Community and Economic Development in North Carolina and Beyond Blog: New Video about Creating a Public-Private Partnership for Economic Development

By Rick Morse

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Economic development is a classic example of a boundary-crossing problem. Local economies are impacted by the actions of multiple jurisdictions (e.g. neighboring municipalities, county government, etc.), as well as the actions of private and nonprofit sector actors in the community. Success in growing local economies often requires coordinated action of these actors. Local economic development is certainly not the domain of any one government or other organization. Going it alone just doesn’t work. This is why many communities and regions are creating boundary organizations to facilitate collaborative economic development. The Wayne County Development Alliance is an example of this kind of innovation in local governance.

Recently published research (2010) by School of Government faculty member Jonathan Morgan finds that governance arrangements that include a diverse mix of organizations, across sectors and jurisdictions, is a predictor of innovation in economic development activities.

“A larger number and more diverse array of organizational partners can infuse new ideas and ways of doing things into the process of economic development. An implication of this is that a networked approach to economic development has the potential to connect communities to valuable ideas, resources, and opportunities that spark local innovation and help a jurisdiction accomplish what it cannot do alone.” (Policy Studies Journal/38(4): p. 697)

There are a variety of organizational arrangements to facilitate public-private partnerships in economic development, including a county acting as a lead, coordinating agency, with other public and private sector organizations as partners. But these arrangements have their drawbacks, not the least of which is the impact on sense of ownership or commitment, and also the politics of the economic development function being directly answerable to single elected board of county commissioners.

This was the case historically in Wayne County, NC. The economic development agency was a department within county government. The municipalities in Wayne County did not financially contribute, and participation from the private sector was not anywhere near what many thought it could or should be. With this in mind, the county explored an alternative governance arrangement where a third-party organization would be established so that the other partners could have more ownership. The result of that exploration was the creation of the Wayne County Development Alliance (WCDA). Wayne County still funds operations at the same level as previously, but under the new arrangement the municipalities and private sector have become financial (and governance) partners.

In late 2010, thanks to some funding by Food Lion, and under the auspices of the Local Elected Leaders Academy, my colleagues and I worked with Nightlight Productions to produce some videos about leadership and collaboration. The story of the WCDA is one of the products of this project. Check it out here. In the video we highlight the community leaders who helped make the WCDA happen, some of the results of the partnership, as well as lessons learned along the way. We would love to hear your comments on the video as well as similar experiences with developing public-private partnerships elsewhere.