

# Best in Midwest

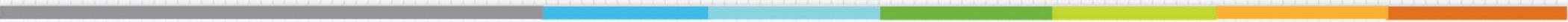
*Are we there yet?*

**M I S S O U R I**

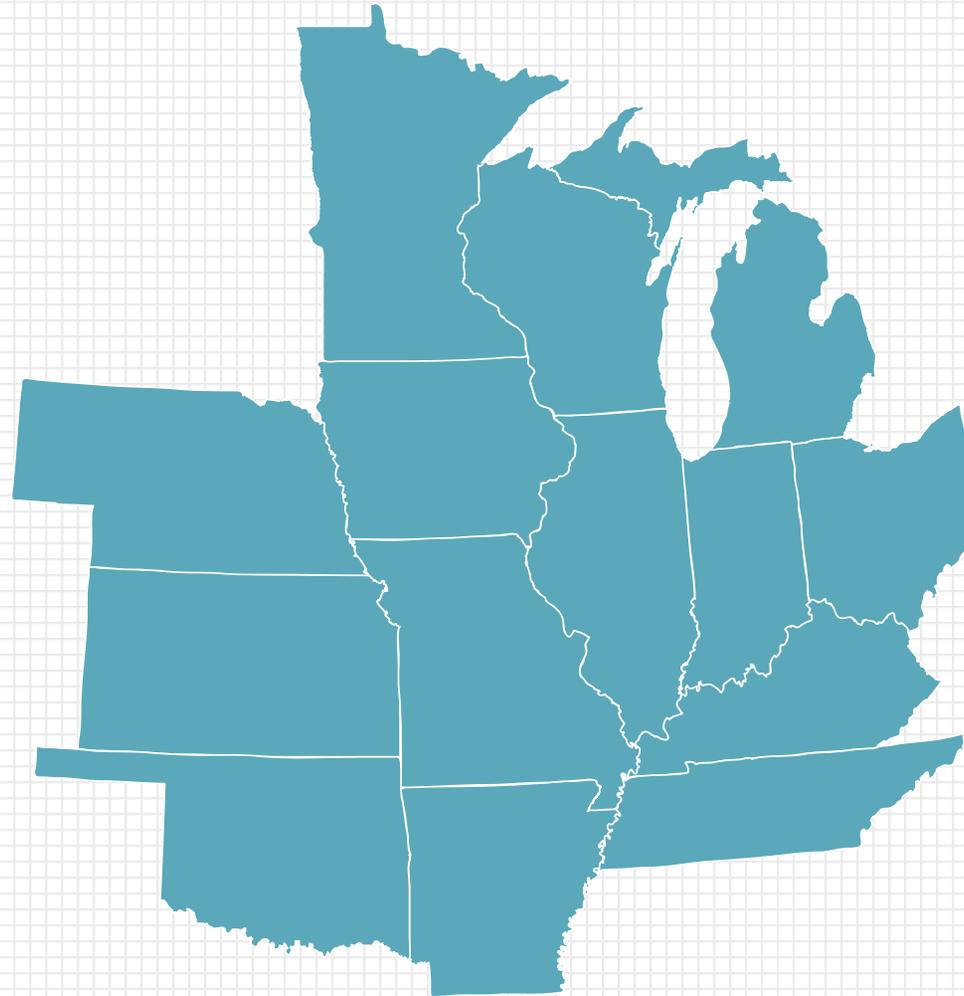
**Department of Economic Development**



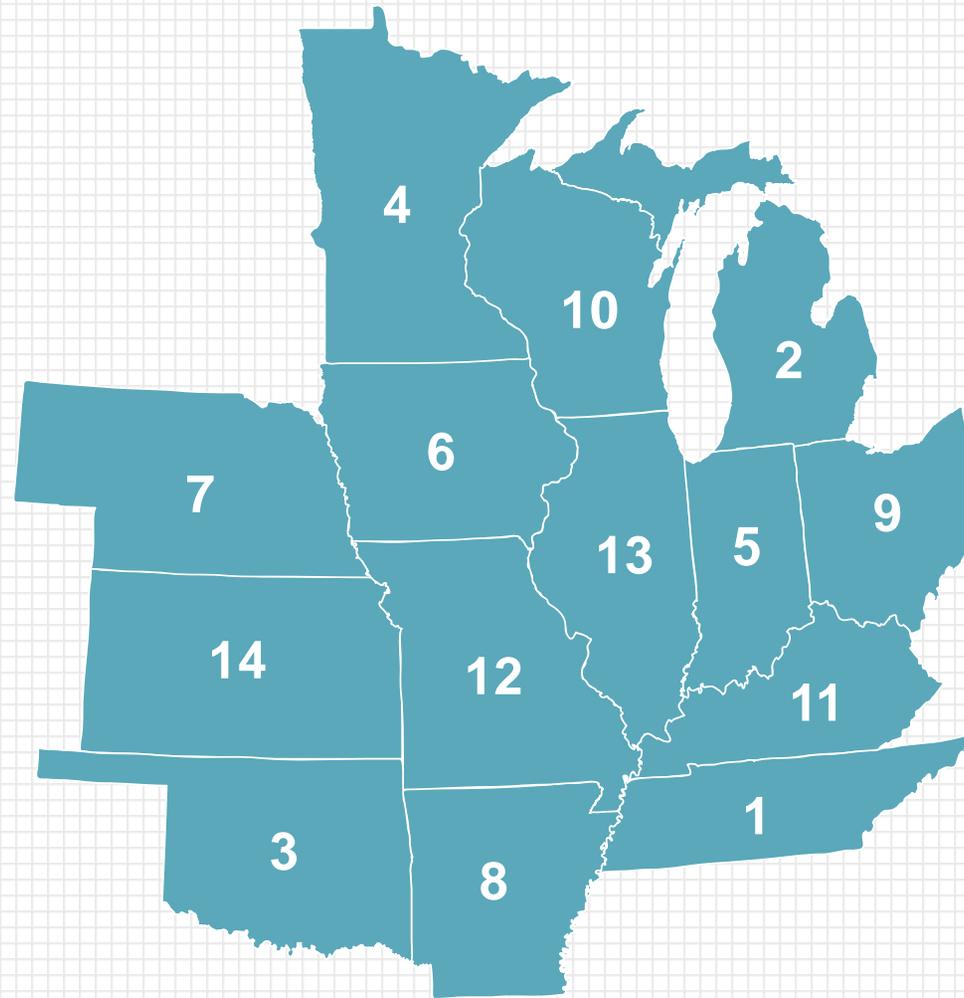
**Missouri deserves to have the best economic development department in the Midwest.**



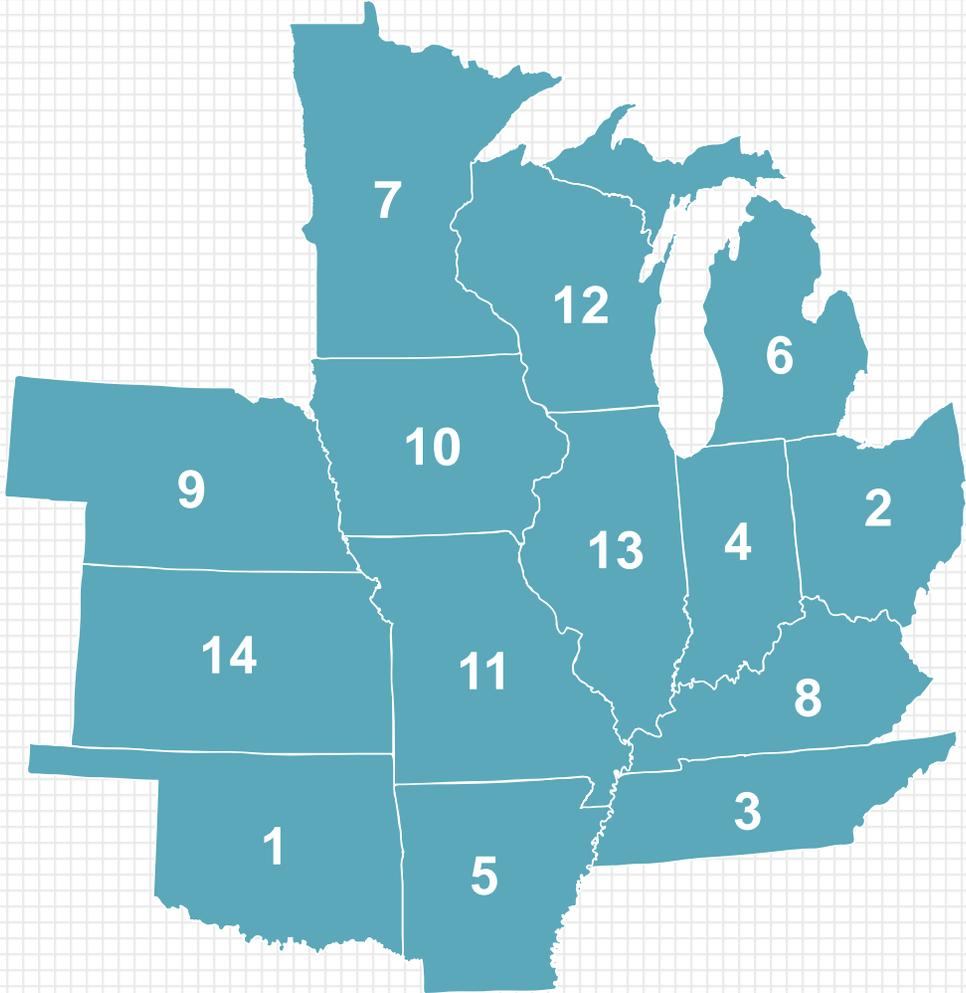
# But our neighbors and peers are out-performing us.



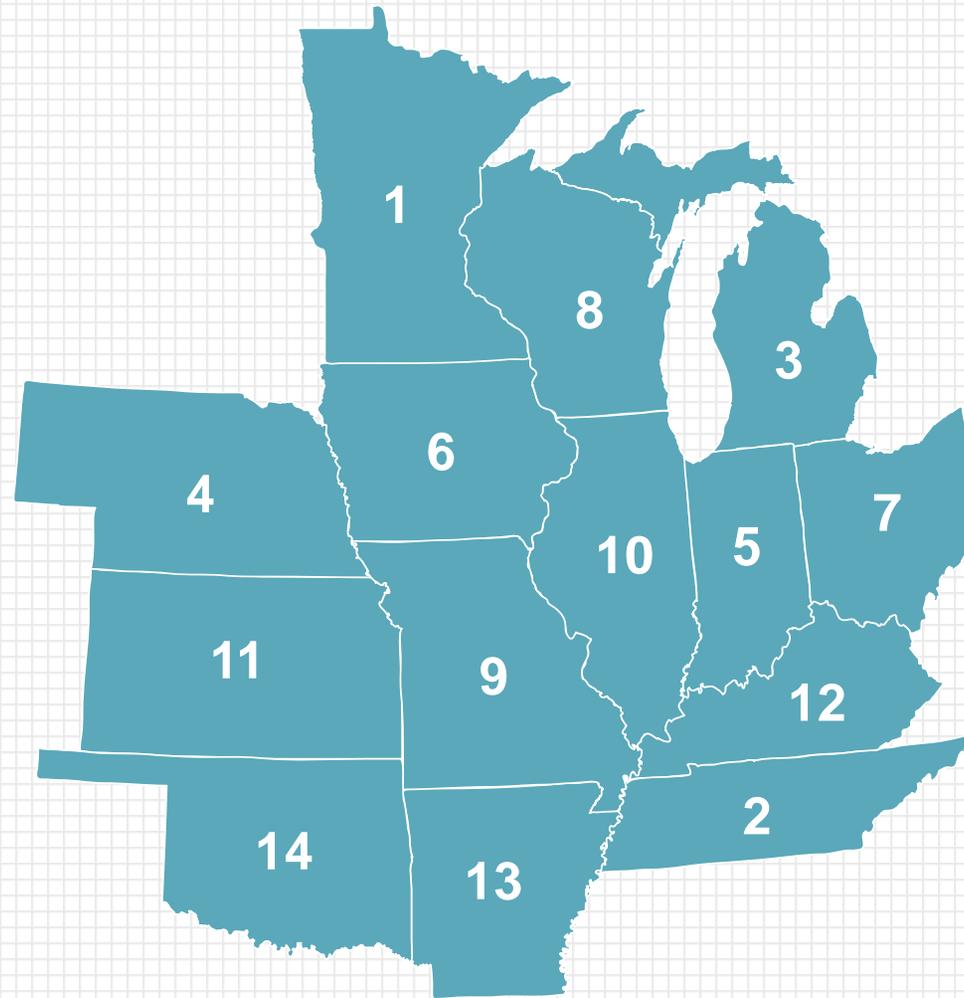
# We rank 12<sup>th</sup> for GDP growth over the last five years, according to the US BEA.



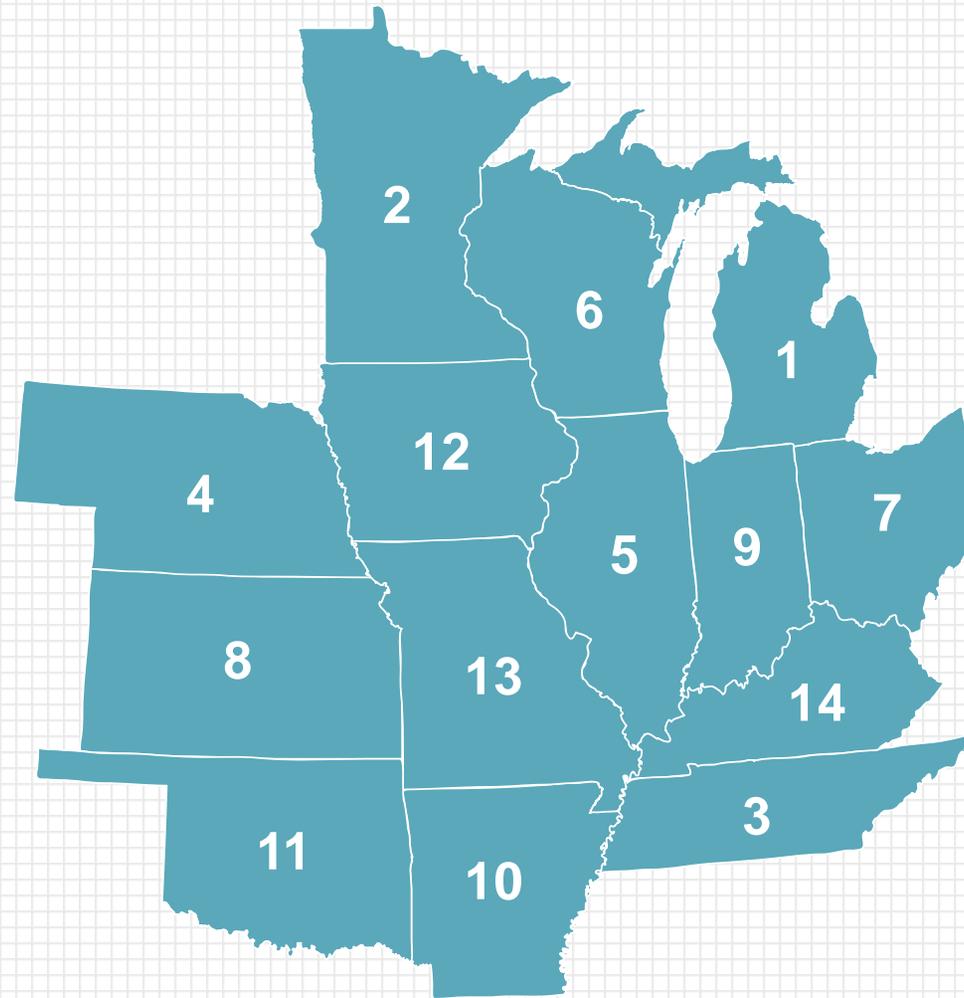
# We rank 11<sup>th</sup> in U.S. News and World Report's Growth Rankings.



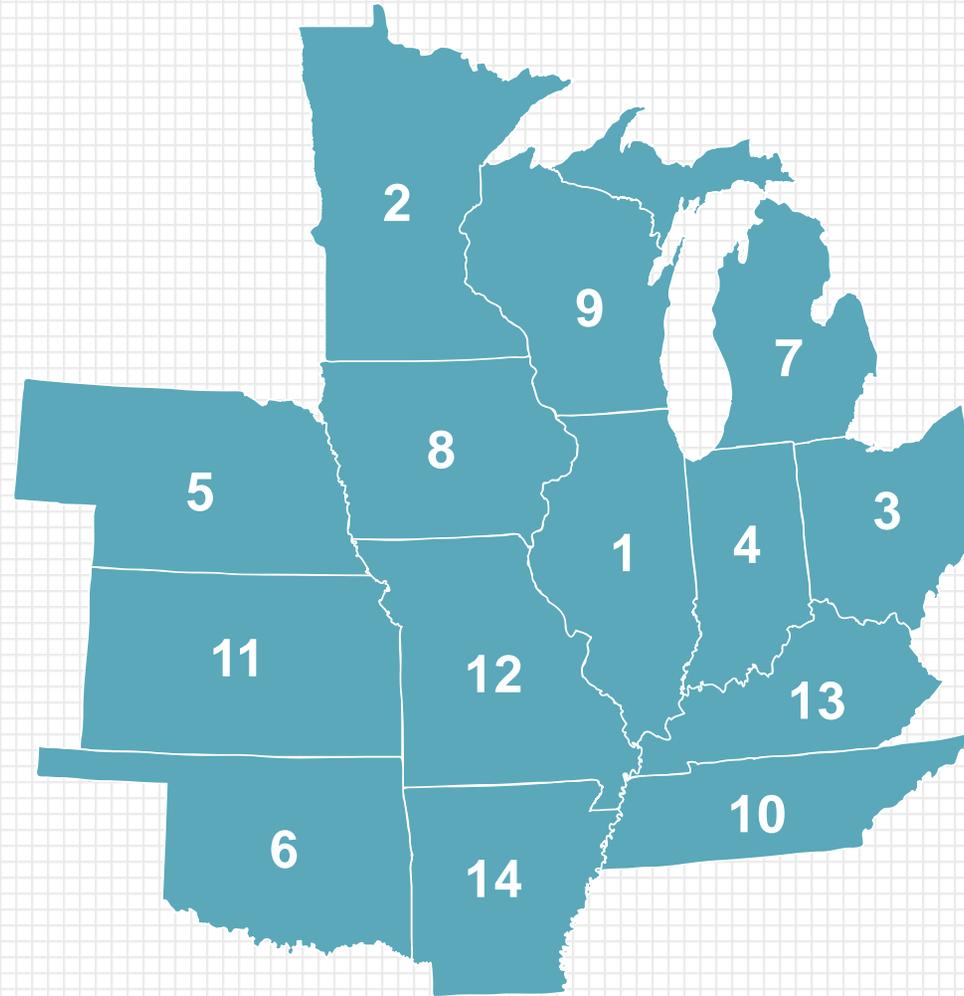
# We rank 9<sup>th</sup> among our peers in CNBC's top states for business.



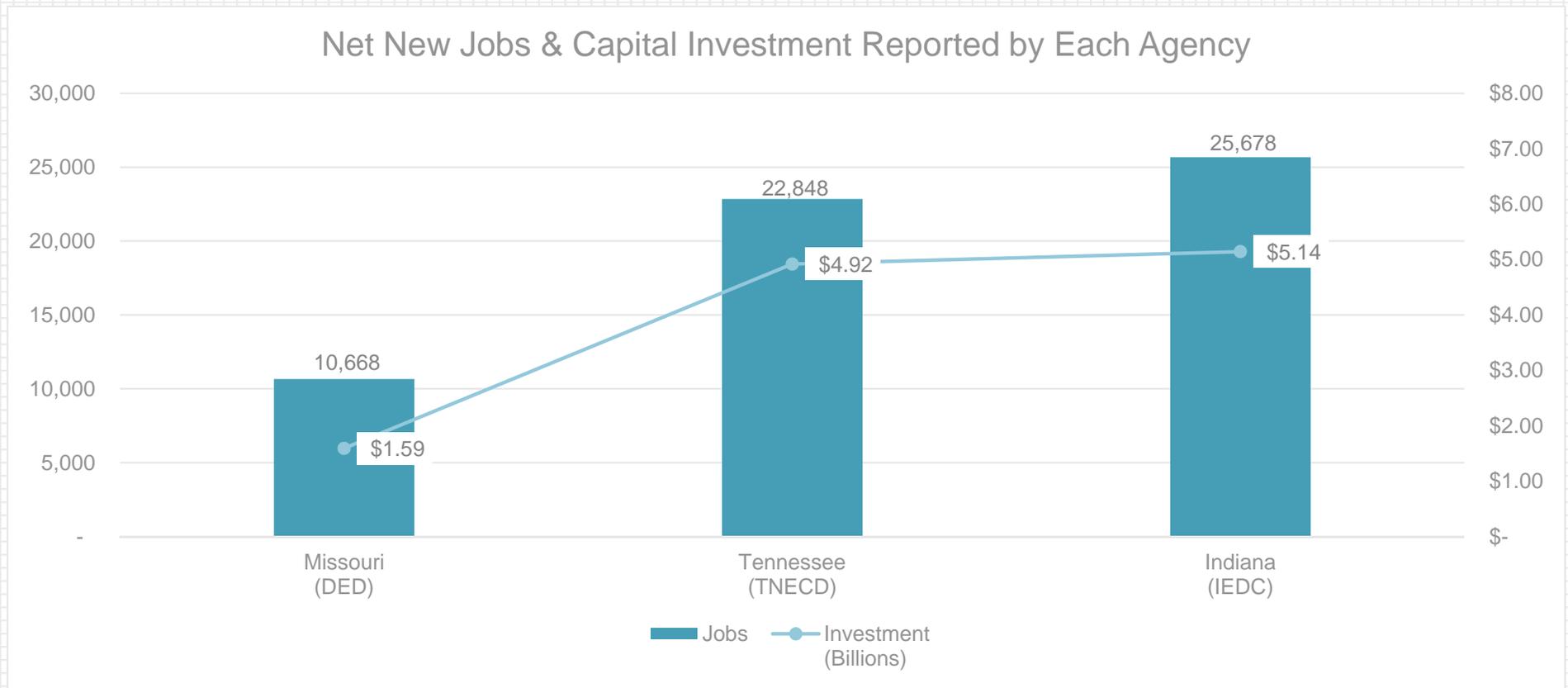
# We rank 13<sup>th</sup> for the quality and availability of our workforce by CNBC.



**We rank 12<sup>th</sup> for the productivity of our workforce, according to the US BEA.**

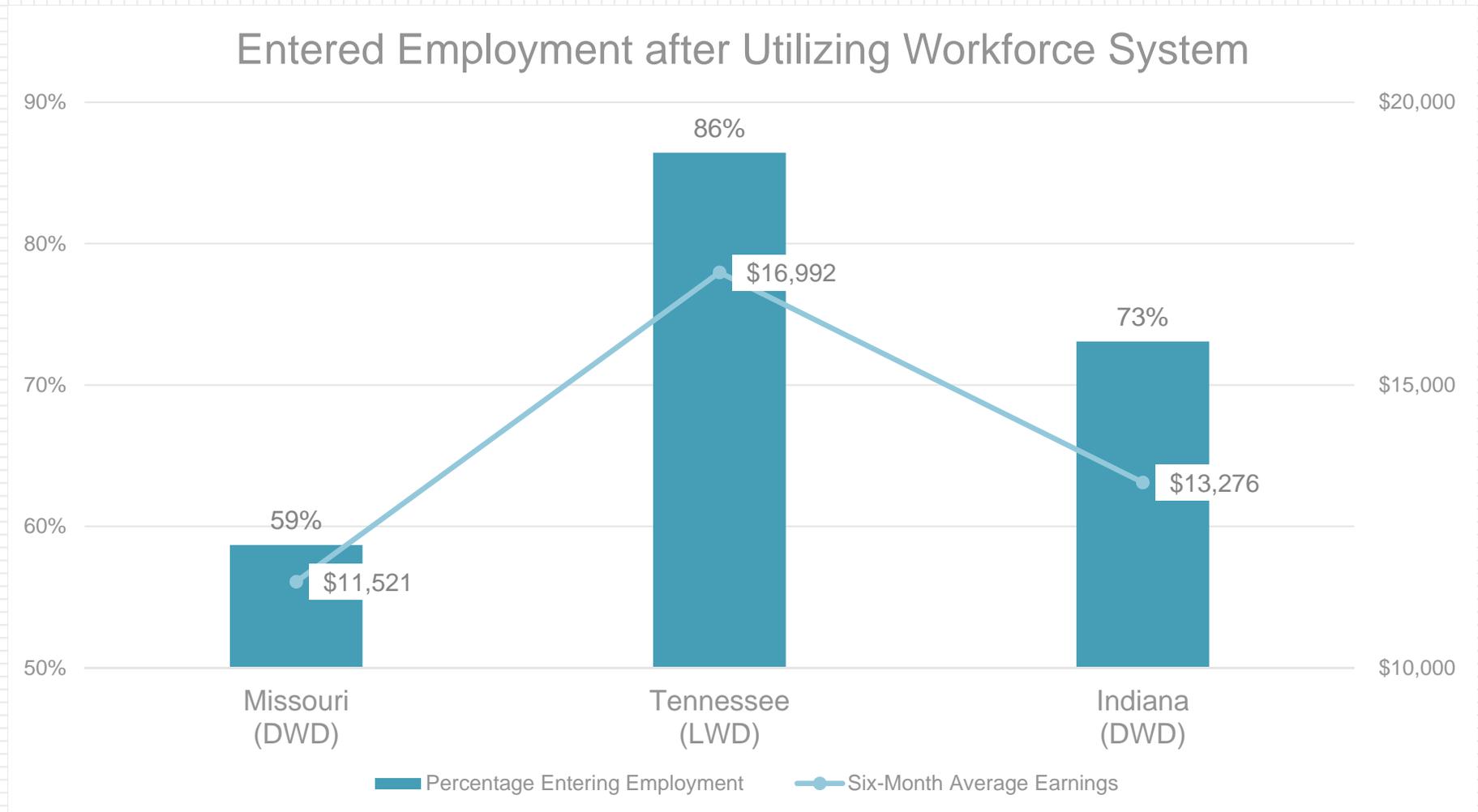


# Agency reported results tell the same story.



Note: Calculated by using agency-reported 3-year averages for FY15 – FY17.

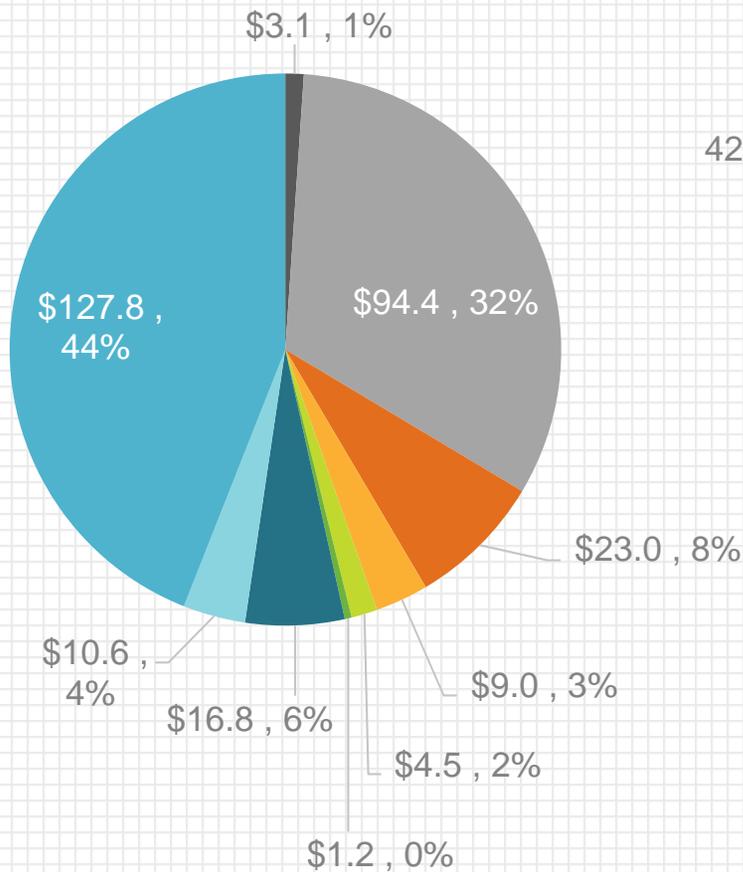
# Agency reported results tell the same story.



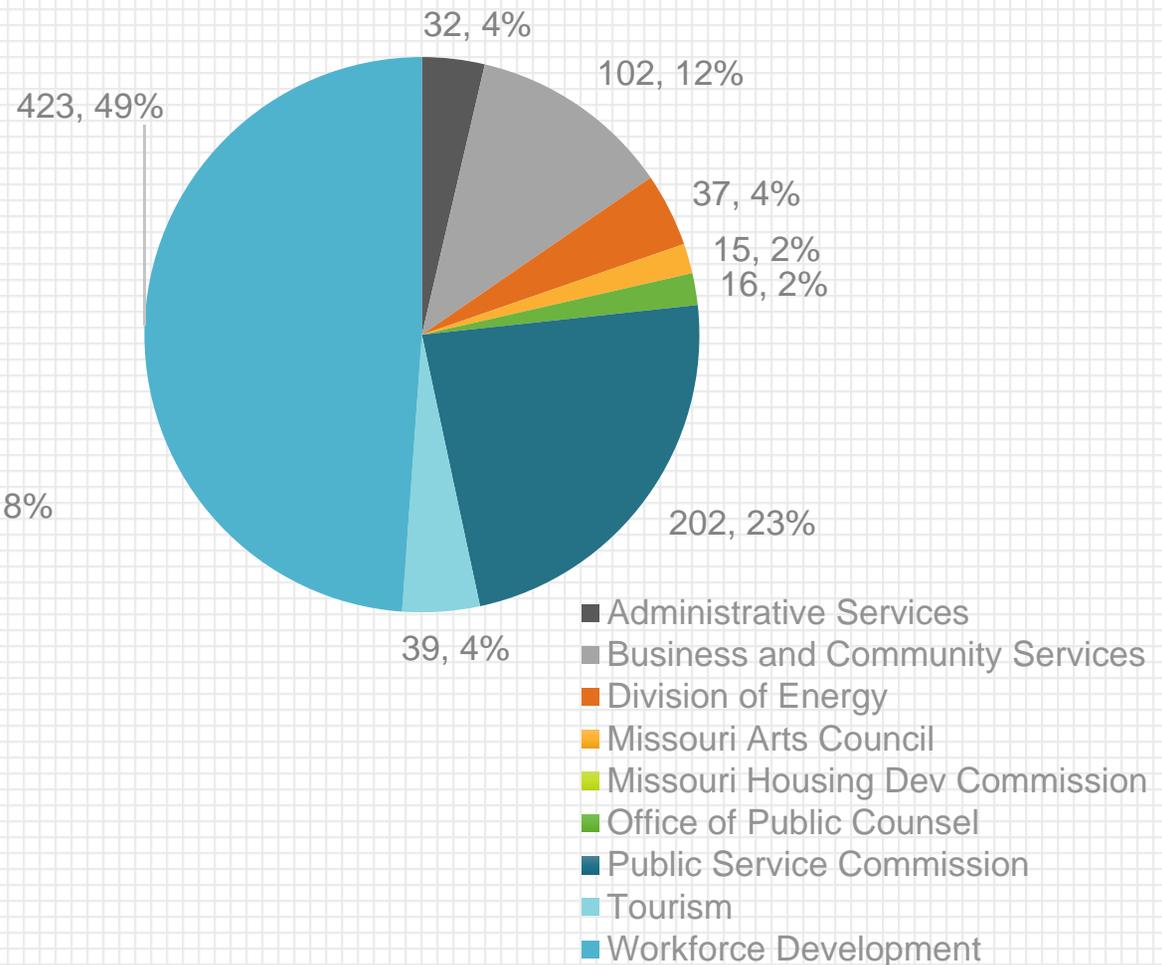
Based on an average of PY13-15 figures reported to U.S. Department of Labor for adults registered in workforce program

# It's not due to a lack of resources.

\$290.5 Million Total Expenditures

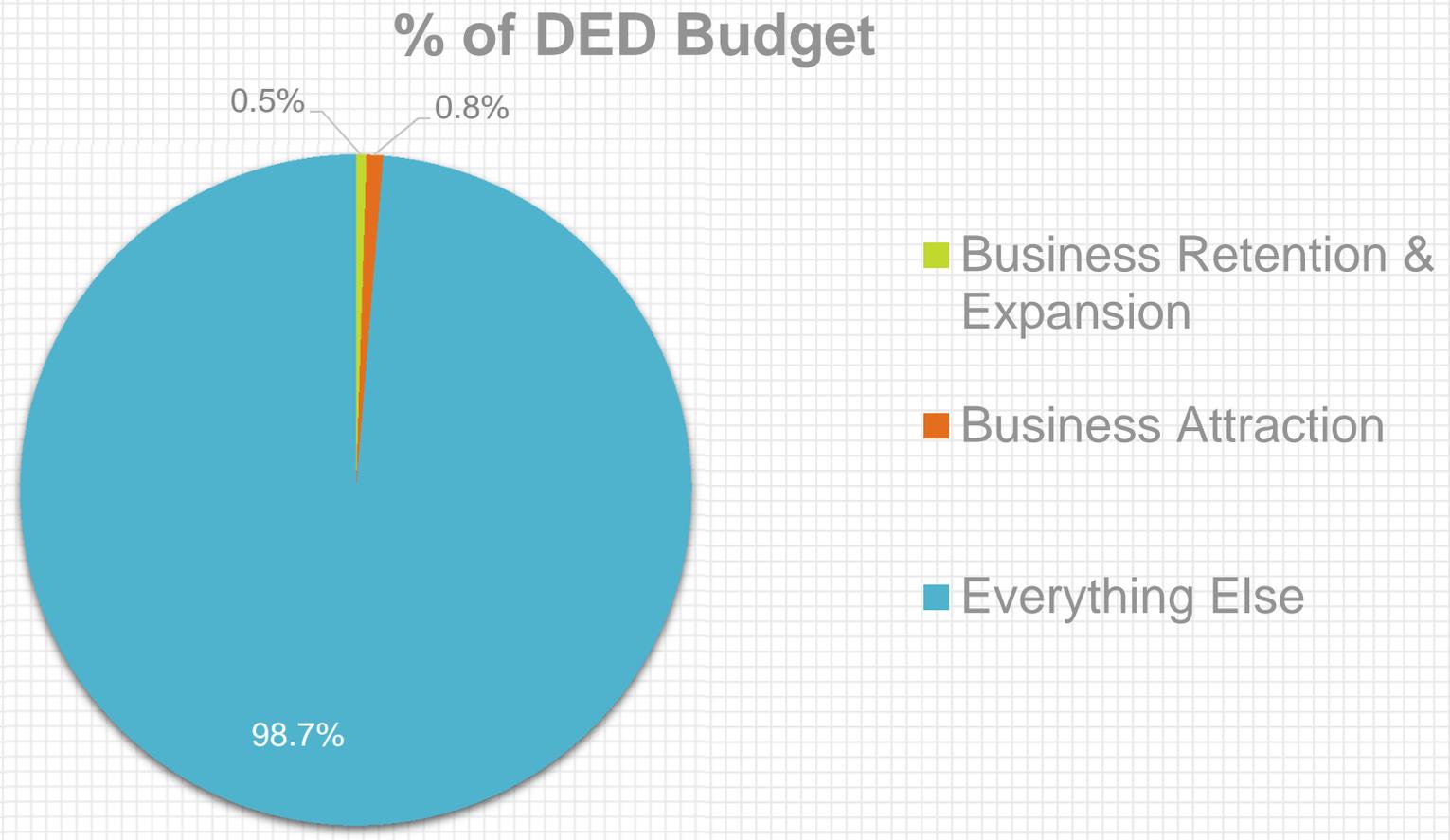


865 Total Headcount



Note: Data based on FY18 Appropriations

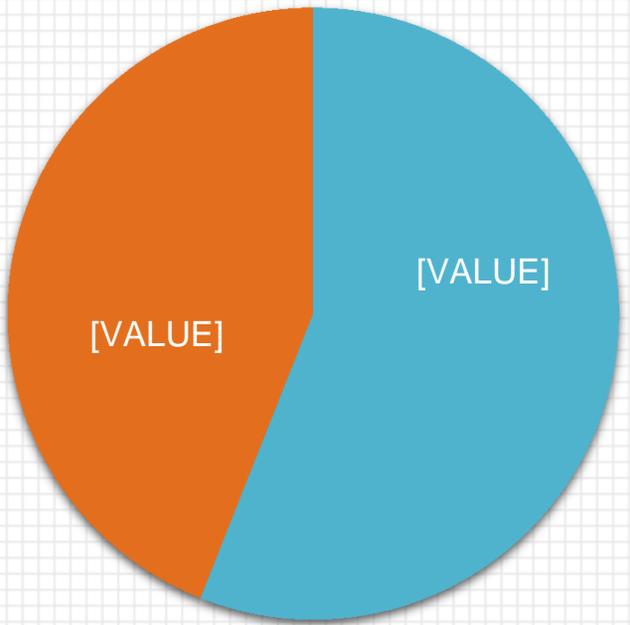
# Whether we're spending a little,



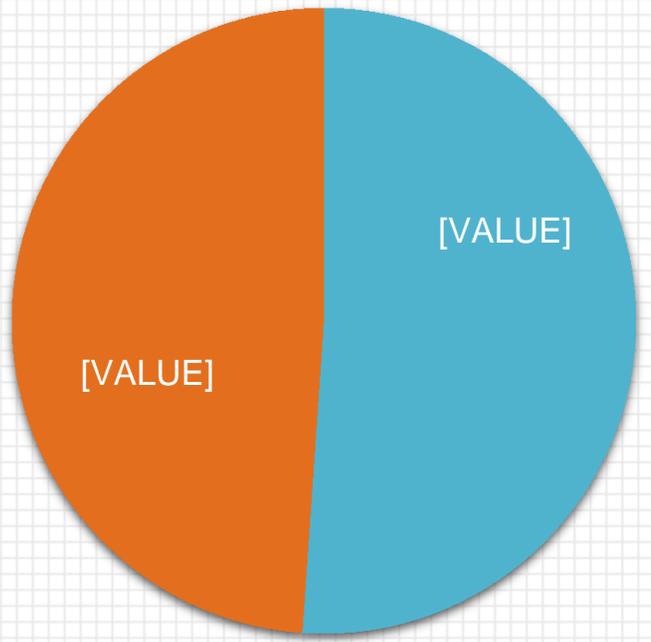
Note: Data based on FY18 Appropriations

# Or spending a lot,

Total Expenditures  
(millions)



Headcount



- Everything Else
- Workforce Development

Note: Data based on FY18 Appropriations

**We're still not getting  
results.**

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**Best In Midwest is not just our  
aspiration,  
it's our plan.**

# How we'll get there:

## Best In Midwest

- Redefine our economic development strategy & transform DED

## Talent For Tomorrow

- Lead the nation in innovative approaches to talent & workforce

## Branding

- Develop a narrative to tell our story to the world

We'll have a new strategy for economic development, a laser focused agency to deliver it, a national model for talent & workforce, and a vehicle to deliver this message.

# Megatrends

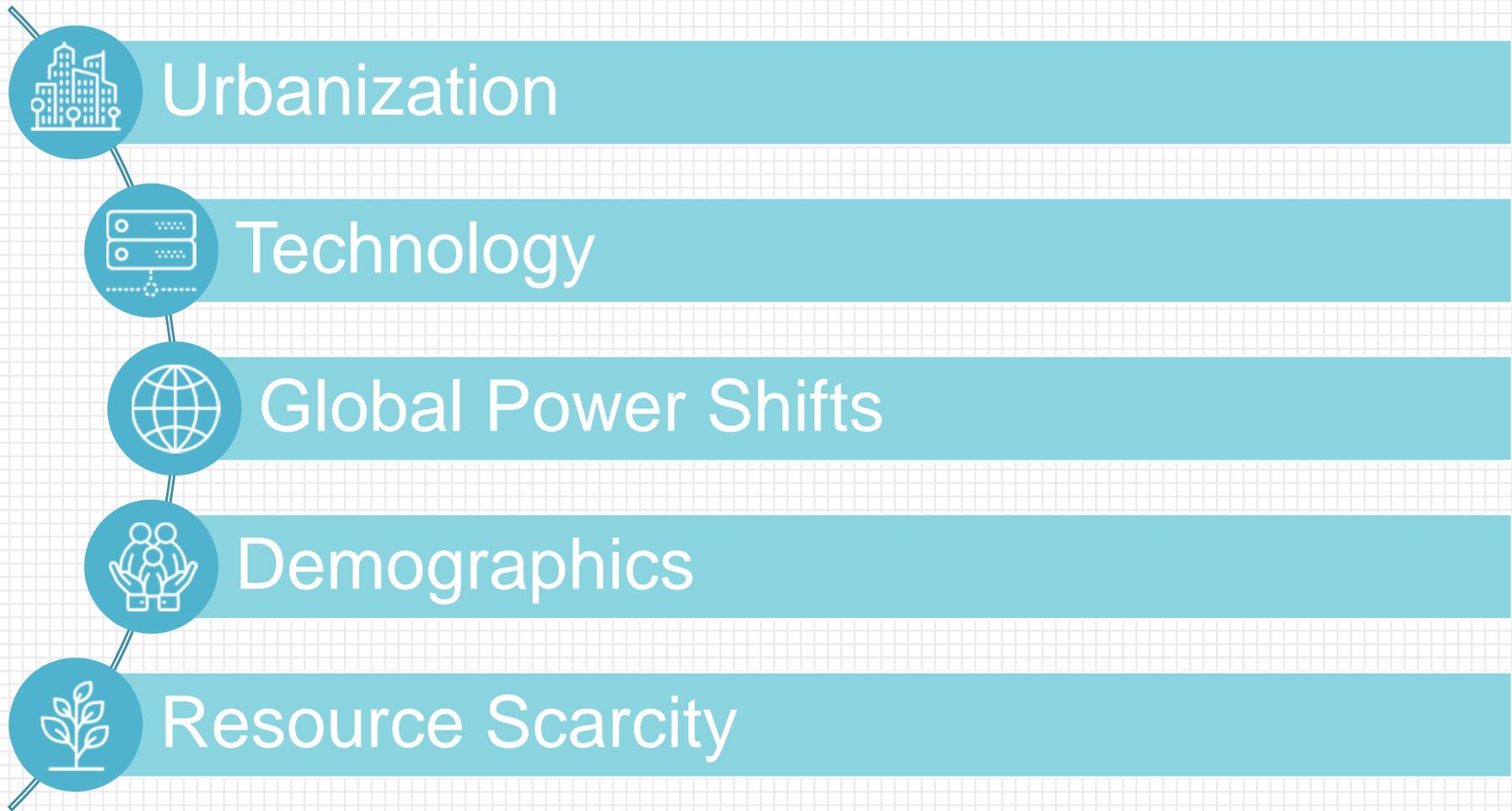
*Ready or not, they're here.*

M I S S O U R I

Department of Economic Development

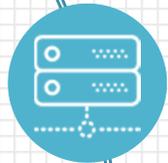


# Ready or not, Missouri's future will be shaped by global trends



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## Urbanization



**Global Reality:** Today, 50% of the world's population lives in cities. The world's urban population is expected to increase to 72% by 2050.



**Missouri Reality:** Missouri's urbanization rate is 70.4%, slower than the national rate of 80.7% but still significant.

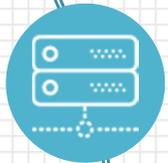


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## Urbanization

### **The Questions:**

- How do rural economies adapt?
- What are the implications for cities?
- How can we link urban and rural economic benefits?
- How will urbanization around world affect us here?



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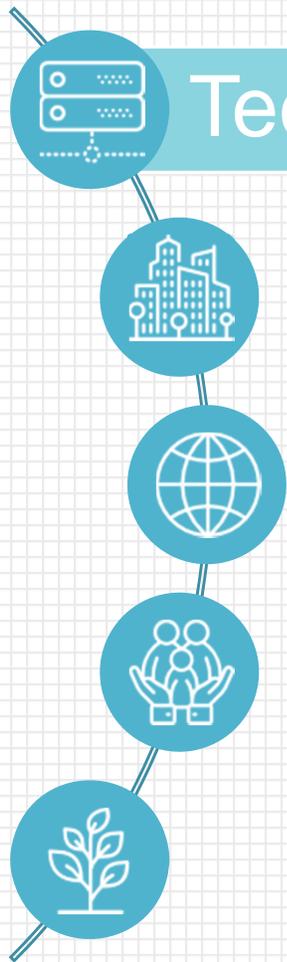


## Technology

**Global Reality:** Some sectors are better at implementing technology; lagging sectors are getting left behind.

**Missouri Reality:** Our labor productivity is 84% of the national average, costing our economy about \$13,000 per job in GDP.

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## Technology

### The Questions:

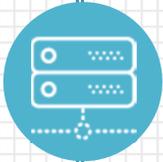
- Can our economy shift towards greater use of technology to gain competitive advantage?
- Will employers seek more productive labor?
- How do we prepare our workforce to both take advantage of and prepare for technological disruptions?

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## Global Power Shifts



**Global Reality:** Emerging economies are shifting capital flows and trade, shifting to consumption rather than production-oriented.



**Missouri Reality:** We face stiff competition from our peers in exports and presence in global markets. 5.3% of our GDP is export; 12% nationally

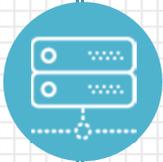


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## Global Power Shifts

### **The Questions:**

- How do we increase our access to global markets?
- How do we gain ground when our peers are so far ahead?
- How do the changes in international power structures/economies affect us?
- What about trade policy?

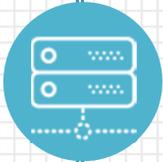


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## Demographics



**Global Realities:** Societies are facing dynamic shifts – growth or decline. Changing consumer spending behaviors & life preferences.



**Missouri Realities:** We have an aging and numerically declining labor force. Last 90 days, we had 86,000 new job postings. Last year, we gained 16,000 new Missourians.



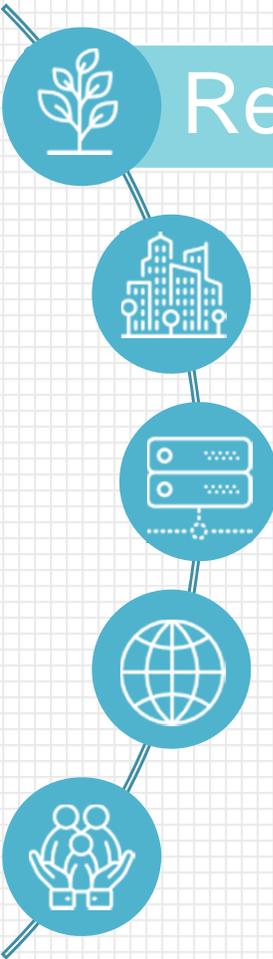
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## Demographics

### **The Questions:**

- What about consumer spending changes?
- How vulnerable are we to interest rate changes?
- How do we generate revenue to meet commitments?
- How can we attract and retain labor?
- How is this felt differently across state?
- What about infrastructure?

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## Resource Scarcity

**Global Realities:** Weather changes and resource scarcity are on the rise. By 2030, we will need 50% more energy, 40% more water, and 35% more food.

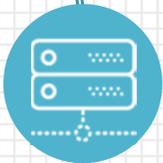
**Missouri Realities:** Our agricultural base positions us uniquely to take on resource scarcity challenges, but will also have challenges.

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## Resource Scarcity

### **The Questions:**

- How do we position agricultural and manufacturing to take advantage of rising demand?
- Should we explore climate-friendly technologies – both for use and for export?
- What implications are there for us, especially in agriculture & ag tech?



# How we'll answer these questions

## Best in Midwest

- Economic analysis
- Competitor research
- Organizational transformation & economic development strategy
- Performance management & sustainability

## Talent For Tomorrow

- Economic projections based on labor
- Deep labor analysis
- Asset inventory
- Create data capabilities
- Pilot project
- Broader recommendations

# Join the fun

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## **Best in Midwest Summit**

June 27 · St. Louis

## **Talent For Tomorrow Regional Meetings**

June & July · Statewide

## **Governor's Conference**

September 5 – 7 · Kansas City

[www.BestInMidwest.com](http://www.BestInMidwest.com)