

Economic Development Readiness Index v2.0

Purpose of this Tool:

Economic development is a buzzword right now. Every community wants it; very few have any real understanding of its practice. This tool is designed to help Extension educators facilitate a conversation about economic development with community leaders in the field of economic development. Specifically, the audience could include local government officials, economic development organizations, chambers of commerce, business leaders, nonprofit organizations, and other community leaders as appropriate.

It is important to note that this tool is appropriate for communities that are either just thinking seriously about economic development for the first time or seriously reevaluating efforts. If a community has ongoing economic development efforts that are considered satisfactory, this tool is not for them.

Comments in **bold** provide the educator with additional information about the question, and direct the educator to further resources.

Three Broad Categories

Economic Development Planning

Planning is a key component of economic development. A broad, cohesive strategy will be more effective than efforts carried out haphazardly.

1. Has a strategic economic development plan been created? Is it evaluated on an ongoing basis and updated as needed?

Many communities practice economic development haphazardly. The process of crafting an economic development strategic plan will help the community identify vital players in the process, local assets and liabilities, and provide a strong starting point for economic development efforts. For support in this process, contact the UW Extension Strategic Planning team. For resources, see:

blogs.ces.uwex.edu/strategicplanning

2. Do our community economic development professionals have the capacity to carry out needed programs? Do we have a professional development plan in place to help build that capacity?

Frequently smaller communities will invest economic development responsibilities in personnel with little experience in the field. In such cases, professional development is a vital component of effective economic development. For resources, see:

http://www.iedonline.org/?p=Professional_Development

<http://www.weda.org/professional-development>

3. Do community economic development professionals and supporters have a productive collaborative relationship with regional partners?

Small communities are not alone in the economic development process. It is important that all regional and statewide resources be identified. These include, but are not necessarily limited to, the Wisconsin Economic Development Corporation, the Regional Planning Commission, the regional economic development organization, technical colleges, neighboring economic development organizations, and the like. A strategic planning process is a good time to identify all partners and begin building working relationships.

Your WEDC Regional Account Manager is an excellent resource in this process, to contact them see:

<http://wedc.org/contact-us>

4. Does our community have an evaluation plan in place to determine if our economic development efforts are effective?

As with any programming, it is important to put an evaluation plan in place to judge the success of economic development efforts (bearing in mind that economic development successes are usually hard to quantify). An evaluation plan is part of a strong economic development strategic plan, or can be created to evaluate ongoing efforts. For resources on the process, contact UW Extension Program Development and Evaluation:

<http://www.uwex.edu/ces/pdande/index.html>

Understanding Community Needs and Assets

This section seeks to improve understanding of our community's strengths and weaknesses as they pertain to economic development. Essentially, it is important to understand our strengths so that we can use them to address our weaknesses.

1. Are resources available in our area for inventors, entrepreneurs, and small businesses? Are they well publicized?

Support for local inventors and entrepreneurs is a key aspect of holistic economic development. It is important for a community to identify resources for them and make sure they are well-publicized. This process could include starting an Inventors and Entrepreneurs Club, or compiling a list of available resources and making them available. To start, see:

Wisconsin Small Business Development Center: <http://www.wisconsinsbdc.org/sbdc.htm>

Wisconsin Entrepreneurs Network: <http://www.wenportal.org/index.htm>

US Small Business Administration: <http://www.sba.gov/>

2. Does our community understand how local infrastructure impacts prospects for economic development?

It is very important that a community have a clear grasp of its infrastructure and the role that plays in economic development. Does the road system in good repair and have the necessary capacity? Are the utilities able to adequately serve existing and future businesses? Is the broadband internet system adequate? If any of these are inadequate, is a plan in place to remedy the situation?

3. Have business retention and expansion visits been conducted recently? If so, have the results been incorporated into economic development planning efforts?

The “retention visit” is a key component of an economic development effort. In essence, it entails face-to-face visits with local companies to ascertain their situation (Are they hiring? Considering expansion? Just hanging on?), the condition of the business climate, and any potential ways local government could support them. In addition, it gives the local government official or economic developer an opportunity to discuss any potential incentives that might be available. For a more detailed overview of the University of Minnesota-Extension’s Business Retention and Expansion program, see:

<http://www1.extension.umn.edu/community/business-retention/>

4. Has a market analysis been conducted recently? If so, have the results been incorporated into economic development planning efforts?

A market analysis provides necessary information on the local and regional economy and provides insight into the quality of the labor market. This helps leaders in economic development understand what sorts of development are practical and how to most-effectively direct their efforts.

This is not my expertise, I would ask that someone more well-versed in area add to it significantly and provide some helpful resources. - Will

Leadership and Local Government Support

This section attempts to ascertain the level of involvement in the economic development process of various sectors. All are important to the process. In addition, it is important to note that the involvement of local educational institutions, particularly tech colleges, is vital. If they are seen to be tailoring their curriculum to local workforce needs, it adds legitimacy to the process and will, over time, improve the quality of the workforce. Finally, having highly-visible and vigorous support of the business sector provides a great deal of legitimacy to the process. Business leaders are the best cheerleaders.

1. Are local government officials supportive of the economic development process? Do they play a leadership role?
2. Are representatives of the business community supportive of the economic development process? Do they play a leadership role?

3. Are area educational institutions supportive of the economic development process? Do they play a leadership role? Do they work to tailor curriculum to area workforce needs?

Quality of Life

This section will help the community understand how its particular quality of life indicators influence the economic development process.

1. Do we know what makes our community an attractive place to live?

Every community is different, and for economic development efforts to bear fruit it is important that a community understand what makes it distinct. New businesses are often acutely interested in locating in a place that is pleasant to live, and to that end a community must be able to put its best foot forward. A major part of this can be a community asset mapping process. This will help a community identify the things that make it special and have potential to improve quality of life. For an overview of the process, see:

<http://www.hud.gov/offices/hsg/mfh/nw/resourcesforcenters/assetmapping.pdf>

2. Have we included our community assets into our economic development, marketing, and attraction efforts?

Once the community's assets are clearly inventoried and understood, they must be integrated into marketing and attraction efforts. The things that make your community a good place to live must be emphasized, particularly if your community is attempting to attract businesses that may be bringing skilled employees with them or attempting to hire them once established. Such workers like a wide-range of amenities and a good atmosphere for raising a family.

3. Are our economic development expectations realistic given our community assets?

This question may be somewhat more philosophical. Essentially, a community embarking on a program of economic development must understand what it is, and what it is not. Do we have a clear understanding of the development that is most likely to come to our area? Have we thought critically about our efforts in light of our situation? This is something worth examining as part of an economic development strategic plan.