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Rural Development Tools: What Are They and Where Do You Use Them?

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What tools are required to be an effective rural development practitioner and where are the best places to use those tools? These questions have haunted development practitioners and academics for some time. The questions come from two sources. First, students and rural development practitioners frequently ask about reading materials or courses of study that would give them the “right” set of skills. If the question focuses on specific tasks, suggesting alternatives can be relatively easy. The more general question is harder to answer. The second source of the question is even more challenging. This source comes from the observation that people with a wide variety of skills are successful rural developers. It is not uncommon for these individuals to act as though their particular skills are the most important. Industrial developers may claim their approach is the most important or Main Street project managers may feel that their approach is superior. This attitude is especially prevalent among practitioners who are new to the development business and/or who possess a highly specialized and limited set of tools. While one cannot argue with a track record of success, the conclusions that each set of skills is preeminent cannot be true. This incongruity can be rationalized at least in part by the notion that in a particular situation, one set of skills may be preeminent, while in another setting that set of tools will not necessarily be useful.

This still leaves us with the questions, "What are the rural development tools and where do you use them?" Specific programs like, "Main Street" and "Industrial Recruiting" use different but related sets of tools and are targeted toward specific areas. To be useful a classification system must accommodate development programs that include different sets of tools and that target different areas. One alternative is a two dimensional classification system including a description of development tools, and identification of areas where those tools would be used. Specific development programs could be described in this system as using selected tools and targeting particular areas.

Development practitioners normally approach their work by becoming proficient in one or more specific programs. An examination of tools and areas will clarify the relationships between the various programs, helping the practitioner select the appropriate set of tools.

What Are the Essential Tools?

Four categories seem to be required: analytical tools, ideas, allies and outside resources, and group processes.
Analytical Tools: These are the tools that are used to understand the local economy, culture, and political structure. They come from several disciplines--economics, political science, planning, business, and sociology. These tools are necessary to determine how a region functions. This knowledge is essential for determining what is wrong, for choosing the appropriate projects to correct the situation, and for taking advantage of opportunities. An understanding of the situation is needed before ideas or resources are examined, otherwise the best packaged solution, rather than the most important problem, may drive the development activity.

People with training in analytical skills are found predominantly in colleges and universities and in consulting firms. Academics representing a variety of disciplines tend to have knowledge of a wider range of analytical tools than do consultants but may not be available when it is convenient for the client and typically deliver results more slowly. Consultants tend to cost more, be focused on a narrower range of tools that clients are willing to buy, and deliver in a more timely fashion.

Ideas: Nothing stimulates community leaders to try something more than seeing what a similar community has successfully done. Information about success stories can be found among practitioners and to a limited extent in published materials. Practitioners who have implemented a particular option have added credibility. Academics are not normally good sources for ideas for two reasons. Researchers are focused on evaluating a limited set of options so their experience is seldom as broad as practitioners. Second, most academics have not been directly involved in implementing ideas and thus lack the credibility of a seasoned practitioner.

Finding information and making it available in a usable form is a continuing challenge for several reasons. First local leaders view individual communities as unique. Thus they may resist the very notion of a comparable community. Second, individual practitioners may have a limited set of experiences. Third, sorting through written materials is tedious, particularly for practitioners who tend to be doers rather than researchers. Fourth, there is no obvious source to find this material. While the Internet is becoming the obvious source for information, it is still in its infancy and requires some skill to use it to its fullest potential.

Ideas need to be explored before examining government or private resources and programs. If resources and programs are examined first, then development activity may be driven by the best packaged resources and programs rather than by the most important problems and the best ideas for addressing those problems.

Outside resources: This category includes predominantly knowledge of government programs and agencies. It would also include public/private initiatives and private programs although there are fewer of these. The search for resources logically follows the choice of the problem and examination of solutions. People skillful in this area tend to be government officials and practitioners who have developed a variety of program proposals. The number and complexity of programs in any one agency often results in government officials understanding best those programs they administer. The State Rural Development Councils are designed in part to spread the knowledge of programs between agencies. Academic types are seldom a useful source for this information.

Pursuing outside resources before doing the analytical work and before exploring ideas is most dangerous. The result can be to focus the entire development effort away from the problems and
opportunities facing your local area and toward obtaining government funds. The result may be an approach that does not fit local conditions or that distracts leaders from the community’s highest priorities. Community leaders have great incentives to take this path. It is natural to look for that elusive "silver bullet." Because what is being done currently is not working satisfactorily, there must be an alternative. What outside programs or resources will help? This natural posture is encouraged by government officials whose measure of success is implementing their particular programs. These two forces push community leaders toward pursuing programs that may not match community priorities.

**Group Processes:** Successful programs require skills for dealing with groups. This includes functions like dealing with local politics, bringing diverse groups to consensus, enfranchising individuals not currently part of the process, generating creative ideas, and putting deals together. Most development activities involve some public choices and therefore requires skill in group processes. Perfectly good development projects may be discarded because effective group processes were not pursued. Some skills in this area are essential for someone to be an effective development practitioner.

Where does one obtain group process skills? Some training is available from academic institutions. It is also available through non-profit organizations such as Texas Rural Leadership Program and from private consultants. The quality of this training varies widely across sources. There seems to be no easy answer to finding the best sources. These skills are essential to help the practitioner survive local politics while pursuing development goals.

Community leaders planning for community development should pursue the first three areas of tools in the order they have been presented -- analytical tools first, then ideas and finally outside resources. This fourth area, group process skills, should be used as one pursues the other three. This will help leaders focus on the most important problems and avoid having development activities driven by the most attractive ideas or by the best packaged programs. If community priorities have been established and are based on an understanding of the community, then the order of approach is less critical. The salient concept is to make sure the community’s highest priorities are being addressed. The development tools are listed on figure 1.

**Figure 1. Development Tools**

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<th>Development Tools</th>
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<td><strong>Analytical</strong></td>
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<td><strong>Group Processes</strong></td>
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Where Are the Tools Used?
While the tools fall into four categories, they are used to deal with diverse issues. These issues can be grouped several ways. A three category system is suggested here -- business issues, people and family issues, and public policy and management issues. The first two are clientele groups and the third area deals with a variety of public policies and issues.

**Business Issues:**

The needs of business owners, and managers can be grouped in the following areas:

- **Finance.** Finance includes debt and equity, and short and long term capital. Equity finance markets are not available in rural areas. Increasingly local businesses must deal with non-local banks or financial institution that are too large or too small. Unlike urban businesses, rural businesses face few financing alternatives.

- **Training and technical assistance.** Help may be needed with business techniques and procedures in the areas of planning, management, finance, and marketing. The changing rural economy requires new approaches to deal with international markets, the new information highway, and non-local banks. The institutions providing training and technical assistance to deal with these changes are often not in rural areas.

- **Market expansion and diversification.** Rural businesses have few market expansion alternatives. The alternatives available are often found in areas new to the business. Businesses may need help exploring market alternatives such as value added processing, government procurement, niche markets and international business.

- **Government mandates and taxes.** Mandates and taxes may have a detrimental impact on both new and existing businesses. Government provisions may become impediments to businesses when that was not the original intent. Making the business environment friendly is always an important and difficult problem.

A number of specific programs; such as industrial recruiting, tax abatement, business incubators, and entrepreneurship training; have been initiated to deal with one or more of these issue areas. They will be discussed in the section examining the relationship between selected programs and the development tools used and areas targeted.

**Is rural different?** One might stop at this point, if this paper were about economic development in urban areas. To be successful, however, rural economic developers must take a broader view. Rural areas are different, so a different approach is required. The leadership pool is normally fairly shallow. This is not to say that there are no good leaders in rural areas, just not enough of them to adequately share the load. At any one time a metropolitan area may have people working on all the issue areas and using all the tools. Someone interested in economic development may be able to specialize in industrial recruiting even focusing on a specific type of business. A rural area may require work on a number of other issues before recruiting becomes a viable option. Specialization is often a luxury rural areas do not allow. The rural developer must be willing to see that tools are used and issues addressed that are outside of his or her interests or abilities. Networking and flexibility are ingredients necessary for long
run success. Because rural areas are different we will outline the complementary areas that need attention.

**People and Family Issues:**

A healthy, well educated, productive work force is essential for development. Of course different businesses and jobs require differing skill levels. For example, a community interested in a food processing plant would require a different educational level than a community interested in a software design company. Examples of people and family issues include:

♦ Education. This area includes the quality of schooling, financing education, delivering services to remote areas, the curriculum mix, adult education, job training, literacy, and leadership development.

♦ Health care. This area includes financing health services, delivery of services and the mix of services available.

♦ Transition policies. Rural economies are going through substantial change, some increasing while others are declining. Either direction means changes in employment. People will be moving from one location to another and changing jobs. Families often need help to make these transitions.

**Public Policy and Management Issues:**

Government policies, laws, and regulations, and even the very form of government entities, have a major impact on development. While government expenditures may create some development, the larger impact of government on development is through the policies it sets. Government policy may create an environment which encourages development or it may create an environment which is hostile to development.

♦ Local government institutions: These institutions set the environment (define the rules of the game) within which local government functions. Issues of concern include: powers of local government, restructuring local government, public finance, coordination of services between governments, government mandates, and one-size-fits-all programs.

♦ Delivery of services: Availability of infrastructure and services affects both quality of life and the ability of the community to increase jobs and income. Although the local government may not directly provide all of these services, it is instrumental in assuring that citizens and businesses have access to: water and sewer, solid and hazardous wastes disposal, telecommunications, electricity and gas, all modes of transportation, education, and public health.

♦ Natural resources and environmental protection. Governments exercise more or less control over the use of natural resources and protection of the environment. Policies in this area balance the conservation and exploitation of natural resources, the protection and use of the environment, and human and wildlife habitat. This is not an easy task.
Figure 2 displays the development areas across the top and the development tools down the left side. We are now ready to place specific development programs into this classification matrix.

**Figure 2. Development Tools and Areas**

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**Special Programs Use Selected Tools and Target Specific Areas**

Practitioners normally think of rural development in terms of specific programs or approaches. Examples could include the Main Street Program, industrial recruiting, tourism development, retention and expansion, business incubators, enterprise zones, literacy training, employment services, industrial revenue bonds, municipal waste disposal and leadership programs. Each of these special packages has been designed to address a specific issue or subset of issues listed above and includes a unique combination from the four categories of tools listed above. Therefore special programs can be thought of as using a select set of tools and targeting specific areas.

We now turn our attention to particular programs. Examples include retention and expansion, industrial recruiting, Main Street, leadership, strategic planning, literacy training, on-the-job-training, regional landfills, water and sewer systems, and environmental protection. These are included in the list because they target different issues and use different tools. Placing several of the programs on the grid will illustrate this point.

Strategic planning may be used across all issue areas, although it is often used to address one area at a time, and includes primarily group process tools. To a lesser extent, strategic planning includes some analytical tools. As one moves from strategic planning to operational planning, ideas and resources take a more prominent role.
Industrial recruiting falls into the area of business issues and calls for the use of the full range of tools. Analytical tools are used to understand the local economy. Ideas show how similar communities have succeeded or failed. Resources may be found to help the recruiting and group processes may be used for the community to determine which types of firms it wishes to consider. To a lesser degree industrial recruiting may include public issues, such as the use of public resources, and may include political group processes.

Conclusions and Implications

What is required to be a successful rural developer? A cursory examination of the four types of tools and the three areas where those tools are used, leads to several conclusions.

- No one institution or organization teaches all these tools or their applications.
No one individual will likely possess all the tools or be proficient working in all areas.

The success of any particular tool or set of tools is dependent upon the particular situation and/or the use of complementary tools. For example addressing business issues through industrial recruiting may not be successful if the area is losing its hospital. Alternatively a sound approach to development may be rejected by a broad cross section of the community because effective group processes were not used. This may occur even though careful analytical work found the option to be far superior to the next best alternative.

The value of any one of these tools is enhanced by the use of other tools. They are complementary rather than competitive.

Gaining access to the tools and covering the areas will require effective networking...and most likely, working outside of your comfort zone.