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West Michigan must focus on success, not failure

By Ron Kitchens

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Every six weeks at Southwest Michigan First, we read a new book as part of what we creatively call "The Book Club." Each week, we discuss the assigned chapters and how we can use them to enrich us personally and professionally.

We just finished a great book on leadership by Jim Tressel, head coach of the Ohio State Buckeyes, called *The Winners Manual*. One of the passages that particularly struck home for me said,

"Sometimes when it comes to seeking excellence, we get caught up in things that are peripheral. A football team might worry about officials' calls, of how the ball bounced or other things that are really not within their control. One thing that is always within our control – whether it's in football, in business, in our families or in the church – is our ability to identify what we can do better now and in the future. If we focus on our own contributions – at getting better at what we do – we have a much better chance of feeling good about who we are and of moving toward the inner satisfaction and peace of mind that we seek for the good of the group."

Having spent a few days in Grand Rapids last week as part of the Regional Policy Conference, this passage particular struck me. It would be easy to believe from what was said at the Conference -- that because of poor tax policy and lack of right-to-work legislation, Michigan is doomed to be an isolated quagmire. It would be easy to draw this conclusion, but it would be wrong.

Now let me be clear with this point, we absolutely would see faster job and wealth creation if we had a better tax structure; my preference would be to have zero business tax. Those states, of which there are 11, that have no business tax represent the fast growing group in our nation. And yes, right-to-work does represent an opportunity to grow our economy at a much faster pace.

Of the 22 states that have right-to-work legislation, their Gross State Product rose by 10% between 2004 to 2007; Michigan's grew at less than half of that rate, 4.9%. Unemployment in those 22 states in 2007 averaged 4%, as opposed to our nearly 8%. Personal income grew by 20% more in the right-to-work states from 1995 to 2007 than here at home.

So don't get me wrong, these are important issues that have a long-term impact on our region and the state. But here is where Jim Tressel's message struck me: We, as business and community leaders, can wring our hands and pontificate about the perceived poor economic condition of our state, which most of us can do very little about, or we can choose to focus on the issues that are in our control and succeed anyway.

At a time when the naysayers and pundits are burying Michigan, we in Kalamazoo have announced over 5,000 new jobs in the first nine months of the year. Just recently, we had the pleasure of announcing 500 new jobs by Accretive Health, LLC which will be locating in downtown Kalamazoo. And we are not done yet. I expect hundreds of more jobs to be announced during the remainder of the year and thousands more next year.

Why do I expect these results when others are failing? Because I know a secret, one that Henry Ford shared with all who would listen. He said, "Whether you believe you can, or you can't, you are right." Companies in West Michigan believe they can and, because of this, we will continue to see the growth of jobs and wealth.

Imagine what will happen when our elected leaders get the other two issues fixed. We will once again be the state that drives America and the World.

Ron Kitchens, ronkitchens.com, is CEO of Southwest Michigan First and general partner of the Southwest Michigan First Life Science Fund. He is the author of "Community Capitalism: Lessons from Kalamazoo and Beyond" and is Business Review's Dealmaker of the Year 2008. Read the Community Capitalist blog at mlive.com/business.