REGIONAL ECONOMIC DEVELOPMENT STRATEGY

TELL OUR STORY

PRIORITIZE TALENT

BUILD GLOBAL SECTORS

2014-2018
Our region needs a bigger net to retain the skilled talent emerging from the early stages of the pipeline.

Our region needs a stronger magnet to attract degreed and creative talent into our workforce from outside of our state.

The most competitive regions are working together to improve talent development and retention & attraction.

The 2013 strategy analysis revealed there is no regional collaboration focused on the retention & attraction of professional talent.

Closing a gap in regional action
“It will become more and more difficult to hire workers in the next couple of decades as the US labor market gets tighter and competition over talent intensifies.”

“In such an environment, following best practices is not a good enough solution because most companies do not have a strategy in place to deal with a broad labor shortage across the economy.”

“Business executives will have to be more creative and revert to more extreme solutions.”

THE CONFERENCE BOARD
Not Enough Workers, July 2014
MSP PERFORMANCE

Current trends and the region’s response
MSP TALENT MIGRATION

<table>
<thead>
<tr>
<th>Region</th>
<th>+/-</th>
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<tbody>
<tr>
<td>Dallas</td>
<td>+18,181</td>
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<td>Denver</td>
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<td>Boston</td>
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Among top 25 U.S. metros at retaining professional talent

Among top 25 U.S. metros at attracting professional talent

Source: Myles Shaver, Carlson School (ACS U.S. Census Data)
Network action, not a new organization

EXECUTING ON MULTIPLE TIME HORIZONS

SHORTTERM
0-12 months

TOOLS & INSIGHT TO SUPPORT EMPLOYERS
e.g. makeitmsp.org

MIDTERM
1-3 years

BUILD & STRENGTHEN PIPELINES
e.g. regional strategy to improve retention of professionals of color, onboard newcomers, attract tech talent

LONGTERM
3-7 years

STRENGTHEN MSP BRAND & IMAGE
e.g. national PR strategy
NEWCOMER FOCUS

Need for regional strategy to welcome and onboard

Talent Migration  Newcomer Focus  Newcomer Experience  Choosing MSP  Choosing a Community  MSP HELLO
CAPTURING THE OPPORTUNITY

218,400
Working age adults moved to MSP from outside MN over the past 3 years

$75,000
Example industry-cited cost to employer of relocating a new hire if they own a home

27.1
Median age of MSP newcomers versus 37.4 for overall population

+/-
More likely to share positive or negative views with people outside MSP
ADDRESSING THE CHALLENGE

Lower numbers/rates of newcomers
+
Higher retention of local residents
=
Denser networks, greater challenges acclimating
NEWCOMER EXPERIENCE

Insight to establish a regional strategy

- Talent Migration
- Newcomer Focus
- Newcomer Experience
- Choosing MSP
- Choosing a Community
- MSP HELLO
RESEARCH PARTICIPANTS

2016 Focus Groups + Survey

822 newcomers to MSP
46 U.S. states of origin
50% 25 – 34 years old
90% BA or above
Half moved from within the Midwest
Chicago by far the top location
Top 10 included “5 competitor” regions

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
NEWCOMER JOURNEY

Consideration

Preparation

Onboarding

Retention

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
EXPERIENCE DIFFERS BY GROUP

- Satisfaction: Quality of Life
  - Overall: 89%
  - Married: 65%
  - People of color: 77%

- Satisfaction: Personal
  - Overall: 73%
  - Married: 89%
  - People of color: 65%

- Satisfaction: Professional
  - Overall: 77%
  - Married: 65%
  - People of color: 73%

- Likely 3-5 year retention
  - Overall: 73%
  - Married: 89%
  - People of color: 65%

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
How are newcomers deciding on MSP?
Nearly half considered another region in addition to MSP.

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
TOP COMPARATIVE ATTRIBUTES

1. **Career**: Seeking best region for alternative job opportunities
2. **Housing cost**: Seeking less expensive region to live
3. **Family and friends**: Concerned with proximity to current friends and family
4. **Food and entertainment**: Seeking strong assets
5. **Welcoming culture**: Seeking place where they can fit in

**ALSO RATED HIGHLY**: Commute time, transportation options, outdoors, arts

**SITUATIONALLY IMPORTANT**: K-12, LGBTQ friendliness, higher education, diversity

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)*
TOP CONCERNS ABOUT MSP while considering

1. **Weather**: How cold is it and can I handle it?

2. **Safety**: Is the region safe?

3. **Family and friends**: How far away am I? Can I make friends there?

4. **Cost of living**: How expensive is MSP – including housing?

5. **Career**: What is the overall job market like there?

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
PRIMARY REASON FOR MOVE

• Roughly \( \frac{2}{3} \) moved for professional opportunity

• Boomerang residents \( 2x \) more likely to have moved for friends and/or family

• \( 5x \) more newcomers said they moved for “quality of life” than “cost of living”

Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
CHOOSING COMMUNITY

How are newcomers landing within MSP?

- Talent Migration
- Newcomer Focus
- Newcomer Experience
- Choosing MSP
- Choosing a Community
- MSP HELLO
PARTS OF REGION CONSIDERED

Among sample *(see: right)*
- Roughly 2/5 in Minneapolis
- Roughly 1/5 in Saint Paul
- Roughly 2/5 in remainder of Greater MSP

Nearly half moved again upon arrival

Able to analyze by ZIP code

*Source: GREATER MSP (Make It. MSP. ”MSP Welcome survey”, 2016)
### TOP COMPARATIVE ATTRIBUTES

1. **Housing**: Availability and affordability of housing
2. **Proximity**: How close to my opportunity is it?
3. **Mobility**: Do I have options to get around?
4. **Connectivity**: Can I meet people or be near friends and family?
5. **Parks and green space**: Can I enjoy the outdoors?

**ALSO RATED HIGHLY**: Access to restaurants/bars, arts/culture, safety

**SITUATIONALLY IMPORTANT**: Walkability, school district, bike paths

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)*
TOP CONCERNS ABOUT MSP while preparing

1. Making friends: Will I be able to establish a personal network?
2. Housing: Where exactly am I going to live?
3. Commuting: How am I going to get around there?
4. Career: How will I find a job? (if applicable)
5. Weather: How am I going to adjust?

*Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
**PRIMARY REASON FOR MOVE**

*Based on most important attribute after cost*

If **proximity to work** was their top priority, there is no major deviation in where they live in MSP.

If **access to transit** was their top priority, they are likely to live along a light rail line.

If **school district** was their top priority, very unlikely to live in Minneapolis or Saint Paul.

If **access to restaurants and bars** was their top priority, very likely to live in Minneapolis or Saint Paul.

If **access to parks and green space** was their top priority, likely to be near water across MSP.

If **safety** was their top priority, they are more likely to live in an affluent ZIP code across MSP.

Source: GREATER MSP (Make It. MSP. “MSP Welcome survey”, 2016)
Implementing a strategic response for the region
EVENTS
Quarterly Welcome Hats at MIA, MN History Center

GUIDES
Starting with neighborhoods at makeitmsp.org

MARKETING
Digital campaign through #makeitmsp
LAUNCH

Welcome Hat
Tuesday, February 7 | St. Paul

MSP HELLO
WAYS TO PARTICIPATE

As a city

- Provide a web link for new residents
- Connecting us with city staff
- Consider hosting an event or contributing content later in 2017

As RCM or ULI

- Consider a seat on the MSP HELLO Steering Committee
- Assist with creation of guides and additional research in 2017
REGIONAL WORKFORCE EQUATION

Low Unemployment + High Workforce Participation
Racial Disparities + Increasing Diversity
Moderate Attraction + Falling Organic Growth

114,000 Potential MSP Worker Shortage 2020
Tools and insights are available today at makeitmsp.org!