and training are available to the local population.
- Practitioners can play a prominent role in empowering distressed communities, raising skill levels and securing appropriate jobs.
- By collaborating, convening and communicating, practitioners can help to promote a more inclusive local economic base.

### **Disruptive Technology**

Disruptions in technology generally provide opportunities, but may be perceived as positive or negative. Innovations that derive from broadband connectivity and cellphones help to connect people faster, allowing workers to collaborate from anywhere, crossing physical borders. However, improvements to an already established technology can create greater efficiencies, such as increased automation, which can also lead to job losses. The ability to share information more quickly can be positive on one hand, but also places pressure on organizations to keep up with the constant flow of instant messaging. It also adds to ambiguities regarding the accuracy of information that is shared. All disruptions may trigger unforeseen economic losses and dislocation that can wreak havoc on a community's economic base.

- Businesses are challenged by a new way of working and this is reshaping the work space.
  - This is prompting the development of new office environments and fluctuations in trade and consumption, in addition to disruptions is the supply chain.
- Automation, the sharing-economy, the consolidation of the virtual marketplace, and co-working are all dependent on technology, and EDOs need to keep ahead of these shifts in order to accommodate the needs of investors and citizens.
- Opportunities often also present challenges and there is no one size fits all solution, as not all communities are impacted in the same manner or at the same speed.
- Economic developers have a role to play in fostering communication and education in the community to help stakeholders transition through technological shifts and challenges.
  - Investments in education can help the community to adapt with less strain.

- EDOs can organize future forums to convene stakeholders and open dialogue that will assist all sectors in recognizing opportunities, adapting and moving forward despite disruptions.

## **Regionalism**

Strong regional strategic partnerships are essential for fostering meaningful investments. A region is no longer defined by political boundaries, but by its economic value. A regional approach is contingent on the buy-in and support of leadership from across the public, private, and institutional sectors to ensure regional job growth and a vibrant quality of life. Those communities that are able to formulate a collaborative, cohesive region-wide strategy - building on their individual assets - are more apt to attract investment.

- Managing multi-stakeholder expectations and building trust is critical.
  - Creating a leadership group of multi-sector leaders can be effective.
  - A grassroots entity should promote the regional concept; this should not be politically imposed.
  - Smaller communities should not be left out.
- A regional strategy can boost investment opportunities, and raise the viability for smaller communities within the region (i.e., with site selectors and business investors).
- Notably, the support of the private sector is crucial as these stakeholders have the ability to take their investments elsewhere if they are not content.
- Regionalism is more than just an outward marketing tool; meaningful actions need to be taken among stakeholders within the region to improve key issues like transportation and trade, or to create a stronger group to lobby at the state level.
- Individual competing municipal tax policies could hinder regionalism.

## **Closing Thoughts**

- Economic developers are uniquely positioned as conveners and advocates to bring business, education, workforce and community development leaders together to address future needs.
- Industry specific future forums can be effective for EDOs.
  - Annual meetings can be used to discuss priority issues among stakeholders, starting the dialogue on how all players can work together to develop a talent pipeline, improve infrastructure conditions, and enhance the quality of life in any community.