

A NEW ECONOMIC MODEL

RETHINKING THE

delta

2008–2013 Regional Development Plan



DELTA REGIONAL AUTHORITY

OFFICE OF THE FEDERAL CO-CHAIRMAN

June, 2008

In 2002, the Delta Regional Authority (DRA) produced its first regional development plan. That plan helped guide the Authority in implementing its highly successful federal grant program.

As the Authority moves forward, however, it has become clear that the old economic and community development models are no longer sufficient for the knowledge-based economy of the new century. That's why we're releasing this updated regional development plan.

Most demographers believe there will be more jobs than there are qualified people to fill those jobs during the next three decades. Job creation won't be the issue. The issue will be which communities get the best jobs. The counties and parishes served by the DRA must approach economic and community development differently than in the past.

Development is no longer about industrial parks, industrial recruitment and the quest for just any new job. Today's development is a function of local leadership that builds on a community's attributes, fields a competitive workforce and attracts private investment. The DRA's regional development plan is an action plan that, if followed correctly, can produce gains in employment, personal income and quality of place.

We're pleased to release this plan and look forward to working with states, counties, parishes and cities as we collectively improve the lives of Delta residents.

Pete Johnson
Federal Co-Chairman

PJ:ps



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EXECUTIVE SUMMARY

The suffering laid bare by Hurricane Katrina is not a phenomenon isolated to the Gulf Coast; it extends throughout one of North America's most fertile basins and along the country's most prominent river. Predominantly rural, the Mississippi River Delta region has the highest concentration of disadvantaged populations in the country. It faces profound concerns related to health, out-migration, and persistent poverty. Education and income levels are well below the U.S. average, and are lower than other rural areas.

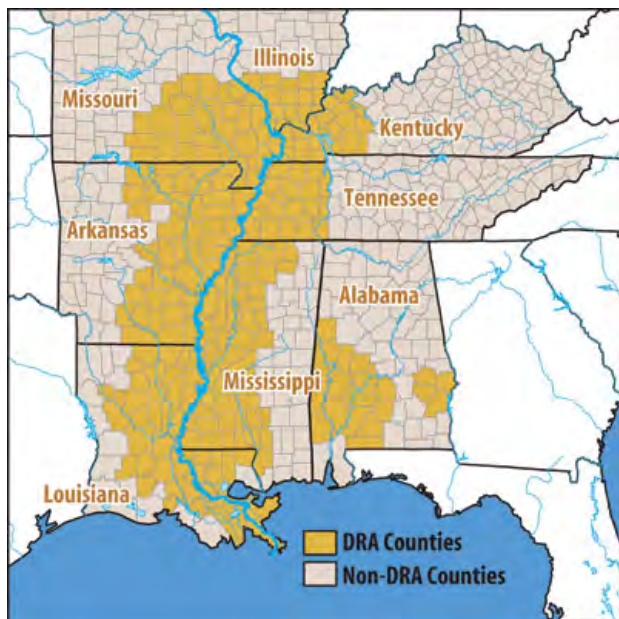
These facts about the Delta cast doubt on traditional development strategies. Economic development programs that encourage individual rural communities to offer cheap land, buildings, and labor have proven ineffective. To compound the problem, there are fewer and fewer prospects seeking industrial sites. Moreover, the Delta's



Hurricane Katrina aftermath

longstanding socioeconomic problems cannot be solved by spending more public money through the same delivery systems on the same programs. Economic and community development in the Delta must be rethought. Programs must be harmonized with the changing realities of talent, technology, and capital.

In recognition of the challenges faced by the region, Congress established the Delta Regional Authority (DRA), a federal-state partnership charged with enhancing economic development in the Mississippi Delta region. The *DRA Regional Development Plan* charts a new course for economic development in the Delta. It proposes an investment strategy and specific targets for the agency, based on a statistical model for how Delta communities grow. The plan is realistic about what federal programs should be doing. More importantly, however, it presents transparent, accountable, and achievable recommendations to deal with long-term and persistent issues of poverty and distress.



The Delta Regional Authority (DRA) is a federal-state partnership serving a 240-county/parish area encompassing portions of Alabama, Arkansas, Kentucky, Illinois, Louisiana, Mississippi, Missouri, and Tennessee.



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Magnolia Hall; Natchez, Mississippi

resources and focus attention on the region. The DRA accomplishes its mission by fostering partnerships with public, private, and non-profit entities.

Encompassing 240 counties and parishes in portions of eight states, the Delta region has deep historical and cultural roots and is home to more than 9.5 million people. Relative to the overall economic well-being of the United States, the Delta region continues to experience pervasive economic and social distress. While many areas of the American South have prospered in the modern economy, growth and prosperity in the Delta has remained largely uneven. Indeed, only 10 of the region's 240 counties and parishes are not defined as economically distressed.

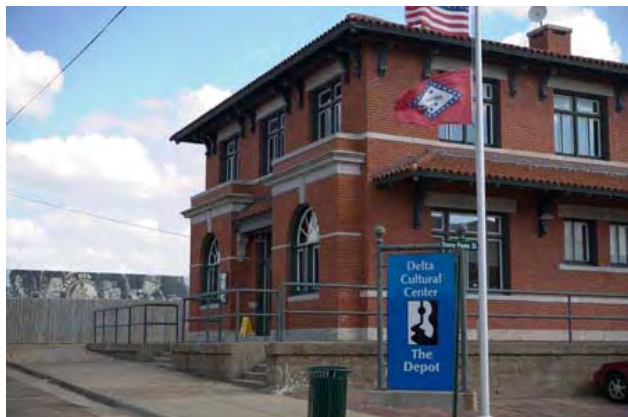
Under federal law, at least 75 percent of DRA funds must be invested in economically distressed counties and parishes. Additionally, half of the funds are earmarked for transportation and basic infrastructure projects. Despite the fact that the DRA is a relatively young federal agency — the Authority held its first board meeting on February 23, 2002 — it has already invested \$47.6 million in 333 projects

"The DRA should be a regional planner and federal investment coordinator rather than a grants administrator."

President George W. Bush

DRA OVERVIEW

Authorized under the Delta Regional Authority Act of 2000, the DRA serves as a unifying voice for economic and community development in the Mississippi River Delta. Led by a federal co-chairman and the governors of each participating state, the DRA seeks to leverage



Delta Cultural Center; Helena, Arkansas

in the eight-state region through its federal grant program. These funds have leveraged \$207 million in other public funds and \$481 million of private funds.

The DRA is committed to serving the Delta as a focal point for resources and an originator of ideas. The Authority recognizes that to be an effective agency, its mission cannot be limited to reducing unemployment and poverty in failing communities. It must instead concentrate on developing the assets needed to sustain long-term growth.

On the basis of this understanding, the Authority will work with its state, regional, local, and private-sector partners to build “critical mass” in communities throughout the region. Critical mass is central to this strategic plan. It represents the potential for sustainable growth and private sector investment.

VISION FOR THE DELTA

This plan represents a departure from traditional economic and community development models. It is a guide for championing and supporting creative approaches. The programs that emerge from this new perspective embrace the vision of the Delta as a region where people, communities, and businesses flourish. The

PLAN AT A GLANCE

Vision

After decades of decline, the Delta Region will achieve a pattern of sustained growth. Increasing **capital investment** and productivity will establish the region as a magnet for **talent and innovation**, and will nurture a **sense of place** within each community.

Mission

The DRA will serve as a regional focal point for resources, planning, and ideas. The DRA will be a catalyst for investment in the communities and in the people of the Mississippi Delta.

Strategic Goals

- **Goal 1:** Advance the productivity and economic competitiveness of the Delta workforce.
- **Goal 2:** Strengthen the Delta’s physical and digital connections to the global economy.
- **Goal 3:** Create critical mass within Delta communities.

Management Goal

Maintain organizational excellence and continue to be recognized as a steward of public resources.

plan contains prioritized goals, strategies, and actions that focus the Authority’s mission. It also emphasizes performance measures that reflect true progress for the Authority and for the region.

The challenge of this plan is to create a single vision that integrates existing programs while taking into account traditional performance measures. The challenge is met by a focus on the competitiveness of the Delta workforce.

Committing to a shared vision – one embraced both by the member states and Delta communities – is essential,



French Quarter; New Orleans, Louisiana

but it is not enough. In fact, it is increasingly obvious to economic development agencies that a healthy and educated workforce is a precondition of overall economic competitiveness. But the plan must answer one additional question. Most crucially – how can that workforce be retained? It is only against the backdrop of the out-migration of young and talented people that competitiveness can be understood. It is not enough to improve the region’s health, transportation infrastructure, and broadband access. Without the ability to retain and attract talent, the region will continue to decline.

What retains and attracts talent? The answer this plan gives is in the factors of critical mass. These factors add up to one thing: *quality of place*. The critical mass factors are discussed at length in the plan. More difficult to identify are the intangibles. What is it that makes us want to live in particular communities, that makes us feel that we want to invest in them, that draws young people? While difficult to quantify, this plan links critical mass indicators with survey data and focus groups on why young workers choose where they live. The results embody a blueprint for talent attraction.

The goals and strategies presented here are built on this foundation: The DRA will support those communities that commit to quality of place. It is in this way that the Delta can establish itself as a magnet for talent.

✓ ***Goal 1: Advance the productivity and economic competitiveness of the Delta workforce.***

This goal encompasses the vision of the plan with an aggressive agenda that includes the creation of a Delta Institute focused on addressing workforce competitiveness in the region. It also supports existing initiatives related to health, workforce training, and regional partnerships.

What is Quality of Place?

Economic development activities are often undertaken in a vacuum—as if “jobs” were somehow independent of the people who hold them. Workers need places to live, amenities, and educational opportunities. Quality housing, restaurants and good schools are not luxuries for today’s workforce—they are necessities. Communities that fail to address these concerns will fall behind those that do.

Much has been written about the importance of quality of life to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. We agree these factors are important. We take issue only with the narrowness of the focus. Quality of life assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents’ view of what makes a community would be shared by all.

By contrast, **quality of place** considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. Quality of place is about providing options, not just for current residents, but for those who will be residents in the future.



GUIDING PRINCIPLES

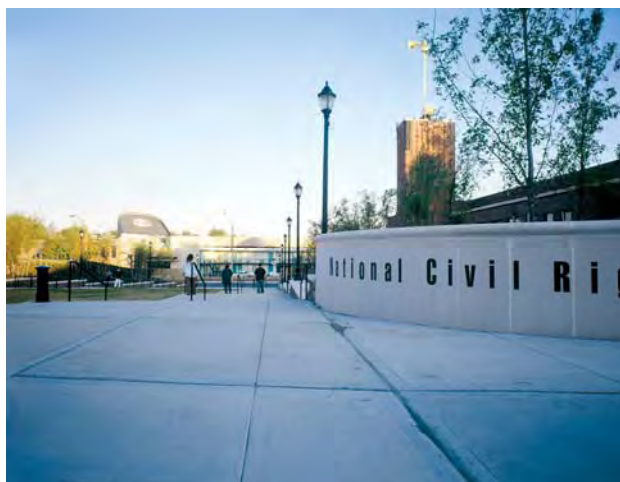
- DRA funded projects will be less directed to localized projects and will instead have greater sub-regional and/or **regional impact**.
- Stimulating **private investment** is the key to sustainable growth.
- Delta communities work with federal, state, regional, and local **partners**.
- The **private sector is engaged** and involved with DRA programs.
- **Creativity and innovation** are emphasized.
- Leadership is **recognized as a catalyst** for creating and sustaining growth.
- The **productivity of the region** is reinforced through health, workforce education, information technology, and multimodal and intermodal transportation.
- State and sub-state development plans will be **aligned and integrated** with the DRA regional development plan.

✓ **Goal 2: Strengthen the Delta's physical and digital connections to the global economy.**

The DRA's continuing efforts to support telecommunications (*i*Delta), highways, and energy producing capacity are given a detailed review and connected to the larger concern for the regional workforce.

✓ **Goal 3: Create critical mass within Delta communities.**

The concept of "critical mass" reinforces what every economist and every resident already knows: growth requires jobs and investment. The critical mass that leads to economic vitality is measurable. After analyzing hundreds of variables, this plan emphasizes 10 key factors empirically shown to drive employment growth and linked to quality of place. It also provides the rational basis for future DRA investment.



National Civil Rights Museum; Memphis, Tennessee

CONCLUSION

This fact must be stated: The DRA cannot focus its efforts and simultaneously retain a broad programmatic approach. The only realistic approach is to align DRA programs towards a common objective. That goal – and vision – is the competitiveness of the workforce.

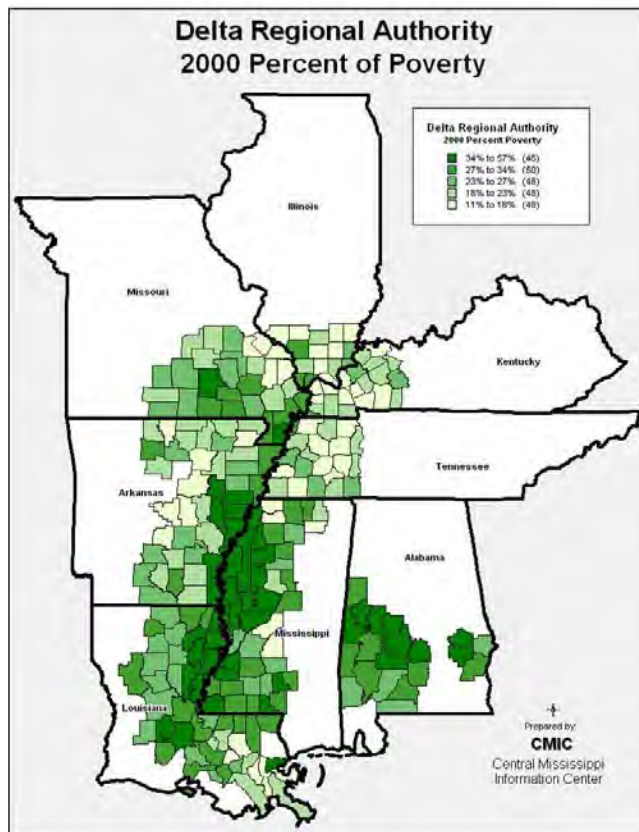
The need for a competitive workforce does not require extensive documentation. It is the watchword of every business in America. To make it the focus of this strategic plan, however, is to recognize that the myriad of issues facing citizens in the eight target states is beyond the reach of the DRA. It means that health, information technology, and transportation are part of a common challenge – not goals in themselves. Of equal importance to the DRA, a competitive workforce meets the performance measures set for the agency and provides specific direction for all of the DRA's programs.

Finally, it is the hope of the DRA Board that the approach presented in this plan will serve as a template for the states' DRA plans, as well as for state programs directed at distressed rural areas in general.

THE CHALLENGE

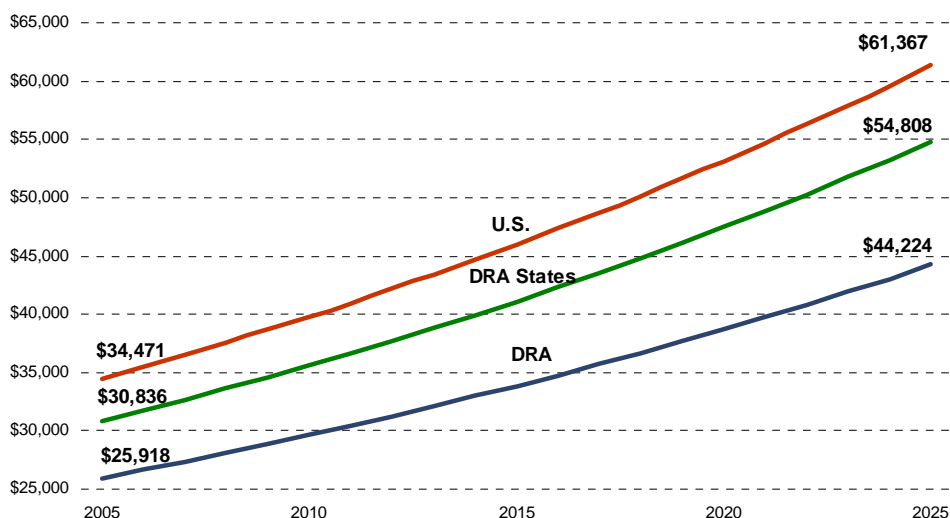
The economic challenges facing the Delta region are serious. Between 2000 and 2005, nominal per capita personal income (PCI) for the 240 counties and parishes of the DRA region grew at a compound annual growth rate (CAGR) of 2.71 percent. In comparison, PCI for the eight DRA states and the U.S. grew at rates of 2.92 percent and 2.93 percent, respectively.

Moreover, projections of nominal per capita personal income growth based on the 2000-2005 averages show the income disparity between the region and the nation worsening (see figure below). By 2025, PCI for the U.S. is projected to reach \$61,367. For the DRA region, total per capita income is forecast to reach just \$44,224 over the same period. While PCI for the eight states would remain at 89 percent of the U.S. level in 2025, for the DRA region it would fall over the 20-year period from 75 percent to 72 percent. With shrinking opportunities to earn more money, Delta residents with marketable skills will likely migrate elsewhere in search of better paying jobs.



PROJECTED PER CAPITA INCOME

Based on the 5-year 2000-2005 CAGRs in current dollars.



SOURCES: U.S. Bureau of Economic Analysis

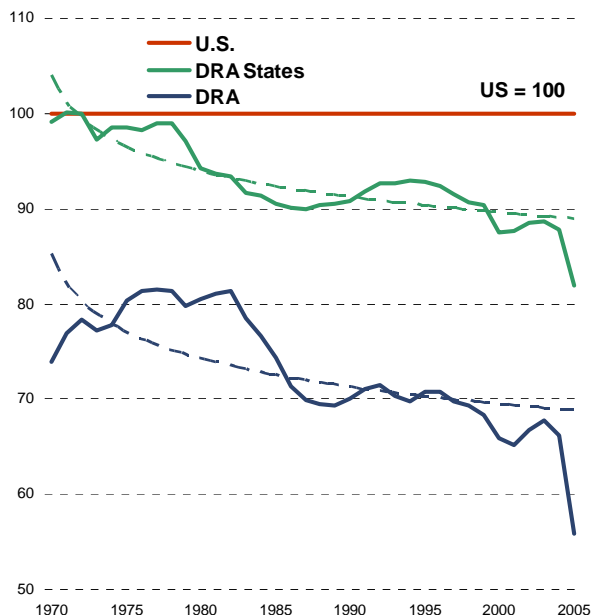


Why has income growth in the region fallen so far behind the rest of the nation, especially since the late 1990s? The most compelling economic answer has to do with a continuing dependence on a declining industrial and agricultural base. While much of the rest of the nation has made the transition to information technology and a growing professional service sector, the Delta region has persistently adhered to a failing economic model. Not surprisingly, this has forced many of the more skilled and educated rural Delta residents to leave for growing metro areas inside and outside the region. The remaining non-metro residents, especially those living in distressed areas, lack access to the resources needed to become economically competitive. As a consequence, communities fall further into decline and the population grows increasingly dependent upon public assistance.

To illustrate this point, the figure to the right shows the ratio of total wage and salary disbursements (earnings) to total government transfer payments for the DRA region and the eight DRA states. The annual ratio for the U.S. is set to 100 and represents the baseline ratio of earned income to transfer payments. The lower an index falls below 100, the greater the region's reliance on transfer payments relative to the rest of the country.

It is obvious that both the states and the region are growing increasingly dependent on transfer payments as a source of income. The sharp declines in the last year of the graph are likely the result of Hurricane Katrina related payments. Still, the overall trend of the past 35 years is clear: Delta residents are increasingly earning less income derived from work.

SOURCE-OF-INCOME INDEX



SOURCE: U.S. Bureau of Economic Analysis
NOTE: Dashed lines are logarithmic 35-year trendlines for each geography.



Moving Forward from the 2002 Plan

Since 2002, the Delta Regional Authority has pursued the goals articulated in its 2002 Comprehensive Plan. The plan set out 22 long-, mid-, and short-term goals for the DRA. The four long-term goals are:

1. Increase the income levels of the individuals, families, and households within the geographic area of the Delta Regional Authority to an amount equal to or exceeding the eight states which comprise the region by the year 2025.
2. Decrease levels of unemployment and underemployment within the DRA to that of the eight states by the year 2025.
3. Decrease dependency on federal support and transfer payments within the region to a level similar to the entire eight states by the year 2025.
4. Identify and provide the infrastructure necessary to support both economic and domestic growth and development to the proper government.

In addition to these goals, the plan specifies rolling five-year regional outcome targets. These targets are related to income, unemployment, transfer payments, poverty, public assistance, education, single parent households, and labor participation.

With its modest budget and staff, however, the DRA can not realistically influence these unreasonable socio-economic targets.¹ The two figures above illustrate just how far the Delta is falling behind the states and the nation with respect to income and reliance on public

assistance. They show the gaps growing wider despite the billions of federal and state dollars invested in the region over decades.

The DRA recognizes that to be an effective agency, its mission cannot be limited to reducing unemployment and poverty in failing communities. It must instead concentrate on developing the assets needed to sustain long-term growth. Not all communities are in a position to benefit from this approach, but all communities benefit from rethinking their priorities. The model for this new concept is built around *critical mass communities*. Critical mass is defined by those factors that correlate most directly with sustainable employment gains. In other words, it is the intent of the DRA to reward those projects that have a proven relationship to future employment growth. This approach opens the door to a new way of thinking about community development and vitality. It also links directly to the expectation of the administration that employment growth is a primary metric of economic success. Among the most significant of these consequences is the need to narrow the focus of the agency to those activities that directly relate to job growth.

¹ In FY 06, the DRA operated with a budget of \$12 million and staff complement of 15. In comparison, the Appalachian Regional Commission operated with a budget of \$65 million (non-highway) and a staff of 59 (11 federal and 48 FTE non-federal trust fund employees).



THE RESPONSE

In response to these challenges, the DRA will reorganize its highly successful federal grant program to build upon a solid base that is poised for growth. The Authority's regional investment strategy will be organized around a set of competitive categorical grant funds dedicated to building critical mass within Delta communities. These "competitive categoricals" include:

- Health as an economic engine: The Healthy Delta campaign and other employer-based chronic disease education, prevention, and screening initiatives
- Information technology: Implementing the recommendations of the iDelta plan
- Transportation: Building the Delta Development Highway System
- Workforce education and leadership: Preparing and equipping Delta residents and communities to prosper in a knowledge-based economy
- Traditional localized projects: Supporting basic physical infrastructure, transportation, workforce training, and business development projects

The Authority's own limited resources are not enough to address all of these investment priorities. Therefore, in order to implement this program, the DRA will pursue interagency agreements with other federal agencies. Such agreements will allow the DRA to coordinate and direct federal investments in the Delta in such areas as health, transportation, IT, education, and workforce training. This approach also supports President Bush's directive that the DRA become a federal investments coordinator for the region.

The federal grant program will remain open to all communities in the Delta, regardless of size or wealth. The purpose is not to reward those communities that have already achieved critical mass; rather, it is to provide an investment strategy for those Delta communities that have not. Indeed, the DRA will continue adhering to the congressional mandate that 75 percent of total DRA funds are invested in distressed counties and 50 percent of grant funds are spent on transportation and infrastructure projects. DRA governors will also maintain complete flexibility and discretion in making grant decisions within each of the competitive categorical grant funds.

Local and regional organizations interested in competing for these funds will submit competitive proposals that detail the challenge they face, their response, how much they are requesting, and how funds will be spent.

In addition, the grant recipients will be required to meet DRA's pre-specified performance outcome measures. These performance measures will emphasize programmatic outcomes, rather than regional socio-economic measures such as income, poverty, and unemployment.



Critical Mass Communities

To help guide its future investment decisions, the DRA developed a statistical model for identifying the primary factors communities need to achieve sustainable growth. Distress factors provide no guidance to the DRA. The current model of identifying “distressed communities” encompasses 96 percent of the region’s counties and has limited value. The *Critical Mass* (CM) model correctly predicts the growth trajectory of 80 percent of the DRA’s 240 counties over a 20-year period. The critical mass approach provides the DRA with an empirical tool for prioritizing investments. It also offers communities in the Delta region a means to benchmark their progress toward community vitality.

What is Critical Mass?

The concept of critical mass refers to the specific amount of fissionable material required to start and sustain a nuclear reaction. This definition has been extended in daily use to refer to the point at which a thing—be it an idea, a process, or a communications network—becomes self-supporting.

Critical mass communities are those communities in which the necessary elements exist in sufficient quantity to create and sustain a vital economy.

Identifying these elements for the Delta region is at the heart of this plan.

Critical mass characteristics are directly linked to job creation. Among the many factors analyzed in this study, seven stand out at best being able to predict future employment gains. The figure below highlights the characteristics with the highest impact on jobs and then gives examples of how these characteristics can be measured. For example, we know that the greater the number of jobs in start-up companies, the better the local economy will perform overall.

These characteristics are also ranked by their impact on the economy. From the table we can see that being a healthy community has the single biggest impact on future employment growth. By paying close attention to these factors, Delta communities can dramatically change their economic prospects.

Critical Mass Community Growth Characteristics

Rank	Characteristics	Examples
1	Healthy People	Improving life expectancy
2	Expanding Population	People moving into a community
3	Skilled Workforce	Jobs for skilled labor and professional occupations
4	Multi-Cultural	Foreign-born people moving into a community
5	New Companies	Jobs in companies started in the last five years
6	Entrepreneurial Culture	Percentage of self-employed people in the workforce
7	Community-Wide Culture of Learning	Public school growth enrollment



Summary of Growth Characteristics

Variable	Explanation for Correlation	Relevance for DRA	Sample DRA Objectives
Share of workers in technical & professional occupations	A skilled workforce is at the heart of U.S. competitiveness. Places that can provide a pool of skilled workers will compete more effectively and their economies will grow.	Activities that encourage workforce readiness, education, or skill development should be supported.	Strengthen workforce education programs.
Change in life expectancy	Public health and education are the primary foundations of economic development. While healthy people live longer, they also have a greater potential to be more productive.	Any programs that enhance public health and education should be a high priority for the DRA.	Expand the Healthy Delta program.
Share of jobs in establishments started in last five years	New businesses grow faster than older ones.	Avoid allocating resources toward declining industries or processes. Long-term benefits are more likely to occur when the focus is on technologies that enhance competitiveness, whether in emerging industries or mature ones.	Support growth-oriented entrepreneurship programs.
Share of workers who are self-employed	When economies are growing they tend to capitalize more on independent contractors than when they are stagnant. Also, large corporations contract out for many professional services, creating opportunities for skilled professionals seeking economic independence.	One of the biggest needs for self-employed professionals is access to IT resources and broadband connectivity. Entrepreneurs choose to locate in communities that offer a broad range of amenities.	Support entrepreneurship mentoring networks.
Change in public school enrollment	Job creation spurs in-migration. More families mean more students in local schools.	Communities that offer high quality educational opportunities and housing will grow faster. Neighborhoods and employment centers must connect efficiently with schools.	Advance the Delta initiative.
Share of population that is foreign-born	Depending on the type of jobs available, immigrants may be encouraged to move into a community. These immigrants can be highly skilled tradesmen or professionals.	Communities that welcome and seek to integrate immigrants should be supported. Immigrants often bring energy and vitality to a region's economy.	Continue J-1 Visa waiver program for medical professionals.
Domestic in-migration	Job creation spurs in-migration. Depending on the type of jobs available, individuals from other counties or states may be encouraged to move into a community.	While it may be true that people migrate to communities that offer economic opportunity, that opportunity must be coupled with amenities attractive to outsiders.	Enhance the quality of place of Delta communities.
Patents per capita	Patents are a measurable proxy for innovation, and innovation is a primary generator of productivity and job growth	Any activities, corporate or academic, that encourage patent generation specifically or innovation in general should be supported.	Establish a Delta Institute.
Total establishment employment	Jobs are added at a faster rate in larger counties than in smaller ones.	Job growth is a primary metric of critical mass	Promote economic diversification.



Workforce Competitiveness

For this regional development plan, the DRA set out to address Delta issues in a candid way. That meant being realistic about what federal programs can, and cannot, do to address long-term and persistent issues of poverty. It also meant being realistic about the mandate and resources of the DRA itself. As with most governmental agencies, the final verdict of what counts as success is to be found in the measures by which that agency is evaluated. In the case of the DRA, those measures relate entirely to increasing jobs and private investment. In other words, DRA measures are economic development measures. Whatever programs and initiatives, whatever conferences or policy papers, the final judgment would rest with jobs and private sector involvement. These facts presented a challenge to the planning process: how to create a single vision that would encompass existing programs while taking into account OMB performance measures. The conclusion arrived at in this plan was to focus on the productivity of the Delta workforce. What does that conclusion mean, and what follows from it?

The need for a competitive workforce does not require extensive documentation. It is the watchword of every business in America. To make it the focus of the strategic plan, however, is to recognize that the myriad of issues facing citizens in the eight target states are beyond the reach of the DRA. It meant that **health, information technology, and transportation** should be dealt with as part of a common challenge – not as goals in themselves. There are three reasons the plan chooses not to address these as separate and discrete issues:

1. Each of these areas, with the exception of information technology, has large and well-established constituencies. There are federal and state departments already dedicated to them with separate funding sources. However effective these agencies may or may not be, they have a long history of involvement with the Delta.
2. The challenges and costs associated with these areas are extraordinarily complex. Even if they were within the mandate of the DRA, they could not be resolved by more federal spending, or even by a greater coordination of federal effort.
3. Finally, success towards resolving these challenges – even if that were possible – would have to conform to entirely different performance measures.

This fact must be stated: The DRA cannot focus its efforts and simultaneously retain a broad programmatic approach. The only realistic approach is to align DRA programs towards a common objective. That goal – and vision – is the competitiveness of the workforce.

Why should having a competitive workforce be the vision? Because it meets the performance measures set for the agency, it addresses the needs of Delta businesses, and it can provide a specific direction for all of the DRA's programs. The agency retains its focus, however, only by committing to the idea that health, information technology, and transportation and all the other programs are a means to an end. That end is reflected in the competitiveness of the workforce.



Quality of Place

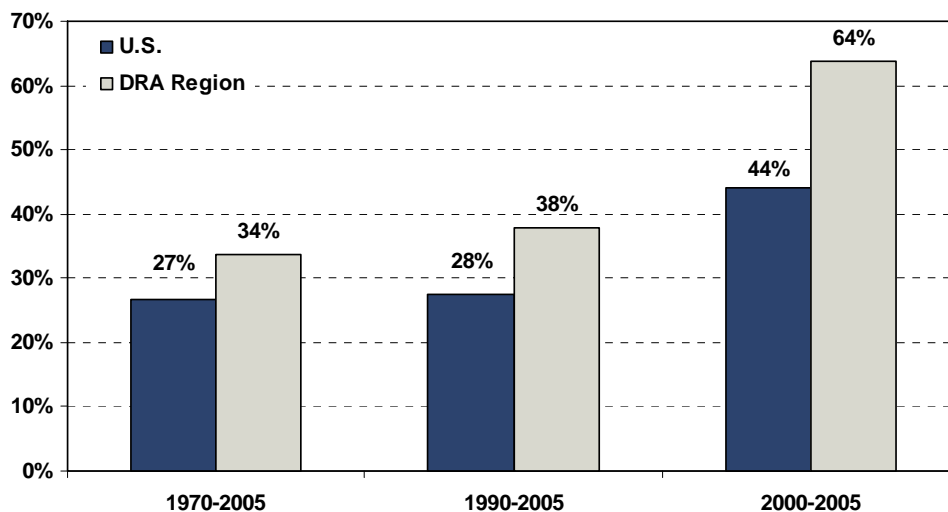
The growth characteristics show that a healthy and technically skilled workforce is a precondition of overall economic competitiveness. But the regional development plan must answer one additional question. Most crucially – how can that workforce be retained? It is only against the backdrop of the out-migration of young and talented people that competitiveness can be understood. It is not enough to have information technology, highway, and diabetes reduction programs. Without the ability to retain and attract talent, the region will continue to decline.

For the Delta, this point is explicitly illustrated in the figure below. Shown are the percentages of U.S. and DRA counties that experienced no (zero or negative) population growth for three time periods since 1970. The data reveal the percentage of no-growth counties for both the U.S. and the DRA region increasing over time. This is not surprising, given the concentration of population created by the continuing national trend toward urbanization.

Most troublesome for the Delta region, however, is the widening disparity between the region and the U.S. This growing chasm culminates in the first five years of this decade. Between 2000 and 2005, 64 percent of counties in the DRA territory did not experience population growth, compared to 44 percent of U.S. counties.

While critical mass is an important analytical tool for identifying the factors that support job growth, no community will ever attract people and investment by touting its growth characteristics. This requires something more visceral. *Quality of place* provides that framework. In communities across the United States and in Delta states particularly, there has been an enthusiastic embrace of this concept. Emphasis on “quality of life” no longer addresses what is required for rural communities to grow. Quality of life emphasizes the values of the existing population. The concept of place accentuates the attributes that attract new talent. Uniting place with creative programs will promote investment, economic diversification, leadership, and entrepreneurship.

Percentage of Counties Experiencing No Population Growth





Education

For years, economic development has been willing to abdicate responsibility for improving local public school systems. It has done this not because state or local economic development councils were indifferent to the declining quality of schools in struggling areas, but because this challenge was not core to their own mission. However under-achieving the students may have become, local economic development organizations knew that their performance was measured by jobs, not test scores. Hence, inexpensive land and generous incentives packages were the preferred tools.

Then something changed. Businesses began sounding the alarm on a workforce that was inadequate for an economy tied to services and information technology. Even the shrinking manufacturing sector demanded higher skilled workers to operate sophisticated equipment and machinery. Their concern was amplified by a measured decline in basic skills, from reading comprehension to simple arithmetic ability. It became clear to private industry that tax incentives, land availability, and subsidized infrastructure meant little without a skilled workforce. We have reached the point where this issue is fundamental to economic growth.

The initial economic development response to private industry was to make a broader commitment to workforce skills training. Unfortunately, for many areas of the Delta region, that investment in time and money did not return the expected dividends. There were two reasons for this:

1. It made little sense to train people for advanced workplace demands when they had no mastery of basic skills.
2. In those cases where programs were effective, there was no way of ensuring that people would stay in the area after they had completed their training.

The lessons learned were that traditional workforce training efforts do not resolve local education problems and do not directly meet the needs of businesses. While these programs certainly have value, they are not far-reaching enough to address the labor crisis businesses face. If economic development is to be successful in the Delta, it must acknowledge the effects of failing schools.

What does it mean, however, to acknowledge a crisis? In this case it means that local development organizations cannot pretend that business recruitment can succeed in the absence of a qualified workforce. And a qualified workforce requires a school system that prepares students to compete in a global economy.

Improving public schools is largely a local and state matter and the Authority's ability to bolster struggling schools is limited. Still, the DRA is committed to improving workforce education in the Delta. This involves supporting partnerships between economic development organizations, the business community, and other stakeholders concerned with the quality of the region's existing and future workforce. In Appendix B, the Economic Development Toolkit, we highlight creative responses to the education challenge.



Health as a Regional Priority

While public health is often taken for granted in the U.S., stabilizing public health often comes before literacy and education as a policy priority in the least developed countries. The relationship between health and economic development goes beyond the fact that healthy people live longer and are therefore able to be productive members of society longer. They also show up regularly for work and they cost their employers less in health care. Their productivity is higher.

The leadership of the DRA understands how important a region's health care is to its economy. That's why, at a meeting in December 2005, the DRA board voted to devote almost \$1 million to begin a diabetes education and prevention program. Known as the Healthy Delta program, this effort will attempt to bring about real change, starting with diabetes.

Coordination with State DRA Plans

Under federal law, each DRA member state is required to submit a development plan for the counties of the DRA territory represented by that state. In accordance, each member state has submitted a regional development plan that corresponds to the 2002 DRA Comprehensive Action Plan. However, because this new DRA regional development plan represents a significant departure from the previous plan, each state will be required to update their existing state DRA plan. This will allow the states to conform to the goals, objectives, and strategies established in this new regional development plan. Each state's DRA plan should also be a sub-set of its statewide plan. The DRA will then ask that each state submit annual updates to DRA in the form of a strategy statement. A sample template for the annual strategy statement is provided as an appendix.

Local Partners

In order for the DRA to promote sustainable economic growth in the Delta, it must work in concert with its local partners. The Authority's critical mass community model has identified the primary factors driving job growth. It is up to local and regional partners to identify and implement the specific programs that address these issues. Key to this process are the 44 local development districts (LDDs). They serve as the Authority's "distribution system." The LDDs promote the DRA federal grant program to local and regional organizations and provide technical assistance to grant applicants. Accordingly, the LDDs are responsible for ensuring the suitability, completeness, and quality of grant applications, and sign their own federal grant application agreeing to do so for compensation. It is, therefore, critical that regional economic development strategic plans of the LDDs also reflect the DRA's investment priorities. The DRA will work with the 44 districts to incorporate the components of critical mass into their regional development plans and initiatives, thereby aligning strategic federal, state, regional, and local economic development initiatives in the Delta.

Additional Considerations

Even the best strategic plans face difficult hurdles to implementation. *The most serious of these may be internal to the organization.* The sense that "we tried this before and it failed," or that "no one will buy into this" overshadow the pressing need for a creative approach. It is the goal of the DRA that this regional development plan be unfettered by these concerns. As a consequence, it bears saying what this plan does *not* propose to do. Each of the points below are held by strong constituencies and must be taken seriously. The debate



about what can change the downward trajectory of the Delta is one that we must have, and that we must continue to revisit on a regular basis.

- The plan does not recommend industrial recruitment as a solution to unemployment.

Industrial recruitment is the traditional economic development solution to high unemployment. But it ignores the fact that employment gains do not come from the manufacturing sector. Communities can no longer assume that manufacturing companies will drive their economy.

- The plan does not assume that training workers, or advancing leadership, can ensure that the talented young people of the Delta will remain in their communities.

It is a fact conveniently ignored by workforce training organizations that local opportunity fails to anchor talented workers. More typically, as soon as motivated individuals acquire skills and education, they leave the region for flourishing tech centers elsewhere in the country.

- The plan does not recommend actions that compromise the efforts of organizations already operating in the region.

*The DRA is not the only federal or state agency investing in the Delta. While that may be entirely obvious, it is vital that it not be ignored. From health to transportation, from technology to education, from housing to economic development, federal and state agencies continue to spend heavily in the eight Delta states. **The success of the DRA lies along two paths: creative approaches and cooperative planning.***

- While the plan narrows the focus of the DRA, it respects the importance of continuity and support for existing initiatives.

The DRA may be a young agency, but it has a base and a constituency whose needs must be recognized.

Finally, the plan recognizes that while poverty is not unique to the Delta, the mix of historical injustice and racial inequality poses enormous burdens. These burdens, however, cannot be resolved by any governmental agency. They require private investment and individual initiative in equal measure.



SUMMARY OF INITIATIVES

Goal 1: Advance the productivity and economic competitiveness of the Delta workforce.

Objective 1.1: Improve the health of the region's workforce through the Healthy Delta initiative.

Strategies

- Work with employers and other regional partners to develop innovative worksite, retail-site, and school-based programs designed to prevent and reduce the incidence of chronic diseases within the workforce, including such conditions as diabetes, obesity, and heart disease.
- Continue diabetes prevention, education, and outreach efforts (public relations, website, paid media, grassroots, community health events, minority and faith-based programs, inbound diabetes information call center).
- Work with major employers and key public sector officials in the region to organize a Healthy Delta regional summit that addresses new public-private strategies and approaches for improving the health and productivity of the Delta's workforce.

Objective 1.2: Expand access to healthcare professionals.

Strategies

- Continue bringing new physicians to the region through the Delta Doctors J-1 Visa Waiver program.

- Work with major regional employers to establish worksite healthcare clinics and other innovative prevention and wellness programs.
- Work with regional partners to expand healthcare services education and training programs in the region. Potential partners include universities, medical schools, hospitals, and community health and education centers.
- Support efforts to provide rural health hospitals, clinics, and other primary care providers with broadband Internet access to advance the use of information technology. This strategy is a key component of the *iDelta* initiative described in Goal 2.

Objective 1.3: Establish a Delta Institute.

Strategies

- In the fourth year of the five-year plan, conduct a feasibility study to evaluate the specific challenges in the region the Institute should address as well as the public and private resources available to support it.
- Seek the active support of the private sector. Begin by commissioning a survey of regional employers to gauge their views on the most pressing workforce issues in the region. These findings should then be presented as part of a DRA-organized regional summit on workforce productivity. In addition, launch a capital campaign aimed at major employers, corporate foundations, and private foundations with a two-year goal of raising \$15 million in private funds to support the Institute and its activities.



- Determine if the institute will be independent or affiliated with an existing institution. A major research university (or university consortium) may form the basis of a partnership. This decision will affect other considerations such as legal structure and location.
- Obtain public sector support at the state and federal levels. Meet with governors and key congressional leaders of the eight states to generate official support for the institute.

Objective 1.4: Work with other regional partners to improve the employability and productivity of Delta residents.

Strategies

- Continue supporting the Pre-Employment Training Program.
- Work with current and future WIRED regions in the Delta to serve as a coordinator and facilitator of workforce transformation grants. Current WIRED designees in the Delta include the Western Alabama, Eastern Mississippi, and Arkansas Delta regions.

Objective 1.5: Strengthen workforce education and professional skills programs.

Strategies

- Work with regional community colleges and local school districts to align vocational education and professional certification programs with local, regional, and statewide industry cluster development efforts.

- Support efforts to link and integrate community colleges with community and regional economic development efforts.
- Support employer-based training and education programs that equip people to work in technical and professional occupations.
- Support partnerships between industry and workforce training providers that offer skills training programs in emerging technology fields.

Goal 2: Strengthen the Delta's physical and digital connections to the global economy.

Objective 2.1: Advance the Delta initiative.

Strategies

- Work with all Local Development Districts (LDDs) to use GIS systems. Place emphasis on regional initiatives in health, transportation, economic and community development, homeland security, disaster pre-event planning and recovery.
- Augment the expansion of healthcare access to all Delta citizens through the use of information technology. Emphasize *telehealth* applications that include basic and/or specialized clinical services, professional continuing education, and improved medical practice management.
- Work to ensure that all citizens in the DRA region will have access to broadband Internet in their community, and the knowledge and training to operate in the Internet environment.
- Improve the awareness of all citizens and businesses of the value of technology to their economic future and the resources available to achieve success.



- Support the use of distance education capabilities in all schools and the training of personnel to manage the operations.
- Enhance workforce development in the Delta by providing all adults access to training in computer literacy, workforce skills, and business practices such as e-commerce and entrepreneurship.
- Work with all communities in the region to develop and maintain Internet home pages that provide information and services to their citizens, as well as the public outside the communities.
- Create a DRA *i*Delta Center to address access and awareness issues in the region and to implement the recommendations of the *i*Delta report.

Objective 2.2: Build the Delta Development Highway System (DDHS).

Strategies

- Work with federal and state transportation officials to secure long-term funding for the planning and construction of major corridors of the DDHS.
- Coordinate with federal and state transportation officials to overcome technical, financial, legal, and political barriers to the development of the DDHS.
- Facilitate construction of state-line crossings of DDHS corridors.
- Incorporate transportation improvements into the DDHS – such as for a major economic development project in the DRA region.

- Advance a development approach for the DDHS that respects local cultural and economic interests and preserves the natural resources of the Delta.

Objective 2.3: Expand intermodal and multimodal transportation nodes and networks.

Strategies

- Prepare an overall multimodal transportation plan for the region. The plan will assess the transportation assets in the 240 counties and parishes of the DRA – highways, bridges, railroads, airports, river ports, ocean ports and more.
- Support the development of intermodal transportation networks that allow for the movement of international shipments via container using water, air and land modes.

Objective 2.4: Expand the region's energy infrastructure and production capacity.

Strategies

- Fund a next-step feasibility study for new energy refining capacity and facilities in the Delta.
- Support planning and policies that increase the Delta's capacity to produce, transport, and refine energy resources.
- Create a plan to develop the DRA Center for Bio-Technology and Alternate Fuels. The purpose of the center will be to initiate, coordinate and enhance biotech activities within the DRA region, as well as to provide a clearinghouse of information available for biotech projects.



Goal 3: Create critical mass within Delta communities.

Objective 3.1: Enhance the quality of place of Delta communities.

Strategies

- Support downtown revitalization efforts in Delta communities.
- Support local-level grant research, writing, and administration training.
- Enhance the quality, safety, and affordability of the region's housing stock.
- Support the construction and expansion of local/regional medical facilities.
- Work to protect the region's environmental assets.
- Support the development and marketing of local entertainment, recreation, cultural, and tourism assets.
- Expand the application of green technologies in the region.

Objective 3.2: Promote innovation and diversification within local and regional economies.

Strategies

- Support local and regional efforts to recruit and retain companies that employ advanced processes and technologies.
- Support local programs that assist existing companies in adopting new technologies and processes.

Objective 3.3: Support growth-oriented entrepreneurship.

Strategies

- Support entrepreneur education, training, and support programs.
- Support mentoring and networking events that bring together entrepreneurs, potential investors, and service providers.
- Support local efforts to form angel networks with the goal of linking and educating both investors and entrepreneurs on the risks and rewards of angel and venture capital.

Objective 3.4: Foster local leadership.

Strategies

- Continue training new leaders in the region through the Delta Leadership Institute (DLI).
- Encourage graduates to participate in DLI alumni networks and events.
- Support local leadership training initiatives launched by DLI graduates.

Objective 3.5: Build and augment basic infrastructure.

Strategies

- Support the construction and extension of basic infrastructure and services within exurban communities situated in the path of fast-moving metropolitan growth.
- Leverage federal, state, local, and private investments to develop and improve water and wastewater systems in distressed counties in region.



- Support the construction of last-mile infrastructure and transportation linkages to local economic development assets.

Management Goal: Maintain organizational excellence and continue to be recognized as a steward of public resources.

Initiatives

- Create an advisory council consisting of the region's corporate foundations and business leaders. The role of the council should be to advise the DRA – from the private sector perspective – on such matters as workforce productivity, information technology, transportation, and entrepreneurship.
- Pursue interagency agreements with other federal agencies to achieve its regional initiatives.
- Evaluate the DRA's progress in achieving its performance goals. This review should be conducted annually by an independent party.
- Improve efficiency through information technology, including online grant applications and scoring system.



GOAL 1

Priority Initiatives:

- **Healthy Delta**
- **Delta Doctors**
- **Delta Institute**

ADVANCE THE PRODUCTIVITY AND ECONOMIC COMPETITIVENESS OF THE DELTA WORKFORCE.

Introduction

The economic competitiveness of rural areas is no longer assured through natural resources and inexpensive labor. The Delta region, predominantly rural and still largely agricultural, must develop and retain the talent necessary to find a place in a global economy – an economy in which knowledge and innovation are rewarded. Moreover, developing talent encompasses more than providing a technically skilled workforce; it entails educated, healthy, and

motivated citizens who elevate the communities they live in and the enterprises they work for.

In order for the Delta to achieve a higher level of economic vitality, it must have a healthy and educated population. Poor health diminishes economic output by reducing both labor productivity and the relative size of the labor force. Low educational attainment suppresses income potential and is increasingly linked to lower life expectancy.

Recognizing these connections, the DRA is working to enhance the competitiveness of the people of the Delta. This is being accomplished by sponsoring region-wide initiatives designed to address issues of chronic disease, healthcare access, adult literacy, and workforce productivity. Moreover, the DRA is forming new partnerships with the private sector and other regional partners to apply new ideas and delivery methods for solving these longstanding problems.



OBJECTIVES

1.1 Improve the health of the region's workforce through the Healthy Delta initiative.

The federal co-chairman and the board members representing the eight states have identified health as a major focus of the Authority. The growing incidence of chronic disease is a formidable challenge for the region and for the nation. The CDC estimates that in 2005 20.8 million Americans – 7 percent of the population – had diabetes. Within DRA states, 2.57 million people are estimated to suffer from diabetes.

Age-Adjusted Prevalence of Diagnosed Diabetes per 100 Adult Population for the Delta, 1994 and 2005				
	1994	2005	1994-2005 Pct. Chg.	2005 U.S. Rank
Alabama	4.2	8.6	104.8%	5
Arkansas	5.2	7.2	38.5%	21
Illinois	5.4	7.0	29.6%	25
Kentucky	3.9	8.0	105.1%	12
Louisiana	6.1	8.7	42.6%	4
Mississippi	6.1	9.6	57.4%	2
Missouri	4.9	7.2	46.9%	23
Tennessee	5.4	8.5	57.4%	6

Source: Centers for Disease Control & Prevention

The productivity costs to the nation of diabetes are severe. According to the American Diabetes Association (ADA), poorly treated diabetes results in the loss of 88 million disability days per year. The ADA estimates that complications from diabetes in 2002 cost the nation \$132 billion in lost productivity and medical costs. This figure is projected to rise to \$156 billion by 2010 and to \$192 billion by 2020.

Diabetes and the U.S. Economy

"Eliminating or reducing the health problems caused by diabetes through factors such as better access to preventative care, more widespread diagnosis, more intensive disease management, and the advent of new medical technologies could significantly improve the quality of life for people with diabetes and their families while at the same time potentially reducing national expenditures for health care services and increasing productivity in the U.S. Economy."

–*Diabetes Care*, Vol. 26, Number 3, March 2003

In response to this national and regional epidemic, the DRA has launched the Healthy Delta initiative (www.healthydelta.com). The mission of Healthy Delta is to treat health as an economic engine. The initial goals of Healthy Delta include:

- Improve health in general
- Improve diabetes in particular
- Position DRA as the catalyst to move citizens into the healthcare system
- Provide an access point for entry
- Track results

The initial phase has focused on educating residents of the Delta region about the dangers and symptoms of diabetes and encouraging those suffering from the disease to seek treatment. The next phase of Healthy Delta will involve greater engagement with the private sector and other regional partners. A joint effort is essential in the fight against diabetes and other chronic diseases.



Strategies

- Work with employers and other regional partners to develop innovative worksite, retail-site, and school-based programs designed to prevent and reduce the incidence of chronic diseases within the workforce, including such conditions as diabetes, obesity, and heart disease.
- Continue diabetes prevention, education, and outreach efforts (public relations, website, paid media, grassroots, community health events, minority and faith-based programs, inbound diabetes information call center).
- Work with major employers and key public sector officials in the region to organize a Healthy Delta regional summit that addresses new public-private strategies and approaches for improving the health and productivity of the Delta’s workforce.

Innovative Employer Programs

In response to the skyrocketing employee healthcare costs, several major U.S. employers have begun taking matters into their own hands by developing innovative employer-based disease prevention and wellness programs. Companies such as Dow, Pitney Bowes, and Lands End offer their employees worksite medical clinics, weight management and smoking cessation assistance, and price reductions for diabetes and asthma drugs. The direct and indirect savings to these companies has been significant. Pitney Bowes, for example, has experienced a 66 percent drop in the average length of disability leave and a 19 percent reduction in lost workdays.

1.2 Expand access to healthcare professionals.

Access to quality healthcare is a significant challenge facing rural America, especially among the poorest and most disadvantaged regions. Many medically underserved areas struggle to recruit and retain high quality physicians, nurses, and other medical specialists. Moreover, local residents who are trained for such occupations often choose to live in more urban and affluent areas.

The lack of health care providers and services, combined with greater financial and geographic barriers common to rural areas, condemns many rural Americans to higher rates of chronic disease, physical limitations, and premature death. The number of physicians in the Delta region is 23 percent lower than in the rest of the nation. The number of dentists in the Delta is 24 percent lower.

Number of Physicians per 10,000 Civilian Population, 2004		
State	Number	U.S. Rank
Illinois	27.2	13
Missouri	25.7	22
Louisiana	25.3	25
Kentucky	22.7	35
Alabama	21.1	43
Arkansas	20.5	46
Mississippi	18.4	50
U.S.	26.3	--
Includes the 50 states and District of Columbia		
Source: U.S. Department of Health and Human Services: <i>Health, United States, 2006</i>		



To increase the numbers of physicians serving Delta residents, the Authority officially launched the Delta Doctors program in 2004. The program allows foreign physicians who are trained in the United States to work in medically underserved areas. The DRA can recommend visa waivers to the U.S. State Department for foreign-born medical school graduates who commit to providing primary and specialty to underserved populations for three years.

Strategies

- Continue bringing new physicians to the region through the Delta Doctors J-1 Visa Waiver program.
- Work with major regional employers to establish worksite healthcare clinics and other innovative prevention and wellness programs.
- Work with regional partners to expand healthcare services education and training programs in the region. Potential partners include universities, medical schools, hospitals, and community health and education centers.
- Support efforts to provide rural health hospitals, clinics, and other primary care providers with broadband Internet access to advance the use of information technology. This strategy is a key component of the *iDelta* initiative described in Goal 2.

1.3 Establish a Delta Institute

There is a very real danger that the Delta region will drift from the national consciousness. Despite the attention focused on Louisiana and Mississippi in the wake of Hurricane Katrina, the Delta – with all of its historical resonance – is easily discounted. *There is little doubt that this region represents the single greatest concentration of need in the country. The purpose of a Delta Institute is to focus attention on this situation.*

The idea of a regional institute is not unique. What similar institutes have in common is the ability to focus resources on a common set of problems. The problems, in the case of the Delta, are profound and nearly intractable. Without a committed response to these issues, the Delta will move rapidly from a region in crisis to a national disgrace.

Potential Role for the Delta Institute

- **Mission:** To serve as a regional interdisciplinary, non-partisan think tank that identifies innovative workforce productivity solutions for the Delta.
- **Products:** Data, reports, maps, research tools, policy briefs, listserv.
- **Research support:** Endowments, fellowships, data center, symposiums and seminars, seed grants, website hosting.
- **Areas of study:** Workforce productivity, innovation



Institutes serve other purposes as well. They bring together talent. They solve problems. They leverage funding.

The intersection of the crisis in which the Delta finds itself and the traditional role of an institute lies in the growing national workforce shortage. In other words, a trained and educated talent pool must be the primary task set by the institute. Certainly, this problem has national dimension. It is equally clear, however, that a successful resolution to the problem will not be realized by our dynamic technology centers – Silicon Valley, Research Triangle, Boston, Austin, or Phoenix. These communities are talent magnets. They cannot resolve the national situation because, ironically, they are part of the problem. Without a broader base of skilled workers, not just in our technology centers but throughout rural America – and particularly in the Delta – we are shortchanging our national potential.

The institute must address both the shrinking proportion of workers as well as the need for a *talented* workforce. In this context, “talented” means motivated, educated, and skilled – essentially in that order. With health as an essential precondition, it is incumbent on us to know what the next steps will be. This takes us to the heart of the institute’s purpose: the realization that the workforce crisis cannot be solved by the public sector alone. The effectiveness of the institute will depend on the active participation of major corporations operating in the Delta. While public sector organizations such as education and government are important, the emphasis should be placed on the private sector. In other words, the institute cannot meet its objectives

by re-packaging existing workforce development ideas and training programs.

Among the key corporations active in all of the Delta states are the following:

- **Major medical centers:** Medical centers dominate employment in all states, from Ochsner in Louisiana, Baptist Health in Arkansas, to University Hospital in Mississippi. They are projected to add significant number of employees over the next decade. Close cooperation with these institutions is essential for the success of the institute and for the larger goal of employment growth in the entire Delta region.
- **Large retailers:** Dominated by Wal-Mart, this category also represents one of the highest demand professions (cashiers and sales assistance).
- **National level manufacturers and food processors:** This category includes large employers ranging from automotive companies and suppliers to meat processing facilities. While overall growth in manufacturing employment is projected to remain flat, this category is essential to the national and regional economy. These corporations are also finding it difficult to attract and retain workers.
- **Distribution and logistics:** Companies in this sector are especially important to the Delta. From FedEx to UPS to trucking and transport, employment demand will be high.



With the cooperation of these four sectors, the institute has a significantly higher likelihood of meeting the DRA's broader goals.

A Potential model for the Delta Institute

Located in San Diego, California, Southwest Consortium for Environment Research and Policy (SCERP) is a collaboration of five U.S. and five Mexican universities located in all 10 border states. It was created in 1989 and was first funded by Congress in 1990 to address environmental issues of the U.S.-Mexico border region. The collaboration has the multi-fold mission of applied research, outreach, education, policy development, and regional capacity building for border communities.

With the support of the U.S. EPA, SCERP has developed a strategy that targets complex, region-wide environmental issues through directed research programs that are multi-disciplinary, multi-year, and multi-institutional, involving three or more members of the consortium. The steps taken to develop a Directed Research Program include the following:

1. A descriptive white paper is created.
2. SCERP's Management Committee and SCERP's Project Officer at EPA approve the concept.
3. A research team is selected.
4. The research team submits a program proposal that is reviewed by peers and approved by the Management Committee and EPA Project Officer.

SCERP is also the primary sponsor of an annual think tank-style policy conference, called the Border Institute, which convenes the 100 top decision-makers and stakeholders from the region to examine complex and critical issues and recommend policy actions.

Strategies

- In the fourth year of the five-year plan, conduct a feasibility study to evaluate the specific challenges in the region the Institute should address as well as the public and private resources available to support it.
- Seek the active support of the private sector. Begin by commissioning a survey of regional employers to gauge their views on the most pressing workforce issues in the region. These findings should then be presented as part of a DRA-organized regional summit on workforce productivity. In addition, launch a capital campaign aimed at major employers, corporate foundations, and private foundations with a two-year goal of raising \$15 million in private funds to support the Institute and its activities.
- Determine if the institute will be independent or affiliated with an existing institution. A major research university (or university consortium) may form the basis of a partnership. This decision will affect other considerations such as legal structure and location.
- Obtain public sector support at the state and federal levels. Meet with governors and key congressional leaders of the eight states to generate official support for the institute.



1.4 Work with other regional partners to improve the employability and productivity of Delta residents.

Through a partnership with the B.F. Smith Foundation of Stoneville, MS, the DRA is addressing issues of adult illiteracy and workforce training through its Pre-Employment Training Program. The program seeks to increase adult literacy through individualized reading programs. The partnership also provides a seamless transition for participants into training programs and links to employment agencies upon completion of the program. Partner organizations providing training programs include universities, community colleges, and workforce training centers.

Strategies

- Continue supporting the Pre-Employment Training Program.
- Work with current and future WIRED regions in the Delta to serve as a coordinator and facilitator of workforce transformation grants. Current WIRED designees in the Delta include the Western Alabama and Eastern Mississippi region and Arkansas Delta region.

Workforce Training and Target Industries

Through its Workforce Innovation in Regional Economic Development (WIRED) initiative, Florida's Great Northwest is funding \$1 million in secondary education grants to school districts in the 16-county region. These grants are intended to promote career skills training or intense, accelerated math and science training for post-graduation employment in the targeted industries of Aerospace & Defense, Life Sciences, Information Technology, Alternative Energy, and Construction Services.

1.5 Strengthen workforce education and professional skills programs.

Access to skilled talent is the most pressing challenge facing American and foreign-owned companies operating in the United States. While many lower-skill, lower-wage jobs are either eliminated through technology or moved offshore, skilled positions that require more advanced training and expertise are increasing in demand. In the manufacturing sector, jobs go unfilled as modern production and assembly occupations require higher-level knowledge and training. Moreover, as the “baby boom” generation begins entering retirement age in significant numbers –around 2011 – the demand for skilled and educated workers will intensify.

As a consequence, regions that cannot offer a talent base with the ability to learn and acquire advanced skills will not be able to compete for new jobs. For the Delta region, which suffers from chronic high unemployment and poverty, its workforce must be equipped with the skills and training necessary to fill 21st century occupations. To meet this challenge, over the past four years the DRA has awarded over \$4.5 million in federal grants funds toward local workforce training initiatives and programs.

Strategies

- Work with regional community colleges and local school districts to align vocational education and professional certification programs with local, regional, and statewide industry cluster development efforts.



- Support efforts to link and integrate community colleges with community and regional economic development efforts.
- Support employer-based training and education programs that equip people to work in technical and professional occupations.
- Support partnerships between industry and workforce training providers that offer skills training programs in emerging technology fields.



GOAL 2

Priority Initiatives:

- **iDelta**
- **DDHS**

STRENGTHEN THE DELTA'S PHYSICAL AND DIGITAL CONNECTIONS TO THE GLOBAL ECONOMY.

INTRODUCTION

Impoverished regions around the world face formidable barriers in their desire to become competitive. In addition to improving their inadequate physical infrastructure, they have to anticipate the changing face of technology. Surprisingly, this confers a certain advantage on them. Not having made substantial investment in “old technologies,” these regions are free to embrace new systems, new ideas, new products. In varying ways, India, Kenya, and the former

East Germany have embraced this notion. The changing face of telecommunications (with wireless broadband), of sophisticated mobile phones (allowing financial transactions), and of a new transportation infrastructure (“agile ports” that combine multi-modal capability with advanced cargo storage) are vivid examples of this pattern. They tell us that we can operate differently and more creatively.

The findings of the *iDelta* initiative reinforce the notion that broadband access is critical to the economy, regardless of its employment base. These findings also suggest that a given technology (such as fiber optic cable) may not be the best solution to an under-served area. Similarly, a broad view of transportation considers the movement of goods and people from one *nexus* to another. Highway corridors function best when they anticipate development patterns, not when they try to create them. There are too many communities who assume that their presence on an Interstate highway will automatically generate jobs. The pattern of job growth in metropolitan areas (and their suburbs) is well established. The Memphis International Airport is the world’s leading cargo hub; the ability to connect through and with Memphis is critical to the Delta region. Interstates 55 and 40 are among the most traveled north-south and east-west corridors. Ensuring the free flow of goods along these major highways is one of the highest priorities for the Delta region.

One conclusion to draw from these observations is that highway development cannot be capricious. It must be linked to larger transportation needs. Since these needs are predominantly urban, it should not be assumed that road construction *per se* represents a solution to rural development. A practical response to this goal – primarily in the DRA grants program – is to *re-direct* rural transportation infrastructure funding into linked networks. The airline hub and spoke concept is equally valid for trucking, rail, and shipping. The critical mass community concept further underscores the notion that value is created around existing opportunity – not by trying to create it from scratch.

The dominant concepts for this goal are connectivity and access. Improving the existing highway infrastructure – and ensuring its continuing viability through intermodal capacity – is essential. And the same concepts that apply to the movement of goods apply to people and ideas. The citizens of the Delta must be able to connect with one another in the most direct and unencumbered ways. When this connectivity is optimized, it opens the door to a wide range of still unrealized applications. Among these are medicine, education, and entrepreneurship.



OBJECTIVES

2.1 Advance the *i*Delta initiative.

The information technology (IT) revolution of the last few decades has permanently altered the economic and social environment of the nation and the world. Unprecedented levels of economic and productivity growth have occurred in communities, regions, and societies that have fully embraced IT and its numerous applications. To measure the presence and role of IT in the economic development of the Delta, the DRA commissioned a two-part plan from the Southern Growth Policies Board (SGPB). The first volume assesses the level of IT utilization in the domains of education, healthcare, government, business, and personal and community engagement. The second volume offers recommendations for expanding its use in order to maximize the region's potential. From the research, three fundamental conclusions are drawn:

1. The accessibility, awareness, and utilization of broadband infrastructure and resources are absolute necessities for individual, business, government, and institutional success.
2. DRA counties and parishes, generally, trail non-traditional DRA counties and parishes and the U.S. in accessibility, awareness, and utilization of broadband infrastructure and resources.
3. The DRA is the ideal organization to play a lead role in assembling and distributing resources for information technology in its constituent counties and parishes.

In response to these issues, the DRA has launched an initiative to increase the knowledge, training, adoption, and utilization of information technology throughout the region: *i*Delta. It is through *i*Delta that the DRA intends to focus resources, planning, and attention on information technology and economic development.

Findings from the *i*Delta report include:

- In DRA's rural counties, the number of counties and parishes lacking high-speed service is almost 18 percent.
- The percentage of DRA school districts with a website lags the U.S., 54 percent compared to 62 percent.
- Only 22 percent of counties and parishes offer online government services.
- Only 15 percent of DRA local governments have a website, compared to about 24 percent of the U.S.

Source: iDelta, Measuring Information Technology in the Delta, Southern Growth Policies Board



Strategies

- Work with all Local Development Districts (LDDs) to use GIS systems in order to support their community's (and DRA's regional) initiatives in health, transportation, economic and community development, homeland security, disaster pre-event planning and recovery, and other areas.
- Augment the expansion of healthcare access to all Delta citizens through the use of information technology. Such *telehealth* applications may include basic and/or specialized clinical services, professional continuing education, and improved medical practice management.

IT and Health

Located at the University of Tennessee Health Science Center, the Addressing Diabetes in the Delta (ADD) program seeks to provide diabetes care and education to 300 residents in six counties across state lines. The primary goal is to demonstrate the value of health information technology intervention that delivers best practices care to an underserved population.

- Work to ensure that all citizens in the DRA region will have access to broadband Internet in their community, and the knowledge and training to operate in the Internet environment.
- Improve the awareness of all citizens and businesses of the value of technology to their economic future and the resources available to achieve success.

- Support the use of distance education capabilities in all schools and the training of personnel to manage the operations.
- Enhance workforce development in the Delta by providing all adults access to training in computer literacy, workforce skills, and business practices such as e-commerce and entrepreneurship.
- Create a DRA *iDelta* Center to address access and awareness issues in the region and to implement the recommendations of the *iDelta* report.
- Work with all communities in the region to develop and maintain Internet home pages that provide information and services to their citizens, as well as the public outside the communities.

E-Government

ConnectKentucky develops and implements effective strategies for technology deployment, use, and literacy in Kentucky. Its mission is to accelerate the growth of technology in support of community and economic development, improved healthcare, enhanced education, and more effective government. It has four main functions: technology expansion, planning, public policy, networking, and recruitment.



2.2 Build the Delta Development Highway System.

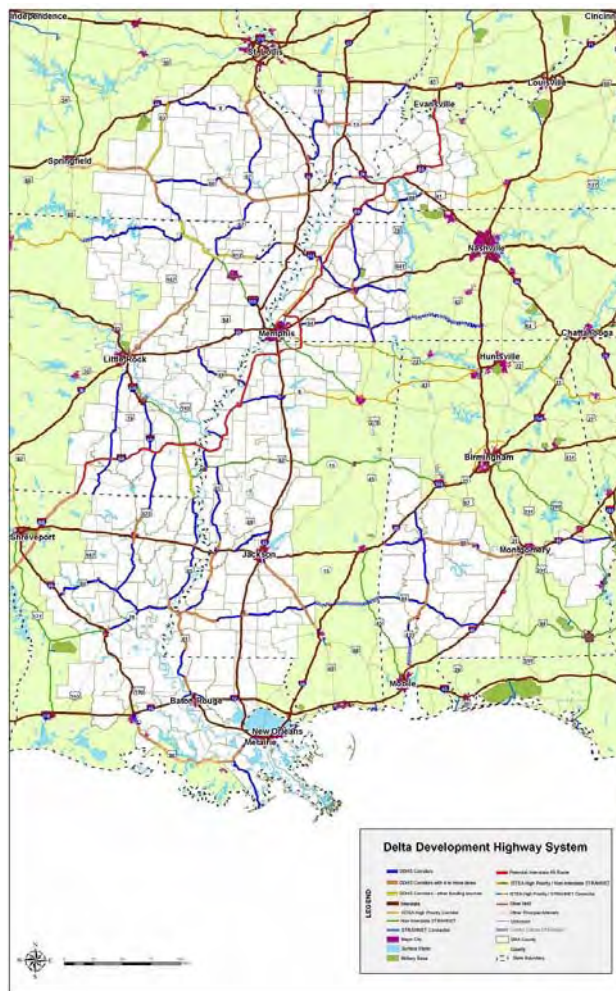
A fundamental and critical element of the Delta’s future economic development is a safe and efficient road transportation system. With that understanding, the DRA board of directors has identified transportation as one of the Authority’s three main policy development areas. In response, the DRA has initiated an ambitious initiative to plan and secure funding for a Delta Development Highway System (DDHS) that spans its 240 counties and parishes.

Annual Economic Impacts of the Completion of the DDHS	
Benefit from Increased Travel Efficiency	\$1.1 billion in personal income
Benefit from Increased Economic Development Opportunities	\$2.4 billion
Total Economic Benefit	\$3.5 billion in personal income
Employment (FTE)	130,000
Construction Jobs	104,000

As a first step, the DRA engaged a consortium of transportation consultants to assist the agency with the long-range planning for such a system. In developing the plan, the team gathered input from transportation officials, local organizations, and the general public in all eight states. The final plan, completed in 2007, presents a vision for a DDHS that consists of 3,843 road miles throughout the region at an estimated cost of \$18.5 billion in new construction and improvement.

Strategies

- Work with federal and state transportation officials to secure long-term funding for the planning and construction of major corridors of the DDHS.
- Coordinate with federal and state transportation officials to overcome technical, financial, legal, and political barriers to the development of the DDHS.
- Facilitate construction of state-line crossings of DDHS corridors.
- Provide assistance to local governments to construct links of highways and roads necessary





to connect industrial sites to adequate road facilities.

- Incorporate transportation improvements into the DDHS – such as, for a major economic development project in the DRA region.
- Advance a development approach for the DDHS that respects local cultural and economic interests and preserves the natural resources of the Delta.

2.3 Expand intermodal transportation nodes and networks.

Multimodal transportation has long played a key role in the Delta region’s economy. The navigable waters of the Mississippi river, and its historical network of wagon, rail, and – more recently – trucking ports, has been the lifeblood of the nation’s north-south connections. However, for the Delta to advance in today’s “just-in-time” environment it must develop an efficient intermodal transportation network. Particularly critical are facilities and equipment that can accommodate containerized cargo.

Strategies

- Prepare an overall multimodal transportation plan for the region. The plan will assess the transportation assets in the 240 counties and parishes of the DRA – highways, bridges, railroads, airports, river ports, ocean ports and more. We next will assess the demands being put on the current assets.
- Support the development of intermodal transportation networks that allow for the movement of international shipments via container using water, air and land modes.

2.4 Expand the region’s energy infrastructure and production capacity.

Also critical to the long-term growth of the region, as well as for the nation, is access to dependable and affordable energy resources. The DRA is committed to ensuring the region and the nation possess enough energy to meet current and future needs. This includes traditional fossil fuel sources such as oil, gas, and coal, as well as less polluting sources such as nuclear, bio-fuels, and renewable energy.

Strategies

Delta Region Refinery Study

In April 2007, the DRA released a detailed study that identifies sites in the region where oil refining facilities can be located. Such a facility has not been constructed in the United States since 1976. As a result of a stringent evaluation process, seven counties and parishes in three states were identified in the study as possible sites for a modern oil refining facility.

- Fund a next-step feasibility study for new energy refining capacity and facilities in the Delta.
- Support planning and policies that increase the Delta’s capacity to produce, transport, and refine energy resources.
- Create a plan to develop DRA Center for Bio-Technology and Alternate Fuels. The purpose of the center will be to initiate, coordinate and enhance biotech activities within the DRA region, as well as to provide a “clearing house” of information available for biotech projects.



GOAL 3

Priority Initiatives:

- **Quality of place**
- **Innovation and diversification**
- **Leadership**

CREATE CRITICAL MASS WITHIN DELTA COMMUNITIES.

INTRODUCTION

The future of the Delta rests with its people and its communities. Understanding what makes communities flourish and grow is the key to a successful strategic plan.

The ability to identify factors linked to flourishing communities is essential, but it is not sufficient. It must be matched with a new framework for thinking about “place.” It must be matched with the tools that allow investment to take hold. Two concepts drive this goal: critical mass and quality of place. Critical mass is an analytical approach to *why* communities grow. As the federal co-chairman has repeatedly – and correctly – emphasized “the data must tell a story, and they must provide a direction for DRA action.” Appendix A (Critical Mass Community Analysis) lays out the methodology for assessing Delta communities.

While “critical mass” is an important analytic tool – as well as a means for the DRA to evaluate funding proposals, it lacks marketing excitement. No community will ever attract people and investment by touting its critical mass percentages. This requires something more visceral. *Quality of place* provides that framework. In communities across the United States, and in Delta states particularly, there has been an enthusiastic embrace of this concept. Emphasis on “quality of life” no longer addresses what is required for rural communities to grow. Quality of life emphasizes the values of the existing population. The concept of place accentuates the attributes that might attract new talent. Uniting place with creative programs that promote investment, economic diversification, leadership, and entrepreneurship will provide Delta communities with the means to achieve sustainable growth.

The final objective of this goal addresses traditional infrastructure needs: water, wastewater, and electricity. Without them, growth is not possible. As with the transportation system, however, it is not enough to build a power plant or a wastewater treatment facility and assume that growth will simply occur as a result. Infrastructure investment is most effective when it anticipates growth patterns, not when it tries to determine them.

Federal and state economic development grants have long been used to support traditional infrastructure projects. When successful, they help stimulate industrial development by enhancing business parks. More recently, they have a questionable record. Job promises fall short. Industries do not relocate. Fully serviced industrial parks stand unused along major highway corridors, adjacent to national research labs, and in near proximity to major metropolitan areas. At the same time, warehousing and distribution centers, flex space, and mixed-use projects show tremendous strength. This phenomenon is evident in the Delta. Where industrial development is market driven, real estate growth is rapid. To be effective, the DRA’s infrastructure grant awards must build from critical mass concepts. Funds will not be given simply on the basis of assumed business attraction. The traditional “but for” clause (“but for public participation, the private investment would not have occurred”) is no longer adequate. It must be replaced by the realization that DRA funds are most effective as a co-investment in projects that private investors have already deemed market-worthy.



OBJECTIVES

3.1 Enhance the quality of place of Delta communities.

The underlying demographics of the American workforce are approaching a seismic shift. As the baby boomer generation enters retirement age in significant numbers, U.S. employers will become increasingly desperate to attract and retain talented workers. Many will respond to the upcoming labor shortage by locating some operations offshore and downsizing others through technology and innovation. A primary strategy employed by both U.S. and foreign-owned companies seeking to tap into the domestic talent pool – especially for younger workers – will be to locate operations in communities with a strong sense of place. Companies increasingly recognize that communities that offer amenities will be the ones attracting skilled and talented workers. While no set definition for “quality of place” exists, the one common factor is the wide availability of choices in housing, entertainment, culture, recreation, retail, and employment.

Place before Job

“Two-thirds of college-educated 25 to 34 year-olds choose place before job, and this preference was true across all life stages and genders (male, female, single, married, with children, without children).”

- *College-Educated, Young Adults Consider “Place” First When Choosing Locations*, CEOs for Cities, June 2006

For the majority of Delta communities already struggling to retain people and business, adopting the philosophy of quality of place will be crucial to their long-term economic competitiveness. Communities must invest in the amenities that will make them more attractive to new residents if they are to survive. The DRA is committed to helping our communities plan for and implement new strategies for enhancing the quality of place.

Redefining PLACE

Much has been written about the importance of quality of life to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. We agree these factors are important. We take issue only with the narrowness of the focus. **Quality of life** assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents’ view of what makes a community would be shared by all.

By contrast, **quality of place** considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. It recognizes that one person’s “good place to raise a family” might translate into another’s “there’s nothing to do in this town.” Quality of place is about providing options, not just for current residents, but for those who will be residents in the future.



Strategies

- Support downtown revitalization efforts in Delta communities.
- Provide planning grants for revitalization projects.
- Support local-level grant research, writing, and administration training.
- Enhance the quality, safety, and affordability of the region's housing stock.
- Support the construction and expansion of local/regional medical facilities.
- Work to protect the region's environmental assets.
- Support the development and marketing of local entertainment, recreation, cultural, and tourism assets.
- Expand the application of green technologies in the region.

3.2 Promote innovation and diversification within local and regional economies.

In order for Delta communities and regions to compete, they must diversify their local economic bases toward sectors that utilize technology and advanced processes. Communities unwilling to embrace new and emerging economic sectors will be at a competitive disadvantage. For the Delta, with its traditional agricultural and resource-based economy, diversification and innovation are crucial. The DRA has an important role to play in helping to transform the region's economic base.

Strategies

- Support local and regional efforts to recruit and retain companies that employ advanced processes and technologies.
- Support local programs that assist existing companies to adopt new technologies and processes.

3.3 Support growth-oriented entrepreneurship.

Traditional economic development philosophy emphasizes industrial recruitment as the most important role for the economic development practitioner. There is an emerging consensus, however, that other avenues for economic growth and vitality are just as essential—especially in rural communities lacking the key attributes sought by selectors and recruitment prospects. In most communities, plentiful economic development opportunities lie close to home. These opportunities include:

- Expansion of existing companies
- Retention of at-risk businesses
- Small business support
- Entrepreneurship

Among the options for business support, entrepreneurship rises to the top. The Economic Development Toolkit in Appendix B contains a practical guide to promoting local entrepreneurship.



Entrepreneurship Fundamentals

A healthy entrepreneurial environment requires three key components:

- Ideas
- Management Talent
- Capital

Like a three-legged stool, if any of these elements are missing, the entrepreneurial program will fail. More importantly, these three elements are true of virtually all businesses.

Mom & pop enterprises might have ideas and management talent in a single person and capital could come in the form of savings, credit cards, or bank loans.

Emerging growth companies will likely have ideas in the form of patentable technology or other intellectual property, management talent from serial entrepreneurs or professional managers, and capital from professional venture capital firms.

Without a healthy supply of each of these three elements, no entrepreneurship program can succeed.

Strategies

- Support entrepreneur education, training, and support programs.
- Support mentoring and networking events that bring together entrepreneurs, potential investors, and service providers.
- Support local efforts to form angel networks with the goal of linking and educating both investors and entrepreneurs on the risks and rewards of angel and venture capital.

3.4 Foster local leadership.

The most important ingredient of successful community growth is leadership. Communities with assets sufficient to achieve critical mass may still not live up to their potential. They may fail – despite these advantages – to create an economic climate that attracts private investment. When this is the case, it is because of a lack of leadership. Similarly, there are many examples where asset-poor communities have overcome adversity through bold and progressive leaders.

Recognizing the importance of local leadership, the DRA has established the Delta Leadership Institute (DLI). The DLI is designed to educate, inform, and inspire a new generation of leaders throughout the region. Each of the eight governors and the federal co-chairman nominate four people to participate in the year-long program.

“Too often as I travel across our region, I see a lack of investment in leadership development and strategic planning. This leadership void, in turn, leads to a lack of direction. Communities never decide on their priorities. With no leadership, vision or plans for growth, these communities will continue to struggle.”

Pete Johnson, Federal Co-Chair

The Delta Leadership Institute is sponsored by the DRA, in partnership with the University of Alabama at Tuscaloosa, College of Continuing Studies. The Institute features a variety of lectures, seminars, and workshops, and centers on four curricular themes:



regionalization, issues management, leadership and change, and leadership capacities. The DLI graduated its first class of leaders in 2005.

One of the primary goals of the Delta Leadership Institute is for each graduate of the DLI to teach others the knowledge and skills they have learned. DLI graduates are encouraged to return to their respective communities and become actively engaged in initiating and leading new local leadership training programs.

Strategies

- Continue training new leaders in the region through the Delta Leadership Institute.
- Encourage graduates to participate in DLI alumni networks and events.
- Support local leadership training initiatives launched by DLI graduates.

3.5 Build and augment basic infrastructure.

Recognizing the fundamental importance of basic infrastructure to the economic development of the Delta, Congress charged the DRA with investing in safe and reliable water/wastewater systems, as well as decent and affordable housing. No amount of technology and training will advance the region if its people do not have access to basic infrastructure. As a consequence, the DRA has invested almost \$20 million toward basic infrastructure through its federal grant program.

Strategies

- Support the construction and extension of basic infrastructure and services within exurban

communities situated in the path of fast-moving metropolitan growth.

- Leverage federal, state, local, and private investments to develop and improve water and wastewater systems in distressed counties in region.
- Support the construction of last-mile infrastructure and transportation linkages to local economic development assets.

DRA Federal Grant Program to Date	
Basic Infrastructure	\$19.8 million
Transportation Infrastructure	\$14.9 million
Business Development	\$6.3 million
Workforce Training	\$4.0 million
Other	\$3.5 million
Total	\$48.5 million



MANAGEMENT GOAL

MAINTAIN ORGANIZATIONAL EXCELLENCE AND CONTINUE TO BE RECOGNIZED AS A STEWARD OF PUBLIC RESOURCES.

INTRODUCTION

In order for the DRA to achieve the ambitious mission, goals, and objectives, and strategies laid out in this plan will demand a commitment to organizational excellence and strong leadership. As a relatively young agency with a modest budget, it is critical for the Authority to maximize its limited resources and to ensure that each dollar invested will yield a positive return for the people of the Delta.

This will require prudent resource management, effective organizational planning, and the proficient utilization of information technology.

Moreover, in accordance with the presidential directive to be a regional planner and federal investments coordinator, the Authority must continue building collaborative partnerships with our federal, state, and local allies. The DRA must provide support and services to the local development districts as well as other economic and community development organizations in the region if its federal grant program is to be effective. The Authority must also partner with other federal agencies through interagency agreements if its regional initiatives in the areas of health, information technology, and transportation infrastructure are to be realized.

Initiatives

- Create an advisory council consisting of the region's corporate foundations and business leaders. The role of the council should be to advise the DRA – from the private sector perspective – on such matters as workforce productivity, information technology, transportation, and entrepreneurship.
- Pursue interagency agreements with other federal agencies to achieve its regional initiatives.
- Evaluate the DRA's progress in achieving its performance goals. This review should be conducted annually by an independent party.
- Improve efficiency through the utilization of information technology, including online grant applications and scoring system.



DRA PERFORMANCE MEASURES

These results substantiate the need for the DRA to stress new performance outcomes for the agency. Rather linking the success of programs to unrealistic regional measures of success (e.g., regional income, welfare dependency, and unemployment), this plan emphasizes the establishment of annual and long-term outcome measures that correspond to the primary factors that will drive job growth for the region. As required by Program Assessment Rating Tool (PART) guidelines, these performance measures are “discrete, quantifiable, and measurable.” Emphasis was given to designing a performance measurement system 1) that is results-oriented, 2) allows independent evaluation, and 3) ties to existing performance-program budgeting requirements.

OMB requires performance measures to be based on an agency’s historical data. OMB also requires an agency to have enough historical data to project statistically appropriate performance measures. In its 2007 PART evaluation of DRA, OMB determined that the DRA did not have a sufficient history from which to prepare an OMB-accepted set of projected performance measures. However, DRA staff members are currently examining the grant records in order to assemble and verify the data needed to base annual and long-term targets. Once this process is complete (expected in the spring of 2008), the DRA will resubmit to OMB for approval of its performance measures and targets. The table below contains the measures for which the DRA is collecting data.

Measures for DRA Data Collection

Measure	Type
Goal 1: Ensure the productivity and economic competitiveness of the Delta.	
Number of participants in workforce training and education programs	Annual Output
Delta residents positioned for enhanced employment opportunities.	Long-Term Outcome
Non-DRA investment ratio for employability projects	Annual Matching
Goal 3: Create critical mass within Delta communities.	
Jobs created or retained	Long-Term & Annual Outcome
Private investment (non-project) ratio for diversification projects	Annual Matching
Non-DRA investment ratio for basic infrastructure projects.	Annual Matching
Households served with basic infrastructure and services.	Long-Term & Annual Outcome
Management Goal: Maintain organizational excellence and continue to be recognized as a steward of public resources.	
Average grants processing time.	Annual Efficiency

Additionally, as the Healthy Delta, Delta Development Highway System, and iDelta programs develop and mature, targeted output and outcome performance measures will be designed and submitted to OMB for their approval.



STRATEGIC PLANNING PROCESS

To develop the regional development plan, the DRA initiated a nine-month strategic planning process that involved extensive participation by the federal co-chairman, the alternate federal co-chairman, DRA staff, the Delta governors' DRA board alternates, state economic development officials, the Association of Delta Development Directors, and other local partners in the region. The process was lead by a strategic planning team that consisted of the senior advisor to the federal co-chairman, the chief operating officer, TIP Strategies, and Tamerica Management Company.

The strategic planning process included three phases: Discovery, Opportunity, and Implementation. Each of these phases is summarized below.

Phase One: Discovery

This phase began with a review of the existing organization, including current initiatives, and existing planning documents. This was followed by an extensive data and literature analysis intended to define the critical mass sub-regions in the Delta and to also identify critical mass assets and resources. The analysis also included an update of the DRA's long-term performance goals contained in the 2002 Comprehensive Plan.

This phase involved significant stakeholder input. The strategic planning team met with DRA state and local partners to identify areas of concern and to shed light on current economic development issues in the region. Based on this input, the team prepared a prioritized list of policy areas for senior DRA leadership and the board to consider in the opportunity phase. The stakeholder input process involved the following activities:

- Board alternates from the states were visited by the strategic planning team to discuss the governors' economic development priorities in their DRA counties.
- DRA staff members were interviewed to gather their input and recommendations on the Authority's proper mission and the steps required for its achievement. Staff members also provided extensive supporting information and data pertaining to the functions they perform.
- The team met with representatives from the region's 44 local development districts.
- The team gathered input from the state LDD directors at a meeting of the Association of Delta Development Directors in Memphis, Tennessee.

Phase Two: Opportunity

Based on the findings of the Discovery Phase, the strategic planning team worked with senior leadership and the board to develop policy recommendations for each of the priorities identified. Emphasis was given to recommending policies and initiatives that will enable DRA's existing programs to leverage other private and federal resources and eliminate duplication and overlap. The recommendations were provided in the hierarchical structure (vision, mission,



goals, objectives, and major initiatives). The planning team presented its initial findings and recommendations to the DRA board at its annual meeting in Tunica, Mississippi.

Phase Three: Implementation

In the final phase, the planning team developed the specific initiatives, actions, timelines, and performance measures that will guide the DRA's activities for the 2008-2013 period. The team worked closely with the leadership and its partners to ensure that the resulting policies and performance criteria are actionable and measurable.



COMMUNICATIONS

Critical to the successful implementation of this regional development plan is a communications program that clearly articulates DRA's vision for the Delta and the new course we are pursuing to get us there. The DRA is determined to make the execution of the regional development plan a top priority for the Authority. In order for that to occur, our local, regional, state, and federal partners must have a firm understanding of its goals, objectives, strategies, and initiatives. Also key to the plan's success is securing congressional acceptance and support. Therefore, the federal co-chairman will commit DRA leadership and staff to the task of effectively publicizing and conveying to our partners and constituents how we intend to help move the Delta toward achieving a pattern of sustained growth.

Because this plan represents a departure from more traditional approaches to promoting economic development, educational outreach will be necessary. There may be some initial questions and hesitation; however, the DRA is confident that any unease can be overcome by transparency, openness, and honesty.

The actions and communications tools the DRA will utilize to communicate the plan include:

- **The *Delta Views* e-newsletter:** One of the DRA's most effective means of publicizing its work and activities is a regular e-news update it publishes and distributes to constituents via e-mail. In the months following the adoption of the regional development plan, the federal co-chairman will address regional challenges and opportunities identified in the plan through the *Delta Views* newsletter.
- **Local presentations:** DRA leadership and staff will embark on a local outreach campaign designed to present our plan to local and regional economic development groups. We will present our ideas, priorities, and programs to local development districts, economic development corporations, chambers of commerce, cities, and community non-profits. We will also use these events as opportunities to get additional input which will assist us in fine tuning our programs and identifying additional needs in the region.
- **Regional print media:** DRA leaders will meet with editorial boards of regional newspapers to discuss the plan and the major initiatives it proposes. In FY 08, for example, a major emphasis will be placed on presenting the case to regional editors for promoting health as an economic engine in the region.
- **National and international media:** The DRA will ensure that national and international media outlets are made aware of its plan for reinventing the Delta.
- **Conferences:** The DRA will regularly sponsor and host conferences in the region that address specific challenges and opportunities facing the Delta. We will bring together key leaders in business, government, education, health, and community service to discuss and present ideas for addressing the region's major issues.
- **Private sector outreach:** We will enhance our engagement and partnership with the private sector on major issues of workforce productivity, competitiveness, and availability. A major effort in this regard will be to meet with leaders of major employers in the region to build public and financial support for the Delta Institute.



APPENDIX A: CRITICAL MASS COMMUNITIES

Discovering the Underlying Factors for Job Growth in the Delta Region

Executive Summary

To help guide its future investment decisions, the Delta Regional Authority (DRA) developed a statistical model for identifying the primary factors communities need to achieve sustainable growth. We begin with the premise that every community needs a critical mass of factors in order to achieve its full potential for successful and sustainable job growth. This approach provides a starting point for the DRA to more effectively prioritize its investments. The current model of identifying “distressed” communities encompasses 96 percent of the region’s counties and has limited value. The *Critical Mass* (CM) model correctly predicts the growth trajectory of 80 percent of the DRA’s 240 counties over a 20-year period. The critical mass approach provides the DRA with an empirical tool for prioritizing investments. It also offers communities in the Delta region with a means to benchmark their progress toward community vitality.

Toward this goal, a multivariate model was utilized to analyze and isolate the prime factors that support job growth over the long term. In this process, 130 diverse variables were tested to predict variation in job growth between 1984 and 2004, the most recent two-decade period for which data are available. Of the 130 tested, the model predicted 56 percent of variation in employment growth using just 10 variables. Seven of the 10, referred to here as *critical mass community growth characteristics*, are shown in the table below. The *yield* reflects the effect on job growth of a 1 percent increase in each characteristic. For example, a 1 percent increase in domestic migration yields a 3.8 percent growth in employment.

Critical Mass Community Growth Characteristics

Rank	Characteristics	Examples
1	Healthy People	Improving life expectancy
2	Expanding Population	People moving into a community
3	Skilled Workforce	Jobs for skilled labor and professional occupations
4	Multi-Cultural	Foreign-born people moving into a community
5	New Companies	Jobs in companies started in the last five years
6	Entrepreneurial Culture	Percentage of self-employed people in the workforce
7	Community-Wide Culture of Learning	Public school growth enrollment

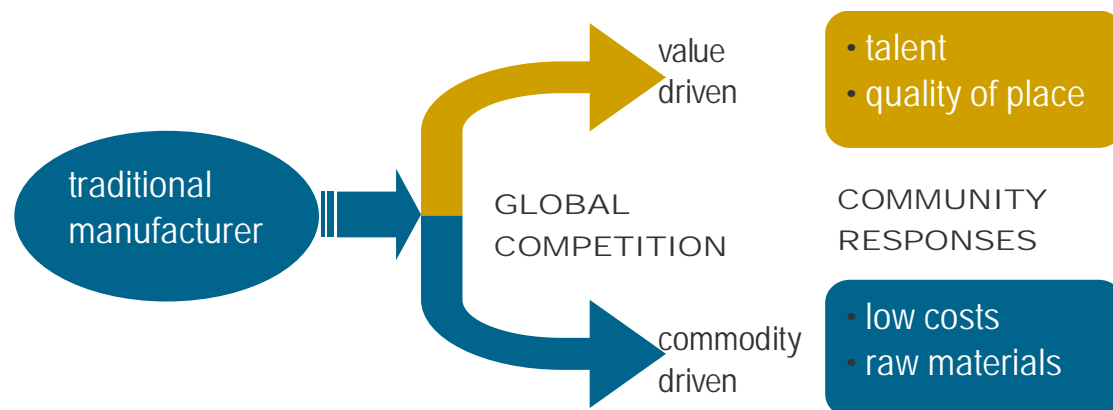


The critical mass model also identified several variables that are weakly correlated to job growth. In some cases, this is surprising. An example is wealth effects, as measured by the proportion of income from dividends and interest or by growth in bank deposits. It is commonly assumed that these effects would correlate with economic growth, but they were not significant at explaining employment gains between 1984 and 2004. Other weakly correlated variables include labor force participation, federal-state government dependency, per capita income (2000), and per capita income change.

Introduction

Traditional economic development measures success by the number of jobs created. Yet demographic shifts, industrial restructuring, and productivity increases resulting from technology have yielded this approach inadequate for realistically assessing a changing economy. Nevertheless, job creation is an expected measure of performance—certainly from a political standpoint—that cannot be dismissed. As a result, one of our goals was to ensure that any alternative measurements are clearly tied to job growth. In other words, we sought to ensure that DRA measures would conform to national expectations of performance measurement while taking into account the subtle, ongoing economic changes throughout the Delta and elsewhere in the U.S.

The New Model of Competition



SOURCE: *TIP Strategies, Inc.*

As our national economy has become more dynamic and global, attracting private investment has become increasingly competitive. The old formula of low wages and low operating costs is no longer a reasonable strategy for investment attraction in the U.S. In an era of timely and inexpensive freight mobility, even far-flung locations like China and India can compete effectively on labor and operating costs to a degree that no American community can possibly match. As a result, the way we compete is changing, and the timing of this change can actually be turned to our advantage. As retirement approaches for a large swath of the American workforce, their replacements will be a new, smaller group of younger

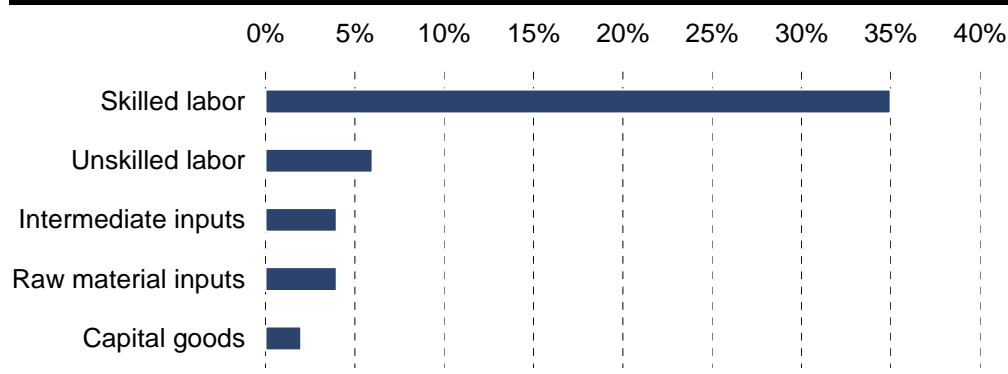


workers. If we are to compete at a higher level, then this new workforce must be nimble, skilled, and technically proficient in a way that their predecessors were not. Communities that can supply a professional and technical workforce will be rewarded.

In the latest quarterly survey of its members, the National Association for Business Economics (NABE) asked which sectors of the economy (if any) were experiencing input shortages. More than a third of respondents said skilled labor. This was a higher response – by far – than any other input factor. The results of the survey were similar to previous quarterly NABE surveys which have consistently sounded the alarm about skilled labor shortages.

Skilled labor shortage

Percent of NABE quarterly survey respondents that specified a business input shortage



SOURCE: National Association for Business Economics (NABE), April 2007 quarterly survey

A model that recognizes and anticipates these types of changes is needed for targeting public funds. For the DRA to be successful, it must be able to identify the factors that will best ensure success within its region. If there is hope for overcoming poverty and unemployment, then communities must know which factors will make the most difference. The CM model has the potential for supplying this information.



Methodology

The primary goal of this research was to determine which factors support successful economic development in any DRA community. Armed with this information, DRA will then be able to prioritize its work processes. Our approach is divided into a series of steps, each of which is outlined below. Steps 1 and 2 focus on the quantitative aspects of building the model. Step 3 outlines the qualitative analysis that was undertaken to provide a “reality check” for the results of the modeling.

Step 1: Define terms and parameters; collect necessary data

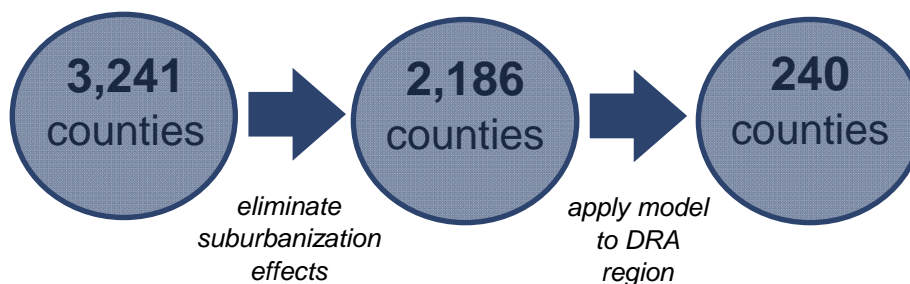
The phrase **critical mass communities** is intended to describe the factors that help communities improve their capacity for economic development. Critical mass is defined as the underlying resources needed to stimulate sustainable growth and investment.

We approached the measurement of critical mass through a rigorous statistical analysis. Several important parameters defined our approach:

- *Use counties as a building block.* We determined that our analysis should be conducted at the county rather than the place, or municipal level. This was a practical decision for two reasons. First, the depth and variety of usable data is much greater at the county level. Second, many areas of the Delta region lie in unincorporated areas, so working with county-level data is the only way to ensure that these areas are adequately considered in a statistical analysis.
- *Develop a workable national model and then apply it to the Delta region.* To eliminate the effects of jobs moving from one county to another within metro areas (a common occurrence that we term “suburbanization effect”), we aggregated the U.S. county-level data for metro areas to produce a smaller dataset of metro areas and non-metro counties and performed another round of statistical analysis. The final results were then applied to the 240 counties in the Delta region.

The modeling process

<i>Geography:</i>	National	National	DRA Region
<i>Units:</i>	All US Counties	Urban & Rural Counties	All DRA Counties



SOURCE: *Tamerica*



Seek statistical relationships across a wide range of possible variables. To adequately determine the factors that underscore critical mass, we began with 130 variables across a wide range of topics, not just employment-related topics.

- Focus on long-term performance. For critical mass to be a meaningful concept, it must transcend the ups and downs of the business cycle as well as the challenges of any economic restructuring that stems from the dominance of a single plant or industry. To look at the longer term patterns, we analyzed trends over a 20-year period.

Step 2: Enhance our understanding of the regional economy by developing a predictive model

With the parameters defined and the raw data collected, an attempt was made to isolate the factors that underlie economic vitality in the Delta. The challenge was to understand the resources needed to stimulate sustainable growth and to ensure maximum return on public investment over long periods. There were several important milestones in this process:

- Identify potentially significant statistical relationships. After reviewing the available data, Pearson correlations were run on all variables. This helped to identify potentially significant relationships. Per capita income growth and job growth were modeled in each of the 3,241 U.S. counties from 1984 to 2004. Insignificant relationships were quickly identified. For example, wealth effects, as measured by the proportion of income from dividends and interest or by growth in bank deposits, were not significant at explaining employment growth between 1984 and 2004. Likewise, labor force participation did not correlate strongly with employment growth.

Attempts to model per capita income growth were not statistically significant. This left employment growth as the main focus of the modeling. (Variables with statistically insignificant relationships are included in Appendix G. The remaining variables – those that were not initially excluded – are listed along with their sources in Appendix F.)

- Test potentially significant variables in an iterative process. Several iterations of a multiple regression model were run, employing essentially a one-factor-at-a-time (OFAT) experimental type approach, adding or removing variables individually or in small numbers to identify interaction effects. This process continued until the amount of variation explained by the model was maximized.
- Verify that conclusions are consistent with academic literature. The statistical analysis was reinforced in an ongoing manner with research using web-based, academic, and other sources.
- Sort modeling results into preliminary quartiles, or tiers. We developed tiered ranks (1 through 4, with 1 being the best) for each of the DRA counties using the final DRA dataset and regression run.
- Develop a critical mass model for the DRA counties. The regression coefficients from the national county-level model were used for the weightings of each of the variables and the preliminary tiers computed previously. A weight was developed for each county based on the proportion of wages in the county earned by workers that were commuting into the county. The purpose of this step was to give employment centers more weight in critical mass since they have the ability to raise the standard of living in a bigger geographic area than counties that are self-contained or that are bedroom

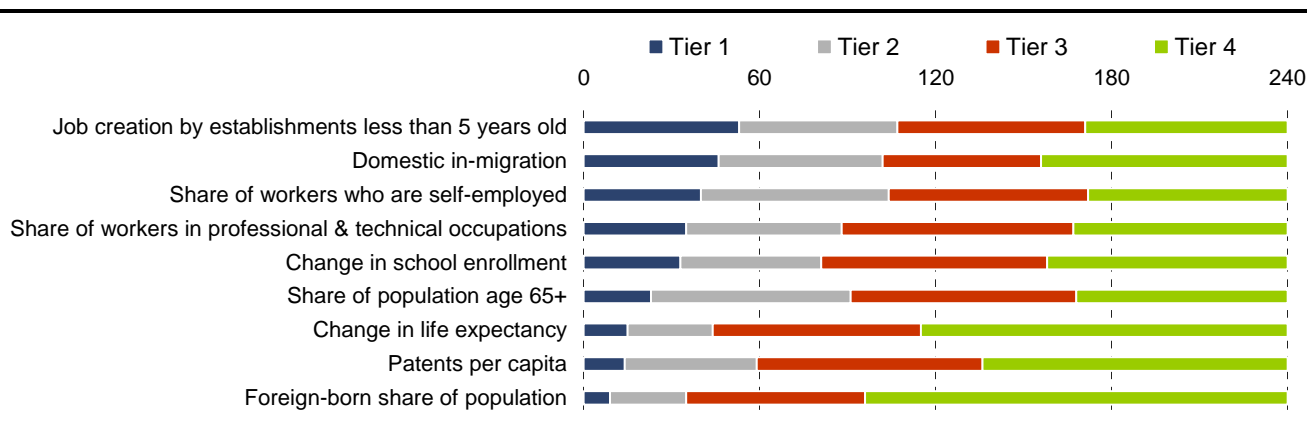


communities. The source of the weights is the BEA's residence adjustment factors. This weight was then multiplied by the product of the variables times coefficients for each county to arrive at the final score.

- Sort modeling results into final quartiles, or tiers. The final scores were divided into 4 tiers (1 as the best) of 60 counties per tier. Ranking all counties via the national tiers would have resulted in almost all DRA counties falling into the bottom 2 tiers (Tiers 3-4). While demonstrating the weakness of the DRA counties relative to the rest of the nation, such an approach would not help in setting DRA grant priorities for the region. Therefore, dividing the 240 counties into equally distributed tiers was chosen.

The figure below illustrates the distribution of each tier among over the 10 growth characteristics. It shows that more of the top 60 counties ranked high in the areas of new company creation, domestic migration, self-employment and entrepreneurship, and technical and professional workforce.

Distribution of DRA Counties by Tier for each of the Growth Characteristics



SOURCE: Taimerica



RECAP: The Statistical Techniques Behind the Critical Mass Model

Our critical mass model was constructed using a multivariate statistical technique called **multiple regression**. We began our model development by looking at correlations between 130 variables gathered from a number of published sources (see the full list of variables in Appendices F & G). We then analyzed all 130 variables to look for statistical similarities using another multivariate technique called **principal components**. This step allows us to avoid a statistical problem called multicollinearity. From that data, we concluded that we could accurately model employment growth at the county level over 20 years but that the data wouldn't allow an accurate assessment of changes in per capita income. From that analysis we selected 10 variables that explained 56 percent of the differences in employment growth at a county level over 20 years.

The statistical model is robust since the probability of a chance relationship, using this dataset, is less than 1 in 10,000. The model is good at forecasting the direction of growth and decline in individual counties. In the DRA region, the model correctly predicts the direction of growth in 192 counties. Model errors fall on the conservative side: The model is twice as likely to predict growth when decline occurred (called a *false positive* in statistical parlance) as it is at predicting decline where growth actually occurred (a *false negative*).

The modeling process outlined in Steps 1 and 2 identified 10 important *growth characteristics* that correlate positively with job growth. If this were a top-down statistical analysis alone, we could stop here. The reality is that we have not yet asked important questions about causality. *Why* are these variables so closely correlated with job growth? Are some of the variables correlated for reasons that may not be directly applicable to the DRA's prioritization process? We move on to these questions in our next step.

Step 3: Reality check: Review the model for "real world" applicability

In this step, we review each of the 10 identified variables. This means thinking about what each individual variable really means and how it relates to overall job growth. The figure on the following page summarizes the qualitative analysis as well as the relevance each holds for the DRA. Additional details for each variable are provided in the narrative that follows.



Summary of Growth Characteristics

Variable	Explanation for Correlation	Relevance for DRA	Sample DRA Objectives
Share of workers in technical & professional occupations	A skilled workforce is at the heart of U.S. competitiveness. Places that can provide a pool of skilled workers will compete more effectively and their economies will grow.	Activities that encourage workforce readiness, education, or skill development should be supported.	Strengthen workforce education programs.
Change in life expectancy	Public health and education are the primary foundations of economic development. While healthy people live longer, they also have a greater potential to be more productive.	Any programs that enhance public health and education should be a high priority for the DRA.	Expand the Healthy Delta program.
Share of jobs in establishments started in last five years	New businesses grow faster than older ones.	Avoid allocating resources toward declining industries or processes. Long-term benefits are more likely to occur when the focus is on technologies that enhance competitiveness, whether in emerging industries or mature ones.	Support growth-oriented entrepreneurship programs.
Share of workers who are self-employed	When economies are growing they tend to capitalize more on independent contractors than when they are stagnant. Also, large corporations contract out for many professional services, creating opportunities for skilled professionals seeking economic independence.	One of the biggest needs for self-employed professionals is access to IT resources and broadband connectivity. Entrepreneurs choose to locate in communities that offer a broad range of amenities.	Support entrepreneurship mentoring networks.
Change in public school enrollment	Job creation spurs in-migration. More families mean more students in local schools.	Communities that offer high quality educational opportunities and housing will grow faster. Neighborhoods and employment centers must connect efficiently with schools.	Advance the Delta initiative.
Share of population that is foreign-born	Depending on the type of jobs available, immigrants may be encouraged to move into a community. These immigrants can be highly skilled tradesmen or professionals.	Communities that welcome and seek to integrate immigrants should be supported. Immigrants often bring energy and vitality to a region's economy.	Continue J-1 Visa waiver program for medical professionals.
Domestic in-migration	Job creation spurs in-migration. Depending on the type of jobs available, individuals from other counties or states may be encouraged to move into a community.	While it may be true that people migrate to communities that offer economic opportunity, that opportunity must be coupled with amenities attractive to outsiders.	Enhance the quality of place of Delta communities.
Patents per capita	Patents are a measurable proxy for innovation, and innovation is a primary generator of productivity and job growth	Any activities, corporate or academic, that encourage patent generation specifically or innovation in general should be supported.	Establish a Delta Institute.
Total establishment employment	Jobs are added at a faster rate in larger counties than in smaller ones.	Job growth is a primary metric of critical mass	Promote economic diversification.



Characteristic #1: Share of workers in technical & professional occupations

This analysis has already addressed the issue of U.S. competitiveness. Communities can no longer compete on low costs and low wages. Building a skilled labor force provides the capacity to achieve a critical mass for economic development. This variable – the share of workers in technical and professional occupations – represents the share of workers in the labor force with the highest educational attainment levels. Places with large concentrations of these occupations are likely to be sought by employers in the years ahead. Again, DRA will interpret this variable broadly. It's not about ranking counties by their occupational shares. Rather, the question should be, "What is this community doing to enhance the educational attainment and skill levels of its residents?"

Characteristic #2: Patents per capita

The CMC model revealed that job growth was significantly correlated with the rate at which patents are generated. This makes sense. While innovation is not necessarily something that can be easily measured with data, the volume or rate of patent generation provides a good proxy. Innovation leads to productivity increases, which is how our economy grows. If we are looking for factors that have the potential to spur new job growth, what better indicator is there than patent generation? By calculating this on a per-capita basis, any bias toward the size of a county's employment base is removed.

Innovation is a factor we believe is important for achieving the critical mass needed for economic growth. For prioritizing its activities, DRA will look at this issue broadly. Obviously, most communities in the Delta are limited in their ability to influence patent generation. Therefore, the question should not be, "Which community has the highest rate of patent generation?" Rather, the question should be, "What is this community doing to increase its capacity for innovative activities?" Communities that are actively addressing this question should receive higher consideration.

Characteristic #3: Change in life expectancy

Researchers at Harvard University's School of Public Health recently completed a major project on life expectancy. The residual of this project was an extensive database of life expectancy data at the county level. Building on this database, we found that life expectancy changes had a high correlation with job growth. While public health is often taken for granted in the U.S., in the least developed countries, stabilizing public health often comes before literacy and education as a policy priority. The relationship between health and economic development goes beyond the fact that healthy people live longer and are therefore able to be productive members of society longer. They also show up regularly for work and they cost their employers less in health care. Their productivity is higher. All of these things bode well for economic development efforts. DRA's priorities should focus on programs that improve public health. In fact, DRA's "Healthy Delta" initiative is an ideal example of this type of priority already in practice.

Characteristic #4: Share of jobs in establishments started in the last five years

The analysis revealed an important correlation between overall job growth and the share of total jobs in establishments started in the past five years. On the surface, this demonstrates that newer businesses are growing faster than older ones. The inclination might be to attribute this to "start-up" businesses and make that the focus. This would be a mistake. For



DRA's purposes, the data should be more broadly interpreted. Start-up activities are important, but what is more important is what these companies are actually doing. Businesses that manage to survive for their first five years are clearly doing something right. We can infer that they are either in viable and competitive industries or perhaps they are in mature or even declining industries but are employing innovative ideas and technologies. In other words, for DRA's prioritization purposes, we should broadly infer from this correlation that a focus on emerging industries and competitive practices is a good thing. Where priorities are required, DRA's activities will favor emerging industries, technologies, or processes over mature or declining ones. The question should be, "Is this company – whether new or old – improving its capacity to compete in a global environment or is it simply asking for a subsidy to compete in a traditional way?"

Characteristic #5: Share of population age 65+

Of the 10 growth characteristics, nine were positive correlations. One was not. Overall job growth had a converse correlation with the size of the retirement-age population. This is a logical finding. Children (under age 18) and seniors (age 65+) are both considered dependent populations because they are not of working age and thus not expected to contribute to economic growth. If the senior share of population is relatively high, then the working age population by default would be relatively small. It follows logically that the correlation of a senior population with job growth would be negative. The issue then is how to address it. The issue of skilled labor availability has been raised throughout the plan and supporting research. Many of our seniors (and soon-to-be seniors) carry a wealth of knowledge and experience whether they are in the workforce or not. Encouraging the participation of seniors in the economy can be positive for all parties involved. For the DRA, programs that encourage the involvement of skilled seniors in the economy should be a priority, with particular emphasis on those that retain or attract seniors in scarce occupations or with in-demand skills.

Characteristic #6: Share of workers who are self-employed

The analysis showed a strong correlation between overall job growth and self-employed workers as a share of total workers. These so-called *free agents* can either be sole proprietors, primarily interested in working at home and supporting their household, or they can be growth-oriented entrepreneurs focused on raising capital, hiring workers, and building companies. Whether they are true entrepreneurs, free agents, or even temporary workers lured to the job market by a strong economy, they tend to be productive self-starters. The DRA should support state and community efforts to promote this group of workers. One of the most important needs of self-employed professionals and entrepreneurs is broadband connectivity and IT resources. The DRA's *iDelta* initiative is designed to address this need. The DRA is also committed to promoting growth-oriented entrepreneurs by supporting education, training, mentoring, and networking efforts in the region.

Characteristic #7: Change in public school enrollment

A strong correlation was found between overall job growth and rising levels of public school enrollment. In reality, school enrollment is a lagging, rather than a leading indicator of job growth. When an economy is growing it will attract people to take the jobs that are being created. Many of these new residents will include families with children. Still, this characteristic



holds significant policy implications. Communities that offer high quality educational opportunities and housing will grow faster. Additionally, high-growth schools, especially in suburban and exurban areas, can overwhelm local transportation and basic infrastructure. The DRA recognizes that improving public schools is largely a local and state issue and that the Authority has limited ability to influence this arena. The DRA does, however, have a role in supporting growing communities (i.e., critical mass communities) to manage infrastructure needs arising from population growth. Moreover, the DRA will be an active partner in local and regional efforts to improve workforce education and preparation.

Characteristic #8: Share of population that is foreign born

The Critical Mass model also found a correlation between overall job growth and the share of population that is foreign born. Again, we suspect this to be lagging rather than a leading indicator. An economy that is adding jobs will attract immigrants. The types of jobs that are being created may or may not attract foreigners. As an example, technology jobs in Silicon Valley have been a major draw for skilled Asian immigrants. On the other hand, the post-Katrina environment in New Orleans created a demand for construction labor that has attracted many Hispanic immigrants. Both examples illustrate how job growth can be tied to the foreign-born share of the population. But having a large foreign born population does not by itself constitute the conditions for economic growth. Rather, it is a result of it. Nevertheless, whether they are computer specialists or craftsmen, foreign-born immigrants contribute economic vitality to the places they settle in. They are also becoming a vital source of labor for the U.S. economy. Those communities and regions that are able to attract and integrate immigrants will succeed more than those that shun international residents. The DRA will support community efforts at building a quality of place that appeal to both domestic and international residents.

Characteristic #9: Total establishment employment

The model revealed that job growth over the past 20 years was faster in large population counties than in small ones. This correlation reflects a long-term, worldwide trend of urbanization. The implication for the DRA is that an increasing proportion of the population it serves lives in metropolitan areas. In response, the Authority must adapt its programs to be able to serve the needs of this population. While not abandoning its rural areas, the DRA can not ignore the growing influence of larger communities.

Characteristic #10: Domestic in-migration

The final major correlation we found was between overall job growth and domestic in-migration. As with international in-migration, however, domestic in-migration tends to be a product of job growth. Still, as the future national labor shortage grows larger and more companies are forced to locate in places with an available workforce, the communities that thrive will be those that can attract new residents. This reality reinforces the need for Delta communities – and the DRA – to emphasize quality of place over quality of life.



Policy Implications

To recap, we began by recognizing and accepting a basic truth. For better or worse, job growth is the primary metric of economic development progress that government agencies, political leaders, and citizens expect. Our goal was to isolate the broader underlying factors that support job growth. In other words, we sought to identify the factors that provided the “critical mass” or potential for job growth. The goal in identifying these factors is to provide an adequate basis for evaluating competitive categorical grant applications.

In an iterative process of statistical analysis that began with 130 potential variables, 10 were found to show statistically significant correlations with overall job growth. Correlations are important in weeding out the less useful variables, but they do little to indicate causality. While some characteristics were lagging indicators of job growth, they all represent significant policy implications for the DRA and the Delta. In addition, six of the 10 characteristics demonstrated a strong statistical correlation to job growth and have a leading causal relationship. Shown in the table below, they are factors that Delta communities can influence through creative economic and community development programs.

Leading Growth Characteristics

Growth Characteristic	Economic Development Response
<ul style="list-style-type: none">Patents per capita	<ul style="list-style-type: none">Encourage innovation.
<ul style="list-style-type: none">Percent of workers that are self-employedPercent of jobs in companies started in last 5 years	<ul style="list-style-type: none">Provide entrepreneurial infrastructure.
<ul style="list-style-type: none">Percent of workers in technical & professional occupations	<ul style="list-style-type: none">Raise workforce education and skill levels.
<ul style="list-style-type: none">Change in life expectancy over 15 years	<ul style="list-style-type: none">Support public health initiatives.
<ul style="list-style-type: none">Percent of population over 65	<ul style="list-style-type: none">Engage talented seniors.

They are not, however, the traditional economic strategies of acquiring land, constructing spec buildings, offering generous incentives, and hoping for industrial relocation to solve endemic economic problems. Rather, they represent progressive approaches to stimulating sustainable economic growth by building critical mass in communities. Included in Appendix B is an economic development toolkit that provides concrete strategies that Delta communities can employ to positively affect economic vitality.

We would like to thank Dr. Clifton Dixon, Chair of the Department of Geography and Geology at The University of Southern Mississippi, for his support of this project in making statistical software and other resources available to the project team.



APPENDIX B: ECONOMIC DEVELOPMENT TOOLKIT

EXECUTIVE SUMMARY

Introduction

How does a community achieve critical mass – that particular combination of factors which draws jobs and investment to an area? More specifically, what can be done to make cities and regions more competitive economically? To answer those questions two things must happen. There have to be an agreed upon set of indicators that link to employment growth. And there needs to be a simple checklist to guide decisions. Why simple? Because it has to be actionable. And it has to be easily explained to constituents and to citizens who have no economic background.

At the end of the day, the DRA’s strategic plan is an investment guide. It is a guide both for how the DRA can achieve a return on investment, and on how a community can ensure economic vitality. Public officials need to know that capital improvements and DRA programs really do contribute to the well-being of communities. Knowing what will make communities succeed is essential. The factors revealed by the DRA plan can be used by every community, county, or region within the Delta. They are the ultimate benchmark of progress. In a practical sense, they are the canaries in the mine. Local initiatives that emphasize talent, innovation, and a healthy and stimulating environment will provide the highest return.

Purpose & Scope

As part of the development of a strategic plan for the Delta Regional Authority, TIP Strategies was charged with the development of a local “toolkit” for encouraging economic vitality in the Delta region. This work was informed by our analysis of the critical mass community indicators described in Appendix A. The analysis reviewed over 100 data elements in order to identify those that contributed most to job growth. The toolkit outlined below focuses on the ten factors that were most significantly correlated with job growth.

Seven of the ten are shown in the table at right, along with the model’s estimate of their impact on job growth. The impact of the two remaining variables could not be calculated in the same manner. For the first variable, **patents per capita**, a percentage gain could not be calculated since the variable is not measured in percentage terms. The second variable, **total establishment employment**, is already a measure of job growth, meaning the change would be a one-to-one relationship.

Impact on Job Growth of a 1% Increase in:	
Life expectancy over 15 years	4.6%
Domestic migration	3.8%
Percent of workers in technical & professional occupations	2.6%
Foreign-born population	1.9%
Percent of workers that are self-employed	0.3%
Percent of jobs in companies started in last 5 years	0.3%
Public school enrollment	0.2%



For purposes of the toolkit, the 10 variables were grouped within the following five major categories:

- Encourage innovation
- Provide entrepreneurial infrastructure
- Raise educational attainment and skill levels
- Support public health initiatives
- Engage seniors

1) Encourage innovation. This strategy aims at bringing technology and new ideas into a community, specifically: percent of jobs in companies started in the last five years, percent of workers that are self-employed, percent of workers in technical and professional occupations, and patents per capita. Regional assets, networks, and business culture create the backdrop for innovative activities to emerge. Communities that embrace this notion position themselves for economic development success. Encouraging innovation includes these basic steps:

- List assets, networks, and cultural elements for your local area. *(See box on page 53 for examples.)*
- Identify change agents from each relevant network and invite them to form innovation task force. Ensure that higher education is represented whenever possible.
- Assign task force members to gather and review appropriate studies from local, state, and national sources
- Gather input from local business community via mail survey, web-based surveys (using services such as Survey Monkey), or personal interviews. *(See box on page 54 for sample interview questions.)*
- Use results from surveys and task force research to identify gaps and to suggest specific strategies appropriate to your local area.
- Based on research conducted in previous steps, select communities or regions to benchmark your area against. The selection should be driven by the purpose of the benchmarking – competitive benchmarking or best practices. *(See pages 9-10.)*
- Assign task force members to address key issues, including: 1) benchmarking, 2) strategy identification, 3) implementation steps, and 4) funding sources.
- Use creative approaches to identify and reward innovation in the community. This includes linking companies and people with existing resources, as well as tailoring initiatives specifically designed to promote excellence and innovation locally.
- Re-evaluate industrial targets to ensure that priority is given to innovative companies and advanced processes. Avoid incentivizing targets involving processes that can be easily outsourced (e.g., inbound call centers, labor-intensive assembly).



2) Provide entrepreneurial infrastructure. Closely related to innovation is the concept of entrepreneurship. While often thought of as a strategy for increasing self-employment options, entrepreneurship is more than a smart person with a good idea. Communities must build the support structures that nourish and retain high-growth startups – companies that add to the employment base. These steps include:

- Form entrepreneurship organization. Determine most appropriate structure. Options include creating a task force or sub-committee of existing organization or incorporating as a stand-alone non-profit organization. Legal counsel may be required.
- Create advisory board. Board members should be chosen to represent a wide range of functional areas, such as financial services, sales and marketing, information technology, human resources, and legal.
- Develop business plan for organization. What is specific mission? What kinds of services will be provided and how will they be delivered? What kinds of marketing efforts will be required?
- Seek out funding to support business plan. Funds can come from a variety of sources, including members, state and federal programs, foundation grants, as well as private sponsorship.
- Develop schedule of events. Should be a balance of networking and educational content.
- Identify “connectors” in the region and keep them in the loop about your efforts. Where appropriate, encourage them to join your organization.
- Create a mentor network. Start by creating a roster of potential mentors. The roster should include contact information, as well as their topics of expertise and whether they are willing to work on a volunteer or a fee basis.
- Investigate the availability of peer networks in your area. If no peer networks exist, talk to regional and state-level partners about creating one.
- Conduct training for entrepreneurs on preparing for an investor presentation. In addition, educate potential investors in the community on the risks and rewards of angel investing.
- Explore feasibility of hosting a regional “deal-making” event. Only entrepreneurs that have passed an initial due diligence effort should be invited.
- Prepare communications strategy. This would include communication with members and potential members (via an e-mail newsletter), as well as regular contact with relevant media. A well-designed website that is updated regularly must be a central component of this strategy.



3) Raise educational attainment and skill levels. The link between job growth and education (including workforce training) is directly evidenced by critical mass community factors such as change in public school enrollment and percent of workers in technical and professional occupations. For others, such as domestic migration and life expectancy, the link is less direct, but still important. The DRA's new strategic plan is built around the need for a competitive workforce. Without a broad commitment to improving educational attainment and 21st century job skills, this goal could not be attained. Actions include:

- Complete "key players" matrix for the region. This document should 1) identify all entities that have an interest in education, 2) provide information on the roles and functions that each serves and 3) document existing programs and initiatives.
- Identify opportunities to bring education partners together. An example includes hosting open forums on educational issues important to the community or region. To avoid siphoning support away from similarly focused initiatives, events or programs should build on existing efforts whenever possible.
- Prepare regular briefings on findings from interactions with the business community. These briefings would document specific hiring challenges, identify gaps in the skill sets being trained for by area education and training facilities, etc.
- Work with local education and workforce entities to identify collaborative programs that may be a fit for the region. The emphasis should be on engaging the private sector through specific programs. Examples include facilitating internships and apprenticeship programs; establishing business mentoring relationships; and involving industry executives in the classroom. (Arkansas's Educators-in-Industry program is an example of the latter.)
- Support the creation of a work plan. While the LDD may not be the primary actor in this effort, local economic development organizations should lobby for the creation of an action plan that outlines specific strategies for addressing education challenges in the region.



4) Support public health initiatives. The DRA, through its Healthy Delta initiative, has highlighted the importance of health to the region as a whole. In addition to its direct implications on quality of life, the critical mass community analysis suggests a direct link between health (measured in changes in life expectancy) and economic vitality. With substantially high rates of diabetes – among other illnesses – the productivity of the Delta is severely compromised. The following strategies are suggested:

- List potential partners. This effort should emphasize private sector involvement. The list should include establishments that are not necessarily directly involved in public health, but who have a stake in a healthy workforce. Examples include major employers, chain retailers, local restaurants, and health insurance companies.
- Create opportunities for community discussions about the relationship between health and economic vitality. The purpose of these discussions should be to expand involvement in health-related issues and to improve the region’s “health literacy.” (See box page 78.)
- Support existing campaigns to raise awareness of the link between public health and economic well-being. If an appropriate campaign is not already underway, work with partners to create new campaigns. Campaigns should be carefully evaluated to ensure that they will reach the target audience. A variety of channels may be required, including web-based outlets.
- Identify steps the **public sector** can take to encourage healthy behavior. Examples include creating public service campaigns (see pages 78-79), ensuring that local planning and zoning ordinances do not discourage walking or alternate modes of transportation, improving access to grocery stores in low-income areas.
- Identify **private-sector** actions that encourage a healthier (and more productive) current and future workforce. (See page 79 for examples.)
- Work with public and private partners to prioritize resulting strategies.
- Review state and federal plans and funding mechanisms to ensure that local efforts are in-line with broader goals and fully leverage available resources.
- Work with partners to create action plan for implementation that assigns timelines, identifies responsible parties, and suggests funding strategies.
- Communicate results of planning effort to the private sector.



5) Engage seniors. With the increase in retirees throughout the Delta, this plan argues for a re-thinking of how communities engage the economic potential of seniors. Among the available options are:

- Identify relevant interest groups that can serve as a resource on the subject. This would include existing senior citizens groups (local boards or committees) as well as state or regional efforts (Area Aging Councils) and national organizations (AARP chapters).
- Work with relevant groups to survey local seniors regarding their experiences with retirement and their interest in returning to work or volunteering. This effort should be coordinated with groups identified above in order to leverage resources.
- Gather information about skills gaps in the local labor supply. This can be accomplished by talking with local workforce development boards, major employers, human resource professionals, and employment agencies (temporary services and professional search firms).
- Compare results of retiree survey with skills gap analysis. Share results with stakeholders and develop action plan for matching interested seniors with paid and volunteer opportunities.
- Build on existing initiatives. Matching efforts should be undertaken through existing efforts, such as SCORE and SCSEP, when possible.
- Be sure that volunteer options are not overlooked. For example, matching qualified seniors with opportunities to serve on local boards and commissions.
- Support senior entrepreneurship. Actions include identifying seniors that want to start their own venture and connecting them with appropriate resources, as well as identifying those who may be looking for investment opportunities. *(Many of the techniques outlined in the Entrepreneurship Checklist would apply here as well.)*



Conclusion

Taking action on the steps outlined in the Toolkit is not something the Delta Regional Authority can or should do on its own. For instance, most of these issues already have well-established constituencies and long-standing investment patterns. As such, the DRA's efforts should focus on enhancing existing initiatives, with particular emphasis on engaging the private sector. The ability to serve as a liaison between public and private sector interests – through the local development districts – is perhaps the greatest role the DRA can serve.

While the initiatives must ultimately be local, however, it is not enough to assume that communities will embrace the approach described in this Toolkit or in the *DRA Regional Development Plan* itself. Furthermore, there is no guarantee that investment decisions in the region will be aligned with the Authority's goals, even if changes are made to the DRA grant program to encourage applicants to do so. In light of these realities, gaining the support of the member states must be the priority. Communities must see that state government is vested in this approach.

There are several reasons for this. First, states can set the tone for a new vision of economic development. They have programs that can be aligned with local efforts and they have marketing and training options not available elsewhere. Second, states can define target areas based on capacity and capacity-building. They can reinforce the idea that yet another industrial park is not in the state's interest, and that "quality of place" and a competitive workforce are the engines of growth.

Commitment by the states is a priority for the DRA. Without that commitment, program initiatives may well collapse. With the backing of the states, a long-term commitment of funding and coordinated resources is a reasonable expectation.

GENERAL GUIDELINES

For each of the strategies listed, the Toolkit lays out specific actions for implementation. There are, however, a number of general principles that should be applied when implementing these initiatives. These include:

- Seek partnerships and collaborative efforts
- Define responsibilities and roles
- Engage the local community
- Work toward a shared vision
- Identify unfilled niches and underutilized assets
- Establish long-term goals
- Manage expectations
- Be flexible with processes, but not long-term goals
- Use carrots freely, sticks if necessary
- Incorporate checks, balances, and continuous measurement



THE GOAL: To encourage an innovative environment

THE BASICS:

- A) Assess the region's innovative environment
- B) Get organized
- C) Reward excellence
- D) Re-evaluate industrial targets

MEASURING SUCCESS:

- Productivity increases
- ISO certifications
- LEED certifications
- Patents granted

ONE: ENCOURAGE INNOVATION

Faced with global competition, innovation has become the answer to survival for many U.S. firms. New innovations bring incremental increases in productivity, and – as any economist will be quick to point out – it is these incremental productivity increases that make economic growth possible. If prosperity is the underlying goal of any economic development program, then innovation is surely the first step toward that goal. Raising our standard of living begins with innovation.

Innovation should not necessarily be narrowly defined as the cutting edge of nanotechnology or life sciences. The mundane, everyday innovations – from Post-It™ notepads to Baby Einstein™ products – represent the kinds of product development that facilitate economic growth in places far beyond Silicon Valley or a laboratory at MIT.

Likewise, innovation should not be viewed as the province of metropolitan areas alone. Rural economies must also innovate. While rural innovation may occur in different arenas than metropolitan areas, the benefits of innovation remain the same.

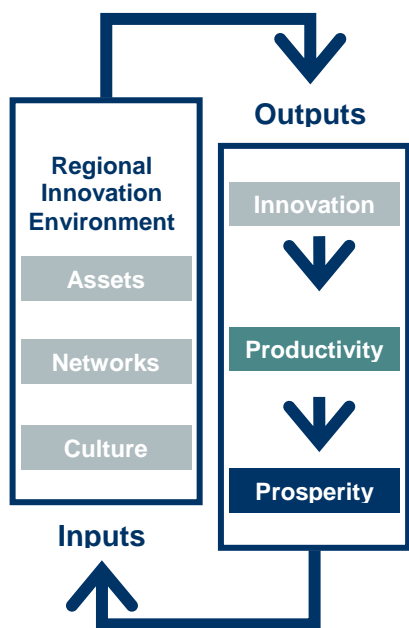
A. Assess the region's innovative environment

The U.S. Council on Competitiveness suggests that a region's innovation environment is comprised of three components:

- *Assets.* A region's **assets** include a range of factors – human and financial capital, institutional R&D, the industrial base and physical infrastructure, the regulatory environment, and quality of life.
- *Networks.* **Networks** form through partnerships, collaboration, and information sharing
- *Culture.* While the concepts of assets and networks are fairly straightforward, a region's business **culture** can be less obvious since it has more to do with a general openness to change and attitudes toward risk.

Adequately assessing the innovation environment requires a series of basic steps. According to the U.S. Council on Competitiveness, these include:

- Building on prior work
- Benchmarking comparable areas
- Surveying businesses



Source: U.S. Council on Competitiveness



EXAMPLE: VARIABLES THAT CAN BE RATED IN BUSINESS SURVEYS

Assets

- Overall quality of transportation (*Roads, airports, railroads, seaports*)
- Overall quality of communications infrastructure (*Telephone, wireless, high-speed Internet*)
- Cost of doing business (*Real estate, labor costs, utilities, permitting process, taxation, availability of incentives*)
- Cost of living (*Housing, utilities, taxation*)
- Quality of life (*Climate/weather, sense of place, recreational opportunities, cultural amenities*)
- Quality & availability of higher education infrastructure (*Community colleges, 4-year colleges, technical assistance, collaborative R&D*)
- Availability of skilled labor (*Production workers, scientists & engineers, IT & computer workers, management talent*)
- Availability of capital (*Venture capital, angel investors, commercial banks*)
- Quality & availability of specialized facilities for testing & development
- Quality & availability of suppliers
- Proximity to customers/markets

Networks

- Universities/4-year colleges
- Community/technical colleges
- Professional service providers
- Financial service providers
- Federal labs
- Trade or industry associations
- Entrepreneurial networks
- Business assistance centers

Culture

- Ease for new residents to integrate into the business community
- Openness to people of diverse backgrounds
- Regional leadership that is responsive to the needs of all residents, regardless of background
- Business culture that does not stigmatize failure, but sees it as a learning process
- Opportunities for interaction across industries and occupations
- Opportunities for interaction between businesses and artists
- Celebration of and focus on growing companies, not just big companies
- Collaborative promotional efforts across public and private sectors
- Entrepreneurs and new companies are accepted as full partners in the business community
- Proactive sharing of business resources and information
- High participation rates in community development activities
- Successful businesses and individuals constantly re-invest in the region

Source: adapted from U.S. Council on Competitiveness

- Interviewing community leaders

An overview of each step is provided below.

Building on prior work means to avoid re-inventing the wheel. Other organizations in the Delta – state or local government, utilities, economic development organizations, etc. – may have already researched and published reports on innovation. Identify, obtain, and review these reports. Do they provide ideas, information, or policy recommendations that are fresh and insightful? Are there concepts or policies that could be adapted or extended to the wider Delta region? What services or programs are already available at the state or federal level that might be a fit for the Delta?

When preparing a formal assessment, it is common to **benchmark comparable areas**. Assessments that focus on innovation tend to include places like Silicon Valley, Austin, and Boston. Some studies even extend their nets abroad to include emerging high-tech locations like Ireland, Israel, and Finland. These places, however, are not necessarily appropriate comps for a large, predominately rural region like the one the DRA assists. Instead, a benchmarking process should consider regions that, at least at the surface, seem to have more in common with the Delta region geographically and culturally. For example, the Northern Plains states (including the Dakotas, Iowa, and Nebraska) share a few common characteristics with the Delta. Predominately rural, the Northern Plains states struggle with unfavorable demographics and a thinning population. But beyond these obstacles, the Northern Plains states set examples that are worth noting: They have relatively high educational attainment levels, consistently low unemployment, low business and living costs, reputable universities, and small anchor cities like Omaha and Fargo that have developed relatively



innovative economies despite their small size and remoteness.

Other regions that could be evaluated as potential benchmarks include Upstate New York and Central Pennsylvania. Both regions are predominately rural with relatively small cities, persistent image problems, unfavorable demographics, and cheap real estate, *but* a well-developed infrastructure of higher education that supports surprisingly innovative activities. The selection of benchmarks will ultimately depend on specific objectives. The two basic approaches can be described as competitive benchmarking and best practices benchmarking. The former is designed to help understand how an area relates to its competitors on key indicators, such as job growth, income growth, and educational attainment. The selection of competitors would then focus on identifying similarly situated communities or regions. A “best practices” approach is designed to uncover successful approaches to addressing specific issues. While the regions selected should not be wildly different in terms of available resources, the focus is less about finding peers than about identifying leading-edge initiatives and applying those lessons in your own community.

Finally, **interviews with community leaders** – whether from government, business, academia or elsewhere – can offer valuable insights into the region’s innovative processes. Asking the right questions can be a formal process, or it better yet, it can be a habit – something that can be employed by all local economic development staff as they interact with public and private entities in their locales. Again, the key is asking the right open-ended questions that give respondents a chance to express information or perceptions that they might not otherwise volunteer on their own. *(See box for a sample list of questions)* Be creative and explore new avenues that may arise over time. Probing constituents with questions will help DRA and local economic development practitioners develop a better understanding of the forces that are helping and hurting the Delta.

Assessing the innovative capacity of the region – its assets, networks, and culture – serves multiple goals. In addition to providing the foundation for an innovation strategy, an assessment can also be a valuable first step in developing an entrepreneurial infrastructure. Encouraging rural entrepreneurship is addressed in the next section of this toolkit.

OPEN-ENDED QUESTIONS FOR INTERVIEWS

- Why is your firm here and what keeps it here?
- What barriers do you see to expansion?
- How do you explain your region’s performance relative to other parts of the country?
- When and how do universities in your region interact with your firm and how has the relationship changed over time?
- How successful do you think your region has been over the long term?
- Were there any significant events or turning points that affected your region’s development positively or negatively?
- What are the primary threats to long-term economic prosperity in your region?
- How have regional business networks evolved over time and are any of these particularly focused on the needs of innovative firms?

Source: Adapted from the U.S. Competitiveness Council

B. Get Organized

A dedicated task force can help keep the initiative focused. Membership in the task force should be comprised of a broad range of organizations, with particular emphasis given to including higher education. The Delta is home to a number of colleges and universities that can help support an innovation strategy. Formalizing relationships with these institutions should be the first step. Higher education partners can provide a platform for a number of successful elements of an



THE NEW RURAL PARADIGM

	Old Approach	New Approach
<i>Objectives</i>	<ul style="list-style-type: none"> ✓ Equalization ✓ Farm income ✓ Farm competitiveness 	<ul style="list-style-type: none"> ✓ Value local assets ✓ Consider unused resources ✓ Rural competitiveness
<i>Target sector</i>	<ul style="list-style-type: none"> ✓ Agriculture 	<ul style="list-style-type: none"> ✓ Rural tourism ✓ Manufacturing ✓ IT & communication
<i>Key actors</i>	<ul style="list-style-type: none"> ✓ National governments ✓ Farmers 	<ul style="list-style-type: none"> ✓ All levels of government ✓ Various local stakeholders
<i>Main tools</i>	<ul style="list-style-type: none"> ✓ Subsidies 	<ul style="list-style-type: none"> ✓ Investments

Source: "Reinventing Rural Policy," OECD Policy Brief, October 2006

innovation strategy to emerge. These include an emphasis on existing industry and the ability to take classroom experience and turn it into a viable business model.

An innovation task force could be charged with addressing specific tasks identified by the innovation assessment. Key among these tasks should be leveraging state and federal funding. Federal grants that support innovation and assist private companies in securing government contracts have been integral to the success of many communities (including Austin, Silicon Valley, and

Research Triangle). This effort could begin by working with local industry groups to determine ways to address technology issues within their industry.

The region's universities will likely be interested in assembling an innovation task force. Recent federal mandates have sought to link federal research grants that universities receive to their efforts to promote commercialization of that research. Any university that receives (or wants to receive) federal research funds will have a vested interest in demonstrating how it is trying to commercialize its research efforts. An innovation task force offers an opportunity to advance this cause. Ensure that a task force is structured in such a way that it helps the research universities in the Delta Region achieve their own self-interests as well.

C. Promote Excellence

The public sector can serve as a catalyst for innovation through programs that reward or encourage talent and that focus on solving problems for existing companies. Initiatives focused on talent can help draw new people into the area and retain those already there. Problem-solving approaches can help local companies increase productivity and free up resources for investment in other areas.

- *Institute a formal rewards (or awards) program.* This program should be one of the initiatives overseen by the innovation task force. This serves two reinforcing purposes. First, it gives the innovation task force a vested interest in the success of a recurring high-profile project. The time and energy required to advance, maintain, and improve the program can be the "glue"

EXAMPLE: RECOGNIZING EXCELLENCE

Australia's Ministry for Agriculture, Fisheries, and Forestry (MAFF) sponsors science and innovation awards for young adults in rural areas. The awards are co-sponsored by the Australian government and the private sector.

According to the MAFF, the awards provide long-term benefits to their industry and local communities as well as helping to jump-start the careers of talented young people within the qualifying age group (18-35).

Source: Ministry for Agriculture, Fisheries, and Forestry



that holds the innovation task force together. Second, the awards themselves raise the profile and influence of the task force.

- *Link local companies with existing resources.* The results of the innovation assessment described above should be shared with local businesses to ensure that they are taking advantage of all existing resources for encouraging innovation. Examples include the Manufacturing Extension Partnership (MEP). Funded through a mix of state, federal, and private funds, the MEP provides services via a nationwide network of non-profit centers. Through a link with the National Institute of Standards & Technology (NIST), the centers provide technical assistance to small and medium-size manufacturers with the goal of improving productivity through process improvements, worker training, and modernization.
- *Host design competitions underwritten by local companies.* The ability to enhance existing products is a key element in support of “upstream technologies.” This enhancement is often design-related. A competition which engages students, engineers, and industrial designers to show how products can be improved can be of immediate value to the companies participating, as well as to those submitting their work.
- *Provide stipends to promising engineers and students in technology-related fields.* These individuals should be recruited from the Delta initially. This effort should be reviewed on an annual basis and if sufficient applicants are not available, the recruitment effort could extend nationwide. These stipends should be linked to work carried out in the region. They are, in effect, mini-scholarships that can act as a catalyst for new business development.

D. Re-Evaluate Industrial Recruitment Targets

Business recruitment and expansion involves choices. Communities that prioritize assistance based on long-term competitiveness find themselves with a clear advantage. Targeting innovative companies is a means to that end. Innovative companies are those that meet the following criteria:

- High percentage of technically-skilled workers
- High demand for technology-based processes
- IP-driven products
- Diverse client base

For communities, the increasing importance of innovation has a number of implications. One concerns recruitment practices. Traditionally, manufacturers have been the prime target for economic development. With increasingly advanced fabrication requirements, manufacturing targets should be re-evaluated. What was once thought of as the working of raw material is now a matter of design, process control, and assembly. The ability to retain “traditional manufacturing” – even if successfully lured to an area – is increasingly unlikely. As a result, advanced manufacturing has become a target for economic development organizations across the country, even as they struggle to define it.



Advanced manufacturing is not a specific process or product; rather, it is an overall philosophy that stresses constant improvement in efficiency. It is less about high-tech products and more about advanced processes. *Advanced Manufacturing* magazine defines advanced manufacturing technologies (AMTs) as “new manufacturing techniques and machines combined with the application of information technology, micro electronics and new organizational practices within the manufacturing sector.” (See box for examples.)

Core industries—those companies already established in the region—represent the first tier of economic development opportunity in designing an advanced manufacturing recruitment strategy. Determining how existing firms can be linked to new industry targets is the first challenge. Identifying companies within those industries that are competitive and that employ specialized engineering and advanced manufacturing processes is the second. Exceptions to approach are important, however. If the area’s core industries are contracting, or if they add little value (through wages or capital investment), public support for them must be more measured and more cautious.

While the DRA’s direct role does not involve recruitment or industry targeting, the agency can be a vocal proponent for rethinking industrial recruitment at the state and local levels. Again, this promotional role can be tied to the rewards process (outlined earlier) and taken up by the innovation task force. Recognizing regional best practices in economic development could be built around one or more of these principles:

- Encourage:
 - Documentation of high standards (e.g., ISO certification for processes or LEED certification for efficiency and sustainability).
 - Systems of continuous improvement.
 - High levels of employee participation and involvement.
 - Green, renewable, or sustainable inputs and processes.
- Discourage:
 - Targets involving processes that can be easily outsourced (e.g., inbound call centers, labor-intensive assembly).

PROCESSES ASSOCIATED WITH ADVANCED MANUFACTURING

- computer-aided design/engineering software (CAD/CAE);
- programmable logic controllers (PLCs);
- flexible manufacturing cells or systems;
- robotics;
- use of inspection data in manufacturing control;
- MRP or Enterprise Resource Planning (ERP) software;
- automated parts identification (i.e., bar coding);
- modeling or simulation techniques;
- high-speed machining;
- supervisory control and data acquisition (SCADA);
- automated sensor-based inspection/testing systems;
- automated vision systems;
- lasers used in material processing;
- distributed control systems, and
- rapid prototyping systems.

Source: www.advancedmanufacturing.com



EXAMPLES: ENCOURAGING ADVANCED PROCESSES IN MANUFACTURING

Ontario's Ministry of Economic Development and Trade operates the Advanced Manufacturing Investment Strategy (AMIS). The program's goal is to "encourage companies to transform processes and adopt leading edge technologies that will increase their productivity and competitiveness."

The National Institute of Standards and Technology (NIST) operates two programs that encourage innovation. These include the prestigious Malcolm Baldrige National Quality Program and the Hollings Manufacturing Extension Partnership, or MEP program. A number of U.S. states operate MEP programs, which could be a powerful ally in DRA's efforts to encourage innovation.

Source: Ontario Ministry of Economic Development and Trade; National Institute of Standards and Technology (NIST)

E. Measure Results

All of the steps involved in encouraging innovation (i.e., assessing the innovative environment, getting organized, rewarding excellence, and re-evaluating industrial targets) are linked. Performance measurement should be linked as well and fall out of these administrative tasks. Performance in encouraging innovation could be measured by the volume of completed processes (e.g., number of patents granted, number of ISO certifications, number of LEED certifications). In entirely rural communities, innovation can be measured less formally. This might include expansions of the customer base through the use of websites, or the expanded use of broad band in agricultural regions.



Innovation Checklist

- List assets, networks, and cultural elements for your local area. *(See box on page 53 for examples.)*
- Identify change agents from each relevant network and invite them to form innovation task force. Ensure that higher education is represented whenever possible.
- Assign task force members to gather and review appropriate studies from local, state, and national sources
- Gather input from local business community via mail survey, web-based surveys (using services such as Survey Monkey), or personal interviews. *(See box on page 54 for sample interview questions.)*
- Use results from surveys and task force research to identify gaps and to suggest specific strategies appropriate to your local area.
- Based on research conducted in previous steps, select communities or regions to benchmark your area against. The selection should be driven by the purpose of the benchmarking – competitive benchmarking or best practices. *(See pages 9-10.)*
- Assign task force members to address key issues, including: 1) benchmarking, 2) strategy identification, 3) implementation steps, and 4) funding sources.
- Use creative approaches to identify and reward innovation in the community. This includes linking companies and people with existing resources, as well as tailoring initiatives specifically designed to promote excellence and innovation locally.
- Re-evaluate industrial targets to ensure that priority is given to innovative companies and advanced processes. Avoid incentivizing targets involving processes that can be easily outsourced (e.g., inbound call centers, labor-intensive assembly).



THE GOAL: To create the necessary foundation for entrepreneurial success.

THE BASICS:

- A) Get organized
- B) Provide educational opportunities
- C) Make connections
- D) Create mentoring networks
- E) Facilitate access to capital
- F) Prioritize service delivery
- G) Spread the word

MEASURING SUCCESS:

- New business start-ups

TWO: PROVIDE ENTREPRENEURIAL INFRASTRUCTURE

For many, the mention of “entrepreneurship” conjures up images of another coffee shop or neon-lit Subway franchisee. Even among community and economic development professionals, there is a common misconception that entrepreneurship and small business development are interchangeable concepts. In reality, although the business ventures described above create jobs and provide tax revenue, they do not rise to the level of true entrepreneurial ventures. To describe them as such fails to account for differences in who creates wealth and how they do it. Successful entrepreneurship programs make a distinction between emerging growth entrepreneurs and small business owners and franchisees.

Small business development programs tend to focus on establishments that are retail-oriented and serve local markets. Their clients typically don’t invent products, design new business systems, or rely on new processes. Entrepreneurship, on the other hand, is entirely about innovation: in product, process, or market. Entrepreneurship is about growth, accessing a larger

customer base, and using cutting-edge technology whenever possible. As a consequence, entrepreneurial enterprises tend to be more capital intensive and to rely heavily on talent.

In short, small business growth and entrepreneurship are uneasy bedfellows. They have different needs and different expectations. And here’s a crucial point: they cannot be serviced by the same methods. There are federal agencies designed around small businesses (the Small Business Administration), they have their own development centers with their own metrics.

To build programs around entrepreneurship, an entrepreneurial infrastructure must be put in place. Unlike the relatively linear nature of small business development, the path to entrepreneurship is cyclical — startup, growth, maturity, exit event, wealth creation, and start all over again. Most communities are concerned with the maturity stage and fret the exit event. The company has been sold, what will happen to the jobs? They fail to recognize that the exit event is where the wealth is created. The founders will want to do it again and can now also become angel investors. The employees of that company can now become entrepreneurs on their own since they have seen how the process of growing a company happens.

While entrepreneurship is steadily gaining credibility in economic development circles, it presents special problems to public organizations. These problems include a resistance on the part of entrepreneurs to work through traditional channels – whether chambers or banks or within established programs. This resistance is not irrational. Entrepreneurs jealously guard their ideas (for fear of losing their competitive edge), they mistrust banks (who seek to shoe-horn them into traditional collateralized loans), and they see no advantage in incentives that tie them to job creation (with the understanding that employees are less important than partners).

These general problems are complicated within the Delta. While there have been successful rural entrepreneurship programs, the much more common model is built around urban networks and urban services. Successful innovators need



“critical mass” as much or more than any other type of business. They need skilled and knowledgeable investors, talented IP attorneys, and good intelligence on what competitors are doing. Even with broadband access and the full resources of the Internet, entrepreneurs still require face-to-face interaction. In fact, they may need it more than ever. The proliferation of Internet fraud means that partners and investors want personal verification. It is for these reasons that we approach the question of Delta entrepreneurship with great caution. Simply stated, not every community is a good candidate for an entrepreneurship program. Entrepreneurship programs are not driven by federal investment. As a consequence, we recommend that the primary responsibility for deciding initiating entrepreneurship efforts should be carried by the states. This is also an implicit acknowledgement that every state economic development plan should have an entrepreneurship component. This component (strategy) should answer the following questions:

- Is there a statewide entrepreneurship network?
- Are there regional organizations and are they supported by the state?
- Are universities and colleges involved?
- Are there angel networks and how effective are they?
- Is venture investment being tracked?
- Has the state considered an entrepreneurship investment fund?
- Is there a rural entrepreneurship initiative for the state?
- Are there metrics for success?

Answering these questions requires an organizational response. In other words, state economic development agencies must acknowledge that entrepreneurship is distinct from small business development. They must be willing to commit the resources to advance entrepreneurship. In addition, they must recognize the special barriers to rural innovation and work to address these in realistic ways. This should reinforce the notion that not every rural region is an immediate candidate for a state-supported network.

This section outlines basic steps for providing support for entrepreneurship.

Council for Entrepreneurial Development (RALEIGH, NC)

Faced with continued job losses in traditional industries such as tobacco and textiles, Raleigh’s leadership employed a number of solutions to invigorate the local economy, including the creation of the Council for Entrepreneurial Development (CED). Established in 1984 to create a network for entrepreneurs and to help increase the amount of capital available to North Carolina companies, the CED has become a model for communities nationwide. To achieve its mission, CED focuses on providing services in four core areas: **education, mentoring, capital formation, and communications.** While Raleigh’s location in the Research Triangle provides some obvious advantages, the CED’s basic approach to creating an entrepreneurial infrastructure is one that can be applied in both rural and urban areas.



A. Get Organized

Starting an entrepreneur council or support system takes hard work, patience, and time. But it does not necessarily require a large budget. One Charlotte, North Carolina, organization was founded on a \$115 investment — \$70 to reserve a web site domain name and \$45 to host the web site. Events were held in locally owned restaurants where the entrepreneurs paid \$20 to cover food costs. The organization eventually grew to a 2,500-member entrepreneur network with meetings in five cities.

In addition to the self-financing approach described above, there are grants that will help with infrastructure or soft costs. Both the Kauffmann and the Kellogg Foundations are examples. As the organization matures and word spreads among entrepreneur and business circles, private sponsors will step up in order to have first access to these promising small businesses.

One key to success is to create a board of advisors. An advisory board can make sure that time is well spent on the most important factors of success. They can become champions to help market events and line up great speakers to draw audiences that might not normally come to an entrepreneurship event. Because they are typically experienced business leaders, advisory board members can provide the initial “due diligence” review for potential entrepreneurs. In addition, board members can lend their credibility to ensure the right people get involved in the programs. Most importantly if they share in the decision making, a board can protect the manager of the entrepreneur council when controversial or progressive decisions are made that may threaten the traditional or existing business infrastructure.

This board can be made up of sponsors on a “pay to play” basis, but should not be comprised exclusively of sponsors. There should be a few independent voices, such as individual entrepreneurs, business community leaders, and a few polite rebels. This will help maintain the organization’s credibility with the lone wolves.

Entrepreneurship initiatives must be sensitive to the needs of those they serve. The truth is that most emerging growth entrepreneurs are not big fans of government related help in growing their businesses. They get frustrated when they get lost in the mix, sent down the road to the bank that turns them down again for a loan, or sent to the chamber of commerce who can only offer an “After Hours” networking event geared for small business owners. For this reason, entrepreneur support programs should not have a government or chamber label. While these programs often require government or chamber support, they should be silent partners to the extent possible.

B. Provide Educational Opportunities

Educating entrepreneurs may sound like a strange idea to experienced economic developers. While they must have inherent business instincts, entrepreneurs can be taught additional skills that can help them grow the business faster and bigger than they even dreamed. Although an inventor or an innovator may be able to develop a new product idea, a different set of skills are required to market and sell that product, to hire new employees, and ultimately grow the company. Communities that help fill in those gaps may be better positioned to keep entrepreneurs and to create a critical mass of growing companies than those who do not.

Like everyone, entrepreneurs make choices about how they spend their time. At the end of the day, few people would choose going to another “white wall meeting” over spending time with family and friends or even putting in additional time growing their business. For this reason, organizations creating an entrepreneur training initiative should plan carefully to



EXAMPLE: Training

One popular entrepreneurial training program is **FasTrac**. Founded by the Kauffman Foundation of Kansas City, Missouri, FasTrac is a boot camp for entrepreneurs. According to the foundation's materials, 70 percent of companies that go through the program succeed beyond three years – the oft-touted threshold by which the majority of small businesses fail. The program can be brought to any town provided there is an organization willing to become certified to teach the program. <http://www.fastrac.org/>

The Rural Policy Research Institute's Center for Rural Entrepreneurship offers its annual **Energizing Entrepreneurs (e²) Institute** to help expose rural practitioners to entrepreneurship concepts and to provide them with the latest tools and training techniques. Upon completion of the course, attendees are certified to provide e² training in their community and have access to one-on-one technical support from RUPRI staff. <http://www.energizingentrepreneurs.org>

ensure the value and quality of each offering. Events must provide meaningful interactions and include content that is directly applicable to issues faced by entrepreneurs. To keep people coming back, events must be structured so that the business owner or representative has fun, learns something they can use the next day to grow the business, and makes contact with someone they would not otherwise meet. This approach will help ensure that attendees spread the word about the entrepreneur support system available in your community. One bad event can jeopardize this word-of-mouth marketing.

The educational content is an important element of these events, but so is a certain amount of networking time or face time with people the entrepreneurs respect from the community. Most educational events should include enough time before or after the agenda items so people in the room can simply get to know each other and their businesses. Entrepreneurs will hopefully meet talented professional service providers at these events such as business related lawyers and accountants. While these service providers are crucial, the organization has to be careful not to let them take control. Some groups have an 80-20 rule where 80 percent of the attendees of the events must be entrepreneurs to assure the entrepreneurs are not overwhelmed by service providers looking for new business prospects.

While not strictly educational, networking only events can also be instructive. To be effective, however, they must go beyond the typical "After Hours" event. A "speed dating" approach to networking has become increasingly popular among entrepreneurship organizations. These events are built around the idea of making multiple contacts in a fast-paced, low-risk environment. While events typically designed to connect entrepreneurs with investors, speed dating events can also be focused on a specific topic. For example, "Speed Dating for Innovation" connects entrepreneurs with technology companies in an effort to facilitate the commercialization of "game-changing" innovations in consumer markets, such as healthcare.

C. Make Connections

Communities often tout the level of cooperation among economic development organizations, claiming "There is no wrong door to enter the business community here." While there may be no wrong door, there are right people. In every community there are connectors, people who make an effort to connect people who should know each other. In his book *The Tipping Point*, Malcolm Gladwell talks about the role connectors play in the circulation of ideas and trends in society. Because of their skills in maintaining relationships across a broad spectrum, connectors can also play a role in facilitating entrepreneurship. Introducing promising entrepreneurs to the connectors in your community should be an important part of an entrepreneurship strategy.



Making good connections requires effort. If you must refer an entrepreneur to another organization, make sure the hand off goes smoothly. Don't just send them down the street to so and so organization. Be more specific. Tell them to "go meet Mrs. Anderson and feel free to use my name to help get you in the door." Or better yet, call the organization and tell them to keep an eye out for the promising entrepreneur or set the meeting yourself. When appropriate, go with the entrepreneur to ensure the proper respect is given to the situation.

Recognizing the contributions of the connectors in your community should also be part of your strategy. These individuals frequently stick their neck out to help others with little expectation of being rewarded, earning them the more colorful nickname of giraffes in some circles. Regardless of the label used – connectors or giraffes – they can be found in unexpected places. In your search for the connectors in your community, be sure to look beyond the high-profile local business executive. Is there someone in your community that seems to know everyone? Is there someone who has earned respect from years of networking or has developed a reputation for follow through? The search should not be limited to long-time residents, however. One key trait of connectors is their ability to make relationships quickly and easily. Those new to the area have the added advantage of recent ties outside the region. Connectors are crucial to the success of any entrepreneur infrastructure and should be treated as important assets.

D. Create Mentoring Networks

In the business world, a mentor is someone who's "been there, done that" and who is willing to share his or her knowledge with others. Virtually every community has successful business owners willing to play this role. For would-be entrepreneurs, finding a good a mentor can make the difference between success and failure. Mentoring programs have become a staple of small business programs at all levels of government, starting with the SCORE (Service Corps of Retired Executives) program offered in partnership with the U.S. Small Business Administration. SCORE provides free mentoring and workshops through small business development centers nationwide, as well as e-mail mentoring via their website at www.score.org.

Mentoring relationships can develop naturally as a result of membership in service organizations like Rotary or Kiwanis or through existing relationships with family members or friends. Often, however, both the mentors and mentees need a little push. For potential mentors, figuring out the best way to get involved in mentoring can be a challenge. For first-time entrepreneurs, it can be a struggle to earn the respect and time of established business leaders. One way to overcome this problem is to create a mentor network. These networks can take a variety of forms ranging from monthly meetings to formal match-making arrangements (*see box*). Regardless of the format, mentoring

EXAMPLE: Mentoring

North Carolina's Blue Ridge Entrepreneurial Council (BREC) connects local entrepreneurs with mentors during a monthly breakfast meeting. Called the **Mentor BRECFast**, the meetings feature a single mentor addressing topics such as marketing, sales, cash flow and other topics of interest to aspiring entrepreneurs. Mentor BRECFast meetings frequently lead to direct mentoring relationships between the presenter and one or more attendees. (<http://www.brecnc.com/>)

A growing number of for-profit services are available to help connect entrepreneurs with potential mentors. One example is Minneapolis-based **Mentium**, which provides mentoring services to "high-performing female talent." Programs include a year-long program designed to match protégés across the country with mentors based on a rigorous screening process.



networks can be an important step in the development of mentoring relationships. Like connectors, however, this resource must be handled with care. Mentoring initiatives should be carefully structured to ensure that mentors are assigned appropriate mentees and that their goodwill is not abused.

Creating a roster of potential mentors is a good starting point in forming a mentoring network. The roster should include contact information for each candidate, as well as topics of expertise and whether they are willing to work on a volunteer or a fee basis. Legal and accounting firms can be a great resource of knowledge of local talent from their past dealings with local executives.

Peer networks provide another piece of the mentoring puzzle. One of the best-known peer-to-peer learning communities is the Entrepreneurs' Organization (<http://www.eonetwork.org>). Created in 1987 as the Young Entrepreneurs' Organization, EO has chapters in 40 countries. Rural areas like the Delta Region typically lack the critical mass to establish a local chapter (membership is limited to companies that with a minimum gross revenue of \$1 million annually). However, virtual membership in EO and similar organizations can help reduce the isolation common among entrepreneurs. Establishing a peer network within each of the region's member states could help facilitate communication among far-flung rural entrepreneurs.

E. Facilitate Access to Capital

Facilitating access to capital is one of the most important roles that an entrepreneurship organization can play. While access to capital is a major obstacle for most entrepreneurs, it is particularly challenging for rural entrepreneurship. One strategy for increasing the flow of deals in the Delta Region is to create conditions that help to bring investors and entrepreneurs together. Carolina Connect is one example of this approach. Hosted by the Blue Ridge Economic Council (BREC) and the Blue Ridge Angel Investors Network (BRAIN), this annual event has grown to over 250 attendees with more than \$2.25 billion in venture capital represented. Since its inception in 2003, the event has helped raise the profile of Asheville, North Carolina – a city not known for its business community – drawing investors from 12 surrounding states.

In their zeal to connect entrepreneurs and investors, many communities make the mistake of allowing *every* would-be entrepreneur in town to meet with investors. This type of “cattle call” approach can be off-putting to investors who may feel their time is not being valued. To be successful, these initiatives must include a screening process. Under this approach, only the best deals are seen by the investors. These priority deals are also given additional attention and preparation. For example, North Carolina's BRAIN used a presentation coach to give one-on-one seminars to the

THREE THINGS TO KNOW ABOUT CAPITAL

- 1. Venture capitalists rarely invest outside of a two to four hour drive of the investor's office.** These investors need access to the entrepreneurs and management of the companies they are working with. Good investors are actively involved in helping the company succeed by adding management talent, making introductions to potential partners and continuing to find other potential investors to lower the risk of failure.
- 2. Venture capital does not just happen in urban areas.** There are groups that only invest in rural areas such as Meritus Ventures out of Kentucky and Tennessee and Sustainable Job Fund Ventures based in Durham, North Carolina and New York.
- 3. Banks typically do not lend money to entrepreneurs in early stages especially companies working with intellectual property.** An overwhelming majority of people think the only source of capital for entrepreneurs is a bank. In fact, most banks do not lend money to entrepreneurs who lack a certain net worth or entrepreneurs who usually lack any collateral that can be used as a guarantee of the loan.



entrepreneurs who had made it through the filtering process. Within six months of this seminar, those entrepreneurs had raised \$3.1 million between five companies. The presentation coach also gave a more general seminar to a room full of future presenters who were not yet ready for a prime time meeting with the investors.

When dealing with individual investors, providing support and training for the entrepreneur may not be enough. The best results are achieved when time is spent educating the potential investors as well. Not all wealthy people make good angel investors. Good investors must be tolerant of risk, the potential to lose all of their investment, but also excited about the opportunity to make multiples on the potential of their investment company being acquired or having an Initial Public Offering of stock on Wall Street. People can be enticed to invest in startups by policy such as the Qualified Business Investor Tax Credit in North Carolina which allows investors to take a 25% tax credit on their state income taxes in the following year. Also there should be an attempt to educate potential investors on the risks and rewards of angel investing so the investors have a sense they are being protected.

In all dealings, the entrepreneurship organization must take the need for confidentiality, and anonymity in some cases, seriously. Potential entrepreneurs often have “day jobs” and may not want their employer to be aware of their new venture. Investors rarely want the exposure that would let new and inexperienced entrepreneurs know about their deep pockets. Investors usually prefer someone else be the face of the investor community to again protect them from unwanted deluge of unqualified business plans and over eager and unprepared entrepreneurs. Entrepreneurship programs must convey a level of trust that will reassure both parties as they meet to discuss their new venture.

F. Prioritize Service Delivery

Not all entrepreneurial ventures are created equal. For this reason, prioritizing resources among clients is a trademark of successful programs. These organizations understand that the level of support and the type of services provided must be scaled to the ability of the entrepreneur to receive them. In addition to maximizing resources, an approach that distinguishes between those candidates who are best suited for support provides protection for both the entrepreneur and those who provide assistance. If the entrepreneur is required to pass a few milestones and demonstrate a genuine interest in the community before he or she is referred to an existing business or organization the contact is likely to be more fruitful.

Once this threshold has been met, however, the entrepreneurship program should pull out the stops to make doing business easier in the community. Think about what your organization can do to open doors for early stage companies. How can you help them get that all-important first client? Sharing contacts is an easy and effective place to start. Make an introduction between the entrepreneur and key executives at a social function. Invite upper management from leading companies in the area to make speeches in front of young leadership groups. These acts of encouragement can be the spark that helps turn a potential entrepreneur into a major employer.

G. Spread the Word

Establishing regular channels of communication is a critical element of successful entrepreneurship programs. While rural areas are often frustrated by the lack of business coverage, few take the time to establish a good rapport with business writers. An aggressive media strategy can help create the buzz factor that may help attract the entrepreneurial types most regions are starving for. In addition to working with local and regional media outlets, cultivating relationships with state publications can also be worthwhile. These magazines are often interested in entrepreneurship stories, but may not have



access to local sources. At the outset, the “fake it until you make it” approach may be required until your organization has better individual stories to tell.

Reaching out to current and potential entrepreneurs is another important piece of the communications puzzle. According to research done by the North Carolina Rural Economic Development Center, entrepreneurs often feel a sense of isolation. An e-mail newsletter offering relevant business advice, case studies, and other items of interest can help create a sense of community. Along with connecting entrepreneurs to each other, the newsletter can provide a platform for highlighting success stories and increasing awareness about available programs and services. The newsletter should be released on a consistent schedule (e.g., bi-weekly) and include regular features, such as a calendar of events, as well as a method for opting out. Including the names of sponsors, along with a link to their website, is an effective and low-cost way to recognize their support.

Communications must be a priority from the outset. Along with drawing in the “low hanging fruit” – that is, the entrepreneurs that already exist in the community -- getting the word out early can also help identify people, businesses, and organizations that can serve as a resource. A regularly updated web site is crucial to giving the impression to the community that the organization is alive and doing well. This web site can serve as a community calendar of business events, a resource for relevant business news, and a list of business resources for newcomers to the business community. Many communities have entrepreneurs who are not visible within the community. This is a lost opportunity and a threat to retaining these entrepreneurs and future job creators. The entrepreneurs either don’t see getting involved in the community as a priority or are too busy working to grow the business and are oblivious to the local business community.

The Delta Region benefits from traditional small business growth. But while there is an existing support structure for retail and service businesses, entrepreneurship – defined by high growth start-ups – deserves greater attention. A successful support system requires sophistication and commitment. It must, almost by definition, be innovative and technologically savvy. For these reasons, this plan recommends a high level of state involvement. Working with “critical mass” communities to build a sustainable entrepreneurship support structure, states can allocate resources and target potential high growth companies. They can, in some circumstances, tie target industry recruitment efforts to technology start-ups.

Working with the Media

One effective way to increase visibility in local and regional papers is by submitting stories and press releases on a regular basis.

- ✓ Develop list of reporters with key newspapers and magazines. Contact them to find out what type of stories they are interested in.
- ✓ Based on these conversations and input from community stakeholders, prepare a schedule of press releases for distribution.
- ✓ Focus press releases on a particular event or the release of a new report or key indicator about the area. Think about how press releases and stories can be used to improve communication about events or issues of interest to area residents.
- ✓ Materials should be available in digital form to enable prompt response to the media.
- ✓ In addition to local newspapers and magazines, your contact list should include state and national publications that cover entrepreneurship. When promoting a specific venture, be sure to include trade publications that cover the industry in question.
- ✓ Where possible, make contacts with other media outlets, including radio, television, and relevant Internet-based organizations



This toolkit does not emphasize the relationship of entrepreneurship to research universities. While there is a clear benefit in such a relationship, it does not match the reality of the majority of Delta communities. The objective of this toolkit is to demonstrate that even in the absence of R&D efforts, entrepreneurship can flourish.

Entrepreneurship Checklist

- Form entrepreneurship organization. Determine most appropriate structure. Options include creating a task force or sub-committee of existing organization or incorporating as a stand-alone non-profit organization. Legal counsel may be required.
- Create advisory board. Board members should be chosen to represent a wide range of functional areas, such as financial services, sales and marketing, information technology, human resources, and legal.
- Develop business plan for organization. What is specific mission? What kinds of services will be provided and how will they be delivered? What kinds of marketing efforts will be required?
- Seek out funding to support business plan. Funds can come from a variety of sources, including members, state and federal programs, foundation grants, as well as private sponsorship.
- Develop schedule of events. Should be a balance of networking and educational content.
- Identify “connectors” in the region and keep them in the loop about your efforts. Where appropriate, encourage them to join your organization.
- Create a mentor network. Start by creating a roster of potential mentors. The roster should include contact information, as well as their topics of expertise and whether they are willing to work on a volunteer or a fee basis.
- Investigate the availability of peer networks in your area. If no peer networks exist, talk to regional and state-level partners about creating one.
- Conduct training for entrepreneurs on preparing for an investor presentation. In addition, educate potential investors in the community on the risks and rewards of angel investing.
- Explore feasibility of hosting a regional “deal-making” event. Only entrepreneurs that have passed an initial due diligence effort should be invited.
- Prepare communications strategy. This would include communication with members and potential members (via an e-mail newsletter), as well as regular contact with relevant media. A well-designed website that is updated regularly must be a central component of this strategy.



THE GOAL: To prepare the Delta Region's next generation workforce

THE BASICS:

- A) Understand the roles of key players
- B) Act as a value-added facilitator
- C) Identify shortcomings in the system
- D) Seek partnerships and collaborative efforts

MEASURING SUCCESS:

- Specific: Diplomas, degrees, or certifications granted for a specified program
- General: Improvements in the dropout rate, educational attainment, or relevant test scores at a particular educational level

THREE: RAISE EDUCATIONAL ATTAINMENT AND SKILL LEVELS

Local economic development organizations have been reluctant to involve themselves too heavily in education and workforce issues. There are reasons for this. Other organizations already bear responsibility for these concerns, and economic development professionals have more than enough of their own work to do. As legitimate as this position may be, however, it is no longer a realistic option. Attracting and retaining talent is emerging as a pivotal goal for economic development agencies. The reason for this is driven entirely by the needs of businesses. Skilled labor is in such high demand – with that demand projected to increase – that if regions cannot attract new workers then they must provide the talent pool locally. Most likely, they must do both.

This evolution underscores a basic premise. While providing a talented workforce is crucial for a region's success, this talent does not emerge out of nowhere. Workers today develop their skills – their talents – with solid levels of educational attainment. *Education is the key to workforce development.* This means that the educational process (e.g., boosting high school graduation rates, encouraging college enrollment, and supporting worker training programs at community colleges) provide short-term and long-term benefits for a any region's talent pool.

While a local development district (LDD) or chamber cannot (and should not) become an education agency, it must greatly increase its involvement with local education issues. It must become a catalyst that brings the diverse stakeholders together and moves the process forward.

There are key steps that an LDD can follow:

- Understand the roles of key players
- Act as a value-added facilitator
- Identify shortcoming in the system and address them
- Seek partnerships and collaborative efforts

The approach outlined in this section is founded on the notion that program recommendations should not precede collaboration. It is vital that the LDDs – and the DRA – not lose sight of this point. It makes little sense to advocate for changes in a school district without first understanding the demographic, budgetary, administrative, and historical complexities faced by teachers and administrators.



A. Understand the Roles of Key Players

The city, the school district and non-profits, as well as businesses, take on wide-ranging roles in the educational process. Every community has a similar set of processes and players. Keeping track of who they are and how they operate is a crucial first step. The best way to accomplish this is with a simple matrix for each region (since school districts often overlap municipal boundaries). The column headings can be the main groups of players:

- Federal government agencies
- State government agencies
- Local school districts
- Community colleges
- Universities
- Workforce development agencies
- Businesses
- Advocacy groups & special interests
- Grant-making organizations and foundations

The row headings can be functions, including:

- Educational level (e.g., pre-school, K-12, apprenticeship/training, higher education)
- Special needs (e.g., literacy, ESL, basic skills, retraining)
- Policy initiatives and priorities

Having a completed matrix in-hand will make the subsequent steps in this toolkit more straightforward.

B. Act as a value-added facilitator

An LDD can add value by acting as a facilitator and networker for raising educational standards. The LDD's vantage point allows it to hear the views of companies and industries on all aspects of economic development. The day-to-day observations and perceptions that the business community has about the region's labor quality and availability may not necessarily funnel quickly to education providers or policymakers. The LDD can work as a listening post for the business community. This can and should be turned into an advantage. Since the local economic development agency typically knows which businesses may relocate to the area, as well as those that are expanding, they are a bellwether for future workforce needs – and the educational requirements of that workforce.

DEVELOPING A MATRIX FOR YOUR COMMUNITY

	government	private sector	nonprofits
educational level			
special needs			
notable programs & policy initiatives			



C. Identify shortcomings in the system

The third step that should fall out of this toolbox is to identify shortcomings in the system. To reiterate an important point, American jobs today require higher skill levels. Even the lower-skilled jobs that cannot be automated or off-shored – restaurant and hotel workers are frequently cited examples – require more than basic skills. Does your educational system meet this challenge for the skills levels needed by your employers? If not, then why? The LDD should raise this question repeatedly. To improve the prosperity for the most economically disadvantaged, the modern workplace demands a minimal skill level. This bar is a moving target in one direction – up.

These incremental steps (i.e., understanding the roles of the key players, acting as a facilitator, and identifying cracks in the system) put the LDD in an ideal position to assemble the players who can address these problems. Filling in the cracks in the system will be a collaborative effort, which brings us to the last and most important step in the process.

ESSENTIAL SKILLS FOR THE WORKPLACE

After several years of interviews with workers, employers, and academics, the Canadian government developed a list of the basic skills needed to complete most work tasks. These include:

- ✓ Reading text
- ✓ Document use
- ✓ Writing
- ✓ Using numbers
- ✓ Oral communication
- ✓ Thinking skills
- ✓ Working with others
- ✓ Computer use
- ✓ Continuous learning

Source: *Industry Canada*

D. Seek partnerships and collaborative efforts

Progress toward educational and skills improvement will be slow and incremental. Be patient. Positive achievements can occur by facilitating communication among the right parties and building new and wider coalitions to solve problems. Don't be surprised if you discover communication gaps in unexpected places. Perhaps workforce agencies are collaborating well with businesses and community colleges but have no formal contact with local school districts. In another area, a local school district has no resources to address a problem and is unaware of a national nonprofit or grant-making organization that could provide such resources. By approaching the issue from this angle, incremental successes can be maximized with marginal resource allocations.

A key to success will be knowing the right external partners for collaboraton. Examples of some potential partners are shown in the box at left. Each example represents a potential avenue for raising educational and workforce skills. The first two programs – Teach for America and the Knowledge is Power Program – could be expanded by identifying business supporters who would provide funding out of self-interest. In other words, businesses with a long-term interest in the region would see the value of cultivating future talent. From this perspective, sponsoring TFA and KIPP would be an investment, not just another charitable donation.



THREE VALUABLE EXTERNAL RESOURCES

- 1. Teach for America (TFA).** TFA works like a Peace Corp for low-income school districts. This nonprofit organization places outstanding college graduate in some of the nation's most lackluster schools. TFA's target regions in the U.S. overlap with parts of the Delta Region. Corporate and individual sponsors provide funding for teacher stipends. TFA targets the schools and places the teachers in those schools.
- 2. Knowledge is Power Program (KIPP).** Veterans of Teach for America founded KIPP to take the TFA concept one step further. A KIPP Academy is a middle school (5th through 8th grade) that puts students in low-income schools onto a college track and it has developed a stunning success rate. Four out of five KIPP graduates go on to college after high school. KIPP is already active within the Delta Region.
- 3. NAM Center for Workforce Success.** The Center for Workforce Success is the education and training unit of the National Association of Manufacturers (NAM). The Center develops and maintains a framework for core competencies needed for a wide range of jobs in the manufacturing sector. The Center's mission is "to promote workforce solutions for manufacturers in a global economy in order to build workforce skills..."

Tapping the programs of the National Association of Manufacturers (NAM) suggests another type of approach. NAM's Center for Workforce Success provides a detailed framework for the workplace skills needed at all levels of a manufacturing organization. For businesses, local economic development agencies, and workforce agencies, such a training framework can offer options for rethinking local priorities with regard to workforce readiness.

Performance should be measured with specific programmatic milestones rather than general ones. For example, if an LDD were involved in setting up a KIPP Academy, the success of this effort could be reasonably measured by the graduation rate from that program, or in the longer term by the rate of college enrollment for KIPP graduates.



Education Checklist

- Complete “key players” matrix for the region. This document should 1) identify all entities that have an interest in education, 2) provide information on the roles and functions that each serves and 3) document existing programs and initiatives.
- Identify opportunities to bring education partners together. An example includes hosting open forums on educational issues important to the community or region. To avoid siphoning support away from similarly focused initiatives, events or programs should build on existing efforts whenever possible.
- Prepare regular briefings on findings from interactions with the business community. These briefings would document specific hiring challenges, identify gaps in the skill sets being trained for by area education and training facilities, etc.
- Work with local education and workforce entities to identify collaborative programs that may be a fit for the region. The emphasis should be on engaging the private sector through specific programs. Examples include facilitating internships and apprenticeship programs; establishing business mentoring relationships; and involving industry executives in the classroom. (Arkansas’s Educators-in-Industry program is an example of the latter.)
- Support the creation of a work plan. While the LDD may not be the primary actor in this effort, local economic development organizations should lobby for the creation of an action plan that outlines specific strategies for addressing education challenges in the region.



FOUR: SUPPORT PUBLIC HEALTH INITIATIVES

THE GOAL: To improve the health of the Delta Region's workforce in order to increase well-being and productivity.

THE BASICS:

- A) Bring new players into the process
- B) Use retail strategies to change behaviors
- C) Support efforts to raise awareness
- D) Encourage creative public and private sector policies

MEASURING SUCCESS:

- *Specific:* Reduce incidence of specific diseases or conditions (e.g., diabetes, obesity)
- *General:* Increase life expectancy

Local economic development is not the first thing that comes to mind when the subject of public health is raised. The mention of the phrase “public health” typically conjures up images of scientists studying flu viruses in medical laboratories or perhaps the routine daily activities of a municipal sanitation department. Yet economic development and public health have a long history.

Americans in the latter half of the 19th century and into the early 20th worked tirelessly to bring local public health issues to prominence. These efforts produced many results at the federal level, including the establishment of the Food & Drug Administration. But some of the most creative and effective initiatives occurred at the local level, where organized, proactive communities took their public health and economic development futures into their own hands. These efforts included, among other things:

- the concept of the green urban park to provide respite from the unhealthy grit of the city,
 - the implementation of building codes and standards to eliminate dark, overcrowded tenements, and
 - the introduction of land-use zoning to force a separation in residential and industrial uses.

In this active reform era, public health issues were held up as a foundation for future economic development. In retrospect, it worked. Perhaps, the only downside to our forebears’ success is that today we tend to take public health standards for granted. As a result, the fundamental link between public health and economic development has been largely forgotten, except in extreme circumstances. We are reminded, for example, when we see how the economies of Hong Kong and Toronto can be shut down by a single patient carrying the SARS virus.

Consider, though, the more mundane example of this vital link in our daily lives. Poor nutrition and inadequate exercise contribute to rising levels of obesity in our society. Public health experts acknowledge this problem among children as well as adults. Obesity increases the likelihood of numerous health problems, including diabetes and heart disease. *And there lies the economic link.* Unhealthy employees miss more days of work, require more medical attention, and command higher

Example: Marathon Kids®

Founded in 1996 in Austin, Texas, Marathon Kids® encourages school children and their families to be more active and to make healthy food choices. Children in grades K-5 chart their progress as they run or walk 26.2 miles over a six-month period. They are also challenged to meet the “5-a-day” recommended guideline for fruits and vegetables for 26.2 days of every month and to record their healthy eating habits. Participants take part in an opening ceremony and run their last mile at the final medal celebration. Finishers receive a medal at the ceremony and a commemorative T-shirt following the event.

The program remains free with the support of corporate sponsors, like Whole Foods Market®; grants from non-profit foundations, individual donations and in-kind donations. In addition to Austin, Marathon Kids® is currently offered in six cities, with a new initiative planned for Chicago beginning with the 2008-2009 school year. The program has proven so popular there are roughly 300 cities on the waiting list.

Source: www.marathonkids.org



Resource: Healthy People 2010

Managed by the U.S. Department of Health and Human Services' Office of Disease Prevention and Health Promotion, *Healthy People 2010* provides a framework for identifying the most significant preventable threats to health and establishing national goals to reduce these threats. The initiative has identified 10 leading indicators that have a major impact on health:

Subject/Topic	Public Health Challenge
Physical Activity	Promote regular physical activity
Overweight and Obesity	Promote healthier weight and good nutrition
Tobacco Use	Prevent and reduce tobacco use
Substance Abuse	Prevent and reduce substance abuse
Responsible Sexual Behavior	Promote responsible sexual behavior
Mental Health	Promote mental health and well-being
Injury and Violence	Promote safety and reduce violence
Environmental Quality	Promote healthy environments
Immunization	Prevent infectious disease through immunization
Access to Health Care	Increase access to quality health care

The initiative has produced a wealth of data and publications, including *Healthy People in Healthy Communities: A Community Planning Guide Using Healthy People 2010* and *Healthy People 2010 Toolkit: A Field Guide for Health Planning*. The *Data 2010* is a database that tracks national-level *Healthy People 2010* indicators at <http://wonder.cdc.gov/data2010/>.

A number of states have developed their own *Healthy People* plans, including several DRA states (see *list of plans and Healthy People State Coordinators on page 37*). In addition, a rural initiative has been developed. Information about the rural effort along with *Healthy People 2010: A Companion Document for Rural Areas* is available at <http://www.srph.tamhsc.edu/centers/rhp2010/overview.htm>.

The initial framework for *Healthy People 2020* is scheduled for release in late 2008/early 2009. This will be followed a year later, in January 2010, by the release of *Healthy People 2020* objectives and guidance for achieving the new 10-year targets. More information and PDFs of publications are available at <http://www.healthypeople.gov/>.

health insurance premiums. Unhealthy children produce the same effects indirectly via their working parents. Is it not in the interest of employers – and of economic development in general – to make high public health standards a primary goal? Healthy employees and healthy families are a win-win for everyone.

A healthy Delta Region can prosper economically, but an unhealthy Delta Region will face insurmountable obstacles in an age when prosperity relies on workforce quality and availability. Local strategies can advance the cause of public health and economic development simultaneously through subtle and incremental steps.



A. Bring new players into the process

Engage the private sector as well as philanthropists and others in issues that intersect between public health and economic development. The issue of nutrition, diet, and exercise in our daily lives – especially the lives of children and in our public schools – has caught the attention of everyone from charitable foundations to celebrities to politicians. Introduce external donors or high-profile benefactors into the process. Find interesting or engaging ways to enlist the help of the private sector in tackling this issue.

A task force may or may not be necessary. If a program already exists (such as the Healthy Delta initiative and state-level *Healthy People* plans), then an appropriate vehicle may already be in place. Build on it. Expand involvement. Define potential stakeholders who are not involved in the process. These could include:

- **Chain retailers** who might provide free in-store health services such blood pressure checks or diabetes screening.
- **Health insurance companies** that control their costs by focusing on prevention and therefore have an incentive to be involved in every way possible.

Engage diverse stakeholders, including the private sector, to support local public health initiatives. Consider the example of Somerville, Massachusetts, as a model of what one town can accomplish by incrementally expanding a good idea into a program that engages the entire community. In Somerville, a fitness program that was originally geared toward early elementary school students was eventually expanded to include the entire community. New ways were sought to engage the private sector, including local restaurants, to raise the profile of exercise and diet as important local issues.

Example: Shape Up Somerville

Shape Up Somerville is a city-wide campaign designed to increase daily physical activity and promote good nutritional habits through a range of innovative programs, physical infrastructure improvements, and local policies. Initially created as a university-led research project targeting 1st through 3rd graders in local public schools, this Somerville, Massachusetts, initiative has grown into a widely touted collaboration of over 11 initiatives and 25 stakeholders. The campaign engages a broad audience, including schools, city government, civic organizations, community groups, businesses, and other stakeholders in areas such as:

- ✓ School food service
- ✓ School curriculum
- ✓ After-school programs
- ✓ Community outreach
- ✓ Restaurants
- ✓ Safe, walkable routes to school
- ✓ School nurses and pediatricians
- ✓ New policy initiatives
- ✓ Farmers markets & community/school gardens

Source: *City of Somerville, Massachusetts*

B. Use targeted retail strategies to change behaviors

The connection between proper nutrition, regular exercise and good health has long been clear. Yet, the U.S. continues to experience problems with obesity and other preventable conditions. In recent years a startling rise in obesity rates nationwide has been linked to numerous health problems, including diabetes and heart disease. This has prompted some researchers to ask why. While inactivity is certainly a critical part of the equation – as a society we spend more time in our cars and less time walking – are there other factors that contribute to the problem? Two nonprofits, Food Trust (in Philadelphia) and DC Hunger Solutions (in Washington, DC), studied specific neighborhoods in their respective cities. Their research found obesity and health problems to be highest in low-income neighborhoods. They also found a relative dearth of grocers offering fresh produce and healthy food options in these same neighborhoods.



The accumulation of research drawing similar conclusions has begun to spur state and local governments around the country to take a closer interest in accessibility of healthy eating options in low-income areas (*see box*). At the state level, initiatives designed to improve public health make fiscal sense; it is likely to be cheaper to promote incentives for low-income residents to adopt healthier behaviors than to pay the Medicaid bills later. At the local level, there is also a case to be made for targeted economic development activities in this area. Providing employers with a healthy workforce makes good sense. Healthy employees spend more days at work and cost their employers less money in insurance premiums and lost productivity.

C. Support efforts to raise awareness

Local government can play a more active role in supporting broader public health initiatives. One option is to increase involvement in public service campaigns. In other words, support specific efforts (which may already be underway by state agencies, advocacy groups, or major employers) to raise awareness about the link between public health and economic well-being.

Public service campaigns make sense because they often dovetail with broader local economic development goals.

They can also leverage valuable external resources such as pro-bono contributions (e.g., legal or advertising services) and charitable funds or grants. Helping to increase “health literacy” is another potential benefit of this type of campaign (*see box next page*).

Remember that elevating public awareness of any issue means capturing the audience’s attention. Before getting involved, evaluate public service campaigns for their potential effectiveness at reaching the target audience. A do-good website or billboard might not be enough. Here are three models to keep in mind when thinking about the types of public service campaigns that make lasting impressions:

- **Entertain.** For many decades, the state transportation agency in Texas has run a highly successful anti-litter campaign that most people in the country have heard of (even if they are not aware of how the slogan originated). Over the years, the “Don’t Mess with Texas” campaign has run televised public service announcements that include 30-second mini-concerts by Texas musicians ranging from Willie Nelson to the late Stevie Ray Vaughn.
- **Provoke.** Those who were around in the 1980s may remember the egg (“This is your brain”) and the hot griddle it cracked on (“This is your brain on drugs”). Provocative campaigns create enduring impressions.

Example: Local Retail Targeting

Local planning and economic development officials are finding new ways to bridge economic and public health issues. In neighborhoods where poor health has been linked to diet, local officials have often found that access to adequate grocery options are surprisingly lacking. To compensate, they are forging creative options to bring fresh-food retailing to local consumers.

- ✓ **Philadelphia** subsidizes green grocers to launch new stores in neighborhoods they once shunned.
- ✓ **Chicago’s planning department** sponsored a “supermarket expo” in an attempt to lure grocers into neighborhoods that had been found to be underserved.
- ✓ **Baltimore’s** “supermarket initiative” is carried forward by the city’s economic development department.
- ✓ **Washington, DC** identified specific neighborhoods with high obesity rates and found them to be the most underserved by grocers. Economic development efforts were re-oriented toward improving and encouraging access to fresh produce.
- ✓ **California** has adopted new legislation establishing incentives for making fresh foods more available in low-income areas.

Source: <http://www.trfund.com/news/articles/101506.html>



- **Repel.** Movies today are preceded by a string of ads before the previews ever start. One public service announcement that runs in many theatres just before the previews begin features a hopelessly obnoxious man who takes cell phone calls and speaks loudly while others are trying to view the movie. The message is clear: Is this the behavior you want to be emulating? If not, then remember to turn off your cell phone before the movie starts.

Again, avoid reinventing the wheel. There may be no need to launch a new local public service campaign from the ground up. Seek out effective campaigns that are already in place. Find ways to make your community friendly to these campaigns. Is there a way you can entice new private-sector players into the process to make these campaigns even more successful in your community?

D. Encourage creative policies

One widely publicized theory in recent years asserts a link between obesity and urban sprawl. The idea is that people spend a lot of time in their cars driving long distances to their jobs. When they are home, the option of walking to school, grocery stores, post office, or church is out of the question because all of these places are beyond walking distance. In fact, modern housing subdivisions often do not even have sidewalks to walk on. The world we live in discourages a daily routine that involves the most basic form of exercise – walking.

While not everyone has accepted this link, those who do have put forth numerous policy proposals involving area such as:

- Re-thinking local planning and zoning ordinances to ensure they encourage healthy practices.
- Providing more diverse transportation options.
- Establishing urban design guidelines that promote walkability and alternative forms of transportation.

These are but a few ways that public health initiatives can be supported with creative *public* policies, but *good policies can extend to the private-sector workplace as well*. The State of Michigan publishes a toolkit of suggestions for how employers can help to improve the health of low-wage workers (*see box*). This is an ideal starting point for engaging the private sector in improving local public health. As Michigan's toolkit shows, private-sector engagement can range from no-direct-cost solutions (discouraging smoking and promoting stairs over elevators) to marginal-direct-cost solutions (providing gym discounts).

The Role of Health Literacy

A growing body of research suggests that improving health literacy is a critical piece in the public health puzzle. In its report, *Healthy People 2010*, the U.S. Department of Health and Human Services defines health literacy as "the degree to which individuals have the capacity to obtain, process, and understand basic health information and services needed to make appropriate health decisions." Research suggests a direct correlation between a person's ability to understand and follow health-related information and their overall health.

The effects of low health literacy include non-compliance or medication errors, as well as indirect effects, such as insurance issues, accessibility to healthcare, and poor health behavior choices. At least one study (Schillinger, Dean, *Journal of the American Medical Association*, July 24-31, 2002) found that low health literacy was associated with "worse glycemic control and higher rates of retinopathy" in patients with Type 2 diabetes. The study concludes that inadequate health literacy may contribute to the disproportionate burden of diabetes related problems among disadvantaged populations.

Source: National Network of Libraries of Medicine
www.nlm.gov



Other inexpensive or no-cost options that local economic development organizations can encourage private-sector employers to adopt include:

- Replacing soft drinks and processed snacks in office vending machines with healthier selections
- Providing financial incentives for employees to bike or walk to work.
- Sponsoring company sports teams or leagues for employees and their children.
- Providing organized fitness programs (e.g., aerobics, yoga) during lunch hours or before or after work.
- Supplying discount coupons and gift certificates for healthy foods.

Example: State of Michigan

The Michigan Department of Labor & Economic Growth publishes a *Low Wage Worker-Employer Toolkit* with these thoughts:

"Absenteeism, turnover, and reduced on-the-job performance can all occur when the employee or a member of the family suffers from poor health. In addition, employees with children in poor health struggle to care for their children while still meeting the demands of their job. While many companies offer health benefits to more senior staff, entry-level staff struggle with access to care. However, companies that invest in the health of their staff see worker productivity improve."

Some of the policies Michigan's toolkit encourages employers to adopt include:

- ✓ Promoting the use of stairs over elevators
- ✓ Providing gym discounts
- ✓ Discouraging smoking
- ✓ Sponsoring health fairs that promote wellness
- ✓ Offering health insurance to all employees

Source: Michigan Department of Labor & Economic Growth



Public Health Checklist

- List potential partners. This effort should emphasize private sector involvement. The list should include establishments that are not necessarily directly involved in public health, but who have a stake in a healthy workforce. Examples include major employers, chain retailers, local restaurants, and health insurance companies.
- Create opportunities for community discussions about the relationship between health and economic vitality. The purpose of these discussions should be to expand involvement in health-related issues and to improve the region's "health literacy." (*See box page 78.*)
- Support existing campaigns to raise awareness of the link between public health and economic well-being. If an appropriate campaign is not already underway, work with partners to create new campaigns. Campaigns should be carefully evaluated to ensure that they will reach the target audience. A variety of channels may be required, including web-based outlets.
- Identify steps the **public sector** can take to encourage healthy behavior. Examples include creating public service campaigns (*see pages 78-79*), ensuring that local planning and zoning ordinances do not discourage walking or alternate modes of transportation, improving access to grocery stores in low-income areas.
- Identify **private-sector** actions that encourage a healthier (and more productive) current and future workforce. (*See page 79 for examples.*)
- Work with public and private partners to prioritize resulting strategies.
- Review state and federal plans and funding mechanisms to ensure that local efforts are in-line with broader goals and fully leverage available resources.
- Work with partners to create action plan for implementation that assigns timelines, identifies responsible parties, and suggests funding strategies.
- Communicate results of planning effort to the private sector.



State-level Healthy People initiatives

Managed by the U.S. Department of Health and Human Services' Office of Disease Prevention and Health Promotion, the federal *Healthy People* initiative provides a framework for identifying the most significant preventable threats to health and establishing national goals to reduce these threats. A number of states have created their own *Healthy People* plans and/or appointed a coordinator for the process, including the following DRA states:

HEALTHY PEOPLE STATE COORDINATORS AND PLANS

Source: <http://www.healthypeople.gov/HPScripts/StateContact.asp>

Alabama

Dr. Jim McVay
Director of Health Promotion and Chronic Disease
Alabama Department of Public Health
Post Office Box 303017
Montgomery, AL 36130-3017
Email: jmconvay@adph.state.al.us
Voice: 334-206-5600
Fax: 334-206-5609

Healthy Alabama 2010

<http://www.adph.org/administration/ha2010.pdf>

Arkansas

Ms. Christine Patterson
Director, Public Health Improvement
Arkansas Department of Health
4815 West Markham, Slot 22
Little Rock, AR 72205
Email: cbpatterson@healthyarkansas.com
Voice: 501-661-2193
Fax: 501-661-2414

Illinois

Mr. Tom Szpyrka
Plan Administrator
Illinois Department of Public Health
535 West Jefferson Street, 2nd Floor
Springfield, IL 62761-0001
Email: tom.szpyrka@illinois.gov
Voice: 217-782-6235
Fax: 217-785-4308

Kentucky

Ms. Sara Robeson
Epidemiologist III
Division of Epidemiology and Health Planning
275 East Main Street, MS HS2GW-C
Frankfort, KY 40621-0001
Email: sara.robesson@ky.gov
Voice: 502-564-3418 x3567
Fax: 502-564-9626

Healthy Kentuckians 2010

<http://chfs.ky.gov/dph/hk2010.htm>

Louisiana

Ms. Audrey Pugh
Healthy Louisiana 2010 Program Manager
DHH/Louisiana Office of Public Health
1201 Capitol Access, Bin #4
Baton Rouge, LA 70802
Email: apugh@dhh.la.gov
Voice: 225-342-8096
Fax: 225-342-4848

Missouri

Ms. Tricia Schlechte
Policy and Intervention Analyst
Missouri Department of Health and Senior Services
912 Wildwood
Jefferson City, MO 65102-0570
Email: tricia.schlechte@dhhs.mo.gov
Voice: 573-751-0950
Fax: 573-751-6041

Healthy People 2010 Fact Sheet

<http://www.dhh.louisiana.gov/offices/miscdocs/docs-279/la2010factsheet.pdf>



Mississippi
No coordinator listed.

Tennessee
Dr. Andrea Willis
Deputy Commissioner
Community Services Division
3rd Floor Cordell Hull Building
Nashville, TN 37247-0101
Email: andrea.willis@state.tn.us
Voice: 615-741-3111
Fax: 615-741-2491

Public Health Foundation

The Public Health Foundation is a non-profit organization dedicated to achieving healthy communities through research, training, and technical assistance. The PHF has a wealth of information, including extensive Healthy People 2010 resources at <http://www.phf.org/hp2010asst.htm>.

Contact information:

1300 L Street, N.W., Suite 800

Washington, DC 20005

202.218.4400 (phone)

202.218.4409 (fax)

info@phf.org



FIVE: PROMOTE SENIORS AS AN ECONOMIC ASSET

THE GOAL: To leverage assets represented by older residents.

THE BASICS:

- A) Engage seniors.
- B) Identify employer needs.
- C) Build on successful programs.
- D) Emphasize civic engagement and volunteerism.
- E) Support senior entrepreneurship and investment.

MEASURING SUCCESS:

- Percentage of seniors in the workforce
- Senior investment in local private ventures

Growth in many Delta communities is a direct consequence of the increase in senior citizens. Part of this growth is a consequence of a national demographic shift, as seniors move from North and Midwest states to the South. In parts of the Delta Region – especially rural areas – the growth is a consequence of young people moving to cities where they have better job opportunities. In both case this reduces the labor pool and pushes the median age upward. The result is a higher proportion of seniors and carries with it important social and economic implications.

With the out-migration of young people, and an increase in retirement communities throughout the Delta, this plan argues for ways to engage the economic potential of seniors.

The DRA’s strategic planning process has repeatedly emphasized that a tightening national labor market is inevitable in the coming decades. If the U.S. economy grows at the same rate it has over the past three decades, we simply will not have the workers we need to fill the needs of employers. More than ever,

seniors will be the hidden asset of the labor force. With their years of experience, the skills and perspectives of retirees will be needed in the workplace.

Delta communities will realize a significant competitive advantage if they work to tap this labor pool. *Integral to this idea is the realization that aging Americans are changing their attitude towards retirement.* The following steps are ones that need to be taken by economic development organizations, working with businesses and civic leaders. These steps are not linear; they need to be undertaken concurrently

A. Engage seniors

Coaxing seniors out of retirement – or convincing them not to retire in the first place – can easily backfire. The goal is to engage and involve. To succeed, it will be necessary for businesses to transcend normal workforce recruitment practices. This will include providing options such as part-time employment, independent contracting, and other arrangements with flexible scheduling, less responsibility, and fewer daily pressures.

To open the range of options, and to engage seniors in your community, it is necessary to understand both their needs and their

WHY EMPLOYMENT MATTERS FOR MATURE WORKERS

For seniors:

- ✓ Boosts personal financial security
- ✓ Enhances contributions to retirement plans
- ✓ Improves physical and mental health and lowers mortality rates, according to research studies

For businesses:

- ✓ Saves times and money by minimizing the need for recruitment, retraining, and replacement activities

For government and society:

- ✓ Contributes to growth of the local economy
- ✓ Reduces demand for public support services such as Medicaid

Source: National Governors Association



skills. Conducting a survey is a logical starting point, making sure to involve special interest groups (e.g., Employee Benefits Research Institute and the AARP).

The survey should help answer the following questions:

- What prompted you to retire at this age?
- Are there circumstances where you would consider working again – even for a few hours a week?
- If you should choose to work again, what would be your ideal job?
- Are there any circumstance where you would volunteer or accept a civic appointment in your retirement?
- Would you be interested in special skills training?

Once the survey questions have been developed, the next step is the delivery. Minimize the legwork by partnering with appropriate organizations and “piggybacking” on an existing administrative procedure or process. While this piggyback approach may not produce what a statistician would consider an ideal random sample, it can be an acceptable tradeoff. The goal here is not to produce a perfect poll result. Rather, it is simply to identify and gather a large, ongoing pool of responses from seniors. Below are some possible options for partnering on a senior survey:

- **Exit interviews.** Identify large public or private sector employers in the Delta Region. Chances are good that they conduct exit interviews with departing employees. For those who are willing to participate, ask if they can include a Delta Region survey in the exit package.
- **Events & gatherings.** Identify major, recurring events where seniors or retirees could be surveyed (e.g., AARP meetings or gatherings of similar organizations, “Class of 19--” alumni gatherings at regional universities, etc.)
- **Pension correspondence.** Do large public or private sector employers in the region manage pension plans? Is it possible to include a Delta region survey in the routine mailings to recent or pending retirees?

B. Identify employer needs

In addition to surveying the interest of retirees to re-enter the workforce, consider the perspective of employers. Talking to businesses directly is one way to identify gaps in the labor supply, but short of an extensive survey process, this can be a burdensome task. Besides, business needs can shift rapidly and a survey may not be the timeliest solution for addressing this side of the equation. Instead, identify skill shortages and tight occupational markets by consulting with indirect sources that may have a broader perspective.

This effort should include local workforce development boards, although they typically have different priorities (related to the traditionally unemployed). Other resources that can answer similar questions operate in the private sector. The most important of these are temporary employment agencies and human resource professional associations. Perhaps more than any statistical data, they will understand the needs of employers and the skills required for local jobs.

For identifying shortages of high-level skills or talented employees, professional search firms are an excellent resource. They can provide insights into the demand patterns for managers and technical employees.



After surveying retirees and seniors and gathering information about business needs, you will have a good idea of the gaps on both sides of the equation. Matching these two sets of information will make your local development district an important asset for economic growth.

C. Build on successful programs

In 1964, the Small Business Administration launched a program to match the expertise of retired or experienced business executives with small businesses that needed counseling. The Service Corp of Retired Executives, or SCORE, was launched, and 10 years later it was spun out of government as a nonprofit association.

Though SCORE may be the most prominent mentoring program geared toward the needs of seniors, it is certainly not the only one. Many worthy and successful programs provide productive outlets for seniors.

Steps one (“Engage Seniors”) and two (“Identify employer needs”) form an information-gathering process. Matching the needs of retirees and employers should build on existing programs. SCORE’s history suggests that it has a long track record of partnership building. This may be true for other organizations as well. Seek out those organizations that have the best capacity to maximize the talents of local seniors.

EXAMPLES OF EXISTING PROGRAMS

1. **Senior Community Service Employment Program (SCSEP)** subsidizes part-time jobs for low-income seniors and provides other services such as counseling, annual physical examinations, job training, and job referral. SCSEP receives federal funds with each state administering the program locally.
2. **Service Corps of Retired Executives (SCORE)** brings more than 10,000 retired executives and business owners together as volunteer network to assist small businesses. Active for more than four decades, SCORE is a nonprofit with nearly 400 chapters nationwide.

SOURCE: National Governors Association

D. Emphasize civic engagement and volunteerism

Productive activities extend beyond jobs. Seniors who want to contribute to their communities can do so in other ways besides paid employment. Greater participation in civic and volunteer activities offers such an outlet.

A tight labor market means that a maximum number of people are working. In rural areas, a stable or declining population can compound the problems of a relatively tight labor market. In such circumstances, civic deficits can arise. For example, are local boards and commissions for such things as zoning review and public libraries having trouble filling vacancies? Since retirees are removed from local business life, they may be unaware that these civic deficits exist even though they have the time, interest, and skills to fill them. In this arena, the DRA can make a difference. Seek out programs and opportunities that emphasize civic engagement and volunteering for seniors, especially in rural areas.

E. Support senior entrepreneurship and investment

In tandem with new concepts surrounding retirement are those involving business start-ups and investment patterns. Seniors will, in unprecedented numbers, begin looking at ways they can influence their communities. This pattern is already beginning. Traditional retirement communities are giving way to alternatives that include higher density living, condo purchases, and downtown residences. The seniors who choose these options will demand that they have the amenities associated with traditional communities – and they will make the investments to make it happen. Whether as owners of



small retail businesses, or as investors in larger projects, it is the job of the LDD to encourage and support this potential. Many of the same techniques described in the entrepreneurship section apply here as well. Small investor pools, REITs, and other investment trusts can pay huge civic dividends.

Engage Seniors Checklist

- Identify relevant interest groups that can serve as a resource on the subject. This would include existing senior citizens groups (local boards or committees) as well as state or regional efforts (Area Aging Councils) and national organizations (AARP chapters).
- Work with relevant groups to survey local seniors regarding their experiences with retirement and their interest in returning to work or volunteering. This effort should be coordinated with groups identified above in order to leverage resources.
- Gather information about skills gaps in the local labor supply. This can be accomplished by talking with local workforce development boards, major employers, human resource professionals, and employment agencies (temporary services and professional search firms).
- Compare results of retiree survey with skills gap analysis. Share results with stakeholders and develop action plan for matching interested seniors with paid and volunteer opportunities.
- Build on existing initiatives. Matching efforts should be undertaken through existing efforts, such as SCORE and SCSEP, when possible.
- Be sure that volunteer options are not overlooked. For example, matching qualified seniors with opportunities to serve on local boards and commissions.
- Support senior entrepreneurship. Actions include identifying seniors that want to start their own venture and connecting them with appropriate resources, as well as identifying those who may be looking for investment opportunities. *(Many of the techniques outlined in the Entrepreneurship Checklist would apply here as well.)*

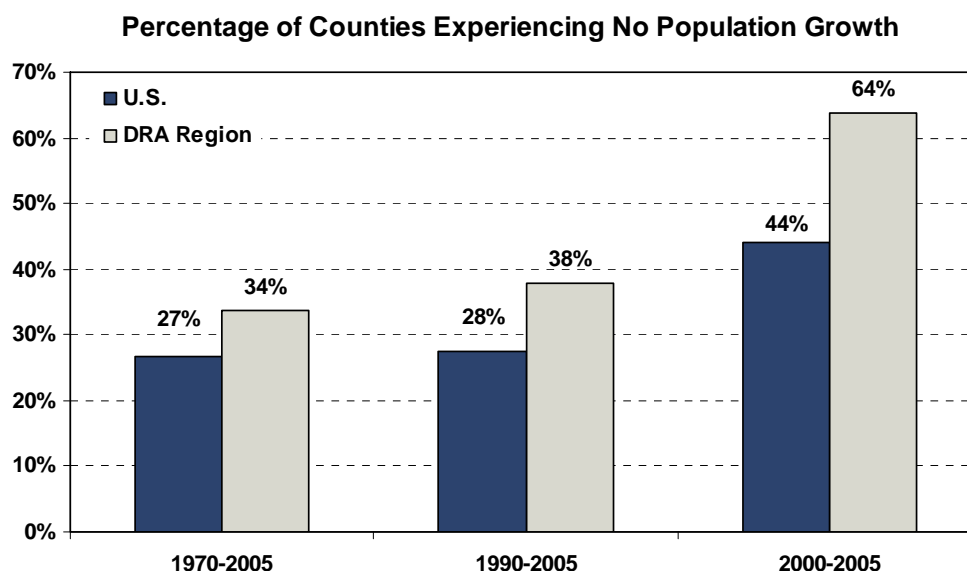


APPENDIX C: ADDITIONAL TOOLKIT CONSIDERATIONS FOR RURAL AREAS

A region as diverse as the Delta faces special considerations. Urban areas and regional centers, including university towns and destination resorts, face different challenges and require different responses than smaller rural communities. While the factors that promote growth are the same, the opportunities are not. It is in those counties where population has been declining, where the industrial base has all but disappeared, that **quality of place** matters most.

The chart below shows that the Delta Regional counties are actually losing ground against the nation as a whole. What we have been doing has not been working. Traditional economic development is ineffective in our rural Delta communities. An emphasis on “quality of place” is much more likely to arrest out-migration and attract talent to the community.

We define “quality of place” as those factors that attract and retain talented workers. They are not strictly qualitative, but they do link up to the factors of critical mass described earlier.



What are the tools that make quality of place possible in especially hard-hit areas?

Building on a model prepared by Next Generation Consulting (www.nextgenerationconsulting.com) of we have set out specific tools especially for those rural areas most directly affected by the loss of talent.

Each of the seven factors can be addressed using the following approach.

1. **LEARNING:** *Is this a “smart” community with many options to plug into life-long learning?*

- ◆ Fixing broken school systems is a daunting task, but focusing on improvements that bring the town into the school – and the school into the town – is a beginning. Therefore:



- Engage the school district (K-12) with the community-at-large
- Ensure that the community college system has a presence in your county
- Form “smart networks” of adults who are vested in the community and who share their expertise and skills

2. EARNING: *Is the economy diverse, and is there local and institutional support for entrepreneurs?*

- ♦ The “one-company town” model for economic growth ignores the reality of modern supply chains and international business. Therefore:
 - Economic development organizations must re-order their priorities away from industry recruitment to establishing and growing small business
 - Investment in telecommunications must keep pace with roads and traditional infrastructure
 - Retail amenities must be seen as an economic goal

3. AFTER HOURS: *What’s there to do after 5:00pm?*

- ♦ While family values matter most in small towns, they should not be seen as an excuse to ignore the needs of young adults. Therefore:
 - Encourage an active nightlife that includes local live music in a family-friendly atmosphere
 - Change zoning ordinances that discourage street activity
 - Actively support entertainment options

4. AROUND TOWN: *How easy is it to get into - and out of - town?*

- ♦ Among the biggest hurdles of smaller communities is being “off the beaten path.” Therefore:
 - Create friendly “wayfinding” signage and improve community gateways
 - Promote linkages to regional airports (and invest in them when possible)
 - Make a connection to larger regional centers instead of isolating the community

5. VITALITY: *Is this a healthy community, where people are out and about?*

- ♦ Communities, like people, become stagnant when they don’t move. Therefore:
 - Create events that draw on local opportunities for recreation: from traditional fishing and hunting to kayaking and mountain biking
 - Establish health and activities guidelines and goals and promote them to clubs and schools
 - Establish health screening clinics at businesses and at local events and fairs

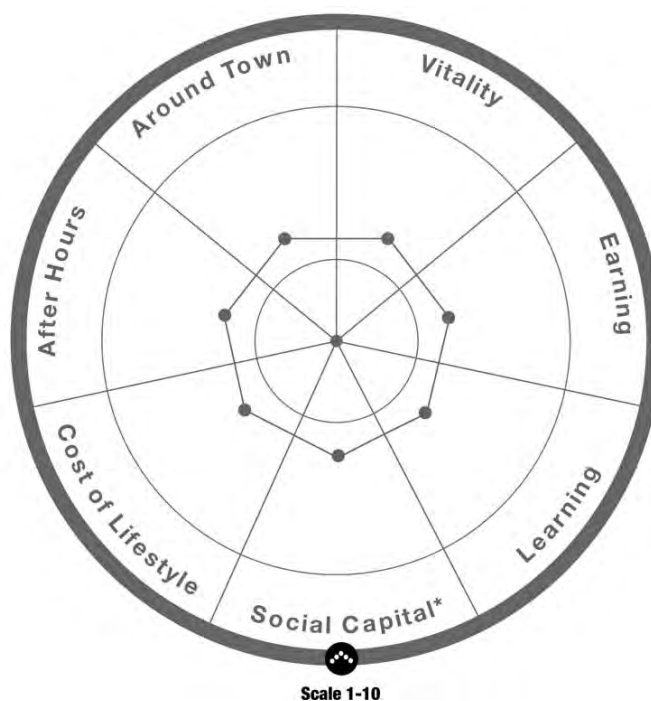
6. SOCIAL CAPITAL: *Is this a community that values diversity and inclusion?*

- ♦ If small towns are only friendly to those with roots in the community, they will repel newcomers and lose their young people. Therefore:
 - Create a 21st century Web-based *Welcome Wagon* that makes newcomers feel part of the community
 - Reach out to foreign-born citizens, including Hispanic immigrants
 - Include non-local born residents, women, and younger people on boards and commissions

7. COST OF LIFESTYLE: *Can I afford to live here comfortably?*

- ◆ The relative affordability of small towns can be a significant selling point. Therefore:
 - ☑ Promote cost-advantages of smaller communities
 - ☑ Improve the housing stock as a means to attract big city investors
 - ☑ Ensure that cost-of-services stays in line with community incomes

Illustrated below is the “hand-print” of factors that make up quality of place.



As part of this approach, enacting the toolkit should be preceded by an assessment of strengths in each of these seven categories. The dots within the diagram indicate a range from one to 10. The greater the strength, the closer the dot will appear to the outer circle. Communities vary, with some having clear advantages, while others lag in one or more of the indicators.

An important consideration in preparing the initial assessment is that people from *outside the community* participate in the evaluation. These individuals should be objective and experienced. They may be members of a local development district, regional business leaders, or invited DRA board members. The scale is relative not just to other Delta communities, but to the U.S. as a whole.

This approach comes at a crossroads for the region. It is no exaggeration to say that if small towns and rural counties do not actively attract and retain talented workers that they will decline at an ever faster rate. This is not a problem that can be solved from the outside. The toolkit encourages a candid assessment and a determined response from the leaders of our declining cities. It is the approach that we must take.



DELTA LDDs

Alabama (6)

Alabama-Tombigbee
Regional Commission

Lee-Russell Council of
Governments

South Alabama
Regional Planning
Commission

South Central Alabama
Development
Commission

Southeast Alabama
Regional Planning and
Development
Commission

West Alabama
Planning and
Development Council

Arkansas (6)

The Central Planning
and Development
District

The East Planning and
Development District

The Northwest
Economic
Development District

The Southeast
Economic
Development District

The Southwest
Planning and
Development District

The White River
Planning and
Development District

Illinois (5)

Greater Wabash
Regional Planning
Commission

Southeastern Illinois
Regional Planning &
Development
Commission

Southern Five Regional
Planning District &
Development
Commission

Greater Egypt Regional
Planning Commission

Southwestern Illinois
Planning Commission

APPENDIX D: RECOMMENDATIONS FOR A NEW SYSTEM OF PUBLIC INPUT FORUMS WITHIN THE DELTA REGION

Local Development Districts

Local Development Districts (LDDs) are regional planning councils. They are recognized and administratively funded by the Economic Development Administration (EDA) and regional development authorities – such as the DRA – to address economic development and quality of life issues on a multi-jurisdictional basis. The governing bodies of LDDs are primarily composed of local government elected officials and appointed representatives of local communities and state government. There are 44 established LDDs within the DRA territorial footprint.

The DRA relies on the LDDs as its regional frontline partner in economic development, particularly in the delivery of its federal grant program. The DRA has found that the LDD delivery system can provide an effective mechanism for transforming the Delta region's economic vitality.

Public Input Forum Recommendations

The DRA is committed to increasing public engagement and assuring grassroots input to its programs and processes. In conjunction with its local and regional partners, it has developed a system of public forums designed to bring more citizens into the process of building economic capacity in the Delta region.

Forums will be held annually by each of the 44 local development districts within the DRA territory. Most of the LDDs already hold an annual public forum, with some holding two per year. These existing forums are oriented around explaining the DRA grant process and are typically geared towards local public entities. Grassroots input is usually driven by representatives of non-profits and related organizations.

The existing system of LDD public forums must move beyond simply providing grant application training to local non-profits. The forums should instead serve to stimulate broad and insightful public discourse on the serious economic and community development challenges affecting the Delta region.

Private Sector Engagement

The Delta region public forums should strive to incorporate greater participation and input from the business sector. This will help increase awareness of the business community's



Kentucky

Green River Area
Development District

Pennyrile Area
Development District

Purchase Area
Development District

Louisiana (8)

Capital Region
Planning &
Development
Commission

Acadia Planning
District Council, Inc.

Imperial-Calcasieu
Regional Planning and
Development
Commission

Kisatchie-Delta
Regional Planning and
Development District,
Inc.

North Delta Regional
Planning &
Development District,
Inc.

Regional Planning
Commission

South Central Planning
& Development
Commission

The Coordinating &
Development
Corporation

Mississippi (8)

Central Mississippi
Planning &
Development District,
Inc.

North Central Planning
and Development
District, Inc.

Northeast Mississippi
Planning and
Development District,
Inc.

North Delta Planning
and Development
District, Inc.

South Delta Planning
and Development
District, Inc.

concerns and improve the environment for private sector investment. Strategies for increasing business sector participation and engagement include:

1. Each LDD public forum should include a presentation on local and regional business conditions and trends at an annual economic forecast. Business leaders and managers are not likely to have a significant interest in participating in a discussion exclusively about federal infrastructure grants to non-profit organizations. The key to generating greater interest within the business community is to provide useful information that will help them make decisions about markets, investments, and hiring. The presentation should be given by an academic or private economist who can present primary and secondary economic and demographic data about the local area.

Presentation topics may include:

- Housing sales and pricing data
 - Commercial property occupancy, sales, and leasing data
 - Employment and job growth forecasts
 - Population trends and demographics
 - Market conditions
 - Bank deposits and capital flows
2. Regional LDDs should consider partnering with local chambers of commerce and economic development organizations in organizing and publicizing the forum.

Additional recommendations for Delta public forums include:

- **Heightened visibility:** Committing resources to marketing and publicizing events will serve to broaden participation from within the district.
- **Participation of state officials:** Inviting state community and economic development officials to attend forums will increase interest from both the media and the public. Participation at forums will increase state official's awareness of the conditions and needs in the host community.
- **Regional Focus:** Rather than concentrating exclusively on local parochial interests, the public forum moderator should steer the public discussion toward issues of



Mississippi (cont)

Southern Mississippi Planning and Development District, Inc.

Southwest Mississippi Planning and Development District, Inc.

Three Rivers Planning and Development District, Inc.

Missouri (5)

Bootheel Regional Planning Commission

Meramec Regional Planning Commission

Ozark Foothills Regional Planning Commission

South-Central Ozark Council of Governments

Southeast Missouri Regional Planning and Economic Development Commission

Tennessee (3)

Memphis Area Association of Governments

Northwest Tennessee Development District

Southwest Tennessee Development District

regional importance, both within individual states and within the Delta region as a whole.

- **Use of Web resources:** As access to technology permits, LDDs should look for ways to utilize information technology and the Web to gather and process input. Allowing participants to fill out pre- and post-forum questionnaires on the Web is a first step. Additional Web-based public discourse tools include online deliberation, virtual forums, message boards, blogs, and online polls. The Public Forum Institute (www.publicforuminstitute.org) provides specific strategies for utilizing online discourse tools.

Included below are a suggested forum agenda, sample discussion guide, moderator's guide, and pre- and post-survey forms. These samples are designed to solicit greater public input and discourse on economic development challenges and investment priorities in the Delta region.

Performance Measures

In order to measure the effectiveness of the public input forms, each LDD should prepare a post-forum report outlining the activities and results. The report should be forwarded to the DRA as part of the required semiannual and annual activity reports.

The report should include such measures as:

- Was the forum conducted?
- Was there a presentation on business community conditions/issues?
- Was a pre-and post-forum survey distributed?



Suggested Agenda

Forums should be conducted as a two-hour session using the following structure:

5 Minutes Welcome

5 Minutes Pre-Forum Survey

20 Minutes Presentation on LDD activities and issues

This presentation, typically by the LDD director, would address the following:

- *LDD activities over the previous year*
- *Local trends and issues of concern (in SWOT format)*
- *Specific DRA related activities (grants awarded, progress to date)*
- *Presentation of survey results (i.e., private sector concerns)*

30 Minutes Regional or Local Economic Trends/Forecast

This presentation should be given by experts with economic and demographic experience. It should be done at a high level, one that private sector members of the audience would appreciate. It could include the following elements:

- *Overview of national economic trends*
- *Local and regional issues*
- *Economic forecast*

50 Minutes Open Discussion

The facilitated open discussion session would focus on important issues arranged by topic under the headings of Talent, Innovation, or Place. Each discussion topic would include:

- *Background facts to frame the topic*
- *Discussion questions to stimulate and direct facilitated discourse*

5 Minutes Closing Remarks

5 Minutes Post-Forum Survey



Sample Discussion Guide

Topic: The Quality of Place in your Community

Redefining PLACE

Much has been written about the importance of *quality of life* to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. We agree these factors are important. We take issue only with the narrowness of the focus. Quality of life assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents' view of what makes a community would be shared by all.

By contrast, *quality of place* considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. It recognizes that one person's "good place to raise a family" might translate into another's "there's nothing to do in this town." Quality of place is about providing options, not just for current residents, but for those who will be residents in the future.

Evolution of E.D. Goals

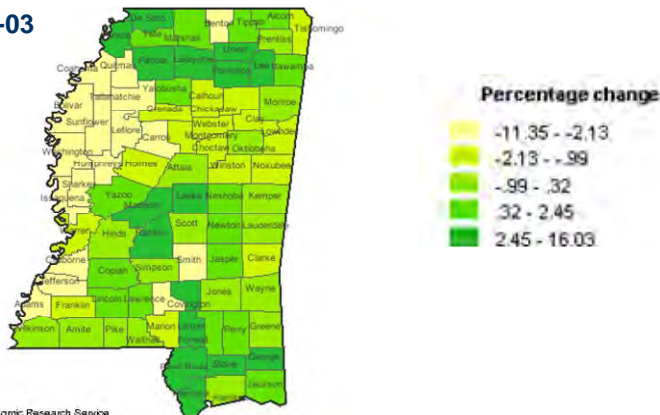




WHY QUALITY OF PLACE MATTERS IN MISSISSIPPI

Population Change Rate, 2000-03

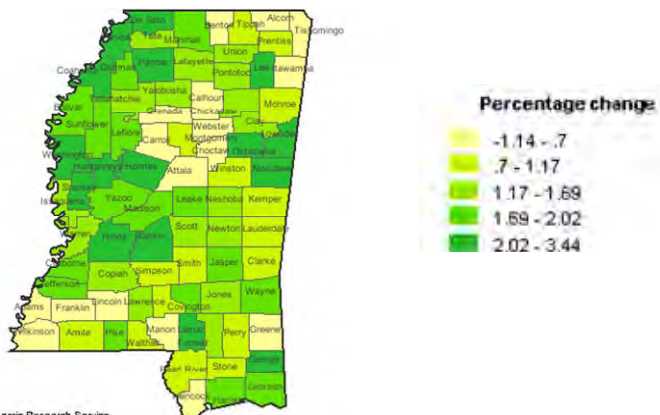
Population loss in the state is concentrated primarily along the Mississippi River Delta...



Source: USDA/Economic Research Service

Natural Change Rate, 2000-03

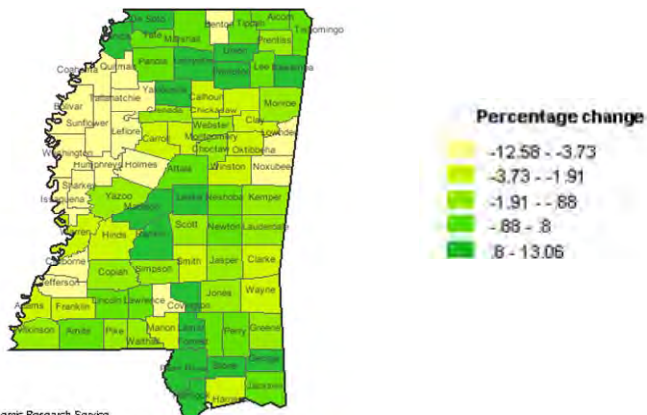
It is not, however, due to declining birth rates or higher death rates...



Source: USDA/Economic Research Service

Net Migration Rate, 2000-03

But almost exclusively a consequence of more people leaving these counties than are moving there.



Source: USDA/Economic Research Service



“Hot Jobs – Cool Communities”

“Communities work dog-hard to attract companies to their location, but that’s only half the deal. Today, companies also rely on...community leaders to attract talent.” – Rebecca Ryan of Next Generation Consulting

Indicators young people consider when assessing the “quality of place” of a community:

- Air and Water Quality
- Recycling Rates
- Car Pools, Commute Times
- Traffic
- Public Parks, Trails, and Recreation Areas
- Sunny Days
- Farmers Markets
- Natural Foods Stores
- Fitness Centers
- Vegetarian Restaurants
- Crime Rates
- Cancer Rates
- Heart Disease
- Obesity
- Smoking
- Life Expectancy
- Fruit and Vegetable Consumption
- Work Sick Days
- Rates of Depression
- High Blood Pressure
- Unemployment
- Charitable Donations
- Cost of Living
- Poverty
- Concentration of Designers, Artists, Authors, Musicians, Actors
- Percentage of Community under 40
- Population Diversity (ethnic, religious, sexual orientation)
- Number of Bars, Nightclubs, and similar per capita
- Number of Art Galleries, Museums, and similar per capita

Discussion Questions:

- ✓ Is your region/community losing population? What about school enrollment numbers? What factors are influencing these changes?
- ✓ How do you describe your region/community to someone who doesn’t live there? What amenities and features do you advertise?
- ✓ Do you maintain a “quality of life” index? What are the indicators and what would you add to them based on this discussion?
- ✓ How do you feel someone from another region of the country would view your region/community as a place to relocate?
- ✓ What do your children and other young people like and dislike about your region/community?
- ✓ Aside from employment opportunities, what features in your region/community make it attractive to someone from the outside? (i.e., ample recreational, entertainment, and retail amenities; quality of housing; access to healthcare and education; etc.)
- ✓ If you were given \$1,000 to spend on non-basic needs in your community, how would you spend it?
- ✓ Where do you go for recreation and entertainment? Do you stay in your locale or travel elsewhere?
- ✓ What can be done to make your community more attractive to people?
- ✓ What public investments can be made?



The Washington, D.C.-based **National Issues Forums Institute** (NIFI) is a nonpartisan 501(c)(3) organization chartered in 1989 for the purpose of promoting the National Issues Forums (NIF).

The NIF publishes a forum starter kit, which includes a sample issue book, an NIF publications catalog, "NIF: An Overview", and other materials.

For more information on the NIF and their forums visit their Website at <http://www.nifi.org/>.

NIF tips for forum moderators:

Welcome: Let participants know who is sponsoring the forum/study circle. Stress the co-sponsorship if several organizations are involved.

Pre-forum Survey: Remind people that the pre-forum survey is a way to get everyone focused on the issue and a way for each participant to take inventory of initial feelings on the issue. Tell them there will be another questionnaire for them after these deliberations end.

Ground Rules: *Make clear that the forum is not a debate.* Stress that there is work to do, and that the work will be done through deliberation.

Personal Stake: Connect the issues to people's lives and concerns – in the first few minutes – by getting participants to talk about their personal experiences with the issue, and to tell their stories. This makes the issue genuine, human rather than abstract.

4. Moderator's Guide

(Adapted from models and guidelines developed by National Issues Forums Institute, the Southern Growth Policies Board, and the American Planning Association)

Moderators have a special job in public presentations. Often the success of a session hinges on the moderator's ability to handle it smoothly. While the work put into developing a session will determine its value, the professional polish a moderator provides in conducting the session greatly reinforces the content and message.

Many moderators also play a role as a speaker. If this is the case, the moderator should introduce him or herself as both at the start of a session to avoid confusing the audience.

Guidelines

Preparing Your Speakers

The moderator must prepare all speakers for the session, so that they clearly understand what is expected of them. Moderators must speak individually with each speaker about his or her own presentation in detail in order to understand how one presentation coordinates with the others. It is important for the moderator to let each speaker know what other speakers in the session are talking about.

While written correspondence is good for confirming details, telephone conversations are effective for resolving questions. Well prepared moderators will talk with speakers at least twice during the planning process. Sometimes the moderator completes the planning stage with a conference call among all speakers.

Speakers must be informed of the date, time, and location of the public presentation. Even if another person is sending the speakers this information, a considerate moderator will communicate this material as well, to make certain it is received and understood. From the first, it is important for moderators to be precise and firm with speakers about the amount of time allocated to their presentations. While most speakers will try to comply with the time

The moderator will guide the discussion, yet remain neutral. The moderator will ensure that:

- Everyone is encouraged to participate.
- No one or two individuals dominate.
- The discussion will focus on the approaches.
- All the major choices or positions on the issue are considered.
- An atmosphere for discussion and analysis of the alternatives is maintained.
- We listen to each other.



BASIC QUESTIONS TO ASK

What is valuable to us?

- How has this issue affected you personally? (usually asked at the beginning)
- What things are most valuable to people who support this option?
- What is appealing about this option?
- What makes this option and good idea or a bad idea?
- What are the costs or consequences of pursuing a course of action?
- What would result from pursuing this option?

What are some of the consequences?

- Can you give an example of what you think would happen?
- Does anyone have a different estimate of costs or consequences?
- What are the tensions or conflicts this issue presents?

Are there tensions that result from each option?

- Where are the conflicts that grow out of the discourse?
- Why is this issue so difficult to resolve?
- What are the “gray areas?”
- What remains unresolved for this group?

limits, few are aware of their pace when actually presenting. Therefore, moderators need to have a technique in mind for keeping the session on schedule.

Introducing Speakers

Moderators prepare the audience to listen by first introducing the session and its purpose. Next, he/she introduces all speakers. Moderators are provided with speaker biographies. In other circumstances, a moderator will gather this material ahead of time. Moderators should attempt to make all introductions similar. Introductions should be informative, brief, warm, and professional. Like most things, great introductions are an art form, so it's best to play safe and avoid using humor which may backfire (or come to haunt the hapless moderator at future public occasions).

Time Schedule for Sessions

All sessions must have time for discussion. If the session is 1 hour and 15 minutes, the presentations should take 1 hour and the discussion 15 minutes. As good as a presentation may be, audiences become frustrated and lose concentration if they are not permitted to interact with presenters. The 15 minutes of discussion can be broken up throughout the session. However, if this method is chosen, the moderator needs to keep time carefully to accommodate both speakers and audience.

When a Speaker Runs Over Time

Speakers exceeding the time limit of their presentation are a common problem. Quite obviously, it is discourteous to other speakers and creates problems for the entire session schedule. If the problem is severe enough it may affect the next session as well. Finding a diplomatic way of ending an overly long presentation is a challenge.

Some tips which may help:

- during the planning stages alert the speakers to the fact that all time limits will be strictly observed. If a speaker has problems condensing information, offer to review the presentation and suggest ways it can be shortened
- before the session begins, remind the speakers of their time limits; tell the speakers clearly that you will signal them as they come to the end of their time
- use a technique to alert the speaker he/she is coming to the end of her\his time. For example, one or two minutes before the end of the talk (particularly if the



talk does not seem to be winding down), call "time" softly to the speaker; pass him/her a slip with the remaining time written on it; or, tap a pencil

- use other techniques to end the presentation. Standing, walking toward the speaker, and even putting a hand over the microphone are trusty, (if somewhat obtrusive) techniques. Moderators should use approaches that are comfortable to them.
- when a speaker was a flagrant violator of the time, it is appropriate to tell him/her (after all do future audiences have to suffer?). After the session, the moderator should tell the speaker in private about the problem, calmly, firmly, and politely (although the moderator may feel none of above at the time).

Use Visual Aids

Studies have shown that even attentive audiences retain very little of what they see in a presentation. They retain even less of what they merely hear! But, the retention rate for what they both see and hear can be phenomenal. The lesson is clear: use visual aids for emphasis and lasting effect of your presentation. Something as simple as a brief quote, a diagram, or a form can add immeasurably to the educational soundness of your presentation. Don't use pages from a book or small type script; one can't read too much, let alone see it in a public forum.

There is a wide variety of technology available to enhance your presentation. However, before venturing into more high-tech presentations, make certain you have mastered the equipment and its quirks, and make certain you can keep a presentation going smoothly even when A/V problems crop up. Practice not only your talk, but rehearse thoroughly with you're A/V equipment.

Preparing the Session Room

Although officially it is not the moderator's responsibility to solve technical problems, such as lighting, sound systems, etc., a well prepared moderator will want to master these skills as well. When the moderator arrives at the conference, workshop or meeting, he/she should identify the technical support staff and where they can be found if needed during the session. Knowing this information can save time should an emergency arise.

If possible, 15 minutes prior to the start of the session, the moderator should survey the room. The moderator will want to run through a checklist of items:

ENDING A FORUM

Before ending a forum, take a few minutes to reflect both individually and as a group on what has been accomplished. The following questions may be helpful:

Individual Reflections

- How has your thinking about the issue changed?
- How has your thinking about other people's views changed?
- How has your perspective changed as a result of what you heard during this forum?

Group Reflections

- What didn't we work through?
- Can we share any sense of purpose or direction?
- What trade-offs are we, or are we not, willing to make to move in a shared direction?

Next-Step Reflections

- What do we still need to talk about?
- How can we use what we learned from this forum?
- Do we want to meet about this issue again?



- **LIGHTS:** where are the light switches and how are the lights raised and lowered; if the switch is not close to where the moderator will be, recruit someone to sit near the switch and handle the lights
- **EQUIPMENT:** where is the audio-visual equipment and is it the right kind; is the A/V equipment in the right location for this session; does the equipment work properly
- **LEVEL OF LIGHT:** if slides or overheads are used can the lights be dimmed enough and can daylight be effectively shut out; when the lights are dimmed, can the speakers still read their notes; does the podium light work
- **MICROPHONES:** do the microphones work properly; how are the microphones turned on and off; how are they adjusted
- **HANDOUTS:** have the speaker hand-outs arrived; is there a convenient place to put hand-outs, or is someone available to hand them out.

Handling Questions

As speakers are asked questions, the moderator or speaker should always repeat the question for the entire audience to hear. Repeating the questions is essential in sessions that are taped. If questions seem unfocused or unclear, the moderator may wish to rephrase them for the speaker. Occasionally, an audience member is only trying to make a point. In that case, she/he isn't asking a question and no response is necessary. Remember, the moderator needs to be as firm with the audience as with speakers in terms of time limits. The moderator should warn the audience when a session is drawing to a close, and close the session promptly if another session is scheduled after it. The moderator can invite the audience to follow up with personal questions.



5. Pre- and Post-Forum Surveys

Surveys play an important role in the success of a public forum. The pre-forum survey gets participants focused on the issue and helps them think about their initial feelings about it. The post-forum survey gives participants an opportunity to reconsider their views in light of the experience they have just had, as well as provides them an opportunity to contribute comments or ideas they may not have been able to say publicly.

The surveys also serve a vital role after the forum has concluded by allowing the organizers and sponsors to capture what occurred and then to communicate participants' views to others – to policymakers, to the media, to other citizens.

Sample Pre-Forum Survey: Quality of Place

1. Which statement best describes your thoughts on improving the quality of place of your community?

- I am not at all sure about what should be done.
- I have a general sense of what should be done.
- I have a definite opinion of what should be done.

2. Do you agree or disagree with the statements below?	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Not Sure
Communities should focus investment on attracting industry.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communities should focus investments on attracting talent.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
What makes your community attractive to existing residents also makes it attractive to outsiders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. On a scale of 1 to 5, with 5 being the highest and 1 being the lowest, rank which improvements in following areas would have the greatest impact on improving the quality of place in your community?

	1	2	3	4	5
Parks and Recreation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entertainment Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dining Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retail Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of Housing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Child Care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Access to Healthcare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public Safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Educational Opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Are you male or female? Male Female



5. How long have you lived in your community?

- | | |
|---|---|
| <input type="checkbox"/> Less than 1 year | <input type="checkbox"/> 1 to 5 years |
| <input type="checkbox"/> 6 to 10 years | <input type="checkbox"/> 11 to 20 years |
| <input type="checkbox"/> 21 to 30 years | <input type="checkbox"/> All of your life |

6. How much education have you completed?

- | | |
|---|---|
| <input type="checkbox"/> Some high school | <input type="checkbox"/> Some college |
| <input type="checkbox"/> GED | <input type="checkbox"/> College graduate |
| <input type="checkbox"/> High school graduate | <input type="checkbox"/> Graduate school |

7. For which type of organization do you work?

- | | |
|--|---------------------------------------|
| <input type="checkbox"/> Government | <input type="checkbox"/> Not employed |
| <input type="checkbox"/> Business | <input type="checkbox"/> Student |
| <input type="checkbox"/> Non-profit | <input type="checkbox"/> Other |
| <input type="checkbox"/> Education Institution | |

8. How old are you?

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> 17 or younger | <input type="checkbox"/> 36-49 |
| <input type="checkbox"/> 18-25 | <input type="checkbox"/> 50-64 |
| <input type="checkbox"/> 26-35 | <input type="checkbox"/> 65 or older |

9. In what type of community do you live?

- Rural
- Urban
- Suburban



Sample Post-Forum Survey: Quality of Place

1. Which statement best describes your thoughts on improving the quality of place of your community?

- I am not at all sure about what should be done.
- I have a general sense of what should be done.
- I have a definite opinion of what should be done.

2. Do you agree or disagree with the statements below? Strongly Agree Somewhat Agree Somewhat Disagree Strongly Disagree Not Sure

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Not Sure
Communities should focus investment on attracting industry.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communities should focus investments on attracting talent.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
What makes your community attractive to existing residents also makes it attractive to outsiders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. On a scale of 1 to 5, with 5 being the highest and 1 being the lowest, rank which improvements in following areas would have the greatest impact on improving the quality of place in your community?

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Not Sure
Parks and Recreation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entertainment Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dining Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retail Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of Housing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Child Care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Access to Healthcare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public Safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Educational Opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Are you thinking differently about this issue now that you have participated in the forum?
 Yes No

5. Can you identify ways that citizens and leaders in your community can work to improve the quality of place in your community that you didn't recognize before? Yes No
Please Explain _____



6. Other Resources

The Washington, D.C.-based **Public Forum Institute** is an independent, non-for-profit organization dedicated to developing the most advanced and effective means for fostering public discourse. The Forum has published a community resource guide designed to provide local entities the basic tools necessary to generating public dialogue on specific issues. Below is an outline of the basic steps the Forum's specialists have developed to assist communities plan, market, and facilitate a public input forum. For more information on the Forum and their products visit their Website at <http://www.publicforuminstitute.org/>.

An outline of the community resource guide is provided on the following three pages.

SECTION 1: AUDIENCE BUILDING AND PUBLICITY

An event will only be successful if it reaches the desired audience. You should plan to spend a significant amount of time in the early stages of planning determining exactly who it is you want to attend your program.

The prime tip here is to develop a thoughtful and targeted plan to reach your desired audience, rather than a mass publicity effort.

Ask yourself: Who will be interested in this topic? What organizations are already doing work in this area? What is my budget? Do I need help from other organizations with publicity? Are there others who will endorse this event?

1.a. Marketing the Event

- Adopt a logo to be used on all event materials
- Design a flyer to be sent out to the invite list (Conference description, site information, agenda, etc.)
- Develop a website
- Create a program (Agenda, speaker bios, etc.)
- Create nametags for speakers and attendees including the logo

1.b. Working with the Media

- Create a media contact list
- Draft press releases
- Develop a contact with each publication/station
- Begin pitch calls to newspapers and television stations
- Send out a media advisory as a final effort to inform the media about the event
- Develop press kits (agenda, press releases, list of speakers, etc.) to distribute to media representatives who attend

1.c. Involving your Community

- Develop a list of companies and local organizations that might be interested in the conference. Contact them regularly with event updates (agenda changes, newly added speakers), and encourage them to spread the word
- Talk to the local Chamber of Commerce, Convention and Visitors Bureau and other organizations to determine whether any other events are being held on the same day
- Ask local organizations to include the event in their calendars and newsletters
- Recruit 6-8 individuals to volunteer their time at the event
- Request community organizations to provide literature for attendees



Helpful Hints

- Email is a great resource for low-cost publicity
- Mail an invitation letter or flyer
- Enlist the help of local community organizations to help publicize the event (mail flyers, blast fax or email, post flyers in offices)
- Post flyers in places of worship, local businesses, post offices, etc.
- List event on community calendars
- Set up a phone bank to call people who may be interested in attending
- Contact local colleges and universities (faculty & student associations)

SECTION 2: SITE LOGISTICS

In order to prevent booking and working with your hotel/site and vendors from becoming unnecessarily complicated, stay organized. Shop around for sites that meet all of your requirements. Consider location, convenience to attendees, A/V capabilities, menu options, and a willingness to work to meet your needs.

Ask yourself: Will we need to serve food? What is our budget? How do we want the room to appear? What type of set up do we need? Do we need extra space for exhibitors? Do I have requirements for staging / lighting / production elements? Do we need a separate VIP area for speakers?

You have numerous locations to choose from.

The prime tip here is to know from the outset what your specifications are, and find the site that works best for you.

Helpful Hints:

- Visit potential sites in person
- Request menus
- Send confirmation letter to site with detailed requirements
- Carefully review all contracts before signing and returning
- Develop a good working relationship with the contact(s) at the site
- Make weekly calls to contact(s) at site
- Meet with the site staff the day before the event to go over any questions and clarifications



SECTION 3: PROGRAM

Good news. This is not as hard as some make it appear. Most of us welcome the chance to talk about what we know. Being asked to share our expertise is flattering.

The **prime tip** here is to identify who the main “voices” are on an issue in your community. Try and include more than one. And if there are upset constituencies on an issue, play the politics of inclusion. Invite them to the table and seek their counsel. You will ensure a smoother program.

Working with Speakers

- Develop a draft agenda
- Create a list of speakers and keynote speakers that fit your agenda
- Invite and secure speakers and panelists no less than a month out from the event
- Be detailed in your confirmation materials (include time allotment, A/V capabilities, when to arrive, directions, etc.)
- Follow up with regularly with speakers to confirm any agenda changes

Miscellaneous Helpful Tips: Registration

- Keep a database of all who register and confirm each attendee (if possible, get email addresses or fax numbers to make communication easier)
- Communicate with registrants regularly with any changes in agenda, times, location, etc.
- Incorporate a registration form in the flyer that is sent out
- Include online registration on the website
- Encourage attendees to pay any necessary fees prior to event to expedite event-day registration
- Use volunteers for registration at the event
- Ask walk-in registrants to provide a business card to expedite on-site registration
- Arrange nametags and materials neatly and in alphabetical order
- Make sure there is always one person at registration to answer miscellaneous questions

SECTION 4: FOLLOW UP

The follow up after your event is just as important as the event itself. Be sure to thank anyone and everyone who has been helpful – site staff, vendors, speakers, sponsors, volunteers, etc. It is a kindness and a courtesy that will be remembered should you work on a similar project in the future, which may require their assistance.



Utilizing the Web in Public Forums

Web-based tools offer organizations a host of opportunities to expand their breadth of services and better understand the audiences they serve.

Survey Monkey: This online survey tool can help organizations gather information from employees, customers, partners, and other key targeted audiences. When looking for data to improve services, gather input, or determine effectiveness of programs, Survey Monkey is a powerful tool. All data gathered through surveys is valuable for intended purposes, yet often can have significant value beyond the initial one if shared across various departments and with organizational partners. Through tools like Survey Monkey, the DRA and partners including the LDDs and USDA Rural Development offices can better determine best practices and obtain feedback on the programs they implement, including public forums.

Utilizing Survey Monkey

Creating, disseminating, and analyzing survey work can be a tedious process if a plan is not developed and followed at the outset. Several online tools have proven successful in making the survey process time and cost effective.

Creating

Survey Monkey (www.surveymonkey.com) has a number of templates and examples for clients to draw upon when creating surveys. The survey format is flexible, users have the ability to use several types of questions on the same page or throughout the survey, i.e. multiple choice, fill in, dropdown menu, etc. Paid subscribers can create surveys as long or as short as they wish. Surveys can be branded, with a logo or picture, helping strengthen marketing efforts for organizations by maintaining the same look for all materials. One of the most impressive features for a group like the DRA and LDD's throughout the Delta region is the ability to have a pop-up message for those visiting the organization's Web site to appear asking them to take the survey. This can help guide suggestions from those using the DRA Web site for various functions. The same survey can be used as a pop-up on Web sites for partners throughout the 240 counties and parishes, wide distribution will insure higher response rates.

Other considerations when writing a survey include a description of why the survey is important, detailed instructions for respondents, if answers are anonymous, approximate time it will take to complete the survey, and asking for honest answers. It is wise to let respondents know if the results will be published on a Web site for them to view. Often times the ability to see others responses at the end of a survey will increase the response rate, people are innately curious to see what others felt about the same questions.

Maintaining

Survey Monkey makes maintaining surveys easy. If the organization would like to use the same survey on an annual basis and compare analysis over the course of one, three and five years for instance as a method of tracking awareness of programming, services, or change in attitudes, this can be accomplished.

Analyzing

Through many of the online survey sites, reports are automatically generated to include response rates per question, chart responses, and create graphs. The process is intuitive. Data can be downloaded into other software programs, including Excel.

It should be noted that open ended questions may provide useful detailed information regarding specific topics, but are generally much more difficult to analyze than close ended questions.

Cost

Survey Monkey offers several subscription levels, including a basic level which is free for surveys that have 10 or fewer questions and 100 or fewer responses. The professional subscription is \$19.95 a month for up to 1,000 survey responses, and 5¢ for each response above 1,000.



APPENDIX E: LDD EVALUATION

Introduction

Local Development Districts (LDDs) are regional planning councils. They are recognized and administratively funded by the Economic Development Administration (EDA) and regional development authorities – such as the DRA – to address economic development and related issues on a multi-jurisdictional basis. The governing bodies of LDDs are primarily composed of local elected officials and appointed representatives of local communities and state government. There are 44 established LDDs within the DRA territorial footprint.

The DRA relies on the LDDs in the region to operate as local-level partners, particularly in the outreach and delivery of its federal grant program. The LDDs serve as a liaison between the DRA and local governments, non-profit organizations, the business community, and citizens interested in working with the Authority. In addition, LDDs are tasked with identifying, developing, and implementing programs and activities that are intended to educate local stakeholders about the DRA and its economic and community development programs.

In an effort to promote more effective partnerships between the Delta LDDs and the DRA, the Authority engaged TIP Strategies to conduct an evaluation of DRA-LDD relationship structure. The purpose of the evaluation is to identify programmatic areas where improvements can be made. These improvements should result in more efficient allocations of federal dollars in the region.

DRA-LDD Relationship

In the legislation establishing the DRA, Congress inserted language that requires the Authority to work with the LDDs in the Delta to help carry out its federal grant program. According to the legislation, the DRA is required to make grants to the LDDs to cover administrative expenses. The dollar amounts of the grants vary, depending upon the number of Delta counties each LDD serves and the additional services they provide. In order to receive the administrative grant, the enabling legislation set out two primary services that the LDDs must provide. The bill stipulates that each LDD shall:

1. Operate as a lead organization serving multi-county areas in the region; and
2. Serve as a liaison between state and local governments, non-profit organizations (including community-based groups and educational institutions), citizens, and the business community that—
 - a. Are involved in multi-jurisdictional planning;
 - b. Provide technical assistance to local jurisdictions and potential grantees; and
 - c. Provide leadership and civic development assistance.

Between FY02 and FY05, the DRA required each LDD to sign a memorandum of agreement (MOA). The MOA stated the two primary services each LDD was tasked to perform, as well as the terms of the project administration grants they were



to receive from the Authority. In compensation for providing the primary services, the DRA committed to pay each LDD \$500 per DRA county it serves. In addition to the primary tasks, the MOA lists additional services that each LDD was encouraged to perform. For providing the additional services, the DRA would pay an LDD \$1,150 per DRA county it serves. The additional services set out in the MOA included:

- Providing presentations and distributing information to local elected officials, business leaders, economic development organizations, higher education institutions and the public about the current and future programs and resources of the Authority. Documentation must be submitted as evidence of such public hearings or forums.
- Providing technical assistance to local stakeholders who are trying to assess, plan and implement projects aimed at improving the economic and quality of life within the region.
- Assisting potential grantees with the DRA 2005 Federal Grant Program's pre-application and application processes. Further, recognizing the limited resources of the Authority, each Local Development District is encouraged to work with its policy board to identify and recommend to its governor a list of priority projects for Authority consideration.
- Providing a semiannual report of its activities under this Agreement to the Authority's Federal Program Coordinator.
- Working with the communication staff of the Authority to provide, on a semi-annual basis, key names, addresses, and e-mail of people in their districts who would benefit from Authority programs and information. (i.e., mayors, judges, non-profits, board members, city councilmen, board of supervisors, etc.)
- Serving as a communication link between the Authority (including the federal co-chairman, state alternates and Authority staff) and local economic development stakeholders.
- Assisting the approved grantees, by conducting the actual grant closing process including document explanation, execution and dissemination.
- Other activities related to carrying out the legislative intent and purpose of the Authority.

In addition to compensation for providing primary and additional services, the DRA agreed to pay a project administration fee of 5 percent of the first \$100,000 and 1 percent of everything over \$100,000 to a participating LDD for each project it administered for the DRA federal grant program.

Beginning in FY06, the DRA changed the process of the previous four years and no longer required each LDD to sign an MOA. Instead, each LDD was required to fill out a standard Application for Federal Assistance (SF-424) grant application form. The SF-424s are now completed by each LDD and then sent to the DRA board alternate for their state. The alternate certifies each application and forwards it to the DRA. Once the certified applications are received by the DRA, the administration grants are transferred into the LDD accounts.



LDD Reporting Requirements

The figure on the following page shows the reports submitted to the DRA by each LDD during 2006. The DRA requires each LDD to submit two (semiannual) reports of its activities to the DRA's federal grant program coordinator. While a majority (84 percent) of Delta LDDs submitted their first semiannual report, the percentage of LDDs submitting the second required report dropped to only 32 percent. Moreover, only 12 of 44 LDDs (27 percent) submitted both semiannual reports.

The drop in submissions of the second semiannual report is likely due to the LDDs receiving their administrative grants from the DRA in the first half of the year. As a consequence of the timing of grant payments, fewer LDDs seem motivated to comply with the requirement that they submit both reports.

In addition to submitting two semiannual reports, the DRA requires each LDD to submit either an annual report of activities or a copy of their Certified Economic Development Strategy (CEDS). The latter is required to qualify for Economic Development Administration (EDA) assistance under its public works, economic adjustment, and most planning programs, and is a prerequisite for designation by EDA as an economic development district (EDD). According to DRA records, only 14 Delta LDDs submitted either an annual report in 2006 or have provided a CEDS to DRA.



2006 LDD Reports Submitted

State	LDD	# of DRA Counties	1st Report	2nd Report	Annual Report	Received & Certified
ALABAMA	AL-Tombigbee Region Com	10	4/17/2007		7/24/2007	5/5/2006
	Lee-Russell Council of Governments	1		10/3/2006		5/5/2006
	South AL Regional Planning Com	1	4/12/2006			5/5/2006
	South Central AL Development Com	4	4/12/2006		9/13/2006	5/5/2006
	Southeast AL Reg. Planning & Dev. Com	1	4/14/2006			5/5/2006
	West AL Planning & Dev. Com	3	4/14/2006		12/18/2006	5/5/2006
Total DRA Counties Served		20				
ARKANSAS	Southwest AR PDD	4				
	East AR PDD	12	4/13/2006	10/12/2006	7/21/2006	2/3/2006
	Central AR PDD	4	4/14/2006	9/6/2006		2/3/2006
	Northwest AR EDD	3	4/12/2006			2/3/2006
	Southeast AR EDD	10	4/17/2006	10/16/2006		2/3/2006
	White River PDD	9	4/12/2006	10/3/2006		2/3/2006
Total DRA Counties Served		42				
ILLINOIS	SE IL Regional PDC	5	4/21/2006			4/3/2006
	Southern Five Regional PDC	5	4/13/2006		7/18/2006	4/3/2006
	Greater Egypt Regional Planning & Dev.	4	4/14/2006	10/23/2006		4/3/2006
	Greater Wabash Regional Planning Com	1	4/17/2006	1/4/2007		4/3/2006
	Southwestern IL Planning Commission	1				4/3/2006
Total DRA Counties Served		16				
KENTUCKY	Green River Area Development Dist.	4	4/11/2006			1/19/2006
	Pennyryle Area Development Dist.	9	4/14/2006			1/19/2006
	Purchase Area Development Dist	8	4/10/2006		4/18/2006	1/19/2006
Total DRA Counties Served		21				
LOUISIANA	Capital Region PDC	11	4/12/2006			
	Acadia Economic & Planning Dist.	5	4/13/2006	10/13/2006		5/21/2007
	Imperial-Calcasieu Regional PDC	1	4/12/2006			5/21/2007
	Kisatchie-Delta RPDD	7	4/13/2006			5/21/2007
	North Delta RPDD	11	4/17/2006			5/21/2007
	Regional Planning Com	4				
	South Central PDC	5	4/17/2006		2/3/2006	5/21/2007
	The Coordinating & Dev. Corp.	2				5/21/2007
Total DRA Counties Served		46				
MISSISSIPPI	Central MS PDD	7	4/14/2006	9/8/2006		2/3/2006
	North Central PDD	7	4/17/2006			8/2/2006
	NE MS PDD	3	4/12/2006	10/26/2006		11/2/2006
	North Delta PDD	7	4/14/2006			9/8/2006
	South Delta PDD	6	4/12/2006		3/24/2006	3/6/2006
	Southern MS PDD	3	4/14/2006	11/16/2006		6/29/2007
	Southwest MS PDD	10	4/12/2006			3/10/2006
	Three Rivers PDD	2	4/18/2006			6/28/2006
Total DRA Counties Served		45				
MISSOURI	Bootheel Regional Planning Com	6		9/12/2006		2/21/2006
	Meramec Regional Planning Com	4	4/13/2006		5/10/2006	2/21/2006
	Ozark Foothills Regional Planning Com	5				2/21/2006
	South Central Ozark Council of Gov.	7	4/12/2006			2/21/2006
	Southeast MO Regional PEDC	7	4/13/2006	10/5/2006		2/21/2006
Total DRA Counties Served		29				
TENN.	NW TN Dev. Dist.	9	4/12/2006		2/6/2006	2/13/2006
	Memphis Area Assoc. of Gov.	4	4/13/2006	10/11/2006	5/3/2006	2/13/2006
	SW TN Development Dist.	8	5/1/2006			2/13/2006
Total DRA Counties Served		21				



Uniform Grant Pre-Applications

One of the most important services Delta LDDs provide is assisting local entities in submitting pre-applications and applications to the DRA federal grant program. The DRA only accepts pre-applications to its federal grant program through the LDDs. The DRA relies on the LDDs to collect and screen pre-applications for completeness. According to program guidelines, incomplete pre-application packages are automatically ruled ineligible for grant funding. It is, therefore, critical that the DRA receives complete pre-application packages. Incomplete pre-application packages impair both the effectiveness and the efficiency of the program.

The figure on this and the following page illustrates the quality of the pre-applications submitted to the DRA by Delta LDDs in 2007. The table was developed using a pre-application log maintained by DRA staff. Overall, 69 percent of the 151 pre-applications originally submitted in 2007 were complete. Only 13 of the 44 Delta LDDs submitted complete pre-application packages. Of the 47 incomplete pre-applications, only around half were subsequently corrected by the responsible LDD.

2007 DRA Grant Pre-Applications

Delta LDD	Total Pre-Apps	No. Complete	Pct. Complete	No. Providing Missing Items	Pct. Providing Missing Items	No. Lacking Part. Agreement	No. Never Completed or Ineligible	Pct. Never Completed or Ineligible
West Alabama RC	3	2	66%	1	100%	0	1	33%
Lee-Russell COGs	1	1	100%	-	-	0	0	0%
South Central Alabama DC	1	0	0%	0	0%	0	1	100%
Alabama-Tombigbee RC	12	4	33%	5	63%	3	8	67%
Alabama Total	17	7	41%	6	60%	3	10	59%
White River P&DD	4	3	75%	0	0%	1	2	50%
East P&DD	9	8	89%	1	100%	0	5	56%
Central P&DD	1	1	100%	-	-	0	0	0%
Southeast EDD	5	3	60%	0	0%	2	4	80%
Southwest P&DD	3	0	0%	3	100%	0	0	0%
Arkansas Total	22	15	68%	4	57%	3	11	50%
Greater Egypt RPC	3	2	67%	1	100%	0	2	67%
Southeastern Illinois RP&DC	5	4	80%	0	0%	1	3	60%
Southern Five RP&DC	1	1	100%	-	-	0	0	0%
Greater Wabash RPC	2	0	0%	1	50%	0	1	50%
Illinois Total	11	7	64%	2	50%	1	6	55%
Green River Area DD	3	1	33%	1	50%	1	1	33%
Pennyrile Area DD	1	1	100%	-	-	0	0	0%
Purchase Area DD	3	0	0%	3	100%	0	2	67%
Kentucky Total	7	2	29%	4	80%	1	3	43%



2007 DRA Grant Pre-Applications (cont.)

Delta LDD	Total Pre-Apps	No. Complete	Pct. Complete	No. Providing Missing Items	Pct. Providing Missing Items	No. Lacking Part. Agreement	No. Never Completed or Ineligible	Pct. Never Completed or Ineligible
Capital Region P&DC	10	6	60%	0		4	9	90%
Coordinating & Dev. Corp.	2	2	100%	-	-	0	2	100%
Imperial-Calcasieu RP&DC	2	1	50%	1	100%	0	0	0%
Acadia PDC	2	2	100%	-	-	0	2	100%
South Central P&DC	3	2	67%	1	100%	0	3	100%
Regional Planning Comm.	3	3	100%	-	-	0	3	100%
North Delta Regional P&DD	15	11	73%	2	50%	2	7	47%
Kisatchie-Delta Regional P&DD	6	2	33%	0	0%	4	1	17%
Louisiana Total	43	29	67%	4	29%	10	27	63%
Southwest Mississippi P&DD	8	6	75%	1	50%	1	4	50%
Southern Mississippi P&DD	1	1	100%	-	-	0	0	0%
Central Mississippi P&DD	1	1	100%	-	-	0	0	0%
South Delta P&DD	6	6	100%	-	-	0	6	100%
North Delta P&DD	3	2	67%	1	100%	0	2	67%
North Central P&DD	3	3	100%	-	-	0	2	67%
Mississippi Total	22	19	86%	2	67%	1	14	64%
Bootheel Regional P&EDC	4	4	100%	-	-	0	0	0%
Southeast Missouri Reg. P&EDC	6	5	83%	1	100%	0	5	83%
Meramec Regional PC	1	0	0%	1	100%	0	0	0%
Missouri Total	11	9	82%	2	100%	0	5	45%
Memphis Area Assoc. of Govts	5	4	80%	0	0%	0	4	80%
Northwest Tennessee DD	7	6	86%	1	100%	0	2	29%
Southwest Tennessee DD	6	6	100%	-	-	0	2	33%
Tennessee Total	18	16	89%	1	50%	0	8	44%
Regional Total	151	104	69%	25	53%	19	84	56%

Because the DRA is effectively an economic development organization, many of its grants involve or benefit private companies. The DRA requires grant applicants that involve private sector participants to include a participation agreement (PA) signed by the company. The agreement requires companies that will benefit from the DRA grant to abide by certain conditions and lays out specific penalties if the conditions are not met. The table shows the pre-applications that lacked a PA when one was required. In all, 19 project applications were ruled ineligible because they lacked a signed PA. Ten of the 19 pre-applications were submitted by Louisiana LDDs.

Finally, the table shows the total number and percentage of incomplete or ineligible grant pre-application packages. In five of the eight states, over half of the pre-applications were determined to be either incomplete or ineligible. The composite percentage of incomplete/ineligible pre-application packages submitted in 2007 was 56 percent.



Conclusions

Based on the data and records available to the consulting team, it is the conclusion of TIP Strategies that the majority of the Delta LDDs are not meeting the basic reporting requirements required of them by the DRA. After receiving their administrative grant payments from the DRA, only one-third of the LDDs submitted their second semiannual report of activities. Moreover, only three of the 44 LDDs submitted both semiannual reports and either an annual report or a CEDS.

With respect to the quality and completeness of the pre-application packages submitted to the DRA on behalf of local applicants, a significant number of Delta LDDs are failing to meet the basic application and eligibility requirements of the federal grant program. Approximately one-third of the 2007 pre-application packages were incomplete; only half were later re-submitted with the missing items. Overall, over half of the pre-applications submitted to the DRA federal grant program in 2007 were incomplete or ineligible.

Recommendations

- Based on these results, Delta LDDs should make greater efforts at assisting local grant applicants with their pre-app packages. This extends to ensuring the completeness of the packages, as well as adhering to the eligibility rules stated in the program clarification notes.
- The DRA should once again require the LDDs to sign an agreement which stipulates the primary and additional services they are required to perform in order to receive administrative compensation. The current SF-424 federal grant application form LDDs must sign does not contain any requirements for compensation.
- The DRA should create web-based LDD activity reports and integrate them into its Website. The goal is to allow the LDDs to complete their semiannual and annual report online, which should result in a higher frequency of report submissions. An automated web-based reporting system should also reduce workloads on DRA staff and result in enhanced internal efficiencies.
- A Web-based pre-application system should be put in place. An online system would allow the DRA to automatically reject incomplete pre-applications. This would encourage local applicants and LDDs to provide complete information on the pre-applications and would save DRA staff time currently devoted to following up with LDDs on missing items.



APPENDIX F: DATA DICTIONARY

Variable	Data Source
Accessibility Index	Southern Growth Policies Board
Airport Access	Southern Growth Policies Board
Average Agricultural Land Value per acre	Federal Reserve Bank of Kansas City
Average Family Size	U.S. Bureau of the Census
Banking Deposit Depth	Federal Reserve Bank of Kansas City
Banking Deposit Evolution	Federal Reserve Bank of Kansas City
Change in Corporate Income Taxes	The Tax Foundation
Change in Employment	U.S. Bureau of Economic Analysis
Change in FDIC-Insured Bank Deposits	Federal Deposit Insurance Corp.
Change in Life Expectancy	Harvard University School of Public Health
Change in Per Capita Income	U.S. Bureau of Economic Analysis
Change in Population	U.S. Bureau of Economic Analysis
Change in School Enrollment	National Center for Education Statistics
Change in the Residence Adjustment	U.S. Bureau of Economic Analysis
Corporate Income Tax per Capita	The Tax Foundation
Corporate Tax as Percent of General Revenue	Goldwater Institute
Corporate Tax as Percent of Gross State Product	Goldwater Institute
County Urban or Rural	Southern Growth Policies Board
Demand for High Skills Levels	Federal Reserve Bank of Kansas City
Dividend and Interest Income as Percent of Personal Income	U.S. Bureau of Economic Analysis
Dividend Interest and Rental Income per Capita	Federal Reserve Bank of Kansas City
Domestic Migration	U.S. Bureau of the Census estimates
Economic-dependence County Indicator	Economic Research Service, USDA
Farm-dependent County Indicator	Economic Research Service, USDA
Federal-State Government County Indicator	Economic Research Service, USDA
Female Life Expectancy	Harvard University School of Public Health
High School Dropout Rate	Southern Growth Policies Board
High School Four Year Graduation Rate	Southern Growth Policies Board
Household Median Income	U.S. Bureau of the Census
Housing Stress County Indicator	Economic Research Service, USDA
Human Amenity Indicator Index	Federal Reserve Bank of Kansas City
Increase in Population = Births minus Deaths	U.S. Bureau of the Census estimates



Variable	Data Source
Increase in the Number of Patents	U.S. Patent and Trademark Office
Infrastructure Index Indicator	Federal Reserve Bank of Kansas City
Innovation Index Indicator	Federal Reserve Bank of Kansas City
International Migration	U.S. Bureau of the Census estimates
Interstate Frontage	Southern Growth Policies Board
Jobs in Companies Less than 3 Years Old	Dun and Bradstreet Marketplace
Jobs in Companies Less than 5 Years Old	Dun and Bradstreet Marketplace
Labor Participation Rate	U.S. Bureau of the Census
Low-education County Indicator	Economic Research Service, USDA
Low-employment County Indicator	Economic Research Service, USDA
Male and Female Life Expectancy	Harvard University School of Public Health
Male Life Expectancy	Harvard University School of Public Health
Manufacturing-dependent County Indicator	Economic Research Service, USDA
Median Home Value	Federal Reserve Bank of Kansas City
Metro-nonmetro County Indicator	Economic Research Service, USDA
Mining-dependent County Indicator	Economic Research Service, USDA
Nonmetro Recreation County Indicator	Economic Research Service, USDA
Nonspecialized-dependent County Indicator	Economic Research Service, USDA
Number of Families per Capita	U.S. Bureau of the Census
Patents per Capita	U.S. Patent and Trademark Office
Per Capita Personal Income	U.S. Bureau of Economic Analysis
Percent Creative Workers in the Population	Federal Reserve Bank of Kansas City
Percent Hispanic in the Population	Southern Growth Policies Board
Percent Minority in the Population	Southern Growth Policies Board
Percent of Households that Moved to a New County	U.S. Bureau of the Census
Percent of Households that Own Their Home	U.S. Bureau of the Census
Percent of Households with a Retired Person	U.S. Bureau of the Census
Percent of Population 21 to 64 with a Disability	U.S. Bureau of the Census
Percent of Self-Employed Workers	U.S. Bureau of Economic Analysis
Percent of the Population Black	U.S. Bureau of the Census
Percent of the Population Blue Collar Workers	U.S. Bureau of the Census
Percent of the Population Caucasian	U.S. Bureau of the Census
Percent of the Population Foreign Born	U.S. Bureau of the Census



Variable	Data Source
Percent of the Population in College	U.S. Bureau of the Census
Percent of the Population in School	U.S. Bureau of the Census
Percent of the Population Over Age 65	U.S. Bureau of the Census
Percent of the Population Separated, Widowed, Divorced	U.S. Bureau of the Census
Percent of the Population Under Age 18	U.S. Bureau of the Census
Percent of the Population with 2-year Degrees	U.S. Bureau of the Census
Percent of the Population with Less than High School Education	U.S. Bureau of the Census
Percent of the Workforce Disabled	U.S. Bureau of the Census
Percent of the Workforce Employed in a Trade	U.S. Bureau of the Census
Percent of the Workforce in Information Services	U.S. Bureau of the Census
Percent of the Workforce in Management	U.S. Bureau of the Census
Percent of the Workforce in Manufacturing	U.S. Bureau of the Census
Percent of the Workforce in Professional-Technical Occupations	U.S. Bureau of the Census
Percent of the Workforce in Service Occupations	U.S. Bureau of the Census
Percent of the Workforce in Social Services	U.S. Bureau of the Census
Percent of the Workforce White Collar Workers	U.S. Bureau of the Census
Percent Over 65 in the Population	Southern Growth Policies Board
Percent w/ Bachelor's Degree or Higher	Southern Growth Policies Board
Persistent Poverty County Indicator	Economic Research Service, USDA
Persons per square mile	Economic Research Service, USDA
Population Density (Population Per Square Mile)	Southern Growth Policies Board
Population Growth	U.S. Bureau of the Census estimates
Population Loss County Indicator	Economic Research Service, USDA
Property Tax per Capita	The Tax Foundation
Ratio of Male to Female Population	U.S. Bureau of the Census
Residence Adjustment as a Percent of Personal Income	U.S. Bureau of Economic Analysis
Services-dependent County Indicator	Economic Research Service, USDA
Skill Surplus	Federal Reserve Bank of Kansas City
Students per Computer	Southern Growth Policies Board
Supply of High Skill Levels	Federal Reserve Bank of Kansas City
Total Corporate Tax	The Tax Foundation
Total Employment	U.S. Bureau of Economic Analysis
Total School Enrollment	National Center for Education Statistics



Variable	Data Source
Transfer Payments per Capita	U.S. Bureau of Economic Analysis
Urban Influence Code	Economic Research Service, USDA
Wages and Salaries as Percent of Personal Income	U.S. Bureau of Economic Analysis



APPENDIX G: STATISTICALLY INSIGNIFICANT RELATIONSHIPS

The table below contains the variables weakly correlated to growth in employment (1984-2004) and in per capita income (1994-2004). For example, percent of income from dividends and interest, labor force participation, and federal-state government dependency were found not to have a strong correlation to 20-year employment growth. Likewise, change in life expectancy, percent of population in school, and growth in bank deposits per capita all had a statistically weak correlation to 10-year per capita income growth.

Employment Growth, 1984-2004	Per Capita Income Growth, 1994-2004
1990 skill surplus	Housing stress
% income from dividends & interest 1994	Persistent poverty index (USDA)
Per capita income change 1994-2004	Urban influence code (USDA)
Residence adjustment change 1984-94	Change in life expectancy
Residence adjustment change 1994-04	Natural increase 2000-05
Wages as percent personal income 1994	Banking deposits per capita
Per capita income 2000	Growth in bank deposits per capita
Labor force participation rate	Employment change 1984-2004
Federal-state government dependency	Residence adjustment change ratio
	Transfer payments per capita 2004
	Wages as % of personal income 1984
	Household median family income
	Per capita income 2000
	Percent population in school
	Percent population moved to county since 1995
	Percent of population in service occupations
	Percent households with social security income
	Metro index (USDA)
	Mining dependence



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