

Effective economic development - What makes it happen?

Key ingredients against which all communities can evaluate themselves and prepare for economic development.

In the field of economic development, there are communities which make things happen and those which flounder. Studies of community economic development from both Australia and overseas, identify the importance of five key factors in successful economic development. These are:

1. Belief and Expectations

Your community's potential depends not so much on its location, climate or natural resources, as it does on a positive mindset optimism, enterprising spirit, correct values and organisational skills. If your community is serious about positive economic change, then the following attitudes and behaviours should be noted:

- You must have a conviction that in the long run, you as a community will need to do it yourselves. Your destiny lies in your own hands. If sustainable development is to occur, then it will need to be instigated and managed locally, rather than "waiting for the cavalry to come" to save you
- You must have a confidence that your community has within itself, or within its grasp, the capacity to make change and make a difference - this is the existence of a "can do" spirit;
- You must have a willingness to put your own local dollars into initiating and developing options, rather than hoping for a grant
- You must have strong community pride. Not only in terms of your community's infrastructure and general appearance, but also the way your residents celebrate their heritage, through festivals and special events.

2. Collaboration

The degree of collaboration and co-operation in your community can be judged by:

- A strong sense of identity as a community or a distinct territorial area;
- A participatory approach to community decision-making, where involvement and the development of a shared vision are valued. Such an approach ensures that development objectives are balanced with local desires
- A collaborative spirit that enables leadership and facilitation roles to be assumed by different members of the community, at different times and for different purposes

Mechanisms to maintain local interest and involvement beyond the first rush of enthusiasm;

- An ability to positively harness and manage community conflict;
- An ability to rise again from failure, shortcomings and unrealised projects, to learn and move on; and
- The integration of economic, social, cultural and environmental objectives.

3. Local Leadership

This is seen by many as the key ingredient for effective community economic development. The success of community could be judged by the existence of the following facets of leadership:

- The presence of a core of local leaders committed in terms of time, priority and belief, to the notion of local economic development and possessing the appropriate skills, knowledge and attitudes to manage change;
- Awareness of the need for an ongoing process of identifying, recruiting and skilling local leadership;
- The encouragement and acceptance of women in leadership roles;
- Involving young people in the community's economic future and encouraging a transition of leadership roles to young people

4. Strategic Planning and Action

If your community wants positive results, then there is a need for commitment to strategic planning processes over the long term rather than dependence on a "quick fix" option or the latest government program. Economic development issues do not normally resolve themselves quickly. Dynamic communities believe in strategic planning processes and the use of appropriate development plans. Important aspects of this include:

- Active encouragement of a culture of community problem-solving
- Establishment of a locally based organisation for managing and facilitating the development process
- Research and prioritisation of the range of development options
- Realistic appraisal of the feasibility of potential opportunities
- Ongoing identification of the people, the technical advice and financial resources necessary for the project
- Continuous promotion of the development strategy to residents
- Evaluation and adjustment of the action plan on an ongoing basis.

5. Opportunism

Whilst strategic planning and formalised processes to implement economic development are very important, some development opportunities can appear from "the blue" and may be the result of ad hoc decisions by your community. These are valid opportunities to pursue. Remember your community approach to economic development should never be so rigid that you cannot respond to ad hoc opportunities, or so loose that ad hoc responses become your sole strategy.

It is important for your community to keep its ear to the ground, to pick up or create new opportunities. This can be done through:

- Keeping networks open and well informed of your community's potential
- An ability to interpret someone else's problem as your community's challenge
- An ability to respond quickly and positively to opportunities, especially those out of "left field"
- An ability to market your community as a vibrant 'can do' entity
- Constant monitoring and funding of technical resources.

The key ingredients of Belief, Collaboration, Leadership, Strategic Planning and Opportunism, provide a backdrop against which all communities can evaluate themselves and prepare for economic development.

From http://www.communitybuilders.nsw.gov.au/building_stronger/enterprise/economic.html