

# IMPROVING ARC, STATE, AND LDD EFFECTIVENESS

## *How improved partnership alignment can support Appalachia*

### Background

Across the country, more and more states and regions are seeing the value in getting their economic development efforts on the same page. When local, regional, and state partners are pulling in the same direction, the results speak for themselves—stronger economies, better outcomes for communities, and a greater ability to handle the unexpected when it comes our way.

In Appalachia, this kind of teamwork has long been part of the fabric. The Appalachian Regional Commission (ARC), the State Program Managers, and the Local Development Districts (LDDs) form what many call the “three-legged stool” of economic development. When they work together well, great things happen. But staying aligned isn’t always easy. Changes in leadership, limited staff capacity, and not enough regular communication can make it harder to stay connected and coordinated.

### What can LDDs do to work more effectively with their partners?

To explore that question, the Development District Association of Appalachia (DDAA)—which represents 74 economic development districts across 13 Appalachian states—asked us at the Center for Regional Economic Competitiveness (CREC) to take a closer look. We talked with stakeholders in several states, sat down with Board members, and held group sessions to better understand where things stand and what could improve.

What we heard was clear: strong communication, ongoing training, and a willingness to explore new funding paths can go a long way toward building stronger partnerships. When those elements are in place, LDDs and their partners are better positioned to reach their goals—together.

### Key Findings

Insights gathered through this process revealed several recurring themes:

-  Overall Satisfaction: While stakeholders expressed general satisfaction with existing support structures, interaction among partners tends to be reactive to problems rather than forward-thinking, proactive planning.
-  Role Clarification: There is a pressing need for clearer definitions of roles and responsibilities between state managers and LDDs.
-  Resource Constraints: LDDs are grappling with a lack of adequate funding, staffing shortages, and restrictive match requirements.
-  Leadership and Staff Transitions: High turnover at the state and local level disrupt continuity and institutional knowledge, necessitating robust professional development programs.
-  Technology and Capacity Needs: Outdated technological systems such as those used for grant reporting and insufficient training affect access to and management of funding opportunities.

# RECOMMENDATIONS

Review this set of actionable strategies aimed at fostering stronger partnerships and better alignment across ARC, states, and local development district stakeholders:

<b>Facilitate Continuous Dialogue</b>	Establish regular, structured engagement opportunities among ARC, state managers, and LDDs to improve mutual understanding of concerns and limitations and identify and resolve issues proactively.
<b>Invest in Capacity Building</b>	Expand professional development programs tailored to the needs of LDDs with a focus on core areas such as grant management, strategic planning, and technical expertise.
<b>Enhance Strategic Planning</b>	Convene workshops aimed at aligning state and local priorities with ARC investment strategies to encourage the development of innovative and impactful projects.
<b>Leverage New Funding Opportunities</b>	Develop technical assistance programs to help LDDs navigate match requirements and access new funding streams to expand ARC’s impact and highlight LDDs contributions.
<b>Develop Specialized Resources</b>	Create toolkits and resource guides to assist LDDs in managing new funding approaches and implementing best practices to provide a foundation for long-term success.
<b>Clarify and Establish Roles and Relationships</b>	Through improved or newly established lines of communication, ARC and the LDDs need a systematic way to talk about progress, assess performance, and hold partners accountable.
<b>Help Shape and Execute ARC Investments</b>	Considering anticipated changes in funding and resource availability as well as new Federal priorities, ARC and the LDDs need to work together to find regional investment opportunities and new ways for LDDs to support the implementation of ARC priorities.

# NEXT STEPS

DDAA members and staff could continue this work in a variety of ways, including:

1. Continuing to identify ways for DDAA to engage with its members on the Federal-state-LDD partnership.
2. Conducting additional proactive outreach from DDAA to the states and vice versa.
3. Scheduling follow-up discussions with state and LDD partners to finalize priorities.
4. Implementing pilot programs in training, technical assistance, and resource sharing to test the efficacy of suggested approaches.

By embracing these strategies, DDAA can strengthen the ARC-state-LDD partnership and ensure the Appalachian region fully benefits from historic investment opportunities.

If you would like to join this conversation, work with DDAA on your state and Federal partnership, discuss potential pilot programs in training, technical assistance or resource sharing, or if you would like more information, please contact DDAA Program Manager Brendan Buff at [bbuff@crec.net](mailto:bbuff@crec.net).