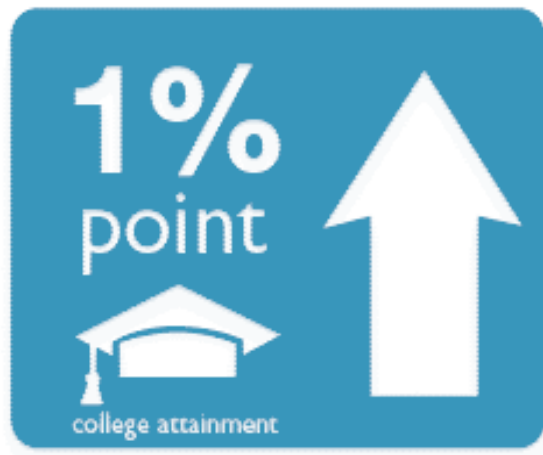


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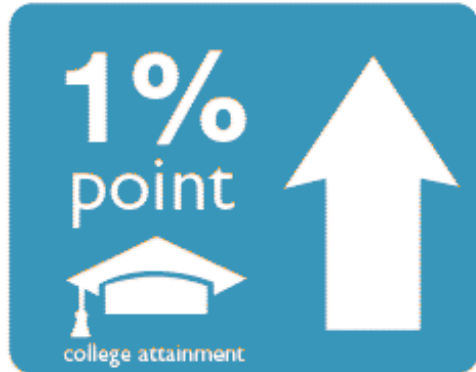
# The Talent Dividend



Sponsored by:



# City Dividends



 **Talent**



 **Green**



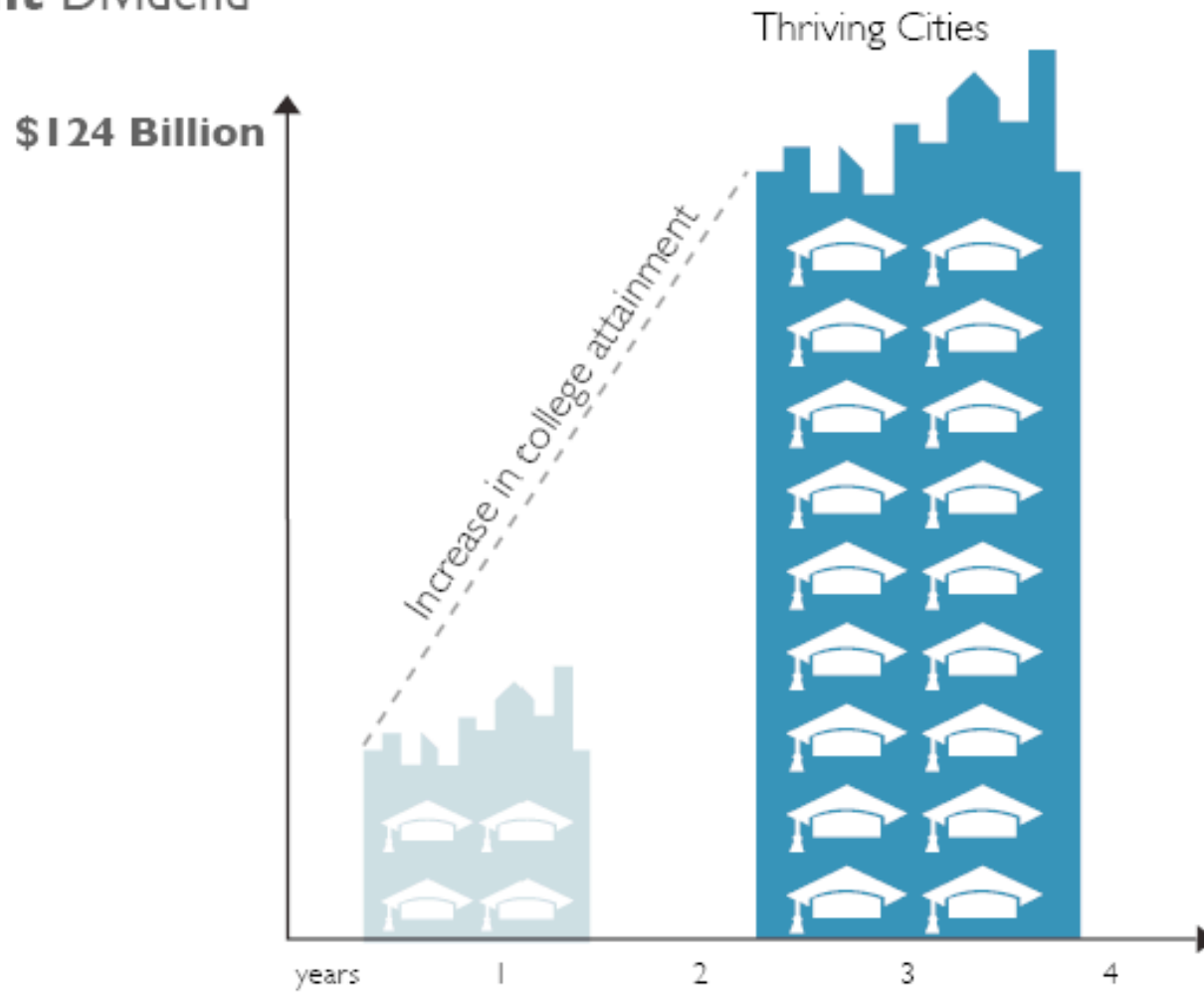
 **Opportunity**

# National Gains



# Talent

## Talent Dividend



**Talent retention is key.**

**Quality of place**

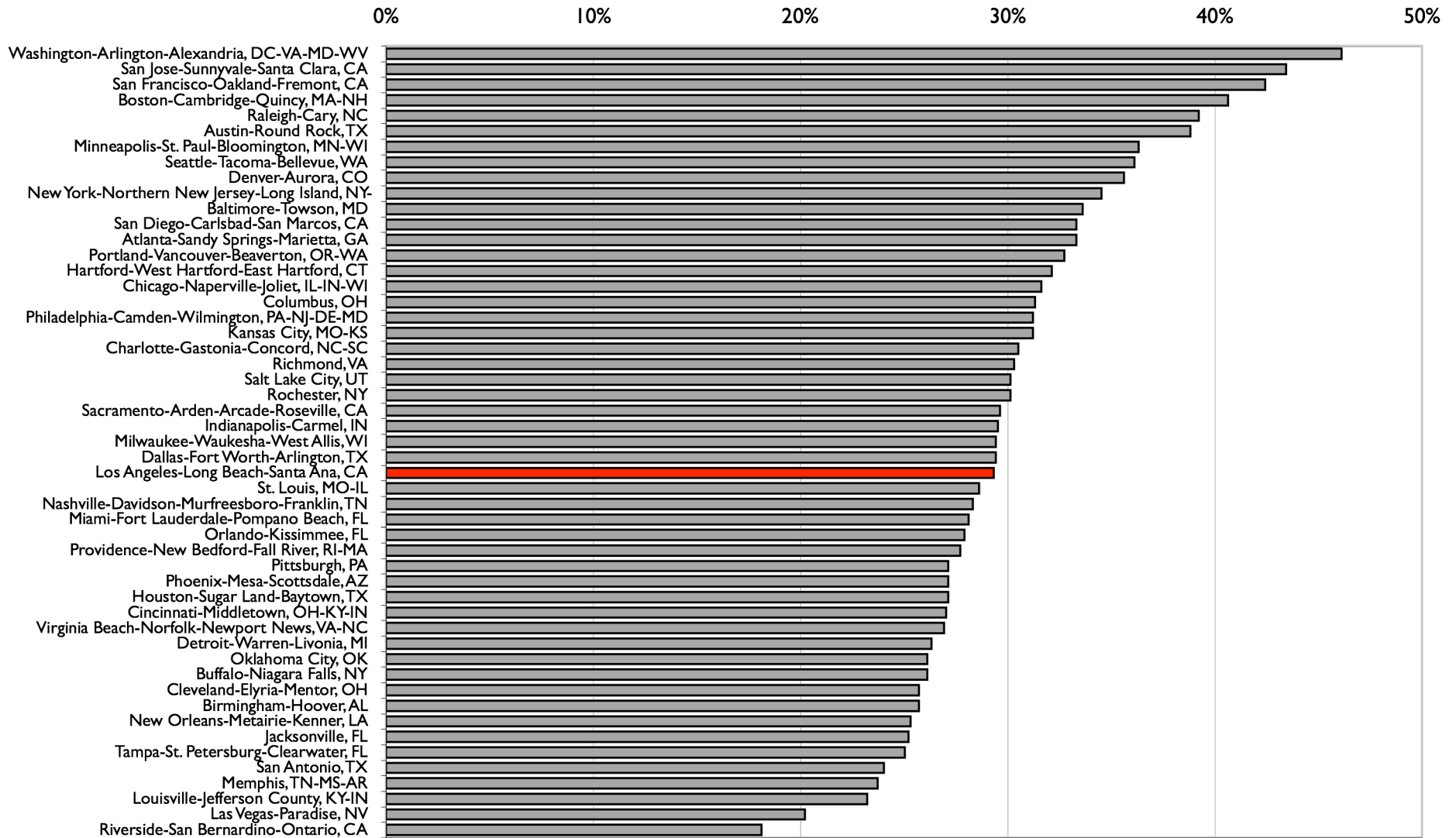
**Quality of opportunity**

# The Approach

- Cities differ in educational attainment
- Differences reveal opportunities for improvement
- Improvement gains estimated from evidence
- Gains represent potential payback from better policies

# Metro Variations in Educational Attainment

## Four Year College Attainment Rate



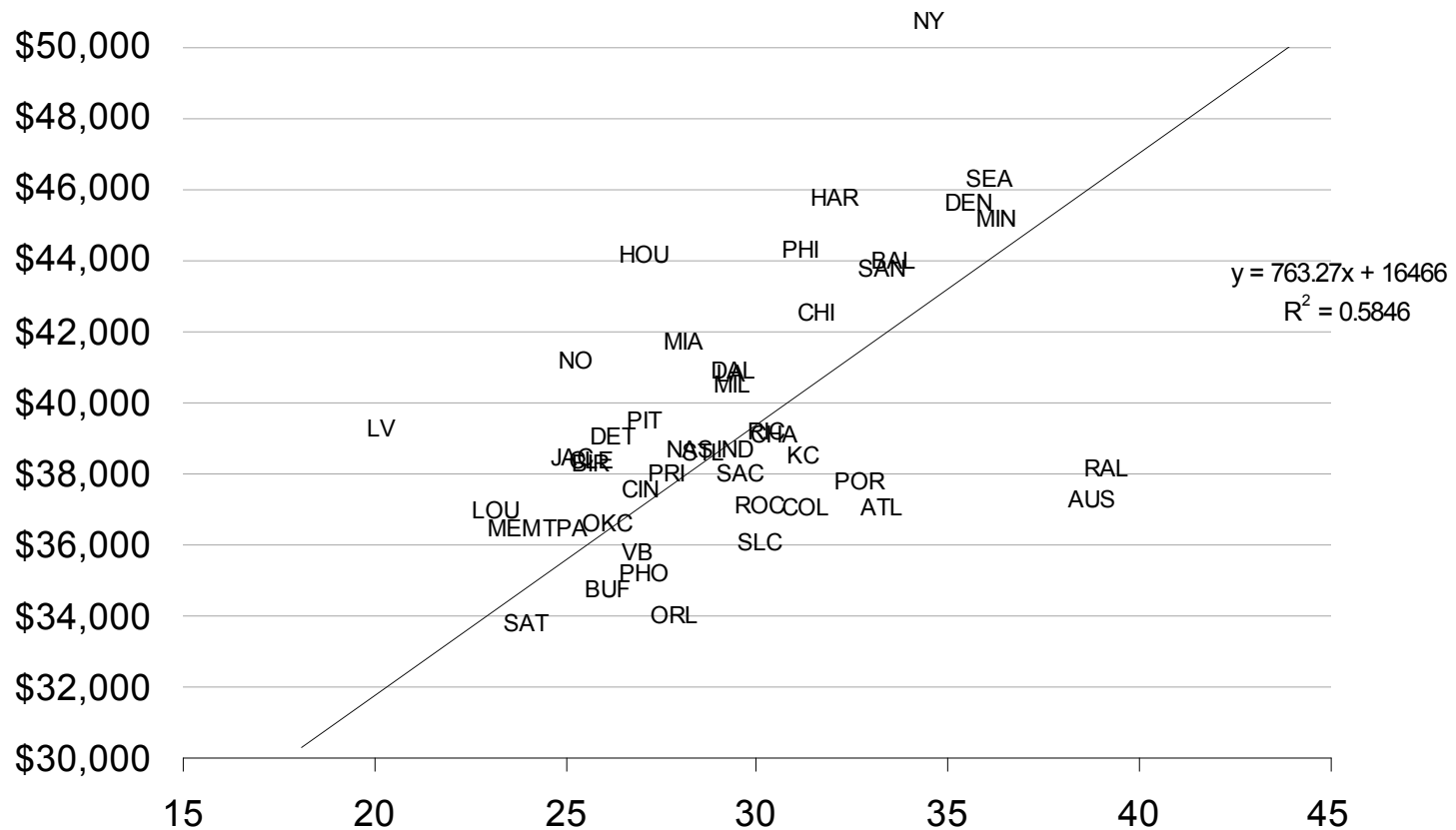
# The Hypothesis

- Better-educated = higher incomes
- Better-skilled = more innovation and productivity

# The Evidence

## Education Explains Most Differences in Metro Income

Annual Per Capita Income, 2005



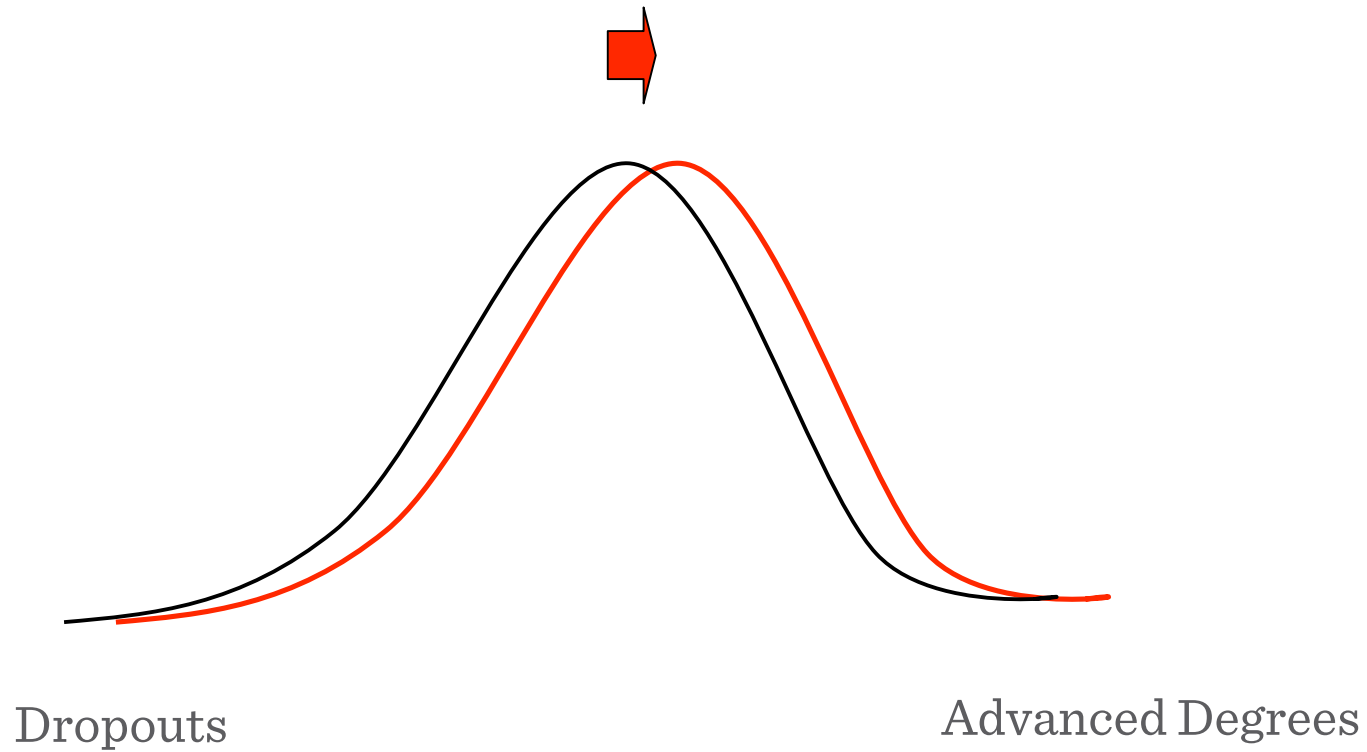
Percent of Population with a 4-Year College Degree, 2006

Sources: BEA (Income), Census (Education)

# Estimating the Gain

- Each 1 percentage point increase associated with \$763 increase in per capita income or about \$1,900 to \$2,290 per year for average household (2.5-3 people)
- Important to note: education gains are product of shift in entire skill distribution - not just moving a certain number of people from no degree to college graduation

# Shifting the Distribution



# Educational Attainment

Talent Measures	%	No. of People
<b>Educational Attainment (Population 25 and Older)</b>		
Less than High School	16.2%	53,739
High School Only	25.3%	83,925
Some College/AA	29.2%	96,862
Four-year Degree	29.3%	97,194
<b>Educational Attainment of Young Adults (25 to 34)</b>		
Less than High School	12.9%	8,879
Four-year Degree	28.8%	19,824
<b>Talent Dividend</b>		
Goal	30.3%	
Additional degree holders		3,317

# Why Focus on Educational Attainment?

<b>Unemployment by Education Level</b>	
Overall	9.8%
Less than High School	15.0%
High School Only	10.8%
Some College/AA	8.5%
Four-year Degree	4.9%

Source: Bureau of Labor Statistics, September 2009

**Three-quarters of the workers that were fired over the last year were let go on a permanent, not a temporary basis.**

-- David Rosenberg, July 2009

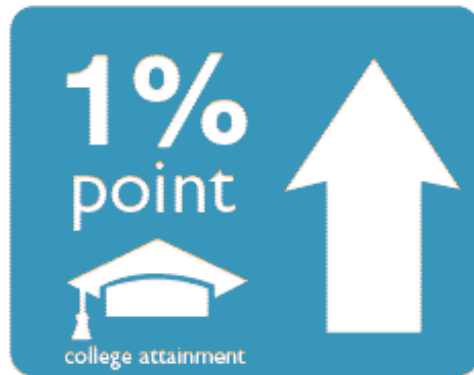
# Jackson's Talent Dividend

If we increase Jackson's college attainment rate from 29.3 percent to 30.3 percent (*3,317 additional new grads*)...

The Jackson Talent Dividend =  
**\$386 million annually**

# City Dividends

**\$386 million**



 **Talent**

**\$97 million**



 **Green**

**\$44 million**



 **Opportunity**

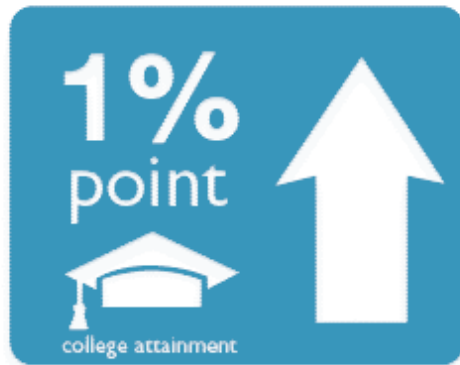
Total City Dividends for Jackson...

**\$527 Million Annually**

**Why I ignore all “5 year plans”:  
5 years ago, YouTube and Twitter  
didn’t exist, and Facebook was  
only for college kids.**

-- Clay Shirky, October 2009 via Twitter

# Capturing the Talent Dividend



## Strategy Buckets:







Re-engage adults with some college, no 4-year degree

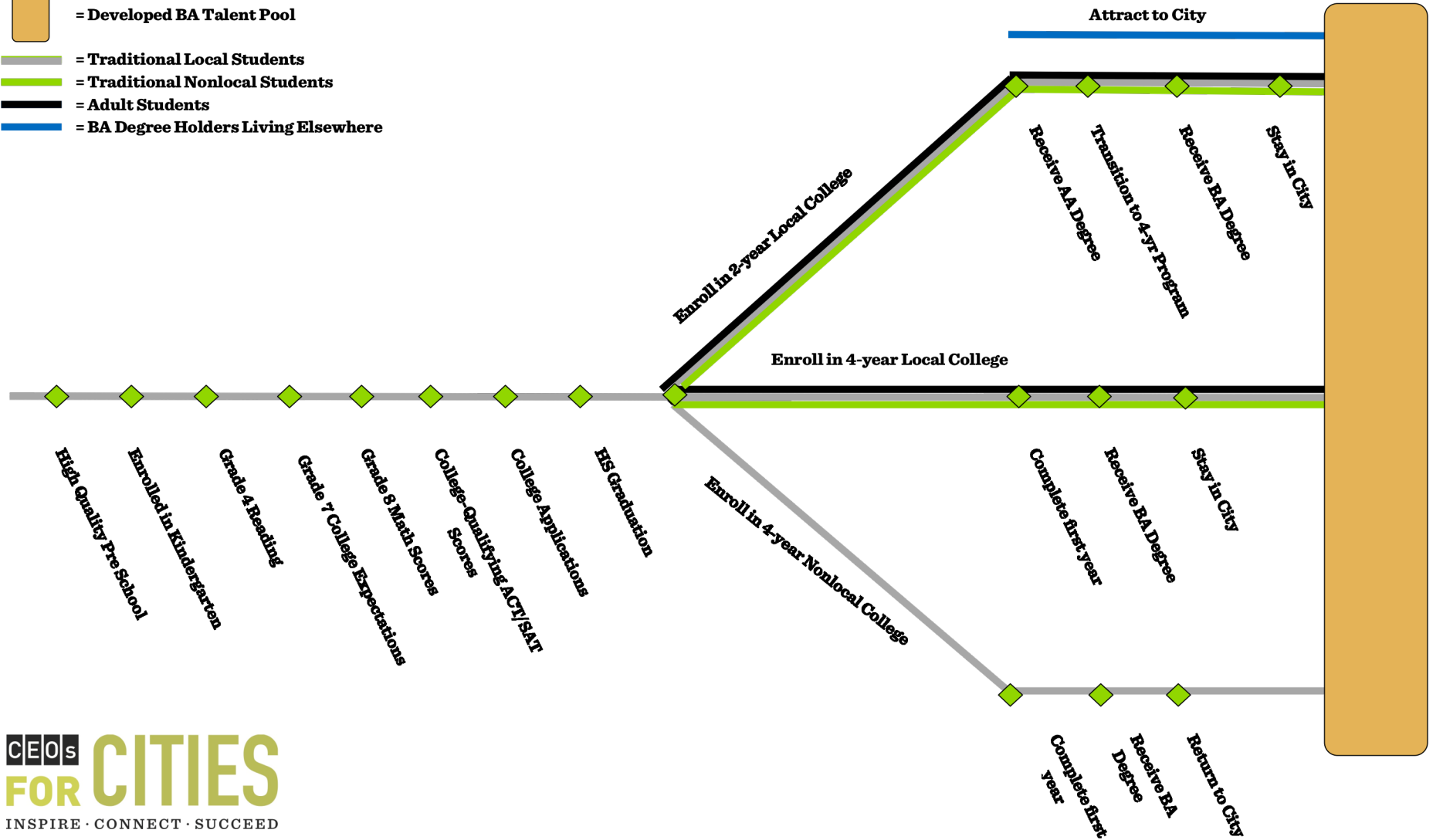
Increase transfer rate of students in 2-year institutions to 4-year institutions

Retain current students for timely completion

Increase college-going behavior of high school students



# Talent Continuum

-  = Leakage Point
-  = Developed BA Talent Pool
-  = Traditional Local Students
-  = Traditional Nonlocal Students
-  = Adult Students
-  = BA Degree Holders Living Elsewhere



# Talent Responsibility Map

Organization		Milestones							
		College-Qualifying ACT/SAT Scores	College Applications	Enroll in College	Complete 1st Year	Complete 2nd Year/Receive AA	AA Transfer to 4-year	Complete 3rd Year	Receive BA
<b>K-12</b>	City Public Schools	Primary	Secondary						
	County Public Schools	Secondary	Secondary						
	Private Schools	Secondary	Secondary						
<b>Higher Education</b>	Community College		Secondary	Primary	Primary	Primary	Primary		
	Public University		Secondary	Primary	Primary	Primary	Primary	Primary	X
	Private Universities		Secondary	Primary	Primary	Primary	Primary	Primary	Y
<b>Nonprofits</b>	Access to College	Secondary	Primary	Secondary	Secondary	Secondary	Secondary		

 = Primary Organization  
 = Secondary Organization

<b>Total BAs produced</b>	X+Y
<b>Net in-migration</b>	Z
<b>Dying BAs</b>	A
<b>Net BAs</b>	<b>X+Y+Z-A</b>
<b>TD Goal New BAs</b>	#
<b>Gap</b>	<b>#-Net BAs</b>

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[www.ceosforcities.org/talentdividendtour](http://www.ceosforcities.org/talentdividendtour)