



Roadmap for
Economic
Growth
Partnerships in
the Greater South
Wood County
Region

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I. Overview

This spring, FutureWorks was asked by the Workforce Central Funders Collaborative and its Partners to produce an “economic snapshot” of the region’s economic development capacity in south Wood County as the primary focus and in Portage, Wood and Adams counties as an extension of the regional economy. FutureWorks’ research started with an understanding of the unique history of the community and its past dependence on a single industry – pulp and paper – to provide good jobs and economic security. Unfortunately, the changes wrought by the global economy and advancing technology have caused substantial upheaval in the paper industry and, subsequently, in the community. The demand for jobs has shifted away from the traditional – and lifelong – careers in paper manufacturing, and while some paper jobs remain, the skill requirements for those jobs has changed rather dramatically. Additionally, the proportion of paper manufacturing jobs has declined relative to the number of jobs offered in that industry in the past. Thus, the economic dislocation of the region began well before the recent recession, which, unfortunately, has served to deepen the region’s pain. FutureWorks grounded its research on this background, but following that focused on the present by investigating the challenges the region now faces in creating a “new economy” with a more diversified job and skill base.

During May and June 2011, we reviewed relevant research and conducted interviews with key stakeholders at the local, regional and state level and focused on understanding:

1. What strategies are in place (or under discussion) to grow the economy and how are they being executed?
2. Who are the key economic development actors in the region and what is their capacity to lead and/or work together to grow the economy?
3. How could the new Governor’s economic development strategy affect the strategies and plans of the Wood County area?
4. How do the region’s economic development strategies connect to Workforce Central’s sector training strategies?

In July, our findings were reviewed by the Workforce Central Funders Collaborative and in August this “roadmap” was developed for partner organizations and the community.

This roadmap is not a detailed strategy of economic development actions, per se, but rather our start-up recommendations for the south Wood County region and its environs. It looks at the strengths of your local institutions and suggests ways to increase the capacity of your economic growth and job creation efforts. It identifies key economic development actors in the region and assesses their capacity to lead or work together to grow the economy. And it provides examples of other regions that are attempting some economic growth initiatives that are aligned with job creation and workforce development. Thus, while it may seem as if the requirements of creating a new growth strategy require a great deal of thinking and energy, we can assure you that you are in good company and following a path others have taken before.

However, it will be up to all of **you** – the leadership of Wisconsin Rapids – to develop a specific, customized economic growth strategy that you will “own”. In sections III and IV of this report, FutureWorks provides steps for starting that ownership process.

II. Recap of Research

The following is a brief summary of FutureWorks’ research findings. These findings were generally similar across the region, with a few semantic differences and levels of passion for individual issues. FutureWorks and its research sponsors believe they are representative of the region’s thinking about what is working and not working, currently, and can be used as a starting point for focusing efforts to attempt a realistic and supportable strategy for partnerships in growth and job creation.

Findings

1. While the economic development capacity of the area has been limited, there are new opportunities for capacity building.
2. There is widespread agreement on reversing the loss of jobs and talent for the region even as there has been, to date, little agreement on how to proceed, although there is consensus on a basic strategy for moving forward.
3. There are assets in the region which can be utilized for economic growth but are, at present, underutilized.
4. There are a number of groups in the community that can provide support.
5. There are a number of resources outside the immediate community that can provide support.
6. There are opportunities for growth that can build on industry sectors already experiencing growth in the region.
7. The timing is right to begin this work.

There is energy and enthusiasm for a renewed focus on economic growth and jobs within and across the region’s counties. There is also recognition that what might have worked in the past will no longer be sufficient, and that there must be a sound plan, an agreed-upon set of actions, and strong leadership in order to move forward.

Now is the time to be creative as well as analytical. The community’s choices should be based on sound data and realistic thinking about how best to (re)create an economic infrastructure that will transport the region into its desired future. Some of the pieces are already in place and a few will need to be built. But as FutureWorks has observed, it is entirely within the

capacity of the region to achieve its economic goals if a sound strategy and implementation plan are put into place.

III. Recommendations for A Growth Roadmap

FutureWorks' experience in facilitating economic growth and workforce development initiatives gives us reason to believe that the potential to reinvigorate Central Wisconsin's economic growth strategies and activities is robust. In regions as varied as Northeast and Southeast Ohio, Portland, Oregon and Vancouver, Washington and western and southeastern Pennsylvania, we have observed or facilitated regions' attempts to strengthen their economies and connect those growth efforts to their workforce development efforts. These efforts demonstrate some common elements that can be helpful to Central Wisconsin.

Common Elements of Regions' Growth Strategies

1. They include public as well as private actors in their planning, implementation and funding. For example, partners include business associations, chambers, philanthropy, community colleges, workforce investment boards, unions, government, community organizations, financing institutions, and economic agencies.
2. Their efforts are generally inclusive, but they appoint specific leaders and decision-makers to councils, boards or organizations to streamline and facilitate planning and implementation, and to provide accountability.
3. They start by inventorying their existing resources and their potential growth areas, and begin by growing what they already have before considering other sectors or industry clusters without a proven track record in the region.
4. They do not "choose company winners" by identifying specific businesses to support, but rather aggregate industry sector needs and create solutions that benefit the entire sector, cluster and economy.
5. They diversify their financing by seeking support at the local, state and federal level, as well as from public and private funding sources.
6. They include analyses of labor market demographics, including age, labor shed movement, income distribution, and necessary skill or education levels in their planning.

Relevant Examples for Central Wisconsin:

Fund for Our Economic Future: Frustrated by the increasing number of families in need and the continuing loss of jobs, the philanthropic community decided to collaborate on an effort to revitalize their regional economy, which includes 16 counties in Northeast Ohio. In 2004, this

collaborative of funders developed an economic growth strategy for the region that involved 20,000 residents in a process called Voices & Choices. The priorities identified by residents were aligned with professional in-depth economic research, which identified key factors in regional economic competitiveness. Those strategies and initiatives were incorporated into a [Regional Business Plan](#) that the Fund developed with their Advance Northeast Ohio partners in conjunction with the Brookings Institution. To help carry out their strategy, members have pooled their funds to support six intermediaries, each of which is focused on a critical aspect of economic growth, such as supporting the start-up of new businesses, promoting the development and adoption of new technologies, and making manufacturing more competitive. Their regional talent development goals include engaging and empowering education, workforce and economic development providers to support and sustain a system that increases educational attainment, continuous learning and the confidence and quality of the workforce of the region. Funding comes from the private as well as the public sector. This effort has demonstrated that foundations can play an important catalytic role in economic development through convening key players and by funding critical institutions.

Wayne County (OH) Economic Growth Partnership: Following the steady loss of manufacturing jobs in their largely rural county, and spurred to action by the loss of a major employer, community leaders banded together to turn the situation around. They decided not to chase “home runs”, but to focus on “singles”, building on what was already working well. They also decided that they needed a “real pro” to lead their economic development efforts – someone with a lot of experience elsewhere who could spot opportunities as they came along and organize people to act on them. Looking back, they say that there were two key decisions that led to their success – finally deciding to do something for themselves, and getting the best person they could find to lead the work.

OH-Penn Competitiveness Council: Faced with economic distress in a five-county region straddling the Ohio and Pennsylvania state line just east of Youngstown, local workforce boards, local elected officials, chambers of commerce and economic development leaders have formed a partnership to turn things around. Through their Business Resource Network, they are gathering information from manufacturing firms about their needs and any opportunities to support their expansion and growth. That information is shared with a network of service providers, who have agreed to respond in a coordinated fashion. The Council also uses the information it collects to identify issues of common concern among manufacturers and labor market trends, helping them make sure that they are investing their scarce resources where they can make the biggest difference.

Portland-Vancouver Region Comprehensive Economic Development Strategy (CEDS): An advisory committee of regional leaders representing the public, private, and non-profit sectors undertook, this year, to develop a comprehensive regional economic development strategy that would leverage existing infrastructure and build additional economic development capacity for the region. More than 51 percent of the advisory committee was made up of private sector leaders, and the lead organization was the newly created Greater Portland Inc., a public-private economic development entity. GPI provided staffing and support to the advisory committee,

technical expertise to the development of the report, and coordinated the process, production, and completion of the report, which describes growth opportunities in industry clusters and ideas for implementing a cluster strategy in cooperation with the workforce development system.

South Central Pennsylvania and the Packaging Industry: The dislocation of a large group of workers by the closure of a major manufacturer was the impetus for a group of over a dozen existing industry partnerships to explore – together – ways to integrate these workers in new career paths for the region’s rapidly growing packaging industry. This packaging industry touches all of their manufacturing businesses, as well as the packaging materials producers and tracking device manufacturers (such as RFID). Spearheaded by the workforce investment boards, the collaboration began in 2007 to identify existing resources, gaps where new resources need to be developed, and partners in the education and economic development systems to help develop an innovative system to support the potential of packaging technology for the region’s growth and jobs. Partners include the region’s four chambers of commerce, the Manufacturing Extension Partnership centers, the Pennsylvania Department of Community and Economic Development, the Technology Council of Central Pennsylvania, the Ben Franklin Partnership (a technology-based economic development program), and business representatives from their industry partnerships (which are partnerships similar to Workforce Central and their CEO Peer Council). Funding includes money from the state’s Industry Partnerships legislation, passed into law by the state General Assembly, and funded by the state’s General Fund budget, as well as a one-to-one match from the private sector companies that participate in the training.

Based on the successes of these other regions – which are in varying states of implementation – FutureWorks makes the following recommendations for Central Wisconsin about some basic, but critical, steps for its own economic growth planning process.

Basic Planning Steps for Central Wisconsin

1. There is a need for a “first among equals” lead organization to help marshal resources of all kinds – intellectual, factual, financial, industrial, political, public and private – and spearhead the growth strategy.
2. The community should hire a highly skilled economic development professional, who has the trust, respect and necessary experience to provide sound and tested advice, and to spot opportunities for the region.
3. While time is of the essence in order to reap the benefits of the state’s new economic growth strategy, the plan to be put into place should be open and inclusive, although planning and decision-making must be officially relegated to a cadre of leaders experienced in economic development and administration.

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4. A coalition of key stakeholders must work together to generate political and financial support for a community-wide joint venture.
 5. The tightly focused strategic plan must contain measurable goals and/or outcomes against which success can (and will) be measured. Responsibility and accountability must be determined for the partners.
 6. The biggest economic driver in the community is manufacturing and there are a number of assets in the community to support the industry and its local supply base. Thus, growing the manufacturing base can provide some quick wins, even as the region investigates other opportunities for growth and jobs.

IV. Next Steps

Now What?

Planning for the region's economic development priorities should begin with the identification of a lead organization that has the expertise and capacity to conceptualize, convene, develop, and implement the community's economic priorities. These priorities must effectively incorporate the community's workforce development priorities, and an economic development expert should be identified to optimize opportunities for growth and job creation. If no organization exists with the critical economic development capabilities, the community should consider "incubating" the type of organization it would like to see in this role.

The following is a **checklist of priorities** that can be used to kick-start your thinking about how the region's economic infrastructure should be organized.

Identify:

- *A lead organization* – a first among equals among all the main partner organizations based on expertise and capacity.
- *A trusted and experienced economic development professional* who deeply understands economic planning and can spot opportunities and make things happen, starting with manufacturing and your other priority sectors.
- *Tiered levels of partner organizations* such as those whose participation is critical at every juncture and those who should simply "weigh in". These partners could be Mid-State Technical College, the CEO Peer Council of Workforce Central, civic engineers such as that at Port Edwards, the local banks as well as the community financing development corporation, the mayor's office and the city council, chambers and other business associations, foundations, the WIB, primary and secondary education institutions, and service agencies.

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- *Protocols for decision-making.* These do not have to be legal contracts, but they must be protocols endorsed by the decision-making body that will demonstrate a transparent process.
 - *Phases for implementation.* Do not try to swallow the entire elephant immediately.
 - *Communication methods for internal and external audiences.* It will be imperative to keep everyone who has a stake in this effort abreast of the progress being made (and obstacles to overcome).

Assign:

- *Responsibilities and accountability to various partners.* Make sure everyone has “skin in the game”.
- *Deadlines for start-up and intermediate goals.* It is good to have a vision, but remember that as you work toward that vision, the economic conditions may change again. Don’t box yourself into today’s problems tomorrow.

Create:

- *New ways of working together among the partner organizations.* There is a valuable shared history in the region that can be built upon, but it should not be allowed to constrain new ways of achieving the region’s goals.
- *New capacity where gaps are identified.* The research identified some gaps in expertise and capacity; it will be up to the leadership to plug those gaps in order to fulfill its goals.
- *New norms for community or regional collaboration.* One of the hardest obstacles to overcome is jurisdictional boundaries. But working across them collaboratively will leverage resources to greater effect, and should create win-win situations.
- *New goals for economic growth and job creation* beginning with “the doable” before moving on to “the desirable”. The region has a strong manufacturing base and should begin its growth efforts there. This does not preclude planning for additional growth sectors, however.
- *A clear and tightly focused plan* in which everyone understands the goals, outcomes and their role in its success.

Seek Support From:

- *The Wisconsin Economic Development Corporation.* See their new strategic plan for ideas on how they can support your work (www.wedc.org).
- *Federal agencies* such as the U.S. Department of Commerce, but also the White House’s Rural Council or the U.S. Department of Housing and Urban Development’s Rural Innovation Fund. In spite of federal debt decisions now being made, there is still a

mandate in these offices to support rural economic development. For example, the White House recently announced that the Small Business Administration will be doubling the capital going to rural businesses through the Small Business Investment Company program, with no cost to tax payers.

- *Philanthropy* (local, regional, national). Many foundations are interested in supporting economic growth, especially as it pertains to family and community economic security (e.g. employment). The Fund for our Economic Future in Northeast Ohio has invested \$8 billion dollars into their regional initiative over several years. The Ford Foundation’s Rural Wealth Creation initiative is a promising example of national foundations’ interest in supporting rural economic growth.
- *Private sector contributions* (in-kind or financial). The USDA, SBA, Treasury, Interior and other relevant agencies have announced they will create rural capital “marketing teams” that will pitch federal funding opportunities to private investors. These teams will leverage existing personnel with expertise about rural funding sources across all federal departments and agencies. Also, local companies should be willing to donate time, expertise and funding to community efforts as part of their business or corporate social responsibility strategies. In the first half of 2011, at the Fund for Our Economic Future, \$50 million was raised in venture investments from regional healthcare companies, and in 2010, \$237 million was raised from companies in northeast Ohio in venture and angel investments.
- *Other national and regional models*. The Brookings Institute Metro Business Planning Initiative could offer a useful model (http://www.brookings.edu/events/2011/0411_metropolitan_business.aspx).

Conclusion

The roadmap laid out here (common elements, basic steps, priorities) is only your starting point. Much work will need to be done quickly by the community and its partners to identify a more concrete plan for growth and jobs. FutureWorks recommends that you consider starting with your manufacturing base, which shows much promise for job creation.

This roadmap provides some recommendations that have worked in other communities and could also work in Central Wisconsin. You have, for the most part, many of the necessary assets, yet it will be very important to the community’s success to find a balance between inclusiveness and action, collaboration and fluid leadership. But, at the end of the day, clear decisions will be imperative to achieving progress. A considerable level of trust has been engendered in the community through the Adaptive Leadership Process and this process should be continued as it facilitates the “airing” of diverse thinking and ideas, but also supports agreement and collaboration for taking action.

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