Southwest Michigan's Talent Ecosystem

Lee Adams

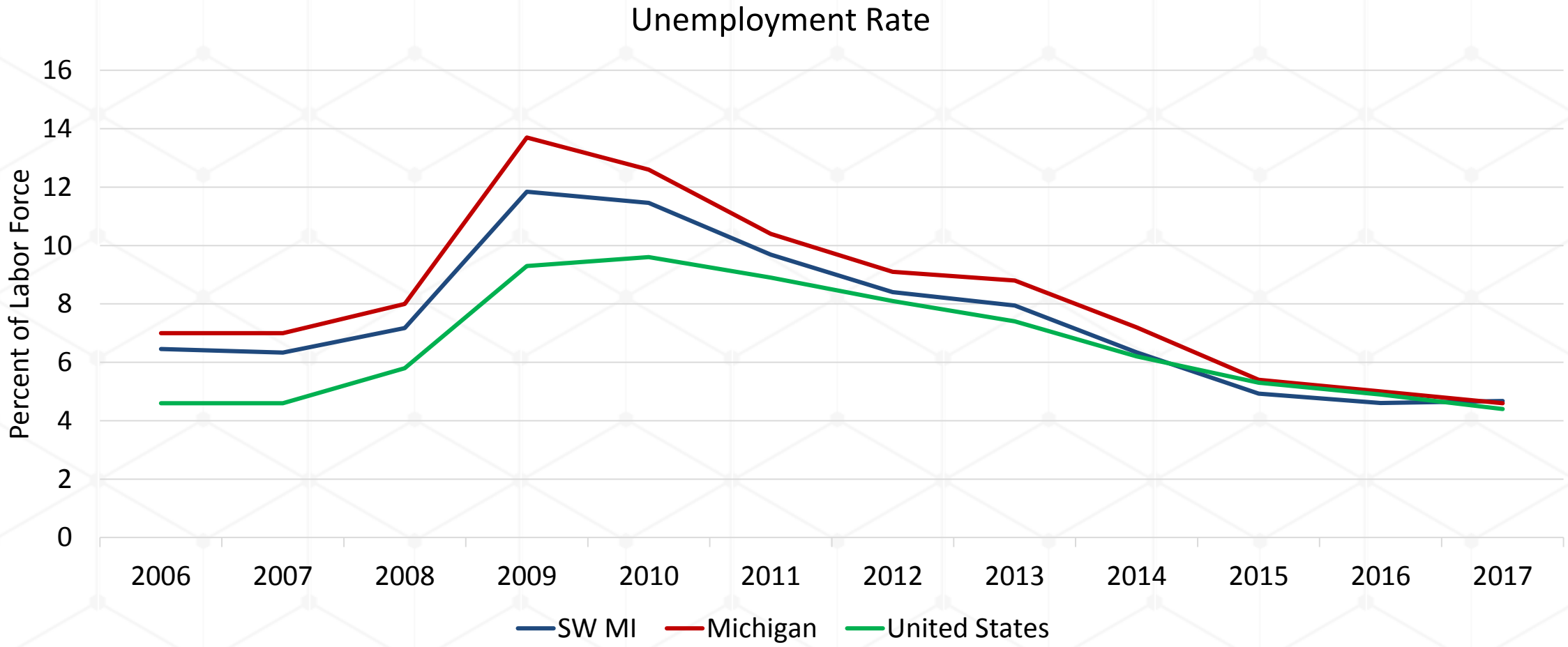
W.E. Upjohn Institute • 6-7-18

Overview of Presentation

- Overview of the Talent Ecosystem in Southwest Michigan
- Three pillars of labor supply
  - Talent attraction
  - Talent retention
  - Talent development
    - Demand vs Supply

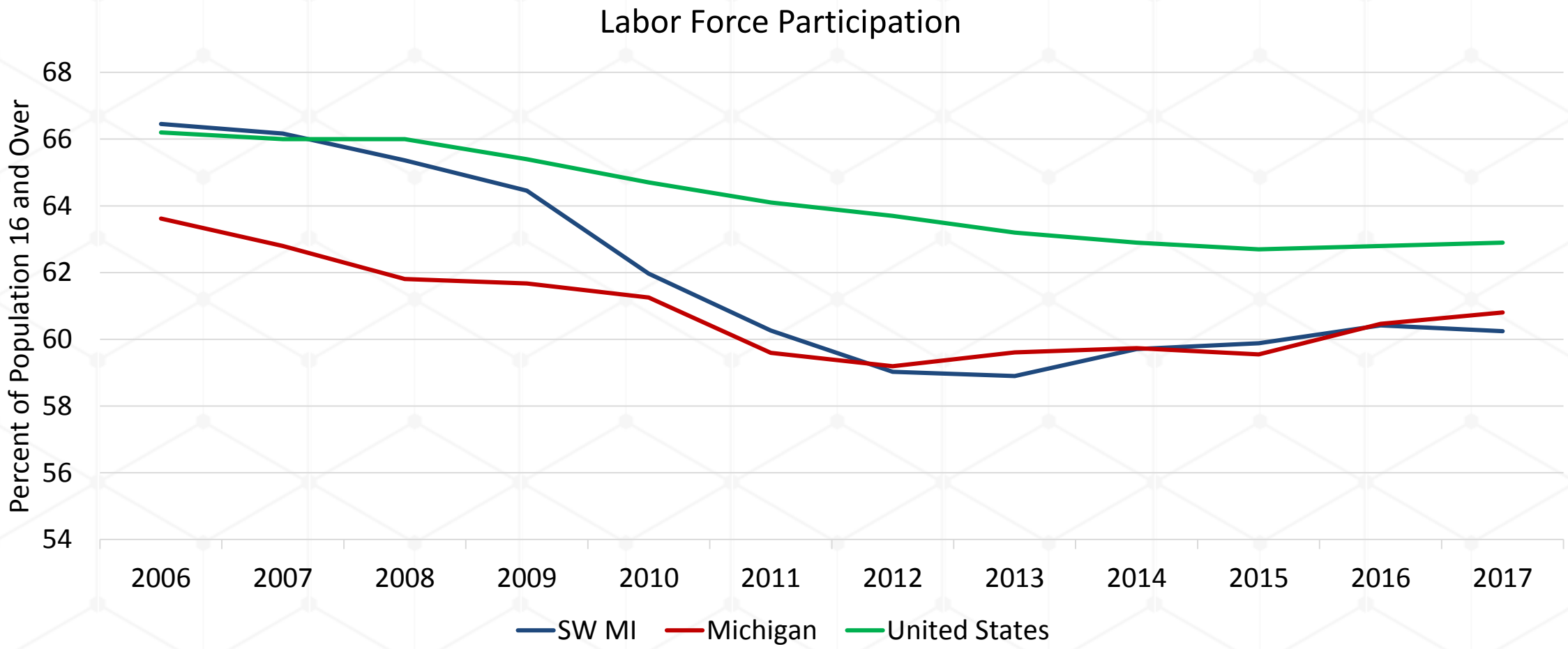
OVERVIEW OF THE TALENT ECOSYSTEM IN SOUTHWEST MICHIGAN

Unemployment Rates Have Fully Recovered



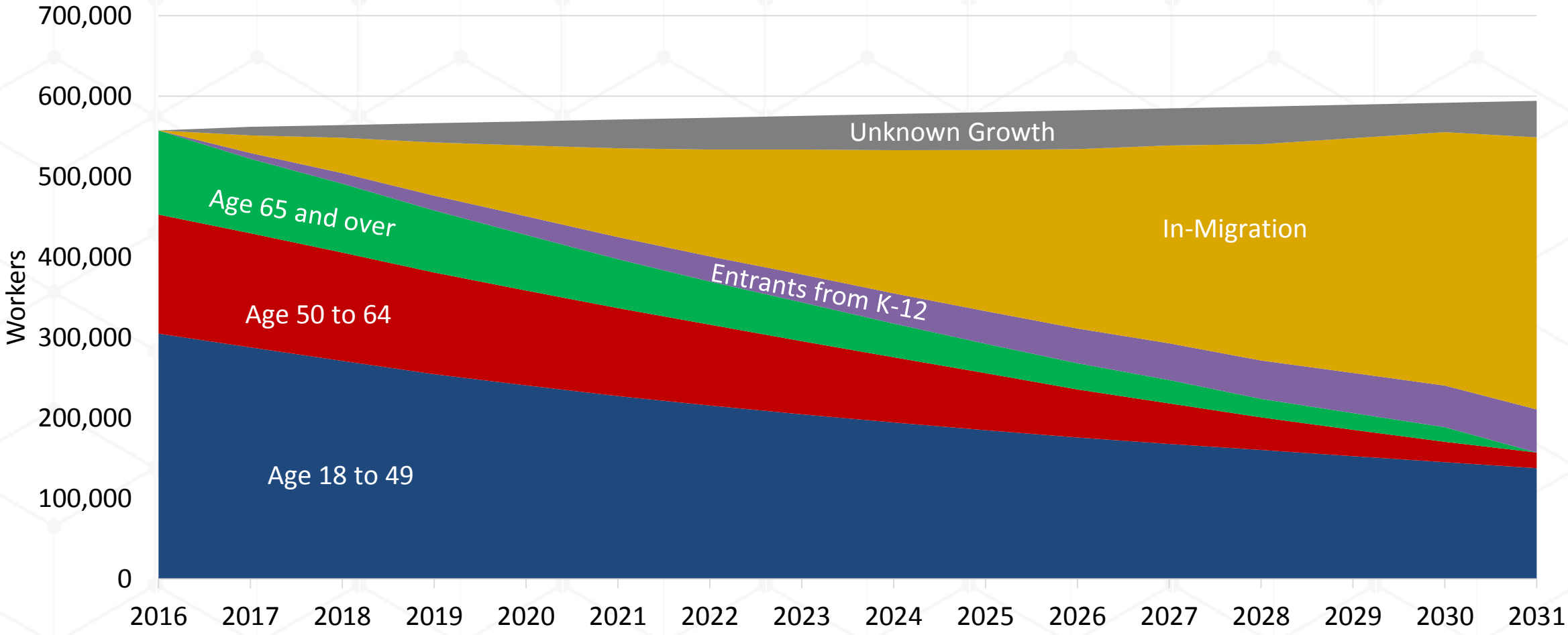
Source: US Census Population Estimates and Bureau of Labor Statistics

However, Labor Force Participation Has Not

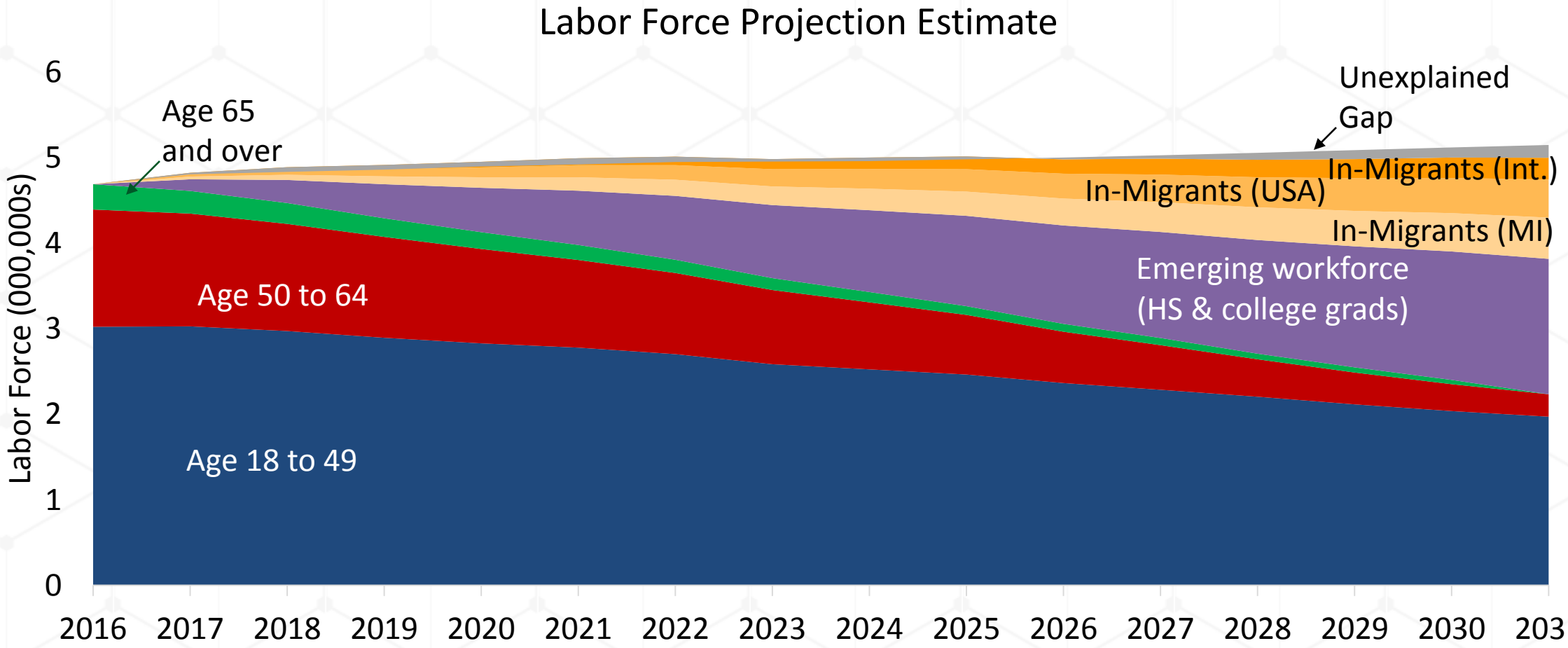


Source: US Census Population Estimates and Bureau of Labor Statistics

The Region Will Become More Dependent on Newcomers - Will We be Able to Attract Them?

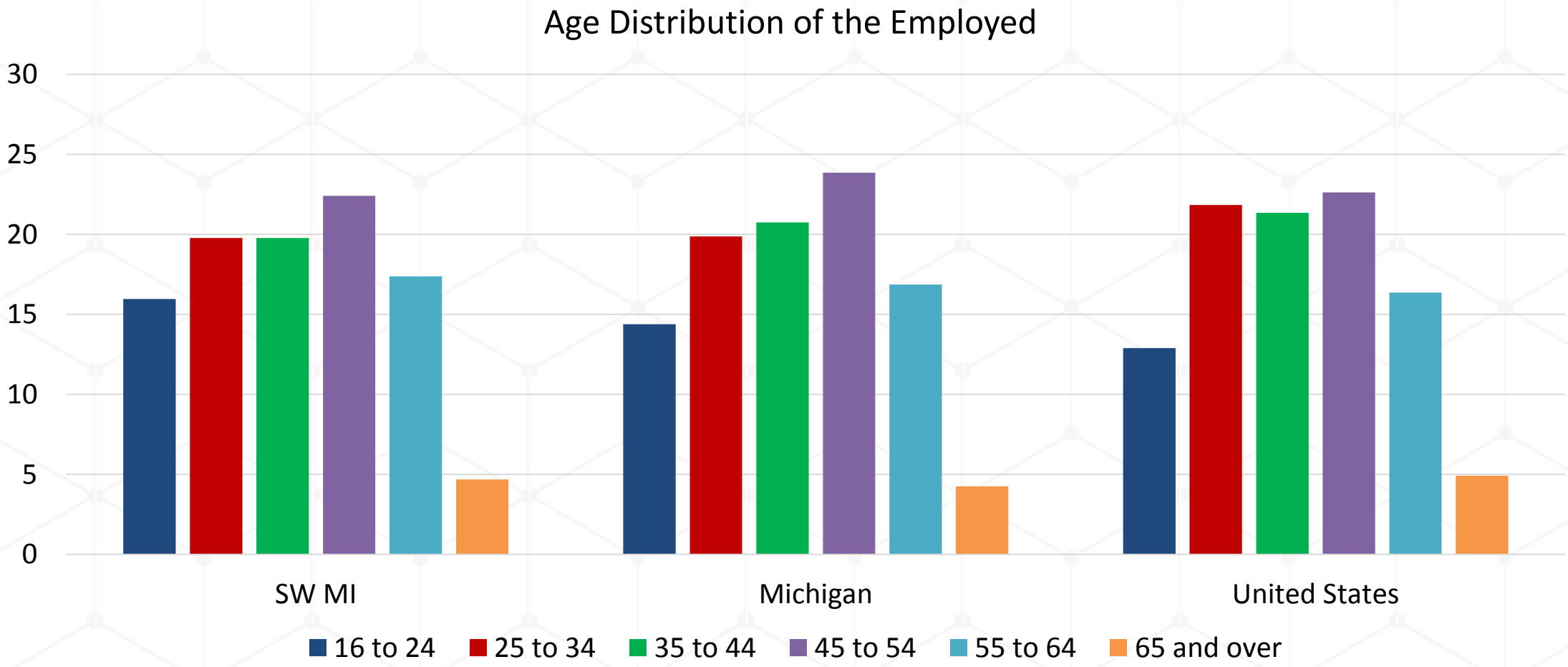


Talent Attraction, Retention, and Development are All Key to Michigan's Future Workforce



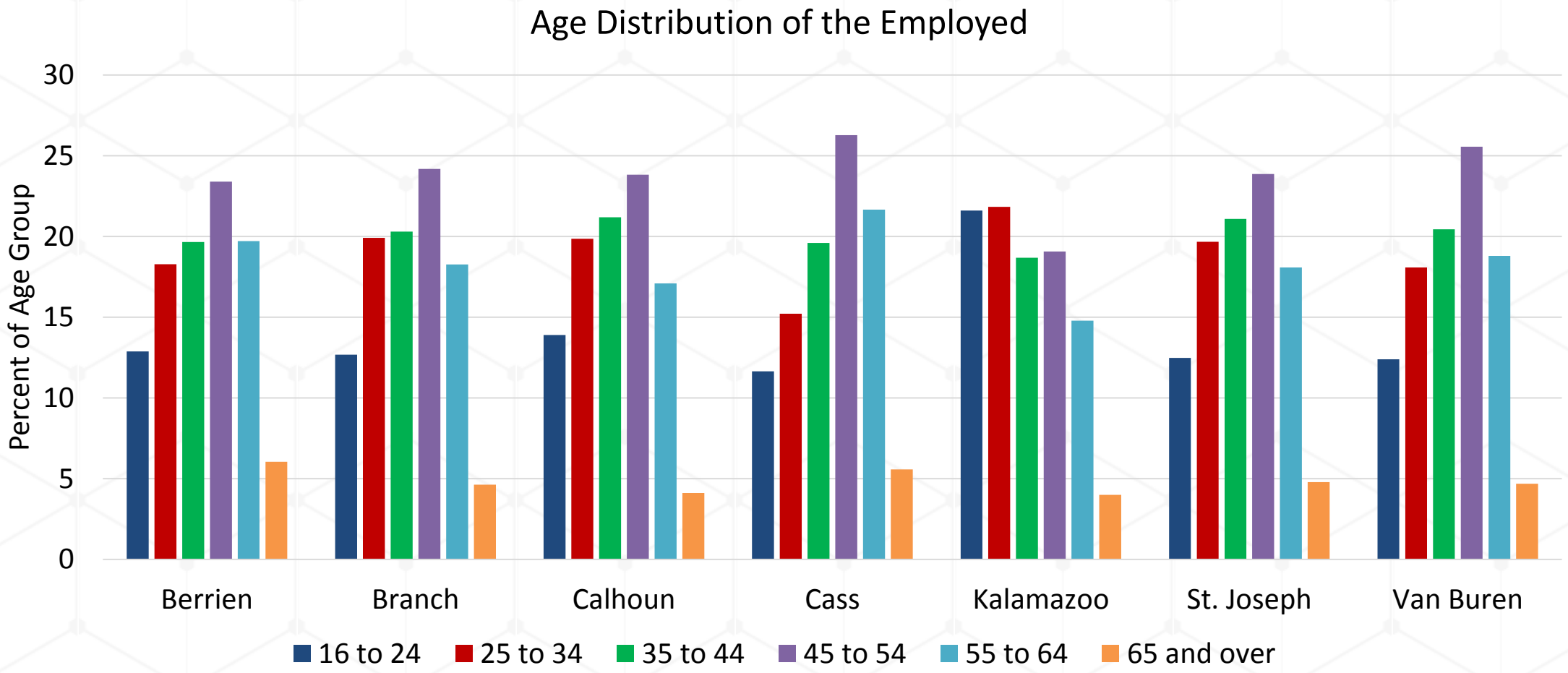
Source: IPUMS and Regional Economic Modeling, Inc

Age Distribution of Employees



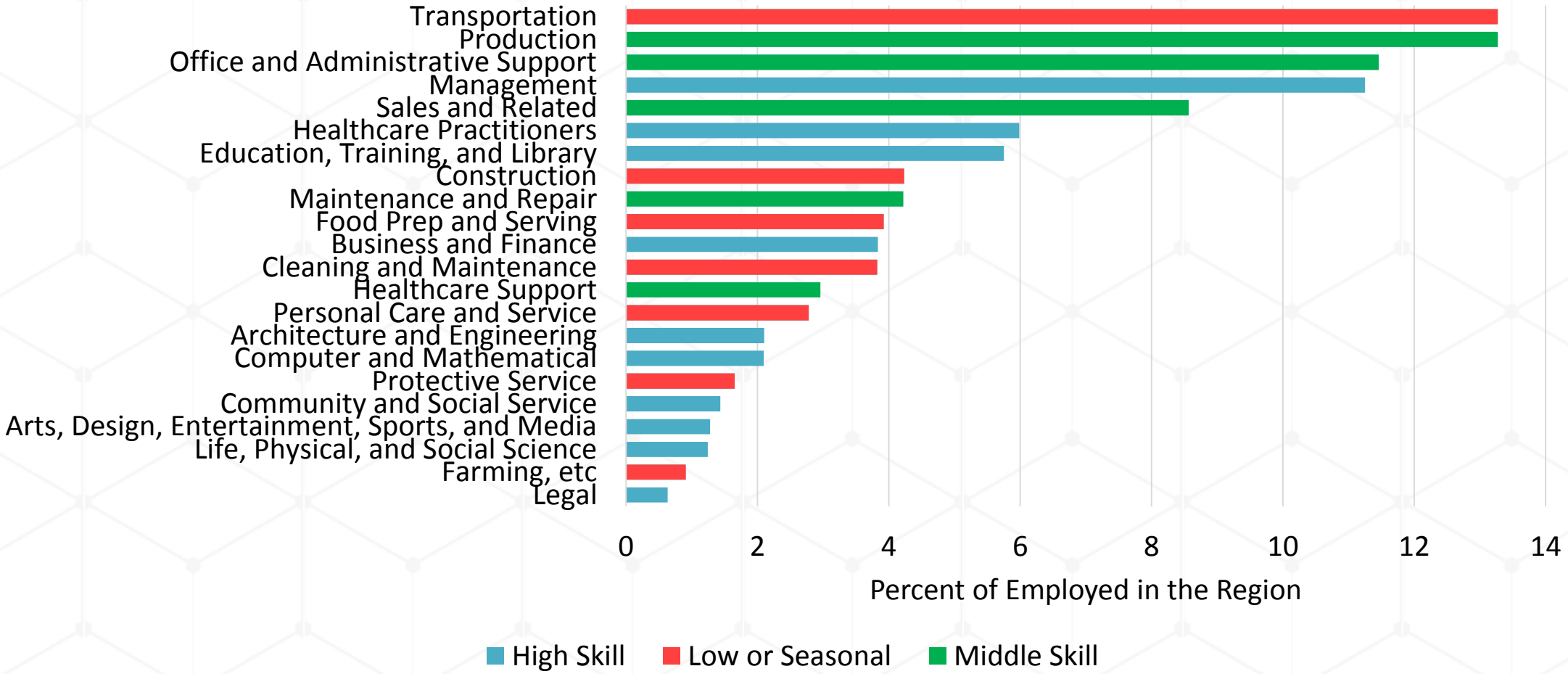
Source: US Census American Community Survey, 2011-2015

The Region's Workforce Tends to be Older Except in Kalamazoo County

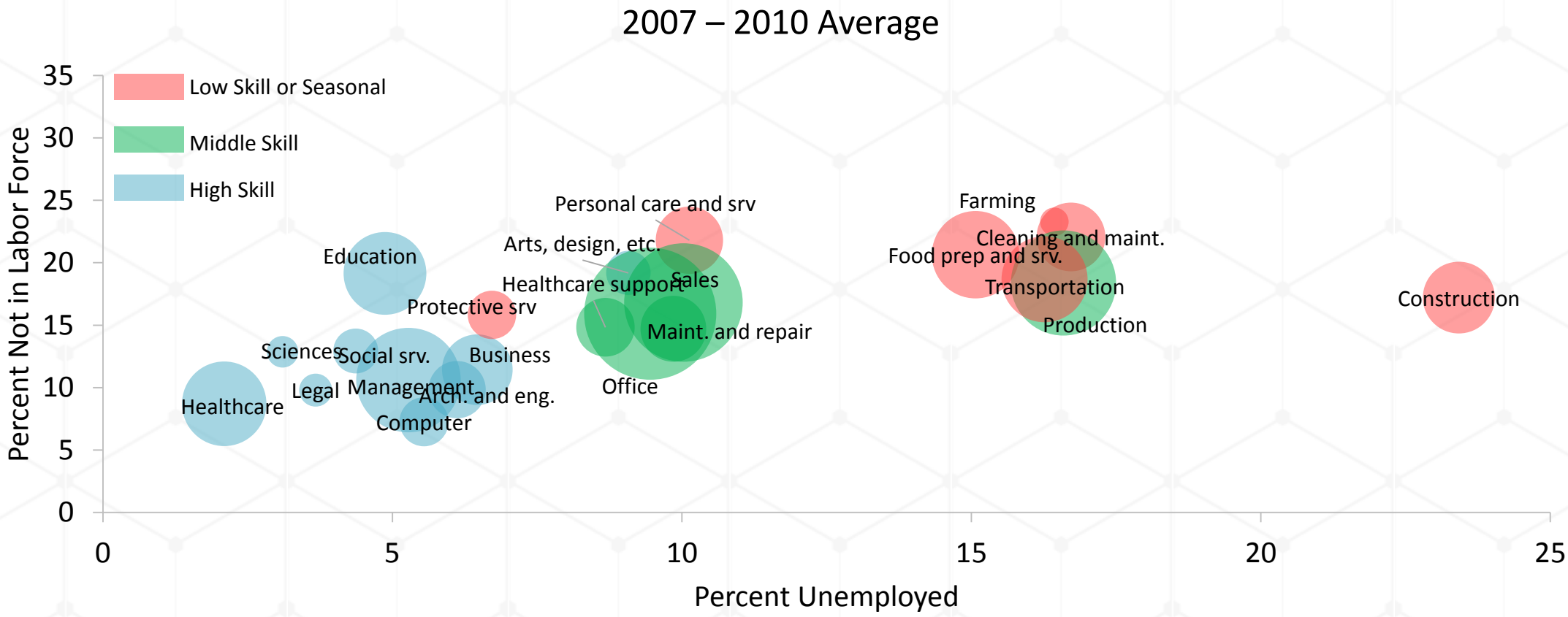


Source: US Census American Community Survey, 2011-2015

Regional Concentrations of Occupations



Seasonal and Lower Skill Occupations are More Vulnerable to Market Volatility



Source: IPUMS USA

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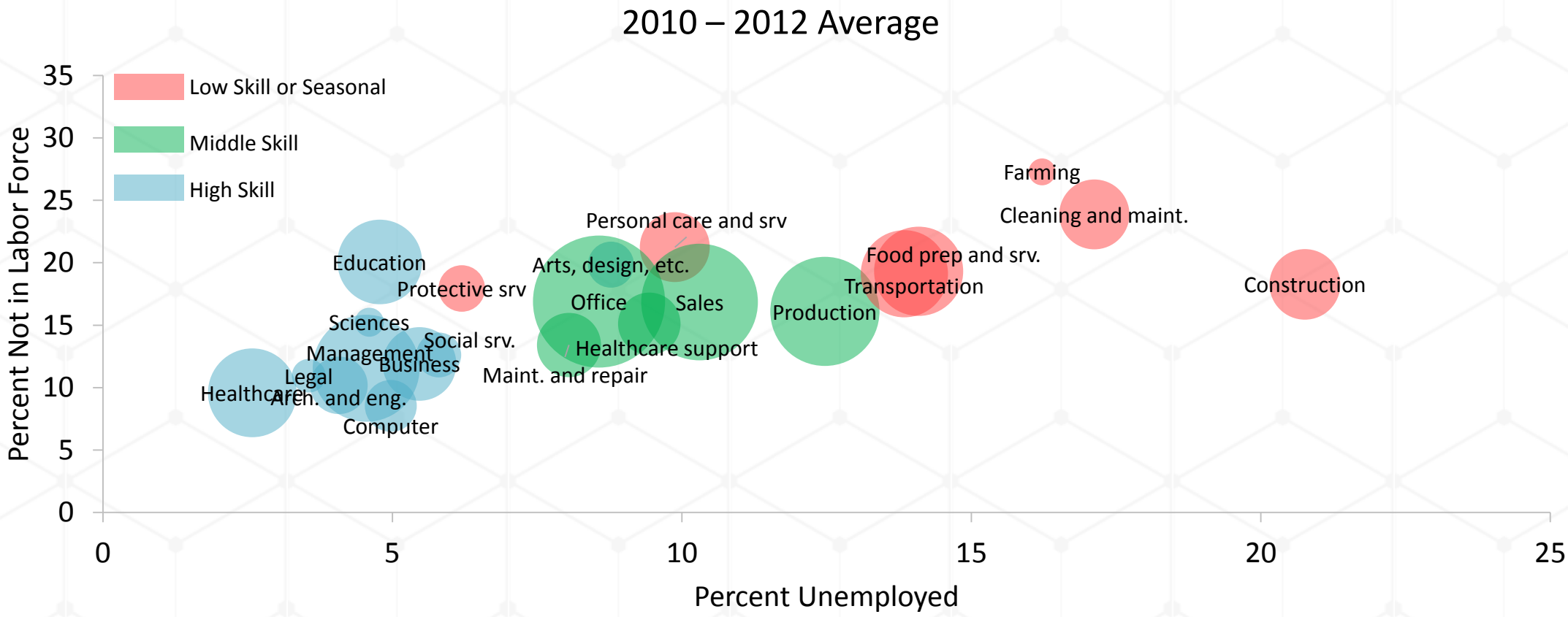

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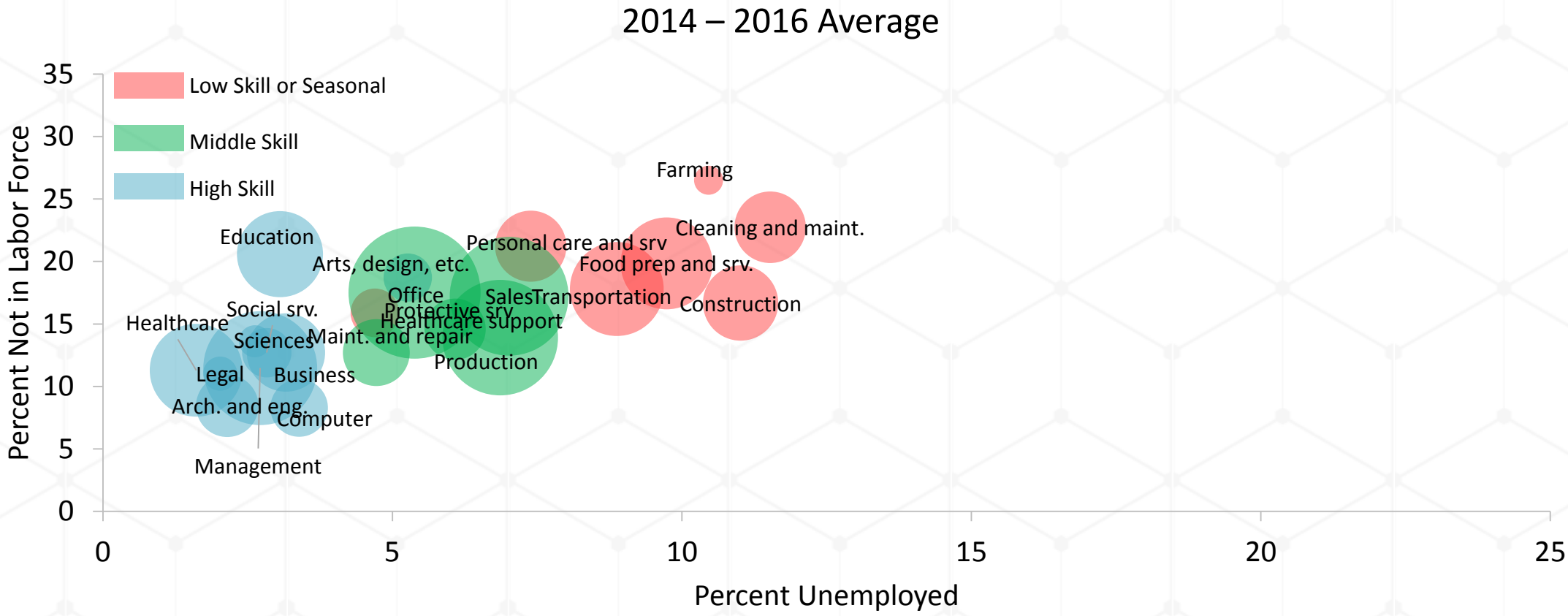


Source: IPUMS USA

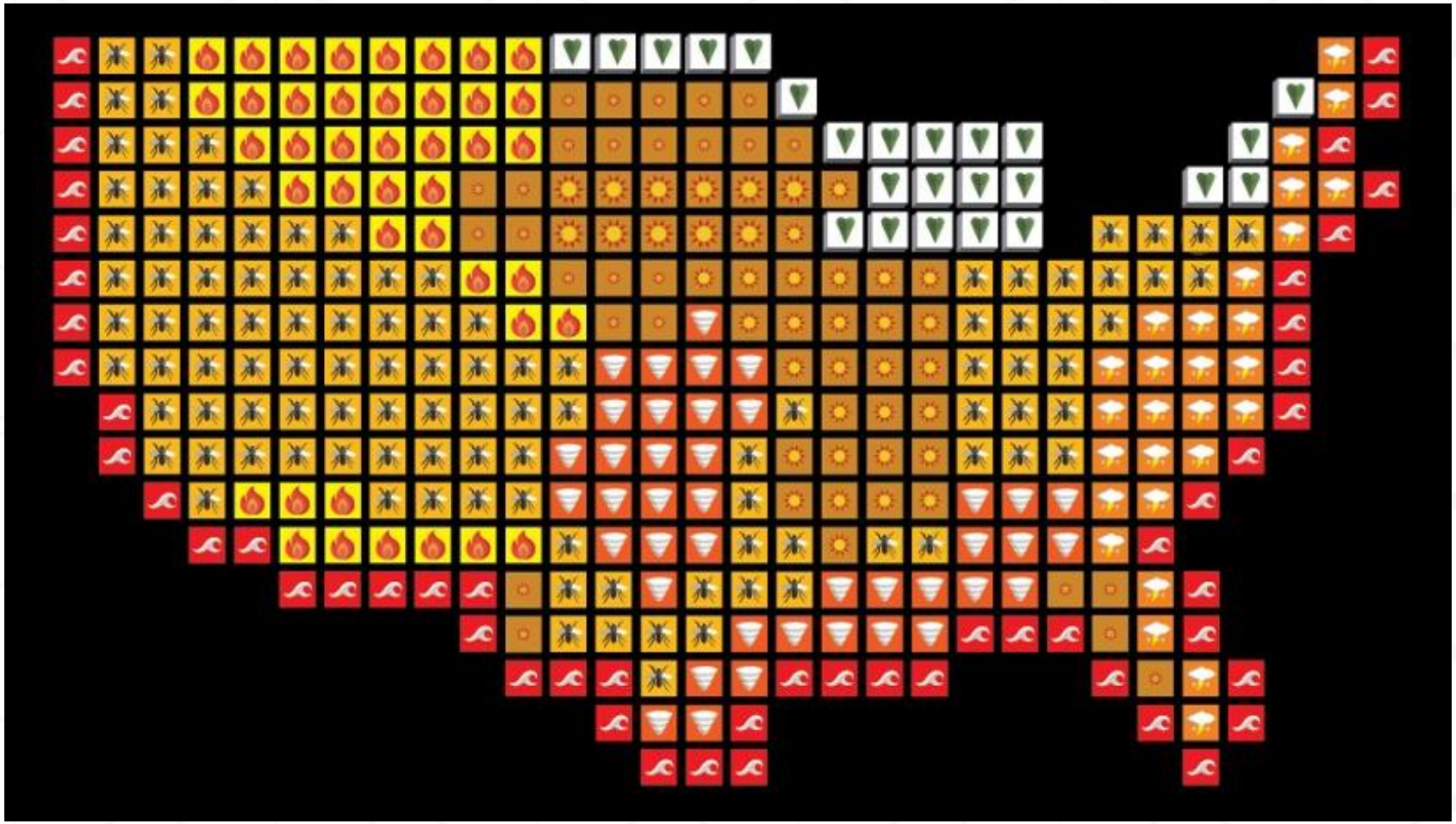
TALENT ATTRACTION

What Makes a Place Attractive?

- Jobs
- Other factors
  - Quality of place and commute time/options
  - Quality of schools
  - Cost of living
  - Avoidance of natural disasters

Source: US Census

The Best Places to Live in 2100



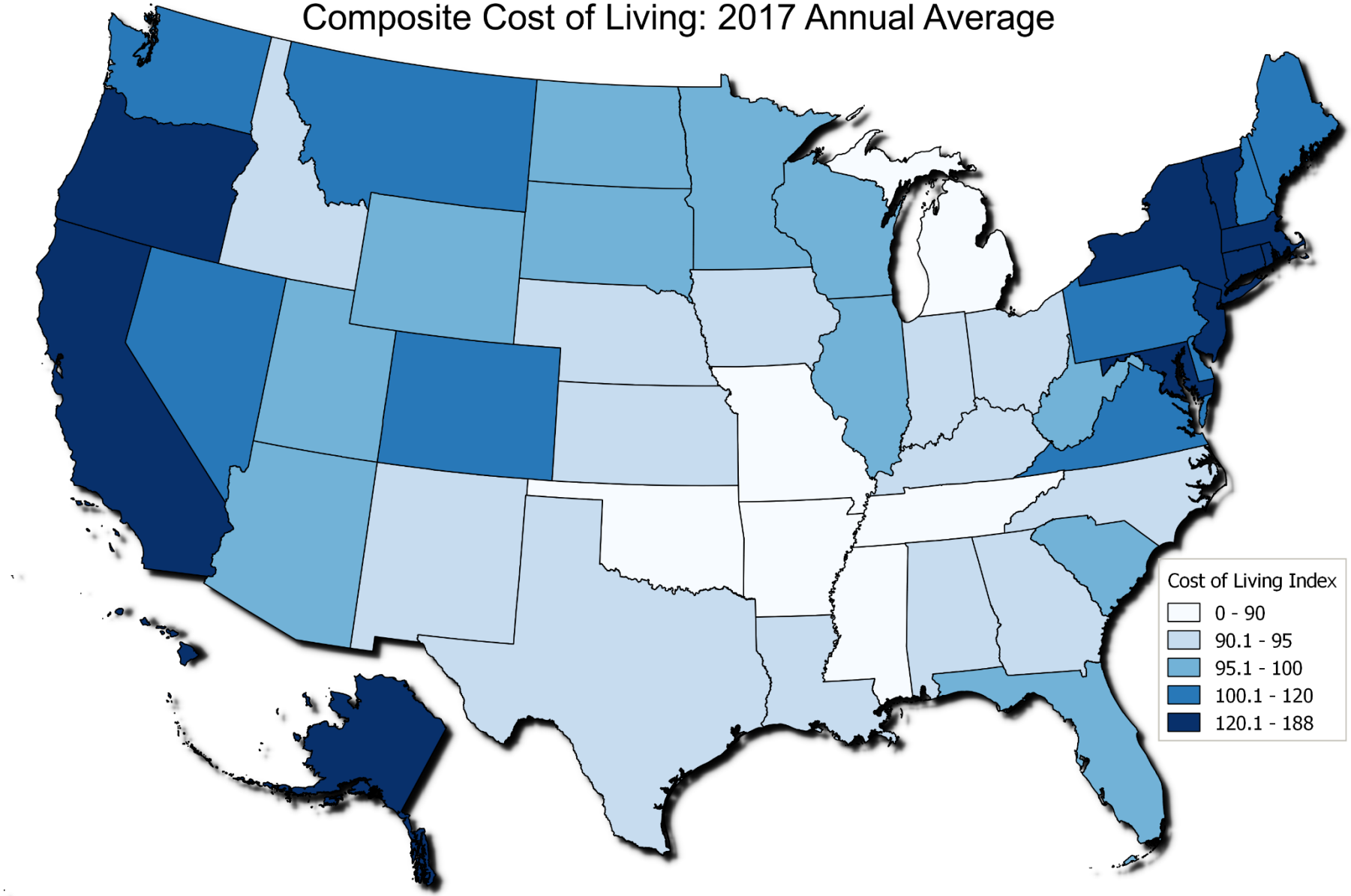
Source: Popular Science

Quality of Place

- Walkability and short commutes are the strongest factor when selecting a place to live
  - Most people would pay more to locate within close proximity to work or shopping, parks, and other amenities
  - More so for families with children at home
  - The AARP encourages communities to plan for dense urban development
- Climate/parks and outdoor amenities
- Entertainment options and cultural amenities

Source: National Association of Realtors

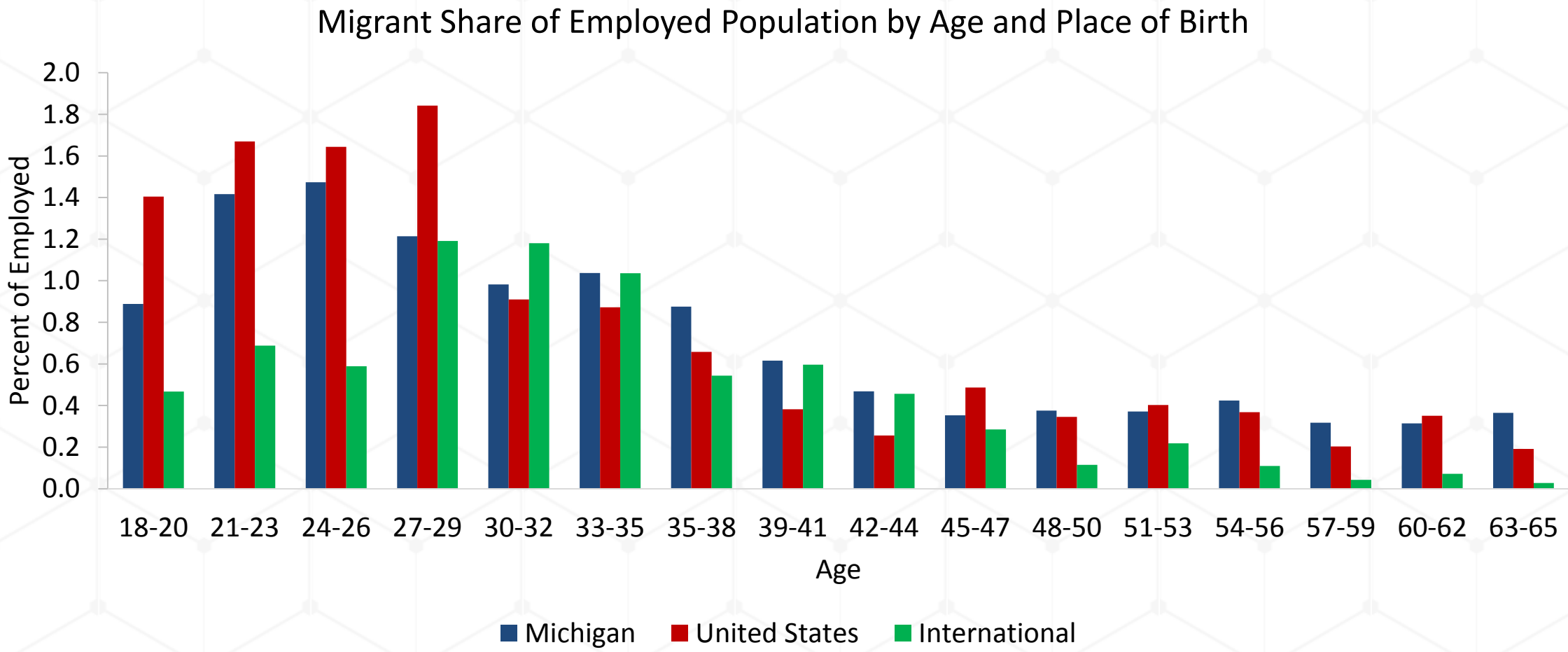
Composite Cost of Living: 2017 Annual Average



Data Source: Missouri Economic Research and Information Center and WE Upjohn Institute for Employment Research.

Inset maps not to scale. arch

Migration into Michigan



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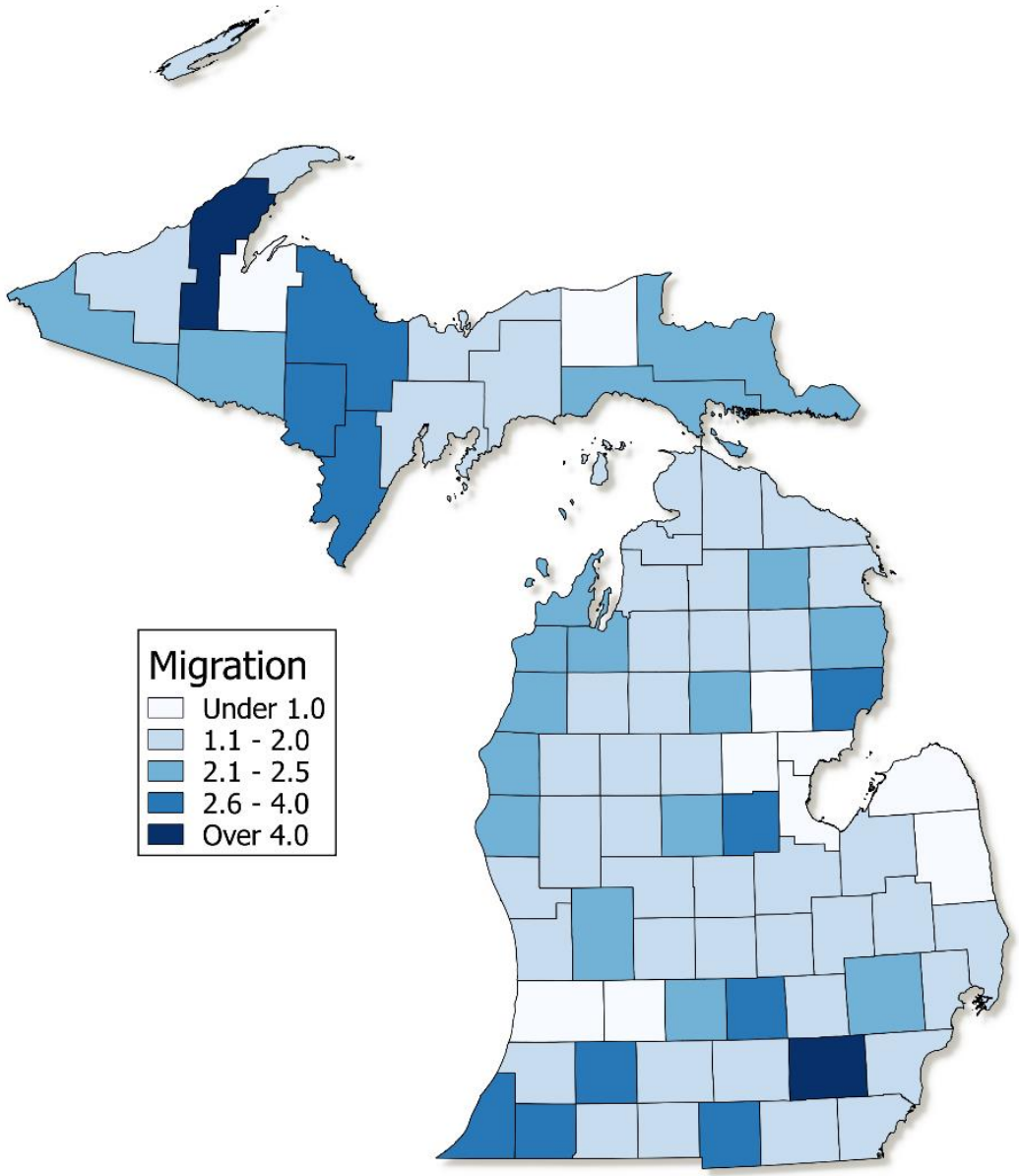
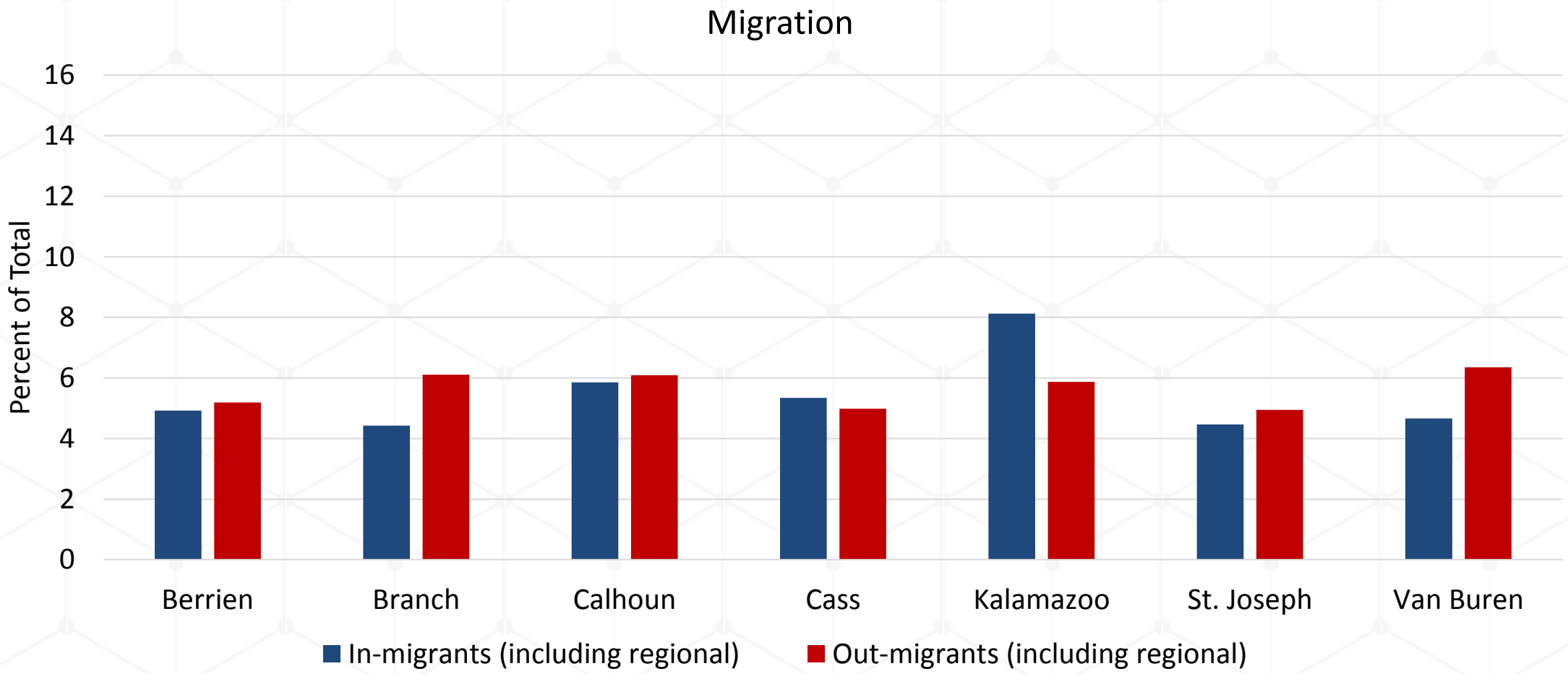


In-Migrants Moving to Michigan

(percent of total population)

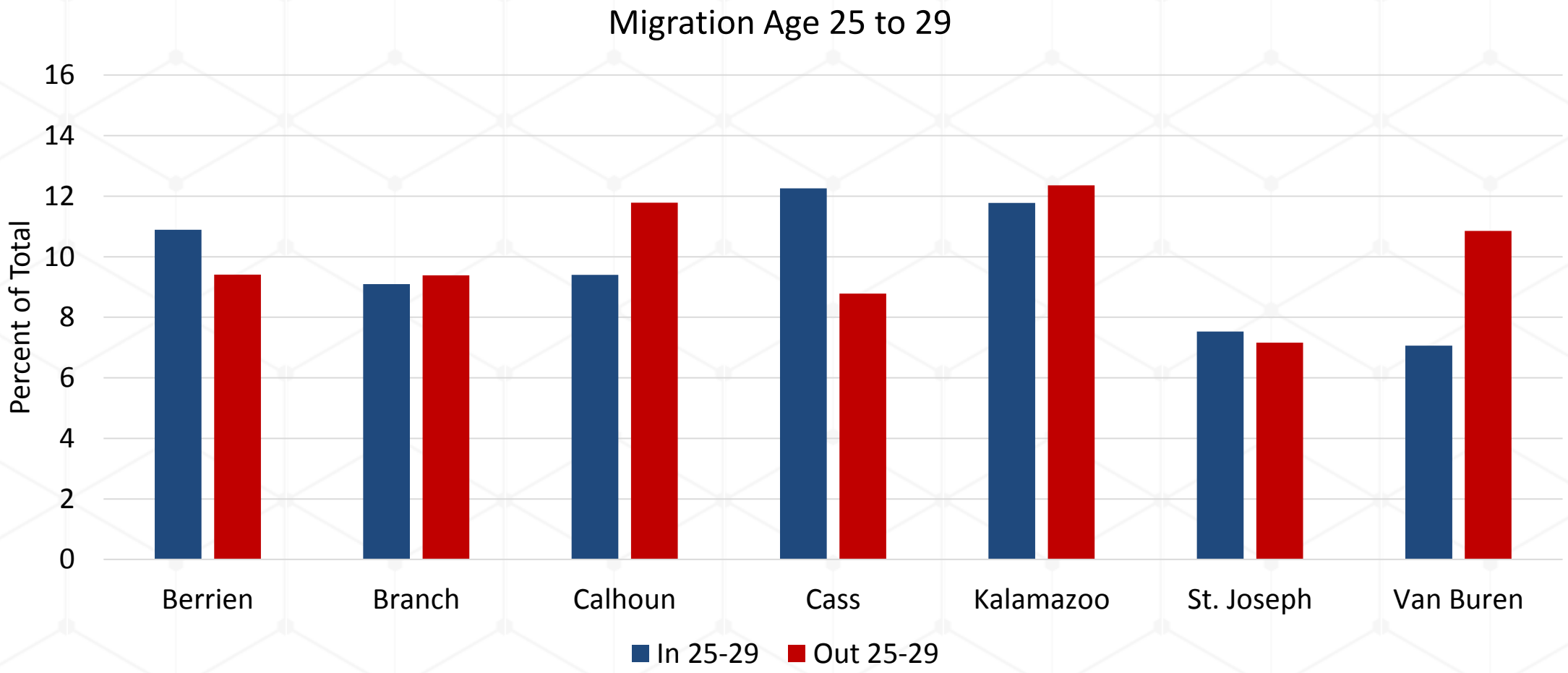
Source: US Census American Community Survey, 2012-2016

Total Migration by County



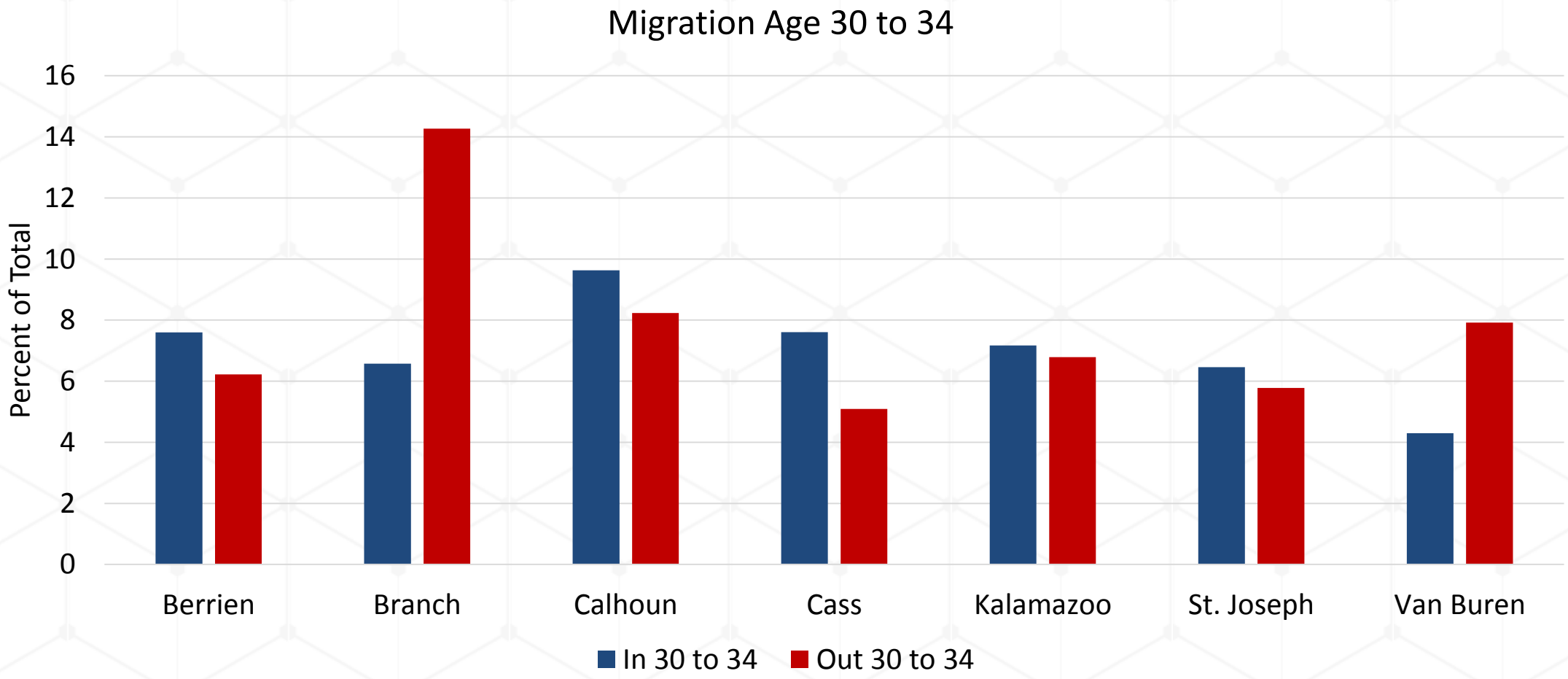
Source: US Census American Community Survey, 2011-2015

Younger Segments of the Population Tend to Move Relatively Frequently



Source: US Census American Community Survey, 2011-2015

30-34 Year Old's Move a Little Less but Still More than Average



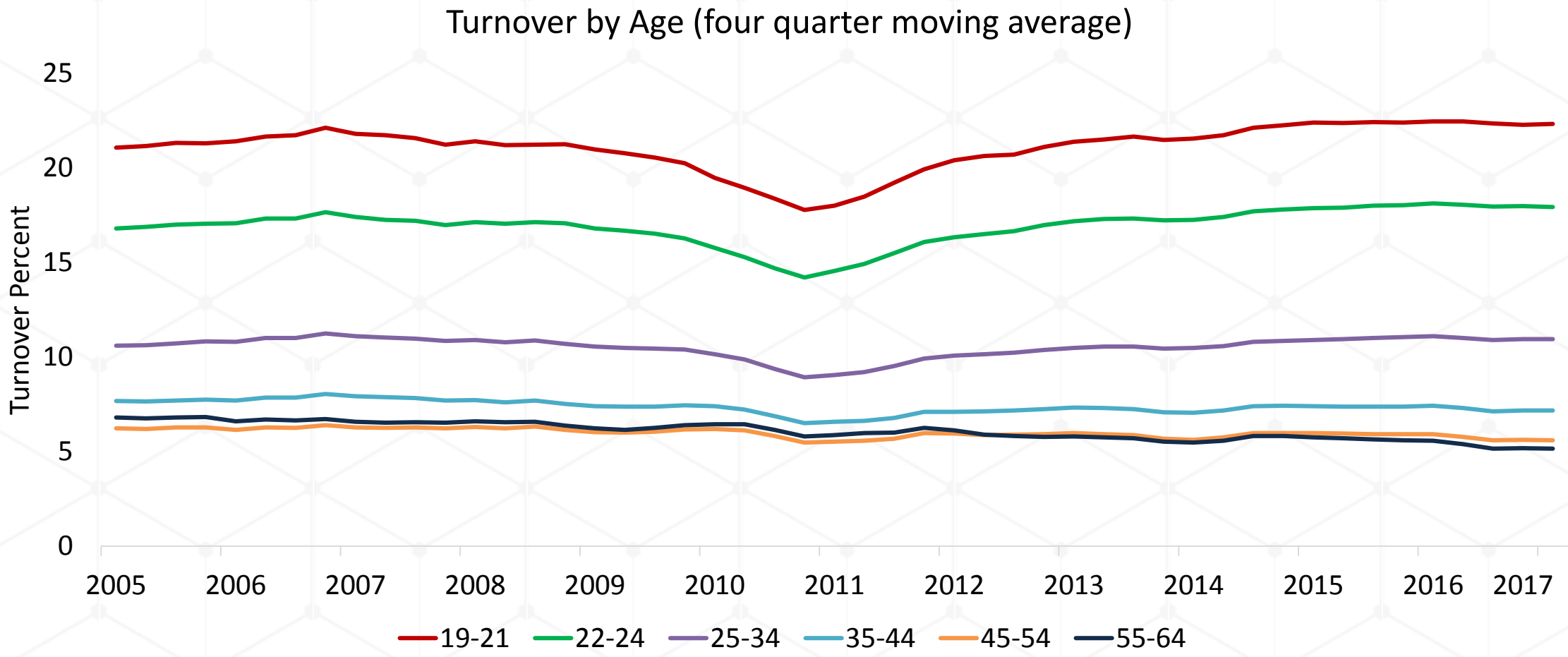
Source: US Census American Community Survey, 2011-2015

TALENT RETENTION

Talent Retention Factors

- Job satisfaction
  - Wages
  - Workplace preferences
  - Career mobility
  - Appropriate match of skills and employment
  - Job security
- Employment supports
  - Childcare
  - Transportation
  - Healthcare
- Age
  - Younger folks are going to move and change jobs

Impact of Age and Economic Conditions on Turnover



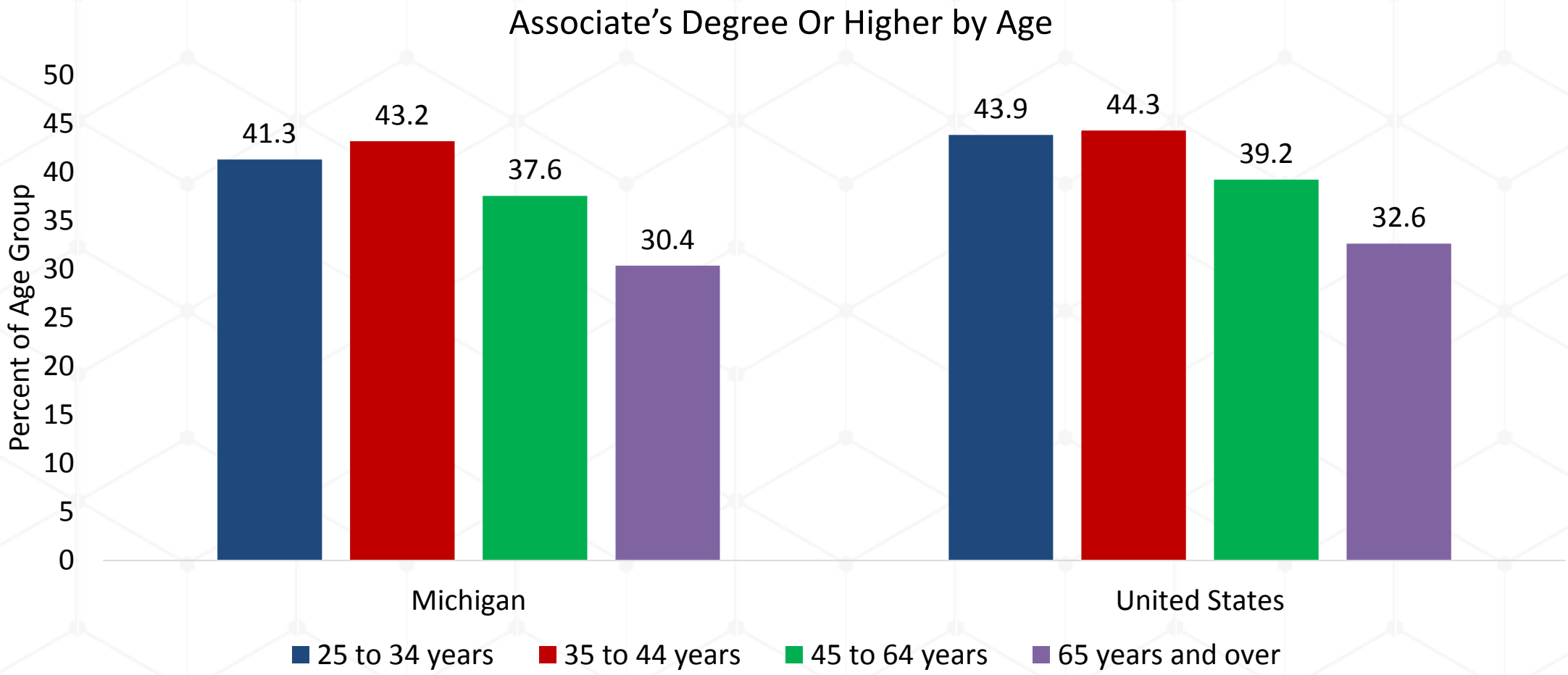
Source: US Census Quarterly Workforce Indicators

TALENT DEVELOPMENT

Talent Development

- Talent Development
  - Education
  - Workforce Development
  - Matching education and business needs

Educational Attainment by Age

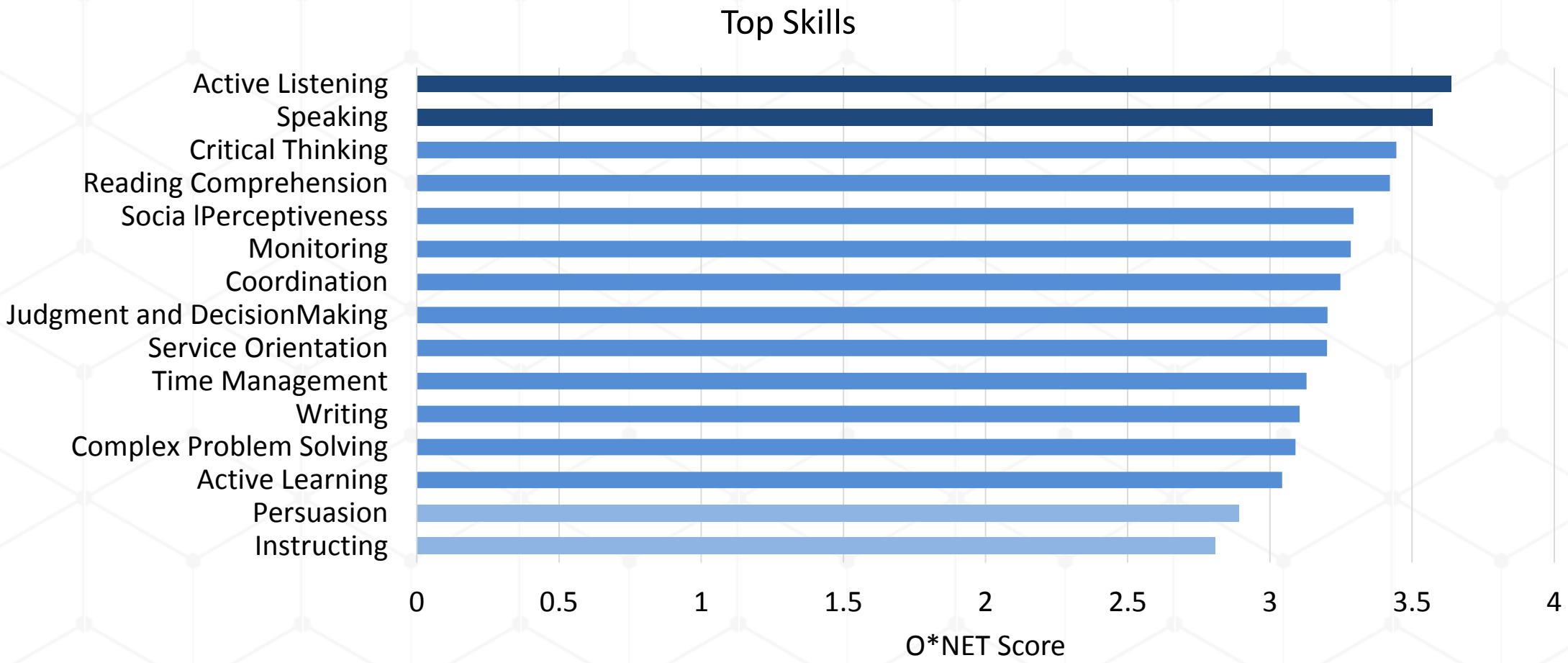


Source: US Census American Community Survey, 2016

Workforce Development

- Mi Works!
- Skilled Trades Training Fund
- ESL programs
- Adult education
- Others

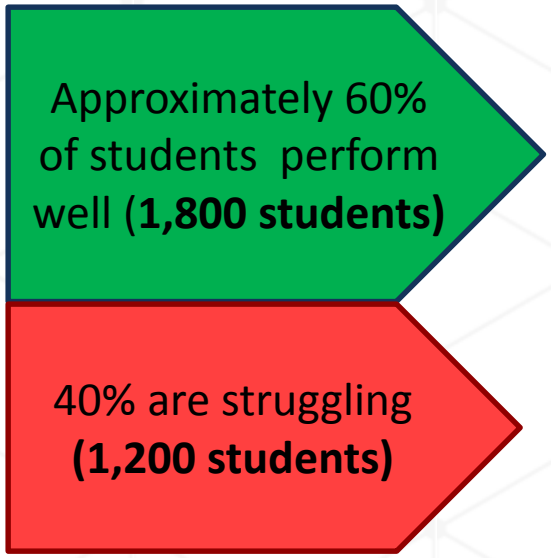
Top Skills Needed for Employment in the Region



Source: Burning Glass Labor Insight and O*NET

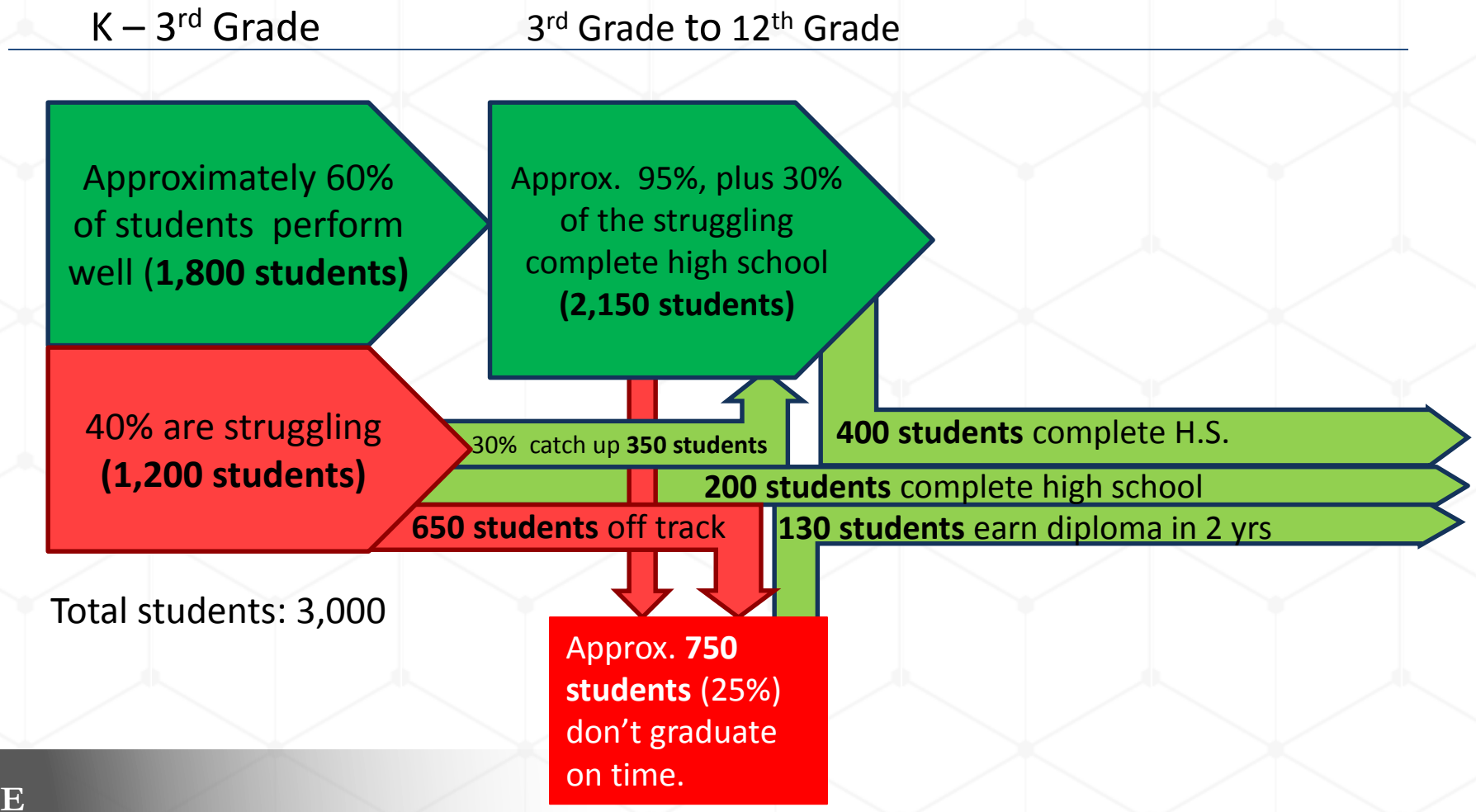
Student Success– *Back of the envelope estimation (KRESA)*

K – 3rd Grade



Total students: 3,000

Student Success– *Back of the envelope estimation (KRESA)*



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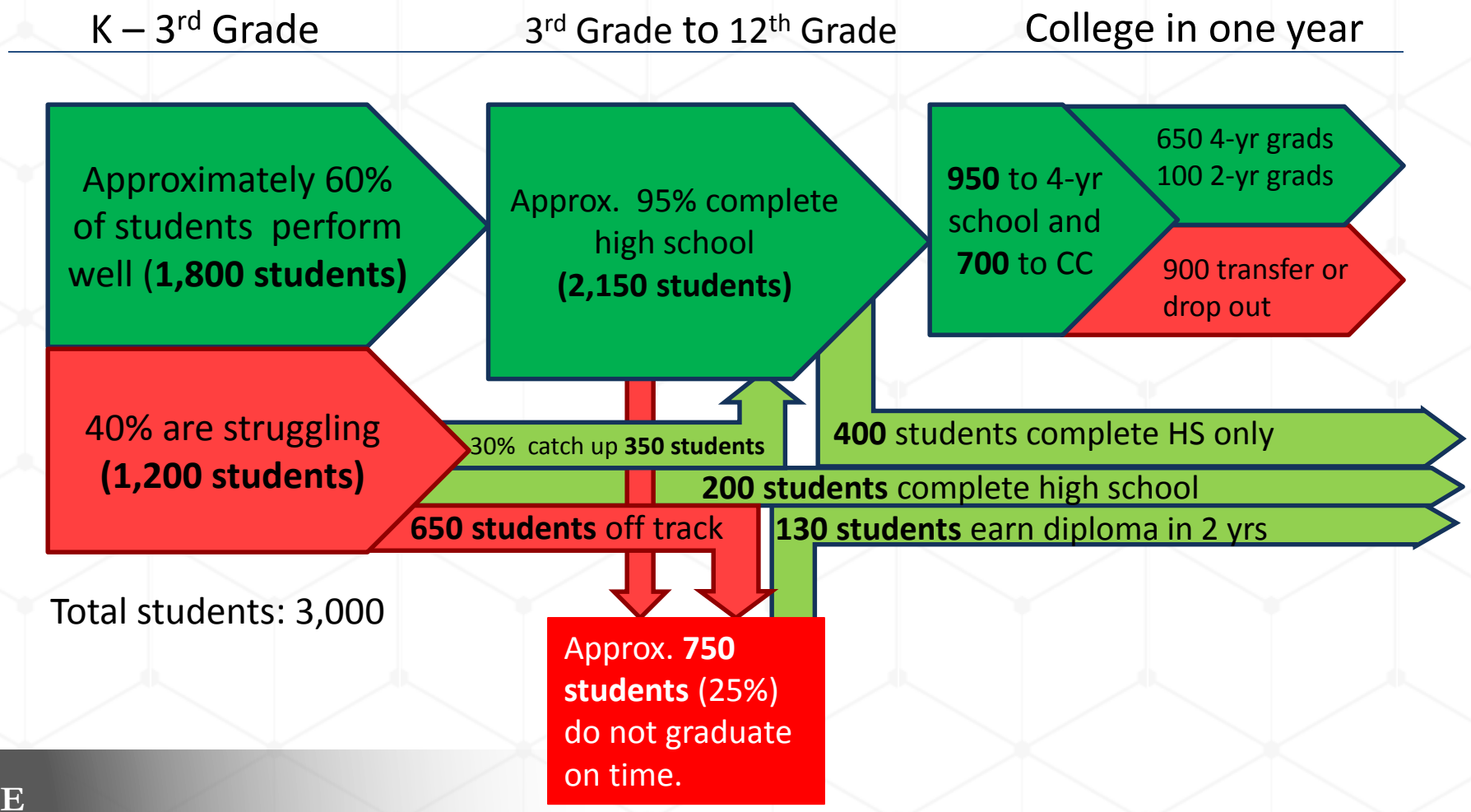

Current and Future Demand by Occupation

	High school or Voc Training	Associates or Certificates	Bachelor's or Higher	New Employees by 2027
Computer/IT	208	(91)	(1291)	912
Personal/Culinary	(404)	(81)	(166)	3,671
Education	61	(46)	171	5,009
Engineering	143	25	(1594)	962
Legal	6	(5)	(60)	614

Source: IPUMS, Regional Economic Modeling, Inc, and Burning Glass Labor Insights

Current and Future Demand by Occupation

	High school or Voc Training	Associates or Certificates	Bachelor's or Higher	New Employees by 2027
Physical Sciences	(2)	(22)	(361)	330
Protective Services	(129)	24	60	1,175
Public Administration/ Social Services	12	7	(33)	1,340
Construction	(66)	(25)	(21)	6,155
Mechanic/Repair	(601)	(135)	(51)	2,372

Source: IPUMS, Regional Economic Modeling, Inc, and Burning Glass Labor Insights

Current and Future Demand by Occupation

	High school or Voc Training	Associates or Certificates	Bachelor's or Higher	New Employees by 2027
Precision Production	(539)	(142)	(285)	6,493
Transportation	(798)	(35)	71	3,617
Visual/Perf. Arts	(381)	(46)	(77)	710
Health	(657)	(694)	(808)	8,102
Business	(2,378)	(1,063)	(5,636)	23,879

Source: IPUMS, Regional Economic Modeling, Inc, and Burning Glass Labor Insights

What can SWMPI Do?

- Inform local training institution of the economic conditions that surround occupations
- Form Committees (this is always the answer)
  - Have dedicated groups of people working on talent attraction, retention, and development
  - Talent Attraction
    - Make the region more physically and socially attractive
      - Improve the built environment as to meet the demands of mobile people
      - Invest in schools
      - Increase cultural and recreational amenities
      - Create a culture of inclusiveness
    - Focus efforts on population that are likely to move here and stay

What can SWMPI Do?

- Talent Retention
  - Institute employment supports for current employees
    - Transportation, childcare, healthcare, mental health
  - Increase Job satisfaction
    - Wages, workplace preferences/workplace culture, career mobility, job security
    - Better match skills/interests and work activities
  - Change job retention incentive thinking
- Talent Development
  - Fully enable the residents of the region to work
    - Increase equity in the hiring process
    - Work to eliminate barriers to employment
  - Improve career exploration, pathway awareness, counseling, and mentoring
  - Invest in early childhood education
  - Invest in entrepreneur education and programs

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PROMISE

INVESTING IN COMMUNITY

a project of the W.E Upjohn Institute

Southwest Michigan Prosperity Initiative

Region 8