

Regional Plan

Talent Advancement Strategies for Northwest Michigan

Attraction

Development

Retention





Talent Advancement Strategies for Northwest Michigan

April 2023

The 10-county region of Northwestern lower Michigan offers a quality of life that is the envy of urban areas around the world. Small towns, plentiful fresh water, numerous recreation opportunities, and cultural amenities make it the ultimate destination for raising a family, starting a business, or beginning a career.

The region is not without its challenges, though. Large geographic expanses scattered with bodies of water make travel routes long and laborious. Low population density results in limited resources, many of which are allocated based on census numbers. The area is especially appealing to retirees, causing a shift in population demographics – retirement age numbers are growing while the working age population is declining. Housing, childcare, and transportation costs are high, yet the distribution of jobs across the economy is heavy in lower-paying service jobs, many of which are seasonal.

Primary among the many challenges is what some would call a *talent crisis*. Employers are desperately seeking skilled talent to fill their numerous open positions and suffer from high turnover as workers seek other opportunities. Business growth is stymied by the lack of a reliable talent pipeline.

Despite these many challenges, the communities within the region are passionate and dedicated to their home. Residents are proud of their small towns and hopeful for a prosperous future. Many local organizations work hard every day to promote the region, develop talent, and offer opportunities for career and business success.

This plan for *Talent Advancement in Northwest Michigan* identifies key strategies that support talent attraction, development, and retention activities. Its scope is region-wide, offering recommendations that will have the most impact if implemented collaboratively or via independent but aligned efforts. It is our hope that this plan will be utilized in the following ways:

- Provide strategic direction to stakeholders that need guidance on where to focus limited resources;
- Provide a framework for collaboration across multiple entities involved in this work; and
- Provide a common purpose for all of the region's talent attraction, development, and retention efforts.



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Executive Summary

Numerous stakeholders participated in the development of this plan, including representatives from educational institutions, economic development organizations, and the workforce development system. They offered significant guidance in refining the strategies described here. In addition, we conducted research on existing strategies and plans throughout the region, as well as common and best practices for talent attraction, development, and retention around the country.

Before developing our recommended strategies, we reviewed data as well as the current state of several critical factors. These included unemployment rate, projected job demand, and credential attainment rate, among others. To make sense of these factors and to ensure that we were looking at the most relevant, we used the concept of Demand and Supply. This allowed us to adequately describe the current state of Talent in the region. Demand indicates that workers are needed for service positions, which is a significant portion of the economy. However, professional jobs are growing, and the projected need outstrips projected supply. Increases in skills, evidenced by credential attainment, along with higher numbers of workers are needed in the region to fill the pipeline.

Key Demand and Supply statistics:

- The *Accommodation and Food Service* and *Retail Trade* industries currently provide 30.7% of the total jobs, an increase since 2020's report, when the combined total represented 26%.
- High-wage jobs are projected to increase in healthcare, information technology, advanced manufacturing, construction, and finance.
- Integration Skills (also called "soft skills") are the most cited skill need among area employers across all industries, and have become more important than ever in the age of COVID.
- Only 41.4% of the working-age population holds an Associate Degree or higher, well below the Governor's goal of 60% by 2030.
- The working age population has decreased in the last five years, with retirement or near-retirement age population contributing significantly to overall population growth.

In summary, our research shows that we must focus on *Talent Attraction* because we do not have enough workers to meet current and projected demand. This also elevates the importance of *Talent Retention*, since we cannot afford to lose more workers. *Talent Development* is also essential to meet the specific skill needs of employers in the region.

The current state of talent reveals a pressing need that serves as the primary purpose of this plan: to improve **talent capacity** across the region. "Talent capacity" means a need for higher *numbers* of workers, as well as *skills* that match with current and projected industry needs.

How do we improve talent capacity? This plan proposes three primary strategies that increase **talent advancement** – a key framework that guided the development and refinement of these strategies. The concept of talent advancement aligns the many aspects of talent attraction, development, and retention under a primary principle: all activities should help to improve the career trajectory of our talent. Whether attracting a worker to the area, or helping a worker with teamwork skills, or keeping a worker here by offering a micro-credential, our region must consistently and continuously offer opportunities for our talent to advance.

The strategies proposed in this plan are as follows:



- *Regional Promotion*, focusing on Virtual Work, High-Paying Jobs, and Entrepreneurship;
- *Modular Training*, focusing on Micro-credentials, Integration Skills, and Company-based Trainings; and
- *Employer Connections*, focusing on Education/Employer Relationships, Employer-based Student Experiences, and Workplace Culture.

In order to gauge our success, the region should monitor two key indicators, with the goal of increasing both over time: *Credential Attainment* (especially non-degree credentials that are recognized by local industry) and *Working-age Population*.

In summary, talent attraction, development, and retention efforts in the Northwest Michigan region must improve talent capacity by offering talent advancement opportunities. To do so effectively, regional promotion, modular training, and employer connections are paramount.

Process

The process of creating this plan began in the summer of 2020 (in full pandemic shut-down) with gathering input from a variety of stakeholders who are involved in any aspect of talent attraction, development, and retention. Through a series of interviews, we discussed the needs of local employers prior to, during, and following the COVID global pandemic. These discussions generated many ideas for potential strategies that could address those needs. In addition, we conducted thorough research into plans, models, and frameworks that address talent attraction, development, and retention. As strategies began to surface throughout the process, we refined them into a survey, which was shared with all stakeholders for input on those that would have the most impact. The survey helped to prioritize the strategies. In addition, we created a “compass” through the principle of Talent Advancement – it was through this lens that we were able to narrow the field from dozens of potential strategies to the three main categories and focus areas presented in this report.

The following entities provided input throughout the process:

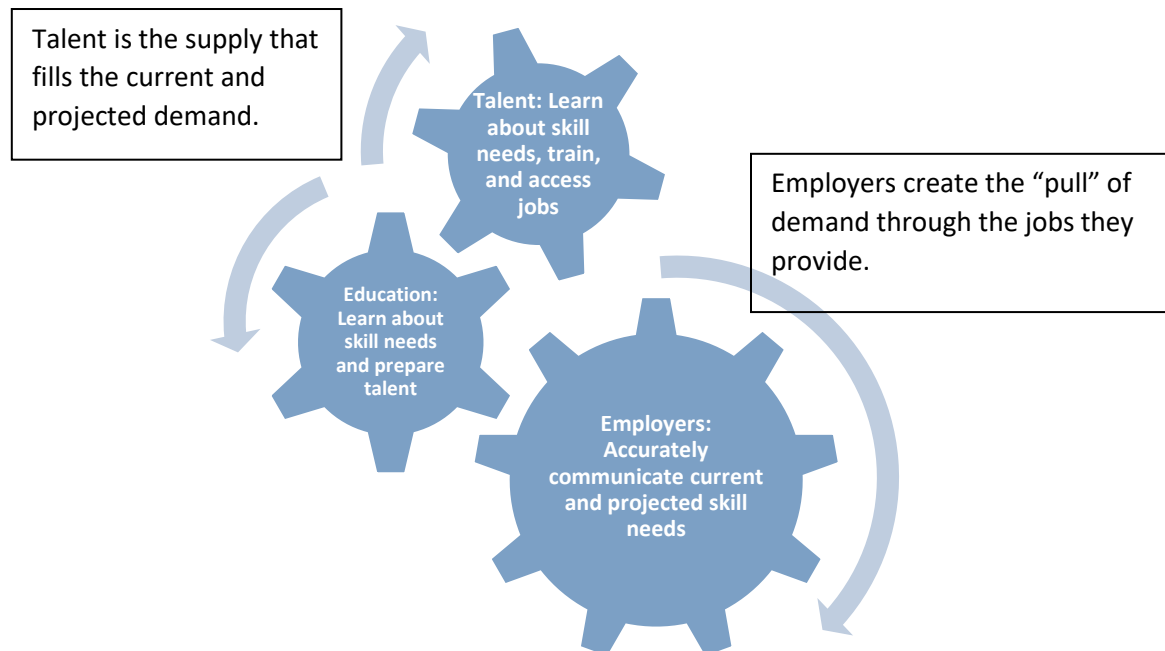
- Northwest Michigan Works
- Northern Lakes Economic Alliance
- TraverseConnect
- 20Fathoms
- Manistee Chamber of Commerce
- Alliance for Economic Success
- Cadillac Chamber of Commerce
- Newton’s Road
- North Central Michigan College
- Northwestern Michigan College
- West Shore Community College
- Baker College of Cadillac
- Char-Em ISD
- Traverse Bay Area ISD
- Wexford-Missaukee ISD
- MiSTEM Network
- Michigan Manufacturing Technology Center
- Small Business Development Center
- Procurement Technical Assistance Center
- Michigan Economic Development Corporation

The plan was updated in late 2022 to reflect new data, refined strategies, and progress made on original recommendations.



Supply and Demand

In order to better understand the many factors related to talent attraction, development, and retention, consider the economic concept of supply and demand. The employer provides the demand (jobs), and educators create the supply (skilled talent to fill the jobs). Just like a manufacturer works in partnership with suppliers as well as customers, the system of all stakeholders must work together in a continuous cycle of communication, adjustment, and development.



Let’s further examine the Demand side of this process. What is the pull? What do local employers need in terms of talent? We have data to show current and projected job demand, which is shown on the following pages. We also have anecdotal evidence that “soft skills” are the most important need for local employers. These are skills that cut across every industry and are essential for success in any job. They include *Teamwork, Effective Communication, Accountability*, and more.

Since the onset of the COVID pandemic, *Problem-Solving, Adaptability, and Resourcefulness* have risen to the top of the “soft skills” list.

More and more workers must manage ever-changing and unanticipated challenges, such as:

- trouble-shoot their own technology issues while working from remote locations,

Many workforce development organizations have rejected the term “soft skills” since these skills are of such critical importance. Many are using the term “employability skills” or “essential skills.” Further in this report, we switch to “integration skills” in order to capture the diversity of skill sets and the need for applying them in a cross-functional way.



- find their own professional development,
- juggle ever-more complex work/life balance needs,
- manage facility use in new ways, and
- find different methods of connecting with customers and colleagues.

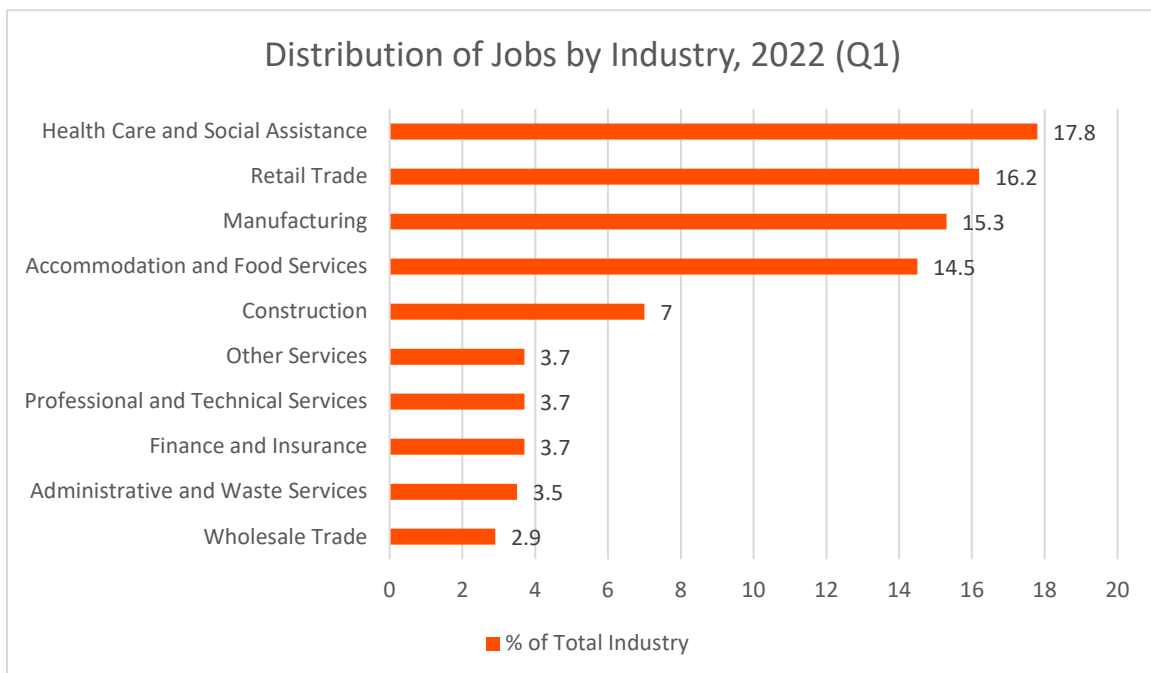
This list is just a sample of the issues that our current workforce is facing, all of which require new skills that cut across a variety of industries.

All of the above factors and more have impacted turnover. In what some are calling the “Great Resignation,” workers have left their jobs in record high numbers, sometimes switching industries and careers. Therefore, the primary focus of local employers is hiring – many are desperate to fill open positions and keep the employees that remain. This has driven wages up, along with efforts to provide perks and focus on organizational culture.

Demand Data

The following sets of data demonstrate current and projected job needs. This data shows us that...

- *Healthcare and Social Assistance* provides the largest volume of jobs of any single industry.
- The *Accommodation and Food Service* and *Retail Trade* industries comprise the largest proportion of jobs in the region. (These two industries are often viewed together because of their connection to tourism.) They will continue to have high demand due to some incremental growth but primarily because of high turnover.
- Other occupations are projected to grow, including those in healthcare, information technology, advanced manufacturing, construction, and finance.



1Source: U.S. Census Bureau, *Industry Employment and Wages, Quarterly Census of Employment and Wages, 1st Quarter 2022*



The table above demonstrates the current make-up of our economy based on industry. The distribution has changed since this report was first published in 2020: Accommodation and Food Services moved from the 2nd to the 4th spot in the list, while Retail Trade jumped from 4th to 2nd. Also, Construction moved from 6th to 5th, and Educational Services fell off the list entirely.

The table below shows projections for occupations from 2018 to 2028.

TABLE 19: EMPLOYMENT PROJECTIONS BY MAJOR OCCUPATIONAL CATEGORY, 2018–2028				
OCCUPATIONAL CATEGORY	2018	2028	EMPLOYMENT GROWTH	
			NUMBER	PERCENT
Total, All Occupations	137,870	138,420	550	0.4%
Healthcare Support	3,820	4,090	270	7.1%
Personal Care and Service	5,700	6,090	390	6.8%
Food Preparation and Serving Related	14,620	15,500	880	6.0%
Healthcare Practitioners and Technical	10,040	10,540	500	5.0%
Computer and Mathematical	1,040	1,090	50	4.8%
Construction and Extraction	7,280	7,600	320	4.4%
Community and Social Service	2,180	2,270	90	4.1%
Farming, Fishing, and Forestry	1,260	1,300	40	3.2%
Business and Financial Operations	4,510	4,640	130	2.9%
Education, Training, and Library	5,370	5,500	130	2.4%
Architecture and Engineering	1,880	1,920	40	2.1%
Life, Physical, and Social Science	1,170	1,180	10	0.9%
Transportation and Material Moving	7,340	7,400	60	0.8%
Building and Grounds Cleaning and Maintenance	6,060	6,090	30	0.5%
Management	7,620	7,640	20	0.3%
Legal	860	860	0	0.0%
Installation, Maintenance, and Repair	5,980	5,950	-30	-0.5%
Sales and Related	15,000	14,510	-490	-3.3%
Protective Service	2,840	2,710	-130	-4.6%
Production	11,620	11,080	-540	-4.6%
Office and Administrative Support	19,280	18,180	-1,100	-5.7%
Arts, Design, Entertainment, Sports, and Media	2,420	2,280	-140	-5.8%

Source: 2018 – 2028 Employment Projections, Center for Data Analytics, Michigan Department of Technology, Management, & Budget

The above information shows data based on broad occupational categories, and so is intended as an overview of general trends. However, more granular data is available through the *Northwest Michigan Career Outlooks, 2018 to 2028*, which highlights high-demand, high-wage occupations and is attached to



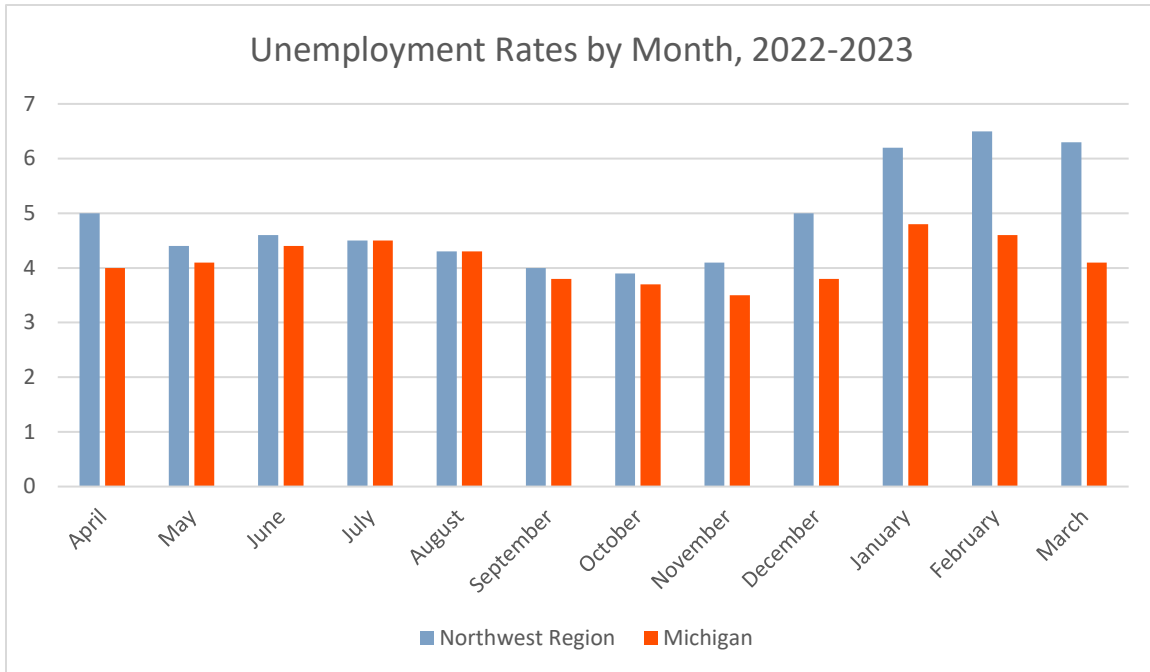
this report as Appendix A. This report indicates that it's not just tourism-related jobs that are needed in the region; many jobs that pay a family-sustaining wage, often with benefits, are projected to grow substantially. This includes, as an example, the following:

- Engineers and Engineering Technicians (variety)
- Network and Computer Systems Analysts
- Surveyors and Surveying and Mapping Technicians
- Environmental Scientists
- Computer Support Specialists
- Software developers
- Dental Assistants
- Machine programmers
- Registered nurses
- Medical technologists
- Healthcare managers
- Accountants and auditors
- Financial managers
- Loan officers
- Carpenters

Supply Data

The following sets of data show information about our local workforce. This data shows us that...

- Unemployment rates reached their highest in 2020 since the Great Recession, but have been steadily declining ever since.
- Approximately 24% of the region's workforce have "Some College, No Degree" as their highest level of education; more work should be done to determine actual credentials held by the workforce, regardless of whether a college degree is attained.
- Some working-age population groups have increased, but overall the population between ages 25 and 54 has declined in the past five years. Since the number of those under the age of 15 has also declined, we can anticipate that this trend will continue in the future. At the same time, retirement and near-retirement age groups have increased so significantly that the overall population has increased.



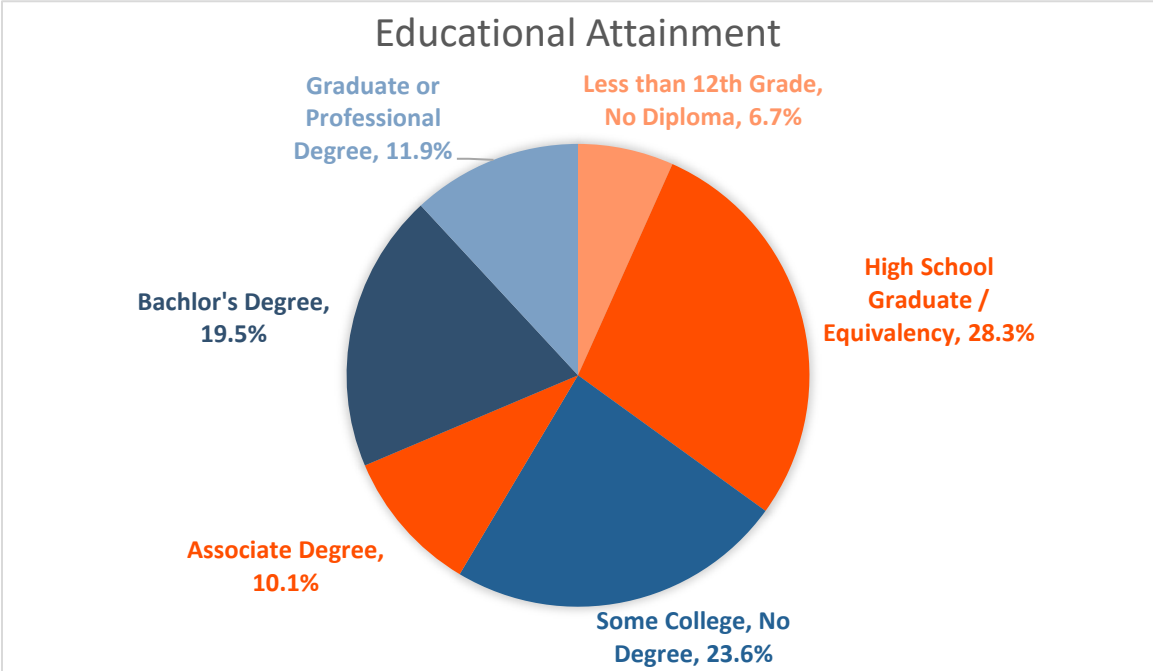
Labor Force Statistics, 2007 – 2021 Annual Average, Northwest Michigan Region

Year	Employed	Labor Force	Unemployed	Unemployment Rate
2021	135,177	143,594	8,417	5.9%
2020	133,015	147,422	14,407	9.8%
2019	143,441	150,249	6,808	4.5%
2018	142,051	149,198	7,147	4.8%
2017	141,451	149,475	8,024	5.4%
2016	141,498	149,916	8,418	5.6%
2015	139,603	148,704	9,101	6.1%
2014	136,908	148,448	11,540	7.8%
2013	133,056	147,129	14,073	9.6%
2012	131,279	145,610	14,331	9.8%
2011	130,417	146,381	15,964	10.9%
2010	130,280	149,365	19,085	12.8%
2009	133,166	153,948	20,782	13.5%
2008	141,869	155,191	13,322	8.6%
2007	144,868	157,011	12,143	7.7%

Source: *Employment and Unemployment Statistics - LAUS, BLMISI DTMB*



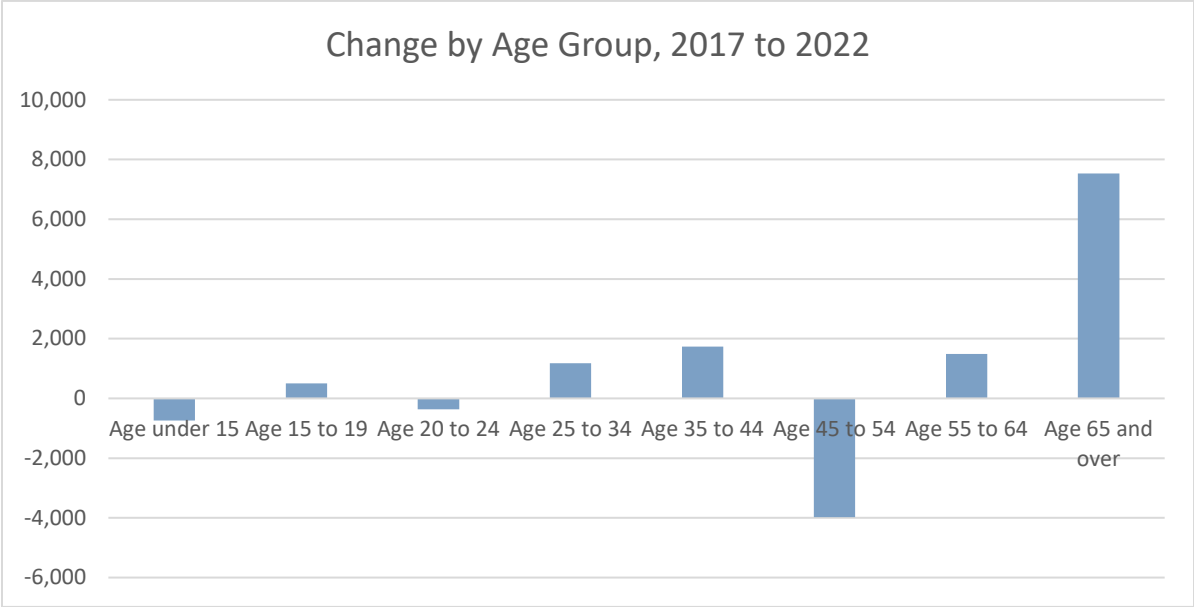
Governor Gretchen Whitmer set a statewide educational attainment goal called “60 by 30” where 60% of the population will hold postsecondary credentials by the year 2030. In the Northwest region, only 41.4% of the population (age 25 and higher) holds an associate degree or more, so it appears that we fall very short of the Governor’s goal. However, the category “Some College, No Degree” may include individuals with shorter-term credentials. These could include any postsecondary certificate that indicates mastery of a skill, such as Certified Nurse Aide, Cisco Certified Network Associate, American Welding Society Welding Qualification, and more. Currently there is no means of collecting data on the portion of the population that holds one of these credentials.



Source: Educational Attainment of the population aged 25 and higher; 2016-2020 American Community Survey Five-Year Estimates, U.S. Census Bureau



Since 2017, the population ages 35 to 54 has decreased overall. At the same time, all population groups over the age of 55 have increased. This creates strain on the economy as fewer people are available to work, but more people need goods and services. The population under 15 years has decreased as well, indicating continued future decreases of working-age populations.



Source: American Communities Survey 5-year estimates 2017 to 2022, US Census Bureau



Purpose

The purpose of any regional plan is to provide a researched, vetted, and strategic framework for regional implementation. This plan is intended to be utilized by any stakeholder working in the realms of talent attraction, development, and retention, many of whom were involved in the process of brainstorming and prioritizing the strategies proposed here.

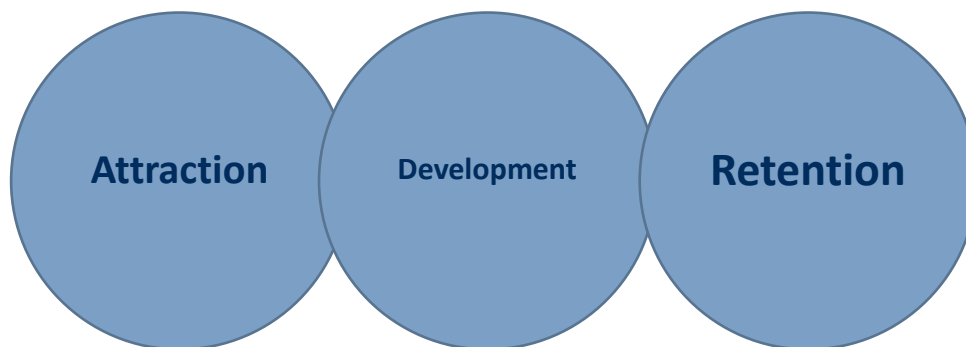
In order to provide a common goal across all stakeholders, we suggest this purpose statement as the plan's overriding imperative:

*Improve the **talent capacity** of the region*

In this case, the term “capacity” refers to the number of people in the workforce as well as the skills they possess. We must attract, develop, and retain more workers, and they must have the skills that local employers need.

In addition to the above purpose statement, we also suggest that a primary principle should narrow the scope, as there are many facets of talent attraction, development, and retention.

Talent Advancement

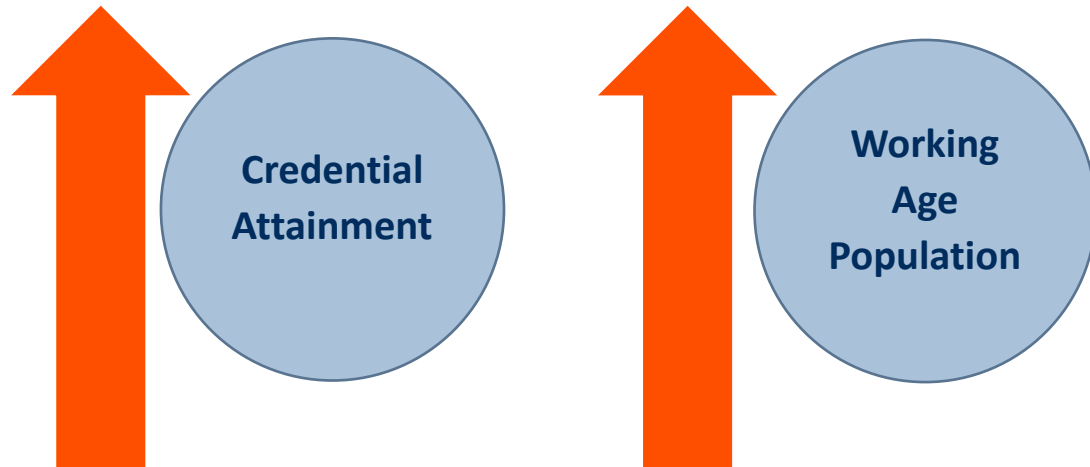


Talent Advancement is a universal principle for all strategies related to Talent Attraction, Development, and Retention.

- **Attraction:** People want to move here. What's preventing them? *Opportunity* – awareness that it exists now and in the future. If people learned that they could **advance** their careers once they got here, it could be the final “push” they need.
- **Development:** Why do people enroll in training of any kind? They want to **advance** their prospects with improved skills, regardless of where they are in life.
- **Retention:** We have access to career opportunities that we never had before – you don't have to move to a big city to **advance** your career. You can live, play, and work in Northwest Michigan.



In working to achieve this purpose, we must know whether we are succeeding. While no existing data directly ties to a specific strategy in this plan, there are two data sets that can serve as an indicator of progress in our collective efforts. The region should watch these two indicators closely to ascertain the overall success of these strategies.



Credential Attainment: An increase in the number of credentials held by the local talent pool will occur if we are focused on development that fits the needs of workers. Educational attainment data is typically collected by the US Census Bureau in their yearly community survey, but does not identify short-term, industry-recognized credentials that fall between a high school diploma and an associate degree, or any professional certificates. This poses a challenge for tracking, since the strategy most closely related to this indicator focuses on those very short-term trainings. Therefore, the region should invest in a means of tracking short-term credentials.

- We recommend setting a goal in alignment with the Governor’s 60 by 30 initiative. If the state of Michigan creates a tracking system for postsecondary credentials that are not tracked by the U.S. Census Bureau, then the region can use this system as well.
- If not provided by the state, the region should create its own system for tracking short-term credentials. This would require voluntary sharing of data by institutions of higher education.

Working-age Population: An increase in the population that is of working age will occur if talent attraction and retention efforts are successful, with talent development activities serving as supporting strategies.

It should be noted that these two indicators are not reliant on talent advancement alone; they are also influenced by changes in the economy, availability of affordable housing and childcare, access to transportation, and much more. However, if the stakeholders working in talent advancement are doing their part, these two sets of data should see movement upward.



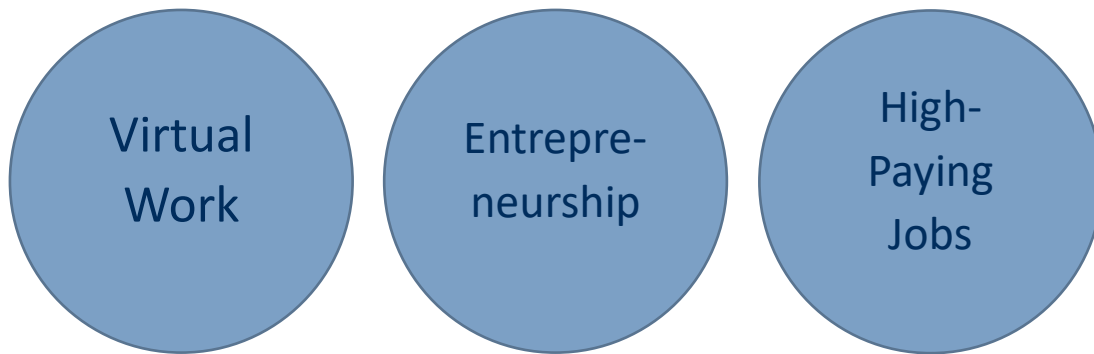
Strategy 1: Regional Promotion

Regional Promotion consists of three focus areas: *Virtual Work*, *High-Paying Jobs*, and *Entrepreneurship*. Each of these represents a facet of the region that should be promoted with targeted, focused messaging.

Promoting the region as a great place to live, work, and play has been attempted in various forms for many years, for both talent and business attraction. These activities have included promoting our many recreational opportunities, festivals, and community activities, as well as open jobs, schools, real estate, and more. All of this is important to promote, and the efforts provide a holistic reflection of the region. However, narrowing the scope of the promotion in order to deliver a targeted message is a more effective marketing approach.

The targeted message the region should adopt is that we are destination for virtual work and entrepreneurship – if you can work or start your business anywhere, why not here? Plus, we offer high-paying jobs for a skilled workforce.

Another cardinal rule in effective marketing is *repetition*. The more often an audience sees a message, in different venues and formats, the more likely they are to remember. Therefore, this strategy is not watered down by duplication – it works even if multiple entities do the same thing.





Local Highlight

Local chambers and economic development entities across the region are working hard to promote their area, highlighting the many reasons it's a great place to live, work, and play. Here are just a few examples.

- The Manistee Area Chamber of Commerce publishes a "[Relocation Guide](#)" highlighting resources for businesses and the workforce, information about schools, early childhood development outcomes, health services, housing, the arts, and more. Basically everything that a business or family would want to know about the area when deciding if it's right for them.
- Northern Lakes Economic Alliance features a collection of videos highlighting the Northern part of the region. Titled "[Why Northern Michigan](#)," the site provides a showcase of their many small and unique communities.
- MyNorth.com, a regional website that promotes all aspects of Northern Michigan, features articles, videos, and resources for each of the ten counties. [MyNorth.com](#) (click on the Live Here and Work Here links).
- The Traverse City Airport and Traverse City Tourism partnered to create "[Discover Northern Michigan](#)." While focused on the tourism economy, the effort promotes the region to all audiences, increasing exposure to businesses and individuals who are interested in moving to the area.

A local initiative that exemplifies all three Regional Promotion Strategies is Michigan's Creative Coast, launched in 2020 by economic development agency Traverse Connect. The website -- [www.michiganscreativecoast.com](#) -- houses a job board, podcast, videos, and resources, all designed to attract skilled talent to the area.

"Businesses tell us that their number one concern is talent," says Warren Call, President and CEO of Traverse Connect. "If this region is going to thrive, we need a skilled workforce and a talent pipeline that companies can rely on."

Creative Coast was developed based on the input of not only businesses, but also the talent they seek. Professionals who have recently relocated to the area participated in a focus group, sharing their reasons for moving here, what



they love about the region, and what they wish had been different in their relocation experience.

The focus group revealed a few barriers to attracting talent, one of which is the limited information about living and working here, as opposed to the plentiful information for tourists. "You had to do your own research for it. There wasn't a one-stop spot. No central location," said one focus group attendee. So Traverse Connect set out to change that by providing one website for all of their needs, including a job board featuring high-paying jobs, information and videos highlighting the diversity of local companies, and resources for starting or growing a business.

Collectively, the many components of Creative Coast make for a comprehensive talent attraction effort that hits on several strategies in the regional Talent Advancement plan. It successfully weaves together everything that is needed by businesses to recruit a skilled workforce. But where that could result in off-putting complexity, Creative Coast is specifically designed for ease of use: it's easy for businesses to recruit, effortless for interested talent to find information, and seamless for newcomers to find their place here.



Focus: Promote Virtual Work -----

During COVID-19, more people started working remotely than ever before. Prior to the pandemic, the U.S. Census Bureau’s American Communities Survey estimated that 8 million people worked from home in 2019 (5.7% of the total workforce).¹ As of 2021, [estimates](#) show that 17.9% is working remotely.²

During the height of the pandemic, many large companies around the globe announced that significant proportions of their workers – some 100% -- will work from home indefinitely. Most have now switched to some sort of hybrid arrangement, recognizing that because some positions cannot work remotely, bringing entire teams together for at least some period is essential to employee engagement. This still leaves working remotely as an option, freeing employees to live elsewhere, such as Northwest Michigan.

Studies show that hybrid work is the preferred format for many workers, especially for millennials and Gen Z. According to a [recent Gallup survey](#), millennials are more likely to seek out remote work than older generations (by 8 percentage points).

Current state

Northwest Michigan has always been a great place to work remotely. If you can work from anywhere, why not work in a place that offers beautiful vistas, 4-season outdoor recreation, and small-town charm? Many local jobs can be done virtually as well. A 2020 estimate by Fourth Economy shows that 22.6% of jobs are able to be done remotely.³

One challenge to overcome in implementing this strategy is greater access to broadband, which is intermittent across the region, and especially lacking in rural areas. According to [Broadband Now](#), coverage is highest in Grand Traverse County at 96.3% and lowest in Missaukee at 53.3% (this may be due to large swaths of agricultural and public land). However, all counties have increased their broadband coverage since 2020, including a giant leap for Missaukee which was at 26.3% at the time.

Most population centers (cities and small towns) have reliable broadband sufficient for remote work, and some have co-working space that provides broadband and community. Although usually lower in strength, free wifi hotspots are available in most towns and villages, as evidenced by the State of Michigan’s [Free Wifi Map](#).

Future state

How will promoting Virtual Work contribute to Talent Advancement?

- *Talent Attraction:* Talent from outside the area will recognize the opportunity to live in a place with high quality of life while working virtually.
- *Talent Retention:* Talent from inside the region will choose to stay here rather than moving to a big city for good jobs.

Recommendations:

- Economic development organizations and communities should work together to promote the entire region as an opportunity for virtual work.
- Educational institutions, workforce development, and others can provide virtual work workshops, offering professional development to assist workers in making the

¹ American Communities Survey 2013-2018, Longitudinal Household Dynamics, U.S. Census Bureau

² American Communities Survey 1-year Estimates, 2021, U.S. Census Bureau

³ Northwest Michigan Regional Recovery and Reinvestment Report May 2020, Fourth Economy, based on occupational profiles from Bureau of Labor Statistics and the O*Net database.



- *Talent Development:* Talent will have access to professional learning opportunities through local education systems.
- transition to remote work and increase their skill set.
- Various partners can provide connections opportunities for virtual workers.

Focus: Promote Entrepreneurship -----

For many people with limited resources, small business ownership appears to be out of reach. Renting an office or facility, purchasing equipment, and initial marketing costs add up quickly. These start-up financial needs are in addition to earning a living to pay bills, at least for a transition period. All of this results in too high a barrier to entry.

But the world of virtual work, along with effective support systems, is making entrepreneurship more accessible to more people. Service-based small businesses, such as consulting, bookkeeping, and computer programming, require little investment in equipment and can often be done from home or a low-cost shared workspace.

Current state

As a proportion of the overall volume of establishments, sole proprietorships and small businesses (2 to 9 jobs) have remained fairly steady since 2005,⁴ with minimal increases and decreases by county. The spirit of entrepreneurship is alive and well, with pitch competitions occurring periodically throughout the region, co-op and crowd-funded investment mechanisms gaining in popularity, and more angel and venture capital groups forming. In addition, support systems are starting to grow, with more business coaching and mentoring (SCORE, SBDC, and more) services available. In order to grow small business, we should leverage the spirit and supports by promoting them and featuring the region as a great place to be an entrepreneur.

Future state

How will promoting Entrepreneurship contribute to Talent Advancement?

- *Talent Attraction:* Talent from other areas can find support and encouragement in their entrepreneurial endeavors in the region. If you can start your business anywhere, why not here?
- *Talent Retention:* Talent in the region can start their business without having to move to the big city.
- *Talent Development:* Entrepreneurship is another step along the pathway that advances a person’s career.

Recommendations:

- Economic development should highlight entrepreneurship as a viable option for talent in their talent attraction efforts.
- Educational institutions should encourage and support small business ownership by teaching entrepreneurship skills in their existing classes. This should go beyond typical business classes – it should be integrated into programs that will likely lead to freelance work, such as visual arts, unmanned systems, renewable energy, and more.

⁴ Establishment Size - % Total Establishments, YourEconomy.org, 2005 to 2019



- The region should dedicate resources to small business start-up support programs, such as incubators, SBDC, and shared workspaces.

Focus: Promote High-Paying Jobs -----

The [United Way's ALICE project](#) (ALICE stands for Asset-Limited, Income-Constrained, Employed) states that a family of four in the 10-county region must earn approximately \$60,000 per year in order to cover basic household expenses like housing, childcare, medical costs, and transportation. However, our economy has a high proportion of service-related jobs, with relatively low wages.

This feeds a stigma associated with the region about the lack of high-paying, professional-level jobs. Certain areas within the region, such as Traverse City and Harbor Springs, are especially plagued by the dichotomous reputation of great wealth but limited opportunities beyond hospitality-based jobs. Therefore, it is essential that we feature and promote the higher-paying jobs that the region does have, and support their continuous growth. This strategy has the added benefit of increasing awareness about high-wage, high-demand occupations for students and workers in the region, so they are at least knowledgeable about local opportunities.

Current State

We know that higher paying positions are growing and will continue to grow. Economic development entities across the region and state are working hard to attract businesses that provide jobs with a family-sustaining wage.

Future state

How will promoting high-paying jobs contribute to Talent Advancement?

- *Talent Attraction:* Talent from outside the region will have access to jobs that pay a family-sustaining wage. They will start to recognize these opportunities in the region, rather than only seeing low-paying service jobs.
- *Talent Retention:* Talent will recognize that they can stay here and still have a family-sustaining career.
- *Talent Development:* Talent will learn new skills and move up from lower-paying positions into higher-paying careers.

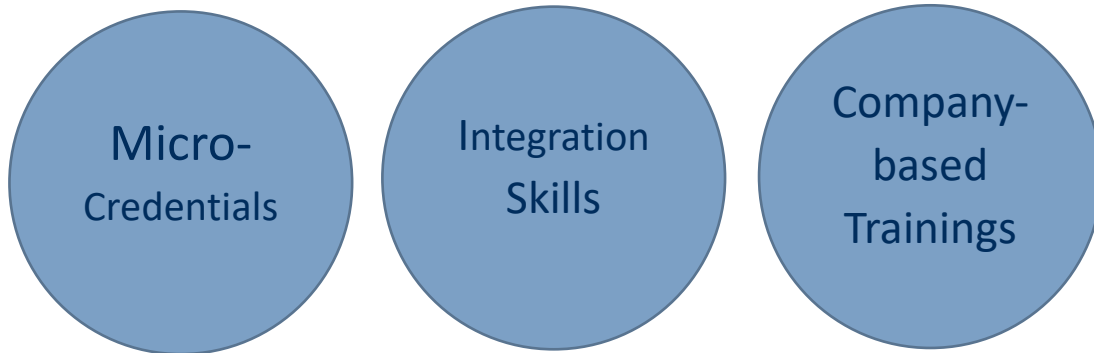
Recommendations:

- When promoting the region or any community within it, highlight jobs that pay a family-sustaining wage. Include many jobs so that prospective talent sees the variety and potential beyond the one position that could bring them here. This will help to overcome the perception that the only jobs we have are service-related, low-paying positions.
- Talent development organizations should assist youth and job seekers with developing a career pathway to high-paying jobs.



Strategy 2: Modular Training

Modular Training consists of three focus areas: *Micro-Credentials*, *Integration Skills*, and *Company-based Training*. Each of these is described in detail on the following pages. Together they fill a gap in the spectrum of talent development resources, attached here as Appendix B. While all other milestones in the educational spectrum are covered at some level in the region, there is a clear gap in the availability of short-term trainings that are focused on a specific skillset. This gap offers an opportunity to better support talent at all skill levels with programs that build skills in manageable timeframes, and that closely align with the needs of local businesses.



Focus: Micro-Credentials

Micro-Credentials consist of very short-term training, typically one or two classes, that provides the completer with proof of achievement. More than a typical professional development workshop, Micro-Credential programs are closer to a college course that focuses on a specific skillset rather than a broader academic subject. Yet, they are much more accessible than college courses – a person can avoid the admissions and enrollment process, take the class in a timeframe that fits with a busy lifestyle, and still have a credential to show current or future employers.

According to Digital Promise⁵, Micro-Credentials verify competency for a set of skills needed by industry. They can be used to validate learning in short-term programs, offering proof that an individual can perform at a certain level. Unlike a certificate of participation, the recipient of a micro-credential must demonstrate mastery of the skill.

Current State

Larger companies in the region offer formal professional development programs for their employees, giving them opportunity to learn and grow in their industry. Some companies can hire trainers to teach new skills to a large enough group that it is cost-effective (See Company-based Training). Postsecondary institutions offer some modular, short-term programs, such as one-year certificates. However, very little

⁵ [Digital Promise](#) an independent, bipartisan nonprofit, authorized by Congress in 2008 as the National Center for Research in Advanced Information and Digital Technologies through Section 802 of the Higher Education Opportunity Act.



is offered locally for one- or two-class learning that results in a credential. This gap is reflected in the Talent Development Spectrum shown in Appendix B.

Local Highlight

Northwestern Michigan College (NMC) is developing micro-credentialing options within most departments, including Computer Information Technology (CIT), Engineering Technology, Culinary, and more.



NMC's Parsons-Stulen campus, where many technology-based courses are held.

Their process involves bundling existing courses and utilizing already-approved curriculum. This speeds-up the lengthy process of creating something from scratch, but still maintains academic integrity. They also leverage their non-credit department, Extend Educational Services, to make the programs more accessible to the community and to local employers.

Jason Slade, the college's vice president for strategic initiatives, says "These micro-credentials are a win for the workforce as well as for the college. They are on- and off-ramps to degree programs, allowing each person to build their own educational pathway and improve their job prospects at the same time."

Future State

How will Micro-Credentials contribute to Talent Advancement?

- **Talent Development:** Talent will be able to develop new skills in bite-sized pieces. Achieving a credential provides a sense of accomplishment and verification to show a current or potential employer.
- **Talent Retention:** Existing employees who want to grow and advance can do so in a manageable way, without having to leave the area and/or commit to 2- or 4-year programs.
- **Talent Attraction:** Talent looking at the area will see that opportunities to learn and grow are available and accessible in the region.

Recommendations:

- Build awareness among partners, employers, and the community about Micro-Credentials and encourage more of them.
- Educational institutions should partner with economic development, workforce development, and others to create and offer micro-credential courses.



Focus: Integration Skills -----

Ask any employer about their talent needs, and the first thing they will say is that they need someone who will learn what needs to be done, work hard, and be reliable. These talent needs have come to be known as “soft skills,” as opposed to the “hard skills” that are specific to occupations (i.e. knowing QuickBooks for a bookkeeper or CNC programming for a machinist). The term “soft skills” is misleading though, because these skills are too important to be considered soft – they serve as an essential foundation for success in any type of job.

Prior to COVID-19, most people would agree that these “soft” or “foundational” skills consisted of Teamwork, Effective Communication, Critical Thinking, and Accountability, among others. In August 2022, Forbes published a list of “[Top 10 Most In-Demand Skills for the Next 10 Years.](#)” Their list included Digital Literacy, Data Literacy, Emotional Intelligence, and Collaboration. While these skills have always been important, it appears that the pandemic -- with its upheaval of all kinds of work -- has elevated the need for soft skills even more. With individuals working at home in record numbers, skills such as those listed by Forbes are increasingly important.

As important as these skills are, they are only effective when applied along with hard skills as well as with each other – when they are *integrated* in a cross-functional manner. Accountability is necessary to be a good locksmith, but so are resourcefulness and manual dexterity. Teamwork is necessary to work in sales, but so are persuasion and product knowledge. Without integration across multiple “soft” and “hard” skills, no one could perform on any job. Thus, the recommendations below introduce the term “Integration Skills” as the new lexicon for regional conversation, planning, and programming in Talent Development.

Current State

Currently, Talent Advancement partners in Northwest Michigan recognize the importance of Integration Skills to workforce success. Education providers emphasize them in curriculum and graduation requirements; all partners hear directly from employers about how critical they are. However, proving that an individual has Integration Skills and can apply them on the job is very difficult. There is currently no collectively recognized means of verifying that an individual possesses those skills.

Future State

<p><i>How will training in Integration Skills contribute to Talent Advancement?</i></p> <ul style="list-style-type: none"> • <i>Talent Development:</i> Talent will learn the type of skills that will help them to succeed regardless of their occupational field. • <i>Talent Retention:</i> Employers will see less turnover; talent is more likely to retain jobs and stay with a local employer. • <i>Talent Attraction:</i> Talent seeking to move here will have access to a credential that proves their ability to integrate soft and hard skills. 	<p><i>Recommendations:</i></p> <ul style="list-style-type: none"> • Increase awareness about the need for Integration Skills among youth and job seekers. • Develop a means of identifying and verifying mastery of these skills, such as an Integration Skills credential.
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Focus: Company-based Training -----

In order to increase the skills of the local workforce, companies should work with educational institutions to offer training opportunities. This is a win-win, allowing workers to obtain new skills and employers to grow their own talent.

Examples of company-based trainings range from a one-day workshop on customer service to weeks-long trainings on operating new equipment. Another type of company-based training is Apprenticeship, which consists of both formal instruction and on-the-job time with a mentor. Apprenticeships have evolved over the past few decades beyond the traditional union-based training, and applies to more than just the trades. Most occupations are “apprentice-able,” including Certified Nurse Aide, Software Developer, Beekeeper, and much more.

Regardless of the type of training, companies that offer their employees an opportunity to grow tend to have a stronger positive culture. Investing in talent offers many rewards in terms of productivity and profitability, including improved employee retention. In a recent [LinkedIn Survey](#), 68% of employees said they prefer to learn at work, and 94% said they would stay longer at a company if it invested in their career.⁶

Current State

Most postsecondary institutions in the region have a department dedicated to working with local businesses on their training needs. There are also regional entities that offer training across all of Northern Michigan (The-Center). However, many companies are too small to use these services, needing training for only one employee at a time. In order to be cost-effective, trainings must have a minimum number of students. If a company has only one or two employees in need of the training, then the class can’t occur.

Local Highlight

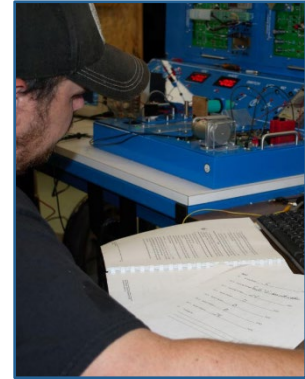
West Shore Community College (WSCC) has overcome the challenge of requiring minimum numbers for a class – they can train one employee at a time. Their long-standing Employer Relationships led to the development of an Open Entry / Open Exit model that combines online learning with hands-on instruction. “This program was created to meet the immediate training needs that many of our local companies desire,” says Crystal Young, director of the [WSCC Business Opportunity Center](#). “It is flexible and responsive, so an employee can be hired one day and enroll in the program the next.”

WSCC stocked a facility at their campus with equipment that local companies use, funded by a grant and supported by the companies.

⁶ Workplace Learning Report 2018, LinkedIn Learning



The [OE/OE program offers classes](#) in Production Technician, Mechatronics, and Supply Chain Logistics, among others. “About 12 different local companies regularly send their new hires through some or all of the courses in a particular program, with many others using it as-needed” says Young. The model provides both non-credit and credit courses, many of which can be used toward a certificate or degree.



Future State

How will Company-based Trainings contribute to Talent Advancement?

- *Talent Development:* Talent will learn new skills so they can grow in their field.
- *Talent Retention:* Talent will be more likely to stay with a company, and thus stay in the region, if given the opportunity to learn and grow.
- *Talent Attraction:* A critical mass of companies that are great to work for because they offer ongoing learning is appealing to talent from outside the area.

Recommendations:

- Educational institutions should leverage their improved employer relationships (see [Employer/Education Relationships](#)) to develop customized, flexible trainings to meet the needs of local companies.
- Companies should take advantage of micro-credentialing programs to offer their employees short-term learning opportunities that result in a badge, certificate, or other type of portable credential.
- Smaller companies should work together; if multiple companies each send one or two employees to training, they can collectively fill a class.



Strategy 3: Employer Connections

Employer Connections consists of three focus areas: *Employer/Education Relationships*, *Student Experiences*, and *Workplace Culture*. Each of these is described in detail on the following pages.

While the strategies in this report are not presented in any particular order, Employer/Education Relationships should be considered a priority. It is the pre-cursor to many others, including Micro-Credentials, Company-based Trainings, and Employer-based Student Experiences. By developing and maintaining robust relationships with employers, the education sector can thoroughly understand their needs. This will lead to programming that is much more responsive, ensuring that students are learning the right skills and are connected to employers in the region.

Workplace Culture is a new strategy for this updated plan. In our post-COVID world, and after experiencing the impacts of high turnover due to burnout and employee dissatisfaction, employers are desperately seeking ways to better engage their workforce.



Focus: Employer/Education Relationships -----

In order for education and training programs to adequately prepare talent for their chosen occupation, teachers, counselors, administrators, and others must have a comprehensive understanding of employer needs. An education institution's relationship with local industry is a critical factor in whether programs are successful.⁷

The benefits of strong, sustained relationships between employers and education are many. They pave the way for student experiences, such as internships and co-ops. They offer teachers and learners alike a view to real-world application of academic concepts. In some cases, project-based learning occurs, allowing students to help a company solve a real problem and improve its ability to operate. Along the way, students are connected to local companies, where they see opportunity for a career in the region.

⁷ A [study of workforce programs](#) in California shows that connections with industry partners is one of four characteristics that successful programs had in common. This is one of many studies providing evidence of this critical factor.



In addition, innovative frameworks can be developed or emerge from stronger employer relationships. The learning that occurs in both directions can reveal a need for a Micro-Credentialing course, a customized training program, or a new certificate or degree.

Current State

Most education institutions use advisory groups to provide knowledge on current practices and skill needs. However, those groups meet once or twice per year, which doesn't keep pace with the constant change in most industries. In addition, there can be a "language" barrier – employers don't speak in curriculum terminology, putting the onus on instructors to translate employer needs into classroom activity.

Economic development and workforce development entities maintain strong employer relationships in order to understand their needs. This can be of great help to education, but doesn't replace a direct connection to local employers who are seeking trained completers of their programs.

Future State

How will Employer/Education Relationships contribute to Talent Advancement?

- *Talent Development:* Talent will learn in a way that is better connected to real-world application.
- *Talent Retention:* Talent will be connected to local companies prior to completing a training program.
- *Talent Attraction:* Talent looking to move to the area will see a well-networked system of training programs that are connected to local employers.

Recommendations:

- Wherever possible, educational entities should commit resources to improving relationships with employers, such as hiring navigators based on the Brookings Institution report (see below).
- Develop frameworks that improve connections between teachers, counselors, administrators and others with local employers. This may include increasing the frequency of advisory group meetings, offering teacher externships, and increasing school leadership involvement in employer-based groups (chambers, industry associations, etc.).

The Brookings Institution created a "[Toolkit for successful community college-employer relationships.](#)" This report recommends that community colleges establish high-level Navigators who serve as liaisons between the college and local industry. This navigator can be the translator to cross the language barrier, as well as steward relationships and facilitate connections all year long. While dedicated positions may be a financial hardship for local colleges or other training institutions (i.e. Career and Technical Education), the premise of committing resources to develop and maintain relationships still applies.



Local Highlight

Baker College of Cadillac has a long history of prioritizing employer engagement. It is built-in to the fabric of the institution, and modeled from the top: Campus President Kelly Smith works diligently with local companies and spreads the message to the entire community that the college is willing and able to partner. This creates a college culture that recognizes the need to engage with local companies and the resulting benefits. Standard practices across the college range from requiring all students to complete internships to connecting faculty with local companies to partnering on apprenticeship programs such as [MAT2](#).



Mark Lagerwey (left), Associate Director of Business Development and Katelyn Richard, Employer Relations Specialist

It's not easy, though, to develop and maintain relationships with employers that are this productive. "Cultivating relationships takes time, resources, and intentional connection. That's why we dedicate staff to stewarding those relationships, like Mark Lagerwey and Katelyn Richard" says Smith.

Lagerwey and Richard (pictured) have a charge from Smith: to be good listeners and always seek innovative ways to support employer needs. Their efforts are reminiscent of a philanthropic foundation's stewardship of donors: "I find that continuous touch back to our partners and employer base is key in letting them know we genuinely care about their needs, their workforce and them as an organization and individual," says Richard.

Ultimately, the purpose of employer engagement is to ensure that curriculum is aligned with employer needs. But employer relationships such as those held by Baker College of Cadillac provide so much more; they turn the college into a key instrument of employer success with improved responsiveness, customization, and most importantly, critical opportunities for students to enhance their learning and connect with local companies.

Strategy: Employer-based Student Experiences -----

When students take part in activities that connect them to local employers, the benefits are many: Employer-based student experiences offer real-world learning of applicable skills, enhanced awareness of career options, and a direct line to employment with local companies.

Studies abound showing the importance of this type of experience for career success. Internships in particular are believed to improve a student's prospects, in part due to the mentoring and networking that occurs. However, any experience that places a student in a work situation, directly applying their academic knowledge, provides an opportunity for learning that cannot be replicated elsewhere. In addition, the employer sees a student's ability and gauges their fit with company culture prior to offering employment.

Current State

There is overwhelming interest and support among stakeholders in the region for increasing career awareness among students; there are many efforts occurring around career exploration. However, career awareness is only the starting point – there must be intentional efforts to not only expose students to careers, but to directly connect them with local employers. This can be done through a



variety of experiences, such as project-based learning, co-ops, and internships. These same efforts can support talent attraction through internships that bring in students from universities outside the area.

One barrier that prevents more student experiences has been identified as lack of clarity for employers – what role do they play? What are the guidelines for projects, internships, co-ops? How do they get involved in the first place?

Future State

How will Employer-based Student Experiences contribute to Talent Advancement?

- *Talent Development:* Talent will learn through real-world experiences and applications due to company-based projects, internships, etc.
- *Talent Attraction:* Talent from outside the area will connect with local employers through internships; families looking to move to the area see a well-networked education system providing career opportunity for their children.
- *Talent Retention:* Students will build long-term, sustainable relationships with local employers that result in jobs once they graduate.

Recommendations:

- Increase opportunities for student experiences that connect them to local employers.
- Share existing frameworks that guide those experiences and give employers clarity in their role, such as internship toolkits; build on them to build improved communication between schools and employers.

Strategy: Focus on Workplace Culture -----

The *Talent Retention* focus of this report so far has been on keeping talent within the region. Families lament the migration of their children away from the area in the name of more and better opportunities, especially when great careers are available here. It's natural to think of retention as the responsibility of schools and communities, making it more appealing to live here. However, it also falls on companies to offer appealing workplaces, improving their retention of existing employees as well as keeping more people local.

Workplace culture is defined as “a pervasive force that influences the way work gets done” ([Gallup](#)). Because it's intangible, culture can be difficult to understand. But its impact is substantial: Several studies show that high turnover, even during the Great Resignation, were due to a toxic work environment ([Indeed](#)). Other reasons are heavily influenced by culture, such as high levels of burnout, poor management, and lack of inclusivity.

Employee engagement is reliant on culture, and vice versa. When employees are truly engaged, they are more productive, have higher levels of job satisfaction, and are more positive about their work. Most importantly, they are much less likely to leave.



Local Highlight

Bill Marsh Auto Group, headquartered in Traverse City with five locations across the state, has a pretty straightforward mission: “to create memorable experiences... every customer, every day.” This laser focus on the customer’s experience is what sets them apart not only from other car dealerships, but also from other employers.

A recent Gallup poll indicates that only 33% of US workers feel strongly connected to their company’s mission and purpose. It’s no coincidence that this low number coincides with what some are calling the Great Resignation (or, as Gallup puts it, The Great Reshuffle). Employees increasingly value a positive, supportive workplace culture and will go elsewhere to find it.

However, Bill Marsh Auto Group hasn’t seen the turnover that other companies have. They don’t struggle to attract great talent. They - and their employees - are thriving.

Bill Marsh Jr., co-owner (with his two brothers) of the company, says there’s no secret to being an Employer of Choice. He credits the cohesiveness of leadership and their positive attitude. “We have a high level of trust in our leadership team and our employees, and they trust us.” That trust flows from living out their values and keeping their promises, he says.



The mission and purpose of the company is intentionally woven throughout every department, every communication, and every training. Their professional development efforts are extensive: all staff, regardless of position, must go through their self-designed customer service training, delivered by Bill Marsh Jr himself. Annually, Bill Marsh employees receive hundreds of hours of training.

And their strategy aligns with their purpose: sales are not commission-based. Salespeople are viewed as “consultants” paid to help the customer, not to haggle or pressure. They are currently redesigning their marketing efforts to focus on relationships between staff and customers, rather than slick and repetitive advertising.

In other words, the culture at Bill Marsh Auto Group is clear, dynamic, and pervasive. Their values are not just words, but actions. Ultimately, they are an Employer of Choice because employees know what the company stands for and how to deliver on it.

Current State

Companies in the region are recognizing the need for improving workplace culture and focusing on employee engagement. Leaders of the company are the most important aspect of workplace culture – they set the tone and demonstrate its value and impact. In the region, some leaders are seeking new ways of engaging employees and revising their culture. These are often the same companies that are considered “employers of choice” – they have lower turnover rates than their competitors and have a high volume of quality applicants when they need to hire.

However, there is limited awareness and understanding about the importance of workplace culture in the region. Many companies have introduced initiatives that attempt to retain their current employees and attract new ones. This can be misleading: cultural change efforts that are disingenuous actually have the opposite effect – workers will immediately see through anything that is insincere, ultimately resulting in higher turnover. And because it is misunderstood, leaders sometimes focus on initiatives rather than their true culture. It is important not to confuse the two.



Future State

How will a Focus on Workplace Culture impact Talent Advancement?

- *Talent Development:* Talent will learn to recognize the alignment between their values and that of their workplace.
- *Talent Attraction:* Talent from outside the area will view the region as abundant with companies that offer a great work environment.
- *Talent Retention:* Employees will be engaged, satisfied with their work, and therefore stay in the region.

Recommendations:

- Increase awareness about the impact of workplace culture on employee engagement and retention.
- Offer learning opportunities to company leaders to better understand culture and how to improve employee engagement.

Conclusion

Attracting, developing, and retaining a skilled workforce is not an easy undertaking. There are many challenges to this work, not the least of which is every stakeholder's capacity to innovate and collaborate. However, the need is undeniable – with the working age population in decline, a comprehensive and cohesive focus on talent is essential to the region's economic success. And much is already occurring, as described in the "Local Features" sections. Education institutions, economic development organizations, workforce development, and employers are working together to create attraction, development, and retention projects. In order to maximize these efforts and leverage limited resources, partners can use the strategies and recommendations in this report as a compass, targeting and aligning their activities. Collectively, their individual efforts can have exponential impact, ensuring that the talent crisis we currently face quickly becomes a thing of the past.