

Pursuing the Best and Brightest

By Iain Watt

TALENT ATTRACTION AS AN ECONOMIC DRIVER

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INTRODUCTION

abor costs are the most expensive part of running a business. Corporations looking to expand and relocate are first and foremost interested to know that their labor needs will be met with a pool of eligible and talented individuals to move their organization forward. It is no coincidence that Boston, New York, and Silicon Valley serve as the gold standard in economic development: home-grown resources and cultural appeal have made these cities talent magnets, hot beds for innovative thought and a trusted workforce supply.

Economic development organizations are finding themselves stretched in more directions than ever – and on tighter budgets. While attracting companies (and the jobs that they bring) remains a key goal of most economic developers, even more pressing for many states, cities, and regions is the added need to bring in high-skill, high-demand workers to fill their labor markets. Even with unemployment levels approaching – and even exceeding – double digits, many communities are still struggling with the need to draw in the *right* people.

In response, many communities around the nation have already launched aggressive programs to bring in new workforce, from Alabama to Nevada to North Dakota, and the competition for top talent is getting steeper. Last August, *The New York Times* reported that American graduates are increasingly seeking opportunities abroad, especially in China, where unemployment remains low in skilled labor markets and entrepreneur-friendly legislation is luring people seeking opportunity in the downturn¹.



Cities like New York remain talent hotbeds thanks to cultural attractions and professional opportunity, but the competition for skilled workers is rising.

The professions in highest demand are not news to veteran economic developers: America suffers from ongoing deficits for experienced engineers, IT professionals, and healthcare workers (are there any nurses out there? anyone at all???). With healthcare reform presenting further strains on a stretched labor system and immigration legislation limiting the number of IT workers recruited internationally, the problems in tight labor markets are just beginning.

And it's not just PhDs that are needed. Other skilled labor also faces deficits including heavy equipment mechanics, truck drivers, and welders. The economic downturn has stalled the need for new talent in many communities, but top companies have not stopped their search for communities positioned with the people that they need. In fact, this criterion has become more important than ever.

Before beginning proactive outreach, communities must first be honest and thorough in assessing existing workforce assets and establishing their de-

Iain Watt is an Account Supervisor at Development Counselors International, a New York City-based marketing firm specializing in economic development and tourism. He works with economic development organizations across the country to develop talent and business attraction campaigns to spur investment in local economies. (iain.watt@dc-intl.com)

TALENT ATTRACTION AS AN ECONOMIC DRIVER

In spite of high unemployment, cities and regions continue to pour resources into stocking their workforce with the right individuals to service existing industry and promote growth. Companies remain focused on locating in communities equipped with high-skill workers – trained in professional and technical tasks – perhaps more acutely than ever. In response, talent attraction and retention has become a focal point for many economic development organizations as communities engage in proactive recruiting efforts for in-demand workers. A deep, talented workforce is an essential differentiator in any stage of the economic cycle, and communities around the country are being aggressive and creative in their efforts to attract and retain skilled people.

velopment targets. Many economic development groups call in outside consultants to conduct a broad analysis of workforce needs, focused on maximizing existing resources and establishing shortfalls based on industry attraction goals. Based on these specific goals – whether they require engineers, financial professionals, lab scientists, and so forth – it will be evident, in part, where a local workforce must expand its resources. But in addition to the workers needed to service corporate expansion, communities need to assess what additional services projected population growth will require. These may include health and child care professionals, teachers, police and firefighters, and more. A clear and accurate assessment of what talent resources already exist and what deficits must be overcome is an essential foundation for a targeted and effective talent attraction campaign.

SEARCHING FOR A SILVER BULLET

But what attracts today's skilled workforce? Surprisingly, job opportunities alone are not the only answer. In her recent book, "Live First, Work Second," consultant Rebecca Ryan notes just how important lifestyle is to next generation workers: three out of four surveyed said that finding a "cool city" was more important to them than finding a "good job²." The current economic crisis is certainly making prospective workers less empowered than they were just a year ago. But as labor markets normalize and talented young graduates get back to work, making a community's living assets well-known will drive the reputations that shape America's next talent hotbeds.

Recently, Development Counsellors International, a New York-based economic development marketing firm, conducted a survey of more than 400 profession-

als around the country, age 22-50, regarding how they selected a place to live and work. With 77 percent of respondents holding a college degree or higher, the survey offers insight into what is driving America's skilled workforce to select a destination.

In assessing what factors served to have the greatest influence in selecting a community, the results showed that tried and true social factors – low crime rates, good housing, and local culture and recreation – remain the driving forces behind recruiting talented individuals. As noted in Table 1, discrepancies also exist between what drives younger workers and older ones to select a destination. While a community can only do so much to alter its natural setting or social offerings, accentuating top attributes must be a focus for any economic developer looking to attract a talented workforce to their community.

Naturally, what attracts the world's most talented individuals will vary by age, profession, and interest. But a community cannot simply overlook the need to find its niche and attract the necessary people. As Richard Florida noted in 2005, "In terms of both sheer economic horsepower and cutting-edge innovation, surprisingly few regions truly matter in today's global economy³." In realizing that the 21st century workforce is both mobile, and discriminating in its tastes, it can be deduced that the regions that best position themselves to attract these talent spikes will stay most relevant in an evolving global economy. This is where we now turn our attention, to examine what is already being done around the country to overcome natural spikes and promote various communities as places of opportunity for a talented workforce.

TABLE 1

On a 1-5 scale, with 5 being "highly desirable," rate the following attributes of a community according to your personal needs.

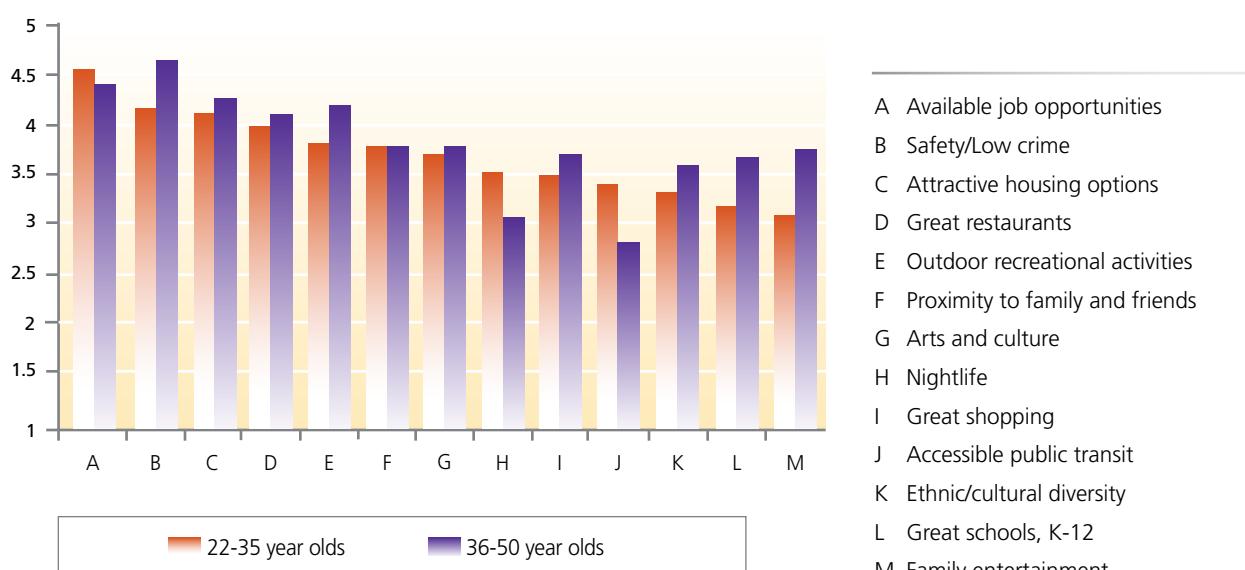
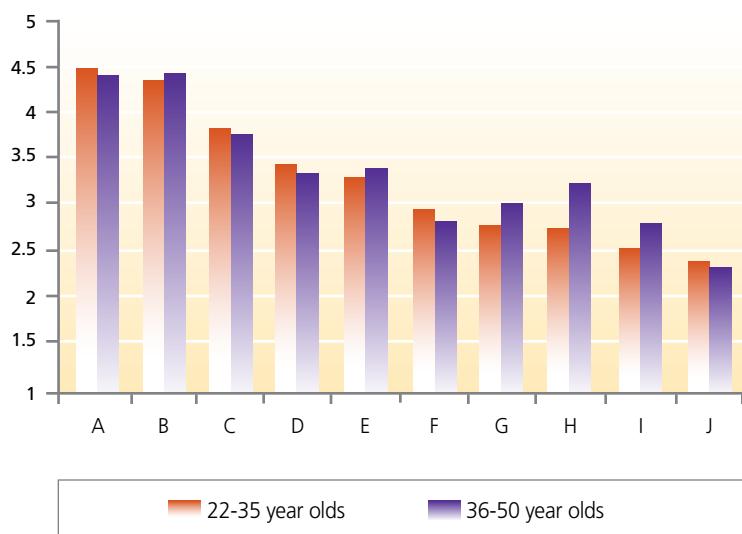


TABLE 2

On a 1-5 scale, with 5 being "Very much," and 1 being "Not at all" please rate these sources of information that may influence your perceptions of a community.



- A Previous travel experience to the region
- B Word of mouth commentary from family and friends
- C Internet searches for housing or jobs
- D Online news sites (e.g. cnn.com, msnbc.com, etc.)
- E Articles in newspapers and magazines
- F Popular culture references (including TV shows and movies)
- G Social Networking Sites (e.g. Facebook, MySpace, Twitter)
- H City/community websites (e.g. Chamber of Commerce, Tourist Board)
- I TV or print advertisements
- J Blogs

CASE STUDIES

While the economic downturn has impacted various parts of the country differently, so too have different regions taken varied approaches to addressing their labor shortages. Dozens of communities have taken to talent attraction marketing, a shift in resources from labeling their community as a place to do business to one that provides a unique social experience and one-of-a-kind professional opportunities.

As noted in Table 2, the audience for a talent attraction campaign receives their message in an increasingly diverse number of ways, from traditional sources such as personal travel and print media to evolving outlets like social networking sites and blogs. A variety of approaches are slowly proving that when done properly, talent attraction marketing can work to effectively address labor deficits that stop economic growth cold.

Have Oil, Need Workers

In 2006, a boom in the state's energy industry sent Wyoming scrambling to find the workers needed to capitalize on the state's natural resources. While low unemployment reigned, oil and gas companies looking to profit from the spike in energy costs found the state lacking in the electricians, welders, and mechanics needed to expand their local presence.

In response, local economic development groups in conjunction with the Wyoming Business Council (WBC), shifted focus from company attraction to the more pressing need for talent attraction. As with corporate recruitment, state and regional officials sought to find a natural target for their unique value proposition: with Michigan's unemployment rising as the automo-

tive industry floundered, Wyoming set out to the Great Lakes state to recruit talented blue collar workers looking for new prospects for already developed skills.

Regional economic development partners and the WBC implemented a multi-faceted marketing program to raise awareness of the job opportunities in Wyoming with Michiganans. Among their tactics were ventures into paid media; earned media; job fairs in struggling cities including Flint, Lansing, and Grand Rapids; and a website developed specifically to promote the state's vast job openings.

The launch of a dedicated jobs website (which can range in development costs from \$4,000-12,000), WyomingJobs.net, provided a strong boost to the reach of the state's marketing campaign, as well as a resource for tracking interest in the state's job opportunities. After three job fairs, a series of billboards on Michigan's highways, and advertisements and media results in outlets ranging from *USA Today* to *The New York Times*, the site had received more than 8,000 resumes from people looking to relocate for the thousands of available positions.

To date, more than 300 workers have been identified who relocated from Michigan to seek new opportunities in Wyoming, and that's only amongst those who have



Wyoming officials had a 14' X 48' billboard displayed on the side of I-75 near Flint, Michigan, touting job opportunities in their state and promoting their web resources.

reported back to the state. One important note regarding talent attraction is that the numbers cannot always be tracked one-for-one, as with job creation. However, the impact will be seen in the community through economic growth and steady prospect inquiries.

The Hybrid Life Seeks Takers

Unlike Wyoming, which faced an immediate workforce shortage, the Economic Development Authority of Western Nevada (EDAWN), serving the Reno-Tahoe region, faced what some economic developers might consider an even more pressing task: a demand by local companies to increase the pool of skilled workers for their needs in fields including hi-technology, IT and gaming, and health services. As retention can often be an even more effective form of economic development than recruitment, EDAWN launched into the role as the local leader in talent attraction, zeroing in on the powerful regional market of San Francisco.

As one of the nation's natural talent magnets, San Francisco presented a unique challenge. Simply saying, "Come to Nevada...it's um...cheaper!?" did not have the right ring for local officials' goals. Instead, EDAWN developed a comprehensive brand for the lifestyle proposition in Reno-Tahoe: "Live the Hybrid Life." Capitalizing on its unique mix of outdoor activities and corporate presence, EDAWN, in partnership with 16 local companies, established the "Hybrid Life" message and took to innovative new social media channels, as well as traditional methods, to deliver its message to San Franciscans.

The organization created a landing page (a website created specifically for the recruitment effort to provide further information, serve as a call to action on marketing materials, and to help the organization track and engage job seekers), MYNVDreamJob.com, that highlighted available jobs and invited participation and testimonials from people seeking a new experience in Reno-Tahoe. In addition, it staged a contest through YouTube, pairing with the local young professionals' network to invite members to showcase their "Hybrid Life" to a prospective workforce. Enthusiastic local feedback resulted in a series of videos that served as video blogs of the professional and personal stories of Reno-Tahoe's young residents. As in most marketing efforts, few tools prove as powerful as first-hand accounts that eliminate the "first in the pool" mentality that may scare off interested parties.

Additionally, EDAWN launched an efficient social media push by placing pay-per-click ads for its job fair event in San Francisco on outlets such as Facebook. The final touch was put on by a live street team promoting the event on the streets of San Francisco in hybrid attire – life vests and mountain climbing helmets on top and business suits on the bottom – to attract additional attendees.



A street team decked out in "hybrid"-themed attire canvassed the streets of San Francisco to bolster attendance at Reno-Tahoe's professional recruitment event by the bay.



The event, hosted in partnership with more than a dozen local companies and costing in the range of \$25,000 (including travel, street team event, venue rental, invitations, and other on-site costs), attracted more than 110 workers from San Francisco, exceeding the goals set forth by the companies who funded the event. While the raw numbers may not seem overwhelming, the importance of engaging and attracting individuals that fit their targeted professional profile made the attendance a strong success. In addition, and perhaps more importantly, the landing page had almost 2,000 unique visitors in advance of the event from interested individuals and serves as an ongoing resource. While not every community can offer the proposition of the "Hybrid Life," developing a clear message that does capitalize on a community's unique assets is a marketing tool that can work anywhere.

Anyone Need a Job? How about 10,000?

Back on the northern Plains, another example rises from a rural state that saw great growth from the commodities boom of the past several years, as well as economic diversification from a state government-led drive at economic development. North Dakota's diverse energy and agriculture economy, as well as a growing presence from companies including Microsoft and Global Electric Motorcars, put the state in need of skilled workers. Or stated more accurately, 10,000 of them!

In response, North Dakota leaders approached the labor deficit by targeting areas that were proximate to the state or common destinations for former North Dakota residents and graduates (as well as those with depressed economies, as practiced in Wyoming). The strategy is fairly intuitive: a move to a nearby location is easier to digest than a move across the country. *The Economist* recently reported that an analysis by the Public Policy

Institute of California of outward migration patterns found proximity to be one of the greatest factors for the state's emigrants in choosing a destination⁴.

The North Dakota Department of Commerce identified several markets – Denver, Chicago, and Minneapolis – which host a concentration of native North Dakotans. As people who have connections (either to family, friends, or a university) to an area are the most likely to relocate, North Dakota's approach serves as a valuable example of using competitive advantages in the competition for talent. While people may be skeptical of marketing influence alone, the first-hand experience of having lived or attended college in a region is a huge asset to leverage when recruiting a talented workforce.

The targeted approach reaped great rewards. Over the course of three years, the North Dakota Department of Commerce hosted a handful of "Experience North Dakota" events in the three target cities, featuring local companies, economic development groups, and cultural representatives (local authors, chefs, and musicians) showcasing what makes the state a unique destination in which to live and work. State representatives also attended major job fairs in large markets throughout the Midwest, staging an aggressive presence to put themselves at the forefront of job seekers' plans. The events attracted a steady stream of job seekers in fields like energy, IT, manufacturing, and healthcare, producing a vast pool of potential workers for in-need companies.

To market these events, the state used aggressive local media relations – scoring articles in *Chicago Sun-Times*, *Rocky Mountain News*, and *St. Paul Pioneer-Press* – as well as paid advertising and viral marketing through its Ambassador program: sending e-newsletters, promotional materials, and news articles to the state's advocates so that they could re-market the message to their personal networks.

The North Dakota Ambassador program, which consists of more than 2,000 members around the country who receive regular news updates and communication about what's going on in the state, served as an essential conduit, attracting Ambassador attendees and increasing word-of-mouth buzz for the events. Their influence helped send the attendee numbers from less than 75 in 2006, to several hundred per event by 2007. The state's unemployment remains around 5 percent and continued economic growth (among the largest gains in state GDP per capita in 2008) point to the value of growing the talent supply at the base of a community's economic pyramid.

CONCLUSION

The experience of communities around the country sheds light on the leading truths in talent attraction marketing. First, a community must know its talent needs and go after targeted markets. Not only is it essential to identify where industry deficits exist and regions that may have surpluses in these fields, it is even more necessary to realize that lifestyle drastically affects people's decision to relocate. North Dakota's decision to go to Minnesota and not, say, Florida, wasn't motivated sim-

ply by the transferable skills of Minnesota's workforce assets alone. Florida has a vast pool of talented workforce. However, Floridians are a lot less likely to leave the sunny beaches of the Gulf Coast for the prairie of the Midwest. Lifestyle matters and it's important to realize natural targets – places where a community may send lots of graduates or host many people with connections to the region – before launching any talent attraction marketing program.

As importantly, economic developers need to recognize that talent attraction marketing, even more so than marketing to the businesses community, must have a local *esprit de corps*. Companies, citizens, and local economic development groups should be working in lock-step to promote the community and welcome in those who relocate. This may take a variety of forms, from including top companies in talent attraction events to an ambassador program that calls on former residents to serve as advocates for the community around the country. But regardless of the tactics, community buy-in is essential to presenting a community as an enviable place for job seekers to live and work and into which they'll be willingly assimilated.



To supplement career fairs, the North Dakota Department of Commerce encouraged families to attend and incorporated local culture like this cowboy into its Experience North Dakota events, showcasing the state's unique culture to potential workers.

At the final step, once talented people have made the decision and relocated, it is necessary for a community to be prepared to accept new residents with open arms. This step – overlooked by most communities – includes being open culturally and socially and having resources in place to make finding schools, doctors, local nightlife, and everything else one needs to thrive right at hand. The best way to accomplish a one-stop shop for new residents is often with a comprehensive web resource (see sidebar), something that benefits new transplants and has value for those who may have been residents their whole lives and are just seeking a better way to access their community. Economic developers cannot overlook the need to assimilate new workers, or they may just as quickly see them moving on to more welcoming pastures.

The Ambassador site for North Dakota, www.experience.nd.gov, developed by the state Department of Commerce, serves as a strong example of the necessary breadth and impact that a one-stop web resource should have for potential job seekers. The site features three main links that highlight the important themes that affect people that are considering a move to North Dakota: "Live," "Work," and "Play." Collectively, the links provide background on nearly every community asset that one would need to learn more about and, ultimately, efficiently relocate to the state.

Resources range widely: a Cost of Living Calculator that allows recruits to assess their relative financial standing given the state's low cost of living; a link to the state's tax website, noting individual income and property taxes in North Dakota; inclusive links of every major school district in the state, which provide insight into which community may be the best fit for individuals' personal needs; and vast resources on the state's climate, transportation, motor vehicle registries, health insurance plans, realtors, and beyond.

In providing these resources in one accessible location, economic development organizations can take away much of the legwork and anxiety that often hinders talented people from relocating themselves and their families. By clearing this obstacle with them, regional recruiters will greatly enhance their chances of converting interested job seekers into new residents.

The past year has proven that in the 21st century, economic tides are not only shifting, but shifting quickly. So too must economic development groups shift their thinking and adapt to the changing tasks that they face in creating jobs and wealth in their communities. As companies look to stretch each dollar further than ever before, having the strongest human resources available will be the key driver in attracting new companies and keeping current tenants secure in their locations. By developing a targeted plan, adapting to the new realities of marketing, and working as hard to bring in the right people as to bring in the right companies, economic developers too can show themselves to be some of the most necessary talent of all. ☐

FOOTNOTES

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