

Improving Economic Performance Through Strategic Alignment: *A CREC Project to Improve Economic Development Performance*

The nation faced complex economic challenges recovering from the COVID-19 pandemic and subsequent economic downturn. EDA recognized that the solution to such challenges required well-coordinated federal, state, and local efforts. However, poorly aligned economic development strategies and investments can hamper economic recovery efforts, especially when different levels of government work at cross purposes. More importantly, highly coordinated initiatives should lead to better, more impactful project outcomes and economic performance.

Key Project Takeaways

- Alignment doesn't come naturally - it is necessary to be intentional about relationship building.
- Cultural change is needed for sustainability to ensure alignment continues in the long-run.
- The work is "simple" – but "simple" is not "easy."
- High-level buy-in is vital but staff buy-in is essential for long term success.
- Where cultural shifts have taken hold, states and their regional partners remain committed to improving strategic economic development alignment.

Following the enactment of the American Rescue Plan Act (ARPA) in 2021, the U.S. Economic Development Association (EDA) asked the Center for Regional Economic Competitiveness (CREC) to promote better alignment in state and regional strategies. The project aimed to improve collaboration by documenting where it occurs successfully, help states and regions design and leverage common plans and promote better state and regional

strategic alignment strategies to ensure more impactful implementation and execution of projects.

CREC's goal was to develop a more coherent planning process in which states and EDA-designated economic development districts (EDDs) account for one another's efforts in their Comprehensive Economic Development Strategies (CEDs) and related economic development planning as well as their public investments and program implementation efforts. Given the initial success of the project, EDA asked CREC to use the same alignment lens to explore the \$1 million Statewide Planning Grants to better understand the projects implemented by the 59 recipient jurisdictions with a focus on the alignment between the recipients and EDDs.

CREC and its project partners (National Association of Development Organizations Research Foundation, State International Development Organizations, and the American Manufacturing Collaborative) had three activity areas to promote alignment:



Research to understand current best practices in collaborative economic recovery efforts.



Education to highlight best practices and broaden awareness about effective economic recovery practices.



Technical Assistance to help regions and states to develop more collaborative economic recovery models.

With these three work areas, CREC's activities covered a swath of topics delivered through a wide range of delivery techniques.

Ranging from database development to more than 30 webinars and technical workshops, CREC reached more than 1,000 individuals during the three-year project. Deliverables can be found on the State Economic Development Executives (SEDE) Network website, which can be found at this link:

stateeconomicdevelopment.org/state-local-alignment/. Selected products are discussed below.

State and Local Economic Development Strategies (SLEDS) Database

CREC created the SLEDS Database which breaks down state strategic plans and EDD CEDS plans to help users identify plan details and areas of strategic alignment. The data housed in SLEDS can be utilized for a variety of purposes, including locating economic development state and EDD plans, identifying best practices, comparing plan components, and conducting qualitative analysis on state and regional plans for economic development. Ultimately, SLEDS data provides a foundation for collaboration on economic development between regions and

State and Local Economic Development Strategies (SLEDS)

SLEDS analyzes state/territory strategic plans and economic development district (EDD) CEDS plans published on their respective state and EDD websites. The plans were reviewed from October 2021 - May 2022. Please [contact us](#) to alert us to new or modified plans.

[About the SLEDS Database](#) [CEDS Resource Library](#) [Glossary](#) [Download the Full Dataset](#)

State:

Plan Type:

Agency Name:

Economic Development Category:

Focus:

Equity Environmental Sustainability Rural Communities

Keyword (in Summary OR Goal fields):

states.

Updating USA Competes

Worldwide economic growth has increased global trade and connectivity. USA Competes USACompetes.com was developed to help improve how states work with their business communities and improve international competitiveness. This project focused on building on this sound foundation and expanded the website's focus with new



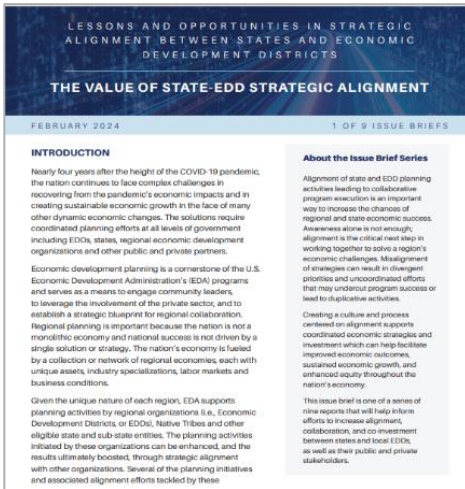
information and tools to help regional areas – economic development districts or EDDs – improve their alignment with state international activities. The project also provided users with tools needed to assist state and regional businesses with global activity – whether foreign direct investment or exports.

USA Competes now provides economic developers with the resources they need to develop an international engagement strategy for their regions and help them compete in the global economy.

Best Practices Guide

An important component of the project was documenting alignment successes and providing a roadmap for success for states and EDDs. CREC developed nine Issue Briefs to evaluate the barriers to strategic alignment, educate stakeholders, and provide technical assistance to increase collaboration and co-investment. The Issue Briefs integrate case studies to discuss

how states and EDDs can work together to improve outcomes in several important



By working together, sharing objectives, and leveraging combined resources, states and regions learned that they could achieve better programmatic and economic outcomes. The goal of the learning cohort was to unite approaches to economic development activities by encouraging teams to collaborate and develop their own unique approaches to strategic alignment.

The SEDE website has blogs detailing the Policy Academy process, recordings from two webinars, a comprehensive final report summarizing the academy, and six individual final reports from each state team.

strategic areas important to state and regional economic developers:

- The Value of State-EDD Strategic Alignment
- Aligning the CEDS Development Process
- Relationships Fueling State-EDD Alignment
- Business Development
- International Engagement
- Manufacturing
- Infrastructure Development
- Workforce Development
- Diversity, Equity, and Inclusion

Policy Academy for Strategic Alignment

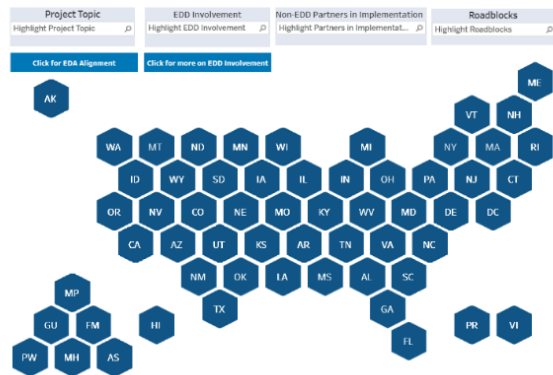
One major technical assistance element of the EDA project was a Policy Academy. The Academy was a nine-month cohort learning process with participants from Colorado, Idaho, Kansas, Louisiana, Michigan, and Wisconsin. Participants embarked on a process to better align strategies and actions between state leaders, EDDs, and other state and local stakeholders. Teams implemented practices and developed strategies that ensured the long-term sustainability of their new alignment foundation long past the Academy's conclusion.



Economic Development Leader Curriculum

State economic development leaders are often new to government and are unfamiliar with the relationships that exist within economic development. To facilitate a rapid orientation, CREC developed "Economic Development Leaders in Action," a curriculum designed to help new and experienced economic development leaders learn the ins and outs of economic development. Through more than 80 short videos, leaders offer key insights on topics vital to leader and state agency success. Although the curriculum was designed for state agency officials, the lessons can be useful to any economic development official.

Statewide Planning Grant Impacts



Following the enactment of ARPA in 2021, EDA initiated a series of new programs, including the Statewide Planning Grants (SPG) Program. The program awarded \$1 million each to 59 states, territories, federally recognized areas, and the District of Columbia (“states”). The program was designed to help the 59 states recover from the economic impact of the pandemic and begin planning future economic development activities.

EDA expanded the initial alignment project in 2022 and asked CREC to explore the activities undertaken by states. The initiative aimed to recognize SPG project successes, challenges, leveraged funds, and alignment between states and EDDs.

To gather SPG data, the CREC project surveyed and interviewed representatives from all 59 state recipients. Site visits to seven recipients led to a deeper understanding of the initiative including the roadblocks and successes. The SEDE website offers valuable insights into the SPG projects and research topics:

- **Survey and Interviews Report:** Details the findings from the 59 surveys and interviews.
- **Practices and Metrics Report:** Presents key insights learned from interviews regarding best practices for project planning and implementation, and metrics used to measure success.

- **State Profiles:** Details SPG project activities for each of the 59 recipients.
- **Case Studies:** Exhibits six SPG examples representing unique uses of the grant and best practices of working with EDDs.
- **SPG Conference:** Summarizes the conference held by CREC in March 2024 for state grant managers and EDDs.
- **Webinars:** Offers important regional and topic discussion through 10 state conversations.
- **SPG Database:** Provides an interactive database that allows users to learn about state projects and filter data about project topics, EDD involvement, and roadblocks.

Next Steps

Strategic alignment is not easy; it requires effective communication, commitment, and shifts in economic development practices. The cultural shift is foundational to developing a shared vision that can guide collective efforts—a vision that emerges from ongoing dialogue, engagement, and the willingness to invest time into building trusting relationships among current and future partners.

By working together, sharing objectives, leveraging combined resources, and marketing changes, states and regions can achieve better economic outcomes.

CREC’s work reaffirmed the benefits of strategic alignment and offered new tools to help states and economic development districts better coordinate their planning and investments. Strategic alignment is an ongoing effort and must be nurtured and sustained to ensure efforts are coordinated and accountable to stakeholders. The State Economic Development Executives Network remains committed to this idea. The [SEDE website](#) contains these final deliverables and more resources to continue to promote alignment across state-local economic development activities.