

St. Louis Regional Talent Initiative

Progress Report to Business and Public Sector Partners

January 27, 2011

St!Louis
Perfectly Centered. Remarkably Connected.



Our Context

- “Serving at the direction of the St. Louis RCGA and working with employers, educators, civic groups, government agencies, job seekers and students, we will advocate talent as an advantage in the retention, attraction, and development of business in the St. Louis region; identify and communicate actions and opportunities fostering that advantage; and promote progress that improves that advantage.”

RCGA Talent Council statement of purpose

Our Context

- “The regional talent development planning process [engages] St. Louis area business, government, and civic leaders ... [in] institutional and professional relationships we have established over the past three years. These relationships constitute the public-private alliances needed to transform our existing patchwork of economic and workforce efforts into true partnerships, and re-energize our regional economy by means of a coordinated talent development system.”

St. Louis Regional Innovation grant application

Three Important Words

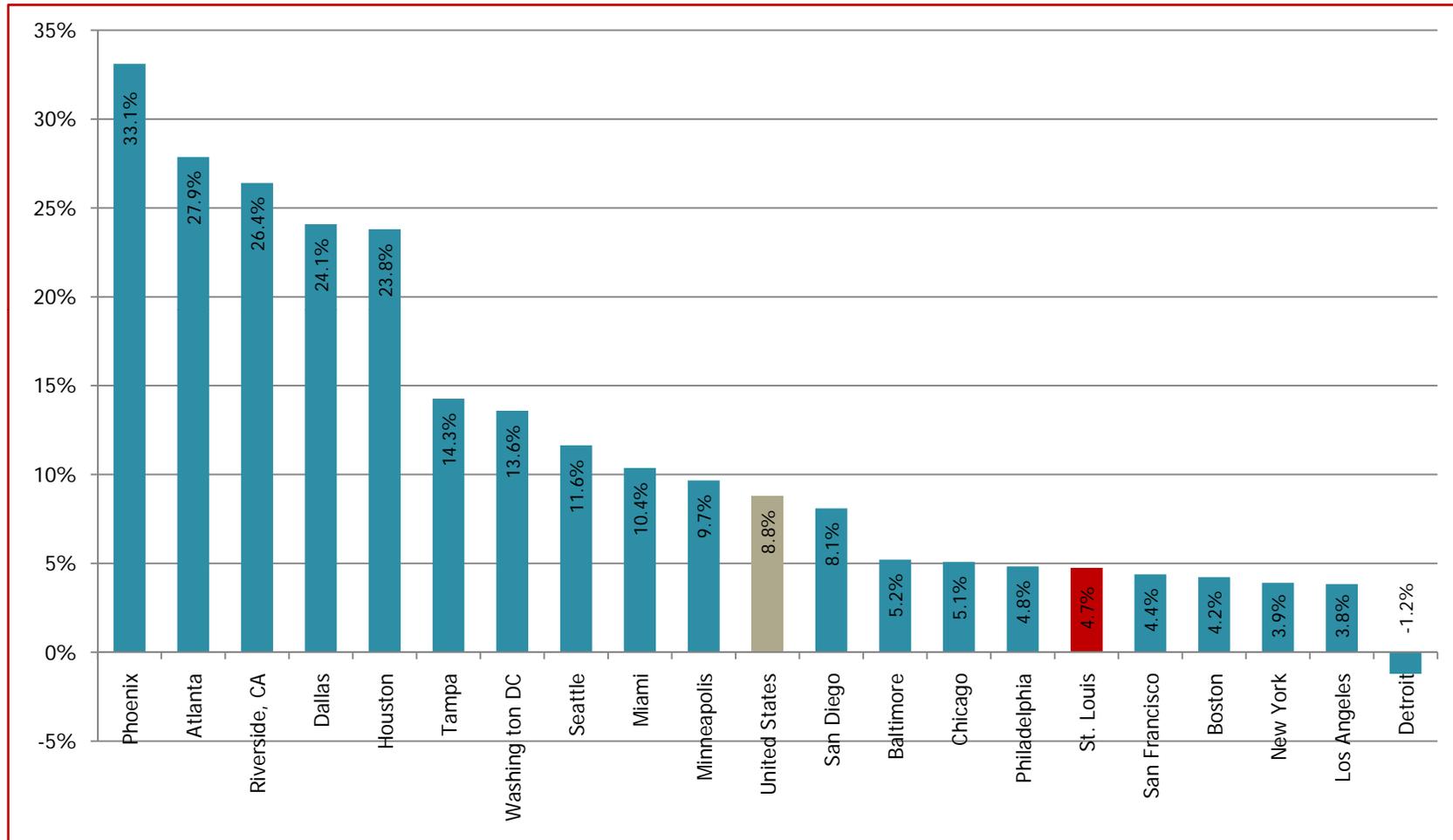
- Regional
- Relationships
- Re-energize
- Our process weaves together the perspectives of all who have a stake in the game of talent, leverages the potential of each, and launches a coordinated approach in support of the region's economic development goal.

Our Goal

- By the year 2020, Greater St. Louis will be consistently ranked among the top 10 of the 20 largest US metropolitan areas in indicators of regional vitality, economic health, and the creation of community wealth.

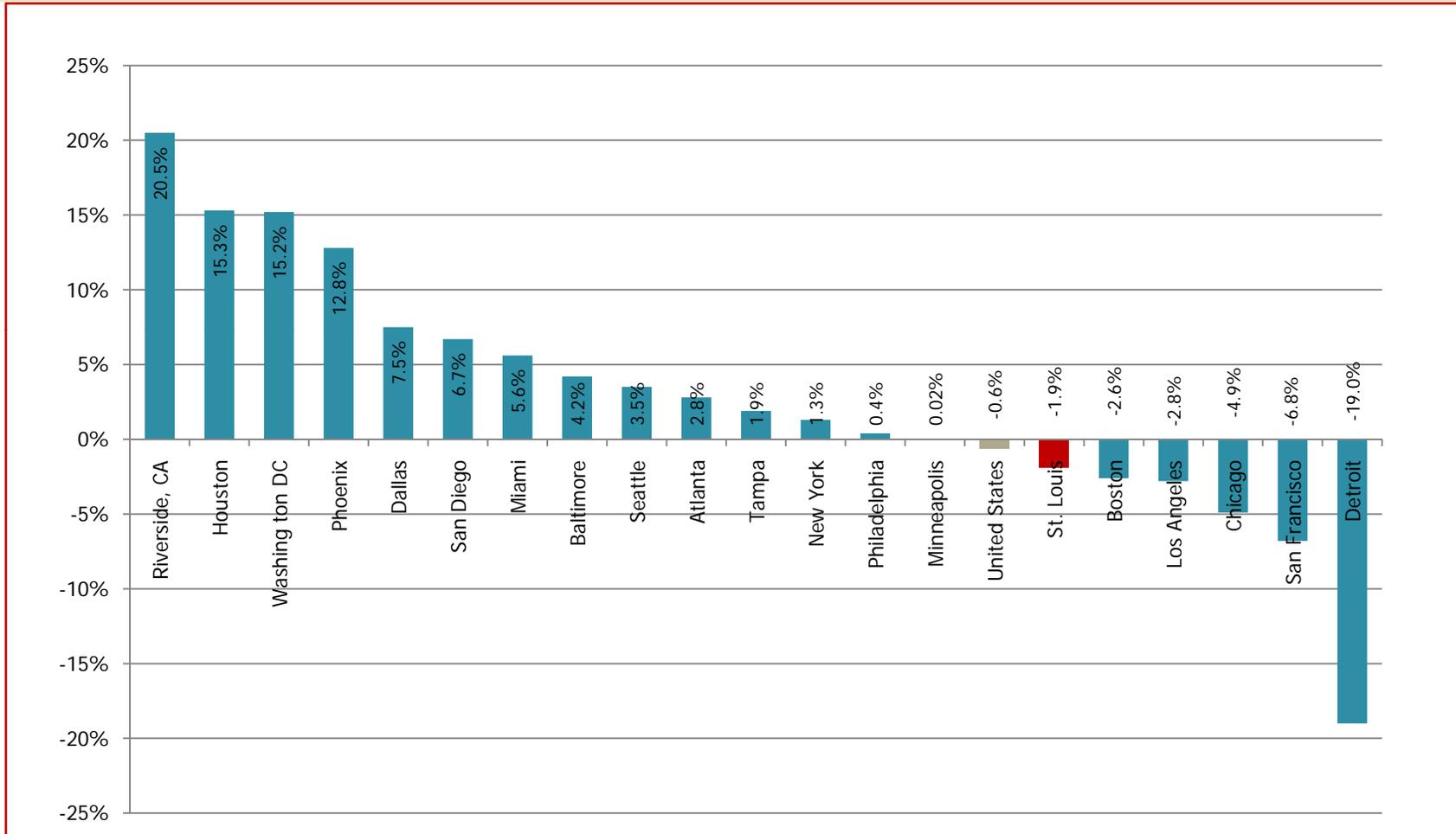
Greater St. Louis Economic Development Strategy

20 Largest MSAs and U.S. Ranked by Population Growth 2000 to 2009



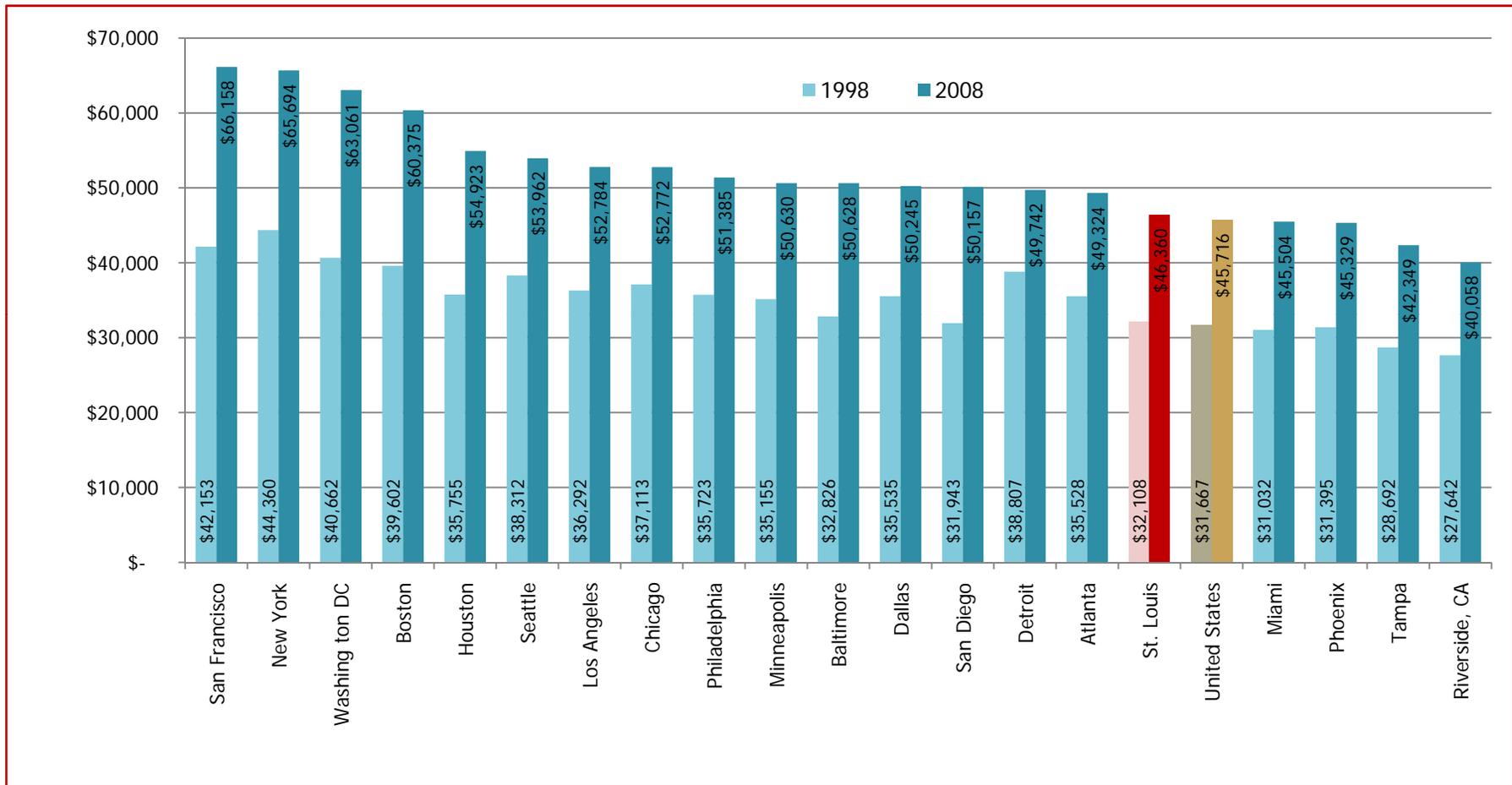
Source: "Annual Estimates of the Population of Metropolitan and Micropolitan Statistical Areas: April 1, 2000 to July 1, 2009 (CBSA-EST2009-01)", U.S. Census Bureau, Population Division, March 2010, <http://www.census.gov/popest/estimates.html>, Accessed 4/19/10

20 Largest MSAs and U.S. Ranked by Nonfarm Employment Growth 2000 to 2009



Source: "Employment, Hours, and Earnings", U.S. Bureau of Labor Statistics, <http://www.bls.gov/data/#employment>, Accessed 4/19/10

20 Largest MSAs and U.S. Average Wage per Job 1998 and 2008 Ranked by 2008 Average Wage per Job



Source: "Average Wage per Job" Regional Economic Information System, U.S. Bureau of Economic Analysis,

http://www.bea.gov/regional/reis/default.cfm?selTable=CA34§ion=2_, Accessed 4/22/10.

Note: All state and local area dollar estimates are in current dollars (not adjusted for inflation)

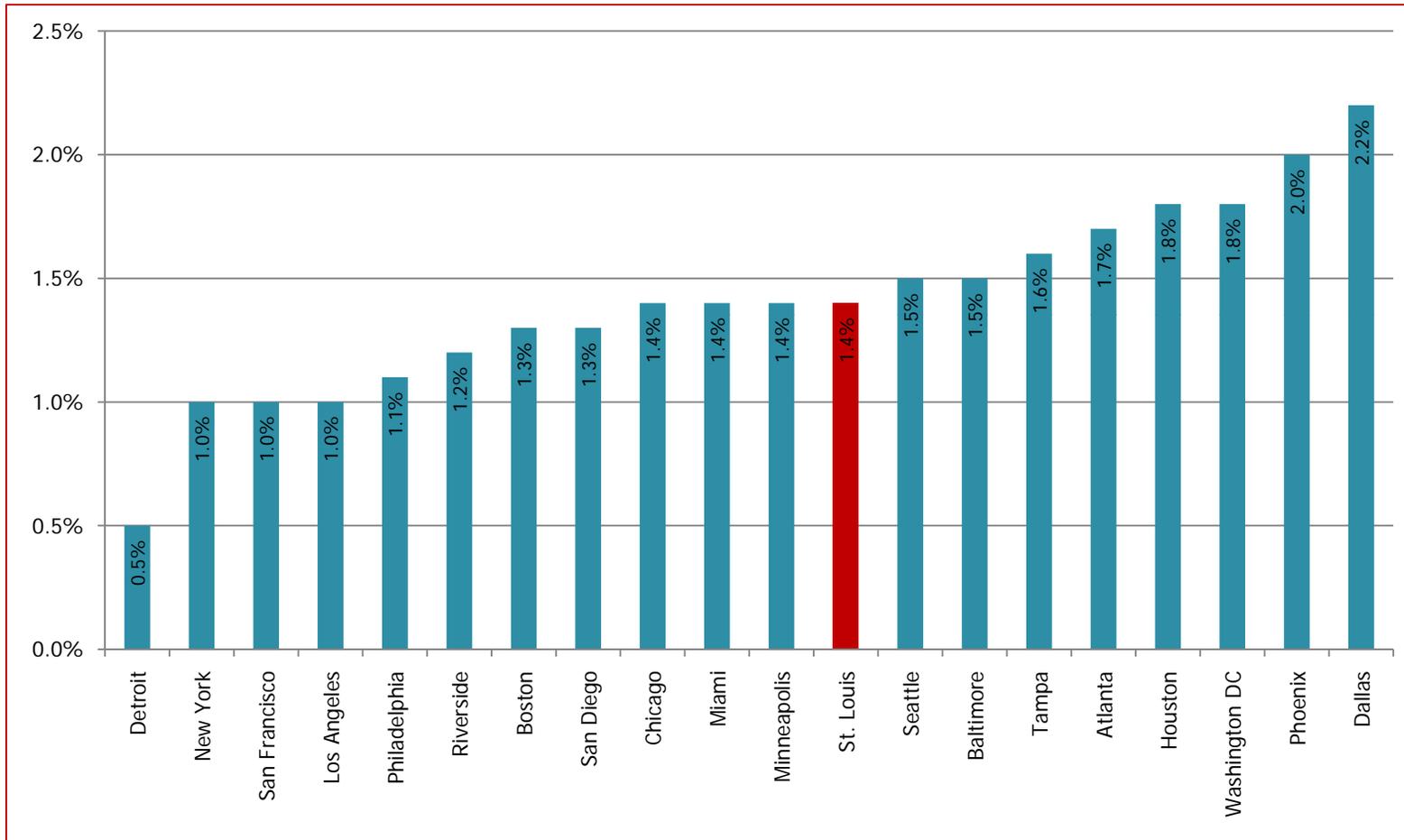
A Framework Built on Understanding...

- Talent is one of our most essential economic assets.
- St. Louis' is a slow-growing economy. We can build on our existing strengths to do better.
- St. Louis is coming out of a structural recession, and change will continue.
- Jobs recovery in St. Louis will take time, likely lasting through most of the Economic Development Plan horizon.
- Employers seek 'the right people with the right skills at just the right time...'.
.
- Considerable amounts of money are being spent to develop, redevelop, and update the skills of our workforce.

1. Talent is One of Our Most Essential Economic Assets.

- People with a good work ethic, up-to-date skills, and motivation to keep learning are vital
 - across all sectors
 - in every size firm
 - in all occupations.
- “A really great regional workforce” means having 1.4 million people who fit this bill.

2. St. Louis' is a slow-growing economy. 20 Largest MSAs, Employment Growth Forecast, 2009 to 2014



Source: "Metro Economies" IHS Global Insights, prepared for The United States Conference of Mayors, <http://usmayors.org/79thWinterMeeting/documents/201101a-metroeconomies.pdf>, Accessed 1/24/11

We can build on our existing strengths to do better.

- Business, economic development leaders commissioned research on existing workforce strengths and future opportunities.
- Results provide a platform for growth, the Greater St. Louis Economic Development Plan, 2011-2015.

Industry Sectors

Financial & Information Services

6,200 Establishments & 73,000 jobs

Health Science & Services

6,000 establishments & 170,000 jobs

Sustainable Technologies

540 establishments & 14,000 jobs

Multi-Modal Supply Chain Mgt.

6,700 establishments & 85,000 jobs

Aerospace & Aviation

1,150 establishments & 33,000 jobs

Advanced Energy Technologies

Plant Sciences & Ag-Tech

Building Design and Materials

Source: 2009 ES 202 Estimates by County, Minnesota IMPLAN Group, Inc. and Quarterly Census of Employment & Wages, U.S. Bureau of Labor Statistics.

Note: Clusters can not be added to total, some industries are included in more than one cluster and cluster definitions are subject to change.

Sample Occupations – Financial and Information Services

Standard Occupations	New and Emerging Occupations
Accountants and auditors	Compliance managers
Network and computer systems administrators	Fraud examiners, investigators, analysts
Insurance sales agents	Investment underwriters
Computer software engineers, application	Financial quantitative analysts
Computer systems analysts	Business intelligence analysts
Network systems, data communications analysts	Geospatial information systems technicians
Customer service representatives	Database architects
Bookkeeping, auditing, accounting clerks	Electronic commerce specialists

Sample Occupations – Health Science and Services

Standard Occupations	New and Emerging Occupations
Registered nurses	Biochemical engineers
Licensed practical and licensed vocational nurses	Bioinformatics technicians
Nursing aides, orderlies, attendants	Regulatory affairs managers
Home health aides	Acupuncturists
Pharmacy technicians	Informatics nurse specialists
Medical secretaries	Nurse anesthetists
Medical assistants	Nurse practitioners
Dental assistants	Patient representatives

Sample Occupations – Sustainable Technologies

Standard Occupations	New and Emerging Occupations
Construction managers	Energy auditors
Natural sciences managers	Biofuels processing technicians
Sustainability specialists	Brownfields redevelopment specialists
Architects	Environmental economists
Architectural drafters	Geothermal production managers
Environmental engineering technicians	Hydroelectric plant technicians
Soil and plant scientists	Recycling and reclamation workers
Geoscientists	Water / wastewater engineers

3. St. Louis is Coming Out of a Structural Recession.

- Change is not over.
- Technology, globalization, and innovation will drive continuing economic change.
- These forces interact in complex ways, impacting the work we do, how we do it, where it gets done, and the skills required to make it happen.

Technology

- Now ubiquitous, IT transformed occupations at all levels of all organizations in all sectors.
- Technology fuels growth in the contingent workforce.
- “It's not just a recovering economy that's leading to growth in the number of temporary jobs. The nature of work is changing. Because of technology, we're able to work anywhere, at any time.... That's changed the way some employers look for employees. They recognize they're always going to want to have a contingent workforce and to staff up or down to meet their needs.”
VP of Manpower
- Technology has reset our expectations about what is possible and who can participate.

Globalization

- Export of US goods and services was up 17% between 2009-2010.
- More projects in our pipeline involve foreign players.
- Local companies – and educational institutions – compete in a global market.
- Companies seek talented people who are diverse, value diversity, and can work across different cultures.
- 63.3 % of employers say that “knowledge of foreign languages” will increase in importance over the next five years – more than any other basic skill.

*Conference Board, SHRM, and other organizations. “
Are They Really Ready to Work?”, 2006*

Innovation

- “The first step in winning the future is encouraging American innovation.”

President Barack Obama, State of the Union, 2011

- “Despite the setbacks of recent years, attracting and retaining the innovators and high flyers that are in the competitive vanguard of any successful business will continue to be critical.”

PricewaterhouseCoopers, “Re-engineering the organisation,” February 2009

- “There will be a set of economic activities that is shifting away from the 20th Century industrial ... model and mass consumer brands to a model based on knowledge and co-creation between consumers and suppliers.”

“Redesigning Your Organization for the Future of Work,” Journal of HRPS, #4, 2008

4. Jobs Recovery Will Take Time. Employment Growth Forecast 20 Largest MSAs, 2009 to 2014

Metropolitan Statistical Areas	Return to Peak
	2011
Washington-Arlington-Alexandria, DC-VA-MD-WV	2 Quarter
	2012
Dallas-Fort Worth-Arlington, TX	2 Quarter
Houston-Sugar Land-Baytown, TX	2 Quarter
Baltimore-Towson, MD	4 Quarter
Boston-Cambridge-Quincy, MA-NH	4 Quarter
	2013
St. Louis, MO-IL	3 Quarter
Minneapolis-St. Paul-Bloomington, MN-WI	4 Quarter
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	4 Quarter
Seattle-Tacoma-Bellevue, WA	4 Quarter
	2014
Atlanta-Sandy Springs-Marietta, GA	1 Quarter
New York-Northern New Jersey-Long Island, NY-NJ-PA	1 Quarter
San Diego-Carlsbad-San Marcos, CA	3 Quarter
Phoenix-Mesa-Scottsdale, AZ	4 Quarter
	2015
Chicago-Naperville-Joliet, IL-IN-WI	1 Quarter
Tampa-St. Petersburg-Clearwater, FL	2 Quarter
Miami-Fort Lauderdale-Pompano Beach, FL	4 Quarter
San Francisco-Oakland-Fremont, CA	4 Quarter
	2016
Riverside-San Bernardino-Ontario, CA	3 Quarter
	2018
Los Angeles-Long Beach-Santa Ana, CA	1 Quarter
	After 2025
Detroit-Warren-Livonia, MI	Unknown

Source: "Metro Economies", IHS Global Insights, prepared for The United States Conference of Mayors, <http://usmayors.org/79thWinterMeeting/documents/201101a-metroeconomies.pdf>, Accessed 1/24/11

- Cautiously, employers will minimize hiring risks and source the talent they need – aiming to engage “the right people with the right skills at just the right time.”
- More employers will approach talent management in supply chain terms.
- “Managing supply chains is about managing uncertainty and variability. The same uncertainty exists inside companies with regard to talent development. Companies rarely know what they will be building five years out and what skills they will need to make that happen; they also don’t know if the people they have in their pipelines are going to be around.”

Peter Cappelli, “Talent on Demand: Applying Supply Chain Management to People.” 2008.

5. “People With the Right Skills at the Right Time” Have a Set of Competencies.

- Post-secondary credentials (most valued are four-year degrees)
- Applied skills
- People skills
- Internal motivation to keep up with changes in their field
- A record of continuous learning, evidenced by certificates, diplomas, licenses
- An entrepreneurial attitude

Post-Secondary Credentials

- “America is slowly coming out of the Recession of 2007—only to find itself on a collision course with the future: not enough Americans are completing college. [National research shows that] by 2018, we will need 22 million new college degrees—but will fall short of that number by at least 3 million post-secondary degrees, Associate’s or better.”

Georgetown University Center on Education and the Workforce, 2010.

- Higher education is a prerequisite to success in a knowledge-based society and economy. The social and economic opportunities facing our country can best be addressed by educating many more people beyond high school.”

Lumina Foundation for Education, 2009.

- “It’s hardly surprising that less educated workers have been disproportionately affected by the [economic] downturn. But now it appears that the swelling of ranks of unemployed and underemployed workers are themselves a ‘headwind’ slowing the recovery.... Business is creating job openings, but most require at least some post-secondary education even to apply....”

“Failing US education will dumb down economic growth,” Bloomberg Businessweek, 2010.

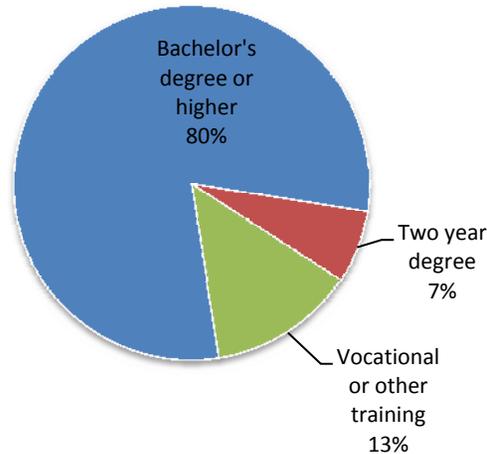
- “To meet that challenge, the president set an ambitious but widely shared goal: by 2020 the United States should once again have the highest proportion of college graduates in the world... The 2020 goal is the North Star guiding all our efforts to improve education.”

US Secretary of Education Arne Duncan, Forbes.com, 2010

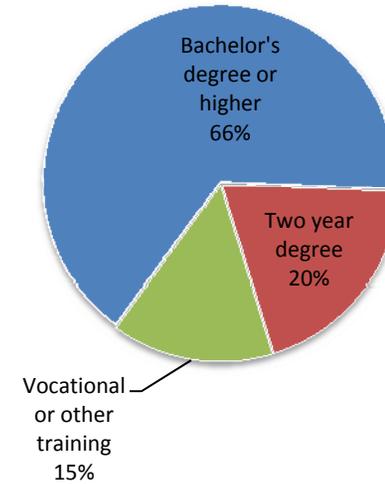
We Can't Meet Our Goals Without It. Most Significant Source of Education and Training

High Growth Occupations

Financial and Information Services Cluster

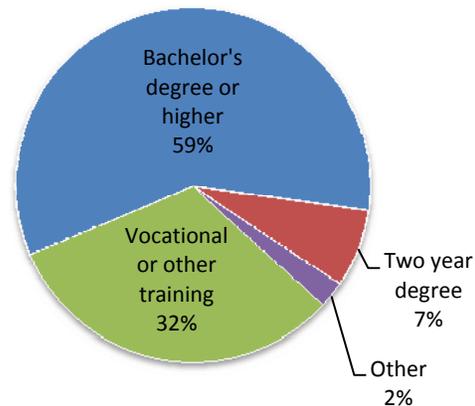


Health Science and Services

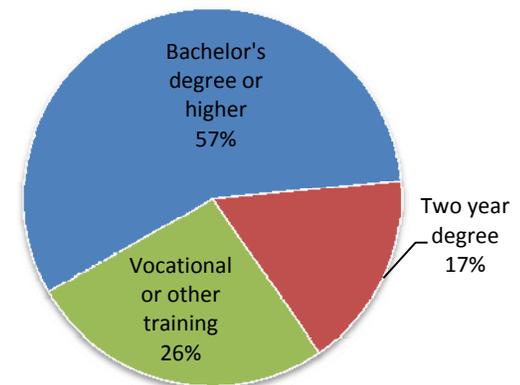


All Occupations

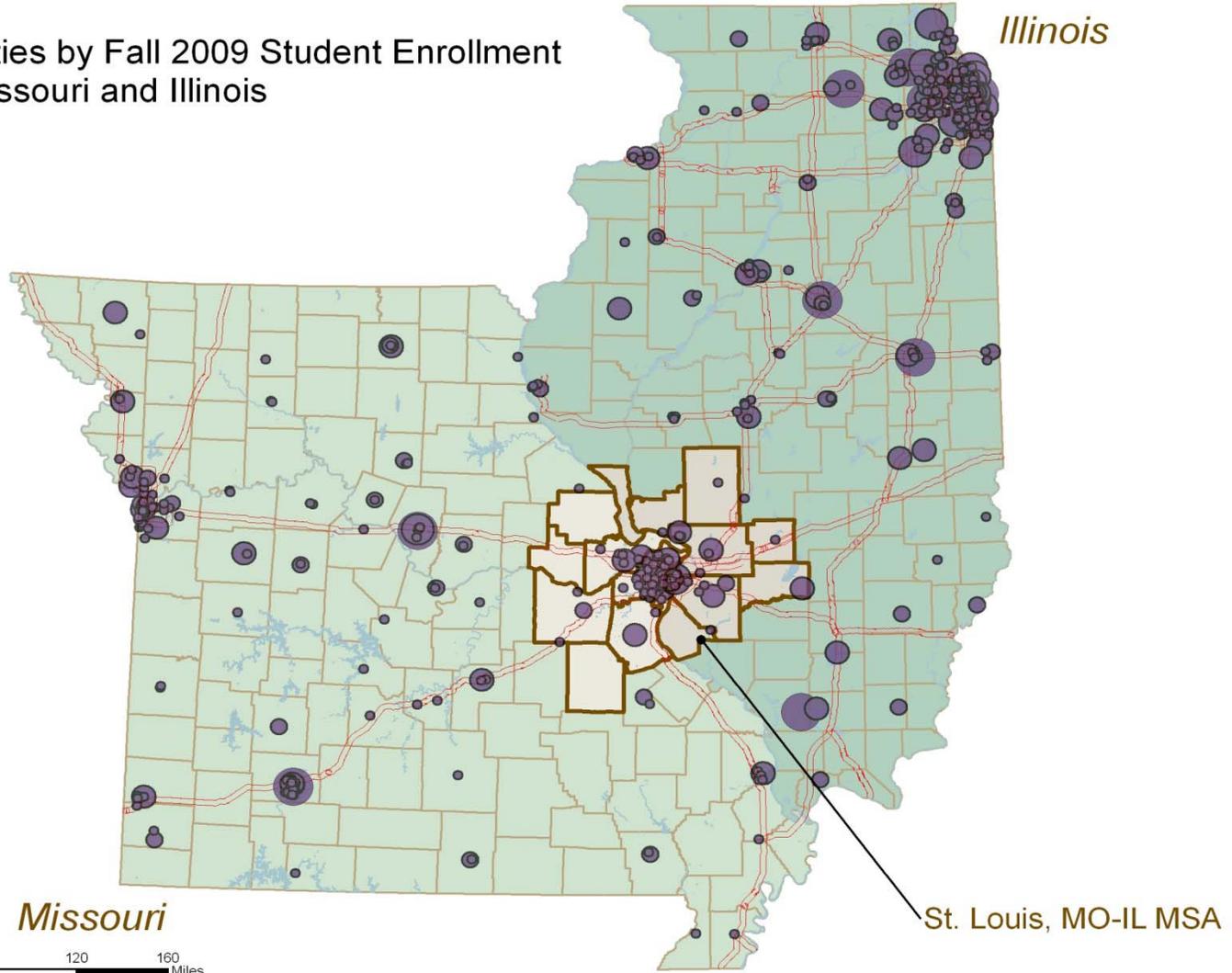
Financial and Information Services Cluster



Health Science and Services



College and Universities by Fall 2009 Student Enrollment Missouri and Illinois



St. Louis Regional Chamber and
Growth Association
One Metropolitan Square, St. Louis, MO 63102
Phone: (314) 231-5555 Fax: (314) 206-3244
www.gotostlouis.org

Source: "College Navigator", National Center for Education Statistics
Note: * Data for Columbia - College - St. Louis and Webster University was obtained from these organizations
Prepared 1/24/2011

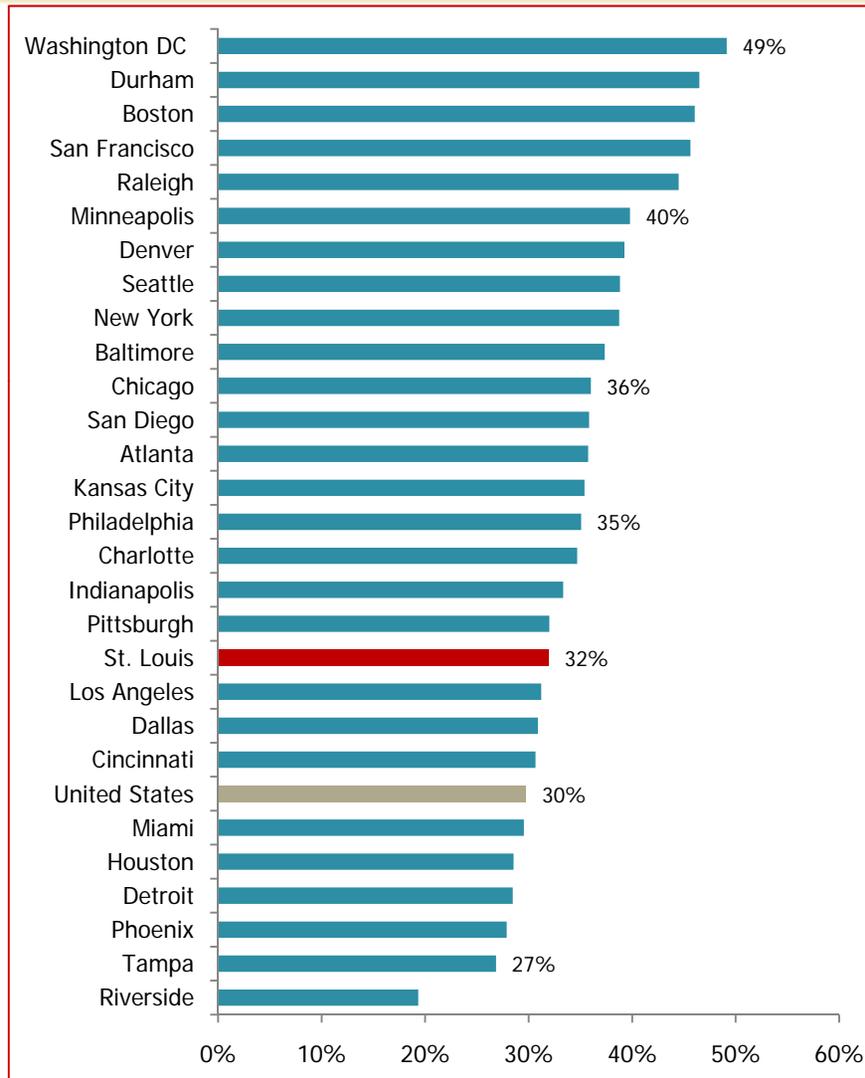
Metro St. Louis Two and Four-Year Colleges and Universities

<i>Four-Year Schools (2009-2010)</i>	
Aquinas Institute of Theology	St. Louis College of Pharmacy
Barnes-Jewish College Goldfarb School of Nursing	St. Louis University
Blackburn College	Stevens College of Business & Arts
Brown Mackie College*	University of Missouri-St. Louis
Chamberlain College of Nursing	University of Phoenix - St. Louis
Columbia College - St. Louis*	Vatterott College - North Park
Concordia Seminary	Vatterott College - Sunset Hills
Covenant Theological Seminary	Washington University
Eden Theological Seminary	Webster University*
Fontbonne University	<i>Two Year Schools (2009-2010)</i>
Greenville College	Anthem College- Maryland Heights
Harris-Stowe State University	Anthem College- Fenton
Hickey College	East Central College
ITT Technical Institute - Arnold	Jefferson College
ITT Technical Institute - Earth City	Kaskaskia College
Kenrick Glennon Seminary	Lecole Culinaire
Lindenwood University	Lewis & Clark Community College
Logan College of Chiropractic	Lutheran School of Nursing
Maryville University	Midwest Institute
McKendree University	Sanford-Brown College - Collinsville
Midwest University	Sanford-Brown College- Hazelwood
Missouri Baptist University	Southwestern Illinois College
Missouri College	St Louis College of Health Careers
Missouri Tech	St Louis College of Health Careers - Fenton
Principia College	St. Charles CC
Ranken Technical College	St. Louis CC - Florissant Valley
Sanford-Brown College - Fenton	St. Louis CC - Forest Park
Sanford-Brown College - Saint Peters	St. Louis CC - Meramec
Southern Illinois University at Edwardsville	St. Louis CC - Wildwood
St. Louis Christian College	Vatterott College-O'Fallon Campus

Source: "College Navigator" National Center For Education Statistics, <http://nces.ed.gov/ipeds/cool/index.aspx>, Accessed 1/25/11
 Note: Data for Columbia College - St. Louis and Webster University was obtained from these organizations.

Bachelor's Degree or Higher Attainment for Population Aged 25 to 64

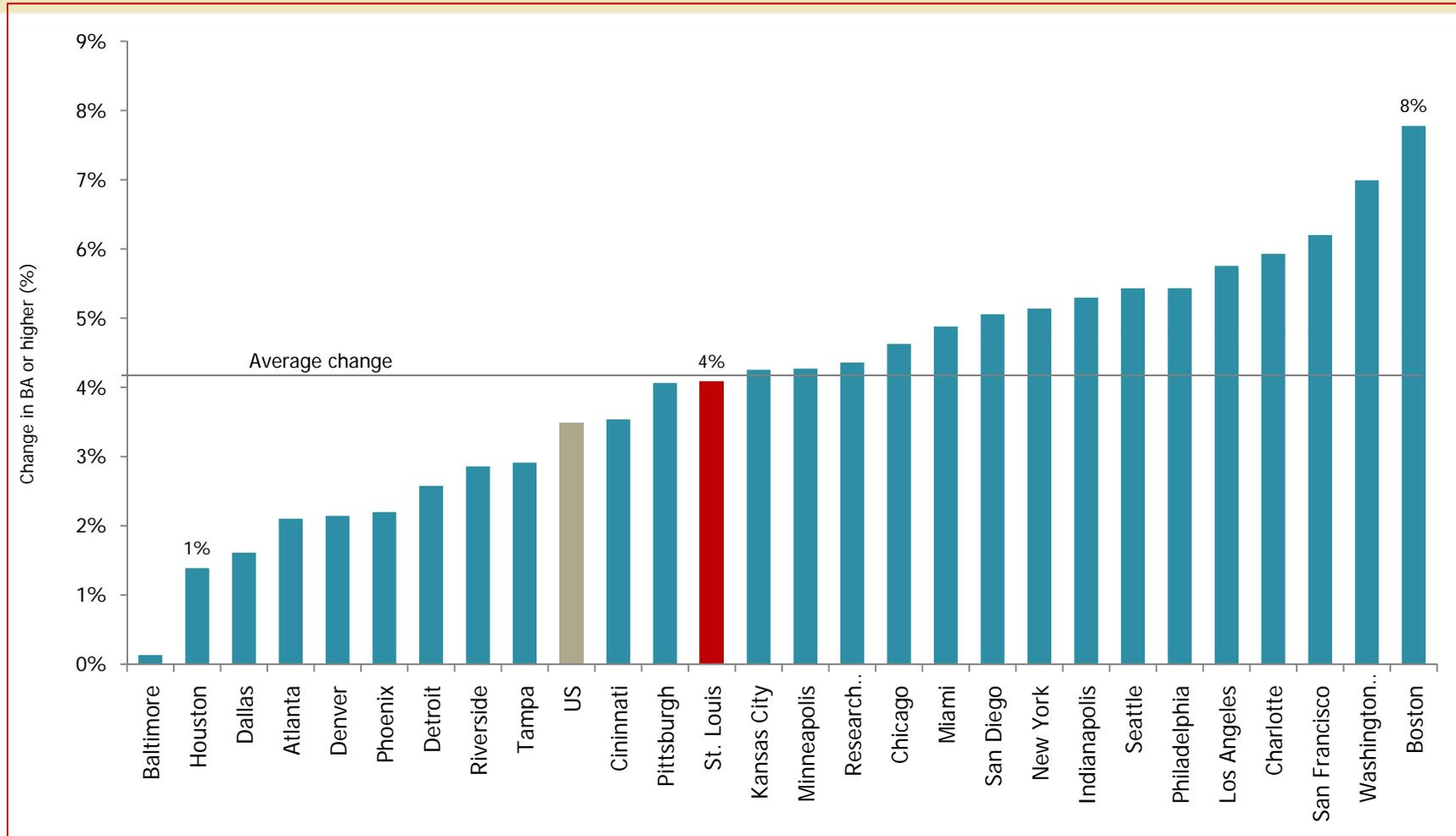
St. Louis MSA, Peer MSAs, U.S., 2009



Source: "Table B15001. Educational attainment for the population aged 25-64 from the 2009 American Community Survey 1-Year Estimates" U.S. Census Bureau, 2010, Accessed 10/25/10

Percentage Point Change in Bachelor's Degree or Higher Attainment

St. Louis MSA, Peer MSAs, U.S., 2000-2009



Sources: "Table QT-P20.: Educational Attainment by Sex" from Census 2000 Summary File 3 (SF 3) - Sample Data, U.S. Census 2010, Accessed 10/25/10

Applied Skills and People Skills

- “Employers today are looking to higher education to develop not just technical know-how but critical thinking skills – skills like adaptability, the ability to work in teams, creativity, leadership, and a capacity to communicate succinctly.”

US Secretary of Education Arne Duncan

- Results of a 2006 national survey of business leaders found that ‘applied skills’ trump basic knowledge on all educational levels. The top three applied skills in the survey are professionalism / work ethic, teamwork / collaboration, and oral communications.

*Conference Board, SHRM, and other organizations. “
Are They Really Ready to Work?”, 2006*

Top Critical Skills and Skill Gaps, 2010

Identified by an UMSL Business School Survey

Critical Skills

- Active listening
- Customer orientation
- Critical / analytical thinking
- Oral communications
- Time management
- Teamwork / collaboration
- Written communications
- Prioritization / focus
- Decision-making
- Leadership

UMSL, *Skill Gaps: The Ill-Prepared Workforce*, 2010

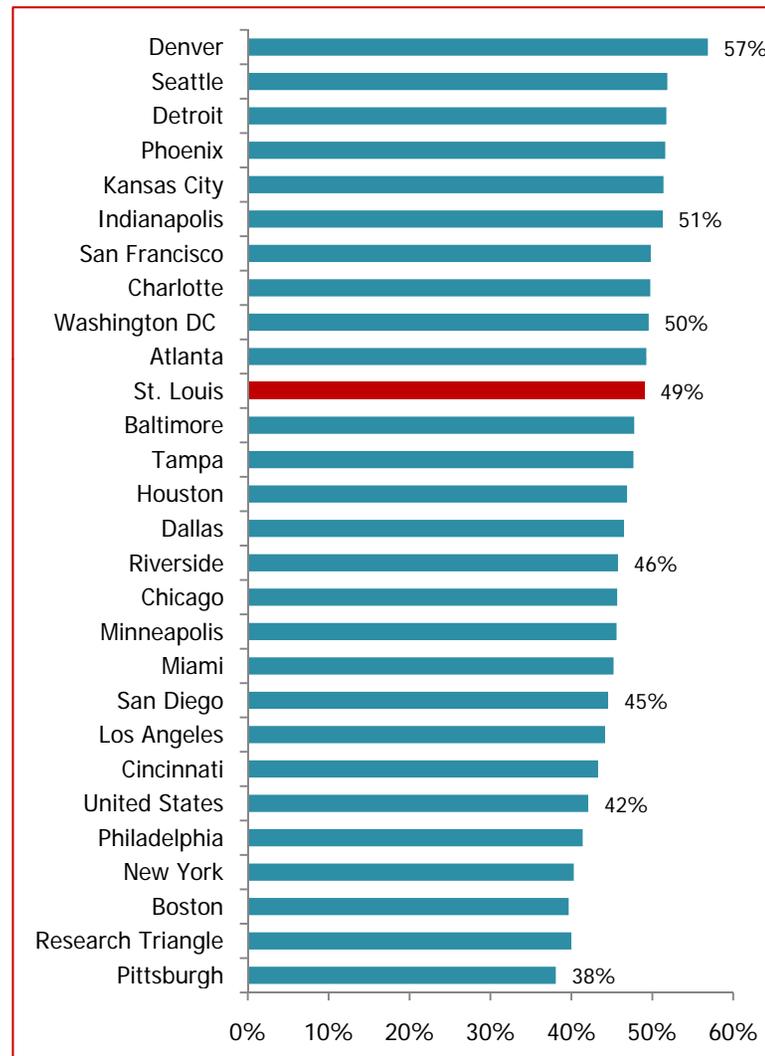
Skill Gaps

- Leadership
- People management
- Change management
- Strategic planning
- Written communications
- Prioritization / focus
- Active listening
- Time management
- Critical / analytical thinking
- Lean thinking / process improvement

Continuous Learning

- “In the 19th Century, it took about 50 years to double the world’s knowledge. Today, the base of knowledge doubles in less than a year. The digital age creates new opportunities to access information in ways that transform work and play. The emerging workforce does not need ‘knowers’ as much as it needs ‘learners.’ ... Young adults entering today’s workforce are no longer set for life with the skills they learn in college.”
- Most of the talent that will be available to us during the period of this economic development plan is already in the workforce today.

Percentage of College Enrollees aged 25 + St. Louis MSA, Peer MSAs, U.S., 2009



6. Much money is being spent to develop, redevelop, update our workforce.

- 87 sources of Federal funds for workforce development, through the US Departments of Agriculture, Commerce, Education, Health and Human Services, Housing and Urban Development, Justice, Labor, Transportation, Veterans Affairs, EPA, Social Security Administration
- Local, state, and special purpose governments administer millions of dollars annually
- We identified 40 St. Louis companies that are providing tuition assistance and scholarships
- Many more provide education and development programs thru their own staff
- Numerous professional organizations, foundations, non-profits fund educational scholarships and loans.

- Today's resources are limited and budgets are being cut.
- Past investment levels will not be maintained.
- It will be important to align the region's diverse investments in a coordinated talent investment strategy if our desired outcomes are to be achieved.