



**BUSINESS RETENTION &
EXPANSION INTERNATIONAL**

Economic Growth vs Economic Development

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Our Beginning

- When we plan for economic change in our community, do we plan for:
 - Economic Growth?
 - Economic Development?
 - Both?
 - Neither?
- Do we plan?



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Economic Growth

- Economic growth is an increase in goods or services being produced
- Often measured (at the local or political levels) by proxies such as:
 - Number of jobs
 - Number of factories or businesses
- The performance of economic developers is often measured in these terms



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Why Economic Growth as a Metric?

- It's easy to count (solely quantitative data)
- It's easy to obtain (payroll records, business licenses, local/state business records)
- It's easy to publicize (newspaper headlines and tv stories saying "25 New Jobs Added")
- It's easy to compare (we added four new companies last year and you only added two!)
- **Economic growth is easy if you can do it!**



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Economic Development

- While economic growth is a part of economic development, ***it is not*** economic development
- Economic growth is the purview of economic developers; economic development is the charge of area leadership providing direction to economic developers
- Not all jobs or companies are created equal!



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Economic Development Metrics

- #1 – Better quality of life/higher standard of living
- Better educated population
- Increased real per capita income
- Enhanced leisure opportunities
- Increased civic engagement
- Increased education levels



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Economic Development Strategies

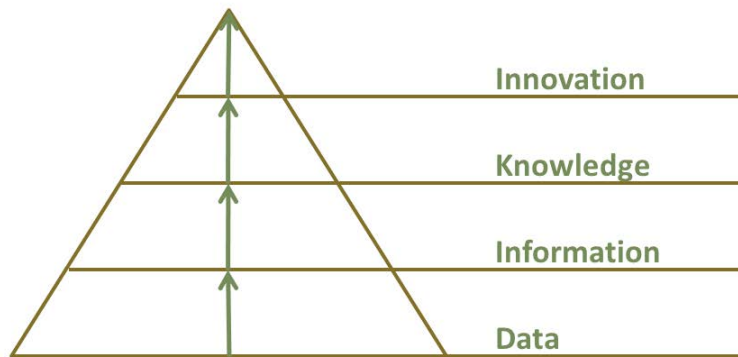
- Recruited companies must raise average wage
- Workforce prep programs (work ethic, soft skills, reading, basic math) starting in elementary school
- Pay attention to aesthetics – don't be an ugly community with nothing to do
- Housing improvement programs



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What Should the Program Accomplish?

The program should provide the basis to move from data (survey results) to innovative action within the community



Source: Steve Deller, University of Wisconsin. NACDEP presentation, 2010.



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