



eCities

iLabs – Center for Innovation Research
College of Business
University of Michigan-Dearborn
October 2009



eCities is an annual research study that enables local communities to benchmark and measure their performance in fostering entrepreneurship, economic development, and job growth, while providing the best practices for communities to create environments that encourage entrepreneurial firms. The focus is on entrepreneurship because of its importance to expansion and diversification of regional economies and small businesses' impact on job creation.

Local governments who participate in the project through the online interface are provided with a comparative community analysis of their community's performance. The online interface connects to a six-factor, 31-item, empirical index of city-, township-, and village-level data. The factors are: Clustering, Incentives, Growth, Policies, Community, and Education. The quantitative data are collected from public records and inform the second stage of discovery. In this second stage, comprehensive interviews are conducted with city managers, township supervisors, and others involved with economic development at the local level to examine the best practices of participating communities. For 2009, 52 communities participated in the project.

The study's findings indicate that the top-performing communities utilize different strategies to attract entrepreneurial activity. Such strategies include relationship marketing, which employs regular visits to businesses; economic incentives in the form of targeted tax abatements and low tax rates; and quality of life opportunities, such as walkable communities and high-quality public services.

In the future it is expected that eCities' research will be expanded to include communities all across Michigan. With broader participation, communities can benchmark their efforts and have access to best practices to attract entrepreneurial development and create business growth. Sharing the findings will have a positive impact on Michigan's economy, providing municipalities with the tools and knowledge they need to aid with job growth strategies, economic diversification, and attraction of entrepreneurs.

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Or visit www.umdilabs.com/ecities