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Agricultural Outlook Forum

Presented: February 17, 2006

TALENT DEVELOPMENT LEADING TO ECONOMIC GROWTH IN RURAL  
COMMUNITIES

Joe Sertich  
President  
Rural Community College Alliance

**Speech**  
**Dr. Joe Sertich, Presenter**

**TALENT DEVELOPMENT LEADING TO ECONOMIC GROWTH IN  
RURAL COMMUNITIES**  
**Agricultural Outlook Forum**

**Rural America: Can Rural America Meet the Demand for Skilled  
Workers?**

Talent Development is a key strategy that could lead to economic growth in rural communities. As Chair of the Rural Community College Alliance and a president of five rural community colleges in Northeast Minnesota, I will share my thoughts and experiences regarding community development that leads to economic growth across rural regions in our country.

The five colleges who share me as their president are members of Minnesota State Colleges and Universities (MnSCU), one of the largest public higher education systems in the country. On October 1, 1999 the MnSCU Board of Trustees created the Northeast Minnesota Higher Education District as an experiment to address the ever increasing pressures put on smaller, rural community colleges. The competition for funding and students across the state, which has five million people, was shifting from rural to metro regions. Great support for this regional innovation governance structure was encouraged by the area legislative delegation, enabling this kind of governance transformation within the higher education system. The five colleges comprise over 4,000 Full Year Equivalents and a headcount of about 9,000. The total rural population of 130,000 across the region has an above average participation rate in higher education at our 5 colleges. The five colleges include Rainy River Community College in International Falls, Hibbing Community College in Hibbing, Itasca Community College in Grand Rapids, Mesabi Range Community and Technical College with two campuses, one in Virginia, MN and the other in Eveleth and Vermilion Community College in Ely.

My comments here today are dramatically affected by my involvement in the Rural Community College Alliance. The Rural Community College Alliance is a nationwide membership organization of rural serving two-year colleges with more than 80 members from coast to coast. The Rural Community College Alliance is moving to become a national voice supporting colleges and

communities seeking to advance their co-destinies. At last year's annual conference a major step in the national rural college movement was taken with the unveiling of the National Institute for Rural Community Colleges. Rural community colleges are deeply connected to the people and places they serve with more than 900 campuses across the nation and these institutions represent the face of rural America. The National Institute will develop regional and national leader formation programs. Much of this can be built off the work that the Mid-South Partnership already has in place. It will also conduct and sponsor policy research and analysis. Connecting practitioners to researchers in a formal way is something oftentimes aspired to, but rarely achieved. It will also identify and encourage exemplary practices of rural community colleges. The Institute will also guide and support the development of regional "lighthouse" programs. These 8-10 lighthouses across the country will serve as "on the ground" approaches to demonstration projects and centers of distinction for those issues so critical to the advancement of rural community colleges as economic engines across our country. We will also continue network building by seeking additional international, national and regional partners. And, finally we will provide technical and developmental assistance to rural colleges and to college community partnerships. The current National Institute Developmental Team is comprised of me as Convener, Policy Research Panel Co-Chairs, Malvin Williams and Chuck Fluharty; Practitioner Panel Co-Chairs, Bruce Ayers and Cheryl Sparks. The three founders of the National Institute include the MidSouth Partnership for Rural Community Colleges, the Rural Policy Research Institute and the Rural Community College Alliance. We are committed to promoting regional rural innovation through our virtual institute and lighthouse programming.

Let me tell you more about where I come from and how my values and principles have been formed over the years. I believe strongly that rural America matters, even though less than 25% of us continue to live in the rural regions across this great country. In Northeast Minnesota our region has been recognized for decades as a self-defining area comprised of 13,000 sq. miles and its economy is driven mostly by a natural resource base. Each of us has a special admiration for the area we come from. In my case, it's the great outdoors, the fresh air, the forests, the great four seasons, where there are many wonderful quality of life activities that keep me tied to our region in so many exciting ways. It's mostly about the people. The people who choose to live in rural America, and who are prepared to make many contributions to assure that rural America is not left behind. So whether it's Alcorn State and Mississippi State which make up the Mid-South

Partnership, RUPRI, RCCA, the NIRCC, the NMHED, the USDA or local colleges - We have many voices, but one word ties us together, and that one word is Rural.

In order for rural communities to be healthy, they need five essential components. The first of those five is good government. Good government means a place where people feel that their voice can be heard, whether it's a local school board meeting, a city or village council, a county board or other forms of engagement in the political process. The second critical component is health and social services. This means that an ambulance is available when someone is critically injured or becomes suddenly ill. Medical and other social services are provided as a way of demonstrating that people in our communities take care of one another. The third is education and training. This includes everyone from pre-natal care through Elderhostel and there is a coordinated educational program and opportunities for people to continuously receive the knowledge and the skills they need to be productive citizens in our society. The fourth is community infrastructure. This isn't just the water lines, sewer lines and streets but also includes service organizations and faith-based and community groups with leader development so critical to advancing communities. The fifth, and I would argue the most important, is the economy. I say it's the most important because if you have the other four components and the fifth is missing there's no reason for that community to exist. It will be unable to sustain itself. On the other hand, if all we have is an economy, then all we have are mining camps and logging camps. So, the economy plays a critical role and thus gets at the heart of the subject I'm here to talk about today and that's Talent Development. The skills needed can be developed in each of the people who will make valuable contributions within enterprises which must be globally competitive, especially if we ascribe to Secretary Joe Hanns and Cal Dooley's predication of free, but fair trade.

The question becomes "Can rural folks get what they need in a reasonable period of time?" And, do we respect this sense of place which according to Cornelia Flora involves people, culture, and environment? Rural Community colleges are engaged in building human capital. I believe there is a major difference between talent and workforce. Workforce implies that we have workers who are either unemployed or underemployed and looking for work. Talent, on the other hand, begins to address the "value add" for employers by getting the proper skills through the proper education that's needed to advance an enterprise. I believe a focus on talent development is accomplished by customizing economic diversification plans for each of the many rural regions around this country. It

is an easier way to make the connections between learner/workers and enterprise needs. Rural community colleges develop talent and are demonstrated nurturers of social capital and healthy communities. So, our approaches must be very comprehensive and not just focused on the hard skills needed in specific industries.

Rural community colleges must get ahead of the curve and anticipate market indicators. That's why it's so critical that talent development be connected to market analysis and economic development initiatives through a coordinated approach. In Northeast MN we have created a Joint Talent Development Coordinator. This position will assist regional businesses in locating appropriate resources to meet their workforce needs. This joint position will be shared between Iron Range Resources, a government agency and the Northeast Minnesota Higher Education District. That means we'll each share in the cost and supervision of this joint position. The focus is to ensure that the region is home to a workforce with the talent and skills required by area businesses to successfully compete in the 21<sup>st</sup> century. The position will also ensure that the workforce satisfies the needs of businesses that might relocate to the area. The position is a leadership point of contact to coordinate plans to align educational institutions, especially the five colleges in the District, with regional business and industry and the workers they need to spur and sustain economic development.

Now is the time for leaders to play forceful roles in community development that leads to economic growth for the rural regions they serve. The gates have been lifted for almost every American who wishes to embark on the journey of work. Age, gender and race barriers to employment opportunity have broken down. What little conscious discrimination remains will be swept away soon, not by government regulation, but by the enlightened self-interest of employers. So, more and more individuals now undertake their own journeys through the labor force and talent development becomes a critical commodity that is different from traditional practices provided by unions, large corporations and government bureaucracies. For most workers this "free agency" will be immensely liberating. But for others it will provoke anxiety and anger if not supported by rural community colleges across rural regions so that all workers with the premium on education and flexibility will have the foresight to prepare themselves for the years ahead. Karl Stauber referred to this as a willingness to change. And this is where rural colleges must begin to recognize their unfunded mission which is community development that leads to economic growth. Colleges must

recognize that their mission is to provide quality education not just to learners not just to students but to the communities across the region they serve.

One example I can use from Northeast Minnesota that happened right at the time that we initiated our True North project was the closing of a large open-pit iron ore mine in the year 2000; when 1400 workers lost their jobs. A regional economic community education and workforce strategy branded as True North was prepared to move in with our Workforce Investment Board and begin to work with those dislocated workers and develop the talent they needed to transition to a new life. So in Northeast Minnesota we started by focusing on who we are. We understood we were rural and all the advantages and challenges that come with it. We used a 60 year old agency that had been set up to help diversify the economy. We built on the strong work ethic of the people who were here who had become very resilient, despite the winds of change, so we were building off of core values and traditions. There were consequences to the challenges we were facing. We knew that we couldn't just solve problems; rather we needed to turn those problems into progress by allowing our deep traditions to emerge. We had to get smart about how our economy is making itself up as we were going along and we needed to get behind it quickly to support it. And so it was then that we recognized that as our communities go, so go their colleges -- and vice versa. Obviously, we were dramatically affected by first being prepared to take on over hundreds of new learners at our colleges, but also the threat of having those families move out of our region and us losing our student population base.

You can find many other examples similar to this one anyplace around the country. As a matter of fact, many of our lessons learned came from other colleges engaged in the Rural Community College Initiative and members of the Rural Community College Alliance. Rural community colleges are grounded in the communities of rural America and they hold the trust of those they serve.

Talent development requires a comprehensive approach of matching learner/workers to prospective employment opportunities. So instead of focusing on just specific skills we now look carefully at the transferable skills, past experiences and needs of employers, and create matches in developing talent so as to advantage both the learner/worker and the enterprise.

One of the advantages or challenges can be the extent of connectivity in any given region area around this country. The disparity across this country for connectivity can be very, very troublesome.

One technology example in Northeast Minnesota is the creation of TechNorth Prep Centers on the main streets in each of the five college communities. The Ely TechNorth Prep Center Network site is a perfect example where high visibility, customized training and economic development activities take place under one roof on the main street of a small rural community. When done right this can spur economic growth by convincing companies like Blue Cross and Blue Shield of Minnesota that their back office contract services can be provided right here in a rural community as opposed to outsourcing that activity offshore.

And so visionary leaders with clear economic development strategies need to step forward as part of this public private partnership. These private sector leaders need to be recognized, developed and brought into the conversation. One such activity that was pivotal for our region was bringing over 85 such leaders forward, by the Arrowhead Growth Alliance, through a 2 day economic leadership conference in October of 2002. And so college leaders need to be in a position where they can think regionally and conduct town meetings and be willing to tell the story of what it takes to bring the partners together and carry the vision for a higher quality of life so that rural America can meet the demand for skilled workers. Of course, this takes trust. The first investment must be with people by finding new ways to relate to one another so the end result is a win-win for all sides engaged.

But the key to this new form of governance is creating a new structure where the private sector, higher education and government all feel comfortable working together because of our collective destiny. In order for that to happen, a low threshold inclusive collaborative that is not interested in replacing or taking over for other people or organizations must be created. This is a vital value in initiating any new form of governance. As a matter of fact, right in our state of Minnesota, Manning and others found that collaboration led by college leaders with their communities and better focused missions resulted in the survival of those rural regions. Rural community colleges are used as effective local intermediaries across all sectors. This means transportation, health care, heavy industry, retail and higher education can work together when one steps forward as a catalyst for change.

Rural community colleges need public policy support for their work in community building and human capital. Increased institutional capacity can assist in building sustainable rural communities and will require professional development programming within a rural context. The differential could



be practitioner guided research focused on rural communities and colleges. Entrepreneurship can be a new strategy in many rural regions. Although very popular at the turn of the last century many rural people grew up either believing they'll work on their family farm or for a large company that provided employment in their region. The notion of someone starting their own business, creating their own wealth and working for themselves must be nurtured.

So let's take a look at the lessons learned through this work in process and try to identify where we are now. At least 5 lessons were learned. First, rural America is at a tipping point regarding economic decline. Secondly, entrepreneurship built rural America and now we need to create new "engines of innovation." Also, new technologies can bridge the rural divide. And, business, education and government working together is not a new idea and partnerships can be hard work. Finally, rural community colleges around the nation have emerged as powerful economic catalysts for the communities they serve.

And so as we look at the road ahead we must remember that rural America is at a tipping point. The re-write of the Farm Bill could utilize the 957 rural community college campuses and, rural America matters across the United States. As Dr. Chuck Fluharty and Dr. Bill Scaggs said, "There is a congealing set of forces to combat the sense of hopelessness rural people are experiencing."

And as we fast forward down the road, there should be a recognition that rural community colleges will increase capacity to build, serve, and sustain better places to live, learn, work and grow can play a key role in pulling up all sectors. The evidence of increasing college/community collaborations that improves education and health care can lead to sustainable economic development and civic participation. There are many voices that need to be heard, but the one word that pulls us together is Rural. Our efforts with talent development by working closely with learner/workers and enterprises needing that talent is the strategy that can best serve our future.

I'll take questions later under the direction of our moderator. Thank you.

# Talent Development Leading to Economic Growth in Rural Communities



**USDA Agricultural Outlook Forum 2006**  
**Rural America: Can Rural America Meet the Demand for Skilled Workers?**  
**Crystal Gateway Marriott**  
**Arlington, Virginia**

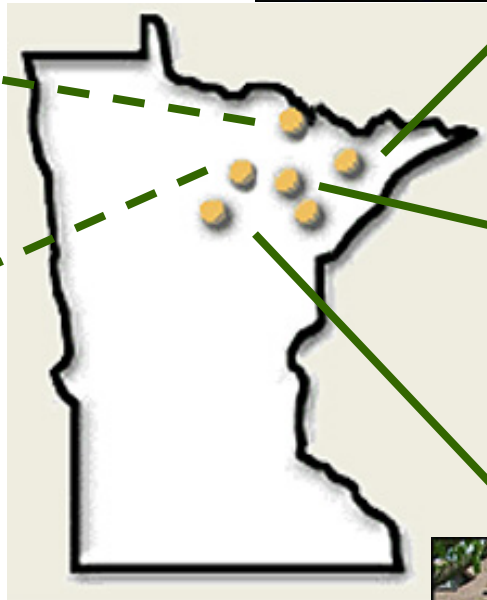
**Joe Sertich, Ed.D., Chair of the Rural Community College Alliance and  
President of  
Northeast Minnesota Higher Education District**

# Trustees Create Northeast Minnesota Higher Education District Effective October 1, 1999



**Minnesota**  
STATE COLLEGES  
& UNIVERSITIES





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**RURAL COMMUNITY  
COLLEGE ALLIANCE**  
**creating opportunities in place**

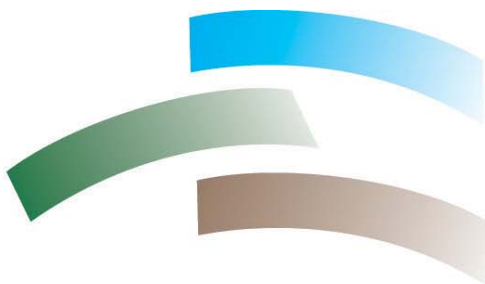
**Chair: Joe Sertich**

**Vice Chair: Cheryl Sparks**

**Secretary: Terry Suarez**

**Treasurer: Bruce Ayers**

**Executive Director: Bill Scaggs**



# The National Institute for Rural Community Colleges

# The National Institute Will

- Develop regional and national leader formation programs.
- Conduct and sponsor policy research and analysis.
- Identify and encourage exemplary practices rural community colleges.



# The National Institute Will

- Guide and support the development of regional “lighthouse” programs.
- Continue network building by seeking additional international, national and regional partners.
- Provide technical and developmental assistance to rural colleges and to college-community partnerships.





# The National Institute Developmental Team

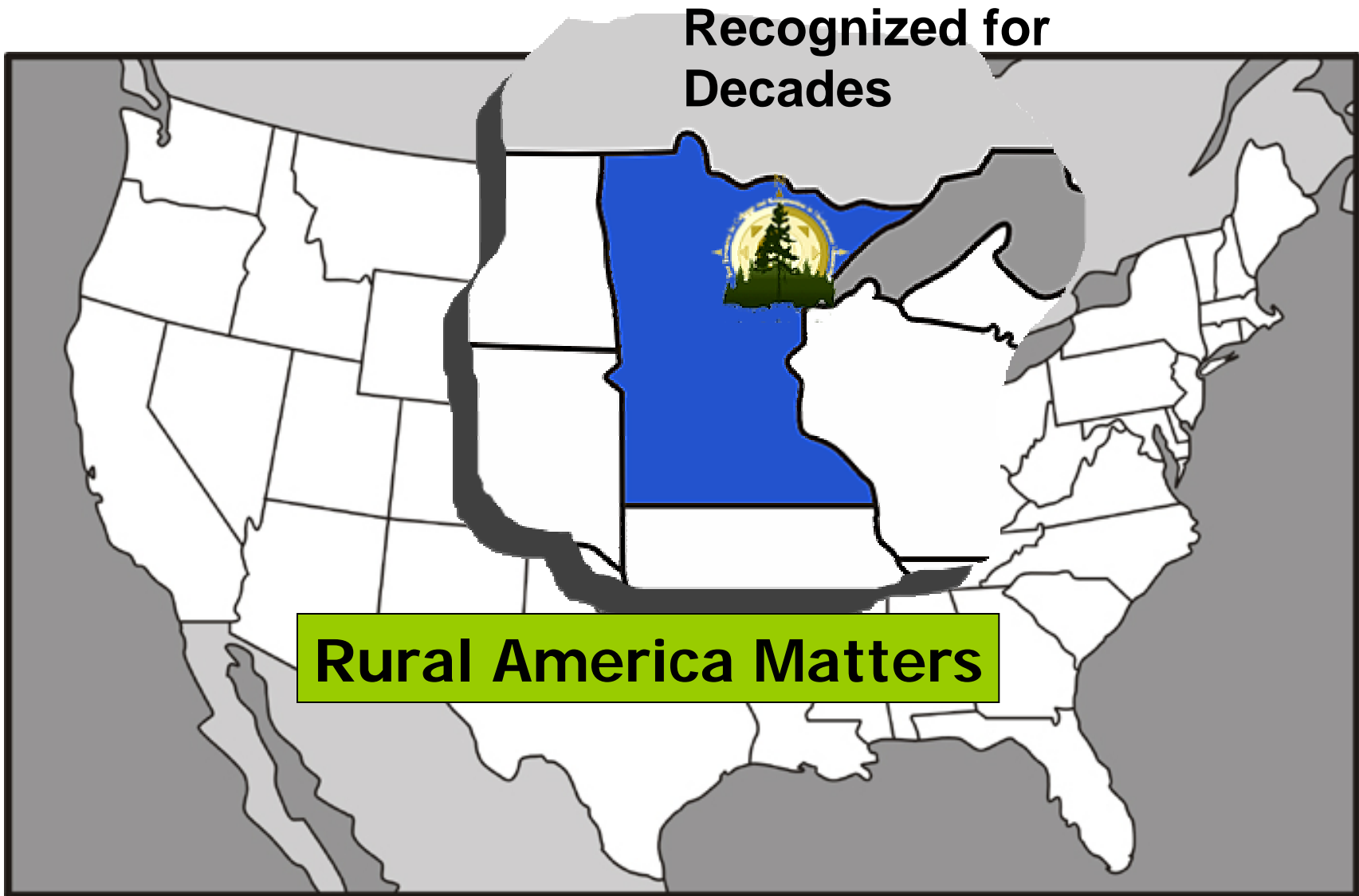


- Joe Sertich, Convener
- Policy Research Panel Co-Chairs:  
Malvin Williams and Chuck  
Fluharty
- Practitioner Panel Co-Chairs:  
Bruce Ayers and Cheryl Sparks

The MidSouth  
*Partnership*  
for Rural Community Colleges



**RURAL COMMUNITY  
COLLEGE ALLIANCE**  
creating opportunities in place

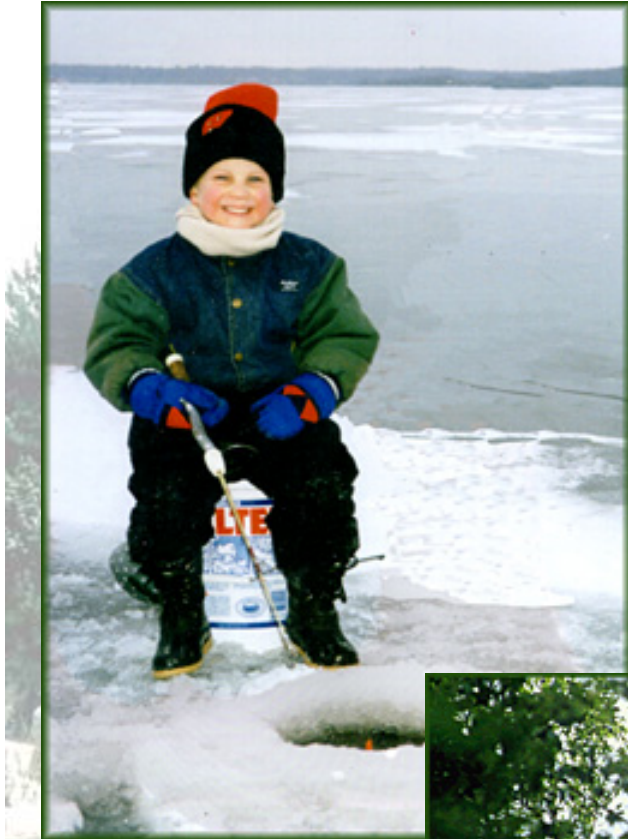


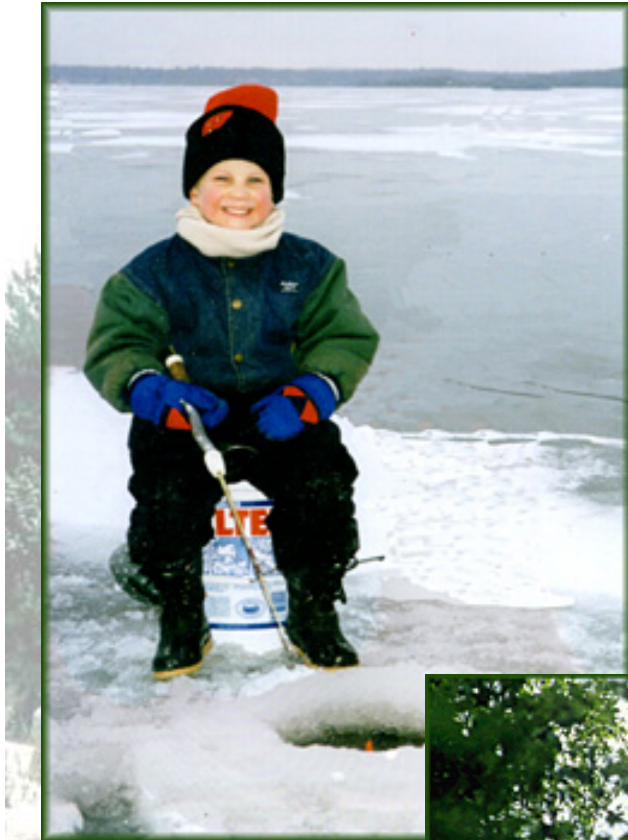
**Recognized for  
Decades**

**Rural America Matters**



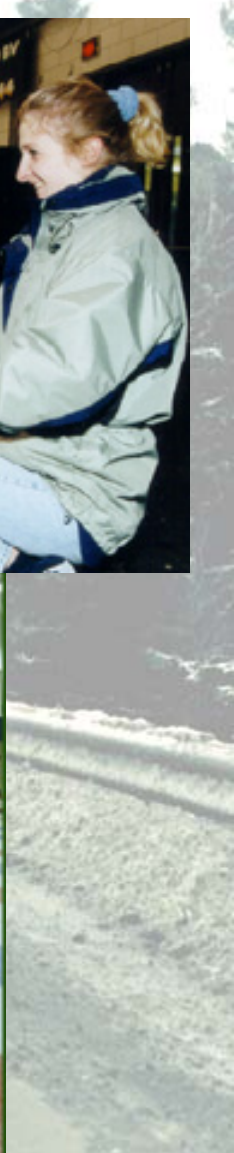












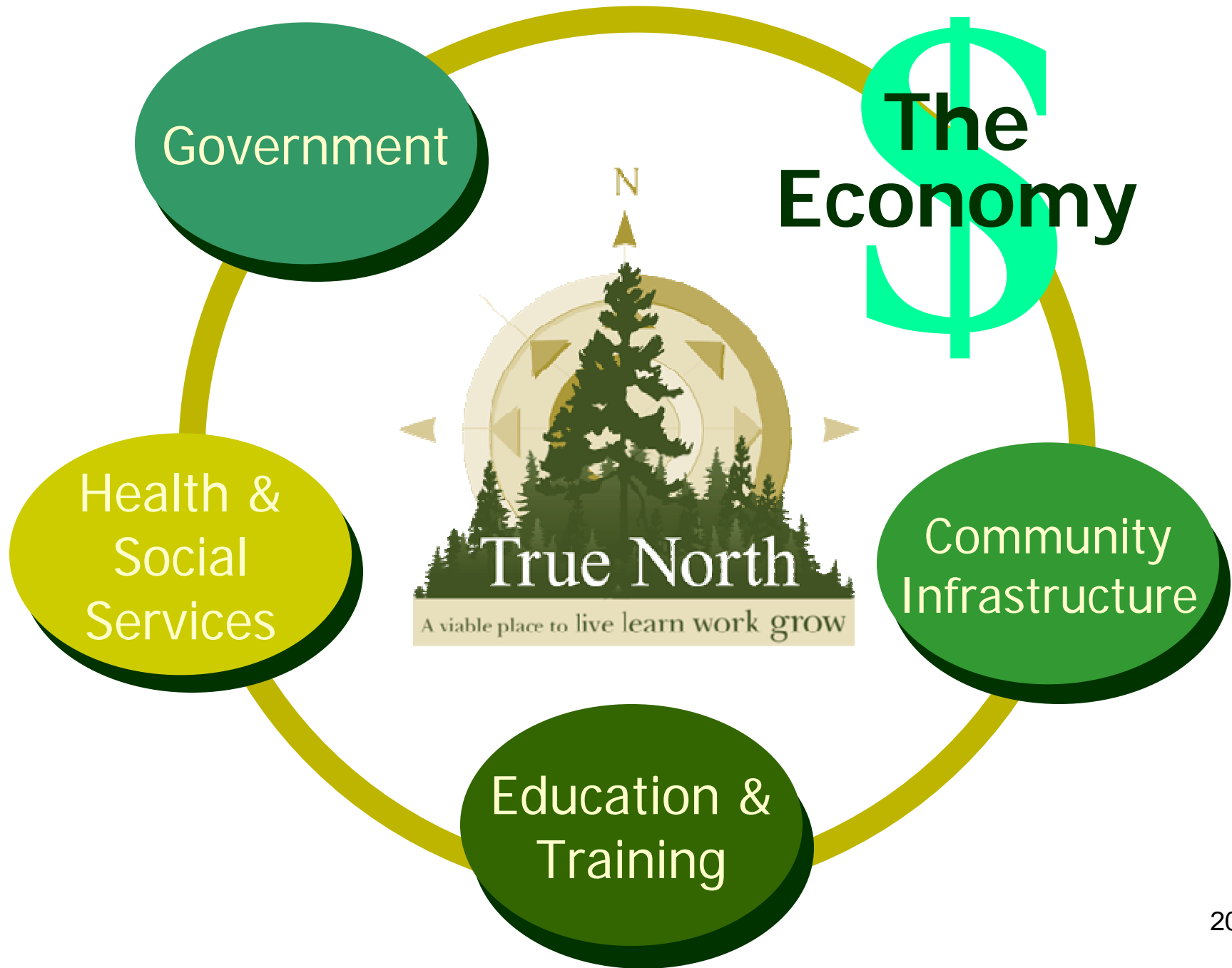




A rural landscape featuring rolling hills. The foreground is a vibrant green field with a single, large, dark green tree on the right. A wooden fence runs across the middle ground. The background consists of rolling hills in shades of yellow and brown, with some sparse trees. The top of the image has a decorative border of vertical bars in shades of blue and tan.

**Many Voices, One Word:**

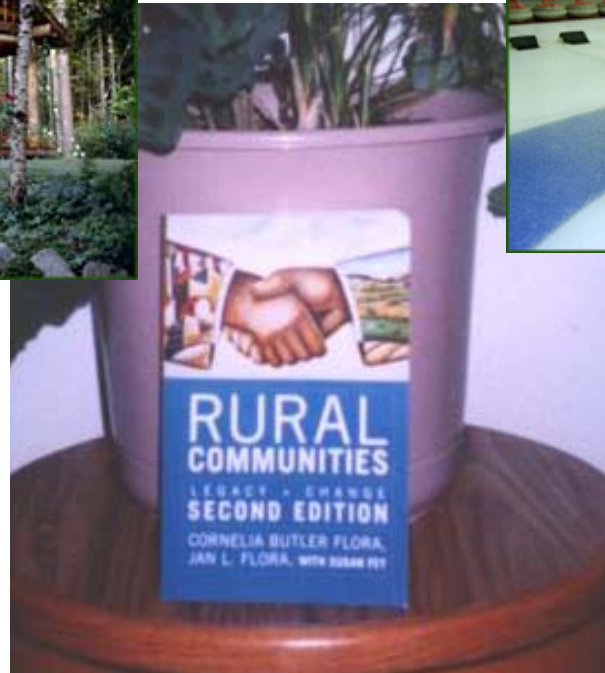
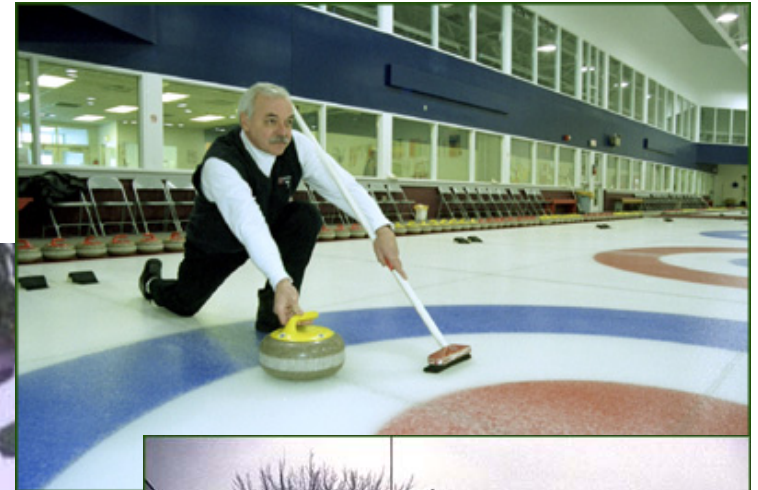
**Rural**



# Can rural folks get what they need in a reasonable period of time?



# A sense of place involves people, culture, environment



**Bonding and Bridging**

# Rural Community Colleges

are engaged  
in building  
human capital.

Talent Vs.  
Workforce?





# Rural Community Colleges

develop talent and  
are demonstrated  
nurturers  
of social capital  
and healthy  
communities.



# **Rural Community Colleges: Anticipate the market indicators**



**Now is the time for leaders to play forceful roles in community development that leads to economic growth for the rural regions they serve.**



# Rural Colleges must recognize their unfunded Mission...

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Which is To  
Provide  
Quality  
Higher  
Education to  
the  
Communities

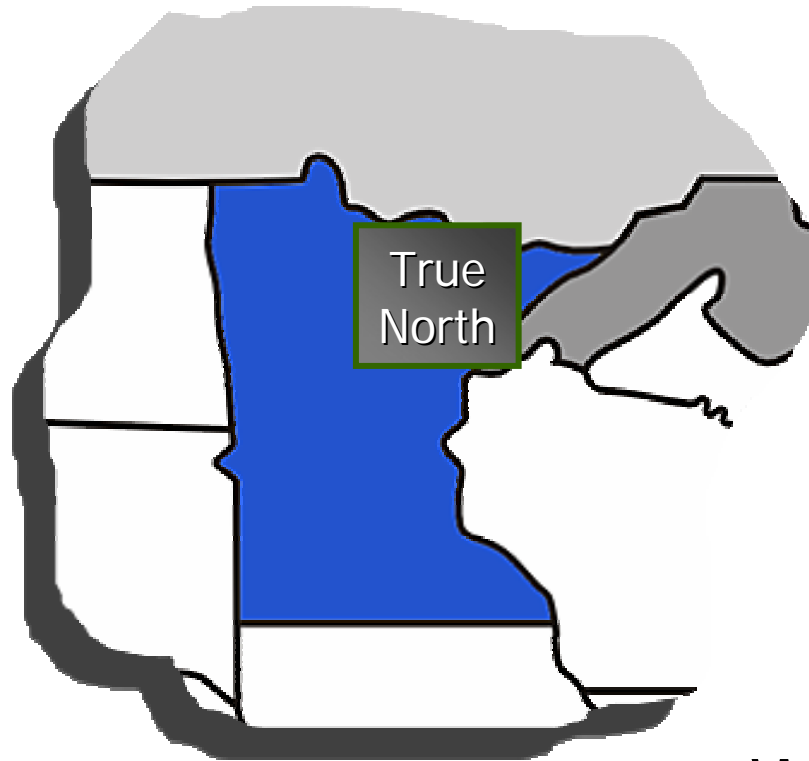


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**LTV mine closed  
in 2000**

**1400 workers lost  
their jobs**



## True North:

A Regional,

Economic,

Community,

Education, and

Workforce Strategy

Regional branded term for public, private and higher education institutions<sup>29</sup>



## Northeast Minnesota

- Rural
- 60 Yr Regional Advocate
- Strong Work Ethic...
- ...Despite Winds of Change
- Reflects on Core Values & Tradition





# Consequence of Challenges

- Turn problems into progress



- Allow our deep traditions to emerge
- Get smart about how our economy is making itself up as we go along

*and*

- Get in behind it quickly to support it

**Motivation = motive for action**





***As communities  
go – so go their  
colleges ... and  
vice versa***





# Rural Community Colleges

are grounded  
in the communities  
of rural America...

and hold the trust  
of those they serve.



# Talent Development requires a comprehensive approach of matching Learner/Workers to prospective employers

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# Connectivity – A Rural Advantage/Challenge

- Multi-point multi-channel distribution systems
- Broadband satellite
- Third generation wireless



Abraham (2003)

# Ely TechNorth Prep Center Network Site



**An Example:**  
**Back-office contract service providers**  
**VS**  
**off-shore outsourcing**



**Blue Cross and Blue Shield of Minnesota**  
**Virginia, Minnesota Site**

# Visionary Leaders with clear economic development strategies







## Arrowhead Growth Alliance Economic Leadership Conference October, 2002

**Lead town meetings on regional thinking and be willing to tell the story and carry the vision.**





# Building Trust



- Investment



- Relating to others in new ways



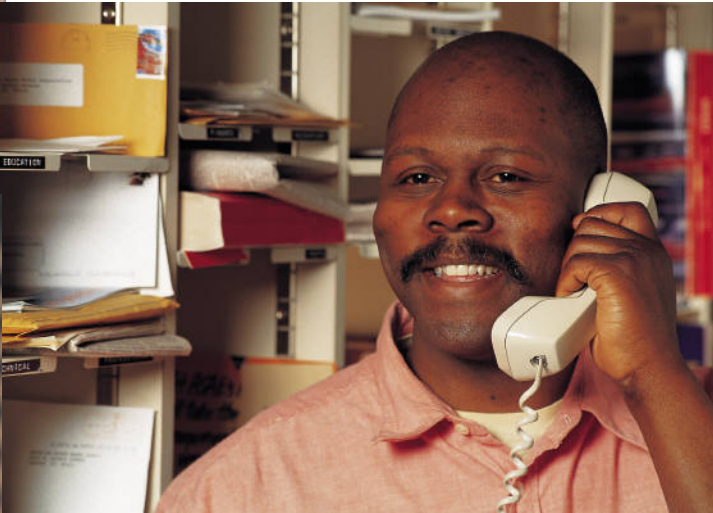
- Win – Win Strategies

42

**Private**



**Government**



**Higher Education**

**A low threshold inclusive collaborative  
not interested in replacing or taking  
over for other people or organizations.**

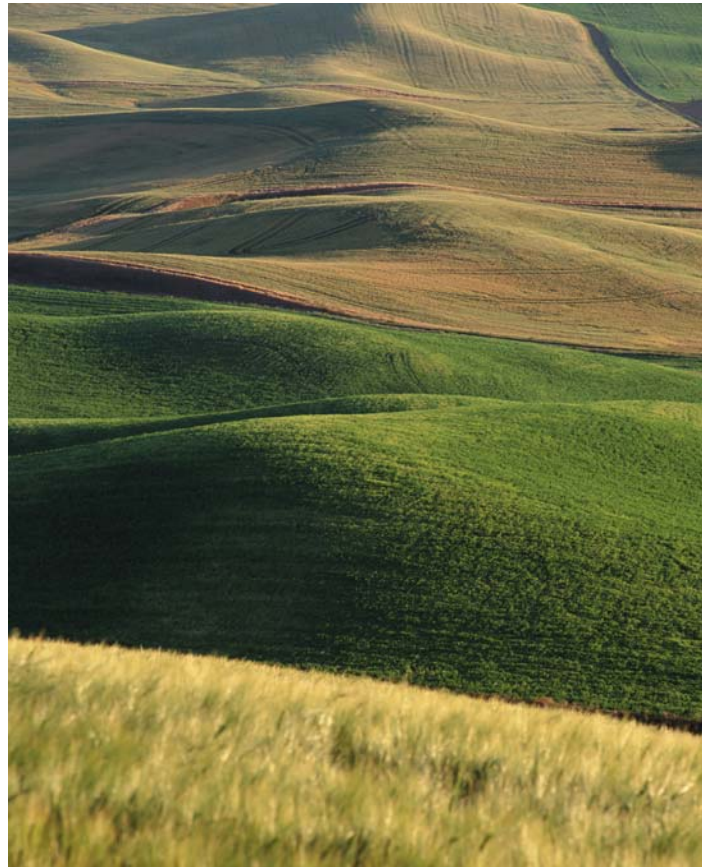




**Manning, et al (2004) says collaboration led by college leaders with their communities and better focused missions will result in survival for rural regions.**

# Rural Community Colleges

are used  
as effective  
local intermediaries  
across all sectors.

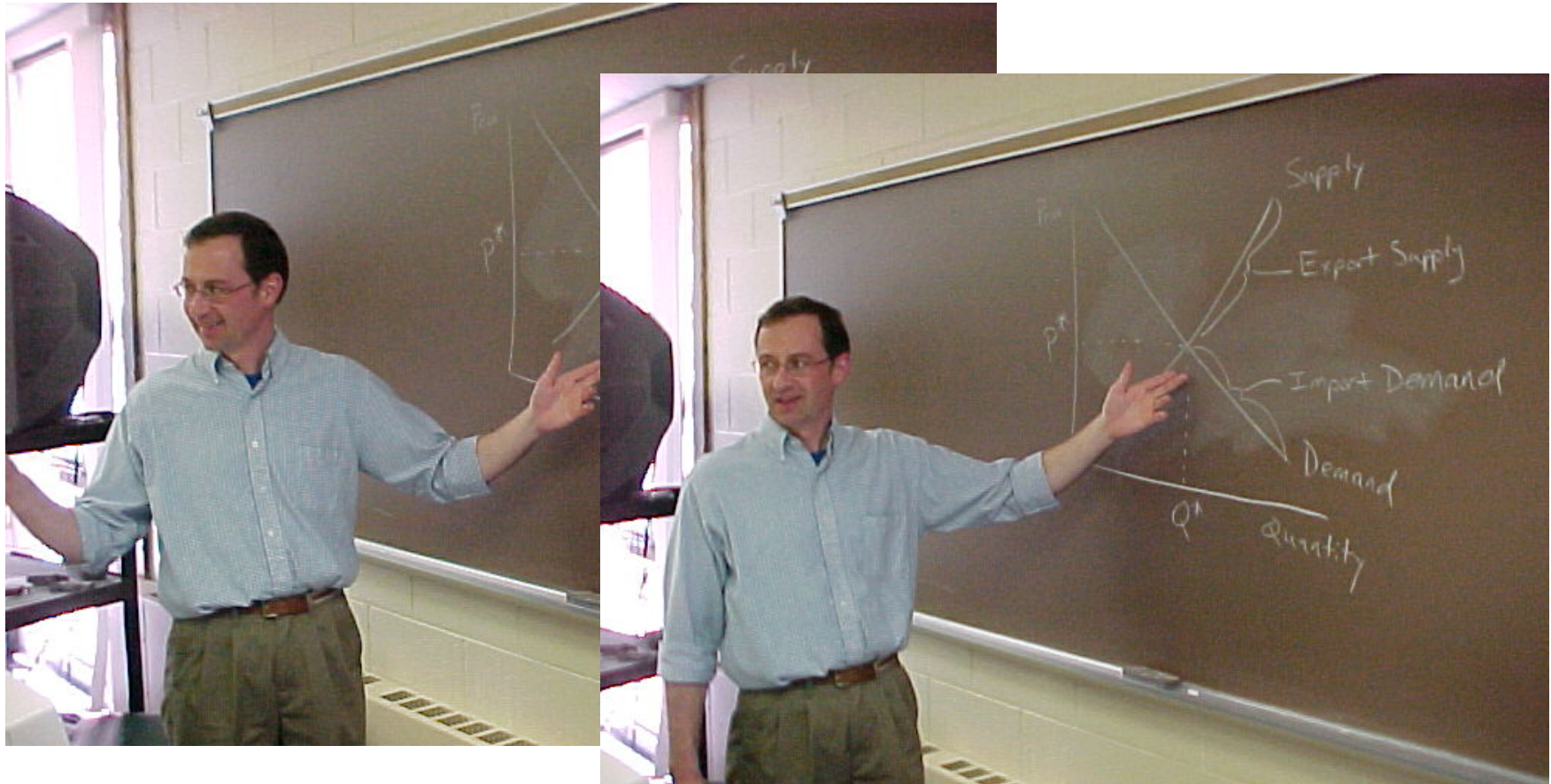


# Rural Community Colleges Need

- Public policy support for their work in community building and human capital building.
- Increased institutional capacity to assist in building sustainable rural communities.
- Professional development programming within a rural context.
- Practitioner-guided research focused on rural communities and colleges.







## **Entrepreneurship by owning and operating a business through its college**

**Aaron Kelson, Mesabi Range Community and Technical College**

# Lessons Learned: A Work in Process

But where  
are we  
now?



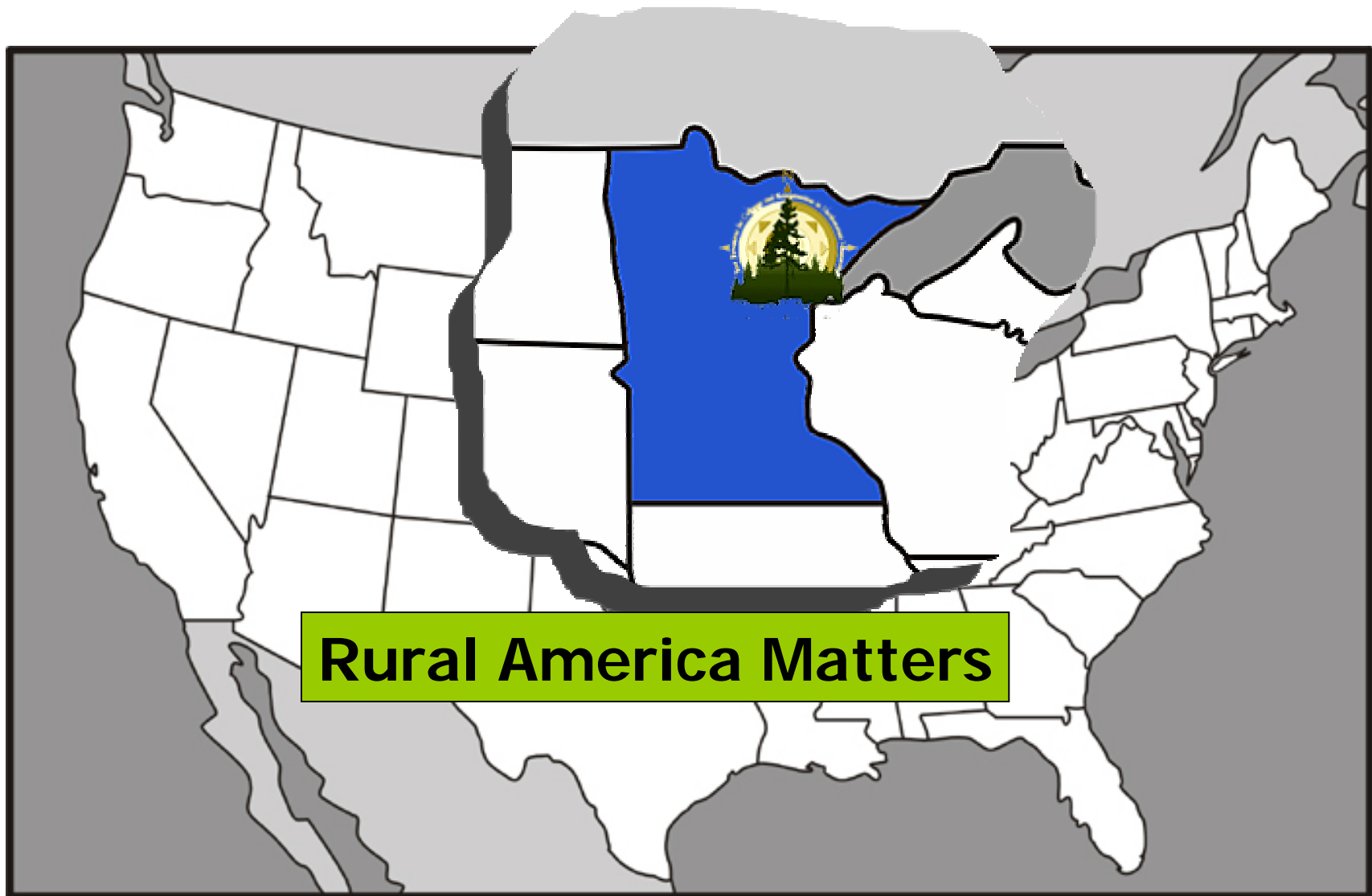
# Checklist of 5 Lessons Learned

- ✓ 1. Rural America is at a “tipping point” regarding economic decline.
- ✓ 2. Entrepreneurship built rural America, and now we need to create new “engines of innovation.”
- ✓ 3. New technologies can bridge the rural divide.
- ✓ 4. Business, education, and government working together is not a new idea, and partnerships are hard work.
- ✓ 5. Rural community colleges around the nation have emerged as powerful economic catalysts for the communities they serve.



# The Road Ahead





**Rural America is at a *tipping point***

**“There is a congealing set of forces to combat the sense of hopelessness rural people are experiencing.”**

**Dr. Chuck Fluharty**



**Dr. Bill Scaggs**

# Fast Forward

Rural community colleges with increased capacity to build, serve and sustain better places to live, learn, work and grow.



Evidence of increasing college-community collaborations, improving education and health care, sustainable economic development and civic participation.

Focus on Talent Development.

A rural landscape featuring rolling hills. The foreground is a vibrant green field with a single, large, dark green tree on the right. A wooden fence runs across the middle ground. The background consists of rolling hills in shades of yellow and orange, with some blue-tinted hills in the distance. The top of the image has a decorative border of vertical bars in shades of blue and orange.

**Many Voices, One Word:**

**Rural**



# QUESTIONS?



[www.technorthprepcenter.org](http://www.technorthprepcenter.org)

[www.ruralcommunitycollege.org](http://www.ruralcommunitycollege.org)

[www.rupri.org](http://www.rupri.org)