

Regional Talent Development: New Approaches for a New Economy

Greater St. Louis Economic Development Network
March 24, 2011

St!Louis
Perfectly Centered. Remarkably Connected.



Topics We Will Explore Today

- What do we mean by “talent?”
- Why is it so important?
- Who is leading the talent strategy effort?
- But are there any jobs out there now?
- What is our longer-term approach?
- Why can't we lock into a ten-year plan?

Talented people have it together. They...

- Have developed their natural ability to do something well (Dictionary)
- Demonstrate the knowledge, skills, and abilities to perform occupations in demand in the regional economy (O*Net)
- Exhibit a "a recurring pattern of thought, feeling or behavior that can be productively applied" in the workplace (Gallup Management Journal)
- Are a good "fit" with the culture of the organization or situation in which they work (St. Louis area employers)
- Have a continuing "hunger for learning" (Malcolm Gladwell)

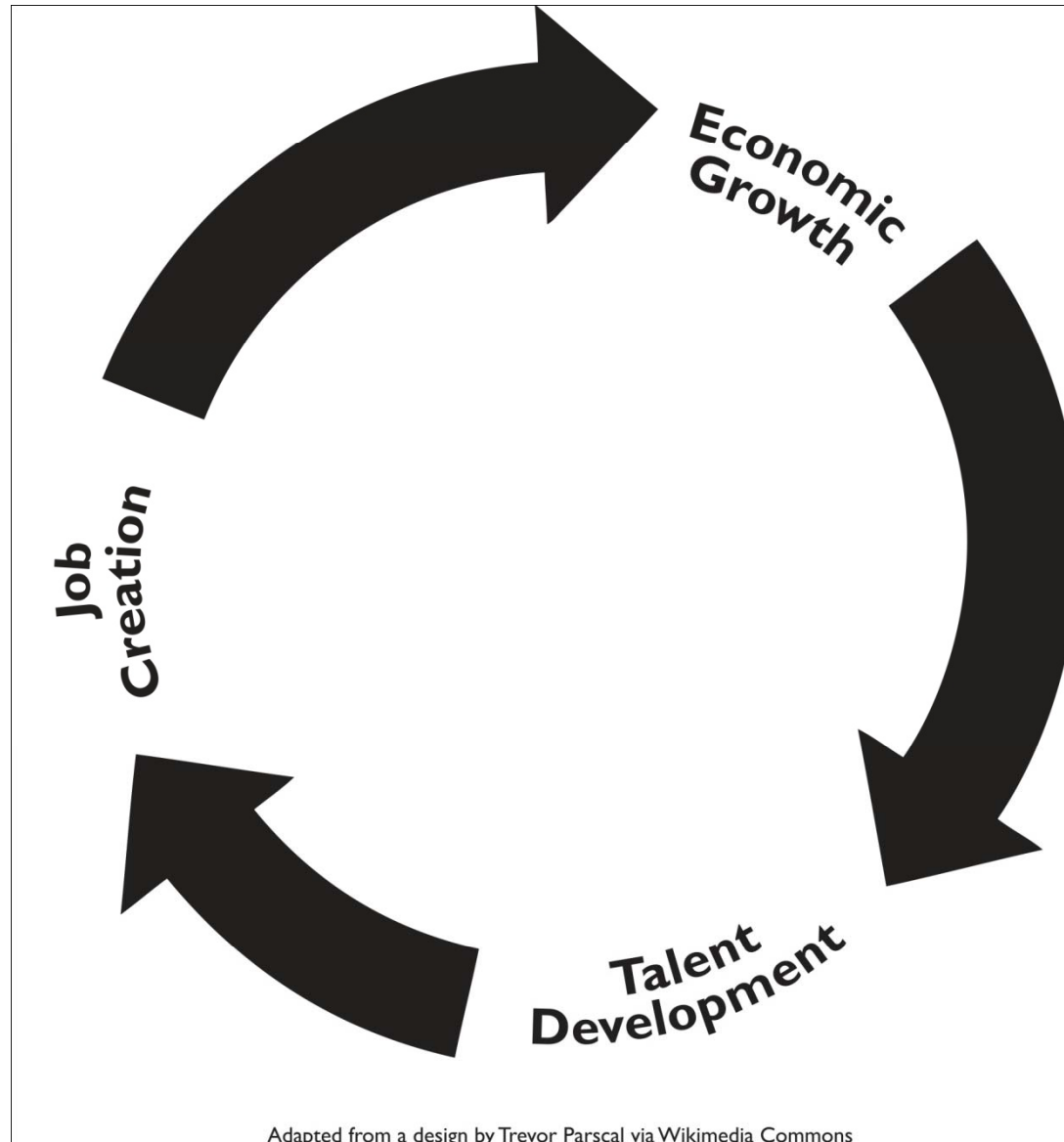
Why is it so important to develop talent?

In today's

- knowledge-based,
- innovation-driven,
- globally-connected,
- digitized,
- dynamic, and
- competitive marketplace,

talented people are an essential component of a virtuous circle for the future.

The Virtuous Circle for a Competitive Future



Adapted from a design by Trevor Parscal via Wikimedia Commons

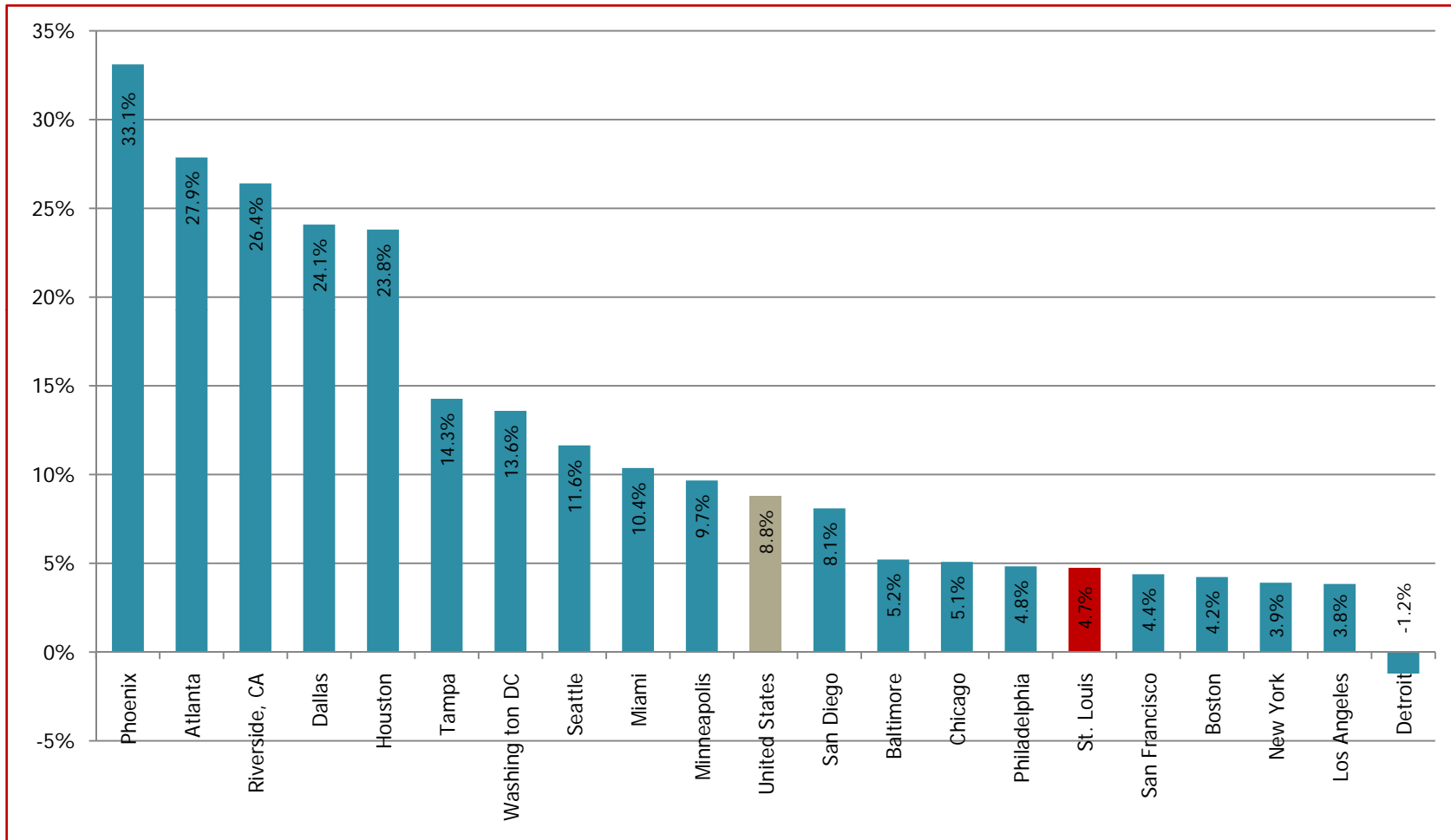
If we hope to meet our economic development goal...

- 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

Population Change, 2000-2009

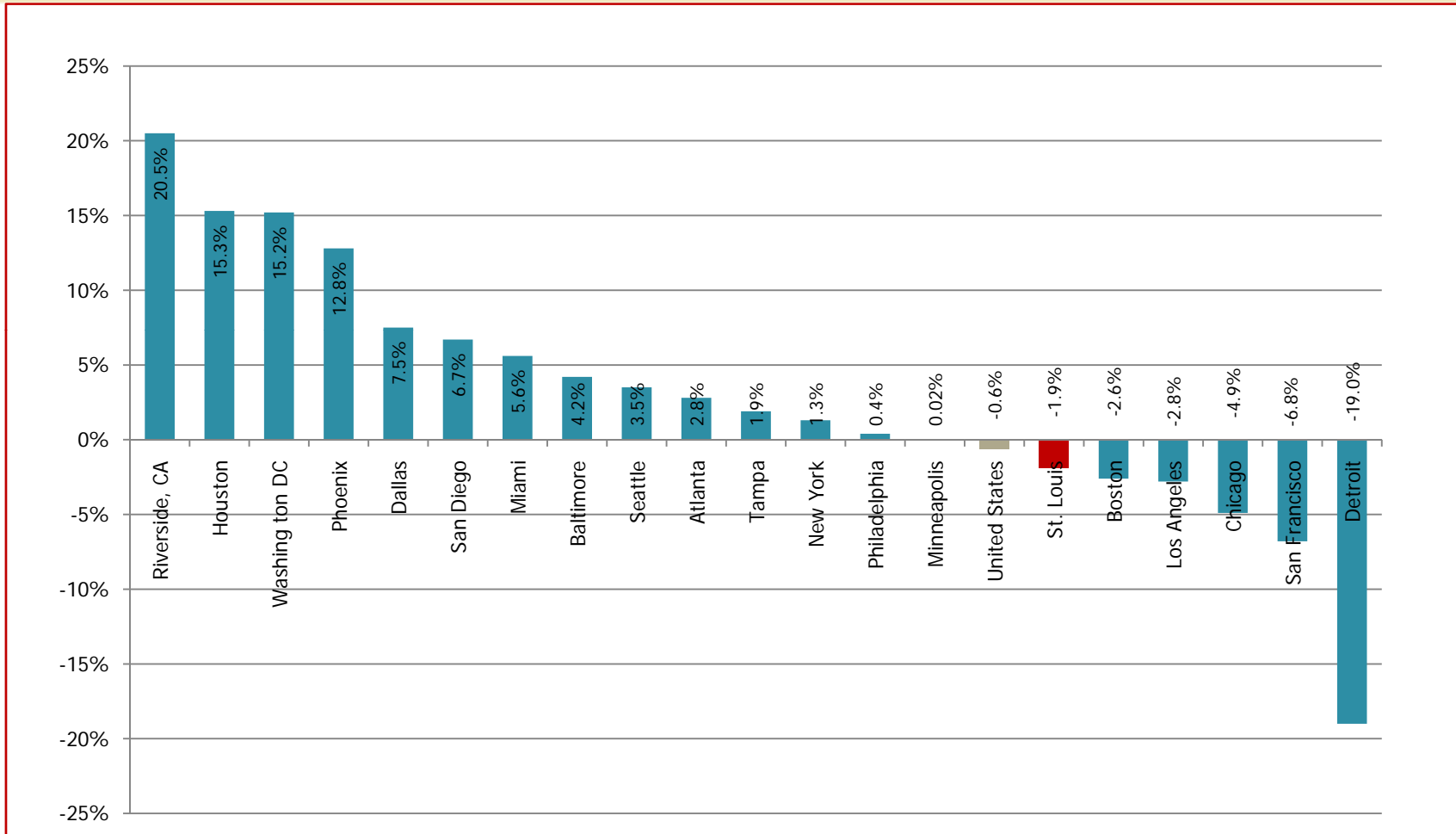
20 Largest MSAs and US



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

Employment Growth, 2000-2009

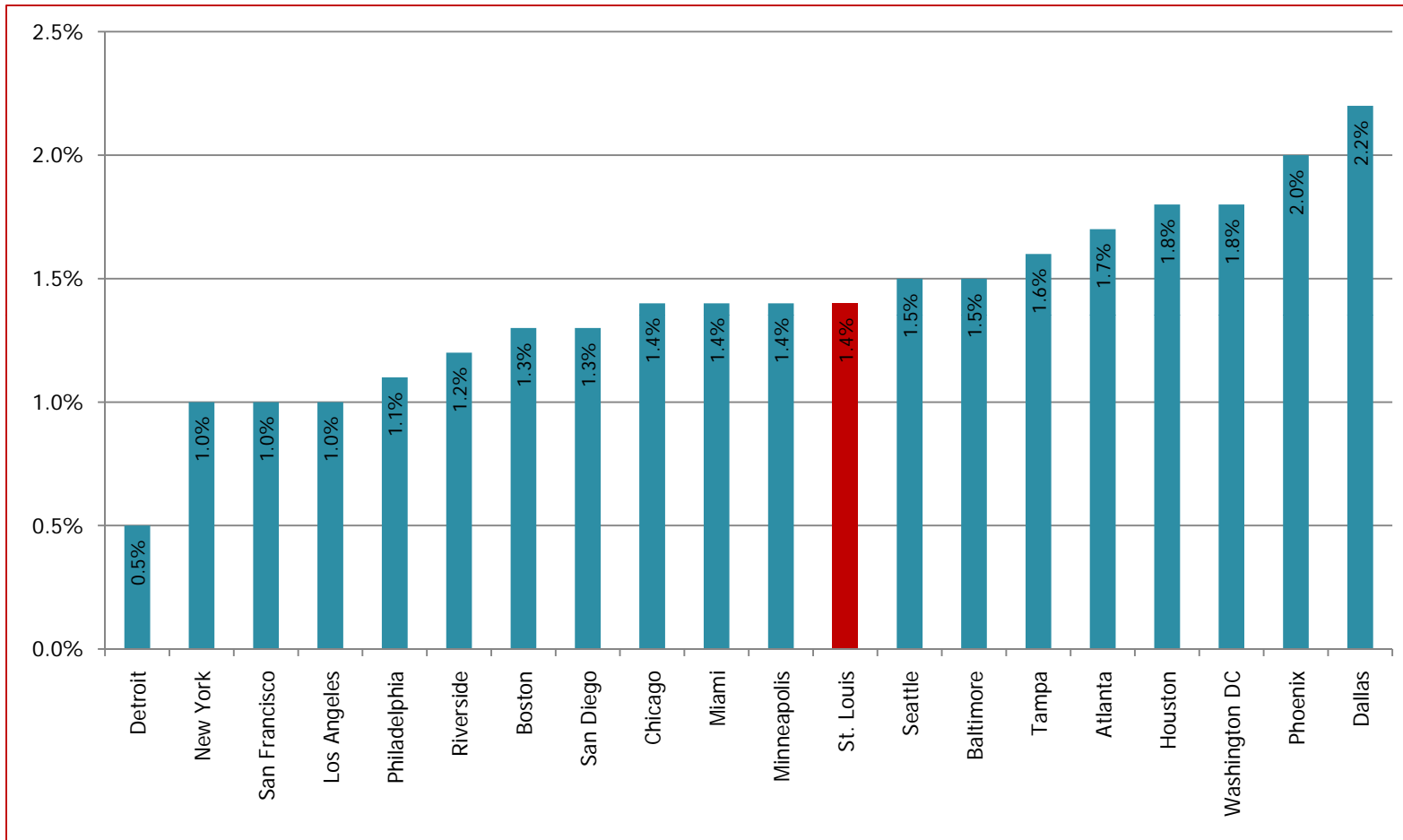
20 Largest MSAs



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

Employment Growth Forecast, 2009-2014

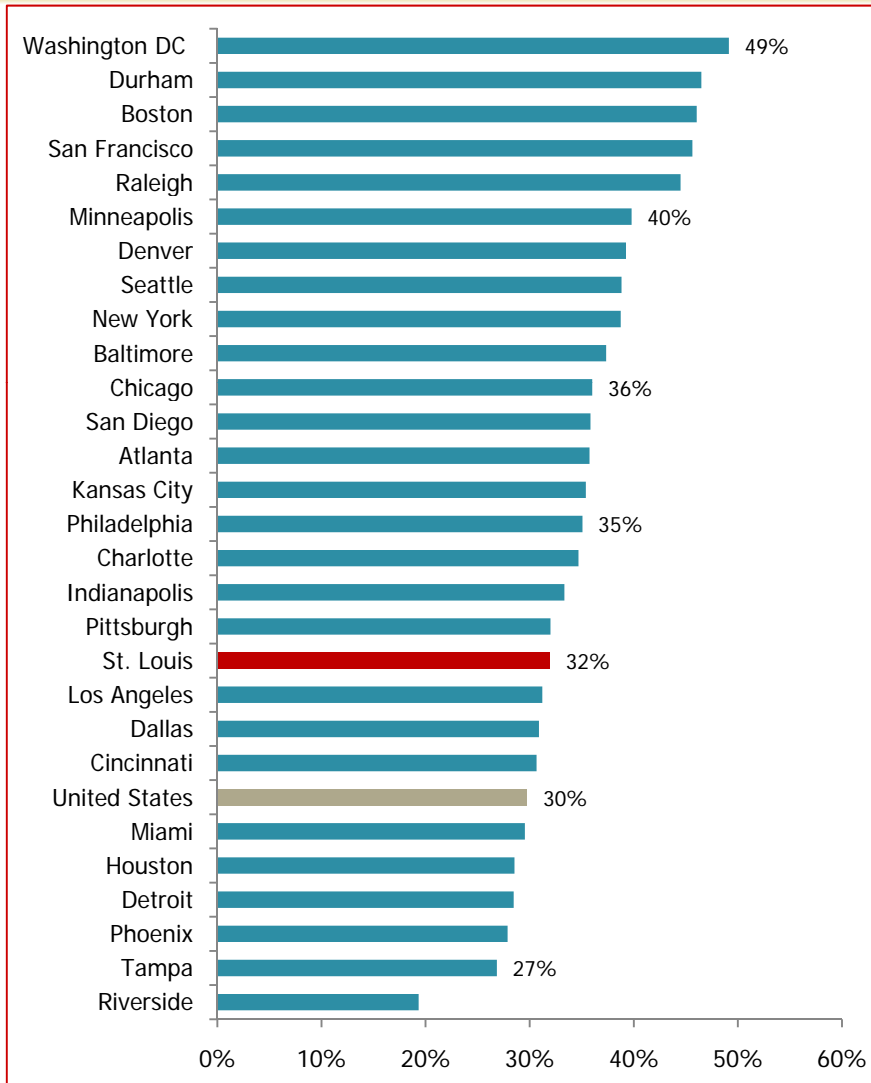
20 Largest MSAs



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

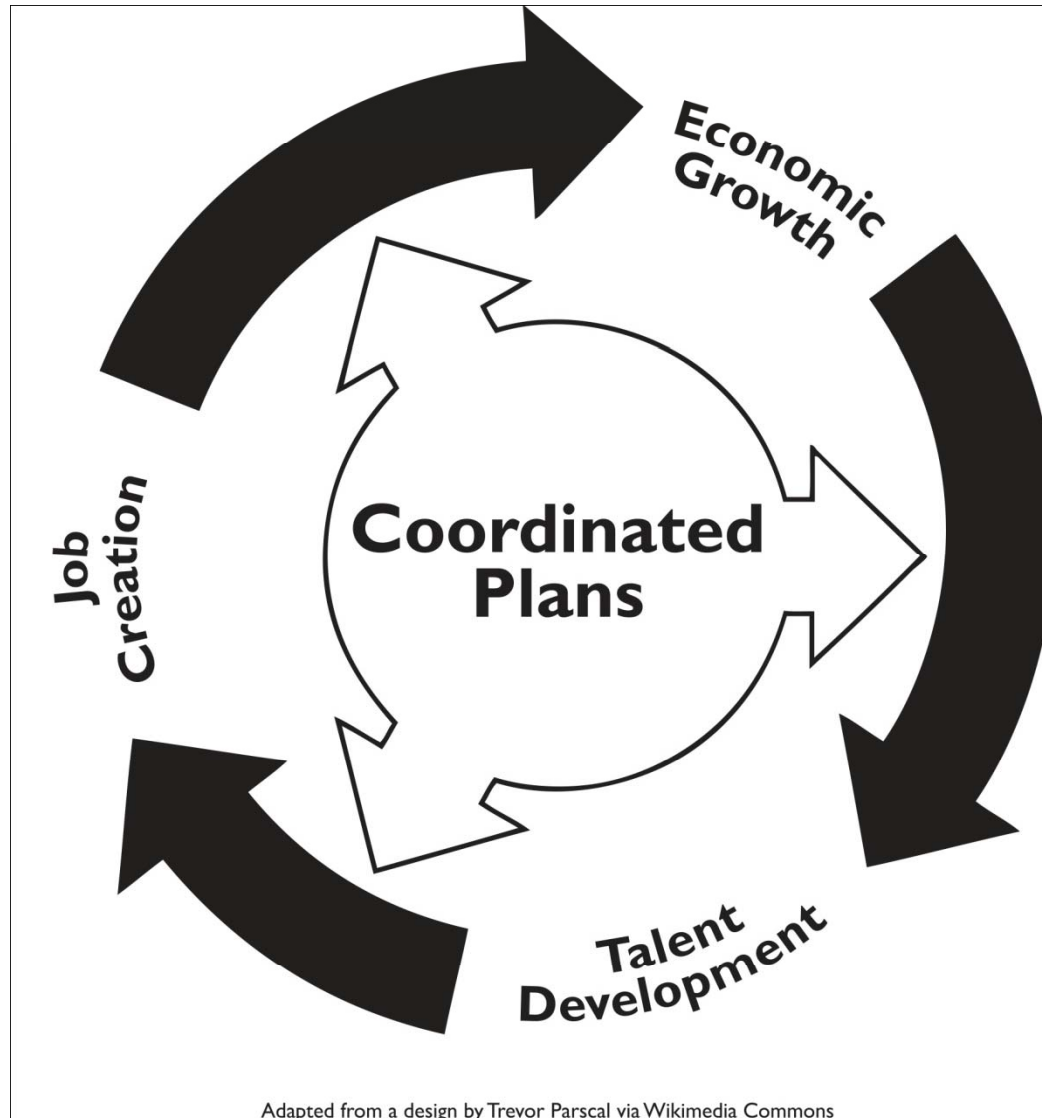
Percent of Working Age Population with Bachelor's or Higher Degrees

St. Louis and Peer MSAs, 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

... coordinated plans and continuous reinforcement will be required.



Who is leading the development of a talent strategy?

- The RCGA's 16-member Talent Council, chaired by Brown Shoe Co. Chief Talent Officer, Doug Koch
- Talent Council purpose:

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.
- Briefings and consultation with representatives of the State Division of Workforce Development and local area WIBs
- Educational institutions, non-profit groups, professional orgs, talented people themselves

We face a slow, but steady jobs recovery. Date employment is expected to reach pre-recession peak

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

Total Job Postings by Category, St. Louis MSA

Nov 2010 – Feb 2011

Occupation	Total
Computer and Mathematical	14,711
Sales and Related Occupations	10,779
Healthcare Practitioners and Technical	9,243
Other	8,075
Office and Administrative Support	7,910
Management Occupations	7,593
Business and Financial Operations	5,113
Miscellaneous	2,348
Architecture and Engineering	2,320
Food Preparation and Serving Related	2,149

Occupation	Total
Transportation and Material Moving	2,144
Life, Physical, and Social Science	1,224
Installation, Maintenance, and Repair	770
Healthcare Support	266
Production	153
Education, Training, and Library	88
Arts, Design, Entertain., Sports, Media	19
Community and Social Services	11
Construction and Extraction	8
Personal Care and Services	4
Total Postings for All Categories	74,928

Job Postings, St. Charles County Firms

Nov 2010 – Feb 2011

- Total postings 4,850
- Top five categories
 - Sales and Related Occupations 922
 - Office and Admin Support 868
 - Computer and Mathematical 671
 - Business and Financial Operations 387
 - Management Occupations 329
- Top five account for 66% of total

Source: The Conference Board, Help Wanted Online

MERIC, accessed 02-24-11

Job Postings, Franklin County Firms

Nov 2010 – Feb 2011

- Total postings 1,071
- Top five categories
 - Healthcare Practitioners and Technical 257
 - Sales and Related 136
 - Office and Admin Support 108
 - Food Prep and Service 99
 - Management Occupations 56
- Top five account for 61% of total

Source: The Conference Board, Help Wanted Online

MERIC, accessed 02-24-11

Job Postings, Jefferson County Firms

Nov 2010 – Feb 2011

- Total postings 1,154
- Top five categories
 - Sales and Related Occupations 172
 - Healthcare Practitioners and Technical 162
 - Office and Admin Support 126
 - Food Prep and Serving 123
 - Computer and Mathematical 79
- Top five account for 57% of total

Source: The Conference Board, Help Wanted Online

MERIC, accessed 02-24-11

Job Postings, Madison County Firms

Nov 2010 – Feb 2011

- Total postings 1,869
- Top five categories
 - Sales and Related Occupations 412
 - Healthcare Practitioners and Technical 326
 - Office and Admin Support 201
 - Food Prep and Serving 139
 - Management Occupations 117
- Top five account for 64% of total

Source: The Conference Board, Help Wanted Online

MERIC, accessed 02-24-11

Job Postings, St. Clair County Firms

Nov 2010 – Feb 2011

- Total postings 4,991
- Top five categories
 - Sales and Related Occupations 922
 - Computer and Mathematical 911
 - Healthcare Practitioners and Technical 679
 - Office and Admin Support 451
 - Management Occupations 312
- Top five account for 66% of total

Source: The Conference Board, Help Wanted Online

MERIC, accessed 02-24-11

Job Postings, St. Louis County/City Firms

Nov 2010 – Feb 2011

- Total postings 59,036
- Top five categories
 - Computer and Mathematical 12,841
 - Sales and Related 7,950
 - Healthcare Practitioners and Technical 7,060
 - Management Occupations 6,477
 - Office and Admin Support 6,069
- Top five account for 68% of total

*Source: The Conference Board, Help Wanted Online
MERIC, accessed 02-24-11*

We have a coordinated approach to longer-term talent development.

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

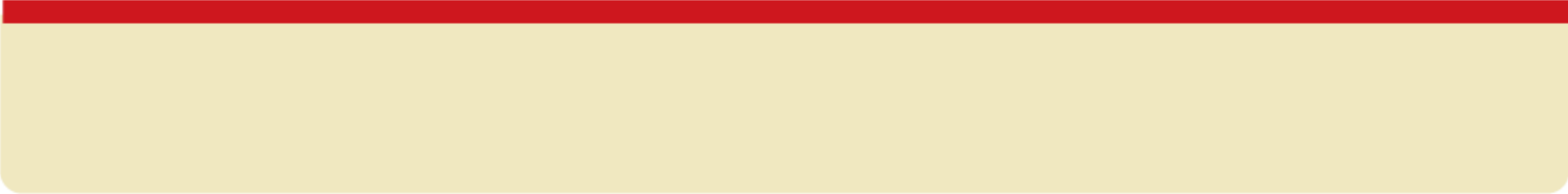
Standard Occupations	New and Emerging Occupations
Accountants and auditors	Compliance managers
Network and computer systems administrators	Fraud examiners, investigators, analysts
Insurance sales agents	Investment underwriters
Computer software engineers, application	Financial quantitative analysts
Computer 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

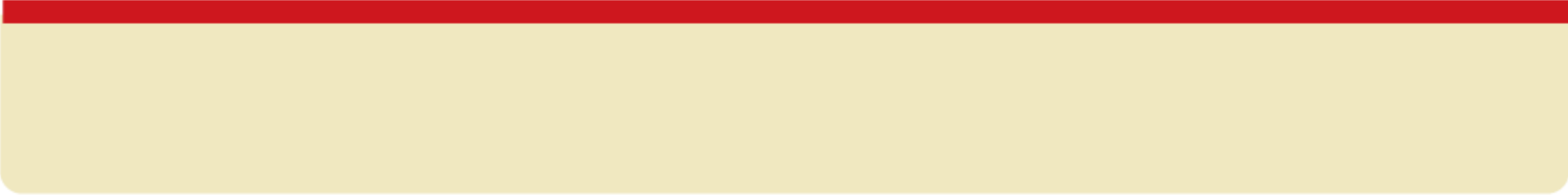
Standard Occupations	New and Emerging Occupations
Registered nurses	Biochemical engineers
Licensed practical and licensed vocational nurses	Bioinformatics technicians
Nursing aides, orderlies, attendants	Regulatory affairs managers
Home health aides	Acupuncturists
Pharmacy technicians	Informatics nurse 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



Which occupations in these sectors will drive economic stabilization and growth as we come out of our extended recovery?



What kind of talent will employers be looking for
to do this work?

Employers will source the right people with just the right skills at just the right time.

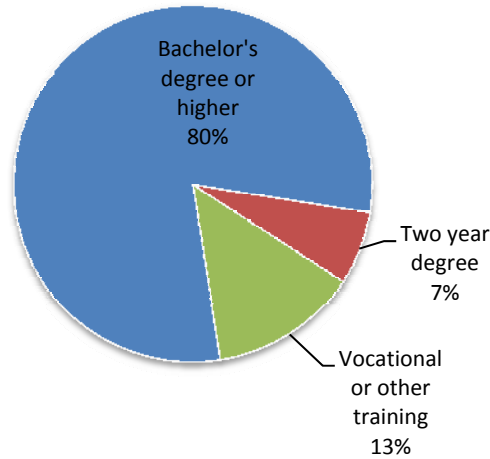
- Cautiously, employers will minimize hiring risks and source the talent they need – aiming to engage “the right people with the right skills at just the right time.”
- More employers will approach talent management in supply chain terms.
- “Managing supply chains is about managing uncertainty and variability. 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.

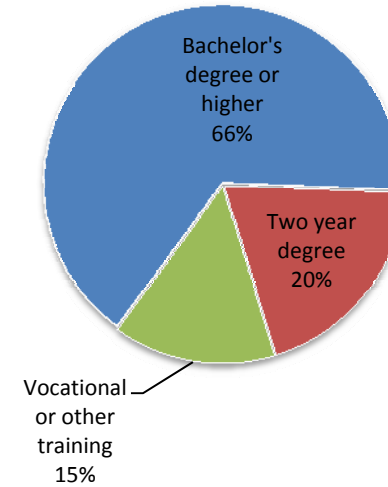
Those with post-secondary degrees will be in high demand.

High Growth Occupations

Financial and Information Services Cluster

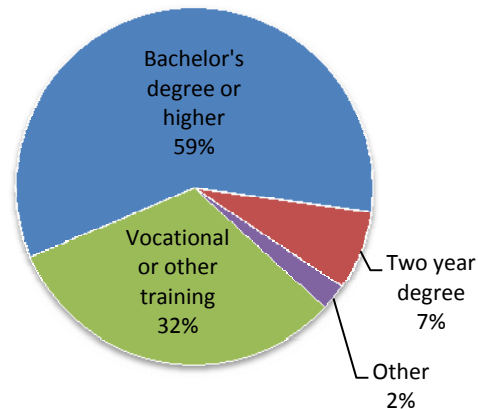


Health Science and Services

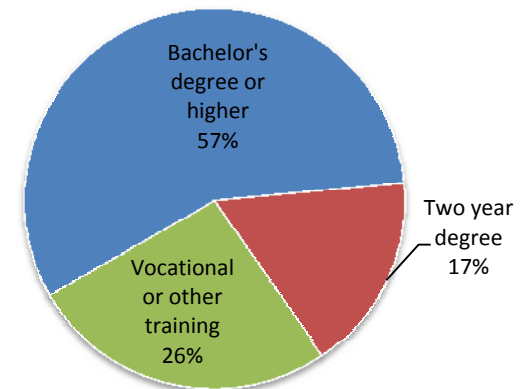


All Occupations

Financial and Information Services Cluster



Health Science and Services



But talented people have additional attributes.

- 1) **post-secondary credentials**, especially two- and four-year degrees
- 2) **applied skills**: the ability to apply knowledge in a dynamic business setting, critical / analytical thinking, problem-solving, prioritization / focus, process improvement, decision-making
- 3) **people skills**: active listening, customer orientation, oral and written communication, leadership, teamwork / collaboration, knowledge of company culture, ability to work well in a diverse environment
- 4) **internal motivation to keep up with changes** in one's occupation and the economic sector in which he or she works
- 5) **a record of continuous learning**, evidenced by recent course completion and certifications in relevant areas
- 6) **an entrepreneurial attitude**, including an eagerness to generate new ideas and to be flexible and agile in the face of changing conditions and risks.

Why can't we lock into a 10-year plan?

- Change **is** the 'new normal.'
- The forces of
 - technology,
 - connectivity,
 - globalization,
 - innovation, and
 - shared value

will drive continuing economic change.

- These forces interact in complex ways, impacting the work we do, how we do it, who does 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.

Connectivity

- Beyond e-mail to text messaging, Twitter, Facebook, Wiki, interactive websites, personal blogs, and more yet unheard of.
- Smart phones enable anybody
 - to move information, ideas, images, and money, and
 - to initiate, sustain, destroy relationships...
 - anywhere, anytime.
- Social media energizes political campaigns, revolutions, global humanitarian relief efforts, and more.
- Changes how companies reach / interact with their customers, source talent, solve problems.

Globalization

- Export of US goods and services was up 17% between 2009-2010.
- More projects in our pipeline involve international 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

Shared Value

- Corporate social responsibility is evolving as companies find economic value in meeting social and environmental needs.
- “The concept of ‘shared value’ — which focuses on the connections between societal and economic progress—has the power to unleash the next wave of global growth.”

Michael Porter and Mark Kramer, in the Harvard Business Review, 2011

- Social enterprises blur the boundaries between for-profit and non-profit, creating organizations where people can do good and do well at the same time.
- Look for both Millennials and Boomers to launch start-ups, seeking meaningful work and a chance to ‘give back.’

We hope you will be involved.

- Share your feedback on our approach—constructive criticism is always appreciated.
- Give us your ideas about how we can really strengthen “The Virtuous Circle.”
- Encourage HR colleagues to participate in our upcoming survey regarding the “Six Attributes of a Great Workforce.”
- Encourage businesses to weigh in on the critical occupations for business stability and growth.
- Help carry the message to the workforce and college systems in your area. Encourage them to send us ideas and feedback.

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