Guided Discovery: Playing and Winning the Economic Development Game

Municipal Technical Advisory Service

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GUIDED DISCOVERY
Playing and Winning
The Economic Development Game

Facilitator’s Manual
Municipal Technical Advisory Service
The Municipal Technical Advisory Service (MTAS) is a statewide agency of The University of Tennessee's Institute for Public Service. MTAS operates in cooperation with the Tennessee Municipal League in providing technical assistance services to officials of Tennessee's incorporated municipalities. Assistance is offered in areas such as accounting, administration, finance, public works, ordinance codification, and wastewater management.

Each MTAS Municipal Management Guide provides city officials with basic information, sample forms, and model policies and procedures needed to manage or develop a particular program or function. Contact MTAS for a list of GUIDES and for information on their availability.

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GUIDED DISCOVERY

FACILITATOR'S MANUAL

for playing and winning the economic development game

A STRATEGIC PLANNING APPROACH TO ECONOMIC DEVELOPMENT

by

Thomas A. Brant
1988

MUNICIPAL TECHNICAL ADVISORY SERVICE
THE UNIVERSITY OF TENNESSEE
Knoxville, Tennessee

In cooperation with The Tennessee Municipal League
ABSTRACT
Guided Discovery is a strategic planning approach to economic development. It is intended to serve communities by providing a process for examining strengths and weaknesses, and developing realistic strategies for actions to improve economic conditions.

CITATION

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Dear Municipal Official:

For almost forty years The University of Tennessee's Municipal Technical Advisory Service (MTAS), has assisted Tennessee cities and towns in managing a broad range of issues and problems. Much of this assistance, although not labeled as such, has had a direct relationship to economic development. This includes the development and management of municipal infrastructure, improvements in management systems and practices, and budgetary and financial procedures. Most recently MTAS has initiated new assistance efforts in wastewater management and hazardous waste management.

All of these areas are important and integral to the success of every community's economic development. Until now, however, the assistance provided by MTAS has not been organized and presented in a way that focused on economic development. Cities and towns have not typically seen MTAS as one of its working partners in economic development.

The initiation of the **Guided Discovery Program** marks a new beginning for MTAS. Through it, MTAS will assist community leaders to think, analyze, decide, and act on economic development issues and problems. It is a workable process for those cities and towns that are serious, and are prepared to commit time and effort.

It is appropriate to recognize the efforts of Thomas A. Brant, MTAS Municipal Management Consultant, who has ably prepared and documented the **Guided Discovery Program**. His unique approach and style have given economic development a fresh feel and provided credence to MTAS' involvement.

MTAS believes that the **Guided Discovery Program** will be helpful and effective in advancing the economic development of Tennessee's cities and towns. As always, we look forward to your suggestions and comments on this program.

Sincerely,

C. L. Overman
Executive Director
ACKNOWLEDGEMENTS

I wish to acknowledge the contribution of Anne F. Hawkins, MTAS Information Management Consultant, for her professional assistance in the development of this publication. Her ideas, attention to details, and coordination of the publication process were essential and invaluable to the attainment of the final product.

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MTAS Senior Editorial Assistant, Deborah Linn, finalized the report for publication. Armintha Loveday, MTAS Principal Secretary, provided timely and competent word processing. I appreciate the thoroughness and accuracy of their work.

Deborah Elder, The University of Tennessee's Institute for Public Service Publications Editor, and Pierrette Oppegard, Designer, combined all of these efforts to produce this publication in an innovative format.

The readings and resource materials are an essential and integral part of the Guided Discovery process. I specifically wish to acknowledge and thank the following organizations and individuals for the contribution their publications add to this program: the National Rural Electric Cooperative Association; the National Association of Towns and Townships; the Center for Business and Economic Research, College of Business Administration, The University of Tennessee; and the Tennessee Advisory Commission on Intergovernmental Relations.

Thomas A. Brant
Municipal Management Consultant
INTRODUCTION

Guided Discovery is a strategic planning approach to economic development. It is intended to serve communities by providing a process for examining strengths and weaknesses, and developing realistic strategies for actions to improve economic conditions.

The contents of Guided Discovery, as developed by The University of Tennessee's Municipal Technical Advisory Service (MTAS), are arranged in three formats:

* A Work Book for Participants - a document intended for use by participants in the program

* Facilitator's Manual - a guide for individuals coordinating the program

* Resources Guide - a compilation of reading material designed to enhance the understanding of the participant's program

The document you are reviewing here is the Facilitator's Manual. Take a few minutes to scan its contents. This is your manual, so make notes as you want. This manual has been designed to enhance the Guided Discovery process.

Use this manual to help guide the program's participants. Vary when necessary, and give us your feedback. GOOD LUCK!
Tools for Facilitators

ASKING THE RIGHT QUESTION

Adapted from “Working With Groups,” Lizette Weiss, Director of Public Affairs, Association of Bay Area Governments, Berkeley, California.

TO DEFINE PROBLEMS:

1. As I understand it, the problem is . . . does anyone have additional information on the issue?

2. Would anyone care to suggest facts we need to better understand the issues involved?

TO BROADEN PARTICIPATION:

1. We’ve heard from some of you. Would others who have not spoken like to add their ideas?

2. How do the ideas presented so far sound to those of you who have been thinking about them?

3. What other issues related to this problem should we discuss?

TO LIMIT PARTICIPATION:

1. (To a dominating participant) We appreciate your ideas but perhaps we should hear from others. Would some of you who have not spoken care to add your ideas to those already expressed?

2. You have made several good comments and I wonder if someone else might like to ask a question or make a statement?
3. Since all of the group has not yet had an opportunity to speak, I wonder if you would hold your comments until a little later.

TO FOCUS DISCUSSION:

1. Where are we in relation to the decision we need to make?

2. Would you like to have me review my understanding of what’s been said and where we are?

3. That’s an interesting comment. However, I wonder if it relates exactly to the problem that’s before us?

4. As I understand it, this is the problem . . . Are there additional comments before we come to a decision?

TO MOVE THE MEETING ALONG:

1. I wonder if we’ve spent enough time on this and are ready to move along to . . .?

2. Have we gone into this aspect of the problem far enough so that we could shift our attention to . . .?

3. In view of the remaining agenda items (or time we’ve set to adjourn) would it be well to go on to the next question before us?

TO HELP THE GROUP EVALUATE WHERE IT IS:

1. Do any of you have the feeling we are at an impasse on this issue? And why we are not moving ahead?

2. Should we look at our original objective for this discussion and see how close we are to it?

3. Now that we are nearing the end of the meeting would anyone like to suggest how we might improve our next meeting?
TO HELP REACH A DECISION:

1. Do I sense an agreement on these points . . . ?

2. We seem to be moving toward a decision that would . . . (Chairperson describes decision), Should we consider what it will mean in terms of . . . if we decide this way?

3. What have we accomplished up to this point?

4. Would someone care to sum up our discussion on this issue?

TO PROVIDE CONTINUITY:

1. At our last meeting we discussed this issue. Would someone care to review what we covered then?

2. Since we will not complete this discussion at this meeting, what are some of the issues we should take up at the next meeting?

3. Would someone care to suggest additional information or issues we need to consider before our next meeting?
THE ROLE OF MTAS IN ECONOMIC DEVELOPMENT

Background

Economic development is currently the high priority, high profile issue in the state of Tennessee. Recent major economic and industrial successes have generated heightened levels of awareness, discussion, and expectations. Agencies and institutions of government and education are rethinking roles, and planning new and restructured approaches to meet present and projected needs.

Recently, The University of Tennessee's Institute for Public Service initiated an integrated effort among its operating units to think through and define appropriate actions to enhance an aggressive economic development posture statewide. As part of this initiative, MTAS has reviewed its potential for contribution, and has prepared the following format for a limited but appropriate program response.

MTAS Goal

Economic development is an important issue and concern for almost all municipalities in the state, and MTAS' unique service structure presents an in-place system for credible delivery of economic development assistance. The goal of MTAS is to assist cities and towns to think, analyze, decide, and act on matters relating to the economic present and future within the context of existing state and regional considerations.

MTAS Strategy

MTAS recognizes the existence of numerous federal, state, and academic resources currently available to cities and towns in the area of economic development.
MTAS also recognizes the complexity of the economic development process, and the individuality of each community's strengths and problems. The economic development assistance MTAS offers is shaped to accommodate these factors.

MTAS's program of assistance to cities and towns is limited, sharply defined, and focused on only two objectives:

1. To identify economic development resources available to municipalities, explain who does what, and how to make the best use of what is available.

2. To provide practical technical assistance to municipalities upon request, emphasizing the value of a strategic planning framework for making decisions related to economic development.

The Process

MTAS's role in the area of economic development can be best summarized in one word — CATALYST. MTAS has a unique relationship with cities and towns. It performs a critical service by facilitating access to information and technical assistance. Through a process called Guided Discovery, communities can be empowered to increase their capacities for shaping their economic present and future. Communities can identify and develop linkages that will serve as the bases for the evolution of strategy and action plans.

The Program: Guided Discovery

Guided Discovery incorporates several program elements. Collectively these elements constitute a substantive base of information and technical assistance resources. They are tools to actualize the process.

1. Publications and Information. As appropriate information becomes available, it will be provided to communities demonstrating an active and sincere interest in economic development. The center piece publication is the “Rural Community and Economic Development
Manual" prepared by the National Rural Electric Cooperative Association. This is required reading, and the basic working tool for the formation of this economic development component of strategic planning. Tech Trends is a vehicle for communicating information about MTAS assistance in economic development.

2. **Information Exchange.** There is an on-going information exchange process within the MTAS staff structure. Staff in turn relays pertinent information to cities and towns.

3. **Technical Assistance.** MTAS will facilitate the “Harvesting Hometown Jobs” video and workshop. This is a motivational and educational tool developed by the National Association of Towns and Townships. Using the “Rural Community and Economic Development Manual,” MTAS provides an economic development module within its overall strategic planning program service.

4. **Cooperation.** MTAS will continue to work cooperatively with other public and private organizations in the development of economic development programs and services. The Governor’s 95-county economic development program, the U. S. Department of Defense procurement program, and export assistance are examples.

The first two program items relate to the implementation of MTAS’s annual information service objectives, and the remaining two program elements address the objective of providing direct assistance to the client in activating an economic development process.

The **Guided Discovery** program emphasizes information and technical assistance, and incorporates a significant but narrow application of strategic planning. It is important to maintain simplicity and flexibility in the program design to best serve the broad range of municipalities in the state. It is also important to properly recognize services and programs already being offered by other agencies of the state and The University of Tennessee. MTAS will provide input that it is uniquely qualified to perform.
No technical assistance will be extended by MTAS if similar assistance is already available through other state and regional sources.
GUIDED DISCOVERY

DO IT YOURSELF!
THE GUIDED DISCOVERY PROCESS

A Program of Economic Development Technical Assistance For Tennessee Municipalities Provided by MTAS

The **Guided Discovery** process is a means for community leadership to develop a self-help approach to economic development. The process takes the participants through a series of exercises to identify critical community factors, assess present strengths and weaknesses, and develop a realistic development strategy.

The total program is presented in five segments with one program element providing the main topic for each session. The principal program resources and guides are the "Rural Community and Economic Development Manual," developed by the National Rural Electric Cooperative Association, and the "Small-Town Guide To Local Economic Development," developed by the National Association of Towns and Township. There are suggested readings from both.

The program emphasizes a number of themes:

- Industrial recruitment is not the most likely solution to economic development in most communities.

- Economic development is an on-going process, not a series of hot and cold promotional efforts.

- There are some things that are controllable and manageable, and some that are not.

- Economic development programs should be developed on a county-wide and area-wide basis.
COMMUNITY LIVABILITY

VALUES AND VISIONS
Program Element #1:

COMMUNITY LIVABILITY CHARACTERISTICS

This program element is designed as a participative exercise to demonstrate that industry looks for the same characteristics and qualities in selecting a community for location, as an individual does in selecting a community for a home.

Important Points of Emphasis Include:

1. Industrial site selection is as much a regional selection decision as it is a process of picking a specific community (e.g. Spring Hill - Saturn.)

2. The individual community must find a way to cooperate with its municipal and county neighbors in order to attract industry. Competition may be damaging. Cooperation is productive (e.g. Sparta - White County consolidation effort, motivated by economic development considerations.)
HARVESTING HOMETOWN JOBS

FOCUS ON JOBS
Program Element #2

“HARVESTING HOME TOWN JOBS” VIDEO

This program element focuses on a thirteen-minute video produced by the National Association of Towns and Townships.

There are Four Key Messages:
1. Economic development is more than industrial recruitment.

2. The first step in an effective economic development program is to do something positive.

3. Local government plays a unique and indispensable role.

4. Help is available through statewide resources - MTAS, State of Tennessee Department of Economic and Community Development (ECD), Development Districts, and others.

There are Seven Action Strategies:
1. Reduce retail leakages.

2. Encourage the survival and expansion of existing businesses.

3. Promote the creation and expansion of new small firms.

4. Encourage the start-up and growth of home-based businesses.

5. Capitalize on the area’s agricultural resources.

6. Support job training and retraining opportunities.

7. Invest in the area’s tourism potential.

(Note: the emphasis on “area” in the above seven strategies.)
PREPARING FOR ECONOMIC DEVELOPMENT

GET READY!
Program Element #3:

PREPARING FOR ECONOMIC DEVELOPMENT

This program element builds upon the seven potential action strategies identified through the "HARVESTING HOMETOWN JOBS" program. This is done within the context of a community profile, which the participants develop using a modification of a checklist developed by the National Rural Electric Cooperative Association.
ACTION PLAN

GET SET!
ACTION PLAN

GO FOR IT!
Program Element #5

IMPLEMENTING THE ACTION PLAN

Drawing on the individual action plans prepared by the participants, a consensus action plan is developed. An important point in this segment to note is that the action plan that has just been finalized is not really final. It can never be carved in stone, and must be forever flexible. The action plan as an on-going process is discussed, with emphasis on monitoring and developing the annual work plan. The program is summarized and concluded.
SEGMENT #1

PROGRAM ELEMENT #1

COMMUNITY LIVABILITY CHARACTERISTICS
Program Element #1

COMMUNITY LIVABILITY CHARACTERISTICS

There is a general perception that the basis upon which communities are selected by industry as a location site involves some mysterious formula. This program element is designed as a participative exercise to demonstrate that industry looks for the same characteristics and qualities in selecting a community for an industrial site that an individual does in selecting a community for a home.

INTRODUCTION

A 1983 study by The University of Tennessee Graduate School of Planning Research Center revealed:

- Eighty percent of Tennessee's communities cannot support new growth without environmental damage, due to lack of adequate infrastructure.

- Most communities are unable to enhance their economic standing because they lack the ability to systematically develop strategies. In these communities there is:

  - an inadequate information base.

  - a lack of consensus on development objectives.

  - an absence of entrepreneurship.

The Guided Discovery Process is designed to help a community begin a self-help program to address these problems and shortcomings.
EXERCISE 1: Defining Community Livability

Ask the members of the participating group for their personal feelings on what characteristics of a community they think are most important. Pose the question this way: “If you had the opportunity to live in any community in the country, what characteristics and qualities would that community have?”

Using a flip-chart, record all comments made. After an adequate period of time for participation, summarize the input, and list the qualities that represent a consensus of the group’s ideas.

The list should look something like this:

1. **Economic Stability:** Am I confident about my ability to earn a living, and do the kind of work I want to do here?

2. **Personal Safety:** Do I know this is a safe place for me and my family?

3. **Real Estate Values:** Is it probable that buying a home here is a sound investment?

4. **Traffic:** Can I go where I need to go and want to go in a reasonable amount of time and with minimum aggravation?

5. **Municipal Services:** Do I have confidence in the ability of the police and fire departments to do their jobs? Will I have safe and clean drinking water? Will the garbage service be reliable?

6. **Good Schools:** Can I send my kids to good neighborhood schools that will really prepare them for life after the classroom?

7. **Cultural and Recreational Facilities:** Does the community have real character and focus? This is a characteristic that will make the community not just adequate, but desirable.

8. **Taxes:** Do I feel that state and local taxes are reasonable and fair? Am I getting my money’s worth?
9. **Climate and Other Gifts of Nature:** These are uncontrollable, but given a choice, they may weigh heavily.

10. **Community Attitudes:** Am I comfortable with community attitudes?

**EXERCISE 2: Identifying Industrial Site Selection Criteria**

Doyle Hyett is an executive for the firm, Hyett-Palma Inc., in Washington, D.C. His business is to assist industrial firms that are seeking to expand or relocate, to make the best location decision. At a recent National League of Cities meeting, he was asked to list the typical priorities involved in selecting a community for a new location or a relocation. Allowing for specific individual differences, these are the priorities he listed:

1. Ability to make a profit.
2. Infrastructure improvements and general community livability.
3. Labor rates.
5. Tax rates.
7. The community's ability to answer questions and concerns prior to the location decision.

To further illustrate how industrial site selection decisions are made, introduce the site location decision game. There are three parts to this exercise:

- Each participant, working alone, ranks each of the thirty-six criteria.
- Teams, consisting of three or four participants, develop a consensus ranking for each of the thirty-six criteria in the form of a scorecard.
The teams' scorecards are compared to the scorecard actually completed by the company.

Keep your eye on community development and community livability when you plan for industrial development.

CONCLUSION

We have spent a considerable period of time during this segment talking about what industry looks for in selecting a community. Every community concerned about economic development is interested in attracting new industry. Unfortunately, in many situations, it has become the focal point of the community's economic development program. This is an unrealistic approach, and one that we do not encourage you to follow.

In our upcoming segments we will be focusing on JOB CREATION as the main goal of your economic development efforts. It is true that new industry means new jobs, but new industry is only one means available to you to generate new jobs.

Through the Guided Discovery process you will in future segments assess your community's strengths and weaknesses, and develop strategies and an action plan that will help you create the vision of what your community can be tomorrow.

As we conclude this first session, there are three points of emphasis that I want to leave with you, and ask that you think about them. They are key to the understanding of the Guided Discovery process. Write them down in your notes.

1. Economic development is one aspect of community development. Industrial development is one aspect of economic development. Don't let the tail wag the dog.

2. As a community, it is imperative that you find a way to cooperate rather than compete with your municipal neighbors in developing and implementing economic development strategies. You will gain strength by
combining efforts and resources.

3. Economic development is an on-going process, long term, incremental, and for the most part up-hill. Dramatic breakthroughs are the exception. Sensational overnight results are rare. Keep your perspective.

Recently in London, England, there was an article in the newspaper, and the headline to the story read, “Tidal Wave of Investment Hits Tennessee.” It is really remarkable that recent economic development occurrences in our state would be noted internationally. Maybe Tennessee's time has come. Maybe you are undertaking this effort at just the right time.

Prior to our second segment, please read Chapters 1, 2, and 3 of the "Rural Community and Economic Development Manual."
SEGMENT #2

PROGRAM ELEMENT #2

HARVESTING
HOME TOWN JOBS
This second segment introduces to the group the HARVESTING HOMETOWN JOBS video and guide. The video features eight community success stories, three of which feature Tennessee locations. The video communicates four key messages, and seven action strategies.

REVIEW OF THE FIRST SEGMENT:

During the first segment we considered the characteristics and qualities that make a desirable community. We looked at the kinds of things that business and industry value in making location decisions. We found that industry looks at the same qualities that an individual considers in choosing a community.

We concluded the first segment by noting three points that are key to understanding and implementing the Guided Discovery process. I want to state them again:

1. Industrial site selection is as much a regional selection decision, as a decision to locate in a specific community.

2. As a community you must find a way to cooperate with your municipal and county neighbors, if you are to make the best of your economic development efforts.

3. Economic development is more than industrial recruitment.
REVIEW OF FIRST THREE CHAPTERS OF THE RURAL COMMUNITY AND ECONOMIC DEVELOPMENT MANUAL

Chapter 2 presents some general information on urban and rural population growth trends. There are additional noteworthy trends that are Tennessee specific that need to be mentioned, so that you have an accurate picture of the current economic environment.

During the period 1980 — 1985 there was a tremendous variation between the urban and rural areas of Tennessee with respect to the increase in new jobs. In the urban areas of the state, new jobs increased at a 12.2% rate, while in the rural areas the increase was 3.4%. This is not to say that some rural counties have not done well. Some have. But generally speaking, the rural communities have had a tougher road to travel than the urban communities.

During the 1960 — 1985 period, Tennessee experienced a significant structural change in the nature of its economy:

- In 1960 manufacturing employment represented 34% of total employment, and service employment represented 14% of total employment.

- In 1985 manufacturing employment represented 26% of total employment, and service employment represented 19.3% of total employment.

- Statewide manufacturing jobs have been declining since 1979.

With respect to per capita income, there are two very clear relationships that have been identified:

1. The greater the percentage of population that is rural, the lower the per capita income.

2. The lower the educational level, the higher the unemployment rate and the lower the per capita income.
The main emphasis of Chapter 3 is the need to encourage home-grown job creation. This is what I was referring to when I said that economic development is more than industrial recruitment. Somehow, somewhere along the line, most communities have gotten off the track. Too often there has been a tendency to focus on the exception rather than the rule. It is easy to get excited about the possibility of attracting a Saturn plant, and to forget that Saturn is a once-in-a-blue-moon long shot.

Let's face a basic fact. For most communities, the best chance of success lies in a strategy of encouraging home-grown job creation. The majority of new jobs are going to be created through the expansion of existing business and industry.

HARVESTING HOME TOWN JOBS VIDEO AND COMMENT

(You as facilitator have a copy of the Harvesting Home Town Jobs-Production-User's Guide. The following is a modified version of Chapter V of this Guide.)

CONDUCTING THE SEGMENT

This video may offer an opportunity for you to acquire some new ideas, or a different perspective. The idea is to begin - to do something positive to keep and create hometown jobs.

As you view the video, think about the following:

1. What are the key problems or concerns facing your community?

2. What are the video's four key messages?

3. What are the seven home-grown strategies suggested in the video?
4. Do any of the video's star communities offer a clue to a successful strategy in your community?

(At the conclusion of the video, use a flip chart to review and discuss each of the above four questions. It may be helpful to show the video a second time.)

At this point distribute copies of the HARVESTING HOMETOWN JOBS SMALL-TOWN GUIDE. Indicate that this Guide is a tool that the group can use to implement an effective economic development program.

DISCUSSION and CONCLUSION

The second meeting should be concluded with a group consideration of the following questions:

1. What are the job creation challenges and opportunities facing your community and area? How might the challenges be conquered, and the opportunities realized?

2. What are three action steps that can be taken locally to keep and create jobs? What should be done? Why should it be done? Who should do it? How should it be done? When can it be done? What are some appropriate short term and long term targets?

3. Who else within the community and area can be a part of this program?

4. What resources, both close-to-home and out-of-town might be of assistance? (Use Appendix A in the HARVESTING HOMETOWN JOBS SMALL-TOWN GUIDE.)

5. Before the next segment, each member of the group should develop some specific ideas as to how to get the job creation ball rolling.
Prior to the third segment, each group member is expected to do the following in the way of preparation:

1. Follow through on No. 5 above.

2. Thoroughly review the HARVESTING HOMETOWN JOBS SMALL-TOWN GUIDE.

3. Read Chapter 4 of the "Rural Community and Economic Development Manual."

At the next segment we will go through an exercise together that will help you begin to assess your community's and the area's strengths and weaknesses.

In formulating a strategy and an action plan for economic development, it is critical that you know what your strengths and weaknesses are.

Prior to the next segment, read Chapter 5 of the "Rural Community and Economic Development Manual."
SEGMENT #3

PROGRAM ELEMENT #3

PREPARING FOR ECONOMIC DEVELOPMENT
Program Element #3

PREPARING FOR ECONOMIC DEVELOPMENT

In the third segment two group exercises are used.

The first involves the solicitation of ideas from the group for possible strategies. It builds on the concepts presented in the HARVESTING HOMETOWN JOBS video and guide.

The second exercise uses a checklist developed by the National Rural Electric Cooperative. It is a tool for identifying and evaluating a broad range of data relating to a community’s strengths and weaknesses.

At the following segment, the group will be guided to the development of a consensus regarding the community’s opportunities and problems.

REVIEW OF THE SECOND SEGMENT:

During the second segment we looked at the HARVESTING HOMETOWN JOBS video, and discussed the highlights of it. We talked about the four key messages, which were:

1. Economic development is more than just industrial recruitment.

2. The first step in program development is to do something positive.

3. Local government plays a unique and indispensable role in economic development.

4. Help is available through a variety of statewide resources.
We talked about the seven action strategies:

1. Reduce retail leakages.

2. Encourage the survival and expansion of existing businesses.

3. Promote the creation and expansion of new small firms.

4. Encourage the start-up and growth of home-based businesses.

5. Capitalize on the area’s agricultural resources.

6. Support job training and retraining opportunities.

7. Invest in the area’s tourism potential.

We also talked together briefly about which of the seven strategies might be appropriate for ________________.

In concluding our second segment, I presented a few questions for your consideration. I asked you to think about:

- The job creation challenges and problems facing your community.

- The action steps that can be taken locally to keep and create jobs.

- Other people resources in the area that might be able to contribute to the program.

- Other resources that might help.

Finally, all of you completed the segment with a challenge to come up with some ideas for the group to consider at this meeting.

**EXERCISE #1:** Presentation and Consideration of Ideas

Using a flip-chart, ask for and record all ideas from each group member.
For each idea submitted, request that the contributor answer the questions: who, what, why, when, and how.

(Note to the group that this is a preliminary brainstorming exercise, and the purpose is to get as many ideas out as possible.)

At this point, no evaluation or judgment of any of the ideas are to be made. The list will be revised during a future meeting, after additional preparation has occurred.

**EXERCISE #2: Assessment of Community Strengths and Weaknesses**

Ask each group member to complete the Community Preparedness Checklist on pages 5-29 through 5-36 in the "Rural Community and Economic Development Manual." Allow approximately thirty minutes for the completion of the checklist.

Request each person to hand you the completed checklist. Tell the group that at the start of the next segment, you will provide a summary of the results. The first portion of segment #4 will be used to discuss the results, and to develop a consensus.

**DISCUSSION AND CONCLUSION**

The intent of this segment has been to begin thinking in specific terms about your community's strengths and weaknesses, and to generate some preliminary ideas on appropriate strategies.

We will next look at your assessment of __________, and decide whether the strategies we discussed today are appropriate for meeting the challenges and problems your community faces.

Prior to the next segment, read Chapter 6 of the Rural Community and Economic Development Manual."
DEVELOPING THE ACTION PLAN
Program Element #4

DEVELOPING THE ACTION PLAN

This fourth segment takes the results of the previous group exercises, and applies them to the task of developing an economic development plan of action. At this point the group has developed an understanding of the comprehensive nature of economic development, the broad range of available options, and the community's strengths and assets. The next step is to finalize the appropriate workable strategies, and incorporate them into an action plan. The key words in this segment are purpose, goals, and planning.

REVIEW OF THE THIRD SEGMENT:

During our previous segment, we conducted two exercises. The first was to generate ideas for appropriate strategies. We came up with quite a few. I wrote them down on the flip-chart, and we are going to look at those ideas again. (Review each of the ideas presented.)

The second exercise at was the completion of a community preparedness checklist. Each of you completed it, and the next thing we will do is look at the profile that your responses have established. (At this point, present a summary of the results of the community preparedness checklist. Discuss it, and develop a group consensus on the community's strengths and weaknesses.)

(Return to the list of ideas for feasible strategies that the group previously generated. Quickly review the ideas within the context of the community preparedness checklist.)
REVIEW OF CHAPTER 6 OF THE RURAL COMMUNITY AND ECONOMIC DEVELOPMENT MANUAL

In preparation for this meeting, you were asked to read Chapter 6 of the "Rural Community and Economic Development Manual."

Chapter 6 takes us forward to the theme of this segment, “Developing An Action Plan.” In previous segments, and earlier in this segment, we have talked about workable and feasible strategies. We are now at the point where we must incorporate those strategies into a plan of action. Chapter 6 provides an excellent framework for accomplishing this. During the remainder of this segment, we will begin the process that will enable you to develop that plan of action for ________________.

(At this point, review with the group the following key sections of Chapter 6):

- Getting Organized
- Preparing The Development Plan
- Monitoring and Updating the Plan

DISCUSSION AND CONCLUSION

WHY PREPARE A PLAN?

- To outline the steps leadership must follow in promoting job creation.
- To identify and strengthen the community’s strategic position.
- To promote efficient use of scarce development resources.
- To improve coordination among the various job creation programs and activities.
- To build consensus on major issues.
• To increase public awareness, understanding, and support.

(At this point, distribute the forms to be used in developing an action plan.)

The action plan is an **ongoing working document**. It is a guide. Its purpose is to provide a game plan for the community to overcome economic development barriers, and enhance economic development opportunities. In developing your plan, you must become more detailed in your thinking. You must move from the level of goals and strategies to the detail of specific recommendations, actions, timetables, sources of funding, and people resources. In the real sense of the word, you must plan.

In preparation for our final segment, I want you to read Chapter 7 of the Rural Community and Economic Development Manual. When you have done that, sit down and prepare your draft of an economic development action plan for_________. Use the forms that I have just given to you to develop your plan. You start by listing the strategies on which we have reached a consensus. Then proceed to itemize specific actions, target dates, responsible groups, and funding sources.

During our fifth and final segment, we will draw on the plans that each of you develop between now and then, and attempt to reach a consensus on a single plan of action. You can use this plan of action as a tool to accomplish your economic development goals for the community.
SEGMENT #5

IMPLEMENTING THE ACTION PLAN
Program Element #5

IMPLEMENTING THE ACTION PLAN

In this final segment, the group will complete the development of an action plan. Using a flip chart, the facilitator asks the participants to contribute ideas from the plans that each has individually developed. The exercise is intended to produce a composite plan, which all of the participants can accept and use.

The action plan as an on-going process is discussed with emphasis on monitoring, continuity, and the annual work plan.

This segment and the program are concluded by a review and reinforcement of the principal themes and ideas of the Guided Discovery process.

Exercise: Finalizing The Action Plan

(Using a flip chart, set up the sheets on it to resemble the action plan forms on which the group members prepared their individual plans.)

To repeat part of what we said at the conclusion of the last segment, we must move from the high plateaus of goals and strategies to the nitty gritty of specific actions, timeframes, and resources. For each strategy we must answer the questions: What will be done, Who will do it, When, and How much will it cost? We are developing a guide that will be your bridge to carry you from “just talk” to “results.”

(Ask each member of the group to participate in the development of the “consensus” action plan. Follow the format provided to the group members individually.)
MONITORING AND UPDATING THE PLAN

SURPRISE - the action plan we have just “finalized” is never really final. It is a guide that will always be subject to change. At no point will it be carved in stone. It must be forever flexible.

It is important as you go forward with your program, that you put in place a means to keep track of your progress, and to maintain the momentum you have established. You need to establish a procedure for developing an annual work program. In essence that means updating your plan, just like we did here, at least once each year.

Monitoring means comparing results with goals to see how you are doing. The logical next step is updating, and then continuing forward. Pages six through nine in the Rural Community and Economic Development Manual list a number of measures that you may wish to incorporate in your monitoring program.

PROGRAM CONCLUSION

Throughout this program, there have been a number of underlying messages that have sometimes been spoken, and sometimes unspoken. These messages or themes are important to keep in mind as you implement your plan and go forward with your economic development program. Keep these points in mind:

- Industrial recruitment is not the answer to economic development in most communities. It is almost never the whole answer in any community.

- Economic development is an on-going process, not a series of hot and cold promotional efforts. That is why we have emphasized planning and monitoring, updating, and involving others in the effort. You must gear up for the long run, and really work at it. It is not going to happen overnight, and in all probability you won’t experience anything really earthshaking and dramatic. The goal needs to be long-term, incremental improvement.
Some things are controllable and manageable, and some things are not. Know the difference, and spend your time, effort, and resources wisely.

Economic development is not just community specific. The region and the county are probably more important than the community. Economic development programs have a better chance of success if they are regional or county in concept and execution. This does not mean you should not work hard at the community level. It does mean that you should work to broaden your program, to include other cities and towns, and the county.
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ABSTRACT
Guided Discovery is a strategic planning approach to economic development. It is intended to serve communities by providing a process for examining strengths and weaknesses, and developing realistic strategies for actions to improve economic conditions.

CITATION

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The readings and resource materials are an essential and integral part of the Guided Discovery process. I specifically wish to acknowledge and thank the following organizations and individuals for the contribution their publications add to this program: the National Rural Electric Cooperative Association; the National Association of Towns and Townships; the Center for Business and Economic Research, College of Business Administration, The University of Tennessee; and the Tennessee Advisory Commission on Intergovernmental Relations.

Thomas A. Brant
Municipal Management Consultant
INTRODUCTION

**Guided Discovery** is a strategic planning approach to economic development. It is intended to serve communities by providing a process for examining strengths and weaknesses, and developing realistic strategies for actions to improve economic conditions.

The contents of **Guided Discovery**, as developed by The University of Tennessee's Municipal Technical Advisory Service (MTAS), are arranged in three formats:

- *A Work Book for Participants* - a document intended for use by participants in the program
- *Facilitator's Manual* - a guide for individuals coordinating the program
- *Resources Guide* - a compilation of reading material designed to enhance the understanding of the participant's program

The document you are reviewing here is the Resources Guide. Take a few minutes to scan its contents. This is your manual, so make notes as you want. This manual has been designed to enhance the **Guided Discovery** process.

Use this manual to help guide the program's participants. Vary when necessary, and give us your feedback. **GOOD LUCK!**
MTAS

A RESOURCE GUIDE
GUIDED DISCOVERY

DO IT YOURSELF!
HARVESTING HOMETOWN JOBS

FOCUS ON JOBS
PREPARING FOR ECONOMIC DEVELOPMENT

GET READY!
ACTION PLAN

GET SET!
ACTION PLAN

GO FOR IT!
GUIDED DISCOVERY
Playing and Winning
The Economic Development Game

Resources Guide
Municipal Technical Advisory Service
The Municipal Technical Advisory Service (MTAS) is a statewide agency of The University of Tennessee's Institute for Public Service. MTAS operates in cooperation with the Tennessee Municipal League in providing technical assistance services to officials of Tennessee's incorporated municipalities. Assistance is offered in areas such as accounting, administration, finance, public works, ordinance codification, and wastewater management.

Each MTAS Municipal Management Guide provides city officials with basic information, sample forms, and model policies and procedures needed to manage or develop a particular program or function. Contact MTAS for a list of GUIDES and for information on their availability.

Municipal Technical Advisory Service
The University of Tennessee
891 20th Street
Knoxville, Tennessee 37996-4400
(615) 974-5301
GUİDED DISCOVERY

A Strategic Planning Approach
to Economic Development
Dear Municipal Official:

For almost 40 years, MTAS has assisted Tennessee cities and towns in managing a broad range of issues and problems. Much of this assistance, although not labeled as such, has had a direct relationship to economic development. This includes the development and management of municipal infrastructure, improvements in management systems and practices, and budgetary and financial procedures. Most recently MTAS has initiated new assistance efforts in wastewater management and hazardous waste management.

All of these areas are important and integral to the success of every community’s economic development. Until now, however, the assistance provided by MTAS has not been organized and presented in a way that focused on economic development. Cities and towns have not typically seen MTAS as one of its working partners in economic development.

The initiation of the Guided Discovery program marks a new beginning for MTAS. Through it, MTAS will assist community leaders to think, analyze, decide and act on economic development issues and problems. It is a workable process for those cities and towns that are serious, and are prepared to commit time and effort.

MTAS believes that the Guided Discovery process will be helpful and effective in advancing the economic development of Tennessee’s cities and towns.

Sincerely,

C.L. Overman
Executive Director
The Role of MTAS in Economic Development:

Economic development is currently a high priority, high profile goal in Tennessee. Recent economic and industrial successes have generated heightened levels of awareness, discussion and expectations at the municipal level.

MTAS's unique service structure offers an in-place system for the effective delivery of economic development assistance to cities and towns.

The MTAS Approach:

MTAS staff recognize the existence of numerous federal, state, and private resources already available to municipalities. Consultants also recognize the complexity of the economic development process and the individuality of each community’s strengths and weaknesses. The professional MTAS staff’s approach to economic development accommodates these factors. It is focused on two clearly defined objectives:
1. To identify economic development resources available to municipalities, explain who does what, and offer suggestions for making the best use of what is available.
2. To provide practical technical assistance to municipalities upon request, emphasizing the value of a strategic planning framework for making economic development decisions.

These two objectives are the basis for the MTAS program of service to municipalities in the area of economic development. The program is called “Guided Discovery.” It is really a process rather than a program; its purpose is to enable a community to increase its capacity for shaping its economic present and future.

The Guided Discovery Process:

The Guided Discovery process is a way for community leadership to develop a self-help approach to economic development. The process enables participants to:
- identify critical community development factors
- assess its current strengths and weaknesses
- formulate realistic development strategies
- develop an effective action plan

The program is presented in five meetings with one program element providing the main topic for a session. The five program elements are:
1. Community livability
2. Harvesting hometown jobs
3. Preparing for economic development
4. Preparing the action plan
5. Implementing the action plan.

The principal guides for the program are the Rural Community and Economic Development Manual, developed by the National Rural Electric Cooperative Association, and the Small-Town Guide To Economic Development, developed by the National Association of Towns and Townships.

The Guided Discovery process emphasizes several themes:

- Industrial recruitment is not the most likely solution to economic development in most communities.
- Economic development is an on-going process, not a series of hot and cold promotional efforts.
- Some things are controllable and manageable, and some things are not.
- Economic development programs are most effective if developed on a county-wide, or area-wide basis.
Guided Discovery requires commitment and work on the part of a community's leaders. It is a straightforward, common sense approach to economic development. If your city or town is interested, contact Thomas A. Brant, Management Consultant, MTAS, 891 20th Street, Knoxville, Tennessee 37996-4400, or phone (615) 974-5301.