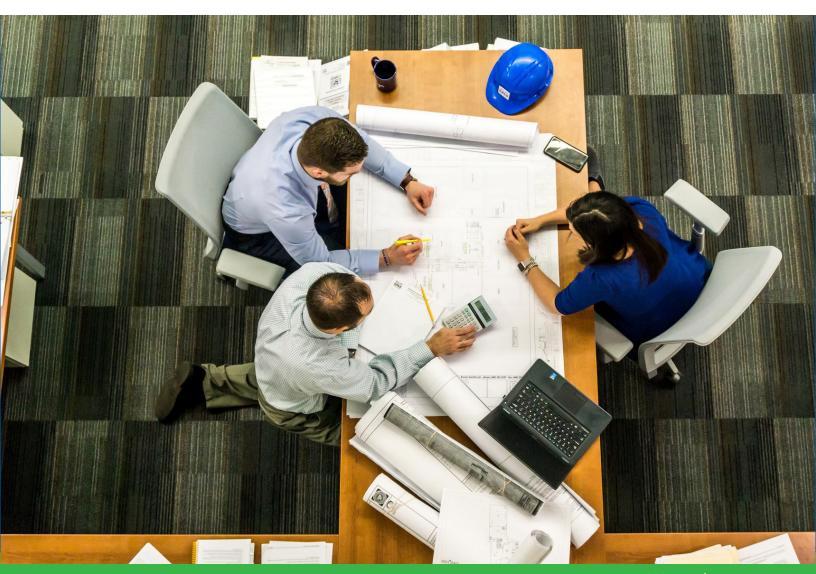
## ECONOMIC DIVERSIFICATION

HOW COMMUNITY COLLEGES PARTNER WITH ECONOMIC DEVELOPMENT ORGANIZATIONS

BY THE INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL & THE AMERICAN ASSOCIATION OF COMMUNITY COLLEGES



### INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL (IEDC)

IEDC is a non-profit, non-partisan membership organization serving economic developers. With more than 5,000 members, IEDC is the largest organization of its kind. Economic developers promote economic well-being and quality of life for their communities by creating, retaining and expanding jobs that facilitate growth, enhance wealth and provide a stable tax base. From public to private, rural to urban, and local to international, IEDC's members are engaged in the full range of economic development experience. Given the breadth of economic development work, our members are employed in a wide variety of settings, including local, state, provincial and federal governments, public-private partnerships, chambers of commerce, universities and a variety of other institutions. When we succeed, our members create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions. Visit www.iedconline.org.

#### **ACKNOWLEDGEMENTS**

This research paper was completed with assistance from the U.S. Economic Development Administration's POWER Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative, Project No. 04-79-07103. The statements, findings and other data in this paper are solely those of the American Association of Community Colleges, which authored this paper in partnership with IEDC for this project.

This paper is part of a larger scope of work delivered by IEDC through the POWER Initiative. The purpose of this work is to provide capacity-building services in areas of Alabama, Kentucky and Tennessee that have been affected by changes in the coal industry.

## AMERICAN ASSOCIATION OF COMMUNITY COLLEGES (AACC)

AACC is the primary advocacy organization for the nation's community colleges. The association represents nearly 1,200 two-year, associate degree-granting institutions and more than 13 million students. Visit www.aacc.nhce.edu.

# INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL

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#### **EXECUTIVE SUMMARY**

Community colleges and economic development organizations (EDOs) share many common interests, concerns and goals regarding the communities they serve. Between the two groups are many rich areas for collaboration, to which community colleges have the ability and self-interest to contribute constructively.

Collaboration between economic development organizations and community colleges matters because it works. When done well, it saves scarce resources, leads to better outcomes, and encourages further collaboration. Community colleges typically do not have the resources to pursue economic development activities independently, nor is there any perceived value in duplicating services and supports provided by other entities.

Collaboration can be iterative. That is to say, effective collaboration can lead to more collaboration.

Often, partnerships that appear to be limited to a project-specific application often end up sparking further collaboration. Many respondents talked about collaboration as being rooted in relationships, especially in rural areas. As professional and personal relationships grow between individuals and collaborating entities, a willingness to explore new areas for collaboration can occur. In cases where co-location occurs, e.g. an economic development organization maintaining a satellite office on a campus, the roots of that co-location can often be traced back to instances of co-hosting an event.

Every college respondent interviewed for this series of papers spoke of collaboration as a fundamental practice and indicated that opportunities for collaboration are sought on an ongoing basis. Further, those respondents often identified collaboration as the reason for the success of a particular initiative.

## INTRODUCTION AND METHODOLOGY

This paper is the third and final in a series of three papers prepared by the American Association of Community Colleges for the International Economic Development Council. These papers support and inform the work being conducted by IEDC as part of an award from the U.S. Economic Development Administration's Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative. IEDC's work under this grant is designed to build capacity for economic development in communities in Alabama, Kentucky, and Tennessee that have been affected by changes in the coal industry. The focus of these white papers is on the community college role in strengthening and diversifying local economies in collaboration with economic development organizations and other partner entities and stakeholders.

The first paper in this series examines the role of community colleges in preparing the workforce for economic diversification, looking at the topics of soft skills development, workforce development, entrepreneurship, and leadership development.

The second paper explores the role of community colleges in initiatives specifically intended to diversify the local economy, covering topics of small business development, supporting the growth of new industries, tourism, downtown revitalization, asset mapping, and economic development training.

This final paper addresses building strong and lasting collaborations between community colleges and economic development organizations. Topics explored include the necessity and benefits of such collaborations, opportunities for collaboration, recommended steps for building collaborative relationships, and examples of successful initiatives.

To complete the research, AACC identified regions within and outside of Appalachia in which efforts to strengthen and diversify local economies have occurred or are occurring to identify promising practices, resources, and materials that can inform efforts in the POWER-served region. The regions are identified as those in which a significant economic downturn – with concomitant job losses – has occurred and where applicable, some portion of the economy is or was dependent on value-added natural resources. Specific regions targeted included northern New England (timber and paper products), North Carolina (textiles and furniture), the Pacific Northwest (timber), the rural upper Midwest (manufacturing), and Appalachia (coal). AACC conducted both online and relevant literature research, and conducted interviews with community college personnel in order to address key questions.

#### **FINDINGS**

Funding is increasingly scarce for entities engaged in economic and workforce development, including community colleges. According to the Center for Budget and Policy Priorities, "[state] funding for public two- and four-year colleges is nearly \$10 billion below what it was just prior to the recession." Asked to do more with less, community colleges are looking for opportunities to collaborate and share resources. Pooling monies to meet grant-matching requirements is a common example of this.

In recent years, collaboration has become, in many cases, a necessity. The Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant program is a \$2 billion federal workforce investment intended to support community colleges in increasing education and training capacity. The program, in Round Three, required that colleges align their programmatic goals and strategies with their governor's office of economic development and state workforce plan. Colleges that were not already working with economic developers found that they could not access this robust funding stream without doing so. Furthermore, colleges were also required to collaborate with philanthropic organizations, business-related and other nonprofit organizations, community-based organizations, and labor organizations, especially those engaged in sector strategies. Examples of collaboration included incorporating tools developed by these organizations, connecting program participants to work-based training opportunities, assisting with placement opportunities, and providing supportive services where appropriate.<sup>1</sup>

Likewise, colleges seeking support from the U.S. Economic Development Administration must be able to demonstrate a clear link to economic development through the Comprehensive Economic Development Strategy process (discussed further below).

In the second paper in this series, we discussed business incubation, small business supports, and entrepreneurship activities in which colleges are engaged across the country. In every instance we observed, those programs involved multiple entities, in addition to the colleges, coming together to achieve success. In fact, in multiple cases, colleges specifically stated that their initiatives could not have been achieved without the collaborating partners. Especially in the cases in which campuses house virtual or brick and mortar business incubation services, the presence of economic development organizations is ubiquitous, from traditional EDOs to the National Institute of Standards and Technology's Hollings Manufacturing Extension Partnership, to community development financial institutions and other entities.

Building a collaborative relationship requires time, commitment, and a commonly recognized purpose. The time to initiate a collaboration is not the day that a letter of support for a grant application is due, nor any other time when an "ask" is imminent. Furthermore, we suggest that collaboration should, where possible, be broached with an offer. The offer can be of resources, of space for a meeting, of support for an initiative or project or any other situation in which the support is useful and to which no strings are attached

One example of this is at White Mountains
Community College in New Hampshire. Whenever
an appointment was made to visit a business, a
call went out to the local economic development
organization and the local community development
financial institution to offer to share the appointment.
The rationale for this was that the three institutions
could develop trust and collaboration, the business
was better served by one visit versus three, and the
organizations would present a united and collaborative
front to the business community.

Below are further examples of opportunities for collaboration between community colleges and EDOs.

#### **Comprehensive Economic Development Strategies**

Particularly in rural communities, it is not uncommon that a relatively small cohort of local leaders can end up in the same meetings, on the same boards, and staffing the same projects. This reality presents ample opportunities to build personal relationships. As noted above, it is often out of these personal relationships that professional collaborations gain momentum and breadth.



For a college or an economic development entity looking for a place to start, the Comprehensive Economic Development Strategy (CEDS) planning process presents one opportunity. A CEDS – a strategy-driven plan resulting from a regional planning process designed to build capacity and guide the economic prosperity and resiliency of an area or region – must be in place in order to receive funding from the U.S. Economic Development Administration (EDA). EDA notes that The CEDS provides a vehicle for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation and debate about what capacity building efforts would best serve economic development in the region.<sup>2</sup>

Because the CEDS requires annual updates and a complete re-write every five years, it presents an opportunity to engage in a meaningful ongoing dialogue about economic development, as well as a vehicle to identify areas of collaboration. Because all EDA funding is tied to the local CEDS, colleges and economic development organizations are effectively mandated to speak with a common voice.

#### **WIOA**

As with the CEDS process, the Workplace Innovation and Opportunity Act (WIOA) provides another easy entry point into collaboration. According to the Department of Labor's Employment and Training Administration, "WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy." <sup>3</sup> This federally funded program requires state and local planning to include what DOL identifies as "workforce development system stakeholders and system partners (comprised of workforce development, economic development, education, and business-facing organizations)." <sup>4</sup> This is again a situation in which funding drives collaboration, and thus the common good can be easily identified.

#### **Sector Strategies**

Both the CEDS process and WIOA can often draw upon or reference sector strategies. The Corporation for a Skilled Workforce defines sector strategies as state policies that promote regional partnerships of employers, educators, workforce developers and other stakeholders that address the skills needs of critical industries in a region. They are focused on one critical industry; are led by a strategic partner who coordinates dialogue and action; and result in customized solutions to the workforce needs of employers in the industry. They are a proven mechanism for meeting the needs of workers for good jobs and the needs of employers for skilled workers. <sup>5</sup>

While they are often developed under the leadership of workforce development boards, successful sector strategies will draw upon the expertise of economic development professionals, have access to labor market information, and will often have the best information on employer trends and targets locally.

#### Steps to Builiding Collaborative Relationships



We recommend that those seeking to build collaborative relationships take the following steps.

- 1. Identify those areas in which paths commonly cross, e.g., common boards, meetings, initiatives;
- 2. Identify common purposes;
- 3. Offer support without asking for anything in return;
- 4. Build personal relationships that develop trust; and
- 5. Assume good faith.

It is important to note, however, that the work of building collaborations is not enough – they must be maintained and sustained. Mutual needs and opportunities evolve, and it is important that collaborative relationships evolve with them. Steps Two through Five (above) are no less important to an established relationship than they are to a nascent one, and should be taken equally seriously. It is important to remember that the time to maintain and sustain a relationship is not when an urgent need arises, as it can be perceived as a "marriage of convenience." Rather, the time to put in the work is when the work can be done for the general good.

#### Examples of Economic Development-Community College Collaborations

Colleges and economic development entities are encouraged to look across their organizations to see

where multiple relationships – both personal and professional, at the executive and staff levels – can be fostered so that ongoing success is not tied to a single person or project.

Examples of how this can work are myriad. In our second white paper, we discuss the Northern New Hampshire Talent Team, a regional response to the construction of a federal prison. This work brought all of the potential service providers, political representatives, state and local agencies, representatives from the Bureau of Prisons, and other organizations into one room to coordinate efforts, streamline messaging, and aggregate resources so that qualified job applicants would be prepared for the application process, and that every interested local business would get the support it needed to become eligible to do business with the federal government. In the case of the Talent Team, an additional step was determine which organization would track metrics for the work, and then offer to gather that information for them as part of the Talent Team process.



In Hazard, Kentucky, plans were recently announced for a droneport – a center for drone research, development, training and education, the first of its kind in the United States. <sup>6</sup> This initiative, which involves multiple partners in both the public and private sector, was driven in part by a personal relationship developed by the president of Hazard Community and Technical College.

In North Carolina, Brunswick Community College and Brunswick County Economic Development created an Economic and Workforce Development Alliance. The partnership seeks to provide a strong economic base in the county and create an entrepreneurial environment. The partners work together to recruit industry and provide workforce development supports for the incumbent and the

aspiring workforce.<sup>7</sup> In addition to the college and EDC, the alliance includes representatives from the county school system, a regional economic development group, multiple state entities (representing the port, the community college system, the department of commerce and division of workforce development, biotech interests, and small business support center), county government, and the region's workforce development board. <sup>8</sup>

In Washington state, Walla Walla Community College uses data analysis, along with relationships with local businesses and economic development entities, to target services to meet current and future job demand. By both training workers and helping small businesses, the college helped develop the region's thriving cluster of vineyards and wineries at a time when economic diversification was needed (due to a slowing agriculture industry and other job losses). The college also is engaged in partnership with the area's electric utility to support job growth in the wind energy sector. <sup>9</sup>

In North Carolina, the Small Business Center (SBC) at Asheville-Buncombe Technical Community College works closely with the City of Asheville's Economic Development department. The city department provides a liaison to present and collaborate on programming for entrepreneurs, and provides financial and in-kind support. For example, the SBC works closely with the city's Economic Development Specialist who manages the women/minority-owned enterprises program. They partner to offer several SBC seminars each semester (e.g., public contracting for artists, working with the government).

The SBC participates in, and will often host, a quarterly meeting for women/minority business

owners in partnership with the city, and receives city support for a women's business conference.

Finally, the SBC works closely with the city regarding sponsorship and coordination of the annual Western North Carolina Minority Enterprise Development Week.

For a system-level approach to economic and workforce development, colleges and economic development entities may wish to investigate the "Doing What Matters for Jobs and the Economy" initiative in California. <sup>10</sup> As part of the initiative, the state chancellor's office has aggregated workforce and economic data in a multi-level database that is open to all. The initiative provides funding to individual institutions to better respond to workforce needs, mirroring WIOA expectations regarding coordination with economic development and workforce entities.

The project includes a specific implementation strategy to "develop regional leadership and operational partnerships among community colleges, industry, labor, and other workforce and economic development entities to improve the delivery of all CTE [career and technical education] efforts." <sup>11</sup> While it would be difficult for institutions or regions to replicate the work being done in California without additional resources, it may be helpful to review how the information is organized (e.g., by region, by sector, by resource type) and consider how the underlying strategy might be adapted on a more modest scale.

For further examples of effective collaboration, see "The Role of Community Colleges in Regional Economic Prosperity," a publication of the League for Innovation in the Community College. <sup>12</sup>

#### **Endnotes**

<sup>1</sup>https://www.dol.gov/asp/evaluation/completed-studies/20170308-TAACCCT-Brief-1.pdf

<sup>2</sup>https://www.eda.gov/ceds/

<sup>3</sup>https://www.doleta.gov/WIOA/Overview.cfm

<sup>4</sup>Ibid.

<sup>5</sup>http://www.sectorstrategies.org/

 $^6 https://perrycounty.ky.gov/business/Pages/USA-Drone-Port. \\ aspx$ 

<sup>7</sup>http://www.nccommunitycolleges.edu/align4ncworks/innovations/brunswick-community-college

<sup>8</sup>http://www.nccommunitycolleges.edu/sites/default/files/a4ncw/best\_practice-brunswick.pdf

<sup>9</sup>http://www.mtsac.edu/president/cabinet-notes/ EmpoweringCommunityColleges\_final.pdf

<sup>10</sup>http://doingwhatmatters.ccco.edu/Home.aspx

<sup>11</sup>http://doingwhatmatters.ccco.edu/StrongWorkforce/ ProjectPlan.aspx

<sup>12</sup>http://www.league.org/sites/default/files/private\_data/ imported/occassional\_papers/Regional\_Economic\_Prosperity. pdf



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