

Factors for Economic Development Implementation Success

*Prepared by Camoin Associates for the
IEDC Economic Development Strategic Planning Course*

- **Trust** – internally and externally amongst the Economic Development partners
- **Process and procedures** – these help build trust
- **Leadership qualities** – within the organization including among the board and stakeholders. These include: adaptability and strong leadership in periods of chaos or uncertainty
- **Engagement** – among the board, committees, and among the many stakeholders and networks; Building capacity for functioning within a system composed of many networks and building leadership capacity for economic and community development among multiple organizations and networks through partnerships, alliances, and initiatives
- **Open and active communications** amongst the partners
- **Ability and respond and adapt** to changes in the external environment
- **Building capacity and resources for business intelligence, working smarter** – data, research, digital technologies, and information resources
- **Incorporating new funding models** – and reducing reliance on government entities
- **On-going assessment and evaluation** - for continual improvement and effective/efficient use of funding

High Performing Economic Development Organizations

Research by the International Economic Development Council, 2011

The research found that organizationally, high performing EDOs tend to share eight success factors. These organizations:

1. **Are driven by their customer.**
2. **Operate with a strong strategic plan** - A strong strategic plan is grounded in the realities of the community, what it can achieve and where it wants to be several years down the line. High-performing EDOs also are flexible and adaptable, however – they know when it's appropriate to deviate from those well-made plans.
3. **Measure results and adjust accordingly** - evaluate their work to determine if objectives are being met, stay accountable, detect problems before they escalate, and seek new ways to improve.
4. **Are creative risk-takers** - EDOs must be entrepreneurial and innovative to understand and address the challenges of globalization, economic downturns, climate change, and industry shifts. Though EDOs must deliver results and be held accountable, sometimes they need the freedom to be creative in order to deliver at a higher level.
5. **Build strong alliances and networks** - High performing EDOs not only create opportunities for economic development alliances and networks to flourish, they also institutionalize them. This ability to convene, connect and collaborate enhances the coordination of economic development efforts, increases capacity, and improves credibility.

- 6. Earn the trust and respect of their communities** - The strongest EDOs do this by consistently delivering results; focusing on customers; engaging in effective, open communication; building lasting partnerships and acknowledging the contributions of partners; and upholding high standards of integrity, trust and honesty.
- 7. Are efficient with funding and resources** - In many cases, high-performing EDOs are working to decrease their reliance on public-sector funding and to diversify their funding streams by charging for some services or looking to non-traditional sources for funding. Beyond financial resources, high-performing EDOs also use their staff wisely and focus their resources where they will have the most impact.
- 8. Invest in their people** - High-performing EDOs invest in the development and well-being of their employees.

In addition to identifying organizational success factors, the research explores essential qualities of effective economic development leaders.

- High-performing EDOs have passionate, innovative and capable leadership. They care deeply about what they do, motivate their staff and partners, think creatively, and effectively carry through on their commitments.
- Leaders of high-performing EDOs are strategic thinkers and operators. Effective leaders anticipate opportunities and prepare for them; create opportunities by thinking innovatively; and transform challenges into opportunities.
- Great leaders are highly effective communicators. The ability to communicate well distinguishes leaders of high-performing EDOs from their competitors. They are able to distill and convey complex ideas; use different communication styles to meet the needs of different audiences; are active listeners; and maintain open lines of communication.
- Leaders of high-performing EDOs embrace change as a baseline for success. High performing EDOs are adaptable and have staff and leadership that embrace change, rather than fear it, and seek to find new opportunities in it.
- High-performing EDOs form great teams to carry out the work. Developing a talented staff and providing them with meaningful roles gives them a stake in the organization's mission and success, resulting in a dedicated team that is stronger than the sum of its parts.
- Leaders of high-performing EDOs are ethical and represent community interests. Ethical behavior is modeled at the top and supported with policies and resources that enable employees and peers to make ethical decisions. These organizations never lose sight of their responsibility to serve the greater good of the community.

The prevailing theme of this research is that organizations and leaders must be adaptable to changing circumstances. It is imperative for EDOs to nurture their capacity and skills in responding to change and become effective change agents as a result.