

# CHARLOTTE BUSINESS JOURNAL



*Charlotte Regional Business Alliance office*  
*Melissa Key/CBJ*

## **Regional recruiting pitch at Charlotte Regional Business Alliance missing focus and leadership**

Staff turnover and an unclear role in economic development has left a void



By Collin Huguley – Staff Writer, Charlotte Business Journal - Jul 12, 2024

The Charlotte Regional Business Alliance’s new leadership team convened its economic development stakeholders starting in February to gauge how to maximize its role in recruiting.

“If you were to listen to people, there is definitely room for improvement,” said 2025 board chair David Longo of the feedback. “But it wasn’t really a big leap, it was about convening the right people and getting people aligned.”

Also helping lead the organization's internal assessment are interim CEO Andrea Smith and board chair Ali Summerville.

One key person was missing: A CLT Alliance chief recruiter. That's because the organization hasn't had one since the departure of Danny Chavez in December.



*Danny Chavez left his position as chief business recruitment officer at the Charlotte Regional Business Alliance in December. The position is still vacant.*

*Melissa Key/CBJ*

The alliance was already facing challenges on the economic development front. The group is tasked with finding — and defining — its place among 14 county organizations, two state bodies and many site-selection consultants and brokers sourcing leads.

The lack of an executive to lead the process in addition to the mixed priorities has led to increasing frustration among stakeholders and observers.

Steven Pearce has seen the CLT Alliance's economic development struggles firsthand. He was the senior vice president of business recruitment at the alliance until July 2021. He had worked for the organization since its formation in 2018. Pearce also spent more than three years with the Charlotte Regional Partnership before its merger with the Charlotte Chamber of Commerce created the CLT Alliance.

Now a vice president at McGuireWoods Consulting, Pearce still hears from longtime investors in the regional organization who are unclear about CLT Alliance's role.

Smith has made it a priority to more clearly communicate the mission and purpose following the departure of alliance CEO Janet LaBar in May.



*Steven Pearce, now a vice president at McGuireWoods Consulting, was senior vice president of business recruitment at CLT Alliance until July 2021.*

Melissa Key/CBJ

Significant turnover on the economic development side has proven a challenge. Pearce and many of his colleagues that were involved in the transition from the partnership to the alliance have moved on. That could've been especially challenging for LaBar, who came to the organization from Portland, Oregon. LaBar did not respond to an interview request for this story.

Under Chavez's leadership, the Select CLT team had six full-time employees. The alliance said just two full-time employees remain on that team. A spokesperson noted Chavez's team was larger than Select CLT had been in years.

The new CEO and business recruitment officer must retool a team that has seen near complete turnover.

"I think that this organization, right now, has got to figure out the economic development piece before it figures out any of the other functions within the organization," Pearce said. "When you look at the other functions, I think the other functions are operating more consistently at a high level than the economic development function."

The CLT Alliance has a tough role in the recruiting process, Economic Development Partnership of North Carolina CEO Chris Chung said. The regional organization does not control incentives.

That element makes it easier for state- and county-level bodies to attract leads ahead of a regional group. Organizations like the CLT Alliance must provide value elsewhere to gain a consistent seat at the table in recruiting, Chung said.

The county-level economic development organizations get many leads from EDPNC and the South Carolina Department of Commerce. The counties also source leads directly from consultants, brokers and companies.

Page Castrodale, executive director for the Cabarrus Economic Development Corp., said the state is the main source of her team's leads. From July 2023 to June 2024, 78% of Cabarrus EDC's leads came from EDPNC and 9% came from the CLT Alliance.

David Swenson leads the York County Economic Development Department. He estimated that, in any given year, 60% to 80% of his leads come from that state's commerce department. So far in 2024, his team has seen three leads from CLT Alliance. In 2023, York County received 18 leads from the alliance.

Scott Millar, president of Catawba County Economic Development Corp., said approximately 50% of his leads come from direct sources like consultants or brokers. Around 30% of his leads come from EDPNC. The remaining 20% are from CLT Alliance, he estimated.

The regional group has an even harder task when there are two states to serve.

Tim Cowden has decades of experience as a high-ranking official for an economic development organization serving a bistate region. The president and CEO of the Kansas City Area Development Council says regional groups have to "act like water."

Regional economic development is an easy concept to grasp, he said, but the execution is difficult. Alignment is, by far, the most important aspect any regional economic development group leader should be focused on, Cowden said.

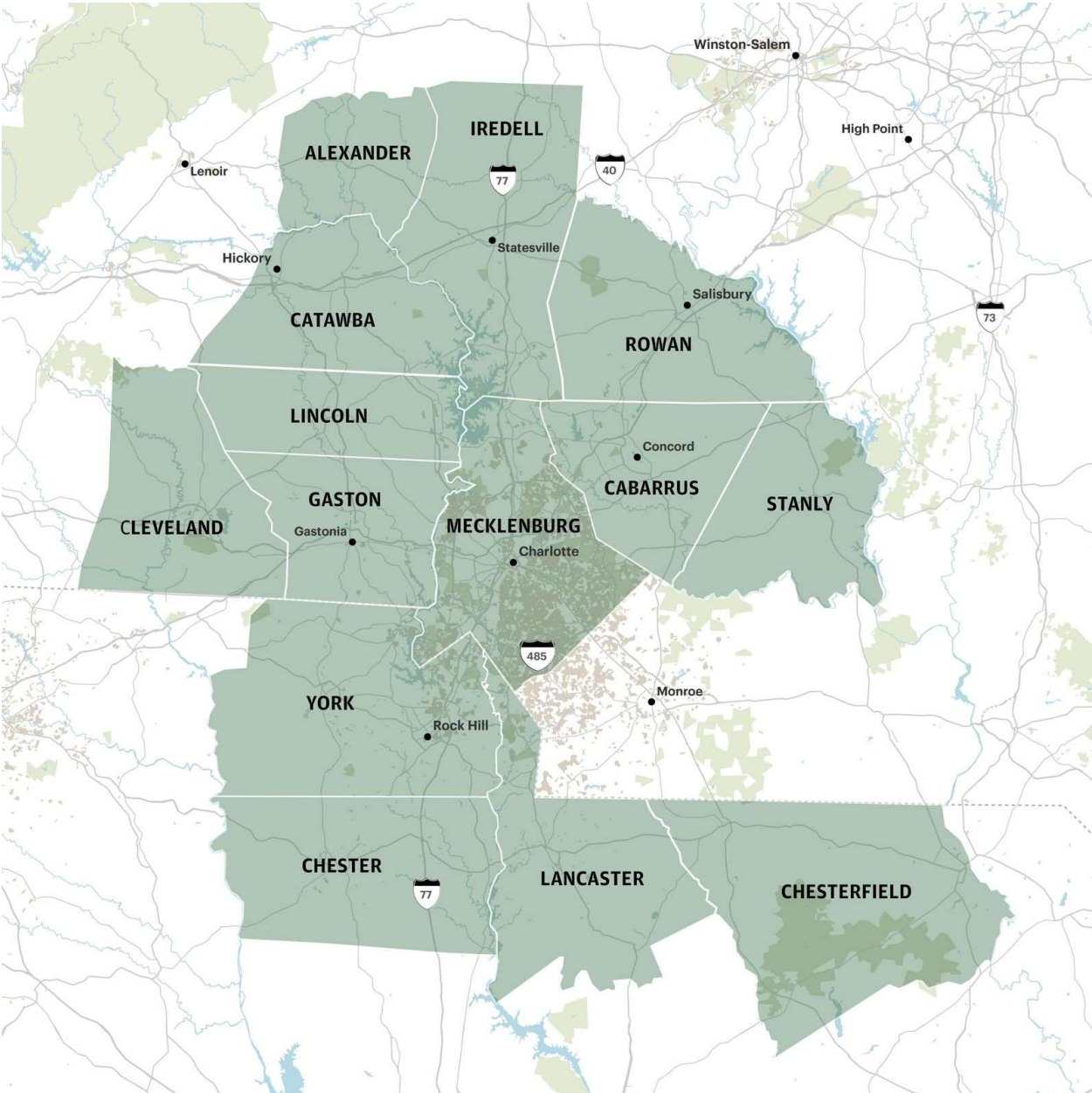
"We have to flow to where the gaps are, where the opportunities are in a process," Cowden said of a regional group's role in business recruitment. "If we can make the process for a company or their site location adviser easier and more efficient, then our chances as the Kansas City region to secure that investment, those jobs and that opportunity go way up."

The CLT Alliance's research could pave the way for the organization's improvement. The regional group's data is invaluable to its county members with smaller economic development teams, Castrodale said.

Summerville said the CLT Alliance does not have to lead business recruitment efforts. A supporting economic development role utilizing research is a unique value the organization can provide.

**CLT ALLIANCE COVERAGE AREA**

The Charlotte Regional Business Alliance serves a 14-county region spanning parts of North Carolina and South Carolina.



The research should then form the group's marketing strategy, Longo said. The marketing would then aid lead generation efforts.

"If the regional alliance is positioning itself to be a go-to place for that information, a knowledge source, a supporter and a place to go for all of that, I think they have a very good value proposition to the region," said Jenn Bosser, president and CEO of the Iredell Economic Development Corp. and chair of the CLT Alliance's Economic Development Advisory Council. "I think they have all of that, it has just not been positioned in the right way."

Iredell saw just 15% of its leads this past fiscal year come from the Alliance. That represents a dip from the 23% that came from the CLT Alliance the prior fiscal year, which was the last full year of Chavez's tenure.

A full-time CEO is expected to be in place at the Alliance in September. That hire will be made before the organization taps a new chief business recruitment officer. Chavez's replacement could be in place by the end of 2024 — leaving the economic development organization without a chief recruiter for a full year.

The CEO job should be one of the most coveted economic development positions in the country, said John Boyd, principal at Florida-based site selection firm The Boyd Co.

Whomever is chosen has a strong opportunity. Boyd said Charlotte has overcome CLT Alliance's instability because of the success of the state and the value of its regional assets. A stronger alliance can elevate those assets even more, but challenges persist.

"I definitely think the next CEO that comes in, if you don't start with casting a clear vision, then everything else is irrelevant," Pearce said. "Everybody needs to be on the same page about what the organization is and what it is not."