



# TALENT RETENTION, ATTRACTION, AND GROWTH IN MICHIGAN: POLICY IMPLICATIONS AND PROPOSED STRATEGIES

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# INNOVATIVE REGIONAL PLANNING FOR THE 21ST CENTURY TO COMPETE IN THE GLOBAL KNOWLEDGE ECONOMY

GOAL: EMPOWER THREE NORTHERN MICHIGAN EDDS TO COMPETE SUCCESSFULLY IN THE GLOBAL KNOWLEDGE ECONOMY THROUGH THE TRANSFORMATION OF THEIR CEDS TO CIDS.

**Identify Regional KE  
Indicators and Collect Data**

**Create/Implement  
Co-Learning Plans**

**Develop Innovative  
Strategic Initiatives**

**Comprehensive Regional Economic Development Strategy**

# REGIONAL PARTNERS IN NORTHERN MICHIGAN AND THE EASTERN UP





# TALENT ISSUES IN MICHIGAN

- ⊙ “Brain Drain” in Michigan
  - ⊙ Michigan ranks 47<sup>th</sup> in educated population
  - ⊙ Net loss of ~5,000 college graduates annually
- ⊙ Michigan’s new Knowledge Economy will need talent
- ⊙ Rural Michigan’s Issues
  - ⊙ Loss of high school graduates
  - ⊙ Retention through trailing spouses

# SOME IMPLICATIONS OF THE “BRAIN DRAIN”

- ◎ Loss of State and Local Tax Revenue
  - ◎ ~\$2,650/yr. state income tax loss per year per college graduate lost
    - Cumulative loss of \$199 Million by 2014
    - \$729 Million by 2019
    - **\$2.8 BILLION** by 2029
  - ◎ Also, losses in local sales and property taxes
- ◎ Most importantly – Adverse Impact on Innovation!!!

# CURRENT EFFORTS

- ◎ Lt. Governor's Commission on Higher Education and Economic Growth (2004)
  - ◎ Focuses on promoting higher education as economic development incubators
  - ◎ Recommends tracking high school graduates
  - ◎ Cherry Commission Discussion Panel (December 2009) gave limited information on progress
- ◎ Governor's DELEG Talent Action Team
  - ◎ Focus on re-training and placing displaced auto employees



# RETENTION, ATTRACTION, AND GROWTH STRATEGIES

- ⊙ Track high school students
  - ⊙ Partner with local regions to track and place
- ⊙ Provide Incentives
  - ⊙ Loan repayment, home buyer programs, travel and vacation pay, career advancement opportunities
- ⊙ Develop Systems of Talent Growth
  - ⊙ Business funding, entrepreneurial education, systems of networks
- ⊙ Create a Culture of Innovation and Entrepreneurship
- ⊙ Enrich Quality of Life



# PRELIMINARY RECOMMENDATIONS

- ⊙ Engage Multiple and Diverse Stakeholders
  - ⊙ Higher Education, K-12, Local and State Government, Innovators, Entrepreneurs, Cultural Organizations, & Economic Development Agencies
- ⊙ Convene a Statewide Talent Summit in 2010
- ⊙ Create a Statewide Coalition
  - ⊙ Diverse sector and geographical representation
  - ⊙ Networking that focuses on talent issues
  - ⊙ Model of Innovative Culture