

CIVIC ENTREPRENEURS AND ECONOMIC INNOVATION

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Presented by

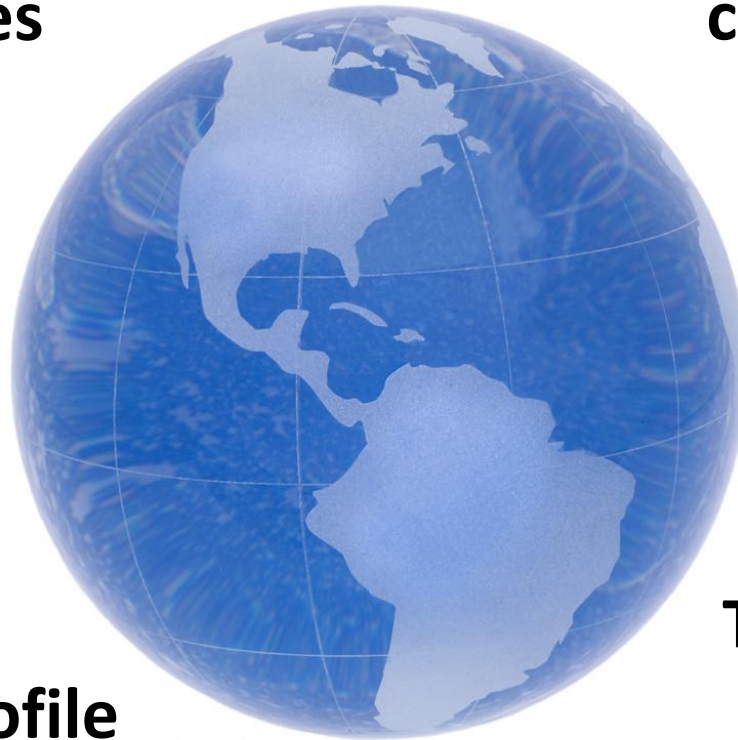
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CHALLENGE: Civic Leadership in Transition

Globalization of business changes the meaning of place

New technologies changes time and space



Changing demographics changes the profile of leadership

New reality: The anonymity of civic leadership

CHALLENGE: New Responses Required

Most complex challenges today are
regional in scale

Traditional business, government and
civic responses are **not adequate**

Boundary crossing is now required

Few know how to engage in this kind of
regional civic leadership

OPPORTUNITY

- **A new regional model of leadership is emerging based on collaboration and civic engagement**
- **The new regionalism is not regional government**
- **New models of innovative regional governance are growing**

A GROWING MOVEMENT

**This movement is emerging
“bottom up” from communities and
regions**

**Local leaders from all sectors are
recognizing the value of working
together to solve complex, cross-
cutting problems**

WHAT ARE COLLABORATIVE REGIONAL INITIATIVES?

Regional in scope, collaborative in nature

Based on an understanding of the interdependence between the economy, society and environment

Focused on outcomes, measuring results

THE CHALLENGE

There are **four distinct conversations** going on in regions today

Rarely are they connected

Regional civic leadership is required to connect these conversations

FOUR REGIONAL CONVERSATIONS TODAY

- **Innovative Economy:** how to succeed in the new economy and ensure everyone participates
- **Livable Community:** how to create communities where people want to live
- **Inclusive Society:** how to ensure inclusive and equitable communities
- **Collaborative Governance:** How to reform government to make it more responsive

Framework for Regional Leadership:

INNOVATIVE ECONOMY



INNOVATIVE
ECONOMY

Why innovation is key

- **Innovation is the key** to success in today's economy and society
- **Continuous reinvention** is required to keep pace with the rapid pace of change.
- **The basis of increasing productivity** is innovation.
- **Productivity** is the basis for prosperity.

WHAT IS THE INNOVATIVE ECONOMY?

- Innovative Economy is about **productivity increases** due to the application of new technologies across many industries
- Productivity increases **prosperity and opportunities**
- The Innovative Economy is **not about high tech**
- **It is about how we do things**, not what we make
- **Everyone can be included** in the Innovative Economy, if they understand the new rules

NEW GROWTH THEORY AND INNOVATION

- Paul Romer says **ideas are the primary source of economic growth.**
- “Recipes (new ideas) combine ingredients (resources) in new and different ways to yield more valuable economic results.”
- The recipes come from the innovation process.

INNOVATIVE ECONOMY IS A NETWORKED ECONOMY

THEN

Vertical integration

Large firms

Hierarchical relationships

Isolated firms

Stability

NOW

Specialization

Medium & small firms

Horizontal relationships

Connected firms

Change

INNOVATION IS CRITICAL IN ALL INDUSTRIES

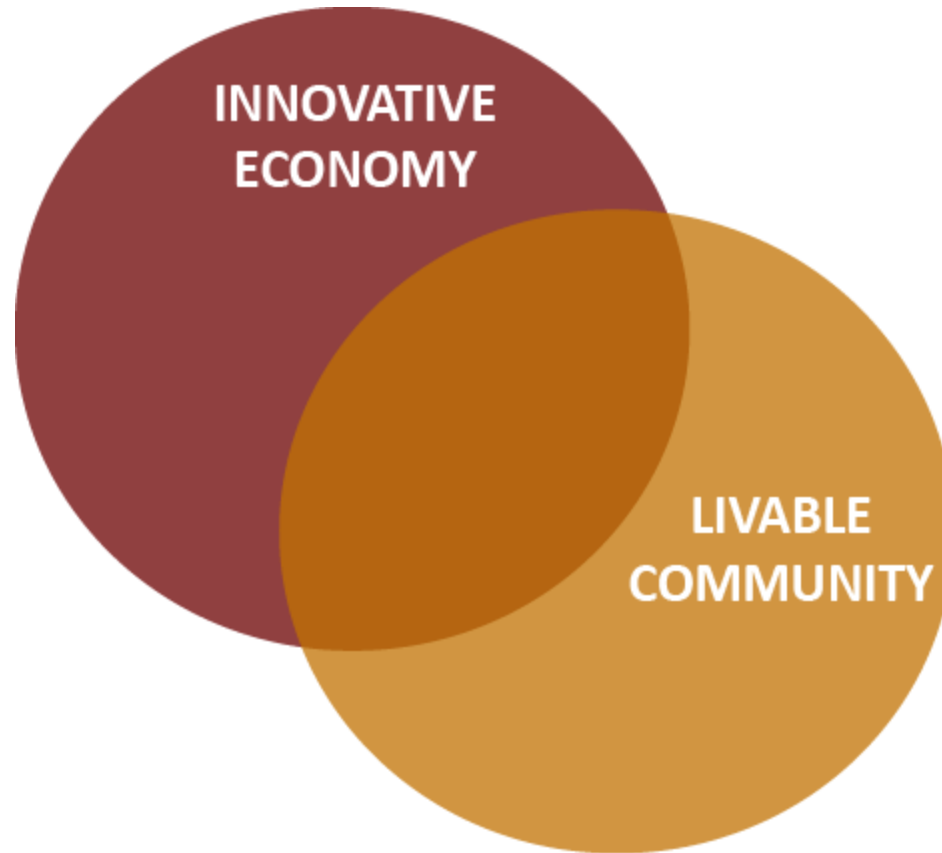
- **Agriculture** – e.g., genetics, improved farming practices, better storage raising productivity
- **Forest Products** – e.g., engineered products, use of wider range of species transforming product content and mix
- **Manufacturing** – e.g., Internet transforming B2B relationships, customer service
- **Creative Services** – e.g., technology change blurring traditional craft distinctions; local suppliers collaborate, share capacity

GUIDING PRINCIPLES

- **As the economy evolves**, so must its framework for economic development
- **The framework should be driven by innovation** across all industries and within each region
- **State and regional leadership must:**
 - **Build** fundamental assets
 - **Connect** assets through networks in region
 - **Create** a culture of innovation across industries
 - **Promote** community quality of life as an economic advantage

Framework for Regional Leadership:

LIVABLE COMMUNITY



THE INNOVATIVE ECONOMY VALUES



**LIVABLE
COMMUNITY**
Great places
to live and
work

- Economic Regions
- Distinctive Quality of Life
- Vital Centers
- Choice for Living and Working
- Speed and Adaptability
- The Natural Environment

INNOVATION IS A SOCIAL PROCESS

- **Interactive** – doesn't occur in a straight line.
- **Group creativity** – not dependent on a few.
- **Tacit knowledge** – depends on “know-how.”
- **Networks** – ideas flow more freely.
- **Competition/collaboration** – both are needed.

INNOVATION IS PLACE BASED

- Most innovative work occurs **face-to-face** exchange within teams.
- **Geographic clustering** is a powerful mechanism for sharing personal knowledge.
- The **creative heart and soul** of the economy will continue to be tied to place.
- **Place matters.**

INNOVATIVE ECONOMY VALUES DISTINCTIVE QUALITY OF LIFE

- The Innovative Economy values **quality of life** more than the old economy because **it values people** more than the old economy.
- **Livability concerns** are becoming more important with economic change.

INNOVATIVE ECONOMY VALUES VITAL CENTERS

- In the Innovative Economy, **companies and people want to be where the action is**, and increasingly creative work is concentrating in vital centers.
- **The scale of the modern workplace** is fitting into mixed-use, downtown-type centers.

INNOVATIVE ECONOMY VALUES CHOICE

- **Today's workforce** is not only more diverse by typical measures – gender, age, race, ethnicity – but people no longer experience life in lock-step, predictable patterns.
- **Community design** must accommodate the increasingly diverse work and life patterns that characterize the new economy.

INNOVATIVE ECONOMY VALUES THE NATURAL ENVIRONMENT

- Values the natural environment as an **important quality-of-life asset**.
- The Innovative Economy brings the potential for a type of **qualitative growth** that is more compatible with environmental preservation and conservation.
- **Opportunities for new alliances.**

Framework for Regional Leadership:

INCLUSIVE SOCIETY



COMMUNITY-BASED REGIONALISM



**INCLUSIVE
SOCIETY**
Building trust
and
relationships

- Ensuring that everyone is included
- Connecting neighborhoods to regions
- Finding common ground on key issues such as education and economic vitality
- Networking disconnected networks
- Bridging as well as bonding social capital

CREATING AN INCLUSIVE SOCIETY

- Educating and training
- Bridging the “digital divide”
- Neighborhood improvement
- Civic action

THE IMPLICATIONS OF CHOOSING DIFFERENT ECONOMIC PATHWAYS

	Drivers of Growth	Regional Outcomes
Population-Driven	<ul style="list-style-type: none">• Population growth• Attracted by low living costs• Serve local markets	<ul style="list-style-type: none">• Veneer of vitality• Short-term/boom-and-bust• Declining standard of living

Framework for Regional Leadership:

COLLABORATIVE GOVERNANCE



COLLABORATIVE GOVERNANCE



**COLLABORATIVE
GOVERNANCE**
Working
together for
results

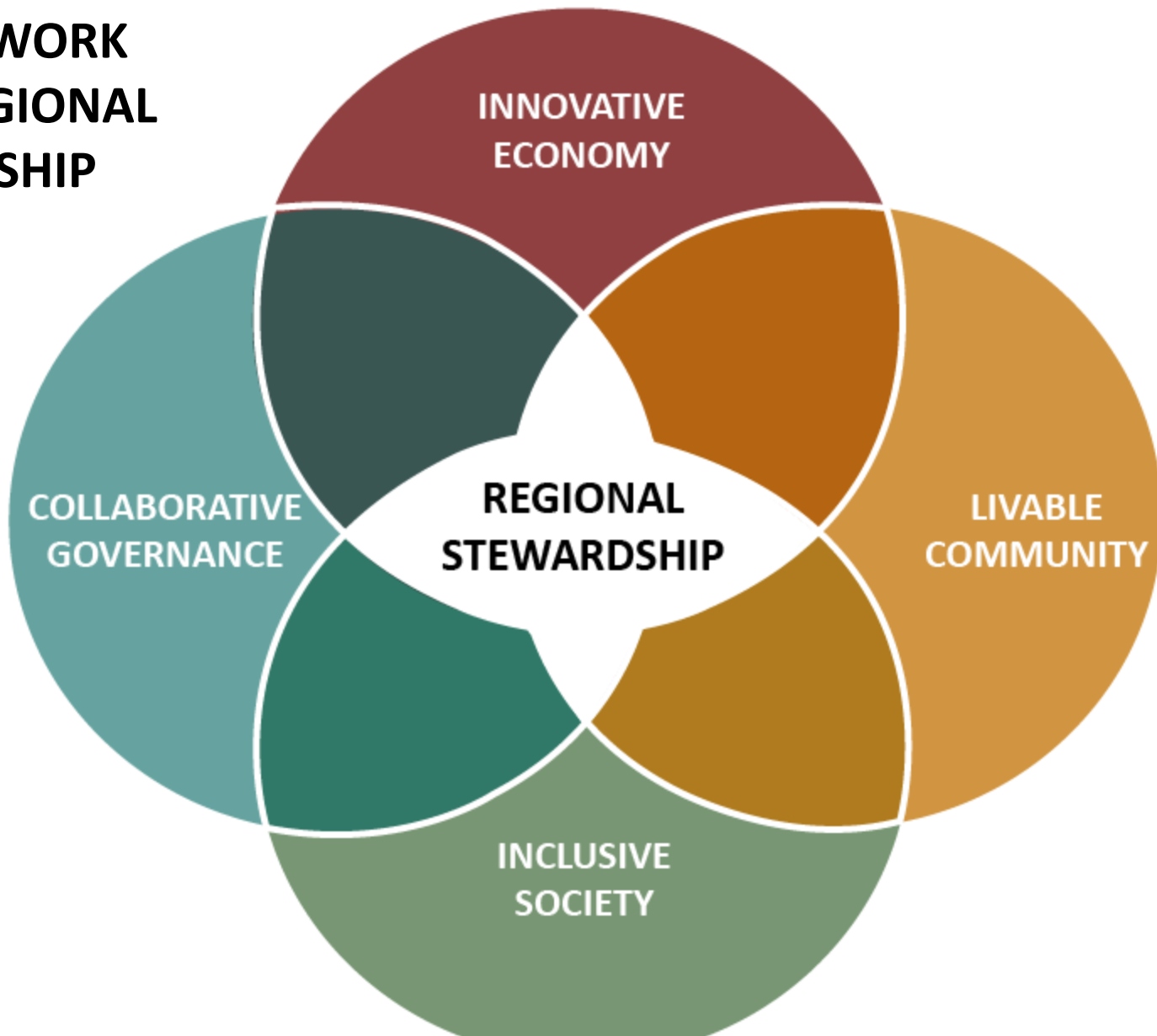
- Fragmentation of local government
- Connecting land use, transportation and housing
- Regional strategies, local implementation
- Role of business leadership

COLLABORATIVE GOVERNANCE

■ **OPTIONS**

- Consolidation
- Coordination
- Collaboration

FRAMEWORK FOR REGIONAL LEADERSHIP



Regional stewards promote integrated regional development that connects economy, environment and equity through engagement.

ROLE OF REGIONAL STEWARDSHIP

- Focused on **intersection of the four conversations**
- Regional Stewards **“connect the dots”**
- Leadership as **boundary crossers and integrators**
- Most important issues facing regions today is **preparing regional stewards**

REGIONAL STEWARDS CREATE CIVIC CAPITAL

- Regional Stewards **create civic capital or “glue”** that helps connect communities
- Civic capital is the **foundation required for collaborative problem solving**
- It is results from dialogue that creates the **essential trust** required for different groups to work together toward a shared vision

REGIONAL STEWARDS AS CIVIC ENTREPRENEURS

- **Catalyze and sustain** the change process
- **Are committed** to the long-term well-being of their region
- Come from **all walks of life**
- **Play different roles** on a team

TEAM OF CIVIC ENTREPRENEURS

- **Integrators** – share perspective about linked economic, environmental, social objectives
- **Connectors** – bring people together across worlds, “boundary crossers”
- **Communicators of possibility** – raise aspirations, articulate potential, persuade



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