



TALENT ATTRACTION AND RETENTION

TALENT AND HUMAN CAPITAL

OPPORTUNITY:

Establish incentive programs focused on recruiting and retaining a workforce with the skills, knowledge and credentials necessary to create innovation ecosystems throughout the state. In order to drive growth in Alabama’s innovation ecosystems, Alabama should prioritize, as part of its economic development efforts, developing the state’s talent, recruiting new talent and retaining both. The following recommendations align with portions of the recommendations provided in the Hoover Institution Report under “The Role of Alabama Universities in Fostering Innovation and Growth” on pages 11 and 19-20.

1. RETAINING IN-STATE TALENT – ACTION

RECOMMENDATION:

The Alabama Innovation Corporation should create a retention program targeting talent in STEM fields at Alabama universities and colleges (or expand the 2021 Retain Alabama program). This program could facilitate introductions to companies and executives in Alabama and fund activities that expose such talent to job opportunities, employers and quality of life in Alabama.

BACKGROUND AND RATIONALE:

Alabama colleges and universities train Alabama’s young talent and recruit out-of-state talent for such training as well. However, Alabama does a poor job retaining the talent that it develops, with many graduates receiving their degrees in Alabama and taking their skills out of state. This is an issue that needs to be addressed through collaboration between universities, colleges and industries. A program that highlights the benefits of living and working in Alabama and connects Alabama employers to the talent that is already in Alabama receiving training could have lasting impact on the growth of Alabama’s innovation economy.

MEASURES OF SUCCESS

Number of employers engaged in campaign and their industry.

Number of graduates taking jobs identified through program.

State return on investment.

MILESTONES

2021-22

Execute memoranda of understanding with employers and universities and colleges.

Prepare programming.

Identify students for program.

Launch program.

Enlist 20 employers in program.

Report 50 graduates participating in program have found employment in Alabama.

2022-23

Retain participation of previous 20 employers in program.

Enlist 20 new employers (40 total) for program.

Report 100 graduates participating in program have found employment in Alabama.

2023-24

Reevaluate efficacy of program.

Refine program.

Grow program.

**LEGISLATION REQUIRED:
ADDITIONAL FUNDS REQUIRED:**

NO

YES, *though funding was provided to ADECA and the Economic Development Partnership of Alabama for a similar purpose.*

2. TARGETED RECRUITMENT OF TALENT – ACTION

RECOMMENDATION:

Create a program under the Alabama Innovation Corporation focused on incentivizing workers with requisite credentials and entrepreneurs with records of success to live and work in Alabama. This program could provide access to the mentorship networks, discussed above, or other nonfinancial incentives to certain qualifying applicants to work in Alabama to take a full-time job in clearly defined sectors, or to work remotely within such sectors in Alabama, for a period of no less than two years. For example, nonfinancial incentives could be a nonrefundable reduction in state income tax equal to the amount of student loan payments made by eligible applicants in a year, up to a capped amount; and/or caps on certain capital gains incurred by entrepreneurs who relocate a business to the state. The nonfinancial incentive program could be privately funded through a tax offset program managed by the corporation (e.g., tax offsets could be purchased by the recruit's employer, similar to the existing Growing Alabama tax credit program).

BACKGROUND AND RATIONALE:

Incentives for individuals and business have the dual impact of recruiting needed talent and/or jobs to the state and providing a marketing beacon capable of capturing national headlines. These types of incentives have been deployed by states and cities throughout the U.S. Deploying a pilot program in Alabama would provide an offering that could be leveraged in the marketing campaigns proposed in this report. Data could be collected to evaluate the efficacy of such a program and to improve it in future years.

MEASURES OF SUCCESS:

Number of new workers employed by Alabama businesses as a result of their recruitment.

Economic impact of new Alabama workers compared to cost of incentive payment.

State return on investment.

MILESTONES:

2021-22

Identify nonfinancial incentives to market to potential applicants.

Determine whether to apportion any funding between incentives.

Develop legislation that includes applicant, residence and job requirements.

Recruit/retain 100 individuals using incentives.

2022-23

Recruit/retain 100 residents using incentives.

2023-24

Reevaluate efficacy of program.

Refine program.

Grow program.

LEGISLATION REQUIRED:
ADDITIONAL FUNDS REQUIRED:

NO
YES

MARKETING ALABAMA'S INNOVATION ECONOMY

OPPORTUNITY:

Alabama has established itself as a state for athletic excellence through its success on national stages; this has resulted in an influx of athletic talent. If Alabama could direct resources in targeted ways toward highlighting its statewide and city-specific innovation assets, Alabama could be in a stronger position to recruit the talent needed to fill the jobs of the future. In order to drive growth in Alabama's innovation ecosystems, Alabama should prioritize, as part of its efforts to attract and retain talent, the marketing of Alabama's innovation economy and its entrepreneurs. The following recommendations align with portions of the recommendations provided in the Hoover Institution Report under "The Role of Alabama Universities in Fostering Innovation and Growth" on pages 21 and 31.

1. TARGETED NATIONAL CAMPAIGN – ACTION

RECOMMENDATION:

The Alabama Innovation Corporation should conduct research to identify national cities with innovation-related talent and sector-specific businesses whose citizens would be open to moving to Alabama, and then heavily market the growing statewide opportunities for such workers and businesses, including the proposed relocation incentives and existing Alabama business-related incentives. It would be essential to ensure that the campaign has unique elements targeting former residents of Alabama.

BACKGROUND AND RATIONALE:

While Alabama cannot dictate its perception in the eyes of the American public, it can help shape it. The perception of the state matters nationally but is more important in the markets that Alabama desires to recruit/recover talent. By strategically identifying out-of-state cities where the talent Alabama needs is educated and/or works and there is an openness to relocating to Alabama, the state could more deliberately target a marketing campaign that could have more impact. This would result in a data-driven marketing campaign that would maximize the investment being made and ensure alignment with other efforts to attract talent.

MEASURES OF SUCCESS:

Development of city research report and identification of top 5 cities.

Number of individuals in each of top 5 cities reached by campaign.

Number of businesses in each of the top 5 cities reached by campaign

Number of individuals and businesses engaging with the corporation as a result of campaign.

MILESTONES:

2021-22

Engage consulting firm for city research.

Accept city research report; identify top 5 cities for campaign.

Establish strategy for campaign.

Report individuals reached by campaign.

Report businesses reached by campaign.

Report unique engagements with the corporation as a result of campaign.

Report workers and businesses known to have moved to state as a result of campaign.

2022-23

Report individuals reached by campaign.

Report businesses reached by campaign.

Report unique engagements with the corporation as a result of campaign.

Report workers and businesses known to have moved to state as a result of campaign.

2023-24

Reevaluate efficacy of program.

Refine city research if needed.

Grow the marketing campaign.

LEGISLATION REQUIRED:
ADDITIONAL FUNDS REQUIRED:

NO

YES, *though partially funded through Alabama Innovation Corporation for FY 2021-22. Future campaigns would need additional funding.*

2. ALABAMA CITY CAMPAIGNS – ACTION

RECOMMENDATION:

The Alabama Innovation Corporation should partner with Alabama regions with marketable innovation assets to develop co-funded marketing campaigns that highlight their innovation economy. For example, cities would collaborate to recruit talent to work in a region, regardless of where people choose to live and work. A co-funded marketing campaign would use research to identify municipalities in regions with resources that support and bolster innovation initiatives and efforts. This program could potentially be funded collaboratively through the corporation, a city or cities and employers in a region (such as a Metropolitan Statistical Area).

BACKGROUND AND RATIONALE:

When making a decision to relocate to a new place, a city, more than the state, influences an individual's decision. The state's reputation certainly matters, but it is a city that the individual will choose. People choose a city for its specific culture, community and offerings. As such, any effective marketing campaign should highlight the state, the region and the particular city recruiting talent.

MEASURES OF SUCCESS:

Number of innovation asset maps developed for Alabama cities.

Number of individuals in each of top five cities reached by campaign.

Number of businesses in each of the top five cities reached by campaign.

Number of individuals and businesses engaging with city or the corporation as a result of campaign.

MILESTONES:

2021-22

Establish strategy for campaign.

Report individuals reached by campaign.

Report businesses reached by campaign.

Report unique engagements with the corporation as a result of campaign.

Report workers and businesses known to have moved to city as a result of campaign.

2022-23

Report individuals reached by campaign.

Report businesses reached by campaign.

Report unique engagements with the corporation as a result of campaign.

Report workers and businesses known to have moved to city as a result of campaign.

2023-24

Reevaluate efficacy of program.

Grow the marketing campaign.

LEGISLATION REQUIRED:
ADDITIONAL FUNDS REQUIRED:

NO

YES, though partially funded through the corporation for FY 2021-22.

Funding from city could also be required. Future campaigns would need additional funding.

3. ALABAMA AMBASSADORS/INFLUENCERS – STRATEGY

RECOMMENDATION:

The Alabama Innovation Corporation could engage influential Alabamians to serve as Alabama ambassadors/influencers who promote Alabama’s innovation economy and the state itself as an excellent place to live and work. This could take the form of coordinated social media campaigns that leverage influential Alabamians with broad regional or national reach in markets that the corporation desires to reach.

BACKGROUND AND RATIONALE:

Attracting talent requires identifying and leveraging the mediums the specific desired talent accesses and relies on. Today, that often means using a diverse array of social media platforms. Leveraging the existing platforms of Alabamians with large out-of-state social media followers would allow the state a means of reaching out-of-state talent through the other campaigns identified in this report.

MEASURES OF SUCCESS:

Number of influential Alabamians engaged.

Interactions with influential Alabamians' social media activity around campaign.

Number of publications featuring influential Alabamians around campaign.

MILESTONES:

2021-22

Secure influential Alabamians' support.

Develop social media and publication strategy/content.

Report individuals reached by campaign.

Report businesses reached by campaign.

Report unique engagements with the corporation as a result of campaign.

2022-23

Secure new influential Alabamians' support.

Develop social media and publication strategy/content.

Report individuals reached by campaign.

Report businesses reached by campaign.

Report unique engagements with the corporation as a result of campaign.

LEGISLATION REQUIRED:
ADDITIONAL FUNDS REQUIRED:

NO

YES, though partially funded through Alabama Innovation Commission for FY 2021-22.
Future campaigns would need additional funding.

CREATING AN ENVIRONMENT TO ATTRACT AND RETAIN ALABAMIANS

OPPORTUNITY:

Alabama will have more success in recruiting and retaining talent if it invests in Alabama organizations, assets and events that could improve quality of life, on terms that appeal to the talent needed to develop the state's innovation economy. Three offerings that help improve the quality of life of talent transplants and could benefit from increased investment are outdoor recreation, young professional organizations and entrepreneurship-focused events. The following recommendations align with portions of the recommendations provided in the Hoover Institution Report under "The Role of Alabama Universities in Fostering Innovation and Growth" on page 21 and "If You Build It, They Will Come: High-Skill Workers and Alabama's Outdoor Recreation Infrastructure" on pages 33, 44 and 53-55.

1. INVEST IN OUTDOOR RECREATION AS ATTRACTION/RETENTION TOOL – ACTION

RECOMMENDATION:

Alabama's outdoor recreation and related tourism assets should be better leveraged as a tool to attract and retain workforce talent. This could take the form of the Alabama Innovation Corporation partnering with state agencies to incentivize the improvement and marketing of existing outdoor recreation assets and incentivizing the creation and marketing of additional outdoor recreation assets. The state of Alabama allocated \$85 million to improving outdoor recreation in 2021 so funding is already available. A repository for the state's outdoor recreation assets should also be developed and made publicly available to achieve these efforts.

BACKGROUND AND RATIONALE:

Alabama is well-situated to recruit talent that is interested in having quick access to outdoor assets, as further described in the Hoover Institution Report. Alabama's waterways, biking routes and trail systems provide many outlets for outdoor recreation near growing innovation ecosystems. Connecting innovation-oriented employment opportunities to outdoor recreational activities will provide a valuable metric to persuade potential talent being recruited to the state.

MEASURES OF SUCCESS:

Increased web traffic related to exploring and visiting registered outdoor recreation assets.

Number of out-of-state visitors at registered outdoor recreation assets.

Number of in-state visitors at registered outdoor recreation assets.

MILESTONES:

2021-22

Develop repository of Alabama outdoor recreation assets.

Identify five top outdoor recreation assets most likely to attract talent.

Establish marketing programs for outdoor recreation assets.

Incentivize improvement of five top outdoor recreation assets most likely to help attract and retain talent.

Report any increase in web traffic for such outdoor recreation assets.

Report visitors and any increase in use of outdoor recreation assets (evaluate in-state versus out-of-state use if possible).

LEGISLATION REQUIRED:

YES

ADDITIONAL FUNDS REQUIRED:

YES

2. ENTREPRENEURS AND INVESTOR SUMMIT – ACTION

RECOMMENDATION:

The Alabama Innovation Corporation could host a world-class summit for entrepreneurs and investors nationally, targeting groups in cities whose citizens are open to moving to Alabama, in order to expose outside entrepreneurs and investors to the state and to showcase Alabama’s entrepreneurs and innovation assets. This would require a budget of \$500,000, which could be funded through appropriations. This will build the entrepreneurial ecosystem, market the innovation assets of Alabama and help attract talent and capital to the state.

BACKGROUND AND RATIONALE:

Alabama can showcase the success of its entrepreneurs and highlight the innovation assets of the state through events that convene out-of-state entrepreneurs and investors. Hosting such events is one means of helping people discover the opportunities that exist in Alabama today and the opportunities that could be created in Alabama tomorrow. This also offers a platform for championing the work of the corporation and the incentives and programs that have been developed to grow Alabama’s innovation ecosystem.

MEASURES OF SUCCESS:

Number of out-of-state entrepreneurs attending.

Number of out-of-state entrepreneurs who move to Alabama after summit.

Number of out-of-state entrepreneurs who secure investment as a result of summit.

Number of in-state entrepreneurs attending.

Number of in-state entrepreneurs who secure investment as a result of summit.

Number of out-of-state investors attending.

Number of in-state investors attending.

Number of out-of-state investors who move to Alabama after summit.

MILESTONES:

2021-22

Secure/raise \$500,000 for first summit.

Host first summit in an Alabama city with excellent innovation assets.

1,000 overall attendees with 50% being from out of state.

2022-23

Secure/raise \$500,000 for second summit.

Host second summit in an Alabama city with excellent innovation assets.

1,000 overall attendees with 50% being from out of state.

2023-24

Reevaluate efficacy of program.

Refine and grow the program.

LEGISLATION REQUIRED: YES
ADDITIONAL FUNDS REQUIRED: YES