

SoloWork

By Mark Lautman, CEcD

A NEW JOB CREATION PROGRAM

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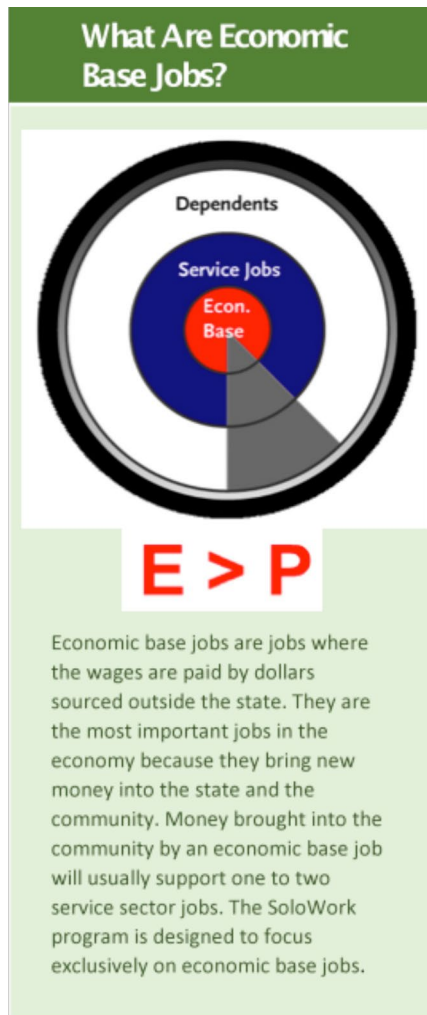
By Mark Lautman, CECD

The rate at which communities lose economic base jobs is increasing. To blame is a long list of forces: automation, leaner business models, shorter employer life cycles, increasing competition at home and abroad, falling service sector job multipliers from big box retailers, internet sales and the migration of workers and jobs to well-endowed urban markets. This is going to make the job of creating and sustaining economic base jobs increasingly difficult.

Expanding a region's job creation program apparatus seems like it should be the obvious response, but is a heavy lift, especially for cash-strapped rural jurisdictions. To help create a more comprehensive and rigorous framework for ordering discussions about economic development, the author has broken job creation programs into discrete program theaters, each with its own procurement methodology, metrics, and definitions. They are also distinguished by separate professional expertise and credentials of typical staff and the community organizations and stakeholder groups that sponsor them. There are five legacy program theaters for the creation of economic base jobs:

- 1) Employer Recruitment, Expansion and Retention;

- 2) Tourism;
- 3) Federal Government Jobs and Procurement;
- 4) Land-Based Extractives, e.g. agriculture, energy and mining; and
- 5) Import Substitution, e.g. local supplier development.



These program strategies, when properly planned, funded and managed, still create a significant and critical proportion of the economic base jobs a community needs, but increasing investment in them is often resisted because of their diminishing returns.

Three promising new job creation program theaters have emerged in the last decade:

- 1) Startup, i.e. entrepreneurship;
- 2) Solowork, e.g. freelancing; and
- 3) Retirement, i.e. affluent retirees.

Investment in new program theaters is often considered imprudent because they have yet to demonstrate that they can actually procure new economic base jobs at a significant scale and reasonable cost. The reality is most communities will have trouble generating enough economic base jobs to offset attrition, close their current unemployment gaps and support any new population growth if they can't both elevate their legacy programs that work *and* initiate some of these new ones.

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A NEW JOB CREATION PROGRAM

The job of creating and sustaining the economic base jobs is much harder now than it was a decade ago and is likely to get even harder. Solowork is one of the fastest-growing sources of new economic base jobs in the economy, and, until now, communities have had no practical program approach for procuring them. To that end, The Community Economics Lab, a 501c3 think tank, has perfected a program model proven to create new economic base jobs in communities of any size and condition, at significant scale, in less time and for a fraction of the cost of traditional approaches.

Some serious challenges will have to be met for Solowork to become a legitimate new job creation theater. CELab set five criteria for establishing a viable economic base job creation program model.

Over the last ten years, the proportion of workforce involved in some form of remote work has increased from 13 percent to 30 percent. Within the next decade, that number will be half the workforce, and an ever-increasing number of jobs are capable of being done from home or a mobile platform. In fact, the IDC (International Data Corporation) forecasts that the mobile workforce will jump from 96.2 million in 2015 to 105.4 million workers in 2020.

According to a study done by Edelman Intelligence, 57.3 million people engaged in freelance work in 2017, representing a workforce that has grown three times faster than the overall U.S. workforce since 2014. At this rate, by 2027 more of the U.S. workforce will be freelancers than not.

Observing a new source of economic base jobs, like solowork, is one thing, but developing a practical program approach that can procure them is another matter.

Over the last seven years, the Community Economics Lab (CELab), a 501c3 think tank, has been developing a practical and cost-effective approach to procuring solo economic base jobs. This article focuses on a recent breakthrough: a minimum viable program model developed by the CELab and a small group of product and service providers, an enterprising local economic developer in Cibola County, the state of New Mexico and USDA.

THE CHALLENGES

Some serious challenges will have to be met for Solowork to become a legitimate new job creation theater. CELab set five criteria for establishing a viable economic base job creation program model. It would have to be able to:

- 1) create and retain economic base jobs
- 2) procure new economic base jobs at a scale needed to play a critical role in the development of a community's economic base

SOLOWORK, SOLOWORKER, SoloWorks?

Solowork: A theater of economic base job creation focusing on work done independently by an individual.
Synonyms: location-neutral work, home-based work, freelance work, gig work, remote work, distance work

Soloworker: An individual who works independently.
Synonyms: lone eagle, solopreneur, gig economy worker

SoloWorks Centers: Branded SoloWork program model developed by CELab. Also refers to the physical facilities at which the business model is performed.

- 3) work for challenged rural and hard to serve communities
- 4) be cost effective
- 5) have a secure, long-term source of funding

SOLOWORK PROGRAM THEATER

Solowork and Economic Base Jobs

Solowork is any work that does not require a centralized location or onsite management to be completed. Solowork can be freelance work; remote, cyber or telecommuting W-2 work; 1099 work; consulting; or any other work that can be facilitated at home or on a mobile or remote platform. The scope and range of goods and services that can be produced or exported from home or through a mobile platform is almost unlimited.

The primary mission of most economic development organizations is creating economic base jobs. Economic base jobs are those where the products and services produced locally are paid for by sources outside the economy.

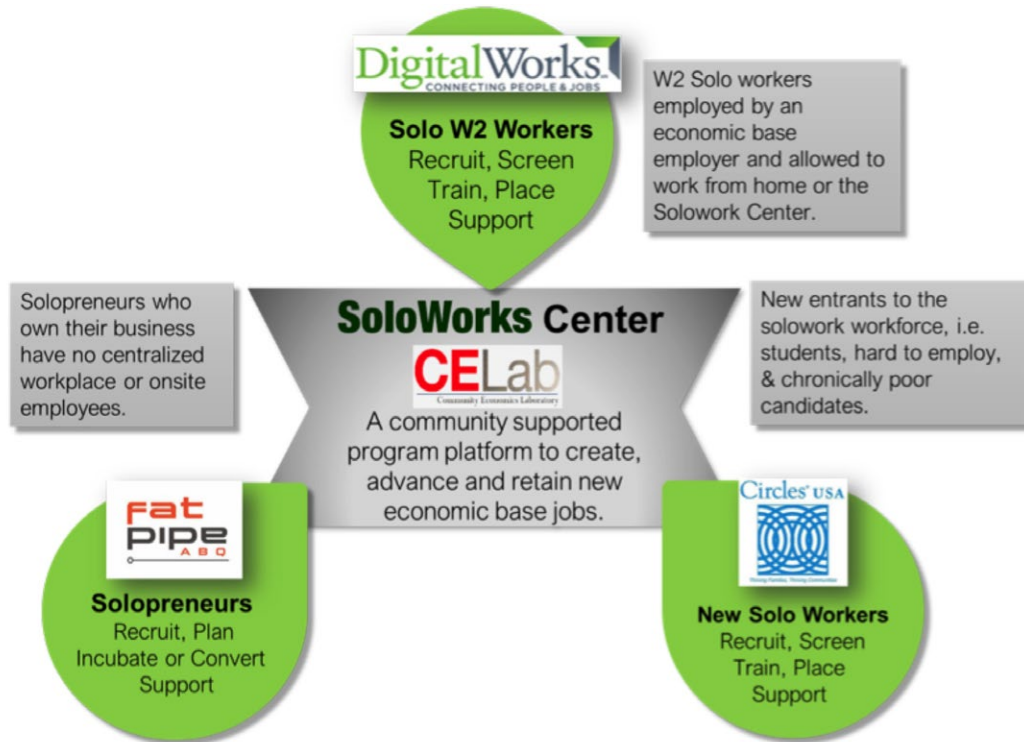
For most economies to improve, the economic base must grow faster than the population. The CELab uses the formula $E > P$ (Economy greater than Population) to illustrate this concept. When enough new economic base jobs are created, the economy of the community can expand because there is more money in the local economy, causing a proportional increase in the number of local service sector jobs. This job multiplier is one of the cornerstones of the economic development profession. If it weren't for the difference between economic base jobs and service sector jobs, one could solve a community's unemployment problem by opening 1,000 laundromats.

A Solo worker's job qualifies as economic base when they earn 200 percent of the federal poverty rate and over 50 percent of their income originates from outside the state.

The SoloWorks Centers Program Model

The SoloWorks Centers Program Model is an innovation pioneered by CELab. Over the last five years, CELab has collaborated with DigitalWorks, CirclesUSA, and Fat-Pipe ABQ to develop and test the first economic base job creation program model focused on Soloworkers.

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CELab: A nonprofit think tank based in Albuquerque, NM, focused on finding new ways to do economic and workforce development.

DigitalWorks: A program of national nonprofit Connected Nation whose mission is to improve lives through broadband technology. DigitalWorks specializes in customer service training in order to help remote workers get placed in the customer service sector.

CirclesUSA: A nonprofit specializing in serving the chronically-poor and hard-to-employ residents of a community, working to get them out of poverty and reintegrate them into the workforce through ongoing mentorship and training.

FatPipe ABQ: A coworking space and business incubator located in Albuquerque, NM, with extensive work in entrepreneurial coaching and small business networking.

The SoloWork Program Model is designed to create and aggregate new economic base jobs in a community or region by recruiting, starting up and supporting jobs that can be done remotely from home, a coworking space or a mobile platform.

SoloWork PROGRAM APPROACHES

CELab has identified and developed five separate program approaches to creating solo economic base jobs, each with a different focus, methodology and process and designed to help communities create, aggregate and retain them. The SoloWork Center Model allows communities to customize one or more of the five approaches and grow them at a community's own pace.

The chart below depicts the development status of each approach.

SoloWork CENTER PROGRAM MODEL – FIVE PROGRAM APPROACHES

	Research	Concept	Plan	Prototype	Minimum Viable Program	Mature
1 National Employers	[Progress bar from Research to Minimum Viable Program]					
2 Solopreneur	[Progress bar from Research to Minimum Viable Program]					
3 Entry-Level	[Progress bar from Research to Prototype]					
4 Surrogate Corporate Platform	[Progress bar from Research to Prototype]					
5 Out of State Soloworker Recruiting	[Progress bar from Research to Prototype]					

1. National Employers Approach

Description: This approach focuses on finding, training, placing and advancing residents who are willing, able and qualified to pursue careers working full time for out-of-state employers from home or a coworking space.

Target Populations: Local unemployed and under-employed residents

Qualifications: Silver ACT WorkKeys National Career Readiness Certificate® (a credential obtained through taking the ACT WorkKeys assessments)

which assess skill levels of job seekers), a passing score on DigitalWorks assessments if the desired field is customer service, and any relevant industry assessments.

Service Providers/Case Management: Local Center Director and DigitalWorks team when job focus is customer service

Funding Metric: \$3500 post-placement award from state government for each full-time placement (W-2 or 1099, 32+ hours worked weekly)

Sponsor/Platform Options: Local government, EDOs, workforce and training agencies, higher education institutions, libraries, coworking spaces, and incubators/accelerators

2. Solopreneur Approach

Description: The Solopreneur module is focused on helping local residents build solo careers as gig workers or one-person enterprises. Part of the intake process serves to identify local solopreneurs with potential economic base ideas or enterprises. The Center counsels and supports these Solopreneurs in the same way incubators and accelerators help traditional start-up clients. Members have access to the Center workspace and all amenities, plus assistance from local business coaches and other key resources in growing their enterprises. Economic base Solo workers can be generated by converting an existing Solo worker's client base from local to out of state.

Target Populations: Any local resident committed to starting a solo enterprise that provides goods and services out of state, existing Solo workers that are not economic base.

Qualifications: Viable product or services business concept with appropriate knowledge, experience, and skills, must be willing to engage in and follow the Solopreneur Business Development Process and pursue economic base work

Service Providers/Case Management: Center Director, SBDCs, incubators/accelerators (FatPipe), higher education institutions

Funding Metric: \$3,500 post-placement award from state government for each full-time Solopreneur making at least 200 percent of the state poverty guidelines in which at least 51 percent is earned from out-of-state sources

Sponsors/Platform Options: Local government, EDOs, higher education institutions, libraries, coworking spaces, and incubators/accelerators

The Solopreneur module is focused on helping local residents build solo careers as gig workers or one-person enterprises. Part of the intake process serves to identify local solopreneurs with potential economic base ideas or enterprises. The Center counsels and supports these Solopreneurs in the same way incubators and accelerators help traditional start-up clients.

3. Entry-Level Approach

Description: This approach aims to enable members in the community not currently in the workforce to find full-time economic base employment. Key is the integration of new entrants to the workforce who are interested in employment through the program but do not have the soft skills (personal attributes that enable someone to function in a professional environment) or professional history necessary for immediate placement. This includes those who need remedial education, soft skills training and social services support to transition into the mainstream workforce.

Target Populations: 1) Hard to employ and chronically poor adults: previously incarcerated individuals, individuals with unstable domestic situations, disconnected youth, 2) New entrants to the workforce: career-ready high school and higher education students, Jobs Corps candidates or 3) individuals returning to the workforce who may need extra preparation and coaching

Qualifications: Working toward a Bronze ACT National Career Readiness Certificate, willingness to abide SoloWork Centers and CirclesUSA program rules, full participation in CirclesUSA or recidivism prevention programs

Service Providers/Case Management: CirclesUSA, anti-recidivism and reintegration programs, parole/probation officers

Funding Metric: Estimated \$8,000-10,000+ post-placement

award from state government for each full-time placement, depending on level of need

Sponsors/Platform Options: Local government, EDOs, higher education institutions, libraries, coworking spaces, incubators/accelerators, prisons, jails, anti-recidivism/reintegration programs

4. Surrogate Corporate Platform

Description: In this option, a community seeks out a major out-of-state employer to set up a surrogate work center for their employees where the corporation's employees are supported by the community. In turn, the community builds out, staffs, and manages surrogate work platforms.

Target Populations: Talent-strapped employers

Qualifications: Depends on the hiring criteria of the employer e.g. Silver ACT National Career Readiness Certificate or a passing score on any relevant assessments

Service Providers/Case Management: Local Center Director, EDOs, third party center management companies

A functioning SoloWork Center must run an ongoing marketing program to fill consecutive classes. Promotion strategies include job fairs, newspaper ads, social media outreach, radio, and local partners. The promotion program must attract 30-50 interested candidates per month to an information session in order to fill a class of ten.

Funding Metric: Negotiated service fee

Sponsor/Platform Options: Local government, EDOs, workforce and training agencies, higher education institutions, libraries, coworking spaces, and incubators/accelerators

5. Out-of-State Soloworker Recruiting

Description: This approach is based on recruiting potential homebuyers from out of state with at least one economic base soloworker in the household.

Target Populations: Any person with a solo enterprise providing goods and services out of state making at least 200 percent of the state poverty guidelines in which at least 51 percent is earned from out-of-state sources, footloose out-of-state residents

Qualifications: Viable product or services business concept with appropriate knowledge, experience, and skills, must be willing to engage in and follow the business development process and pursue economic base work

Service Providers/Case Management: Center Director, SBDCs, incubators/accelerators (FatPipe), higher education institutions, residential realtors

Funding Metric: Rental and home sales

Sponsors/Platform Options: Local government, EDOs, higher education institutions, libraries, coworking spaces, and incubators/accelerators

Together, these five approaches have the broadest possible reach into the community for employing anyone with the interest and aptitude for remote work. This article focuses on the National Employers and Solopreneurship approaches, which are tested, operational, and, we think, viable. The Entry-Level, Surrogate Corporate Platform and Out-of-State Soloworker Recruiting approaches have finished program architecture but have not yet been tested. Due to space limitations, this article focuses primarily on the National Employers approach.

1. NATIONAL EMPLOYERS APPROACH PROCESS STEPS

Program Components/Steps

1. Outreach. A functioning SoloWork Center must run an ongoing marketing program to fill consecutive classes. Promotion strategies include job fairs, newspaper ads, social media outreach, radio, and local partners. The

promotion program must attract 30-50 interested candidates per month to an information session in order to fill a class of ten.

2. Screening. Candidates undergo 1) an intake interview, 2) an assessment series (ACT Career Readiness Certificate, DigitalWorks assessment (for customer service jobs), and any other relevant industry assessment and 3) a career-planning exercise to ensure candidates are qualified and committed to the program.

3. Training and career planning. The training and career planning curriculum prepares candidates for the rigors of applying for and performing SoloWork jobs. For example, for jobs in the customer service sector, the DigitalWorks curriculum is 144 hours of basic computer skills (email, internet, and essential computer controls) customer service training, business skills, typing skills and career readiness training. During the coursework, participants map out a detailed two to five-year career plan that charts which jobs in which companies the participant plans to advance through.

4. Placement. Following training, participants stay in the Center for an additional two to six weeks of intensive applying, interviewing and negotiating for jobs. The Center director works closely with the candidates to help them find and choose jobs that align with their career plans. In the customer service sector, DigitalWorks has experienced a 70-80 percent placement rate for those who finish their four-week training.

5. Nesting period. Upon placement in their first job, the participant becomes an entitled Member of the SoloWork Center, eligible for the range of products and services provided by the Center. Members then spend an additional month in the SoloWork Center after placement in order to ensure a high level of productivity and to socially integrate into a mutually-supportive SoloWork community. At the end of the nesting period, Members have the option to move their work to a home platform or to continue working in the Center.

6. Up-placement. As Members gain tenure in the program, they receive assistance in navigating through to the next milestones in their careers. Up-placement refers to efforts by the SoloWorks staff to help the Member attain employment along the member's desired career path after their initial placement to higher-paying, more productive work.

Following training, participants stay in the Center for an additional two to six weeks of intensive applying, interviewing and negotiating for jobs. The Center director works closely with the candidates to help them find and choose jobs that align with their career plans. In the customer service sector, DigitalWorks has experienced a 70-80 percent placement rate for those who finish their four-week training.

7. Retention. In addition to professional services, the retention and advancement module provides the structure for a social ecosystem of mutual support where Members become a part of a professional community. Building a mutually-supportive social ecosystem is essential to managing attrition so the program can aggregate a significant number of economic base workers. This ecosystem involves a mix of professional education, social and family events, and developing program amenities such as daycare, ridesharing, insurance programs, etc.

PROGRAM DEVELOPMENT HISTORY

The Community Economics Lab (CELab) began to work on the development of a Solowork job creation program model in 2007 based on a concept paper by the author. Between 2009 and 2011, further research and design work by the CELab resulted in the testing of three prototype approaches in Albuquerque, New Mexico, with a grant from the EDA and the Mid Region Council of Governments. The results of the test, while encouraging, revealed the need for a more practical and rigorous business model that could “procure” and retain economic base jobs at a significant scale and affordable cost.

In 2015, the author was introduced to Stu Johnson from DigitalWorks, a subsidiary of Connected Nation. DigitalWorks had developed a proprietary training and placement process that helped trainees get placed in jobs in the customer service sector. With jobs abundant in that industry, their program demonstrated that Solowork jobs could be created at scale with the predictability and affordability needed to make the theater a viable economic base job procurement program.

In 2015, DigitalWorks joined an expanded Solowork project team of CELab, FatPipe ABQ and CirclesUSA that produced the SoloWork Centers Program Model. Later that year, this team persuaded the New Mexico Jobs Council, an interim committee of the state legislature chaired by the Speaker of the House and the Senate Pro Tem, to establish SoloWork as a formal program theater.

In March of 2016, the Solo-worker Program was chaptered into New Mexico statute 9-15-57, but was not funded. With a USDA grant and some state planning funds, the SoloWorks project team and the Cibola Communities Economic Development Foundation launched a pilot program that operated for six months and created 12 new economic base jobs for Cibola County (pop 28,000). A proportional job creation event in the Albuquerque Metro Area (898,576 pop) would have to exceed 385 new jobs to have the same economic impact.

In the final months of the pilot, the state legislature appropriated up to \$1 million through the Job Training Incentive Program (JTIP) to launch Solo-worker programs around the state. The results so far include a second program launched in Las Vegas, NM, and a third gearing up to launch in Tucumcari, NM, in the spring of 2018.

An appropriation of \$1.5 million for a post-performance fund for the New Mexico Solo-worker Program is



Official grand opening of the SoloWorks Center in Grants, NM.

currently making its way through the legislative process. If successful, the funding would sustain the three programs that became operational in 2017-2018 and allow several more communities to launch in 2018-2019.

PROGRAM MODEL EXEMPLAR

The scope, scale and cost of the Solowork Program Model will vary widely based on ten parameters: 1) the community's size and economic base needs, 2) the number of jobs to be created and retained by the Solowork Program Theater, 3) which of the five program approaches will be undertaken, 4) the number of potential candidates per class, 5) the number of placements per month, 6) the expected retention rate, 7) the quality of the Center director/working manager, 8) the availability of space with high-speed bandwidth, 9) the size, character and security of the program's funding sources and 10) the support of the community. Following is an iteration of the ten planning parameters applied by the Cibola County program planning team.

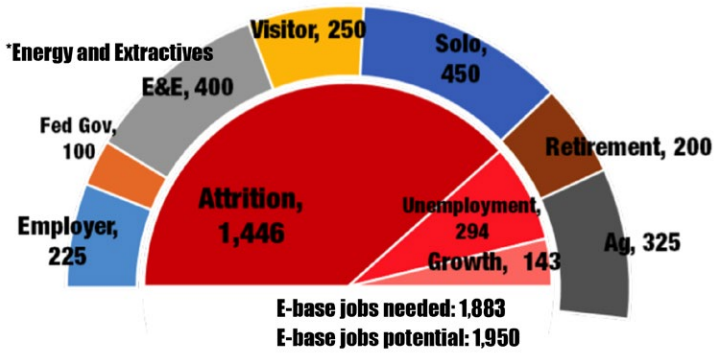
Cibola County SoloWork Program Scope, Scale and Cost

To illustrate the scope, scale and cost parameters of a typical SoloWork Centers Program, this article will use the program established in Cibola County, NM, as an example. Cibola County is an impoverished rural county in northwest New Mexico located 75 miles west of Albuquerque.

In 2015, the director of Cibola Communities Economic Development Foundation, Eileen Chavez Yarborough, approached CELab about running the first pilot for the SoloWork Centers Program Model. She and her organization partnered with the project team and Terry Brunner, state director of USDA Rural Development, to structure the funding.

1) Community Size and Economic Base Needs

Cibola County's goal is to reach full employment and grow the population from its current 28,000 population to a total of 29,000 in ten years. Full employment will require a total of 8,265 jobs.

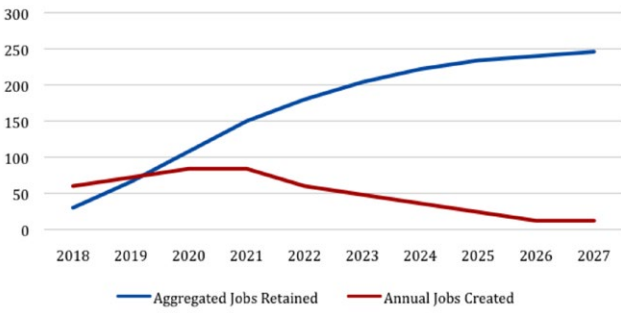


2) Cibola County Ten-Year Economic Base Job Assessment

The county's ten-year assessment estimated that it needs to generate a minimum of 185 new *economic base* jobs per year to reach their employment goals: 140 to replace natural attrition, 30 to close the unemployment gap of 294, and 15 to support the additional 1,000 residents they would like to have. These findings were generated through a series of deliberations by community members over a two-year period.

The graphic above shows how many economic base jobs must be created in Cibola County to offset attrition, close the unemployment gap, and support new growth.

JOB CREATION PROJECTIONS



PROGRAM APPROACH RAMP SCHEDULE

	Year 1												Year 2											
	month 1	month 2	month 3	month 4	month 5	month 6	month 7	month 8	month 9	month 10	month 11	month 12	month 1	month 2	month 3	month 4	month 5	month 6	month 7	month 8	month 9	month 10	month 11	month 12
Nat'l Employer W-2 Approach	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning	Pre-planning
Solopreneur Approach																								
Entry level Approach																								

Legend	Pre-planning	Startup	Ramp	Stabilize
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	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Aggregated Jobs Retained	30	66	108	150	180	204	222	234	240	246	246
Annual Jobs Created	60	72	84	84	60	48	36	24	12	12	492
Jobs per Month	5.0	6.0	7.0	7.0	5.0	4.0	3.0	2.0	1.0	1.0	4.1
Retention rate	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%

These jobs will come from one of the nine job creation program theaters. Each theater's estimated job creation potential is shown in the outside ring of the graphic.

The community projects that it can generate 24 percent of the 1,883 jobs they think they need through the SoloWork Centers Program. Without a successful SoloWork Program, the county has little chance of generating the 185 new economic base jobs they need per year.

3) Program Development Schedule

The Cibola program planned to deploy three program approaches beginning with the National Employers approach. The Cibola SoloWorks Center project team decided to launch the program in three phases, beginning with the National Employers Program approach. The Solopreneur Program is set to launch several months later using FatPipe and the New Mexico State University branch colleges as primary service providers. The Entry-Level Program is scheduled to launch later in the year as funding becomes available. Each program requires an average of three months of pre-planning, three months of start-up activity, and six months to ramp to stabilization.

4-5-6) Participation Dynamics

Results so far from the Cibola SoloWork Center's National Employers Program suggest that to produce four to six new jobs per month and aggregate 450 new jobs, the program must maintain minimum participation numbers for each of the program's critical steps. Marketing and promotion efforts need to attract a minimum of 40 new interested local residents to an information session per month to generate ten applicants for interviews, screening and testing. From ten applicants per month, eight are admitted to the class. Seven or eight finish the training, and four to six of those are successfully placed. There is not enough data yet to estimate a retention or advancement rate, but the goal is to retain a minimum of 50 percent, which would allow the program to aggregate economic base jobs at 30-50 per year.

PARTICIPATION PIPELINE	
Expression of interest	40
Interviewed, screened, tested	10
Admitted to class	8
Completed training	8
Placed	6
Retained	4
Advanced	3
Total membership	4

Cibola SoloWork Center was located in a facility donated by the NMSU Grants branch college. The city of Grants is in the process of designing and developing a new permanent facility for the program adjacent to the new library.

Facility requirements. The community is responsible for securing a suitable facility with high speed bandwidth to serve as the platform for training, placement, nesting and post placement advancement and retention activities. Platform options include stand-alone, purpose built spaces and co-location arrangements with incubators, colleges, training centers, libraries, co-working centers, or community centers etc. Cibola SoloWork Center was located in a facility donated by the NMSU Grants branch college. The city of Grants is in the process of designing and developing a new permanent facility for the program adjacent to the new library.

Staffing requirements. The success of the program is heavily reliant on the skill and entrepreneurial drive of the director. The director is responsible for managing and performing all of the steps in the program including: planning, facility management, marketing, public relations, promotion, recruiting of candidates, assessment admission, teaching and case management of the Center's participants.

Funding Source and Program Budget

To be viable, a program would have to have a secure source of long-term funding and the cost per job created would have to come in at or below the cost per job of other job creation programs. Legacy job creation program costs typically range between \$10,000-\$40,000 per job and higher when all state and local incentives are calculated.

STARTUP COSTS – \$60K



Under the current program model, communities are expected to bear the costs of getting the program to a point where the state's post-performance incentive fund provides enough cash flow to sustain operations. The state awards \$3,500 for each person placed in an economic base job. At four to six placements per month, the state incentive covers current operating costs, provided the SoloWork facility continues to be leased at no charge to the program by the NMSU branch college.

Operating budget. The Program costs are a mix of fixed costs (salary, facilities, marketing, licensing) and variable costs that are unit specific to each person that is served by the Program. As a result, there is a major opportunity for economies of scale if the program can push past its monthly breakeven point. Under the budget displayed below, breakeven point for each month is just over four jobs at \$3,500 per job. If a higher rate is attained, there is room in the budget for other program elements.

	Annual	Quarterly	Monthly
Fixed Costs			
Proctor	\$ 48,000	\$ 12,000	\$ 4,000
DW Licensing	\$ 12,000	\$ 3,000	\$ 1,000
Marketing/Recruiting	\$ 12,000	\$ 3,000	\$ 1,000
Facilities	\$ 48,000	\$ 12,000	\$ 4,000
CELab QA and Tech Assistance	\$ 15,000	\$ 3,750	\$ 1,250
Total Fixed	\$ 135,000	\$ 33,750	\$ 11,250
Variable costs			
Training	\$ 7,200	\$ 1,800	\$ 600
Placement	\$ 24,000	\$ 6,000	\$ 2,000
Mentoring (probation period)	\$ 480	\$ 120	\$ 40
Proctor incentive	\$ 4,200	\$ 1,050	\$ 350
Total Variable	\$ 35,880	\$ 8,970	\$ 2,990
Estimated annual operating costs	\$ 170,880	\$ 42,720	\$ 14,240
Cost per job			\$ 3,560.00
Avg Jobs/month			4
Total Jobs	48	12	4
Award per job	\$ 3,500	\$ 3,500	\$ 3,500
Annual revenue estimated	\$ 168,000	\$ 42,000	\$ 14,000
Breakeven	49	12	4

Cost Comparison to Legacy Programs

Economic base job creation deals often receive a stack of incentive programs in addition to a pro rata share of the state's related marketing and sales program costs and contributory overhead. The aggregated cost-per-job of legacy job creation projects, when stacked, can range from \$10,000 to \$100,000 of net investment per job created. The average cost per job for the SoloWork Program under the \$3,500-\$5,000 per job post-placement formula is a fraction of the costs of any other program incentive in the state apparatus. This makes the SoloWork Program the most cost-effective job creation program the state has ever had, and it may be the only program that works in rural areas.

CONCLUSION

The SoloWorks Center Program is a viable program model that can work in communities of any size and condition, at any scale, in less time and for a fraction of the cost of traditional job creation approaches. CELab believes the SoloWorks Center Program Model has advanced to the point where states, regions, and communities should begin exploring this as a legitimate new program theater – especially for their rural and hard-to-serve communities.

The National Employers Program approach still needs to test the programming for retention and advancement. Establishing SoloWork as a serious economic base job

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creation theater also requires the development and testing of additional program approaches. CELab is committed to helping communities become first-adopters and innovators and welcomes collaboration from interested parties in this endeavor.

For More Information, Visit:

- www.theCELab.org
- www.SoloWorksCenters.com
- www.DigitalWorksJobs.com



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