

# The *Ncedo* Journey

“Creating a dynamic environment of economic opportunities for the Newaygo County community”

JANUARY/FEBRUARY 2004

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Questions and comments about this publication and the Newaygo County Economic Development Office, Inc. in general may be directed to:

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## Leading Demographer Highlights Evolving Workforce Trends and Age Diversity

In January, NCEDO along with Leadership in Newaygo County (LINC) and Michigan Works! West Central hosted the third annual Leading Change Seminar. This year's program featured prominent demographer Marilyn Moats Kennedy, who is also a leading expert of workforce issues.

The topic of Ms. Kennedy's presentation was: "Understanding the Changes in the Evolving Workforce". In it, she highlighted many of the demographic conditions that are, and will, impact the workforce. She also stressed the importance of understanding the generational differences that exist in and out of the workplace.

According to Ms. Kennedy, "The U.S. labor market is now a reverse pyramid poised on an ever narrowing point. Only 18 percent of the U.S. population is younger than 18. Race, gender and ethnic diversity in the workplace have been superceded by a bigger issue: age diversity. There are four age cohorts in the workplace now and a fifth coming on by the year 2006. These five groups share some traditional work values but differ on the role of managers, employer/employee liability, telecommuting, technical competence, and what constitutes a good days work."

"Their lifestyle preferences and social values differ. Nowhere is that as acute as between Pre-Boomer and Boomer managers and their young subordinates. For example, older managers criticize younger workers commitment because twenty-somethings and thirty-somethings frequently want to limit the hours they work."

Ms. Kennedy identified the five groups as follows: Pre-Boomers (those born between 1934 and 1945), Boomers (1946 to 1959), Cuspers (1960 to 1968), Busters (1969 to 1978), and Netsters (1979 to 1984+). She then compared some of the

characteristics exhibited by the age groups in various categories.

For instance, in the workplace, she notes that Pre-Boomers and Boomers value work first while Busters and Netsters value lifestyle first.

Also, Pre-Boomers and Boomers are loyal to the employer while Busters and Netsters are loyal to their skills. Cuspers, as may be implied are in between on these issues.

"Age diversity influences motivation, as well. Managers who assume that perks such as health insurance or retirement plans are universally desired will experience constant frustration," remarks Ms. Kennedy. "How do managers motivate cross-generationally? One size does not fit all, so it is hard. It's

best to vary the reward system. Since we know Pre-Boomers and Boomers are motivated by money and the three younger groups by time off, why not offer what each group wants most?"

Communication between generations in the workplace can also be tricky. For instance, she points out that when a Boomer says to another Boomer, "This needs to be done," both understand it as an order, but nicely put. When a Boomer says this to a Buster, the Buster hears an observation, not an order.

She offers two strategies to help bridge the communication gap between generations in the workplace. First, customize training. This means packaging the message so every hearer understands. Videotapes and CDs work best with Netsters and Busters. These younger groups like interactive media so they can forward past anything they don't want, or don't need, to listen to. Pre-Boomers and Boomers

*(Continued on page 4)*



Marilyn Moats Kennedy addresses the Leadership Seminar

## Executive Director's Report

### Grow From Within: NCEDO Retention Program is our Number One Strategy

Like most organizations NCEDO has a strategic plan that identifies goals, objectives and strategies for carrying out our mission. At the top of the list is our retention visit program that we conduct with local businesses.

NCEDO understands the importance of supporting companies that have chosen to invest in Newaygo County. The retention program allows staff and other local officials to meet with existing businesses on a regular basis to ensure that any problems are resolved in a timely manner and to provide assistance on upcoming projects.

NCEDO is a corporate partner with the Michigan Economic Development Corporation and our retention visits are also coordinated with this state agency. Tom Durkee is our local MEDC Account Manager and we work hand-in-hand with him on issues impacting our local employers.

What goes on in a retention visit? First and foremost, we listen to you to learn what your needs are and put you in touch with programs to help you prosper. Training, tax abatements, financial incentives, financing options, expansions, workers comp costs, day care, transportation, business to business, technology, availability and quality of workforce

are just a handful of topics that come up during a "typical" retention visit.

Working with existing businesses is always a smart strategy, but is particularly important in tough economic times. Holding on to our existing job base becomes critical when there is little expansion going on around the county. On this front, we seem to be doing fairly well. Compare the following changes in employment levels since 1999:

	U.S.	Michigan	Newaygo Co.
Total Employment	+0.2%	-4.2%	-1.4%
Manufacturing Employment	-21.3%	-25.3%	-4.7%

It has not been a strong period in terms of net new jobs but, compared to the state and nation, we are hanging in there, particularly in manufacturing. Of course, we can not let up and we will continue to work to keep and add jobs here.

In the past, we have concentrated our retention efforts on our larger manufacturing employers. This year we want to expand our program to include small manufacturers and also non-manufacturing firms.

**Please contact me if you would like to schedule a retention visit with NCEDO. We look forward to meeting with you!**



## Economic Review

The not seasonally adjusted unemployment rate for Newaygo County rose two-tenths of a percent in December 2003 to a level of 8.7 percent. However, the December 2003 rate is one-tenth of a percent lower than December 2002. This marks the first year over year decline in the unemployment rate since January 2003 and, hopefully, indicates that the unemployment rate is on a downward trend.

On an annual basis the unemployment rate for Newaygo County rose from 8.9 percent in 2002 to 9.6 percent for all of 2003. The good news (if there can be good news in a rising unemployment rate) is that employment based on data from this household survey rose at a very brisk 4.1 percent in Newaygo County during 2003. However, exceedingly strong labor force growth of 5.0 percent led to an increase in the unemployment rate. That means job growth was strong but not quite strong enough to absorb all those entering the labor force.

This month's graph show the growth in real Gross Domestic Product (which is the overall barometer of economic output in the United States) for the last several years. The graph shows that the economy has now grown for nine straight quarters. So, why does it feel that the economy has been so sluggish, especially on the labor market? Economists would suggest that GDP needs to consistently increase by more than 3 percent to have a real positive impact on job growth because of increasing worker productivity. The last two quarters have shown growth well above 4 percent and should begin to lead to job creation if this level of GDP growth is sustained.



### Labor Force Estimates

	United States (000)		Michigan		Grand Rapids- Muskegon- Holland MSA	Newaygo County
	SA	NSA	SA	NSA	NSA	NSA
<b>Current Month: December 2003</b>						
Civilian Labor Force	146,878	146,501	5,085	5,059	618,100	22,600
Employment	138,479	138,556	4,719	4,719	576,700	20,600
Unemployment	8,399	7,945	366	340	41,400	2,000
Unemployment Rate	5.7%	5.4%	7.2%	6.7%	6.7%	8.7%
<b>Change from month ago:</b>						
Civilian Labor Force	(309)	(468)	(26)	(60)	(4,800)	(250)
Employment	(54)	(144)	(31)	(65)	(3,600)	(300)
Unemployment	(255)	(324)	5	5	(1,200)	50
Unemployment Rate	-0.2%	-0.2%	0.1%	0.1%	-0.1%	0.2%
<b>Change from year ago:</b>						
Civilian Labor Force	1,721	1,693	144	130	16,400	775
Employment	2,020	1,957	85	76	11,400	725
Unemployment	(299)	(264)	59	54	5,000	50
Unemployment Rate	-0.3%	-0.3%	1.0%	0.9%	0.7%	-0.1%

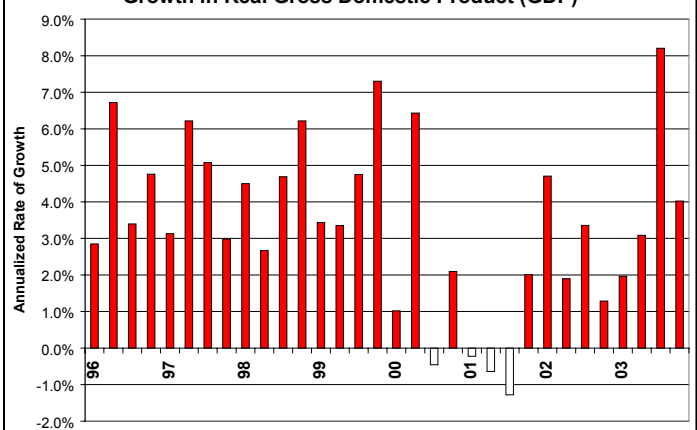
Note: All estimates are based on place of residence

SA - Seasonally Adjusted Level, NSA - Not Seasonally Adjusted Level

Grand Rapids-Muskegon-Holland MSA includes Kent, Allegan, Muskegon, and Ottawa Counties.

Source: U.S. Bureau of Labor Statistics and Michigan Department of Career Development.

### Growth in Real Gross Domestic Product (GDP)



# Community News and Events

## Upcoming Small Business Counseling and Training

NCEDO is pleased to continue its partnership with the Small Business and Technology Development Center (SBTDC) to provide counseling and training for those interested in starting or expanding a small business in Newaygo County.

NCEDO will be hosting counseling sessions with the local SBTDC Regional Director, Marie Elliott, on the following dates: March 9, 2004 and April 8, 2004. Appointments are for one-hour and are available from 10:00AM until 3:00PM. There is no charge for the counseling services.

Also on April 8, 2004, NCEDO and the SBTDC will be hosting a Small Business Workshop, which covers the fundamentals of starting/expanding a business and developing a business plan. The program costs \$25 and runs from 4:00PM until 8:00PM. Pre-registration is required.

Please contact NCEDO or the SBTDC at (989) 802-0993 to sign-up for these events.

## **Newaygo County Joining Forces Child Care Resource and Referral Service**

Are you or your employees looking for licensed child care providers? If so, you should be aware of the Joining Forces Child Care Project. Newaygo County is one of eight communities in Michigan to receive a child care demonstration project grant to create systems changes and facilitate the availability of high quality and affordable day care options. One initiative already underway is a resource and referral service to match families with local child care providers. For more information, please contact:

**(231) 652-3884**



## **Mark Your Calendar! Access Management Workshop on April 29, 2004**



Building off the recommendation and momentum generated by the Community Corridor Initiative from last year, a half-day workshop has been scheduled to study access management issues in Newaygo County. The workshop will be held from 9:00AM to 1:00PM on April 29, 2004. Location and other details will be available in coming weeks. For more information or to register, please contact NCEDO or Sarah O'Donnell, Land Use Agent, MSU-Extension at (231) 924-9677

## **Partnership Launches Web Site to Promote West Michigan [www.BestMichigan.com](http://www.BestMichigan.com)**

Economic development organizations (including NCEDO) throughout West Michigan have come together to develop a new web site to serve as a potent tool to attract new business investment in the region.

The site, [www.BestMichigan.com](http://www.BestMichigan.com), is the first effort of the West Michigan Economic Development Partnership (WMEDP) to work together to actively promote the West Michigan region as an economic force. The group includes economic development officials and organizations from the seven county region that includes Kent, Newaygo, Barry, Ionia, Muskegon, Ottawa and Allegan counties and was formed with the encouragement of the West Michigan Strategic Alliance. Key features of the site include:

- ⇒ Single point of contact for those interested in exploring business opportunities in West Michigan.
- ⇒ Reinforce the West Michigan region as a powerful market.
- ⇒ Highlight region's industrial and commercial markets.

## **Manufacturing Matters!**

The U.S. Department of Commerce recently released their report "Manufacturing in America", which identifies the challenges facing the American manufacturing sector. This report is of particular interest to Michigan and West Michigan given our above average employment in this key industry.



The report is the result of feedback that was obtained over the past year in numerous roundtable meetings held with industry officials across the country. The feedback fell within the following six categories:

- 1) Focusing on Manufacturing and Its Competitiveness. Government needs to continue to take steps to foster and environment where manufacturers can compete.
- 2) Generating Stronger Economic Growth Domestically and Internationally. The most important policy objective cited was to encourage economic growth at home and abroad.
- 3) Reducing Costs That Erode Competitiveness. Encourage policies that help control the cost of doing business especially those costs out of the control of manufacturers such

as health care, volatile energy prices and burdensome regulations.

- 4) Reinforce America's Technological Leadership. Innovation and technology are the keys to competitiveness.
- 5) Ensuring a Highly Skilled and Educated Workforce. We need a high-tech work force with advanced labor skills.
- 6) Insisting On A Level International Playing Field. There was strong support for aggressive trade policies that open markets and secure a fair and level international playing field.

In summary, the report makes note that we are still the world's largest producer of manufactured good and we lead the world in innovation. Simply put, manufacturing matters!

The report also details various recommendations to numerous to list here. To get a copy of the full report or the executive summary, go to the following Department of Commerce Manufacturing Initiative web page at: [www.manufacturing.gov](http://www.manufacturing.gov)

## NCEDO and FACF \$1/1 Fundraising Campaign

The Fremont Area Community Foundation has been a strong partner and supporter of NCEDO since our inception. Continuing this relationship, we are pleased to announce that the FACF has agreed to continue to support our efforts by pledging to match, dollar for dollar, funding that we are able to raise from contributions to NCEDO.

### Support Our Mission!

NCEDO is a private, non-profit 501c3 organization so your contribution may be tax deductible. To make a pledge, please fill out the form below and fax it back at (231) 924-9250 or call us at (231) 924-8890. Contributions should be made out to the "The NCEDO Fund at FACF", c/o Fremont Area Community Foundation, P. O Box B, Fremont, MI 49412.

Name/Organization \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Actual Pledge Amount (per year) \_\_\_\_\_

- Platinum (\$2,500 or more a year)     Gold (\$1,000 or more a year)  
 Silver (\$500 or more a year)     Bronze (\$250 or more a year)  
 Supporter (\$100 or more a year)     Friend (\$50 or more a year)

I pledge to continue this support for:

- 1 year     3 years

*"Leading Change" (Continued from page 1)*

tend to prefer classroom like settings accompanied by written documents, which are more personal.

The second communication strategy she suggests is to encourage all groups to complement and mentor each other. She notes that "when Boomers and Busters work on a team, the team leader should encourage the Busters to do the research and the Boomers to process the information. Then, each side can report to the other. Boomers need technology tutors and Busters/Netsters can fill that role. In return, let Boomers explain why the organization has a hierarchy and why it should be honored. Let them help younger workers learn why what the company does matters."

As a concluding remark she notes that "As more Netsters enter the workplace, the balance of power between the groups will shift. The irony is that Boomers are more numerous but the scarcity of Busters and Netsters gives them increasing clout. Management must recognize the diversity of the workplace values among these generations and work to accommodate them all."

In terms of attracting and keeping talented people, Ms. Kennedy suggests going after the "pre-solds." These are people who are already familiar with the area because they grew up here, went to school here, etc. You don't have to convince them that you are a "cool" place to live. Iowa has had some success by encouraging former residents and student to come back

For more information on this entertaining presentation, please contact NCEDO, or check out her web page at: [www.moatskennedy.com](http://www.moatskennedy.com)



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