

Jobs, Talent, and People Recommendations

Recommendation Topic: Regional Economic and Workforce Development

Recommendation: Implement a statewide economic development retention and growth strategy that aligns the state’s workforce development programs, talent attraction and retention efforts, and growth sector strategies to collectively focus on driving regional priorities in a coordinated way.

Description:

1. Streamline state programs and resources to be responsive to the unique needs and assets of regions.

Specific strategies may include:

- a. Align access to economic and workforce development resources to meet regions where they are at in their processes (e.g., planning, technical assistance, modeling).
- b. Expand Michigan’s regional prosperity team approach for strategic coordination of regional economic and workforce development programming that reflects appropriate strategies for the unique population trends in each region.
- c. Amplify opportunities to leverage natural resources and climate migration for regional sector growth, talent attraction and retention, and supply resources critical to state growth plans.
- d. Increase state-level coordination and support to increase federal investment in regional innovation district development and expansion.

2. Align targeted workforce supports for regional development plans, neutral to their sector focus and prioritized to support economic equity and opportunities for all workforce members.

Specific strategies may include:

- a. Expand customizable skills training programs tailored to company needs to significantly scale dynamic and rapid employee training and upskilling in coordination with employers and regional workforce development partners.
- b. Create targeted incentive programs for regions that are losing or at risk of losing population, are economically-disadvantaged, and/or experience persistent unemployment, including grants, low-interest loans, and tax incentives for employers that locate, expand, or increase opportunities in the region.
- c. Expand apprenticeship, internship, and mentorship programs for high-demand careers and entrepreneurs, targeting underrepresented populations for inclusion.
- d. Create a Community Economic Transition Fund, a one-time fund leveraging regional and private/philanthropic funds, to assist rural and/or distressed communities, businesses, and local governments in developing and implementing plans to address the economic dislocation associated with the past or future closing of a major employer facility.

Rationale:

Regions have demonstrated the economic opportunity provided when they leverage their unique industry, workforce, educational institution, and natural assets to grow the regional economy. To maximize the investment of federal dollars, the Brookings Institution says, "...the country needs to marshal the economic assets that cluster in specialized ways across the regions that make up the U.S. economy—be they leading industries, research universities, entrepreneurs, or workers." A cluster strategy makes regional economies more resilient to disruption. In looking at the often-referenced model of metro Austin, a cluster strategy around technology grew Austin's estimated regional gross domestic product by 4.3% in 2022, second only to San Francisco's growth at 4.8%, according to the Kenan Institute of Private Enterprise at the University of North Carolina. Site Selection Group has also projected that Austin will have the fastest growing population in a metro area in 5 years if current trends continue.

A regional growth strategy includes addressing workforce shortages unique to the region and offering new opportunities for economic growth and equity for all workers in the region. State economic growth strategies working in concert with regional growth strategies make a better Michigan for all and create more unique opportunities across the state for talent attraction and retention, whether that talent is currently outside of the state or residing and/or attending school in Michigan.