Development Practice:

The Job And Its Relationship To Other Professions



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D.B. (Bruce) Murray

Industrial Commissioner, City of Guelph Like all active people, Bruce finds time for some of his favourite retreats and for relaxation he swims, golfs, reads and hikes.

In terms of community or regional economic development, the Development Officer is usually the key or central figure and their activities will center around the following:

(a) administration

(b) economic development

(c) marketing

(d) municipal or regional liaison.

In 1971 Bruce Murray was appointed Industrial Commissioner for the City of Galt and after the amalgamation of the Municipalities of Galt, Preston and Hespeler in 1973 was appointed the first Industrial Commissioner for the new City of Cambridge. Bruce's duties in Cambridge involved the management of an 1,100 acre industrial park and the implementation of a comprehensive downtown re-development plan.

In 1981 Mr. Murray was appointed Industrial Commissioner for the City of Guelph with a mandate to re-organize that city's Economic Development Department. Since that time, he has implemented a comprehensive five year business plan for the city of Guelph and is now involved in both industrial and commercial development for that municipality.

Apart from his work with the local business community, Mr. Murray found time to be President of the Galt Chamber of Commerce in the early days. Bruce Murray has been a member of the Ontario Industrial Development Council and the Industrial Development Association of Canada since 1972. He is Past President of the Ontario Industrial Development Council and he has continued as a Guest Lecturer at the University of Waterloo from 1972 through 1988 and sits on the Professional Development Committee for the Industrial Developers Association of Canada. Mr. Murray maintains close contact with the Guelph business community through the Industrial Section of the Guelph Chamber of Commerce where he is and Ex-Officio Director. We feel that it is important that this individual have direct access to the decision making process. The function of an Economic Development

Department is usually quite comprehensive and the staff will work in close co- ordination with either a commissioner, a co-ordinating group, or a committee of Council, planning the economic growth of an area. This involves assembly of information and data necessary to successfully achieve objectives laid out to promote the economic stability and continued growth of an area in terms of employment and assessment.

Under administration, the Development Officer's duties may be varied; but include:

- Co-ordinating the efforts of his commission or committee; together with the operation of his own department.
- The preparation of an annual development programme or a five year programme and the associated budget to conform with the policy directives adopted by his region or municipality.
- The preparation of an annual report on his jurisdiction and his own department's operation, naturally including results obtained. Reporting can take place monthly, quarterly, and annually.
- If operating in a committee or a commission, we would expect the Development Officer to act as Secretary Protem to all meetings.
- Through inter-personal skill, the Development Officer will play an active part in the equipping, developing, and administering of industrial park development and business location projects in his

area and keeping his political and private sector contacts well informed.

Economic Activities:

The Development Officer will usually prepare an economic inventory ensuring that it contains reliable and up-to-date information on a given area. The type of information will include; but will not necessarily be limited to: maps, statistical tables - showing such things as: land availability, servicing, utilities, the demographics of their area, including wage rates, population statistics.

To do this, the Development Officer will have to work in close co-operation with other local service agencies and we refer to engineers, planners, financial people and even personnel or human resource contacts.

Other duties may include: providing information to the public and private sector, to acquaint them with the results of surveys done by economic development personnel and the distribution of industrial location factors to prospect generators such as realtors, banks, and senior levels of government.

Many areas are now utilizing computer technology to keep a current inventory of sites and buildings which are available for sale or lease in the immediate area.

Promotion:

Economic Development personnel will meet with local businessmen, manufacturers, and community leaders. They will also establish contacts with representatives of public utilities, banks, government agencies, the local chamber of commerce, and other local interest groups; and seek the co-operation of these people in ensuring the success of the business development programmes planned by their area.

Liaison:

An obvious function of any Economic Development Department is to ensure that the staff make regular visitations to local industrial firms to consolidate the local tax base; and also to budget for visitation to perspective investors which could be persuaded to locate in the area.

We often also forget that personal contact must be maintained within our own "industry" through attendance at various seminars, annual meetings, and conventions both locally and nationally. A lot of mileage can be gained from talking to our peer group. At the local level, presentations to local service clubs and other special interest groups can achieve two things:

 an awareness for the activity of the Economic Development Department; and an exchange of information with the business community to assist the Economic Development Department.

In summary, the Economic Development Officer probably plays a liaison role more than any other employee in a region, municipality or other form of government agency. The liaison may take place between the municipalities and other government agencies, between departments both at the local, provincial and national levels, and with consulting firms who are interested in providing guidance and assistance to their own business clients. At the same time, the Economic Development Officer must place themselves in a position to be able to provide information on government programs, private financing, and assistance in completing various application forms for small businessmen.

Organizational Structures:

We earlier indicated that it is important for economic developers to have access to the decision/policy makers. This can be through the chairman of a commission, the Mayor, or C.E.O. of an area. When deals are made, these senior representatives have direct access to the decision making process and the Economic Development Officer must accompany their deals or present offers at this level of management. In other works, the reporting relationship is important to the extent that the less direct the less effective the Development Officer will be; and the less input and output they will receive from the decision making process.

The extent to which an Economic Development Officer's involvement with either a commission, a co-ordinating committee, or an advisory group can vary somewhat; but it is important to discuss the usefulness of such an organization who can not only give direction to the Development Officer, but can assist him and lighten their workload. In some cases, the group may even be their employer.

Organizations such as this are usually equipped to operate as follows:

- 1. Assume the administration of the community's business development programme.
- Oversee the sale of industrial land and the development of industrial parks.
- Ensure the maintenance of the necessary personnel to implement an effective development programme.
- 4. Act as chief liaison with local interest groups.

Such a committee can be structured with both standing and ad hoc committees. The ideal standing committees generally will deal with the following:

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- (a) the executive committee (function is management and programme development);
- (b) finance;
- (c) industrial park development; and
- (d) marketing.

The broad functions of such a group would include: planning, administration, promotion, information, and counselling to business, research, data gathering and the publication of same, liaison with senior levels of government, and the linking of the public and private sector through human physical and financial resources.

Throughout all of this administration and organization, I believe it incumbent upon the economic developer to court the various expertise which might be available to them such as: the planning director, engineering head, solicitor, finance chairman, and any one involved in advertising, communications, or marketing. It is also important to maintain constant liaison with those people who might be considered prospect generators; such as: realtors, consultants, chartered accountants.

Professional Interaction:

Hopefully, we have identified the versatility required in the economic development function. This brings us to a very important aspect: each of us in our own communities will have to decide our key contact personnel.

Given the Economic Development Officer has a reasonable knowledge of transportation, employment requirements, industrial development, product development, and industrial types wishing to locate in the area; together with the economic stability of his community, the balance between business, residential and agricultural development, and the availability of natural resources, and that they have a working knowledge of marketing or sales promotion; and further that they understand the need for educating their contemporaries as well as themselves, they must contend with public participation and government administration and at the same time play an important key role in the operation of their own area or municipality. Professional contact can be categorized into the following general areas:

- 1. senior management of local business;
- 2. committees;
- local, regional, provincial or federal government personnel;
- development officers for banks, railways, and service industries;

- key local professionals, such as: engineers, planners and financial people;
- special local interest groups, such as: sociologists, environmentalists, and historians; and
- 7. politicians.

Conclusion:

The economic development of a region should not be considered the responsibility of any one person or any singular group of people. Economic development will only be forwarded by the combined efforts of all people in the region working together. The private, civic, service, academic and political sector of the community must be utilized to the fullest.

No industrial development programme operates alone - and none should.

One might gather that the position of an Economic Development Officer, regardless of organization or location, is a rather onerous task. This is probably quite accurate. There emerges some key problems to the position, some of which are described as follows:

- The position is highly visible, therefore highly vulnerable.
- Organization structures vary more than in any other development profession.
- Development Officers, more than any other local government employee, are often asked to justify their role and activity.
- No real guidelines exist for the integration of this function into a local government structure.
- Economic Development Officers often work in isolation; but require sound back-up from employer and/or politician.
- The Economic Development function is a business. It is a profit making function as opposed to a service function - a fact which is not readily understood by most levels of government.

To be effective, an Economic Development Officer must have the full support of a competent local staff, namely; the local engineer, local planner, local treasurer, and certainly the chief administrative officer.

The position must also have an appropriate reporting function with direct support from the senior administrative position and senior elected position.

We must recognize that structures and functions will vary with size and personality of a community. However, the most successful operations, regardless of size, appear to be those who provide direct access to senior management and who allow considerable operating autonomy and budget to the Business Development function.

Incidentally, in 1980 O.I.D.C. conducted a survey to determine the accountability of various economic development organizations and the results were as follows:

- 50% Under Municipal Government
- 23% Under Separate Commissions
- 8% Under Chamber's of Commerce, and
- Under various mixtures of one kind or another.

These results would seem to indicate confusion to the outsider as the importance of economic development in the role it plays in the overall framework of municipal government; and for may years that is exactly the way it has been. Over the years, economic development has evolved and many municipalities work up to the fact that survival of their community was largely dependent upon its ability to provide jobs for its people, and a stable tax base to support the municipal infrastructure, unless they accepted a zero or negative growth position. To increase the tax base and job opportunities, increased industrial and commercial development; and more recently tourism development became necessary.

Today, most municipalities are becoming involved or are taking much more seriously the role played by economic development.

The concern at some senior levels of government is that development at the municipal level does not seem to have the same professional image or rank of importance that it should have. This problem will continue until more economic development officers become more actively involved in the policy and decision making process with their local or regional governments. It may also be important to remember that governments don't create jobs. This is a role reserved strictly for the private sector. Governments do, however, create an environment to attract investment. This is likely why local development people need to be more involved in policy making as well as in the delivery of the service to the client; such as the assistance in business development locations. Therefore, one might conclude that whether a Chamber of Commerce, a Committee of Council, a Department of the Municipality, or a Separate Corporation is best suited is probably a subject that will continue to be debated far into the future. To a large part, it will depend on where and how big the municipality is and to what degree the local municipal council or elected officials understand or perceive what development is all about. It does remain, however, that without local political commitment to a strategy for economic development and adequate funding there is not likely to be too much hope for long careers for Economic Development Officers in such a location. We have also been told that too many economic development professionals are involved either voluntarily or involuntarily too much in the marketing aspect of the job and spend insufficient time on policy formulation and administration.

As an example, twenty years ago development officers worked with four basic tools, namely; sites, services, public financial incentives, and promotion. Today, more professionals must command or have access to the skills and tools of venture capitalists, lending officers, import/export managers, brokers, advertising and marketing specialists, and public administrators. Attracting firms now shares equal attention with retaining firms - office, research, and service facilities share the limelight with manufacturing and distribution; and perhaps most significantly oversees opportunities loom as far more important than was the case a decade ago and more.

Summary:

Economic development practices, priorities, and perception will vary with need from region to region, from the Atlantic to the Pacific, and now from continent to continent.

The role of an Economic Development Department and the professional directing that Department will be perceived differently in direct proportion to the economic needs of the area the individual serves. Access to information and access to complimentary disciplines and expertise put quite simply "communication" is more important now than ever.

The position requires a high degree of training, ethics, experience, and inter-personal skills.

The Economic Developer, whether he or she practices the profession from the public or private sector, or from a hybrid agency, still must focus ultimately on influencing private sector decisions and attracting investors with the object of retaining expanding, or creating jobs and promoting the community's financial health.

Continuing dialogue between regions and provinces in this country on the importance of Economic Development is required. It is hoped that Economic Development organizations, both Provincially and Nationally, will continue to develop education forums and programmes to advance our professional skill and understanding of the complex field of Economic Development. Continuous education and communication is required to develop a higher degree of professional ability to serve the very business we are trying to develop.