A Pacific Northwest Nonprofit

Cultivating Leaders | Catalyzing Economic Vitality

Presented by: Michael Held, Director of Economic & Policy Services
ABOUT RDI

- 1990: State of Oregon forms response to spotted owl listing
- 1992: State of Oregon forms nonprofit Rural Development Initiatives
- 2002: Leadership Program forms (~8k grads to date)
- 2014: Moving leaders to economic action – a return to our roots

- Strengthening rural people, places and economies in the Pacific Northwest
WHERE DOES RDI WORK?
TODAY’S AGENDA

State of Rural
- Data & Trends: What does it mean for rural Oregon?

Economic Development
- How to be an effective economic development practitioner

Project Sustainability
- 11 months to create impact... & memories
OPENING ACTIVITY

1. On a scrap piece of paper, write down your single biggest, most headache inducing, project related challenge and/or issue? (2-4 sentences)
   • Define the issue.
   • Why is it challenging?
   • What are the barriers to resolving?

2. With a partner, describe your challenge/issue. Take turns.

3. Now, in one word, describe your partners issue. What is the crux or essence of this challenge?

4. What common themes did you hear?
WHY ECONOMIC DEVELOPMENT MATTERS?

Economic Systems are Broken

- Nearly half of American’s do not have enough cash to pay for a $400 medical expense – Wall Street Journal
- 71 percent of Americans are concerned about having enough money to cover everyday expenses – Pew Charitable Trust
- The inflation-adjusted net worth of the typical household, one at the median point of wealth distribution, was $87,992 in 2003. By 2013, it had declined to $54,500, a 38 percent drop – Russell Sage Foundation
- Nearly 30 percent of American adults don’t save any of their income for retirement – National Foundation for Credit Counseling
- Being middle-class would require an income of $135,000 a year for an average family of four. Median family income in 2018 was roughly half that – Commerce Department
“Millennials Didn’t Kill the Economy. The Economy Killed Millennials.”

The American system has thrown them into debt, depressed their wages, kept them from buying homes—and then blamed them for everything.
OUR COMPLEX PROBLEMS

By 2030?
TO MOVE FORWARD, WE NEED A SHARED FRAMEWORK - WHAT DO WE KNOW ABOUT RURAL ECONOMIES, PEOPLE AND PLACES?

- Rural is diverse, it is no monolith
- Rural inequity is a thing
- Rural values and voices matter
- Rural is asset rich
- Investing in rural is essential
THE BASICS: ASSET/CAPACITY BASED COMMUNITY ECONOMIC DEVELOPMENT

**Definition**: A methodology for the sustainable development of communities based on their strengths and potentials. It involves:

1. Assessing the resources, skills, and experience available in a community
2. Organizing the community around issues that move its members into action
3. Determining and taking appropriate action

Focuses on honing and leveraging existing strengths within the community
### THE BASICS: ASSET-BASED APPROACH VS NEEDS-BASED APPROACH

<table>
<thead>
<tr>
<th>Asset-Based</th>
<th>Needs-Based</th>
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<tbody>
<tr>
<td>Proactive</td>
<td>Reactive</td>
</tr>
<tr>
<td>Focuses on existing capacity and resources</td>
<td>Focuses on imposed standards and deficits</td>
</tr>
<tr>
<td>Maximizes and recycles community resources</td>
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<td>Sees community as expert</td>
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- **Asset-Based** focuses on existing capacity and resources, maximizes and recycles community resources, and sees community as expert.
- **Needs-Based** focuses on imposed standards and deficits, minimizes community resources, and sees community as in need of external experts.
KNOW YOUR ECOSYSTEM
Identify then Influence the System

Map the Ecosystem

- Think big, start small, move fast
- Act Locally, Think Globally
- Avoid the “White Knight”
- Crowdsource your expertise

Political Systems
   Government
   “The State”

Economic Systems
   Business
   “The Market”

Social Systems
   Community-Based Organizations
   “Civil Society”
WHAT IS AN ECONOMIC ECOSYSTEM?

Eight Forms of Community Economic Wealth

01 INDIVIDUAL
health, well-being, and skills of the population

02 INTELLECTUAL
knowledge, creativity, and innovativeness in the region

03 NATURAL
land, plants, animals, water, and air

04 BUILT
buildings, roads, telecommunications

05 FINANCIAL
cash and financial investments

06 POLITICAL
connections and influence of individuals and organizations

07 SOCIAL
trust, relationships and networks between people and organizations

08 CULTURAL
values, traditions, and identity
EVALUATING YOUR COMMUNITY’S ECOSYSTEM: SPIDER DIAGRAM

1. By yourself, take your spider diagram and circle how well you think your community performs overall for each key wealth indicator (5 Minutes)

2. Identify the indicators you are currently influencing - (3 Minutes)

3. Compare diagrams at your table (5 minutes)
   • How does your project potentially connect to other wealth areas?
   • How might you be able to influence other forms of wealth?

NOTE: it is only wealth if it is healthy and fully functional and if the region owns or controls it and can make decisions about how to maintain it and use it.
THE KEY TO COMMUNITY ECONOMIC DEVELOPMENT? IDENTIFY THE SWEET SPOT

Key Elements to Moving Local Economic Initiatives

1. Identify local interests
2. Engage broadly
3. Collective decision making and prioritization
4. Mobilize for action

Community Energy

Market Opportunities

Local Assets
ECONOMIC SYSTEMS CHANGE SHOULD RESULT IN COMMUNITIES...

We need to recognize that economic vitality depends on the health of a community, and that a community is not a set of separate, unrelated systems -- a business district, a school system, a park system, a street system – but rather an ecosystem.
“Every system is perfectly designed to get the results it gets.”

- W Edwards Deming
PROJECT TRANSITION AND SUSTAINABILITY

7 MONTHS LEFT...
PRINCIPAL ELEMENTS OF ALL PROJECTS

1. Project Definition and Outcome Statements
2. Create Process & Organize for Action
3. Decision Making Protocol
4. Communication Structure
5. Task Management and Maintenance
6. Action Planning (Timelines, budget, milestones, etc.)
7. Celebrate, Always Celebrate

NOTE: Project management is not linear!
THINK OF PROJECTS ON A CONTINUUM

Innovation & Ideas ➔ Technical Assistance ➔ Policy & Finance ➔ Implementation

OR ON A GRAPH!

Unfunded ➔ Action ➔ Resources

Concept ➔ Unfunded ➔ Resources

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PROJECT TRANSITION IS ABOUT RELATIONSHIP MANAGEMENT

1. Communication

2. Trust
Why do a stakeholder analysis?

- Gauge stakeholder interests
- Determine methods to influence stakeholders
- Identify potential risks
- Determine communication strategy

2 Questions to Answer

- How likely is the stakeholder to exercise power?
- To what extent does the stakeholder have power to impose its wants?
MENDELOW’S MATRIX

- Keep Satisfied
- Manage Closely
- Monitor (Minimum Effort)
- Keep Informed
MENDELOW EXAMPLE: THE DALLES PARKLET

- Council
- City Planning Office
- Mayor
- Business Owners
- Parklet Users
- City Public Works
  - Chuck at NAPA
  - Monitor (Minimum Effort)
- Main Street Board
  - Keep Informed
- Volunteers

Power vs. Interest Matrix
STAKEHOLDER COMMUNICATION

<table>
<thead>
<tr>
<th>Influence/power of stakeholders</th>
<th>Interest of stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meet their needs</td>
<td>Key player</td>
</tr>
<tr>
<td>- engage &amp; consult on interest area</td>
<td>- key players focus efforts on this group</td>
</tr>
<tr>
<td>- try to increase level of interest</td>
<td>- involve in governance/decision making bodies</td>
</tr>
<tr>
<td>- aim to move into right hand box</td>
<td>- engage &amp; consult regularly</td>
</tr>
<tr>
<td>Least important</td>
<td>Show consideration</td>
</tr>
<tr>
<td>- inform via general communications: newsletters, website, mail shots.</td>
<td>- make use of interest through involvement in low risk areas</td>
</tr>
<tr>
<td>- aim to move into right hand box</td>
<td>- keep informed &amp; consult on interest area</td>
</tr>
<tr>
<td></td>
<td>- potential supporter/ goodwill ambassador</td>
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</tbody>
</table>
## Stakeholder Communication

<table>
<thead>
<tr>
<th>Stakeholder Name</th>
<th>Communications Approach (From Power/Interest Grid)</th>
<th>Key Interests and Issues</th>
<th>Current Status (^2)</th>
<th>Desired Support (^3)</th>
<th>Desired Project Roles (if any)</th>
<th>Actions Desired (if any)</th>
<th>Messages Needed</th>
<th>Action and Communication</th>
</tr>
</thead>
</table>

\(^1\) Manage closely/Keep satisfied/Keep informed/Monitor.  \(^2\) Advocate/Supporter/Neutral/Critic/Blocker.  \(^3\) High/Medium/Low.
### HOW TO TRANSITION A PROJECT: 5 STEPS

<table>
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<th>Task</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>• Historical documentation – gather, organize, store, make accessible (includes budgets, action plans, stakeholder analysis grids, etc.)</td>
</tr>
<tr>
<td>2</td>
<td>• Identify stakeholders, their role, contact information, and any insider information</td>
</tr>
<tr>
<td>3</td>
<td>• Document lessons learned and recommendations for future action</td>
</tr>
<tr>
<td>4</td>
<td>• Hold a transition meeting to review/determine; project objectives, schedule, activities, tasks, budgets, deliverables, reporting</td>
</tr>
<tr>
<td>5</td>
<td>• Celebrate – identify your milestones and evaluate</td>
</tr>
<tr>
<td></td>
<td><strong>Extra Tip:</strong> • Make yourself available by phone/email for an agreed upon period of time (your future job reference will appreciate this)</td>
</tr>
</tbody>
</table>
SUSTAINABILITY ANALYSIS: 5 STEPS TO DETERMINE IF YOUR PROJECT WILL LAST

Determine Relevancy:
- Do objectives align with priorities?

Determine Acceptability:
- Does the project relate to the community’s priorities?

Economic/Financial Viability:
- Does the project have committed funders, or self-generating revenue streams? If no, what is an ‘acceptable’ loss or plan to become financially viable?

Determine Project Implementation Period:
- Is there a well-defined implementation plan with clearly defined functions and responsibilities?

Post Implementation Operation and Maintenance:
- Is there appropriate management support (either by your organization, the community, or both)?
ACTIVITY: IDENTIFY & DEFINE TRANSITION NEEDS

Break into groups of three and discuss:

1. The concerns you have about accomplishing and transitioning your projects and/or leaving your position. What keeps you, your community, or your organization up at night?

2. What questions do you need answered in the next 6 months to leave your position, organization, and community better off than when you found it?

3. What tools, resources, or support do you need to ensure a successful transition?

4. Debrief
IT’S THE ECONOMY, STUPID
THE ECONOMY IS CURRENTLY NEAR FULL EXPANSION EMPLOYMENT AFTER SEVEN YEARS OF.

- As of June 2017, Oregon had the fourth fastest over-the-year employment growth among U.S. states.

- The Oregon unemployment rate has been below 4 percent and reached a record low of 3.6 percent in 2017 & 2018.

- In 2017, 32 Oregon counties (out of 36) have reached their lowest unemployment rates on record back to 1990.

Source: State of Oregon Employment Department, Courtesy Jessica Nelson
UNEMPLOYMENT RATES ARE HIGHER IN RURAL OREGON.

Unemployment Rates Are Usually Higher in Rural Areas
Oregon Seasonally Adjusted Unemployment Rates

Source: State of Oregon Employment Department, Courtesy Jessica Nelson
RECOVERY FROM THE GREAT RECESSION HAS BEEN UNEVEN

Rural Oregon Has Not Recovered from the Recession

Source: State of Oregon Employment Department, Courtesy Jessica Nelson
RECOVERY HAS BEEN STRONGEST IN THE COLUMBIA GORGE, THE PORTLAND AREA AND NORTHWEST OREGON.
RURAL MIGRATION


Population Change, 2010-2014

The rural population ages 65+ is growing quickly, while the population of youth under the age of 18 is in long-term decline.
LATINO POPULATION IS GROWING
NEW LEADERS EMERGING

Oregon's Generational Outlook

Number of Oregon Residents

- Baby Boomers (1946-64)
- Millennials (1981-96)
- Gen X (1965-80)
- Post-Millenials (1997-12) - *Still being born*
- Gen AA (2013+) - *Still being born*

Source: PEW, Oregon Office of Economic Analysis
AN AGING WORKFORCE WILL BE A MAJOR CHALLENGE IN SOME AREAS AS OLDER WORKERS RETIRE.

Rural Oregon's Workforce Much Older Today

Source: U.S. Census Bureau, Local Employment Dynamics
IT’S NOT ALL BAD IN RURAL!

Important Forward Looking Indicator Looks OK for Rural Oregon

**Educational Attainment**
25-64 Years Old, Share with Bachelor’s Degree or Higher

- Gorge and N. Coast rank among best rural areas in entire country
- Rest of Rural Oregon right around the average yet above the typical area (above the median)

Data: 2013 ACS, 5 Year Estimates | Source: Census, USDA, Oregon Office of Economic Analysis

Oregon Office of Economic Analysis
RURAL OREGON IS ADDING JOBS AND WILL CONTINUE TO DO SO.

Regional Employment Projections 2014-2024

Job Growth (%)
- 15% or more
- 10% to 14%
- 5% to 9%
- Less than 5%

Source: State of Oregon Employment Department, Courtesy Jessica Nelson
DATA RESOURCES


2. Oregon Explorer - https://oregonexplorer.info/

Wrap up

1. What questions do you have?

2. What did you like (or not like) about this training?
Thank you, RARE!

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