Analyzing the factors underlying sustainable competitiveness of the State of Tennessee and its counties

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Purpose

• **What?** Operationalize the concept of **sustainable competitiveness** for Tennessee counties and identify its potential drivers

• **How?**
  1. Use TACIR data, as well as additional county-level measures, to learn what drivers are associated with sustainable competitiveness in a **quantitative model**, and
  2. Conduct an **original survey** of county and large city policymakers to complement the quantitative analysis with decision makers’ judgment of the value of drivers for their jurisdiction.
Research themes

- What is “sustainable competitiveness”? Is competitiveness and its sustainability critical for economic development?
- Is it possible to find areas of cooperation among counties whereby they remain competitive?
- If cooperation is a desired outcome, to what extent is it achievable? Is it an optimal (sustainable!) outcome? How can policy support this outcome?
- Are there differences in the relative importance placed on drivers of sustainable competitiveness across policymakers?
Big picture

• **NOT** trying to develop list of “winners” and “losers”

• **NOT** a one-size-fits-all solution – ex. rural/urban drivers may differ

• Identifying strengths and patterns that group counties together

• Looking for insights that move **AWAY** from the “zero sum game”, **TOWARD** productive strategic collaboration/cooperation
Traditional model of competitiveness

- Short-term focus (unsustainable)
- My gain is your loss
What is sustainable competitiveness?

“What Development that satisfies the [economic, social, and environmental] needs of the present without compromising the ability of future generations to meet their needs”

Blanke et al. 2011, World Economic Forum
Drivers of sustainable competitiveness

- Long-term view (sustainable development)
- Cooperation can lead to better outcomes

Adapted from Kitson et al. 2004
Driver:

- Physical capital to benefit production (buildings, equipment, etc.)
- Financial capital (banks and financial institutions; public fiscal status)
- Labor force
Driver:

- Skill base of labor force
- Ability of the skill base to adjust to dynamic environment through investment
Driver:

- Roads, bridges
- Railroads
- Developed waterways
- Public buildings of all types
Driver:

- Social networks
- Nonprofit sector/civil society organizations
- Policymaking institutions, ex. zoning board, city council
- Housing stock
- Healthcare facilities
Driver:

- Educational institutions (all levels and types)
- Stock of entrepreneurial ability
• Arts institutions, ex. museums, concert halls
• Parks and recreational facilities
• Natural resources/ecological assets, ex. watersheds
Drivers of sustainable competitiveness

Adapted from Kitson et al. 2004
Method

1. **Quantitative model** - What factors – public and private - can be measured which drive sustainable competitiveness? Can we use the drivers to group counties that have similar strengths and opportunities?

   - Use **time-series cross-section dataset** to assess relative importance of the drivers for positive, sustained outcomes (e.g., employment growth, investments, net migration, knowledge formation, etc.)
   - **Factor analysis** to group counties based on potential drivers of sustainable competitiveness
2. **Focus Groups followed by a survey** –
How do local officials (elected and administrative) weigh the drivers in terms of importance for their jurisdiction? Do they perceive opportunities for cooperation regarding the drivers?
– **Focus groups** planned for spring
– **Survey** to be developed, fielded summer/early fall
What is the benefit of this work?

• Develop a framework of sustainable competitiveness through strategic cooperation with insight into drivers of sustainable competitiveness for TN counties
• Leverage TACIR’s existing, substantial data assets in the new conceptual framework
• Add additional variables of interest from other sources, ex. social capital index
• Identify productive areas of strategic cooperation based on quantitative and qualitative/survey assessment and analyses
Deliverables

• Articles on conceptual framework for TN County News, TN Town and City
• Top-line results of focus groups for TACIR
• Online survey instrument and administration plan
• Top-line survey results brief for TACIR
• Final project report
• Conference presentation(s)
<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>TASK</th>
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<tbody>
<tr>
<td>preparation</td>
<td>Attend TCSA conference to learn and meet people</td>
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<tr>
<td>concept research</td>
<td>Literature research to develop the initial &quot;sustainable competitiveness&quot; concept</td>
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<tr>
<td>dissemination</td>
<td>Present project to TACIR Commission at Nov. meeting</td>
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<tr>
<td>concept research</td>
<td>Operationalize dependent variable(s)</td>
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<tr>
<td>quantitative</td>
<td>Work with TACIR to get access to quantitative data to use in quantitative modeling</td>
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<tr>
<td>quantitative</td>
<td>Obtain other data of interest to integrate with TACIR existing data</td>
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<tr>
<td>quantitative</td>
<td>Merge and clean dataset</td>
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<tr>
<td>quantitative</td>
<td>Model estimation and troubleshooting/refining approach</td>
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<tr>
<td>dissemination</td>
<td>Prepare short articles for TML and TCSA publications (solicit for focus groups?)</td>
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<tr>
<td>focus groups</td>
<td>Develop focus group plan and script</td>
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<td>focus groups</td>
<td>Seek IRB approval for focus group plan</td>
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<tr>
<td>focus groups</td>
<td>Organize and execute two focus groups with city and county/elected, administrative participants</td>
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<tr>
<td>dissemination</td>
<td>Abstract submission for fall academic conference presentation of quant results</td>
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<tr>
<td>analysis</td>
<td>Synthesize focus group results</td>
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<tr>
<td>analysis</td>
<td>Develop top-line focus group insights brief for TACIR</td>
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<tr>
<td>survey</td>
<td>Draft survey instrument, (su/focus group, modeling, and literature insights)</td>
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<tr>
<td>survey</td>
<td>Seek letters of support and &quot;champions&quot; among stakeholders to aid response rate</td>
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<tr>
<td>survey</td>
<td>Seek IRB approval for survey plan and draft instrument</td>
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<tr>
<td>survey</td>
<td>Get key informants to review survey instrument and plan and provide feedback</td>
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<tr>
<td>survey</td>
<td>Implement survey instrument in online form</td>
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<td>survey</td>
<td>Pilot test survey instrument</td>
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<tr>
<td>survey</td>
<td>Survey in field with reminder waves</td>
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<tr>
<td>analysis</td>
<td>Analyze survey results</td>
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<tr>
<td>dissemination</td>
<td>Present preliminary results (quant, focus) at October TCSA meeting</td>
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<tr>
<td>analysis</td>
<td>Develop top-line survey analysis results brief for TACIR</td>
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<tr>
<td>analysis</td>
<td>Integrate with quantitative results</td>
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<tr>
<td>analysis</td>
<td>Develop final report to TACIR</td>
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