

# talent:

IDENTIFYING, IMPLEMENTING, & FUNDING  
ORGANIZATIONAL SOLUTIONS



PART II IN A TWO-PART SERIES

# Talent: Identifying, Implementing, & Funding Organizational Solutions

This is the second of two articles regarding how economic development leaders can address the most significant factor affecting American industry – the availability of skilled labor. Since 1986, Area Development Magazine has polled corporate executives and site selection consultants and every year, until now, the top consideration for industry has been “Highway Accessibility.” Although “Availability of Skilled Labor” has always been a top contender, it wasn’t until 2016 that it finally replaced highway accessibility.

If you are a community organization leader, you can no longer afford to wait on those in education and government to figure out how to grow your skilled talent base. Chicagoland is an excellent example of this vexing issue. During the past five years, over 60 companies have relocated their headquarters to the area, including most recently Caterpillar, citing the need for skilled labor. Many companies can no longer wait on communities that don’t understand the critical skills gap and have decided instead to relocate their operations to where the skilled talent pool already exists.

This article provides a blueprint for your community to not only understand your labor market and potential skills gap, but also “how” and “why” it is necessary to secure funding to address it. You certainly don’t want your companies moving somewhere else because your talent supply is sub-optimal, especially if it happens at a time when your organization isn’t even working on a strategy to address it. Regardless of how well-liked you are, political leaders will always find a scapegoat. Not every community is the same, so obviously there isn’t a cookie cutter approach to addressing this issue. There are, however, some general guidelines for the process of identifying and determining your organization or community’s individual solutions.

**It’s up to you!**  
When it comes to funding your workforce development and talent attraction goals, you can no longer afford to wait on those in education and government to figure it out.

# Five Steps to Begin a Short-Term Discussion for Long-Term Solutions

## Step 1. Knowledge is Power

It is crucial to personally gather enough data in order to understand the workforce needs of local businesses. These are examples of the types of questions you should ask:

- What positions are available and what are you hiring for?
- What are your projected future employment needs?
- What are the emerging skills sets necessary and required?
- What specific difficulties do you have in acquiring and hiring employees?

It is best practice to conduct these confidential in-person interviews with a cross-section of the top 75-100 businesses in your area. Further, survey the remaining businesses either online and/or via snail mail. Once gathered, compile the data and identify whether there are common workforce/skills issues that are impacting the community. If, by chance, no significant deficit areas are identified, the process of gathering the data can and should be utilized to build and enhance working relationships with the business leaders within the community.

## Step 2. Strength in Numbers

If the data indicates significant and consistent workforce/skill deficits, or more positively stated, “opportunities for improvement,” then it’s time to convene a small group of business and community leaders (or possibly just your executive committee if you run this type of organization) to discuss the findings and suggest next steps. There is a high

probability that the committee will desire an outside expert to perform a thorough Labor Market Analysis. If not, you should suggest it for several reasons. First, this provides objectivity and lends further credibility to your analysis of the data collected. Second, and sometimes just as importantly, this serve as a shield for those who will be opposed to the effort. In my experience, someone’s ox always gets gored no matter how carefully a plan is crafted. Your small group will most likely offer ideas on how to fund this study and will undoubtedly contribute in some way. Remember the adage, “If they write it, they will underwrite it.”

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### Step 3. Building Diverse and Inclusive Support

A few months later, armed now with facts and data from the Labor Market Analysis, it's time for your small group to engage your full board/organization (or the media and the overall community if intended) on a plan of action. There are many factors of organizational and/or community action plans. This will also be a financial investment, so it's especially important that your smaller group grow to support the effort. Having the media engaged and reporting on the outcomes is only necessary if your organization is a public entity desirous of community goodwill and transparency. For private groups it can be beneficial as well.

### Step 4. Data, Goals, and Metrics for Implementation

With a thorough understanding of community-specific workforce challenges and a community- or organization-wide vetting undertaken, the opportunity now exists for your organization to lead or co-lead the process of implementation. You have supporting data, organizational goals with date-certain metrics that matter, and you have prepared detailed estimates on what it will cost (staff, administration, and functional expenses) to implement each strategy designed to reach those goals. Typically, community organizations develop and implement community or economic development plans on five-year funding cycles. Keep in mind that it may take five to 15 years for full implementation depending on your scope of work, but now you have a solid, data-driven foundation on which to build.

### Step 5. Determine Financial Support by Conducting an Opportunity Analysis

Finally, once the plan is crafted, it is time to determine the level of community and organizational support and the financial feasibility to fully implement the proposed plan. The typical method chosen by nonprofit organizations is to hire a fundraising consultant to conduct a feasibility or opportunity analysis. When an objective fundraising consultant is brought in to review the proposed plan and to gather specific data relative to the community it can be invaluable to the overall outcome. No longer under public peer pressure to participate, interviewees will confidentially provide important insights and nuances key to the success of the plan and ultimately the

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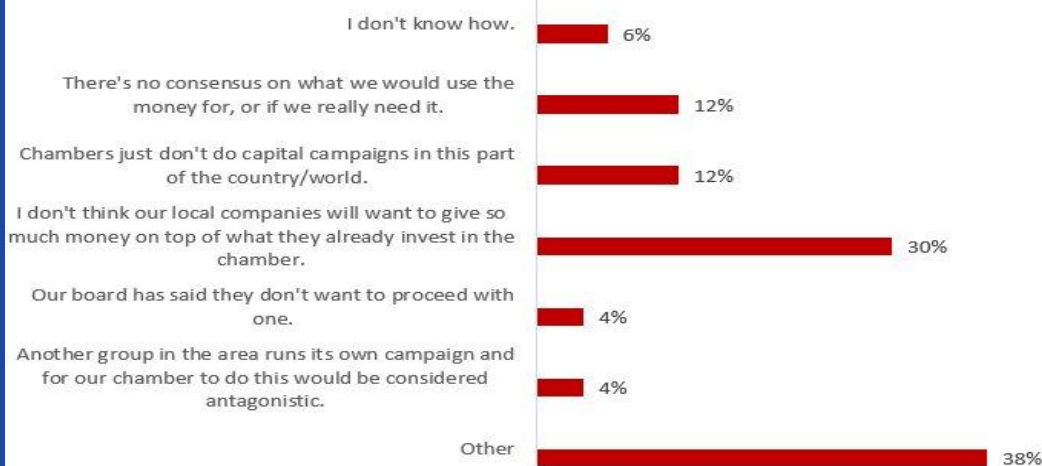
organization. Additionally, peripheral insights are often gleaned which can be used to modify the plan and raise additional unanticipated revenues. Some organizations, attempting to “save money,” presume that by talking to a few key community leaders and investors they can gauge overall financial support. The reality, however, is interviewees may not provide full disclosure about the organization’s goals and their own actual support (financial and otherwise), resulting in a reduced overall scale of investment.

I’ve conducted campaigns for local economic development organizations where I was CEO, but I’ve also led capital campaigns as an “outside expert” for other communities. Speaking from personal experience, there is a significant difference and potential outcome between these two choices: Interviewees told me what I *wanted* to hear when I did the fundraising “in house,” but when I represented other communities I was told what I *needed* to hear. When we live, work, and play alongside fellow community leaders we expect them to be forthright, however, many times in confidential interviews outside consultants are made aware of issues local leaders would like vetted but only if their names aren’t used. It puts them in a potentially awkward situation with their peers and/or people with whom they do business. Because of this, it is a best practice to hire an outside firm to conduct the feasibility study, even if your volunteers are intent on doing the fundraising internally.

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## Is A Capital Campaign Right For You?

The Association of Chamber of Commerce Executives (ACCE) conducted a quick poll in February 2017 regarding capital campaigns. The survey’s 122 respondents were nearly equally split between those who did a campaign (50%) and those who did not (46%). According to the results, 51% of chambers that conducted a campaign used outside council while 49% conducted their campaign in-house. Of all chambers surveyed, 38% are not sure if they will conduct a campaign at all, leading to the survey’s next question, “If you are not planning to run a capital campaign in the near future, why not? (Please select as many options as apply).” Respondents cited issues such as:



Apparently, for these respondents, the mantra is apparently no longer, “a rising tide lifts all boats,” but rather, “without a vision, the people will perish.” For transformational chambers of commerce and economic development organizations, it is extremely rare to have the resources readily available for implementing bold ideas without a dedicated, time-certain capital campaign.

As the world becomes ultra-competitive for skilled labor, one certainty is without question: where you and your community are positioned is vital to long-term growth and sustainability. You must regularly assess and reassess opportunities and threats to your community, engage a constantly revolving volunteer leadership group, and consistently seek ways to position your organization as the “go-to” group of thought leadership. If talent is indeed the “currency of the 21<sup>st</sup> century” as I quoted in Part One of this series, your singular ability and determination to facilitate and to implement a talent attraction / workforce development strategy may produce all of the “gold” your community will ever need.

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For more insights on the Association of Chamber of Commerce Executives’ 2017 Capital Campaigns Quick Poll, visit:  
<http://bit.ly/CapCampaignQPAnalysis> or [www.ACCE.org](http://www.ACCE.org)

## ***Author's Note:***

Thank you for reading, "Identifying, Implementing, and Funding Organizational Solutions," Part Two in this series on the *Availability of Skilled Labor*. Workforce development/talent attraction are universal concerns facing all chambers and economic development organizations. It is my hope that this paper, based on my personal experience in the field, will help to provide deeper insight into both the challenges and opportunities they present.

- Lawrence McKinney, CEcD, CCE  
Convergent Nonprofit Solutions

## **About the Author**



Lawrence McKinney, CEcD, CCE works with Convergent Nonprofit Solutions. He has served as CEO of the Daytona (FL) Regional Chamber of Commerce, Athens

Area (GA) Chamber of Commerce, Partners for Tomorrow (Atlanta, GA), Meriwether County (GA), and Columbia County (GA) Development Authorities over a 30-year career. During that time, he has generated over \$90 million for regional, multi-county, and multi-city economic development organizations.

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## **About the Sponsor**

Convergent Nonprofit Solutions is a national fundraising consulting firm that specializes in managing feasibility studies and capital campaigns for chambers, economic development organizations, community colleges, and other nonprofits. Capital campaigns can play a key role in community development efforts, including those related to talent attraction and retention. Thanks to our extensive background in chamber, economic development, and workforce development fundraising throughout the country, we are able to provide your organization with valuable insights and customized solutions as to how a capital campaign can help you reach your goals.

**Ready to learn more? [Contact us today.](#)**

## ***Talent: The Currency of the 21<sup>st</sup> Century Economic Developer***

Part One of this series examines the increasingly important role talent plays in the economic viability of communities across the country and explores the unique attributes of several creative workforce development and talent attraction initiatives being undertaken today.