

**The Benefits of a Unified Approach for a County in Economic
and Community Development Efforts**

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INTRODUCTION

The benefits of a unified approach for a county in economic and community development efforts include regionalism and unanticipated growth. Utilizing research to decide if a chamber of commerce merger is beneficial saves stakeholders time and resources. While it seems logical to consolidate organizations with similar missions in a county, it may not always be advantageous. Deciding if multiple economic and community development organizations are appropriate depends on the number of towns, funding, demographics, and desired program of work in a county. Included are approaches to decide if a single chamber of commerce is beneficial for a county and how to proceed with a merger process based on other organizations in Tennessee that have successfully consolidated.

Background

Overview of common arrangements for economic and community development organizations in a single county

With the statistics of one hundred and twenty-three Chambers of Commerce in the state of Tennessee out of ninety-five counties, it is certainly more common for there to be a single Chamber of Commerce in a county instead of multiple. Economic Development work and Chamber of Commerce work are commonly referenced as separate work. This can be confusing to some since the work that a Chamber of Commerce does is economic and community development. In most cases, multiple entities in a county are responsible for all the economic and community development efforts. Use Tipton County for example. This can look like a partnership with a City Mayor and Chamber Director on retail recruitment efforts. In the same

county, the Chamber of Commerce might work with a regional economic development entity that represents a three-county partnership to recruit large employers and manufacturers to the region. Furthermore, that county has a separate organization that leads efforts focused on the historical downtown while someone from the county office leads workforce development efforts. There are countless arrangements one could research and discover since each county has its own culture and operates differently. Sometimes barriers to a unified approach of efforts have little to do with leadership and more to do with geographical barriers such as mountains or rivers that serve as natural dividers. Natural barriers certainly divide retail trade areas.

Benefits and disadvantages of multiple chambers of commerce in a county

The benefits of having multiple Chambers of Commerce serving the same county can include more focused areas of work for each organization involved. With more than one organization leading economic and community development work, ideally, each one could specialize in different areas of focus that serve a need in the county. As an example, one Chamber of Commerce might work more with the local Industrial Development Board focusing on retention and recruitment of larger employers and manufacturers while the neighboring Chamber of Commerce focuses more on retail recruitment and leads a Main Street program for the historic downtown. It seems logical that the second-mentioned Chamber leads tourism efforts knowing that a strong Main Street program includes annual festivals and events. It would then make sense for the first mentioned Chamber of Commerce, which focuses mostly on large industries, to lead efforts with local workforce development and programs that help remove the barriers to education and jobs. In an arrangement like that, the organizations have a better chance of avoiding the common dilemma of being a “jack of all trades and master of none”. All efforts collectively tie into necessary economic and community development work, but each

organization specializes in its focus area. Neither organization should be competing for funding or Chamber members since their efforts complement each other.

Referencing an article written by Christina Green and shared by Chamber of Commerce resource, Frank J. Kenny, a couple of reasons that justify a merger are when Chambers of Commerce are located too close to each other which results in dwindling memberships. It might also be noticed that both organizations offer the same things to their community and members, meaning they have a similar or the same scope of work. Finally, “member poaching” is referenced as another issue that could cause a Chamber of Commerce merger to make sense. It is common to see businesses poach talent from one another when there is more work than skilled employees. However, there is no reason for member poaching to exist between Chambers of Commerce. That does not cultivate a healthy community culture or regionalism which is a goal for true leaders of economic and community development work.

The importance of a strategic plan for consolidation after deciding that option is advantageous

It is recommended through numerous sources and articles for Chambers of Commerce planning to merge, to hire a third party to facilitate the process. This helps to ensure the merger is done properly with guidance from neutral professionals who have years of experience with the process.

Including local leadership from the City, County, and business community is key so that the desired outcomes are well thought out and complement other goals set in place for the County. The entire purpose of a merger is to end the concept of “working in silos” and competing against local efforts so it is crucial to lead a planning process that includes representation from all the

necessary entities across the county. Successful strategic planning helps communities plan for a future they want to achieve. The plan should inspire people to act by recognizing the current state of reality followed by a plan for accomplishing specific goals for the future.

National and statewide trends for the ratio of chamber of commerce organizations per county

Reviewing national trends first, according to the Association of Chamber of Commerce Executives, there are an estimated four thousand Chambers of Commerce organizations in the United States with at least 1 full-time staff person. There are three thousand, one hundred and forty-one counties or similar entities across the United States. In Tennessee specifically, there are currently one hundred and twenty-three active Chambers of Commerce among ninety-five counties.

Project Description

Approaches to decide if consolidation is best for a county

Deciding if consolidating economic and community development efforts for a county is in the best interest of a community requires visionary leadership. An article shared by the Association of Chamber of Commerce Executives compares the motives for a merger to be sourced by either aspiration or desperation. Of course, in an ideal situation, a merger should occur because the leaders involved are aspirational and see a need in their community for unifying efforts and planning for the future. Unfortunately, in 2020 amidst the covid-19 pandemic, many Chamber of Commerce organizations merged out of desperation simply to survive a challenging time. The focus of this research is more on the aspirational scenario. An example of this in Tennessee comes from Greene County.

Leadership from the Greene County Partnership decided that a merger made sense for their county because they wanted the message from their organization to be strong and clear. A merger would improve the efficiency of efforts along with collaboration with the County and City leadership. Funding a single organization instead of splitting resources among multiple Chambers of Commerce also made more sense to the leadership. They were tired of their community getting left behind and decided that they wanted to change the trajectory of their county.

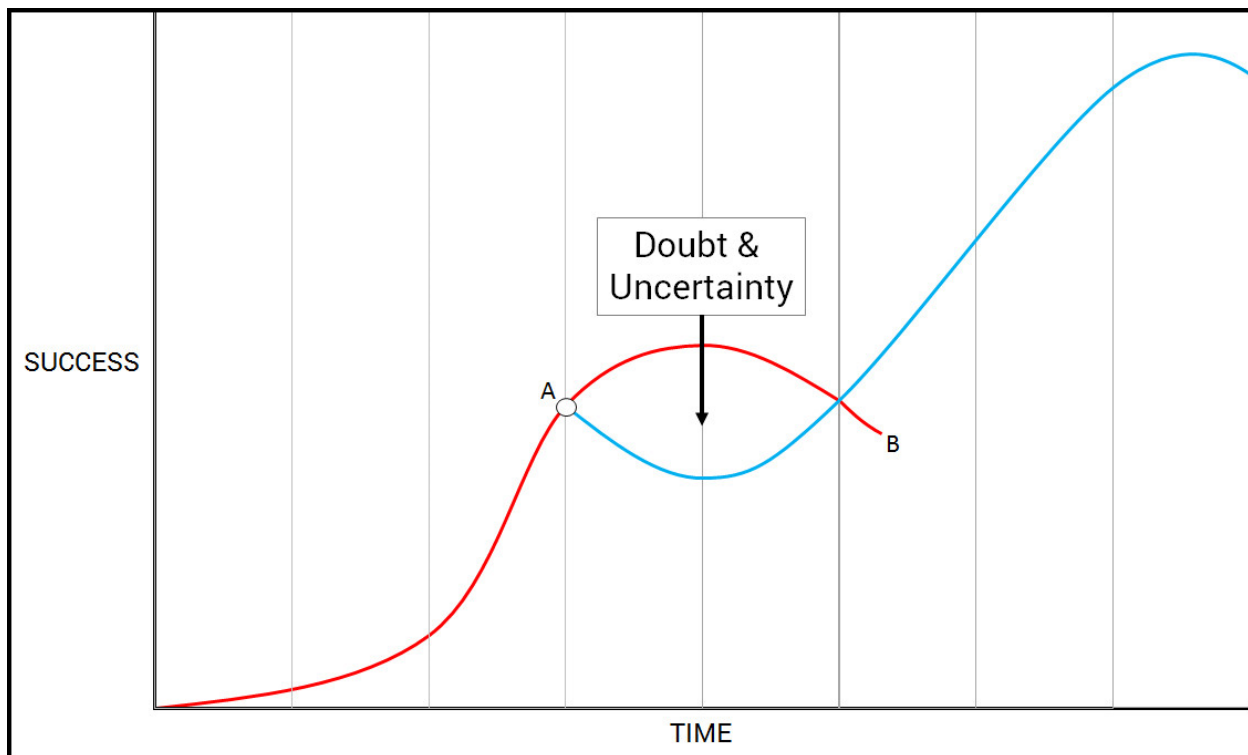
Examples of successful mergers between chambers of commerce in Tennessee

Three strong examples of organizations in Tennessee that were formerly Chambers of Commerce and successfully completed a merger include the Greene County Partnership, Maury County Chamber and Economic Alliance, and Williamson Inc. The Greene County Partnership was formed in 1993 and currently serves as the umbrella organization that houses the Chamber of Commerce, Economic Development, Tourism, Keep Greene Beautiful, and Education and Workforce Development. The Maury County Chamber and Economic Alliance was formed in 1999 as a public-private partnership to promote business recruitment and economic development. Williamson Inc was formed in 2012 after the Brentwood Cool Springs, Greater Cool Springs, and Williamson County-Franklin Chambers of Commerce elected to unite forces.

Proven steps for a successful merger process

According to an Association of Chamber of Commerce Executives article on mergers and tips from those who have accomplished the task, in many cases, there is an expectation of improved efficiencies through cost savings if a merger occurs. Instead, it is recommended to focus on the greater impact the merged entity will have on economic and community outcomes for the

community. According to Lawrence McKinney CCE, CEdD, IOM, during a video interview with Frank J. Kenny in 2020, it's not just about the financials. There are other benefits to mergers such as high returns for an organization. Combining boards and staff can be a benefit. Since some of the top leaders in town appreciate mergers, they are likely to want to join the board and get back involved. A big move like a merger gets people's attention and shows that local leaders are serious about positive change. Individuals who may have become disengaged are likely to see a reason to be back at the table. McKinney also references the sigmoid curve for organizations. This is a great visual to aid in understanding the natural cycle of an organization and why introducing change is necessary to adjust the trajectory of success.



Engaging a third party for research, analysis, and benchmarking can help ensure the merger process is set up for success. McKinney advises that utilizing a firm from the beginning to facilitate the process is ideal. It is also recommended to then bring in attorneys at the very end to

complete the legal process. Having a defined vision and being intentional about the desired outcomes and the culture of the organization is important.

Additionally, mergers are not the only option for increasing effectiveness. It is a good idea to research different approaches to collaboration. Examples of alternate options are federations, shared service agreements, joint memberships, and co-locating teams to name a few. To summarize this point, research possible options and start small before deciding if a merger is the absolute best decision for a community.

Once the parties involved have decided that a merger is the best plan, a commitment to finding a way to address any obstacles that may arise is an essential approach if a merger is to be successful. Compromises that are temporary in the early stages are to be expected and can be updated later. An example of that would be having a larger board than normal or managing multiple facilities in the short term to later evolve as governance and operational procedures are updated.

Practical timeframe for merger completion

When the Greene County Partnership came into existence in the early 90s, it was a five-year process for the merger to occur once discussions finally became serious. The merger process itself took twenty-four months simply due to the legal processes. With communication processes constantly evolving and improving, that timeline can be shortened significantly depending on how eager the organizations involved are at moving to accomplish the goal for their community. According to Lawrence McKinney, CCE, CEcD, IOM the implementation of a merger should now take between six and eight months if a third-party firm is hired to facilitate the process.

Obstacles faced by organizations that merged

There are not many reports of obstacles faced by organizations that have successfully merged. This can go back to the point explained earlier in the report, that those who are successful in the process understand that it is indeed a process, are committed, and find a way to make it work. Therefore, any possible obstacles eventually become moot points because they are quickly overcome since the parties involved are dedicated to the end result of unifying their efforts.

Results and Lessons Learned

There are quite a few factors to consider that help to determine the number of organizations necessary to provide similar services in a county

The simple fact remains that each community has a different culture, some better than others. Some communities have leaders in place that work very well together while others, unfortunately, do not. While no community is without flaws in the culture of how it operates, to serve citizens and visitors, it is incredibly encouraging and inspiring to witness City and County Mayors working well with Economic and Community Development organizations. It is something all individuals in leadership positions should strive towards since true leaders bring people, communities, counties, and regions together. Considering that dynamic, factors that determine if multiple economic and community development organizations are appropriate depending on the number of towns, funding, demographics, and desired program of work in a county.

Examples of communities where multiple economic and community development organizations with similar missions are beneficial

Gibson County, Tennessee is a unique example of a county served by three different Chambers of Commerce. A few factors that help that to seem logical is that there are over six hundred square miles in Gibson County, with ten municipalities and five different school systems each with its school board. There are also numerous Industrial Development Boards and multiple large tourism festivals and events hosted throughout the year. A merger was discussed some years ago which was not at all successful. Since then, Gibson County hired an Economic Developer that works in conjunction with the three Chambers of Commerce and has a focus on industrial-related projects. The Humboldt Chamber of Commerce, Milan Chamber of Commerce, and Greater Gibson Chamber of Commerce have found a way to work together and serve their county well.

CONCLUSION

Utilizing research to decide if a chamber of commerce merger is beneficial saves stakeholders time and resources. The best plan of action is to establish a clear vision of the desired outcomes for a more unified approach in local economic and development efforts. Once that is determined, a strong commitment from all parties represented is necessary before engaging a third-party organization to facilitate the merger process. Each county and region experiences success with different economic and community development approaches. An arrangement that works well in one county has failed in others. Implementing a strategic plan is crucial for deciding the best organizational structure for economic and community development efforts in a county.

Resource Page

- ACCE Article: “Mergers & Alliances: Mergers In The Time of Covid August 20th, 2020”. <https://secure.acce.org/articles/governance-and-leadership/mergers-alliances-mergers-in-the-time-of-covid/>. Accessed 15 January 2023.
- Green, Christina. “When a Chamber Merger Makes Sense.” <https://frankjkenny.com/when-a-chamber-merger-makes-sense/>. Accessed 15 January 2023.
- Video Interview of Lawrence McKinney, CCE, CEcD, IOM Principal, Convergent Nonprofit Solutions by Frank J. Kenny
- Tennessee Strategic Planning for Economic Development Course July 24-25 2019
- <https://www.census.gov/>
- <https://www.officialusa.com/stateguides/chambers/tennessee.html>
- <https://www.uschamber.com/co/chambers/tennessee>
- <https://www.linkedin.com/pulse/sigmoid-curve-model-constant-business-growth-innovation-mba>
- [https://www.greenecountypartnership.com/about\](https://www.greenecountypartnership.com/about/)
- <https://springhilltn.com/links/>
- https://www.nashvillepost.com/business/development/williamson-chambers-combine-for-common-cause/article_1e44559d-6ca2-535d-8959-8f33c9b4c1d6.html
- Email interview: Amanda Love, Executive Director of the Humboldt Chamber of Commerce and Main Street Humboldt

- Email interview: Julie Allen Ward, IOM Executive Director of the Milan Chamber of Commerce
- Email Interview: Jeff Taylor, Chief Executive Officer of the Greene County Partnership