Using the SWOT to Plan for Resilience: A New Approach to a Classic Tool

January 17, 2018
Stronger CEDS, Stronger Regions Program Overview

Three-year capacity building and technical assistance program funded through US EDA to:

- Enhance and expand NADO RF’s resources on CEDS planning, development, and implementation
- Provide customized trainings and technical assistance to EDDs and other regional organizations on all things CEDS
- Amplify EDA’s message about the value of the CEDS in promoting broader regional economic and community development goals
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➢ Thank you to the US Economic Development Administration for its generous support of NADO RF’s CEDS capacity building initiatives

➢ To participate in the interactive portion of the webinar, click the raise hand icon on the right side of the screen to request an unmute

➢ Questions or comments can also be submitted via the chat box

➢ A recording of the webinar and copy of the slides will be made available soon at www.nado.org

➢ Please contact Brett Schwartz at bschwartz@nado.org if you have any general questions about NADO RF or the Stronger CEDS, Stronger Regions program
Today’s Presenters

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➢ Brett Schwartz (moderator)
  Associate Director, NADO Research Foundation
  bschwartz@nado.org
USING THE SWOT TO PLAN FOR RESILIENCE:
A NEW APPROACH TO A CLASSIC TOOL

Barbara Wyckoff
Creative Disruptors
Outcomes for Today’s Session

• Learn a new approach to economic resilience and results from across the country

• Integrate sustainability/resilience into the SWOT assessment of a region’s economy, as required by the U.S. Economic Development Administration for grantees completing Comprehensive Economic Development Strategies (CEDS)

• Develop preliminary indicators for measuring multiple types of local assets
Definition of Resilience

• Community resilience is a measure of the sustained ability of a community to utilize available resources to respond to, withstand, and recover from adverse situations.

• Communities strive to be stronger and more resilient after the recovery, than they were before. (Spiral effect!)

• A community’s resilience depends on the reservoir of all healthy assets, or capitals, that can contribute to the well being of people, places, and economies.
Build assets/capitals, broadly defined, and aspire to do no harm.

How is wealth typically defined?

Wealth is not just money.

Wealth is the reservoir of all assets that can contribute to the well-being of people, places or economies.
Eight Capitals

- **Intellectual**
  - Knowledge and innovation

- **Individual**
  - Skills, education, health, individual income

- **Social**
  - Trust and relationships

- **Natural**
  - Productive natural resources

- **Built**
  - Infrastructure

- **Political**
  - Influence on decision makers and shapers

- **Financial**
  - Savings and investment

- **Cultural**
  - Traditions, customs and ways of doing

*All are required to grow and sustain a resilient economy!*
Instructions:

Think about the place you are using the SWOT to plan for. Is it a community, region, sub region? Use this place for thinking about this exercise.

Using a scale of 0 to 5 (where 0 is the weakest and 5 is the strongest), map out the strengths of each of the capitals in the chosen place. Remember, it is only wealth if it is healthy and fully functional and if the region owns or controls it and can make decisions about how to maintain and use it.

✓ What are the 1-2 areas where you are the strongest? Give examples.
✓ What are the 1-2 areas where you are the weakest? Give examples.
✓ What are the 1-2 most critical underutilized capitals that could be brought into productive use with appropriate and creative investment?
Intentionally include people and firms on the economic margins

A question of Resiliency – We need...

• People at margins earning (and saving!) more
  – They have improved skills to qualify for higher-paying jobs and to build their careers
  – They save for the future, e.g., building assets, so they are more resilient
  – They bring their underutilized knowledge/expertise

• The economy overall is more resilient, as all resources are brought to bear and less drain on support systems.
“Grasstops without grassroots get blown away in the wind. Sustenance comes from the roots.”
Ownership/Influence Make Wealth Stick

Capitals that are “owned” locally build resilience

• Local ownership is the anchor that ensures assets/capitals are available for resilience
• Broad-based ownership benefits more people
• Benefits – e.g., income, know-how, better technology – flowing from local ownership of capitals can be re-invested and re-circulated locally
• Local ownership increases chances of preserving local jobs
Illustrative Results

• 160 homes receive energy efficiency upgrades, at a total cost of $1.3 million, saving $225,000 in one year (policy now in place for 1,000/year)

• Over 4 years, 80% increase in number of wholesale buyers, and increase of over 258% in value of purchases in Central Appalachia Local Food value chains

• Over 4 years, increase of over 199% in gross revenue to agricultural producers

• Over 2 years, increase of 48% in number of jobs in the local food system

• Development of new mortgage product for energy efficient homes, resulting in 85 HERS rated, affordable housing units delivered in 2014

• Development of new appraisal and certification practices to capture value of HERS units; 150 HERS certified inspectors/appraisers trained
Questions?
Not Your Mother’s SWOT...

SWOT: Planning tool to identify strategies for a more resilient economy. Seize Opportunities, by building on Strengths and addressing Weaknesses, while managing Threats to success.

- Start with opportunities to focus your conversation on strengths and weaknesses.
- Most productive to complete SWOT with a breadth of stakeholders. Use different colored stickies to give each group a voice, but collect on master SWOT grid.
- Remember, aspire to do no harm.
# Resilience-Building SWOT

<table>
<thead>
<tr>
<th>Strengths:</th>
<th>Weaknesses:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Capitals we have, use &amp; could use</td>
<td>• Capitals we are missing, or are weak</td>
</tr>
<tr>
<td>• Energy and enthusiasm</td>
<td>• People, firms and organizations on the economic margins not included</td>
</tr>
<tr>
<td>• Partnerships between business, government, and organizations</td>
<td>• Lack of partnerships</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities:</th>
<th>Threats:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Underutilized capitals we can invest in</td>
<td>• Policy Barriers</td>
</tr>
<tr>
<td>• Upward mobility for all</td>
<td>• Ownership by those outside of the region</td>
</tr>
<tr>
<td>• Emerging Markets/Demand</td>
<td>• Negative opinion shapers and parties unwilling to collaborate</td>
</tr>
<tr>
<td>• Gaps in activities needed to meet demand for products and/or services in specific emerging markets where investment is leveraged</td>
<td></td>
</tr>
<tr>
<td>• Repurposed by-products or residuals</td>
<td></td>
</tr>
<tr>
<td>• Local, broad ownership</td>
<td></td>
</tr>
<tr>
<td>• Potential to go to scale</td>
<td></td>
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</tbody>
</table>
Discussion

- Share ideas
- Questions
- What might you do differently going forward?
Outputs vs. Outcomes

- **Outputs**: The “things” we do. (Trainings, buildings, etc.) Need to ask, “Why?”

- **Outcomes/Results**: The changes in action/behavior that result from outputs. Answers “Why”

- **Indicators**: Something that must be changed, or a condition achieved, in order to claim that progress is being made towards outcomes.
Measurement Framework

CAPITAL HOW DO YOU MEASURE INCREASE?

INDICATORS/MEASURES

• INDIVIDUAL: Skills, physical health, mental wellness and income

• INTELLECTUAL: Knowledge, creativity and innovation

• SOCIAL: Trust, relationships and networks

• NATURAL: Water, land, air, minerals, plants and animals, ecosystem services and other natural resources in a place

• BUILT: Constructed infrastructure, including buildings, sewer and water systems, communications systems, and roads

• POLITICAL: Goodwill, influence and power that people and institutions in the region can exercise in decision-making.

• FINANCIAL: Monetary resources available for investment in the region

• Inclusion and Ownership
# Your Measurement Framework

<table>
<thead>
<tr>
<th>Type of Capital</th>
<th>Indicators and Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>Change in behavior due to new skills and insights</td>
</tr>
<tr>
<td></td>
<td>Increased engagement in value chain activities</td>
</tr>
<tr>
<td></td>
<td>FTE jobs (seasonal and year-round)</td>
</tr>
<tr>
<td>Intellectual</td>
<td>Number of partners implementing new ideas (“partners” could mean other beneficiaries</td>
</tr>
<tr>
<td></td>
<td>beyond value chain members; implementation of new ideas will be specific to each</td>
</tr>
<tr>
<td></td>
<td>value chain)</td>
</tr>
<tr>
<td>Social</td>
<td>Number of value chain members (measured as organizations/enterprises)</td>
</tr>
<tr>
<td></td>
<td>Decisions made together by the value chain members (qualitative; this measure</td>
</tr>
<tr>
<td></td>
<td>demonstrates purpose of social capital)</td>
</tr>
<tr>
<td>Natural</td>
<td>Land: acreage meeting value chain goals (in production, conservation, restored)</td>
</tr>
<tr>
<td></td>
<td>Watersheds protected or water quality restored due to value chain activities</td>
</tr>
<tr>
<td>Built</td>
<td>Amount of new/improved infrastructure that supports the value chain</td>
</tr>
<tr>
<td>Political</td>
<td>Number of organizations and networks engaged in supporting policy change aligned with</td>
</tr>
<tr>
<td></td>
<td>value chain strategies</td>
</tr>
<tr>
<td></td>
<td>Number of policies and programs supporting value chain strategies (to demonstrate</td>
</tr>
<tr>
<td></td>
<td>systems change)</td>
</tr>
<tr>
<td>Financial</td>
<td>$ of investment</td>
</tr>
<tr>
<td></td>
<td>Number of enterprises created or expanded</td>
</tr>
<tr>
<td>Inclusion &amp; Ownership</td>
<td>Your ideas?</td>
</tr>
</tbody>
</table>
Wrap-Up

• Remaining questions?

• How might use these ideas/tools in future?

• Who do you need engage? How?

• Resources?
• Barbara@createdisruptors.com