

Regionalism and Community Success

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Dave Ivan
Michigan State University

Regionalism and Community Success

~~Stretching your resources~~

Strategically leveraging your resources

Breakout session Agenda

- What is a region?
- What is currently working – you share
- Why that's not enough
- Economic realities/waves of ED development
- Leadership and regional success
- Interactive activity
- Examples from other successful rural regions
- Moving forward

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Acknowledgements

- Ed Morrison, Purdue University
- Steve Deller, University of Wisconsin
- Norm Walzer, Northern Illinois University
- Southern Rural Development Center

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Define your region

Think about your community and its current opportunities and challenges. What does the region that your community exists in look like?

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Define your region

What brings together the region you envisioned?

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What works regionally?

- Regional public safety efforts
- Regional infrastructure investments
 - Transportation, water, sewer, broadband
- Regional education systems
 - K-12, Local Community Colleges
- Others?

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Define your region

What challenges divide the region you envisioned?

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Low-hanging fruit



Challenge:
Thinking deeper
and more
strategically is
hard!

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Did You Know?

<https://www.youtube.com/watch?v=TwtS6Jy3ll8>

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Video Thoughts?

It is not the strongest of the species that survives
nor the most intelligent
but the ones most responsive to change

-- Charles Darwin

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Global Competition



- Post-WWII dominance
- Growth is increasingly occurring elsewhere.
- Is America declining?
 - or world catching up?
- New competitors
- New opportunities

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The Rules Have Changed

Every other region in the world is now **competing** with us **for prosperity** in a new economy world.

- They have flexible infrastructure, a more flexible decision-making framework, and better partnership between government and business.
- They do not have our legacy costs (pensions, health insurance, etc.).
- They do not care about us.

We have to **change the way we think, act, and do business** at every level in the public, private and nonprofit sectors in order to compete.



We have to recognize that it's a changing world with changing economic trends



Mega-Trends: Global Economy

- Expanded importance of **creative and knowledge economies**
- Outsourcing that divides **"value-chain"** functions into more productive, interdependent activities
- **Specialization** of regions and communities
- Expanded growth of **entrepreneurs** and the self-employed
- **Connections** between places having complementary specializations or resources



Three Waves of Economic Development

Component	First Wave	Second Wave	Third Wave
Goal	<i>Industrial Recruiting:</i> Attract outside businesses	<i>Cost Competition:</i> Retain and expand existing businesses	<i>Regional Competitiveness:</i> Enhance regional resources to promote regional collaboration and clusters
Strategies	Provision of financial incentives Building of industrial parks	• Reduction of taxes • Deregulation • Industry consolidation and cost cutting (i.e., lean manufacturing)	• Entrepreneurship • Regional collaboration • Identification and development of regional clusters and import substitution activities
Keys to Success	Offer government funds for subsidies and tax breaks Develop an industrial infrastructure	• Develop training programs • Strengthen the health of existing firms • Provide social and physical resources	• Build on unique regional assets (such as human capital, amenities, creative economy; innovation) • Focus on leadership development • Develop/maintain quality environment • Bridge economic and community development

Source: Blakely & Ted Bradshaw (2002); Drabenstott (2006); Hembd (2008)

First Wave

Component	First Wave
Goal	<i>Industrial Recruiting:</i> Attract outside businesses
Strategies	Provision of financial incentives Building of industrial parks
Keys to Success	Offer government funds for subsidies and tax breaks Develop an industrial infrastructure

Second Wave

Component	Second Wave
Goal	<i>Cost Competition</i> : Retain and expand existing businesses
Strategies	<ul style="list-style-type: none"> • Reduction of taxes • Deregulation • Industry consolidation and cost cutting (i.e., lean manufacturing)
Keys to Success	<ul style="list-style-type: none"> • Develop training programs • Strengthen the health of existing firms • Provide social and physical resources

Regional Economic Development

Economic growth occurs whenever people take resources and rearrange them in ways that are more valuable

Paul Romer
Nobel Prize in Economics

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Regional Economic Development

Economic growth springs from better recipes, not just from more cooking.

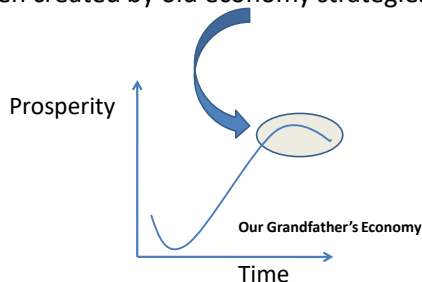
Paul Romer
Nobel Prize in Economics

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Third Wave

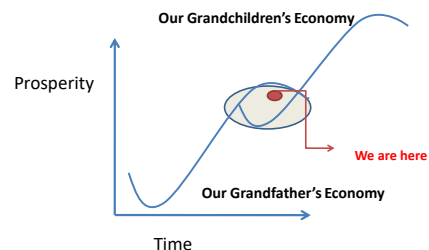
Component	Third Wave
Goal	<i>Regional Competitiveness</i> : Enhance regional resources to promote regional collaboration and clusters
Strategies	<ul style="list-style-type: none"> • Entrepreneurship • Regional collaboration • Identification and development of regional clusters and import substitution activities
Keys to Success	<ul style="list-style-type: none"> • Build on unique regional assets (such as human capital, amenities, creative economy; innovation) • Focus on leadership development • Develop/maintain quality environment

We are at the end of an era where wealth has been created by old economy strategies



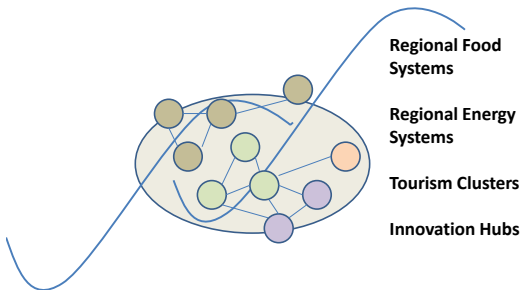
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A new economic curve is forming where wealth is created by new strategies



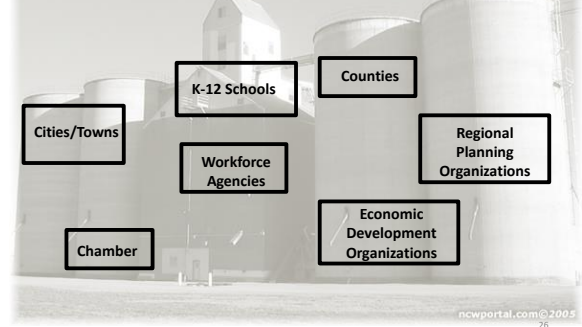
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Our job is to find pathways from one to the other



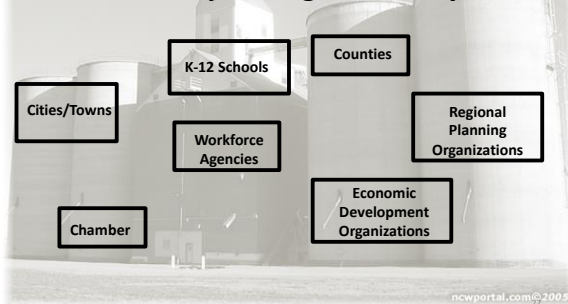
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Our Grandfather's economy functioned with clear boundaries



ncwportal.com © 2005

Despite realities of our grandchildren's economy, regions are not responding differently



ncwportal.com © 2005

Our regions are covered with invisible fences that no longer work, but continue to constrain us



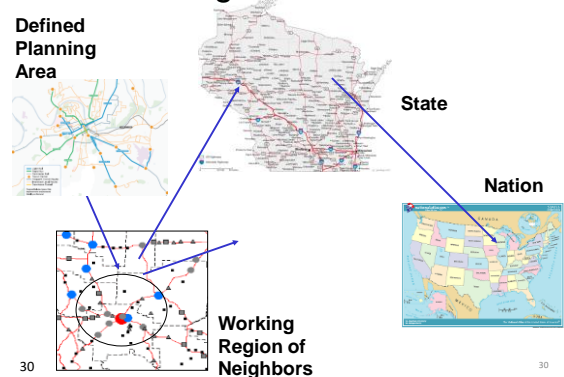
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Often we struggle to define our region...so what is a region?



- Geographical area of similar characteristics
 - Similar within
 - Different between (different from other places)
- Place of interest to people, with a unique identity and meaning

Regional Scales



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What Makes Sense



- Sometimes neighboring counties do not have anything in common;
- Do not let state (or county) lines define regions;
- Do not be afraid to go beyond county lines to identify towns or major cities for rural/metro interests;
- Find areas that share interests and goals;

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Once defined, successful regions and their leaders are moving away from our grandfathers economy by:

- Focusing on opportunities, not problems;
- Committing themselves to “closing triangles;”



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New leadership approaches are required for success

Grandfather's Economy

Hierarchies
Command/Control
Vertically Integrate
Transactions
Protect Boundaries

Grandchildren's Economy

Networks
Link & Leverage
Horizontally Connect
Relationships
Strengthen cores

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Regional Success



Fargo, North Dakota Region

- Among the lowest unemployment rates in United States (4.1%);
- Strategically connecting NDSU & MN State @ Moorhead to identify areas of excellence;
- Conducting cluster analysis to connect industries with campus innovations;

Sparta, North Carolina Region

- Developed training certification program for advanced materials cluster with community college;
- Changing culture among residents relative to education & training.

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Successful regional leaders are transitioning to our grandchildren's economy by strengthening networks



A global map of internet connections

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Why a Regional Networks?



They Promote the Three Cs:

- **Conversation:** Helps promote discussions among public & private sector leaders and local residents; builds regional awareness; focuses on consensus building; focuses on the future
- **Connection:** Regionalism is a contact sport that requires personal interactions at every stage of the game
- **Capacity:** Helps leverage key assets; it weaves the system of support needed to create and attract businesses

Source: Council on Competitiveness (2010)

The three “Cs” uncover networks

- Creating “safe space” for complex thinking;
- Uncovering assets and networks with regular forums;
- Linking assets to define new opportunities;



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Think regionally for 5 minutes

1. Turn to your seat neighbor(s);
2. In 3 minutes, talk about your community – its assets and challenges
3. Explore how your communities could partner on a future initiative to enhance vitality
4. Share your results

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Strategic Doing

- What **can** we do together
- What **should** we do together
- What **will** do to together

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Developing a regional economic development Plan of Action

Three major components of regional economic development plans:

- Encourage regional critical mass – act regionally to compete globally
- Prioritize investments in public goods and services to unlock a region’s economic potential
- Spur innovation to transform a region’s economy



Source: Mark Drabenstott (2010)

Regional Success



Green County, Wisconsin

- Regional community-organized agri-tourism weekend;
- 25 collaborative partners;
- Celebrate local venues to tell their authentic story

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Regional Success



Vernon Trails

- Regional non-profit that develops & maintains roadways, sustainable trails and outdoor recreation for human-powered users;
- Created/executed > 100 community events;
- 100% volunteer run

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Leveraging Regional Assets

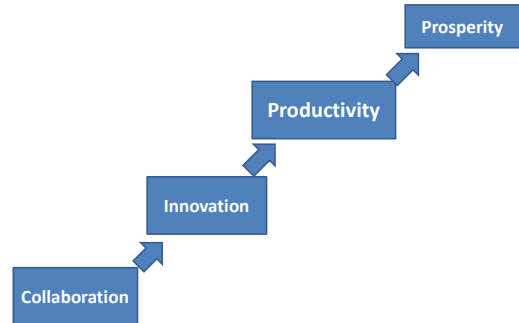
Purdue's Center for Regional Development (PCRD)

- Tools to help regions ID competitive advantages (thru cluster & innovation indexes)
- PCRD facilitating "civic regional networks" to link assets



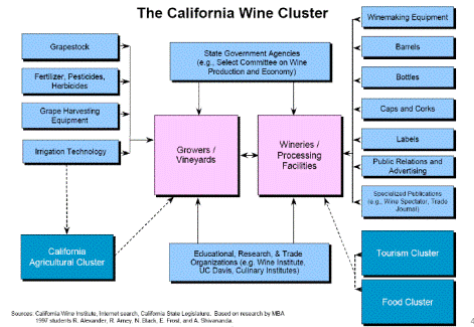
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The three "Cs" foster collaboration



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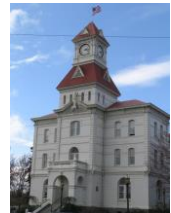
Greater collaboration fosters learning, innovation and prosperity



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Strategic regional alliances

- Corvallis, Oregon "Prosperity That Fits"
- North Carolina's "Research Triangle North"



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Successful regionalism requires a new type of leader

Grandfather's Leadership What we need today

Centralized	Distributed & Shared
Single Leader	Many Leaders
Command & Control	Link & Leverage
Lead from the front	Lead from front & rear

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It starts with focusing on opportunities

- [Vision East](http://www.ncnortheast.com) (www.ncnortheast.com)
 - 41 counties in eastern North Carolina
 - Focus on military, tourism, agriculture, advanced manufacturing and entrepreneurship
- [Texoma Regional Consortium](http://www.workforcesolutionstexoma.com/html/news.html) (www.workforcesolutionstexoma.com/html/news.html)
 - 13 counties in northern Texas and southern Oklahoma
 - Focus on advanced manufacturing and entrepreneurship
- [Montana's Agro-Energy Plan](http://dli.mt.gov/wired/wired.asp) (dli.mt.gov/wired/wired.asp)
 - 32 counties and six Indian Reservations
 - Focus on renewable energy development as tool for rural entrepreneurship

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New Partnerships Emerge

Peoria, Illinois

- Next Innovation Center
- 50,000 square feet
- Key partners include CAT, Bradley University, Medical Facility, City of Peoria



Moscow, Idaho

- Palouse Knowledge Corridor
- Joint WSU/UID student innovation competition



Leveraging Regional Assets

Greater Milwaukee Water Cluster

- Recognize strategic position of water-related industries
- Connect with leading academic researchers worldwide
- Considering water/energy nexus



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Leveraging Regional Partnerships

Columbus, Indiana

- Regional initiative to advance individuals by at least one level in their education, training, job placement, and income.
- Working with 34 High School counselors on regional cluster opportunities.
- Regional Advanced Manufacturing Center for Excellence to serve 10 county network;



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Successful Regional Leadership

Key Lessons

Create a "home" for institutional partnership...**work win/win**

Reinvent "**regional governance**"...make decisions as a region, not just independent jurisdictions

Align efforts of government, private sector, universities and other institutions for more rapid regional economic development

Encourage bottom-up, community based planning and policy development



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Successful Regions Have...

- Leaders that recognize the new realities of economic development
- Leaders that build relationships that bond the region together
- Leaders that possess a global view
- An understanding of current strengths and weaknesses
- Flexibility and adaptability



"If your actions inspire others to dream more, learn more, and become more, you are a leader."

John Quincy Adams

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Contact Info

Dave Ivan
Michigan State University
Extension
Phone: 517-432-7602
Email: ivand@msu.edu



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