



The Austin Region

The Region

The Austin metropolitan area has a population of more than 1.2 million people. Between 1990 and 2000, Austin's population grew by 59%, making it one of the fastest growing cities in North America and the 16th largest city in the U.S. Austin is the capital of Texas and home to the University of Texas. Austin has developed a strong technology-based economy and has a highly educated workforce with about 37% of the 25-years-old and older population having a bachelor's degree or higher, compared with the U.S. metropolitan average of 27%.

The Business-Led Organizations

The Greater Austin region has several major business-civic organizations that represent the interests of the business community. The Greater Austin Chamber of Commerce (GACC) is a private, nonprofit membership-driven organization comprised of 2,400 business enterprises, civic organizations, education institutions, and individuals. GACC is the largest of the business-led organizations in the region and is the primary organization engaged in economic development and marketing for the region.

AUSTIN IDEA NETWORK

The Austin Idea Network (AIN) is a leadership group in Central Texas made up of high-technology businesses. The concept for AIN was announced at the 360.00 Summit in January 2000. A core leadership team was recruited to help design a vehicle to deliver on the commitment of the technology community to preserve the quality of life for all residents in Central Texas. An Executive Director was hired in April 2000 to coordinate efforts and build relationships within the community.

AIN chooses a project-oriented approach that avoids duplicating the work of existing business-led and charitable groups in the region. AIN has chosen four projects to focus on — creating more affordable housing and strengthening neighborhoods; improving air quality and reducing traffic; increasing access to technology; and strengthening the educational resources in East Austin.

For more information, see www.austinideanetwork.org

The Austin Area Research Organization (AARO) is a nonprofit organization composed of approximately 70 business and community leaders from the five-county region. AARO's membership attempts to reflect the diverse base of the Austin area with representation from manufacturing, real estate, finance, professional firms, the arts,

as well as educational, religious and charitable institutions. For membership, AARO focuses on attracting business leaders that are high-level CEOs or executives that are critical thinkers and involved in the community.

The Austin Idea Network (AIN) is a leadership group in Central Texas that consists of high-technology businesses. AIN's goal is to be the catalyst to have a rapid, measurable impact on some of the most important challenges facing the Austin region by collaborating with or complementing the work of other community organizations in a project-oriented manner. AIN contributes resources and leadership to research key issues, plan and execute projects, and measure results. (See box on previous page for more information on AIN.)

Envision Central Texas (ECT), formally known as the Regional Visioning Project, is a multi-sector, regional collaborative operating in Austin. ECT is guiding the public development of a regional plan to address the growth of Bastrop, Caldwell, Hays, Travis and Williamson counties. Recently ECT commissioned Davis, Hibbitts & McCaig, Inc., to conduct focus groups and interviews with residents in the five-county Austin region, enabling them to prioritize the needs of the region. As a result of the Davis, Hibbitts & McCaig study, ECT has decided to primarily focus its attention on transportation, land use and the environment, with hopes that through its effort, it will address issues such as housing, healthcare, economic development, social equity and education.

The Regional Business-Civic Landscape

The regional business-civic landscape in the Greater Austin region is considered by many to be fragmented. Although there is some collaboration among the business-civic organizations, most work independently of each other, have different cultures, and have developed their own niche in the region. For example, the GACC is the traditional business-led organization and has established itself as the economic development and marketing organization for the city. In contrast, AARO has established itself as a regionally-focused, research-oriented organization that works behind the scenes to get things done. Finally, AIN has established itself as a relatively informal group of younger high-technology business leaders that is focused on improving the quality of life in the Austin region through specific short-term projects.

The leadership of GACC believes there is an opportunity to reconfigure some of the fragmentation in the region by collapsing some of the single-purpose business-led organizations back into the Chamber. As Mike Rollins, President and CEO of GACC, stated, "What happened in the 1990s was that the Chamber failed to keep top business leaders of the community engaged in its agenda because it wasn't focused — it had members contributing money for the supposed purpose of economic development but the Chamber wasn't delivering. The Chamber lost lots of credibility." As a result, top business leaders looked for other organizations to join and formed single-purpose organizations such as the Austin Technology Council, Austin Convention and Visitors Bureau or the Capital Area Transportation Council. GACC is trying to reorganize itself so that it is once again the dominant business organization in the region. In January

ENVISION CENTRAL TEXAS: DEVELOPING A REGIONAL PLAN

Envision Central Texas (ECT) is a multi-sector, regional collaborative operating in Austin. ECT is guiding the public development of a regional plan to address the growth of Bastrop, Caldwell, Hays, Travis and Williamson counties. ECT has begun a four-step regional planning process in order to plan the future growth of the Austin region. First, they will take an inventory of the needs in the region. Secondly, they will hold several public workshops which will allow the community to engage in scenario development. Thirdly, the public will vote on their favorite scenario. Finally, ECT — along with the consulting firm Fregonese Calthorpe & Associates — will develop the final Quality Growth Strategy report that will provide implementation strategies to support the goals identified in the public participation process.

For more information, see www.envisioncentraltexas.org

2004, GACC changed its bylaws to require top-level CEO participation on its Board of Directors in order to get the participation of high-level business leaders. This move is also likely to increase the competition between GACC and AARO for the attention of top business leaders in the region, especially since the majority of AARO's members are also members of GACC.

AARO, like GACC, is in the midst of organizational change. In the past, AARO avoided taking a public position on policy issues and was content at playing a behind-the-scenes role in the region. Today, AARO is focused on playing a more public role in the region. As one executive at AARO commented regarding this shift, "The change was really a change in culture. Whereas before it was mostly a white male club of insiders, now the group is much more diverse and realizes that to affect change it must engage other parts of the community openly." For example, AARO is increasingly more engaged in neighborhood equity issues in order to bring about positive economic and social change throughout some of Austin's most impoverished communities.

Among the three major business-led civic organizations in the Greater Austin area, AIN is the only one that is exclusively focused on improving the quality of life for all Central Texas residents. It has partnered with both AARO and GACC on a few projects. AARO worked with AIN on improving air quality in Central Texas and GACC worked with AIN on its Clean Air Partners (CAP) Program, an initiative that recruited companies in order to reduce emissions equivalent to 40,000 cars.

Business Leadership

The level of attention and time spent by business leaders on regional civic issues has increased over the last five years in the Austin region. However, the business community's level of influence throughout the region still remains limited. Many business leaders said that because the economy was doing well five years ago, the business community had no one purpose or set of issues around which to unite. Instead, top

business leaders branched off into their own single-purpose organizations, which contributed to a region of fragmented business-led organizations.

However, this is slowly beginning to change, according to one business executive, “Business leaders have been spurred to action because they see the trouble the economy is in.” As a result, the business community in Austin is starting to pay more attention to regional issues in order to improve the economic performance and competitiveness of the economy and improve the overall quality of life for its citizens.

Several top business organizations take leadership tours to other regions and participate in national learning networks. For example, AARO is a member of the Metropolitan Leadership Network (MLN), an informal association of business-civic groups in 20 major metropolitan areas. AARO was also a founding partner of MetroBusinessNet (MBN), a resource for business-civic leaders that has articulated a market-driven action agenda for business-civic organizations working to promote sustainable and inclusive regional development. Finally, some members of AARO and the leadership at AIN are participants of the Alliance for Regional Stewardship (ARS), a national, peer-to-peer network of regional stewards who benefit by sharing experiences and working collaboratively on innovative approaches to common regional challenges.

When it comes to exerting influence throughout the Austin region, business leaders say there are two main challenges facing the business community. One challenge is that the City of Austin lacks the business culture that other cities possess. Since Austin is the state capital and home to the University of Texas with a student body of roughly 50,000 students and 21,000 employees, the city has more of a government and university culture than a business culture. The culture that exists is a more entrepreneurial and creative culture rather than the traditional business culture found in other places.

Another challenge limiting the business community’s influence over regional civic issues has to do with the restructuring of major corporations. According to Barbara Johnson, Executive Director of AARO, “There has been a change in the way major national corporations are organizing their regional satellite properties. Now the regional divisions have three or four people in charge of different business groups on the local level rather than one ‘go-to’ local CEO. It is less hierarchical, but also dilutes the level of leadership the regional divisions get.” This sentiment was shared by Mike Rollins, President and CEO of GACC, “One of the reasons for the lack of influence is that the second tier executives have become involved and they cannot make decisions. The organizations become less and less powerful because the decision-makers become less and less invested in regional issues.”