

A Summary Report of the Switzerland Economic Development Corporation October 27, 2009 Planning Session

On October 27, 2009 the Switzerland County Economic Development Corporation (EDC) began rethinking its overall strategy by holding a planning session. Thayer Richey from Strategic Development Group, Inc. (SDG) served as facilitator.

Agenda

The agenda for the meeting was:

1. Introductions
2. Discussing the planning process
 - a. Open and transparent
 - b. Decisions by community leaders on steering committee
 - i. Discussion
 - ii. Principle of consensus
 - c. SDG's roles:
 - i. Facilitation
 - ii. Research
 - d. Today: organization and initial review
3. Reviewing the accomplishments between 2003 and today
4. The 2008 progress report
5. Listing the challenges to economic development
6. Quick review of the transitioning economy of the Midwest
7. Next meeting:
 - a. Collecting new information
 - b. Evaluating the county's level of economic development readiness
8. Other issues

The group first talked about the planning process and what the participants hoped to accomplish. Over the next several months the steering committee will review the community's capacity for economic development; it will review a number of different approaches to economic development such as business retention and expansion, new basic employer recruitment, small business development, and quality of life programs.

Following are some of the participants' goals:

- A lot of positive things are going on, but the level of competitiveness is challenging. What can we do to stand out?
- Next year the economy will move faster. We must vet every prospect; not all are good fits with the community. We must be realistic.
- Over the last 15 years we have been discouraged over the lack of development, but in the past five years we have become extremely encouraged.
- We need a more diversified economic base – not just manufacturing.
- We can see some of the progress we're making in workforce development. The industrial park seems to have taken a long time to development, but if that's what it takes to keep our kids here, then it's worth the effort.
- Quality of life issues are important – for example, grocery stores.
- We are getting a lot of news.
- People's attitudes toward development must change. Promotional activities are important for all community development efforts.
- Economic development focuses on long-term change.
- The community must have realistic expectations.
- We cannot afford to become a bedroom community.
- This planning process is important.
- I had no idea of all of the work that goes into economic development.
- The issues with the global economy are an eye opener.
- As the mother of three engineers, there is no work for them here. We must tap into the global economy. As Thomas Friedman said, "the earth is flat."

Accomplishments

The participants then discuss recent achievements. These included:

- Moving the economic development program from a county organization only to a public-private partnership
- Diversifying the business base
- Analyzing neighboring programs
- Creating a regional approach to workforce development through Ec015
- Developing the new industrial park
 - 120 acres
 - Shovel-Ready
- Improving the county's connection to the internet
- Helping with water capacity issues

- Upgrading the sewer system
- A few activities in small business development
 - The Southeaster SBDC program has moved from Madison to New Albany
 - The EDC has some web-based small business development materials
 - This is an area that could be improved

Thayr noted that workforce development and quality of life have become perhaps the “hottest” topics in economic development. He cited the writer Richard Florida and his book *The Creative Class*.

Thayr also noted that workforce development relates to four of the EDC’s current five goals.

Challenges

The group then discussed obstacles that the EDC faced:

- Switzerland County has a small population and fewer resources for economic development than some communities
- The EDC competes for projects with communities across the world
- As a rural area, Switzerland County lacks some big city amenities
- The county is approximately one hour from the nearest metropolitan area

The participants discussed the changes in economic development in the last few years. Perhaps the most important change has been the increasing globalization. This transition has been going on for the past fifty years. Now capital can move instantaneously from one country to another. Indiana has seen the loss of thousands of manufacturing jobs to countries with much lower wage rates and looser regulatory programs.

Thayr noted that Indiana’s manufacturing jobs were declining as a percentage of all jobs in the state. While Indiana is still one of the two most manufacturing intensive states (in terms of percentage of employment) we appear to be slowing moving toward the national average.

The World Wide Web offers challenges as well as opportunities to businesses. Along with the flow of capital, the internet makes location less important for business transactions.

The group talked about the meaning of *economic development*. Participants suggested a number of characteristics:

- Improving the economy
- Educating the community on how business functions
- Changing community culture

- Engaging the larger world

Thayr explained the concept of the basic employer: a company that most of its goods or services outside of the community in which it is located. The basic employer tends to be the major target of economic development programs.

Next Meeting

The next meeting will be held on November 24.