

WHY IT IS CRITICAL TO TRAIN ECONOMIC DEVELOPMENT VOLUNTEERS

PRESENTED BY: DR. DAVID L. GOETSCH

DDSG2001@COX.NET

850-865-9610

BASED ON THE BOOK *ECONOMIC DEVELOPMENT 101*
BY DAVID L. GOETSCH, TRAFFORD PUBLISHING,
TRAFFORD.COM/08-0040



Why It is Critical to Train E.D. Volunteers

Outline:

- * An economic development horror story**
- * Why it is critical to train E.D. volunteers**
- * What do E.D. volunteers need to know to be helpful?**

Why It Is Critical To Train E.D. Volunteers

- **E.D. volunteers are typically experienced professionals in other fields but know little about economic development. Hence they sometimes have enough knowledge to be dangerous but not enough to be helpful.**
- **Many E.D. volunteers are CEOs or top managers in their professions and don't adjust easily to being members of boards or committees. Consequently, some try to be CEO of the EDO rather than board or committee members.**
- **Local EDOs need their volunteers to be civic entrepreneurs; something most of them have to learn how to be.**

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Civic entrepreneurship and E.D Volunteers

- **A business entrepreneur sees a need, finds an innovative product or service to meet the need, and takes the risk necessary to build a business around the product or service. If successful, the business creates jobs.**
- **Characteristics associated with business entrepreneurs include: vision, self motivation, positive attitude, unconventional thinking, persuasiveness, leadership, perseverance, the ability to build consensus, and calculated risk taking.**

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Civic Entrepreneurship (continued)

- **Civic entrepreneurs are individuals who apply all of the characteristics of a business entrepreneur to the economic development of a community or region. They are leaders from business, industry, government, education, and not-for-profits who help create jobs by serving as volunteer leaders in local EDOs.**
- **Most E.D. volunteers do not know what a civic entrepreneur is or how to be one, but with the proper training they can learn.**

What Do E.D. Volunteers Need to Know to Be Civic Entrepreneurs?

- **What economic development is**
- **The purpose of economic development**
- **Basics of recruiting, retention/expansion, and new business start-ups**
- **Importance of workforce development**
- **Roles and responsibilities of economic development volunteers**

What Economic Development Is

- **Economic development is the process through which communities mobilize their human, financial, physical, political, and natural resources to retain and create jobs , continually improve the economy, and enhance the quality of life in the area served.**
- **Effective economic development requires that E.D. professionals, volunteers and local elected officials take the long view. The “Show-me-new-jobs-by tomorrow” syndrome is the Achilles Heel of effective, sustainable economic development (Textile Manufacturer Example).**

Purpose of Economic Development

Economic development can serve a variety of purposes for a community including:

- 1. Enhancing the quality of life**
- 2. Improving the overall economy**
- 3. Stabilizing economic ups and downs**
- 4. Diversifying the types of jobs available**
- 5. Diversifying the overall economy**
- 6. Increasing the overall per capita income level**
- 7. Creating more and better jobs**
- 8. Managing the type and rate of growth**
- 9. Lessening the individual's tax burden**

Business Attraction (Recruiting)

The process involves:

- 1. Understanding what your community has to offer prospects (SWOT analysis)**
- 2. Targeting businesses in sectors that make a good “fit”.**
- 3. Marketing directly to target sectors.**
- 4. Establishing positive relationships with site consultants that work the targeted sectors.**
- 5. Maintaining comprehensive, confidential prospect files.**
- 6. Hosting on-site prospect visits**
- 7. Helping facilitate the relocation of prospects to your community.**

Critical Factors in Recruiting Volunteers Should be Familiar With

- 1. Geographic factors**
- 2. Site needs**
- 3. Facilities**
- 4. Workforce**
- 5. Capital and incentives**
- 6. Education**
- 7. Natural climate**
- 8. Business climate**
- 9. Quality of life**

The specific factors and priority of factors will vary from prospect to prospect.

Business Retention and Expansion: What Volunteers Should Know

Businesses are constantly seeking to: (1) increase the amount of business they do, and (2) reduce the cost of doing business. Helping businesses achieve these two goals is the most effective way to retain them and help them expand. Local EDOs should work closely with existing businesses to:

- 1. Identify factors that might cause them to relocate and eliminate or mitigate those factors**
- 2. Provide programs/services that help reduce the cost of doing business**
- 3. Provide programs/services that help increase their business volume and improve their competitiveness.**

New Business Start-Ups: What Volunteers Should Know

The role of local EDOs in promoting business start-ups is *facilitation*, and E.D. volunteers can be key players in facilitating start-ups by helping the EDO:

- 1. Connect entrepreneurs with organizations that can provide the technical assistance they need to transform an idea into a business.**
- 2. Connect entrepreneurs with lending institutions and venture capitalists that are open to providing start-up capital.**
- 3. Connect entrepreneurs with professionals such as attorneys, CPAs, HR specialists, etc. who can help them through the stormy waters of business start-ups.**

Importance of Workforce Development: What Volunteers Should Know

Workforce development is critical. The availability of education and training for pre and post employment is a major factor in economic development. Consequently, the local EDO must be a partner with the Workforce Board, education system, community college, and university. E.D. volunteers can help build and maintain these partnerships. The factors that prospects consider about workforce are:

- 1. Immediate availability**
- 2. Access to pre and post employment training and education**
- 3. Quality**
- 4. Affordability**
- 5. Union or Non-Union**

Roles and Responsibilities of E.D. Volunteers: Relationship of Volunteers and Professional Staff

- **It is important for volunteers to understand what their responsibilities are and what the responsibilities of paid staff are and how the two differ.**
- **Volunteer boards make policy and plans—the staff implements them.**
- **Volunteer boards govern—the staff manages.**
- **Volunteer boards are strategic—the staff is operational.**

Roles and Responsibilities of E.D. Volunteers: Duties of Volunteer Board Members

- **Developing and adopting a comprehensive strategic plan**
- **Hiring—when necessary—a competent E.D. professional to lead and manage the local EDO.**
- **Establishing specific performance goals for the EDO's CEO and evaluating the CEO according to these performance goals.**
- **Ensuring the EDO has sufficient resources to carry out its responsibilities.**
- **Ensuring that the EDO's resources are used efficiently and effectively.**
- **Promoting a positive image for the EDO in the local community.**
- **Ensuring fiscal, legal, and ethical accountability for the EDO.**
- **Electing the EDO's volunteer officers and appointing committees as appropriate.**
- **Helping the CEO establish and maintain positive working relationships with local elected officials.**
- **Recruiting new board members.**

Roles and Responsibilities of E.D. Volunteers: Legal Obligations

- **DUTY OF CARE:** Exercising appropriate care in making decisions when serving as board members.
- **DUTY OF LOYALTY:** Avoiding even the appearance of a conflict of interest when serving on the EDO's board.
- **DUTY OF OBEDIENCE:** Compliance with the EDO's by-laws, articles of incorporation, policies, board-approved operational guidelines, and all applicable legal and ethical guidelines.

Roles and Responsibilities of E.D. Volunteers: Conducting Meetings

- **E.D. volunteers who wish to serve on the board must know how to conduct and participate in meetings run according to Roberts Rules of Order including:**
- **Determining if a quorum exists**
- **Motions and seconds**
- **Discussion**
- **Amendments to motions**
- **Tabling**
- **Calling the question**
- **Voting**