

4-19-05
Faculty
Senate

DRAFT April 14, 2005

**Report of the Economic Development Task Force
April 2005**

The Economic Development Task Force (EDTF) was formed by Chancellor Ballard in Fall 2004. Its charge is to (1) identify economic development areas in which the university can make a difference, has the ability to be effective, and should be involved and (2) recommend operational and administrative structures to help accomplish the above.

This report is an internally-focused document. It is designed to examine the activities in which the university should engage, offer direction to members of the university community in their related efforts, and provide input to the university's strategic planning process.

Task Force members are:

- Dr. Frederick Niswander, Dean, College of Business, Chair
- Dr. Nicholas Benson, Senior Associate Dean for Operations, School of Medicine
- Mr. Donald Boldt, retired faculty member and business executive
- Ms. Marty Hackney, Director, Entrepreneurial Initiative
- Dr. James Holloway, faculty member, College of Business
- Dr. Ralph Rogers, Dean, College of Technology and Computer Science
- Dr. William Shelton, Vice Chancellor for University Advancement
- Dr. James Smith, Provost and Vice Chancellor for Academic Affairs
- Dr. Robert Thompson, Director, Institutional Planning, Research, and Effectiveness
- Ms. Marti Van Scott, Director, Office of Technology Transfer

Economic Development

Economic development pertains to the creation of jobs, businesses, prosperity, and wealth. The activities associated with economic development have generally revolved around

- the recruitment of business,
- the growth and retention of existing business, and
- the support and encouragement of business and entrepreneurship activities.

More broadly, economic development goes beyond businesses, jobs, and the like. Sustainable economies and successful economic development activities rest on a societal and social foundation that enriches the lives of the population. This foundation includes access to and sufficiency of

- cultural and social outlets,
- leisure choices,
- commerce for day-to-day living,
- appropriate access to healthcare, and
- educational opportunities

Role of ECU in Economic Development

As an institution of higher learning, East Carolina University has a responsibility to take a leadership role in improving the social, health, cultural, educational, environmental, and economic well-being of its home region, the state, and beyond through knowledge growth and strategic leveraging of resources. Executed appropriately, this role will not only result in regional economic improvements, but will also attract valuable intellectual and capital assets to the university.

ECU's role in economic development is continually evolving and expanding. Historically, the university acted primarily as a provider of education and as an employer. Over time, ECU expanded its role by increasing the range of its academic programs and disciplines, adding and significantly expanding its medical services, greatly increasing the number of students enrolled, expanding its research programs, and increasing the number and significance of outreach activities not directly tied to the classroom. These changes have not only resulted in a greater direct economic impact on the community through more wage-earning employees and more student spending, but have also elevated expectations of the institution by public and internal university constituencies. These expectations have changed in terms of what the university itself believes are reasonable services to provide and in terms of what the community and region would like to receive from the university.¹

¹ An example of changing expectations of external parties is HB 1264, recently passed by the NC Legislature, which requires an examination of how the University and Community College systems prepare students for current and future jobs and careers. The bill will likely strengthen economic development

Because of its size, intellectual capital, and output of trained students, ECU is perceived as a critical component supporting the regional business, economic, and cultural environment. It is likely that the evolution of ECU's role is now supporting a positive feedback loop, in which improvements in the economic marketplace translate to a more vibrant community, attracting better faculty and students, which in turn further increases the community vibrancy and so forth.

East Carolina University is one of a handful of entities or enterprises in eastern North Carolina that can have a measurable impact on the economic well-being of the region. Moreover, the long-term success of ECU is dependent on the long-term economic viability of the region. Therefore, it is incumbent on the university to provide meaningful, visible, and continuing economic development leadership within the parameters in which it can be most effective.

An effective economic development presence is not an inexpensive endeavor. However, focused economic development activities, appropriately funded, will provide substantial direct and indirect benefits to the university and region.

Strategies

We propose that the university increase or assume an active leadership role in economic development through the following strategies.

- 1- Educate, on and off campus, individuals for a changing economy
- 2- Create a culture of support for entrepreneurial activities and advancement
- 3- Advance research and other initiatives that support economic development
- 4- Share our intellectual resources to assist external individuals and organizations to develop and grow.
- 5- Establish and improve University programs and activities that foster the future economic health of the region
- 6- In order to accomplish the strategies and goals enumerated above, the university will create an appropriate administrative infrastructure and support it with the necessary resources (Enabling strategy)

activities undertaken by Universities and Community Colleges and will result in greater cooperation and collaboration between the two higher education systems. ECU must take an active, visible, and meaningful role in planning and executing the outcomes from this study.

Success in the economic development arena is not the province of one group, unit, or division of the university. These strategies cannot be successfully implemented and accomplished without significant and meaningful collaboration between and among individuals and administrative groups within the university and between the university and external individuals and organizations. The university, narrowly and broadly defined, must engage in numerous collaborative activities and partnerships. These activities and partnerships must be strategically and intentionally planned and executed.

Many of these activities and partnerships are encompassed in the following grid. This grid is intended to be a starting point for the University community to consider, implement, and operationalize the above strategies. It is not intended to be comprehensive, exhaustive, or exclusive. The creativity of members of the University community will expand and improve upon the ideas enumerated. The items are grouped into a few broad categories. Most items span more than one category just as they span more than one strategy. The groupings are not intended to be restrictive; they are intended to simply provide some structure for the reader.

	Strategy					
	1	2	3	4	5	6
Foundational or Administrative:						
Engage in, encourage, and nurture collaborative activities that will improve the "quality of living" in the region and the state.	x	x	x	x	x	
Build an entrepreneurial structure and culture within the university and region		x				
Create and support a university infrastructure that encourages, enables, and promotes technology-related research and service opportunities and technological and other spin-offs.			x			
Provide incentives and/or reduce disincentives to faculty, staff, and students to participate in economic development activities and programs. Permit units to change their reward structure to encourage outreach and economic development activities.		x				x
Foster, encourage, and expect units throughout campus to communicate and cooperate in economic development activities		x				x
Monitor effectiveness and efficiency of economic development activities and make operational and resource decisions accordingly. Create a process by which new ideas are evaluated and, if appropriate, supported.						x
Provide sufficient administrative attention, visibility, and financial support to enable success.		x				x
Be sensitive to the social, environmental, and welfare needs and wellbeing of the region.	x			x	x	
Be guided by the current social, wealth, education, housing, health, and economic measures of Eastern North Carolina	x			x	x	
Be a neutral broker.				x		

East Carolina University Economic Development Task Force Report - DRAFT

Internal and External Communication:						
Ensure that the plans and objectives of the university are clear and well articulated to those within and without ECU.						X
Identify, organize, classify, assemble, and offer our intellectual knowledge base for use inside and outside the university. Provide coordinated accessibility of ECU intellectual assets and assistive programs to the public.				X		X
Clearly inform the university and region as to the activities in which the university is currently engaged.				X		X
Outreach:						
Increase and nurture partnerships with community colleges				X		
Provide advice and counsel to regional governmental units and not-for-profits to improve their institutional knowledge and abilities. Provide intellectual infrastructure support to promote capacity building. Facilitate a two-way exchange of information and ideas.				X		X
Help identify sources of capital and grants for eastern North Carolina communities. Provide grant writing support for regional not-for-profits and communities. Help turn problems into grants, related to both research and service.			X	X		
Build bridges to those outside the university				X		
Increase and support partnering with capital networks	X	X				
Offer workshops, conferences, seminars related to economic development that are open to the community				X		X
Unit or College Based:						
Offer an "Anticipatory Curriculum" that prepares students for careers in a 21 st century society	X	X				X
Encourage academic units to examine how their graduates meet the diverse needs of the region and state	X					
Offer appropriate programs, degrees, certificates, and non-credit educational opportunities to assist with workforce development. Work in cooperation with the community colleges.	X					X
Encourage and support activities to assist industries and other entities important in the region such as tourism, the military, and the Global Transpark	X	X				X
Expand our connectivity with the military. Assist regional businesses and the military to work together. Support military-oriented research in areas such as bioterrorism and security studies.	X		X			X
Help faculty create technology-related research and service opportunities			X			
Help build a healthy workforce						X
Foster the regional K-12 educational environment	X					X

Help identify economic replacements for the tobacco economy and disseminate the findings				X	X	
Encourage and support student teams and/or faculty consultants to assist existing and startup businesses.		X				
Identify individuals and set aside financial support to provide intellectual seed capital for regional not-for-profit entities and activities		X				X

Organizational Structure and Resources

In order to accomplish the strategies and goals enumerated above, the Task Force believes the university must clearly indicate to those within and without that it is serious about its role and intends to achieve success. To do so, the university must create a highly visible and effective administrative infrastructure and must unequivocally support it with the necessary financial and personnel resources.

Organizational Structure

To be effective, university economic development activities must span the organization and must be incorporated at all levels and in all administrative divisions. Effective economic development must not be seen as the responsibility of someone else, but of each individual, unit, and division of the university.

The organizational structure must provide high-level administrative visibility, clear evidence of the importance of economic development in university activities, and demonstrate an unambiguous commitment to the success of the endeavor. Even more important, the structure must support, encourage, and foster cooperation and collaboration across the entire university community.

The Task Force recommends the following organizational structure:

Establish a Vice Chancellor for Economic Development reporting to the Chancellor or, alternatively, an Assistant to the Chancellor for Economic Development. In either case, the position will be a direct report to the Chancellor and should be a member of the Executive Council. In the view of the Task Force, the direct reporting line is critical. It will send a clear message to internal and external constituencies that effective economic development is highly important to the university.

All non-academic activities and units related to economic development will report to the VC/AtC including SBTDC, RDS, portions of Technology Transfer, the Entrepreneurial Initiative, and current and future economic-development-related centers that are not directly tied to an academic unit.

The VC/AtC will be responsible for creating and supporting links between his or her office and the academic units. The Task Force recommends that such links include an individual within each academic unit and administrative division that will have specific assignments related to the liaison duties. This individual may be a faculty member or administrator with a minimum half-time economic development assignment or may be a position created specifically for this role (conceptually similar to the Development Officers disbursed throughout academic units).

The VC/AtC will collaboratively work with internal constituencies to create structures and procedures to identify and measure the activities of the university community and will communicate the results to appropriate internal and external parties.

Resources Required

Let us be clear that a visible administrative structure and good intentions will not be sufficient. Adequate financial and personnel resources must be provided to support the activities of the VC/AtC.

Current activities to be incorporated under the VC/AtC umbrella carry with them some personnel and operating funding. To accomplish the enumerated goals, the Task Force estimates that, at a minimum, an additional \$1 million in on-going funding will be required over the next two years. This additional financial commitment is critical to the success of ECU's economic development activities.

The additional funding pertains to the following broad categories:

Faculty and Graduate Student Incentives and Support.....	\$ 250,000
Entrepreneurial Initiative.....	300,000
Rural Development Services.....	150,000
General Operational Support.....	150,000
Future Cross-disciplinary Collaborative Initiatives.....	150,000

Future growth of economic development activities can be supported through grant funding, fee income, and other external support.