

## Regionalism

*By Lorie Vincent, CEcD*

### A DYNAMIC STRATEGY FOR ECONOMIC GROWTH

Regionalism continues to grow as a tool to effectively facilitate economic development strategies and initiatives. Collaboration is a positive strategy in a time when leveraging limited resources is critical. The High Ground of Texas organization has been successfully marketing a large geographic area for more than two decades, resulting in existing business growth, industry diversification, job creation, and wealth accumulation.

The regional approach has been a driver for aggressive business development and marketing initiatives that no single community, regardless of size, could achieve on its own.

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*The Power of  
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# regionalism

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*Synergy: syn-er-gy (sin'ər-jē) n. - State in which two or more agents, entities, factors, processes, substances, or systems work together in a particularly fruitful way that produces an effect greater than the sum of their individual effects. Expressed also as the whole is greater than the sum of its parts.*

(Source: [www.businessdictionary.com](http://www.businessdictionary.com))

**t**hese days, you cannot turn on the TV, the radio or the internet without hearing the buzz word “regionalism.”

The global economic development climate has evolved to the point where “regionalism” is not only an option, but a necessity for most cities to be competitive. Issues that are driving this movement include the following trends:

- Rural cities are finding it imperative that they have the ability to combine labor data, resources, housing, and quality of life amenities in a multi-city or multi-county area.
- Metro areas are acknowledging that their economic growth is, in part, dependent upon the health of the suburban and rural communities that “feed into the hub.”
- Advances in technology have allowed communities to partner on long-term objectives or short-term projects with greater ease and impact. In other words, it’s easier to be “connected.”

“Regional collaboration” can take many forms, such as organizations within a city, cities within a county, counties within a region, etc. If one or more organizations determine it is beneficial to work together towards a common goal, then a basis for collaboration exists. Common industries, transportation hubs, medical centers, utility territories, universities, legislative issues, environmental issues, and other common components in a specific area can be the foundation of a strong regional effort.



Sample Regional Marketing Piece for 2010 Wind Power Show

The High Ground of Texas is a regional economic development coalition that covers the northern 66 counties in Texas. The primary purpose of the organization is to market the entire region to prospective clients for new and expanding industry. While marketing remains the focus of the High Ground, other benefits of regionalism are easily identified within the scope of the organization. Collateral benefits of membership include access to economic development education, the ability to impact legislative issues with a greater voice, and the generous sharing of important knowledge among communities through effective networking activities. The 20-year legacy of the High Ground of Texas speaks for itself. Through the efforts of the membership, thousands of new jobs have been cre-

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## A DYNAMIC STRATEGY FOR ECONOMIC GROWTH

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ated and retained, new industries have been developed in the region, and positive economic development policy has been realized.

If you are working with one or more organizations, if you are working with other cities or counties on specific initiatives, or if you are involved in cooperative marketing efforts, you are already practicing a form of regionalism. How does the High Ground of Texas, along with other successful regional efforts around the country, become driving forces in the economic development process?

The following ten components are essential to developing a strong regional program. Each component is part of an overall strategy to bring together stakeholders to effectively create economic growth.

## 1. TRUE COLLABORATION....NOT JUST COOPERATION

Many economic development professionals are involved in various associations and initiatives where common goals or common interests are prevalent. However, it's not until one is truly willing to put their time and dollars into working with more than one organization that true collaboration takes place. It's easy to cooperate...but sometimes...not as easy to collaborate. When one is willing to participate by investing more than just dues, or more than just attending meetings, then true collaboration and return on investment begins. Marketing projects, special reports, industry and feasibility studies, and recruitment programs all come with collaboration, not just cooperation.

In many regions around the country, stakeholders are certainly civil, supportive, and yes, even cooperative. But when it comes time to partner up on initiatives with actual time and resources, then often it's "back to their own sandbox." Talking about partnerships is common...but effective regionalism does not exist without true collaboration.

## 2. CLEAR PURPOSE AND MISSION

Many of our state agencies and federal programs operate under a "regional" system. Most of our schools, legislators, and workforce programs operate under a "district" system. We are already involved in regionalism on a daily basis. However, to be involved in a regional economic development effort, it is imperative that your regional ED organization be clearly identified in its purpose and mission. The effort to build an organization may begin with networking luncheons or brainstorming meetings, but it

The most important thing is to know "why" the need for a regional organization exists and what the expected outcomes are to be. If the members of these organizations are asked "why" the regional ED program exists... all should be able to easily answer the question in the same manner.

must ultimately graduate to the point of "knowing what you want to be when you grow up."

The High Ground of Texas organization's stated purpose is "marketing the region for new and expanding industry." A long-time, multi-county regional organization just south of us, the Texas Midwest Community Network, has a different purpose. The focus of its program is promoting its region for tourism and providing tools and resources for community development. Other regional economic development organizations have adopted other diverse purposes. All of these objectives are worthy endeavors.



High Ground Booth at the Renewable Energy Show  
(Dave Quinn-Levelland EDC, Buzz David-Amarillo EDC,  
AJ Swope-Class 4 Wind)

The most important thing is to know "why" the need for a regional organization exists and what the expected outcomes are to be. If the members of these organizations are asked "why" the regional ED program exists... all should be able to easily answer the question in the same manner. Going through the process of determining the purpose and mission will also help eliminate redundancy, duplication of efforts, and begin a productive dialogue on "who does what" within the region.

## 3. STRONG PARTICIPATION AND MEMBER ENGAGEMENT

A common denominator in the most successful regional ED organizations is a high level of engagement by the members and/or stakeholders. Regional efforts with the least amount of longevity have all or most activities outsourced, assumed by paid staff, or merely administered and reported.

For example, let's say ten cities resolve to work together on a target industry project that will positively impact an entire region. They meet once or twice, pay their allotted assessment for the project, contract with a third party to administer the objective, and go about their business. Yes, this may sound like the most efficient way to create new marketing initiatives. After all, everyone is leveraging their resources. But some important questions one might ask...Where does each of the stakeholders fit into the process? Who decides on the strategy? Who is meeting with the prospects? When do the cities get to

have actual contact with the prospective leads? Is the response to inquiries going to come from the regional effort or the member cities?

The High Ground of Texas covers a very large geographic area and the membership base is made up of primarily rural communities, with support from the metro areas. Members are involved in all aspects of the organization. While the logistics of the marketing initiatives are managed at the staff level, it is the members who do the work. The members determine the target industries, develop 35+ annual marketing initiatives, work in the trade show booths, respond to the leads generated, meet with the clients, and develop/maintain the relationships with the consultants, site selectors, and prospects. The members also develop and run the regional meetings, assist in the training programs, and actively run the committees. They are engaged in the process. (See Chart 1.)

The level of involvement from the members is directly related to the success of the organization. This is the case in the most effective regional economic development organizations throughout the country.

#### 4. ACCOUNTABILITY MEASURES

Like all successful corporations, strong accountability measures should be implemented to provide an ongoing assurance that the regional objectives are being met. Developing a strong program of work and regularly reporting on the status of the activities is critical when maintaining a regional organization.

Committee reports, regional project announcements, quarterly financials, program ROI results, and lead status reports are samples of regular tasks that promote solid accountability. Regular communication between the staff and the executive committee, board of directors, and stakeholders keeps everyone in the loop and eliminates any “guessing” on what’s going on at the regional level. Pre-set accountability measures and historical data are especially critical when requesting annual dues, assessments, special project fees or covering administrative needs.

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#### 5. FOCUS ON VALUE INSTEAD OF COST

In today’s economy, it is now more important than ever to watch the bottom line. While it has always been prudent to spend available resources in the most efficient and effective way possible, now each dollar is more precious and harder to come by than we have seen in the last 30 years. In a regional effort, it is often necessary to weigh both the tangible and intangible benefits of the program rather than just the actual cost.

#### CHART 1 HIGH GROUND OF TEXAS STRATEGIES FOR STRONG MEMBERSHIP ENGAGEMENT

- Documented history of results to share with local boards and community leadership
- Annual development and buy-in of program of work by membership
- Consistent communication by various avenues (conference calls, electronic, printed, social media, etc.)
- Region-wide representation on board of directors and committees
- Documented ROI on member investment
- Diverse marketing initiatives (rural and metro initiatives)
- Diverse educational programs (rural and metro, basic and advanced, etc.)
- Clearinghouse and database of resources and helpful information
- Access to numerous experienced economic development practitioners who are willing to share knowledge
- Forums with regional legislators and state/federal agencies to further dialogue on economic development issues and programs

In the High Ground of Texas organization, members receive over \$300,000 worth of direct marketing for as little as \$600 per member. Even the \$25,000 members agree that this is an excellent return on their investment. This is a tangible benefit that is easily documented. However, it is often hard to put a dollar figure on the intangible benefits of effective collaboration. For example, how does one measure the important knowledge, resources, and contacts that are shared among the members? How does one measure the impact that 100 cities can have on legislative policy? How does one measure the exposure a region receives in a global market before clients are actually generated?

How does one measure when economic development education provided by the regional organization results in an actual successful project? How does one measure the ability to access years of experience of long-time economic developers? How does one measure an improved attitude of citizens when neighboring cities begin to work together instead of against each other?

When it’s all said and done, how a stakeholder’s investment is being spent should always be documented and reported...but don’t forget to take it one step further and focus on the overall value of their involvement in the organization.



## 6. DIVERSIFIED PROGRAM OF WORK THAT CREATES REGIONAL BUY-IN

One of the most challenging components in developing a strong regional effort is the development of a program of work that boasts strong consensus. To start, it is important to determine if the regional effort is going to be “by the project” or an “ongoing initiative.” Many regional groups form around a specific project or purpose that, in essence, is going to have a beginning objective and an end result.

Many regional economic development efforts are created to bring attention to a specific area or to attract a specific new industry. Other regional economic development groups are created to address specific needs, such as workforce development, transportation, housing development, entrepreneurship, etc. Some regional organizations exist for the purpose of retaining and expanding their existing business base. Regardless of the regional organization’s purpose, the program developed should include initiatives that will positively impact *all* members.

In most regions, members will include both rural and metro size cities or small and large organizations. Most regions also benefit from more than one type of industry to support. Others may include more than one type of stakeholder, such as cities, counties, chambers, etc. It is important that all member or stakeholder categories are represented at the table when developing the organization’s program of work.



High Ground Region Map

Whether you are working under a “project” basis or an “ongoing effort,” this living, breathing document will be one of the most important tools in the organization. The regional organization should adopt a plan that articulates the following:

- The mission and purpose of the organization,
- What activities or programs the organization is going to facilitate,
- When it is going to do this,
- What the desired result is,
- How much it will cost,
- How long will the initiative(s) last,
- Who will be in charge, and
- When the status will be reported.

The organization will then build success and credibility for the effort. Successful initiatives are contagious and will have a positive impact throughout the region. Collaboration, communication, and consensus are the foundation of an effective regional economic development organization’s program of work. (See Chart 2.)

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### CHART 2

#### SAMPLE: ANNUAL HIGH GROUND OF TEXAS PROGRAM OF WORK

##### Marketing Activities

- Large Exhibits at 3-4 National Marketing Events
- 1 International Marketing Event
- Pre-Show, At-Show, Post-Show Marketing Initiatives
- 2-3 VIP Private Hospitality Events to Targeted Prospects
- 2-3 Industry Event Sponsorships
- 2 Annual Special Industry Direct Mail Campaigns
- 1 Annual Regional Publication
- Monthly E-Newsletter on Announcements, Industry News, etc.

- Quarterly Communication with Site Selectors, Consultants, Developers, etc.

##### Membership Activities

- 3 Regional Membership Meetings (Business, Education & Networking)
- Regular Member Updates (Using Electronic & Social Media Means)
- Comprehensive Resource Center
- Speakers Bureau
- Regional Industry Tours
- Regional Lunch-N-Learn Programs
- Partnerships with Other Regional Economic Development Stakeholders

##### Building a Better Business Climate

- Sponsor State and Federal Agency Workshops
- Sponsor Legislative Events and Forums
- Coordinate Annual Agency/Legislative Appreciation Event in Austin

##### High Ground of Texas Education Foundation

- Fundraising Initiatives for Educational Programs & Scholarships
- Annual Benefit Golf Tournament

## 7. EQUITABLE INVESTMENT OF ALL PARTNERS

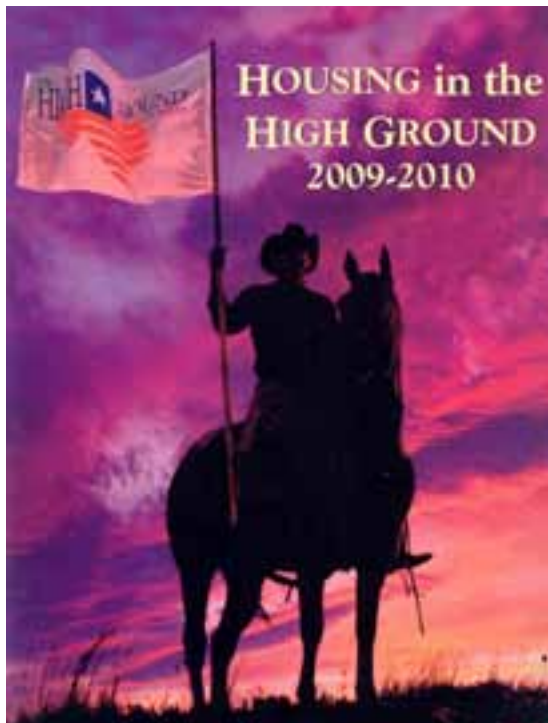
Designing an investment structure that is palatable to all stakeholders is critical to the ongoing success of the regional effort. In the High Ground of Texas, the dues structure is based upon population and categories.

Fortunately, the metropolitan economic development corporations, counties, regional utilities, workforce groups, industry associations, and colleges and universities are very supportive of the rural communities and everyone has a part in the success and growth of the organization. The board of directors is composed of representatives from cities of all sizes and all members have an opportunity to equally participate in the organization's events and activities.

The organization's memberships are not designated to individuals but to the joining organization as a whole, thereby, encouraging participation from more than one person in each membership. This has strengthened the depth of participation and has resulted in a highly inclusive atmosphere. Cities of 5,000 have as big a voice as the cities of 200,000, giving everyone the ability to be engaged in the program. A fair and equitable investment structure allows all stakeholders to be appropriately represented.

## 8. STRONG BRANDING INITIATIVES

Successful regional efforts should always include a "descriptive name and brand" that identifies the region, rather than the individual stakeholders. A strong brand for the region should enhance, not confuse, the target industries and be easy to incorporate in each of the individual stakeholder's marketing materials as well.



*Housing in the High Ground special direct marketing piece*

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In previous decades of economic and industry development, several tactics were used to give a city or county an edge in the game. Historically, the early bird caught the worm, meaning the ones who were aggressive enough to be at the "head of the line" were the successors.

Often, the ones with the flashiest community profiles and largest manuals of information were the successors. Many times, the cities with the most professional graphics and marketing materials were able to garner the best attention. And more than likely, the city offering the largest incentive package won the game. But that economic development atmosphere no longer exists.

We are operating in a highly sophisticated, highly competitive, global, instant access-to-information world where it is increasingly difficult to stand out, make an impression, and get attention. With massive advances in technology, a city can be contemplated and knocked out of consideration for a specific project in a matter of minutes simply with a Google Search based on the project's criteria and needs. Therefore, it is imperative that an aggressive regional economic development organization have a strong name and brand, but even more importantly, the ability to market to prospects and respond to inquiries, with comprehensive data, virtually in an instant.

Conversations with consultants and site selectors reflect an attitude that gathering their data from one regional source is highly preferred over having to research individual cities. Making it as easy as possible for each city to be promoted and placed in consideration is the name of the game. A win for a stakeholder is a win for the region.

## 9. CREDIBLE AND DOCUMENTED SUCCESSFUL INITIATIVES

The key to the long-term success of a regional effort is the ability to document the outcome of the organization's initiatives. This concept validates the need for a strong program of work. Adopting an attitude of "what's good for one is good for all..." will grow a region both in commerce and in perception much faster than individual efforts. Joint celebrations and the regional acknowledgment of projects are important, not just for the media impact and public relations benefits, but for future marketing purposes.

It is not uncommon for a prospect to choose a specific city, but with every other city within 100 miles benefiting from the project. It is very comforting to a company to know and realize that there is a large contingency of organizations working together within a region that are focused on their success. This allows for expanded labor opportunities, availability of more funding resources, additional suppliers and contractors to pull from, welcome access to housing and quality of life amenities, and more.

In the past two decades, the High Ground successfully diversified the regional economy by adding new opportunities for development in industries that complimented a strong existing base. The economic foundation of the High Ground region includes agriculture, meat & crop production, oil & gas production, and traditional manufacturing. Building upon that foundation, the organization began the process of attracting and developing new industries including value added food processing, renewable energy projects (wind, solar & bio-fuels), supplier side manufacturing, distribution, customer service centers, corporate headquarters, and more. By developing a multi-level marketing plan, the members have been able to take their message of “regional opportunities” to multiple targets.

For example, in 2000, the organization began a targeted effort to attract dairies to the region. Once a threshold of success in those recruitment strategies was achieved, then the organization was able to pursue the food processing as the next level of opportunity. In the past five years, Hilmar Cheese Company, Pacific Cheese Company, and Watonga Cheese have expanded into the region.

In the past two decades, the High Ground successfully diversified the regional economy by adding new opportunities for development in industries that complimented a strong existing base. The economic foundation of the High Ground region includes agriculture, meat & crop production, oil & gas production, and traditional manufacturing.

Another example would be the development of wind farms. In 2000, there was a cluster of wind farms in the southeast corner of the region. With targeted marketing strategies, the wind energy industry has grown from 10 farms in 2000 to 65+ wind farms in 2010. Again, when the threshold of wind development was met, the door was open to pursue the manufacturing and service industries to support the needs of the industry. Multiple manufacturing facilities, workforce training programs, and expanded service companies have been the result. Recent announcements including Alstom, Zarges, EMA Electromecanica, S.A., Animometry Specialists, Lufkin

Industries, etc. are just a few who now make the High Ground their home.

The organization implements multi-level marketing initiatives in multiple target industries including manufacturing, value added agriculture, food processing, renewable energy, bio-technology, distribution, and more.

## 10. PAID STAFF

Observations of various regional economic development organizations indicate that the most aggressive and successful organizations have greatly benefited by having paid professional staff. It is simply a matter of someone waking up every day and insuring that the mission and objectives of the organization are carried out. It must be someone's primary responsibility.

The mainstream economic development profession carries a busy schedule and numerous obligations; therefore, regardless of the value placed upon the activities of the regional organization, the stakeholders' first obligation lies with the administration of their own organization. It is the hiring of staff to coordinate and facilitate the many objectives of the regional organization



*Special VIP Event hosted by the High Ground of Texas at the Amarillo Farm & Ranch Show.*

that propels the caliber and credibility of the group from “club” status to “effective coalition” status.

Although a regional organization needs strong participation and leadership from its volunteer stakeholders, it is difficult to administer a program long-term with only volunteers. Make it someone's job, arm him or her with the tools and resources needed, be clear on the expectations, and the organization has a much greater chance for success and longevity.

The High Ground of Texas carries an average annual budget of \$185,000-\$200,000. The average administrative budget is \$120,000, which covers staff expense and benefits for the executive director, office expense, phone, postage, mileage, dues, training, professional development, non-marketing travel, etc. The remaining \$65,000-\$80,000 of membership dues are leveraged

into a \$300,000+ marketing plan that is supplemented by private industry partners, sponsorships, and optional membership advertising opportunities.

The ability to be a highly effective regional organization with only one staff person is often a topic of interest. The organization has found a formula for success due to exceptional coordination of activities, the outsourcing of multiple administrative functions, an extremely active board of directors, committees who are empowered with the tools needed to meet their objectives, and a high rate of member/volunteer assistance and participation.

## CONCLUSION

Providing an aggressive, but realistic, program of work that benefits the entire membership gives everyone a reason to participate. Multiple activities, sponsored and coordinated by the regional organization, give everyone a reason to be engaged. Taking advantage of the opportunity to leverage one's resources is just smart business.

The best case scenario would be to have a strong local economic development effort... that is part of an active regional effort...that maximizes all of the tools that the state and federal government make available for the

cause. Due to limited resources and staffing, for many rural communities being a part of a regional economic development effort may be the most effective, and many times, the only way to be actively involved in the recruitment, retention, and expansion of jobs in their area.

The success of the High Ground of Texas and many other regional economic development organizations around the country can be attributed to the strategies listed here. The High Ground operates under the assumption that "it's all about us... not about me" and it has served the region well.

While these tips may help to build a strong regional organization, the most important issue to remember is the end result for which we are all striving. It's about strategies for creating and retaining jobs, developing opportunities for financial stability, increasing the tax base, growing and maintaining population, and building a superior quality of life. As President Harry Truman once said, "It's amazing how much you can accomplish when it doesn't matter who gets the credit." That's what REGIONALISM is all about. 🌐



Buzz David (Amarillo EDC) and Kevin Carter (Plainview/Hale County Industrial Foundation) in High Ground booth at 2010 Specialty Equipment Marketing Association Show.

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