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Community Economic Development Strategic Planning for Rural Communities: A Case Study of Successful Programs

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Keywords: Developmental planning, rural communities, economic development

Abstract: This is an empirical case study which examines the extent to which extension-led community economic development strategic planning (CEDSP) programs in rural communities have been effective and why.

Purpose of Study

Since their inception university cooperative extension services in the United States have been engaged in planning and organizing for development in rural communities. With the rise of strategic planning, extension services began a more formal use of the concepts and tools of strategic thinking and management in their educational programming. Recognizing the need for strategic planning, universities (typically cooperative extension), led the way in designing, implementing, providing training, and conducting applied research around community level strategic planning beginning in the early to mid-1980's (Walzer & Deller, 1996). In spite of the increased use of strategic planning for public sector agencies there has been little theoretical modeling on strategic planning, research design work, or actual research undertaken on the effectiveness of community level strategic planning. In my research I was interested in understanding to what extent extension-led community economic development strategic planning (CEDSP) programs have been effective and why. To respond to this interest, a primary research question was developed: To what extent did communities follow key elements of a community economic development strategic planning process, explicitly or implicitly, and were these elements critical to the success the programs? This paper reports the findings from my research on successful CEDSP programs.

This research is significant for three reasons. First, hundreds of communities and numerous staff and material resources have been dedicated to delivering these strategic planning programs. Second, there is a great and growing need for economic development in rural America. Across most socio-economic indicators, rural America lags behind its metro counterparts. Effective policies and actions are needed to help rural America reach its potential. Third, there is a paucity of knowledge about how and why strategic planning programs work. The specific strategic planning components and processes are not fully understood, particularly in the community context.

Theoretical Framework

This research is based on a reality-oriented qualitative inquiry epistemology that states that social phenomena exist not only in one's mind, but in the objective world as well, and that relatively stable relationships can be assumed to exist and be amenable to examination (Patton, 2002). Further, this study used an analytical induction framework. In this approach, the researcher begins with deduced propositions or a theoretical framework and then examines a particular case to determine if the facts of the case support the hypothesis or model. I used the

strategic planning model developed by Bryson (2004) as the theoretical framework for how CEDSP works and then analyzed the actual practice and results in six communities where the strategic planning programs took place. It is a modified model to account for a much greater amount of interaction time expected between the planning professionals, community leaders, and community members.

Bryson (2004) described strategic planning as a disciplined effort to produce fundamental decisions that shape and guide what an organization is, what it does, and why it does it” (p. 6). A community economic development strategic planning model based on Bryson’s theoretical work would include the following steps: (a) initial agreement on planning to plan; (b) identification and clarification of official local government mandates; (c) develop or clarify community purpose and values; (d) assessment of community hopes and concerns; (e) identification of key strategic issues; (f) strategy development based on key issues; (g) review and adoption of strategic plan or plans; (h) development of a community vision; (i) development of an effective implementation process; and (j) reassessment of strategies and the strategic planning process.

Research Design

The study used a multiple-case study research design. According to Yin (2003), this design is most suitable where there is a desire to understand complex social phenomena in a holistic way, such as organizational and management processes and neighborhood changes. Six successful cases of CEDSP programs were examined, two from Minnesota and four from Wisconsin (see Table 1). Data was collected through document gathering and surveys. The documents included program planning materials, background data on the communities, working papers for the program, final reports, and local media coverage. Two interview surveys were used, one for state extension program specialists and one for local community leaders. Both included open ended and closed ended questions. CDC-EZ-Text computer software was used as an aid in the analysis. A complete case record was built for each case and then the cases were both summarized and compared against the modified Bryson model of CEDSP. I rated the ten components for their prominence and presence in each case, based on a rubric I developed.

Findings and Conclusions

Based on the analysis of the six case study communities and a synthesis of the most important characteristics of their programs, a possible final model for successful community economic development strategic planning is suggested (see Figure 1). It attempts to capture what occurred consistently across six distinct communities and with four distinct program models. Four of Bryson’s components appear to be the most important ones for ensuring success (see Table 2). They appear in their relative order of importance. The first three items reflect the classic definitions of a community strategic planning process as identified by Green, Haines, and Habesky (2000) - situation analysis, development of possible alternative strategies, and the preparation of goals and action plans, with the exception of action planning. The final component that appears to have been critical to successful programs was a thorough pre-planning effort.

Table1. Community economic development strategic planning case study communities

| Community Name | 2000 Population | Program Name | Year Conducted |
|---|------------------|--|----------------|
| New Richmond, Wisconsin St. Croix County | 6,310 63,155 | Downtown and Business District Analysis Program | 2002 |
| Dodge County, Wisconsin | 85,897 | Labor Market Analysis Program | 1998 |
| Whitehall, Wisconsin Trempealeau County | 1,499 27,010 | First Impressions Program | 1996 |
| Lac du Flambeau, Wisconsin Vilas County | 3,004 21,033 | First Impressions Program | 2003 |
| Faribault, Minnesota Rice County | 20,818 56,665 | Business Retention and Expansion Program | 2002 |
| Traverse County, Minnesota | 4,134 | Business Retention and Expansion Program | 2003 |

Less frequently cited by the participants and visible from their documents was developing an effective implementation process, the development or clarification of the community purpose or values, and the development of a community vision. It is interesting to note that actual action planning, getting specific concrete actionable items in place was not one of the highest priorities in these programs. I believe that this is based on two reasons. Many of the programs are not explicitly designed for action and I believe that action planning is more difficult than reflection and analysis, so communities don't develop action plans as readily.

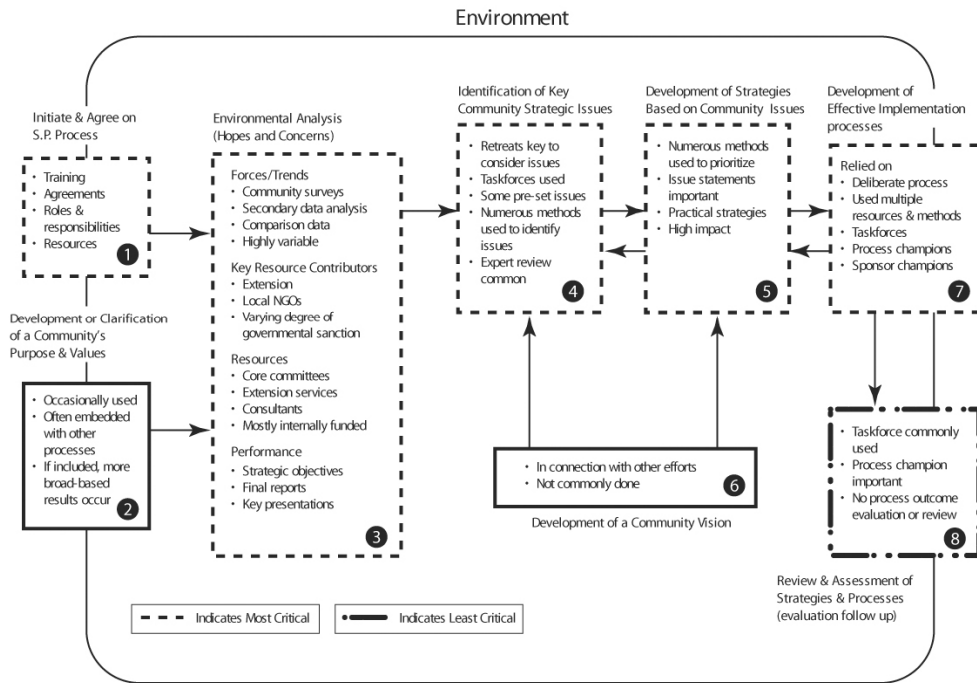
The second two components in this medium importance category focus on the need for community purpose and vision. In the governmental or non-profit sector these translate into mission statement work and visioning. In these community cases, however, there is considerable less emphasis. Some of the programs have a narrow focus which precludes examining community wide needs. If the CEDSP model posits that these two elements are critical to the development of a successful program, the actual practice in the field is not consistent with that. Many programs build upon one another or are nested within another effort. Disentangling the role or importance of a specific component, particularly these two community ones, can be challenging.

Finally, three components were used very little if not at all in these successful cases. The review and assessment of strategies and processes used, identification and clarification of organizational mandates, and the review and adoption of the strategic plans did not figure in consistently with these six cases studies. The review and assessment of progress was surprisingly a little used component in these successful cases. I believe that two different factors explain this. The worst fate of any planning document is to sit on a shelf unused. When little follow up work occurs this can become a likely fate of the document and the process. Even in these successful cases, the lack of mid-term and long term follow through is endemic. In terms of either outcome focused or process focused evaluation, it just did not happen in virtually all six cases. As an extension administrator, I recognize that this is not a new concern. Extension programs and other programs often suffer from too little documentation on impact and analysis of the programs. However, in the case of strategic planning focused programs I believe this problem is even more critical. An important aspect of the theory of action around community economic development strategic planning programs is that there is a feedback loop to inform

current and future efforts. Indeed, Bryson and others might argue that it is not a strategic change process if this feedback loop is not included.

Figure 1. Cross-case CEDSP Model.

Cross-Case CEDSP Model



The last two components of Table 2 reflect the challenge of working in amorphous community settings as opposed to governmental departments or non-profit agencies, the two settings Bryson’s model first examined. One has to ask, what mandates of what organization or entity would one examine in a community setting? And, who, with what authority would approve a community wide strategic plan? It is not at all certain that community economic development strategic planning is a government controlled or an internal, non-profit agency strategic planning effort. They typically don’t even have the level of official support that a comprehensive planning process has. Often times what happens is that a community non-governmental organization (a chamber of commerce) or a quasi-governmental agency (an economic development authority) is the local lead partner in this process. In such a setting it is difficult to imagine having the ability to clearly identify official organizational mandates or rules or provide a community vision.

Table 2. Ranking of components in successful community economic development strategic planning programs

| Rating | Components | | | |
|--------|--|--|--|--|
| High | Assessment of the community's hopes & concerns | Identification of key community strategic issues | Development of strategies based on the key issues | Initiate and agree on strategic planning process |
| Medium | Development of an effective implementation process | | Development or clarification of the community's purpose & values | Development of a community vision |
| Low | Review & assessment of strategies & process used (evaluation and follow up sessions) | | Identification and clarification of organizational mandates | Review and adoption of strategic plan/s |

Implications for Adult Education Theory and Practice

This study was grounded in my interest to help produce a more effective extension education program. Effectiveness can be described as something that is powerful in its effect and efficient. A powerful and efficient CEDSP program will demonstrate outcome and process effectiveness. The University of Minnesota Extension program and the University of Wisconsin Extension program were also interested in possible applications of the findings. Below, I briefly present possible applications of these results to our work in extension:

1. Successful CEDSP programs consistently focused on four components: pre-planning; environmental analysis; development of key issues; and the development of strategies based on the key issues.
2. Pre-planning, including an assessment on the need for a CEDSP program, an orientation to the program, meetings, written agreements between the university and local leaders, and training can all lead to greater program success.
3. Implementation of action plans occurred throughout the strategic planning process. Program developers and community leaders should be aware that important issues can arise and should be addressed promptly.
4. Very little community visioning occurred during these processes. Other programs may have complemented the CEDSP program. However, the program focus (i.e. business retention and expansion or first visual impression of community) may drive the community needs assessment and subsequent planning.
5. The core committees were not very diverse. For the most part, the committees comprised the traditional powerbrokers of the community. While it is important to have these stakeholders heavily engaged, a more inclusive process and committee could result in better ideas and more community acceptance of the ideas.
6. CEDSP programs will be more successful if practical strategies and action plans are built into the program design.

7. Evaluations were quite rare. For the program to be more strategic, they should be built in explicitly in the process. Another alternative is to use periodic outcome focused evaluations across the programs.

8. A variety of new analytical tools are available to assist in the CEDSP, such as the score card from New Richmond and the geographic information systems software. These should be incorporated into CEDSP programs as appropriate.

9. Throughout the North Central region a number of CEDSP programs are being conducted. How the states are implementing them though varies significantly. A more deliberate effort should be made to share materials and lessons learned with these efforts.

10. In many cases strategic planning is a tool for an agent, not a featured program. Extension agents might be involved in ambitious strategic planning efforts, but each one might be tailored for the local circumstance.

11. Process and sponsor champions were important to the success of the programs. Process champions are people that are trained in implementing a program, typically an extension agent or chamber of commerce or economic development directors. The sponsor champion, the mayor or a business leader, for example, promoted the program, secured the funds, and took the effort seriously. These two actors should be clearly identified and promoted.

12. Longer, more complex, programs did not lead to more effective results than shorter, more loosely structured ones. In fact, the intensity and duration of a program may have a negative correlation with program effectiveness. The most loosely structured and shortest programs appeared to generate similar strategic issues, action plans, and implementation activities as the more complex programs.

There are a variety of research needs and opportunities in community level strategic planning programs that could also be pursued. They include more field based observations of programs, comparisons between the same program carried out in multiple sites, large scale quantitative comparisons across many programs along a narrow aspect of strategic planning, and exploring the many individualized strategic planning efforts that occur.

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