

## **Why do we need LEDO's? (Local Economic Development Organizations)**

There is an adage in management training that says, 'What you pay attention to grows.'

When some people in a community ask 'why do we need an economic development organization, anyway?' this may be the simplest and most complete answer. If you want to grow jobs and new investment in your community, someone needs to pay attention to that.

The Indiana Economic Development Association defines economic development as the 'facilitation of long-term investment that leads to community prosperity.'

When a community forms a local economic development organization (a LEDO, as we call them in Indiana) they are indicating that they want to hire a professional to spend every day paying attention to activities that will help create community prosperity.

Often, we think of community prosperity coming in the form of new, higher paying jobs. Sometimes, though, community prosperity may be measured in terms of investment in a new or expanded building that results in new property taxes that pay for roads, libraries, and schools.

Attracting new investment and new jobs is a long-term process for communities. As you can imagine, not all communities are created equal and companies are often looking for specific attributes in a community when they're looking to relocate.

A LEDO director has to serve as a conduit between his or her community and the marketplace. LEDO directors spend their time listening to companies that want to expand or relocate, and then work with local leaders to translate the needs of those companies into community assets that will be attractive to new investment.

So, a LEDO director, in many cases, is facilitating many activities in a community, such as encouraging local elected officials to invest in water and sewer capacity to accommodate future investment. The LEDO director may be working with local school corporations to reinforce the importance of work readiness and work ethic to facilitate an available workforce. The LEDO director may be working with local landowners to assemble available land to be ready for new investment, or working with developers to build a speculative building (a 'spec' building in real estate language) to have a building ready and waiting for a new company.

Then, once a community has worked to develop its assets, the LEDO needs to market the community to companies that may want those assets. Sometimes this involves having an up-to-date web site that includes information about available sites or buildings, information about the local workforce, utilities, cost of doing business, amenities... everything that tells a prospective company that your community is 'open for business' and ready to grow.

Often LEDO directors will accompany the Governor and the Indiana Economic Development Corporation to industry trade shows, on prospecting trips inside and outside the U.S. or may visit separately with companies, all as an effort to promote your community to prospective investors.

So, why do you need a LEDO? You need a LEDO to assure that you have a champion in your community who, every day, pays attention to the diverse set of tasks needed to help your community grow and prosper.