

Top Three Priorities for the Jobs, Talent, and People Workgroup

Growing Michigan Together Council,
Workgroup Meeting One

Why These Top Three Priorities?



These priorities are at the intersection of growing population, ensuring we have the jobs and workforce Michigan needs, and attracting and retaining the best talent for the state's future.



This is also where Michigan needs the brightest minds proposing bold solutions.



This workgroup has been provided a considerable challenge for next two months. These priorities, along with ideas you offered in the survey, provide a roadmap where to start.

Top Three Priorities

- Addressing workforce shortages
- Attracting and retaining talent
- Increasing Michigan's attractiveness

Priority One: Addressing Workforce Shortages

What can be done to address Michigan's projected workforce shortages?

How do we promote diversity and equity in filling these shortages?

We need to look at both the workforce that supports population growth and the workforce for emerging industries.

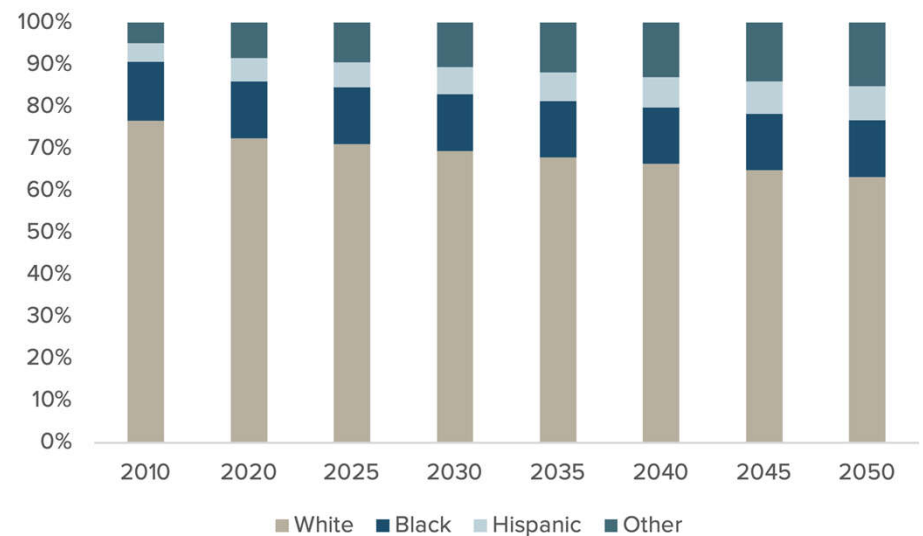
We need to consider urban and rural areas in addressing this issue.

Workforce Shortages: Grounding Data

People of Color will represent 40 percent of Michigan's working population by 2050.

- Segment of population that suffers from poorer health, poorer educational attainment, and less access to wealth-generating opportunities

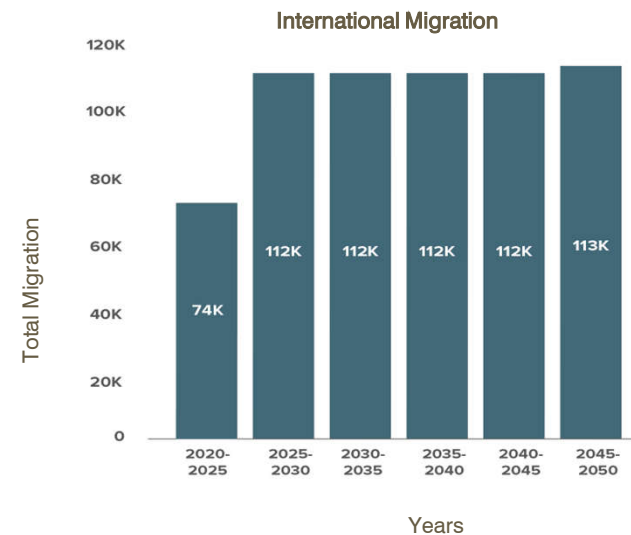
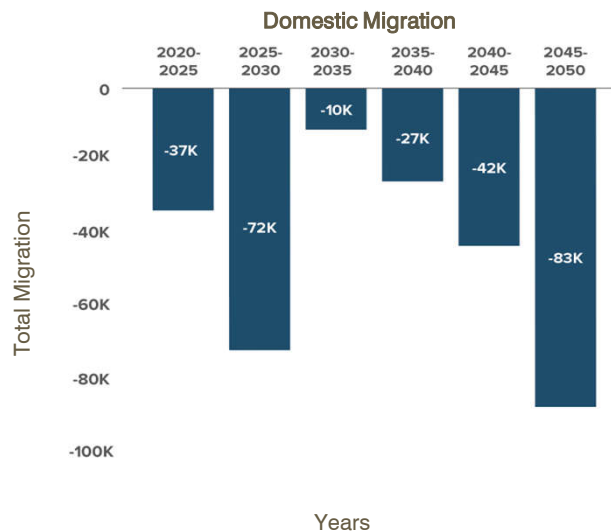
Projected Shift in Racial/Ethnic Composition of Michigan Population, 2010–2050



Source: Michigan's Path to a Prosperous Future: Challenges and Opportunities, Citizen's Research Council

Workforce Shortages: Grounding Data

Michigan, while losing population overall, is experiencing growth through immigration. This trend is projected to continue.



Source: University of Michigan, Research Seminar in Quantitative Economics, The Economic and Demographic Outlook for Michigan Through 2050, July 29, 2022.

Workforce Shortages: Grounding Data

Top 15 Hot Jobs by Growth Percentage, 2020–2030

MICHIGAN'S HIGH-DEMAND, HIGH-WAGE CAREERS	PROJECTED ANNUAL JOB OPENINGS	HOURLY WAGE RANGE	GROWTH 2020–2030	TYPICAL EDUCATION AND TRAINING BEYOND HIGH SCHOOL
Nurse practitioners	595	\$48–\$60	50.7%	Master's Degree, license
Physician assistants	435	\$48–\$62	31.9%	Master's Degree, license
Medical and health services managers	1,505	\$37–\$61	31.5%	Bachelor's Degree, work experience
Physical therapist assistants	535	\$23–\$30	30.6%	Associate Degree, license
Logisticians	1,150	\$29–\$48	29.7%	Bachelor's Degree
Massage therapists	485	\$23–\$37	29.6%	Postsecondary Nondegree Award, license
Industrial machinery mechanics	2,650	\$23–\$30	28.2%	Long-term OJT
Health specialties teachers, postsecondary	370	\$31–\$65*	25.7%	Doctoral or Professional Degree, work experience
Nursing instructors and teachers, postsecondary	285	\$23–\$47*	25.5%	Doctoral or Professional Degree, work experience
Market research analysts and marketing specialists	2,465	\$23–\$39	23.9%	Bachelor's Degree
Software developers and quality assurance analysts	3,965	\$37–\$58	22.8%	Bachelor's Degree
Speech-language pathologists	345	\$30–\$46	21.9%	Master's Degree, Residency, license
Flight attendants	520	\$29–\$37*	21.5%	Moderate-term OJT, work experience
Substance, behavioral, and mental health counselors	1,025	\$19–\$29	21.3%	Bachelor's Degree, license
Industrial engineers	2,280	\$36–\$48	20.4%	Bachelor's Degree, license

Source: Michigan's Hot 50 Job Outlook through 2030, Michigan Department of Technology, Management, and Budget



Workforce Shortages: Grounding Data

Michigan's High-demand, High-wage Jobs Requiring a Bachelor's Degree

Occupation (Job Title)	Annual Openings	Growth (%)	Wage Range
General and operations managers	6,545	11.9	\$29-\$72
Registered nurses	6,345	7.9	\$30-\$38
Software developers and quality assurance analysts	3,965	22.8	\$37-\$58
Project management and business oper. specialists	3,770	8.1	\$29-\$48
Accountants and auditors	3,735	9.4	\$29-\$44
Mechanical engineers	2,920	10.1	\$37-\$49
Market research analysts and marketing specialists	2,465	23.9	\$23-\$39
Industrial engineers	2,280	20.4	\$36-\$48
Management analysts	1,960	11.0	\$30-\$50
Human resources specialists	1,925	10.7	\$23-\$37
Medical and health services managers	1,505	31.5	\$37-\$61
Financial managers	1,485	17.6	\$47-\$78
Child, family, and school social workers	1,420	12.0	\$19-\$30
Logisticians	1,150	29.7	\$29-\$48
Lawyers	1,080	11.6	\$37-\$75
Substance, behavioral, and mental health counselors	1,025	21.3	\$19-\$29
Industrial production managers	930	10.1	\$39-\$63
Nurse practitioners	595	50.7	\$48-\$60
Physical therapists	485	18.5	\$36-\$48
Physician assistants	435	31.9	\$48-\$62

Source: Michigan's Career Outlook Through 2030, Michigan Department of Technology, Management, and Budget

Workforce Shortages: Grounding Data

- Women's labor force participation rate fell across the country during the pandemic.
- **Example:** Women and communities of color are particularly impacted by the challenge of caring for loved ones (child and elder care) and the inaccessibility of existing solutions in the care economy.



Michigan lags the average state in labor force participation rate.



As of June 2023, Michigan's labor force participation rate was 60.7 percent, 41st in the nation.



The average labor force participation rate as of July 2023 was 62.6 percent.

Priority Two: Attracting and Retaining Talent



What policy changes, programs, and incentives can assist Michigan in attracting and retaining talent?

Where are we doing well and what are the gaps?

What is being done in states where there is success? What can Michigan model?

This is a discussion meriting creativity and bold ideas.

Talent Attraction and Retention: Grounding Data

- Attraction:
 - Three percent of Michigan's college-educated adults moved from other states annually in recent years.
 - Two percent of Michigan's college-educated adults moved to a different state, on average.
 - Twenty-four states did better on this metric.
- Retention:
 - Too much crucial talent leaves our state even though we do well overall with retention (seventh nationally).
 - Example: One-quarter of University of Michigan's computer-related majors are working in the state five years after graduation.
 - In 2022, the state ranked 19th in wages for computer programmers.

Source: Michigan's Great Inflection: A Strategy for the Age of Technology and Talent (May 2023, Richard Florida and the Creative Class Group)

Talent Attraction and Retention: Grounding Data

- Michigan ranks 48th on net inflow of people ages 16 to 26.
- While Michigan was named an “emerging startup ecosystem,” less than one percent of venture investment lands here.
- We do have state and local programs, but we need to assess whether they are enough to alter the trends.
 - Sixty by 30
 - Michigan Economic Opportunity Fund
 - Michigan Reconnect
 - Kalamazoo Promise
 - Electric Vehicle Academy
 - University Guarantees

Source: Michigan’s Great Inflection: A Strategy for the Age of Technology and Talent (May 2023, Richard Florida and the Creative Class Group)

Talent Attraction and Retention: Grounding Data

How do we tell our story and improve outcomes to ensure Michigan is the best place for current and future Michiganders to call home?

To win the net migration battle, paying attention to young people, communities of color, and young families is particularly important.

The “Three T’s” might provide guidance to this group (especially when considering creative class, remote workers, young people, etc.).

- Technology
- Talent
- Tolerance

Our public engagement efforts and research can provide additional data to consider.

Talent Attraction and Retention: Grounding Data

- What other cities/states have tried (and how effective is it)?
 - California down payment program
 - Tulsa remote work program
 - Vermont attraction program
 - Austin “Keep Austin Weird”
 - Denver placemaking efforts
- Our field hearings can address some of these questions to provide additional data.

Talent Attraction and Retention: Grounding Data

STATE/LOCAL MARKET	VALUE	DESCRIPTION
Southwest Michigan	Up to \$15,000	Forgivable grant for purchasing a home worth at least \$200,000
Maine	Up to \$15,000	Tax credit for student loans
Topeka, Kansas	Up to \$15,000	Cash bonus for purchasing a home
West Virginia	\$12,000	Cash incentive
Tulsa, Oklahoma	\$10,000	Cash bonus for purchasing a home and free coworking space for one year
Northwest Arkansas	\$10,000	Cash incentive
Newton, Iowa	\$10,000	Cash bonus for purchasing a home worth at least \$180,000
Northwest Alabama	\$10,000	Cash incentive
Tucson, Arizona	\$7,500	Cash incentive for relocating costs, free internet and housing support
Natchez, Mississippi	\$6,000	Cash bonus for purchasing a home worth at least \$150,000
Baltimore, Maryland	\$5,000	Forgivable five-year loan for home buyers
Savannah, Georgia	Up to \$2,000	Cash grant for moving expenses of inbound remote tech workers with at least 3 years of professional experience
Alaska	\$1,600	Cash incentive

- North Carolina, Texas, California, Indiana, and Georgia attracted the most new jobs from companies based outside the state.
- These states collectively announced more than 42,000 jobs as part of expansion and relocation projects from out-of-state companies (as measures from January 20 to July 21).

Source: Using Economic Incentives to Attract Migrating Talent, CBRE, July 2021

Priority Three: Increasing Michigan's Attractiveness



What would make Michigan a place not only where people want to work, but the place they call home?



How do we address disparities that reduce Michigan's attractiveness and quality of life (e.g., health and prosperity)?



Our workgroup focus is on what is needed for people.



We see an opportunity to bring the Infrastructure and Places workgroup together with ours shortly to address common ideas.

Michigan's Attractiveness: Grounding Data

- Michigan ranks 39th in overall health outcomes and 40th in overall health spending, affecting residents' quality of life and the quality of the state's workforce.
- Nearly 10 percent of Black Michiganders and 15 percent of Latinx Michiganders did not see a physician due to cost, compared to about 6 percent of white Michiganders.
- Lack of investment in healthcare systems is negatively impacting Michigan residents' health.

Source: Michigan's Path to a Prosperous Future: Challenges and Opportunities, Citizen's Research Council



Michigan's Attractiveness: Grounding Data

- College degree attainment: Michigan is in the bottom third of states. This can ultimately impact earning and spending power.
- College towns attract talent: Austin versus Ann Arbor

Austin's metro population grew from about 400,000 in 1970 to more than a million by the mid-1990s, to 1.5 million by the early 2000s, and nearly 2.5 million today, a growth rate of 485 percent (see Figure 26). Over the same period, Ann Arbor's population grew from about 230,000 to 370,000, a growth rate of 58 percent.⁸⁰ As for total personal income growth, Austin went from 22 percent more than Ann Arbor in 1969 to over six times more in 2021, growing from \$9.5 billion to \$168 billion, a growth rate of 1,666 percent, while total personal income in Ann Arbor grew from \$7.8 billion to \$25.4 billion, a growth rate of 226 percent (see Figure 27).⁸¹ **For Michigan to successfully navigate its economic inflection, Ann Arbor and East Lansing must become full-blown tech and talent hubs.**

Source: Michigan's Great Inflection: A Strategy for the Age of Technology and Talent, Richard Florida and the Creative Class Group [May 2023]



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