# MICHIGAN STATE | Outreach and Engagement | Center for Community and Economic Development



# COMMUNITY NEWS & VIEWS

# Professor of Geography and CCED/REI project team member Dr. Ken Corey



Pictured: Dr. Corey (left) receives his APA 50 year membership award from Dr. Rex L. LaMore (right), CCED Director and newly elected Michigan Association of Planning Board Member.

Dr. Corey's principal research and practice interests are in planning city and regional development strategies and policies that seek to use information and communications technologies and globalization forces as inspiration for imaginative and intelligent development. He sees these approaches as congruent with the new realities and opportunities of the globalized networked information society.

His most recent book is Urban and Regional Technology Planning: Planning Practice in the Global Knowledge Economy. It was published by Routledge (London) and written with M.I. Wilson.

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# Dimensions of the Reported Skills Gap

## By Michael Polzin PhD, REI Lead Editor

In the knowledge-based economy that is rapidly becoming the norm around the world finding, attracting, and developing "talent" is a key ingredient for maintaining a community's economic competitiveness and sustainability. Much has been reported about employer claims of a skills gap – i.e., not being able to find workers with the right set of qualifications to fill available positions. Since one of the networks created by the MSU CCED University Center for Regional Economic Innovation focuses on Talent, a question about the skills gap was posed to several LinkedIn discussion groups to see if a better understanding of how the skills gap exhibits itself would emerge and increase the chances for effective solutions to be developed. The postings, collected and re-posted on REI's LinkedIn group, provided insights on what the term "skills gap" seems to describe.

Responses varied between those that pointed to deficiencies among job candidates and those that pointed to what they perceived as unrealistic expectations on the part of employers. Job-seeker deficiencies included the absence of soft/employability skills, the inability to successfully pass drug screens, lower math skills than required, and technical skills not being up to the standards required by new technology. In an article from Marketplace Economy, interviewees stated that where you hear about the skills gap most is in high-end manufacturing – where the floors are squeaky clean and the machines are run by computers.

On the employer side, some pointed to the recruitment and screening process – especially if computerized – as eliminating good candidates who may be lacking one or more specific qualifications. Others claimed that employers want individuals with certain academic credentials and actual experience to "hit the ground running" and are unwilling or unable to train or mentor new hires or entry-level workers.

Regardless of the difference in perspective of what the skills gap problem is, there is no doubt that employers have positions available that are not being filled through the existing systems. Consequently, agencies serving job-seekers and employers must do a better job of communicating their needs and capabilities and working out solutions together. A Bloomberg Business News article (July 5, 2012) provided examples of this sort of collaboration happening, such as that of the BuxMont Manufacturing Consortium in Pennsylvania which partners with two-year colleges and trade schools to hire and train their graduates. Michigan Governor Snyder, in a speech reported on September 13, 2012 by Crain's Detroit Business, urged business leaders to work more closely with the public sector to cultivate the talent base needed now and in the future.

To assure that stakeholders are addressing the correctly identified problem, it is of utmost importance that they communicate with each other and be clear about what they see as the problem and what they need from a solution before rallying around a particular option. Once stakeholders provide this clarity, it is much easier to develop solutions that will effectively address the problem and that will satisfy all.

For more information, contact Michael Polzin at polzinm@msu.edu

# The New EDA University Center for Regional Economic Innovation

By Jennifer Bruen, Project Coordinator, REI

In October 2011, the MSU Center for Community and Economic Development earned a grant from the U.S. Department of Commerce, Economic Development Administration, charged with establishing an MSU EDA University Center for Regional Economic Innovation (REI) with a mission to create a new unique economic development ecosystem for Michigan.

From October 2011 to February 2012 REI built a virtual network infrastructure to include economic development practitioners, higher education institutions, public and private sector leaders, workforce development boards, community action agencies, state agencies, public utilities, commercial lenders and EDA Economic Development Districts. It is a network with the sole purpose of creating new mindsets in Michigan and producing innovative economic development strategies to create high-growth entrepreneurship and jobs in distressed regions of Michigan and ultimately a new ecosystem!

NETWORKING is an important part of the REI model, it encourages responsive community engagement and strategic partnerships to facilitate collaborative learning. Between December 2011 –March 2012, REI invited hundreds of scholars and practitioners to be members of the REI center's six newly established network areas to become one large REI Network: Regional Talent (RT), Discovery to Market (DtM), Innovative Infrastructure (II), Growth and Equity (GE), MSU Coordination (MSUC) and Higher Education Research (HER). The response was positive and currently there are over 500 members and the network is still growing.

This broad-based, dynamic group communicates virtually through social media, listservs and through the interactive REI website, building off MSU CCED's strong relationships and experience in working with regions across the state, new relationships are being forged and linkages throughout the

state are being initiated every day. The network's primary purpose is to contribute to the economic revitalization of communities in Michigan through an engagement process of identifying economic development ecosystem gaps and systematically extending knowledge and resources to address those gaps. REI Network members are always encouraged to submit ideas and strategies to REI. They are sifted through by the REI Consultative Panel (Advisory Board) and then shared with the rest of the network for consideration. REI created an animation to explain this simple process.

REI engages in collaborative learning or Co-LEARNING. A process of co-creation, co-application and dissemination of valued knowledge or innovation which values and applies aggregate knowledge, expertise, and experience of practitioners, decision-makers, community leaders, entrepreneurs, scholars, and stakeholders in a regional planning process. REI hopes to design and implement innovative development strategies to accelerate competitive success in the global economy.

This winter REI, along with partners in the network, developed 10 co-learning plans (guides/research reports) on the following topics:

Innovative Exporting Practices
Innovation Brokering
Internship Programs in Distressed Communities
Microenterprise Development
Open Educational Resources
Youth Entrepreneurial Programming
On-Site Tech Training for small rural businesses
Creative Services Incubator
Urban Developers

A few of these projects are now available as taped webinars on the REI website.

TECHNICAL ASSISTANCE and leveraging higher education assets is important to a Michigan come back. Over the winter, REI also identified and supported 10 student-led, faculty-guided technical assistance projects that were conducted over the winter 2012 semester at Michigan State University, Eastern Michigan University and Wayne State University. The projects include two port studies for the cities of Cheboygan and Alpena (MSU); an adaptive re-use study for St. Martha's church in Detroit (MSU); research and development of a food innovation district in northwest Michigan (MSU); the creation of a unique on-line economic development tool (EMU); and four graduate level studies ranging from a proposed arts and culture designation policy to an L3C incubator to an "anchor" strategy for the city of Detroit (MSU). These projects did not only benefit the students in their learning process but will also were an affordable way for these communities to

attain research, data and technical assistance for future economic development projects. A few of these projects are now available as taped webinars on the REI website.

REI already has begun to partner for the 2012-2013 cycle with Madonna University; MSU Eli Broad School of Business and MSU School of Planning's project with students working from Dortmund Technology Institute in Munster Germany. REI is still soliciting to support student-led, faculty-guided economic development projects working in distressed communities. Applications are due October 16th for the Spring 2012 semester.

#### JOIN the REI NETWORK TODAY!

If you are not already an REI network member and would like to be, please click here.

By becoming a member you will be involved in a collaborative process with others around the state creating and developing new economic development policies, models, tools and practices for Michigan. Check out our website, www.reicenter.org, and submit your unique economic development idea or strategy to improve Michigan!

In October 2012, REI will conclude a very successful first year and begin to embark on its second year of activities.

This MSU University Center for Regional Economic Innovation is led by CCED Director, Dr. Rex LaMore and coordinated by Ms. Jennifer Bruen.

For more information please contact Jennifer Bruen at bruenjen@msu.edu or 517-353-9555

# The Underappreciated Principle of Community Development

By John Melcher, Associate Director, CCED

I have had the pleasure to work at the MSU Center for Community and Economic Development for over 25 years. During that time I have been asked what I have learned over the years and my response has been consistent; I learned to think and behave with a "development mentality" and to use the "principles of community development" as a guide to my work. These principles as identified by the MSU CCED articulate simple but powerful perspectives on the community development process and are integral to the successful work done here at the Center. Although there are many aspects to understand when applying these principles, I would like to highlight one that is often underrepresented in terms of significance. The principle is stated this way: "Actively work to increase leadership capacity, skills, confidence, and aspirations in the community development process."

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So what the heck does that mean? Of course each of us will interrupt this differently, but this is what it means to me: The community development process is one that engages individuals and organizations to work together to "influence decisions that affect their situation". This approach suggests that community members should engage in a process that will help them understand the cause of their situation, identify solutions, develop plans and take action that will not adversely affect the most vulnerable members of the community. Simply stated, the community development process is one of accessing, planning and taking action. The principles suggest that the process should emphasize shared leadership and decision making; it examines alternative solutions and tries to ensure that action taken does not harm members of the community.

"Actively work to increase leadership capacity, skills, confidence, and aspirations in the community development process."

I have observed over the years how the community development process has produced many innovative outcomes. It has been used to create educational programs, to conduct engaged/community based research and to develop demonstration projects. No matter what is the focus or activity, the most satisfying aspect is how those who have engaged in the process are profoundly impacted in terms of their individual leadership capacity, skills, confidence and aspirations. I have witnessed these transformations first hand and I am always amazed at how powerful the process is at producing lasting change not only in the individuals who participate, but also in the communities where they live, work and play. How do I know that the change is lasting? Every month I am contacted by people who I have worked with on community development initiatives in the past, who are seeking information, asking for referrals or just interested in updating me on the progress they are making. I get to see how the community development process has impacted these people and inspired them to tirelessly pursue the change they seek. I am humbled by these community leaders and highly respect the important work they do.

In this election season I am reminded of the importance of "quality leadership". As we learn about the candidates running for public office, ranging from local boards and councils to the President of the United States, I am hopeful that the voters will seek to elect those individuals who "actively work to increase leadership capacity, skills, confidence, and aspirations in the community development process."

# Developing SME Exporting Strategies in East Michigan and the Eastern UP to Compete Successfully in the Global Market

By Leslie Grimm, Research Assistant, CCED

Regional exporting strategies provide vital keys to Michigan's future economic growth and success. The MSU CCED exporting strategies team has worked diligently to arm regional organizations like our partners, the East Michigan Council of Governments (EMCOG) and Eastern Upper Peninsula Regional Planning Development Commission (EUPRDC), with the tools to compete successfully in highly-competitive global markets.

Michigan exporting is growing. For the first half of 2012, Michigan exports grew by \$3.1 billion, ranking it 5th highest in the U.S. according to the U.S. Department of Commerce. Of the 11,210 Michigan companies that exported in 2010, 10,169 (91 percent) were small and medium-sized enterprises (less than 500 employees).

The MSU CCED exporting strategies project team made a presentation to the EMCOG Regional Economic Development (RED) Team in at their meeting on Friday, September 14 in Tawas City, Michigan on:

- 10 elements of regional exporting strategies and
- · Regional exporting infrastructure assessment.

The regional exporting strategies and infrastructure assessment were designed by the project team in cooperation with the two regional partners in a project funded, in part, by the U.S. Economic Development Administration.

The CCED presentation included a case study about the contemporary economic development model provided by remote and isolated Fogo Island, Newfoundland, This case study illustrated the capacity of a region with limited assets to create a powerful vision of community cultural economic development. The project team also reported on the analysis and results of an online SME regional exporting survey conducted for the project a year ago; EMCOG regional exporting and economic data; and examples of other U.S. regional export strategies and impediments. In the Fall 2011 online survey, 73% of respondents were completely unaware of federal export assistance providers and resources. Similar barriers were identified in by the Brookings Institute one-year pilot projects with four U.S. metropolitan areas. It is evident that a lack of alignment between exporting resources at the local, state, and federal levels interferes with realizing the full potential of SME export performance in local and regional economies. The presentations are available on the project website.

Under the National Export Initiative, federal programs have been re-aligned to support export market growth. At the state level, the Michigan Economic Development Corporation (MEDC) has established the State Export and Trade Promotion (STEP) program with federal funding support. With exporting becoming increasingly important, new opportunities are emerging for commercial lenders to provide export financing to new or current customers.

## "Export Finance Solutions," November 14, 2012, at Saginaw Valley State University

The MSU Center for Community and Economic Development and Saginaw Valley State University Center for Business and Economic Development co-sponsored an Export Finance Solutions Workshop for lenders at Saginaw Valley State University on November 14, 2012 from 8:30am – 1:00pm. For more information on the event, visit www.knowledgeplaning.org

Check out knowledgeplanning.org for more information on project events and project updates as well as valuable export assistance information.

Or call J. D. Snyder at 517-353-9555.

## An Update on the Matter of Origins

By John Schweitzer, Professor, CCED

The evaluation of The Matter of Origins has been successfully completed by a team of researchers from the Center for Community and Economic Development. This innovative project, created and performed by the Liz Lerman Dance Exchange, used a contemporary dance performance to engage diverse audiences in learning, reflecting, and conversing about ideas from the fields of physics, astronomy, and cosmology. The Informal Science Education division of the National Science Foundation, which funded the project, was particularly interested in the impact such a discussion might have on increasing the awareness and feelings of the general public toward science. The project consisted of two parts. Act One was a stage performance combining dance, sound, and projected media, which the audience watched from an auditorium. For Act Two, the audience moved to another space where tables were set up. Seated at each table was a "Provocateur" who led a discussion and reflection on what had just been seen. A full description of the project can be seen in the last issue of Community News and Views here.

From September, 2010 to March 2012, The Matter of Origins was performed 17 times at six sites around the country. Audience impact was assessed by using a series

of quantitative and qualitative measures administered to the audience just before the performance, during the intermission and at the end of the discussion in Act Two. An email survey six months later was used to measure any lasting impact. The surveys were designed to measure characteristics of the general public that were of interest to the NSF. The specific variables measured were attitudes, interest, knowledge, and behaviors toward science. A total of 2,958 audience members completed 7,814 surveys.

Results of the evaluation indicate that the project was a great success. There were significant increases in audience members' attitudes, interests, knowledge and behaviors toward physics and science. Both Act One and Act Two resulted in significant increases in these variables, but the impact of Act Two, which involved discussion with other audience members, was greater. Similar findings were found at each of the six sites around the country. In addition to having an overall positive effect, some significant differences were found when the data were disaggregated by audience demographic and background variables. Females, younger persons, minority group members, and people with limited science background were often found to have the greatest positive changes. The followup survey indicated that audience members' attitudes, interest, knowledge and behavior remained significantly higher six months later than they were before attending the performance.

In addition to examining the impact of The Matter of Origins on the general public, the evaluation also focused on the local dancers who performed at the various sites and the scientists and artists who assisted in the project by serving as Provocateurs leading discussions. For both the local dancers and the Provocateurs, participation raised awareness of the potential role of art in informal science education. Provocateurs reported increased recognition of the power of discussion following an art performance as a way of engaging the public in matters of science and an increased awareness of the connections between art and science.

Dissemination of the evaluation results includes five paper presentations at national professional conference meetings, one published article in a peer-reviewed journal and another article under development.

For more information about The Matter of Origins and its evaluation, please contact John Schweitzer at the Center for Community and Economic Development or by email at schweit1@msu.edu.

## The Ecology of the Entrepreneur

By Rex LaMore, Director, CCED

Entrepreneurial support is seen as a critical part of the economic development of a community. **Economic** development professionals engage in substantial efforts to help individuals become business owners and operators. But where do "entrepreneurs" come from? Previous research conducted by a team of multi-disciplinary scholars at MSU Center for Community and Economic Development (CCED) suggested that participation in the arts from childhood to adulthood has a positive relationship on the innovation of workers in the scientific and technological sectors as measured by such direct economic development indicators as businesses formed and patents generated. Results of this seminal research indicated that among MSU Honors College graduates majoring in STEM subjects, arts and crafts experiences are significantly correlated with producing patentable inventions and founding new companies (LaMore, Root-Bernstein & Roraback et.al. 2011).

With this as a backdrop and with the support of the Michigan Council for Arts and Cultural Affairs, an interdisciplinary team of researchers are continuing to exam the "scienceart connection" and exploring the additional dimensions of the work site environments of innovators. Investigators are seeking more detailed information through on-site interview on the backgrounds and skill sets of entrepreneurial innovators, including their perspectives on the type of arts education or activity that is most beneficial to innovators in engineering, technology, and science; how entrepreneurs and innovators apply skills learned through arts training and practice to their professional work; how and to what extent innovators and entrepreneurs engage and participate in community development and community arts endeavors: and how innovators and entrepreneurs design and organize their own work environments in ways which might facilitate and encourage creative productivity in the work place.

Through in depth interviews of selected entrepreneurial innovators on the impact of arts and crafts experiences on their development, thinking processes, visual and spatial capacities, and technical skills recommendations may be made regarding the most useful and effective ways to design arts and crafts programming to improve inventiveness and stimulate entrepreneurial activity. Secondly, assessments of their work environments could be used to develop recommendations for workplace development aimed at facilitating creative productivity favored by the creative class, thereby encouraging the growth and sustainability of the knowledge economy.

Successful economic development in a globally competitive world calls upon educators, policy makers and economic

development practitioners to consider a variety of factors that may affect individual, entrepreneurial, and community success. The research into the ecology of the entrepreneur may reveal new perspectives on where our best and brightest problem solvers, inventors and innovators gain their unique insights.

For more information on this project visit www.ced.msu.edu

## Bi-National Regional Collaboration Conference Big Success in Twin Saults, October 24-25, 2012

By J.D. Snyder, Project Director, CCED

Held as part of the Upper Peninsula Economic Development Alliance quarterly meeting October 24-25, 2012 at Lake Superior State University and the Sault Ste. Marie, Ontario City Hall, the Conference on Bi-National Regional Collaboration was hailed as a great success by the 100 attendees.

The sister cities of Sault Ste. Marie, Michigan, USA and Sault Ste. Marie, Ontario, Canada hosted the Conference. Other local conference sponsors included the Eastern Upper Peninsula Regional Planning and Development Commission and the International Bridge Authority. The MSU Center for Community and Economic Development, MSU Canadian Studies Center, MSU Institute of Public Policy and Social Research, and the Great Lakes International Trade and Transportation Hub rounded out participating sponsor organizations.

Bi-national regional cooperation and collaboration are becoming increasingly important to successful regional economic development in the dynamics of the global economy. The conference emphasized economic areas like alternative energy that have high potential for enhanced bi-national collaboration and future initiatives.

Jeannette Tamayo, Regional Director of the U.S. Economic Development Administration Chicago Regional office; Roy B. Norton, the Consul General of Canada at Detroit; and Lieutenant Governor Brian Calley kicked off the program Wednesday, October 24. The welcome for the day was provided by Jeff Holt, the Chair of the Sault Ste. Marie, Michigan Economic Development Corporation.

Representatives of N-Sci Technologies, Kinross Cellulosic Ethanol, and Cloverland Electrical Cooperative discussed the successes of alternative energy enterprises on both sides of the St. Mary's River, the international border between Ontario and Michigan below Lake Superior.

Phil Becker, Executive Director of the International Bridge Authority, delivered the keynote for the second day. Expert panels on Multi-Modal Transportation and Bi-national Collaboration in Higher Education to Support

Regional Economic Development also contributed to a better understanding of future bi-national collaboration opportunities.

A bi-national business roundtable with representatives of Heliene Photovoltaic Modules, Ellsin Environmental, Aggressive Manufacturing Innovations and Hoover Precision Products discussed exporting experiences, collaborative relationships they have developed to penetrate foreign markets, and the power of problem solving relationships.

Conference planners have already committed to holding a second annual Conference on Bi-National Regional Collaboration in Fall, 2013. This conference is expected to be held in Sault Ste. Marie, Ontario in connection with the third Naturallia International Forum which will focus on the renewable energy, mining, and value-added wood product sectors. The Naturallia International Forum is supported by FedNor, a federal regional economic development agency for Northern Ontario that is a part of Industry Canada.

Visit knowledgeplanning.org for more information or call J. D. Snyder at 517-353-9555.

# The 2013 CCED Institute: Join the Movement!

By Laleah Fernandez, Research Assistant, CCED

#### The 2013 Institute Concept:

In the aftermath of the economic crisis we appear to be pursuing an economic model that does not meet our short or long-term interests; instead we are striving for an outdated approach to prosperity, which is arguably a root cause of many of the global and social disruptions in recent years. Given our finite ecosystem, resuming our normal consumptive behavior may not be in the best interest of our state, nation or species. As the economy grows, more material and natural resources are drawn into production processes which increase waste production, increase demand for energy, and otherwise negatively impact the earth's ecosystem. The concept of a balanced economy refers to an economic development model which takes into account the true costs of consumption and over-production. This is the idea system driving the efforts of the 2013 CCED Institute.

There appear to be real environmental limits to a paradigm of economic growth that is based on a pattern of continued consumption as a path to economic and social wellbeing. This assertion is supported by previous research which suggests humankind relies upon specific resources for our existence, some of which scholars believe we have continuously compromised in our quest for prosperity. The CCED Institute is collaborating with organizations and individuals who are hosting similar events/conversations

throughout the state in order to explore and explain the nature and character of a balanced and sustainable economy... a new normalcy.

#### The 2013 Institute Network:

Institute organizers, partners, and participants are thinking critically about the features of a new economy in order to press for change. Utilizing our shared capacity, and the Internet, the CCED adopted a digital media strategy to build a diverse network of individuals and organizations committed to the advancement of a balanced economy. This multi-institutional collaboration relies on emerging media platforms and mixed media tactics to expand the network, increase awareness, build a consensus and facilitate collective action.

#### The 2013 Institute Events:

### Jeremy Rifkin

President, Foundation on Economic Trends Monday, March 25, 2013 at 7:30pm Cobb Great Hall, MSU Wharton Center

Best-selling author of nineteen books on the impact of scientific and technological changes on the economy, the workforce, society, and the environment. Jeremy Rifkin is influential in shaping public policy worldwide. He has been an advisor to the EU for a decade, and was principal architect of the EU's Third Industrial Revolution long-term economic sustainability plan, addressing the triple challenge of global economic crisis, energy security, and climate change. His column appears in many of the world's leading newspapers and magazines, including The Los Angeles Times.

#### See the Wharton Center for Tickets

## Re-Imagining our Economic System: A Michigan Perspective

Tuesday, March 26, 2013 at 9:00am Gold Rooms A & B, MSU Union

Join the discussion! This day-long seminar is focused on ways to achieve a balanced and sustainable economy.

### Panels Include:

- Defining the Driving Factors of the Current and New Economies
- Understanding the Failure and Success of the Current Economy
- Evidence of Movement Toward a Balanced and Sustainable Economy
- Ideas, Inspirations, Goals, and Guidelines for a Balanced and Sustainable Economy

Join our network for information about monthly speakers and opportunities to participate.

To learn more, visit ced.msu.edu/institute/ or call Rex LaMore at 517-353-9555.