

What's the Path from Good to Great for an EDO?

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As the CEO of an economic development consulting firm, we are often asked to evaluate and recommend how economic development organizations (EDO's) can be the most effective. The effort to create wealth for citizens of communities is a very competitive and complex process. In the United States alone, there are over 18,000 municipalities, 3,141 counties or parishes and 50 States competing for new business growth and jobs for its citizens. From that large universe, there are about 7,000 EDO's, Chambers of Commerce or some form of group that is charged with recruiting new business, helping existing business expand, or working to create an entrepreneurial environment so that new businesses can start up. Not unexpectedly, some of these organizations are very good, most are quite mediocre and some need serious help in being better at what they are supposed to do.

What then is the common ingredient for a successful EDO? Leadership. Leadership from both the CEO of the EDO and from its governing group; whether it's a board of directors, a Mayor or a Governor. With leadership, the other necessary ingredients come into place. Those items include a well funded organization so that you can stand out above the crowded competition; a professional, innovative and hard working staff; and compelling "product" so that you have something to sell such as a research park, industrial and commercial sites, a building or unique incubators – whatever it is that differentiates you as a community.

Our firm recently conducted the most comprehensive benchmarking of best practice EDO's ever done for the economic development profession; first for the Charlotte Regional Partnership, and most recently for the Baton Rouge Area Chamber. What we saw is that the best of the best have those previously mentioned common ingredients. They also have a proactive and aggressive international business development effort, are extremely innovative in adapting to changes in the global economy, have embraced the phenomenon and growth of social media as a way to market their communities effectively, understand that a blended approach of creating economic prosperity includes recruitment, retention and entrepreneurial development, and uses Web sites effectively as a global portal to introduce their respected geographic locations to the World.

The growth of social media sites like Facebook, LinkedIn, and Twitter to promote locations successfully is a remarkable phenomenon. The use of that media has shown exponential growth. These changes in marketing and communication methods are often tied to not only changes in technology, but to a

changing demographic in the economic development profession. The millennium generation will drive new approaches to not only this profession, but to global business models in nearly all industry sectors.

As we traverse the continent in our work for both our corporate and economic development clients, it's those organizations that have recognized that it can no longer be business as usual as the ones that succeed in moving the bar from "good to great". ©2010 Garner Economics, LLC