Missouri Economic Development Council (MEDC)
A Blueprint for Addressing Talent Issues in Economic Development
June 14, 2017

STRATEGY MATTERS

Janet Ady
President and CEO
A LITTLE BIT ABOUT US
The Ady Advantage Ecosystem

- Understand what makes business competitive
- Economic Development Organizations
- Understanding a region’s and community’s economic assets
- Businesses
Our Sweet Spot

Site Selector’s Perspective

Marketer’s Perspective
Ady Advantage Services for EDOs: Making It Practical

Consulting  Research

Ady Advantage Services for EDOs

Branding  Marketing Communications
Ady Advantage Services for EDOs: Making It Practical

**Consulting**
What is the market potential for a large industrial park in our area?
How do we market an industrial property that will be vacated?
How can we zero in on the prospects that will be the best fit for our area?

**Research**
How can we improve RFP success?
How can we ensure that we will have the talent we need for economic growth?
How can we improve the odds of achieving our growth goals?

**Branding**
How can we communicate our competitive advantages through a compelling brand?
How can we best differentiate our area from all the others competing for investment and jobs?
How can we ensure our messaging will resonate with site selectors and others?

**Marketing Communications**
What do we have to do to create a great ED website?
How do we market our community/region/state to site selectors and others?
What would be the best use of our marketing resources to reach our goals?
Ady Advantage Services for EDOs: Making It Practical

Consulting
What is the market potential for a large industrial park in our area?
How do we market an industrial property that will be vacated?
How can we zero in on the prospects that will be the best fit for our area?

Research
How can we improve RFP success?
How can we ensure that we will have the talent we need for economic growth?
How can we improve the odds of achieving our growth goals?

Branding
How can we communicate our competitive advantages through a compelling brand?
How can we best differentiate our area from all the others competing for investment and jobs?
How can we ensure our messaging will resonate with site selectors and others?

Marketing Communications
What do we have to do to create the next ED site?
How do we market our communication/state to site selectors and others?
What would be the best use of our marketing resources to reach our target audience?
A FRAMEWORK FOR ADDRESSING TALENT ISSUES
What’s Your Talent Issue?

1. **What is your single most pressing talent issue in your community or region?** Be specific.

   *Examples:*

   *Our region is losing a disproportionate number of 18-24-year-olds.*

   *Our largest six employers currently have openings for 70 CNC machinists.*

   *We attract 3,500 students each year to attend local colleges and universities, and 80% of these are from outside our area, but 95% of graduates each year leave upon graduation.*

   *We would like to attract entrepreneurs because data shows we have fewer start-ups per capita than other communities.*
What’s Your Talent Solution?

1. What is your single most pressing talent issue in your community or region? Be specific.

2. What has been the most successful talent program that you are aware of? What talent issue did it address and how?
WHAT ARE THE BIGGEST ECONOMIC DEVELOPMENT OPPORTUNITIES FACING YOUR COMMUNITY/REGION?

OPPORTUNITIES

- Talent attraction and recruitment
- Work ready certification
- Access to markets
- Transportation infrastructure
- Workforce development
- Educational institutions
- Low costs of doing business
- Industrial park
- Start-ups
- Small businesses
- Value-added agriculture
- Downtown redevelopment
- Regionalization
- Logistics
- E-commerce
- Business succession strategies
WHAT ARE THE BIGGEST ECONOMIC DEVELOPMENT CHALLENGES FACING YOUR COMMUNITY/REGION?

CHALLENGES

Transportation  
Quality jobs  
Funding  
Water  
Government  
Broadband  
Housing  
Educational institutions  
Crime  
Available sites and buildings  
Infrastructure  
Economic development leadership  
Ready sites
HAS YOUR ORGANIZATION IMPLEMENTED, OR IS IT IN THE PROCESS OF IMPLEMENTING, ANY NEW TALENT RECRUITMENT AND RETENTION STRATEGIES?

52% of respondents are working on talent strategies.
Presentation Impact Survey Feedback

**WHY DOES THE WAR ON TALENT INTEREST YOU?**

- We do not have enough supply to meet the demand of existing employers.
- Because our large employers tell us it is of interest to them.
- Available, qualified employees is key to both existing and new business.
- It is the lifeline to the community's growth and the #1 limiting factor for existing business growth.
- We have companies that find it hard to attract talent and are asking what we can do to help them.
- We lose talent to larger cities. This creates a circular problem, we have trouble attracting new skilled employment because we don't have enough skilled workforce, but we can't keep talented young people without skilled employment opportunities.
- Recent data suggests that our region is experiencing a greater than average out migration of population ages 20-39. Without a sustained workforce attracting business is impossible at best.
Fundamental Types of Talent Strategies

- Talent Retention and Development
- Talent Attraction
- Alternatives to Talent

[Links to the article mentioned in the text are not included.]
Fundamental Types of Talent Strategies

“It’s about productivity, not people!”

Consider the impacts on:
• Your incentives programs
• Your performance metrics
• Your training programs
• Your existing businesses

Alternatives to Talent

http://fortune.com/2017/03/14/robots-automated-technology-workforce-jobs/
SETTING TALENT STRATEGIES
### STEPS

<table>
<thead>
<tr>
<th>STEPS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conduct an honest assessment of your region’s assets, including those related to talent.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Set your vision for the region’s future.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Identify gaps between your current and desired state, including talent. These are your “talent issues.”</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Develop talent strategies tailored to your region’s assets and goals.</strong></td>
<td></td>
</tr>
</tbody>
</table>
Lessons Learned

LESSONS LEARNED

Articulate the specific talent issue.
• Data
• Five Whys exercise
• Make sure to include employer input
• Not just where the issue is now, but trends so that your solution can “skate to where the puck will be”

Bite off one issue at a time to make it manageable and to get some wins under your belt to build momentum.

Beware talent recruitment mandates that do not build first on talent retention and talent development.

Beware talent initiatives that are knee-jerk reactions to an issue that are not grounded in strategy: e.g., the “recruitment website.”

Talent strategies need to align with the organization’s overall strategies. They cannot be looked at in isolation.
Talent Retention and Development Strategies

• Keeping people once they do come to your community
  - Programs to integrate college students into the community, so they are more likely to stay in the community after graduation
  - Formal programs to integrate newly relocated people into the social and business networks
  - YP orientations
  - “Match”-type survey to integrate people into the community

• Help existing workers enhance their skills and career opportunities
  - Helping residents just short of degrees earn their papers
  - On-the-job training and employer-led initiatives
Talent Retention and Development Strategies

• Engaging people earlier; educating kids (and their parents) about career opportunities
  o Career programs targeting secondary school kids
  o Academies and other school-to-career programs
  o Expanding STEM learning into PK-12 public schools
  o Reality 101 to educate high schoolers on positions
  o Bratwurst grill competitions
  o City kids learning about agricultural careers
  o Using the German apprenticeship approach in the US
  o Boy Scouts program - for boys and girls – to learn about career opportunities in manufacturing while addressing an insurance liability barrier
Talent Retention and Development Strategies

- Increasing commitment of existing employees and employers
  - Programs to convert retiring baby boomers’ businesses into ESOPs to prevent their closure and increase remaining employees’ commitment to the business and the area

- Engaging people later
  - Programs to keep baby boomers engaged in the workforce even after they “retire”
Talent Retention and Development Strategies

- Getting the right people trained on the right things
  - Classes on soft skills and GMP
  - Aligning workforce development systems with businesses’ needs
  - Having unions, colleges and universities help train people for expected jobs

- Strategies that incent desired behaviors
  - Dangling incentives in front of existing workers, such as employee stock, double overtime pay and quarterly bonuses
  - Raising wages
  - Employers provide training, offers on-site classes, and built a training center so workers can earn industry certifications
Talent Retention and Development Strategies

• Getting underemployed and unemployed people more fully employed
  o Helping residents just short of degrees earn their degrees
  o Promoting non-traditional careers (e.g. women in manufacturing, girls in the trades)
  o Community Ventures program that started in Michigan for bringing former prisoners into the workforce
  o Program to bus in willing workers without transportation to work in manufacturing (the “Greater Praise” bus)
  o Veteran hiring events
  o Outreach to Hispanic Chamber of Commerce, etc.
  o Commuting the sentences of nonviolent prisoners and putting them in work programs
Talent Attraction Strategies

• “Boomerang” strategies to bring high school and college graduates back home
  o Facebook pages that “just ask”
  o Traveling governors and sports bars

• “Cool cities” recruitment
  o Greg from Fargo
  o Fort Wayne Region spending $1.5 billion on dozens of QOL projects
  o Mayo Clinic spending billions to improve Rochester, Minnesota
  o Marketing campaigns by state EDCs and others

• Scholarships or stipends for people who meet certain criteria
  o Kansas’ Rural Opportunity Zones program, and others
  o New York’s Post Production Fellowships

• Immigration and/or entrepreneurship visas
Talent Attraction Strategies

• Strategies that remove barriers to relocation (housing, transportation, day care, health care)
  
  ☐ New senior housing to free up big country homes for growing families
  
  ☐ Superior Industries bought a $300,000 apartment building and now spends another $250,000 a year on housing and plane tickets for 40 to 47 workers who migrate from Mexico to work at its concrete plant seven months each year.
  
  ☐ Offering a day care center on-site for 100 children, where workers get a 30% discount
  
  ☐ Offering an on-site clinic
Talent Attraction Strategies

- Additional strategies
  - Internships to get people here, hopefully keep them on
  - Recruitment trips to colleges and universities outside the area on behalf of area employers
  - Executive recruitment tours, trailing spouse tours
Parting Thoughts

• The talent conundrum wasn’t created overnight, and it won’t be solved overnight.

• There is not a silver bullet for all of today’s talent issues.

• That said, although it’s a complex issue, it doesn’t lend itself to complex solutions. The way to eat an elephant is one bite at a time.

• To get started, look at labor data, discuss goals, identify gaps, and then plan.

• Whatever the barrier to attracting talent is in your area – whether it’s lack of housing, perceptions of your community, the safety of downtown, or the lack of commuter transportation – it is now an economic development issue.
Thank You

Slides from today will be available to registered participants via email link.

608.663.9218
jady@adyadvantage.com
www.linkedin.com/in/janetady/

Talent Toolbox for Economic Developers
Published February 2016

Rural Economic Development Toolbox
Published September 2014

Blog and newsletter at www.adyadvantage.com
Special Offer for Attendees

FREE COMMUNITY BENCHMARKETING ASSESSMENT

- Free benchmarking of your organization on the key factors included within the Capacity Readiness Scorecard.

- In return for filling it out, you’ll get:
  - A customized report for your organization, showing how your organization compares to your peers on key factors from the Capacity Readiness Scorecard.
  - Confidentiality – only your organization will know your organization’s ranking.

  https://www.surveymonkey.com/r/CapacityReadiness

OPPORTUNITY TO SHAPE THE ADY TALENT STRATEGY PLATFORM

- Please contact Janet or Shabaka if you are interested in working with us on our talent strategy platform.