

How COVID-19 Reshaped the Battle for Talent  
*A Look Inside the Latest Talent Attraction Research*

Supporting Inclusive Growth in Norfolk  
*Aligning Economic & Workforce Development Strategies*

The Element of “Surprise” in a Strategic Plan  
*Is It Time to Update Your Strategic Plan?*

Proactively Assisting Small Businesses Through  
a Changing Business Landscape  
*The Small Business Resource Center in New Haven*

“A Hundred-Year Event” and the Perfect Storm  
for U.S. Manufacturing  
*What’s Causing the Escalating Skills Gap and What Tools Can  
Economic Developers Use to Address It?*

Return on Investment in Economic  
Development... Dollars and Cents and  
Inclusivity  
*Measuring the Benefits for Incentives*



## IT PAYS TO BE A MEMBER

The savings that membership brings on conference attendance, publications and member services more than covers the cost of membership. Member dues are prorated according to the organization or company type. Don't miss out on the value and savings of becoming an IEDC member. Join the premier economic development association today.

Call IEDC TODAY to sign yourself up as a member or to receive further membership information: (202) 223-7800. Or visit our homepage at [www.iedconline.org](http://www.iedconline.org).



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

## INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL

### ABOUT IEDC

The International Economic Development Council (IEDC) is the premier international association dedicated to leadership and excellence in economic development. IEDC can equip you with the tools and resources that are helping to shape economic development throughout the country and around the world. Our services include:

- *ED Now*, a twice-monthly newsletter
- *Economic Development Journal*, a quarterly publication
- Improved access to resources and information
- Enhanced educational choices
- Stronger advocacy and access at the Federal level
- Expanded networks and alliances
- Industry-leader publications
- Expanded research and technical assistance
- An international presence

## THE IEDC Economic Development Journal

International Economic Development Council  
1275 K Street, NW, Suite 300 • Washington, DC 20005 • [www.iedconline.org](http://www.iedconline.org)

Chair: Todd Greene, CECD

President & CEO: Nathan Ohle

Editor: Jenny Murphy

Editorial Board: Ronnie Bryant, CECD, FM, HLM, chairman; Odessa Archibald, EDFP, CECD; William Beyers, Ph.D.; J. Vann Cunningham; Gerald Gordon, Ph.D.; Donald Haider, Ph.D.; Rick Loessberg; Phillip D. Phillips, Ph.D., CECD; Karin Richmond, Ph.D., FM; Ronald Swager, Ph.D.; Mark D. Waterhouse, CECD, FM, HLM; and Charles H. Wood, CECD

Manuscripts are invited and should be addressed to the editor. Articles contained in *Economic Development Journal* represent the authors' views and not necessarily those of IEDC. No articles may be reproduced without permission from IEDC. Copyright (c) 2022, the International Economic Development Council (202) 223-7800. Fax: (202) 223-4745. [reception@iedconline.org](mailto:reception@iedconline.org). ISSN 1539-1922 (print). ISSN 2168-5800 (online).

Subscriptions \$60 per year; for individual issues – \$20. Advertising is available. Contact IEDC for details.

#### OFFICERS AND BOARD OF DIRECTORS

##### Officers

Todd Greene, CECD  
Chair  
Tom Kucharski, CECD  
Immediate Past Chair  
Jonas Peterson, CECD  
Vice Chair  
Eloisa Klementich, CECD, PhD  
Secretary/Treasurer  
Barbra Coffee, CECD, EDFP  
Bryan Daniels, CECD  
Lyneir Richardson, CECD, JD  
Nathan Ohle  
President & CEO

##### Board of Directors

Juan Pablo Alcantar  
Beth Bowman  
Marva Bryan, CECD, EDFP  
Chris Camacho  
Danielle Casey, CECD  
Michael Catsi, CECD, DFCP  
James Collard, CITP, PhD, FM  
Rodney Crim, CECD, EDFP  
William Cronin  
Julie Curtin  
Haldane Davies, PhD  
Kevin Dick, CECD  
Linda DiMario  
Dennis Fraise, CECD  
Trish Heidenreich, CECD

Clyde Higgs  
Gregory Hitchin, CECD  
Mignon Hollis  
Molly Howey, CECD  
Tamika Jenkins, CECD  
Ean Johnson, CECD  
SeonAh Kendall, CPA  
Lindsey Kimball, CECD, EDFP  
Ronald Kitchens, CECD  
Chris Knight  
Maureen Krauss  
Barb LaMue, CECD, EDFP  
Allison Larsen, CECD  
Todd Larson  
David Leezer, CECD, FM  
Penny Lewandowski  
Amy Case Madison, CECD, EDFP  
Scott Martinez, CECD  
Chris Massingill  
Heather McDaniel, CECD  
Quentin L. Messer, Jr., CECD  
Ann Marie Miller, CECD  
Bethany Miller, CECD  
Jonathan Morgan, PhD  
Rebecca Moudry  
Mike Neal, CCE, CCD, FM, HLM, IOM  
Jessica Paolini  
Donald M. Pierson  
Courtney Pogue, CCIM, CECD, LEED, AP  
Gilberto Salinas  
Dan Silverman

Leonard Sledge  
Jennifer Wakefield, APR

##### PAST CHAIRS

William E. Best, FM  
Thomas D. Blanchard, Jr., HLM  
M. Ross Boyle, CECD, FM, HLM  
Ian Bromley, MA, MBA, FM, FRSA  
Ronnie L. Bryant, CECD, FM, HLM  
Steven J. Budd, FM, HLM  
Robert B. Cassell, CED, FM, HLM  
Kurt Chilcott, CECD, FM, HLM  
John P. Claypool, HLM  
Dennis G. Coleman, CECD, FM, HLM  
Gary Conley, HLM  
James A. Covell, CECD, FM, HLM  
JoAnn Crary, CECD, FM, HLM  
Walter D'Alessio, HLM  
James A. Devine, CECD, FM, HLM  
Donald G. Dunshee, CED, FM, HLM  
Murray A. Elder, HLM  
Harry G. Foden, CECD, FM, HLM  
Jay A. Garner, CECD, CCE, FM, HLM  
James A. Garver, CECD, FM, HLM  
Victor S. Grgas, HLM  
James W. Griffin, CECD, FM, HLM  
James H. Gullyes, HLM  
James C. Hankla, HLM  
Robin Roberts Krieger, FM, HLM

Paul Krutko, FM  
Tom Kucharski, CECD  
Ronald C. Kysiak, HLM  
F. Michael Langley, FM  
Robert E. Leak, Sr., CECD, HLM  
Marilyn Swartz Lloyd, HLM  
Joseph A. Marinucci, FM, HLM  
Barry Matherly, CECD, FM  
Tracye McDaniel  
William J. McDermott, CECD, FM, HLM  
Kenny McDonald, CECD  
Jay C. Moon, CECD, FM  
John D. Morand, CECD, FM, HLM  
Ioanna T. Morfessis, Ph.D., HLM  
Edward A. Nelson, Jr., CECD, FM, HLM  
D. Kenneth Patton, HLM  
Craig J. Richard, CECD, FM  
James O. Roberson, CECD, FM, HLM  
Judie A. Scalise, CECD, FM, HLM  
Bill R. Shelton, CECD, FM, HLM  
William C. Sproull, FM  
Wayne Sterling, CECD, FM, HLM  
David C. Sweet, Ph.D., FM, HLM  
Rick Thrasher, CECD, FM, HLM  
Mark D. Waterhouse, CECD, FM, HLM  
Rick L. Weddle, FM, HLM  
April Young, Ph.D., HLM



Todd Greene, CECd  
IEDC Chair of the Board of  
Directors

# dear colleague

I am deeply honored to serve as IEDC's board chair in 2022. I look forward to continuing the great work of the 2021 chair, Tom Kucharski, with the strong leadership of the IEDC Governance Committee at my side.

While many incoming chairs have one major initiative, we are in a unique year with unique circumstances. Consequently, I have identified three priorities for execution. The first priority is **leading an historic leadership transition**. After 30 years of exceptional leadership, IEDC says goodbye to our beloved Jeff Finkle and welcomes our new president and CEO, Nathan Ohle. Nathan previously served as the CEO of the Rural Community Assistance Partnership (RCAP). He has excellent credentials in economic development and association management and a depth of work in federal, state, and local government and public policy.

The board is confident that Nathan arrives well equipped with the competencies and talents needed to be an effective president and CEO, who will be well positioned for immediate success. Given the environment caused by the pandemic, he takes on the responsibility for a strong IEDC, yet an organization that requires careful stewardship in navigating amidst uncertainties. Our transition process includes a robust onboarding plan and the establishment of critical success measurements.

Second, we will continue to **deliver value to our existing members in an uncertain environment**. Just as you are doing in your own organizations, the pandemic is forcing us to review and re-imagine our events, programs, and processes to provide value to our members. Rather than simply adjusting in response to the pandemic, IEDC will seize the opportunity to strengthen and re-imagine existing programs and offerings; to forge new partnerships; and to best position the organization for greater influence and impact. The IEDC board and members will be engaged in these efforts and we will be including other critical stakeholders as well. A key part of this effort will also be a closer and more active monitoring system for bringing on and retaining members.

The third priority I will emphasize is **ensuring the success of two newer IEDC programmatic elements – inclusive economic development and the new entrepreneurship certification**. While we will stay true to our economic development core, we recognize that workforce is the modern day currency on which communities will succeed or fail. The inequitable outcomes and workforce shortages we see have revealed that our profession is necessarily intertwined with other systems including workforce development, community development, and human services. Our programs this year will continue and expand to have a lens of inclusive economic development.

We are excited to just release the Equitable Economic Development Playbook. It is the responsibility of all economic development professionals to promote equitable policies, practices, and standards to ensure all segments of our communities benefit from our efforts. To this end, the Playbook demonstrates the profession's renewed intentionality and is the substrate upon which we envision new equitable economic development ideas and approaches will be catalyzed.

Finally, because so many of our members are prioritizing a balanced economic strategy including enhanced focus on new and small business, we will strengthen our newest certification – Entrepreneurship Development Professional (EDP). The new credential connects entrepreneurship support, economic development, and community development approaches in order to create and nurture thriving entrepreneurial ecosystems.

I look forward to working with you in 2022 to execute these priorities and to lead IEDC's exciting next steps as the world's preeminent economic development membership organization.

Sincerely,

Todd Greene, CECd  
IEDC Chair of the Board of Directors and Executive Director of WorkRise and Institute fellow at the Urban Institute

# The IEDC Economic Development Journal

## TABLE OF CONTENTS

### How COVID-19 Reshaped the Battle for Talent.....5

#### *A Look Inside the Latest Talent Attraction Research*

by Robyn Domber and Heather Gantz

A national survey of more than 1,000 working-age people across the U.S. who moved during the pandemic reveals important insights into what triggered relocation during COVID-19, talent migration trends, views on the importance of cash incentive offers, findings on remote work and the pandemic's impact on career changes and training.

### Supporting Inclusive Growth in Norfolk .....12

#### *Aligning Economic & Workforce Development Strategies*

by Michael Paris

Following the Great Recession, Norfolk launched an innovative workforce program, Norfolk Works, aimed at ensuring its residents had inclusive access to job opportunities generated by its economic development projects and to support associated attraction, retention, and expansion efforts. Norfolk Works received IEDC's Gold award for a Multi-Year Economic Development Program and a Silver award for Talent Development and Retention.

### The Element of "Surprise" in a Strategic Plan.....19

#### *Is It Time to Update Your Strategic Plan?*

by Jeanine Jerkovic, CEcD

The city of Surprise, Arizona, provides case studies, lessons learned, and insights in support of a proactive, bite-sized, and step-by-step approach to strategic planning during times of turmoil by applying practical IEDC disaster recovery and resiliency tools.

### Proactively Assisting Small Businesses Through a Changing Business Landscape.....29

#### *The Small Business Resource Center in New Haven*

by Keyri Ambrocio, Anne Benowitz, and Garrett Sheehan

The Greater New Haven Chamber of Commerce identified a need to support the business community in the region that faced a myriad of challenges during the pandemic. To address these issues, the Chamber formed the Small Business Resource Center, a support system for businesses to unlock available resources, expand growth opportunities, and create a strong entrepreneur ecosystem. The Center received IEDC's Gold award for a Business Retention and Expansion Initiative.

### "A Hundred-Year Event" and the Perfect Storm for U.S. Manufacturing .....34

#### *What's Causing the Escalating Skills Gap and What Tools Can Economic Developers Use to Address It?*

by Cynthia Jenkins

The soft skills and middle level skills gap in manufacturing is escalating due to challenges from past decades, plus the more immediate emphasis on reshaping the supply chain through re-shoring and other means. This article explores the causes and provides solutions that economic developers and other stakeholders can use in tandem, coupled with adding use of game-changing virtual training tools.

### Return on Investment in Economic Development...Dollars and Cents and Inclusivity .....41

#### *Measuring the Benefits for Incentives*

by Betsey L. Hale, CEcD

Elected officials and community leaders in Loveland, Colorado and Cheyenne, Wyoming asked their economic development professionals what the impacts and results of incentives in the forms of cash, fees waivers, and discounted land had been over time. The communities took different approaches to measuring outcomes, but the research informed their stakeholders of the quantitative benefits. Outcomes are not always measured by financial benefit but social and community goals.

### IEDC News.....27

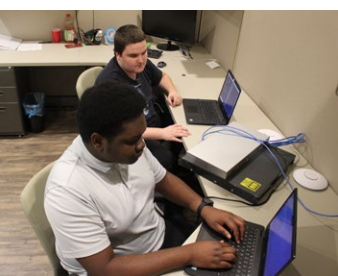
### IEDC Calendar of Events .....28



PAGE 12



PAGE 19



PAGE 34



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

# how COVID-19 reshaped

## THE BATTLE FOR TALENT

By Robyn Domber and Heather Gantz

### DEVELOPMENT COUNSELLORS INTERNATIONAL (DCI) AND ITS NATIONAL RESEARCH STUDY: AN EVER-CHANGING TALENT ATTRACTION LANDSCAPE

If talent is the new currency of economic development, every community needs a loan.

For years talent attraction has been the phrase that has kept employers – and economic developers – awake at night. Pressure to attract and retain top talent at both the employee and resident levels has only intensified as the skills gap continues to widen. This was already the case in 2019, well before the COVID-19 pandemic turned everything on its head. In many ways – from unemployment rates to a new wave of remote work to a shift in talent's priorities entirely – the pandemic altered the talent attraction landscape, perhaps indefinitely.

The United States' unemployment rate in February 2020 was an impressive 3.5 percent. Fast-forward to October 2021, the unemployment rate sits at a relatively comfortable 4.6 percent. What happened in-between however, as unemployment rates skyrocketed to surpass a devastating 14 percent and entire industries crumbled, will continue to mold the state of talent attraction as we know it.

Development Counsellors International (DCI), which has specialized in economic development marketing for more than 60 years, conducts national talent attraction research each year to better understand talent's career and location priorities, behaviors, paths to purchase and more. In 2021, DCI surveyed more than 1,000 people across the U.S. (ages 21-65) **who moved to a new location at least 100 miles away from their previous residence since the start of the pandemic**, making the fifth edition of DCI's national research study *Talent Wars: How COVID-19 Reshaped the Battle* unlike any other edition. In addition to the above, this report also delves into how the pandemic affected

For years talent attraction has been the phrase that has kept employers – and economic developers – awake at night. Pressure to attract and retain top talent at both the employee and resident levels has only intensified as the skills gap continues to widen. This was already the case in 2019, well before the COVID-19 pandemic turned everything on its head. In many ways – from unemployment rates to a new wave of remote work to a shift in talent's priorities entirely – the pandemic altered the talent attraction landscape, perhaps indefinitely.

talent's priorities, migration patterns, take on remote work, and motivators to move.

### MOVING AMID A PANDEMIC

Job offers, family ties, opportunities for training and education...there are countless reasons why someone might decide to relocate to a new city or region. However, the pandemic introduced additional factors for consideration such as high COVID-19 case counts, a new era of remote work flexibility and in many people's cases, a newfound outlook on prioritizing their quality of life.

In the early pandemic days, we all heard stories of people heading to vacation homes or more isolated Airbnbs, exiting large metros with high case counts and small square footage, and people heading "home," whatever that meant to them. With available data on zip code changes from the United States Postal Service, we know that more than 15.9 million people filed change-of-address requests from February 2020 to July 2020 alone (compared to 15.3M in 2019). As migration data was collected and findings were released, various organizations and media outlets began analyzing the data in the hopes of uncovering migration trends.

#### About DCI

Development Counsellors International (DCI) specializes in economic development, tourism and talent attraction marketing. DCI combines its place marketing expertise with its deep research on target audiences to create customized strategies to attract talent.

**Robyn Domber** is Vice President of Research at DCI. She leads DCI's research division and spearheads all research reports (including *Talent Wars*). (Robyn.Domber@aboutdci.com)

**Heather Gantz** is a Senior Account Executive at DCI. She coauthors DCI's national talent research, *Talent Wars*, and teaches/speaks on the subject frequently. (Heather.Gantz@aboutdci.com)

### A LOOK INSIDE THE LATEST TALENT ATTRACTION RESEARCH

A national survey of more than 1,000 working-age people across the U.S. who moved during the pandemic reveals important insights into what triggered relocation during COVID-19, talent migration trends, views on the importance of cash incentive offers, findings on remote work and the pandemic's impact on career changes and training. Talent attraction case studies from across America shine a light on best practices for competing in today's war for talent.

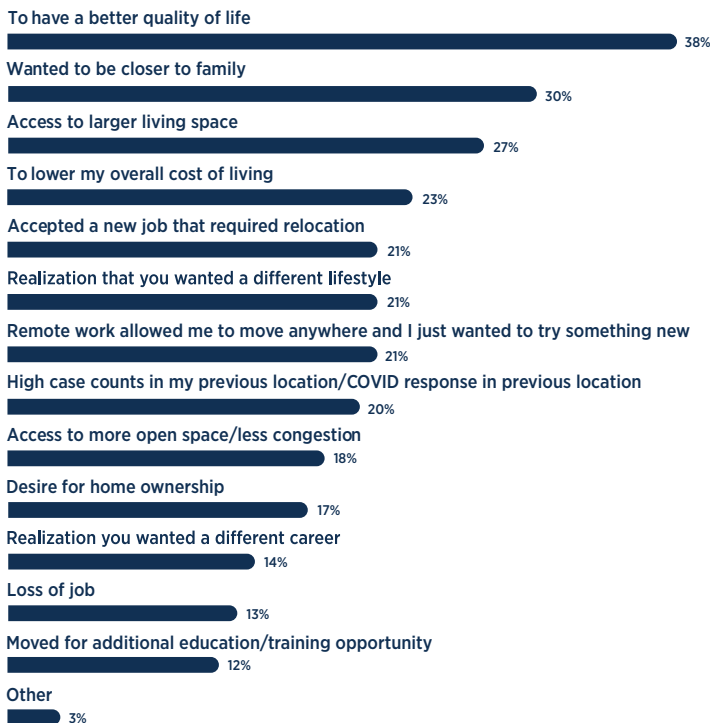


This interactive data set from *The Wall Street Journal*, for example, made sense of that information and highlighted some of the major takeaways. Such takeaways include New York County losing many residents to suburbs in New Jersey and to the state of Florida; Los Angeles and San Francisco losing residents to other Southwestern and mountain states; and Southern states such as Arizona, Texas, and Florida overall seeing an influx of newcomers. With these findings in mind, it was obvious that there was – and continues to be – a reshuffling of talent throughout the country.

DCI set out to uncover the *why* behind these pandemic moves to better understand which factors were the strongest motivators. With more than 1,000 respondents, the survey revealed other trends as well. The key findings didn't point to career-related factors, nor did they necessarily point to place-based factors. **The top answers highlighted a new talent trend emergence: talent is prioritizing a higher quality of life and is willing to move to obtain it.**

When asked about the triggers prompting their moves, talent's top three answers were: to have a better quality of life, to be closer to family, and to have access to a larger living space, respectively. (Figure 1)

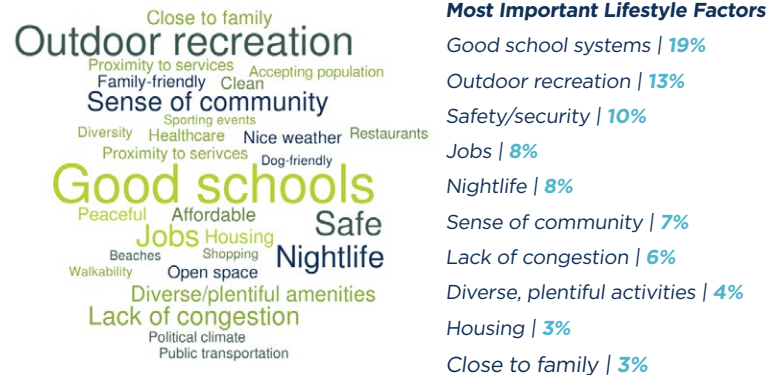
**FIGURE 1. PRIMARY TRIGGERS CAUSING RELOCATION AMID COVID-19**



This doesn't mean that career and purely place-based factors are no longer of importance to talent, but it does tell us that work-life balance (with an emphasis on "life") is more important to talent than it has been in previous years.

**FIGURE 2. OPEN-ENDED DEFINITION OF "QUALITY OF LIFE"**

After your basic criteria have been met when considering a new location to move to (i.e., housing, job etc.), what specific quality of life factors become most important?



So, what does "quality of life" entail? It can be hard to quantify exactly. DCI asked talent to expand on that sentiment and define what quality of life means to them. In the word cloud, the size of the word represents how popular the answer was among respondents; the bigger the word, the more often it was said. (Figure 2)

The first four triggers causing talent to relocate are non-career related factors. This is good news for economic development organizations (EDOs) and place marketers, as they can capitalize on this trend by clearly and visually speaking to their locations and quality of place factors (in addition to their career factors).

#### CASE STUDY BREAKOUT: Boomerang Campaign

The second greatest trigger prompting talent to relocate amid the pandemic was to be closer to family. At first blush, it might seem like an impossible topic to address. After all, place marketers and EDOs cannot control where talent's families plant roots. But they can, however, try to appeal to talent on this level by enticing them to come "home," also known as a boomerang strategy.

An organization in Greensboro, Action Greensboro, is currently executing what appears to be a very successful boomerang campaign, Boomerang Greensboro. Their tagline is "You grew up, so did Greensboro" to speak to the region's downtown transformation, investment, and revitalization. The website prompts talent to read and watch other boomerangs' stories who have made their way back home to Greensboro. This is a prime example of a community appealing to talent's nostalgia for "home" and ties to Greensboro and the state of North Carolina.

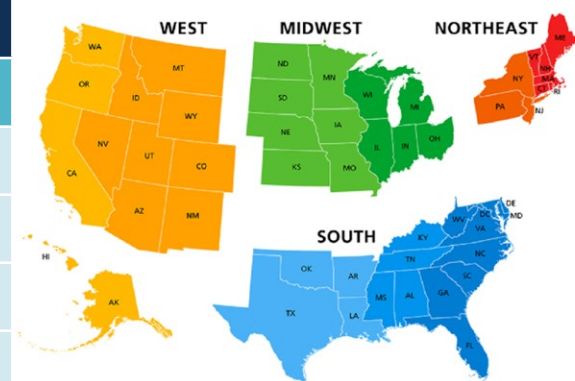
The first four triggers causing talent to relocate are non-career related factors. This is good news for economic development organizations (EDOs) and place marketers, as they can capitalize on this trend by clearly and visually speaking to their locations and quality of place factors (in addition to their career factors).

### FIGURE 3. TRACKING TALENT MIGRATION TRENDS ACROSS THE U.S. BY LOCATION

Region of Original Residence vs. Region of New Residence

Most relocated within their original region

| Region of Original Residence | Region of New Residence |           |       |      |
|------------------------------|-------------------------|-----------|-------|------|
|                              | Midwest                 | Northeast | South | West |
| Midwest                      | 55%                     | 11%       | 19%   | 15%  |
| Northeast                    | 9%                      | 57%       | 23%   | 11%  |
| South                        | 9%                      | 8%        | 74%   | 9%   |
| West                         | 11%                     | 8%        | 22%   | 59%  |



### TALENT MIGRATION: WHERE PEOPLE WENT

If you've been following the news since the onset of the pandemic, the media has published articles almost daily regarding talent's migration amid the pandemic. Headlines have evoked images of big-city dwellers packing up and heading for the suburbs, Northerners heading to warm locations in the South with lower costs of living, and remote workers now having the freedom to work from anywhere in the country (or world, for that matter).

Upwards of seven million households moved to a different county in 2020 alone (Source: U.S. Postal Service data analyzed by *The Wall Street Journal*). As migration data was compiled, the question wasn't whether people were moving; the question was whether there was a correlation between geographic region, community size, and where talent chose to go next.

Interestingly – and unlike some of the more dramatic headlines in the media – the majority of talent not only moved within their original geographic region of the U.S., they also generally moved to a similar community type/size as their previous location. Talent who originally lived in the South, for example, moved but remained in the South. (Figure 3)

While stories of people embarking on cross-country moves for completely different lifestyles certainly generated buzz, those individuals were not in the majority.

DCI then asked talent about their new and previous community types. Those responses also suggested that talent moved to a community type akin to their original residences. Again, this debunks the myth that all people in cities were headed to rural and suburban communities and vice versa. (Figure 4)

While this doesn't mean that talent *won't* move cross-country to a completely different community type and/or geographic region, these findings suggest that talent might be more likely to be persuaded to move within their current region to a similar city. This is valuable information for place marketers, as it can inform and guide targeting strategies in their talent attraction marketing programs. Of course, places will still target strategic tal-

ent markets throughout the country, however, recruiters should not ignore the talent in their own backyards and neighboring states.

### THE TRUTH ABOUT CASH INCENTIVES

"Move here and receive \$10,000!" These types of headlines and programs popped up almost monthly throughout the pandemic with the goal of enticing newly remote workers to come enjoy a community's low costs of living, outdoor recreation, quality of life, and more as work-from-home mandates swept the nation. Suddenly, many people were no longer tied to a physical office, and places of all sizes tossed their hats into the ring hoping to grab talent's attention.

### FIGURE 4. TRACKING TALENT MIGRATION TRENDS ACROSS THE U.S. BY COMMUNITY TYPE

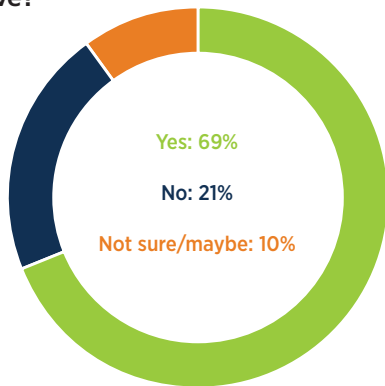
Community of Original Residence vs. Community of New Residence

Most relocated to a similar community type

| Community Type Original Location            | Community Type - New Location        |                                          |       |          |
|---------------------------------------------|--------------------------------------|------------------------------------------|-------|----------|
|                                             | Large urban more than 1 Million pop. | Mid-sized urban less than 1 Million pop. | Rural | Suburban |
| Large urban area 1 Million + population     | 56%                                  | 22%                                      | 12%   | 9%       |
| Mid-sized urban area > 1 Million population | 34%                                  | 44%                                      | 10%   | 12%      |
| Rural                                       | 17%                                  | 13%                                      | 50%   | 19%      |
| Suburban                                    | 10%                                  | 10%                                      | 10%   | 70%      |

**FIGURE 5. MEASURING THE IMPORTANCE OF RELOCATION INCENTIVE OFFERS**

(if “yes, I was offered an incentive and I accepted it”) Would you have relocated to your new location without the offer of an incentive?



It’s too early to conclusively measure the success of some of these newer cash incentive programs, as we’re unfortunately still in the midst of the COVID-19 pandemic. However, DCI asked the 1,000-plus survey respondents whether they were offered an incentive to move, and even more interestingly, whether it really made a difference in persuading them to move. As it turns out, the answer to the latter question is not really.

First, DCI asked if talent were offered any incentives (i.e. financial, free services or products, debt forgiveness) to move to their new location. More than half (52 percent) of respondents were offered an incentive and accepted it. At first, this response was reasonably in favor of incentives. However, when those who said “yes” were then asked whether they would have moved without the incentive, a staggering 69 percent replied that they would have moved regardless of the incentive. (Figure 5)

So, the question remains: are these incentive programs “worth it?” It depends on the goal of the program.

If the goal is to increase the population size in the city, these programs can get very costly very quickly and might only result in a handful of new residents. On the

The future of remote work is one of the most widely debated work-related topics to come out of the pandemic. Between differing opinions on productivity and collaboration, commute times, socialization, and childcare (which feels like a near-impossible puzzle to solve), the answer is that there is no singular, perfect answer when it comes to working from home. What we do know though, is that talent’s opinions on the matter are polarized; most people who have an opinion have a strong opinion.

other hand, if the goal is to generate media buzz and elevate name/brand recognition, then that alone could justify the investment.

## THE GREAT DEBATE: TALENT’S TAKE ON REMOTE WORK

The future of remote work is one of the most widely debated work-related topics to come out of the pandemic. Between differing opinions on productivity and collaboration, commute times, socialization, and childcare (which feels like a near-impossible puzzle to solve), the answer is that there is no singular, perfect answer when it comes to working from home. What we do know though, is that talent’s opinions on the matter are polarized; most people who have an opinion have a strong opinion.

For context, this year’s *Talent Wars* survey was in the field with talent in August 2021 – approximately a year and a half into the pandemic. Though it is likely that the state of the pandemic had some influence on respondents’ answers, DCI asked talent to speak to their preferences as if COVID-19 restrictions were fully lifted and it were totally safe to go into a physical office space with coworkers.

To be expected, there was no clear “winning” answer. Talent was divided in their responses. When asked about their preferred work arrangements moving forward, 40% of respondents said they would like to work in the office full-time...a clear increase compared to responses in the 2020 survey.

In short, the future of remote work is complex. Not only do preferences obviously differ by lifestyle, but factors such as age, gender and race play a role in talent’s inclination to return to the office as well. (Figure 6)

In addition to asking respondents about their work-from-home preferences, DCI asked talent if they considered themselves to be true digital nomads. In this case, a digital nomad is defined as “people who are location-

**FIGURE 6. TALENT’S WORK-FROM-HOME PREFERENCES**

|                                              | All | People of Color | Ages 35-44 | Computer and Mathematical Occupations |
|----------------------------------------------|-----|-----------------|------------|---------------------------------------|
| A mix of working from home and in the office | 24% | 22%             | 22%        | 17%                                   |
| In the office full-time                      | 40% | 33%             | 47%        | 51%                                   |
| Working from home full-time                  | 36% | 45%             | 31%        | 32%                                   |

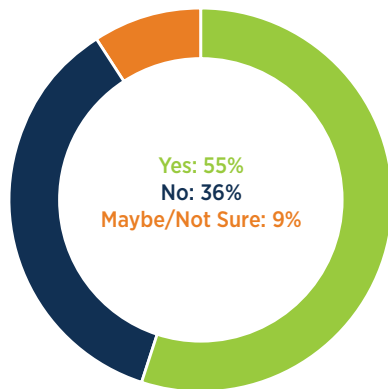


independent and use technology to perform their job, while traveling from place to place. Digital nomads work independently or remotely, telecommuting rather than being physically present at a company's headquarters or office." (<https://www.investopedia.com/terms/d/digital-nomad.asp>)

More than half (55 percent) of respondents did identify as digital nomads. (Figure 7)

**FIGURE 7. TALENT'S DIGITAL NOMADIC SELF IDENTIFICATION**

**Would you call yourself a digital nomad?**



This self-classification is both fascinating and relevant, as it tells us that a fair portion of talent who have moved amid the pandemic might have plans to move again soon.

#### **CASE STUDY BREAKOUT: Targeting the Remote Worker**

Despite the lack of consensus surrounding working from home, one thing we know for sure: a significant amount of talent (60 percent) would like to work from home in *some* capacity and the remote worker should not be ignored. One place doing a good job of appealing to remote workers is Chattanooga, TN.

Chattanooga's talent attraction program, Chattanooga Calling, is multifaceted with a special interest in digital nomads and remote workers. Chattanooga leverages its attractive juxtaposition of having the fastest internet in

the world (thanks to the Gig) and their easy access to the Appalachian Mountains to lure talent who can work from anywhere. From testimonial videos of other remote transplants to curated Airbnbs with access to the Gig, Chattanooga is aggressively pursuing remote talent... and getting national recognition for it.

#### **COMBATTING THE GREAT RESIGNATION**

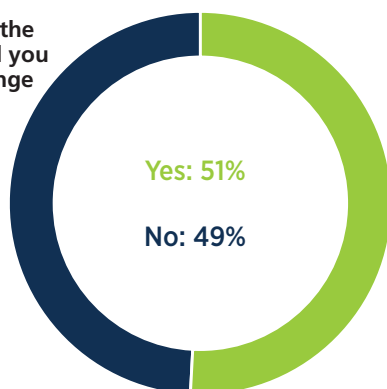
A term coined by Professor Anthony Klotz of Texas A&M University, the Great Resignation has only intensified the war for talent in the U.S. and across the globe. As of September 2021, there were 0.7 unemployed persons in the U.S. per job opening (Source: U.S. Bureau of Labor Statistics). There are many theories as to why this phenomenon of record-breaking resignations is taking place: the Baby Boomer generation retiring earlier than planned, lack of accessible childcare for working parents, fear of COVID-19 infection, and talent's newfound prioritization of quality of life. Regardless of the "why," companies and communities alike are left navigating a severe talent shortage.

If there was a *perfect* answer for defying the wave of resignations, we wouldn't be in this situation. That being said, this trend has caused companies and EDOs to pay a little (or a lot) more attention to one possible long-term solution: reskilling and upskilling. This is by no means a new workforce development tactic, but when push comes to shove and positions must be filled, employers are creating their own talent pipelines by offering training to get talent up to speed for their vacancies. And according to the research, talent is hungry for the opportunity to upgrade their career paths.

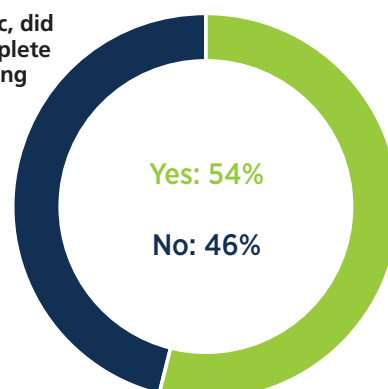
About half of DCI's survey respondents (51 percent) said that they changed their careers due to the pandemic. Surely some of these people were forced to change their careers with the mass layoffs and furloughs that came with the onset of COVID-19 in early 2020, but talent isn't just looking to go back to their old jobs or industries. They want something better. **A notable 54 percent of respondents enrolled or completed additional training programs during the pandemic to change or upgrade their careers.** (Figure 8)

**FIGURE 8. THE PANDEMIC'S IMPACT ON CAREER CHANGES AND TRAINING**

**As a result of the pandemic, did you decide to change your career?**



**During the pandemic, did you enroll in or complete any additional training or educational programs in order to change or upgrade your employment?**



Unsurprisingly, salary still came out on top as the highest-priority factor when considering a new job (as it has every year). What is interesting in this year's report is that work-life-balance nearly tied with salary, nodding to talent placing increasing importance on quality of life.

EDOs should keep this in mind when developing talent attraction marketing initiatives, ensuring reskilling resources within their communities are clearly presented and available to talent. Companies should do the same and additionally consider focusing more heavily on talent's relevant skills and experience as opposed to enforcing strict degree requirements when unnecessary.

### TALENT'S TOP CAREER AND LOCATION FACTORS

Finally, each year, DCI asks talent to rank their top factors when considering a new job as well as a new location. This is a consistent question throughout all *Talent Wars* reports in order to measure how priorities shift over time, in addition to helping communities (and companies) best appeal to talent.

While quality-of-place factors are rising in importance, the career-related factors are what matter most to talent. People are fond of romanticizing stories of picking up and moving to a brand-new place regardless of a job, but the truth is that it's rare for people to relocate without a job offer in place.

### JOB FACTORS

Unsurprisingly, salary still came out on top as the highest-priority factor when considering a new job (as it has every year). What is interesting in this year's report is that work-life-balance nearly tied with salary, nodding to talent placing increasing importance on quality of life.

Also a *Talent Wars* first, in third place was a three-way tie: location of the new job opportunity, meaningful work, and company benefits. Now more than ever, talent wants to live somewhere that improves their standard of living and do purpose-driven work. (Figure 9)

### LOCATION FACTORS

When pondering a relocation, talent takes the practical matters into consideration first such as: housing costs and availability, cost of living, and safety/crime rates. This has rung true year after year; at the end of the day, talent wants to know that they can afford to live comfortably. (Figure 10)

Once those factors are satisfied, talent can begin to prioritize what matters most to them on a personal level whether that be the location's climate, diversity, cultural amenities, and so on. It's worth mentioning that the difference between the highest and lowest-ranking factors is

**FIGURE 9. TALENT'S TOP FACTORS WHEN CONSIDERING A NEW JOB**

On a scale from 1 (not important) to 10 (very important), please rate each of the following factors if you are/were considering a new job opportunity?



less than a full point difference... meaning no factor is necessarily unimportant to talent.

It's unrealistic to think that any one place can excel in every factor (if there is a place out there with the lowest cost of living, most affordable housing, best climate, proximity to friends and family, lowest crime rates, ideal nightlife, and hottest job market, we're all ears). The point isn't to possess all these attributes – it's simply impossible. The point is, however, to recognize where your community succeeds in this list and play to those strengths when marketing to talent.

When informing their location decisions, talent turns to social media, internet research, and first-hand experience. The top social media platforms talent uses to learn more about career opportunities and locations are Facebook, YouTube, and Instagram, respectively.

## CONCLUSION

The war for talent is ongoing and fierce as ever, but place marketers and economic developers are no strangers to the required agility that comes with the territory. Since the onset of the pandemic in 2020, the labor market has undergone many gyrations, leaving employers and place makers alike with economic whiplash. From specific industries nearly collapsing in 2020 to record-high numbers of people quitting their jobs in 2021 to a completely unprecedented era of remote work, no one could have predicted what these past few years would hold. What economic developers and marketers can control, however, is how we respond and act. Conducting frequent research to better understand talent's priorities, paths to purchase, and industry trends is crucial to stay abreast and stand a chance in the talent war. 🌐

## FIGURE 10. TALENT'S TOP FACTORS WHEN CONSIDERING A NEW LOCATION

How important were each of the following factors in your decision to relocate? (1=not important and 10=very important).





**IEDC 2022**  
**economic future forum**

**JOIN IEDC ON**  
**JUNE 12-14**  
**IN RICHARDSON, TX**





INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

Register today at [www.iedconline.org/richardson](http://www.iedconline.org/richardson)

# supporting inclusive GROWTH IN NORFOLK

By Michael Paris

## BACKGROUND

The city of Norfolk's economic development workforce initiative, Norfolk Works, received the Gold award from the International Economic Development Council (IEDC) for a Multi-Year Economic Development Program, and a Silver award for Talent Development and Retention. In receiving these awards, Norfolk's recognition highlights three ideas for the economic development community to consider: 1) championing local talent, especially people from diverse and underrepresented groups is good policy, 2) it is our responsibility to provide access for people and neighborhoods that have not historically participated in economic growth, and 3) EDOs can help new and expanding businesses by coordinating local talent sources, delivering qualified candidates to newly created jobs in one seamless fashion. This article charts the background, development, and the challenges of Norfolk Works' efforts to bridge the euphoria of job announcements with economic opportunities for all.

Norfolk is a central city of over 238,000 residents within the Hampton Roads region. The city encompasses approximately 54 square miles and is strategically located in southeast Virginia on the Elizabeth River and the southern side of Hampton Roads. As the financial, business, medical, cultural, education, and entertainment center, Norfolk is the heart of the Hampton Roads metropolitan area. Norfolk is the region's jobs center with more than 140,000 non-military positions. The city is home

Leaders identified one topic that required immediate attention: how the city of Norfolk could help ensure residents had access to the incoming positions, as well as enough lead time to acquire the skills and competencies to position them as competitive candidates.

to the Port of Virginia corporate offices as well as Norfolk International Terminals, Norfolk International Airport, and the largest naval station in the world. Major industries include healthcare, information technology, shipbuilding and repair, manufacturing, business/shared services, transportation and logistics, and insurance.

In 2015, Norfolk was still experiencing the lingering impacts of the Great Recession. At the same time employment opportunities from announcements of more than 5,000 new jobs came to Norfolk from new and expanding businesses including two new hotels, a new Automatic Data Processing, Inc. (ADP) branch location, a new Premium Outlets mall, a renovated Waterside District, and a new IKEA. These new economic development projects and a stubbornly high unemployment rate resulted in the Norfolk City Council bringing together staff and community stakeholders to identify best practices and strategies focused on workforce development. Leaders identified one topic that required immediate attention: how the city of Norfolk could help ensure residents had access to the incoming positions, as well as enough lead time to acquire the skills and competencies to position them as competitive candidates.

---

**Michael Paris** is a Senior Business Development Manager for the Norfolk Economic Development Department and oversees workforce development and business retention and expansion (BRE) initiatives for the city of Norfolk. (michael.paris@norfolk.gov)

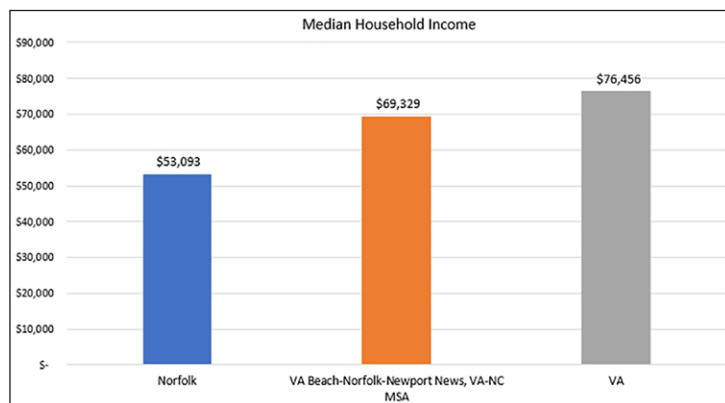
---

## ALIGNING ECONOMIC & WORKFORCE DEVELOPMENT STRATEGIES

*At the heart of the "Hampton Roads" region of 1.8 million people, Norfolk, Virginia has many great assets, including the largest naval base in the world, the Port of Virginia, and NATO's home in North America. But, like many American cities, Norfolk is also home to concentrations of poverty that have too often been historically disconnected from economic opportunity. Following the Great Recession, Norfolk launched an innovative workforce program, Norfolk Works, aimed at ensuring its residents had inclusive access to job opportunities generated by its economic development projects and to support associated attraction, retention, and expansion efforts. Norfolk Works was selected by IEDC in 2021 for two Excellence in Economic Development awards.*



**FIGURE 1**



Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates, Table S1901: Income in the Past 12 Months (In 2019 Inflation-Adjusted Dollars)

The city administration also believed that focusing on enhancing skills and providing access to emerging employment opportunities generated by and related to economic development projects might, in part, help address Norfolk's high unemployment rate, which was consistently above the MSA, and simultaneously support increasing salaries. As illustrated in Figure 1, the median household income for Norfolk is significantly below the MSA and the Commonwealth of Virginia. Norfolk has the lowest median household income at \$53,093. The median household income for the VA Beach-Norfolk-Newport News, VA-NC MSA is over \$16,000 higher than that of Norfolk at \$69,329. The median household income for Virginia is over \$23,000 higher at \$76,456.

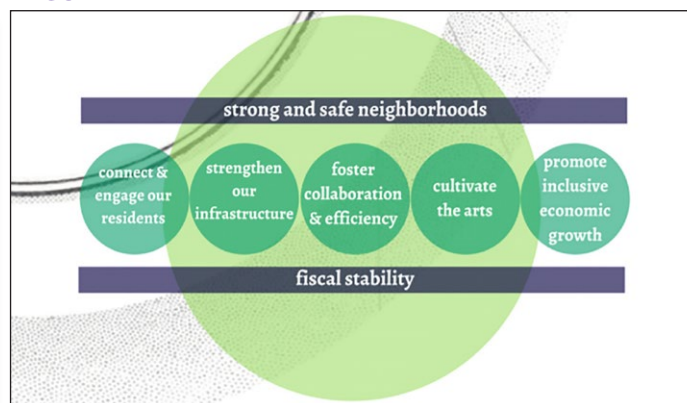
If Norfolk continued its status as the economic and cultural center of the Hampton Roads region (population of 1.7 million/37<sup>th</sup> largest metropolitan area in the nation), the city had to enact economic development policies that are inclusive, providing better access to high wage occupations. One strategy identified was to create a workforce development initiative, embedded in the city's Economic Development Department, that encompassed a spectrum of services strategically aligned with the city's economic development goals and objectives.

Concurrently, with the work undertaken with business and community stakeholders the Norfolk City Council was advocating for inclusive economic development policies that work for all Norfolk residents and businesses. City Council updated its overarching city-wide goals to include "promote inclusive economic growth" as one of its five core goals and two priorities – Strong and Safe Neighborhoods and Fiscal Stability (Figure 2). City Council's leadership focus on inclusive economic growth was followed with a series of council actions that included additional policy direction and funding support to build a sustainable and resilient workforce development initiative.

### ESTABLISHING NORFOLK WORKS

In December 2016, the city established Norfolk Works, the new workforce development arm of the Eco-

**FIGURE 2**



nomics Development Department, with three primary purposes:

1. Align economic and workforce development efforts;
2. Champion the recruitment of diverse Norfolk talent to support business attraction, retention, and expansion; and
3. Coordinate the local workforce partners to help Norfolk citizens prepare for and connect to in-demand employment opportunities.

When established, Norfolk Works became one of the first workforce development initiatives in Virginia to fully integrate with a municipality's economic development department. The operating structure of Norfolk Works was to provide more than a standalone workforce initiative, divorced from the department's core objectives; but rather, a program that is in sync with the traditional economic development activities already underway in the city. Norfolk Works actively supports business attraction, retention, and expansion by moving from desktop labor market data to developing community-wide mechanisms to deliver large numbers of qualified candidates from diverse talent sources to a new or expanding business on short notice.

When established, Norfolk Works became one of the first workforce development initiatives in Virginia to fully integrate with a municipality's economic development department. The operating structure of Norfolk Works was to provide more than a standalone workforce initiative, divorced from the department's core objectives; but rather, a program that is in sync with the traditional economic development activities already underway in the city.

## PROGRAMS AND SERVICES

Norfolk Works carries out its programs and services through three program components:

1. **Norfolk Works Job Resource & Community Career Center** – the Center offers a street-level office and a direct connection for the public to the Norfolk Department of Economic Development and access to its relationships with new and expanding businesses seeking to fill newly created jobs. The Center is located approximately half a mile from one of the region's largest concentrations of poverty.
2. **Norfolk Works Business Services** – support for existing, prospective, and new Norfolk businesses via connections to diverse talent pools through strategic recruitment efforts and technical assistance regarding the utilization of applicable hiring incentives.
3. **Norfolk Works Workforce Investment Network (WIN)** – an interagency network of local, state, and federally funded agencies to collaborate on workforce projects that mutually support job seekers and businesses.

This work is carried out by dedicated professionals focused on three target audiences:

1. **Norfolk residents** seeking employment, especially underrepresented talent and those living in neighborhoods that have not fully enjoyed the benefits of previous economic projects (supported by the *Norfolk Works Job Resource & Community Career Center*);
2. Existing and prospective **Norfolk businesses** interested in leveraging diverse local talent to support new enterprises and business expansions (supported by *Norfolk Works Business Services*); and
3. **Workforce development partners**, interested in synergizing efforts to create easier access to diverse and underrepresented talent sources and communicating a common brand to the local business community (supported by *Norfolk Works Norfolk Workforce Investment Network [WIN]*).

It cannot be overstated that Norfolk Works focuses on improving the quality of life of Norfolk residents by ensuring project announcements of jobs created that have a



*Norfolk Works' Norfolk Workforce Investment Network (WIN) meeting. Agency partners include the Virginia Economic Development Partnership, Virginia Employment Commission, Hampton Roads Workforce Council, Tidewater Community College, and numerous community and non-profit workforce partners.*

real impact on peoples' lives, especially residents living in historically underrepresented communities. Moreover, from its inception, the program has made "championing diverse Norfolk talent" a core component of its mission. This is carried out by advocating for underrepresented groups and consistently leveraging the unique access the city's Economic Development Department has with the business community.

Another important component of the work undertaken by Norfolk Works is the coordination with multiple partner agencies through the Norfolk Works Workforce Investment Network, or WIN. Norfolk Works has leveraged WIN to better align the city's economic and workforce development efforts by improving the connection among economic development, workforce partners, and the local business community.

Examples of WIN's program effectiveness are:

- Its ability to supply a new waterfront venue in Norfolk with 229 new hires in one week's time and recognized by IEDC in 2017 under the business retention & expansion single event category.
- Supplying talent to Norfolk-based manufacturers pivoting to produce Personal Protective Equipment (PPE) and related products. During the height of the pandemic, Norfolk Works assisted one such local manufacturer by supplying talent that enabled the creation of a new product line of much-needed hospital sheets, gowns, and masks.

## NORFOLK WORKS IN ACTION

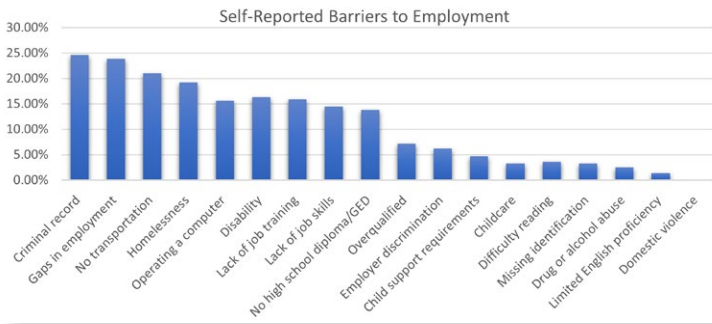
Since its launch, Norfolk Works has completed more than 30 employment projects; six training initiatives; brought together 15 workforce agencies, some previously operating in silos; and has connected more than 12,000 job seekers to the business community in need of talent from diverse sources. These sources include underrepresented groups such as low income and public housing communities, individuals with disabilities, returning citizens from the justice system, residents experiencing homelessness, and people with a mental health diagnosis.

Norfolk Works Job Resource & Community Career Center has now received over 7,000 visits since its inception. Prior to the COVID-19 pandemic, in-person visits to the Center averaged 150-250 residents per month.



*Norfolk Works' Job Resource & Community Career Center – A street-level location, open to the general public, the Center strives to make the Norfolk Economic Development Department and information about newly created jobs more accessible.*

**FIGURE 3**

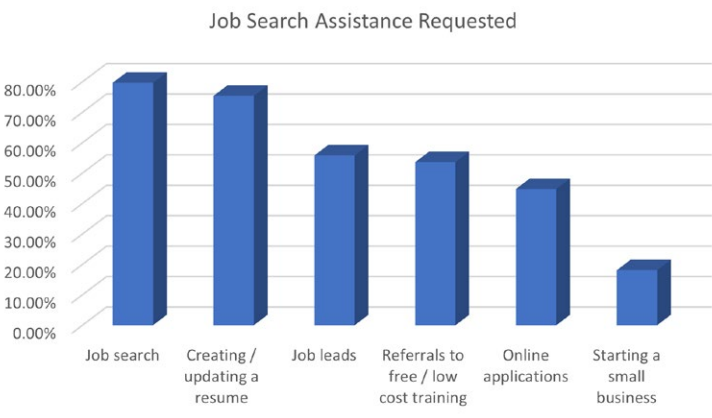


The Center continues to be the city's trusted broker for local employment and training opportunities, in addition to providing quality, on-demand job search assistance.

In the everchanging employment landscape, Norfolk Works is continually working to break down employment barriers. It has both internal capabilities and external partnerships to address the range of employment barriers that job seekers face. The program uses continuous feedback from clients to address these issues. Job seekers note their top reasons for having difficulty securing employment upon their first visit to the Job Resource Center. A criminal record and gaps in employment are the top self-reported barriers. (Figure 3)

Strategies are devised to assist job seekers based on the type of assistance requested. Figure 4 identifies the top requested services from job seekers. Assistance with a job search is the most requested service.

**FIGURE 4**



Norfolk Works tailors specific strategies to further address potential employment barriers and assist clients in collaboration with partners that are subject matter experts. A few examples of these strategies focus on a range of clients and topics including residents with criminal backgrounds, transitioning veterans, and shortage of CDL drivers. These strategies of note are described below:

- Partnership with Second Chances, a city of Norfolk-sponsored re-entry program. Second Chances works with residents who have been previously involved with the justice system for non-violent offenses.

Norfolk Works has hosted weekly workshops in partnership with Second Chances for residents with a criminal conviction at Norfolk Works Job Resource & Community Career Center. Norfolk Works and Second Chances work collaboratively to place residents in jobs and free to low-cost training opportunities.

- The U.S. military drives a significant portion of the city's economy that is attributed to defense spending in contracts and personnel compensation. With Norfolk as the home to the largest Naval installation in the world, headquarters for NATO's Allied Command Transformation, and homeport to all East Coast Aircraft Carriers and Military Sealift Command, establishing strong partnerships and programs with the defense community is key to sustained economic growth.
- As part of this effort, the city of Norfolk has aligned its Office of Military and Veteran Affairs to work closely with the Department of Economic Development. This partnership strengthens support between the community and our military through Norfolk Works. Workforce programs are in place that support military veterans, veterans in transition to the civilian workforce, and military families.
- DriveNOW takes a Norfolk Works participant who is typically unemployed, or making near minimum wage, to a CDL Class B with a \$30,000+ a year job with benefits, in less than six weeks. The program is in partnership with Tidewater Community College and Hampton Roads Transit.



Top left – Youth Career Fair at Norfolk Scope; Top Right – Norfolk Works hiring event for new stores opening at the Norfolk Premium Outlets; Bottom – 2019 Norfolk Works team photo – pictured from left to right, Deborah Robinson (former team lead), Brenda Davis (retired), Penni Pike, Terry Richards (present team lead), and Keisha Smallwood (not shown).





Norfolk Redevelopment Housing Authority's Calvert Square EnVision Center. Several Norfolk Works hiring events, training sessions, and career days have been held at this location (located in Norfolk's St. Paul's Redevelopment Area).

## SERVING AND SUPPORT FOR THE ST. PAUL'S AREA TRANSFORMATION

Norfolk Works is an active partner of the St. Paul's Area Transformation. The project, now underway, is a partnership between the city, its contractor, Urban Strategies Incorporated (USI), the Norfolk Redevelopment and Housing Authority, and the U.S. Department of Housing and Urban Development to increase self-sufficiency, financial independence and successful outcomes for families in St. Paul's; deconcentrate poverty and develop high quality mixed-income, mixed-use communities of choice; and provide access to educational opportunities. Norfolk Works has made St. Paul's a focus area to serve residents who are unemployed or underemployed.

The St. Paul's Area is home to the region's highest concentration of public housing with 4,500 residents living in 1,674 aging units that do not meet modern building standards in three adjacent family public housing communities – Tidewater Gardens, Calvert Square, and Young Terrace. The impacts of this concentrated poverty often prevent families from reaching economic empowerment and self-sufficiency. Working collaboratively with Urban Strategies, Inc. (a nonprofit community development organization), and the Norfolk Redevelopment and Housing Authority, programs and services are in place for St. Paul's residents in the areas of employment preparation, job training, job search, and ongoing counseling to assist with success in the workplace. In just two years, the reported average annual income has increased significantly for Tidewater Gardens, the first St. Paul's community that Urban Strategies, Inc. and Norfolk Works are focusing efforts on.

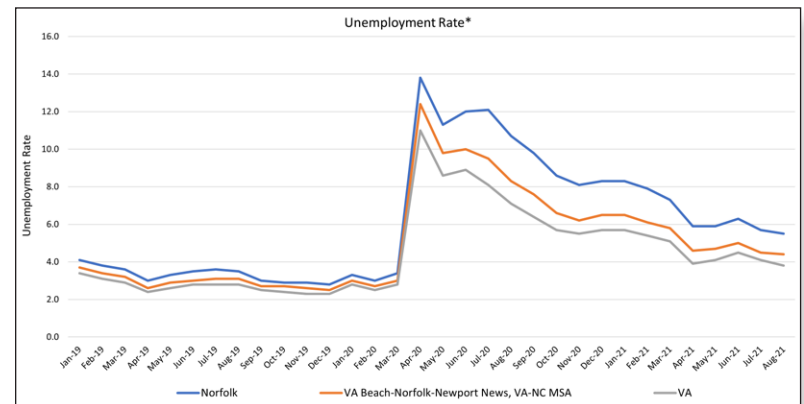
## SURVIVING THE COVID-19 PANDEMIC AND CREATING ACCESS DURING A TIGHTENING LABOR MARKET

Slowing Norfolk Works' momentum was the onset of the COVID-19 pandemic in March 2020. The "Shelter in Place" directive issued by Virginia's governor resulted in

the program shifting its services entirely over-the-phone and online. This pivot temporarily inhibited Norfolk Works from fully connecting with partners and providing in-person service and support.

Additionally, the large number of layoffs that followed the governor's declaration in the ensuing weeks resulted in an increased demand for services. (Figure 5)

FIGURE 5



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics  
\*Not Seasonally Adjusted

A great team effort by the dedicated staff began to work behind the scenes to develop strategies for the continuation of programs and services. In-person assistance was replaced with "distance career coaching," leveraging proactive telephone outreach and other virtual engagements. Staff quickly became adept at using various on-line platforms to facilitate service delivery such as Zoom, Go-to-Meetings, and Microsoft Teams. While many programs saw a decrease in participation during 2020 due to a variety of COVID-19 induced factors, a quick pivot to distance career coaching services resulted in the number of people served by Norfolk Works to eventually stabilize. (Table 1)

TABLE 1

| Year | # Career Services Sessions Provided to clients | # Clients Served Offsite (Events) | Total   |
|------|------------------------------------------------|-----------------------------------|---------|
| 2016 | N/A                                            | 826                               | 826     |
| 2017 | 2837                                           | 4741                              | 7578    |
| 2018 | 2085                                           | 2705                              | 4790    |
| 2019 | 2268                                           | 1481                              | 3749    |
| 2020 | 499                                            | N/A Covid                         | 499     |
| 2021 | 259 YTD*                                       | 50 YTD                            | 309 YTD |

\* As of September 30, 2021

Two years later, Norfolk, like the rest of the nation, is attempting to regain a sense of normalcy around business operations. During this time, Norfolk Works began a deep dive to better understand the operations of



partnering businesses. In August 2021, Norfolk Works launched a new workforce tour series, partnering with community workforce programs and businesses who have recently announced expansions, to gain a better understanding of their upcoming employment needs by seeing a “day in the life.”

One recent trip, organized by Norfolk Works and USI, was an all-day visit to a large shipyard. Local workforce professionals, representing an array of underrepresented talent groups with a focus on the adjacent St. Paul’s community toured the facility, met with key members of the human resources staff, and participated in a brainstorming session devoted to recruitment and retention. Intentional tours, such as these, working with a diverse set of community stakeholders and workforce programs provide a better understanding of local businesses’ needs, strengthen working relationships, and, most importantly, promote access to what might be seen as “insider information.”

This intentional effort of promoting access by sharing relational capital – *often built with the business during the traditional process of developing an economic development expansion or attraction project* – is one of the most critical elements in making job announcements more than something residents read about in the news but something real that people can benefit from. Intentionally transferring relationships and creating access is especially important for those neighborhoods and social groups that have too often not enjoyed the benefits of previous economic projects developed nearby to them, a key element to inclusive growth and shared opportunity.

As we continue to aim for a sense of normalcy, Norfolk Works is once again working to provide businesses with a spectrum of services that include:

- Connecting businesses to multiple talent sources: colleges and universities, workforce centers, and our transitioning military;
- Creating and hosting networking events, job fairs, employer tours, and community hiring events;
- Promoting job openings at expanding and new businesses served by the Economic Development Department;
- Assisting Norfolk businesses with diversity hiring initiatives; and
- Connecting with our community talent partners on an ongoing basis to synergize efforts.

A silver lining of the pandemic for Norfolk Works is the opportunity to reset and review organizational goals and strategies as well as work to strengthen existing partnerships. While individual client numbers declined, new initiatives are being developed to reach individuals who may have left the workforce.

Like many programs have felt nationally and internationally, Norfolk Works’ staff has faced challenges in its efforts to recruit talent in this tight labor market. Staff has found it difficult at times to fill positions requested by partner employers, even those paying higher wages. Anecdotal evidence of the challenges of recruiting talent locally was confirmed by Old Dominion University’s Dragas Center for Economic Analysis and Policy when it released its 2021 State of the Region Report in October of 2021.

The report stated that while the region is slowly recovering from the pandemic-spurred economic distress, it has lost a large chunk of its workforce. Many individuals in this category have left the workforce and are not actively seeking employment opportunities.

A silver lining of the pandemic for Norfolk Works is the opportunity to reset and review organizational goals and strategies as well as work to strengthen existing partnerships. While individual client numbers declined, new initiatives are being developed to reach individuals who may have left the workforce.

With nearly 900 jobs announced by the Norfolk Economic Development Department in 2021, the program is attempting new ways to create access to these incoming positions for the community. One such initiative is the new “C3” Ambassador Program. The Norfolk Works Community Career Connectors (C3) program is looking to leverage community volunteers, staff in recreation centers, libraries, and other “frontline” city positions to serve as a bridge in the recruitment process as we focus on direct outreach to Norfolk neighborhoods. Leveraging Norfolk Works small and dedicated staff with Community Career Connectors, that know the residents of the neighborhoods, will allow us to extend our reach further into the community, creating new access to information and resources related to the next round of planned jobs to be created.

A second initiative is based on the demand for welders driven by shipbuilding and commercial fabrication. Working collaboratively with partner agencies, a mobile welding lab “WeldNOW” is scheduled to come on-line this winter for Norfolk’s shipbuilding and repair community to train residents who lost their employment due to COVID-19, who are otherwise unemployed, or are looking to transition into new careers. This training provides a career path into the field of welding where current salaries in Norfolk range from \$15 to \$28 an hour.



## MOVING FORWARD

The unexpected and abrupt change in the economic landscape beginning in March 2020 significantly impacted how Norfolk Works conducted its business. The lessons learned from this experience and the overall growth of the program since inception have helped to validate core beliefs of the need for inclusive economic development. This effort has resulted in the commitment to:

- Embrace economic inclusion policies;
- Support and championing of local talent, especially people from diverse and underrepresented groups is good economic policy; and
- Support for growth-oriented businesses through partnerships with economic development and by efficiently coordinating local talent from multiple sources.

Today, Norfolk Works has broad-based support from local, state, and federally funded partners. It was able to bring together a variety of community workforce development agencies, sometimes operating separately, and mostly unknown to the business community, into one cohesive team. This team has advocated for and worked to develop a viable talent pipeline to meet the needs and challenges faced by Norfolk businesses.

The pandemic provided Norfolk Works with the opportunity to review organizational goals and strategies as well as work to strengthen existing partnerships. Key initiatives identified that will ensure the long-term success of this workforce development program include:

- Continue championing local talent, creating access for people from diverse communities and underrepresented groups to relationships with the business community;
- Strengthen relationships with local leaders for a sustained commitment for workforce development programs and services;

- Strengthen relationships with military leaders to support the successful transition of veterans into the civilian workforce;
- Leverage existing resources to maximize effectiveness; and
- Strengthen community relations and continue to identify underserved communities to ensure talent availability.

Norfolk Works is strategically positioned coming out of the pandemic to continue to serve as a pillar of the city's economic development strategy and build new bridges, developing enhanced access for underrepresented communities to emerging economic development projects and the employment opportunities they provide. Talent retention and development remain key as Norfolk continues to diversify its economy, ensuring it has the talent ready to position itself as a leader in emerging clusters such as offshore wind and biotechnology. The city of Norfolk has placed inclusive economic development strategies like Norfolk Works in place so that all residents can continue to enjoy the benefits of economic growth and newly created jobs as we place the COVID-19 pandemic in our rear-view mirror.

## Acknowledgements

The author would like to thank Emmanuel Manolakas, Management Analyst with Norfolk Development, for coordinating assignments and editing each draft; Jennifer Seay, Management Analyst with Norfolk Development, for conducting research, developing the city overview, and building the visuals; and Terry Richards, Norfolk Works' career center lead, for your commitment and service, along with Penni Pike and Keisha Smallwood, key members of our Norfolk Works team, and the many staff over the years who have faithfully ensured Norfolk Works was always run with excellence. 🌐



**ECONOMIC DEVELOPMENT RESEARCH PARTNERS**  
International Economic Development Council

**THE NEW EDRP REPORT IS AVAILABLE NOW!**  
Download the full report at [www.iedconline.org/edrp](http://www.iedconline.org/edrp)

**ECONOMIC DEVELOPMENT IN A CHANGING CLIMATE**  
MINIMIZING RISKS AND MAXIMIZING OPPORTUNITIES

# the element of “surprise”

## IN A STRATEGIC PLAN

By Jeanine Jerkovic, CEcD

Strategic planning during times of crisis is a lot like the adage about cleaning with kids in the house: it's like brushing your teeth while eating Oreos. When it's hard to fathom even planning a day ahead – how does an economic development organization (EDO) plan five years ahead? Post-2020, commonly accepted world economic, politics, workforce patterns, and consumer behavior itself has all completely changed, and the only constant is change.

Understanding fundamental local, regional, and global trends is integral to creating a strong strategic plan for any EDO, and yet post-2020, most of us have a better chance at predicting the winning Powerball lottery numbers than the next major global shockwave.

Strategic planning as an EDO during turbulent times is never easy – but rest assured that it is possible. The city of Surprise Economic Development Department recently contributed to a virtual IEDC presentation to discuss findings and solutions identified for strategic planning in a time of crisis on a webinar titled, “Is It Time to Update Your Strategic Plan?”

Surprise, Arizona, is a fast-growing suburban community of approximately 149,000 people, and although mostly known as the Spring Training MLB home of the Kansas City Royals and the Texas Rangers, the community is facing similar post-2020 challenges and opportunities echoed by many other cities nationally. Like many cities, Surprise is focused on creating local employment opportunities, attracting retail, and supporting innovation and new downtown development initiatives during a time of extreme uncertainty. Located in the north-west Greater Phoenix region, the city of Surprise has recently experienced a fast-paced transition. The community that started as an agricultural and

### TAKEAWAYS

1. It's easy to get caught up in a flight-or-fight response during times of turmoil. Having a strategic plan to mitigate a crisis can help.
2. IEDC's Strategic Planning textbook section on “Strategic Planning for Disaster Recovery” provides an excellent framework for a plan to expect the unexpected.
3. The city of Surprise, Arizona, developed a plan for recovery in 2015 using the IEDC Strategic Planning guidelines, and some best practices learned were over-communication with businesses and residents, and remembering to celebrate successes.
4. Embrace the chaos by not fighting it and not predicting outcomes. Instead, categorize the chaos and be willing to try and fail – and try again, if needed.
5. Taking a bite-sized, shorter-term approach to strategic planning can help manage uncertainties. The city of Surprise, in fact, created a 100-Day Plan during the COVID-19 pandemic.
6. No one is immune at the local level to larger economic, social, and other trends.

retiree economy, with a population that was only 7,182 in 1990, is today adding a record number of young families, talented professionals, and diverse high-density multifamily, employment and retail development projects.

Jeanine Jerkovic, CEcD, is economic development director for the city of Surprise, Arizona. (jeanine.jerkovic@surpriseaz.gov)

### AVOIDING A FREEZE, RETREAT, OR OVER-REACTION

During a crisis, the first person to raise their hand and declare, “Follow me! I know what to do!” has a tremendous advantage. The fog of a crisis is a critical time for decisions, many of which shape the leadership structure, tone, and pace of a strategic recovery plan.

In an ideal world, every organization would respond rationally, responsibly, and perhaps even heroically in a crisis and have the perfect game plan ready to go. A fight-or-flight impulse during times

## IS IT TIME TO UPDATE YOUR STRATEGIC PLAN?

*Times of chaos and confusion aren't the most conducive to the strategic planning process for economic development professionals, but it doesn't have to be an overwhelming experience. The city of Surprise, Arizona, provides case studies, lessons learned, and insights in support of a proactive, bite-sized, and step-by-step approach to strategic planning during times of turmoil by applying practical IEDC disaster recovery and resiliency tools.*



When organizations freeze during a crisis, this is demonstrated as a prolonged wait-and-see approach, believing they can analyze – possibly over-analyze – their way out of the problem. “Paralysis by analysis” is rooted in a fear of making the wrong choice and is supported where the organizational culture has an extreme aversion to risk. Usually by the time action is forced, it can be too-little-too-late.

of chaos often happens within organizations (businesses, governments, etc.) of all sizes. Generally, three prevalent management reactions can take shape and define the narrative for the organizational crisis mitigation strategy moving forward: freezing, retreating, or over-reacting.

When organizations freeze during a crisis, this is demonstrated as a prolonged wait-and-see approach, believing they can analyze – possibly over-analyze – their way out of the problem. “Paralysis by analysis” is rooted in a fear of making the wrong choice and is supported where the organizational culture has an extreme aversion to risk. Usually by the time action is forced, it can be too-little-too-late.

A kissing cousin to freezing is retreating, or actually taking measures to reduce time or resources with the belief that the organization can cut its way to a recovery. This reaction is a signal that the organization assumes the absolute worst about the current crisis and metaphorically begins throwing weight off the side of the lifeboat. This can often manifest as an over-abundance of slashing key programs, contracts, budgets or even personnel to play it extremely safe without a true, measured or rational understanding or analysis of the consequences.

If you have the money, the impulse to spend your way out of a crisis isn't totally irrational – but over-spending, even over-reaching, can be a problem with unintended consequences. The intent is positive, but it can lead to a rush to judgement, or throwing good money after bad on huge gimmicky or experimental sales pitches or studies proposing economic solutions in the heat of the crisis, often with very little return-on-investment. Worst case, it leaves little time or resources for other solutions that might have come up with a bit more communication, perspective, and collaboration.

Although not easy to plan strategically in the midst of a crisis, as economic development leaders, it is our role and responsibility to find a way to rise above it and to be the ones to raise our hands and lay down a plan of attack. Fortunately, the International Economic Development Council (IEDC) has provided copious amounts of information and tools to help us do just that. Furthermore, any community previously rocked by a recovery-type experience can tell you: the best and only way to weather

a future crisis is to plan strategically for the likelihood of one, and IEDC has easy-to-find information to help get that started.

### CITY OF SURPRISE “BRIDGE-TO-BUSINESS” CASE STUDY – A COVID-19 “DRESS REHEARSAL”

During the first days of the COVID-19 pandemic in 2020, Surprise was fortunate to be able to reflect upon a recent business recovery effort that is in hindsight referred to as the city's COVID-19 “dress rehearsal.”

Back in 2015, Surprise wasn't struck by any imminent danger – i.e., no hurricane, a flood, earthquake, fires, etc. – however, the community was faced with a proposed intersection bridge construction project and road closure that threatened the viability of 277 local businesses. The lessons learned and experiences gained were incredibly valuable and set the stage for the community's strategic disaster preparedness practices moving forward.

By 2015 the city had finally settled into a steady economic growth mode after the 2007-2009 Great Recession, and every retail sales tax dollar was crucial to the community's viability. Almost without warning, less than two months' notice, it was decided that a bridge overpass project had been funded and would start construction at an important community retail intersection, at Bell Road and Grand Avenue, to facilitate a bypass of a BNSF railroad line. While in the long-term, this meant a great stride for safety, in the short-term this meant 277 businesses accounting for more than 40% of our General Fund revenue would be severely impacted.

A quick business outreach and survey process unveiled the obvious: businesses said they were moderately to completely terrified of losing their livelihoods because of the proposed intersection closure. A local economist retained from analytics firm Applied Economics confirmed the fears. A predicted loss of more than 1,000 jobs and \$1 million in city of Surprise General Fund





revenue for the full 8-month intersection closure was estimated. There were grave concerns that the businesses would miss out on the lucrative Surprise Spring Training tourism season in the month of March or the holiday shopping from November through January during the mild winter tourism season. The Arizona Department of Transportation promised that a condensed 8-month bridge construction schedule would stay on-track, although this was cold comfort for the impacted businesses faced with less accessibility and customer visibility.

The “Strategic Planning for Disaster Recovery” section of the IEDC Strategic Planning textbook is a particularly useful playbook for mapping out the 8-month mitigation and recovery process. By applying the recommended action steps to create a preparedness plan, the City of Surprise Economic Development Department was able to hit the ground running.

Crediting IEDC’s recommendations, the city implemented a simple threefold formula into practice:

1. Over-communication with the business community,
2. Over-communication with the public, and
3. Frequent celebrations of success.

Over-communication with businesses was identified as being particularly essential – the reason being that most businesses are busy and stressed-out even in the best of times. They also are highly distracted – and they may not easily absorb information provided – despite the best, most repeated and dynamic efforts to convey information. If you think you have communicated enough with businesses during a crisis, you are wrong. You can never communicate enough with them.

Over-communication tactics for businesses used in Surprise included:

1. Weekly in-person canvassing of local businesses to personally check in and identify any issues;
2. Creating a web-based landing page with information updates as well as a telephone hotline;
3. Developing a routine business email blast with construction and community resource updates;
4. Providing leave-behind print collateral for businesses on recovery resources and for messaging to their customers;

Over-communication with businesses was identified as being particularly essential – the reason being that most businesses are busy and stressed-out even in the best of times. They also are highly distracted – and they may not easily absorb information provided – despite the best, most repeated and dynamic efforts to convey information. If you think you have communicated enough with businesses during a crisis, you are wrong. You can never communicate enough with them.

Over-communication with the public is crucial today more than ever, mainly because the average person has grown accustomed to receiving an abundance of news on demand. Even with a comprehensive over-saturation of information, the public might find a way to fill in any information gaps on their own, especially on social media, and misinformation can spread quickly.

5. Conducting free, regularly accessible business education courses taught by local business mentors related to enhancing business marketing practices;
6. Convening monthly business stakeholder meetings for updates and an opportunity to ask questions of staff; and
7. Partnership with the local Chamber of Commerce to sponsor business participation in a pilot text marketing campaign for the promotion of business deals and promotions.

Over-communication with the public is crucial today more than ever, mainly because the average person has grown accustomed to receiving an abundance of news on demand. Even with a comprehensive over-saturation of information, the public might find a way to fill in any information gaps on their own, especially on social media, and misinformation can spread quickly. Tactics that helped the city mitigate this have included:

1. Bi-weekly public presentations at televised City Council meetings to report on the situation;
2. Creating a uniquely branded “shop local” Bridge-to-Business campaign targeted at the closed intersection encouraging local shoppers to shop and providing tips as to how they could support impacted businesses;
3. Developing a customer-focused “Shop Bell and Grand” website with a map of how to access the area;
4. Placing articles and advertisements in the local newspapers, in city water bills, on city digital signs and on the public television channel, Surprise Channel 11, informing customers how to support businesses at the Bell and Grand intersection during the bridge construction;
5. Social media marketing encouraging subscribers to opt-in to receive a “Deal of the Day” message; and
6. Developing community events, including everything from paper “shred-a-thons,” to pet adoption and back-to-school shopping events, with the Bell and Grand property management company to invite residents to continue frequenting businesses in the intersection.

During dynamic times when it can seem like living to fight another day is the only priority, celebrating successes – both big and small – is a powerful strategic ap-



Surprise-based restaurant with red “Open During COVID-19 / Pick Up and Delivery Available” banner

proach to a recovery process. As economic developers, we have to be great storytellers; motivators; and advisors to our community, our leaders, and our businesses. Finding a way to tell positive and affirming stories and choosing to see the best in situations does not mean ignoring the problems, but it does mean amplifying the good and cheering on the wins. It is a time-honored leadership tool, a community confidence-builder, and a survival tactic. In the midst of a crisis, good news has a way of recharging our collective batteries.

In the midst of the 8-month Bell and Grand Bridge construction project in Surprise, the time, care, and positive messages provided to the business community became contagious, and shopping at the intersection deliberately became somewhat of a local point of pride. Rather than the rampant job loss and business closures predicted, in fact six new businesses opened in the intersection during the construction timeframe. The business feedback received was that they were unilaterally impressed with the community support and business-friendly narratives expressed throughout the difficult construction closure process; in other words, if this was the community at its “worst,” they were looking forward to seeing it at its best. Instead of more than a \$1 million in General Fund loss, the community accounted for a loss of only \$30,000 that year.

As the intersection re-opened in time for the holidays, the city hosted an outdoor holiday “thank you” event for the businesses and the public. Thousands of residents lined up to shop at the re-opened retail intersection, and many more were eager to be the first to drive over the new bridge in the hours after the City Council cut the ribbon. Surprise was delighted to receive a 2017 IEDC Bronze Award at the Annual Conference for its “Bridge-to-Business” Business Retention and Expansion Campaign.

## LESSONS FROM SURPRISE: THE DOS AND DON'TS OF EMBRACING THE CHAOS

Embracing chaos in a crisis is similar to the classic process of grief: denial, anger, bargaining, depression, and acceptance. The faster you can get to the acceptance stage

and the sooner you can rise above it, get a plan of action, and get to work – the better. Lessons learned in Surprise during their Bridge-to-Business case study included:

1. **DON'T fight the chaos.** The sooner you can stop the complaining, start thinking positively, and get comfortable with the idea of just being *uncomfortable* and accept the situation at-hand, the better. This mindset also helps mitigate the classic freeze, retreat, and over-react responses as well.
2. **DON'T predict outcomes.** No one knows how long the chaos will last or what the real impacts or losses, if any, to the business community will be. Those who try to guess will probably get it wrong, and it is best to work with the best available knowledge and facts in the present – and with a vision for the future in mind.
3. **DO create a process to categorize, or organize, the chaos.** In the middle of a crisis, if you aren't proactively creating priorities, it never fails that they will be created for you. What Surprise learned during its Bridge-to-Business experience was that three priorities really mattered – and the rest could wait. The city focused on business engagement, workforce displacement assistance, and business recovery, and once these priorities were established – the chaos inevitably became more manageable.
4. **DO be willing to try and fail – and try something else.** Not every tactic or action will work out as expected, and a willingness to regroup and try a different approach might make all the difference.

### SURPRISE LESSONS:

## How to Embrace the Chaos

- Stop fighting it
- Hold off predicting outcomes (timelines, losses)
- Create a process to categorize the chaos
  - What are your priorities?
    - In Surprise: Business Engagement, Workforce Displacement Assistance and Business Re-Entry/Safety and Recovery
  - How are you managing priorities?
  - Communicate obsessively with all stakeholders
    - Assign technical, communications and business experts at **LOWEST** level (not highest) for responses and follow up
- Be willing to try and fail and try something else



## THE BITE-SIZED PLANNING APPROACH

Strategic plans with long-term visions can carry a lot of pressure and expectations, but who says a strategic plan has to look five years into the future? Why not three years, or one year, or even less? During only the first few days of the COVID-19 pandemic, Surprise gathered lessons from its Bridge-to-Business experience and created a short 100-day strategic plan focused on implementing a community-wide recovery process. Once the 100 days wrapped up, the determination was made to initiate the department's strategic planning process on an annual basis for the near future.



The city's 100-Day Strategic Recovery Plan focused on three primary department priorities – or goals – of business engagement, workforce displacement assistance, and business recovery. The plan was launched with the purpose of communicating with stakeholders and giving confidence to the city's leadership, businesses, and community. A five-step tactical action plan was rolled out soon after with these priorities at the forefront. The five steps of a 'Surprise' recovery are applicable to any short-term planning endeavor, and they are summarized as follows:

#### Five Elements of the Surprise Recovery:

- **Step 1: Communication** – informing and empowering leaders, residents, businesses, and job seekers.
- **Step 2: Metrics** – assessing business conditions, workforce, and performance.
- **Step 3: Reinforcement** – purposeful engagement to strengthen and support the community.
- **Step 4: Recognition** – appreciation of the community's successes and resiliency.
- **Step 5: Regeneration** – process of adjustment and adaptation, leveraging the community's strengths.

#### Step 1: Communication

During March of 2020 when business shut downs began nationally, the city's previous Bridge-to-Business experience made it possible for the Surprise Economic Development Department to rapidly deploy a 100-Day Plan. Content was quickly organized for a dedicated "business help" website with specific resources categorized for businesses, residents (i.e. customers), and job seekers. An "open for business" banner program was quickly ramped up for the business community and implemented, and in addition to a business visitation program, the staff created a daily phone bank and script to connect with more than 1,700 businesses with the latest resource information.

Daily interactions over the phone with businesses helped not only disperse information, they helped the staff collect questions and concerns, which were added to a "FAQ" section of the business help website. In addition to a #StayStrongSurprise video series created to showcase business resources, a social media series and virtual res-

taurant status list was launched to help residents continue to frequent businesses safely and knowledgeably.

#### Step 2: Metrics

While the saying is true that "what gets measured gets done," in a chaotic environment, knowing which metrics to track in the first place is critical. While traditional survey methods may be impractical if response rates are low and emotions are running high, a combination low-tech-high-tech approach can be effective.

Daily phone bank calls to the local business community for personal inputs, daily calls to qualified SBA lenders to understand how and to whom loans were getting made, tracking social media shares and views, and reviewing website analytics provided valuable insights to staff. Once it was uncovered what was and was not working, the team was able to adjust quickly. Additionally, there are many effective third-party technology analytics tools that also help when traditional data collection is difficult, and Surprise was able to utilize Buxton to help track retail and restaurant visitation numbers to help track and forecast City of Surprise General Fund revenue levels during the pandemic.

#### Step 3: Reinforcement

Strategic plan pillars and principles, such as goals and objectives, are important to structure, but it is also important to accept that every community has a uniqueness, a character, and a local culture that will respond differently to the tactics and actions used to meet goals and objectives. In other words, what works in one place may not totally work in another place, and for this reason, flexibility is key. Once a tactic is measured for effectiveness and discovered to work, it is important to double-down, or *reinforce* what is working.

As an example, Surprise discovered that restaurants – particularly non-chain locally owned restaurants – during the COVID-19 pandemic that did not have as many online customer ordering capabilities were at a severe disadvantage compared to those offering more capabilities. Additionally, the time and cost of implementing online ordering systems was a primary concern. The city researched several cost-friendly options for these restaurants and personally reached out to provide guidance. With the priority of business recovery in mind, helping small businesses adjust rapidly to online ordering systems was an unforeseen but necessary action step.

Strategic plan pillars and principles, such as goals and objectives, are important to structure, but it is also important to accept that every community has a uniqueness, a character, and a local culture that will respond differently to the tactics and actions used to meet goals and objectives.



#### Step 4: Recognition

American children's television host Fred Rogers, a.k.a. Mr. Rogers, is quoted as saying, "When I was a boy and I would see scary things in the news, my mother would say to me, 'Look for the helpers. You will always find people who are helping.'" Appreciation, recognition and celebrations of local uniqueness, character, and resiliency are a relief from the constant onslaught of negativity during a crisis as well as a much-needed morale booster. Surprise created local community awards recognition of extraordinary services and acts of kindness throughout the community. The recognitions affirmed the best elements of the community and were celebrated:

- A local business donated hundreds of thousands of medical masks to the community;
- A local business owner bought hundreds of pizzas for local hospitals and their front line health workers from his own pocket; and
- A local cupcake shop began a campaign to help kids stuck at home in quarantine celebrate their birthdays by setting up deliveries by employees in Disney character costumes.

Once businesses were able to fully reopen, the city created a virtual ribbon-cutting program, helping local businesses create a fun boomerang video posted on social media. In total, 101 local businesses celebrated a virtual reopening and enjoyed promoting their resiliency in a fun, upbeat way. Building a recognition process into a strategic plan is a critical way to elevate both marketing and stakeholder engagement in a community.

#### Step 5: Regeneration

There is a point when a temporary adjustment or adaptation is no longer temporary and that a 'new normal' exists – at least until the next major shift or trend pops up. As an example, a need for more video production



*Surprise Virtual Ribbon Cutting Campaign for the Grand Re-Opening of local business*

than ever before was identified by the city as a significant but necessary recovery adaptation. After three prospect site visit postponements, the city realized that a shift to virtual site tours – or rather, creatively filmed video tours of the community's real estate – would have to serve as the next-best thing. When it was no longer possible to host a huge VIP event at the Spring Training MLB complex in Surprise, the department created both limited-attendance in-person events as well as virtually engaging Zoom and video events for the development and business audiences. Small business education classes would indefinitely have to be delivered online as well. These were critical stakeholder marketing pivots to ensure both short-term resiliency and long-term recovery.

#### WHERE DO WE GO FROM HERE?

While the post-2020 economy certainly makes strategic planning difficult, there are growing, emerging, and reemerging trends which, while complex and volatile in nature, can be implemented into an EDO strategic planning process. If the COVID-19 pandemic taught the economic development community anything, it is that much like the virus itself, global and once far-away economic and social trends inevitably will find a way back to make local impacts. Workforce shortages, immigration, racial inequality, climate change, real estate vacancies or shortages, remote workforce shifts, affordable housing deficiencies, supply chain challenges, reshoring of manufacturing projects, and many others, can no longer be considered specific to any segmented geography.

As the city of Surprise accepts this new reality, the community is now considering new objectives and stakeholder engagements in a way that would rarely have been considered prior to 2020. For example, the latest Economic Development Department strategic plan addresses a surge in single-family residential and multifam-



*Local business donation of 30,000 masks to the Surprise Fire Department*



Post-2020 strategic planning – at least in the short-term – may involve different stakeholders than ever imagined, such as a social media audience. A shorter-term process may mean a smaller-scale, shorter-term consensus building processes. This may also mean increasingly unconventional, exploratory, and creative actions and tactics required than ever before.

ily growth, when prior to 2020, the department neither cared about nor tracked residential development. A rush of industrial and manufacturing projects and an escalation in retail growth at the same fast pace as residential and multifamily development has created a healthy competition for land acquisitions and a community-wide land use deliberation unlike anything ever experienced previously.

A rise in entrepreneurship and remote workforce has created a demand for co-working space in the community's business incubator, the AZ TechCelerator, unlike ever before. Construction-related workforce and supply chain shortages have caused both significant cost concerns and timing delays for several much-awaited projects anticipated to open this year.

Post-2020 strategic planning – at least in the short-term – may involve different stakeholders than ever imagined, such as a social media audience. A shorter-term process may mean a smaller-scale, shorter-term consensus building processes. This may also mean increasingly unconventional, exploratory, and creative actions and tactics

required than ever before. On the other hand, in the midst of a dynamic worldwide landscape, there are economic development service principles, pillars and strategic planning fundamentals that will always be important, such as implementing good programming in support of business expansion and retention, small business and entrepreneurship assistance, and workforce development. The strategic planning fundamentals still have a role but more creativity and leadership skills than ever before will be needed to implement goals and objectives.

The rules of strategic planning are more flexible than ever before, which is both daunting and exciting. The most important elements – even more than the element of 'Surprise!' – are the EDO's leadership, dedication to the community in which it serves, and commitment to a successful path forward. 🌐



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

## IEDC 2022 WEBINAR SERIES

### FULL-SERIES PACKAGE *\*BEST DEAL*

MEMBERS: \$899  
NON-MEMBERS: \$1,449

### HALF-SERIES PACKAGE

MEMBERS: \$499  
NON-MEMBERS: \$749

### INDIVIDUAL

MEMBERS: \$109  
NON-MEMBERS: \$149

Register at  
[www.iedconline.org/webinars](http://www.iedconline.org/webinars)

## UPCOMING WEBINARS: MARCH - AUGUST

### Pitches & Proposals to Make Your 'Home Opener' Stand Out

March 17, 2022, 2:30 pm - 4:00 pm EST

### Using Multimedia as a Showcasing Tool

April 21, 2022, 2:30 pm - 4:00 pm EST

### The Outdoor Recreation Economy

May 19, 2022, 2:30 pm - 4:00 pm EST

### Catch Your Ride to Becoming an Innovative Transportation Community

June 30, 2022, 2:30 pm - 4:00 pm EST

### Partnering Up for Projects and Progress in Your Community

July 21, 2022, 2:30 pm - 4:00 pm EST

### From Worker to Boss: Entrepreneurship in the New Age

August 18, 2022, 2:30 pm - 4:00 pm EST



# 2022 LEADERSHIP SUMMIT SPONSORS & EXHIBITORS

IEDC would like to thank the sponsors and exhibitors of the 2022 Leadership Summit for demonstrating their commitment to the important work of economic developers. It is through their generous support that IEDC has brought leaders of the profession together for this forum of professional development, peer networking, and discussions of the most imperative issues facing economic developers today. We proudly recognize the following sponsors and exhibitors as partners in helping economic developers to build strong, more vibrant communities.

## CHAIRMAN'S CLUB:



## MEDIA:

**BUSINESS FACILITIES®**  
THE SOURCE FOR CORPORATE SITE SELECTORS



## WELCOME RECEPTION CO-HOST:



## PLATINUM SPONSORS:



## GOLD SPONSORS:



## SILVER SPONSORS:



# FORWARD

## BRONZE SPONSORS:



## EXHIBITORS:



# NEWS FROM IEDC

## ANNOUNCING IEDC'S NEW PRESIDENT & CEO

We are thrilled to announce Nathan Ohle has joined IEDC as our new President and Chief Executive Officer. His first day with IEDC was February 7. Nathan is a nationally recognized economic development expert with more than 17 years of experience leading public, private, and nonprofit organizations.

He has proven expertise in a wide range of areas, including work in rural, metro, and suburban settings; public policy; association management; economic development; diversity and inclusion; fundraising growth; change management; and partnerships. Nathan's combination of experience, skills, vision, and personal qualities will maintain IEDC's legacy as well as propel us into the future.

## NEW PLAYBOOK ON EQUITABLE ECONOMIC DEVELOPMENT RELEASED AND COHORT KICKS OFF

In 2021 IEDC launched the Equitable Economic Development Playbook Initiative with support from The Rockefeller Foundation and The Kresge Foundation. In January 2022, IEDC published the Playbook which takes a comprehensive look at the economic development practice in order to promote equitable strategies and standards. This publication is available on our website.

In early 2022 we also kicked off the technical assistance component of this project. We will be assisting five communities in a year-long project to develop an Equity Action Plan. The organizations are:

- City of El Paso
- St. Louis Development Corporation
- Elevate Rapid City (South Dakota)
- Village Capital (Cleveland, Ohio)
- Montgomery County Economic Development Corporation (Rockville, Maryland)

## CORPUS CHRISTI, TEXAS AND SHIAWASSEE COUNTY, MICHIGAN ACCREDITED

The Accredited Economic Development Organization (AEDO) program offers a rigorous application process that allows for self-learning and provides a third-party evaluation.



The Corpus Christi Regional Economic Development Corporation (Corpus Christi, Texas) became the twelfth accredited organization in Texas. In January, Shiawassee Economic Development Partnership

(Owosso, Michigan) became the fourth accredited organization in Michigan.

Every three years, accredited organizations undergo a thorough review to maintain their accreditation. Lehigh Valley Economic Development Corporation in Bethlehem, Pennsylvania was recently reaccredited. Discover how your economic development organization can become accredited at [www.iedonline.org/AEDO](http://www.iedonline.org/AEDO).

## ECONOMIC DEVELOPMENT LED ENTREPRENEURSHIP CREDENTIAL PROGRAM EXPANDS

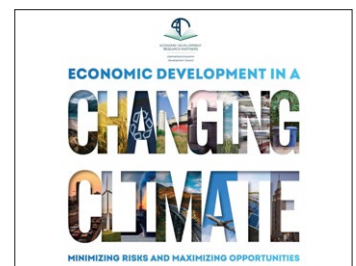
The first Entrepreneurship Development Professional (EDP) exam was held in December, with eight individuals attaining the new EDP designation. This year IEDC will continue to offer professional development training focused on entrepreneurship-led economic development and build upon the success of the program, adding two opportunities for practitioners to attain the EDP designation. The first EDP exam takes place April 30, 2022. For more information, please go to [www.iedonline.org/edp](http://www.iedonline.org/edp).



## NEW EDRP REPORT AVAILABLE ON CLIMATE CHANGE AND ECONOMIC DEVELOPMENT

As the impacts of climate change continue to grow, economic development organizations need to plan and act accordingly. The latest report from IEDC's Economic Development Research Partners (EDRP), "Economic Development in a Changing Climate: Minimizing Risks and Maximizing Opportunities," is a primer on climate-related trends and their impact on the field.

The report helps economic development organizations identify risks that climate change brings to communities and industries, as well as opportunities for businesses to develop new products, services and markets, and for communities to improve their physical resiliency while also improving their business climate and quality of life.



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

# CALENDAR OF EVENTS

## RECERTIFICATION FOR CERTIFIED ECONOMIC DEVELOPERS

Fulfill a recertification requirement without tapping into your budget!

Earn two credits towards your next recertification by having an article published in the *Economic Development Journal*, IEDC's quarterly publication.

This is one of a number of ways that you can pursue recertification credits.

Submissions are accepted throughout the year. The Journal Editorial Board reviews all articles and determines which articles are accepted for publication.

For more information contact Jenny Murphy, editor, at [murp@erols.com](mailto:murp@erols.com) [703-715-0147].



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

IEDC sponsors an annual conference and a series of technical conferences each year to bring economic development professionals together to network with their peers and learn about the latest tools and trends from public and private experts.

IEDC also provides education courses and webinars throughout the year for professional development, a core value of the IEDC. It is essential for enhancing your leadership skills, advancing your career, and, most importantly, plays an invaluable role in furthering your efforts in your community.

**For more information** about these upcoming conferences, webinars, and professional development education courses, please visit our website at [www.iedconline.org](http://www.iedconline.org).

### CONFERENCES

#### 2022 Economic Future Forum

June 12-14  
Richardson, TX

#### 2022 Annual Conference

September 18-21  
Oklahoma City, OK

#### 2023 Leadership Summit

January 29-31  
Tucson, AZ

#### 2023 Economic Future Forum

June 11-13  
Calgary, AB

#### 2023 Annual Conference

October 11-14  
Dallas, TX

### 2022 EDUCATION COURSES

Courses are online unless noted otherwise.

#### Technology-led Economic Development

April 7-8

#### Managing Economic Development Organizations

April 28-29

#### Real Estate Development & Reuse

May 12-13

#### Economic Development Finance Programs

May 18-20

#### Business Retention & Expansion

June 9-10  
Richardson, TX

#### Introduction to Entrepreneurship-led Economic Development

June 21-22

#### Accelerating Growth through Entrepreneurship-led Economic Development

June 23-24

#### Workforce Development Strategies

July 14-15

#### Entrepreneurial & Small Business Development Strategies

July 28-29

#### Real Estate Development & Reuse

August 9-10

#### Economic Development Marketing & Attraction

August 11-12

#### Economic Development Credit Analysis

August 24-26

#### Economic Development Strategic Planning

September 15-16  
Oklahoma City, OK

#### Business Retention & Expansion

September 29-30

#### Neighborhood Development Strategies

October 20-21

#### Entrepreneurial & Small Business Development Strategies

November 3-4

#### Real Estate Development & Reuse

December 1-2

### 2022 WEBINARS

#### Using Multimedia as a Showcasing Tool

April 21

#### The Outdoor Recreation Economy

May 19

#### Catch Your Ride to Becoming an Innovative Transportation Community

June 30

#### Partnering Up for Projects and Progress in Your Community

July 21

#### From Worker to Boss: Entrepreneurship in the New Age

August 18

#### Down by the Storefront

October 6

#### All Is Fine in Marketing Online

October 27

#### Combining Craft and Commerce

November 17

### 2022 CERTIFIED ECONOMIC DEVELOPER EXAMS

June 11-12  
Richardson, TX  
(App. Deadline: May 13)

September 17-18  
Oklahoma City, OK  
(App. Deadline: August 19)

### 2022 ENTREPRENEURSHIP DEVELOPMENT PROFESSIONAL (EDP) EXAMS

April 30-May 6 (online)  
(App. Deadline: April 1)

October 22-28 (online)  
(App. Deadline: September 26)



# proactively assisting small

## BUSINESSES THROUGH A CHANGING BUSINESS LANDSCAPE

By Keyri Ambrocio, Anne Benowitz, and Garrett Sheehan

### INTRODUCTION

As the COVID-19 pandemic hit, the needs of the business community in New Haven were apparent. Businesses struggled with little to no revenue, a shortage of workers, and navigating an unknown climate. Small businesses were faced with new challenges, and it was unclear where they should begin to look for help, as the second wave of the pandemic struck.

Through its business retention and expansion program, the Greater New Haven Chamber of Commerce heard every day from small businesses that they desperately needed access to resources. At the

same time, business owners focused their time on running their business on a day-by-day basis, without time permitting them to ask for support. Attendance at informational webinars was down and programs like the Paycheck Protection Program were being under-utilized.

Businesses were not sure how they should keep their business running and also did not have time to find assistance and resources. There was a great need not only for resources to assist in their recovery, but also for guidance in how to find and use these resources.

In response to this need, the Greater New Haven Chamber of Commerce created the Small Business Resource Center (The Center). The Center received

the Gold award from the International Economic Development Council for a Business Retention and Expansion Initiative.

### THE NEW HAVEN ECONOMY

To introduce the formation of the Small Business Resource program, it is helpful to understand the landscape in New Haven at the time this program was developed and the circumstances that necessitated the program. New Haven, like many cities around the country, was experiencing a rapid decline of workers commuting into the city, massive job losses, many business closings, and constant stress on employers to find creative ways of keeping their doors open. The businesses were faced with everchanging requirements of providing sanitized, safe environments for their customers and clients. Businesses were experiencing issues with employees not wanting to come to work out of fear or due to additional funding they were receiving, increased costs due to sanitizing, and creating barriers for safety. The increased costs, the uncertain future, and additional stress left little time to understand the myriad number of funding options.



Kimberly Pedrick in front of her independently owned boutique, Idiom, in New Haven, CT. The Chamber's Small Business Resource Center provided assistance to her.



### THE SMALL BUSINESS RESOURCE CENTER IN NEW HAVEN

The Greater New Haven Chamber of Commerce identified a need to support the business community in the New Haven region that faced a myriad of challenges during the pandemic. To address these issues, the Chamber formed the Small Business Resource Center, a support system for businesses to unlock available resources, expand growth opportunities, and create a strong entrepreneur ecosystem within the region. The Center received the Gold award from the International Economic Development Council for a Business Retention and Expansion Initiative in 2021. The business retention and expansion model can be applied by many different communities with a focus on direct communication with businesses, proactive outreach, and partnerships.

**Keyri Ambrocio** is the Public Policy and Strategic Communications Specialist for the Greater New Haven Chamber of Commerce. (kambrocio@gnhcc.com)

**Anne Benowitz** is the Director of Economic Development for the Greater New Haven Chamber of Commerce. (abenowitz@gnhcc.com)

**Garrett Sheehan** is the President and CEO of the Greater New Haven Chamber of Commerce. (gsheehan@gnhcc.com)

The Chamber, in collaboration with the United Illuminating Company and Regional Water Authority, developed the Small Business Resource Center to engage with and support the region's small business community, struggling to emerge from the pandemic. The neighborhoods in the region are comprised of mostly under-served communities of color. These small businesses needed a support system to unlock the resources available to them, expand opportunities for growth, and create a strong entrepreneur ecosystem.

New Haven is a coastal city located in Connecticut. It is the third largest city in the state. According to the census data, as of April 2020, there are 134,023 people living in New Haven. The population grew about 3.3 percent from 129,779 in 2010. The New Haven population is composed of 30.6 percent Hispanic or Latino residents, 30.4 percent Black residents, 27.6 percent white residents and 6.7 Asian residents, not including people of multiple races or ethnicities, according to the census. The median household income in New Haven is \$42,222, less than the national median household income of \$65,712. The city's economy employs 60,700 people, with the largest industries being educational services, health care & social assistance, and retail trade.

## APPROACH

Responding to the situation, the Greater New Haven Chamber of Commerce created an action plan to aid businesses in the region. The footprint for the Chamber encompasses 15 towns in the South-Central region, including Bethany, Branford, Cheshire, East Haven, Guilford, Hamden, Madison, Milford, New Haven, North Branford, North Haven, Orange, Wallingford, West Haven, and Woodbridge.

We have created strong partnerships with the city of New Haven and other regional entities, and each partnership has provided a full picture of the economic landscape of the region during COVID. The Center was born out of the challenges experienced by businesses across New Haven County. The challenges were especially acute in the neighborhoods of New Haven, West Haven, and East Haven.

While creating an action plan, the Chamber needed to answer many questions: What towns need help the most? Do we have the capacity to help the businesses that most need it? What is the most effective way to reach out to businesses? To what resources do businesses need access? What partnerships can be built upon to help the small business community? Answering these questions was just the beginning of cultivating a transformative and proactive business retention and expansion program.

The Chamber, in collaboration with the United Illuminating Company and Regional Water Authority, developed the Small Business Resource Center to engage with and support the region's small business community, struggling to emerge from the pandemic. The neighborhoods in the region are comprised of mostly under-served communities of color. These small businesses needed a support system to unlock the resources available to them, expand opportunities for growth, and create a strong entrepreneur ecosystem. The Center was developed with a mission of presenting a full spectrum of economic development resources available in the local, state, and federal economies. The goal of the Center is to connect proactively with existing businesses; understand their needs and provide targeted resources to assist, mitigate or solve for the challenges brought on by the pandemic; and most importantly, retain these companies.

## THE CENTER

The United Illuminating Company, a regional electric distribution company, and the Regional Water Authority, a public water supply utility company, provided support for the creation of the Center. Other partnerships were critical in the development of the Center including the following:

- City of New Haven;
- Connecticut Small Business Development Center (SBDC), providing no-cost advisory services;
- Workforce Alliance, providing employee and training assistance;
- Small Business Administration, providing support to entrepreneurs and small businesses;
- REX Development, an economic development agency in New Haven;
- Collab, providing entrepreneurship start-up support; and
- Regional university partners.

With assistance from these partnerships, we developed a plan to target the neighborhoods in New Haven and the surrounding region.

This critical-use plan applied a hands-on approach, specifically for small businesses, different than in the Chamber's other business retention and expansion pro-

The Center was developed with a mission of presenting a full spectrum of economic development resources available in the local, state, and federal economies. The goal of the Center is to connect proactively with existing businesses; understand their needs and provide targeted resources to assist, mitigate or solve for the challenges brought on by the pandemic; and most importantly, retain these companies.

gram. The goal was to make available all the resources needed to keep these businesses open and help them sustain through the opening phases proposed by the state of Connecticut. Within two weeks, five part-time interns, college students from three of the area colleges, were hired to conduct the outreach to small businesses in the 15 towns. Throughout this outreach, the focus was on New Haven, East Haven, and West Haven, the more economically distressed communities in the region.

The interns were provided with a script and set of questions. This included training around how to provide each business with the information necessary to determine which resources were most appropriate. All calls were followed-up with an email to the business owner, outlining the resources being provided and information on how to access each. The entire process was managed by the Greater New Haven Chamber's director of economic development and monitored for improvements and additional information. The business contacts and information collected by the students were tracked to determine who we were contacting, what we discussed, and the number of and variety of resources we were providing.

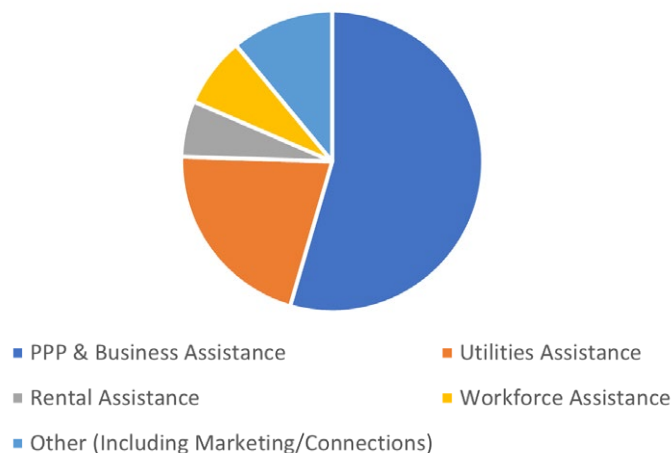
## MEASURES OF SUCCESS

From February to April of 2021, the Center contacted and spoke with almost 1,000 businesses. More than 180 resource connections were made with over 45 small businesses, providing assistance in the areas of PPP loans, utilities, rent, workforce, and more. The impact of reaching out to these businesses was creating a pathway for present and future solutions, creating relationships where they had not existed before, and maintaining those companies in the region. Each of the companies had an average of three employees, so it is estimated the program supported the retention of about 135 jobs. Business retention and expansion efforts have a multiplier effect, especially when providing direct resources. While not every business contacted expressed a need for assistance, conducting the outreach established the connection between the business and the Center, as a regional resource available if needed in the future. It was essential to maintain these connections to 1,000 companies and provide the assistance.

From February to April of 2021, the Center contacted and spoke with almost 1,000 businesses. More than 180 resource connections were made with over 45 small businesses, providing assistance in the areas of PPP loans, utilities, rent, workforce, and more. The impact of reaching out to these businesses was creating a pathway for present and future solutions, creating relationships where they had not existed before, and maintaining those companies in the region.

The resource connections provided utility payment support, rental assistance, Paycheck Protection Program (PPP) application support, marketing and e-commerce implementations, business planning resources, start-up assistance, and connections to grow their businesses. Of the support provided, 54.5% was PPP or business assistance, 21% was utilities assistance, 6% was rental assistance, 7.5% was workforce assistance, and 11% was another type of assistance, including marketing or creating connections. (Figure 1)

**FIGURE 1. RESOURCES PROVIDED**



*Resources provided in percentages by the Chamber's Small Business Resource Center.*

Paycheck Protection Program and business assistance were by far the most needed resources for business owners. Many small businesses were losing revenue after the closure of nearby schools and offices, and as people continued to fear for their safety leaving their homes. While resources like loans and grants were available to businesses, the application process was often confusing and time-consuming for them. The Center eased the process for them by pointing them in the right direction and making it easier to navigate a still difficult process.

Our interns also aided in utilities and rental assistance. Due to the loss of revenue, many small business owners could not afford to pay for their basic utilities and rent that were necessary for running their businesses. The Center was able to aid them in this process by connecting them with utility companies and rental assistance programs.

To address the issue of labor shortages, our program offered additional support in the form of workforce assistance through our partnership with Workforce Alliance, the local workforce board. Other necessary resources that the Center provided included offering marketing resources, as many consumers shifted to buying their products online, and creating connections among businesses so that they could support each other during the tumultuous time.



## EXAMPLES

A bodega was one of the businesses contacted and assisted. The owner was struggling to apply for PPP funding because they did not have the prepared financial documents necessary for the application. With the daily needs of operating their business, the owner did not have the time to find the necessary resources to submit their application. The Center was able to provide a resource to assist with both the financial document preparation and the PPP application. Had they not accessed these resources, the owner told us they would have eventually been out of business.

The Center assisted another business that was located on one of the main streets in New Haven. Despite their key location in the city, the business model had to change in order to make a profit. The business wanted to pivot and offer their products but had no way of knowing where to begin. After their interaction with the Center, they were provided with three different resources that could help build this capability to their website. The new site provided enough liquidity to keep the business going through the winter and beyond.

## CHALLENGES

We knew about the specific challenges in accessing funding, but when we began the implementation of this program, more challenges came to the foreground. First, we did not have the internal capacity to accomplish this task. We knew that we wanted to reach out directly to as many businesses as possible. Without this direct interaction, we could not help businesses access the resources they specifically needed. To solve this problem, we hired five college student interns to make the calls necessary for this effort. We worked to create a list of businesses within the region to contact and a script to identify the needs of the business.

Another challenge was getting businesses to pick up the phone, let alone the ability to get the business owner to talk with us. With owners and managers facing staff shortages, confusion around sanitization and protection of customers and employees, and the stress of actively running their businesses, it was often difficult to connect to the owner/manager who could speak about the issues their company was facing. The solution was to hire student interns and to maintain flexibility and persistence in reaching out to businesses. Some companies

Another challenge was getting businesses to pick up the phone, let alone the ability to get the business owner to talk with us. With owners and managers facing staff shortages, confusion around sanitization and protection of customers and employees, and the stress of actively running their businesses, it was often difficult to connect to the owner/manager who could speak about the issues their company was facing.

To apply this model elsewhere, first identify the needs of the local business community, balanced with the capacity of your organization. If the business needs are greater than the current capacity, consider creating partnerships and asking for support to build your capacity. A great way to start is looking for help from nearby colleges and universities in finding coachable student interns.

were reached over the phone and for others it was easier to communicate via email. We engaged the businesses in conversations and asked where they needed assistance.

## STRATEGIES SUGGESTED

To apply this model elsewhere, first identify the needs of the local business community, balanced with the capacity of your organization. If the business needs are greater than the current capacity, consider creating partnerships and asking for support to build your capacity. A great way to start is looking for help from nearby colleges and universities in finding coachable student interns.

Second, your organization must identify the businesses and the specific resources at your disposal, along with identifying neighborhoods/regions to target. We have found this proactive and direct approach to be greatly appreciated by businesses.

Third, begin direct communication. A script is helpful in creating a clear-cut outline of how to identify business needs and follow up, using interns from local colleges, which provides a great connection to your area education providers. Throughout the process, being consistent and flexible is vital in reaching the contact person for each business. Creating this list of businesses and organizing which student intern will contact specific businesses, keeps the program organized and productive. Tracking the details of communications is critical for follow-ups and providing resources.

As you are providing this outreach, identify which resources are most needed by businesses. This will allow you to identify which partnerships need to be strengthened and keep you proactive in your efforts.

Lastly, continue to measure the success of your program. Challenges in the process and solutions should be identified to keep the efforts efficient. While business communities are similar in some ways, their needs vary and each business retention and expansion effort differs from place to place.

## TAKEAWAYS

### 1. Direct communication is key.

Throughout the Chamber's economic development program, there is regular interaction with a diverse array of businesses from a variety of industries. Businesses directly communicate with the Chamber about issues im-



pacting different fields and we identify which resources can be provided. With the Center, we shifted our focus and highlighted supporting small businesses that were hit the hardest. Without this direct communication with small business owners, we would not have known where support was needed. As many of them explained, they did not have enough time to search for these resources on their own. Most business owners described frustration in not knowing how to access funding offered by the federal government. It was vital to speak directly to business owners to be as helpful and supportive as possible.

## 2. Be proactive.

The main purpose of creating the Center was to be proactive in providing solutions for our small business community. We heard about problems that the business community faced through our regular outreach and partnerships, but we knew this effort needed to be more targeted and expanded. In creating a process for reaching out to businesses and providing resources, we were proactive in finding and addressing business needs rather than reactive to their issues. Being proactive allowed for the retention of about 135 jobs, kept businesses afloat during very difficult times, and mitigated their frustrations.

## 3. Build partnerships.

Key to the success of the Center was to build great partnerships. Partnerships were necessary when expanding our outreach, as we relied on local colleges, including Yale University, Southern Connecticut State University, and Albertus Magnus College, for skilled interns to conduct the outreach. We also relied on partnerships when providing resources, as we needed help from organizations such as the Connecticut Small Business Development Center and Workforce Alliance to assist our businesses. We also relied on the United Illuminating Company and Regional Water Authority to help support the work of the Center.

The Center has proven the impact that a true business retention and expansion effort can have if it is provided on an on-going basis. The need is certainly present, and we are continuing to search for funding to extend this endeavor.

We have a very educated and well-connected small business community; one that needs just a boost, and they will survive.

## CONCLUSION

Still amid the pandemic, business owners are rethinking the way they do business. Some have had to shift towards an online model to attract new business, while others have had to relocate, and so on. As businesses continue to face challenges like continuing labor shortages and supply chain issues, small businesses still need help as they continue to navigate an ever-changing business landscape.

The Center has proven the impact that a true business retention and expansion effort can have if it is provided on an on-going basis. The need is certainly present, and we are continuing to search for funding to extend this endeavor. We have a very educated and well-connected small business community; one that needs just a boost, and they will survive. We also learned we can provide this kind of assistance, while also educating young college-aged students in the field of economic development in our region. Our interns for the Center not only learned about businesses, but also learned about the region and the work of economic developers.

This business retention and expansion model can be applied by many different communities, with emphasis on direct communication with businesses, proactivity, and building partnerships. 🌐



The banner features a dark blue background with abstract, colorful circular patterns in shades of blue, red, and yellow. In the top left corner is the logo for the International Economic Development Council (IEDC), which includes a globe icon and the text "INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL". In the center, the text "2022 IEDC EXCELLENCE IN ECONOMIC DEVELOPMENT AWARDS" is displayed in white, followed by "NOW ACCEPTING ENTRIES!" in large, bold, orange letters. Below this, two deadlines are listed: "EARLY BIRD DEADLINE April 8th, 2022" and "FINAL DEADLINE May 13th, 2022", both in yellow and white. At the bottom, a white line of text reads: "For more information, visit [www.iedconline.org/awards](http://www.iedconline.org/awards)".

# “a hundred-year event”

## AND THE PERFECT STORM FOR U.S. MANUFACTURING

By Cynthia Jenkins

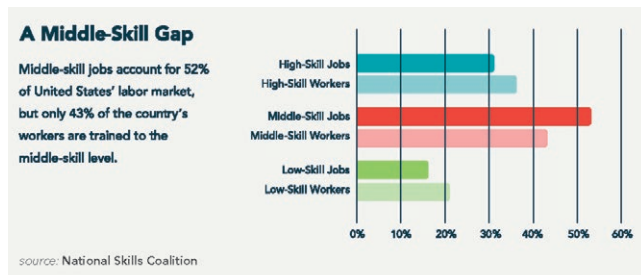
While describing a rare storm that struck the North Atlantic in 1991, author Sebastian Junger said, “Meteorologists see perfection in strange things, and the meshing of three completely independent weather systems to form a hundred-year event is one of them.”

In a strange way, the manufacturing industry in this country is experiencing a similar meshing of systems, including 1) a decades-long stigma that affects the career choices of future generations, 2) a significant shift in our educational models, and, incredibly, 3) a 21st century global epidemic that will impel, like it or not, a slow-building tsunami of changes in manufacturing hubs around the globe.

### 1) Decades-Long Stigma

The “middle-skills” labor market – that is, the jobs that require more training than a high-school diploma, but less than a four year college degree – accounts for about 52% of our available jobs, but only 43% of our workforce is trained for those jobs. (See Figure 1 for a comparison of the middle skills gap of one year to the greater availability of high and low skill employees). In addition, a host of po-

**FIGURE 1. JOBS & WORKERS BY SKILL LEVEL, US 2018**



### TAKEAWAYS

- 1. The growing skills gap between future employees and the needs of manufacturers and other technical industries is decades-long, has complex reasons, and is growing larger.** The talent shortage is one of the economic development challenges most connected to difficulties in recruiting industrial businesses to a region.
- 2. The global health challenges have increased the urgency to expand and diversify supply chains, including through reshoring jobs requiring middle skills to the US. These latest initiatives have highlighted the skills gap like never before, and the urgency for addressing it.** At the same time, the events of 2020 and 2021, stretching into 2022, have offered broader options and opened doors for varied educational options, including the ability to engage in both virtual and digital learning and skills training.
- 3. Addressing that skills gap requires a comprehensive effort with multiple audiences and stakeholders, and varied tools:** a) tackling the middle skills jobs stigma, b) rebranding alternative career paths, c) targeting rural and other regional clusters of prospects, d) building a robust apprenticeship network, and e) using an array of digital portable training tools that students and others can carry with them are all necessary tactics.

tential promoters of mid-level skills careers – high school curricula, career counselors, and parents – don’t consider a career in manufacturing a viable pathway. Manufacturing is not perceived as a good, much less a great, career option.

- Soft skills like critical thinking and problem solving, and manufacturing hard skills like writing and understanding code, working with program specific machines and devices, machining, robotics, and big data analytics are not taught in most high schools, while other manufacturing hard skills like fabricating, complex assembly, and acquiring industry-specific credentials require additional training, but not college degrees.

Cynthia Jenkins, Chief Marketing Officer and co-founder of <https://skills-gapp.com>, has spent a 25-year career in marketing and creative development for manufacturing, higher education and technical schools, economic development, and youth/generational brands. (<https://www.linkedin.com/in/cynthiapjenkins> or [cynthia@skillsgapp.com](mailto:cynthia@skillsgapp.com))

## WHAT’S CAUSING THE ESCALATING SKILLS GAP AND WHAT TOOLS CAN ECONOMIC DEVELOPERS USE TO ADDRESS IT?

The soft skills and middle level skills gap in manufacturing is escalating due to challenges from decades past, as well as the more immediate emphasis on reshaping the supply chain through re-shoring and other means. This article explores the causes, then provides several solutions that economic developers and other stakeholders can use in tandem, coupled with adding use of game-changing virtual training tools.

- According to the National Association of Manufacturers and the Manufacturing Institute only three in 10 parents would consider guiding their child toward a career in manufacturing.
- According to data from the 2019 Leading2Lean Manufacturing Index, more than half of the general population assumes the average salary of a mid-level manufacturing manager is under \$60,000. In reality, the average salary for a manufacturing manager in 2018 was \$118,500.
- According to the Fabricators and Manufacturers Association among U.S. teens, 52% expressed little or no interest in a manufacturing career. The reasons, respondents said, were that “Manufacturing was a declining field, with unprofessional, dead-end jobs, dirty factories and frequent layoffs.”

Simply put, we have, and will have in the future, a significant talent shortage in skills-based careers. And the manufacturing and skills-based careers stigma isn't helping. According to the Korn Ferry Institute, the global talent shortage for the manufacturing sector alone could reach a 7.9 million talent deficit by 2030, and an overall global talent shortage could leave more than 85.2 million unfilled jobs in multiple sectors, costing companies trillions of dollars in lost economic opportunity. The United States alone could miss out on \$1.748 trillion in revenue due to skilled labor shortages in multiple sectors.

## 2) Significant Shift in Educational Models

Although skills-based careers have not received their due, the past decade and more has also seen a steady devolution in the perception of the four-year college degree. As of March 2018, more than 40% of recent graduates were underemployed. The student loan burden has hampered the economic futures for millions of graduates. Coupled with the significant opportunities in mid-skills careers, and the growing costs of college educations, it's reasonable to ask the question: are there some high school graduates who, given their interests and natural skills, and given the opportunities, should pursue middle-level skills training for careers in manufacturing and technology?

If there's one feature that the very strange years of 2020 and 2021 may have given us, it is the mind-expanding possibility of other options. Parents, teachers, school administrators, students, colleges and universities – all have been “set up” to at least perceive the possibility of virtual education.

In the midst of what we could call a “slow burn” of shifts in manufacturing sources, we have the extensive disruptions of the supply chain that sprang from the 2020 and 2021 health crisis.

Is a state-of-the-art production line at a luxury car manufacturer with benefits, good pay, and opportunity for growth really a worse choice than sitting in a cube at a professional services firm, eating a sandwich while plucking away at their college debt till 50?

The past 20 months also dealt an incredible and unforeseen blow to in-person education. Many K-12 schools, colleges and universities produced online-only semesters, others developed hybrid formats, and all have undergone tremendous upheaval in planning for education in the context of a significant global viral epidemic.

In a very short while, perceptions of on-campus, in-classroom teaching shifted dramatically. The possibilities for very different types of education, featuring assists from technology, more screen time, and virtual engagement are legion.

If there's one feature that the very strange years of 2020 and 2021 may have given us, it is the mind-expanding possibility of other options. Parents, teachers, school administrators, students, colleges and universities – all have been “set up” to at least perceive the possibility of virtual education.

## 3) A 21st Century Global Epidemic

The re-shaping of manufacturing hubs has proceeded slowly over the past several decades after the establishment of China, in particular, as the central hub for product manufacturing for the world. With rising prosperity, labor costs in China have risen, and other countries have begun slowly building a competitive presence in the manufacturing industry, among them, notably, Vietnam, India, Malaysia, Taiwan, Thailand, South Korea, and Mexico.

Trade wars had also unbalanced the norms in manufacturing hubs, leading to significant uncertainty, concerns over supply chain stability, and fluctuating costs and inventory. In response some manufacturers have sought to create more flexible supply chain options.

### *Enter the epidemic of 2020, stage right.*

In the midst of what we could call a “slow burn” of shifts in manufacturing sources, we have the extensive disruptions of the supply chain that sprang from the 2020 and 2021 health crisis. Suddenly, the U.S. was confronted with the need for vital medical supplies and pharmaceuticals, only to realize that much of the supply



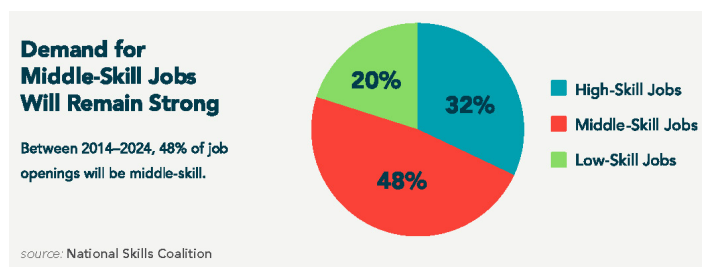
is manufactured elsewhere. Manufacturers could not access their supply chains, and more and more people have recognized significant national security concerns not only with medical supplies, but with rare earth metals, 5G, and other technology conflicts. Late into 2021, the U.S. was experiencing a significant backlog of container ships stuck in California ports – ships carrying significant exports from China. According to *Business Insider* “The compounding effects have impacted all facets of the supply chain from exporting the inventory out of China to ground transportation efforts in the US.”

Based solely on the practical needs, it seems likely that U.S. companies will build in additional supply chain options for more flexibility in the coming years. It's far more likely now, in early 2022, that some of that supply chain flexibility will occur through reshoring to the U.S. In fact, in the latter part of 2020 the 140-year-old film company Kodak announced its launch of a new division, based on its forays into production of advanced chemicals – Kodak Pharmaceuticals.

### THE PROBLEM FOR U.S. MANUFACTURING RESHORING

The greatest hindrance to the projected reshoring needs of manufacturers today is the mid-level skills gap in both upcoming generations of the workforce and already existing generations X and the millennials. We don't have the skilled labor to fill the manufacturing needs we now have and that we will have in the coming decades (see Figure 2, highlighting the middle skills job openings over a ten year period). The Baby Boomer generation is reaching retirement age at the rate of 10,000 a day.

**FIGURE 2. JOB OPENINGS BY SKILL LEVEL, US 2014-2024**



CEO Keith Barr of L2L (Leading2Lean), a manufacturing operations company, aptly points out what we can all see pretty starkly: “The industry hasn’t fully explained the dynamic, technology-driven environment of the modern plant floor. With Gen Z just moving into the workforce, we need to encourage their participation in modern manufacturing. If we don’t, I’m afraid the industry will be hit with the negative effects of the Silver Tsunami.”

It’s a seeming perfect storm of career stigma, significant education shifts, growing needs for supply chain flexibility, and generational labor force changes, fueled onward by the rather dramatic events of 2020 and 2021. It may not be the “meteorological hell” of Junger’s de-

It will take many solutions to address the skills gap in both soft and middle skills that has occurred for manufacturing and technology industries. Communication and rebranding an entire vocational path with parents, career counselors, high school administrators, teachers, and students for manufacturing and skill-centric careers as potential pathways to success and fulfillment will be one solution. If the primary advisors of our next generations don’t “see” certain careers as viable, it will be difficult to attract the talent we need.

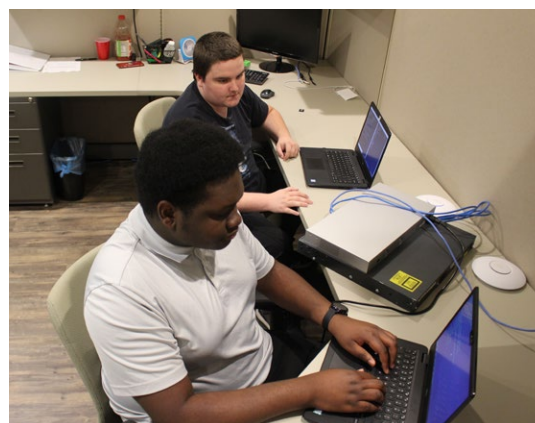
scription of “the perfect storm” that struck the North Atlantic, but it does look like at least a mild hurricane is coming ashore.

### NUMEROUS SOLUTIONS, ONE GAME-CHANGER

It will take many solutions to address the skills gap in both soft and middle skills that has occurred for manufacturing and technology industries. Communication and rebranding an entire vocational path with parents, career counselors, high school administrators, teachers, and students for manufacturing and skill-centric careers as potential pathways to success and fulfillment will be one solution. If the primary advisors of our next generations don’t “see” certain careers as viable, it will be difficult to attract the talent we need.

We’ll even need to target certain geographic regions – particularly rural area populations, as manufacturing is shifting to rural areas for access to large tracts of land and other logistics needs. The Center for Public Education points out that one-half of school districts, one-third of schools, and one-fifth of students in the United States are located in rural areas.

In the absence of significant curricula in high schools for mid-level skills development, apprenticeship programs for high school students – using a combination of academic and technical classroom instruction and work experience through a Registered Apprenticeship Program – offer options for students. South Carolina has implemented one such program.



Two cybersecurity apprentices at McLeod Information Systems work to set up a new local area network for a small business. McLeod Information Systems registered a cybersecurity apprenticeship for students through the Apprenticeship Carolina program.



### Expanding the workforce pipeline in South Carolina through apprenticeships

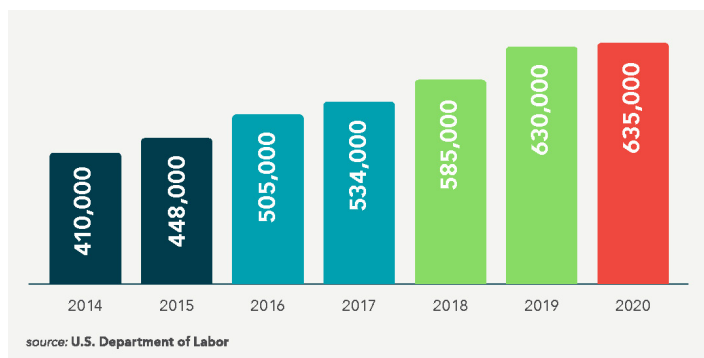
In South Carolina, three different stakeholders were hoping to build and expand a workforce pipeline within the Gen Z market and other populations: (1) targeted industries like advanced manufacturing, healthcare, and IT along with companies like McLeod Information Systems, which recognized a gap in cybersecurity skills for their workforce needs; (2) the state's technical college and public school systems, including Trident Technical College and the Charleston County School District; and (3) high school students who wanted to connect their classes within the field training and be prepared for rapid career deployment upon graduation.

The SC Technical College System formed a division called Apprenticeship Carolina to facilitate the development of registered apprenticeships to serve all of the stakeholders with mentored, on the job training. The division offers consultants that “guide companies through the registered apprenticeship development process from initial information to full recognition in the national Registered Apprenticeship System.”

Partnering with Trident Technical College and Apprenticeship Carolina, McLeod Information Systems developed and registered a cybersecurity apprenticeship for students, who eventually enrolled at Trident.

Apprenticeship Carolina has helped form more than 250 youth apprenticeship programs and has been recognized by the U.S. Department of Labor “as a national model for apprenticeship expansion and for collaboration among state agencies engaged in workforce development.” (See Figure 3 showing the growth in U.S. apprenticeships over a seven-year period.)

**FIGURE 3. U.S. APPRENTICESHIPS SHOW STRONG GROWTH**



### A NEWER GAME-CHANGING TOOL IN VIRTUAL TRAINING

One significant tool will be a game-changer in addressing the skills gap – and that's the use of technology to allow virtual training. The use of virtual reality; mobile outreach, particularly to rural populations; and interactive, gamified apps all deliver an engaging, skills-based curriculum that can grow with the student, from soft-

skills to bankable hours toward certifications. Virtual training addresses the highly unique needs of our upcoming generations and leverages the many changes in our society that have taken place over the past decade, as well as the past 20 months (see Figure 4 for the increase in mobile gamers in just two years).

**FIGURE 4. THE NUMBER OF MOBILE GAMERS WORLDWIDE**

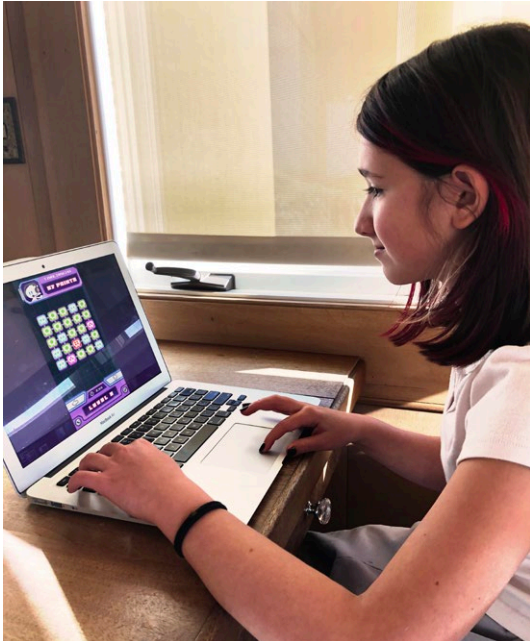


Using technology to allow virtual skills development takes advantage of the shift in our culture. The Entertainment Software Association reports that Americans spend an average of seven hours a week playing online games with others and six more hours playing with others in person.

According to the Pew Research Center, 95% of 13- to 17-year-olds have access to a smartphone, and a similar share (97%) use at least one of seven major online platforms. The worldwide health crisis of 2020/21 has only fueled that number and validated technology as a viable, teachable medium, as well as prompted a renewed focus on increasing broadband coverage in rural areas. If there's one thing we've seen illustrated in the past two years, it's that those in regions of the country with lower broadband reach are disadvantaged when it comes to virtual education. Fortunately we now have not only renewed focus and knowledge about that disparity, but there are also tools – some of which were used by public school systems around the country – to help counter that disparity and supplement broadband access. The U.S. military is taking advantage of the use of technology and the mobile gaming trend.

One significant tool will be a game-changer in addressing the skills gap – and that's the use of technology to allow virtual training. The use of virtual reality; mobile outreach, particularly to rural populations; and interactive, gamified apps all deliver an engaging, skills-based curriculum that can grow with the student, from soft-skills to bankable hours toward certifications.

A middle-school student in San Bernardino County uses the customized cybersecurity gaming app developed for the virtual STEM event held in 2021.



One of the most revered workforces in the world uses gaming for tactical training, upskilling, soft skills, and for recruitment. “America’s Army Proving Grounds” is the official game for the U.S. Army that lets players try out virtual missions and maneuvers that echo true-to-life Army scenarios.

If the U.S. Army can complete Missions Impossible in headsets, modern manufacturing can employ interactive educational technology to help Gen Z develop real-world work skills through interactive, digital experiences that will engage with industry and expose users to existing opportunities. Augmented reality can be used as a more cost-efficient venue for training, apprenticeships, and stackable credentialing. All of this can even be used to successfully reskill and upskill Gen X and Millennial workforces. A school district in California began using gaming apps to introduce careers and add middle and soft skills training.

#### **Increasing engagement and career awareness through gaming apps in the San Bernardino School District**

Earlier in 2021, San Bernardino had made the decision to hold its annual STEM event for 4th-8th graders virtually, and organizers were concerned about engagement. In addition, event leaders wanted to increase career awareness in one of Southern California’s key industry sectors, cybersecurity.

They contracted with a middle and soft skills gaming apps company to customize a gaming app accessible on all devices that would simulate real-world cybersecurity scenarios for students to deal with. The scenarios emphasized three priorities – cyber proficiencies, critical thinking, and communication – and incorporated career facts and pathways into the game, along with trackable performance metrics and rewards to students upon completion of challenges.

The results were impressive. More than 5,000 students participated in the gaming app, and student surveys revealed high recall on the game’s content. The game expanded knowledge about career pathways in cybersecurity, while boosting engagement, so much so that San Bernardino used the gaming app in STEM events throughout 2021.

#### **WHAT CAN ECONOMIC DEVELOPERS DO TO ADDRESS THE SKILLS GAP?**

**First**, no single stakeholder or leader can combat career stigmas or reshape the brand of careers in manufacturing.

Economic developers need to take stock of regional leaders who can influence and shift the old negative stigma of pursuing a career in manufacturing. Those include career counselors, technical school executives, parents/guardians, and yes, manufacturers too. Assembling a collaborative team of the career counselors in middle and high schools in the region, tech school and manufacturing leadership, and parents is a first step in the right direction.

This effort will require establishing alliances across siloed fields and collaborating with those allies. Economic developers need to take stock of regional leaders who can influence and shift the old negative stigma of pursuing a career in manufacturing. Those include career counselors, technical school executives, parents/guardians, and yes, manufacturers too. Assembling a collaborative team of the career counselors in middle and high schools in the region, tech school and manufacturing leadership, and parents is a first step in the right direction.

Manufacturers need to make certain that, where they are able, their culture is aligned with the



For high-school students, mobile devices are often at the center of their on-campus activities and friendships.

No matter what solutions we choose – and we'll need all of them to eliminate the skills gap – we will also need an all-hands-on-deck attitude. The stakeholders in our communities, cities, and rural areas include almost every audience category, from local and state governments, to the federal government, to K-12 schools, technical schools, and colleges, to families, to manufacturing and technology companies, to economic development organizations, and to the next generations of producers and workers.

needs and values of Generation Z and beyond. Gen Z values educational diversity, mentoring, and work-life balance. They live in a digital and mobile world – one that corporations and schools can use to communicate, train, and inspire – and they prize work that makes a difference. Middle and high schools need to be aware of and able to communicate career paths in manufacturing, particularly for those who do not plan to enter college. The communication chain has to extend to parents, so that they perceive the potential of alternate career paths.

**Second**, developing and providing – or collaborating on providing – the tools that can help different influencers promote alternate career paths can help amplify the message. In-school toolkits and skills-based branding programs in a region can be helpful adjunct tools to promote the same message together: highly successful careers can be built in manufacturing and other industrial contexts.

While it's tempting to focus on the largest urban schools in a region, don't neglect schools in rural settings. Rural high-acreage settings are becoming increasingly attractive locations for corporate relocation, and nearby schools can serve as a ready source for labor – as long as students are offered that path and the tools to develop soft skills and middle-skills.

**Third**, engage in the ongoing national broadband expansion discussion with stakeholders and providers in your region. Expanding the ability for every middle school and high school student – not to mention the second-career and re-skilling adults – to work, learn, and play online will expand the playing field in assembling the talent pool that addresses the skills gap, since so much learning is now digital.

**Fourth**, work with technical schools, high schools, and manufacturers to build a robust apprenticeship system. On the job training at a local business while attending school can build valuable workplace experience, help earn national credentials in specific skills, and gain connections in an industry a student is interested in for a future career. At the same time, businesses can get a first-hand look at future applicants, gain influence and connections in school systems, and build a workforce pipeline.

**Fifth**, learn about the possible digital gaming, skills development, and education tools available for students – particularly those that build skills, expand career awareness, and help make students more attractive pros-

pects for manufacturing positions – and review possible funding sources for getting these tools into the hands of students. For example, the Economic Development Administration will be using the \$3 billion it has received from the American Rescue Plan Act for “grants to state and local governmental entities, institutions of higher education, not-for-profit entities, unions, and Tribes” in six different funding categories that could at least in part be used towards digital skills development tools including gaming apps.

Digital training tools and gaming apps that build skills are another tool for career counselors, manufacturers, technical schools, and students who literally can take training home with them every day. Ninety-five percent of middle and high schoolers already have smart phones; being able to place gaming apps that develop skills on those phones can provide an incredible level of access to students who can learn, gain skills, and connect with employers while playing.

No matter what solutions we choose – and we'll need all of them to eliminate the skills gap – we will also need an all-hands-on-deck attitude. The stakeholders in our communities, cities, and rural areas include almost every audience category, from local and state governments, to the federal government, to K-12 schools, technical schools, and colleges, to families, to manufacturing and technology companies, to economic development organizations, and to the next generations of producers and workers.

Further, the urgency from all of the stakeholders will need to be intense and active and immediate. Continuing to confront these three significant, potentially capsizing systems affecting the U.S. manufacturing industry with the same language and tactics as we have used over the past two decades – without acknowledging the very significant cultural changes in our country – will leave us with a widening skills gap, and escalating economic costs and labor shortages as the gap continues to widen.

If we give that level of focus, commitment, intensity, and creativity, the manufacturing ship will sail safely into harbor, even in light of this storm. Not only will we sail into the harbor, but we will have *learned* – for as novelist Willa Cather said in *The Song of the Lark*, “There are some things you learn best in calm, and some in storm.” ☺



## RESOURCES

### Apprenticeship Resources

**Apprenticeship.gov: What funding is available to support apprenticeship program creation or expansion?**

<https://www.apprenticeship.gov/help/what-funding-available-support-apprenticeship-program-creation-or-expansion>

**Apprenticeship.gov: Open Funding Opportunities**  
<https://www.apprenticeship.gov/investments-tax-credits-and-tuition-support/open-funding-opportunities>

**Apprenticeship.gov: State Tax Credits and Tuition Support**  
<https://www.apprenticeship.gov/investments-tax-credits-and-tuition-support/state-tax-credits-and-tuition-support>

**Apprenticeship Carolina (an example of a state-specific apprenticeship program)**  
<http://www.apprenticeshipcarolina.com>

### Broadband Resources

**Broadband 2021 Legislation State by State**  
<https://www.ncsl.org/research/telecommunications-and-information-technology/broadband-2021-legislation.aspx>

**USDA Rural Development: Telecom Programs**  
<https://www.rd.usda.gov/programs-services/all-programs/telecom-programs>

**USDA Rural Development Broadband ReConnect Loan and Grant Program**  
<https://www.usda.gov/reconnect>

### Workforce Agencies

**State Workforce Agencies**  
<https://www.dol.gov/agencies/eta/wotc/contact/state-workforce-agencies>

**National Association of State Workforce Agencies**  
<https://www.dol.gov/agencies/odep/alliances/previous/naswa>

**Workforce Opportunity for Rural Communities (WORC) Initiative**

<https://www.dol.gov/agencies/eta/dislocated-workers/grants/workforce-opportunity>

**Department of Labor, Employment and Training Administration: Current Grant Funding Opportunities**  
<https://www.dol.gov/agencies/eta/grants/apply/find-opportunities>

### Cybersecurity Education Resources

**National Initiative for Cybersecurity Education (NICE) – Regional Alliances and Multistakeholder Partnerships to Stimulate (RAMPS)**

<https://www.nist.gov/itl/applied-cybersecurity/nice/regional-alliances-and-multistakeholder-partnerships-stimulate-ramps>

**Department of Labor Cybersecurity Youth Apprenticeship Initiative**  
<https://cyai2024.org/>

### Non-Government Talent Development Resources

**JFF – a national non-profit to develop the American workforce and education systems**  
<https://www.jff.org/what-we-do/>

**Tallo – an online tool that matches student talent with potential jobs, scholarships, and apprenticeships through profiles (similar to the professional LinkedIn connection tool)**  
<https://tallo.com>

**WorkHands – a platform that streamlines the management of apprenticeship programs**  
<https://www.workhands.us/>

**INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL**

**2022 Annual Conference**  
Sept. 18 - 21, 2022  
Oklahoma City, OK

**SAVE THE DATE**

**2023 Leadership Summit**  
January 29 - 31, 2023  
Tucson, AZ

View all upcoming conferences at [www.iedconline.org/conferences](http://www.iedconline.org/conferences)

# return on investment in

## ECONOMIC DEVELOPMENT...DOLLARS AND CENTS AND INCLUSIVITY

By Betsey L. Hale, CEcD

**"d**oes economic development really work?" That question seems to be posed to economic development professionals on a regular basis. While it's often difficult to answer, data is the best way to inform elected officials, board members, stakeholders, and the public. When we talk about data one might ask, "What should we measure?" Is it jobs, capital investment, net revenue to the governments? In the era of inclusivity, equity, and remote work, the questions economic developers and communities ask are: "Is it all about money? Do we value projects that redevelop neighborhoods, raise skill levels, and offer inclusivity? For most organizations whether public or private it has to be about money. Whether it's taxpayer money or private sector philanthropy, stakeholders want to know the financial outcomes of economic development.

Elected officials and community leaders in Loveland, Colorado and Cheyenne, Wyoming asked their economic development professionals what the impacts and results of incentives in the forms of cash, fees waivers, and discounted land had been over time. Here is what they found.

### CHEYENNE, WYOMING

In April 2021, Cheyenne LEADS and the University of Wyoming released, "The Impacts of Supporting Economic Development: Laramie County, Wyoming." The return-on-investment (ROI) report was completed by Dr. Christelle Khalaf of the University of Wyoming Center for Business and Economic Analysis with assistance from Cheyenne LEADS staff. The purpose of the study was to dem-



Above: The Cheyenne Business Parkway, purchased in 1992, is the home of Lowe's Distribution Center (pictured), Sierra and EchoStar/Dish Network.

Right: The 2006 installation of a new business attraction billboard advertising available property in the Cheyenne Business Parkway.



onstrate the on-going financial impact of using land as an incentive to stimulate economic growth.

Cheyenne LEADS is a private non-profit which carries out economic and community development activity on behalf of Cheyenne and Laramie County, Wyoming. Founded in 1986, Cheyenne LEADS owns two business parks and manages a third park for a private owner. The parks are home to companies such as EchoStar/Dish, Lowe's Distribution Center, Sierra, Microsoft, and Walmart Distribution Center along with numerous manufacturing companies such as Searing Industries, Dr. Elsey's, and Central Custom Moldings. The NCAR-Wyoming Supercomputing Center is located in a LEADS park as well.

The LEADS owned business parks were established in 1992 and 2004. In the absence of shovel ready sites, Cheyenne was unable to attract prospects. The leadership of Cheyenne LEADS estab-

Betsey L. Hale, CEcD, is the Chief Executive Officer of Cheyenne LEADS. (betseyh@cheynnelleads.org)

### MEASURING THE BENEFITS FOR INCENTIVES

Elected officials and community leaders in Loveland, Colorado and Cheyenne, Wyoming asked their economic development professionals what the impacts and results of incentives in the forms of cash, fees waivers, and discounted land had been over time. The communities took different approaches to measuring outcomes, but the research informed their stakeholders of the quantitative benefits. Outcomes are not always measured by financial benefit but social and community goals. A Brookings Institute study released in 2018 measured outcomes for four other U.S. cities qualitatively, considering such things as inclusivity, placemaking, and job training.





North Range Business Park, purchased in 2004. This 2021 photo shows the Walmart Distribution Center located right off Interstate 80. The park is also home to the National Center for Atmospheric Research at the NCAR-Wyoming and Microsoft.

lished a fund called “Progress and Prosperity” to raise money from private donors to buy land and develop “Shovel Ready” sites. The first park, Cheyenne Business Parkway, is 917 acres and the land was acquired in 1990. The total cost to buy the land and develop the infrastructure was \$5.2 million. The North Range Business Park has 620 total acres, and the land was acquired in 2004. The total cost for the park development was \$22.6 million. Infrastructure funding was provided via LEADS Progress and Prosperity fund, the state of Wyoming, Laramie County, city of Cheyenne, and the Laramie County Economic Development Joint Powers Board.

In August 2020 the Cheyenne LEADS Board adopted a strategic implementation plan. An objective in the strategy is Goal 3.c, “Implement a community communication strategy to educate the community about what LEADS does, build/enhance strategic relationships and grow membership.” LEADS is funded by contracts with the city and county along with support from 265 members. In 2007, the organization had 313 members. This decrease of 48 members, over the past 14 years, for unknown reasons had the leadership and staff concerned about the financial sustainability of the organization. The board also realized that over \$28.5 million of public and private funding had been invested in the business parks and it was probably time to measure the economic benefits of land as an incentive. The shovel ready sites have been given to companies outright or sold at discounted prices. Com-

The shovel ready sites have been given to companies outright or sold at discounted prices. Completing a ROI study was determined to be the best way to demonstrate the benefits of being a member of Cheyenne LEADS and being accountable to the public partners at the city of Cheyenne, Laramie County, and the state of Wyoming.

pleting a ROI study was determined to be the best way to demonstrate the benefits of being a member of Cheyenne LEADS and being accountable to the public partners at the city of Cheyenne, Laramie County, and the state of Wyoming.

The University of Wyoming Center for Business and Economic Analysis was identified as a trusted third party with the capability to complete the research. The researchers used REMI and IMPLAN economic modeling software along with gathering actual figures from the county assessor, State Department of Revenue, and Department of Workforce Services.

The total value of the land given as an incentive in 2020 dollars was \$47.3 million. From 1992-2020 the “but for” total for state and local revenue was \$311.5 million. “But for” means but for the incentive of land the company might not have selected Cheyenne. This revenue results in **an ROI of 5.6**. In other words, for every \$1 provided as a land incentive Laramie County and the state of Wyoming received a net gain of \$5.60 in the form of fiscal revenue. The on-going **annual** impacts include: \$213 million in Gross Domestic Product, 1,788 direct jobs, and an additional 1,828 indirect jobs with a total labor income of \$124 million. The outcomes demonstrated that economic development incentives in the form of land and infrastructure do make communities “dollars and cents.” (See table.)

## FREE LAND INCENTIVES IN LARAMIE COUNTY HAVE SIGNIFICANT ECONOMIC IMPACTS

| Impacts to State & Local Revenue (1992-2020) |               |
|----------------------------------------------|---------------|
| “but for” Total State & Local Revenue        | \$311,469,034 |
| Cost of Incentive                            | \$47,371,014  |
| Revenue – Incentive                          | \$264,098,020 |
| ROI                                          | 5.6           |
| Impacts to Local Economy                     |               |
| Yearly average total value added (GDP)       | \$212,555,380 |
| Yearly average total jobs                    | 3,616         |
| Yearly average total labor income            | \$123,919,579 |

Note: All amounts in this table are expressed in 2020 dollars.

Since releasing the report in April 2021, LEADS has gained 14 new members and implemented a membership dues increase. The organization had not raised the dues since 1986. The members have been supportive of the dues increase and have been promoting the work done by LEADS staff. Telling the ROI story of success has been beneficial not only to begin to increase and retain members, but it has also helped with political advocacy. In early 2021, several state legislators introduced legislation to eliminate the sales and use tax exemptions the state offers data centers and manufacturing firms on equipment. By providing data regarding the positive impact of the data centers and manufacturers, LEADS and its many advocacy partners were able to prevent those exemptions from being eliminated.



## LOVELAND, COLORADO

It's not just economic development non-profits that need to tell their story. In 2014 the economic development staff at the city of Loveland, Colorado, just 60 miles south of Cheyenne was facing the same question. City Council members and the city manager at the time were questioning why the city offered incentives in the form of cash for job growth, fee waivers and rebates, sales and use tax rebates, and fee deferrals. From 2002-2013, the city provided 28 businesses with economic incentives totaling over \$3 million. The City Council had a strong desire to determine if these investments were bearing fruit in the form of jobs, capital investment, and tax revenue.

Staff at the time recognized it would be important to hire a trusted third party to look for the "return" to the city from incentivizing companies to locate and grow in Loveland. The primary research associate on the project was Edward C. Pilkington, a former Pricewaterhouse-Coopers, LLP, employee specializing in reports to investors, sales and use tax audits, and SEC reporting. Pilkington worked directly with the city's Executive Fiscal Advisory Alan Krcmarik and Annette Gilbert, business services coordinator in the economic development department.

The research and subsequent report demonstrated that the over \$3 million in incentives made to the 28 projects resulted in over \$144 million of private investment. This was determined by reviewing the city building permit fee valuation and construction materials use tax calculation. The incentives also led to a **Net Gain** of \$9.1 million in new revenue to the city in the form of use taxes, permit fees, property taxes, sales taxes, and incentive payback. This information was provided by the city finance department. In addition to capital investment and actual net new revenue, the research also demonstrated that companies had generated a net new job growth of 1,125 full time positions. This information came from the quarterly census for employment and wages (QCEW) from the year the incentive was given to the end of 2013. The report demonstrated that the city of Loveland had made sound investments with demonstrated return in dollars and cents.

In the profession of economic development "sometimes you win and sometimes you lose." Recognizing that not every deal is a good deal, the Loveland report also highlighted an example of a project not performing. In this case, in 2008 a manufacturing company received a \$900,000 incentive for the relocation and creation of 450 jobs. The company had 78 employees at the start of the project and \$890,000 of the funds were used to renovate space in an existing building. A claw back provision was included in the incentive agreement which gave the city the ability to recapture \$500,000 of the incentive should the company not perform as promised. A personal guarantee was provided by the owner. Needless to say, the company was not successful, but the city did receive \$599,000 in 2013 due to the claw back provision.

While the expected jobs were not created, today the space is fully occupied with primary jobs from other companies. This demonstrates that claw back provisions

It's not just economic development non-profits that need to tell their story. In 2014 the economic development staff at the city of Loveland, Colorado, just 60 miles south of Cheyenne was facing the same question. City Council members and the city manager at the time were questioning why the city offered incentives in the form of cash for job growth, fee waivers and rebates, sales and use tax rebates, and fee deferrals.

are necessary, especially when cash is provided as an incentive. It also reinforces that when cash is offered the funds must be used to improve a building or make a site shovel ready. That way if the company leaves, the incentive stays in the building and in the ground for the next project.

In 2009, the city of Loveland provided a start-up company with a \$22,000 cash/reimbursement of expenses incentive. The company located in an old car dealership in the city's downtown. Since that time, the company has become publicly traded and is one of the fastest growing companies in the state of Colorado producing electric fleet medium- and heavy-duty vehicles, including delivery trucks, shuttle buses, passenger vans, chassis-cab models, and city transit buses. Today the company is located in a former manufacturing facility once owned by H-P and Agilent Technologies. That building stood vacant in 2011. Today the EV company has over 180 zero emissions vehicles on the road, and they have a pipeline of over \$1 billion in orders. This project clearly demonstrates that the city's investment did not need to be huge to be meaningful and have an unprecedented outcome of jobs, capital investment and dollars and cents.

Not content to rest on the research of years past, the city of Loveland followed the 2002-2013 analysis with a similar report evaluating the results of incentives provided to companies from 2013-2018. The results continue to demonstrate that economic incentives do work. Eighteen companies not in the prior report received a total of \$2.5 million in incentives. Those companies in turn invested over \$83 million in private capital and had added over 342 new jobs at the time of the report. Net new revenue to the city was \$68,125. While this seems like a less successful round, it should be noted that TIME is everything in economic development. The Cheyenne study covered a period of 28 years. The first Loveland report covered 11 years while the second report only covered five years. Nonetheless, the incentives in Loveland still make "dollars and cents."

## A BROADER VIEW: INCLUSIVITY AND RETURN-ON-INVESTMENT

In the Cheyenne and Loveland studies, economic developers and elected officials sought to quantify the fiscal benefits of economic development, "the dollars and

cents, not the dollars and cents and sensitivity.” In March 2018, Joseph Parilla and Sifan Liu of the Brookings Institute produced, “*Examining the Local Value of Economic Development Incentives, Evidence from four U.S. cities.*” The report includes a detailed literature review and analysis of economic development transactions in the cities of Cincinnati, Indianapolis, Salt Lake City and San Diego. While the report sought to offer a quantitative analysis of outcomes it also evaluated the qualitative value of placing incentives with businesses to help communities achieve goals of inclusivity, improved quality of life, reduction of blight, employee job training, and improved cultural assets and infrastructure in disadvantaged neighborhoods.

The findings of the Brookings report demonstrate that, “On the positive side, economic development incentives in these four cities disproportionately go to firms in industries that are both technology intensive and export-intensive, two notable dynamics that drive productivity and wage growth. Partly due to this, incentivized industries pay about 25 percent higher wages than the economy as a whole across the four cities.” The report continues, “Yet economic development incentives in these four cities do not always align with the tenets of economic and racial inclusion. The same innovative and tradable industries that incentives target because of their high wages and strong fundamentals are often inaccessible to workers of color due to skills and other structural barriers, a finding reinforced by the fact that incentives infrequently promote employer-based job training in these four cities.”

Parilla and Liu conclude the report by offering some implications and suggestions regarding how communities develop and implement incentive programs and quantify success. “First local and state leaders should ensure incentives reflect local and regional economic objectives. Second localities must commit to making incentives information publicly transparent, and then rigorously evaluate their impact on firm outcomes to determine what works.” In the case of Cheyenne, Wyoming and Loveland, Colorado, local leaders in both the private and public sectors desired and have shared the results of their incentive efforts. They both continue to make economic development a priority.

Economic developers are in the “Forever Business.” We often hear that, “economic development is a marathon not a sprint.” This is supported by the research and the outcomes of the University of Wyoming, Cheyenne LEADS ROI study; the City of Loveland, Colorado Economic Incentives Reports; and the Brookings report. The Brookings Institute researchers suggest communities should begin to prioritize outcomes in addition to jobs, capital investment, and revenue. They suggest incentives should go to firms providing workers more broad-based opportunities i.e., training and incent companies addressing place-based disparities in those opportunities. Parilla and Liu suggest and hope that economic developers and their constituencies still consider the fiscal impacts of incentives while being sensitive to the needs of all members of the community when prioritizing projects to incent. 🌐



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

## IEDC 2022 EDUCATION COURSES

### MARCH - MAY

|                                                                                                                                                                                                    |                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>Introduction to Entrepreneurship-led Economic Development</b><br/>March 8 - 9   Online</p>               |  <p><b>Managing Economic Development Organizations</b><br/>April 28 - 29   Online</p> |
|  <p><b>Accelerating Growth through Entrepreneurship-Led Economic Development</b><br/>March 10 - 12   Online</p> |  <p><b>Real Estate Development and Reuse</b><br/>May 12 - 13   Online</p>             |
|  <p><b>Technology-Led Economic Development Course</b><br/>April 7 - 8   Online</p>                              |  <p><b>Economic Development Finance Programs</b><br/>May 18 - 20   Online</p>         |

**View all upcoming education courses at [www.iedconline.org/courses](http://www.iedconline.org/courses).**