

# **Emergent projects in small regional municipalities: What is the role of Project Management in supporting regional economic development through projects?**

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## **Abstract**

This research project focuses on the role of Project Management and Project Managers in supporting projects that help small regional municipalities achieve regional economic development. The study examines how projects may emerge in regional and remote communities that may not have easy access to the natural, financial and human resources to support large scale projects to kick start economic development or diversification strategies. The role of project management is often underrated or ignored in initiating, implementing, or advancing strategic initiatives at the municipal level in regions. The research project also offers insights and understanding of the additional or new skills and capabilities of project managers in managing regional projects based in remote or less resource-endowed regions along with the public policy instruments available to connect local government aspiration to practical commercial and/or social enterprise action in the context of project management.

## **Introduction and Context**

Australia's regions play a key role in the national economy and underpin the foundations on which much of Australia's growth and prosperity is built. Yet, according to the State of the Regions Report in 2011 and subsequent research (Ivanovski et al 2019), regional Australia is no longer converging towards equality in terms of income, labour utilisation rates and economic prosperity, but is diverging (Ivanovski 2019; ALGA 2011). Changing population patterns, increasing inequality and inequity, degrading environmental conditions exacerbated by the changing climate and rapidly escalating technological advancement create new challenges for local government economic development in regional Australia (DITRDCA 2024).

The root causes of these challenges are often considered to be:

- a) The long-running shift away from manufacturing towards services, the more recent revitalisation of the mining sector at the expense of manufacturing, pre-eminence of important service industries such as tourism and international education and shifts in agriculture as family farms give way to corporate farms; give rise to the phenomenon of the 'patchwork' or 'two-speed' economy (Mazzarol 2011, HRSCE 2011) e.g. booming mining sector but struggling households and non-mining exporters, and the 'crowding out' of professionals in regional areas (Ivanovski et al 2019; ALGA 2011) or when health care workers or teachers leave their chosen career to pursue high-pay mining related jobs;
- b) Regional areas are subject to economic and political processes beyond regions – distant from the influence of even the powerful national institutions with little chance of altering this trajectory of disadvantage. Consequently, the inability to capitalise on globalisation opportunities has adversely impacted the economic well-being of the regions and the resources needed to support projects that would add to the economic resilience of regions (Dhakal and Keast, 2014; Carriço et al, 2020; Gray and Lawrence 2001).

## Research Project

Economic development in regional local government areas often lacks coherency and strength of purpose without an underlying economic base from which to draw resources (Slack et al, 2003). The role of project management in regional economic development is a critical consideration to 'emerge' a project and manage the project startup phase (Isaksen et al, 2018; Andersson, 2009). This research focuses on the conditions under which projects which could lead to regional economic development in small regional municipalities may emerge and be supported. Key aspects when building economic revitalisation plans or developing an economic diversification strategy in light of sectoral threats are how to emerge projects in small regional municipalities lacking internal resources (Krawchenko, 2021). Appropriate public policy instruments are critical levers to incentivise and provide support to the mix of hard and soft infrastructure required to establish and develop projects on a regional scale (Batac et al, 2021).

## Research Questions

- What are conditions of emergence for projects in small regional municipalities?
- How can funding mechanisms and policy frameworks facilitate project emergence?
- What capabilities are required of project managers to foster and support projects in small regional municipalities?

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