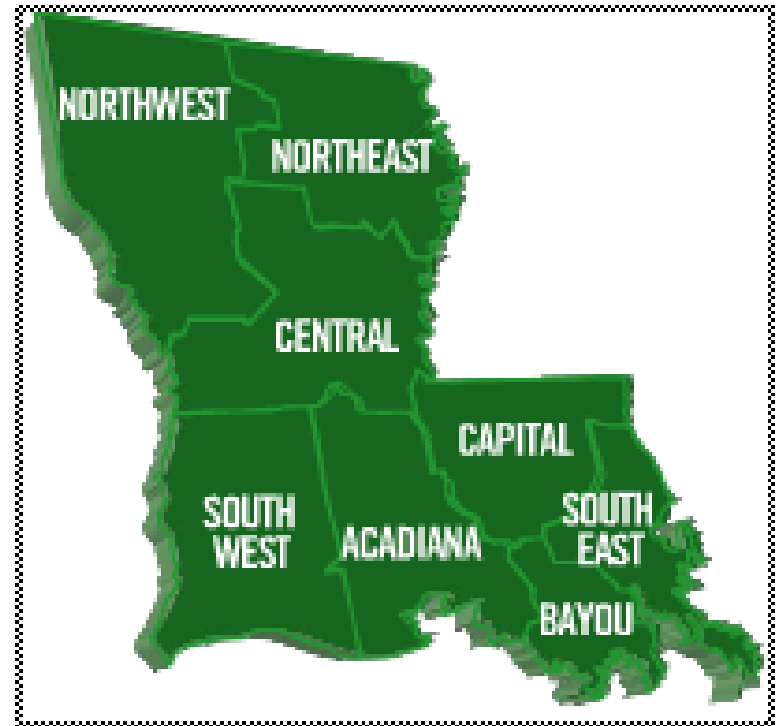


# The Business Location Decision It's a Journey

How Best to Compete

June 5, 2008





- Business Location Selection.....

**It's a Journey, NOT a Quick Trip**

- Workforce – How Important Is It and Are We Facing a Crisis?
- Industry/Project Activity Trends
- A Top Ten List of Best Practices

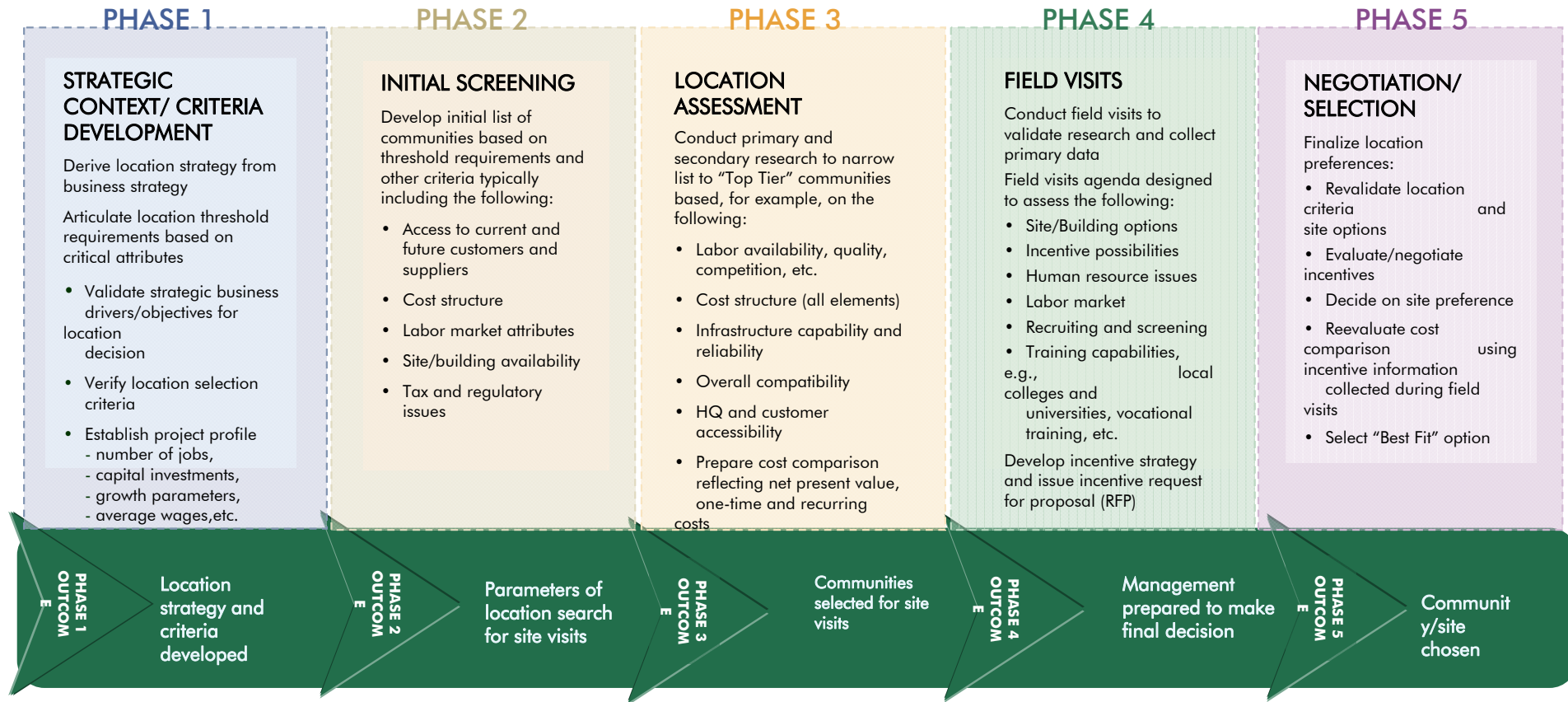


# PLANNING FOR THE JOURNEY

- “Dartboard” Method
- “C” Prerogative
- Strategic Business Alignment



# Planning The Journey – Strategic Business Alignment



## Identifying The Critical Criteria – Macro Level

**Workforce**

*Economic  
Incentives*

**Cost**

**Quality of Life**

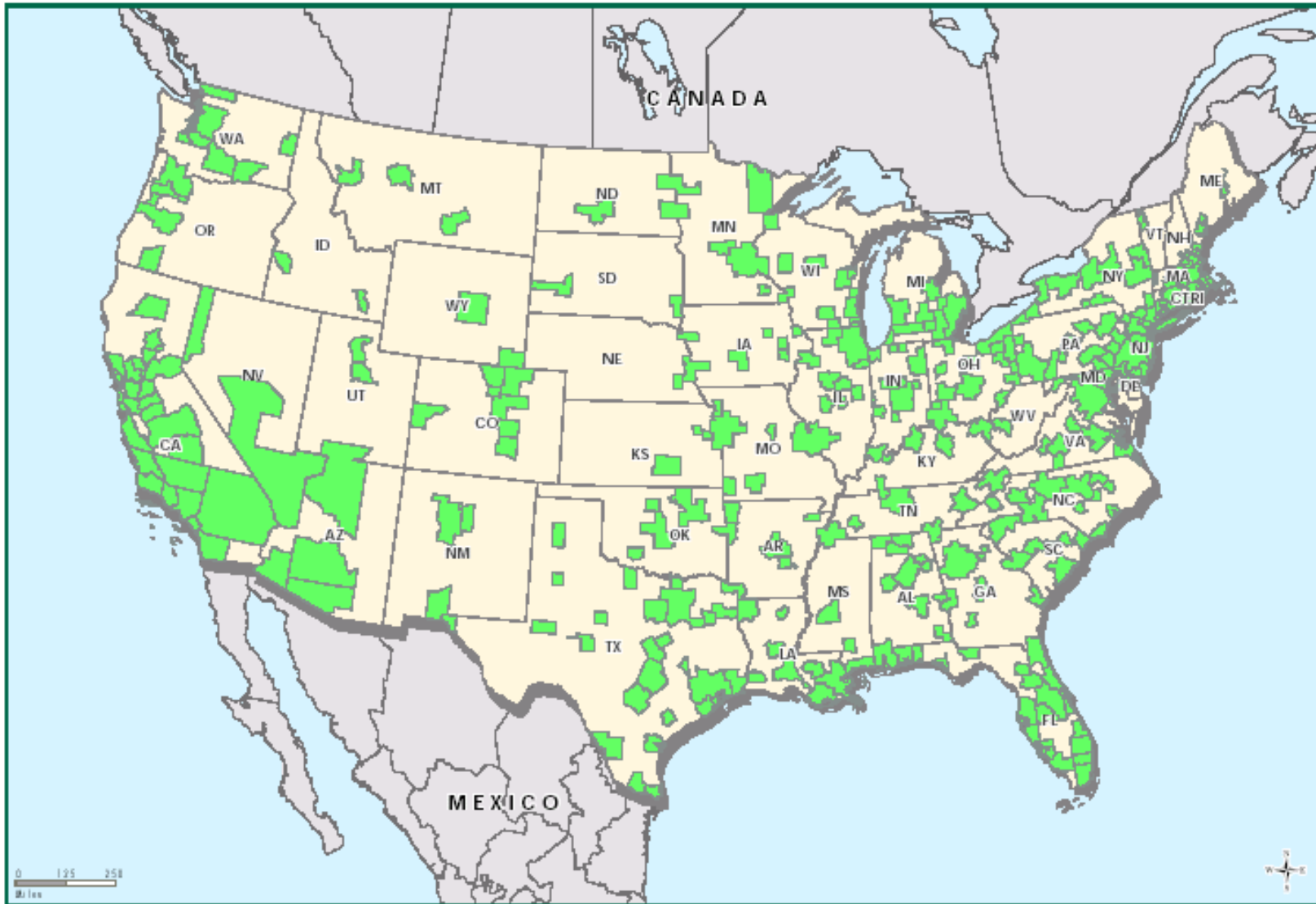
*Accessibility*

**Operating  
Environment**

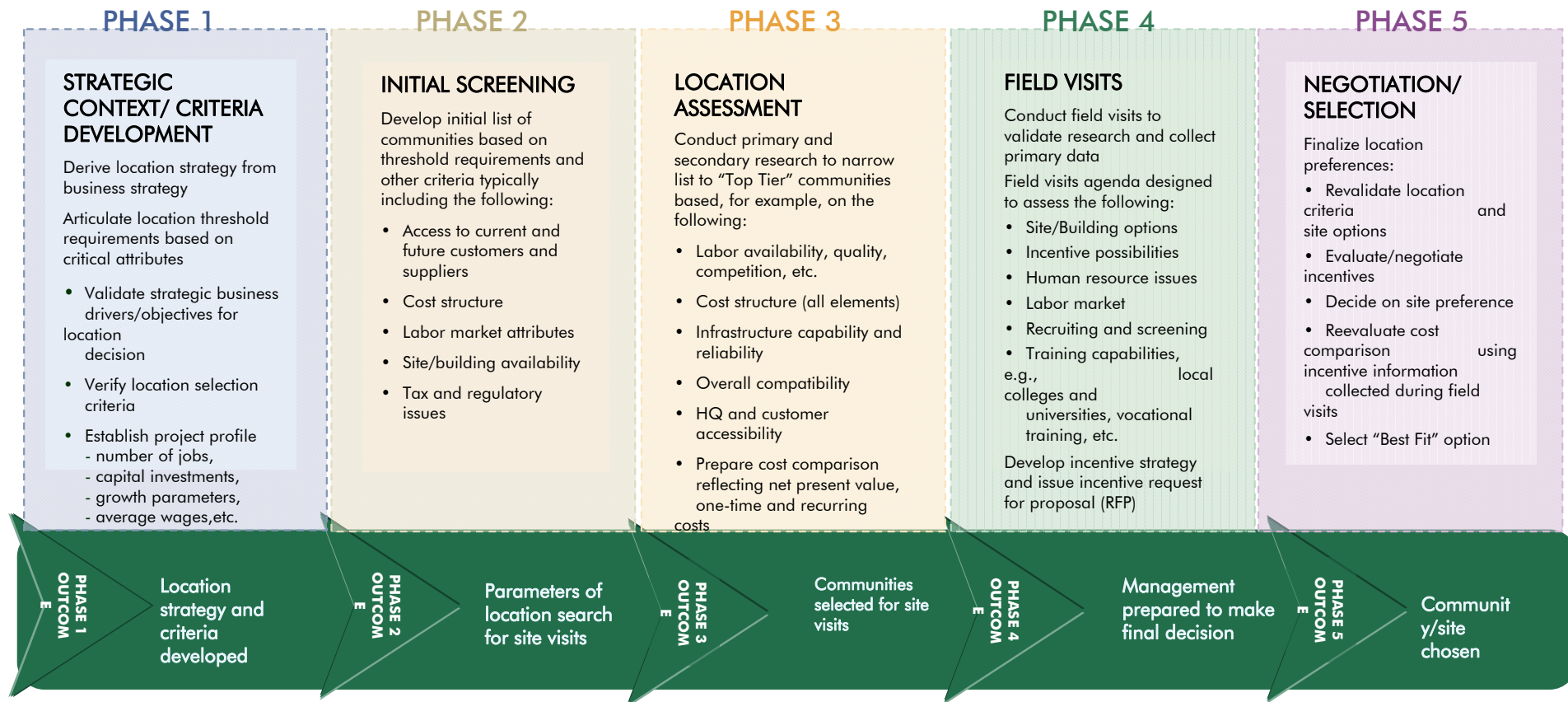


# Defining The Universe

Am I On the Map Yet?

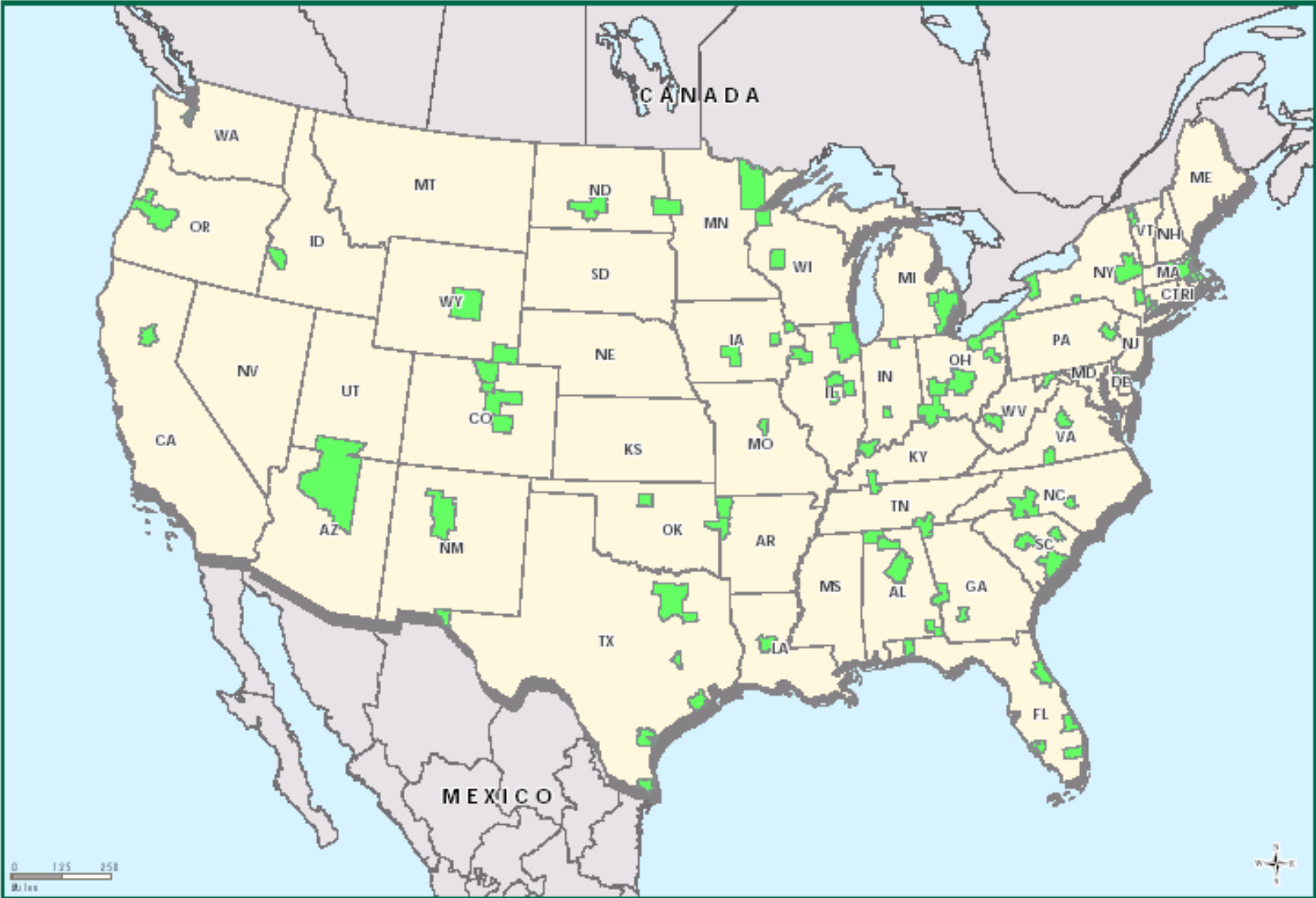


# Planning The Journey – Strategic Business Alignment

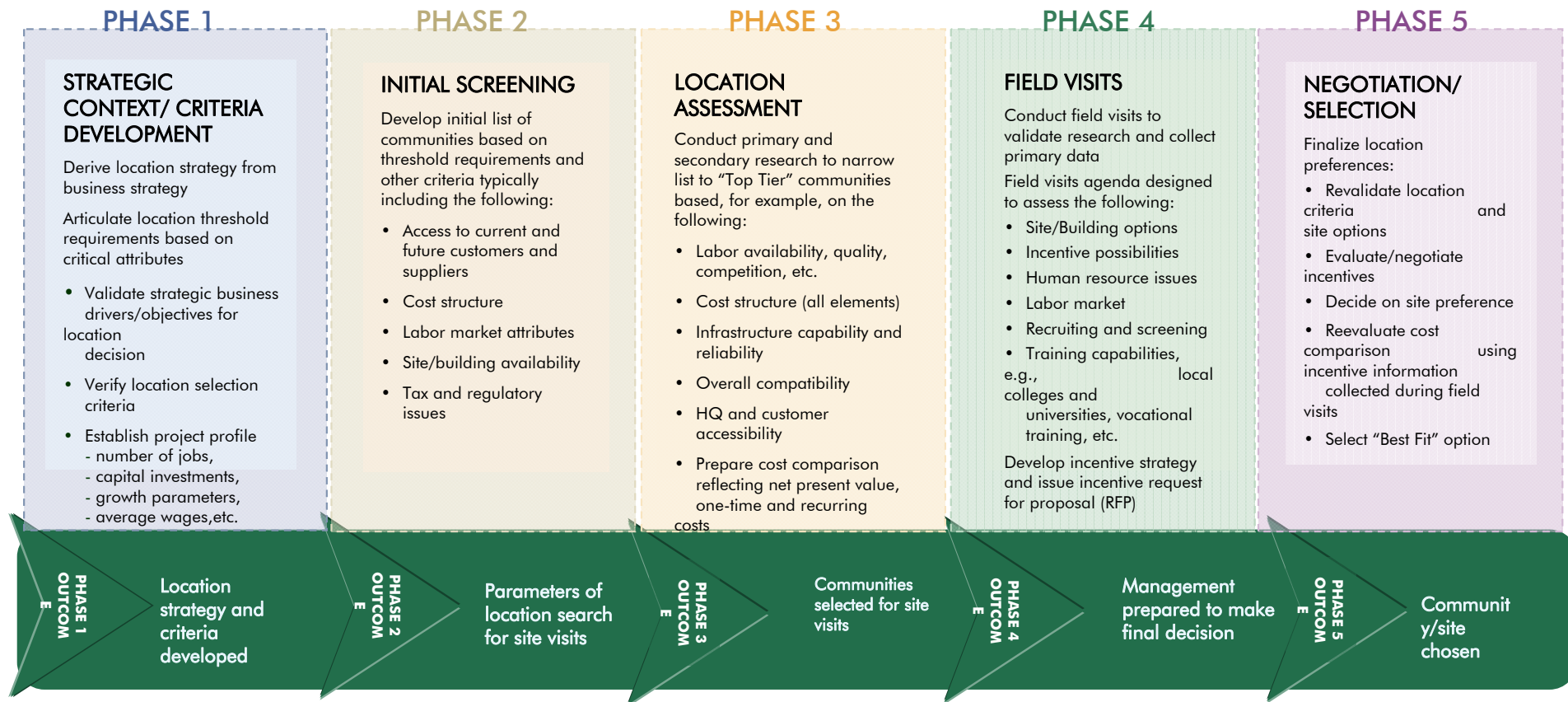


# Initial Filters

Am I On the Map Yet?



# Planning The Journey – Strategic Business Alignment



# What Creates An INCREDIBLE Journey?

- Dedicated Project Manager (Single Point of Contact)
- Rapid response to information requests
- Reliable and accurate information
- Ability to assemble a team of local, state, educational, and utility leaders as the “face” of the community
- Strong partnership with local business leaders and ED sponsors to share their successes and challenges in the community
- Flexibility in creating customized incentives package to support project requirements
- Willingness to **CELEBRATE!**



# Workforce Availability – How Important Is It and Are We Facing a Potential Crisis?



# Workforce Availability – What are the Typical Drivers?

- Labor Pool
  - Total Population
  - Total workforce
  - Projected population growth (5 year)
  - Number of jobs by SOC Code (BLS)
  - Saturation by job/industry type
  - Presence of similar operations
  - Un-employment levels

# Workforce Availability – What are the Typical Drivers?

- Labor Pipeline
  - Presence of Technical Schools, Colleges and Universities
    - Enrollment by program
    - Annual Graduates by program
    - Retention of graduates in the area
  - Presence of Competitors
  - Presence of Military operation
  - Under-employment





Warning: Workforce Crisis may be closer than it appears!!

# Workforce Crisis- Is there one coming.. Or is it already here

Workforce Crisis?

The Age Wave

Gen Y

Baby Boomers

The Birth Dearth

Gen X

Millennials



## Workforce Jeopardy

Topic 1 Baby Boomers	Topic 2 Gen X	Topic 3 Gen Y	Topic 4 The Birth Dearth	Topic 5 Age Wave
<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>
<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>

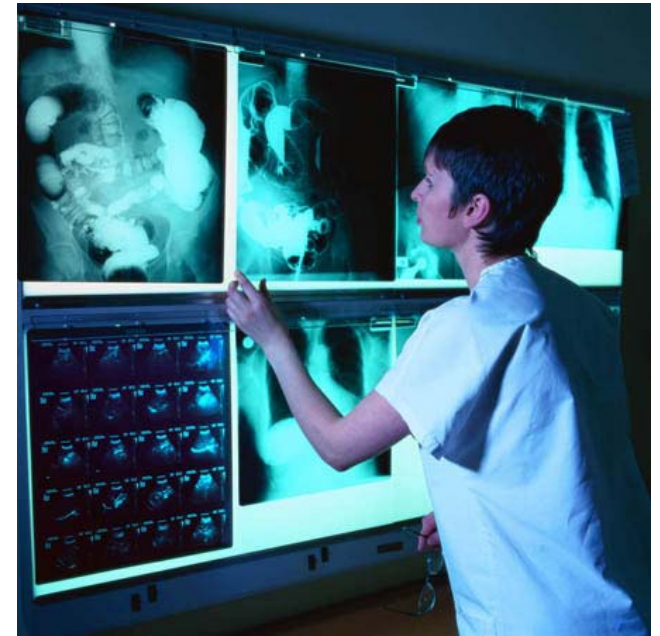


- Our Population & Workforce is Changing
  - Age
  - Gender
  - Ethnicity
  - Immigration
  - Education



## The Issues

- Shortage of Workers
- Shortage of Skills



## Shortage of Skills

- Too many people trained for the wrong jobs
- Many jobs are or will become technically obsolete
- Education systems are not designed to respond rapidly to rapidly changing conditions
- New Jobs- knowledge based vs. physical based



## Skill Shortages

- Healthcare
- Service/Maintenance Techs
- Skilled Trades
- Teachers
- Technologists
- Engineers



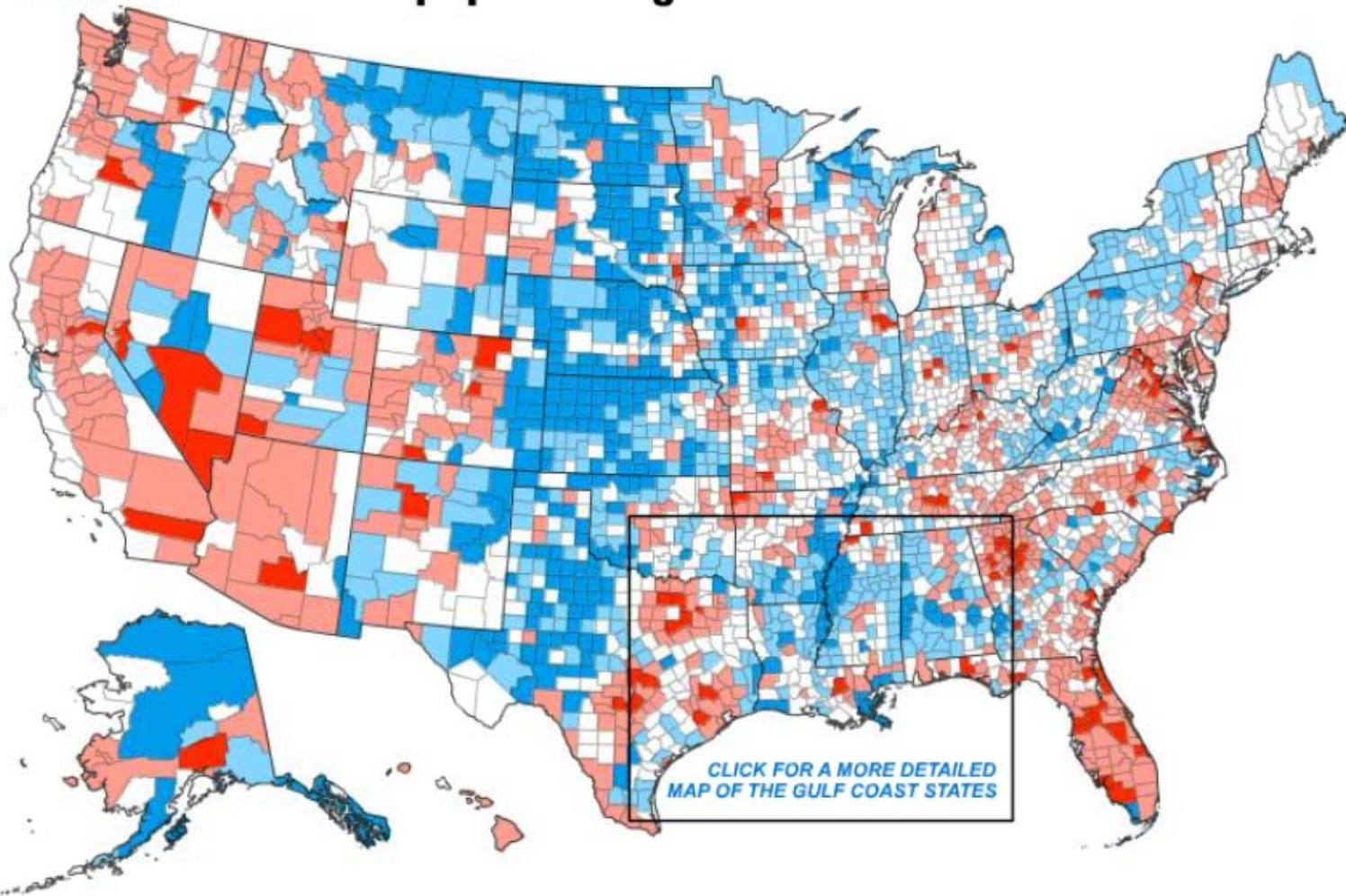
# Changes in US Population



## Sun Belt's population grows as Gulf Coast suffers

Interactivity blog  Close

Send this interactive to a friend



### U.S. population themes

- Population change, 2000 - 2006
- Domestic migration, 2000 - 2006
- Natural increase, 2000 - 2006
- Immigration, 2000 - 2006

This first detailed look at overall population change since Hurricane Katrina shows losses along the Gulf Coast and gains for nearby inland counties.

- Growth greater than 25%
- Growth of 5% to 25%
- Growth of up to 5%
- Loss of up to 5%
- Loss of more than 5%

### Audio analysis



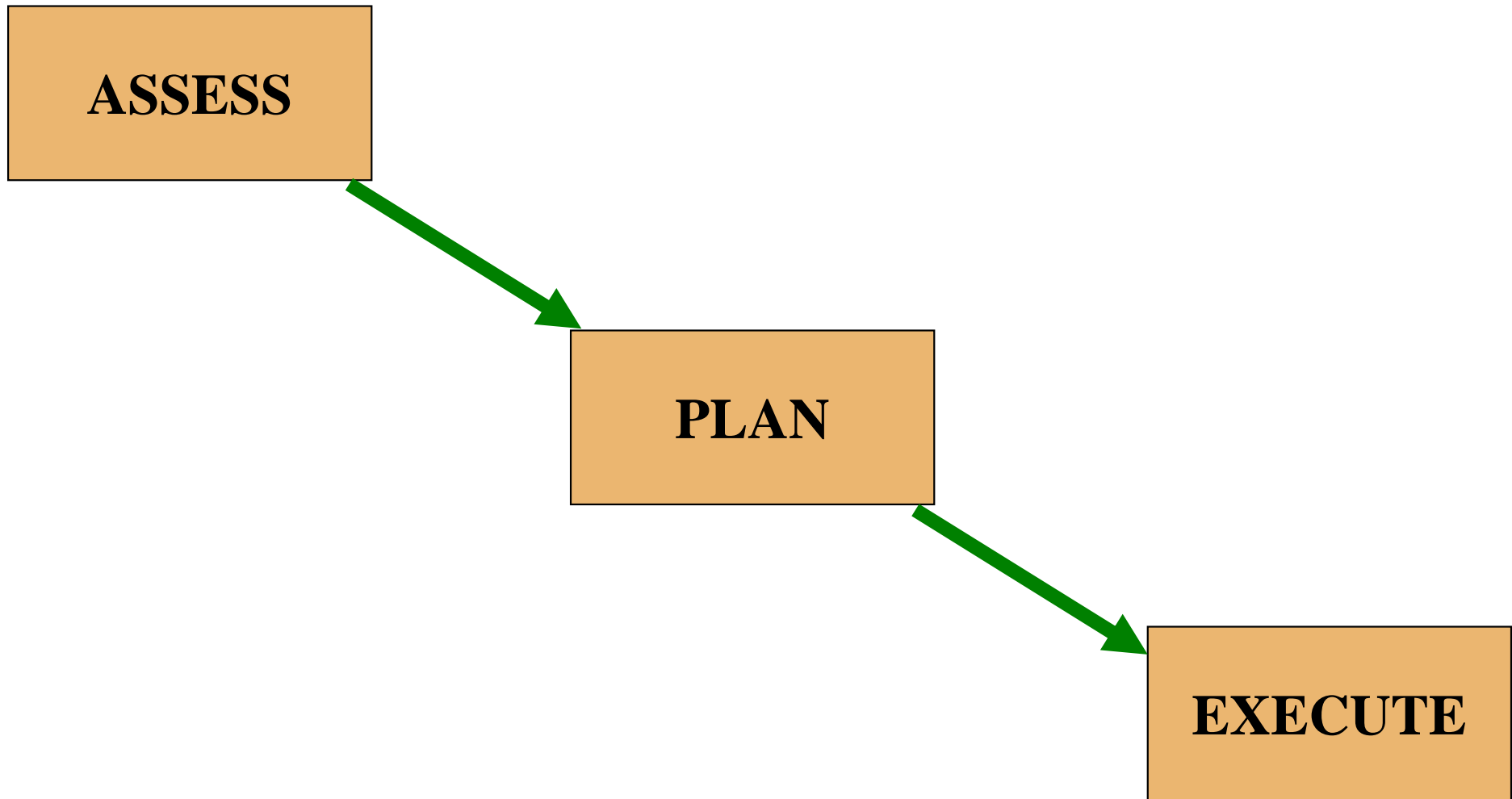
**William Frey**  
Demographer at the  
Brookings Institution

[CLICK FOR AUDIO](#)

[▲ CREDITS](#)



# What can you do to prepare?



# What Can you do to Prepare for a Workforce Crisis?

## ASSESS

- Understand your demographics
- Understand how they are changing
  - History
  - Future
- Understand employers current and future needs (demand and skills)
- Determine the gaps
  - Numbers
  - Skills

# What Can you do to Prepare for a Workforce Crisis?

## PLAN

- Workforce Pool Growth
  - Recruitment / Branding
    - In-migration
    - Ex-patriots
    - Retention of graduates
  - Non-traditional sources
    - Mature Workers
    - Work at home candidates

# What Can you do to Prepare for a Workforce Crisis?

## PLAN

- Skill Development / Re-development
  - K-12 Fundamentals
  - 9-12 Industry-focused programs
  - Under-employed
  - Displaced workforce
  - Mature Workforce
- Leverage Changing Demographics
- Attract or specific prospects / targets that align with your demographics



# What Can you do to Prepare for a Workforce Crisis?

## EXECUTE

- Leverage Available Resources
  - State Funding
  - Federal Grants (WIRED...)
  - Private Grant Sources
  - Political – Policies and Funding
- Engage all Aspects of the Community
  - Public Sector
  - Private Sector
  - Educational Institutions
  - Elected Officials
  - Economic Development



# Location Decision Trends

- Can I Attract, Recruit, and Retain the Talent and Expertise To Be Successful?
- There Is A “Need for Speed”
- Incentives – Flexibility Is Important – “One size does not fit all”
- It’s About COST! – Every facet of the Location Decision Process is competitive. Locations must offer a cost-competitive business environment



- Industry Activity
  - Biotech/Life Sciences
  - Medical and Healthcare Services
  - Advanced Manufacturing
  - Logistics/Supply Chain Rationalization
  
- Project Activity
  - Continue to See Significant Inquiries
  - Planning Cycle – 9-18 months
  - Possible Slow-down in Projects in Pipeline Due to Uncertainties Associated With the Economy and the Presidential Election

## 10. Don't Pretend to be something you aren't

- Align local and regional strengths and assets with economic development vision and strategies
- Quality jobs mean different things to different communities
- “We’re going after Biosciences here.”



## Best Practices to Help Position You to Compete



## 9. If you don't know where you're going, it's pretty hard to get there

- It's critical to establish public policies to support your economic development vision
  - Transportation
  - Infrastructure
  - Education
  - Culture
- Perceptions ARE reality – especially negative ones



## 8. Put innovative tools into your toolbox

- Offer a variety of innovative incentive tools to meet unique needs of projects
  - Flexible
  - Customizable
  - Streamline application and approval processes



## 7. We're different – we promise!

- Quality of life is NOT a major differentiator
- You MUST be able to communicate what differentiates you from your competition



## 6. All for one and one for all (There is no "I" in Team)

- Take a regional approach to marketing and promoting your community
- The regional organization is MY FRIEND
- Everyone wins when the region wins – sounds trite, but it's true



## 5. If you want to WIN, you have to have quality players on the Team

- Assemble a strong team/network of public and private sector members that are advocates for your mission
- Engage the team in every aspect of your plan
  - Strategic planning
  - Trade missions
  - Community visits with prospects
  - “FAM” trips



## 4. Show me the love

- Invest in building and maintaining relationships with prospects and those who influence and source projects
  - Target strategic relationships – everyone has limited resources
  - Face time is important – building trust and credibility
  - Get decision-makers to your community



## 3. We're ONE big, happy family

- Take a seamless and integrated approach when coordinating project resources
  - Regional
  - Local
  - State
  - Utilities
- With compressed process and decision times, coordination is critical – can be a filter



## 2. Good information can put you on the map

- Invest in developing a superior website
  - Easy to navigate
  - Current and accurate information
  - Maps and visuals
  - Detailed contact info (who to call)



- Personal touch – high level of response with current information

## 1. Become a word in the dictionary... the next

- Branding can be a differentiator
  - KCADC - OneKC
  - Indy Partnership
  - Cleveland Plus
  - Austin – The Human Capital
  
- Target, Target, Target
  - Strategic advertising
  - Familiarization tours
  - Frequent “touches”



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