

METROPOLITAN BUSINESS PLANNING IN U.S. REGIONS

Amid the wreckage of the Great Recession, America needs to move toward a more productive next economy that will likely be more export-oriented, lower-carbon, and innovation-driven. Already, many increasingly sophisticated and self-starting metropolitan areas are taking the initiative to move in this direction on their own. Brookings' Metropolitan Business Planning Initiative is aimed at aiding and abetting their efforts.

Logic and Concept

The metro business planning concept stems from several critical realities. First, it reflects that in today's economy, prosperity primarily flows from market activity. Second, it follows from the fact that major market systems are primarily metro-based. And third, it acknowledges that regional economies need highly specialized plans for performance enhancement. The notion also responds to the concern that federal and state economic development policies and programs are still too top-down, overly siloed, and inflexible and hard-to-use by increasingly creative, data-driven metro actors.

And so, in a vanguard of U.S. regions, robust consortiums of regional planning entities, local governments, business and civic groups, and assorted elected officials are coming together to craft metropolitan business plans for transforming the local economy. These metropolitan business plans adopt the same discipline of private-sector "business planning" to rigorously situate the market position of regional economies; detail emerging regional strategies for generating metro prosperity; and advance detailed development initiatives for catalytic interventions. By delivering—from the bottom-up—customized analysis of the market inputs, goals, and strategies necessary to improve regional economic performance, the plans will advance the state of regional economic development practice and help to recast federal-state-metro relations in the United States.

Implementation

Three metros are currently piloting the metropolitan business planning process and using it to better position

themselves for successful growth in the next American economy. Cleveland-Northeast Ohio aims to transition "old" economy manufacturing companies to "next" economy pursuits; Minneapolis-St. Paul is making a push for a more entrepreneurial-oriented culture; and Seattle-Puget Sound seeks to be a leading region for the export of energy efficiency goods and services to the rest of the world.

In developing their plans, each metro has conducted rigorous market analysis of its local circumstances, grounded specific strategies in hard data, and worked through many of the implementation details of their chosen interventions. In each case, nearly a year's worth of community meetings, expert consultation, and problem analysis has yielded an interim work product that already includes scores of pages of market trend intelligence, extensive quantitative and qualitative analysis, and the preparation of unprecedentedly detailed development proposals complete with fine-grained design blueprints, specific operational information, financials, and return-on-investment estimates. In the future, each region will present its plan and featured intervention proposals to an array of federal, state, local, and philanthropic "investors" for possible engagement. Through their efforts, they are showcasing a new best practice, demonstrating the quality of regional strategy-making, and inverting the conventional top-down nature of federal-state-metro dealings.

Nor are the regional business plan metros only testing a bold new way to propose and implement a single transformative project. As is the case in the private-sector, the pilot metros will regularly revisit their plans to tune them to changing circumstances and new market realities and reshape strategies accordingly to best engage federal, state, and local policymakers/investors on their most current priorities. In that sense, the pilot metros are testing not just a way to develop single initiatives but instead a way to rethink the entire nature of intergovernmental relations as they respond to the increasingly volatile dynamics of the global economy. Going forward that entails the greatest promise of metropolitan business planning as it is now being invented.

