

COMMUNITY AND ECONOMIC DEVELOPMENT BUILDING BLOCKS TOOL

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The Challenge:

Many communities are struggling to maintain competitive advantage in a rapidly changing global economy. Therefore, community leaders must articulate well-informed economic development strategies to assure their continued prosperity – or even their survival. To implement these strategies, communities will engage in numerous activities such as creating visions/plans/policies, leveraging external funding, recruiting and training community leaders, building partnerships and engaging in collaborative economic development initiatives. These activities, in turn, are directly linked to the long-term ability of communities to foster new public and private investment, create employment opportunities, increase income levels and reduce poverty.

However, before implementing an economic development action, it is crucial that a community be fully prepared to undertake this step. Too many communities leap into action without being adequately prepared: they do not fully understand the situation they are facing, they are not aware of other economic development players and activities, and they do not take the time to create a coherent response strategy.

This often leads to unproductive – even counter-productive – short-term actions in the name of economic development. These short-term actions can, in turn, create long-lasting secondary and unintended consequences that actually prolong or exacerbate the original condition. Ultimately, this can result in a perilous cycle whereby the disappointing result leads to a disillusioned public and alienated potential partners that are now less likely to support future economic development initiatives. Therefore, the first step that communities must take related to an economic development action is assessing their preparedness.

Description of Proposed Tool

The Community and Economic Development Blocking Blocks Tool is created to guide community groups through the process of preparing for economic development action. It is modeled after Neuendorf's "Building Blocks of Community Readiness"¹ demonstrating that key community elements must be in place prior to creating effective community development strategies, plans and action.

¹ Shaffer, Ron, Steve Deller, and Dave Marcouiller, *Community Economics: Linking Theory and Practice* (Ames, Iowa: Blackwell Publishing, 2004), 225-226.

The Community and Economic Development Building Blocks Tool is organized into three components: 1) Understanding the Situation; 2) Analysis of Existing Capacity; and 3) Framing Your Response (See Figure 1).

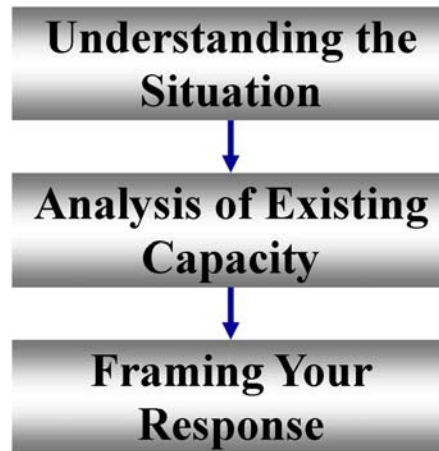


Figure 1. Economic Development Building Bocks

Each component links the user to a series of questions that are designed to be considered by community groups². Community groups are encouraged to consider these questions early in the economic development process, long before jumping into any particular action. This is an excellent tool to help community groups determine whether or not they are prepared for action – an essential and often overlooked step.

1. Understanding the Situation

The tool takes users through a process that helps ensure they are prepared for action. First, questions are asked to help community groups consider whether or not they truly understand the situation at hand:

- Is there interest locally in this issue/initiative/opportunity?
- Who is interested and what groups or interests do they represent?
- Who is championing the issue and why?

² This process is similar to the Socratic Method of teaching. The Socratic Method is named after Socrates (470-399 B.C.), an early Greek philosopher and teacher who based his teaching practice on a disciplined process of thoughtful questioning. Socrates believed that this process of disciplined questioning would lead to the truth. As described by Plato: "...Socrates will do as he always does - refuse to answer himself, but take and pull to pieces the answer of someone else." (Plato, *The Republic*, trans. Benjamin Jowett (New York: Random House), 19.)

- Are there formal groups or organizations in your community that have, or are perceived to have, responsibility in this area?
- To what extent is the basic issue understood by the community and by those with responsibility in the area of interest?
- Does the community have the necessary knowledge, information and data for a basic understanding of this issue?
- Is this a new issue or has it been around awhile?
- Is there a new twist to an older idea?
- Are there differing or conflicting views on the nature and/or need for a response?
- Is a response necessary in the short-term or is a longer-term approach possible and more appropriate?
- Is this a local issue or one that is of interest more broadly?
- Is it defined by geographical or political boundaries?
- Is there consensus in the community about this issue/initiative/opportunity?
- Is consensus possible or desirable?

2. Analysis of Existing Capacity

If users feel that they adequately understand the situation, the tool encourages them to consider the existing capacity of the community through the following questions:

- What programs and services are currently being offered?
- What key individuals work in the field?
- Are there potential funding sources?
- What is your own expertise/experience in this area?
- Who needs to be involved at the local, regional and/or state level?
- What is the past economic development history of those involved?
- What resources are available to address this issue (colleagues, specialists, websites, tools, training, etc.)?

3. Framing the Response

Finally, if users feel that the community has the capacity to adequately address the situation, the tool encourages them to carefully consider how they will respond through the following questions:

- Now vs. never vs. later: Is this something that needs to be addressed immediately, at some later date or not dealt with at all? Sometimes doing nothing is the thing to do.
- How will you measure and show impact?
- How will you communicate your involvement with other key stakeholders?
- How will your involvement be perceived by your own stakeholders?
- Who will you collaborate with?
- How much time and effort are you willing to spend on the issue?
- What will your role be: convener, champion, mediator?
- How might your role change over time?
- Do you need an exit strategy?
- What is your exit strategy?

These questions should be considered and addressed before a community group commits to any community development action. This is important to help ensure that the correct implementation action is selected, it has the support of the public and, the community has the capacity to make the project a success and can sustain it over time.

How the Tool Is Operationalized

The Community and Economic Development Building Blocks Tool is designed for community groups that are interested in becoming active in economic development. The tool is easy to use by people with no special training or specific skill set. It is designed to be utilized in a broad range of economic development settings that can be easily replicated by community leaders throughout the world.

The first step is to create a meeting of key community stakeholders to determine whether or not the building blocks of community readiness are in place - before conducting an implementation action. Spending time to ensure that the appropriate people are invited and encouraged to attend this meeting is critical. Existing educational resources can be utilized or the help of a seasoned facilitator, skilled at leading

meetings and building consensus, can be requested to ensure that this important meeting is productive.

This group then considers and discusses the questions listed under the “Understanding the Situation” section. If the group determines a need to stop the process in order to take an action as a result of the questions raised, they are encouraged to do so. For example, if it is determined that there is little or no community-wide support for a project, then perhaps more community education or public outreach is needed before proceeding further.

Once the group is confident that they truly understand the situation at hand, they can proceed to the “Analysis of Existing Capacity” section, where they conduct a similar self-reflection process. During this evaluation, they may identify that they lack the necessary community leadership to conduct a successful economic development action, in which case a leadership development program may need to be created. The group should not proceed until they are confident that the community has the capacity to manage and sustain a successful project.

If the group believes that their community has the necessary capacity, then they work through the “Framing Your Response” questions. Considering how they should respond is a vital step that is often overlooked. The group first determines whether or not they are the ones that should respond. There may be a need for action, but another group may be better suited to act. If the group agrees that the project is a good fit for them, they should then consider the full range of questions, including who they should collaborate with, how much time are they willing to invest and whether they need an exit strategy.

Ideally, the tool is used in a group setting with a carefully selected audience of key community stakeholders. However, the tool can also be used by an individual who takes the personal initiative to reflect on the community’s relative readiness such as a government official or economic development director (See Box 1 for an example).

Box 1. Case of the Village of Wausaukee, Wisconsin.

Shawn Kaskie, Community Resource Development Educator with the University of Wisconsin-Extension, used the Building Blocks Tool in the Village of Wausaukee, Wisconsin. The small community had been experiencing population and relative income decline over the past 20 years. In response, community leaders created the Wausaukee Economic Development Committee (WEDC) to revitalize the community and its downtown.

Mr. Kaskie utilized the Community and Economic Development Building Blocks Tool early in the committee’s existence. During this self-evaluation process, the committee requested additional information about their community. This pause in the planning process afforded Mr. Kaskie with the opportunity to utilize two additional tools: Trade Area Analyst LT (to help the community understand their customer base and potential

new markets); and the Community Economic Development Preparedness Index (to help the community determine whether or not they are prepared for economic development action) (See in this volume).

After working through the building blocks, the committee was better prepared to make policy recommendations. Kaskie facilitated a strategic planning process involving eight different stakeholder groups in a series of eight meetings involving more than 50 citizens. As a result, a strategic plan was adopted by the village council. The village has already implemented high priority activities listed in its strategic plan, including incentive programs for downtown façade renovations and off-street parking improvements. The village is currently working to redevelop blighted areas, build new affordable housing and offer continuing education grants to retain its young adults – all strategies originated from the village’s strategic plan.

As a result of this process, community leaders have a greater understanding of their community, their capacity to address their needs and the appropriate response strategy. According to Kaskie: “The new organization is now empowered with knowledgeable and experienced leaders in small community economic development and they have a unified direction to explain their efforts locally or competitively leverage outside resources.”

One participant in the process stated: “Mr. Kaskie’s facilitation efforts have educated and guided the WEDC in the value of planning and implementation. I learned a lot about the scope and depth of economic development, how much the village needs this and how important planning is to the ultimate success of economic development.”

Conditions in Place for the Tool to Work for Maximum Efficiency

The Building Blocks Tool can be applied in virtually every situation in which community groups are asked to conduct economic development activities. To be most effective, the tool should be used early in the planning stage in order to fully benefit from the self-reflection process.

Perhaps the most effective situation occurs when working with communities that are relatively new to economic development, or that have experienced a pattern of failure or become stagnant and are in need of a catalyst for change. Many times, such communities feel rushed into action without being fully prepared. Some communities inadvisably copy what has been successful in other communities regardless of how appropriate the action might be in their own community. Still other communities forge ahead without considering opportunities for partnerships and collaborations. All of these communities would benefit from taking the time early on in the process to conduct this simple self-reflection process.

More experienced communities with a history of successful economic development strategies may also benefit from the use of this tool. These mature communities may wish to review the Community and Economic Development Building Blocks Tool on a

periodic basis or when they are faced with new circumstances or are considering the implementation of new strategies or directions.

Other Tools that Complement this Tool

The Community and Economic Development Building Blocks Tool is easily complemented by a number of other diagnostic tools. Some of the questions in the self-reflection process can only be answered through local observations, perceptions, attitudes and conditions while others through a rigorous analysis. For example, to help community leaders determine whether or not they are prepared for action, they are referred to the Community and Economic Development Preparedness Index (see this volume), a more sophisticated and time-consuming tool that may be appropriate for many community groups.

If the group feels that they understand the situation, that their community has a capacity for action and that it is appropriate for them to respond, it is time for action. The group then develops an action plan and selects a set of appropriate actions. Some of such action tools are presented in this volume. Other tools in the English language can be found at the “Community and Economic Development Tool Box” web site developed by University of Wisconsin Extension, Community and Economic Development Preparedness Team (<http://www2.uwsuper.edu/cedpt/index.htm>) or can be developed to address a specific issue by the group itself or by a team of external consultants.

The Community and Economic Development Building Blocks Tool helps foster strong, effective and lasting dialogue between public and private sector community stakeholders. This, in turn, helps ensure that the community is prepared to undertake an appropriate and sustainable economic development action that is fully supported by key stakeholders and the public.