



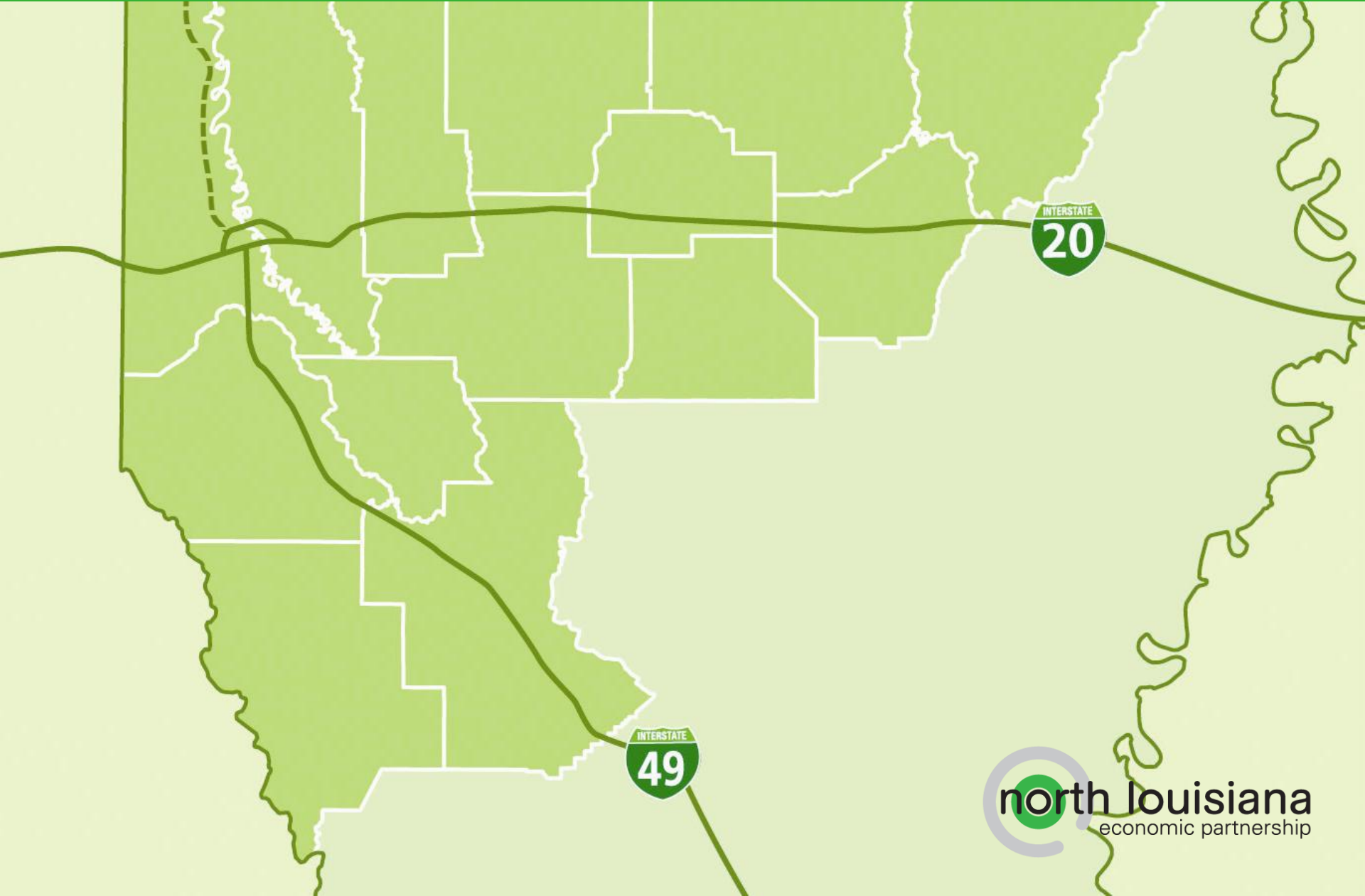
Managing Economic Development Organizations

By: Scott Martinez, CEcD

About NLEP & Our Mission

- NLEP is a regional public-private partnership, dedicated to the positive and sustainable economic development of the 14 parishes it serves
- Recruit new employers and support existing businesses considering growth
- Promote North Louisiana by telling the region's story to the rest of the world

NLEP's Role in Economic Development



CenturyLink Technology Center of Excellence



Benteler Steel/Tube

FUTURE HOME OF...

BENTELER

Steel/Tube

U.S. PRODUCTION FACILITY

- \$975 million investment
- Expected completion: 2015
- www.bentelerjobsinlouisiana.com
- 1,000+ construction jobs
- 675 full-time employees upon completion
- Estimated 1,540 indirect jobs

WILLKOMMEN TO NORTH LOUISIANA

CICI award winning Benteler Steel/Tube, an International German steel manufacturer, selected North Louisiana for its new \$900 million facility. With a skilled workforce, the nation's lowest cost of business, multimodal transportation, and a great quality of life, it's easy to see why. Visit www.nlep.org to learn why North Louisiana should be your next business location.

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Funded in part by Louisiana Economic Development

Session Topics

- **Different Economic Development Organizations**
- **Staff and Board Management**
- **Monitoring and Evaluating Outcomes**
- **Working with Board Members**
- **Working with the Press**
- **Managing Resources**

Forming a Nonprofit Organization

- **Articles of Incorporation**
- **Qualifying as a 501(c) (3)**
- **Lobbying Restrictions**
- **Organizing as a 501 (c) (6)**
- **Organizing as a 501 (c) (4)**
- **Organizing as a For-Profit Organization**

Economic Development Organizations

- **Public Economic Development Organizations**
- **Private Economic Development Organizations**
- **Public-Private Economic Development Organizations**

Public EDOs

Advantages

- **Financing mechanisms**
- **Direct access**
- **Powers**
- **Resources**

Limitations

- **Influence**
- **Financial limitations**
- **Participation**
- **Limited knowledge**
- **Turnover**
- **Public disclosure**

Private Non-Profit EDOs

Advantages

- Intermediary
- Accountability
- Organizational structure
- Fundraising

Limitations

- Powers
- Public support/commitment
- Project completion

Public-Private EDOs

- **A clearly defined mission that addresses the concerns of both the private and public sectors;**
- **Consensus among members regarding how to implement the mission;**
- **The commitment of both the public and private sector reflected by an adequate level of funding to achieve goals;**

Public-Private EDOs

A validation system designed to establish and monitor performance objectives to measure success, determine change-of-course program modifications, and to justify continued support and funding.

Public-Private EDOs

Advantages

- Consensus and Support
- Staffing
- Political Constraints
- Public Resources
- Service Area
- “Straw Man”
- Financial

Limitations

- Accountability and Transparency

Financial Advantages

There are a variety of financial advantages to public-private partnerships. Name THREE such advantages.

ANSWER: 1/2

- **Public-private EDOs can mobilize both public and private resources and are financial flexible.**
- **Public-private organizations can invest in a private business venture using their own funds, whereas public organizations will normally have to demonstrate a clear public purpose.**
- **Public-private EDOs are able to accept donations due to their tax exempt status, thereby offering advantages to contributors benefiting from tax deduction advantage.**

ANSWER: 2/2

- **The local government debt ceiling may not be affected by the EDOs' borrowing since they are independent from the local government.**
- **A public-private EDO can insulate governance from financial risk and liabilities through incorporation laws.**
- **A public-private EDO may eventually be financially self-supporting through management and service fees, and/or membership dues, thus eliminating the need for continued local government contributions.**

Staff Management

- **Staff Structure**
- **Fulfilling Staffing Needs**

CEO Duties and Qualifications

CEO responsibilities differ from organization to organization depending on the focus and size. The main objective of the CEO is to act as a “coach”. This individual will be the catalyst for developing and implementing an action plan and for identifying and involving all relevant resources of the community and region. What are FIVE typical qualifications of a CEO?

ANSWER: 1/6

- **Demonstrated history of staff empowerment, NOT micromanagement.**
- **Demonstrated strategic thinking capacity.**
- **Demonstrated management of strategic relationships and partnerships.**
- **Demonstrated values of excellence, integrity, service and creativity.**
- **Experience in designing or implementing economic development programs as a CEO or top-level deputy.**

ANSWER: 2/6

- **Initiates, formulates, designs, coordinates, markets, implements & monitors various development projects; analyzes & identifies opportunities for additional growth; develops & actively implements economic development strategies; and serves as advisor to City officials, staff, business groups, property owners & developers.**

ANSWER: 3/6

- **Demonstrated experience with and knowledge of various aspects of economic development such as: entrepreneurship, retention and expansion, real estate development, finance and technical assistance, marketing, job training and retraining, technology transfer, and downtown revitalization.**
- **Demonstrated capability in communicating and working with elected officials and with leaders and staff of government agencies, private sector organizations, and individual companies.**

ANSWER: 4/6

- **Demonstrated experience with a knowledge of private and public tools to further economic development objectives, including see and venture capital, small business incubators, revolving loan funds, tax incentives, federal support programs such as those of HUD, SBA, Commerce and Labor Departments, and relevant state and local programs.**

ANSWER: 5/6

- **Demonstrated experience in developing cooperative working relationships between local and state governments and private organizations and in brokering between various public, private, and academic sources to develop economic development programs.**

ANSWER: 6/6

- **A master's degree in business administration, public administration, city and regional planning, or related field:**
- **Possess or work at attaining a CEcD, EDFP, or other ED professional certification.**

Staff Management

- **Salaries**
- **Personnel Policies**
- **Setting Goals, Giving Feedback**
- **Evaluating Staff Performance**
- **Ethics**

Monitoring and Evaluating

- **Designing a Monitoring Program**
- **Performance Indicators and Outcomes**

Effective Monitoring will...

- **Identify measurable outcomes;**
- **Determine indicators to accurately measure outcomes;**
- **Get buy-in from key stakeholders;**
- **Develop guidelines and survey customers/clients;**
- **Gather additional appropriate information;**

Effective Monitoring will...

- **Prepare periodic reports;**
- **Document impact and change;**
- **Review progress;**
- **Adjust the plan as needed;**
- **Improve performance.**

Questions for designing a Monitoring System...

- **What is being monitored: outputs or outcomes of a program, process of the EDO, customer satisfaction?**
- **What technique will be used to monitor?**
- **What external programs will be used as comparative benchmarks?**
- **Who will conduct the monitoring activities: staff, a special committee, outside consultant, etc.?**
- **Who will review results?**
- **How will the results be used?**

Performance Measurement Methods

- **Baseline**
- **Pre-established Performance Standards**
- **Benchmarking**
- **Best Practices**

Performance Measures

- **Economic and Fiscal Impacts**
- **Customer Satisfaction**
- **Celebrate successes**
- **Acknowledge and act upon challenges**

Performance Indicators and Outcomes

- **Output indicators**

- **Actual Activity**

- **Outcomes**

- **Program Impact**

- **Why do we exist?**

- **Measurable and Attainable**

- **Role of Economic Development Practitioners**
- **Being a Leader**

Being a Leader in Economic Development

- **Accepting the Challenge**
- **Managing Change**

Managing Change

As economic developers, we all face resistance to change frequently. What are some effective methods for dealing with resistance and change?

ANSWER

- **Education & Communication**
- **Participation & Involvement**
- **Facilitation & Support**
- **Negotiations & Agreements**

Working with Board Members

- **Importance of the Board of Directors**
- **Board Management**
- **Legal Obligations**
- **Roles of the Board Officers**
- **Working with Committees**
- **Strategic Planning with EDO Boards**

Board Knowledge

In partnership with the National League of Cities, IEDC released a publication on “The Role of Local Elected Officials in Economic Development.” We will review a quick summary of the top ten things elected officials and board members should know about economic development in order to be effective leaders. Please list five.

ANSWER 1/2

- 1. Your local economic strengths and weaknesses**
- 2. Your community's place in the broader regional economy**
- 3. Your community's economic development vision and goals.**
- 4. Your community's strategy to attain its goals**
- 5. Connections between economic development and other public policies**

ANSWER 2/2

6. Your regulatory environment

7. Your local economic development stakeholders and partners

8. The needs of your local business community

9. Your community's economic development message

10. Your economic development staff

Working with Consultants

- **Taking the First Step**
- **Identifying Prospective Consultants/ Contractors**
- **Selecting a Developer**
- **Request for Proposals**
- **Developer Negotiations**

Working with the Press

- **Fundamentals of Building Lasting Relationships**
- **Generating Press**
- **Writing a Press Release or Media Advisory**

Questions?



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