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ECONOMICMODELING.COM

Third Annual

TALENT ATTRACTION SCORECARD

CONTENTS

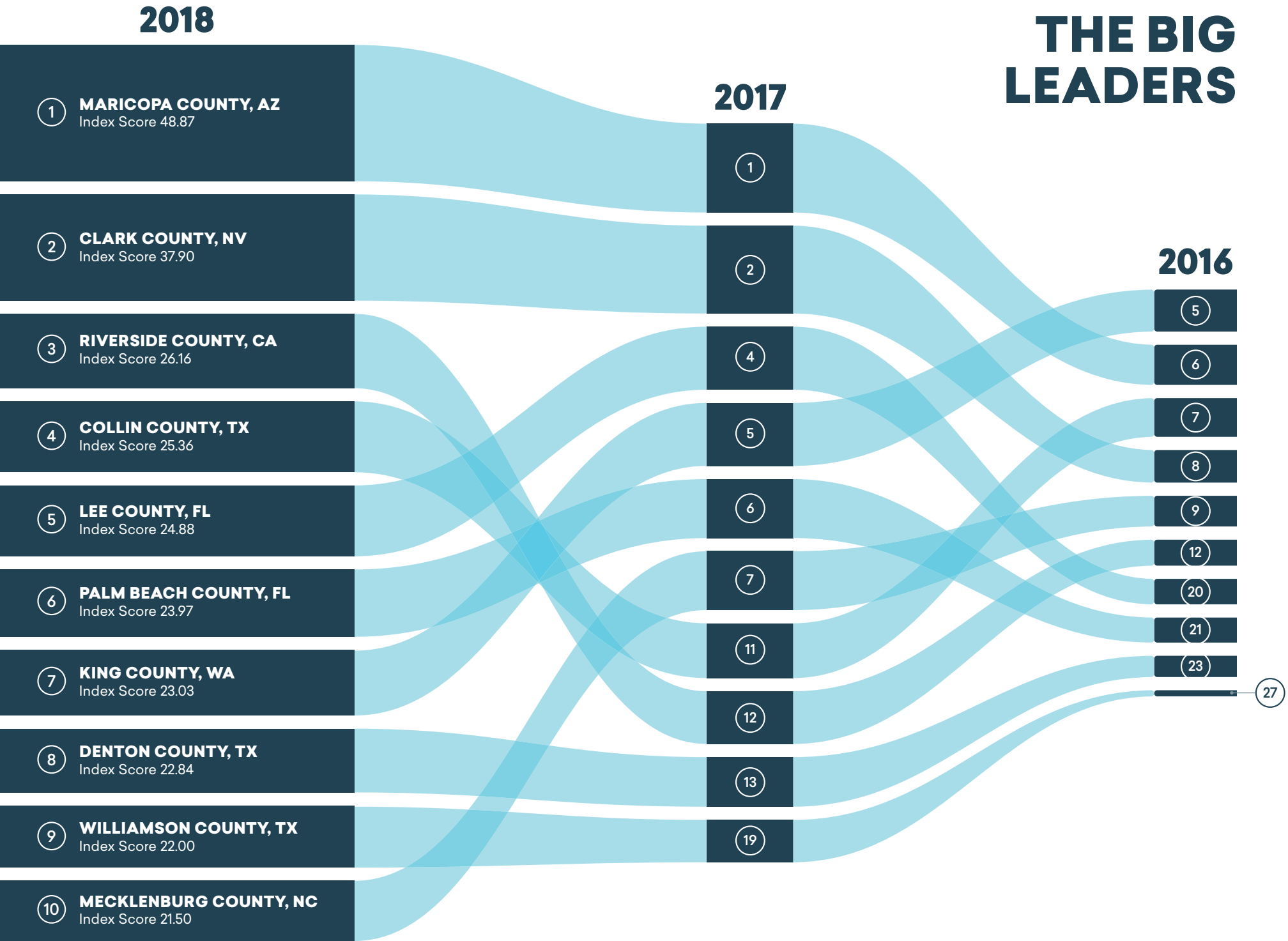
SKILLED PROFESSIONALS WANTED!

BY CARA CHRISTOPHER, JOSHUA WRIGHT, AND PAUL LINARES

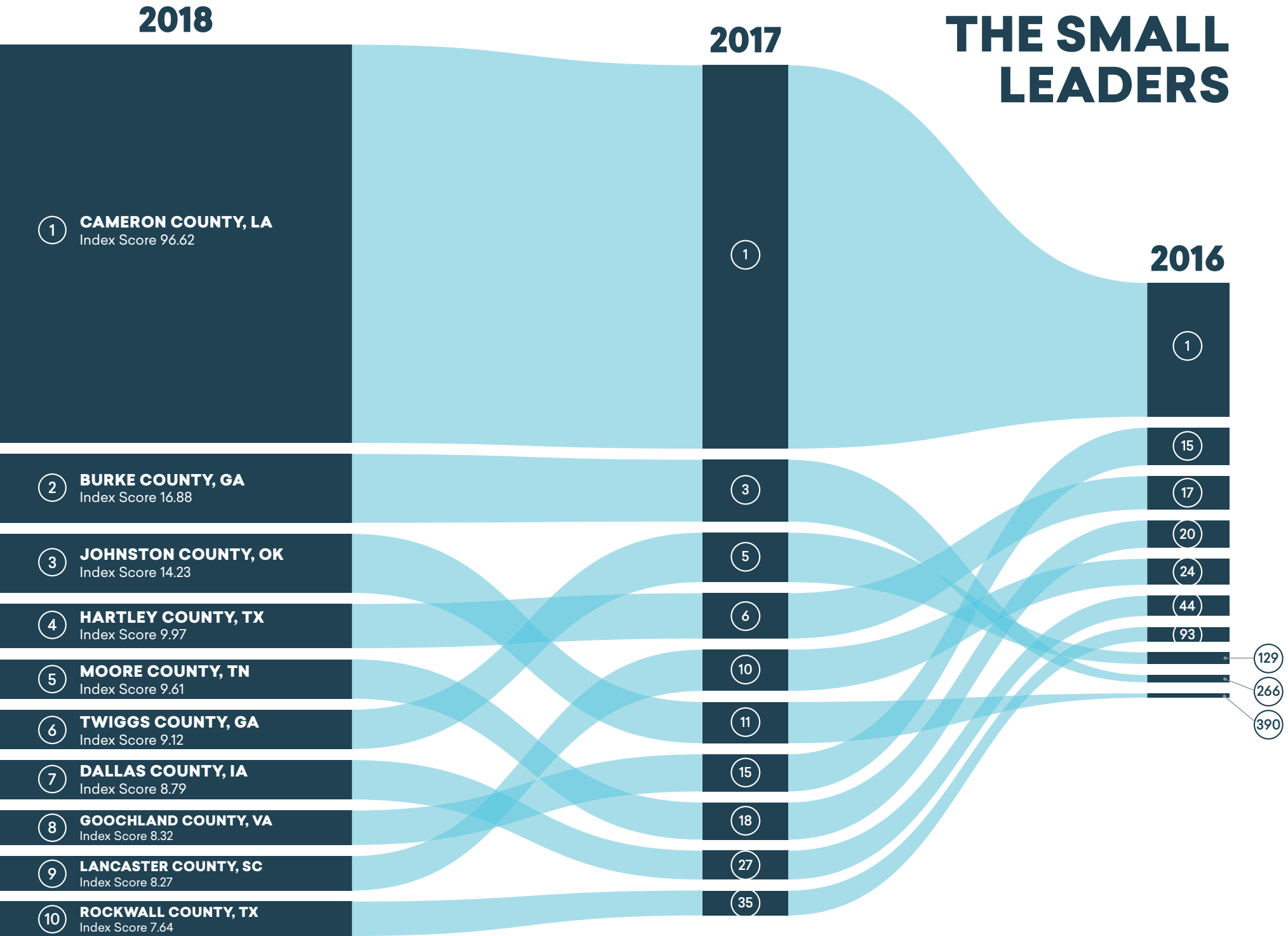
Workforce issues are the highest reoccurring pain point for businesses in a period of sub-4% unemployment. When it comes to talent, everyone is pulling from the same pool and competition is increasing. Which communities are leading the pack in seizing talent?

In the third annual Talent Attraction Scorecard, we explore how well small and large counties are attracting and developing skilled workers. Counties are ranked using Emsi's Talent Attraction Index based on drawing new residents, growing jobs and skilled workers, attracting young talent, and increasing educational attainment. We uncover the communities that are doing the best and reveal why. We then expand on a six-phase talent pipeline that provides short- and long-term workforce strategies for communities.

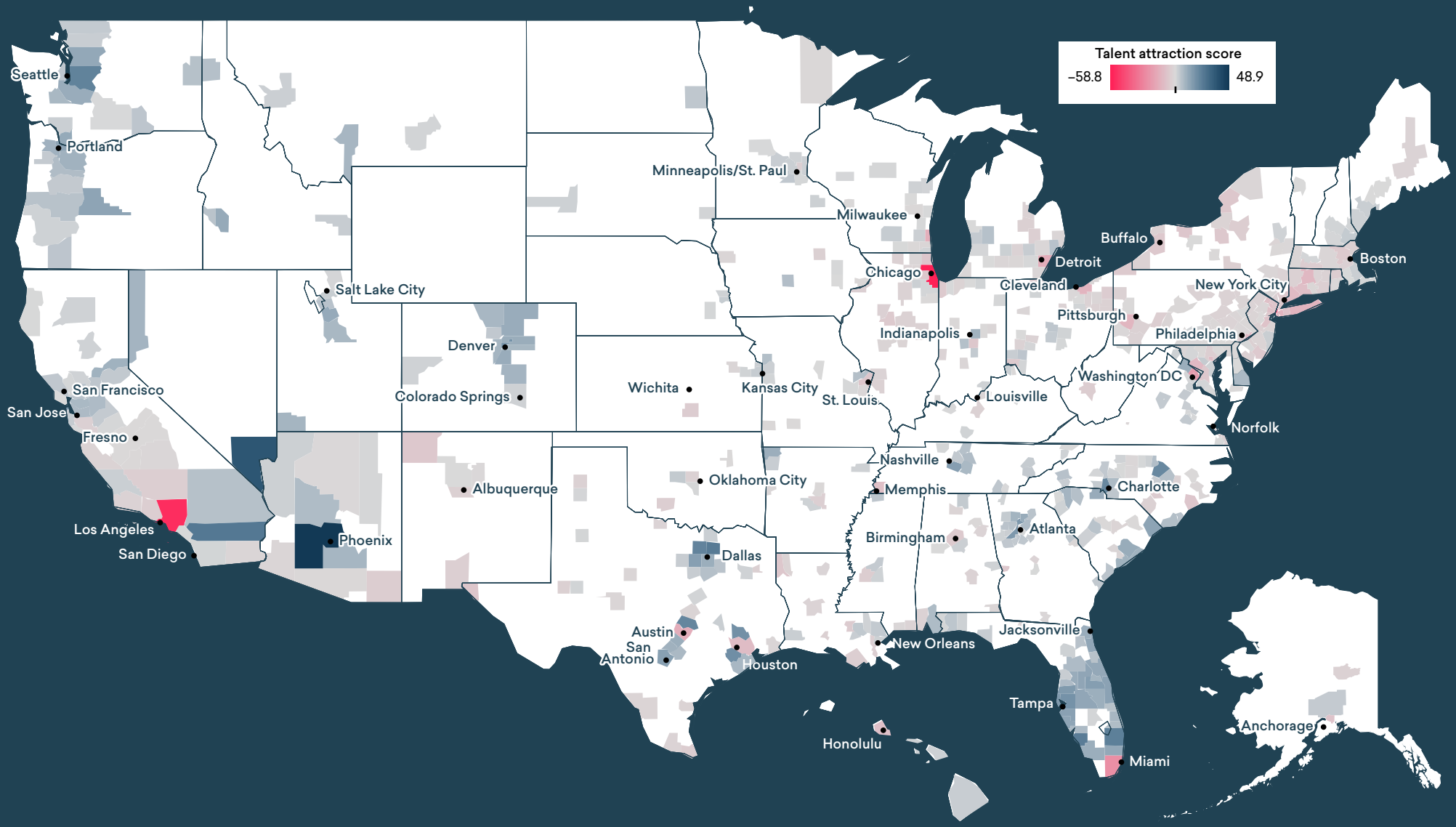
THE BIG LEADERS



THE SMALL LEADERS



LARGE COUNTY RANKING



Top Two for Two Years

For two years running, Maricopa (Phoenix) and Clark (Las Vegas) counties rank as #1 and #2.

Both counties attracted more net residents in 2015–16, which has been steadily high since 2012. Both counties also rank in the top 10 for regional competitiveness, which shows they have a larger-than-expected share of skilled workers.

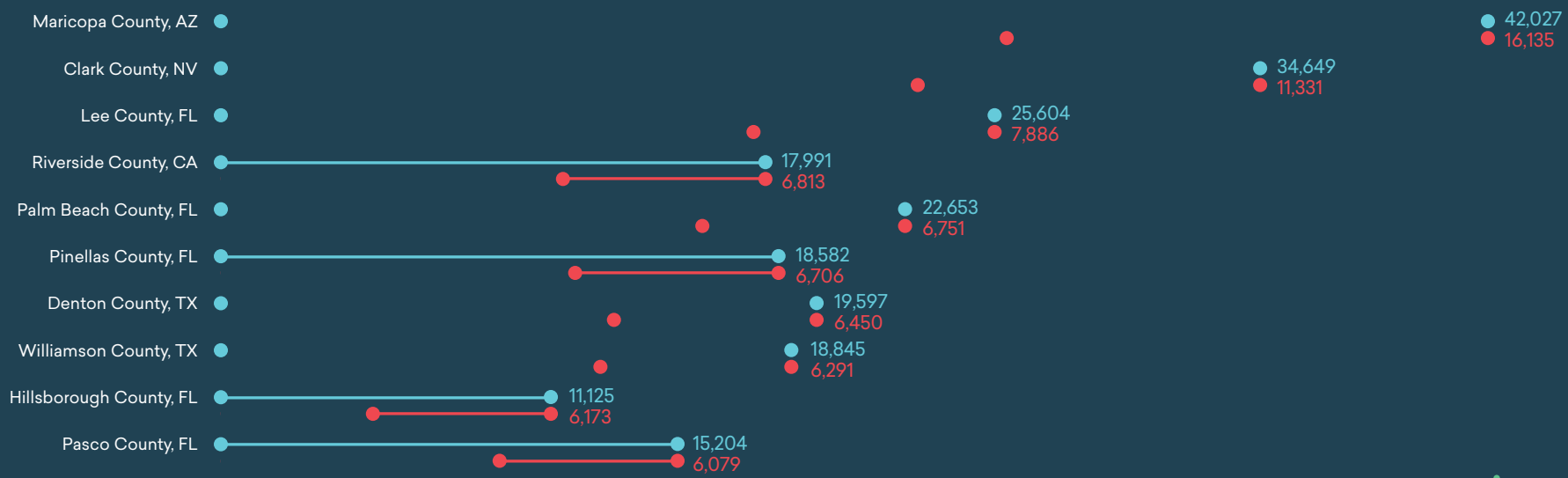
1 MARICOPA, AZ

#1 Index score	48.87
#7 Regional competitiveness	34,976
#4 Largest population	4,310,821

2 CLARK COUNTY, NV

#2 Index score	37.90
#9 Regional competitiveness	27,780
#12 Largest population	2,191,693

MIGRATION LEADERS



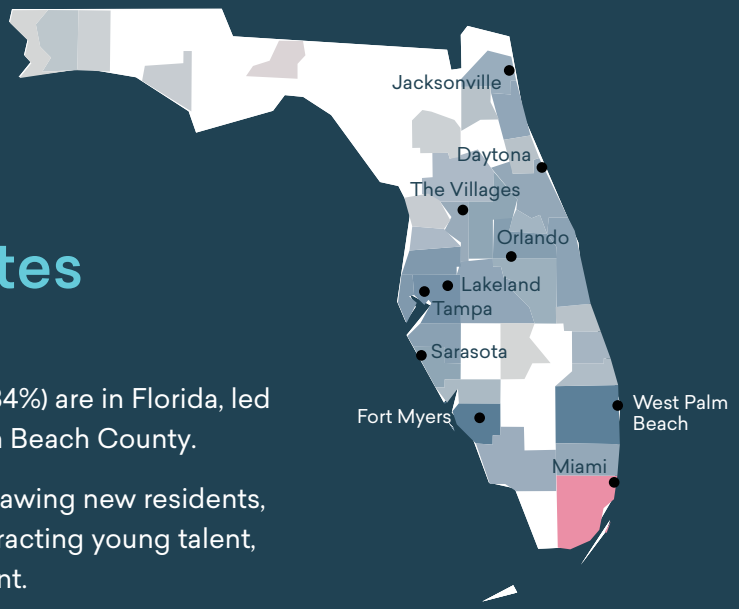
Florida Dominates

Seventeeen of the top 50 counties (34%) are in Florida, led by Lee County (Fort Myers) and Palm Beach County.

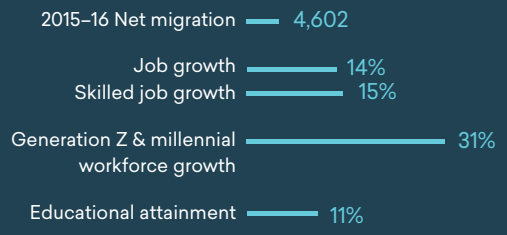
Overall, the 17 Florida counties are drawing new residents, growing jobs and skilled workers, attracting young talent, and increasing educational attainment.

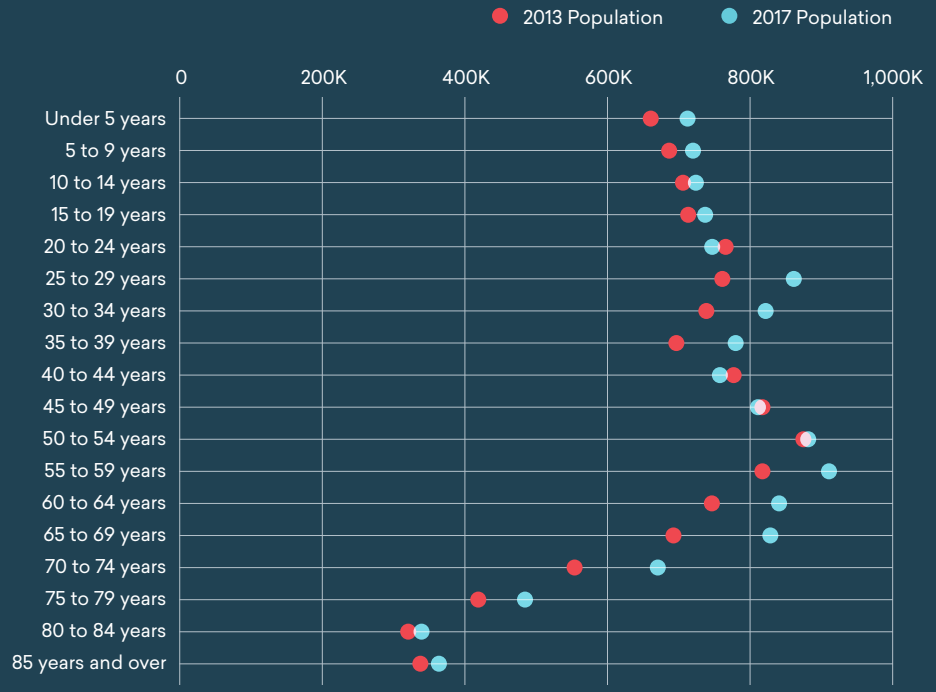
Four counties in the Fort Myers and Tampa metro areas (Lee, Pinellas, Hillsborough, and Pasco) rank in the top 10 for 2015–16 net migration. Meanwhile, Sumter County ranks #1 overall in educational growth with a 22% increase in adults with an associate degree or higher. And St. Johns County ranks #10 overall in skilled job growth with a 26% increase from 2013–17.

Although these counties are gaining a retirement-aged population, they're also seeing strong workforce growth in Generation Z and millennials. St. Johns and Sumter counties saw Generation Z and millennial growth of 48% and 45%, respectively, which relates to the rise in educated and skilled workers in these regions.

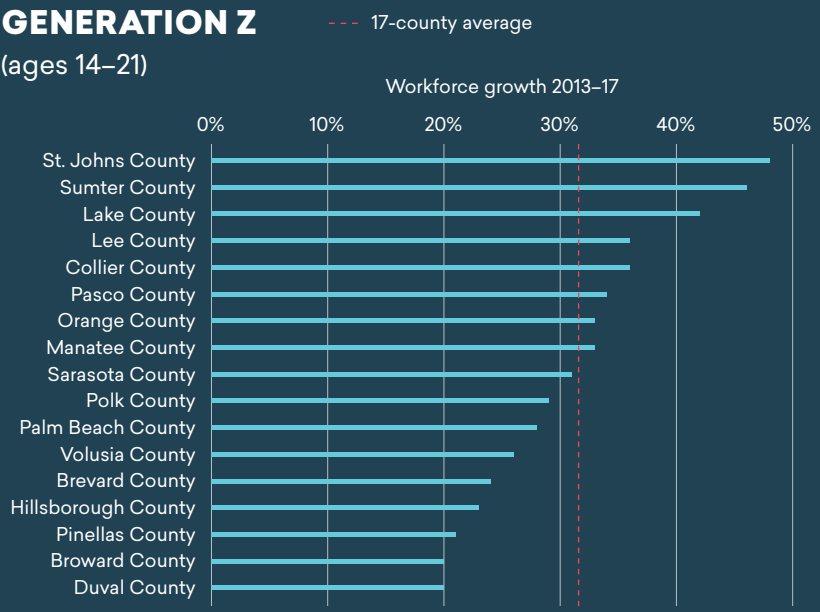


17 COUNTY AVERAGES

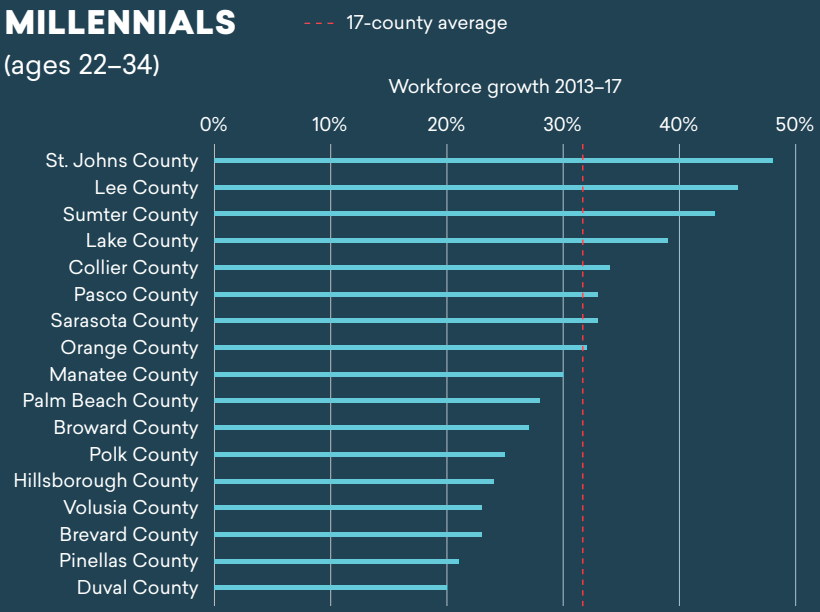




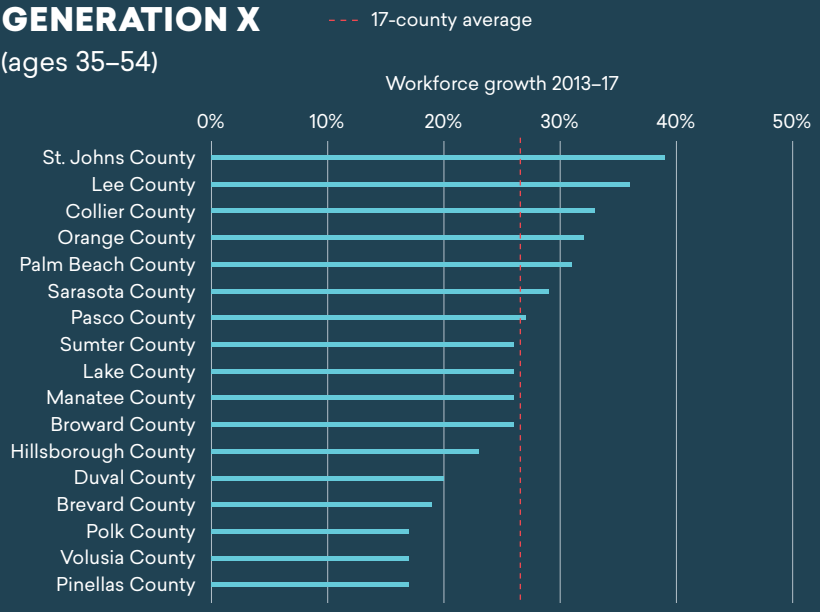
GENERATION Z
(ages 14–21)



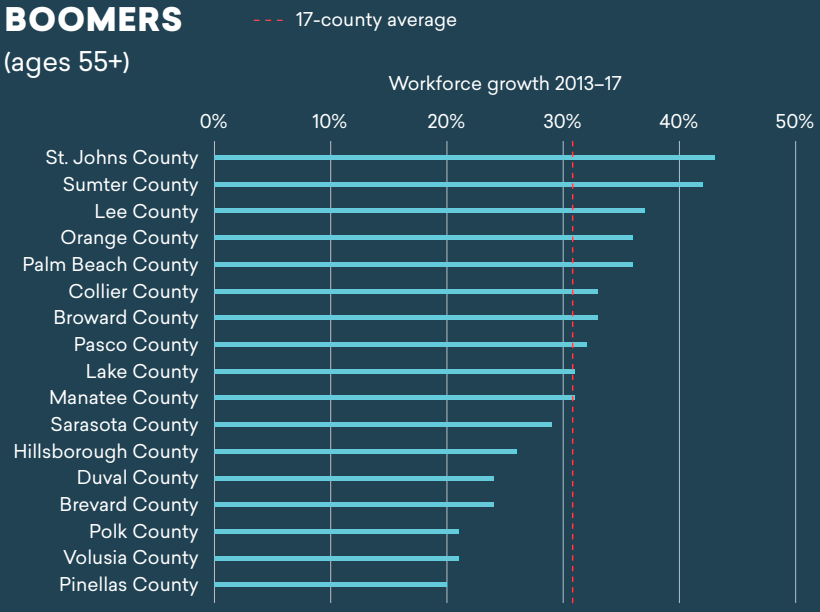
MILLENNIALS
(ages 22–34)



GENERATION X
(ages 35–54)



BOOMERS
(ages 55+)

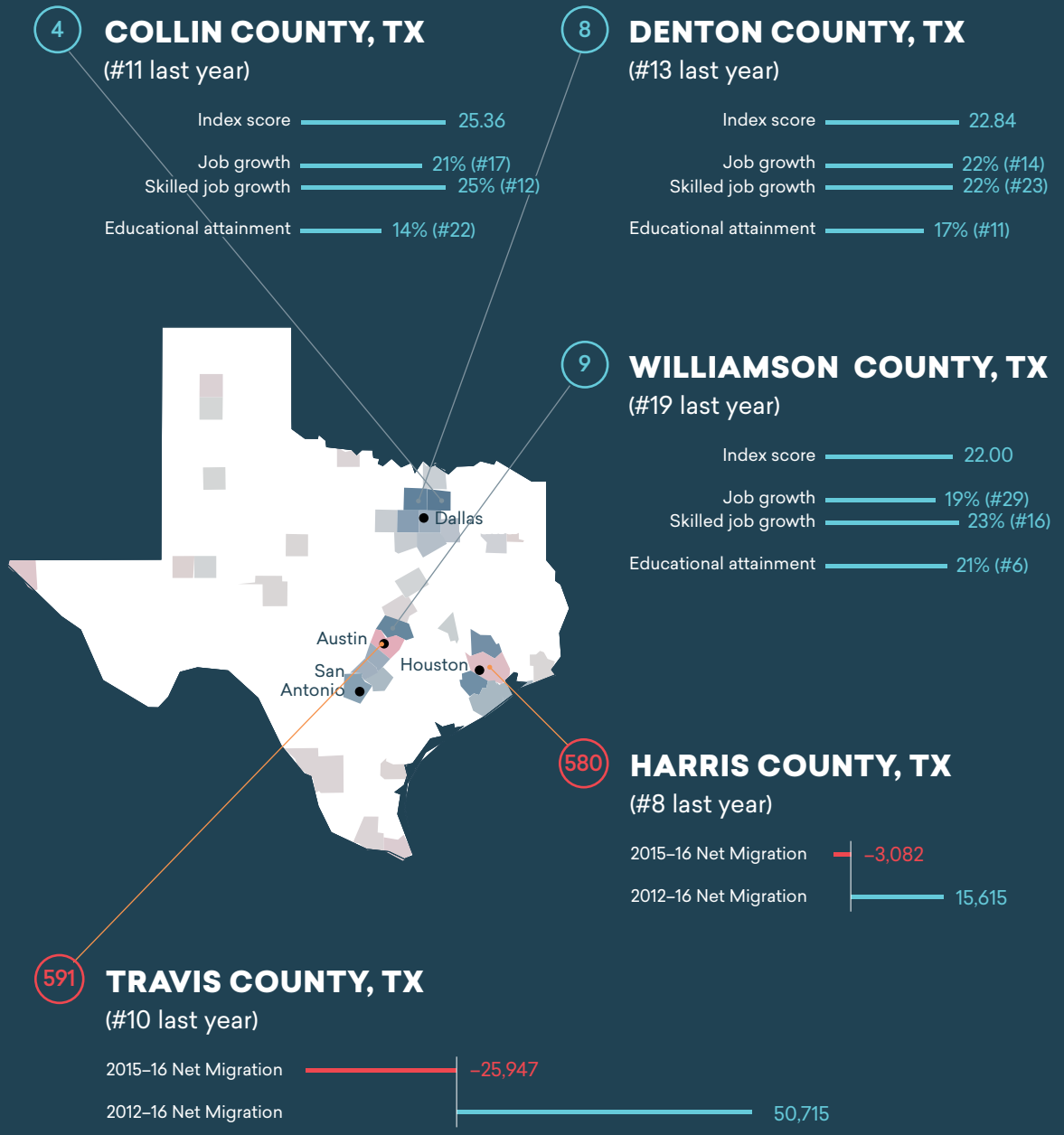


Texas Adding Three to the List

New to the top 10 are Collin, Denton, and Williamson counties. Denton and Williamson have been steadily bringing residents into their regions with high job growth and net migrations. Each of the Texas counties also rank high in adding an educated population, with an average 17% growth from 2012–16 in adults with associate degrees or higher. Texas has the highest alumni retention rate of any other state with 74% of university graduates staying within the state.

Not all of Texas is growing. Both Harris County (Houston) and Travis County (Austin) saw drops in 2015–16 net migration prompting them to fall from last year's top 10 rankings to 580 and 591 (out of 597 large counties).

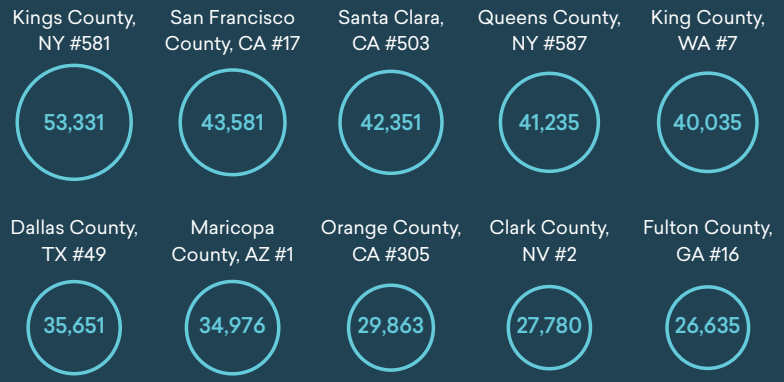
- For every person moving to Harris County, 1.3 people are leaving, with the majority (67%) moving to another location within Texas.
- In Travis County, for every person moving to the area, 1.6 are leaving, with the majority (61%) moving out of the state of Texas all together.



Large County Overall Rankings

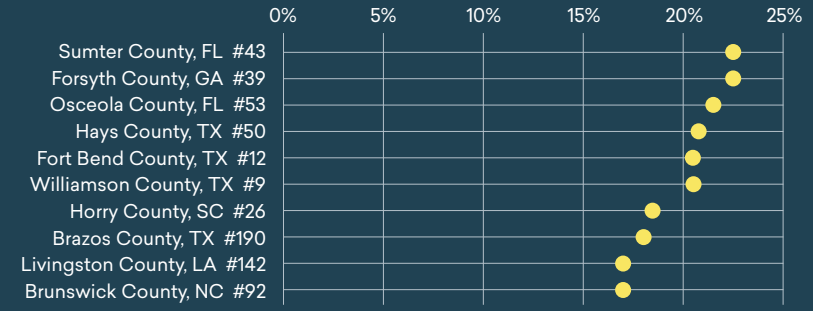
REGIONAL COMPETITIVENESS

2013-17 Skilled Competitive Effect

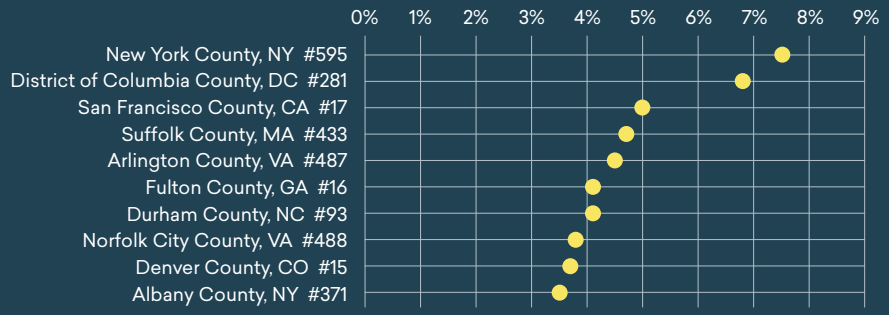


EDUCATIONAL ATTAINMENT

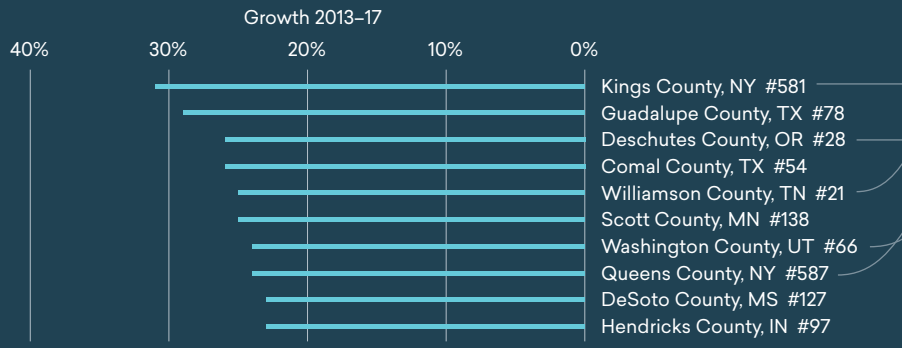
Growth in Adults with Associate Degree or Higher (2013–17)



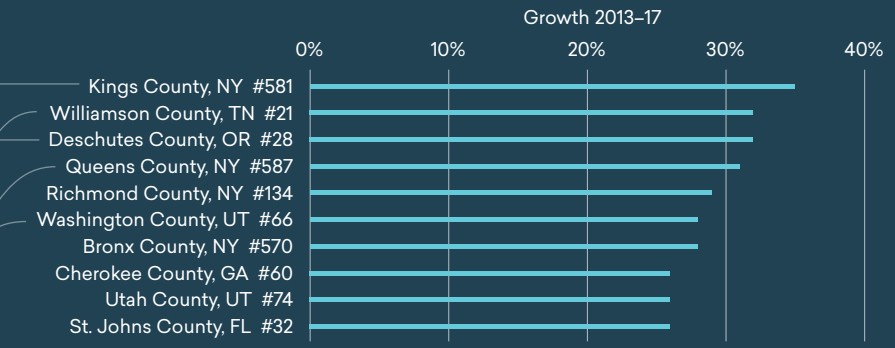
JOB OPENINGS PER CAPITA



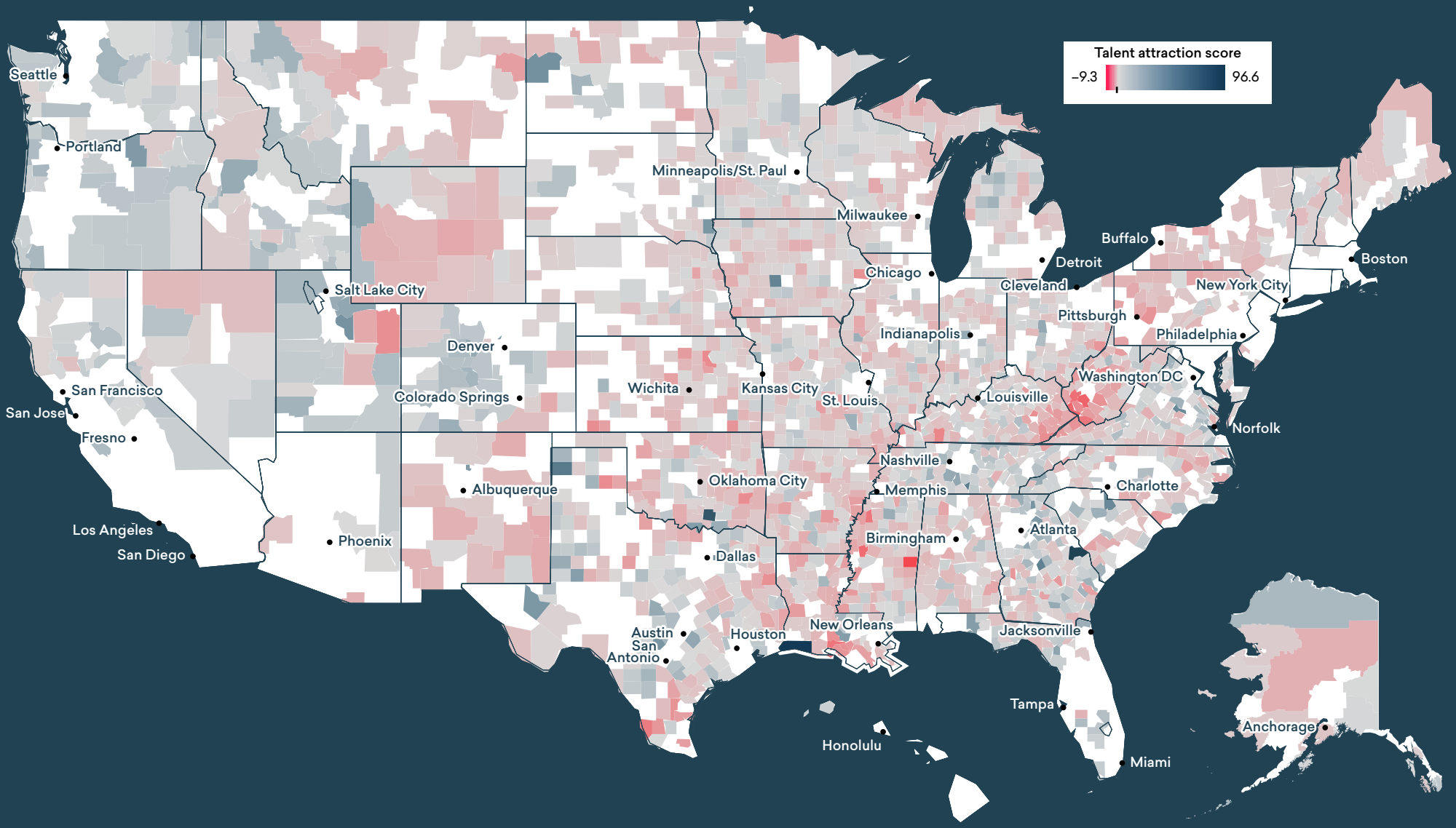
JOB GROWTH

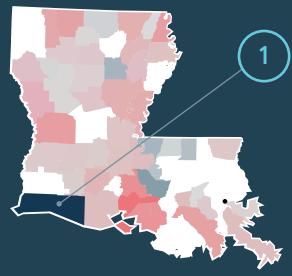


SKILLED JOB GROWTH



SMALL COUNTY RANKING





1 **CAMERON COUNTY, LA**

Index score 96.62

Job growth 411%

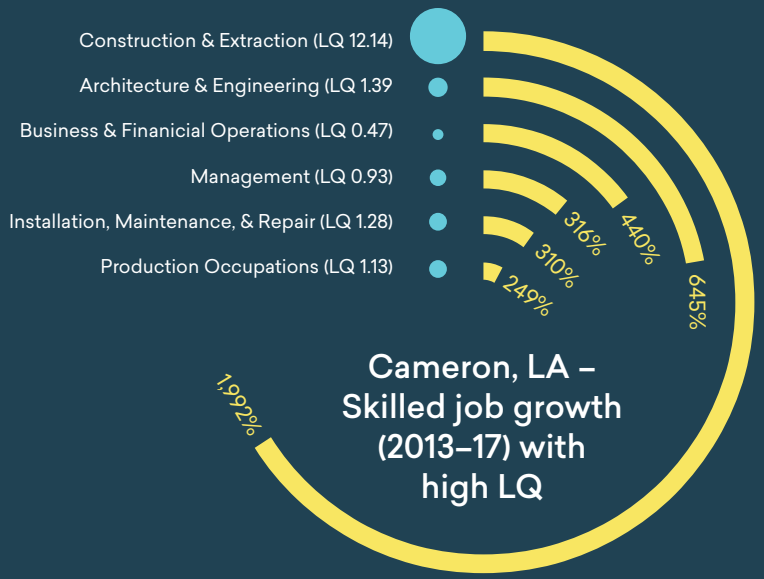
Skilled job growth 529%

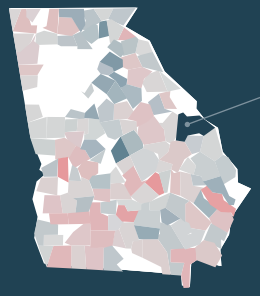
Cameron County, Three Years Strong

Cameron County, Louisiana, topped the small county rank for the third year in a row, which isn't surprising since it outranks all other counties with huge job growth (411%) and skilled job growth (529%) and a rise in educated talent and regional competitiveness.

From 2013–17, Cameron County has seen an increase in construction and extraction occupations by 1,992%, giving it a concentration (location quotient, or LQ) of 12 times the national average.

In second and third place are Burke County, Georgia, and Johnston County, Oklahoma. As two of the smallest counties, each have seen significant job growth and skilled job growth.



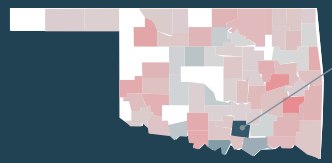


2 **BURKE COUNTY, GA**

Index score 16.88

Job growth 80%

Skilled job growth 99%



3 **JOHNSTON COUNTY, OK**

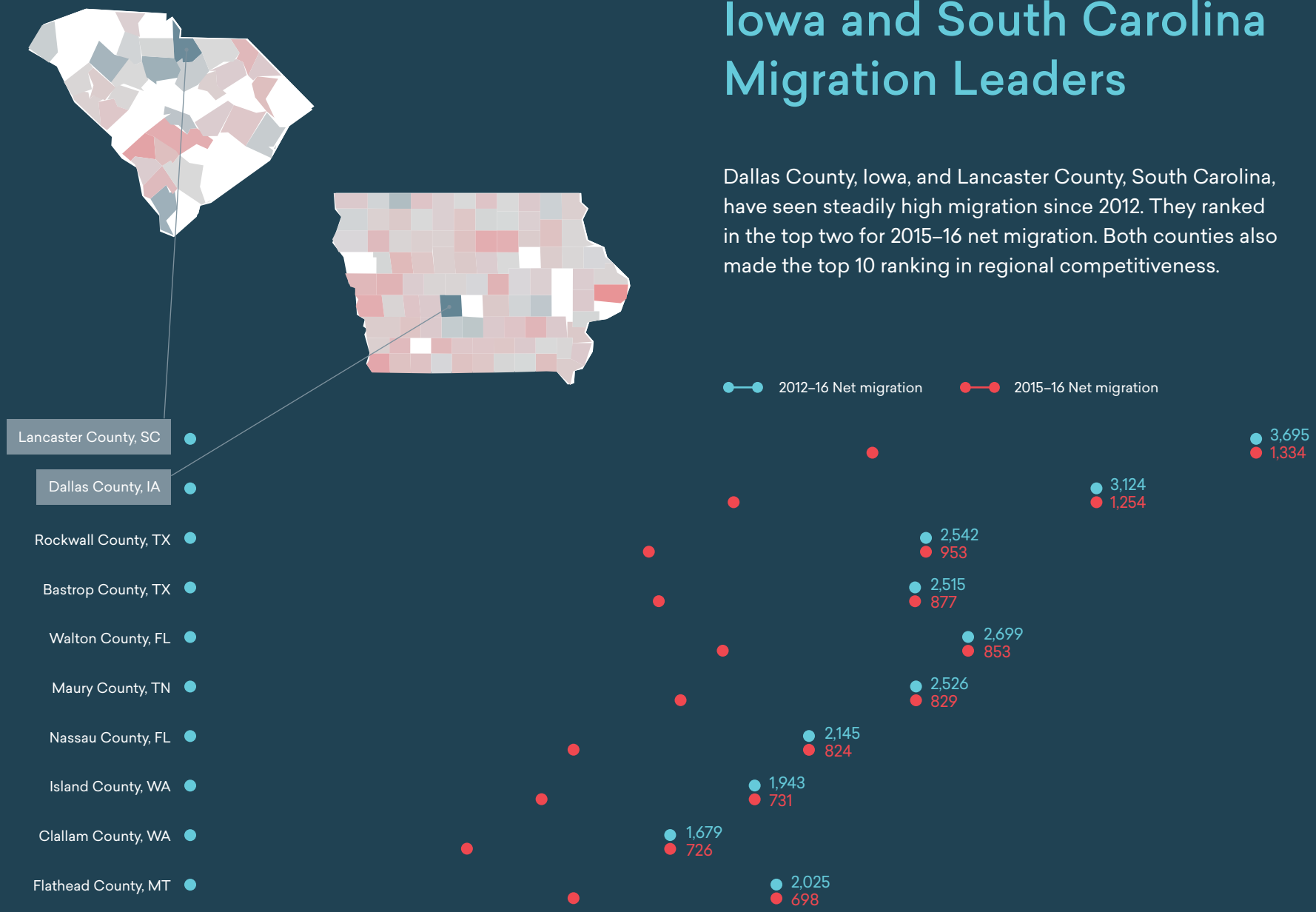
Index score 14.23

Job growth 79%

Skilled job growth 96%

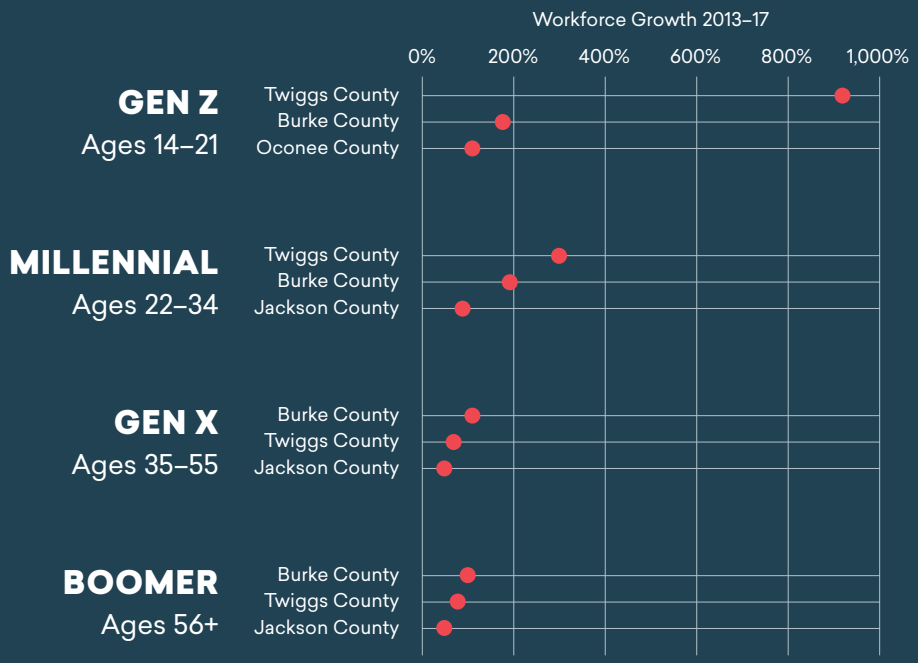
Iowa and South Carolina Migration Leaders

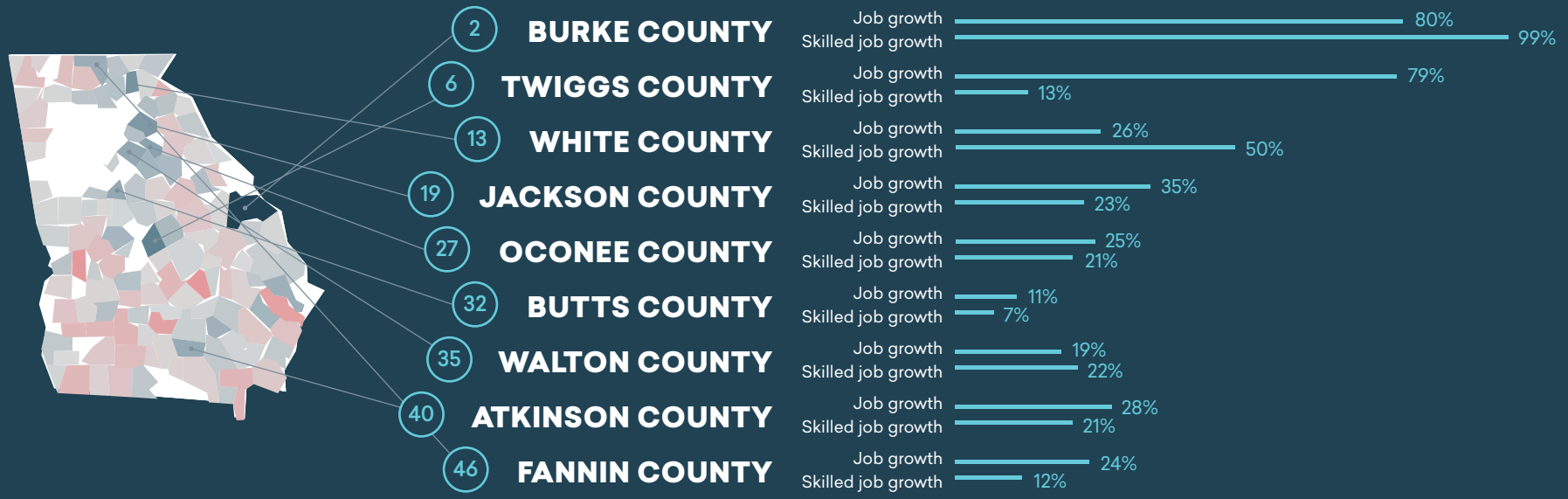
Dallas County, Iowa, and Lancaster County, South Carolina, have seen steadily high migration since 2012. They ranked in the top two for 2015–16 net migration. Both counties also made the top 10 ranking in regional competitiveness.



Georgia for the Win

Georgia is attracting more people than any other state in the top 50 small county ranking, led by Burke County (#2) and Twiggs County (#6). Over the last five years, Georgia has seen a large increase in the manufacturing industry. Both have seen large job growth since 2016, when their index scores subsequently ranked at #266 and #129. In addition, White County, Georgia saw huge skilled job growth (50%). The workforce growth in Georgia is dominated by the Generation Z and millennial populations, with Twiggs, Burke, Oconee, and Jackson counties leading these generation bands.

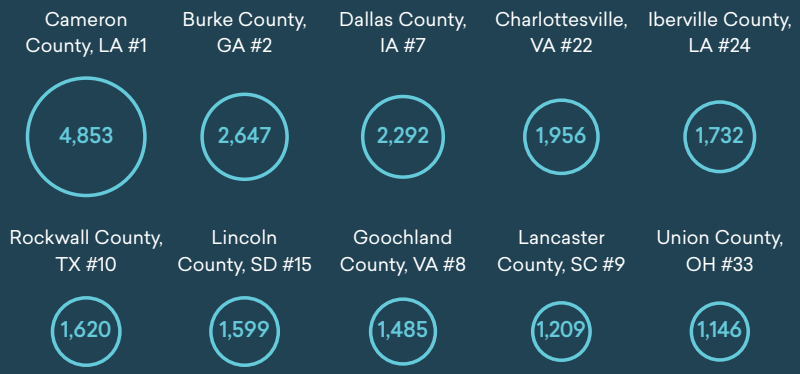




Small County Overall Ranking

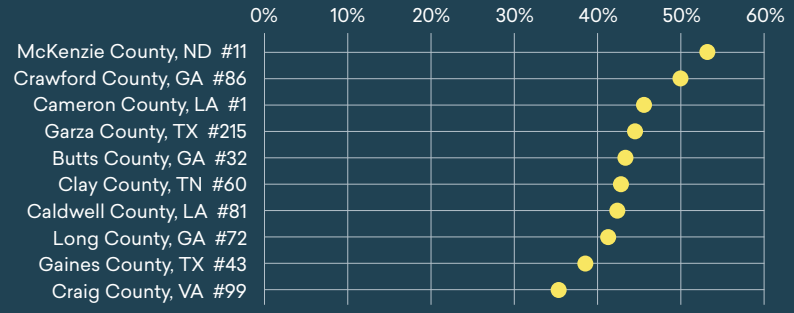
REGIONAL COMPETITIVENESS

2013-17 Skilled Competitive Effect

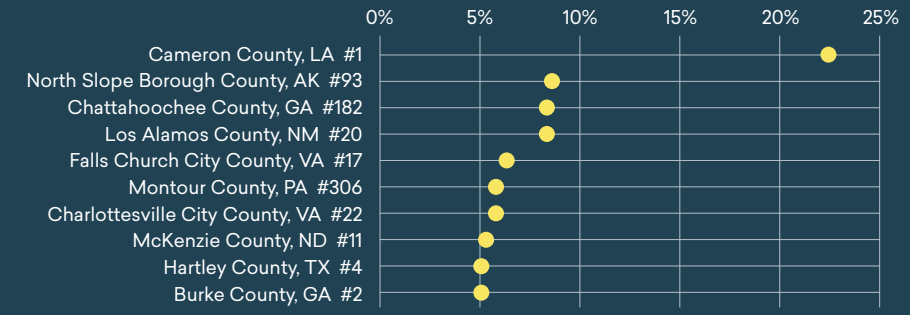


EDUCATIONAL ATTAINMENT

Growth in Adults with Associate Degree or Higher (2013–17)

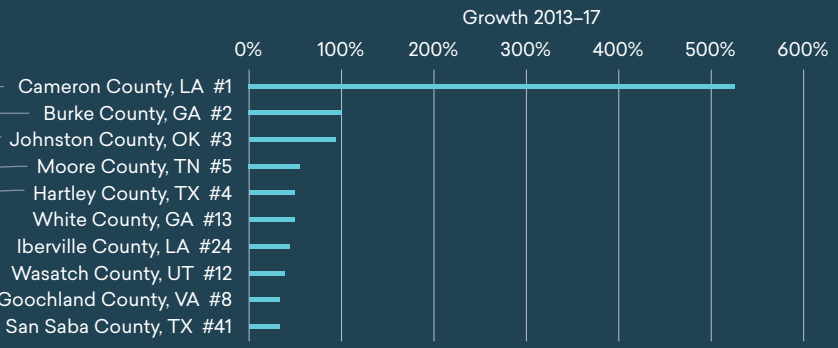


JOB OPENINGS PER CAPITA



JOB GROWTH

SKILLED JOB GROWTH



GENERATION GROWTH BY COUNTY

The IRS migration data we used provides a robust look at inflow and outflow migration by county. But it doesn't give a glimpse into the demographic makeup of migrants. To overcome this, we looked at Emsi's employment data by age cohort. It's one thing to add lots of people due to migration, but are they working age?

We are using the following generation bands for workforce growth between 2013–17: **Gen Z** (14–21 years), **millennial** (22–34 years), **Gen X** (35–54 years), **Boomers** (55+)

Large county workforce growth (2013–17)

Although Guadalupe County, Texas (San Antonio) ranked only 78th in talent attraction, the county is attracting a large percent of young people with high growth in Generation Z, millennials, and Generation X.

Millennial growth is all over the map from Deschutes County, Oregon (Bend), to Hendricks County, Indiana (Indianapolis), and two Utah counties (Washington and Utah Counties).

Berkeley County, South Carolina is seeing growth on both spectrums with a 65% growth in Gen Z and 61% growth in boomers.

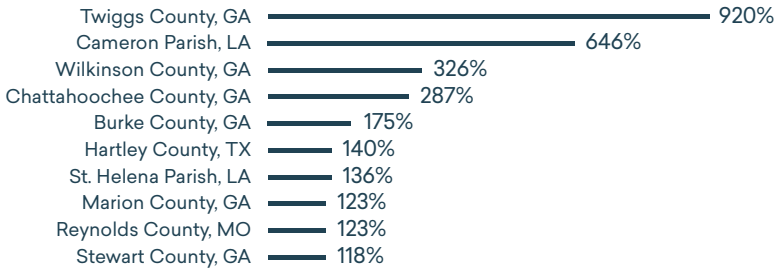
GEN Z (14–21)

MILLENNIALS (22–34)

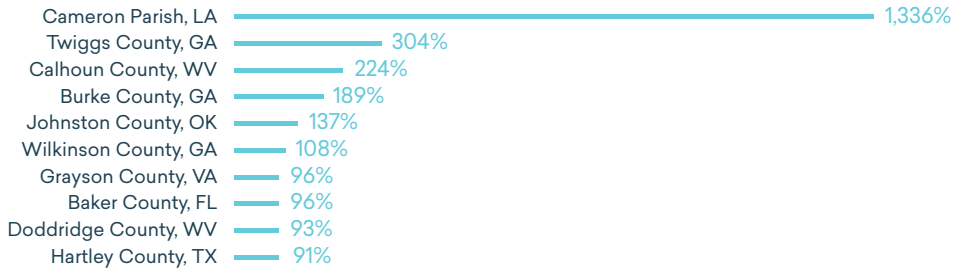
GEN X (35–54)

BOOMERS (55+)

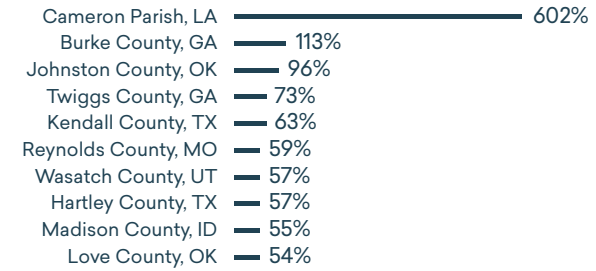
GEN Z (14–21)



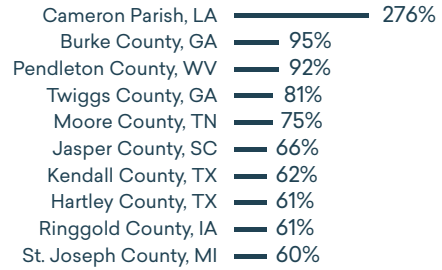
MILLENNIALS (22–34)



GEN X (35–54)



BOOMERS (55+)



Small county workforce growth (2013–17)

As discussed earlier, Georgia is growing, and growing in young talent across the state.

It's no surprise to see large growth in Cameron Parish, Louisiana, translate to large growth in each of the generation bands.

State counties can also differ greatly. Across the northern part of West Virginia, Calhoun County is seeing large growth in millennials, whereas Pendleton County is seeing growth in Boomers.

METHODOLOGY

The following six metrics were equally weighted to create a z-score index to determine the best regions for talent attraction.

Net migration measures the net new residents that came to a county from inside or outside its state, looking at the most recent years of data (2015–16) and a broader post-recession period (2012–16). Source: IRS.

Overall job growth is the 2013–17 percent job change for all wage-and-salary employees.

Skilled job growth looks at 2013–17 percent growth for occupations that fall into one or more of the following three categories: those that typically require 1) a postsecondary certificate or above, 2) long-term on-the-job training, an apprenticeship, or residency/ internship, or 3) five years or more of work experience in a related occupation. This allows us to see growth of jobs in occupations that require formal education (from a certificate to an advanced degree) and those in which experience or on-the-job training is preferred by employers. All education levels are reported at the national level by the BLS.

Educational attainment is the 2013–17 percent change for adults over 25 with at least an associate degree.

Regional competitiveness is the 2013–17 competitive effect for skilled occupations (see above) using shift share. Competitive effect explains how much of job change is due to a region's unique competitive advantages. This explains which counties are gaining (or losing) a greater share of skilled labor.

Annual openings per capita are the sum of 2013–17 new jobs and replacement jobs (i.e., openings due to attrition) per 1,000 residents. Some regions might not create a flood of new jobs, but because of the attrition of its workforce through retirements, etc., replacement job needs could be high.

All data is from Emsi's 2018.3 data set (wage-and-salary employees only) unless otherwise noted.

THE SIX PHASES OF TALENT ATTRACTION, DEVELOPMENT, AND RETENTION

The three elements to successful workforce development—developing, attracting, and retaining skilled talent—require short- and long-term thinking among community partners.

Workforce development is a dynamic, complex process that takes constant fine-tuning. It requires leaders in economic development, K–12 and higher education, the local business community, and, of course, workforce boards to be on the same page. And it needs to be integrated with strategies for housing, infrastructure, and other policies.

To help navigate this, Emsi developed a six-phase talent pipeline roadmap. We included this framework in our 2017 Talent Attraction Scorecard and have since expanded on it. Here it is in more robust form.

1 Talent Attraction: 0 to 6 Months

How can you impact your region's workforce development landscape today? After all, the businesses you serve need talent, and they need it now. In this phase, you're trying to recruit talent from outside your region, which means they'll likely be white-collar workers or tradespeople who can make good money and are more likely to move.

A few tips to attract workers

Get creative in your search. Look for talent pools among some or all the following:

- High school and college alumni who have left your region (this is where Emsi's Workforce Insight comes in handy), people with relatives living in your community, underemployed workers, veterans transitioning to civilian life, and remote workers who could have a physical presence in your community.

Channel your marketing skills

Use metrics that matter like adjusted cost of living compared to peer regions and other communities (candidates could make $X more if they moved).

Develop talking points that resonate with your target audience:

- Mid-level workers care about affordability, school, quality of life, continuing education.
- College grads care about all the above plus your amenities, downtown, and arts and culture.
- Entrepreneurs care about coworking spots, resources for startups, networking opportunities.

Drive people to a website that focuses on your selling points, including a local job board or employer portal (such as Emsi's Career Coach) where you can showcase specific companies and jobs.

2 Transferable Skills: 6 Months to 2 Years

In this phase, we recommend partnering with training providers outside of traditional education—as well as community and technical colleges that can spin up short-term certificate programs.

How can you retool or upskill workers already in your area?

- **Be employer-driven:** The first people you should reach out to are executives and HR managers at your region's key businesses. If they're not engaged or driving the conversation, talent attraction and workforce development will have a hard time succeeding.
- **Focus on skills and job titles, not standard occupations:** Publicly available data from the BLS and others is wonderful, but it's also antiquated at times. Industry staffing patterns, as Stacia Edwards from Columbus State Community College notes, are based on archaic taxonomies. This is why talking to employers is vital, and why we recommend looking at job postings and resumes and analyzing how skills cluster together based on core employer needs.
- **Look to coding academies, apprenticeships, incubators:** The more non-traditional (and traditional) education providers you have in your region, the better. It's also worthwhile to ramp up the number of workers in your community with ACT WorkKeys National Career Readiness Certificates, as *Site Selection Magazine* has measured.
- **Don't forget about workforce development agencies:** One proven method for helping businesses get quick talent is providing minimal training to individuals with similar skillsets that could transfer to needed positions. For this, we suggest diving into job posting analytics and skills transferability data from O*NET. A newer approach that Emsi is piloting is to compare an adult learner's résumé with the résumés of thousands of others with similar backgrounds to look at the shape of their skills profile, the sequence of their job history, and recommend new careers.

3 Technical and Certificate Programs: 2 to 4 Years

This phase is an ideal spot to encourage apprenticeships, develop sector strategies, search for state and federal training grants, and generally involve higher education and the business community to develop a sustainable talent pipeline.

Some training will require more than a short-term certificate, and the process to determine demand and start such a program can take time. But it can't be skipped or short-changed.

Well-aligned workforce development programs, like AIDT in Alabama and Tennessee's integrated approach, don't just make for strong workforce development platforms—they're also powerful business recruitment tools.

How can community leaders influence curricular decisions? Again, we suggest you use employer-driven strategies and partner wherever possible. It's also important to use primary and secondary data on in-demand jobs and skills. The right metrics will help you establish a baseline and track progress.

4 Advanced Skill Sets: 4 to 7 Years

This phase is where we encourage communities to start thinking of long-term talent development. And that can't be done without partnering with local four-year colleges.

Universities are prime sources of young talent that businesses covet. Cities with educational institutions attuned to industry needs—if they can retain graduates, which is a big "if" for some communities—have a leg up on their competition in attracting businesses. (It's no surprise that each of the Amazon HQ2 finalists have robust university systems nearby.)

The encouraging thing is more universities are becoming focused on their graduates' employment outcomes. A strong example is the University of New Mexico, which has strengthened employer partnerships by showcasing where their graduates are employed and what job titles and skills they have.

Stronger employer partnerships often create great feedback loops to complement long-term occupational projections. This informs program development, which in turns leads to communities producing workers with skillsets that businesses want to hire.

5 Information Gap: 7 to 10 Years

Program alignment and partnerships are great, but if you don't have students' interest and awareness of these offerings, it's all for naught. This approach is twofold.

First, communities need to invest in junior high and high school programs that align to the future workforce needs. Studies have shown the effectiveness of middle school physics programs and their connection to graduates going into STEM-related college programs.

Second, communities should help build awareness—starting in middle school or earlier—of the real-life labor market opportunities in the area. Here are two examples of regions doing just this:

- The South Florida TechGateway is a public/private initiative to market the tech opportunities in a large region headlined by Miami, Fort Lauderdale, and Palm Beach to potential talent and companies. The website maps academic institutions, fast-growing tech companies, large tech employers, and tech creators in South Florida. It was developed by the Greater Fort Lauderdale Alliance (GFLA), Miami-Dade Beacon Council, and Business Development Board of Palm Beach County. GFLA, for one, markets TechGateway

to middle school and high school students by handing out posters showing all the region's tech companies to make them aware of the thriving-but-underappreciated South Florida tech cluster.

- Partners in the Monterey, California, area created the Monterey Bay Career Connect. It's a career exploration site that features local jobs and programs at six universities and colleges and was developed by Monterey Bay Economic Partnership, Bright Futures, Monterey Bay Office of Education, Santa Cruz Office of Education, Santa Cruz Workforce Development, and Monterey County Workforce Development Board.

6 Starting Early: 10 to 15 Years

Research has shown education is most influential the earlier students are introduced to concepts and ideas. We're no elementary education experts, but there is a significant body of research supporting the introduction of technology and science earlier into curriculum will pay off in more interest in STEM fields down the road. Even non-STEM occupations are requiring computer knowledge. Familiarity with tech and software will give students a brighter career outlook.

In short, the connection between education and businesses should not start after high school. It should be infused into the community with alignment all the way down to early elementary.

Communities that align their pre-K to post-graduate work will be the communities that come out ahead despite widespread talent shortages.

So, Where to Begin?

First, we recommend you take the time to **know the strengths (and weaknesses) of your community and region.** What Shakespeare wrote in Hamlet, "Know thyself and to thine self be true," applies very well to local and regional economic development.

Knowing your strengths and comparative advantages requires looking at accurate economic and labor data. Which industries drive your economy and bring in outside dollars? Which occupations and skills are most important to those industries?

Let data, rather than assumptions or personal pet projects, inform your decisions.

Second, **analyze your community's most pressing needs.** Do existing or potential businesses need 300 new workers right away? Do you have companies in need of additional workers six months to two months from now? Do you have available people and available jobs, yet a gap in connecting the two?

Answering these questions will determine the first steps in three of the most important things you can do for your community: attracting, developing, and retaining talent.

Emsi

Successfully attracting talent to your community requires a good understanding of your area, businesses, and people. Our aim is to give you the insight to identify areas of opportunity and take actionable steps to meet your goals.

We would love to hear about the challenges you face and discuss how we can work together.

Emsi is the industry leader in labor market data and expert analysis to professionals in economic development, workforce development, higher education, commercial real estate, and talent acquisition.

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