



Community Report
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Newaygo County

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Introduction

Talent 2025 is committed to our vision for West Michigan to be globally recognized as a top 20 region for talent in the U.S. At the request of Fremont Area Community Foundation and its local partners, Talent 2025 has prepared this report on the current state of the Newaygo County workforce and the opportunity to attract, retain, and develop talent by engaging business leaders to create a demand-driven talent system.

MAKING THE CASE

A Regional and National Perspective on Talent

Today, West Michigan ranks 16th in a group of 27 peer regions for percent of the population over age 25 with an associate or bachelor's degree or more. Student performance falls dramatically between the third and sixth grade and does not recover. Too many students are leaving high school without being college ready. More than 60 percent of the students enrolled at two-year colleges, and 20 to 30 percent at four-year colleges, take remedial courses. The retirement of the baby boomers has created a demand for skilled talent that has outpaced supply locally and nationally. As a result, employers in every industry face persistent talent shortages.

The state of West Michigan's talent supply requires employers to work together to be strong and consistent in defining the workforce needs of the future to drive systemic change. Employers can also do more to work with educators, workforce development, community organizations, and economic development to create a demand-driven system.

In response, Talent 2025, a CEO-led initiative covering 13 West Michigan counties, was formed in 2009 to increase the region's skilled, credentialed workforce. Talent 2025 illuminates performance gaps, evaluates solutions, and advocates for leading practices to improve the talent development system. CEOs take a leadership role and act as an accountability partner in each segment of the talent supply chain. They convene working groups to facilitate collaboration and broker relationships to establish a shared commitment by leaders in business, education, workforce development, economic development, and non-profit organizations to drive improvement in key performance measures.

Only when employers engage with local and regional talent attraction, retention, and development efforts and require outcomes that align with business and economic needs of the region, will the system begin to move in a direction of sustainability. This collaborative approach can improve West Michigan's economic competitiveness, enhance the quality of life in West Michigan, and serve as a model for other regions of the state.

How We Got Here

Not so long ago, whether you finished high school or not, you could get hired at the local manufacturing plant and that job provided a middle-class lifestyle until you retired. It's a different

world now. A 2007 report from the Council on Competitiveness says, “In 1950, 80 percent of U.S. jobs were classified as “unskilled,” while today an estimated 85 percent of jobs are classified as “skilled”—requiring training beyond high school.” This is even more true 9 years later.

Talent has become the primary driver for regional economic prosperity. According to the Lumina Foundation, by 2025 a globally competitive workforce will require at least 60 percent of its employees to have a post-secondary credential—either a technical certificate, a two-year associate degree, a bachelor’s degree or more. And every percentage increase in educational attainment results in a \$763 increase in per capita income.

Top performing regions in the U.S. are setting 80 percent educational attainment goals, while only 59.1 percent of West Michigan’s working-age adults have a post-secondary education beyond a high school diploma or equivalent (i.e. credit or non-credit certificate, associate degree, bachelor’s degree, or more) and only 26.4 percent have a four-year degree or more. West Michigan employers in every sector are experiencing shortages in qualified talent. Clearly, innovative strategies are needed to improve levels of educational attainment to meet the workforce needs of employers to sustain a prosperous region.

A diverse and talented workforce is an essential component of a thriving economy. The model of setting up an industrial park and courting a company with land and infrastructure is no longer effective. Global competition drives companies to locate where they have an abundance of skilled workers. For West Michigan, this means a mix of credentials including certificates, two-year, four-year and advanced degrees that meet the needs of the region’s diverse employer base and attracts new, growing business sectors of the global economy.

Whether it is in manufacturing, agriscience, or information technology, the skill requirements for employment have become more sophisticated. West Michigan’s talent shortages range from engineers, nurses, and supply chain managers to welders, CNC operators, and truck drivers. Individuals need credentials and the 21st century skills – understanding how to locate and use information, critical thinking, communication, collaboration, and creativity – to be productive team members.

Without new strategies, these demographic shifts, changes in skillsets needed by employers, and underperformance of the region’s education system across all segments paint a bleak forecast. The existing workforce will not be employable. There will be few workers qualified to meet future needs of existing business. Emerging industries will locate in other regions where talent is

plentiful. And business in West Michigan will find it increasingly difficult to maintain their operations in West Michigan.

West Michigan is Well-Positioned to Meet the Challenge

Regions are the competitive building blocks of the global economy. In the late 1990s, West Michigan began to cultivate a regional mindset. In response to global competition, threats to quality of life and shrinking resources in the region, leaders from around West Michigan came together to develop a shared vision for the future. Out of this work the West Michigan Strategic Alliance was formed and the call to “think regionally” began. Since that time, there has been a conscious shift to partner and work together across sectors and jurisdictional boundaries. West Michigan is nationally recognized for its willingness to work together to address regional challenges.

Fortunately, West Michigan has the assets to meet this challenge with a total population of 1.6M people, more than 860,000 employed, over 282,000 enrolled in grades K-12, 14 major colleges and universities with over 70,000 college students enrolled, and 30,000 employers with a total economic output of \$5.7B. It also boasts strong business clusters in agriculture, construction, energy, health care, information technology, and manufacturing.

Current State of Newaygo County’s Workforce

Today’s labor market looks completely different than it did just five years ago. Then, talent was plentiful as employers began to hire following the 2007-2009 recession. Today, a local unemployment rate of 5.1 percent (3.2 percent for the region) and a falling labor force participation rate have created a critical shortage of qualified candidates. This is affecting efforts of employers to fill open positions and limiting opportunities for business expansion and the long-term competitiveness of the region.

A Talent 2025 survey of staffing agencies illustrates the quality of talent looking for work today, which cited deficits in education or training, employability skills, transportation, childcare, criminal record, and prior drug use. Described another way, everyone who has the training, education, and employability skills that employers are looking for already has a job. It’s a seller’s market.

At the same time, 38.4 percent of West Michigan households and 40.8 percent in Newaygo County do not have the resources to pay their bills and cover other monthly expenses like food, housing, clothing, transportation, and childcare. This limits their ability to advance their skills to

increase their household income. The condition of these households also creates a generational effect. Poor academic performance such as kindergarten readiness, early literacy, and graduation rates are directly linked to childhood poverty.

This also makes it a challenge for some adults to remain with an employer for an extended period. Some don't have reliable transportation or childcare while others change jobs to earn ten cents more an hour. As a result, there is a significant amount of churn in the workplace, which results in higher turnover costs, and lower productivity for the business. Turnover costs for an entry-level employee can range from \$1,500-\$3,500. One Talent 2025 member calculated its annual turnover cost at \$300,000.

West Michigan employers will be able to meet their current and future talent needs to the extent they adapt their talent attraction, retention, and development strategies to the current state of the labor market. Businesses can no longer be passive participants in the talent system by waiting for the ideal candidate to apply. They need to develop partnerships with education, workforce development, economic development, and community organizations to get the talent to meet their job requirements now and in the future.

QUANTITATIVE DATA

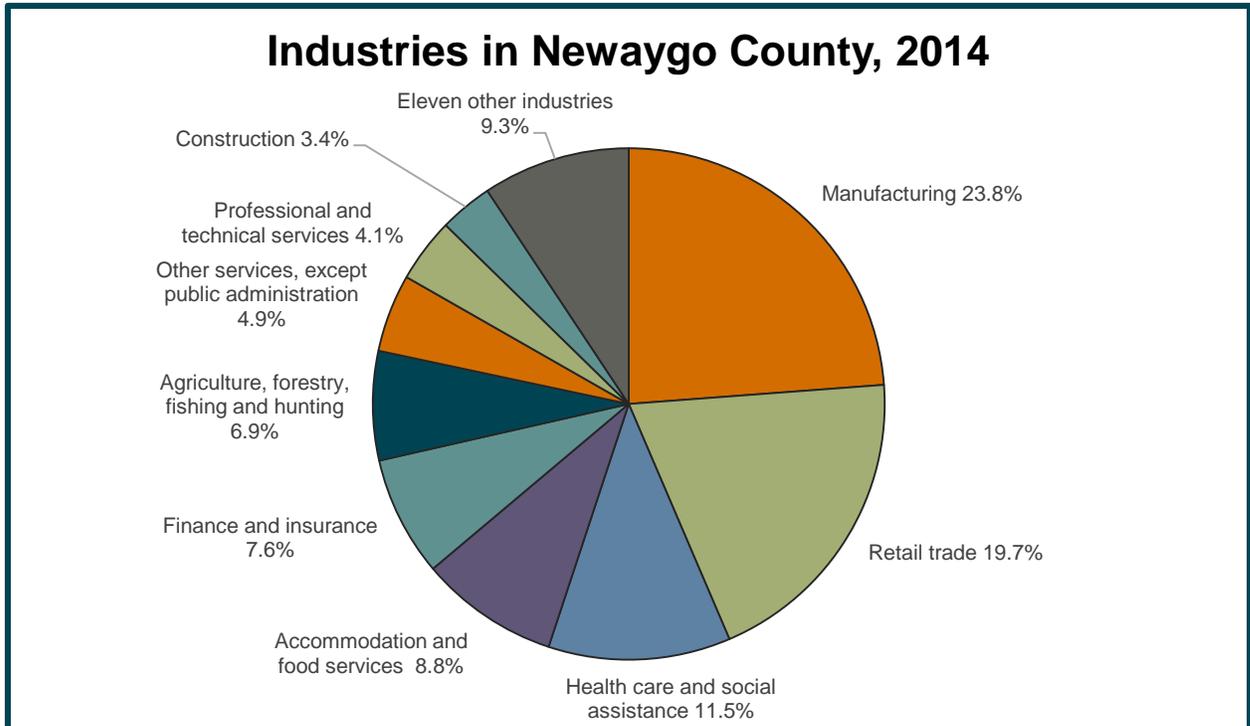
About Newaygo County

Newaygo County is located in West Michigan about 30 miles from the coast of Lake Michigan. With a 2014 population of 47,900, Newaygo County is the 8th largest county in the 13-county West Michigan region, and 36th out of Michigan's 83 counties¹. Although the population has changed less than a tenth of a percentage point each of the past two years, the level is 3.1 percent lower than the recent peak of 49,452 in 2005. However, since 2000, the population has dropped just 0.2 percent. Within the county, 95.9 percent of the population is White, while 1.5 percent of the population are two or more races, 1.3 percent are Black or African American, 0.8 percent are American Indian and Alaska Native, and 0.4 percent are Asian. Approximately 5.9 percent of the Newaygo County population are Hispanic, regardless of race.

In 2014, *Manufacturing* continued to employ the most number of individuals within Newaygo County, Despite *Manufacturing* accounting for just 37 of Newaygo County's 719 business establishments (5.1 percent), the industry made up 23.8 percent of the county's employment (this

¹ U.S. Census Bureau, Population Estimates, Vintage 2015.

category includes both durable goods, such as auto and tool and die, as well as nondurable goods, such as food and beverage manufacturing). Behind this, *Retail trade* employed 19.7 percent of Newaygo County’s workforce, followed by *Health care and social assistance* (11.5 percent), *Accommodation and food services* (8.8 percent), and *Finance and insurance* (7.6 percent). These mostly reflect the largest industries in Michigan, however the concentration of employment in *Manufacturing* and *Retail trade* are higher than state levels (16.3 percent and 13.0 percent respectively for Michigan).²



During the 2014-2015 school year, K-12 enrollment in the Newaygo County Regional Educational Service Agency service area (NC RESA) was 7,901 students, with between 550 and 700 students in each grade level. According to MISchoolData.org, 59 percent of students are considered economically disadvantaged, while 14 percent are enrolled in special education. Demographically, 86.9 percent of students in K-12 are White, with 9.3 percent identifying as Hispanic, and a further 1.3 percent African American.³

² State of Michigan, DTMB, Bureau of Labor Market Information and Strategic Initiatives. Quarterly Census of Employment and Wages.

³ Michigan’s Center for Educational Performance and Information, *Student Count for Newaygo ISD* (2014-2015).

Employment Trends

Unemployment in Newaygo County has historically tracked higher than both the state of Michigan and the nation. During the recession in the early 1990s, Newaygo County’s unemployment rate rose to nearly 12 percent before returning to below 6 percent in 2000. However, from 2007 to 2013, unemployment in Newaygo County was never lower than 8 percent. Since then, Newaygo County has been near level with the statewide unemployment rate. In 2015, the county had an annual average rate of 5.3 percent unemployment, 0.1 percent lower than the state as a whole, and level with the rest of the United States.⁴

Current Economic State

Occupations falling under *Transportation and material moving* had 118 unique job postings (and 869 total postings) in Newaygo County in January 2016. This leads all other occupation classes, followed by *Healthcare practitioners and technical* with 113 unique postings (from 600 total) and *Sales and related* with 86 and 218, respectively. The *Transportation* category is bolstered by 106 unique ads (and 841 total ads) for *Heavy and tractor-trailer truck drivers*, which has the most unique and total ads in Newaygo County. This is followed by *Registered nurses* (62 unique, 467 total), *First-line supervisors of retail sales workers* (37 unique, 76 total), and *Insurance sales agents* (23 unique, 87 total).⁵

January 2016 Job Postings by Occupation Category	Unique Postings	Total Postings
Transportation and Material Moving Occupations	118	869
Healthcare Practitioners and Technical Occupations	113	600
Sales and Related Occupations	86	218
Healthcare Support Occupations	37	93
Office and Administrative Support Occupations	37	82

Only 56.0 percent of residents who lived in Newaygo County in 2014 also worked in the county, which is an increase from the 54.2 percent who lived and worked in Newaygo County in 2009. Specifically, of those who lived in Newaygo County and were employed in 2013, 21.5 percent

⁴ State of Michigan, DTMB, Bureau of Labor Market Information and Strategic Initiatives. Local Area Unemployment Statistics.

⁵ Economic Modeling Specialists Intl. Data for January 2016.

commuted to Kent County, while 7.0 percent commuted to Muskegon County, 5.1 percent to Mecosta, and 3.2 percent to Ottawa.⁶

Newaygo County has a much lower percentage of the adult population having high school, associate, and bachelor’s degrees than the state as a whole. In fact, 14.0 percent of the Newaygo County adult population has less than a high school diploma or equivalent (compared to 10.7 percent of adults statewide). Just over one-fifth (21.3 percent) of the adult population in Newaygo County have an associate degree or above, including 13.0 percent who have a bachelor’s degree or above (this is compared to 35.2 percent and 26.4 percent statewide, respectively).⁷

The W.E. Upjohn Institute expects that 64 percent of all jobs will require some form of post-secondary education in West Michigan in 2025.⁸ Although there is expected to be variation in this projection throughout the region, Newaygo County currently only sits at 44.7 percent of the population with education beyond high school, compared to 57.6 percent for the West Michigan region as a whole.

EDUCATIONAL ATTAINMENT, 2014		
Education Level	Newaygo County	Michigan
Population 25 years and over	32,756	6,619,834
Less than 9th grade	4.2%	3.3%
9th to 12th grade, no diploma	9.8%	7.4%
High school graduate (includes equivalency)	41.3%	30.2%
Some college, no degree	23.4%	23.9%
Associate degree	8.3%	8.8%
Bachelor’s degree	8.5%	16.1%
Graduate or professional degree	4.5%	10.3%
Percent high school graduate or higher	86.0%	89.3%
Percent bachelor’s degree or higher	13.0%	26.4%

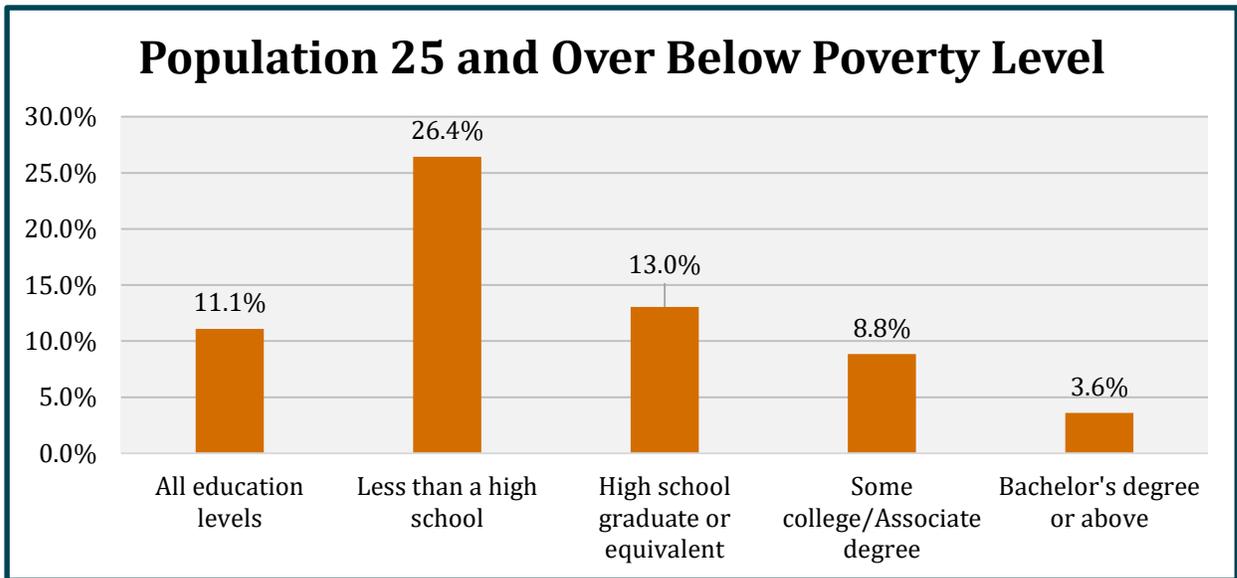
Newaygo County, we also see how level of education strongly correlates with poverty status. Approximately 11.1 percent of the total adult population in Newaygo County was considered

⁶ U.S. Census Bureau, Commuting (Journey to Work), 2009-2013 5-Year Estimates.

⁷ U.S. Census Bureau, American Community Survey, 2010-2014 5-Year Estimates.

⁸ Erickcek, Pittelko, Robey, and Timmeney. “A Comprehensive Analysis of Current and Future Talent Needs for the TALENT 2025 Region.” W.E. Upjohn Institute, June 2013.

below the poverty line in 2014. Of those adults with less than a high school diploma, this rate rises to 26.4 percent, and 13.0 percent for those with a high school diploma or equivalent.⁹



Important Labor Force Measures

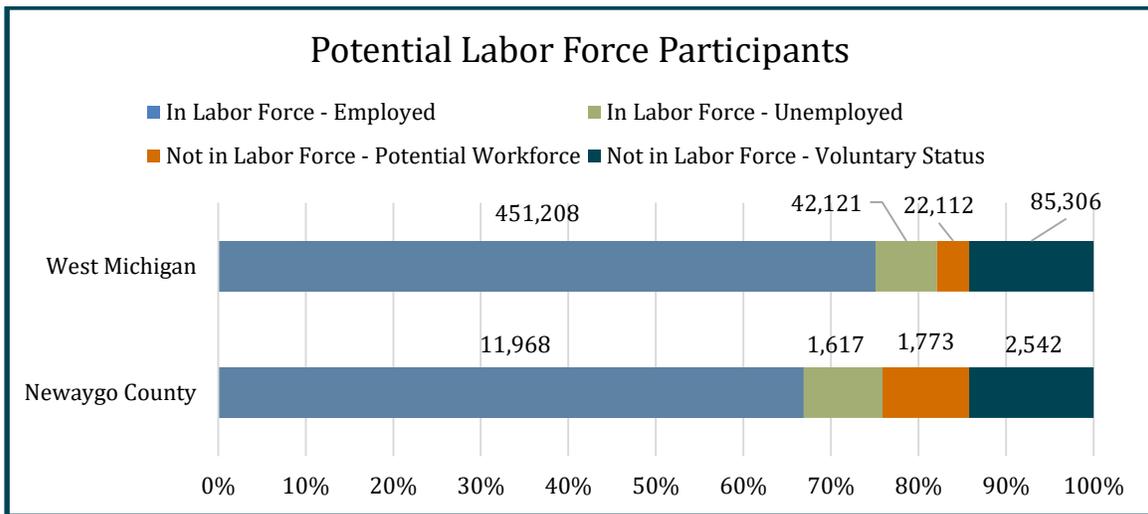
An important measure of a county’s talent base is the labor force participation rate. This is the number of working-age adults who are in the labor force (either employed or looking for work) as a proportion of the number of all working-age adults. Commonly, this measure considers all individuals over the age of 16 as “working-age”. However, this measure can be skewed due to increased post-secondary education enrollment on the low end, and the pending mass retirement of the Baby Boomer generation on the high end. In fact, much of the downward movement in the 16+ labor force participation rate over the past decade has been mostly due to demographic trends. Because of this, we look instead at the labor force participation rate of the working-age adult population of 25-54.

In 2014, Newaygo County’s 25-54 labor force participation rate was 75.9 percent. This translates to about 13,600 of the county’s 17,900 individuals in the age group either working or looking for work. Crucially, this leaves about 4,300 individuals between the ages of 25 and 54 who are neither working nor looking for work.¹⁰ Although these individuals could simply be choosing not to

⁹ U.S. Census Bureau, American Community Survey, 2010-2014 5-Year Estimates.

¹⁰ U.S. Census Bureau, American Community Survey, 2010-2014 5-Year Estimates.

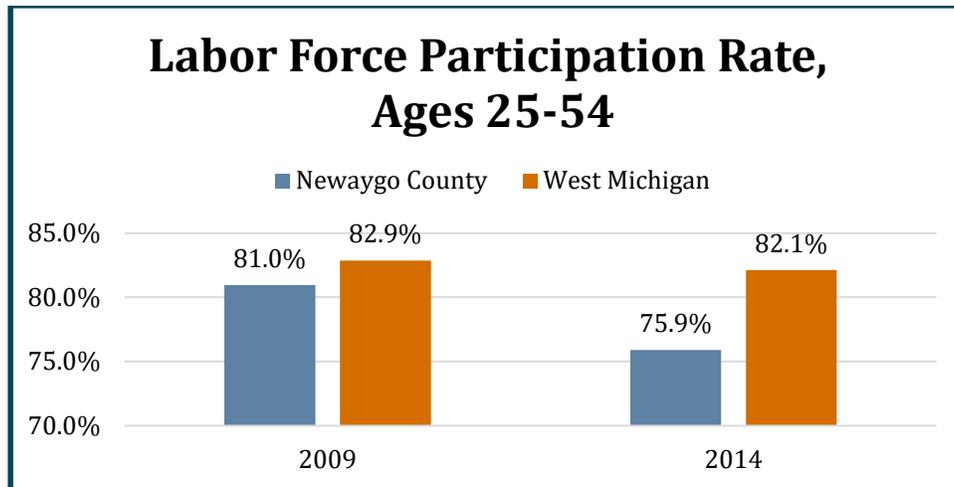
work and finding other ways to pay their expenses, many in this group are choosing to be out of the labor force due to childcare commitments, disability, early retirement, and further education. However, based on proportions of labor force participation seen as a goal for the West Michigan region as a whole, around 1,773 of these individuals may be willing or available to work but simply haven't looked in over four weeks.¹¹ Often times, these individuals face a number of barriers to connecting with a job. Lack of transportation, the skills and knowledge required for work, and childcare top this list. If these individuals could be re-engaged into the workforce, the labor force participation rate in Newaygo County would increase to the rate of West Michigan as a whole.



The Labor Force Participation rate has fallen dramatically over the past five years. In 2009, Newaygo County's 25-54 rate was 81.0 percent, or 5.1 percentage points higher than the current rate. In comparison, the West Michigan rate was 82.9 percent in 2009 and 82.1 percent in 2014.¹²

¹¹ U.S. Census Bureau, American Community Survey, 2010-2014 5-Year Estimates.

¹² U.S. Census Bureau, American Community Survey, 2005-2009 and 2010-2014 5-Year Estimates.



Another measure of the labor force and the ability for low-wage earners to make ends meet is the United Way’s ALICE (Asset Limited, Income Constrained, Employed) measures. The ALICE Survival Budget Threshold is similar to the poverty level in that it attempts to set a mark for household survival. However, the Survival Budget Threshold is built around categories such as housing, childcare, food, transportation, healthcare, miscellaneous, and taxes, and each of these measures are localized down to the county and even place-level based on the cost of living.

In Newaygo County, 40.8 percent of all households fall below the ALICE Survival Budget Threshold. This is compared to the Michigan rate of 40.2 percent. Among the county’s largest communities by number of households, Fremont City sees 49 percent of households falling below the Survival Budget Threshold, while 41 percent of households fall below this level in both Brooks Township and Croton Township. Also within the county, the percentage of households that fall under the threshold ranges from 66 percent in Troy Township to just 17 percent in Dayton Township.¹³

Employment Forecast

Separate from Prosperity Region 4A, Newaygo County is included in a job forecasting region which also includes Mason, Lake, Osceola, and Oceana counties. In this area, we’re expecting to see 3.7 percent occupational growth through 2020. The majority of these gains are projected to happen in *Healthcare practitioners and technical* occupations (which is expected to add 285 jobs, an 11.2 percent increase) and *Healthcare support* occupations (235 jobs, 17.8 percent growth). However, the region also expects occupational growth in *Sales and related* occupations (165

¹³ United Way, The ALICE Project, Michigan Study of Financial Hardship. September 2014.

jobs, 3.5 percent increase), *Food preparation and serving* occupations (135 jobs, 3.7 percent increase), and *Community and social services* occupations (95 jobs, 11.8 percent increase).¹⁴

COMMUNITY ASSETS

Now more than ever the success of a community, region, or state is linked to the education of its citizens. This knowledge and skill must be aligned to the needs of local employers. At a national level, the Lumina Foundation is committed to increasing the proportion of Americans with degrees, certificates, and other high-quality credentials to 60 percent by 2025. At a regional level, Talent 2025 has estimated by 2025 at least 64 percent of West Michigan adults will need a post-secondary credential to meet the projected needs of industry across the region. Therefore, the local resources of communities are critical.

K-12 and Post-secondary Education

The Newaygo County Regional Educational Service Agency (NC RESA)

The NC RESA and its constituent districts of Big Jackson, Fremont, Grant, Hesperia, Newaygo, White Cloud, Cornerstone Christian, Fremont Christian, and Grant Christian, along with their partners, serve the PK-12 and adult students in Newaygo County.

NC RESA has quickly become an educational hub for students and adults alike with partnerships with employers, community organizations, and post-secondary institutions. This is very important because Newaygo County is not served by a community college. Community colleges serve an important role in communities and the post-secondary education landscape. They enroll almost half of all U.S. undergraduate students and are essential for workforce training and retraining.

Fortunately, education leaders in Newaygo County have worked aggressively to create partnerships to ensure residents have access to post-secondary opportunities.

Residents now have access to a range of career pathways requiring a post-secondary credential in industries like manufacturing, agriscience, construction, information technology, healthcare, and more. Today, NC RESA offers 16 career-tech programs guided with an industry council

¹⁴ State of Michigan, DTMB, Bureau of Labor Market Information and Strategic Initiatives. 2010-2020 Occupational Long-Term Projections.

advising each. Enrollment in these career technical programs has grown and does not reflect the declining student population of other career technical centers in Michigan.

NC RESA's Regional Education Center serves 11th and 12th grade students from area high schools. Students attend a half-day session, either a.m. or p.m., to pursue specific career interests by developing job-specific skills. All credits earned apply toward high school graduation and often college credit is obtained as well. Personal counseling, employability skills, and job placement services are provided to students.

The Newaygo Career Tech Center offers 13th year opportunities for students who have graduated from high school to attain a career credential through one of five post-secondary educational institutions. This allows students to earn college credits at a reduced rate.

The partnerships with post-secondary institutions are strong when compared to other communities. Baker College and Muskegon Community College offer full degree programs in partnership with NC RESA. These robust partnerships provide a local post-secondary option in place of a resident community college and additional partnerships with Westshore Community College and Michigan State University meet the technical needs of the county's employers. Baker College of Fremont has relocated to the NC RESA Regional Center for Agri-Science and Career Advancement, which allows for expanded programs, courses and services to students. Muskegon Community College has expanded their course offerings at the NC RESA Educational Service Center in Fremont.

These efforts extend to partnerships with employers like Nestle Gerber to develop current employees. NC RESA offers training modules for employees and a credential in Advanced Manufacturing that translates to a four-year degree at Ferris State University.

By comparison, the range of post-secondary access and career technical training in Newaygo County surpasses those of other Michigan counties with a similar mix of industry and population demographics. These assets make Newaygo County well positioned to meet the needs of the area's employers, which can lead to more and better paying jobs and increased economic prosperity for the community.

WE CAN! Newaygo County

The local career and college access network - WE CAN! Newaygo County - is a collaborative effort aimed at increasing Newaygo County residents' post-secondary educational attainment to

60 percent by the year 2025.

College access networks like WE CAN! are an important bridge between high school students and a post-secondary education, particularly those who are first generation, to enroll in a post-secondary education. They support students and their parents in the Free Application for Federal Student Aid (FAFSA), work alongside guidance counselors to promote the value of a post-secondary education, and collect and analyze post-secondary enrollment and completion rates.

WE CAN! promotes to students and their families a range of pathways to a post-secondary education. Dual enrollment programs – college courses taught by a professor at a participating college or university – are an important part of these efforts. Recent legislation allows student to begin taking dual enrollment classes in 9th grade and to take up to 10 dual enrollment classes during grades 9-12.

Another key piece is the Michigan State University College Advising Corps, part of a national effort to boost post-secondary enrollment and completion among low-income, first-generation students. Since the 2011-2012 academic year college advisers have served all five of the public high schools in Newaygo County. College advisers provide resources and information to students and families within the high schools. Advisers work full-time to help students create a post-secondary education plan based on their interests and aptitude that is aligned with the career opportunities in the area. Job shadowing and internships are emphasized to students as a method to better understand their career interests and/or gain practical experience in work settings.

WE CAN! has also developed a peer-driven college ambassadors program to create a college going, career-focused culture among students in the county.

Promise Zones Expanded to Newaygo County

This year Michigan's Promise Zone program expanded to include Newaygo County. The initiative, based off the extremely successful Kalamazoo Promise, allows local communities to pool resources and utilize tax increment financing to help students afford a college education. The Kalamazoo Promise and similar efforts have been shown to increase post-secondary enrollment, particularly among first generation and at-risk students.

Workforce Development

For many years, Michigan's workforce development efforts focused primarily on those looking for work. However, the system has experienced a paradigm shift, becoming much more employer-driven. The Michigan Works! system is on the front lines, meeting the talent demands of local employers and responding to the unique needs of each community. The system is made up of regional Michigan Works! agencies that are focused on the needs of job makers and developing talent for the 21st century economy.

Newaygo County is served by Michigan Works! West Central which covers a service area that also includes Lake, Mason, Mecosta, Oceana, and Osceola counties. Michigan Works! West Central is responsible for administering state and federal funding for a variety of federal workforce legislation, of which the cornerstone is the Workforce Innovation and Opportunity Act (WIOA). This Act was recently updated to give state and local areas the flexibility to collaborate across systems in an effort to better address the employment and skills needs of employees, jobseekers, and employers. WIOA accomplishes this via multiple measures, some of which include:

1. Aligning workforce development programs with economic and education initiatives.
2. Enabling businesses to identify in-demand skills and connect workers with the opportunities to build those skills.
3. Supporting strategic planning and streamlining current governance and administration by requiring core workforce programs to develop a single, comprehensive state plan to break down silos, reduce administrative costs, and streamline reporting requirements.
4. Ensuring individuals with disabilities have the skills necessary to be successful in businesses that provide competitive, integrated employment.

These substantial changes by the federal government are encouraging states and local communities to build employer demand-driven workforce development systems. Fortunately, the State of Michigan has one of the more comprehensive and aligned workforce systems in the country, and the Michigan Works! agencies in West Michigan are generally regarded as the most collaborative and employer-friendly across the state.

Michigan Works! West Central is heavily involved in efforts to align local education and training programs to meet employer demand for talent. It has partnered with NC RESA and various educational partners such as Baker College, Ferris State University, Muskegon Community

College, and West Shore Community College to provide customized training programs for careers in the following fields:

- Business, Management, Marketing, and Technology
- Culinary Arts
- Information Technology
- Automotive and Heavy Equipment Technology
- Pharmacy Technician
- Certified Nurse's Aide
- Construction Trades
- Welding
- Criminal Justice
- Early Childhood Education
- Agriscience

In addition, Michigan Works! West Central is involved in various youth initiatives. For its second year in a row, Michigan Works! West Central is partnering with DTE Energy Foundation via United Way of the Lakeshore to provide work experience for youth in Newaygo County, in partnership with SEEDS and its Youth Conservation Corp. This experience will empower youth through service learning projects and development of green collar job skills.

Finally, to address those job seekers without a high school diploma or GED, Michigan Works! West Central responded to a local need by becoming an authorized GED testing center in Newaygo County (and four other counties served by Michigan Works! West Central). According to the most recent Census Bureau-American Community Survey data, Michigan residents who have less than a high school diploma earn on average just over \$19,000 per year, and those who have a high school diploma or GED earn just over \$26,000 per year, which is a significant increase. Obtaining a GED will allow these job seekers to seek additional post-secondary skills training.

Barriers

The success of these efforts is limited due to several challenges. The first is the rural nature of Newaygo County. It can be difficult for residents to access these educational assets because of a lack of transportation and access to high-speed Internet. The second is employer participation in advising educators and workforce leaders on the knowledge and the skills required by employers and an ongoing involvement in curriculum design. The need for employer engagement is

particularly true for middle and high school. A 2015 study of K-12 education in the region by Talent 2025 identified the role employers can play in helping educators make what is taught in the classroom more relevant to students and future careers they might pursue.¹⁵

CALL TO ACTION

The Opportunity

As employers have expected more from education and workforce development, they also need to examine their talent strategies. It is cheaper to develop and retain talent than to steal it from other companies or regions. As a result CEOs and Human Resource leaders need to recognize the burning platform they are on:

- Increased risk to delay implementation of strategic plans
- Higher talent costs for relocation, wages, and salaries, etc.
- Diminished competitiveness and economic growth for the community and West Michigan

Employers can have a dramatic impact by supporting community initiatives that attract, retain, and develop talent. Large employers can have a dramatic impact by sharing best practices with other employers, which small and medium sized companies can replicate.

Shifting Priorities for the CEO and Human Resource Leader

As a result, the approach of business leaders should evolve to reflect the importance of talent for the company's success. The following leadership approaches can contribute to having the right talent in the company and more competitive workforce for the community.

CEO/President functions as a Talent Champion and Investor by:

- Investing time and leadership in workforce planning
- Increasing their knowledge of talent trends and issues specific to the company
- Setting expectation for a demand strategy from HR that includes education and workforce development to attract, develop and retain talent
- Assessing current investment by the enterprise in talent relative to others such as capital expenditures
- Advocating and supporting community talent initiatives

¹⁵ Talent 2025, Insights for Action, 2015

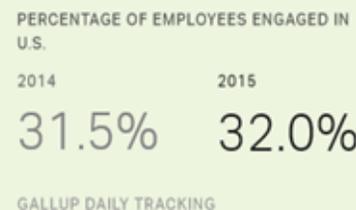
- Establishing progressive corporate culture/practices to attract and retain a diverse and inclusive workforce

HR Leader functions as an Advisor and Strategist by:

- Creating new strategies (collaboration, partnership)
- Shifting from a transactional to consultative role
- Setting enterprise level goals for attracting, retaining and developing talent
- Utilizing workforce development partners (i.e. Michigan Works!, Goodwill, employer resource groups, etc.)
- Partnering with secondary and post-secondary educators to upskill the current employees to meet current and future needs for knowledge and skill
- Hiring strategists rather than functional human resource staff
- Establishing commonality of language: Attract | Retain | Develop
 - Attract - finding and hiring the best-qualified candidate (from within or outside of an organization) for a job opening, in a timely and cost effective manner. The recruitment process includes analyzing the requirements of a job, attracting employees to that job, screening and selecting applicants, hiring, and integrating the new employee to the organization.
 - Retain - to maintain a working environment which supports current staff in remaining with the company. Many employee retention policies are aimed at addressing the various needs of employees to enhance their job satisfaction and reduce the substantial costs involved in hiring and training new staff.
 - Develop - Encouraging employees to acquire new or advanced skills, knowledge, and viewpoints, by providing learning and training.

Hello West Michigan

Hello West Michigan seeks to increase the rate of success companies have in their efforts to recruit top talent. Hello West Michigan helps new and potential residents find their fit in West Michigan through online career fairs, profession and intern networking events.



The percentage of U.S. workers in 2015 who Gallup considered engaged in their jobs averaged 32 percent. The majority (50.8 percent) of employees were "not engaged," while another 17.2 percent were "actively disengaged." The 2015 averages are largely on par with the 2014 averages and reflect little improvement in employee engagement over the past year."

Potential Solutions

Employers need to take a leadership role to help educators, workforce development, and community organizations develop the talent employers need. The strength of local demand-driven strategies are the direct result of employer engagement and leadership. A wide range of effective strategies exists for employers. Here are just a few:

1. Join or form Employer Resource Networks (ERNs) to address workplace and personal needs of employees that increase retention and productivity.
2. Promote career pathways – Increase the relevance of curriculum and the visibility of in-demand credentials among students and faculty (secondary and post-secondary)
3. Increase the use of internships and co-ops – Today, 80 percent of employers hire entry-level talent through these programs.
4. Establish education and training to fill in-demand jobs.
5. Leverage resources like Hello West Michigan to attract talent from outside the region.
6. Tuition assistance programs – Allows employees to take college level courses to obtain a degree or employer-valued credential.

Employer Resource Networks (ERN)

Employers “buy in” to a resource network and collaborate with human service professionals. This network of employers invests jointly in solutions to their workers’ most prominent barriers, such as the navigation of government assistance, aid in transportation and childcare, physical and mental health care, financial management, and professional education. Considering the high cost of worker instability and the wide distribution of program costs, ERN models can have ROIs of more than 500 percent.

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