

# OREGON'S ECONOMIC DEVELOPMENT ECOSYSTEM

*Mapping economic  
development throughout  
the state of Oregon*

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*Final Report – March 2023*

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# Acknowledgements

This project was a partnership between the University of Oregon's Economic Development Administration University Center and statewide economic development organizations including Business Oregon, Oregon Economic Development Districts, and the Oregon Economic Development Association.

The project was made possible through funding awarded by the US Economic Development Administration. The project team consisted of faculty and graduate student researchers in the School of Planning, Public Policy, and Management at the University of Oregon. A project advisory team provided periodic input and guidance throughout the project.

We would like to extend an additional thanks to those who participated in our survey. These organizations represented a diversity of economic development organizations across Oregon. Their responses were critical to the success of this project. Thank you!



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# PURPOSE

- *WHY MAP THE ECOSYSTEM?*
- *TIMELINE AND KEY QUESTIONS*
  - *METHODOLOGY*

# Why Map the Ecosystem?

*The economic development ecosystem in Oregon is a complex system of interconnected and overlapping elements that work to support economic development efforts throughout the state.*

Oregon is unique given what falls inside its borders; there is a little bit of everything. The Oregon landscape ranges from coastal environments, to lush valleys, mountain ranges, forests, and deserts. Local economies are driven by diverse industries such as agriculture, forestry, tourism, manufacturing, technology, and more.

Economic development organizations, services, and practitioners across the state work to support Oregon's economy and meet the needs of local and regional communities. Mapping the economic development ecosystem in Oregon provides an opportunity to increase awareness and collaboration across sectors and jurisdictions.

The COVID-19 pandemic, increasing impacts from natural hazards, and on-going civil rights advocacy call for an economy that is equitable and resilient. Mapping the economic development ecosystem can connect organizations with existing resources to increase economic resilience, strategic planning, and equity strategies.

## Project Purpose



Define baseline data on the economic development ecosystem. This information can help to inform policy and program initiatives that leverage existing strengths and address unknown gaps.



Provide a resource that defines roles, services, and economic development organizations at the state level and regional level. Currently, there is no comprehensive resource that defines these roles.



Support planning for a resilient and equitable economy. Increased coordination amongst ecosystem partners can support economic recovery efforts and buffer the financial, social, and environmental costs of unexpected events or natural disasters.

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# Timeline and Key Questions

*Our project team began this project in the Summer of 2020 amidst historic economic, financial, environmental, and social changes happening in Oregon and across the globe.*

This project was intended to support Oregon Economic Development Districts (OEDD), along with other partners, in their efforts to identify, clarify, and inventory the economic development organizations, efforts, and resources that exist within Oregon. Representatives from partner organizations formed an Advisory Group that provided technical advice to the IPRE faculty and students that made up our project team.

This project kicked off in the Summer of 2020 while much of Oregon and the nation was working remotely. Our project timeline and scope evolved as the COVID-19 pandemic shaped a changing work environment, the 2020 Oregon wildfires shifted organizations' capacities, and on-going civic events pulled our attention. Research and mapping tasks continued through the Winter of 2021 and preliminary findings were presented at the virtual 2021 Oregon Economic Development Administration (OEDA) conference.

We thank those who have been a part of this project process and patiently awaiting its results as we have worked to compile this final report in the Winter of 2023.

## Key Questions

This project was designed to answer the following key questions:

- **Current Conditions:** What Economic Development (ED) organizations, populations, infrastructure, services, or other ED resources exist currently?
- **Gaps:** Where are the current gaps in ED resources and activities within the ED ecosystem?
- **Interconnectedness and alignment:** How do current ED resources and activities overlap? Where do they align productively to strengthen ED efforts? Where do resources and activities create duplicate efforts? Where is there potential misalignment of ED efforts and goals?
- **Collaboration:** What further opportunities are there within the ED ecosystem to collaborate or foster new partnerships?

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# Project Methodology

*Our project team conducted background research, developed an inventory of organizations and their services, conducted a statewide survey, and created geographic and functional maps to answer our key questions.*

## Background Research



Literature review of existing frameworks and resources that provided defined roles of organizations and key services within economic development.

## Statewide Survey



Administered a statewide survey to Economic Development Organizations across Oregon to gather data on organizational capacity and services, how organizations work together, and how organizations incorporate resilience and equity into their work.

## Searchable Inventory



Conducted online research to identify economic development organizations throughout the state, their primary services, and their stated mission and goals.

## Geographic Mapping



The searchable inventory was mapped using ArcGIS to create an [interactive geographic map series](#). The geographic maps series also mapped existing jurisdictional boundaries to analyze alignment, overlap, and gaps.

# THE ECOSYSTEM

- *WHAT IS ECONOMIC DEVELOPMENT?*
- *WHAT IS AN ECONOMIC DEVELOPMENT ECOSYSTEM?*
  - *GEOGRAPHIC FACTORS*
  - *FUNCTIONAL FACTORS*
  - *PROJECT FRAMEWORK*



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# What is Economic Development?

We utilize the definition of Economic Development as described by Moore, Meck, and Ebenhoh in the report titled *Economic Development Toolbox: Strategies and Methods*.<sup>1</sup>

This definition recognizes that job and business development are still the primary focus of economic development efforts. However, this broader definition acknowledges that economic development can impact other public interests, such as social equity or disaster resilience, and that planning for economic development should recognize and manage trade-offs among these, and other, public interests.

This definition also recognizes that the aim of economic development is to contribute to a community's well-being.

*"Economic development is defined by activities, organizations, and resources that contribute to a community's well-being through factors of job-creation, business growth, and income growth (factors that are the typical and reasonable focus of economic development policy), as well as through improvements to the wider social and natural environment that strengthen the economy."*

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# What is an Economic Development Ecosystem?

An economic development ecosystem recognizes that economic development is a network of organizations, governments, programs, businesses, and people that are all interconnected and interdependent. Viewing economic development as an ecosystem applies a systems thinking approach to the field.

Just like a natural ecosystem, economic development has elements within the system that impact and shape other elements. For example, a tree within a forest may provide habitat to animals, shade to other tree and plant species, take up nutrients through the soil, and release oxygen into the air. When a tree falls, the elements around the tree may change or adapt. In economic development, an organization may provide direct services to their target population, pull on state and federal funds, require a talented workforce, provide local leadership, and strength local industry.

Within an economic development ecosystem, elements may consist of *geographic factors*, those that shape industry or jurisdictional boundaries, and *functional factors*, like organizations that provide services, funds that support service delivery, or information that moves through its communication structures.

Collectively, these elements and their relationships are woven together into a larger tapestry that defines how the entire ecosystem operates.

*An economic development ecosystem looks at how the complex network of economic development organizations, services, populations, and supporting infrastructure is interconnected and related.*



# Geographic factors

*Geographic factors are the spatially tied characteristics that affect economic development*



- Landscape (coastal, valley, mountain, desert)
- Climate
- Hazards
- Natural resources



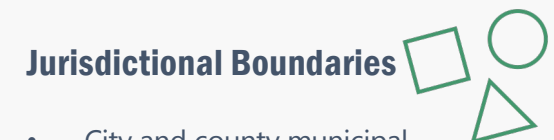
- Size
- Demographics
- Access to needs (housing, transportation, healthcare, childcare, etc.)

**Geographic factors** may include factors such as geography, local industries, and population, and jurisdictional boundaries, amongst others. Each factor impacts other geographic factors. For example, the natural resources in an area can impact and shape the types of industries that arise.

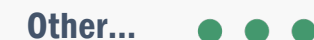
Geographic boundaries present both an opportunity and challenge for coordinating economic development in Oregon as they can affect service delivery, alignment of goals and strategies, partner formation, infrastructure, and funding amongst others.



- Size and type of industry
- Number and diversity of industry
- Number of employees



- City and county municipal boundaries
- Regional boundaries
- State boundaries
- Tax districts
- Electoral districts



- Infrastructure
- Educational institutions
- Service areas

# Functional factors

*Functional factors are the ecosystem characteristics that are not tied to a specific geographic location.*

## Coordination and Collaboration



- Between and amongst sectors
- Internal coordination (amongst staff, departments, etc.)
- Amongst multiple scales (local, regional, state) of economic development

## Organizational qualities



- Organizational type (Government, NGO, private sector, etc.)
- Organizational size and capacity (budget and FTE)
- Focal areas

**Functional factors** are intangible characteristics of economic development, such as coordination and collaboration, leaders and champions, goals and metrics, and organizational characteristics, amongst others.

Functional factors contribute to understanding how interactions and linkages occur in economic development. These factors can affect the awareness of other organizations within the ecosystem, willingness to share resources, and ability to leverage existing resources.



## Leaders and Champions



- Advocates for strategic visioning and collaboration
- Individuals that work to build relationships and convene groups
- Individuals or organizations that others seek information from

## Goals and metrics



- Identified organizational goals
- Alignment with regional or statewide goals
- Ways of measuring and communicating success

## Others...



- Social Network
- Culture of innovation

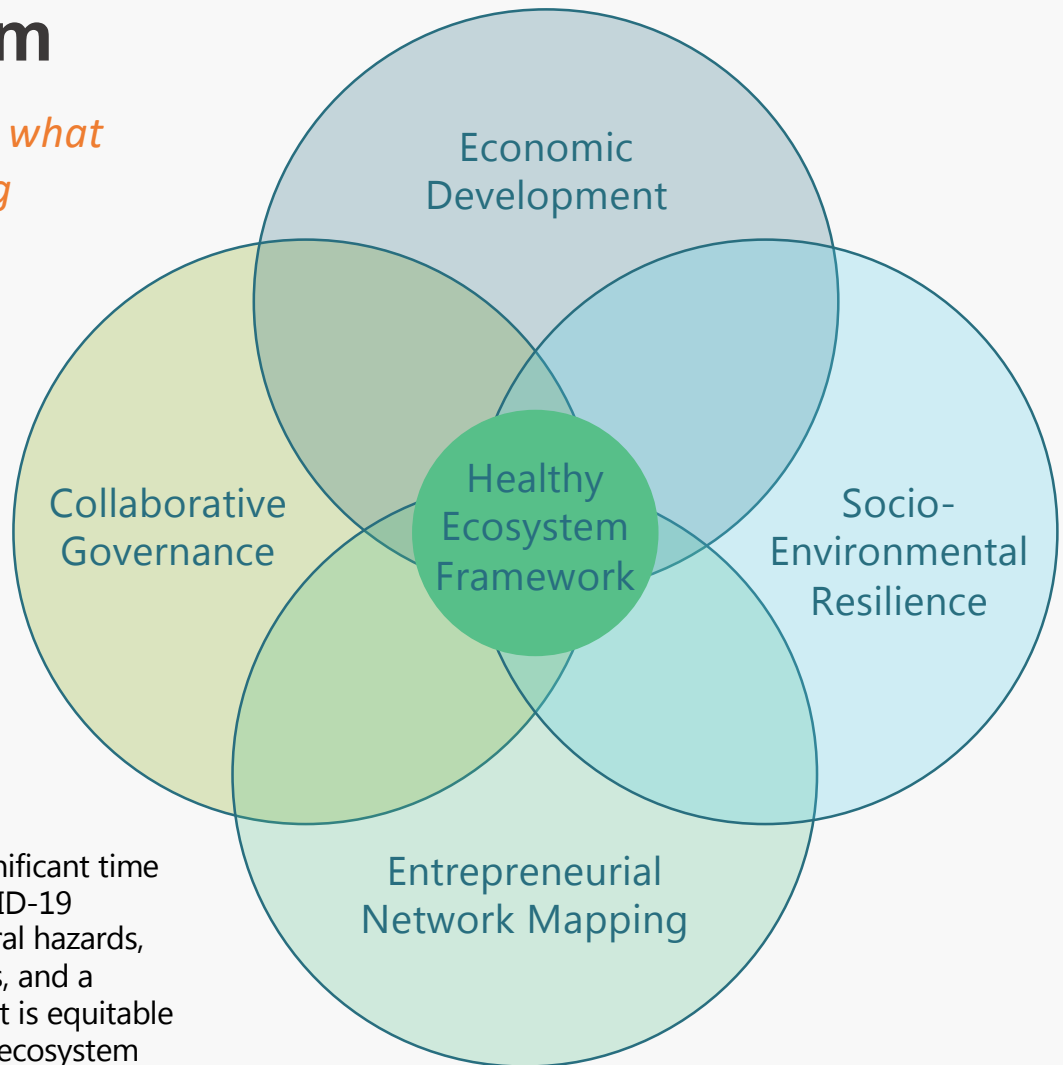
# Developing an Approach to Evaluate the Ecosystem

*There is little guidance that exists around what constitutes a healthy and well-functioning economic development ecosystem.*

To create a method for evaluating Oregon's economic development ecosystem, we adapted existing frameworks for economic development, entrepreneurial network mapping, socio-environmental resilience, and collaborative governance.

We distilled these frameworks into a set of five main assumptions about how to build a healthy and resilient economic development ecosystem. These five assumptions closely match the principles of resilience from the Stockholm Resilience Centre, an internationally recognized authority on the topic of socio-environmental resilience.

Developing such a framework comes at a historically significant time for the Oregon economy and beyond. The ongoing COVID-19 pandemic, the increasing frequency and severity of natural hazards, civil rights advocacy, changing population demographics, and a shifting national political climate call for an economy that is equitable and resilient. Building a framework to evaluate what the ecosystem consists of can support future actions in shaping the Oregon economy to match values for collaboration, equity, and resilience, as well as serve as a model for other states to pilot similar projects.



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# A Systems Thinking Approach is Fundamental

*A systems thinking approach is central to our healthy ecosystem framework and foundational in the definitions we used to define what an economic development ecosystem is.*



**Big Picture Thinking** – The components and systems within economic development (geographies, industries, organizations, services, partnerships, leadership, funds, etc.) and adjacent to economic development (infrastructure, housing, education, disaster resilience, social equity, environment) are highly interconnected. These factors influence and impact each other in both direct and indirect ways.

*A healthy ecosystem relies on attitudes, practices, and policies that acknowledge and account for this complexity and interconnectedness.*

# Healthy Ecosystem Framework

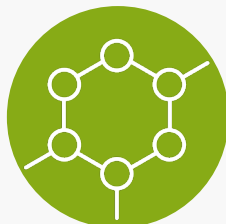
*A healthy ecosystem consists of strong relationships and supportive systems.*

## Strong Relationships



**Diverse and broad participation** – People and organizations with diverse experiences, identities, and expertise help economic development function more holistically, ensuring that critical needs are not overlooked. Promoting collaboration and enduring partnerships among organizations ensures alignment of activities.

*A healthy ecosystem invites and relies on diverse perspectives. It is also organized to create connections and coordination between these diverse perspectives.*



**Social network connectivity** – Connectivity of networks, interests, and resources (funds, staff, ideas, etc.) can translate into increased reach and effectiveness of economic development efforts. But connectivity can also unintentionally spread negative impacts.

*A healthy ecosystem requires a balance between helpful collaboration between organization and buffers that protect more highly integrated organizations from negatively impacting each other.*

## Supportive Systems



**Space for Innovation** – Creating the opportunities and spaces for peer learning and problem-solving can birth new ideas and innovative solutions. Spaces that promote creativity and learning prepare people and organizations to address challenges that arise in economic development.

*A health ecosystem holds space for peer-to-peer and cross-organizational learning and feedback.*



**Structure for shared decision-making and action** – Economic development requires the coordination of multiple agencies across a diversity of organization types and levels to implement a shared vision. Without formal mechanisms or leadership to promote shared decision-making and action on local, regional, state, and multi-level economic development priorities, organizations default into siloed work environments and cultures.

*A healthy ecosystem includes a structure for shared decision-making that can quickly adapt to changing conditions.*

# CURRENT CONDITIONS

- *A SNAPSHOT OF THE ECOSYSTEM*
- *ORGANIZATION TYPES AND SERVICES*
- *REGIONAL ECONOMIC DEVELOPMENT*



# A Snapshot of the Economic Development Ecosystem

Our inventory cataloged economic development organizations across the state and collected information about organization type, level, and services.

Organizations with multiple regional offices, departments were recorded as a singular organization.

**We included some organizations which may not be considered a traditional economic development organizations.**

However, these organizations provided a service, program, training, or funding resource that contributed to the overall economic development ecosystem.

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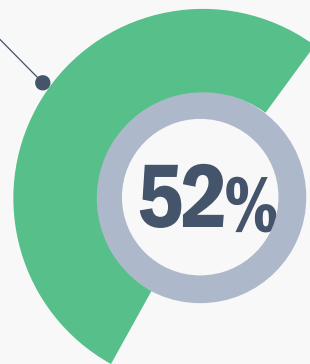
**Total  
Organizations  
Statewide**

1358

**Total  
Recorded  
Services**

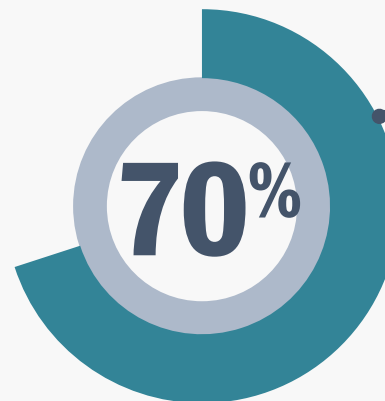
## Non-Governmental Organizations

Over half of organizations recorded were private sector organizations



## Local Organizations

Seventy percent of organizations in our inventory are at the county level or smaller



## Targeted and Direct Services

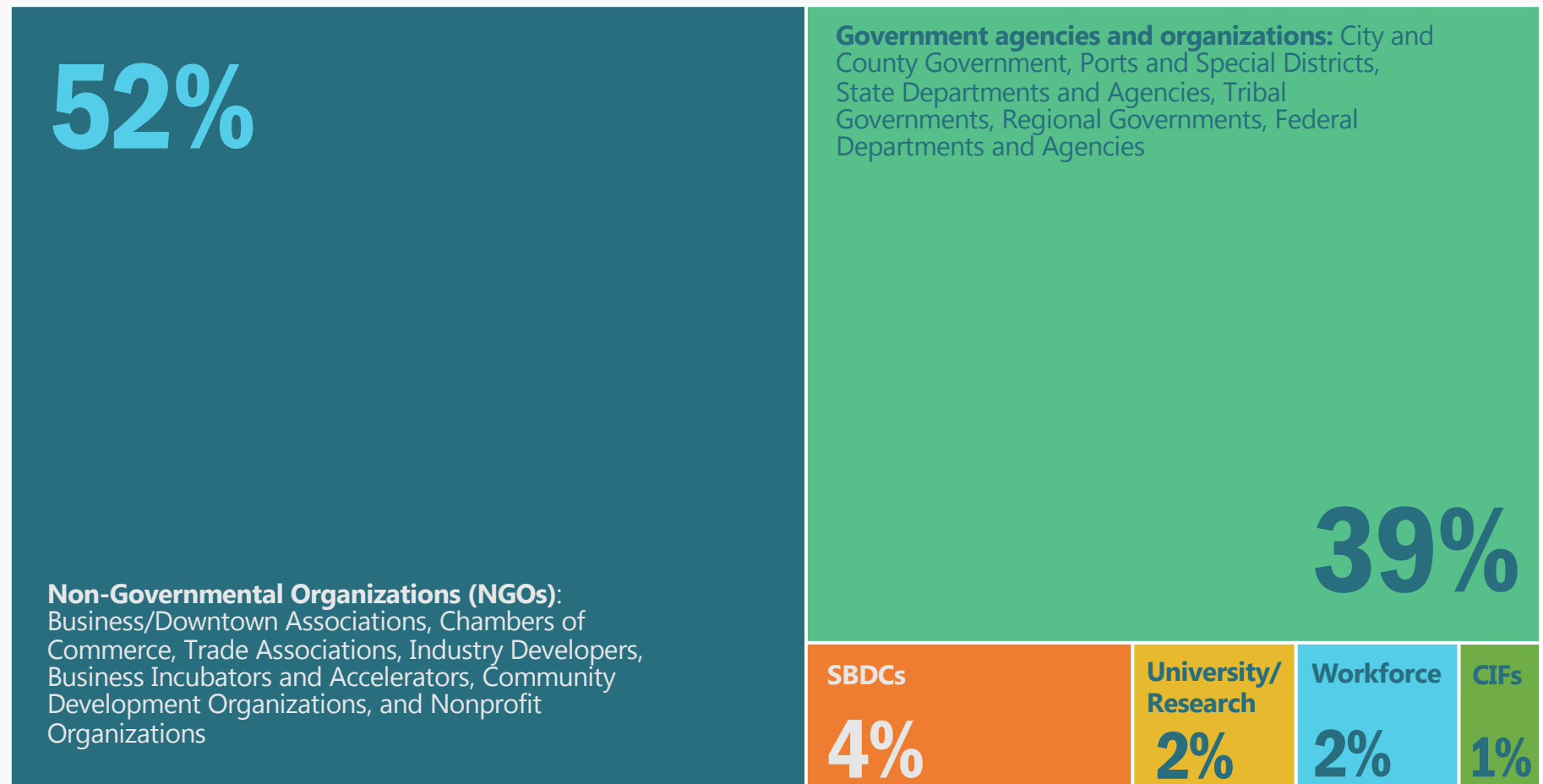
Most organizations provide targeted and direct services aimed at serving businesses, workforce, and communities



# A Diversity of Organization Types

*Small Business Development Centers (SBDCs), University and Research Institutions, Workforce Organizations, and Capital Investment Funders (CIFs) represent fewer, but essential, organization types across the statewide ecosystem.*

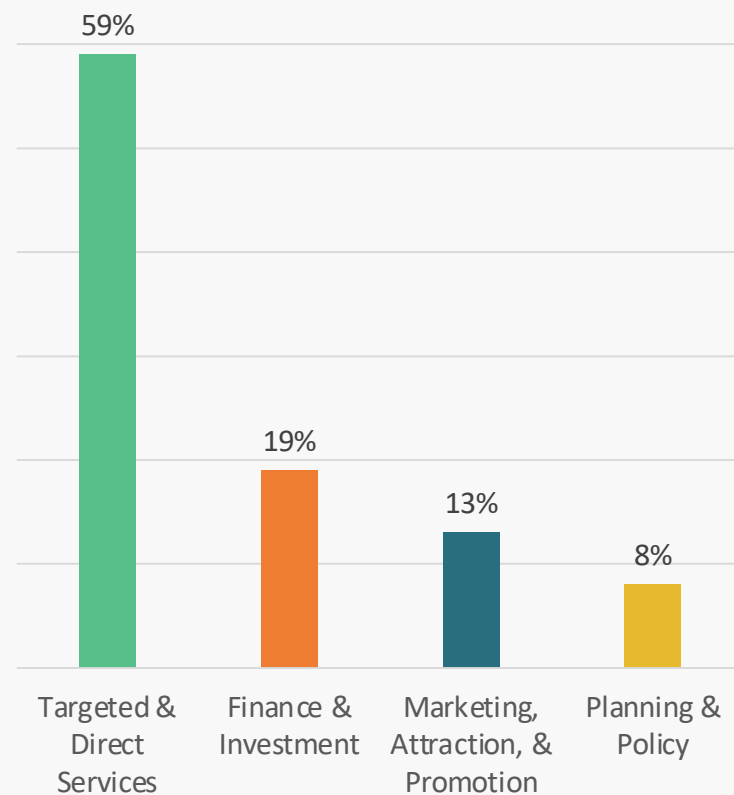
Figure 1: Economic Development Organizations by Type and Number



# What services do organizations provide?

Our inventory recorded organizations' top three primary services. The service types used below are informed by categories defined by the International Economic Development Council (IEDC).<sup>2</sup> Our project team identified over 1300 services, though we presume that many organizations provide than was discovered through our research.

Figure 2. Percent of organizations by Service Type, Statewide



## Targeted and Direct Services



- Business Retention and Expansion
- Workforce Development
- Entrepreneurial and Small Business Development
- Neighborhood and Community Economic Development

## Finance and Investment



- Economic Development Finance
- Real Estate Development
- Technology-led Development
- Foreign Direct Investment and Exporting

## Marketing, Attraction, and Promotion



- Marketing and Attraction
- Tourism and Advertising

## Planning and Public Policy



- Resilience and Disaster Planning and Recovery
- Strategic Planning and Policy

# Top services by organization type

*Organizations provide a diversity of different services. Overall, we found that government organizations and NGOs provide the broadest range of services types while SBDCs, Universities and Research Institutions, Workforce Development Organizations, and Capital Investment Funders are narrower in scope.*

Statewide, these organization types most frequently provide...

## Non-Governmental Organizations (NGOs)

Business Retention and Expansion

## Government agencies and organizations

Neighborhood and Community Economic Development

## Small Business Development Centers

Small Business Support/Workforce Development

## University and Research Institutions

Technology-led Development

## Workforce Organizations

Workforce Development

## Capital Investment Funders and Community Financial Institutions

Economic Development Finance

# Regional Approaches to Economic Development

*The role of regional organizations in the broader ecosystem is to bridge, convene, connect, and mobilize.*

Regional organizations account for the smallest percentage within the ecosystem. We recorded 113 regional organizations, making up 13% of the total ecosystem. Regional organizations are those at the multi-county level or larger but do not serve the entire state. Some state agencies and organizations also operate at the regional level through regionally based teams or offices.

The following section provides a profile for some of Oregon's regional organizations including Small Business Development Centers (SBDCs), Workforce Development Boards (WDBs), Universities and Research Institutes, Economic Development Districts (EDDs), Business Oregon, Regional Solutions, and Travel Oregon.

## Small Business Development Centers (SBDCs)

### *Helping Build Oregon's Best Businesses*

Oregon's Small Business Development Centers (SBDCs) primary goal is to provide consultation, training, continuing education, and resources for businesses throughout the state.

Oregon's SBDCs began in 1983 and are part of a larger national network. The SBDC network is comprised of partnerships across 17 community colleges, two state universities, the Columbia Economic Team, the US Small Business Administration, and Business Oregon. Oregon's SBDC network maintains a strategic plan that updates on a five-year cycle.

#### Primary roles:

- No cost business advising
- Training services and online courses
- Assistance with access to capital resources

# of SBDCs: 20

Figure 3. Statewide network of SBDCs and satellite offices



Source: America's SBDC Oregon

## Workforce Development Boards (WDBs)

# of WDBs: 1 state board, 9 local boards

*Advance Oregon through meaningful work, training, and education by empowering people and employers.*

Workforce Development Boards (WDBs) are part of a national network of business-led workforce development boards that are primarily funded by the Workforce Innovation and Opportunity Act (WIOA). WDBs are tasked with job creation, skill development, and business competitiveness.

Oregon's WDBs operate under a non-profit organizational status that allow them to compete for other federal, state, and local funds. The Oregon Workforce and Talent Development Board (OWTD) is the overarching state entity that oversees workforce oversight and planning. OWTD prepares a statewide workforce strategic plan and approves local plans prepared by regional WDBs on a five-year cycle.

Individual WDBs maintain their own mission statements. OWTD's mission is to, "Advance Oregon through meaningful work, training, and education by empowering people and employers."

### Primary roles

- Worker skills development
- Job creation
- Business competitiveness
- Develop talent pipeline
- Convening local partners (Ex. employers, labor groups, government, community colleges, and EDOs)
- Prepare and implement regional strategic plans

Figure 4. Oregon Workforce Development Boards



Source: State of Oregon, Workforce & Talent Development Board

# Universities and Research Institutes

There are numerous universities throughout the state of Oregon, all of which maintain their own individual mission statements, but collectively aim to provide excellence in teaching, student learning, and research in various fields. The Higher Education Coordinating Commission (HECC) oversees the state’s **seven public universities**. The HECC also envisions a future for Oregon that connects post-secondary education with a resilient economy through supporting innovation and research.

Individual universities may also house research centers and institutes that engage in research efforts, programs, and services in various industries.

Oregon is also home to several private research institutes and quasi-public organizations that support research and development in various industries. Some examples include the Oregon Manufacturing Innovation Center, the Oregon Nanoscience and Microtechnologies Institute (ONAMI), the Oregon Translational Research & Development Institute (OTRADI), and VertueLab.

Universities and Research Institutes are variable in their mission and objectives. These regional organizations may have primary roles that includes some, but not all, of the following listed in the column to the right.

# of Public Universities: 7, # of Independent Universities: 12  
# of Private Research Institutions: 21

## Primary roles:

- Industry-specific research and development
- Innovation across industries and fields of study
- Assistance with access to federal grants
- Grant programs
- Job creation
- Entrepreneur advising and mentorship programs
- Student learning and success
- Workforce development
- Continuing education

Table 1. Oregon’s Seven Public Universities

University	Location
Eastern Oregon University	La Grande
Oregon Institute of Technology	Klamath Falls, Wilsonville
Oregon State University	Corvallis, Bend
Portland State University	Portland
Southern Oregon University	Ashland
University of Oregon	Eugene
Western Oregon University	Monmouth



## Economic Development Districts

*The Mission of the Oregon Economic Development Districts is to “provide a cohesive network for effective, efficient delivery of economic development services benefiting healthy and sustainable communities and businesses.”*

Economic Development Districts (EDDs) are federally designated, multi-jurisdictional organizations that lead a regional strategic planning process referred to as a Comprehensive Economic Development Strategy (CEDS), as well as other regionally-based services and programs.

EDDs may be housed within various organization types such as a regional government, a private economic development organization, or a nonprofit organization and sometimes represent jurisdictions across state or county boundaries. Designated organizations may also perform roles outside of or complementary to their role as the district.

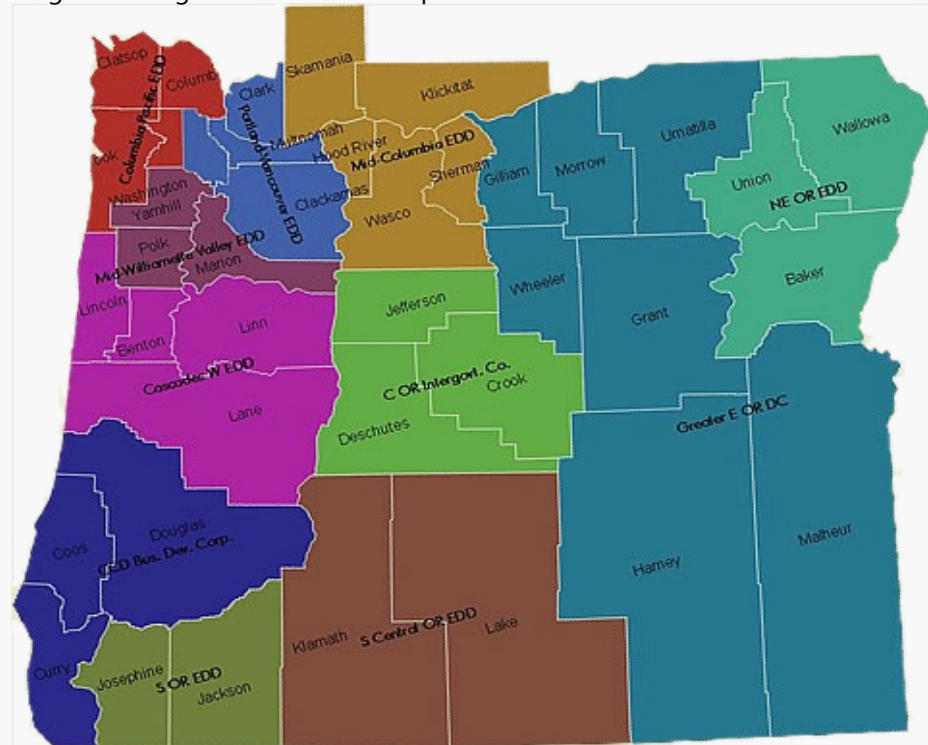
The Affiliated Tribes of Northwest Indians (ATNI) Economic Development Corporation is the state’s 12<sup>th</sup> EDD and is not geographically bound. ATNI represents and serves 57 tribal governments across the northwest including tribal members of Oregon’s nine federally recognized tribes.

# of EDDs: 12

Primary roles:

- Regional strategic planning
- Regional service delivery
- Support regional collaboration across partners
- Connecting with statewide and national networks
- Partner directly with the EDA

Figure 5. Oregon Economic Development Districts



Source: Oregon's Economic Development Districts



## Business Oregon Regional Service Areas

*Business Oregon “invests in Oregon businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy.”*

Business Oregon is the state of Oregon’s economic development agency and is overseen by a nine-member commission. As detailed in their 2018-2022 strategic plan, Business Oregon is committed to a regional approach to economic development in order to serve the diverse economies across the state. Twelve regional service areas are staffed by regional development teams that connect with and support local industries, communities, and leaders.

Business Oregon has a complex organizational structure that also includes state-level staff. State-level staff are associated with specific programs, expertise, or administrative and leadership roles. Business Oregon is associated with various commissions, boards, and committees including the Oregon Cultural Trust and the Oregon Arts Commission.

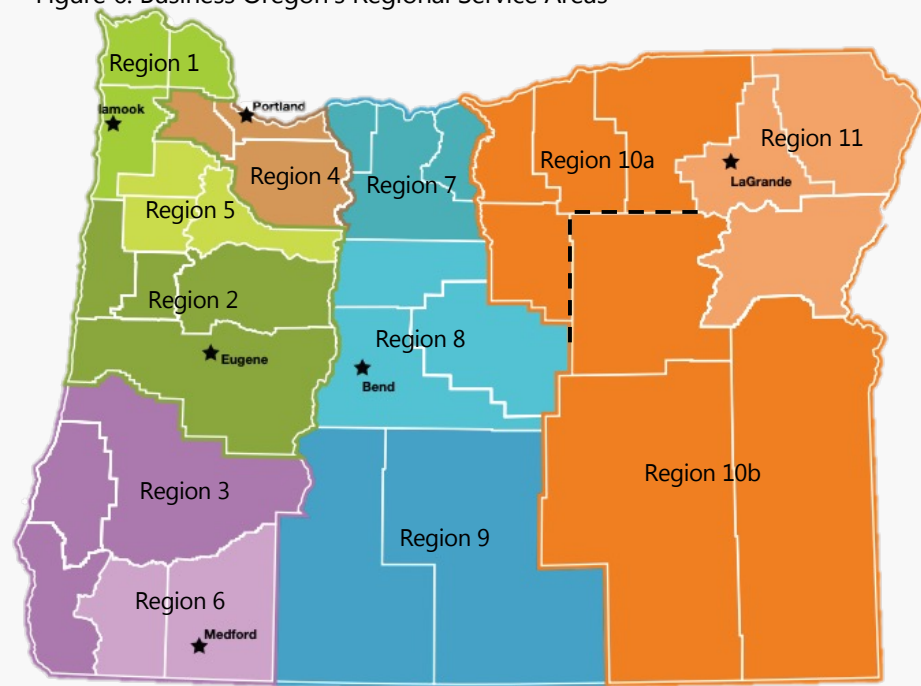
Business Oregon’s infrastructure financing programs are overseen by a nine-member independent board, the Infrastructure Financing Authority (IFA) Board, and account for nearly 78% of Business Oregon’s overall budget from 2021-2023.<sup>3</sup>

# of Regional Service Areas : 11

Primary roles:

- Rural community development
- Infrastructure financing
- Business retention and expansion
- Promotion and international trade
- Industry research
- Entrepreneurship and small business support
- Support of Oregon’s arts and culture organizations

Figure 6. Business Oregon’s Regional Service Areas



Source: State of Oregon

## Regional Solutions

*Regionals Solutions is the Governor's approach to community and economic development*

Regional Solutions was established by Executive Order 11-12 and enacted by the legislature in 2014. Regional Solutions is grounded in the recognition of Oregon's unique regions and the importance of working at the local level to identify priorities, problem-solve, and spur action.

Each regional office is staffed by a Solutions Team that includes the Business Oregon regional development officer. The staffing structure varies from region to region, but may also include:

- Business Oregon Business Finance Officer
- Business Oregon Project Manager
- Business Oregon Brownfield specialist,
- Representatives from state agencies and departments; and
- Representative from the Economic Development District

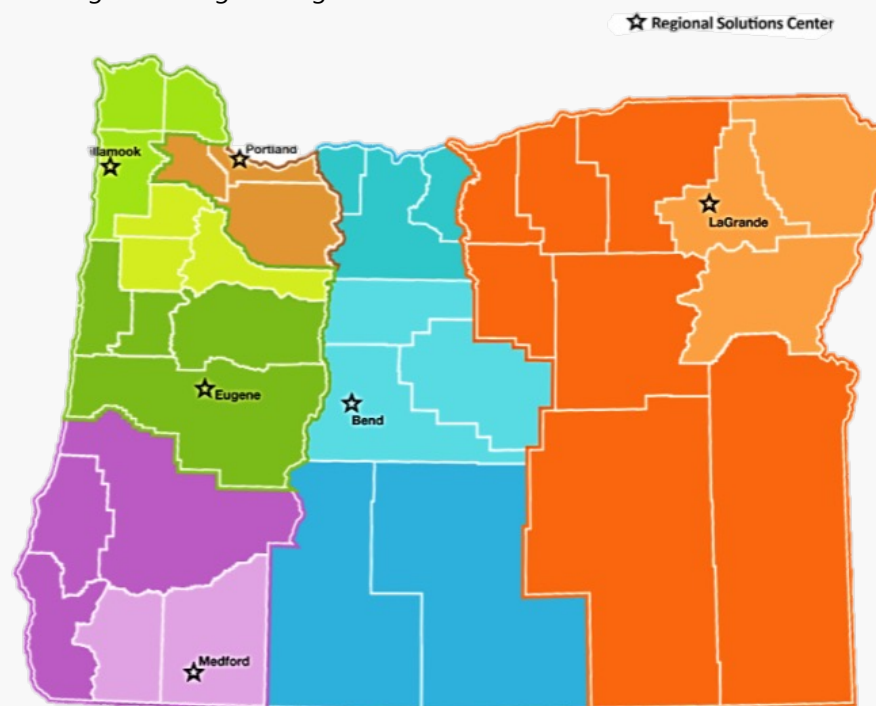
Each Regional Solutions team is overseen by an advisory committee appointed by the Governor and includes representatives from the public, private, and philanthropic sectors.

# of Regional Solutions Offices: 11

Primary roles:

- Supporting local-level priorities
- Coordinating government agencies
- Building cross-sector relationships

Figure 7. Oregon's Regional Solutions Service Areas and Centers



Source: State of Oregon

## Travel Oregon

*Inspiring travel that uplifts Oregon communities.*

Travel Oregon, also known as the Oregon Travel Commission, is dedicated to the promotion of Oregon's tourism economy. The commission is a nine-member board that is appointed by the Governor and funded in by the statewide transient lodging tax and revenue from the Governor's conference on Tourism. Travel Oregon is committed to the values of integrity, equity, community, and stewardship.

Travel Oregon staff is responsible for the development and implementation of a strategic plan that updates on a 3-year cycle. Travel Oregon also maintains a 10-year strategic vision.

Travel Oregon divides the state into seven tourism regions and designates a one Destination Management Organization (DMO) to act as a Regional Destination Management Organization (RDMO) partner. Local DMOs, such as local chambers or visitor's centers, are directed to work with their RDMOs to leverage resources in their regions.

# of Travel Oregon Regions: 7

Primary roles:

- Marketing and promotion
- Visitor information and trip planning
- Tourism product development
- State welcome centers
- Industry research

Figure 8. Travel Oregon's Tourism Regions



Source: Travel Oregon

# FINDINGS

- ORGANIZATIONAL CAPACITY
- PERCEPTIONS ABOUT PARTNERSHIPS
  - STRATEGY ALIGNMENT
- ECONOMIC RESILIENCE AND EQUITY

# Ecosystem Findings

*This section includes findings from our statewide survey, the organization inventory, mapping analysis, and background research.*

## Who took the survey?

**189**

**Economic Development Organizations participated in our survey**

**1/3**

**Over a third of the survey respondents were made up of city governments and local business associations**

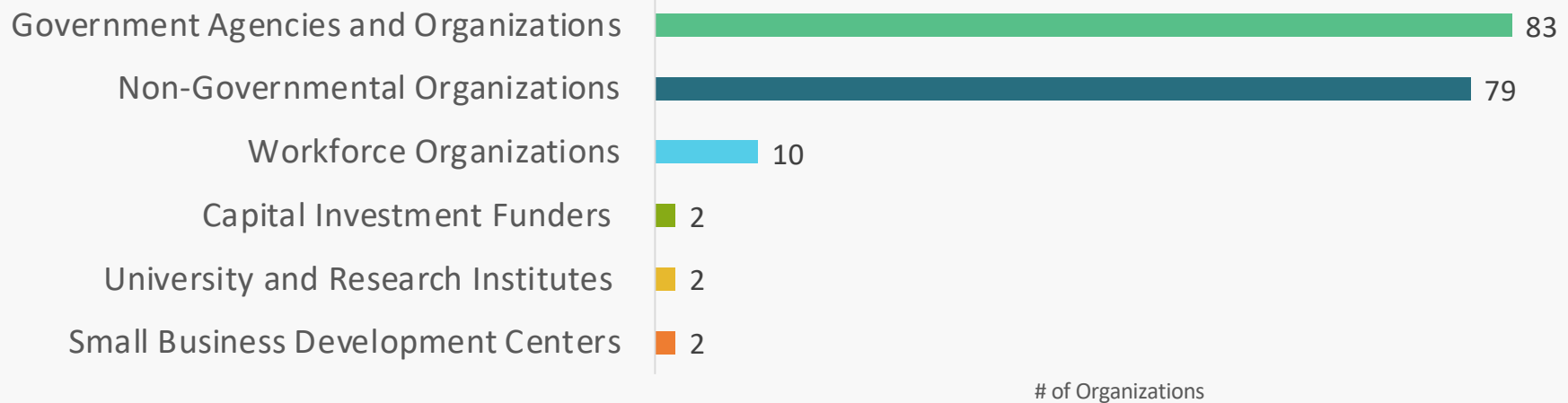
**55%**

**Of respondents were organizations whose primary function is economic development**

**45%**

**Of respondents were organizations that provide many functions, one of which is economic development**

**Figure 9. Survey Participation by Economic Development Organizations, Type, n=189**



# ORGANIZATIONAL CAPACITY

# Organizational Capacity

Survey respondents reported staff capacity and annual budgets.

## Full Time Equivalent (FTE)\*

- 76% of respondents reported having five or fewer FTE.
- **41% of respondents have one or fewer FTE.**

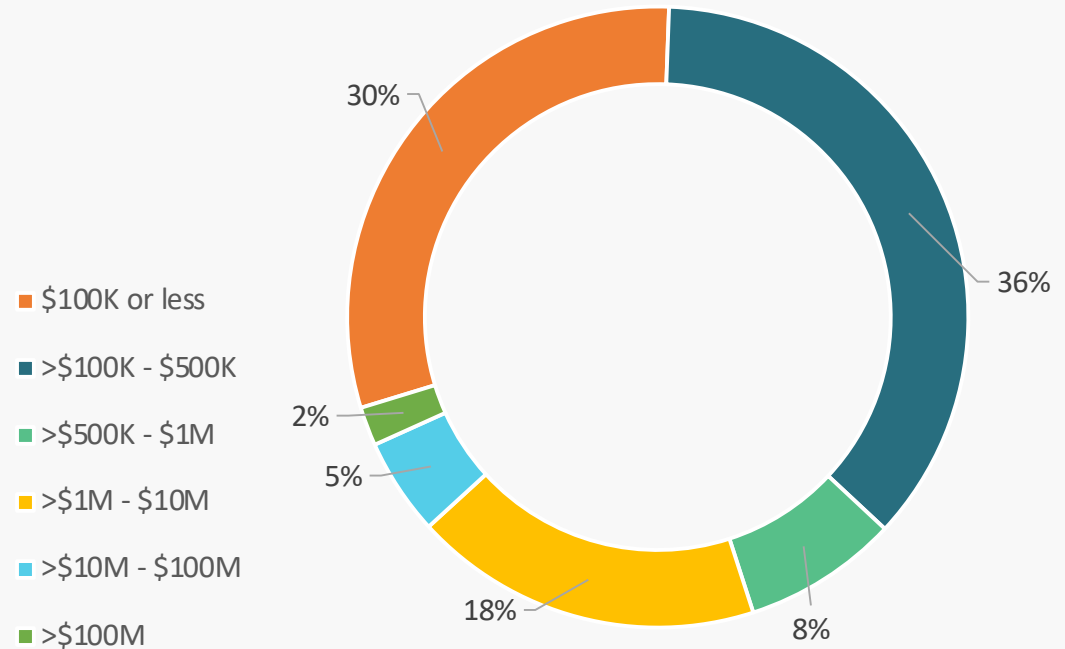
Table 2. Reported Full Time Equivalent

FTE Listed	# of Responses	% of total
0-1	55	41%
1.1 - 5	47	35%
5.1 - 10	18	13%
10.1 - 50	9	7%
50.1 - 100	3	2%
100+	2	1%
<b>Total</b>	134	100%

\*One FTE is equivalent to 40 hours/week of staff capacity. One FTE may include multiple staff that work less than full time.

## Annual Budget

Figure 10. Reported Annual Operating Budget, n= 151



- 76% of respondents reported an annual budget of \$500,000 or less.
- **30% of respondents reported an annual budget of \$100,000 or less.**

# Organizational Funds and Revenue

*We asked survey respondents to estimate which funding sources currently contributed to their annual budgets.*

Survey respondents representing government agencies and organizations and non-governmental organizations provided more detailed responses on funding sources that contributed to their annual operating budget.

- On average, NGOs have a higher number (three) of funding sources contributing to their annual budgets than government organizations (two).
- Results showed that both Government organizations and NGOs had as few as one funding source and as many as seven.
- Government organizations are most frequently supported by federal, state, county, or city budgets.
- Both NGOs and government organizations rarely resource funds from endowments, direct capital investments, private loans, or returns on investments.
- NGOs mostly frequently listed funds from membership fees, fee-for-service, and municipal funds supporting their annual operating budgets.

## Government Organizations and Agencies

The following represents responses from 66 survey respondents:

10K	Minimum reported annual operating budget
190M	Maximum reported annual operating budget
417K	Median reported annual operating budget

## Non-Government Organizations

The following represents responses from 64 survey respondents:

1K	Minimum reported annual operating budget
140M	Maximum reported annual operating budget
200K	Median reported annual operating budget



# PERCEPTIONS ABOUT PARTNERSHIPS

# Coordination can be difficult, but it is essential

*We asked survey respondents respond to a series of prompts regarding coordination within economic development in their area and the frequency of their interactions with other organizations.*



64% Disagree: Coordination between economic development organizations is easy.



84% Agree: Coordination between economic development organizations is worth the time effort, and resources required.



82% Agree: Economic development organizations must coordinate to effectively implement plans or strategies.

Coordination and collaboration with other organizations may take many forms. We asked survey respondents to detail *how* they coordinated/collaborated with their partners. The top three most frequently identified activities that survey respondents chose were:

- (88%) Informal networking/conversation between staff
- (65%) Coordination on service delivery
- (57%) Interaction via social media

Organizations also engaged in coordination activities such as:

- (55%) Coordinating communications out to the public and other interested parties
- (52%) Building services or programs together
- (45%) Coordinating when setting goals and strategies
- (43%) Entering contractual agreements
- (37%) Coordination on service or program evaluations
- (34%) Allocating budget for cross-organizational activities
- (12%) Shared software platforms to coordinate work
- (3%) Shared physical facilities or workplaces

# Survey respondents reported deeper, more frequent, and more effective interactions with locally-focused organizations

We asked survey respondents to consider elevated levels of interaction to define their relationships with other EDOs.

Survey respondents reported having **more collaborative interactions with municipal governments and business associations/ chambers of commerce/ downtown associations compared to other types of organizations.**

More respondents rated municipal governments, business associations, and county governments as highly effective at supporting their organization in meeting their economic development objectives compared to other types of organizations.

Figure 11. Levels of Collaboration<sup>4</sup>

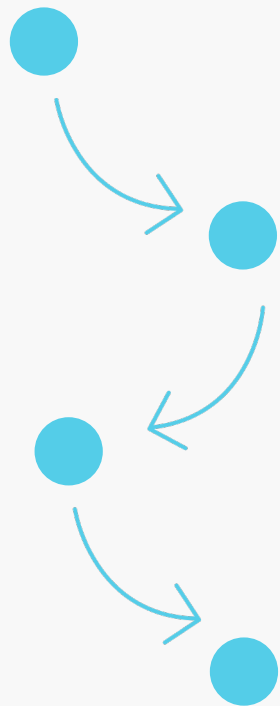
No Interaction	Networking	Coordination	Cooperation	Collaboration	Integration
	Groups <b>share information and/or services</b> for the common interest and mutual benefit.	Groups maintain policies, goals, or objectives that <b>combine or interact harmoniously as parts of a whole.</b> Groups coordinate in the hopes of avoiding duplication of efforts.	Groups <b>provide active assistance</b> to each other to work jointly towards their common interests. Groups may <b>share goals, strategies, and funding resources.</b>	<b>Groups work together directly</b> to to design and implement strategies and plans. <b>Groups are interdependent</b> with equal commitment and share of available resources.	Groups have <b>fully-integrated activities</b> between groups with a single budget, management structure, and accountability processes.

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## Many survey respondents wanted more interaction with state agencies

*We asked survey respondents to tell us about their relationship with state agencies.*

Survey-wide, more than half of respondents reported that state agency programs and resources do not adequately support economic development organizations. However, most survey respondents agreed that their relationship to state agencies and departments was high to moderately effective in helping them to achieve their objectives. Just over half of respondents identified the desire for more interaction with state agencies or departments. Despite feeling state support is inadequate, survey respondents most frequently identified the state's economic development agency, Business Oregon, as one of their closest partners.



53% of respondents disagreed that state agency programs and resources adequately supported EDOs.

Over a third of survey respondents agreed that their relationship to state agencies and departments was high to moderately effective in helping them to achieve their economic development objectives.

55% of respondents identified the desire for more interaction with state agencies or departments.

Business Oregon was frequently listed as a close partner.

# Business Oregon is a Close Partner

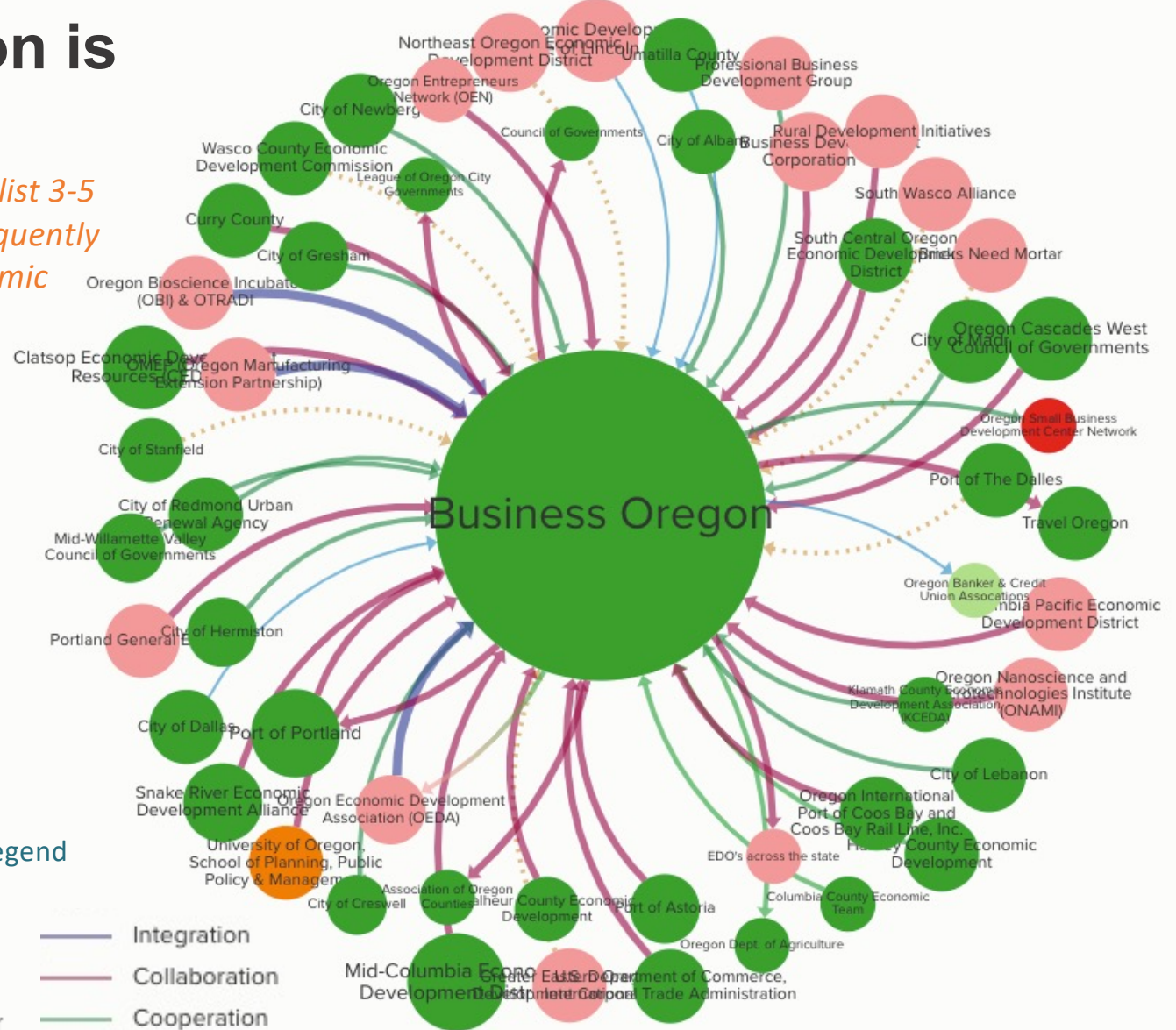
*We asked survey respondents to list 3-5 organizations that they most frequently work with to achieve their economic development objectives.*

Despite feeling state support is inadequate, survey respondents most frequently identified Business Oregon as one of their closest partners. Fifty-nine organizations across all organization types reported Business Oregon as one of their top five partners, notes as arrows pointing towards Business Oregon.\* The other most frequently identified close partners were regional government organizations.

## Organization Type and Connection Legend



**Figure 12. Organizational Partnerships with Business Oregon**



\*Arrows pointing away from Business Oregon towards organizations represent Business Oregon's responses on their closest partners.

# Organizations are motivated to build partnerships with other EDOs in order to fill gaps in services and expertise

*Organizations seek to build relationships with others when there is a clear benefit to their own ability to provide services.*

Over 75% of respondents cited their motivation to work with others as their partner organization's ability to provide services beyond their own capacity and securing expertise or information. In an ecosystem where many organizations have few staff or low FTE, relationships can be essential for leveraging capacity. The following table breaks down survey responses on what motivated organizations to work with other EDOs.

**Table 3. Motivating Factors to Work with Other Organizations, n=114**

Our partners provide services we cannot provide, but this is important to the success of our work	78%
Our partners provide information, perspectives, or expertise (knowledge) that we don't have.	77%
Our partners share our core values and help us promote them in our area	72%
Our partners help us to increase the funding available to support economic development in our area	69%
Our partners helps us to take advantage of opportunities provided by complex federal or state programs.	61%
Our partners help to expand our staff's productive capacity.	61%

## Building relationships

Survey respondents were motivated to build relationships in order to:

- Provide services beyond their own capacity
- Secure expertise or information
- Expand financial resources
- Promote shared organizational values within their service areas



## Relationships are difficult to build and foster without communication

*Some respondents reported few to no interactions with certain organization types.*

Significant percentages (30%-58%) of survey respondents reported no interaction with the seven types of EDOs listed in Table X.

**Table 4. Percentage of respondents that had no interactions with the following EDO types, n = 128**

Tribal Governments	58%
Capital Investment funders	55%
Port Authority/Special District	53%
Business Incubator/accelerator	38%
Trade Association/Specific Industry Development	32%
Local/Minority Focused Community Development Organization/Corporation	32%
Utility Company Organization	30%

# 86

**Organizations reported relationship management as part of the job duties of one or more staff members**

Disaggregated survey results show that Southern Oregon counties (Jackson, Josephine, Lake, and Klamath) expressed higher rates of seeking increased interaction, in addition to already having frequent interaction with tribal governments.

The lack of communication with these EDO types is not necessarily from the lack of desire or interest. One or more factors may impede relationship building, such as:

- Awareness of the organization
- Opportunity to meet in shared spaces
- Agreed upon methods of communication or available contact information
- Lack of defined roles
- Shared goals and objectives, or the perception thereof
- Constrained staff capacity
- Reciprocity or negative perception of the nature of request or communication
- Low levels of trust



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## Current conditions of the ecosystem disincentivize collaboration

### *Organizations end up competing for funding and staff.*

Survey respondents identified staff capacity and funding as top barriers to maintaining or forming partnerships. Several survey respondents discussed the cycle of competition over limited funds, explaining how organizations or jurisdictions with limited capacity for fundraising cannot viably compete with larger organizations.

Funding, particularly in times of economic distress, can cause rifts in existing partnerships. One survey

**66%**

**Of respondents indicated a lack of staff capacity as a barrier to partnerships**

**53%**

**Of respondents indicated a lack of funding as a barrier to partnerships**

respondent observed that willingness to collaborate only occurs in times of abundance. Another respondent discussed how new sources of revenue for their public partners overshadowed their previous public/private partnership which was once deemed essential.

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### *Political motivations and existing inter-organizational dynamics can impede collaborations and perpetuate siloes.*

Since elected officials and organizational governing bodies are accountable first and foremost to their local jurisdiction or specific service area, it can be difficult for policymakers and decision makers to focus on more regionally directed efforts. Relationship tensions between EDOs can also hinder collaboration.



Our ability to collaborate without the impression of politics can sometimes be difficult.



Survey respondents discussed the lack of ability to prioritize local needs in regional or statewide strategies, rifts in public/private partnerships caused by funding, and the perceived absence of statewide leadership in coordinating economic development strategies.



# Complicated geographies and misaligned service territories can make collaboration difficult

Diverse economic bases, population size, large regional areas, and institutional boundaries can create a sense of futility around regional collaboration due to perceived lack of shared or common interest. While overlapping service territories offers an opportunity for regional organizations to coordinate, the complexity of overlap and inconsistencies region to region make collaboration a heavy administrative lift.

Table 5 shows how the boundaries of regional organizations overlap with Oregon's Economic Development Districts. For example, Northeast Oregon Economic Development District shares the same regional boundary as the Business Oregon Service area, is served by two separate SBDCs, and is overlapping with the regional boundary for the Eastern Oregon Workforce Board that also serves the Greater Eastern Oregon Economic Development District.

**Table 5. Geographic Alignment of EDDs with Other Regional Boundaries**

Economic Development District	Small Business Development Center (SBDC)	Workforce Development Board (WDB)	Business Oregon Service Areas	Regional Solutions	Travel Oregon
COIC	overlaps	overlaps	same	same	overlaps
Col-Pac	served by 3	served by 2	served by 2	served by 2	served by 2
CWEDD	served by 3	served by 3	same	same	served by 2
Greater Portland*	served by 3	served by 2	same	overlaps	served by 3
MCEDD*	overlaps	overlaps	same	same	served by 2
CCD Biz Dev	served by 2	same	same	same	served by 2
NEOEDD	served by 2	overlaps	same	same	overlaps
GEOEDD	served by 3	overlaps	served by 2	same	overlaps
SORED	same	same	same	same	overlaps
MWVCOG	same	overlaps	same	same	overlaps
SCOEDD	same	overlaps	same	same	overlaps
ATNI-EDC	served by 9+	served by 7+	served by 9+	served by 8+	served by 7

\*Boundary alignment for Greater Portland and MCEDD excludes the counties located in Washington state

# STRATEGY ALIGNMENT

# Strategic Planning and Organizational Priorities

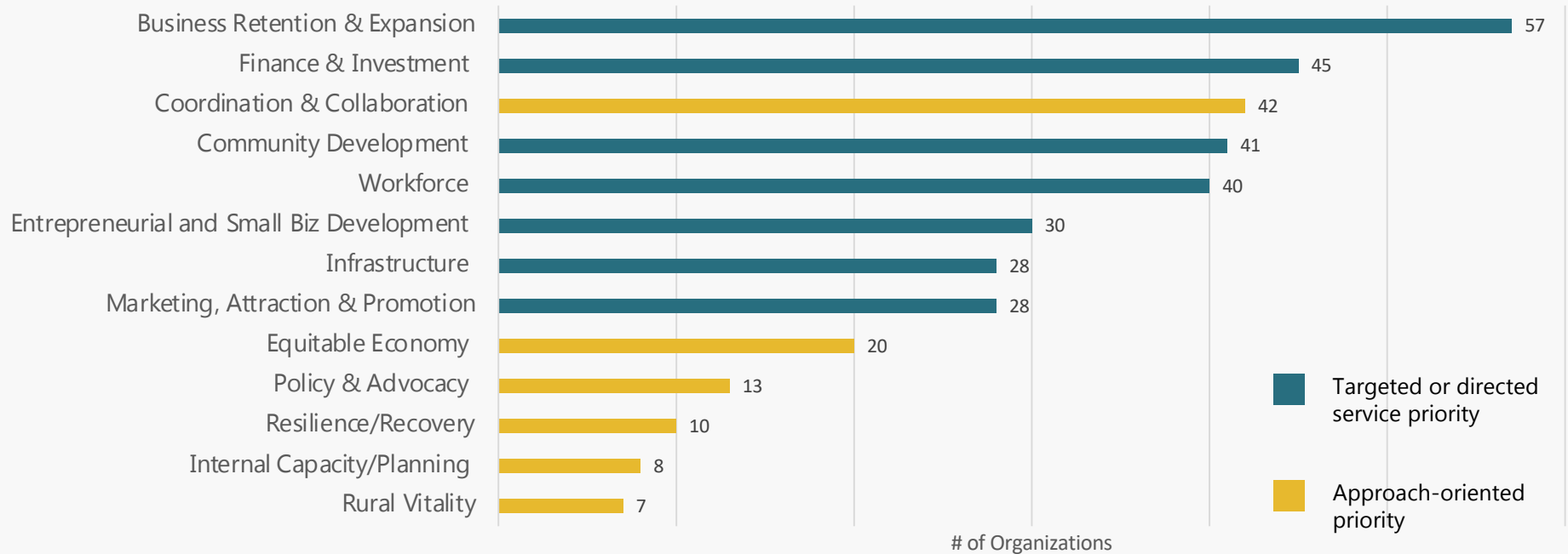
79%

Of organizations who responded, reported maintaining a strategic plan or implementation framework to guide their efforts

*We asked survey respondents about their organization's strategic plans and their organization's top priorities.*

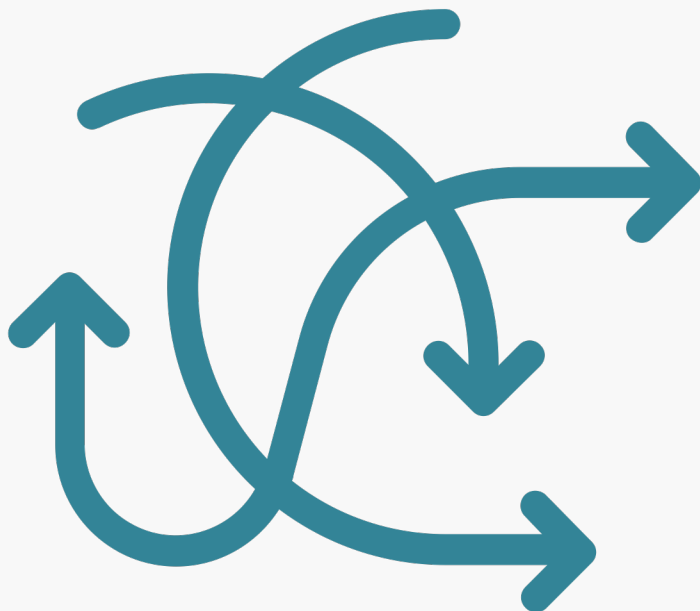
Survey respondents identified strategic priorities under 13 different categories. Priorities highlighted in blue represent **priorities that are related to targeted or directed services**; priorities highlighted in yellow represent **priorities that are related to how organizations approach economic development**.

**Figure 13. Strategic Priorities of Economic Development Organizations in Oregon, n= 116**



# A small, but notable, contingent of survey respondents disagreed about coordination over shared goals and strategies

*Disagreement on shared economic development goals and strategies were expressed across organization type and geographic region.*



A smaller group of survey respondents reported concern about coordination over strategies and visions - **18-20% disagreed about the following statements:**

- Economic development organizations use consistent strategies to promote economic development.
- Economic development organizations share similar visions for economic development goals.
- Economic development organizations share similar visions for implementation of economic development strategies.

Disagreement on these statements had broad representation across organization types, including NGOs and government organizations as well as those who represent a smaller portion of the ecosystem overall such as Capital Investment Funders, Workforce Development Organizations, and University and Research Institutes. Additionally, responses represented organizations from across the state and at the local, regional, and state level.

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## Shared and interdependent interests promote collaboration

*Given a common goal, organizations have shown that they can come together, even despite the existing barriers.*

Times of upheaval and stress often open a window of opportunity for change. Three survey respondents highlighted the pandemic as a driving force bringing organizations together to deliver critical services and form partnerships that were not previously seen as important to economic development.

“

*[The] pandemic has increased our reach, sharpened our focus, enhanced productivity and brought us together in ways we couldn't have imagined.*

”

# ECONOMIC RESILIENCE AND EQUITY

# Resilience and Recovery

*We asked survey respondents about their strategies to build economic resilience and their preparedness to face an unexpected disaster.*

Our survey was administered in the Spring of 2021 when the response to the COVID-19 pandemic was an actively changing landscape, public protest and civil unrest was increasing from local and national attention on social justice issues, and an unprecedented wildfire season had ravaged communities across the state.

84

**Organizations include economic resilience as part of their economic development strategy**

43

**Organizations reported that they currently have economic recovery plans to guide response and recovery after natural or human-caused disasters**

23

**Organizations had economic recovery plans developed prior to 2020**

Some respondents shared open-ended comments on their efforts to implement their organization's economic recovery plans. Those who reported successful outcomes, mentioned the following aspects:

- A clear purpose and focus on their mission
- Federal funding
- Consistent communication
- Willingness of local Council to prioritize and respond quickly to emerging needs
- Existing relationships and networks that could be mobilized to increase the flow of information and ideas across partners
- Understanding of sectors that intersect with economic development (ex. housing development)

# Organizational efforts towards equity and inclusion

*Survey respondents were asked about efforts to support specific identity groups through programs and services, and whether they included equity-focused priorities in their strategic plans.*

**53** survey respondents reported that their organizations maintained, or were planning to start including, strategies with an emphasis on creating **more equitable outcomes for marginalized identity groups.**

Some respondents shared open-ended comments on what made their efforts to create more equitable outcomes.

Those who reported successful outcomes, mentioned the following aspects:

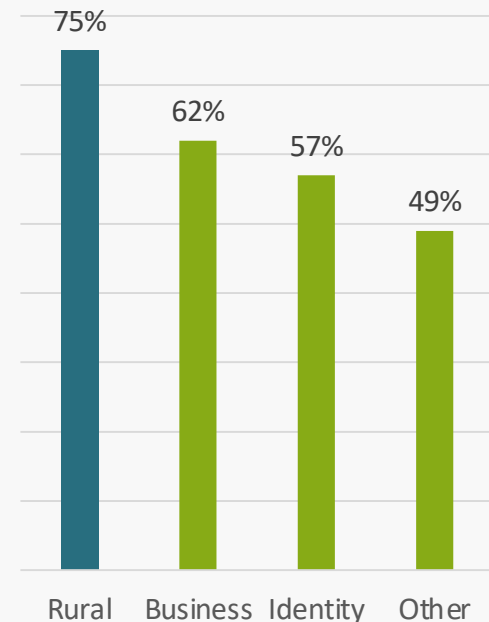
## Organizational Focus

Survey respondents reported on groups they made a specific effort to serve.

**75% of survey respondents reported that their organizations serve rural communities.**

Other respondents serve specific business types or industries, identity groups (race/ethnicity, gender, and sexuality), or others (age groups, low-income, and veterans amongst others).

Figure 14. Percent of Organizations that Serve Specific Groups in Oregon, n= 129



- Partnerships with trusted community-based organizations,
- An intentional and culturally specific approach,
- Equity is a priority supported by organizational leadership, and
- Increased funding available for equity-related work.



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# There is desire to connect more with local and minority-focused community development organizations

*Awareness and funding are limiting factors in making connections with these organization types*

Sixty-four percent of survey respondents reported that they wanted more interaction with local or minority focused community development organizations. Both small organizations and those serving specific identity groups provided open ended comments describing their desire to connect, share resources, and expand their programs to serve more people.

In open ended comments, three minority-focused organizations identified funding as the number one limiting factor in their ability to create new partnerships and share their programs and resources more widely. Other small organizations cited their lack of visibility or recognition of their value as obstacles. One respondent shared how they were required to weave together a budget from contracts, grants, and donations every year to provide their culturally specific economic development services.

Funding that scores on the metrics on these types of partnerships can work to connect the dots between the interactions that organizations want to have and the funding that organizations need.

“ Smaller, effective organizations are overlooked for the value they provide. ”

“ There is very little funding in general for small, culturally-specific economic development programs like ours. We run on a shoestring budget that we have to raise every year...There is absolutely no funding from the state of Oregon allocated to organizations like ours for these services. ”

# RECOMMENDATIONS

- *THE HEALTH OF OREGON'S ECONOMIC DEVELOPMENT ECOSYSTEM*
  - *FURTHER CLARIFY ROLES*
  - *STRONGER STATE LEADERSHIP*
- *ADVANCE EQUITY AND INCLUSION*
  - *CONCLUSION*

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# What can we do to promote a healthy ecosystem?

The Ecosystem Mapping research presented in this report is an important first step in better understanding how economic development activities are structured in Oregon. This report is intended to inform a deeper dialog about how to best implement economic development activities in the state.

This section represents our overall recommendations for promoting a healthy economic development ecosystem in Oregon. We evaluated our findings against the healthy ecosystem framework and have organized our recommendations under the list provided on the right side of this page.

Each recommendation is bolded at the top of the page and related to one of the five basic assumptions of our framework. Each recommendation is accompanied by potential strategies and desired outcomes.

## Recommendations Summary

1. **Develop and embrace strategies to link, leverage, and align actors, resources, and activities in the ecosystem**
2. **Develop a shared vision for economic development and encourage stronger state and regional leadership**
3. **Establish equity and inclusion as a guiding principle for economic development**

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# Develop and embrace strategies to link, leverage, and align actors, resources, and activities in the ecosystem

*A healthy economic development ecosystem takes a big picture approach to considering who is a part of the ecosystem and what other systems are highly interconnected.*

Economic development is a team sport. No single agency or organization can provide all the functions that are required to implement an economic development strategy. In short, the ecosystem is comprised of a broad range of organizations that operate with considerable autonomy. Moreover, no single organization can tell other organizations what to do. Our research suggests that a key challenge is that the ecosystem lacks agreement on who is a part of economic development and what their role is. Some organizations we consider as part of the economic

development ecosystem do not acknowledge their own role in economic development. These organizations may see their mission or primary objectives as distinctly different, rather than nestled, overlapping, or connected. Additionally, the perception of an organization's role in the ecosystem may also vary widely across different actors. How an organization views their own role and how other actors in the ecosystem perceive them can shape interactions. Role confusion can create missed opportunities to coordinate efforts or share resources, especially when circumstances call for agile decision-making.

## Potential Strategies & Desired Outcomes

**Potential strategy:** Individuals in executive or leadership roles can clarify where organizational goals overlap or align with economic development, particularly for organizations at the state and regional level.

**Desired outcomes:**

- Clearer roles within the ecosystem.
- Increased communication across organization types.
- Increased opportunities to coordinate/collaborate with new partners.

**Potential strategy:** EDDs can use the organization inventory as a tool for continued engagement with EDOs.

**Desired Outcomes:**

- Shared ideas on the roles of different organizations within the ecosystem.
- Increased awareness of existing organizations.
- Maintenance of the inventory as a coordination tool.
- Additional structure for regional-level coordination that can support existing relationships and work to broaden participation in economic development.

# Develop a shared vision for economic development and encourage stronger state and regional leadership

*A healthy ecosystem needs leadership to coordinate shared decision-making, coordinate a diversity of organizations, and implement shared goals.*

Business Oregon, with coordination from the Economic Development Districts, should assume a stronger leadership role that promotes a set of shared visions and outcomes for economic development across the state. Without a clear leadership structure, initiatives towards shared goals and priorities are less likely to link, leverage and align resources effectively, may risk duplicating efforts, or miss opportunities to amplify positive impacts and share in success. The response to COVID-19 shows that organizations will come together when they share a

common goal and it's clear how their actions benefit and support one another.

Our survey found that organizations want more interaction with state agencies, including increased support to help them meet their organizational objectives. Business Oregon was the most frequently mentioned organization when survey participants were asked to list their top three to five partners. It is already the stated goal of Business Oregon to take a regional approach to supporting economic development throughout the state.

## Potential Strategies & Desired Outcomes

**Potential strategy:** Dedicate additional state funds for regional-level coordination and collaboration.

### **Desired outcomes:**

- Scale up successful aspects of local-level collaborations to the regional-level
- Lessen conditions (competition for funds) that disincentive collaboration.
- Increase regional capacity for convening.
- Create communication pathway for getting feedback from the regional- and local- level to better advance strategies and develop programs

**Potential strategy:** Develop a statewide Comprehensive Economic Development Strategy (CEDS).

### **Desired outcomes:**

- Alignment of planning efforts across state and regional level organizations.
- Leveraged capacity/resources during the planning process.
- Stronger alignment and implementation of shared goals and strategies.

**Potential strategy:** Manage regional boundary differences. While Business Oregon, the EDDs, and Regional Solutions have similar boundaries – other regionally based organizations, like WDBs and SBDCs, do not. Approach regional boundary differences as an opportunity for innovation.

**Desired outcome:** Increased innovation and social network connectivity where regional boundaries overlap.

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# Establish equity and inclusion as a guiding principle for economic development

*A healthy ecosystem invites and relies on diverse perspectives. It is also organized to create connections and coordination between these diverse perspectives.*

It is well documented that low-income and communities of color experience worse economic outcomes in times of relative economic prosperity and bear the brunt of economic downturns. Equity and inclusion in economic development can also be extended to include other minoritized or marginalized groups such as veterans, the

the LGBTQIA+ community, rural communities, those with disabilities, amongst others. Equity and inclusion are recognized values of many EDOs throughout Oregon and directly called out in Business Oregon's vision and title of their 2023-2025 strategic plan, "Prosperity for all Oregonians".

## Potential Strategies & Desired Outcomes

**Potential strategy:** Evaluate current strategies, practices, and policies that serve groups that experience economic inequity.

**Desired Outcome:**

- Identify gaps and opportunities in current equity strategies and practices.
- Share best practices, successes, and lessons learned in current work addressing inequity.

**Potential strategy:** Provide resources (funds, technical assistance, etc.) that support relationship building with culturally specific economic development organizations and community-based organizations that work directly with low-income demographics, communities of color, rural communities, amongst other groups.

**Desired Outcomes:**

- Increased capacity for existing organizations that serve specific groups
- Stronger relationships across the economic development network
- Broadened participation in economic development.
- Development of equity strategies that are grounded in communities' experiences.

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# Citations

- <sup>1</sup> Moore, T., Meck, S., & Ebenhoh, J. (2006). An Economic Development Toolbox: Strategies and Methods. Planning Advisory Service Report Number 541. American Planning Association.
- <sup>2</sup> Girdwood, C.J., Neale, C., Garmise, S., Parkins, M., Nourick, S., Ghosh, S.A., Anderson, L., & Bromley, I. (2015). Introduction to Economic Development. International Economic Development Council.
- <sup>3</sup> Business Oregon. (2021). Legislatively Adopted Budget Summary 2021-2023 Retrieved from <https://www.oregon.gov/biz/Publications/21-23LABSummary.pdf>.
- <sup>4</sup> Frey, B., Lohmeier, J.H., Lee, S.W., Tollefson, N. (2006). Measuring Collaboration Among Grant Partners. American Journal of Evaluation.