



LABI
FUTURE
FOCUSED
2023 ANNUAL MEETING



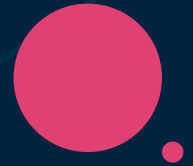


MORNING PROGRAM:

LOUISIANA'S ECONOMIC COMPETITIVENESS

TED ABERNATHY

MANAGING PARTNER
ECONOMIC LEADERSHIP, LLC





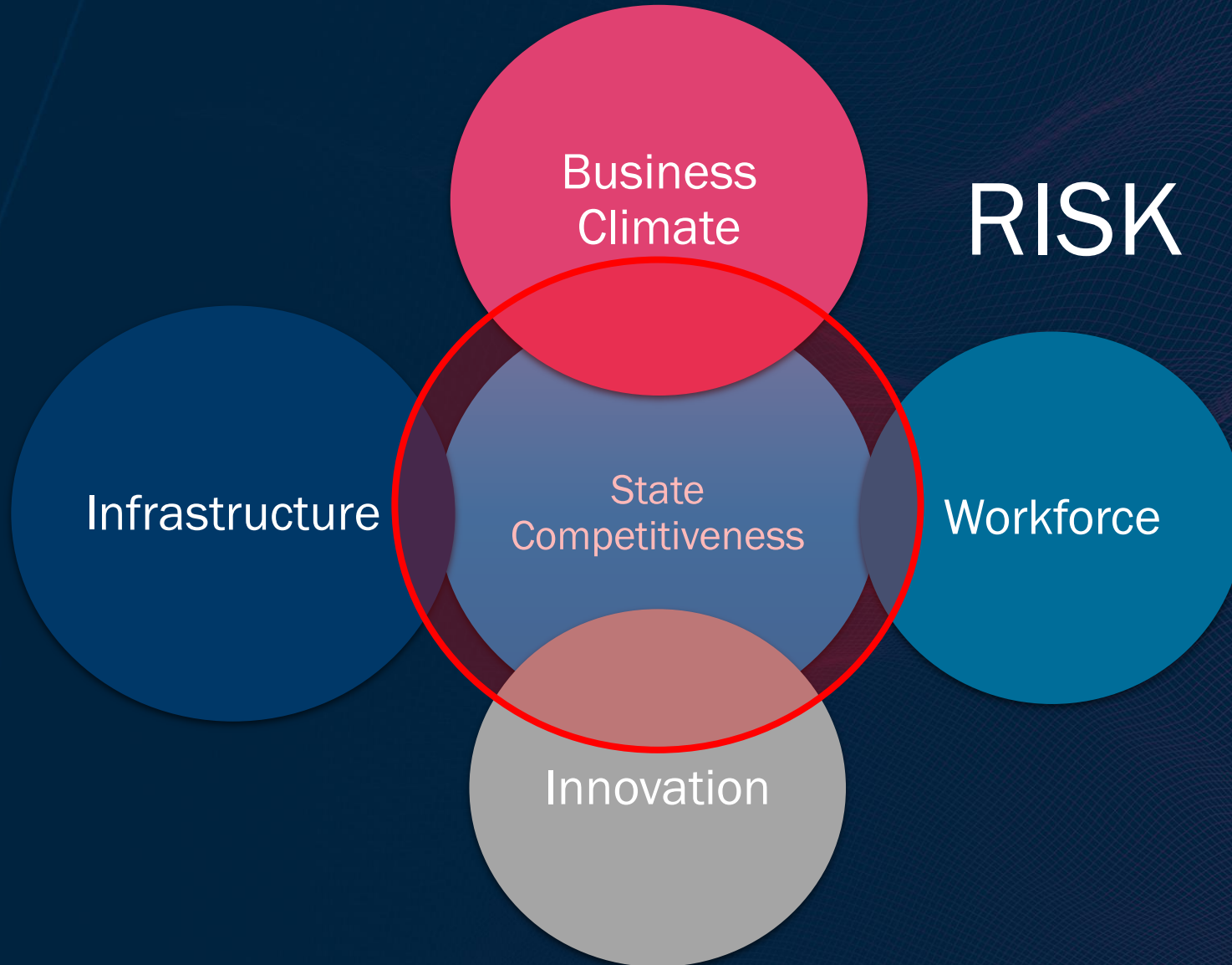
A MORE ECONOMICALLY COMPETITIVE LOUISIANA

TED ABERNATHY

MANAGING PARTNER

ECONOMIC LEADERSHIP, LLC

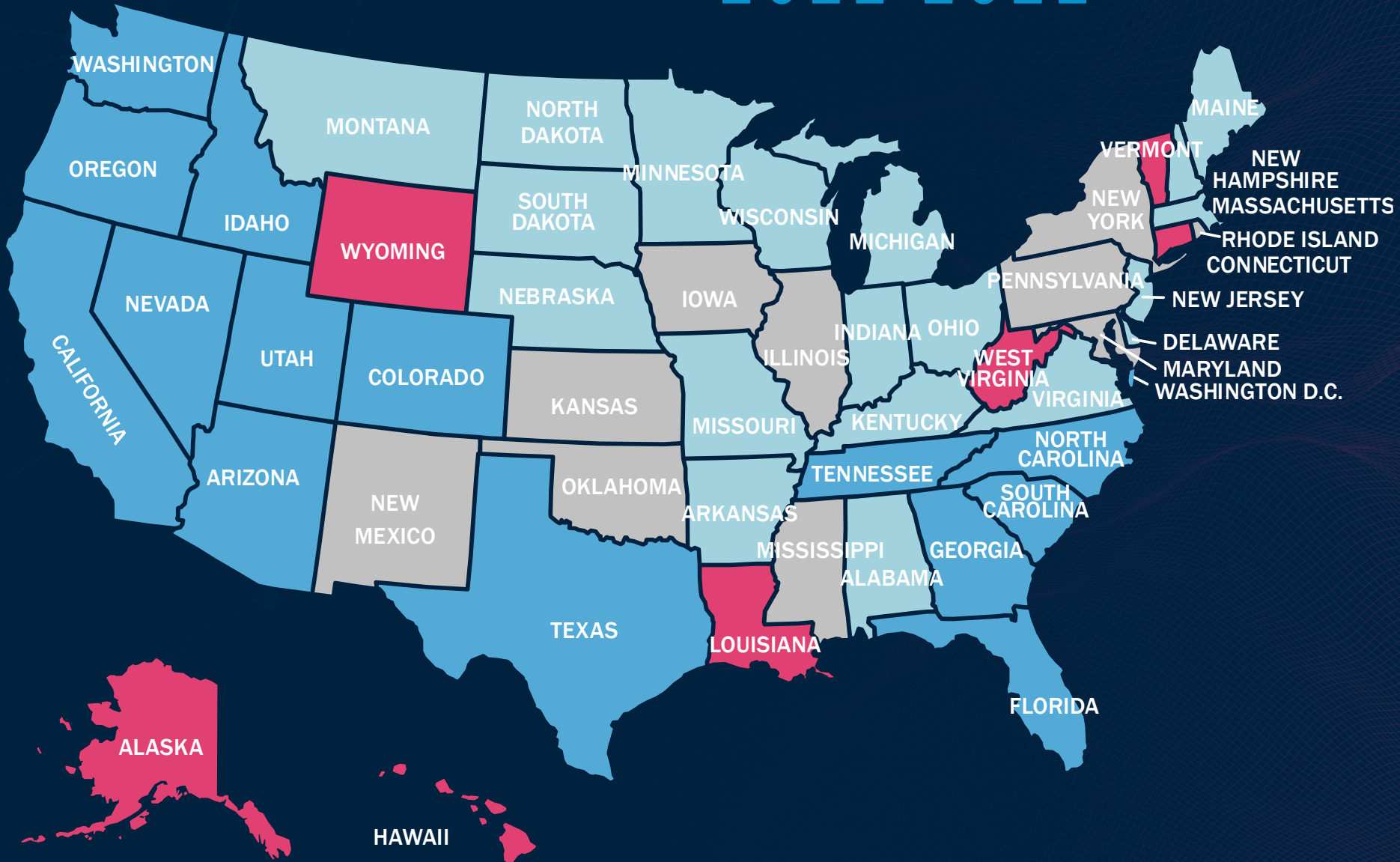
ECONOMIC COMPETITIVENESS



A DECADE LOOK

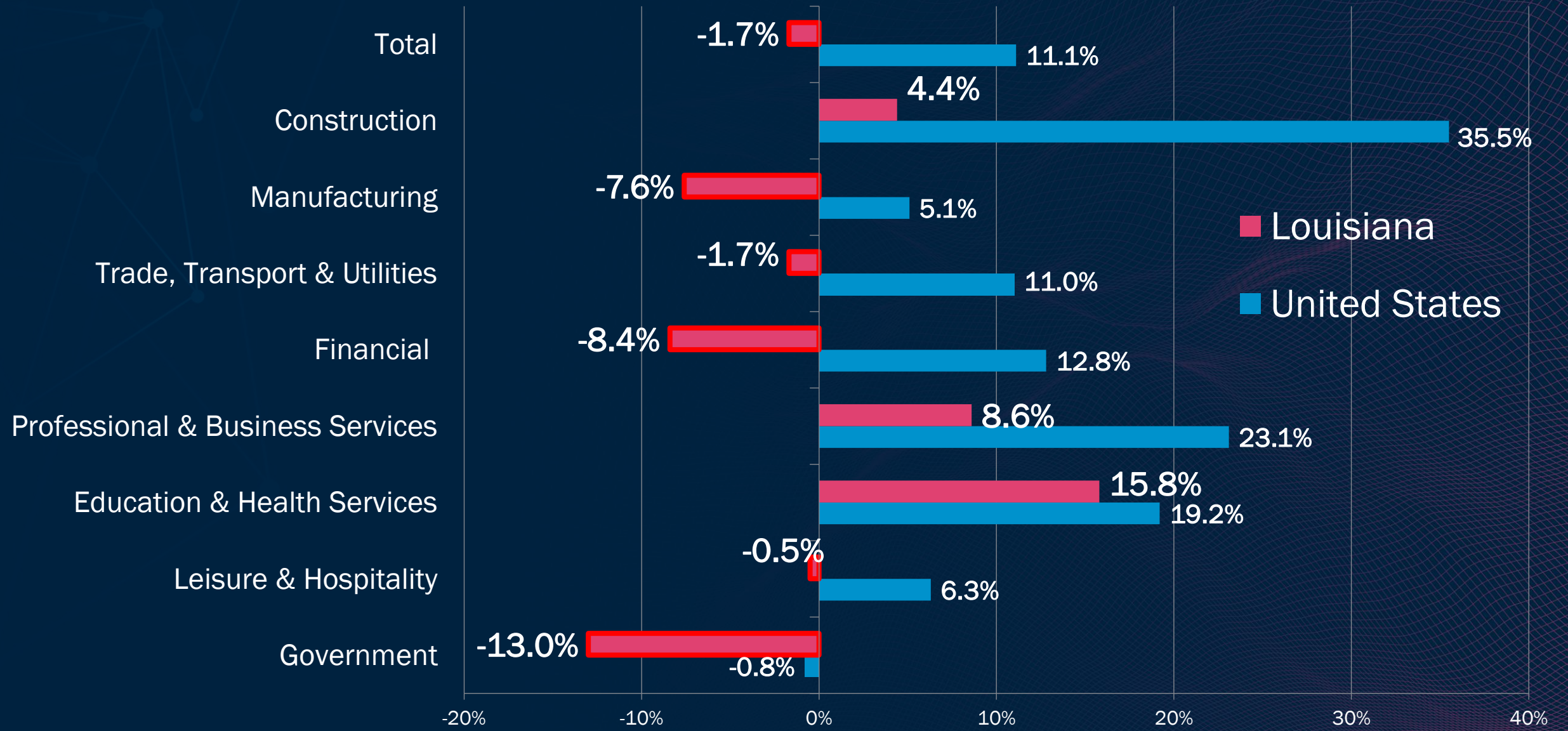
CHANGE IN AVERAGE ANNUAL JOBS

2011-2021



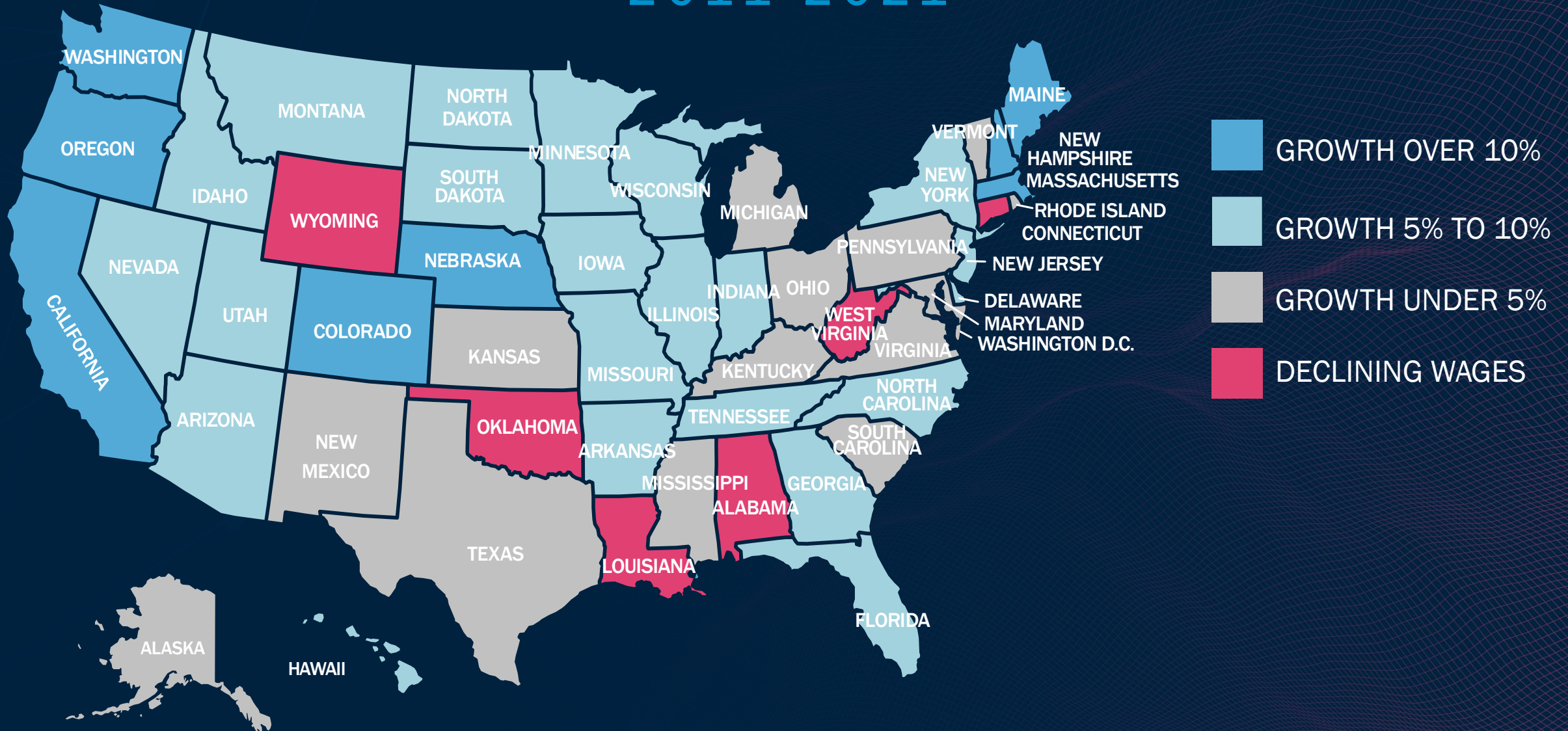
10 YEAR JOB GAINS BY SECTOR

LOUISIANA & THE US: 2011-2021



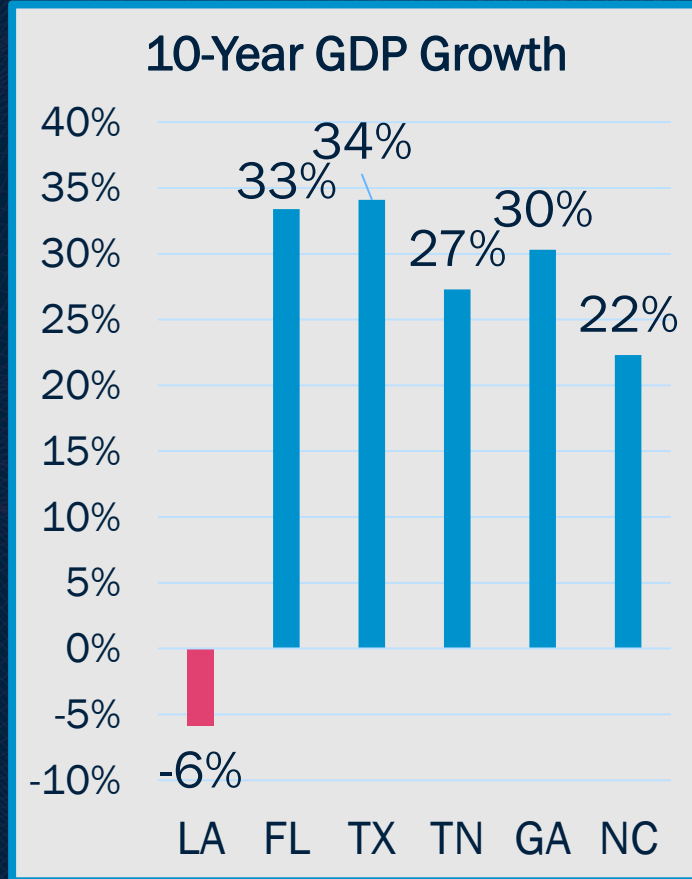
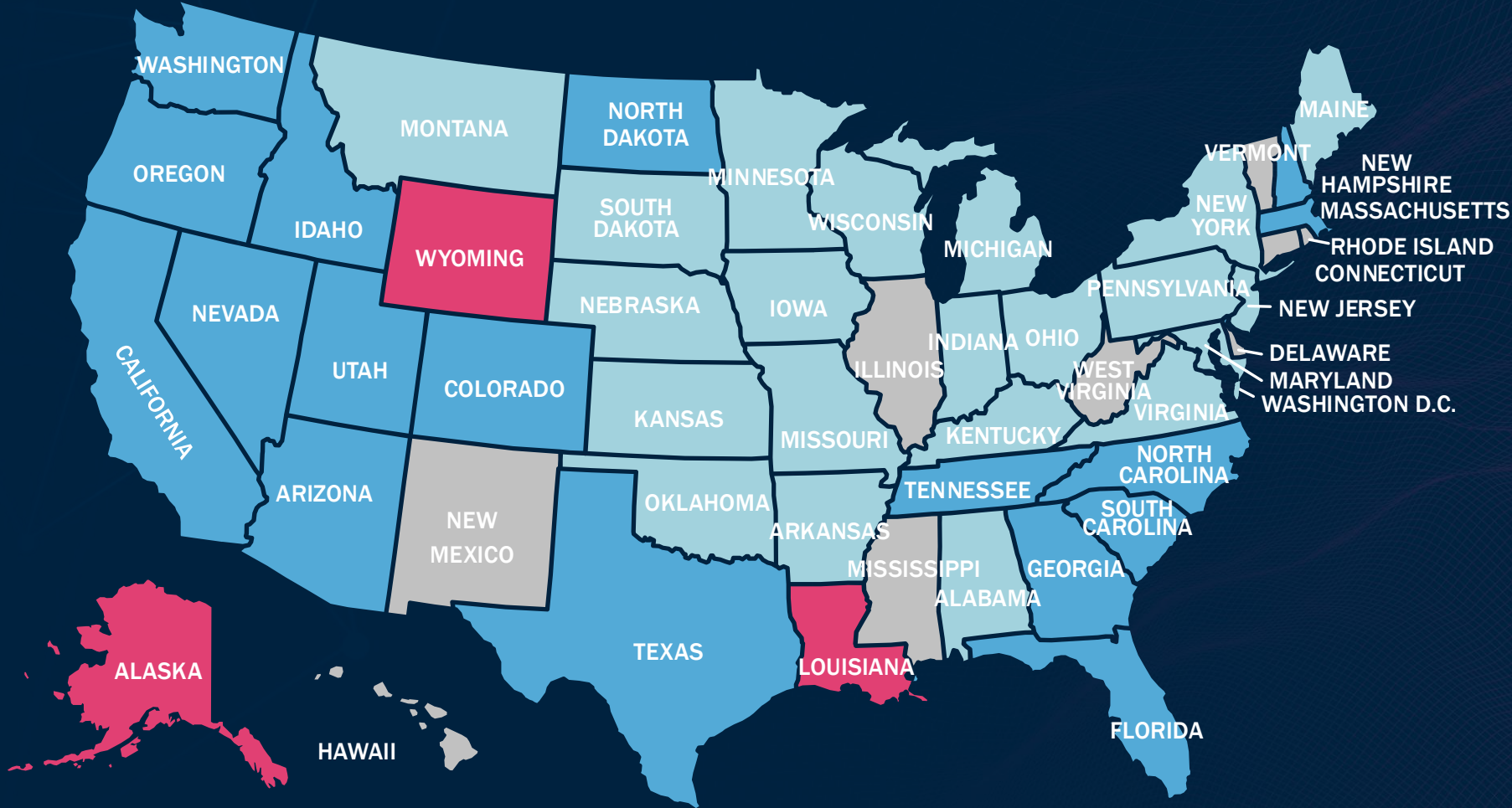
CHANGE IN AVERAGE ANNUAL WAGE

2011-2021



CHANGE IN AVERAGE ANNUAL GDP

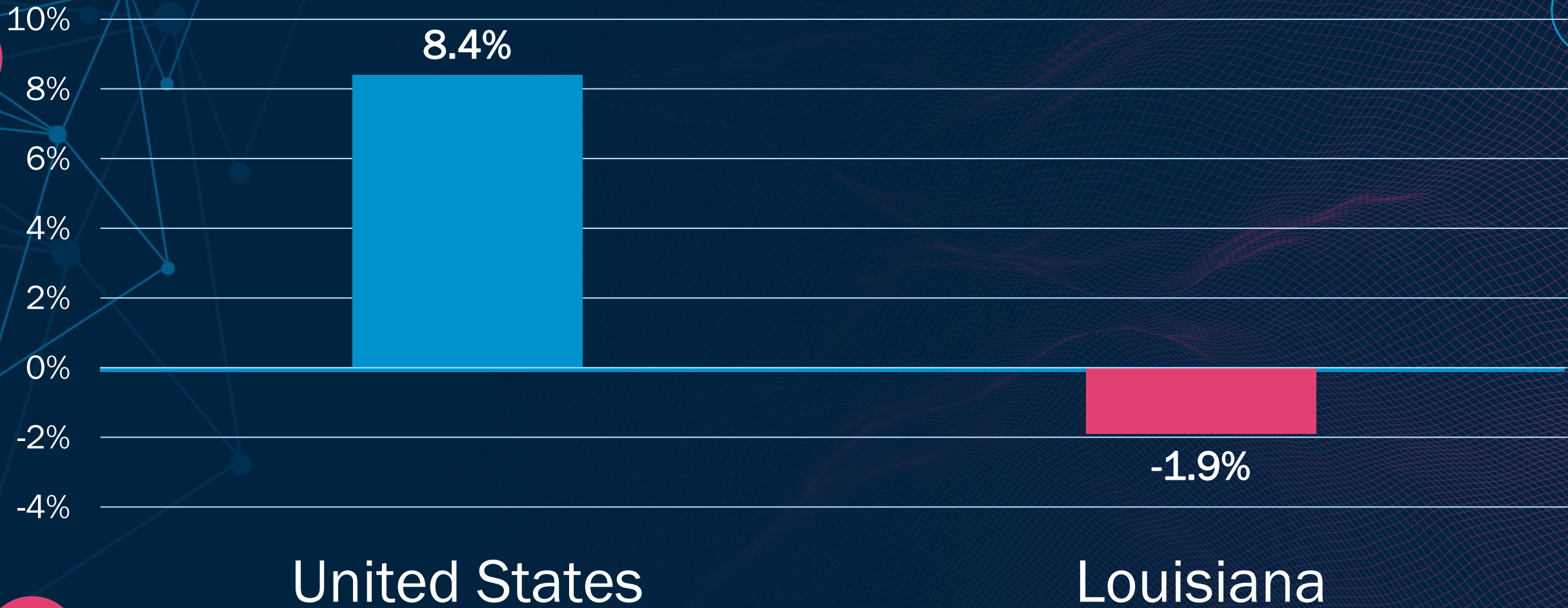
2011-2021



■ GROWTH OVER 20%
 ■ GROWTH 10% TO 20%
 ■ GROWTH UNDER 10%
 ■ DECLINING GDP

LOUISIANA COMPARED TO US AVERAGE

CHANGE IN GDP PER CAPITA 2016-2021



LOUISIANA TOP ECONOMIC FACTORS RANKED COMPARED TO ALL STATES



JOB GROWTH

WAGE GROWTH

GDP GROWTH

5 Year
2016 - 2021

48

46

48

10 Year
2011 - 2021

48

48

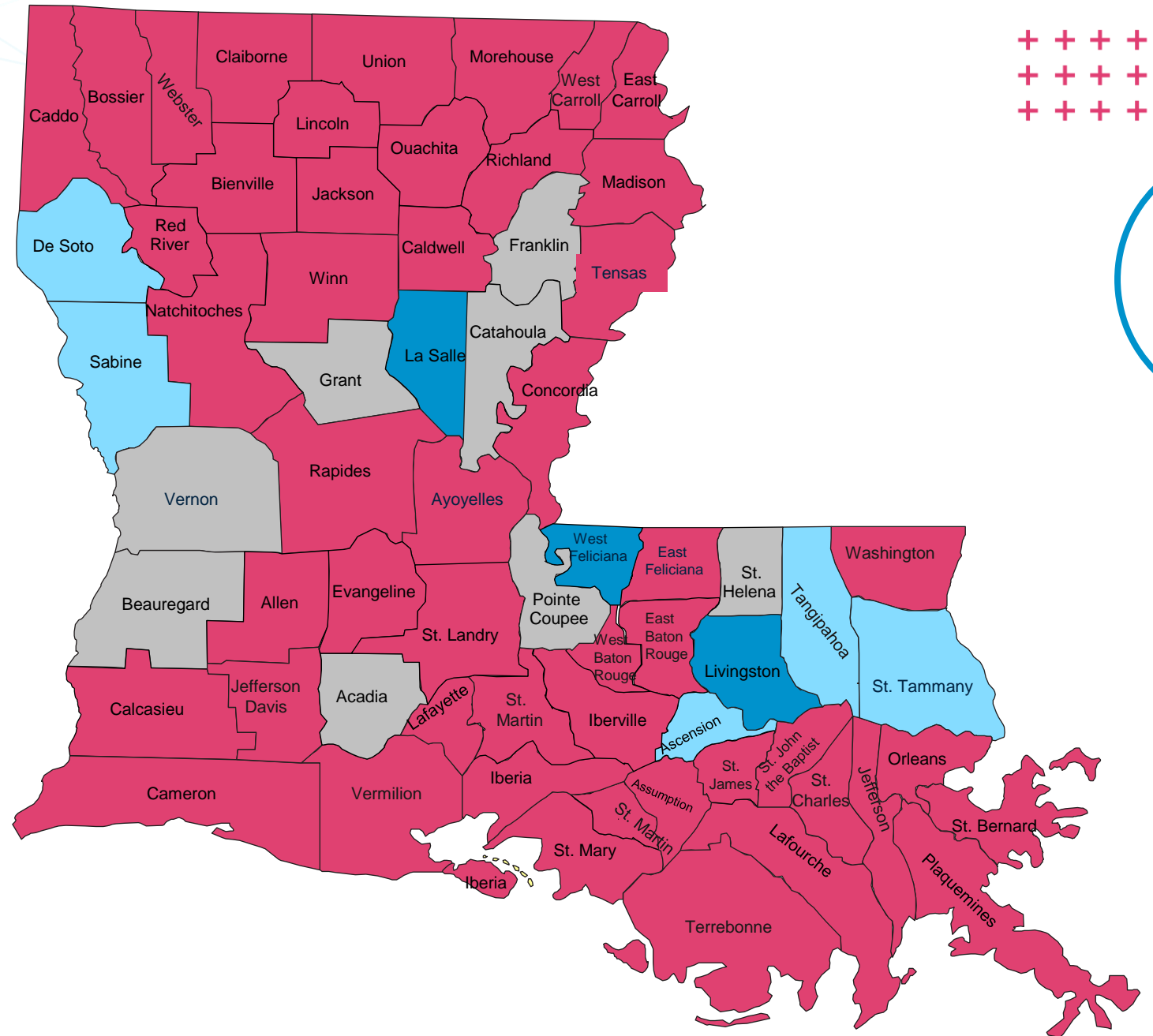
49

DC is included so that all rankings are of 51 "states"

FIVE YEAR JOB GROWTH 2016-2021

Louisiana average - 4.8%

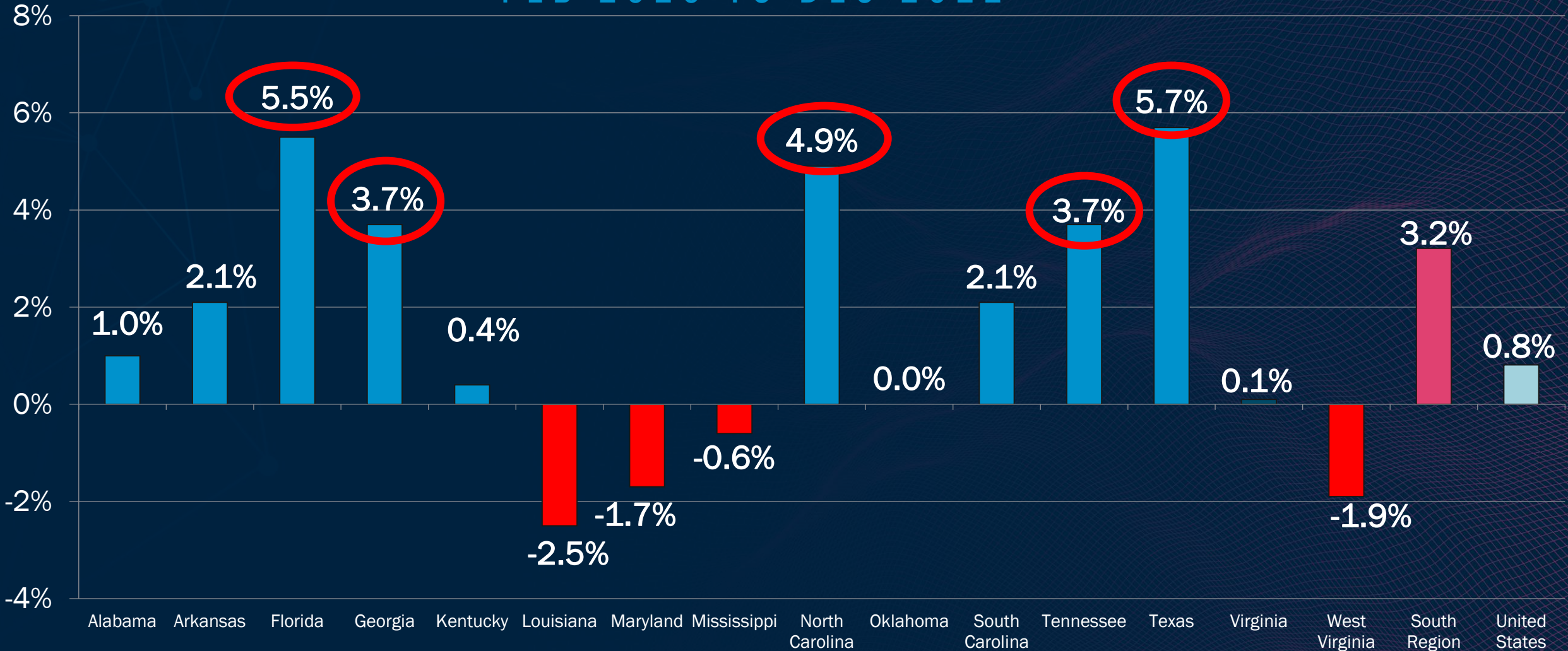
- GROWTH ABOVE 5%
- GROWTH BELOW 5%
- LOSING JOBS
- LESS THAN 100 JOB CHANGE



SOUTH REGION SINCE START OF COVID



TOTAL NON-FARM EMPLOYMENT PERCENTAGE CHANGE
FEB 2020 TO DEC 2022





DATA ANALYTICS DRIVE DECISIONS

STATE RANKINGS

BEST STATES FOR BUSINESS



	Forbes	CNBC	CEO Magazine	Business Facilities
1	North Carolina	North Carolina	Texas	Texas
2	Texas	Washington	Florida	Virginia
3	Utah	Virginia	Tennessee	Tennessee
4	Virginia	Colorado	North Carolina	Alabama
5	Florida	Texas	Indiana	North Carolina
6	Georgia	Tennessee	South Carolina	Indiana
7	Tennessee	Nebraska	Ohio	Georgia
8	Washington	Utah	Nevada	Florida
9	Colorado	Minnesota	Georgia	Utah
10	Idaho	Georgia	Arizona	Mississippi

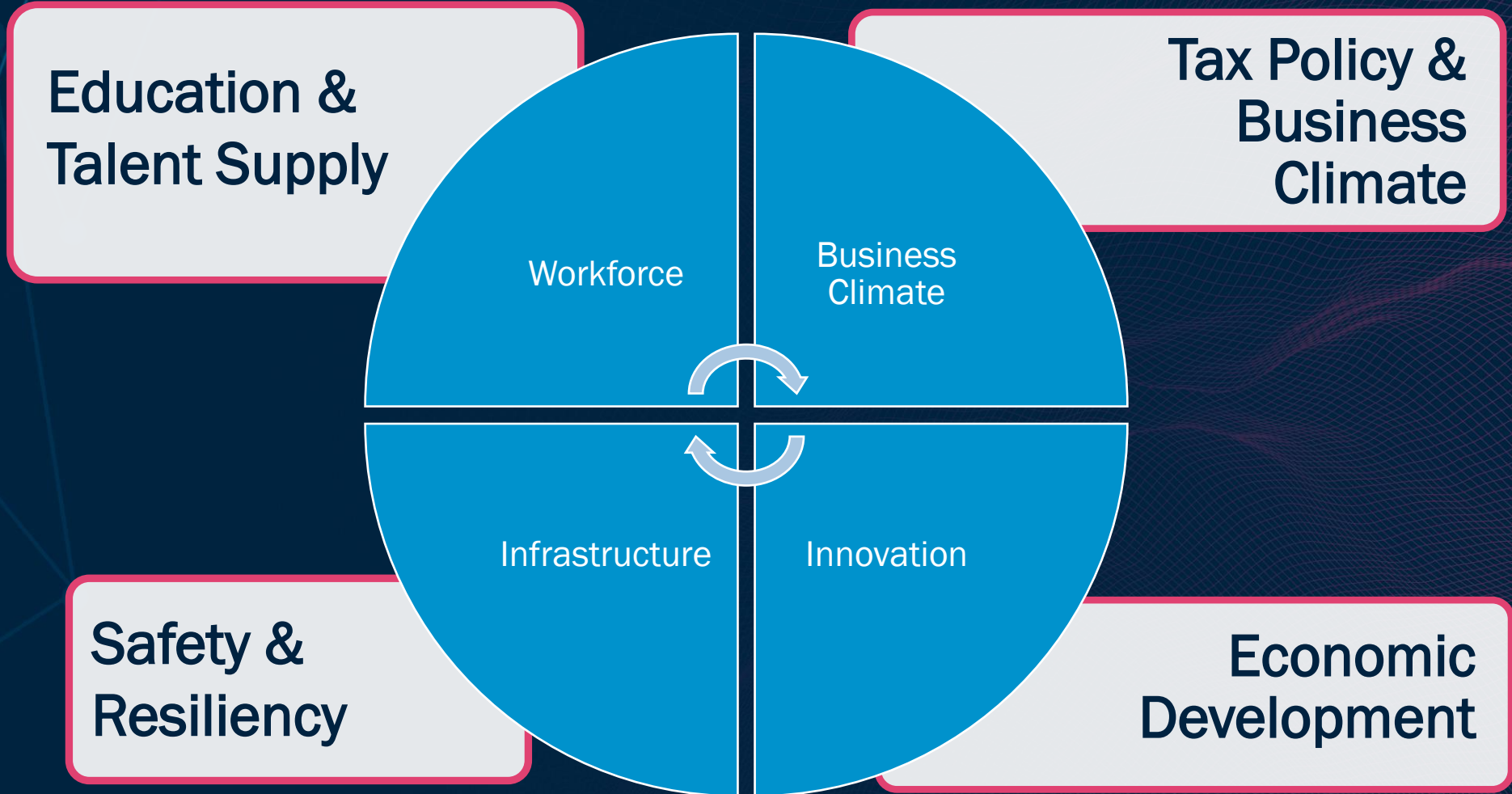
OTHER 3RD PARTY MULTIFACTOR GENERAL RANKINGS



- Forbes (2019) - 46th
 - **CNBC (2022) 48th**
 - Chief Exec (2022) - 26th
 - WalletHub- (2022) - 29th
- (Not in top 25 for Site Selection)

Workforce	42 nd
Infrastructure	48 th
Cost Doing Business	5 th
Economy	45 th
Tech-Innovation	45 th
Business Friendly	41 st
Education	35 th
Access to Capital	37 th
Cost of Living	16 th

COMPONENTS OF COMPETITIVENESS

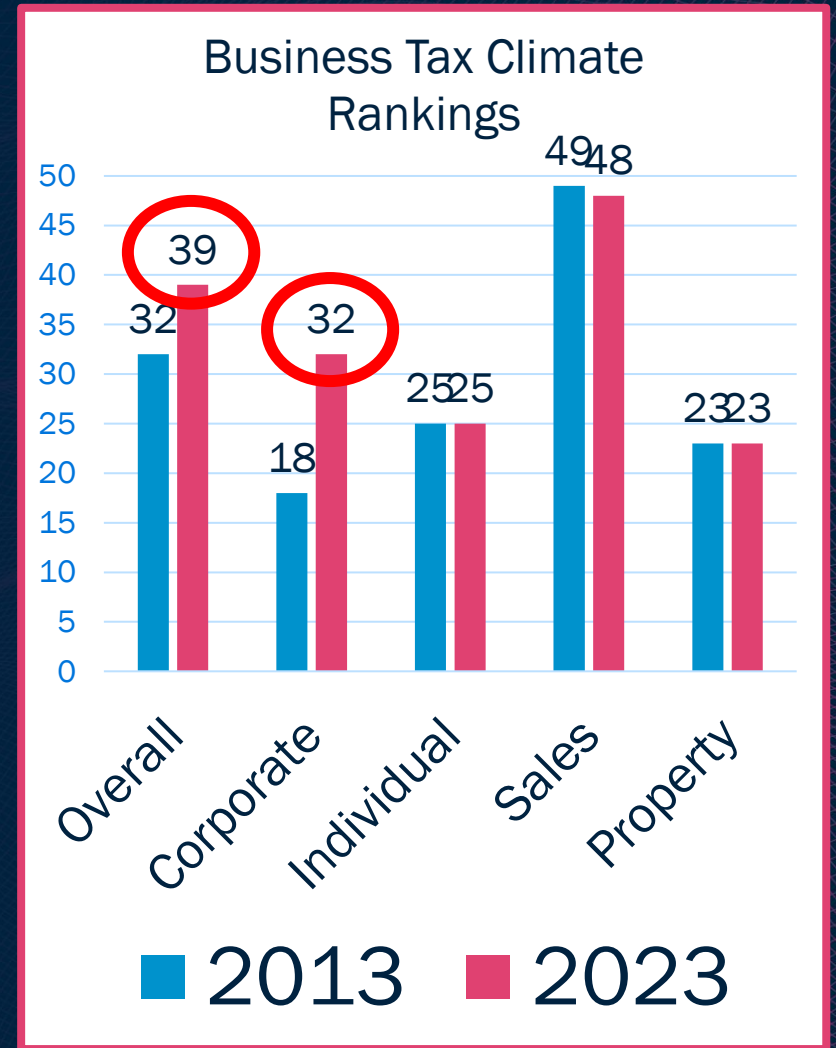
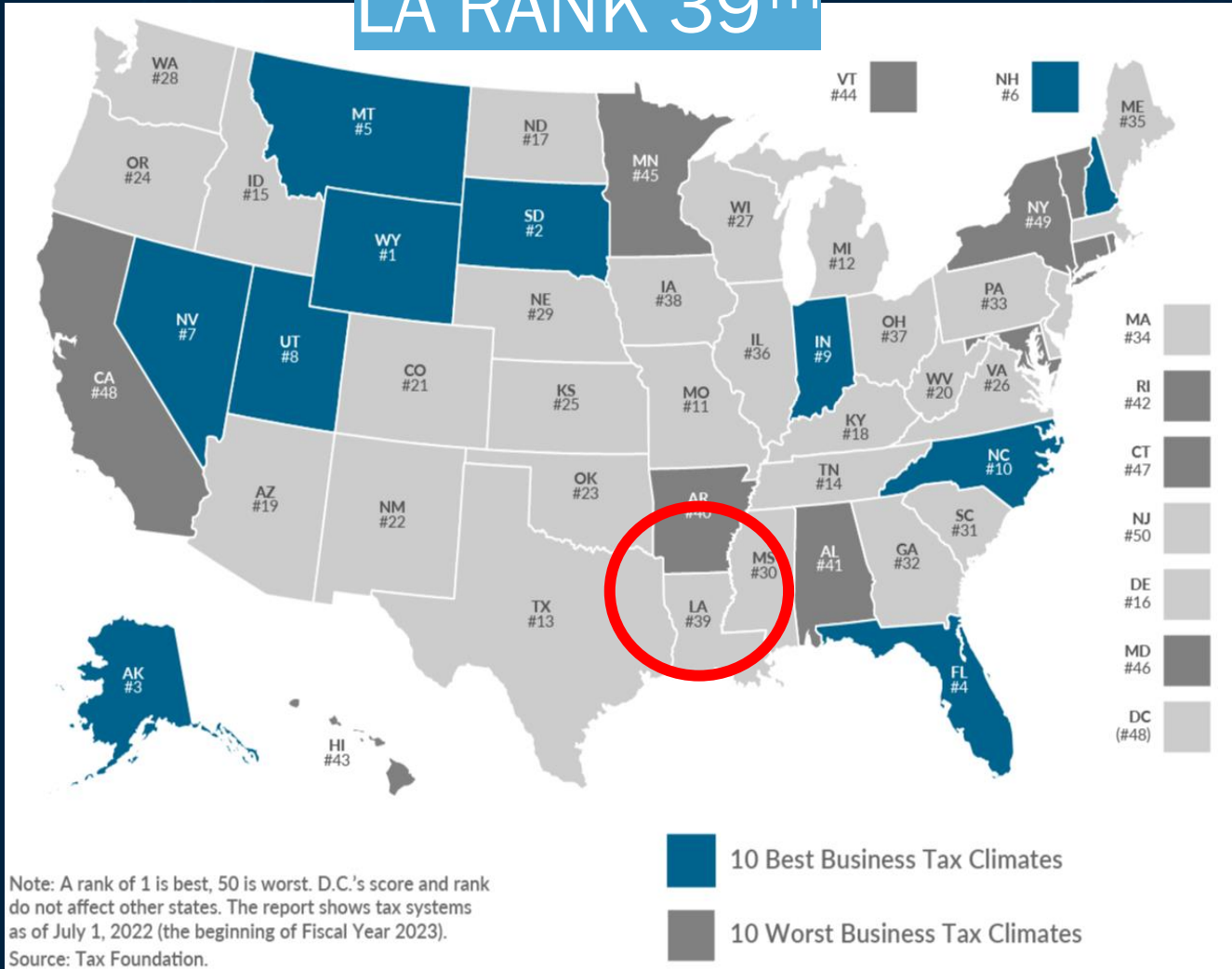


STATE RANKINGS

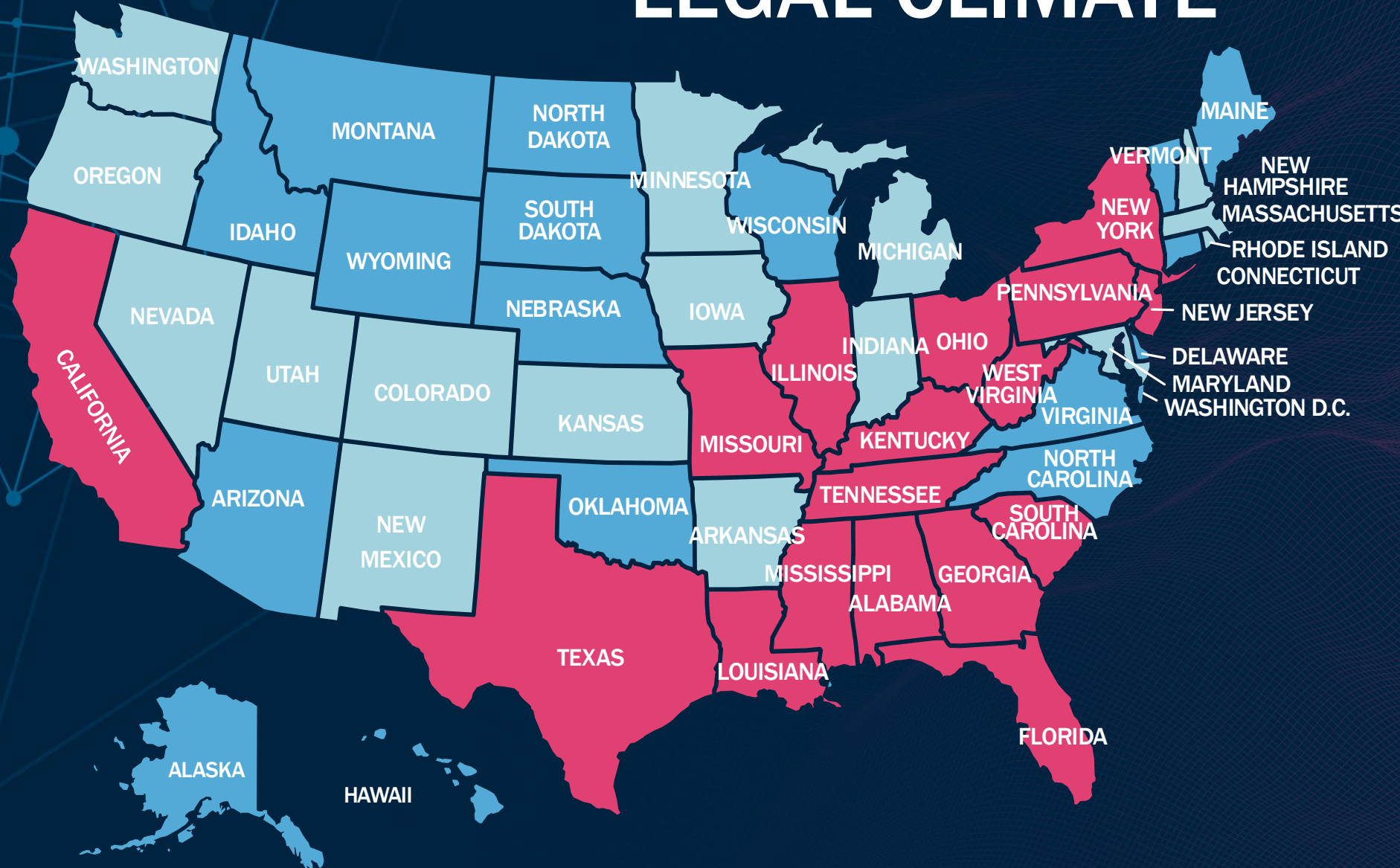
BUSINESS TAX CLIMATE



LA RANK 39TH



STATE RANKINGS LEGAL CLIMATE



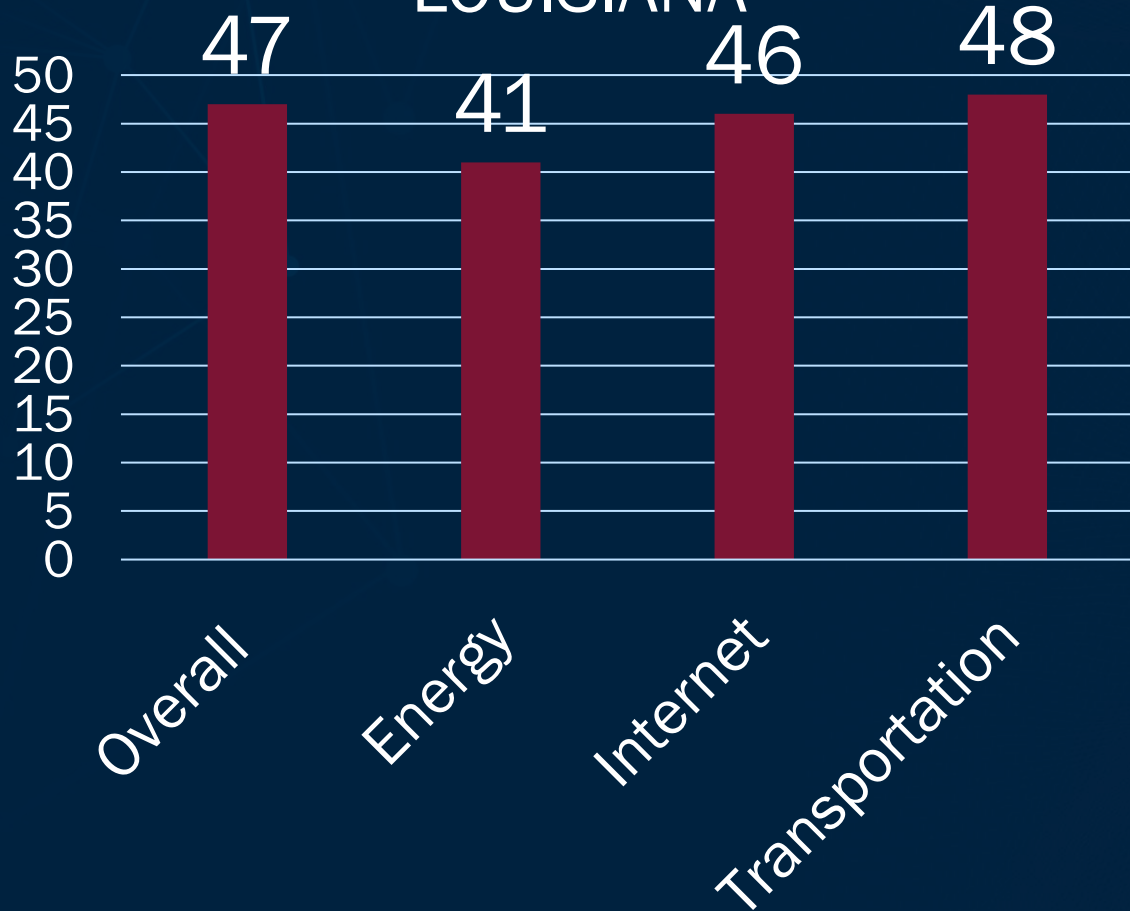
**LOUISIANA
RANKS 49TH**

- Lowest Third #34 - #50
- Middle Third #18 - #33
- Best Third #1 - #17

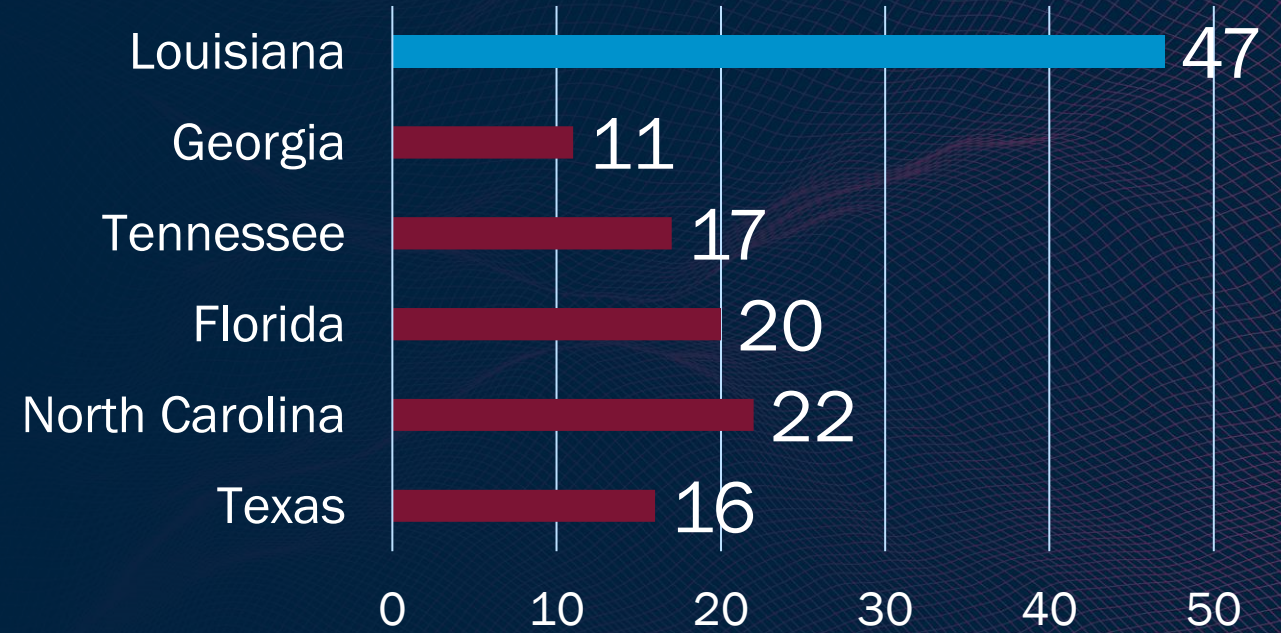
STATE RANKINGS INFRASTRUCTURE



LOUISIANA

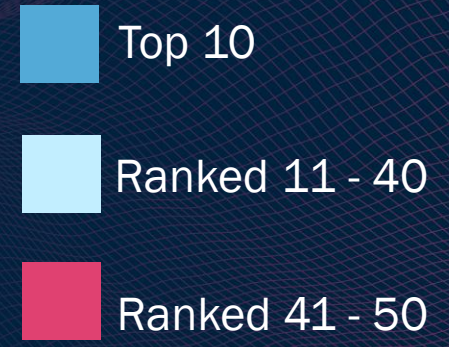
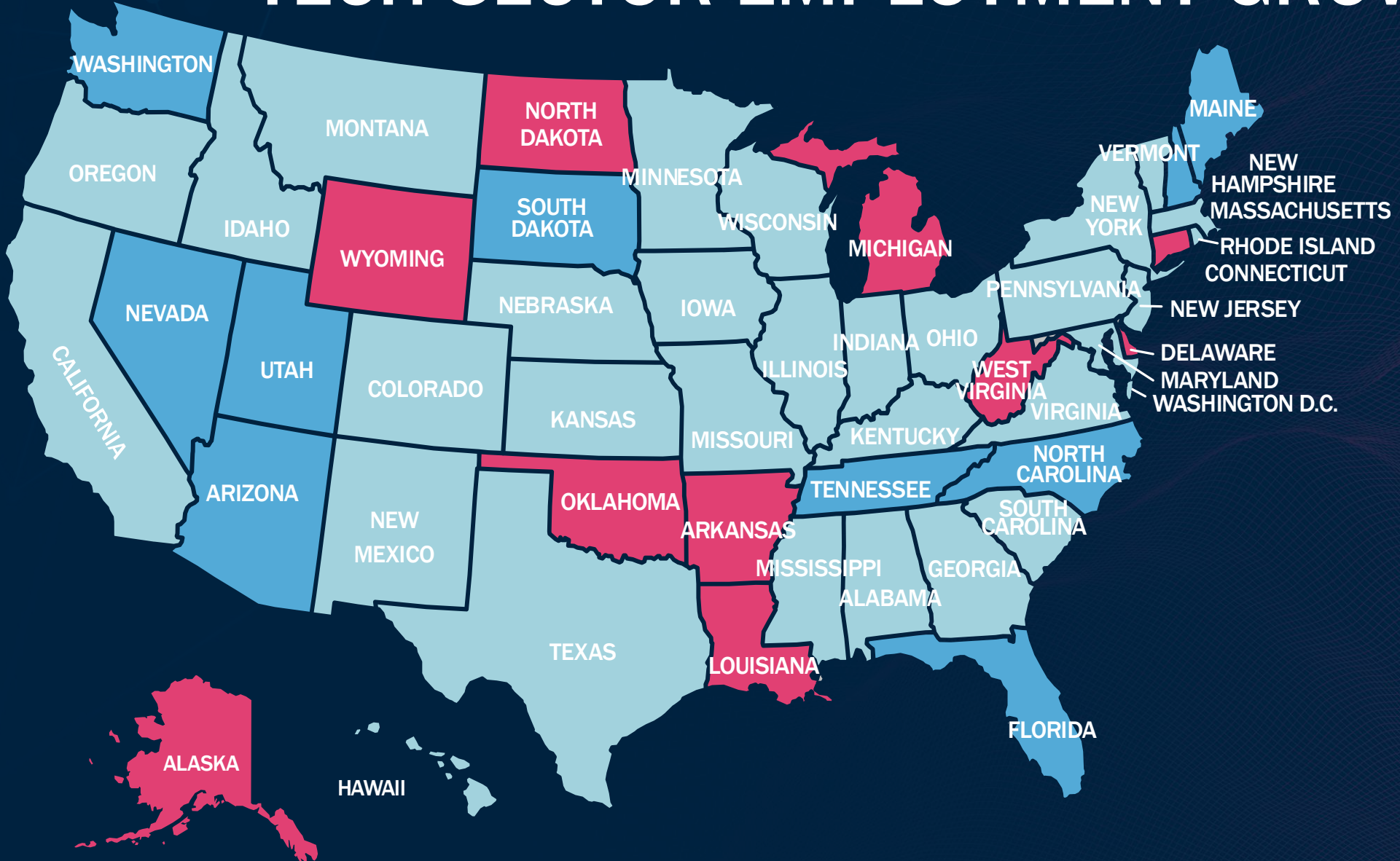


NEIGHBOR OVERALL RANKINGS

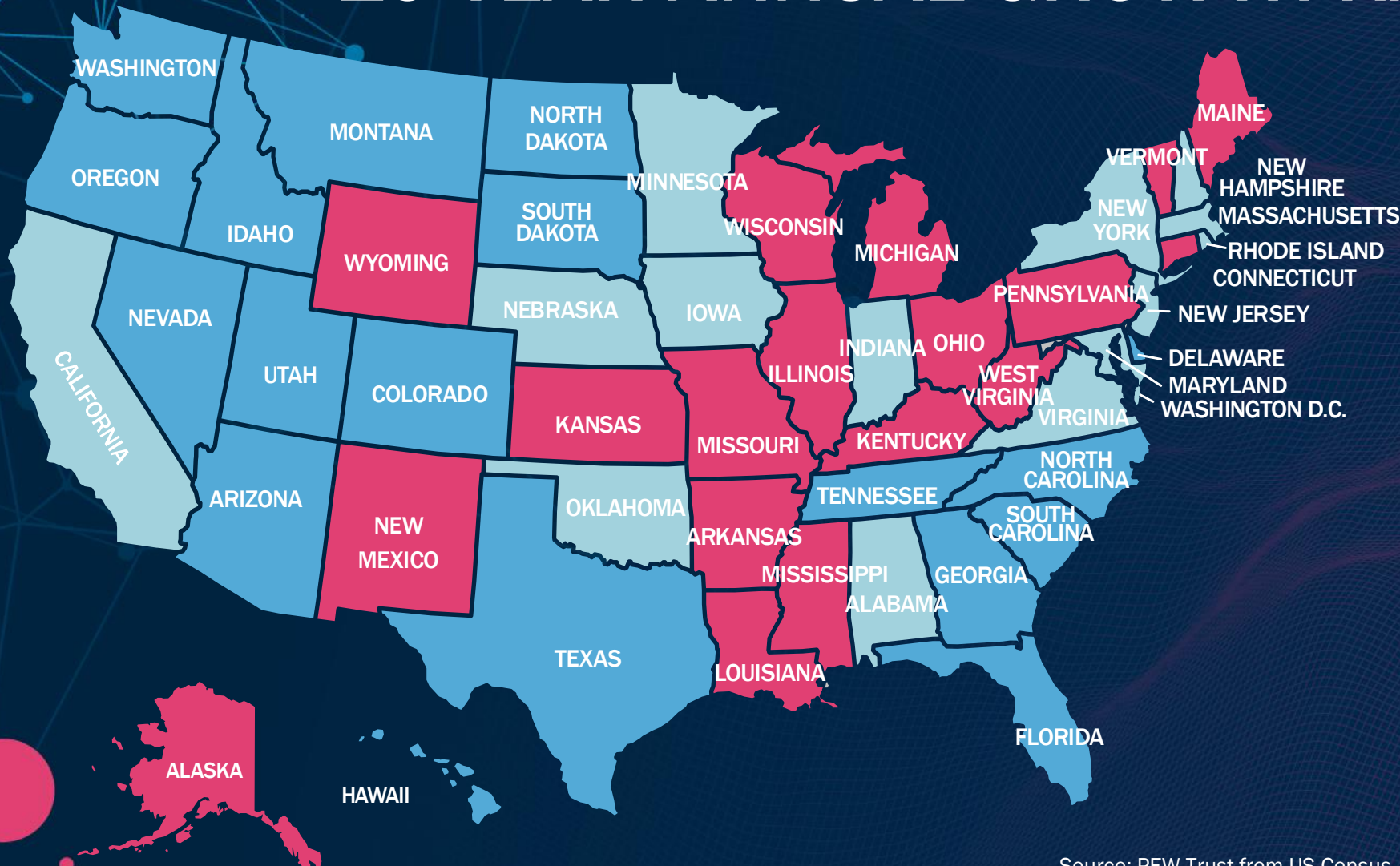


STATE RANKINGS 2016-2021

TECH SECTOR EMPLOYMENT GROWTH



STATE POPULATION 10 YEAR ANNUAL GROWTH RATE

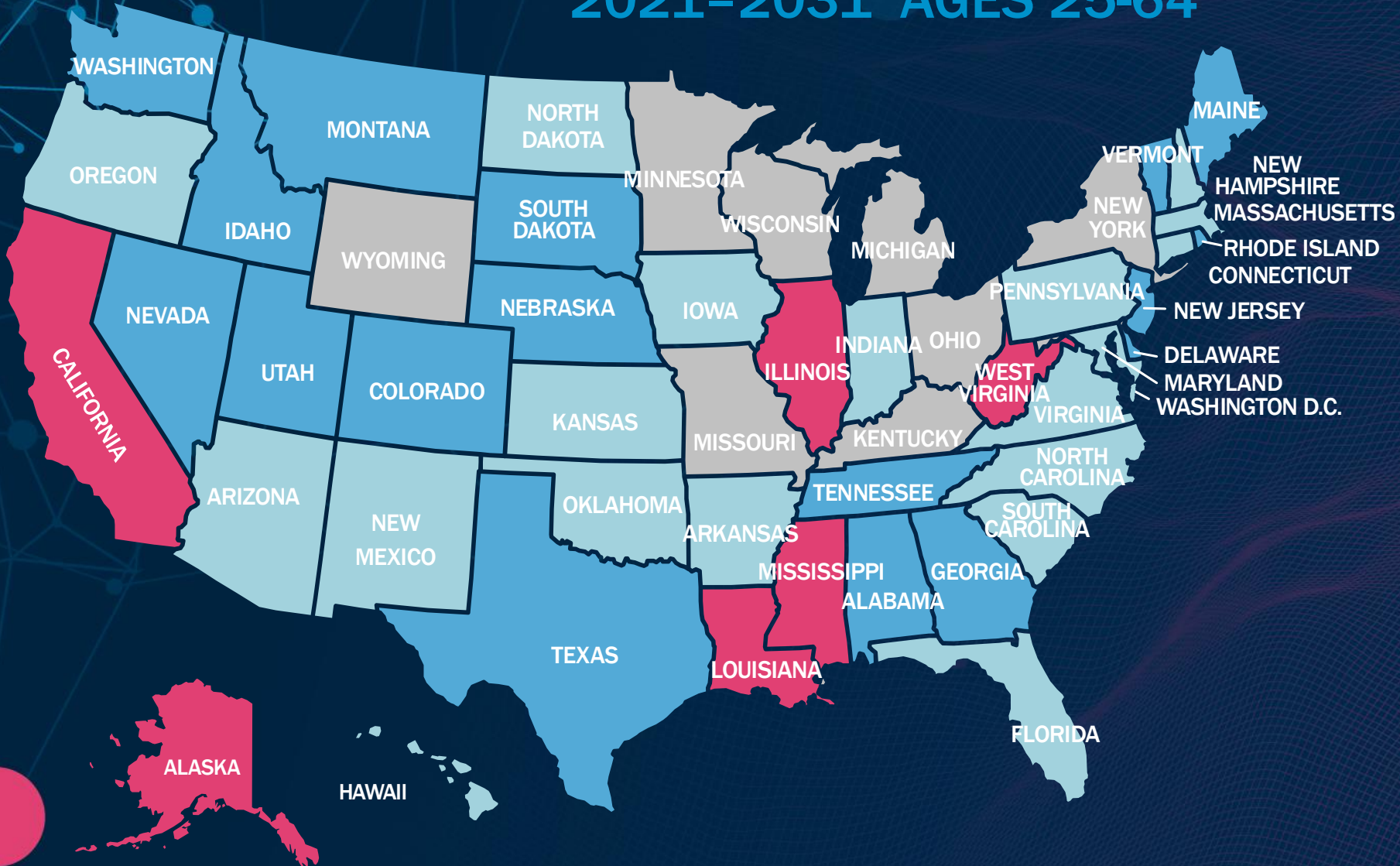


- Top Third – over 0.8%
- Middle Third – 0.4% to 0.8%
- Bottom Third – under 0.4%

Source: PEW Trust from US Census

PROJECTED POPULATION CHANGE

2021-2031 AGES 25-64

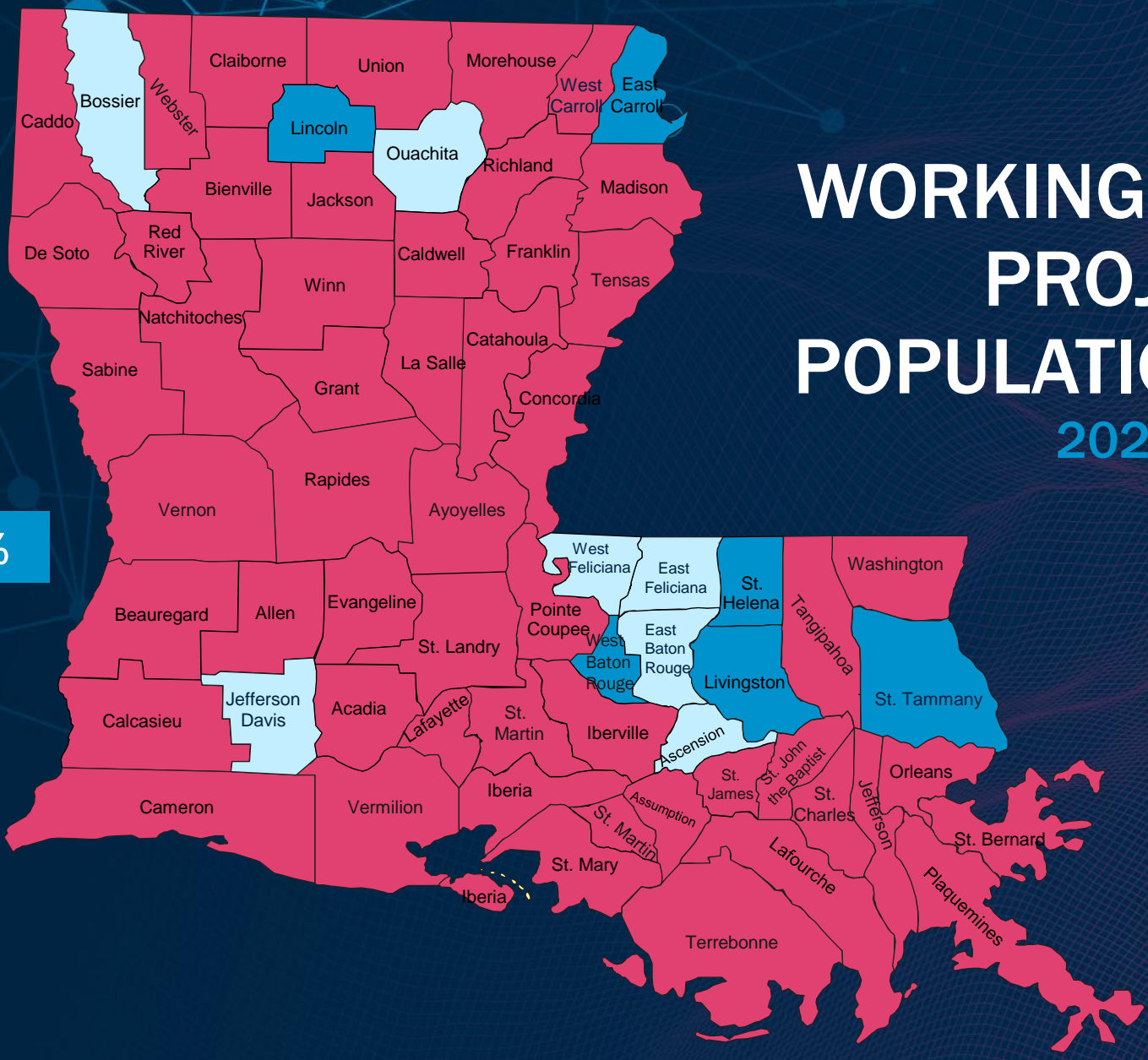


- Growth Over 5%
- Growth Under 5%
- Population Loss
- Under 1% Change

Sources: Lightcast 2023.1



WORKING AGE (25-64) PROJECTED POPULATION GROWTH 2021-2031

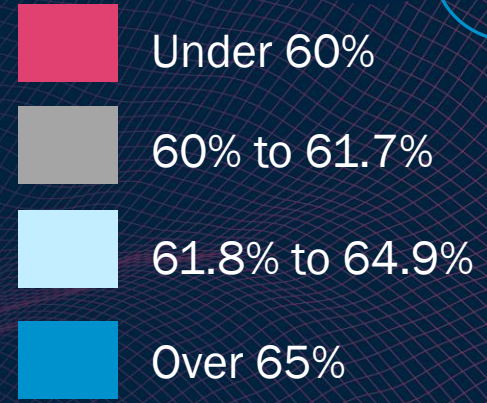
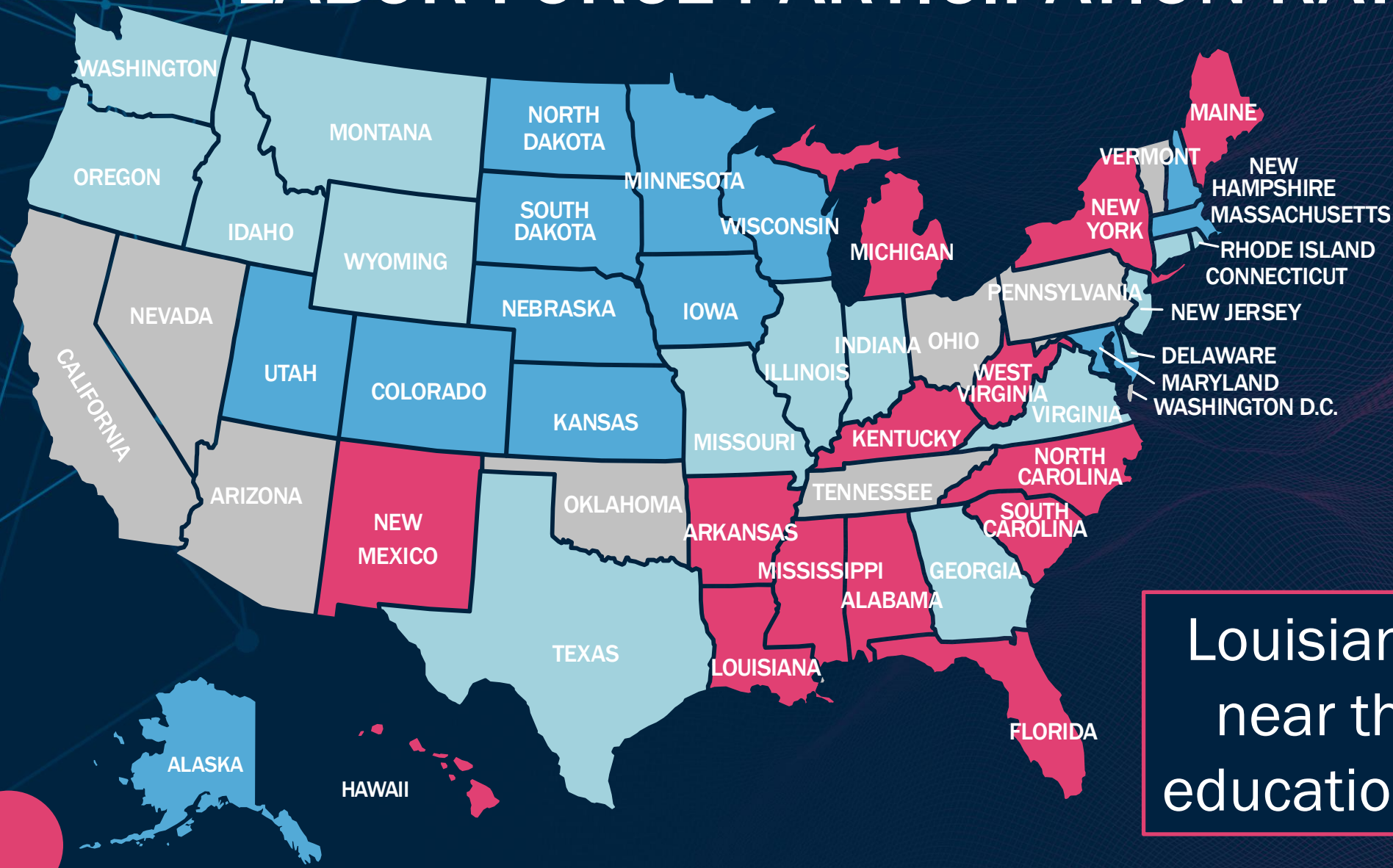


Louisiana average -6.3%

-  Growth above 10%
-  Growth below 10%
-  Losing population

LABOR FORCE PARTICIPATION RATE

US: 61.7%
LA: 57.8%



Louisiana also scores near the bottom for educational attainment



RISK

MAXIMUM

HIGH

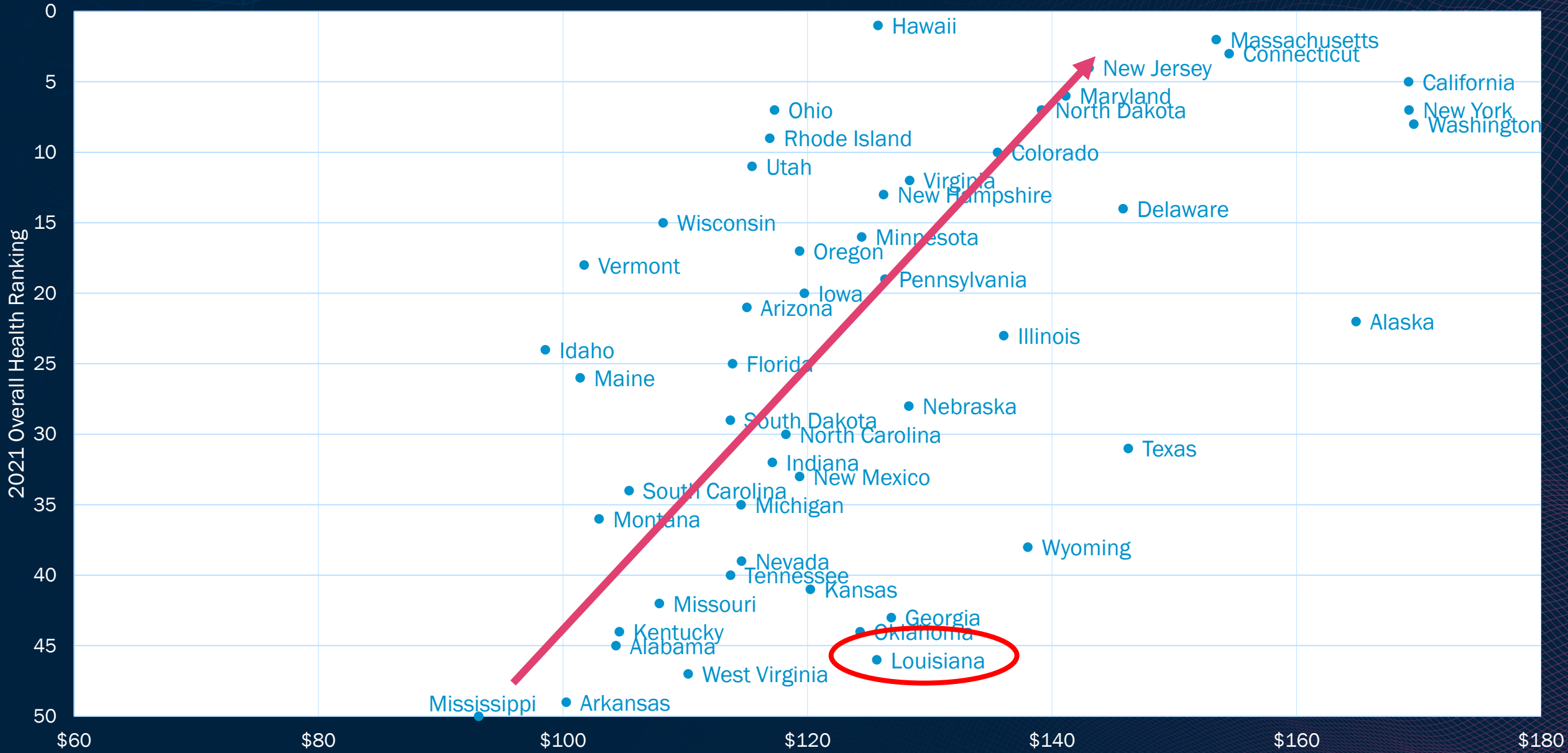
MEDIUM

LOW

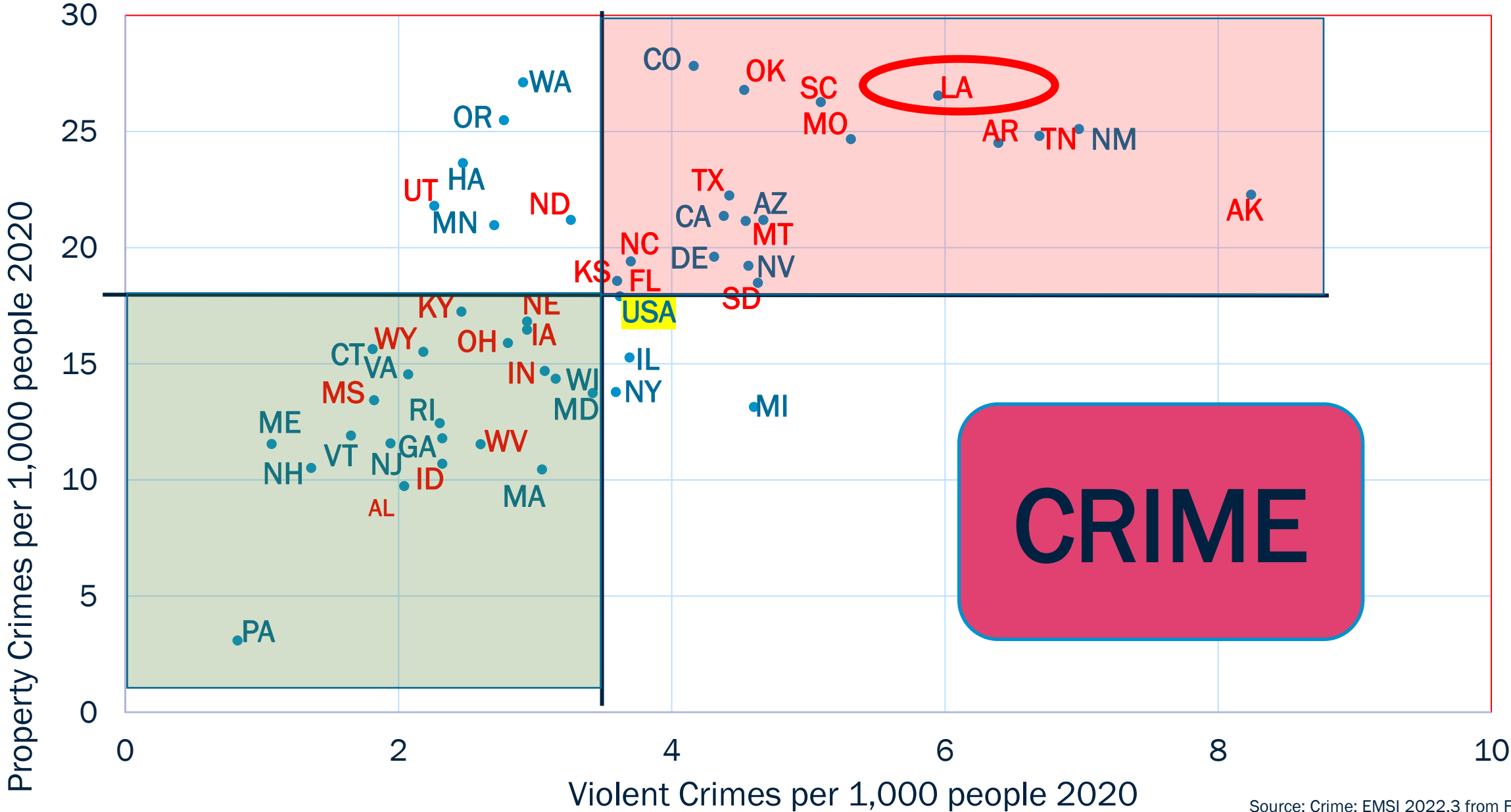
MINIMUM

- Health
- Crime
- Weather
- Finances
- Politics
- Civil unrest

HEALTH RANKING AND PRODUCTIVITY



VIOLENT CRIME VS PROPERTY CRIME



Source: Crime: EMSI 2022.3 from FBI



LA23

A ROAD MAP TO LOUISIANA'S FUTURE



EDUCATION & TALENT SUPPLY

- Early childhood education
- K-12 education
- Market-relevant workforce training
- Higher-ed partnerships
- Cradle-to-career pathways



ECONOMIC DEVELOPMENT

- Economic diversification
- Entrepreneurship
- Main Street Revitalization
- Emerging industries
- Incentives



TAX POLICY & BUSINESS CLIMATE

- Tax burden/structure
- Constitutional barriers to change
- Legal environment
- Regulatory environment



SAFETY & RESILIENCY

- Crime
- Infrastructure
- Healthy outcomes
- Insurance Affordability
- Coastal restoration



ALABAMA



- Alabama now ranks 13th best for workforce, up from 26th in 2012
- In technology and innovation: moving up from 35th place to 21st
- Alabama's key initiatives include:
 - Development of a unified workforce system, Alabama Works!
 - Instituting an apprenticeship tax credit for businesses in 2016.
 - Creating a network of regional Career Coaches. Alabama has about 100 Career Coaches based in the state's workforce centers and serving approximately 400 schools.



Missouri 2030:

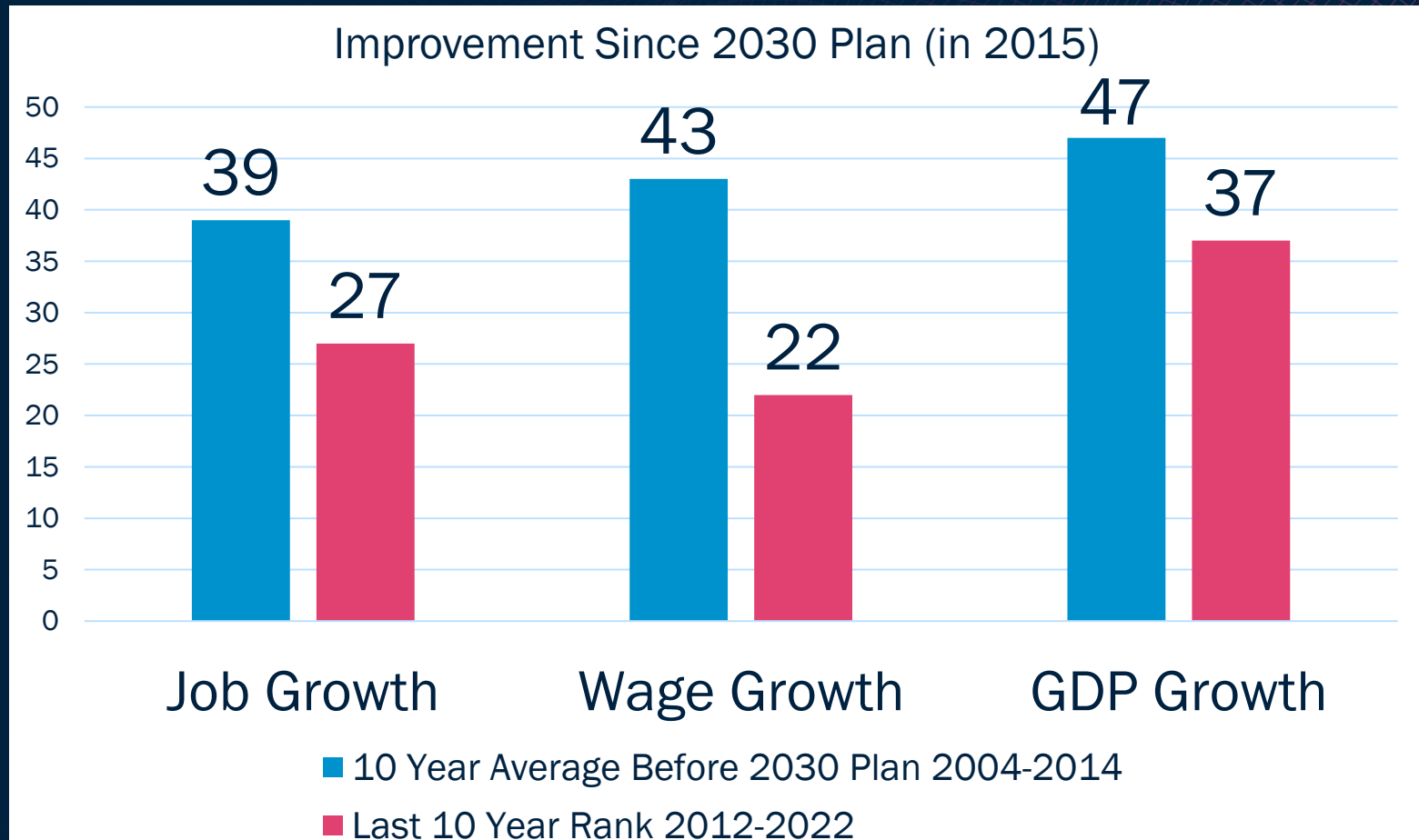
A plan to secure Missouri's economy and future.

A ACTION
C CHANGES
T THINGS



MISSOURI 2030

An Agenda to Lead



TENNESSEE

- Last 10 years Tennessee job growth ranked 14th best. The 10 years before 32nd
- Last 10 years GDP Growth ranked 13th best, up from 28th the ten years before
- CNBC in 2023 ranked 6th Overall Best State for Business, up from 17th in 2015
- 2015 CNBC Best State for Business “economy” ranking 31st best. In 2023 #2.

KENTUCKY



- In CNBC's annual Top States for Business rankings, Kentucky has risen in overall competitiveness from 36th in 2012 to 26th in the 2022 report.
- Over the last 10 years, the biggest jump has come in workforce, with the state's rank rising from 29th to 17th.
- Kentucky's Tax Foundation's national assessment of taxation now 18th, much better than its rank of 37th five years ago.

VERMONT



- Population of less than 650,000, a low growth rate, and one of America's oldest median ages.
- In the last 10 years, Vermont moved up eight spots in CNBC's Top States for Business lists, from 39th to 31st.
- The biggest jumps have come in infrastructure, where Vermont rose by 26 spots, and business friendliness where it gained 11 places in the rankings. Business friendliness focuses on a state's regulatory and legal climate.



MORNING PROGRAM:
LOUISIANA'S TALENT PIPELINE

STEPHEN MORET
PRESIDENT & CEO
STRADA EDUCATION NETWORK



EDUCATION
NETWORK



LABI and Strada: Building a Partnership to Strengthen Workforce Competitiveness and Pathways to Opportunity in Louisiana

March 2023

WHAT IS STRADA EDUCATION NETWORK?



- Strada is a nonprofit social impact organization focused on strengthening linkages between postsecondary education/training and the labor market
- We are funded primarily by a \$2 billion endowment that came from the largest former student loan guarantor organization in the country (USA Funds)
- Strada advances its mission through grantmaking, groundbreaking research, and investments in E2E startups, as well as through subsidiary nonprofits:



- We also own Whiteboard Advisors, a leading social impact consulting firm



EXAMPLES OF STRADA'S PAST GRANTS & INITIATIVES RELATED TO EMPLOYERS



U.S. Chamber of Commerce Foundation

TPM TALENT PIPELINE MANAGEMENT

Kentucky Chamber
WORKFORCE
CENTER



AFA APPRENTICESHIPS FOR AMERICA

Opportunity @ Work

The New Geography of Skills

Regional Skill Shapes for the New Learning Ecosystem

December 2019

Strada INSTITUTE FOR THE FUTURE OF WORK | Emsi

The Permanent Detour
Underemployment's Long-Term Effects on the Careers of College Grads

Strada Institute | burningglass

THE POWER OF WORK-BASED LEARNING

Nichola Torrey-Sabes, Ph.D.
Elaine W. Leigh, Ph.D.
Dave Clayton, Ph.D.

Strada EDUCATION NETWORK

ECONOMIC & WORKFORCE DEVELOPMENT, HIGHER EDUCATION & THE CHAMBER WORLD



- Pre-Strada roles (examples)
 - CEO of the Virginia Economic Development Partnership (VEDP)
 - Secretary of Louisiana Economic Development (LED)
 - CEO of the Baton Rouge Area Chamber (a chamber / regional EDO)
- Created two of the top-three-ranked state workforce development programs in the U.S.
 - LED FastStart
 - Virginia Talent Accelerator Program
- Designed and led implementation of Virginia's \$1.1-billion Tech Talent Investment Program, including creation of the Virginia Tech Innovation Campus
- Created the Virginia Office of Education Economics (VOEE), which produces E2E market insights to strengthen alignment for employers, regions, etc.
- Led Virginia's successful, talent-driven bid for Amazon HQ2
- Served on the Harvard University Skills and Employability Task Force



A hand in a brown sleeve holds a large green puzzle piece. The piece has a circular hole at the top and a tab at the bottom. The text on the piece is in black, bold, sans-serif font.

10M+
JOB
OPENINGS

**THERE IS A
MISMATCH OF
SKILLS BETWEEN
EMPLOYERS AND
JOB SEEKERS**

A hand in a teal sleeve holds a large blue puzzle piece. The piece has a tab on the left and a hole on the right. The text on the piece is in red, bold, sans-serif font.

6M
JOB
SEEKERS





~30 MILLION

ADULTS EMPLOYED FULL-TIME EARN LESS THAN

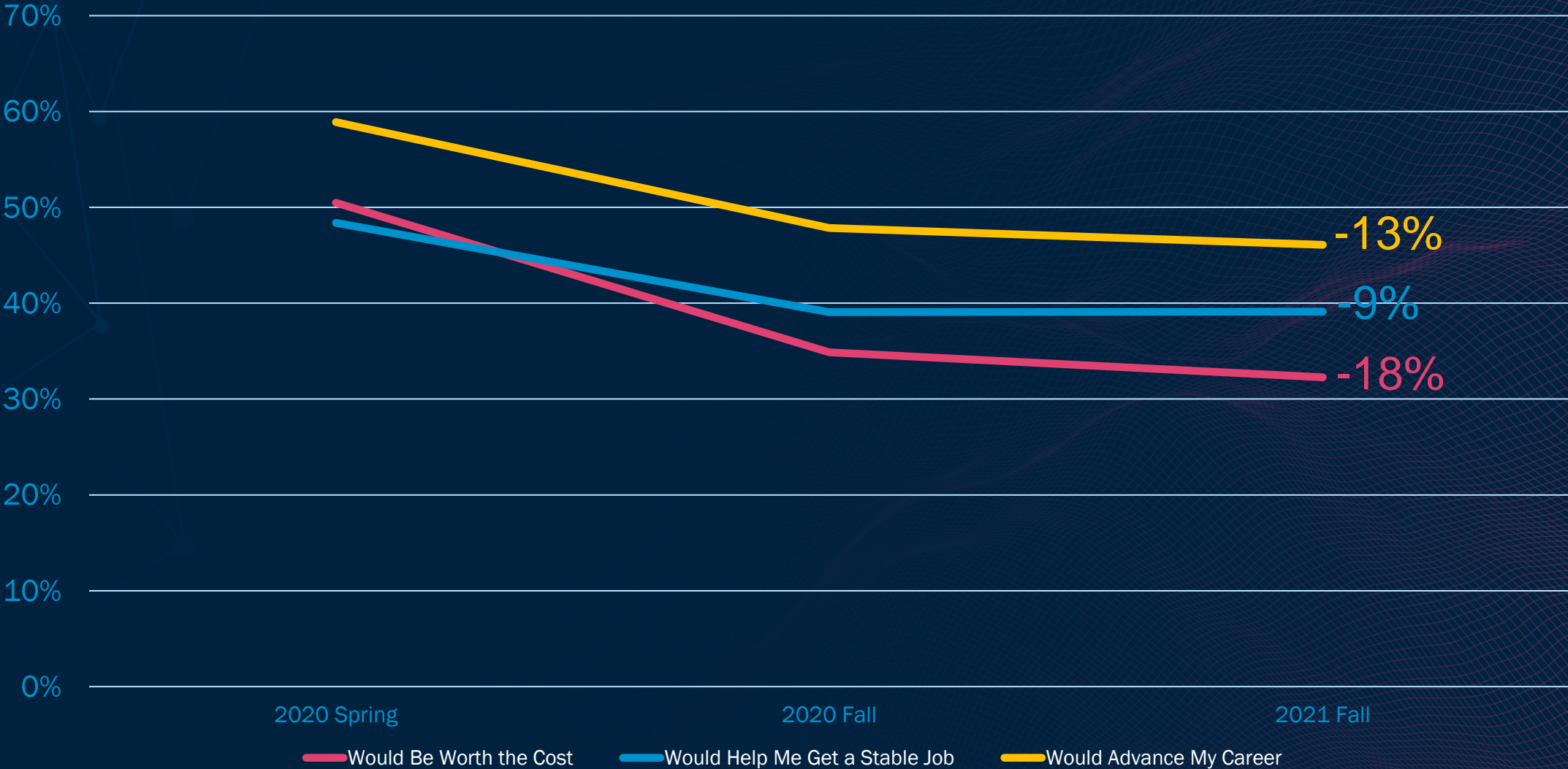
\$35K/YEAR



~10 MILLION

**COLLEGE GRADUATES (BA+) EMPLOYED FULL-TIME
WORK IN JOBS THAT DON'T REQUIRE A DEGREE**

NATIONAL DECLINES IN PERCEIVED BENEFITS OF POSTSECONDARY EDUCATION



Source: Strada Education Survey 2020-2021. Base: Adults ages 18-65 with an associate degree or less and not currently enrolled. n=varies from 1,054 to 4,005.



EDUCATION
NETWORK®

Our North Star is to collaborate with learners, educators, employers, and policymakers across the U.S. to bring to life a postsecondary education and training ecosystem that provides equitable pathways to opportunity.



FIVE STRATEGIC PILLARS TO ACHIEVE OUR NORTH STAR VISION



Our North Star is to collaborate with learners, educators, employers, and policymakers across the U.S. to bring to life a postsecondary education and training ecosystem that provides equitable pathways to opportunity

1 Clear outcomes

← Strada will focus on increasing equitable access to practices that work: →

2 Quality coaching

3 Affordable PSE/training

4 Work-based learning

5 Employer alignment

LABI and Strada:

Building a Partnership to Strengthen Workforce
Competitiveness and Pathways to Opportunity

LA23

With a data-driven, comprehensive approach, LA23 has the potential to lay the groundwork for business-led progress in LA



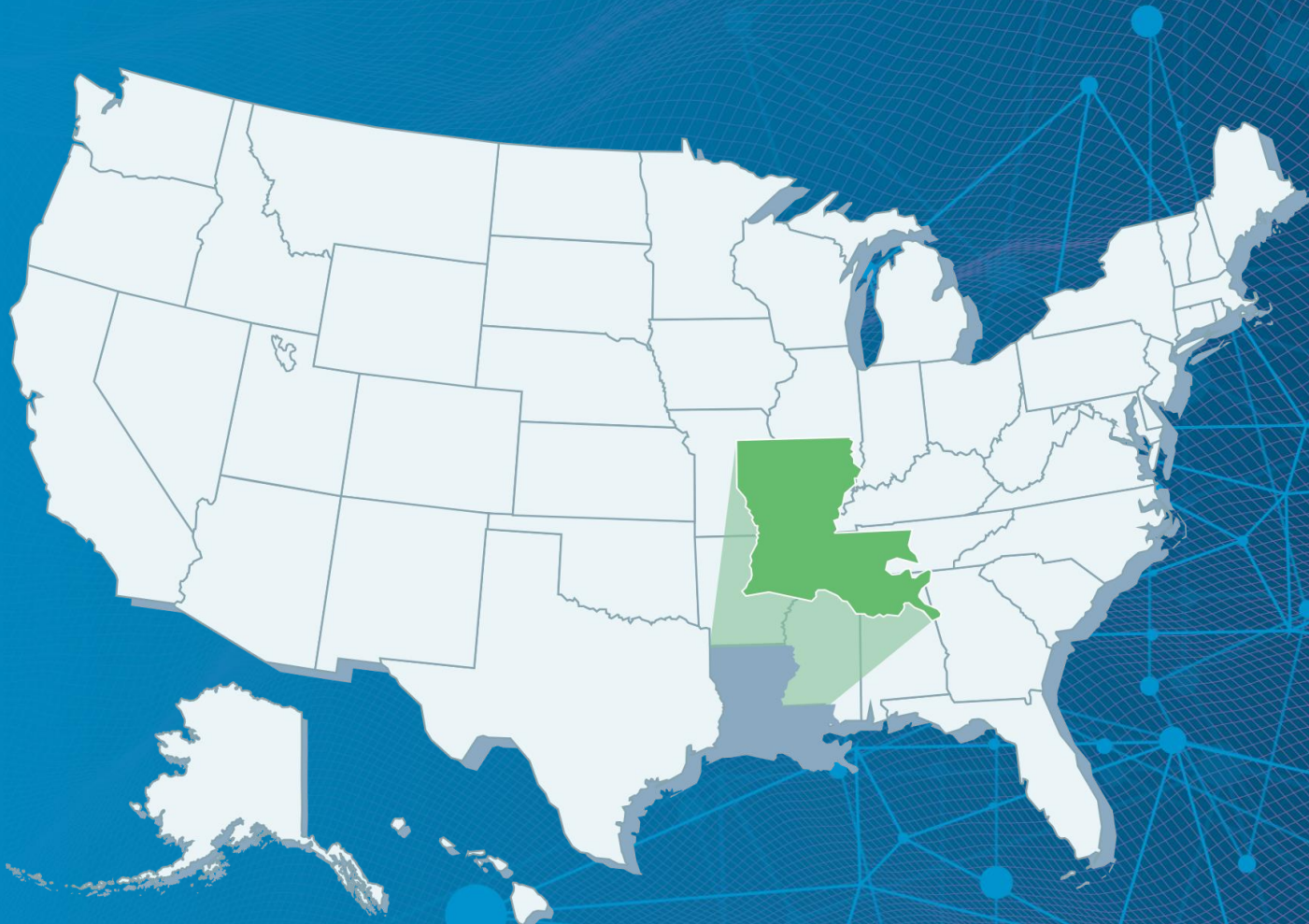
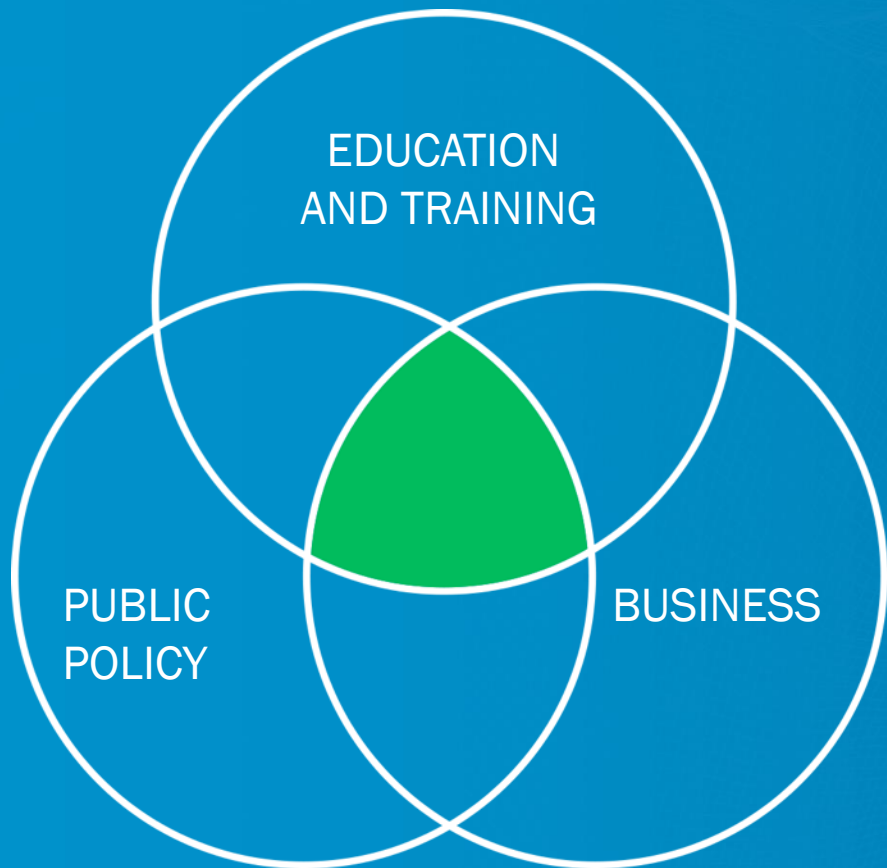
LA 23 FOCUS

- LA23 focuses on several areas essential to economic competitiveness
 - EDUCATION AND TALENT SUPPLY (*OUR FOCUS AT STRADA*)
 - ECONOMIC DEVELOPMENT
 - TAX POLICY AND BUSINESS CLIMATE
 - SAFETY AND RESILIENCE
- Business leaders can build support for strategic initiatives and ensure sustained focus across multiple gubernatorial administrations
- A similar effort in Virginia helped it get back to no. 1 in biz climate rankings and to be ranked the top state for business by CNBC two years in a row

++++
++++
++++

CULTIVATING PARTNERSHIPS WITH STATE CHAMBERS, HIGHER ED LEADERS, AND OTHERS TO DRIVE PROGRESS ON TALENT PIPELINES

++++
++++
++++



In 2023-2024, Strada will be launching new capabilities and initiatives that may be valuable to LABI's efforts to strengthen workforce competitiveness



State and federal policy development and advocacy teams

National benchmark project

Multimillion-dollar, actionable E2E research program (BGI, Harvard, Stanford, etc.)

Targeted funding for pilot / demonstration projects

Launch of nonprofit focused on employment outcomes data for non-degree credentials

Supplemental matching funds for LABI workforce initiative(s)

EXAMPLES STATE/FEDERAL PUBLIC POLICY INITIATIVES WE COULD ADVANCE TOGETHER



Performance-based talent pipeline initiatives (e.g., CS, health, skilled trades)

Expansion of Pell grants for short-term, high-demand programs

Creation of state office of education economics (e.g., real-time supply / demand insights)

Enhancement / modernization of UI wage records

Funding for intermediaries to scale apprenticeships and/or internships

Standards and/or tools for career coaching/guidance

LOUISIANA FACES SEVERAL UNIQUE CHALLENGES

ESPECIALLY VS. TX

- Most of each state's **future** employment growth will be driven by its **current** industry base, and Louisiana's economy largely is concentrated in sectors with slow long-term job growth
- Over the last 20 years, **talent has risen to the top of site-selection criteria**, and Louisiana generally doesn't fare well in workforce competitiveness (other than for custom training)
- Despite recent funding jump, combo of (still) low state funding and roughly average tuition/fees hampers excellence and **limits the ability of higher ed to respond to regional talent demands**
- Metro areas, especially large, affordable ones (like in TX), offer a robust **value proposition**: large, diverse talent pools; a wide array of amenities; and excellent nonstop flight service
- LA has a paradoxical combo of **relatively high state/local tax rates and generally low state/local tax burdens**, plus a complex sales tax system, that hurts the state's attractiveness

For Louisiana to become a leading state in the South for growth and opportunity, it would need a big push – a concerted, multi-decade effort of public and private sector leaders committed to building a modern, healthy, diversified economy



LA HAS SEVERAL POSITIVES TO BUILD ON IN TALENT DEVELOPMENT

- **M.J. Foster Promise Program** – fills an affordability hole that has existed for decades – financial aid aimed at adults – while also helping produce stronger talent pipelines for IT, manufacturing, health, and construction
- **TOPS Tech** – provides a parallel to TOPS to assist recent high school graduates pursuing technical programs at postsecondary institutions
- **LED FastStart** – one of America’s premier custom training programs
- National leadership (and amazing progress) on **FAFSA completion**
- **Healthcare workforce fund (\$25M)** and **broadband workforce training fund (\$10M)** to address targeted workforce needs in Louisiana
- Some promising **employer-led talent pipeline initiatives** are underway

LA CAN BECOME ONE OF THE FIRST STATES TO ADOPT NEXT-GENERATION POLICIES TO STRENGTHEN WORKFORCE COMPETITIVENESS AND PATHWAYS TO OPPORTUNITY



- **Clear Outcomes:** Ensure that employment outcomes (e.g., earnings and occupation) and ROI data are clear and accessible for non-degree credentials
- **Quality Coaching:** Ensure broad access to quality career coaching and guidance in K12 and higher education (e.g., lower student/counselor ratios)
- **Affordability:** Expand access to dual enrollment opportunities to give high schools a running start into postsecondary education
- **Work-Based Learning:** Become one of the first states to ensure that every public college student has at least one paid internship prior to completion
- **Employer Alignment:** Create a state office of education economics to publish supply/demand gaps; then provide performance-based funding to close them

PRIMARY AND SECONDARY CRITERIA FOR COMPETITIVE SITE-SELECTION PROJECTS



Primary selection factors*

- **Quality, availability, and cost of target workforce**
- Proximity to key customers and suppliers
- Availability of target real-estate solution (size, cost, control, water/sewer/rail connectivity, etc.)
- Tax and regulatory climate
- Transportation infrastructure
- Operating costs (electricity, insurance, workers comp, etc.)
- Quality-of-life factors (public K-12 options, regional amenities, crime rate, etc.)
- Accurate and thorough RFI, RFP, and proposal requests

Secondary selection factors**

- Availability and quality of customized recruitment and training solutions
- Customized (discretionary) incentives
- By-right financial incentives
- Level of state-and-community support (e.g., fast-track permitting)
- Personal preferences of executives involved in decision process (e.g., affinity for a particular place)
- Strong business retention program to assist with corporate intelligence and after care
- Creative and innovative solutions to key project decision factors

*Priority of selection factors varies from project to project; however, quality and availability of workforce almost always is one of the top three considerations

**Typically these factors come into play when multiple locations offer relatively comparable characteristics relative to primary site-selection criteria; however, a large incentive package can represent a primary selection factor

Source: VEDP CEO experience with hundreds of site-selection projects; Site Selection (January 2018); VEDP analysis