

Home of Future Thinking Event For American Micropolitan Areas

November 29-30, 2017
Danville, Virginia

EXECUTIVE SUMMARY

Participants from nine micropolitan communities across the United States came together to focus on economic development issues common to these smaller regions.

Participating communities included:

- Appleton, Wisconsin
- Cedar Rapids, Iowa
- Danville, Virginia
- Hickory, North Carolina
- Macon, Georgia
- Michigan City, Indiana
- Southeast Ohio
- Tupelo, Mississippi
- Wilson, North Carolina

Hosted by the Danville Regional Foundation, the event was moderated by Ted Abernathy of Economic Leadership LLC and featured special guests and “thought leaders” Bill Bishop, Andy Levine, and Alan Mallach. The Home of Future Thinking event aimed to promote discussion of economic development challenges in relatively isolated micropolitan areas, to share ideas and potential solutions for improved outcomes.

The Shared Environment:

Major changes have taken place over the past 15 years, from demographic shifts, to the ways that technology and automation are changing all of our work, to the impacts of increasing globalization. These changes have resulted in economic winners and losers. In the simplest terms, larger metropolitan areas are gaining jobs and population rapidly, while many other areas are being left behind. The nation’s population is concentrated in fewer and fewer places, and the growth in the working age population follows similar patterns.

Half the participating communities were growing in terms of population and jobs, while half were not. There are other similarities and differences between the communities in terms of educational levels, racial make-up, and poverty. One of the most striking similarities – and one that the group came back to numerous times over the event – was that most of the communities had a higher concentration of jobs in the manufacturing sector than the country as a whole.

Micropolitan Area Challenges:

- **Prosperity is not being shared equally.** The team from Macon, Georgia noted that they were struggling with equity issues and ensuring broad benefits from the downtown development that has been the focus of community improvement efforts.
- **Workforce talent is an issue for both growing and declining communities.** A number of communities commented on the gap between skills in the current workforce vs. what companies need. The team in Appleton, Wisconsin noted that talent was a particular issue due to impending retirements in the manufacturing workforce. About a quarter of total jobs and up to half of senior positions are up for retirement in some companies, they said. And this, at a time when unemployment in the community is less than four percent.
- **Economic changes have left a void in community leadership.** Historically, corporate leaders played a key leadership role in many smaller communities. Economic shifts favoring major urban areas and global markets have resulted in smaller communities becoming “branch” towns instead of “headquarter” towns – and have often meant that corporate leadership is more transient.
- **Physical infrastructure needs attention too.** Economic contractions have left many communities with shuttered downtowns and a surplus of older housing stock. Hickory, North Carolina and Danville, Virginia were among those that spoke to the issue of older housing stock that is not particularly desirable in terms of attracting young talent, while Macon, Georgia noted that there is still a significant amount of blight in the community despite extensive downtown improvement efforts.

Key Topics of Thought Leaders:

- “It turns out essentially that...the best place to grow up, the culture that best benefits poor children, comes in largely rural counties,” **Bill Bishop**, journalist and author of *The Big Sort*, reported. He noted that only 25 percent of central city counties showed positive effects in terms of upward economic mobility of low-income children by age 26, compared with two-thirds of micropolitan counties and three-quarters of rural counties. He expressed the opinion that the (largely urban-based) culture of innovation and an emphasis on individualism was not necessarily good for the culture of socialization – and yet this culture of socialization appears to be critical to economic mobility.
- “Most of my adult life I’ve been thinking of cities more as physical things,” said **Alan Mallach**, a senior fellow at the Center for Community Progress and a nationally known writer and advocate in the areas of housing, economic development, and urban revitalization. “But I realized when we talk about this what it’s really about is opportunity.”
- **Andy Levine**, president of Development Counsellors International (DCI), – a worldwide economic development marketing firm – talked about the rise in importance of talent attraction and did some “myth busting” in sharing the results of his firm’s *Talent Wars* study. The study surveyed more than 1,000 workers to explore how they looked for a new job and what factors they considered in making location decisions. Among the findings that were contrary to popular beliefs: 1) people are indeed looking for jobs, with nearly a third searching at least weekly; and 2) the job rather than the place is the real driver for relocation, contrary to the widely held belief that millennials will pick a location first and look for a job second.

Opportunities and Shared Best Practices:

It is important to note that none of the listed best practices and opportunities is considered a “silver bullet” that will instantly solve the issues being faced by micropolitan communities. A combination of the ideas below, instituted over the span of several years with incremental progress will eventually lead to change that can be seen and experienced.

- Establish a unique, competitive brand for your place.
 - Don’t try to compete with major metro areas. Develop your own authentic brand.
 - Use “credible third parties” and personal connections to tell your story.
- Keep a primary focus on nurturing and growing existing firms in your area.
 - Business retention efforts are less sexy but usually more effective.
- Make equity and opportunity a key part of any economic development strategy.
 - Do all people in your community have an opportunity to succeed?
 - Focus on education, workforce training, quality of life.
 - Engage youth.
 - Increase the diversity of governance and community leadership.
- Leverage community resources through partnerships.
 - Too many organizations strive for the same goals, but separately and unconnected.
 - Issues such as education and workforce development can help unify regional players.
- Leverage business involvement and public-private partnerships to improve talent attraction.
 - Workforce attraction and retention are such key issues for firms, they are more likely to participate in education and training partnerships.
 - People with local connections or experience in small town/rural areas are the best targets for talent attraction efforts.
- Invest in quality of life improvements.
 - Broadband infrastructure.
 - Downtown revitalization.
 - Physical connectivity – such as between downtowns and college/university campuses.
- Measure impacts and progress.
 - Use metrics to stay on track toward goals, and to demonstrate successes to internal and external stakeholders.
 - Different metrics for funders, economic developers, and communities.

Next Steps:

At the outset, the event organizers hoped that this would be the first in a series of gatherings. Participants were enthusiastic about scheduling another event, feeling energized by the opportunity for peer learning and sharing of best practices. Information from this inaugural Home of Future Thinking event will be shared online and plans for a second gathering are underway.

HOME OF FUTURE THINKING EVENT - FULL REPORT

“We’re here to help change the conversation in this country,” said Karl Stauber, President and CEO of the Danville Regional Foundation, in opening the inaugural Home of Future Thinking event. “For too long, most of the conversation about economic development in this country has been about large metropolitan areas. For many, awareness of micropolitan areas is non-existent,” he continued.

“We’re here to exchange ideas and potential solutions,” Karl explained. “We’re here to identify the gaps. What’s missing? What holes do we need to fill to do this work more successfully?” Ted Abernathy, Managing Partner of Economic Leadership, LLC and facilitator of the event, referred to this exchange of ideas as building “collective intelligence” and emphasized that this event was envisioned as the start of an ongoing conversation.

The Home of Future Thinking event brought together funders, academics, and other “thought leaders” as well as teams of community leaders from nine micropolitan communities across the country, including:

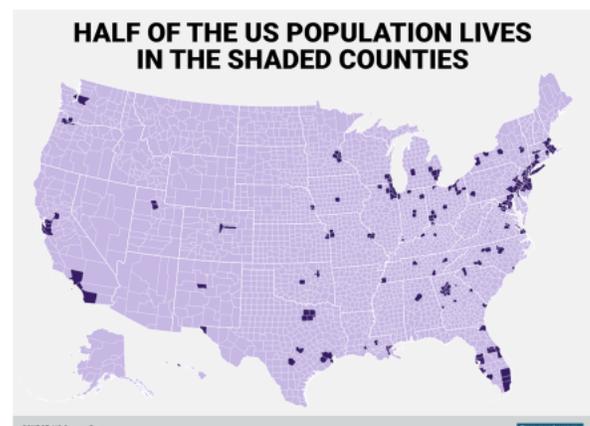
- Appleton, Wisconsin
- Cedar Rapids, Iowa
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- Wilson, North Carolina

“We invited you because all of you know part of the answer,” Karl said. “All of you are working on solutions either in the community or as part of an institution. We also think you share the goals of this conference – to meet people who share a commitment to help communities have a better future – particularly isolated micropolitan communities,” he added.

Changes and Challenges for Micropolitan Communities

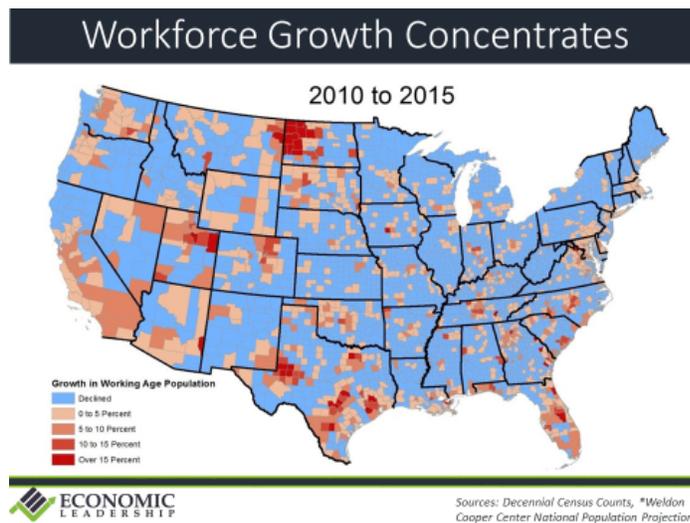
Setting the stage for the event’s discussions, Ted Abernathy recounted some of the major changes that have taken place over the past 15 years, from demographic shifts, to the ways that technology and automation are changing all of our work, to the impacts of increasing globalization.

One of the key points for this event was that these changes have resulted in economic winners and losers. In the simplest terms, larger metropolitan



areas are gaining jobs and population rapidly, while many other areas are being left behind. The nation's population is concentrated in fewer and fewer places, and the growth in the working age population follows similar patterns.

Hodding Carter III was among those in the room sharing a personal story that illustrated these trends. "I weep every time I go home," he said of his hometown of Greenville, Mississippi. While once a thriving community that benefitted from Mississippi's Balance Agriculture with Industry plan, Carter described it today as a "ghost city." "Every 10 years we lose another 15 percent of our population. The only ones that stay are the aged or the inheritors or those that don't have the capacity to leave," he said.



The team from Danville, Virginia shared a similar tale about the decline of their town's economic mainstays: tobacco and textiles. During its heyday, textile giant Dan River Inc. employed 12,000 workers and was a powerhouse in government and community decisions, they said. The last of its plants was shuttered by 2007. "We lost about 10,000 people – mostly middle class – in a decade," the Danville team reported, leaving challenges such as a hardhit public school system, an abundance of 1950s housing stock, and poverty.

While some of the communities in the room faced the challenges of declining jobs and population, others have bucked this trend and are doing quite well. Cedar Rapids, Iowa for example, highlighted their diverse industrial base and an unemployment rate of just 3.4 percent. The team from Appalachian Ohio pointed to a great deal of industrial growth in their region, leaving them with the challenge of not being able to attract further prospects because of a lack of suitable facilities. We don't have "products" on the shelf, they said, likening their situation to a Soviet-era store with only a few loaves of bread to sell.

Ted pointed out that approximately half the communities in the room were growing in terms of population and jobs, while half were not. He went on to profile other similarities and differences between the communities in terms of educational levels, racial make-up, and poverty. One of the most striking similarities – and one that the group came back to numerous times over the event – was that most of the communities had a higher concentration of jobs in the manufacturing sector than the country as a whole.

Despite the differences, Karl surmised that Danville had more in common with other communities in the room than it did with Richmond or Arlington, and that Macon likely had more in common with those in the room than it did with Atlanta. Many of the challenges shared by community teams as they gave profiles of their regions did indeed resonate with others in the room. Some of these challenges included:

- ***Prosperity is not being shared equally:*** Our core neighborhoods are at a tipping point, said the team from Cedar Rapids, Iowa, with 50 percent of kids in those areas on the free and reduced school lunch program. The unemployment rate of people of color is two times that of whites and poverty rates are five times that of whites, they continued. Likewise, the team from Wilson, North Carolina spoke to the dichotomy between what might be described as the haves and the have nots in their community. Wilson is frequently in the top 10 in North Carolina for average weekly wages, but at the same time it can also be on the top 10 list for unemployment rate, they reported. The team from Macon, Georgia also noted that they were struggling with equity issues and ensuring broad benefits from the downtown development that has been the focus of community improvement efforts.
- ***Workforce talent is an issue for both growing and declining communities:*** As Ted pointed out in his opening presentation, the working age population is shrinking. At the same time, jobs have changed and the bar keeps going up in terms of skill levels required. A number of communities commented on the gap between skills in the current workforce vs. what companies need. Hickory, North Carolina, was among the communities that spoke to challenges such as drug abuse that compound this gap. The team in Appleton, Wisconsin noted that talent was a particular issue due to impending retirements in the manufacturing workforce. About a quarter of total jobs and up to half of senior positions are up for retirement in some companies, they said. And this, at a time when unemployment in the community is less than four percent.
- ***Economic changes have left a void in community leadership:*** Historically, corporate leaders played a key leadership role in many smaller communities. Economic shifts favoring major urban areas and global markets have resulted in smaller communities becoming “branch” towns instead of “headquarter” towns – and have often meant that corporate leadership is more transient. Cedar Rapids, for example, had two major homegrown companies bought out this year, including Collins Aerospace Systems, the city’s largest employer. Michael Goodman from Capitol Broadcasting in North Carolina talked about the “paradigm shift” in corporate leadership as evidenced by “the recent Amazon craziness,” in which communities are falling over themselves to bid for Amazon’s new second headquarters. We’ve gone from “what do I owe my community” to “what does the community owe me for creating jobs,” he said.
- ***Physical infrastructure needs attention too:*** Economic contractions have left many communities with shuttered downtowns and a surplus of older housing stock. Hickory, North Carolina and Danville, Virginia were among those that spoke to the issue of older housing stock that is not particularly desirable in terms of attracting young talent, while Macon, Georgia noted that there is still a significant amount of blight in the community despite extensive downtown improvement efforts. The Michigan City, Indiana team commented that long-time residents often view improvements that have taken place in their downtown area through a different lens than those they may seek to attract to the community, with the latter seeing that the downtown has a long way to go rather than the long way it has come.

Journalist Bill Bishop added insights from his book *The Big Sort*, to the discussion of changes and challenges for communities. From World War II until the mid-1970s, places were getting more alike, Bill observed. Since then they've been getting more different. As connections and traditions upon which we built our communities – churches, social and civic organizations, and occupations – broke down and lost their meaning, “we began to look for other ways to create society and we began to look for people like us to find some kind of community to replace the one that was lost.” This search for others like us has led to connections through shared interests outside of physical places such as neighborhoods and communities. It has also contributed to the divisiveness that is now pervasive across the country, where, for example, we tend to get our news from sources with viewpoints that are similar to our own.

Alan Mallach also commented on this divisiveness as an impediment to progress. “We can do this, but we don't,” he said. “People are operating on the basis of being in two armed camps, shooting at each other from the trenches.”

Moving Forward

“Sometimes all this change paralyzes us,” said Ted Abernathy, reflecting on the issues faced by today's communities. Fortunately, those in the room were up to the challenge and had many insights and ideas to share.

The discussion began with guided interviews with three key thought leaders, who shared some of the following thoughts:

Bill Bishop, journalist and author of *The Big Sort*, talked about the implications of research by Raj Chetty and Nathaniel Hendren on the impact of place on the economic mobility of low-income children. “It turns out essentially that...the best place to grow up, the culture that best benefits poor children, comes in largely rural counties,” he reported. He noted that only 25 percent of central city counties showed positive effects in terms of upward economic mobility of low-income children by age 26, compared with two-thirds of micropolitan counties and three-quarters of rural counties. He expressed the opinion that the (largely urban-based) culture of innovation and an emphasis on individualism was not necessarily good for the culture of socialization – and yet this culture of socialization appears to be critical to economic mobility.

“Most of my adult life I've been thinking of cities more as physical things,” said **Alan Mallach**, a senior fellow at the Center for Community Progress and a nationally known writer and advocate in the areas of housing, economic development, and urban revitalization. “But I realized when we talk about this what it's really about is opportunity.” Alan came back to this theme throughout the discussions.

Andy Levine, president of Development Counsellors International (DCI) – a worldwide economic development marketing firm – talked about the rise in importance of talent attraction and did some “myth busting” in sharing the results of his firm's *Talent Wars* study. The study surveyed more than 1,000 workers to explore how they looked for a new job and what factors

they considered in making location decisions. Among the findings that were contrary to popular beliefs: 1) people are indeed looking for jobs, with nearly a third searching at least weekly; and 2) the job rather than the place is the real driver for relocation, contrary to the widely held belief that millennials will pick a location first and look for a job second.

Others built on these themes and introduced other topics and ideas over the two-day program. While the discussion was wide-ranging – covering everything from education to equity – what everyone came back to was the importance of jobs as a foundation. The best social welfare program is a good job with health care, said Andy Levine, paraphrasing a quote from Ron Kitchens, president and CEO of Southwest Michigan First. Alan Mallach agreed. “It comes down to jobs. Jobs aren’t the only thing that matters to a community,” he said. “But without a basic economic base...the other things aren’t going to follow.”

Other major points of discussion and suggestions for progress are outlined below.

Establish a unique, competitive brand

“Small cities cannot compete with big cities on the big cities’ turf,” emphasized Alan Mallach. What you have to find is a different turf to compete on.” Andy Levine talked about the importance of branding your community first (how do we want to be perceived?) and then moving on to tactical marketing (how do we get our story out?). He warned against trying to be something you’re not. “Companies will see through that,” he assured the group. If your narrative doesn’t have a compelling plot line it’s not a good narrative, agreed Alan. It needs to be backed up by reality. Alan suggested starting with the following thought exercise: Why is our city here today? Is it purely inertia? What do we have that is distinct/unique?

As an example, Andy talked about his firm’s work with Salinas, California, a community that had historically branded itself as the “Salad Bowl of America.” The community now has an updated image and brand as a world hub for agriculture and technology. Convincing *Forbes* magazine to hold an AgTech Summit there has helped to solidify this brand. Now in its third year, the summit brings together more than 600 global stakeholders around agricultural technology and innovation.

As in the example above, national media coverage – and “outsider” perspectives in general, hold great value, Andy said. Oftentimes this outsider view can change perspectives inside – as well as outside – the community, Andy added. He commented that a positive *New York Times* article on Tacoma, Washington got people there thinking, “The *New York Times* says we’ve changed so we must have changed.”

You need to rely on “credible third parties” to tell your story, Andy emphasized: corporate leaders who moved to your community if you’re trying to attract other businesses, or young professionals that moved to the community if you’re trying to attract talent. “Chest beating” from a local economic developer is rarely as effective, he stressed. He also spoke to the importance of personal connections, noting that dialogue with industry peers was one of the top ways to reach corporate location decision makers (along with articles in newspapers and magazines, as well as business travel). Personal connections are even more important if targeting millennials, he said,

as they are less likely to look at mainstream media. He observed that the “rise of digital ambassadors” was one of the most interesting trends in economic development, referring to individuals that use social media to promote their community.

Alan saw manufacturing as an area where small cities could often compete. One opportunity he saw was to create a healthy working class culture in small towns. Build the quality of life around what matters to them, he said. There was some pushback on this, with at least one participant commenting that appearing to pit blue collar workers against elites would be a conversation stopper. In addition, many manufacturing workers no longer fit the historical “blue collar” stereotype and are highly educated engineers, or are otherwise very highly skilled. What this did lead to, however, was a discussion about the need to create a culture that valued non-college-bound youth and skilled jobs not requiring a four-year degree.

Focus on existing companies first

Andy Levine saw existing companies as the “low hanging fruit” in terms of impacting the financial health of most communities. “It’s so much easier to take a company that’s already in your community and work with them and try to scale them up than to try to find someone from the outside,” he emphasized. Unfortunately, business retention often gets less in terms of resources and attention because it’s considered “less sexy” than a new plant, he observed.

Alan Mallach agreed that retaining and helping companies already in a community grow was probably the single most important economic development strategy. He stated that he would rate retention #1, attraction #2 and entrepreneurship #3. His reservations about a focus on start-ups stemmed from a high failure rate, the difficulty of predicting success, and what he saw as a lack of commitment to the long haul in a particular community. That said, he did see potential in investing in certain entrepreneurs in the community with the hope that they would become a serial inventor in one place.

In Andy’s opinion, the majority of communities aren’t good at business retention. While a number of have business retention programs and may say that they’re going to visit each business in the community every year, many don’t follow through or merely pay lip service to the program, he observed. And, what almost nobody does is visit the CEO or CFO at the headquarters location of a company that has a branch in their community. That’s a missed opportunity, he emphasized, because that’s really where the decision making is going on.

Ted Abernathy called the group’s attention to two recent resources that might be helpful in this area: a report from the International Economic Development Council (IEDC) on best practices in business retention and expansion, and an article from the Organization for International Investment on the European model of “after-care.”

Make equity and opportunity a key part of economic development planning and decision-making

“Equity is the superior growth model,” emphasized one of the event participants, sharing a quote from PolicyLink, an organization whose work is based on the conviction that “equity must drive

all policy decisions.” Equity is important not just from a moral standpoint, but it is also an economic imperative as we look at changing demographics among the future workforce, participants recognized. They also talked about other risks for businesses, including a limited consumer base if residents can’t afford to spend and the economic consequences of social unrest.

Detroit is an example of why this issue is so important, Alan Mallach commented. Five to ten percent of the city is booming, but the other 90 to 95 percent is in poverty. The story of Detroit’s “rebound” became a source of anger for those not seeing this rebound, he observed.

While perhaps not at that scale, this scenario was familiar to others in the room. In commenting on Danville’s transforming tobacco warehouse district, a participant commented that they are sure some residents are thinking, “What’s in it for us?”

At one level, people think that everyone should have opportunity, Alan said. But most people consider it from the point of view of their “tribe,” he observed. How do we come up with a shared vision or point of view? What do we mean by the words opportunity, equity and inclusion?

“To a large extent all of these things come down to, do all people have the opportunity to succeed? To have a decent job. To live a life that’s not poor,” Alan offered. He suggested that communities come up with a clearer idea of what they mean by equity and inclusion as a starting point. Does it mean adding an African American to the hospital board? Holding a forum to let everyone say their piece? Starting an after school program for low-income youth? In his view, “it’s not about giving a forum. It’s about creating meaningful opportunity for the mass of people who’ve been functionally disenfranchised from sharing the benefits of American society.”

“We need to start framing this in clear terms to community leaders,” he went on.

- 1) What are you doing to create an education system so that all children have a decent shot of getting the education they need to get a good job?
- 2) What are you doing to get workforce players together?
- 3) What are you doing to foster a better quality of life so people can live without fear?

Participants talked about the need to have a serious conversation about the larger environment that we’re in as a country. We need to come up with ways to have difficult conversations when it looks like we’re taking steps backwards, they said. They talked about the difficulty of engaging people being compounded by the intimidation that many are feeling in view of increasing racial divisions. These divisions are evidenced in the Danville area by the proliferation of Confederate flags on private property in response to a decision by the Danville City Council to disallow Confederate flags on city property. An African American in the group commented that many African Americans have just “gone underground” and are unlikely to get engaged. While recognizing the importance of addressing racial divisions, the group was clear that inclusion is not just a racial issue. It’s also an income and class issue. They asked, how do we bridge conversations across race and class and generations and immigration status?

One idea that had some traction was that of bringing members of a community together to talk about their history. Julie Mooney, senior program director at MDC, talked about how they have

brought communities together for intentional conversations about the history of the community. What have been the key events in the community? Who benefitted? Who didn't? This helps get the conversation started in a neutral way, she explained. Danville's History United project has used this type of model. Writing about the effort, the Virginia Foundation for the Humanities explains, "Our work over the past 42 years has shown, repeatedly, that divisive history can be explored and presented honestly, in a way that unifies communities. We also know that a community's understanding of its history has a powerful effect on the way it imagines—and re-imagines—its future."

Other ideas included:

- Encouraging youth involvement and dialogue. Macon, Georgia involves youth as "Roving Listeners" who, along with adult partners, interview community members about what they care about most in Macon, the gifts and passions they bring to the table, and what they would like to learn more about or how to do.
- Focusing on non-traditional ways of engaging people. One idea was to bring people together around "celebrations" or "idea festivals," not "meetings." "You may laugh," said another participant, but one way we're bridging the racial gap in our community "is through breweries." Dinners have also been used to bring small diverse groups together for conversation around a meal. Make America Dinner Again, The People's Supper, Transformation Table and Dinner Table OKC are a few examples.

In an effort that combines both youth involvement and non-traditional approaches to engagement, Greenville, South Carolina, has been bringing youth and community members together at a series of community dinners as part of its work with MDC's Network for Southern Economic Mobility. This network of Southern communities is focused on increasing upward economic mobility for youth.

Participants also talked about the importance of the philanthropic sector as well as "authentic" grassroots engagement and organizations. Julie Mooney pointed to the example of revitalization around Johns Hopkins University in Baltimore that was prompted by pressure from surrounding congregations and organizations. You need someone who is responsible for constantly "calling the inclusion question," participants said. Without this intermediary, "it falls off the table very fast."

Beyond specific events or projects, the larger issue is how to build an equity lens into community planning and decision making, including economic development, participants emphasized. "If you're a Martian...and you land in any particular city, you can see that the economic growth crowd in almost any city dictates the priorities of that particular place," observed Will Lambe, senior community and economic development advisor at the Federal Reserve Bank of Atlanta. Yet, "there's not a lot of evidence that the priorities of that particular place are manifesting in better opportunities," he added. "How do we in a serious and strategic way talk about opportunity as being connected to growth in serious and substantive ways," he asked.

At the same time, a participant commented that we have to have the political courage to step beyond false choices such as, “Why are you creating an innovation lab downtown when six blocks away you have people that don’t have food?” In his view, innovation and entrepreneurship can be across-the-board opportunities. He talked about a “seed and sod” approach to development, including strategies to grow from within (seed) as well as bring in from the outside to build critical mass (sod). As part of a long-range seed approach, a community non-profit is holding camps to teach computer coding to low-income kids.

Embedding change through increased diversity in governance (boards, commissions, etc.), as well as nurturing and “unleashing” leadership were mentioned as powerful, long-term strategies for ensuring greater equity and opportunity in communities. As Alan Mallach observed, while community leadership fluctuates and may include a rotating cast of elected leaders, university presidents, corporate leaders and so on, “ultimately these are the people more than anything else who set the tone for what does or does not happen in a community.” In many cases he sees a disconnect between leaders and reality for much of the rest of the community. “If people want to make a change, power has to be part of that change,” he emphasized.

Danville was among those working on strategic efforts to make leadership more diverse and inclusive. Their Leadership Connections program, for example, links young people with mentors. Andy Levine warned against treating young people like the “kids table” at Thanksgiving dinner, observing that he has seen a fair number of older leaders that don’t take young professionals groups seriously.

Others talked not just about increasing diversity, but about filling the void in leadership as corporate leadership in smaller communities has become more transient. Les Garner, president and CEO of the Greater Cedar Rapids Community Foundation, talked about building relationships with second and third generation business owners that have a family commitment to the community. Even if their company is eventually bought from outside, by having that connection and relationship we may have some influence in helping them think about transferring that family wealth and commitment to a family foundation or other institution, he said.

There was also considerable discussion about the need for not just more diversity in community engagement, but engagement in general. Bill Bishop talked about the collapse of churchgoing and trust in government and schools. We’re going to pay the price in terms of moving communities forward, he warned. People talked about community events where attendance had eroded, leading to the end of a 160-year tradition of a county fair, for example. Grant Goings, the city manager from Wilson, North Carolina, talked about the fact that citizens are increasingly seeing themselves as “customers” rather than “citizens.” “Community is not entertainment; it’s obligation,” said Bill. “What happens when that goes missing? Is there a way to instill that?”

Leverage community assets and resources through partnerships

“We are so fragmented,” complained Alan Mallach, “...everybody is in their own little silos.” Ted Abernathy commented that in an area like workforce development he has long said that we have programs, but we don’t have a system. Alan agreed, saying that if you go to a city like

Pittsburgh or Baltimore, “there could be 50 to 100 organizations doing some kind of ‘stuff’ related to workforce development. Each of them has their own agenda, their own metrics, their own supporters.” He found a similar lack of synergy around revitalization efforts in Detroit ten years ago, with a mapping effort revealing the extent to which foundations were focusing on their own programs and target areas rather than leveraging the potential synergy of their philanthropic work. Not only does this lack of coordination mean we lose the benefits of building on one another’s good work, but we also risk creating the impression among employers that our efforts are not strategic – that it’s “kind of haphazard” – commented a participant from Appleton, Wisconsin.

Leaders need to bust silos, said participants in a small group discussion focused on public-private partnerships. A regional emphasis on an issue such as workforce development or education can be a tool for unification, they agreed. Participants provided several good examples from their own communities.

Hickory, North Carolina’s K-64 initiative brings together Catawba County, its municipalities and three school districts, local chambers of commerce and businesses, and Catawba Valley Community College. Activities include integrating more technology into the schools, focusing on character education starting in elementary school, placing a priority on employer engagement and work-based learning, and helping midcareer and displaced workers access local opportunities to get retraining and industry credentials. Some of you might be doing similar pieces, county manager Mick Berry said, “But we feel the bundling of them into a single package will be a differentiator for us.” “Having been in the community for 27 years now I would say that I’ve never seen the community as united,” he added.

Participants from Danville, Virginia shared details of a partnership bringing together the community college, the public school system and the private sector to create a cohesive workforce training program, starting with precision machining. The showcase of the program is the Gene Haas Center for Integrated Machining, a facility that enables students to have a fully-integrated learning experience in a “real world” manufacturing environment.

In Appalachian Ohio, the Appalachian Partnership for Economic Growth brings together Ohio’s 32 Appalachian-designated counties around common economic development goals. Among the efforts of this six-year-old partnership is providing support to the forest and wood products industry.

Despite their promise, no one believed that partnerships were easy. It is painstaking work to work regionally, said participants from Cedar Rapids, Iowa, citing the challenges of finding a common denominator and navigating different cultures. What lessons can we learn? You need to have a very specific notion of what you want to get out of the partnership, emphasized Hodding Carter III...and a willingness to subsume individual agendas, said Alan Mallach.

The imperative to attract and retain talent is a motivator for corporate involvement and public-private partnerships

“This is a unique time in history,” observed Jerry Murphy, executive director of New North, Inc, “where whatever the prior drivers or motivations were for corporate American to get engaged, almost across the board you’ve got corporate leaders who are very definitely involved because they have very large vested interests in seeing something successful.” Indeed, participants talked about the challenges businesses in their communities face related to finding talent with needed skills. I’ve talked to employers that can’t even get applicants who can correctly fill out an application, was not an uncommon refrain. Participants also talked about the need for worker readiness skills, including not only skills such as communication, but the importance of showing up to work (and sober) on day two.

While noting that changing demographics and an aging population make a strong case for more investment in education, talent development and attraction, participants conceded that funding was always a challenge. Among the ideas for being “inventive” about funding sources, participants mentioned asset forfeiture as well as corporate partnerships.

As part of their presentation on community challenges and successes, Tupelo, Mississippi talked about the disconnect between education and careers. One counselor for every 700-800 students in some schools means that there is not much counseling is going on, they said. In this situation, how can we expect kids who are in poverty and may not have a role model to have a clue about careers available and education required? Tupelo has been fortunate to have corporate support to help address some of these challenges. Specifically, at their groundbreaking for a new plant in 2007 Toyota announced a \$50 million gift which created the Toyota Wellspring Education Fund. These funds have supported a wide range of educational opportunities, including professional development for teachers and administrators, improvements to educational technology, dual enrollment courses in health care, advanced manufacturing and other careers, and other efforts to enhance education as well as provide linkages to careers.

One effort that the group from Tupelo highlighted was their Imagine the Possibilities Career Expo. Launched three years ago, the highly-interactive expo is designed to expose eighth grade students from 17 northeast Mississippi counties to job opportunities available after graduation, along with corresponding education requirements and the potential pay scale. This year’s fair involved over 150 companies and more than 7,000 students. They said they expect to launch a career coaching initiative next year.

Given tight labor markets throughout America, participants talked about identifying talent from non-traditional sources, in keeping with the saying, “desperation is the mother of invention.” This included targeting the prison population through re-entry programs, the chronically unemployed and underemployed, those detaching from the military through equivalency testing, and others. There was particular concern about how to reach young men ages 16-35 who aren’t in school, training or work.

Ideas for reaching out to some of these non-traditional populations included:

- The Appalachian Partnership for Economic Growth’s UpSkill Your Workforce initiative. The program encourages companies to identify individuals already working for them who might benefit from upskilling. The benefit for the company is that the worker who gets

trained is already a good match for the company, knows its culture and is likely to stay. This then opens up lower skill jobs for others.

- BitSource in Kentucky is the story of Rusty Justice, a former coal miner, who started a company that targets other laid-off miners and teaches them coding skills.
- Partners in Appleton, Wisconsin have repurposed a golf course and country club into a center for providing job training to people in need. Riverview Gardens runs five social enterprise businesses where participants receive on-the-job training and other supports.
- The Jane Boyd Community House in Cedar Rapids, Iowa, provides a range of programs for children and families, including programs to help adults gain jobs through classes, coaching and job experience placements.
- Michigan's Community Ventures, which targets structurally unemployed workers in Detroit and other communities, provides employer grants, training, assistance with transportation, childcare and other barriers to employment, and other supports as needed.

Andy Levine offered advice about attracting talent, noting that companies are a key access point for talent recruitment since job seekers usually look at their websites first when contemplating a move (as opposed to looking at a community's website). We need to help these companies with how to brand the community, he said. And, while many communities say they have a talent attraction initiative, a recent experiment by Andy's firm indicates they may be ripe for improvement. In the experiment informally called "To Catch a Coder," Andy's firm reached out to 28 communities under the guise of an IT professional looking for advice on possibly relocating to the community. The sobering results: 70% of the communities never responded. Those who did respond most often said, "Look at our website." Only Springfield, Missouri stood out, Andy said. Not only did they send a list of companies with openings that might be relevant to the inquirer, but they also suggested a personal connection with another IT professional who had recently moved there.

In terms of talent attraction, Andy counseled small communities to focus on bringing back people who grew up or went to school in the community – they already know it and have a connection to it. It's easier to attract them if the emotional connection is already there, he emphasized. He offered one example of a small town in Iowa where the economic developer visited senior centers to find out which residents might have children who were successful but lived elsewhere and might have an interest in moving back to the community. In this same vein of familiarity, Andy suggested that Cleveland County, North Carolina, which is trying to attract talent to replace those retiring from manufacturing, focus on recruiting people from a 100-mile radius. He also talked about Fox Cities, Wisconsin's Talent Upload program, which is an all-expense-paid familiarization tour that targets bachelor's and graduate degree candidates from universities in the Midwest. The program brings in about 100 students in select fields such as engineering, IT and supply chain management for a two-and-a-half-day event, where they have the opportunity to meet with HR directors as well as find out what it's like for young professionals to live in the area. The costs of the event are underwritten by participating local companies, with contributions depending on their level of exposure (e.g. facility tour and/or

panel presentation vs. just a table at the employer expo). The event has had a high success rate, with nearly two-thirds of students returning to the area for an internship or job.

Other ideas related to talent attraction included:

- Road shows, where eight to 12 employers might join with the public sector to travel to a larger city, targeting graduates from the smaller community. Andy offered the example of the state of Vermont, which has taken job fair road shows to Boston and New York City, having identified alums of Vermont colleges and universities as targets. This gives companies face time with students that are already familiar with the state.
- Developing a website that includes job openings as well as community information (As an example: <https://charlottesbackyardnc.com>)
- Polling the human resource directors of area companies (including the hospital) to find out why people turn down jobs there. Ted Abernathy shared that Northwest Arkansas does this every year and then tries to address the shortcomings.
- Provide incentives for people to move back. Kansas, for example, offers income tax waivers and student loan repayments in Rural Opportunity Zones. Individual communities in other states have also offered financial and housing incentives.
- Don't overlook the ability to be involved in the community as a lure. Bill Bishop told the story of the guide for the Danville tour, noting that one of the lures for the young woman to move back from San Francisco was that she could more easily be engaged in Danville. A participant from Michigan City, Indiana told a similar story, recounting that she grew up wanting to leave Michigan City and she did – moving to Denver, Washington, D.C. and California. But she eventually came home, prompted in large part by seeing peers who had stayed making an impact in the community.

While the issues around how to attract and retain college graduates often receive the most attention, at least one participant expressed the feeling, “let’s not worry as much about the 60 percent that leave, but instead make sure that the 40 percent who stay are valued. Let’s celebrate that.” In keeping with this, a participant from Cedar Rapids commented that 70 percent of community college kids stick around, while most four-year college grads move to Chicago.

Quality of life improvements and return on physical investments

“Quality of life is incredibly important,” said Alan Mallach, “but it’s two or three levels down.” In his opinion, the basics that everyone looks for are safety, a community that’s minimally attractive, and access to decent education and healthcare.

Still, others would argue that there are additional quality of life or infrastructure issues that have become “basic,” one being technology access. Both Danville, Virginia and Wilson, North Carolina talked about their investments in broadband infrastructure. Initiated in 2004, nDanville

is the first municipally owned open-access, open-services network in the United States. The network provides the City of Danville, as well as three surrounding counties, with high-capacity broadband services. Wilson, North Carolina's Greenlight, which began in 2006 with connections between city facilities, now provides 100 percent fiber optic connections to homes and businesses.

Communities also talked about other physical and quality of life improvements. These included:

- Danville's tobacco warehouse district, where the public sector has made investments to spur redevelopment of an area including factories, warehouses and workers' dwellings constructed between the 1870s and 1930s.
- Macon's downtown revitalization, spurred by the Peyton Anderson Foundation's 1996 creation and ongoing support of NewTown Macon, a non-profit, public-private partnership. The partnership is focused on transforming the downtown, which has a wealth of buildings on the National Register of Historic Places stemming from its history as a transportation and banking hub. Related to this effort has been the development of the Ocmulgee Heritage Trail, an 11-mile trail that connects the historic downtown with nearby neighborhoods, two of the county's largest public parks, and the Ocmulgee National Monument.
- Hickory's plans for a City Walk to connect Lenoir-Rhyne University to downtown Hickory, as well as a Riverwalk to spur new retail jobs and residential growth.

Measurement is critical to informing strategy and measuring progress

Participants identified a number of important reasons for measurement. Most fell under two broad categories:

- Monitoring progress, informing strategy, and making sure you're doing what you set out to accomplish
- Informing and communicating with internal and external stakeholders, particularly in terms of showing impact and proving your value

No one at the event expected demand for performance measurement would decline; more likely demand will grow as there is greater demand for accountability, they said.

Participants identified a wide range of measures of success, which often varied by stakeholder group. These included:

Funders

- Breaking cycle of generational poverty
- Health outcomes
- Diversify/increase economic activity

Economic developers

- Jobs
- Economic investment
- Tax base
- Return on investment
- Industry diversification

Community

- Community engagement/leadership
- Quality of life

Many expressed dissatisfaction with the most frequently used measures, which tend to focus more on output or activity than outcomes. At same time, they were frustrated that many important factors – such as leadership and happiness – are difficult to measure. Many also spoke to the difficulty of responding to funders looking for shorter-term results when many strategies take up to a decade to show impact.

Data vs. personal stories: there was some disagreement as to the best approach to telling a community's or initiative's story. We've been sold on telling people stories, said Alan Mallach. But really, they don't tell you anything in terms of developing a strategy. It's the same with averages, he went on, urging participants to be thoughtful about metrics. A lot of cities measure safety on the basis of the homicide rate, he said, by way of example. But for many it's about the little stuff – car break-ins, trash, broken windows – things that may not be prominent on a city's radar. He conceded that data often loses the audience, commenting that a PowerPoint with three slides can often reach more people more effectively than one with 180 slides. Bill Bishop agreed. In his opinion, "We're tortured by stories." Solutions are not individual. It gets us off track to focus on the individual, he said in explaining the reasoning behind this opinion.

Andy Levine offered a different view, saying that he found *Wall Street Journal* articles that start with a story, and are then backed up with data, to be very effective.

NEXT STEPS:

"We're in a very negative and challenging time. Feelings of uncertainty can wash over us and paralyze us," said Karl Stauber at the close of the event. But, "I personally leave here more 'hopetimidistic'," he added, coining a new word to describe his feelings about the event. He encouraged participants from individual regions to get together to reflect on what they'd heard and what it might mean for their communities, and for thought leaders to connect virtually.

Participants were enthusiastic about getting together again, with a focus on structured peer learning and opportunities to visit other communities in the future. There was also interest in hearing from private sector actors about how they are navigating efforts to strengthen local economies.

To facilitate ongoing connections and learning, Ted Abernathy said that he and his team would put a variety of resources in ShareFile for access by all participants. He encouraged participants to share additional best practice examples, articles and reports that might be helpful to others.