



INTERNATIONAL ECONOMIC  
DEVELOPMENT COUNCIL

**07** ANNUAL  
CONFERENCE

PHOENIX, AZ

**Economic Development in the 21st Century:**

# **New Leadership, New Models**





# Strategic Career Management

For the Economic Development Professional

September 16, 2007



# Featured Speakers & Topics

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## I. Survey Findings & Implications

Mike Kirchhoff, CEcD (Moderator)  
Vice President, Retention & Recruitment  
EDC of Kansas City, Missouri

## II. Career Growth & Mobility

Darrell W. Auterson, CEcD, EDFP  
President/CEO  
York County EDC

## III. Networking

James R. Kinnett II, CEcD, FM, EDFP  
President  
The Kinnett Consulting Group

## IV. Employment Negotiation

Dave Byerly, CEcD  
President  
The Greater Hot Springs Chamber of  
Commerce

## V. What Happens When The Wheels Fall Off

James R. Kinnett II, CEcD, FM, EDFP

# Survey Findings & Implications

## The Impact of Experience, Longevity, and Career Strategy on Earning Potential

Mike Kirchhoff, CEcD  
Vice President, Retention & Recruitment  
EDC of Kansas City, Missouri

# A Career with Potential

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A 2002 survey of the top 400 E.D. professionals by the Greater Phoenix Economic Council found...

- More than 40% had 20+ years of experience
- 24% had been with their employer 10+ years
- Nearly 43% of respondents earned more than \$100,000
- 35% of professionals with 30+ years of experience earn over \$150,000; 72% with 1-9 years earn more than \$50,000
- Southeast and North Central (MO/KS & north) paid the most
- Those with more experience tend to stay longer in their positions

# A Career with Potential

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We surveyed attendees prior to the conference...

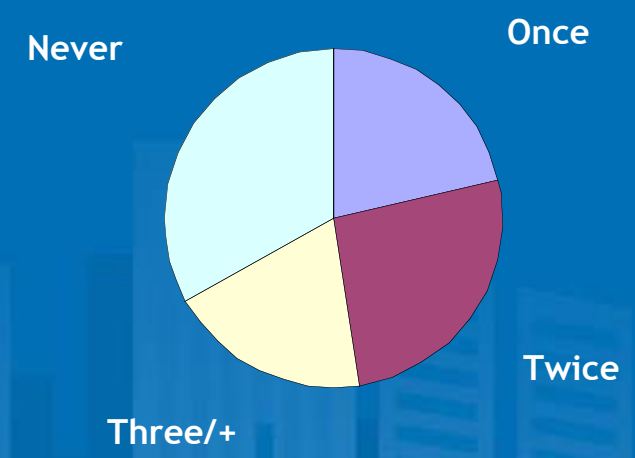
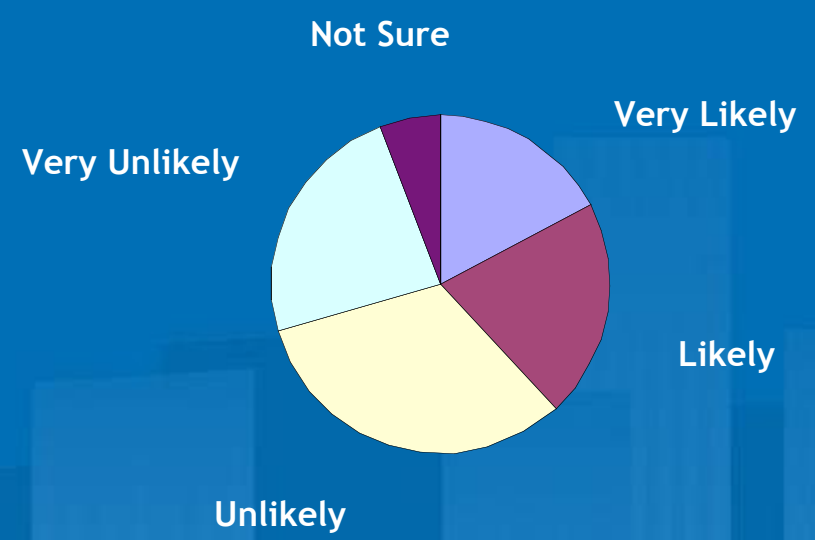
Responses from 33 states, 3 countries and one U.S. territory

- 72% have had a mentor during their career
- 49% had ten or fewer years experience
- 53% had been in their position 3 years or less
- 67% had relocated at least once
- 61% have held 3 or more positions in their careers
- 38% were likely or very likely to relocate (49% in '02 survey)
  - Economy/soft housing market is impacting mobility
- In fact, 83% are not actively seeking a position at this time

# Relocation Experience & Plans

How likely are you to consider a relocation within the next 1-3 years in order to advance your career professionally or financially?

Have you ever relocated in order to advance your career professionally or financially?



# Survey Findings – Salary

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	<u>2002 GPEC Survey</u>	<u>2006 IEDC Survey</u>
\$50,000 or Below	10.0%	19%
\$50,001-\$100,000	48.0%	63%
\$100,001-\$150,000	29.0%	14%
Above \$150,000	13.0%	4%
Sample Size	400	4,679

Source: GPEC, 2002; IEDC, 2006

# Survey Findings – Experience

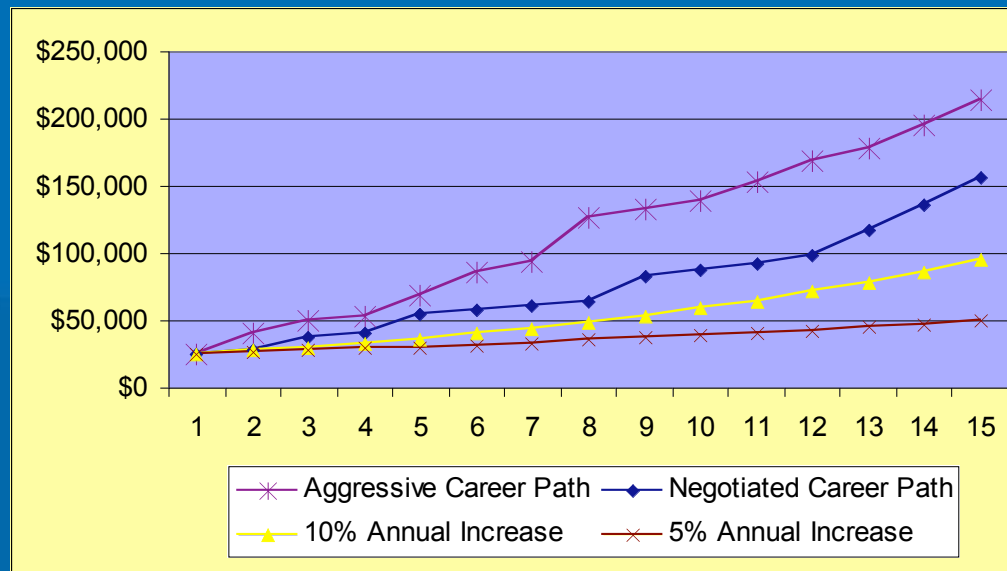
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	2002 <u>GPEC Survey</u>	2006 <u>IEDC Survey</u>
1-9 Years	21%	80%
10-20 Years	37%	15%
More than 20 Years	42%	5%
Sample Size	400	4,679

Source: GPEC, 2002; IEDC, 2006

# Career Strategies Impact Income

- Aggressive career path
- Negotiated career path
- Conservative career path (5% annual increase)



Source: Updated from Toledo RGP, 1995

# Does Certification Impact Salary?

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It might interest you to know that...

- CEcDs top the industry in earnings based on the salary survey
- Average \$14,700 more in annual compensation than those holding no certification
- Average compensation levels for CEcDs were higher than other industry related certifications such as EDFP or CCE



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# Career Growth & Mobility

## Choosing the Right Path

Darrell W. Auterson, CEcD, EDFP  
President/CEO

York County Economic Development Corporation

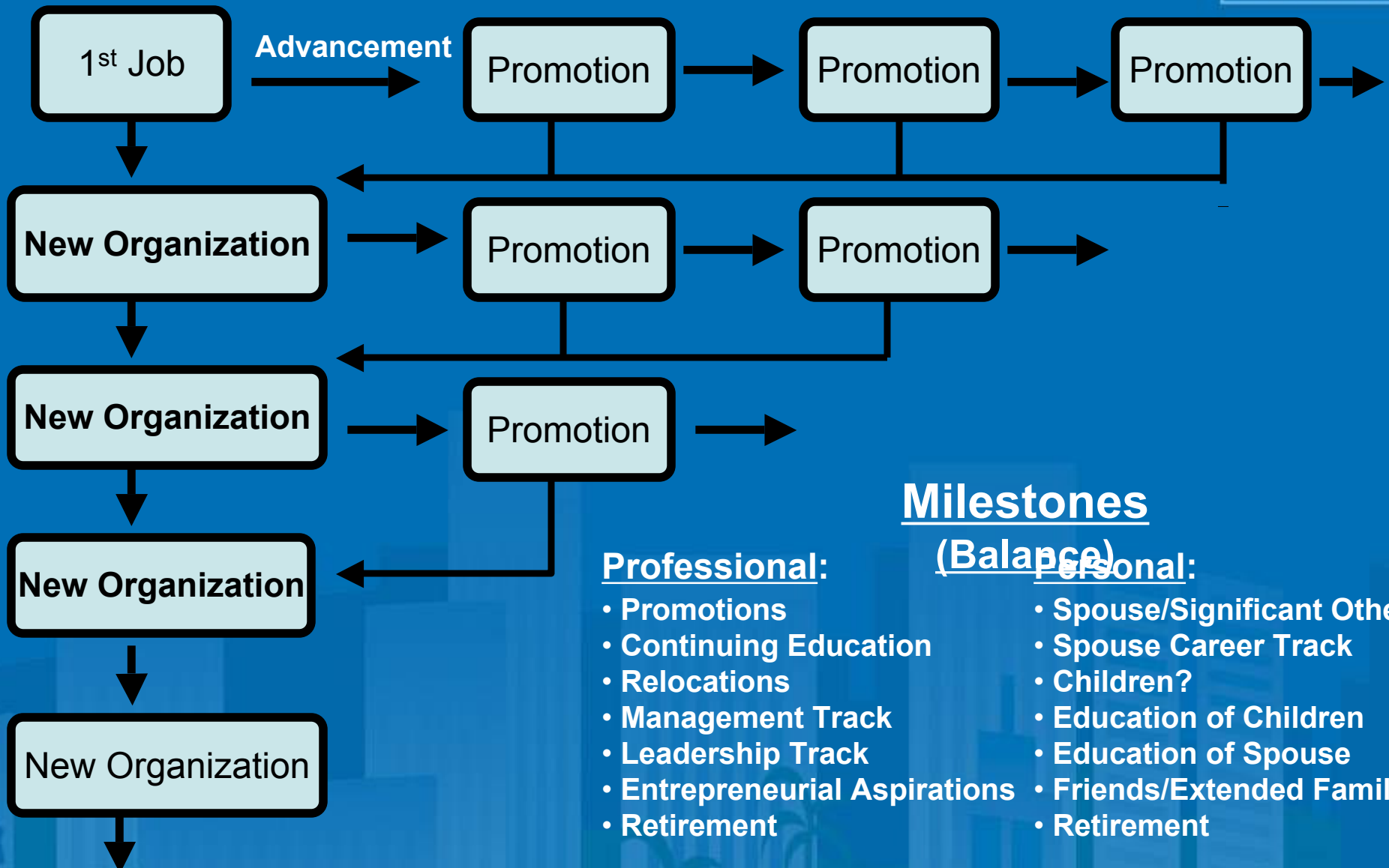
# Identify Your Passion!

- What do you care most about? A lifetime is a long time to be doing something you're not passionate about!
- Are you committed to economic development as a profession? Have you evaluated the pros and cons?
- Have you researched the various career pathways within the profession? Public sector vs. private sector, for profit vs. non-profit, etc.?

# Start With A Plan

- Define your goals – personal & professional (Do you have written personal/professional values or guiding principles?)
- Determine where you want to be & when – prepare a roadmap with milestones & timelines (If you don't know where you're going, any road will get you there!)
- Identify what education, training & work experience you will need to get there (advanced degree, CEcD, management/leadership training, continuing education, etc.)
- Find a career coach or mentor (learn from experience)
- Track progress toward goals
- Reflect & reevaluate periodically (Flexibility)
- Invest in yourself – sharpen the saw!

# Career Tracker Flowchart

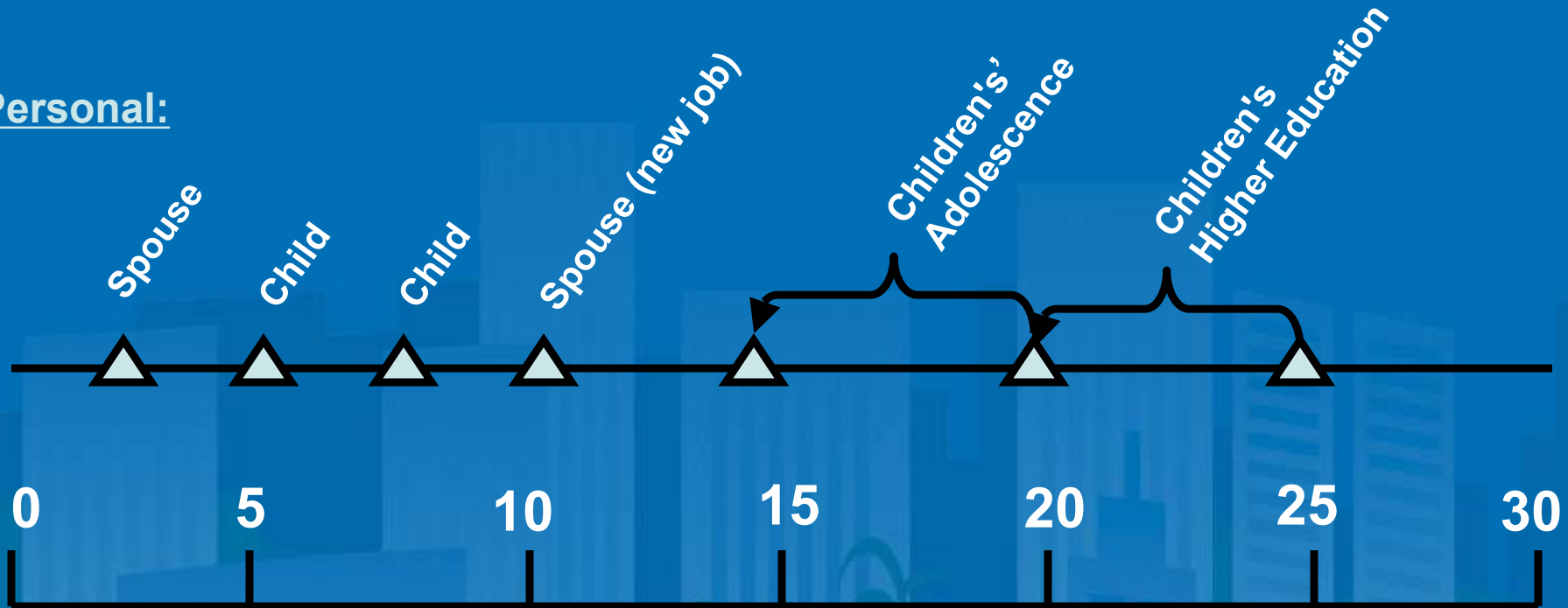


# Timeline

## Career:



## Personal:



# Mobility Vs. Stability

- Geography – urban/rural, east/west, north/south, domestic/international, etc.
- Point person or behind the scenes
- Organizational type – public/private, large/small, etc.
- Advancement – Manager, Department Head, CEO, etc.
- Stage of life considerations – children, spousal employment, etc.

# Rewards vs. Risks

## Rewards

- Financial compensation
- Recognition
- Sense of accomplishment
- Personal gratification
- Self esteem
- Respect
- Making a difference

## Risks

- Relocation costs
- Disruption of personal life
- Heightened stress
- Uncertainty – new community, new board
- Rebuild networks & reestablish reputation & credibility

# Four Steps To Success

- Plan purposefully
- Prepare prayerfully
- Proceed positively
- Pursue persistently

Dare to be exceptional!



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# Networking

## The Essential Part of Economic Development

James R. Kinnett II, CEcD, F.M., EDFP  
The Kinnett Consulting Group

# Why Network?

- Meet peers and make friends in the Profession.
- Learn what is going on in other parts of the Country or other Countries.
- Act as a sounding board for your ideas.
- A gauge of your success.
- A support mechanism.

# How do I get started?

- Attend meetings such as this, nationally, regionally and at the state level.
- Attend Educational seminars and courses to develop additional individuals to be in your network.
- Introduce yourself to as many peers as you can.
- Get involved on various committees within your membership organizations.
- Don't be afraid to participate.
- Take every opportunity to talk and learn from your peers.
- Identify and engage individuals that you would both emulate in your career and use as a mentor as your career goes forward.

# How will a network really help me?

- By keeping a network you can learn and track best practices.
- If you are looking for a new opportunity in the profession the network is a great place to do research and get employment leads.
- You can use it to help you compete for projects.
- If you are for some reason terminated from your current position the network can be invaluable.

# What is my experience of using my Network



- I have used it in the past to identify incentives when I have been competing on a project.
- I have contacts in nearly all fifty States that I can call on if needed.
- My Network has helped me through some rough times during the course of my thirty plus years in Economic Development.
- I now use my network to help me when I do a site selection project or when I am doing a economic study for a community or area.



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# Employment Negotiation, Agreements & Elements

David Byerly, CEcD

President/CEO

Greater Hot Springs Chamber of Commerce

Hot Springs National Park, Arkansas

# Negotiation

“Negotiation begins when the employer posts the job”

“Negotiation is a daily part of the economic developer’s life. Your prospective employer will expect you to possess this skill”

“This is the first opportunity for you to demonstrate your ability to deliver a professional, win-win solution to your new employer’s problem”

# Negotiating Tips

1. BE PREPARED – Do your homework
  - Find out everything you can about
    - Position / Organization
    - Board / Key Decision Makers
    - Organization Problems / Challenges / Needs
    - Regional Market / Demand / Peers
    - Your Value

# Negotiating Tips

- Ask the RIGHT questions...and ask lots of them
- Potential Tools
  - Website / Internet / Blogs
  - Peers / Friends / Friends of Friends
  - Organization's
    - Audit
    - Budget
    - Programs of Work
    - Marketing Pieces

# Negotiating Tips

## 2. Use a written checklist of key requirements / expectations

Current Job	Expectations	New Offer
Current Salary \$---		
Bonus Package \$----		
Auto Package:		
- Monthly Allowance \$ ---		
- Mileage Reimburse Rate		
- Parking Agreement		
Insurance Package:		
- Health details		
- Dental / Vision details		
- Life coverage		
- Disability coverage		
Vacation		
Professional Development		
ETC.		

# Negotiating Tips

## 3. Take Control of the Negotiation

- Position your strengths
- Build a relationship that commits the employer to you
- Discuss salary last
- Don't be first to quote salary number
- Don't get lured into premature "yes"
  - (You never substantially improve a deal AFTER "yes")
- Take time to review offer
- Ask for offers in writing

# Negotiating Tips

## 4. Know the Strength of Your Negotiating Position

- Are you **WILLING** &/or **ABLE** to walk away from the table if a deal feels or goes bad?

“Regardless of whether you’re in a weak position or a strong position, the worst position is to not realistically know your position.”

# Negotiating Tips

## 5. Be Professional!!!



# Employment Agreements

“Contractual Agreement”

“Sets clear expectations of both parties”

“It provides an outline to deal with unexpected issues that may/will arise later”

“It protects the employee and original intent as employer leadership changes”

“Never sign without YOUR attorney reviewing”

# Survey Findings – Contract



	2006 <u>IEDC Survey</u>
Contract	21%
No Contract	79%
Sample Size	4,679

	Percentage	Total
1 Year Contract	7%	328
2 Year Contract	2%	94
3 Year Contract	4%	187
3+ Years	3%	140

# Employment Agreements

Categorized into four basic areas

1. Conditions of Employment
2. Relocation & Resettlement Provisions
3. Compensation
4. Other Items

# Employment Agreements

## 1. Conditions of Employment

- Position Title
- Job Description/Duties
- Authority Granted
- Reporting Relationship
- Performance Review  
(when, how, who)
- Dedication of Effort
- Reassignment Provision
- Start Date
- Volunteer Activities
- Condition of Office
- Expense Provisions
- Outside Employment

# Employment Agreements

## 2. Relocation & Resettlement

- Relocation

  - Timing

  - Moving Expenses

  - Geographic Boundaries

- Real Estate Cost Recovery

  - Sale of Current Home

  - Purchase of New Home

- Resettlement

  - Temporary Housing

  - Commuting Costs

  - Spouse Employment

  - House Hunting Trips

- Miscellaneous

  - Incidental Expenses

# Employment Agreements

## 3. Compensation

- Salary

  - Amount

  - Frequency of Payment

- Benefits

  - Insurance

  - Auto Provision

  - Retirement

  - Sick/Personal Days

  - Bonuses

  - Professional Dev

  - Vacation

  - Memberships

- Contract Renewal

  - Automatic or Set Period

  - Renewal/Renegotiation Periods

- Separation

  - Reasons

  - Severance

  - Termination procedures

  - Public Statements

# Employment Agreements

## 4. Other Items

- Spouse Travel Provisions
- Entirety of Agreement
- Rights / Recourse
- Notices
- Severability Clause
- Amendments
- Dispute/Arbitration Clauses
- Applicable Law

# Employment Elements

## Relocation & Resettlement

### Key Concept and Language to Understand:

“The Employer and Employee mutually agree that a smooth relocation and resettlement of the Employee and Employee’s family is critical to the speed and effectiveness of Employee’s implementation of Employer’s goals and objectives. As such, Relocation and Resettlement Provisions are intended to accomplish the following objectives;

1. To represent neither a financial gain nor loss to the Employee
2. To cover the full cost of relocation and resettlement into the community
3. To enable the Employee to focus on the program tasks at hand and not personal issues or needs associated with relocation and resettlement.”

# Employment Elements

## Relocation & Resettlement

### Major Components:

#### 1. Moving Costs

- Should be broadly defined as household goods and personal effects of Employee and family from Community “A” to Community “B”
- Should describe how major/minor costs will be handled
  - minor costs - paid by employee and then reimbursed;
  - major costs - billed directly to employer
- Mutual selection and agreement on moving carrier
- Always insist on a “nationally recognized, properly insured, professional moving carrier”

# Employment Elements

## Relocation & Resettlement

Major Components:

### 2. Temporary Housing

Defined as lodging for Employee while securing and occupying residence

- Need a defined number of days, time or date
- Can be Employee responsibility to secure  
Employee can pay expenses and submit reimbursement or receive an allowance payment
- Can Be Employer responsibility to secure  
Payment may be billed directly to Employer

# Employment Elements

## Relocation & Resettlement

### Major Components:

#### 3. House Hunting Trips / Travel

Defined as travel by Employee and Spouse from Community “A” to Community “B” for the purpose of locating and securing residence.

- How many trips?
- What expenses does trip include?
- Is Spouse eligible for trip if Employee begins before relocation/resettlement?

# Employment Elements

## Relocation & Resettlement

Major Components:

### 4. Other Issues

- Relocation travel of family
- Paid leave for Employee resettlement
- Assistance with sale or purchase of residence
- Incidental expenses
- Trailing spouse employment assistance

# Employment Elements

## Cash Compensation Beyond Salary

- Includes bonuses, commissions, incentive pay, overtime, profit sharing, deferred compensation, cash retirement benefits, etc.
- Only 41% of ED Professionals reported they were eligible for cash compensation
- As position level increases, generally eligibility of cash compensation increases; however, only 47% of CEO-level reported they were eligible

# Employment Elements

## Major Benefit Components

- Medical Coverage
  - 88% of respondents reported their employer offered some medical coverage
    - (PPO & HMO = 77%)
- Retirement
  - 85% of respondents reported their employer offered some type of retirement plan
    - defined benefit (pension) & defined contribution (401k) = 77%

# Employment Elements

## Major Benefit Components

- Paid Time Off (PTO) – includes vacation, sick days, personal days, etc.
  - 99% of respondents reported eligibility for PTO

PTO Weeks	Percentage of Respondents
5 or more	25%
4	25%
3	27%
2	19%
1	1%

# Employment Elements

## Other Benefit Components

### •Transportation Related

mileage reimbursement	71%
company car	19%
car allowance	17%
parking cost reduction	17%
transit discounts	9%

### •Health Related

wellness/fitness program	22%
paid maternity leave	14%
paid physical exam	14%
childcare allowance	9%

### •Business Tools

cell phone	65%
PDA	33%
use - company credit card	38%

### •Professional, Social

Professional assoc. dues	67%
funding/time-off for prof dev	56%
further education financing	34%
country/rec club mbrshp	10%

# Employment Elements

## Other Benefit Components

### •Financial Related

flex time	31%
thrift/saving plan	10%
stock options	2%
spouse travel expense	2%

### •Other

- Life Insurance
- Cafeteria 125 Plan
- Vision/Dental/Orthodontic Ins
- Disability Insurance (short/long)
- Travel Accident Insurance
- Accidental Death/Dismemberment
- Loan Program
- Tax Preparation
- Matching Charitable Donations
- Extra Holidays
- Entertainment/Social Mbrshp
- Spouse Social Participation

# Employment Elements

“Benefits vary from position to position and from organization to organization”

“It is important to understand the trends and normal parameters”

“Benefits should be well thought out and meet needs...not just wants.”

“They should be justifiable by the employer as a necessary tool for your position to be successful”

“Not every benefit is negotiable...but the one that is absolutely never negotiable is the one you fail to discuss”



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# What Happens When The Wheels Fall Off

## How to Deal with Getting Fired

James R. Kinnett II, CEcD, F.M., EDFP  
The Kinnett Consulting Group

# You have been asked to leave your job, what next?



- Chances are that a number of you will experience this in your career.
- You will never be prepared for it.
- How do you handle the stress and emotions?
- Where do you go for help?
- How do you get through it?
- “What happens to my career path now?”

# You have been asked to leave your job, what next?



- What were the circumstances that caused the situation. Was it:
  - Self Inflicted
  - Political Change (large “P”)
  - Policy Change
  - Management Change (small “p”)
  - Other
- You need to understand the emotions you will be having.
- When and/or do you engage a lawyer?
- When do you start negotiating your separation?
- How long will it take to deal with it.
  - Six months or more

# You have been asked to leave your job, what next?



- Emotional Impact
  - Initial (day of and the first week)
    - Amazement
    - Shock
    - Devastation
    - Surreal
  - One to two weeks after
    - Despair
    - Fear
    - Emptiness
    - How will I (My Family) Survive

# You have been asked to leave your job, what next?



- Emotional Impact
  - Two to four weeks
    - Anxiety
    - Panic
    - Self-Denial
    - Abandonment
  - One to three months
    - Anger
    - Bitterness
    - Questioning
    - Second guessing your expertise and work capabilities
    - Self examination
      - What did I do wrong?
      - What should I correct so that this does not happen again?
      - What changed in the process to have caused this situation?

# You have been asked to leave your job, what next?



- Emotional Impact
  - Three to six months and beyond
    - Realization
    - Reconnection
    - Proactive
    - Reenergize

# You have been asked to leave your job, what next?



- How do you handle the stress and emotion?
  - Realize that you are not the only one that this has happened to.
  - Use that realization and find others who have been through this before.
  - Understand it may not be anything relating to your work performance.
  - Talk to people, family and peers.

# You have been asked to leave your job, what next?



- Where do you go for help?
  - The network you have built.
  - Utilize your mentor if you have one or close friends in the profession.
  - Contact IEDC for referrals and potential contacts.
  - Contact your Regional or State association for similar assistance.

# You have been asked to leave your job, what next?



- How do I get through it??
  - Rely on the network you have built.
  - Keep dialogue up with others to help you through the stressful time.
  - Keep open communications with your family.



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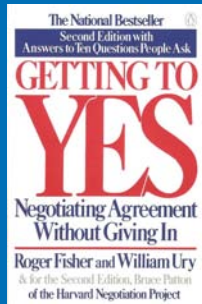
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# Resources/Recommended Reading

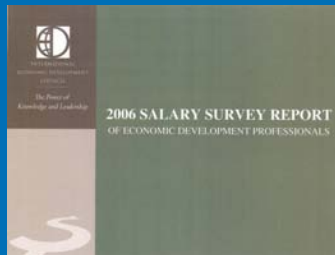


## *Getting to Yes*

*Negotiating Agreement Without Giving In*

Roger Fisher & William Ury

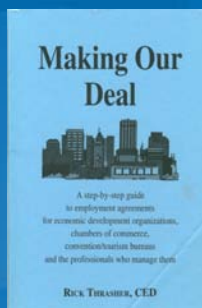
(Provides practical ways to discover what other people want and to devise better alternatives that create a "win" for everyone)



## *2006 IEDC Salary Survey Report*

(\$110 IEDC member price/\$140 non-member price)

(Provides up to date, nationwide compensation and benefit data to allow E.D. professionals and organizations to compare their statistics with peers around the country)



## *Making Our Deal*, Rick Thrasher, CECD

(\$25 IEDC member price/\$37.50 non-member price)

(Step-by-step guide to employment agreements for economic development organizations, chambers of commerce, convention/tourism bureaus, and the professionals who manage them)

# Contact Information

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On Behalf of Darryl, Dave, Jim & Mike...

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Thank you!

# Discussion

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Questions/Comments





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