



# Stronger Economies Together

Doing Better Together

Session 2: Evidence Based Planning

Alison F. Davis, University of Kentucky



# SESSION 2:

## SET OVERVIEW AND EXPLORATION OF REGIONAL DATA

---

### OVERVIEW

Purpose: During this session, participants will:

- Examine identified clusters in detail
- Finalize clusters to take forward

Estimated Time to Complete: 4 hours

Materials Needed:

- Nametags
- Name tents
- Sign in sheets
- Flip charts
- Markers

Handouts:

- Handout One: Regional Data Snapshots: Session 2 (from Purdue Center for Regional Development)
- Handout Two: Measuring the Region's Relative Performance (if you use the video below)
- Handout Three: Cluster Support Worksheet (2 pages)
- Handouts: One page summaries of the supplemental modules (as appropriate for your region)
- CARE Questions for Industry Leaders – Innovation from the field, Iowa Coaching Team
- Session Evaluation

Video:

A video is provided that can be used as coaches' resources to review the material or with a small group of data miners for the region.

- Shift Share Analysis: <https://youtu.be/mukcl4OwT8M>



## Session 2: Best Practices and Cool Ideas

### Overarching

- Explain the purpose of the data analysis before beginning. Help people see the relevance of the data.
- Keep the focus on the entire region

### Participation

- Involve industry leaders related to clusters. If they can't attend, one idea is to do a focused interview/survey that gathers important information to help guide the effort. Iowa developed a survey. Be sure to secure a volunteer to make each connection prior to the next session. Virginia asked each cluster group to identify questions needing answered as they did a report out.

### Process

- The CARE model is well received. Ensure you have adequate time to explore this tool.
- Designated table moderators – preview the tasks and data before the session so they are ready to assist. These can be other coaches, the core team, or others that are comfortable with data analysis.
- Consider allowing the team to self-select to the cluster they would like to explore. If a cluster that was chosen from Session 1 has no volunteers, that may, in itself, be important. Ask the group if that means it might be something of lesser priority for now. Or if not, are there volunteers that would like to move to that cluster.
- Provide data prior to the session to allow people time to digest.
- Provide full size, full color handouts of all data. Place handouts in order that they will be discussed. Make sure that the charts in handouts match the charts in PowerPoint.
- Design efficient ways for small groups to report back. One helpful tool is to provide flip chart pages for each cluster with some key headings. This helps streamline responses and can then speed up reporting.
- The organic conversation needs to be captured when it does not conform to the worksheets. Have a recorder that is capturing key ideas that may not fit directly into the worksheets. Particularly watch for connections to the Civic Forum findings.
- Provide clear instructions and purpose on tasks; Assist small groups during discussions/activities. Walk among groups and listen for questions, times when you need to help redirect off topic conversations, or to hear when groups are finished.
- Use a system to help keep handouts organized. Consider only handing out materials as you are ready to discuss them to avoid confusion and excessive paper shuffling. Limit handouts to only relevant material.
- Provide adequate time for the discussion
- Make introductions to the session and to new material concise. Avoid over-teaching before allowing people to dive into the exploration.

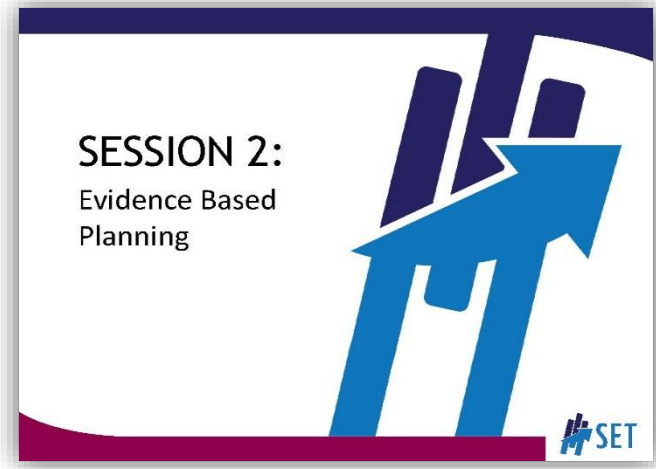
- Consider using a website or other portal for sharing documents between sessions. Ensure that the tool you use is one that is accessible to the group.
- After each data chart explained on the PowerPoint, have the cluster groups review the corresponding chart related to the specific cluster and use the Session 2 handout to capture the group's responses. Keep explanations for worksheets simple. Have people complete the segments one step at a time to break up the presentation.
- Provide time for cluster teams to cross share, looking for common ground, especially with foundational opportunities that might help support multiple clusters.
- Following completion of the CARE worksheet, provide time for debrief for all to hear. Include these questions as thought guides:
  - Which of the CARE strategies make sense in plugging identified leakages in our region?
  - What foundational issues need to be addressed to support this industry cluster?
  - Refer back to the Civic Forum results.) What connects from that event?

**Data:**

- Be well versed on data sources and methods for gathering data as explained in the data manual. Be ready to answer questions.
- As with Session 1, Economic Coach for the state teams meet with the core team (virtually or face-to-face) and the rest of the coaching team to preview the data prior to the session. Ensure that all of these support members understand both the data as well as the processes that will be guided by the data. Use these individuals as table moderators for the various clusters.
- Have the industry cluster descriptions and make-up available for reference.
- Keep the data in perspective. Help the region stay focused on trends, signs, magnitudes, changers over time, etc. rather than hand wringing over whether the data is precise.
- Provide local examples of how the data discussion relates to the region. Use local example of leakages. Using one real business/industry in the region, ask participants what this business might purchase in terms of raw products. Are those available in region or does the business need to purchase those outside? Map responses (such as a simple mind map) on a flipchart page to help demonstrate terms.

**SLIDE 1**  
**INSTRUCTIONS**

Have this slide up when participants enter the room.



SLIDE #1

TIME: OPENING SLIDE, NO DISCUSSION

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 2

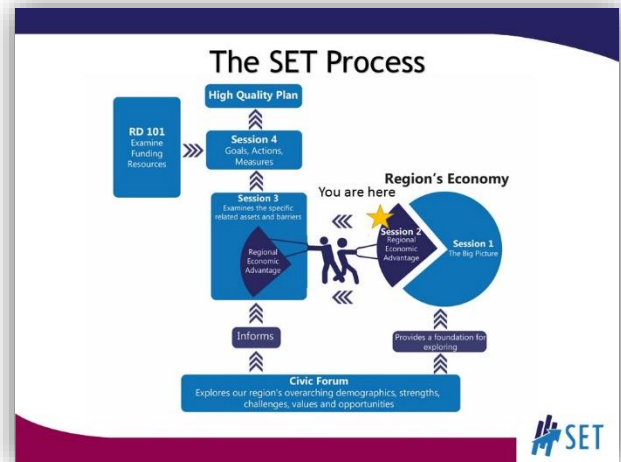
### INSTRUCTIONS

#### Goal: To provide context for this session.

Using the graphic on the slide, explain the SET process and how all the sessions will build together toward the High Quality Plan.

#### Key talking points:

- The Civic Forum provided a foundation from which the remaining sessions will build. The exploration of the region's demographics, strengths, challenges, values and opportunities are important initial steps to developing a regional plan.
- Session One will provide an overview of the region's economy, resulting in the identification of a few areas within the region's economy that warrant a deeper look.
- Session Two will explore those identified areas within the region's economy and result in identification of key regional economic advantages.
- Session Three will examine the assets and barriers unique to the region's economic advantage, drawing from the information gathered at the civic forum.
- Session Four will step through the final planning stages to develop goals, actions and measures.
- RD 101 will help identify potential funding sources to facilitate the region's work.



SLIDE #2

TIME: 5 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 3

## INSTRUCTIONS



**Goal: To highlight the different components of Session 2.**

The three main objectives of this session are to:

1. Briefly review the clusters identified in Session 1 for further exploration.
2. Explore data evidence to determine:
  - Industries within clusters that have outperformed in the region compared to the nation
  - Local capacity to supply inputs needed for selected clusters
  - Workforce needs for selected clusters
3. Use the C.A.R.E. model to create strategies designed to address identified opportunities from the cluster analyses described above to strengthen specific clusters in the region.

### Objectives of Session 2

- Explore data evidence to determine:
  - Clusters that are either stars or emerging in the region
  - Industries within clusters that have outperformed in the region compared to the nation
  - Local capacity to supply inputs needed for selected clusters
  - Workforce needs for selected clusters
- Use the C.A.R.E. model to create relevant strategies designed to address identified opportunities

SLIDE #3

TIME: 5 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 4

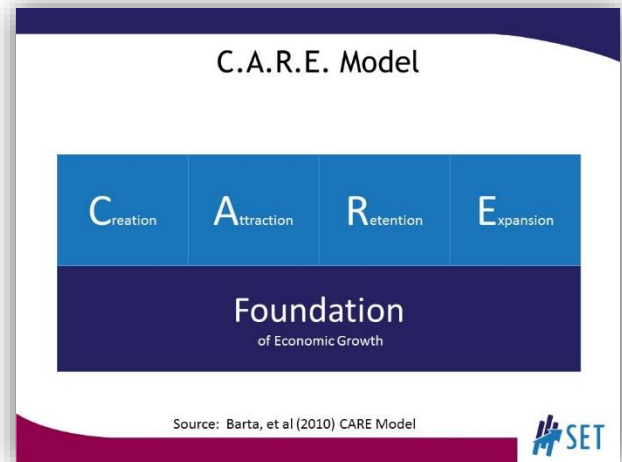
## INSTRUCTIONS

**Goal: Introduce the CARE model**

Briefly explain the CARE model. This will be explored in depth in the last segment of the session. However, providing the framework may help participants understand the relevance of the data exploration and keep their minds focused on potential strategies.

## Key talking points:

- The CARE model demonstrates four specific kinds of strategies that regions can use to grow their economies:
  - Creation – fostering the growth of new businesses to help support existing industry cluster
  - Attraction – seeking to recruit a specific business into the region to support an existing industry cluster
  - Retention – addressing key concerns or advancing relevant opportunities to retain existing businesses
  - Expansion – assisting existing businesses overcome barriers to expansion
- All of these rest on a foundation of economic growth which includes the environmental factors that may influence the success of any economic growth efforts, such as healthcare, education, infrastructure, etc.



SLIDE #4

TIME: 5 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE



## SLIDE 5

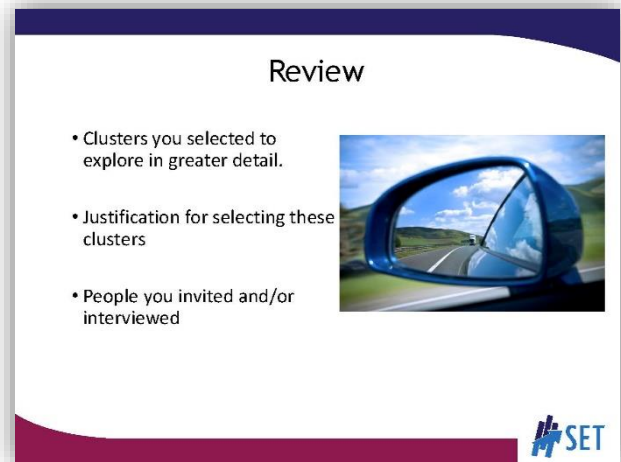
### INSTRUCTIONS

**Goal: To review the reasons for the selected cluster(s) that will be explored in this session.**

Briefly review why the clusters to be explored today were selected (based on Session 1 discussions). Provide adequate context for those that missed the session while avoiding rehashing the entire session.

Introduce newcomers that were invited to provide expertise on these clusters.

Allow time for people to share any insights from interviews, if applicable.



SLIDE #5

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 6

## INSTRUCTIONS

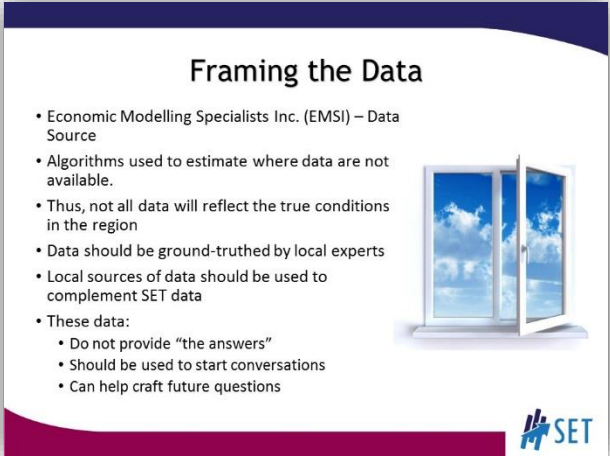
**Goal: To understand the strength of the data and to set expectations about the real value of the data**

Be sure to allow time for the team to ask questions. Write down any questions that you don't know the answer to and relay to Purdue.

Adequate time should be spent on this topic. This could make or break the entire SET process. If people don't recognize up front that these data aren't perfect and are led to believe otherwise, then they might lose faith in the process. The truth is that these data serve as something when nothing exists. EMSI is a widely used dataset by state and local planning agencies and private consulting companies. They are proprietary data based on constantly running and testing algorithms. The data are more current than what you would find from federal sources by about 2 years. Again, this is not because they have access to raw employment numbers that the government isn't privy to but because they estimate current employment based on previous employment using algorithms.


**Key Talking Points:**

- These data are provided by EMSI (Economic Modelling Specialists Inc.)
- Because many data are not available at the local level in rural areas through typical government public sources, EMSI in some instances will create an algorithm to estimate employment numbers for smaller rural areas
- What does this mean? Not all data will reflect the true conditions in the region
- These data should be ground-truthed by local experts
- If there are other local sources of data they should be used to complement the SET data
- These data do not provide "the answers," they should be used to start conversations and craft future questions



**Framing the Data**

- Economic Modelling Specialists Inc. (EMSI) – Data Source
- Algorithms used to estimate where data are not available.
- Thus, not all data will reflect the true conditions in the region
- Data should be ground-truthed by local experts
- Local sources of data should be used to complement SET data
- These data:
  - Do not provide "the answers"
  - Should be used to start conversations
  - Can help craft future questions



SLIDE #6

TIME: 2 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

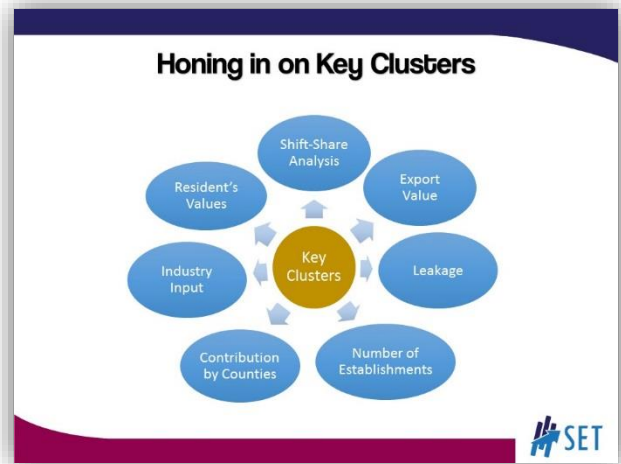
## SLIDE 7

## INSTRUCTIONS

**Goal: To provide an overview of the topics to be explored today on the selected clusters.**

The big picture of cluster exploration involves a number of elements. These listed on the slides are all pieces of the greater picture that the region may need to consider in making their selections of clusters to pursue in their SET plan.

Explain that the topics in the blue circles will be explored today relative to the clusters selected in Session 1.



SLIDE #7

TIME: 5 MINUTE

SUPPLIES: NONE

HANDOUTS: NONE

SLIDE 8

INSTRUCTIONS

This is simply a transition slide to begin the discussion of Shift-Share Analysis



SLIDE #8

TIME: 1 MINUTE

SUPPLIES: NONE

HANDOUTS: NONE

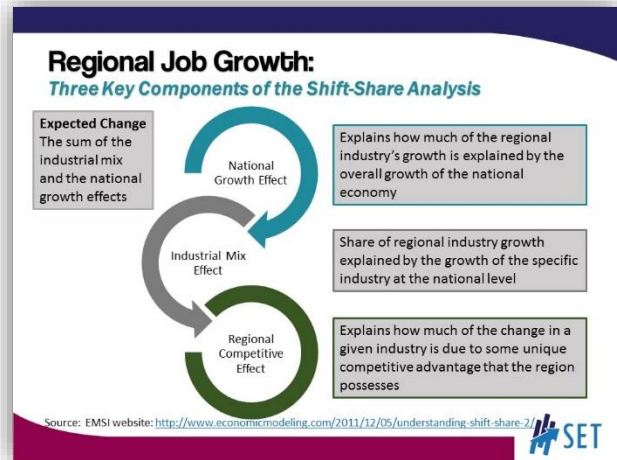
## SLIDE 9

## INSTRUCTIONS

SLIDE #9

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: MEASURING THE REGION'S  
RELATIVE PERFORMANCE (HANDOUT 2)**Goal: To explore the region's Shift-Share Analysis.**

A video (link below) provides an overview of Shift Share Analysis using the example of the energy cluster. You can choose to watch the video as a smaller data team, but it's likely not for the entire team. Provide the handout: Measuring the Region's Relative Performance so the team can follow along with the video.

Several definitions to consider:

- **Shift Share Analysis** splits regional job growth into three components: the national change effect, industrial mix effect, and regional competitiveness effect. Note that a timeframe is required to perform shift share analysis, since shift share deals with job growth over time
- **The national growth effect** explains how much of the regional industry's growth is explained by the overall health of the national economy: if the nation's whole economy is growing, you would generally expect to see some positive change in each industry in the region
- **The industrial mix effect** represents the share of regional industry growth explained by the growth of the industry/cluster/occupation at the national level. So if the health sector nationally grew by 5% then it is expected that all across the country the health sector should also grow by 5%
- **The regional competitiveness effect** is the most important of the three indicators, as it explains how much of the change in a given industry is due to some unique competitive advantage that the region possesses, because the growth cannot be explained by national trends in that industry or the economy as whole. This effect is calculated by taking the total regional growth and subtracting the national growth and industrial mix effects. Note that this effect can be higher than actual job growth if national and/or industry mix effects are negative while regional growth is positive. This is because the regional competitiveness effect accounts for jobs "saved" from declining national trends as well as new jobs created.

**Video Link:** <https://youtu.be/mukcl4OwT8M>

SLIDE 10  
INSTRUCTIONS

**Goal: To examine regional Shift-Share Analysis.**

Insert the region's chart like this example prior to the discussion.

Ensure that participants understand the data before moving to the analysis

If the region is examining more than one cluster, it may be helpful to divide the group into subgroups to explore data, with a different group working on each industry cluster report.

Shift-Share Analysis (Regional Performance) by Top Industry Sectors

**Forest and Wood Products**

Industries	Jobs 2014	National	Industry	Cumulative	Actual Job	Regional
		Trend, 2009-2014	Trend, 2009-2014			Expected Growth
		A	B	C=A+B	D	D-C
Finish Carpentry Contractors	262	15	-22	-7	20	27
Roofing Contractors	114	7	-3	4	11	7
Framing Contractors	91	4	-7	-3	22	25
Flooring Contractors	83	6	-9	-3	-12	-9
Institutional Furniture Manufacturing	65	0	0	0	65	65
Wood Container and Pallet Manufacturing	64	3	1	4	22	18
Logging	58	2	3	5	34	29
Siding Contractors	51	2	-4	-2	21	23
Wood Kitchen Cabinet and Countertop Manufacturing	36	2	-4	-2	1	3
Upholstered Household Furniture Manufacturing	35	1	0	1	13	12
Support Activities for Forestry	23	1	-1	0	8	8
Sawmills	21	1	0	1	13	12
Truss Manufacturing	13	3	2	5	-27	-32

Note: Upward arrow (↑) indicates regional competitiveness EMSI does not include detailed sectors for Other Millwork (Including Flooring), and Manufactured Home/Mobile Home Manufacturing.

section 02

SLIDE #10

TIME: 15 MINUTES

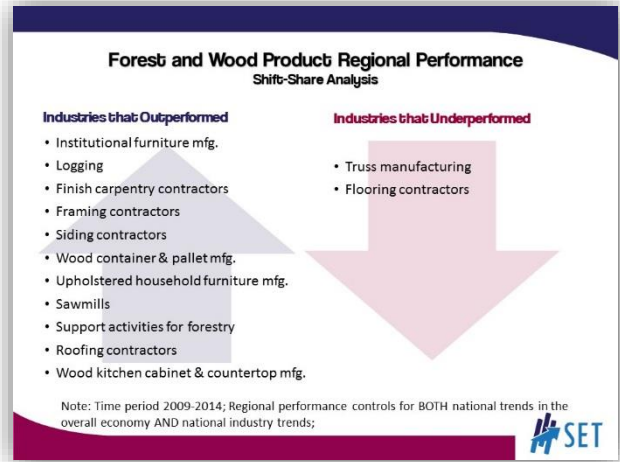
SUPPLIES: NONE

HANDOUTS: REGIONAL DATA SNAPSHOTS:  
SESSION 2

**SLIDE 11**  
**INSTRUCTIONS**

**Goal: To identify the supporting industries within a cluster that have performed well in the region compared to the nation.**

Using the data provided in **the previous slide** identify those industries that have outperformed or underperformed. You might want to not include every industry, maybe just those that are significant employers or where the growth or decline was at least 10% of the total employment.



SLIDE #11

TIME: 5-10 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

SLIDE 12

INSTRUCTIONS

**Goal: To examine exports per job alongside location quotient.**

This slide allows participants to compare side-by-side a number of factors.

Top Industry Sectors

Forest and Wood Products

Industries	Exports 2013 (\$ Millions)	Jobs 2013	Export per job 2013 (\$)	LQ 2014
Finish Carpentry Contractors	\$6.7	261	\$25,811	2.2
Roofing Contractors	\$4.6	124	\$36,907	1.4
Framing Contractors	\$1.9	88	\$21,049	2.4
Flooring Contractors	\$1.7	75	\$22,421	1.3
Institutional Furniture Manufacturing	\$5.9	57	\$102,546	8.6
Wood Container and Pallet Manufacturing	\$4.4	58	\$76,372	2.9
Logging	\$0.6	55	\$10,776	1.4
Siding Contractors	\$2.5	50	\$49,252	2.3
Wood Kitchen Cabinet and Countertop Manufacturing	\$5.4	43	\$126,033	0.9
Upholstered Household Furniture Manufacturing	\$3.0	37	\$80,751	1.8
Support Activities for Forestry	\$0.6	18	\$32,302	2.1
Sawmills	\$4.4	15	\$292,771	0.7
Truss Manufacturing	\$0.9	11	\$78,259	1.6

Note: Sorted similarly as the shift-share analysis slide

section 02

Source: BLS Data of 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 2680, 2681, 2682, 2683, 2684, 2685, 2686, 2687, 2688, 2689, 2690, 2691, 2692, 2693, 2694, 2695, 2696, 2697, 2698, 2699, 2700, 2701, 2702, 2703, 2704, 2705, 2706, 2707, 2708, 2709, 2710, 2711, 2712, 2713, 2714, 2715, 2716, 2717, 2718, 2719, 2720, 2721, 2722, 2723, 2724, 2725, 2726, 2727, 2728, 2729, 2730, 2731, 2732, 2733, 2734, 2735, 2736, 2737, 2738, 2739, 2740, 2741, 2742, 2743, 2744, 2745, 2746, 2747, 2748, 2749, 2750, 2751, 2752, 2753, 2754, 2755, 2756, 2757, 2758, 2759, 2760, 2761, 2762, 2763, 2764, 2765, 2766, 2767, 2768, 2769, 2770, 2771, 2772, 2773, 2774, 2775, 2776, 2777, 2778, 2779, 2780, 2781, 2782, 2783, 2784, 2785, 2786, 2787, 2788, 2789, 2790, 2791, 2792, 2793, 2794, 2795, 2796, 2797, 2798, 2799, 2800, 2801, 2802, 2803, 2804, 2805, 2806, 2807, 2808, 2809, 2810, 2811, 2812, 2813, 2814, 2815, 2816, 2817, 2818, 2819, 2820, 2821, 2822, 2823, 2824, 2825, 2826, 2827, 2828, 2829, 2830, 2831, 2832, 2833, 2834, 2835, 2836, 2837, 2838, 2839, 2840, 2841, 2842, 2843, 2844, 2845, 2846, 2847, 2848, 2849, 2850, 2851, 2852, 2853, 2854, 2855, 2856, 2857, 2858, 2859, 2860, 2861, 2862, 2863, 2864, 2865, 2866, 2867, 2868, 2869, 2870, 2871, 2872, 2873, 2874, 2875, 2876, 2877, 2878, 2879, 2880, 2881, 2882, 2883, 2884, 2885, 2886, 2887, 2888, 2889, 2890, 2891, 2892, 2893, 2894, 2895, 2896, 2897, 2898, 2899, 2900, 2901, 2902, 2903, 2904, 2905, 2906, 2907, 2908, 2909, 2910, 2911, 2912, 2913, 2914, 2915, 2916, 2917, 2918, 2919, 2920, 2921, 2922, 2923, 2924, 2925, 2926, 2927, 2928, 2929, 2930, 2931, 2932, 2933, 2934, 2935, 2936, 2937, 2938, 2939, 2940, 2941, 2942, 2943, 2944, 2945, 2946, 2947, 2948, 2949, 2950, 2951, 2952, 2953, 2954, 2955, 2956, 2957, 2958, 2959, 2960, 2961, 2962, 2963, 2964, 2965, 2966, 2967, 2968, 2969, 2970, 2971, 2972, 2973, 2974, 2975, 2976, 2977, 2978, 2979, 2980, 2981, 2982, 2983, 2984, 2985, 2986, 2987, 2988, 2989, 2990, 2991, 2992, 2993, 2994, 2995, 2996, 2997, 2998, 2999, 3000, 3001, 3002, 3003, 3004, 3005, 3006, 3007, 3008, 3009, 3010, 3011, 3012, 3013, 3014, 3015, 3016, 3017, 3018, 3019, 3020, 3021, 3022, 3023, 3024, 3025, 3026, 3027, 3028, 3029, 3030, 3031, 3032, 3033, 3034, 3035, 3036, 3037, 3038, 3039, 3040, 3041, 3042, 3043, 3044, 3045, 3046, 3047, 3048, 3049, 3050, 3051, 3052, 3053, 3054, 3055, 3056, 3057, 3058, 3059, 3060, 3061, 3062, 3063, 3064, 3065, 3066, 3067, 3068, 3069, 3070, 3071, 3072, 3073, 3074, 3075, 3076, 3077, 3078, 3079, 3080, 3081, 3082, 3083, 3084, 3085, 3086, 3087, 3088, 3089, 3090, 3091, 3092, 3093, 3094, 3095, 3096, 3097, 3098, 3099, 3100, 3101, 3102, 3103, 3104, 3105, 3106, 3107, 3108, 3109, 3110, 3111, 3112, 3113, 3114, 3115, 3116, 3117, 3118, 3119, 3120, 3121, 3122, 3123, 3124, 3125, 3126, 3127, 3128, 3129, 3130, 3131, 3132, 3133, 3134, 3135, 3136, 3137, 3138, 3139, 3140, 3141, 3142, 3143, 3144, 3145, 3146, 3147, 3148, 3149, 3150, 3151, 3152, 3153, 3154, 3155, 3156, 3157, 3158, 3159, 3160, 3161, 3162, 3163, 3164, 3165, 3166, 3167, 3168, 3169, 3170, 3171, 3172, 3173, 3174, 3175, 3176, 3177, 3178, 3179, 3180, 3181, 3182, 3183, 3184, 3185, 3186, 3187, 3188, 3189, 3190, 3191, 3192, 3193, 3194, 3195, 3196, 3197, 3198, 3199, 3200, 3201, 3202, 3203, 3204, 3205, 3206, 3207, 3208, 3209, 3210, 3211, 3212, 3213, 3214, 3215, 3216, 3217, 3218, 3219, 3220, 3221, 3222, 3223, 3224, 3225, 3226, 3227, 3228, 3229, 3230, 3231, 3232, 3233, 3234, 3235, 3236, 3237, 3238, 3239, 3240, 3241, 3242, 3243, 3244, 3245, 3246, 3247, 3248, 3249, 3250, 3251, 3252, 3253, 3254, 3255, 3256, 3257, 3258, 3259, 3260, 3261, 3262, 3263, 3264, 3265, 3266, 3267, 3268, 3269, 3270, 3271, 3272, 3273, 3274, 3275, 3276, 3277, 3278, 3279, 3280, 3281, 3282, 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292, 3293, 3294, 3295, 3296, 3297, 3298, 3299, 3300, 3301, 3302, 3303, 3304, 3305, 3306, 3307, 3308, 3309, 3310, 3311, 3312, 3313, 3314, 3315, 3316, 3317, 3318, 3319, 3320, 3321, 3322, 3323, 3324, 3325, 3326, 3327, 3328, 3329, 3330, 3331, 3332, 3333, 3334, 3335, 3336, 3337, 3338, 3339, 3340, 3341, 3342, 3343, 3344, 3345, 3346, 3347, 3348, 3349, 3350, 3351, 3352, 3353, 3354, 3355, 3356, 3357, 3358, 3359, 3360, 3361, 3362, 3363, 3364, 3365, 3366, 3367, 3368, 3369, 3370, 3371, 3372, 3373, 3374, 3375, 3376, 3377, 3378, 3379, 3380, 3381, 3382, 3383, 3384, 3385, 3386, 3387, 3388, 3389, 3390, 3391, 3392, 3393, 3394, 3395, 3396, 3397, 3398, 3399, 3400, 3401, 3402, 3403, 3404, 3405, 3406, 3407, 3408, 3409, 3410, 3411, 3412, 3413, 3414, 3415, 3416, 3417, 3418, 3419, 3420, 3421, 3422, 3423, 3424, 3425, 3426, 3427, 3428, 3429, 3430, 3431, 3432, 3433, 3434, 3435, 3436, 3437, 3438, 3439, 3440, 3441, 3442, 3443, 3444, 3445, 3446, 3447, 3448, 3449, 3450, 3451, 3452, 3453, 3454, 3455, 3456, 3457, 3458, 3459, 3460, 3461, 3462, 3463, 3464, 3465, 3466, 3467, 3468, 3469, 3470, 3471, 3472, 3473, 3474, 3475, 3476, 3477, 3478, 3479, 3480, 3481, 3482, 3483, 3484, 3485, 3486, 3487, 3488, 3489, 3490, 3491, 3492, 3493, 3494, 3495, 3496, 3497, 3498, 3499, 3500, 3501, 3502, 3503, 3504, 3505, 3506, 3507, 3508, 3509, 3510, 3511, 3512, 3513, 3514, 3515, 3516, 3517, 3518, 3519, 3520, 3521, 3522, 3523, 3524, 3525, 3526, 3527, 3528, 3529, 3530, 3531, 3532, 3533, 3534, 3535, 3536, 3537, 3538, 3539, 3540, 3541, 3542, 3543, 3544, 3545, 3546, 3547, 3548, 3549, 3550, 3551, 3552, 3553, 3554, 3555, 3556, 3557, 3558, 3559, 3560, 3561, 3562, 3563, 3564, 3565, 3566, 3567, 3568, 3569, 3570, 3571, 3572, 3573, 3574, 3575, 3576, 3577, 3578, 3579, 3580, 3581, 3582, 3583, 3584, 3585, 3586, 3587, 3588, 3589, 3590, 3591, 3592, 3593, 3594, 3595, 3596, 3597, 3598, 3599, 3600, 3601, 3602, 3603, 3604, 3605, 3606, 3607, 3608, 3609, 3610, 3611, 3612, 3613, 3614, 3615, 3616, 3617, 3618, 3619, 3620, 3621, 3622, 3623, 3624, 3625, 3626, 3627, 3628, 3629, 3630, 3631, 3632, 3633, 3634, 3635, 3636, 3637, 3638, 3639, 3640, 3641, 3642, 3643, 3644, 3645, 3646, 3647, 3648, 3649, 3650, 3651, 3652, 3653, 3654, 3655, 3656, 3657, 3658, 3659, 3660, 3661, 3662, 3663, 3664, 3665, 3666, 3667, 3668, 3669, 3670, 3671, 3672, 3673, 3674, 3675, 3676, 3677, 3678, 3679, 3680, 3681, 3682, 3683, 3684, 3685, 3686, 3687, 3688, 3689, 3690, 3691, 3692, 3693, 3694, 3695, 3696, 3697, 3698, 3699, 3700, 3701, 3702, 3703, 3704, 3705, 3706, 3707, 3708, 3709, 3710, 3711, 3712, 3713, 3714, 3715, 3716, 3717, 3718, 3719, 3720, 3721, 3722, 3723, 3724, 3725, 3726, 3727, 3728, 3729, 3730, 3731, 3732, 3733, 3734, 3735, 3736, 3737, 3738, 3739, 3740, 3741, 3742, 3743, 3744, 3745, 3746, 3747, 3748, 3749, 3750, 3751, 3752, 3753, 3754, 3755, 3756, 3757, 3758, 3759, 3760, 3761, 3762, 3763, 3764, 3765, 3766, 3767, 3768, 3769, 3770, 3771, 3772, 3773, 3774, 3775, 3776, 3777, 3778, 3779, 3780, 3781, 3782, 3783, 3784, 3785, 3786, 3787, 3788, 3789, 3790, 3791, 3792, 3793, 3794, 3795, 3796, 3797, 3798, 3799, 3800, 3801, 3802, 3803, 3804, 3805, 3806, 3807, 3808, 3809, 3810, 3811, 3812, 3813, 3814, 3815, 3816, 3817, 3818, 3819, 3820, 3821, 3822, 3823, 3824, 3825, 3826, 3827, 3828, 3829, 3830, 3831, 3832, 3833, 3834, 3835, 3836, 3837, 3838, 3839, 3840, 3841, 3842, 3843, 3844, 3845, 3846, 3847, 3848, 3849, 3850, 3851, 3852, 3853, 3854, 3855, 3856, 3857, 3858, 3859, 3860, 3861, 3862, 3863, 3864, 3865, 3866, 3867, 3868, 3869, 3870, 3871, 3872, 3873, 3874, 3875, 3876, 3877, 3878, 3879, 3880, 3881, 3882, 3883, 3884, 3885, 3886, 3887, 3888, 3889, 3890, 3



**SLIDE 13**

**INSTRUCTIONS**

**Goal: to begin the data analysis for the cluster(s)**

You should be receiving shift share analysis tables for each of the 2-3 clusters selected. Each industry in the table makes up an individual cluster. Split your team into groups based on clusters of interest and have them answer the questions on the slide. Try to get the groups to determine WHY regional competitive advantage is positive or negative for the larger industries. Have them identify the workforce skills or natural resource base that lends itself to a positive competitive advantage or what resources are lacking for negative competitive advantage.

Distribute Handout: "Cluster Support Worksheet"

Have each team fill out the first boxes at the top (identifying strong sub-sectors for their assigned cluster - higher numbers in the far right hand column) and the bottom (highest exports and also looking at the comparison of exports per job.)

**Regional Performance**

- Within your selected clusters, which of the larger industries fared well nationally? Which did not perform well? Why?
- Did certain industries within the clusters perform well in the region, given national economic and industrial trends?
- Where are exports highest? How does that compare to exports per job?

The slide features a graphic of a worksheet titled "Cluster Support Worksheet (One Cluster per Sheet)". The worksheet has a grid with four columns and two rows. The top row is labeled "Cluster" and the bottom row is labeled "Exports per Job". The first two columns are labeled "Exports" and "Exports per Job". The top-left cell of the grid contains a red star. The bottom-left cell also contains a red star. The SET logo is in the bottom right corner of the slide.

SLIDE #13

TIME: 15 MINUTES

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT WORKSHEET - HANDOUT THREE

SLIDE 14

INSTRUCTIONS

This is simply a transition slide to prepare



SLIDE #14

TIME: 1 MINUTE

SUPPLIES: NONE

HANDOUTS: NONE

**SLIDE 15**  
**INSTRUCTIONS**

**Goal: to explore opportunities for import substitution by looking at regional capacity for producing inputs.**

The next four slides explore opportunities for import substitution strategies. Each cluster will have an inputs table. These are the expected inputs into the current level of cluster production based on a national production function.

**NOTE:** While you will replace the chart on this slide with one for your region, these observations on the sample table may be helpful: It is expected that the energy cluster in the South Carolina region utilizes \$204 million in petrochemical manufacturing in producing their current level of “energy cluster” output. Of that \$204 million, 94% COULD be supplied regionally (not IS). This is just current capacity, these dollars don’t represent local transactions. The purpose is to identify industries from outside the region that are supplying to the cluster that could be produced regionally. For example, all \$7.3 million of plastics material and resin manufacturing used in the energy cluster is being produced outside the region. The question posed to the group should be, “Is there any cost-effective way to produce plastics material and resin” in the region and supply to the regional cluster”?

Industries	Estimated Input (\$ Millions), 2013	% In-Region	% Out of Region
Sawmills	\$1.86	34%	66%
Logging	\$0.93	20%	80%
Corporate, Subsidiary, and Regional Managing Offices	\$0.85	1%	99%
Wholesale Trade Agents and Brokers	\$0.55	4%	96%
Ready-Mix Concrete Manufacturing	\$0.44	21%	79%
Engineering Services	\$0.40	11%	89%
Iron and Steel Mills and Ferroalloy Manufacturing **	\$0.38	0%	100%
All Other Plastics Product Manufacturing	\$0.38	0%	100%
General Freight Trucking, Long-Distance, Truckload	\$0.34	12%	88%
Paint and Coating Manufacturing **	\$0.33	0%	100%
Wood Window and Door Manufacturing *	\$0.30	6%	94%
Wood Kitchen Cabinet and Countertop Manufacturing	\$0.28	10%	90%
Urethane and Other Foam Product (except Polystyrene) Manufacturing **	\$0.28	0%	100%
Truss Manufacturing	\$0.27	18%	82%
Sheet Metal Work Manufacturing	\$0.27	6%	94%

Note: \*\* Industry sector is not present in the region.

Source: IMR, Dept of Economic Growth, Trade and Tourism, SET, 2014. SET is a registered trademark of SET.

SLIDE #15

TIME: 15 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

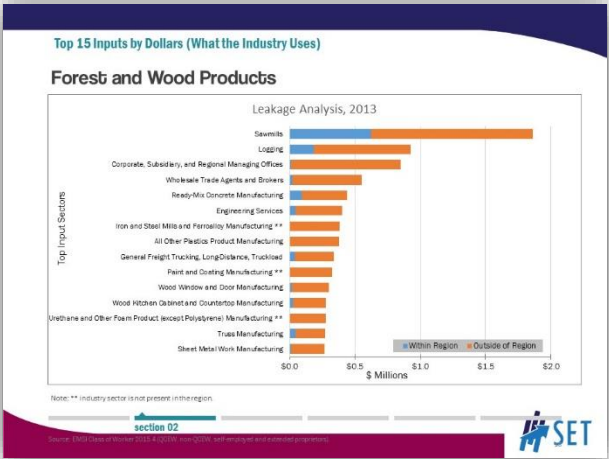
SLIDE 16

INSTRUCTIONS

**Goal: Continue exploration of leakages.**

This bar chart is a depiction of the data on the previous slide.

Again, coaches should insert the chart from one of their regions' clusters rather than use these examples



SLIDE #16

TIME: 5 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 17

## INSTRUCTIONS




Have groups break up into clusters and answer these questions. Again, it is imperative that regional knowledge (i.e. firm managers, CEOs, etc) of these clusters is either present at this meeting or interviewed beforehand.


Revisit handout "Cluster Support Worksheet" and have teams fill out the next three boxes (see next slide):

- What industries support the cluster – Long bars in previous chart
- Where do leakages occur – Large out of region expenditures
- Where does the region have capacity to respond - large in-region expenditures

### Input Requirements

- What inputs do firms within this cluster purchase?
- Are these purchases made locally or imported from outside the region?
- Are these inputs available locally?



SLIDE #17

TIME: 15 MINUTES

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT  
WORKSHEET – HANDOUT THREE

**SLIDE 18**  
**INSTRUCTIONS**

**Goal: To continue the data analysis for the Cluster(s).**

Revisit handout “Cluster Support Worksheet” and have teams fill out the next three boxes (see next slide):

- What industries support the Cluster – Long bars in previous Chart
- Where do leakages occur – Large out of region expenditures
- Where does the region have Capacity to respond – large In-region expenditures

**Input Requirements**

- What industries support this cluster?
- Where do leakages occur?
- What are the strong sub-sectors?

The slide displays a worksheet titled "Cluster Support Worksheet of the Cluster per Sheet". It features a grid of boxes for data entry. The first row has four boxes, with the second, third, and fourth boxes containing a red star. The second row has two boxes. The SET logo is visible in the bottom right corner of the worksheet.

SLIDE #18

TIME: 15 MINUTES

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT WORKSHEET – HANDOUT THREE

## SLIDE 19

## INSTRUCTIONS

**Goal: To guide the discussion on leakages**

Use the questions on this slide to prompt analysis among the small groups considering the various data elements on the identified clusters.

**Plugging the Leaks through Import Substitution**

- What inputs are the industries within the cluster purchasing from outside the region (leakages)?
- Does the region currently have capacity for supplying these inputs cost-effectively?
- If yes, why aren't these transactions occurring?
- If no, what are the resources needed to help promote the creation, expansion, retention or attraction of businesses to supply inputs?



SLIDE #19

TIME: 10 MINUTE

SUPPLIES: NONE

HANDOUTS: NONE

SLIDE 20

INSTRUCTIONS

This slide creates a topic transition to workforce.



SLIDE #20

TIME: 1 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE



**SLIDE 21**  
**INSTRUCTIONS**

**Goal: To explore workforce data related to each cluster.**

Explain the data on this slide ensuring that participants understand how to read the data and draw conclusions.

Again, have individuals stay in their groups and look over workforce data. Have each group report out on the questions presented on the next slide.

Occupations	Jobs 2014	% Change, 2009-2014	Median Hourly Earnings	Entry Level Education
Carpenters	125	2%	\$11.9	High school diploma or equivalent
Construction Laborers	123	37%	\$10.7	Less than high school
Painters, Construction and Maintenance	58	9%	\$11.2	Less than high school
Managers, All Other	52	86%	\$18.2	High school diploma or equivalent
Construction Managers	41	-18%	\$15.4	Bachelor's degree
First-Line Supervisors of Construction Trades and Extraction Workers	34	-17%	\$16.1	High school diploma or equivalent
Logging Equipment Operators	33	136%	\$10.7	High school diploma or equivalent
Cabinetmakers and Bench Carpenters	25	9%	\$12.5	High school diploma or equivalent
Woodworking Machine Setters, Operators, and Tenders, Except Sawing	21	-5%	\$13.8	High school diploma or equivalent
Roofters	21	5%	\$11.6	Less than high school
Electricians	18	13%	\$17.2	High school diploma or equivalent
Team Assemblers	17	-11%	\$12.7	High school diploma or equivalent
Plumbers, Pipefitters, and Steamfitters	17	21%	\$17.2	High school diploma or equivalent
Sawing Machine Setters, Operators, and Tenders, Wood	15	25%	\$12.3	High school diploma or equivalent
Laborers and Freight, Stock, and Material Movers, Hand	11	10%	\$13.0	Less than high school

Note: SOC (Standard Occupational Classification) 3-digit occupations are included by jobs in 2014. Extended proprietors include estimates for underreported self-employment, proprietorship, trusts, partnerships and cooperatives.

section 02

Source: U.S. Dept. of Commerce, 2014-2020, non-union, self-employed and contract employees.

SLIDE #21

TIME: 5 MINUTES

SUPPLIES: NONE

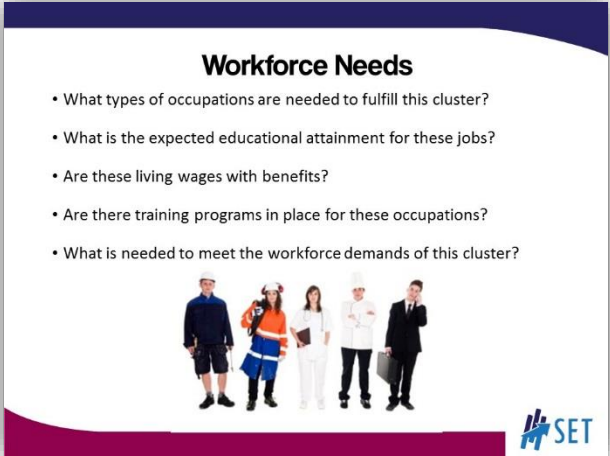
HANDOUTS: CLUSTER SUPPORT  
WORKSHEET (HANDOUT 3)

## SLIDE 22

## INSTRUCTIONS


**Goal: To guide the discussion of workforce data.**


The first two of these questions can be answered looking at the data. The last three are open for group discussion. In addition, these questions should be asked to the industry leaders that are hopefully present at the meeting or who have been interviewed prior to this session.



**Workforce Needs**

- What types of occupations are needed to fulfill this cluster?
- What is the expected educational attainment for these jobs?
- Are these living wages with benefits?
- Are there training programs in place for these occupations?
- What is needed to meet the workforce demands of this cluster?





SLIDE #22

TIME: 10 MINUTE

SUPPLIES: NONE

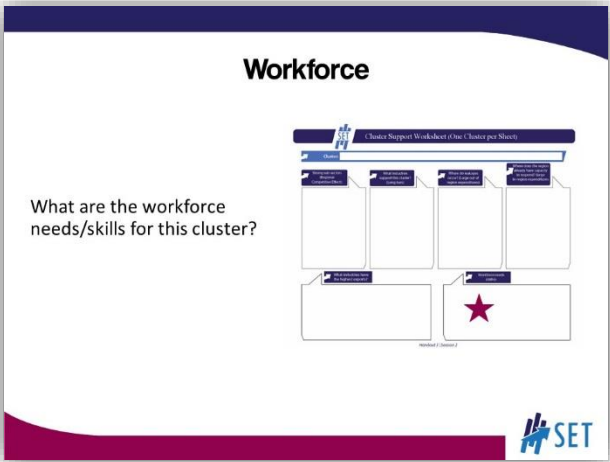
HANDOUTS: NONE

SLIDE 23

INSTRUCTIONS

**Goal: To examine the workforce data related to the cluster(s)**

Revisit Handout "Cluster Support Worksheet" (Handout 3) and have teams fill out the fifth box "Workforce needed"



SLIDE #23

TIME: 10 MINUTE

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT WORKSHEET - HANDOUT THREE

## SLIDE 24

## INSTRUCTIONS

If your region is only considering one cluster, you may remove or adapt this section to fit the needs of the region. The number of maps you have for comparison will depend on the number of clusters you selected.



SLIDE #24

TIME: 1 MINUTE

SUPPLIES: NONE

HANDOUTS: NONE

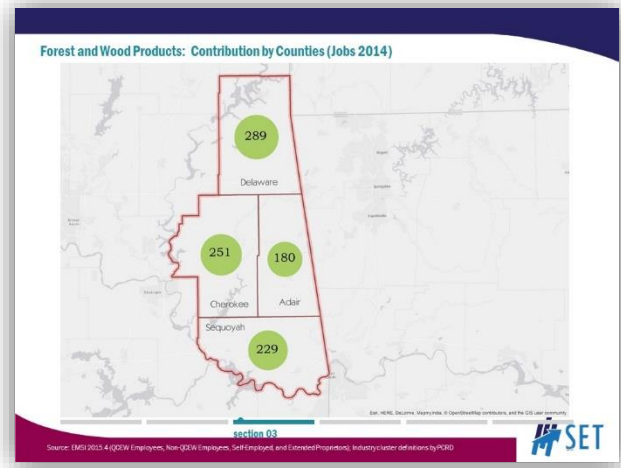
## SLIDE 25

## INSTRUCTIONS

**Goal: To examine how the workforce supporting the identified cluster is distributed throughout the region.**

Show the series of maps in this section, then debrief as follows:

- What do these maps tell us about how the clusters are supported or distributed throughout the region?
- Are they balanced or heavily weighted in one or more counties?
- How does this information shape your thoughts about what clusters are important for the region as a whole?



SLIDE #25

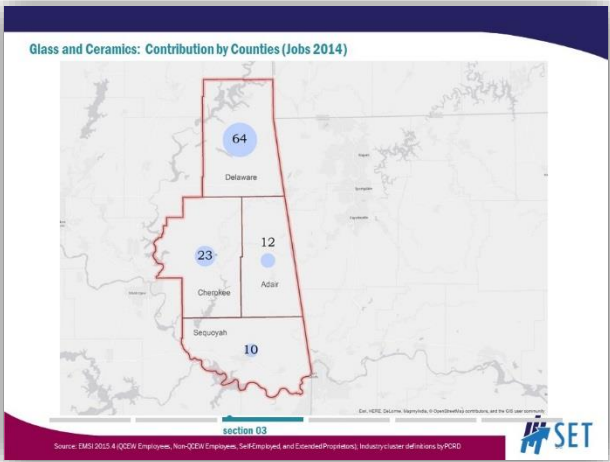
TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

**SLIDE 26**  
**INSTRUCTIONS**

See instructions on slide 25



SLIDE #26

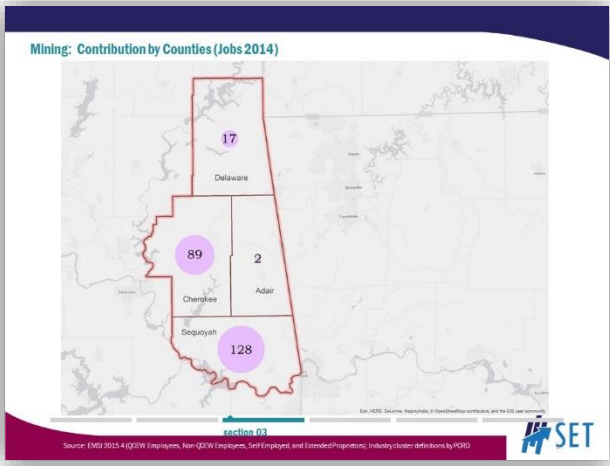
TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

**SLIDE 27**  
**INSTRUCTIONS**

See instructions on slide 25



SLIDE #27

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

SLIDE 28

INSTRUCTIONS


**Goal:** To consider an overview of the cluster data.

This table summarizes some of the various components of the clusters for this region. This helps capsulize some of the previous data into a single slide before exploring the final elements regarding occupations.

Industry Clusters: Components to Assess				
	Electrical Equipment	Mining	Forest & Wood Products	Glass & Ceramics
Regional Performance, 2009-2014 (Shift-share analysis)	-32 (negative value)	50 (61% of job change)	122 (110% of job change)	36 (90% of job change)
Export value, 2013	\$87,709,304	\$52,330,425	\$44,996,070	\$11,767,446
Leakage, 2013	\$22,103,619	\$27,203,369	\$95,882,681	\$9,023,274
Number of establishments	1	7	32	7
Contribution by counties	Only in 1 county	All 4 counties	All 4 counties	All 4 counties
Business input	Seek input from businesses			
Resident's value	Review Civic Forum input from Residents			

section 03

Source: EMS 2015.4 (QDW Employees, Non-QDW Employees, Self-Employed, and Extended-Proprietors), industry cluster definitions by PSD



SLIDE #28

TIME: 5 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE



## SLIDE 29

## INSTRUCTIONS

**Goal: To begin exploring specific strategies for strengthening clusters**

A variety of approaches can be used to strengthen clusters. The next few slides will provide a brief overview to guide the discussion moving forward.



SLIDE #29

TIME: 1 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 30

## INSTRUCTIONS

**Goal: Introduce the CARE model**

A number of strategies have proved successful in helping to build an industry cluster. The next few slides outline a few of the basic concepts building on the CARE Model.

**Source:**

Barta, S., Frye, J., Nelson, J., Paterson, S., Ralstin, S., Wittman, P., & Woods, M. (2010). C.A.R.E. Model. *Southern Rural Development Center*. Retrieved from <http://srdc.msstate.edu/care/>



SLIDE #30

TIME: 1 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 31

## INSTRUCTIONS

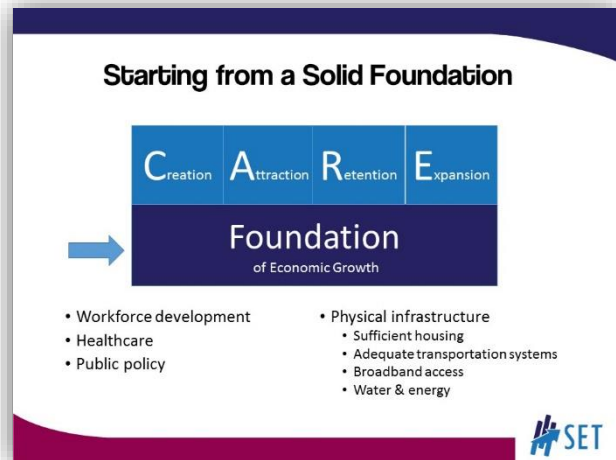
**Goal: Describe the Foundation of CARE**

Having a firm foundation on which to build the economy is essential. The Foundation of CARE includes the elements that support all economic development work. The slide provides some examples. Ask the regional team what else they would add.

Are there certain components of the foundation that need to be strengthened?

- This would include workforce skills or educational needs
- Did a CEO state that he has tried to lure new firms to the area to supply to him but the housing stock in the region isn't adequate?

Revisit Handout "Cluster Support Worksheet" and have teams fill out the Foundation box. Consider, too, the findings from the Civic Forum. What was noted there that might impact the cluster(s)



SLIDE #31

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT  
WORKSHEET – HANDOUT THREE

## SLIDE 32

## INSTRUCTIONS

**Goal: to highlight the importance of entrepreneurship in supporting a cluster.**

Creating a new business to plug a leak is often a viable strategy, especially for rural places.

The Creation part of CARE

- Any new business opportunities to plug leaks?
- If so, what resources are needed to help small businesses/entrepreneurs succeed?
- Where can a small business access capital?

Revisit handout “Cluster Support Worksheet” and have teams fill out the Create box.

**NOTE:** If the region needs more information or wants to explore this topic further, consider moving to the Entrepreneurship module next.

**C.A.R.E.**

C Creation	A Attraction	R Retention	E Expansion
---------------	-----------------	----------------	----------------

**Foundation**  
of Economic Growth

- Are there individuals in the region interested in starting a new business?
- Are there entrepreneurship training programs in place to build capacity?
- Are there channels for accessing capital?

SET

SLIDE #32

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT  
WORKSHEET – HANDOUT THREE

## SLIDE 33

## INSTRUCTIONS

**Goal: To explore targeted attraction**

Targeted attraction: Sometimes attraction is an appropriate economic development strategy. However, the attraction should be targeted to attract new firms to the area based on the import substitution data.

Are these feasible ideas? What resources do those industries need when relocating? How could you lure a particular industry to the area? Is the economic development professional on board with this idea?

One helpful resource: Goetz, S, S Deller and T Harris, Targeting Regional Economic Development, Routledge Studies in Global Competition, Routledge, 2013.

Revisit handout "Cluster Support Worksheet" and have teams fill out the Attraction box, if applicable.

**NOTE:** Attraction may not be the region's best response. It is o.k. if this box (or any of the CARE boxes) is empty if the group does not see a fit.

**C.A.R.E**

Creation Attraction Retention Expansion

**Foundation**  
of Economic Growth

- Are there specific types of firms the region could attract to fill the leakage gap?
- What strategies are in place to target these specific industries?
- What do these industries need to be lured to the region?

SET

SLIDE #33

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT  
WORKSHEET – HANDOUT THREE

## SLIDE 34

## INSTRUCTIONS

**Goal: To explore Retention as a cluster supporting strategy**

The retention part of CARE is helping existing establishments identify opportunities to stay in the region to further support the cluster. Regions need to identify exactly how those existing firms are contributing to the cluster and if there would be any reason why that firm would leave.

And what resources do existing firms need to continue to successfully operate in the region?

Revisit handout "Cluster Support Worksheet" and have teams fill out the Retention box.

**NOTE:** If the region needs more information or wants to explore this and/or the Expansion further, consider moving to the Business Retention and Expansion module next.

**C.A.R.E.**

Creation Attraction Retention Expansion

**Foundation**  
of Economic Growth

- What firms are currently contributing to the cluster?
- Are these firms facing any common threats to survival in the region?
- Do these firms need any particular programs, resources, policies in order to continue operation in the region?

SET

SLIDE #34

TIME: 10 MINUTE

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT  
WORKSHEET – HANDOUT THREE

## SLIDE 35

## INSTRUCTIONS

**Goal: To consider the potential Expansion of existing businesses to fill gaps.**

The conversation should include looking at opportunities to expand those firms that already contribute to the cluster as well as existing businesses in the region that may not currently be contributing, but may have potential capacity to connect through expanded services/operations. How can existing businesses meet the needs of a growing cluster? Is there an opportunity to expand production? What incentive would these businesses need to take on the potential risk and costs of expansion?

Revisit handout "Cluster Support Worksheet" and have teams fill out the Expansion box.

Again, the Business Retention and Expansion module covers this topic in greater detail and may be of value as the region explores this topic.

**C.A.R.E.**

C<sub>reation</sub> A<sub>ttraction</sub> R<sub>etention</sub> E<sub>xpansion</sub>

**Foundation**  
of Economic Growth

- Could existing businesses expand to fulfill the needs of the cluster?
- What incentives or resources are needed to help these businesses expand?

SET

SLIDE #35

TIME: 10 MINUTE

SUPPLIES: NONE

HANDOUTS: CLUSTER SUPPORT  
WORKSHEET – HANDOUT THREE

SLIDE 36

INSTRUCTIONS

**Goal: To show one example of how a cluster might develop with a combination of strategies.**

Use healthcare as an example or feel free to develop an example more relevant to the group.

Notes:

**Creation:** Transportation is needed to get patients from home to facility.

Entrepreneur could create a logistics system to make this work, making this affordable and feasible

**Attraction:** Currently there are no endocrinology services. Hospital or clinic attracts a part-time endocrinologist.

**Retention:** Hospital is thinking about shutting down due to low utilization. Region brings in consultants to work with the hospital to identify marketing strategies and services the hospital could offer to attract more patient

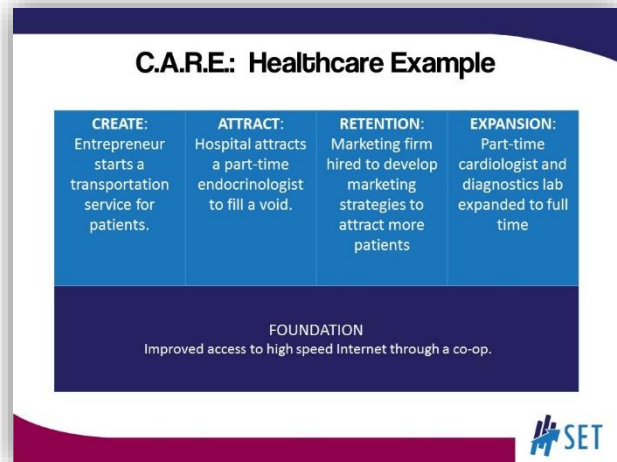
**Expansion:** Hospital and clinics decide they need a cardiologist and diagnostics lab. Together, these entities decide how to finance these services and share revenue and costs.

**Foundation:** Through a broadband Co-op, the hospital was able to access a higher speed Internet, essential for new electronic records requirements.

Have each team share their diagram (the information on this slide) for their cluster with the group. If time permits, you may wish to have each group transfer the information to a flip chart before sharing.

**Debrief:**

If more than one cluster is being considered, do teams see cross-cutting opportunities, places where more than one cluster could benefit? If so, how could the regional team capitalize on those opportunities?



SLIDE #36

TIME: 15 MINUTE

SUPPLIES: FLIP CHART, MARKERS

HANDOUTS: CLUSTER SUPPORT WORKSHEET – HANDOUT THREE



## SLIDE 37

## INSTRUCTIONS

**Goal: To help participants understand how the various pieces of information come together in shaping the direction of the plan.**

Talk through this simple Venn Diagram model explaining how each of the interlocking circles are valuable. For instance, “publically acceptable” was a central focus of the civic forum while Session 2, data, focused on the scientific compatibility as well as some evidence of financial viability.

However, those decisions that are placed at the intersection of each of the circles have the greatest chances of surviving and thriving. Use this framework, then, to help the participants consider how to narrow down the opportunities to the 3-5 that make most sense going forward. The next slide will provide additional discussion points.



SLIDE #37

TIME: 5 MINUTE

SUPPLIES: NONE

HANDOUTS: NONE

## SLIDE 38

## INSTRUCTIONS

**Goal: To select the top 3-5 opportunities that will be taken forward as goals.**

By this point, the regional team likely has explored a vast number of potential opportunities. Before moving forward in the planning process, the team needs to pare the list down to a manageable number (typically 3-7) depending on the capacity of the team doing the work) that will be transformed into goals moving forward. These can be fairly broad in scope (such as “strengthen the agribusiness cluster in the region”), but should not be so vague that they lack focus (such as “improve our economy.”).

The bottom line question is: Where do we want to focus the attention of our plan moving forward? What are the 3-5 areas that need our attention?

It is o.k. to have some items that are the top priorities and others that go to a “back burner” list to be explored in the future once the top goals have been accomplished or at least have started to get traction.

Be sure to draw attention back to the opportunities suggested in the civic forum as these may lead to some potential opportunities not directly related to the industry clusters that the group may want to address (such as foundation concerns.)

During the next two sessions, the team will have additional input to help hone in on the list even more as needed. So the task at this point is to just begin getting the focus areas established.



SLIDE #38

TIME: 10 MINUTES

SUPPLIES: NONE

HANDOUTS: REVIEW NOTES FROM CIVIC FORUM, CARE CHARTS JUST DEVELOPED IN THIS SESSION

## SLIDE 39

## INSTRUCTIONS

**Goal: To determine which module(s) to cover next.**

The SET curriculum contains a number of specialized modules tailored to the region's interests. At this point, the regional team should consider which of these fit within their identified opportunities and thus warrant further exploration. A single page overview of each module is available so that you can print and share the details for ones that are relevant.

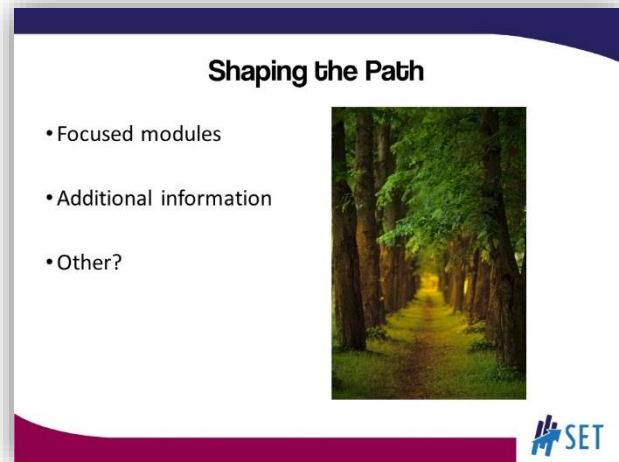
Two of these directly relate to the CARE model:

- Entrepreneurism
- Business Retention and Expansion

Two relate to specific clusters that frequently are of interest in rural places:

- Local/regional foods systems
- Tourism

Guide the team in determining which of these would best shape their planning path moving forward. Be sure to discuss a timeline and dates to ensure high participation.



SLIDE #39

TIME: 5 MINUTES

SUPPLIES: NONE

HANDOUTS: ONE PAGE SUMMARIES OF  
SUPPLEMENTAL MODULES

**SLIDE 40**  
**INSTRUCTIONS**



SLIDE #40

TIME: 1 MINUTES

SUPPLIES: NONE

HANDOUTS: NONE