Securing Mississippi's Future

Vision for Economic Growth

A Report of Key Business Climate Issues from MEC TOUR: A New Day, A New Opportunity

Goals for Charting a Bold Course for Mississippi



Table of Contents

MEC Tour Research

- 1 Executive Summary
- 5 Research Methodology
- 7 Key Topics of Discussion
- 21 Regional & Rural VS. Urban Differences
- 23 Verbatims/Key Thoughts from Research Sessions

Goals and Research

- 26 Next Steps to a More Prosperous Mississippi
- 28 Alignment with MEC Priorities
- 30 Education, Workforce Development, Skills Training
- 37 Talent Retention and Attraction
- 41 Infrastructure
- 44 Economic Development
- 48 Healthcare
- 51 Looking Forward







BlueCross BlueShield of Mississippi

It's good to be Blue.

The Mississippi Economic Council thanks
Blue Cross and Blue Shield of Mississippi for
the sponsorship of the MEC Tour: A New Day,
A New Opportunity. Its support was essential
in the research and development of the
"Securing Mississippi's Future" report.



uring the period from July 22 to September 22, The Mississippi Economic Council conducted its annual tour across the State of Mississippi under the theme "A New Day, A New Opportunity for Mississippi."

Each year MEC conducts a series of local meetings to keep in touch with the business and community leaders across the state to assist the organization and its boards and committees in developing public policy positions that improve the business climate of the state. MEC has stated goals of creating momentum and enthusiasm for growing the state economy and getting feedback to help align statewide initiatives with local community needs.

The feedback gathered from the Tour is used to set a program of work for MEC advocacy initiatives to improve quality of life in Mississippi.

The purpose of the 2021 MEC Tour, which was conducted with a generous sponsorship by Blue Cross and Blue Shield of Mississippi, was to listen to local leaders from retail business, education, healthcare, the hospitality industry, manufacturing, professional associations, professional services and other sectors, as well as local elected officials and government, regarding their concerns and ideas on three critical issues.

- Mississippi business climate
- Education, workforce development and skills training
- Talent retention and attraction

Participants were also encouraged not to restrict comments to these issues alone, but to voice their questions or opinions on any other issues of concern related to the business climate of Mississippi, legislative and regulatory matters, or other issues.

An online survey on local business concerns was also conducted just prior to each set of local Tour meetings, which served as a guide to help focus discussions on local and regional issues of most concern.

Two out of three survey respondents believed that the business climate was somewhat strong or strong. In a related question, about 60% believed that the economic climate would be even better in a year.

One issue emerged glaringly above each of the several concerns regarding the business climate in Mississippi.

In every community - without exception the number one issue was identified as "lack of qualified workers." Almost 40% listed it as the top issue, with 83% extremely or somewhat worried that a lack of "soft skills" posed a threat to their business. When asked about hiring plans, two out of three respondents said their organization planned to be hiring within the next year. And two-thirds also said that when they did hire that the workers would not be ready to do the job.

The number one issue facing growth in Mississippi can be summed up easily: there are not enough qualified workers for current jobs and even those willing to enter the workforce are not prepared for the task at hand.

This concern was spread across public and private sectors, hospitality, healthcare, manufacturing, retail, transportation and other sectors that were represented in various meetings.

The second and third issues identified as most worrisome were the image of Mississippi (about 25% listed it so) and problems caused by the Coronavirus epidemic (13%). A range of other issues were identified by usually 7% or fewer of respondents. These other identified issues will not be ignored and are discussed in this report, but the three issues of lack of qualified workers, COVID-19 impacts, and state image were far and away the key concerns voiced in the meetings that trouble those making decisions that impact the state economy such as hiring and expansion.

The survey also identified the importance of health among the workforce. When asked if having a work-ready workforce also meant focusing on health, over 90% responded positively. They believe that it leads to greater job satisfaction and productivity and is key for potential new employers to know that there is a healthy workforce in the state. However, only about half of those responding have a workplace program focused on health, so the opportunity exists for significant growth in worker health across the state if more such programs can be instituted.

On a very positive note, certain regions identified as having the most positive business climate listed specific elements that helped create that atmosphere.

It is interesting to note that the items listed as driving a good business climate were not just the expected business issues, such as taxes and infrastructure. Among the leading items listed were a shared vision among community leadership, good educational systems, good residential developments, low crime rates, and a generally higher quality of life.

Numerous issues surfaced that relate to the main three themes explored.

Lack of soft skills among graduates was an issue that high schools are being challenged to address more vigorously, as it has direct and significant impact on the issue of lack of qualified workers.

Greater collaboration and communications among businesses, high schools and post-secondary education were identified as critically needed in order to build a stronger and bigger workforce.

Concern regarding bias and stigma among educators (and parents) for job opportunities that do not require an associate's or bachelor's degree.

Of note, there was widespread discussion in multiple sessions of the need for communicating earlier to students about what various jobs involve, the career path of skilled workers, comparative pay scales and related information to help students envision the many ways to enter the workforce in addition to a four-year college degree. Many participants identified eighth or ninth grades as appropriate grades to engage students in career discussions. Several school districts were identified as already engaging students at that level regarding career pathways.

It was confirmed several times that issues relating to transportation of both workers and goods and the infrastructure that supports transportation are critical topics for business and industry. Transportation to work, community colleges and other educational centers is a recognized problem for students and workers. In addition, while not a primary topic of discussion, the availability, cost, reliability and quality of child care facilities was recognized as a challenge for workers.

This study shows the intricate connectivity between numerous issues in K-12 education, workforce training, community values relating to career training and college, healthcare delivery and access, communications (about education, state amenities, training programs, etc.), quality of life and lifestyle preferences, and a vibrant state economy.





here were 51 one-hour sessions with up to 20 local community leaders in each of the meetings. Most sessions averaged 8-10 people. Three meetings were held in all but two cities where meetings were hosted.

MEC worked with local chambers of commerce and economic development offices to select and invite a cross section of leadership from each local community. MEC selected communications and research firm Godwin to moderate these meetings, each of which was conducted either by Godwin's executive chairman or chief strategy officer who have extensive experience in moderating such sessions.

Eighteen counties were selected to provide a representative sampling of all regions of Mississippi. The counties (and the cities) in which meetings were held include Oktibbeha County (Starkville), Lowndes County (Columbus), Washington County (Greenville), Sunflower County (Indianola), Warren County (Vicksburg), Rankin County (Pearl), Madison County (Madison), Lauderdale County (Meridian), Forrest County (Hattiesburg), Lincoln County (Brookhaven), Harrison County (Gulfport), Jackson County (Pascagoula), Lee County (Tupelo), Alcorn County (Corinth), Hinds County (Jackson), DeSoto County (Southaven), Hancock County (Bay St Louis), and Leflore County (Greenwood).

The series of in-person "town-hall style" meetings (structured as a larger, modified version of a focus group) were designed to gather qualitative, detailed information from the front-line people dealing with these issues on a day-to-day basis. A rolling online survey with 26 questions was also conducted in each county prior to the in-person meeting, so the data was gathered over an eight-week period. In total, 373 surveys were completed with at least 243 responses on each question, providing MEC with a 95% confidence level that the responses represented by percentages are accurate within 7%+/- if applied across the entire population of business, industry, and community leadership in Mississippi.



[NOTE: One anomaly should be noted that had modest impact on the final results due to the extended time period of information gathered over eight weeks. COVID-19 resurgence coincidentally happened during the eight weeks of the survey and it was reflected in the concerns identified by respondents. At the beginning of the survey in July, "coronavirus epidemic" was often identified as the third greatest concern behind "state image" as number two. Toward the end of the survey in September, those two had flipped among a small sample size toward the end of the study and coronavirus rose to the second greatest concern with state image dropping to third. It is not unreasonable to assume that had the survey been conducted later those two items might be reversed, but for the purposes of this study that is not a major concern as both items deserve attention.]



The Stigma Surrounding Students Who Choose Not to Go to a Four-Year College

This issue arose as a topic of major discussion in virtually every meeting, mostly as it related to the issue of "lack of qualified workforce" or as part of the discussion of brain drain in the state. It has become obvious and pervasive that most Mississippians have traditionally had a mindset that the only good path to success was to finish high school, then go to college, then go to work. Too often all other career pathways, such as going directly into the workforce and entering an apprenticeship, or going to a community college for an associate's degree or a certification in a skilled trade, was considered a Plan B or for lower performing students.

It is now becoming obvious to more people that there can be many pathways to a successful, respected, meaningful, and financially rewarding career that do not necessarily require a four- or six-year degree from a college or university. Unfortunately, it was generally agreed that this stigma continues to exist among parents, students, teachers, high school guidance counselors and other influencers on graduating high school students.

There was one especially telling comment that summarizes the issue. It came from a woman who said she had one child attending a major state university and another who entered directly into the workplace and had completed training and was advancing and making a great living. When asked if she was equally proud of both her children, she hesitated for a moment, then said, "I want to be."



Changing this mindset and instituting programs to educate parents and students on other career options must be a priority for Mississippi to achieve greater career satisfaction for students and to help provide a more robust labor market across Mississippi to help business and industry thrive and grow.

Brain Drain remains a puzzle as the state seeks to recruit and retain even more of its high school and college graduates. While many of the best performing students remain in the state, it was believed by most of those in the meetings that a significant number look elsewhere first. The survey reinforced this issue as 85% of respondents would support some kind of financial incentive for high school graduates and other credentialed individuals to live and work in Mississippi. When asked specifically about financial incentives for post-high school graduates, 70% would support financial incentives to live in Mississippi as long as they work here also.

Transportation

Various transportation issues were a topic in many of the Tour meetings. The discussions centered around two primary concerns:

Roads and bridges were strongly believed to be in need of repair and maintenance. The problems resulting from this issue included difficulty for workers to get to their job sites, higher transportation costs and delays in deliveries.

Worker transportation to the job site was frequently brought up due to a lack of public transportation. Even in certain areas such as the Gulf Coast with a more robust public transit system, the issue of bus stop locations not being near workers was often mentioned.



A few select regions in the state, especially in the Mississippi Delta and generally west of I-55, also identified the need for specific road extensions and connections between major highways. Several post-secondary educators noted transportation as a challenge for students.

Broadband Expansion

Access to high-speed internet services was identified over and over as a key to helping resolve multiple issues. Access to broadband is considered crucial – for business and for generations expected to move into the workforce.

A few areas (mostly more urban areas) reported very good access, while many small towns and rural areas voiced serious concerns that they were falling behind due to lack of access. Reasons cited that made the need greater included:

- A greater desire for many in the workforce to work from home
- Support for home-based start-up businesses and entrepreneurs
- Improvements in education programs at every level
- Adding to the attractiveness of smaller and rural communities to help keep and retain younger workers
- · Improvements in telehealth
- · Access to government services



Communication

It was clear that communication on many levels remains a problem that has direct implications on labor force, brain drain, and most of all – cooperation among several key sectors of the community, including high schools, community colleges, local business and industry, and economic development professionals. There is a clear lack of awareness of many of the most positive aspects of life in Mississippi and of the many amenities in the state, primarily relating to outdoor activities. Internal communications of positives in every community across the state seemed to be missing.

Another communication issue related to ways businesses and schools can work together. While some communities could list specific programs where businesses work directly with high schools and local community colleges on training and workforce preparation, it is clear that the lines of communication are lacking in many areas. There is simply no consistency from community to community.

This lack of communication ranges from low awareness of the diversity of job opportunities and career training pathways available in-state to the inability to articulate the benefits of the local community for recent high school and college students. Support for workforce development is somewhat a mystery to many in business who desire such support but have not been able to navigate a successful course to achieve it.



Not surprisingly, the communities which described the local business climate most positively also cited the best communications and collaboration among community and business leaders, shared vision, and a shared agenda. Several also mentioned that they seemed to have good working relationships between business and education (high school, community college and universities), though many felt communications could be even better.

Failure to Tell "The Quality of Life Story"

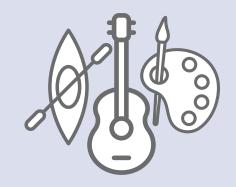
This issue is clearly related to "communications" discussed in section 3, but deserves to be called out specifically because the issue surfaced repeatedly in the discussions. It was clear that the recruiting of workers (and spouses), retention of college and high school graduates, and recruiting or expansion of industry are negatively impacted by a failure to portray positively and vigorously the benefits of life in Mississippi.

In virtually every meeting concern over how to communicate and **who is in charge of telling that story** surfaced as a problem. Many participants cited a lack of knowledge of amenities and activities that would help demonstrate a higher quality of life in Mississippi than some perceive. Participants believed recruitment and retention could be helped with packaging and marketing the state to people here, expatriates and especially for recruiting and onboarding new hires.



The story should be told more vigorously of such amenities and benefits as:

- Affordable housing for young families
- Incredible outdoor activities for younger audiences such as camping, hiking, kayaking, boating, water skiing, photography, birdwatching
- · Outdoor activity centered on hunting and fishing
- · Low cost of living
- · Low crime rates
- · Music venues and trails
- · World-class music, arts festivals and museums
- A growing number of revitalized downtowns with housing and nightlife in select locations (one person suggested the state should conduct an inventory of opportunities)



Lack of Appealing Community Life for Younger Graduates

Numerous people in various meetings identified the issue of community life for younger folks (primarily recent college grads) as an issue with retention and attraction of qualified workers, despite the high quality of life measurements identified above:

- · Broadband access is foundational
- Walkable communities (or more of them)
- "Place-making" ability to engage and be a part of a community
- Night life
- Job growth
- · Quality jobs with higher income
- · Affordable and available multi-unit housing
- · Vibrant downtowns

As graduates reach their 30s, other issues became of more importance. These issues were often mentioned as reasons graduates tend to move back to Mississippi after starting careers in other states:



- Safety for children
- · Good schools
- · Affordable homes
- · Closer to family

Workforce Training

This topic truly had a mixed response in terms of possible solutions, as well as a wide range of responses in terms of how available and successful local training options might be. The business need and desire among business leaders is clear for more training, but it must focus on responding more precisely to industry needs. Lack of qualified workers was the number one issue in every community and was the leading topic of discussion in every local meeting. In addition to a lack of workers with relevant skill sets, nearly 85% of respondents to the survey cited concern over a lack of skills including soft skills, employability skills and digital skills. This finding was also reinforced in the meetings, with uncertainty as to "where" individuals are taught/learn such. While generational differences were noted, soft skills were deemed lacking across the board.

Most communities voiced support for and recognition of the role of the local community colleges, yet there were many who remained unsatisfied or skeptical that the training being offered matched the skill sets most needed. Some communities had good communications and active responses for their industrial training needs, while others believe more can be done to match the training to the workplace needs. One potential issue that surfaced multiple times was the lack of qualified teachers and trainers for the programs. Some speculated that these professionals could make substantially more money using their trade skills in the workplace rather than teaching them.

Much of the necessary training is done internally by the employers, with nearly eight of ten reporting that they have some kind of work-based learning.



A significant opportunity exists for the state and its businesses as only 53% of respondents were engaged in partnerships for workforce training. Another 41% do not have such partnerships at the high school or community college level. Reskilling or upskilling is also going to be needed, and forwardlooking planning is required to anticipate these new skill sets. Looking ahead, 63% of employers expect that current workers will need to have upskilling or reskilling to meet emerging workforce needs.

A lack of interest from high school students and graduates in the training programs (primarily in community colleges] was voiced as a concern. This was believed by many to be directly related to the stigma discussed in the first section for those not going to college or a university and to a lack of interest and time among counselors and influencers in other career paths that may not involve a four-year college degree. Being unaware of programs was also discussed as contributing to low enrollment rates in available training.

Workforce Flexibility

When discussing potential solutions to the retention and recruiting of workers, the idea of workplace flexibility was often mentioned. The discussion included the value of flexible office hours and work from home options. Flexible leave policies were often cited as potential benefits of great value to younger generations.

This issue of workplace flexibility is complicated for many organizations in Mississippi that feel working remotely or from home is not a good option. Just over half of those responding to the survey said they have no remote work policy and no plans to have one. Nearly two-thirds said they do not believe their jobs can be done remotely.

For those who look at the potential of three of four jobs in their organization being remote, less than 6% said it was possible. It appears that there are probably many remote working opportunities in the state, but the much greater numbers will be for more traditional workplace opportunities unless and until new companies that value and can accommodate remote work become established in the state. Regardless of whether or not the percentage of flexible jobs is approximately a quarter of the total, it still represents a significant number of jobs and those jobs where it is possible should be an important part of the messaging strategy for retention of recent graduates.

Other Hiring and Retention Issues

Certain specific issues were frequently discussed relating to hiring and keeping workers:

- Many identified the issue of hiring workers who would simply walk off the job within hours of starting and not return
- Traditional career awareness and job fairs were discussed as no longer working well
- · The hiring process seemed unwieldy to some and difficult enough to keep people away
- There were critics who related the COVID-19 stimulus programs to contributing to "encouraging" people not to enter the workforce, exacerbating a perceived generational reliance (and lack of stigma) on unemployment benefits
- Many felt that the process of educating about careers and work must start much earlier in school, at least by 8th or 9th grade
- Worker transportation is a huge issue from the Delta to the Coast, even where public transportation is available
- Better life skills could result in less short-term employment and better choices among workers
- The idea of dual tracks and career technical education in high school was very favorable, especially if the idea that these are only "dirty jobs" can be addressed positively
- The cost of child care is a significant problem for workers, made harder by lack of availability



K-12 Education

There is a clear difference in perceptions of public K-12 education across the state. A few public school systems, such as some on the Coast, in Corinth, in Vicksburg and a few others, are perceived very positively and as having good opportunities for students to begin preparing for careers and to enter the workforce. Other school systems were considered as performing at a very low level. Among the ideas that surfaced which had widespread interest and discussion:

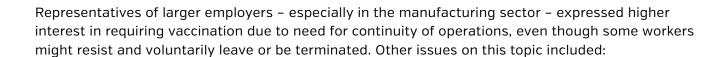
- Communicate much earlier to students exactly what the expectation is in a broad array of jobs, at least by 8th or 9th grade (though many thought earlier)
- There seemed to be limitations on dual enrollment and career and technical education programs. These should be expanded. In some places there was a call for more dual enrollment and CTE funding
- · Soft skills (showing up for work on time, having initiative, speaking skills, dressing properly for the job, addressing conflict with communication, etc.] were considered as sorely lacking, especially among graduates at the high school level. There was virtually unanimous agreement that these skills should be taught more actively and earlier.
- There was concern that soft skills training is an unfunded mandate
- Lively discussion often came up when talking about life skills and how they help students make better choices
- Some discussion centered on the need to attract the best teachers and that emphasis should be placed on this need
- There was much discussion about the need for a different public school accountability model to be put in place, which values a wider range of paths and credentials of value other than primarily college placement
- There was a general discontent in how schools connect the school curriculum to the work world and instead focusing on testing to meet state rating requirements and not preparing students for success
- · At least one company discussed its success in identifying high school students that the company would financially help through community college and then offer them a job upon completion
- Pathways2Possibilities, which began on the Mississippi Coast as a career expo for 8th graders, was often mentioned as an engaging model to redefine career pathways and start students thinking about their many alternatives. The program is now in at least 37 counties across the state. There are similar programs, such as Imagine the Possibilities, throughout the state.
- Peer pressure in high school and parental aspirations for children to be college-bound were often mentioned as a reason that alternative career paths other than a four-year degree are not considered by some
- Some regions cited lack of student interest in career preparation as an issue



The Coronavirus Epidemic

The impact of COVID-19 was among the top three to four issues of concern in July as the online survey started, but in the following weeks Mississippi experienced a spike in cases, hospitalizations, and fatalities as a result of the Delta variant. By September, COVID had moved from the third to the second most pressing issue and specific concerns were noted:

- Lost work time/quarantine due to personal, child or other possible exposure
- Lost work due to closure of schools and child care facilities.
- Polarization regarding vaccine requirements or compliance causing anxiety across business sectors - especially hospitality
- Major issue for HR and small business owners



- · A concern in regard to contractors onsite
- Not broadly discussed, but noted, was concern about increased cost to businesses due to workers being ill/insurance costs
- · Of note, COVID-related conversations spilled heavily into business climate concerns as national and international attention to Mississippi's high per capita negative trend was viewed as adding to the state's image problem
- Beyond rejection of the vaccine, the underlying co-morbidities of poor health diabetes, obesity and heart disease - were highlighted on the national and world stage and would be perceived as an obstacle in attracting new businesses and something to be considered by companies with operations in state in regard to expansion opportunities

NOTE: At the time of this study, national vaccine mandates were not in place and opinions related to this issue are not included in the study.



Healthcare

There was unanimous agreement that healthcare is 100% a workforce issue. Comments in agreement included:

- · Healthy workers are more productive and absent less
- · Concern extended beyond workers to child illness and lack of access to child care that created disruption

About half of respondents on the survey spoke of having workplace health programs/benefits plus promoting healthy lifestyles/eating and activity. Of those not having programs in place, there was interest, plans in progress or aspirations to offer programs at some point.

Participants in the manufacturing or other skilled trade areas noted an increasing problem with younger workers being physically incapable to handle some work required during a workday.

Notable comments about the younger workforce included:

- They walk off the job at lunch or break and never return, become radio silent "ghosting"
- · Bad habits from childhood, playing video games, and not having an active lifestyle made physicality of standing, moving, being active throughout the workday hard (obesity, lack of underlying physical health)
- Recreational drug use was also noted as a concern, with noted uncertainty about what passage of Medical Marijuana means for workplace employment and sobriety protocols/testing
- In some communities with strong child care programs it was noted that healthy eating and lifestyle views are developed in early childhood; even if not a high priority in home and emphasizing it early could impact behavior



Taxes

While a question about tax incentives was included in the online survey, the Mississippi tax environment was not high profile nor ever discussed significantly as a priority. The Hinds County meeting on August 31 was the first time anyone raised the specific topic of "removing state income tax." The topic surfaced following news coverage of planning a hearing at the Capitol. A businessman raised the topic and dismissed it as a bad idea (a distraction issue, but not really a hindrance to most businesses).

In another meeting (DeSoto County) keeping state income tax was noted as becoming a possible issue where Mississippi doesn't align with other states. One business owner was concerned that when he moved his business from Memphis to DeSoto County, his workers that could move would suffer an immediate loss of income from the state income tax. Others commented that we're not other states we have a smaller economy population and one of only three with population loss.

There was the thought it would drive other costs up and it could hurt the state budget and households. Of those responding to the survey, only 1.7% of the respondents viewed state and/or local taxes as an issue.

When queried on tax incentives to recruit people to work locally or live in Mississippi and telecommute, there was higher favorability if such workers would work and live locally:

- · Some interest was expressed in waiving taxes for certain sectors for people starting out (at their lowest income). Maybe incentivize more to stay or locate in Mississippi
- Analogy to rural physicians' program where student debt waived; why not apply to teachers
- Also noted it might help in retaining first responders law enforcement, fire, etc.
- Perhaps tax zones in areas (downtowns, certain regions/towns, etc.) to help attract households

Regarding taxes, there was passing interest in waiving costs or providing stipend for broadband, but there was a strong preference for work/live in Mississippi versus live in Mississippi/telecommute elsewhere.

Racial Issues Impacting Businesses

Racial issues did not arise often in the discussion sessions, but were included in the surveys and were mentioned a couple of times in discussions. A few issues and opinions relating to how race may impact business success and growth are worth noting:

- In the discussion session and in the surveys, it was believed by about 40% that minorityowned companies have a more difficult time starting up and getting support (another 25% did not have an opinion one way or the other)
- The primary reason cited by 62% of respondents for this barrier to success was the belief that it was more difficult for minorities to achieve financing



 68% of respondents to the survey believed that business leaders should get involved in opposing racial discrimination, increase diversity in hiring, and support minority-owned businesses. The concept was supported, but discussion and survey responses did not surface ideas on how to advance this on a broad basis

Small Business Issues

While small businesses represented did not often separate their primary issues from those of larger businesses (lack of qualified workers, transportation of workers, etc.), a few did voice concerns or ideas regarding issues specific to their situation:

- The need for "micro" incentives more suited to small businesses to grow jobs
- Awareness in university placement offices of the job opportunities in small business
- Training programs suited to their needs instead of those of major employers
- Frustration expressed over applicants "ghosting" interviews or failing to show up to work



Medicaid Expansion

Except for those directly involved with hospitals, this topic received surprisingly little attention:

- All medical center, hospital and long-term care participants called for expansion of Medicaid citing lost opportunity, struggling hospitals, difficulty in retaining and attracting staff, "gap" for citizens.
- Highest concern was in rural areas. In Hinds County there was interest in expansion among other participants, noting that the "working poor" struggle with healthcare affordability, delay care, use ER as primary care, and ultimately are financially devastated by any significant illness or hospital stay.

Minimum Wage

This issue raised little concern and was not a major topic of discussion in the live sessions, but was a question on the survey and worth noting here. Leading to the minimum wage question, 74% of MEC Survey participants reported that in the next two years they were Very or Somewhat Likely to add jobs paying greater than Mississippi's existing per capita income of \$25,000 per year.

The results were very mixed with nothing close to consensus, though there was a clear indication that few oppose any movement at all on the minimum wage (only about 12%). At the other end of the spectrum only 8% support an immediate increase to \$15 per hour. There was a fairly strong indication that any increase should be gradual, with about a quarter of respondents saying they are not sure of how fast to increase or how much. About 14% said a gradual increase to \$10, and 17% say increase to \$10 now. The bottom-line takeaway is that some kind of phased approached to an increase to \$10 or so could possibly gain widespread acceptance, but \$15 would not gain a plurality of support.





here were few glaring major differences by region in the subject matter brought up or the overall tone of the meetings. However, a few differences are worth noting:

- Rather than regional differences, there appeared to be more of a rural vs. urban difference generally across the board. Rural areas identified more often: population loss, broadband access issues, roads needing repairs, public transportation for workers, healthcare access problems, and child care impacting workers.
- School systems in rural areas generally were discussed as facing more issues regarding preparing students for the workforce
- Transportation (drop-off and pick-up) issues are challenges beyond the capacity and cost of child care
- · After-hours child care was identified as a gap during the Hinds County session, as healthcare and manufacturing shift workers face overnight challenges, worrying that arrival of distribution centers (Amazon) would increase problems
- In sessions where child care was mentioned, cost and reliability (especially as COVID-19 spiked) was noted as a problem, especially for lower-income workers
- The idea of moving Pre-K4 to public education was initially well-received, but because of the likely cost increase for private child care, participants (especially women) worried skyrocketing costs would make child care prohibitive and more could opt out of workforce
- Early learning was deemed important in regard to setting stage for healthier lifestyles
- In the Delta region, much more concern over transportation infrastructure (roads and bridges primarily) and worker transportation surfaced. A few described the problem as not investing as much as "east of I-55." Rail and port infrastructure were also discussed as needed investments
- Rural areas more often cited complaints of recent college graduates having "nothing to do"

Verbatims/Key Thoughts from Research Sessions

(sometimes shortened or paraphrased from notes)

It's time to reprogram the message about college vs. training

There is a stigma for those not going to college

Education is focused on testing, not teaching

We have to communicate options earlier in school

To keep the workforce happy we have to meet them where they are

Broadband access is a "given" for younger generations, those coming from other states

Start earlier on soft skills

Healthy living habits start early - child care and early learning centers can help

Daycare and child care are issues for women in the workplace

Walkable communities for recent graduates are needed

Money talks. Use that story if we want to change the stigma of not going to college

Make education more relevant to the workplace

Instead of designated retirement communities maybe we need designated millennial communities

Marriage and mortgages keep people here

How do we attract the best teachers?

K-12 teachers don't know and don't have the time to inform students about non-college careers

Soft skills are just lacking

We need a new public accountability model for schools

Quality of life issues are big for hiring

In recruiting, we have to sell the prospective employee AND their spouse - what opportunities are there for their partners?

How do we make the workplace more desirable?

Communications issues exist on both opportunity and problems

We need broadband to the home

Measure student success not college entrance

We need small business incentives for hiring

Affordable healthcare is lacking



Verbatims/Key Thoughts from Research Sessions

Poverty is an issue - some children don't have beds; serve as "head of household" - not interested in school and many have given up on any outlook for a good future

Some are just one flat tire from dropping out

All others (successful workers with training instead of college) need to tell their story

Transportation for workers is difficult

Public education needs accountability

Focus on testing is not delivering success beyond MDE rankings

Infrastructure spending is lower (in Delta)

Our highway infrastructure has been neglected for decades

The Delta is a forgotten child

Southwest Mississippi is overlooked when it comes to economic development

We need Medicaid expansion

More private rideshare for workers may be needed

We are losing population

Child care is expensive and quality child care placement is hard - for everyone, but especially lower income workers

There seems to be a lack of cooperation from schools for training we need

Something is missing to connect education and work

Need more communication about programs for vo-tech

We are not reaching the students that are at the top

Old strategies are not working

Job fairs do not work any more

We have to promote the future - horizon jobs. When I was in school if I'd said I wanted to be a webmaster when I grew up, people would have thought I wanted to be Spiderman.

The hiring process is too difficult for some

Younger candidates either don't show up or can't pass the drug test

We cannot get our workers to the job site

We need to honor work - the skilled trades

Life skills classes help make better choices

It may take a generation to change the way we think of career and tech training



Verbatims/Key Thoughts from Research Sessions

We need help at the Capitol to intervene and talk about jobs by 8th grade; need to make an issue with MDE

Need to communicate that the trades are not just "dirty jobs"

Need business to have more paid interns

We don't just have brain drain, we have workforce drain

What message is sent to those staying in Mississippi if focus is on decrying loss of "best and brightest" and brain drain?

Parental perceptions are a problem - college-bound is the "acceptable" direction for their children

Recruiting must show more worker concern (for housing and nightlife, for example)

We start too late to get employees ready

Our connectivity is good here because we don't ignore small business needs or local needs

We need to change our culture regarding high school to college as only good path

We need to ask kids (college grads) what is important to them

Mississippi too often gets in our own way with policies, actions that repel younger generations and out-of-state recruitment

Our business climate locally is good here because of a shared vision, working collectively

Make alternative career pathways more available

We are not promoting our assets, like biking or trails for hiking

Our cost of living is a good story

Business has to help the community college understand what is needed

General population is not aware of training programs

The opportunities are bigger than are known

We need expanded entertainment for younger folks

We don't invest in high-tech entrepreneurs

Measure student success not college success

Teacher burn out is high because nobody entered the profession to "teach to the test"

Lack of housing - affordable for workers

Athlete signing day, multiple college scholarship awards are celebrated, everyone else is left to just move along.





he information obtained during the MEC Tour has proven to be vitally important in helping MEC further advance its strategic action plan, "Securing Mississippi's Future."

Identifying these issues is the first step in developing a plan for the future. This process follows MEC's mission by taking a deliberate approach to implementing factual, data-driven research to create long-term solutions for economic opportunities for all Mississippi citizens. The private and public sectors must work together to develop these solutions and advocate for initiatives to help Mississippi reach its full potential.

Mississippi is a state with a low cost of doing business and pro-business elected leadership. This puts us in a position to flourish by capitalizing on existing competitive advantages and finding ways to take advantage of new opportunities.

The information in this report is a catalyst for helping MEC intensify its efforts to find short- and long-term solutions that align with its key priorities and provide a significant step toward charting a bold course for our state.





n June 2021, the MEC Operating Board adopted its 3-5 year strategic plan, which included five key priorities – Education, Workforce Development and Skills Training, Talent Retention and Attraction, Infrastructure, Economic Development and Business Climate, and Healthcare.

The information and research data gathered through the 51 MEC Tour discussion sessions and participant surveys strongly reinforce these priorities. This data was essential in establishing a goal for each of the five priorities. Each goal includes a set of recommendations for addressing vital issues to help create a more prosperous Mississippi.

The Goals

Education, Workforce Development and Skills Training

Develop a World-Class Workforce to Meet the Needs of Today's Job Market and the Job Opportunities of the Future

Talent Retention and Attraction

Grow Our Economy and Population by Increasing the Number of Highly Qualified, Skilled Professionals

Infrastructure

Grow Our Economy by Strengthening Infrastructure

Economic Development and Business Climate

Strengthen and Expand Mississippi's Economy through Job Growth

Healthcare

Articulate the Importance of Healthcare for Today's Workforce

As the "Voice of Business" since 1949, MEC has a long history of using advocacy, research, resources and leadership to focus on broad issues for improving Mississippi's competitiveness. Building on past research, such as "Blueprint Mississippi" and "Endeavor," the goals and recommendations outlined in "Securing Mississippi's Future" provide an evidence-based strategy for shaping our future.





GOAL

Develop a World-Class Workforce to Meet the Needs of **Today's Job Market and the Job Opportunities of the Future**

RECOMMENDATIONS

- Support and work with AccelerateMS in developing a strategic, streamlined approach for increasing the number of skilled workers in Mississippi.
- · Address the stigma that four-year university degrees are the only path to success. Inform parents and students of the importance of quality careers requiring only credentials of value. Adopt the "No Plan B" approach to advising Mississippi students.
- · Create positivity around targeted high demand, high wage career options and inform parents and students of the importance of these careers and identified credentials of value to begin closing the opportunity gap in Mississippi.
- Partner with AccelerateMS, education institutions, other state agencies, and complementary non-profit organizations, to develop a consistent, coordinated, and cohesive communication plan to create a greater awareness of job opportunities and career training pathways leading to credentials of value. It should include:
 - A campaign to encourage and champion interest and pride in being part of Mississippi's workforce to help advance their economic positions.
 - The development of a branding campaign for specific professions that includes the training needed, average Mississippi salaries, work requirements, and expectations.
 - · Specific messaging to target demographics, including parents, students, and educators.
 - Reaching students at an earlier age to expose them to a broad array of job opportunities.
- Increase the educational attainment level in Mississippi to reach the Mississippi Education Achievement Council's goal of 55% of Mississippians having a post-secondary degree or credential of value by 2030.
- Expand career coaches to all high school districts across the state to focus on educational opportunities and associated career pathways.
- Assess and identify the labor market gaps in worker supply and demand and inventory future in-demand jobs. Work with AccelerateMS to highlight the top, targeted jobs that are going unfilled.
- Audit Career and Technical programs at the K-12 and community college level to determine if the curriculum prepares students for continued studies and/or immediate employment. Promote the development of career academies throughout the state.
- Determine ways to expand and better utilize dual-credit offerings within the CTE Programs.
- · Increase funding for on-the-job training, apprenticeships, internships, and mentoring programs for Mississippi business and industry.
- · Ensure unskilled workers develop durable skills, practical educational skills, and soft skills needed for the job market.
- Foster stronger culture of business engagement where industry effectively and regularly communicates needs with high schools, community colleges, universities and the larger public workforce system to connect the curriculum to the work world.

- Assess early childhood education programs, including child care and pre-kindergarten, to determine if they are preparing students for success when they enter kindergarten.
- Expand access to publicly funded child care assistance

A skilled workforce continues to be the top priority for private-sector leaders. State officials also recognize the importance of having a trained, qualified workforce to bolster Mississippi's economy and create growth opportunities. It is essential to understand all education is workforce development. Ensuring a diverse, prepared workforce includes focusing on pre-K, K-12, community colleges and universities, and industry training. All Mississippians, regardless of age, deserve the opportunity to enhance their knowledge and skills. A combination of academic and industry credentials and durable, practical life skills are at the core of a strong workforce. Increased post-secondary education and attainment is imperative to ensure Mississippi has a workforce prepared for the jobs of today and the future. Practical workforce training begins by working with private sector businesses and industry to identify their needs. Coordination and collaboration among all entities involved in delivering the training are essential for producing successful outcomes.

ASSIST AND ENCOURAGE ACCELERATEMS IN STRATEGIC APPROACH FOR WORKFORCE

A successful workforce program is built on the honor of being part of the workforce, the pride in the career someone has chosen, and helping Mississippians find their purpose in life. Combined, those bring financial rewards necessary to provide for yourself and your family and give back to the community. These are the tenets established by AccelerateMS, the state's office of workforce development. The Mississippi Economic Council, the economic development community, and many others have long advocated for a single entity to oversee the coordination of workforce development in the state. In 2020 the Mississippi Legislature created the Office of Workforce Development. The office, branded as AccelerateMS, and overseen by the State Workforce Investment Board, is key to developing a streamlined approach for increasing Mississippi workers' skillset.

Work began in the spring of 2021 in developing the strategic plan for AccelerateMS. Success depends on collaboration and buy-in from all state agencies involved in Mississippi's workforce development effort. This is a deviation from how the state did things in the past.

While Mississippi can boast about exceptional training opportunities, providers were working in silos in many cases. However, many of these programs are transferable and scalable to impact more citizens across the state. A coordinated approach will yield results that will expand our workforce capabilities and create new economic development opportunities throughout the state.

MULTIPLE PATHWAYS TO SUCCESS

One of the keys to developing the workforce of the future will be to understand there are many options available that lead to a successful career. One topic that continues to be at the forefront of this discussion is whether someone can find success and a good-paying job only by obtaining a four-year college degree. In practically all 51 of the MEC Tour focus groups, the topic of the "stigma that four-year college degrees are the only path to success" was discussed. The overriding mindset has been engrained in youth from an early age that you must receive a four-year degree to be successful in a career and life. Other routes were considered a Plan B.



As we rethink the discussion, terms such as "not everyone is college material," "Career Technical Education is for lower-performing students," and "where are you going to college?" need to be eliminated from the discussion. There are a variety of career pathways, such as going directly into the workforce and entering an apprenticeship or going to a community college for an associate's degree or a certification in a skilled trade, which lead to successful, high-wage careers. In many cases, this mindset isn't only expressed by parents, but peer pressure also plays a role.

However, as we work to remove this stigma around those careers, it is important that we understand the importance of the four-year universities in the state. Research from "Endeavor," MEC's Workforce & Economic Initiative released in 2018, shows that 65% of all jobs require some post-secondary education. However, not all require a four-year college degree. "Endeavor" provides information from Georgetown University's Center on Education that shows approximately half the jobs require a bachelor's degree or higher.

Mississippi does an excellent job of helping students determine college readiness. It is equally important that we focus on increasing their ability to assess their career readiness. National Career Readiness Certification creates an advantage for high school students when entering the workforce – whether it's getting a job right out of high school, following the completion of industry-recognized credentials, or after receiving a four-year college degree. The NCRC helps students access their strengths and understand the paths that lead to a successful and rewarding career. It also lets employers know a potential employee has the necessary literacy, numeracy, and problem-solving skills to be work-ready.

COMMUNICATE, COMMUNICATE, COMMUNICATE

Awareness of job training, education opportunities, and career pathways are critical in developing Mississippi's stable and qualified workforce. It is crucial to inform parents, students, and educators of the current opportunities. Businesses must have a way to interact with high schools, community colleges, and IHL to make sure students receive the skills and training necessary for success in the workplace. The development of a comprehensive communication and marketing plan is vital for success. This plan must be consistent, coordinated, and cohesive on all levels.

AccelerateMS is in the process of developing a campaign to help create interest in joining the Mississippi workforce. The agency needs to lead the campaign, but only through support and partnerships from the private sector will this be successful. Not only will the marketing effort discuss training and job opportunities, but it will also stress the importance of work and the pride that comes from being part of a growing Mississippi economy.

In addition, the campaign needs to focus on specific professions in key industry sectors and businesses where a need exists. This would include necessary training, average salaries, work requirements, and expectations. Utilizing a variety of media platforms will help disseminate information fast and efficiently.

While the audience is broad, we must reach students earlier to expose them to a vast array of career opportunities. The campaign should coordinate with other programs to help students determine a pathway that meets their interests and abilities. The process should utilize programs such as Pathways2Possibilities, Imagine the Possibilities, and MEC's Mississippi Scholars and Mississippi Scholars Tech Master.

IMPROVING MISSISSIPPI'S WORKFORCE THROUGH EDUCATIONAL ATTAINMENT

The Mississippi Educational Achievement Council recently established an educational attainment goal in Mississippi. The program, branded Ascent to 55%, has set a goal of ensuring 55% of Mississippians ages 25-64 have a bachelor's degree or higher, an associate's degree, or an industry credential of value. Today Mississippi's rate of workforce post-high school attainment is 45.2%, compared to the national average of 51.3%.

A formalized initiative to raise the state's post-secondary education attainment level among our working-age adults will pay big dividends for Mississippi. It will lead to a more qualified workforce, yield higher wages, and develop a vibrant Mississippi economy. MEC's Public Education Forum of Mississippi will be working closely with the Woodward Hines Foundation, the Educational Achievement Council, and other partners in developing a strategic initiative designed to accomplish this goal. PEF will identify and convene key stakeholders from across the state to help implement the plan.

In addition, Mississippi should expand Career Coaches to all school districts in the state. The Tupelo-based CREATE Foundation established a career coach program in 14 high schools in the Pontotoc, Union, and Lee County school districts. Focusing on 10th-grade students, these coaches outline opportunities ranging from aptitude assessments to internships in local business and industry. This helps connect students with possible careers, and better prepares them for post-secondary education. The program is beginning to expand, and other organizations are looking to assist. However, a statewide approach would play a significant role in preparing all students for career success.

ASSESS, INVENTORY IN-DEMAND JOBS AND TRAINING PROGRAMS

Determining job needs will be an ongoing process. However, this process is already underway. We need to capitalize on groups such as the Skills Foundation and others that have already begun this process. AccelerateMS has identified five sectors where quality jobs are going unfilled. The sectors are healthcare, advanced manufacturing, IT, logistics and construction, and energy.

Assessing the job market and where the shortage lies today and into the future will make it easier to communicate the needs and inform Mississippians of all ages where career opportunities exist and better meet the employment needs of business in Mississippi. Properly utilizing the state's longitudinal data system, known as LifeTracks, can help analyze in-demand job needs.

It will also be essential to review the effectiveness of Career Technical Education (CTE) programs across the state. This begins by assessing the program at K-12 to ensure the instruction meets the needs of Mississippi's employers. The goal of any CTE program or career academy should be to prepare the student to go to work or move on to the next level of education. Students should not have to start over with training once they enter an industry certification program at the community college or an on-the-job training program for a company. Career Academies strengthen the connection between what is learned in the classroom and with what a student may do after graduation. This makes learning more meaningful and gives students skills necessary to be college or career ready.

If the programs are meeting the requirements for the continuation of a student's education at the postsecondary level, this opens the door for expanding dual credit programs within the CTE curriculum at the high school level. LifeTracks can also be used to determine student success within the workforce and help evaluate the effectiveness of the career technical programs.



PARTNERSHIPS MATTER

To successfully establish viable training programs in the state, our education system must work with business and industry, must determine the employers' needs, and make sure the curriculum addresses the needs of the work world. Of those participating in the MEC Tour survey, only 33% said a partnership existed between their business and the local high school. More companies have created relationships with the community colleges in their area or with the state's institutions of higher learning, but it is barely over half (54%).

To truly begin educating and training our students effectively, we must grow the partnership to make sure what is being taught leads to good-paying, long-term careers for Mississippians. As career academies expand across the state, it is vital to have business involvement to realize the full potential of these programs.

OPTIMIZE WORKFORCE TRAINING FUNDING

In recent years, Mississippi has made strides in providing additional funding for workforce training programs. The Mississippi Works Fund was created to complement the state's Workforce Enhancement Training (WET) Fund. These programs are designed to utilize the state's community colleges to provide training for both existing and newly created jobs. However, as with any program, a regular review of how the funding is spent is important. Looking at all funding mechanisms would allow the proper utilization of existing policies and programs and allow for adjustments to ensure efficient use of the funding.



In 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act provided additional workforce funding. A portion of that funding assisted with on-the-job training. Funding allocated to Mississippi through the American Rescue Plan Act (ARPA) can help with workforce development. The Mississippi Legislature is likely to make determinations on the spending for ARPA funds during the 2022 legislative session. Finding ways to pair this funding with money allocated through CARES would help increase the effectiveness of workforce training efforts in the state.

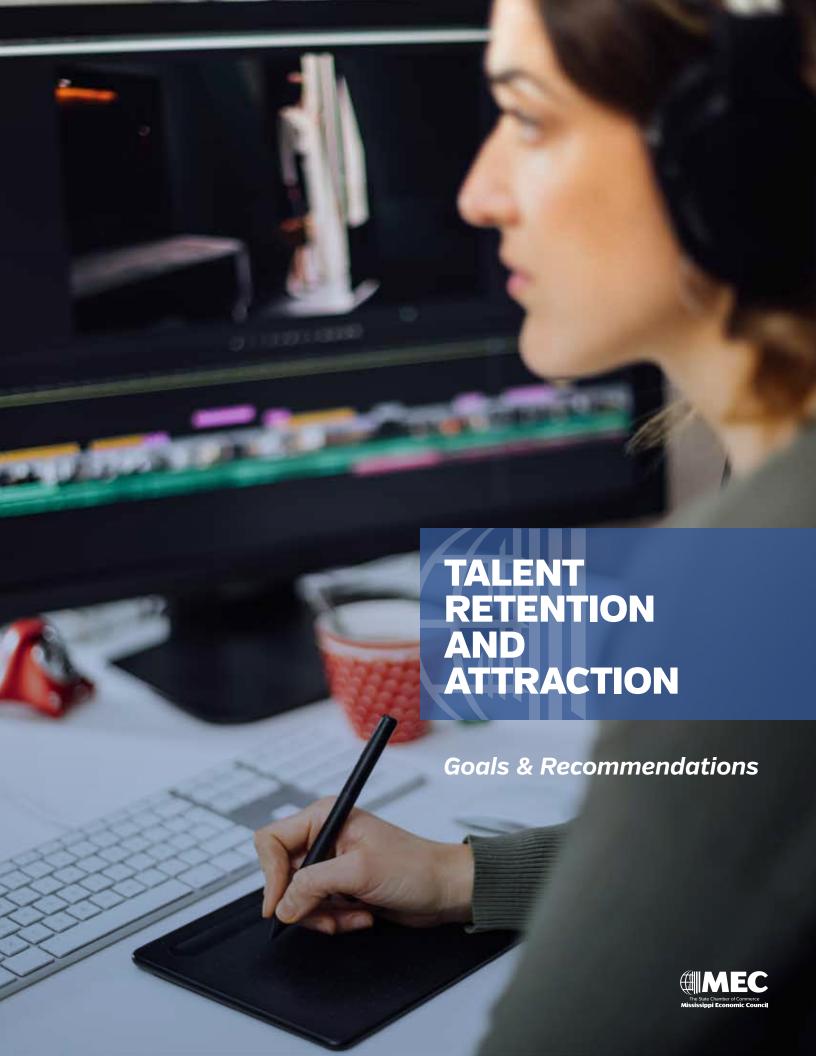
We must continue to look for additional long-term funding options. For Mississippi businesses and industries, programs such as on-the-job training, apprenticeships, internships, and mentoring programs would benefit from additional funding. In addition, creating and funding programs to help unskilled workers develop durable, practical, and soft skills is essential for building a strong workforce in the state.

IT BEGINS WITH EARLY CHILDHOOD EDUCATION

The COVID-19 pandemic exposed many gaps with child care and early childhood education in the state. MEC and the Children's Foundation of Mississippi partnered with the U.S. Chamber of Commerce on a study looking at the issue of child care with a vital educational component. The report, "Untapped Potential: How Child Care Impacts Mississippi's State Economy," showed child care issues result in an estimated \$673 million loss annually for Mississippi's economy. Lack of child care also impacts Mississippians' ability to continue their education in a meaningful way to be better prepared to advance in the workforce.

The Children's Foundation has recently completed a report, "Blueprint for Improving the Future of Mississippi's Children." Among the recommendations of the study is assessing early childhood education programs, including child care and pre-kindergarten, and expanding access to publicly funded child care assistance. Evaluating the current programs will help determine if these programs are preparing students for success when they enter kindergarten. This assessment would include looking at the amount of time educational instruction is provided, the classroom environment, teacher-student interaction, and developing a quality rating and improvement system.

Providing quality child care and early childhood education is essential for ensuring our future workforce is prepared. However, it also has a significant impact on today's workforce by giving parents confidence their child is in a good, nurturing environment that allows them to participate in today's labor market.



Grow Our Economy and Population by Increasing the Number of Highly Qualified, Skilled Professionals

RECOMMENDATIONS

- Increase opportunities with additional high-paying, quality jobs.
- · Position Mississippi as a place to stay, live, work and thrive by preparing a skill-based and entrepreneurial workforce.
- Spotlight what Mississippi has to offer tell Mississippi's quality of life story.
- · Develop an incentive program to encourage young professionals to remain or return to Mississippi, as well as attract new talent to the state.
- Highlight positive qualities and programs of Mississippi's schools, community colleges, and universities.
- · Help develop an entrepreneurial environment to encourage young professionals to start a business and grow Mississippi's economy.
- Create opportunities for young professionals to become engaged in the community.
- Utilize technology advancements to improve Mississippi competitiveness.
- Encourage community leaders to define social infrastructure for their respective communities, invest in and grow more examples of that definition.

Mississippi's advantages, such as low cost of living, affordable housing, and high quality of life, are often overshadowed when it comes to how the state is viewed in terms of job opportunities. This is especially prevalent with younger, recent graduates looking to start a career. In a recent poll by Public Opinion Strategies and BullsEye Public Affairs, 64% of Mississippi voters believe living, working, and raising a family in the state is better or about the same as other states in the country. However, the same poll shows 47% believe that young adults living in the state will have to move to other states to find goodpaying jobs, while only 38% believe those jobs are available in Mississippi.

Mississippi's population loss of 0.2% in the 2020 U.S. Census represents a statistically flat growth. Significant growth rates of some of our neighboring states point to the need for exploring ways to retain and attract highly qualified and skilled professionals to grow the state's economy. Providing economic opportunities and creating a sense of engagement for Mississippians of all ages are the first steps in addressing the issue. This will not only assist in keeping more of Mississippi's highly talented citizens but also help encourage those that have ties to the state to return home.

JOBS AND OPPORTUNITIES MATTER

To have economic growth as a state, it is imperative we look for ways to increase the state's percapita income. Addressing the issue of talent and retention begins with growing opportunities for Mississippians at all stages of their careers. Developing a mindset that Mississippi is a great place to stay, live, work, and thrive begins with those opportunities.



There continues to be a growing need for workers throughout the state, many in professions that pay well. There are many innovative programs to help people gain academic and industry credentials in various sectors such as energy, transportation, and advanced manufacturing. It is essential to develop ways to communicate the opportunities at all levels of education and focus on the variety of career pathways aligned with current and emerging economic opportunities. Advances in K-12, post-secondary education, and workforce training programs should increase Mississippi's ability to attract new companies and see additional investment in the non-traditional sectors, many of which tend to have higher wages.

ENTREPRENEURIAL GROWTH, TECHNOLOGY WILL DRIVE JOBS OF THE FUTURE

As the state focuses on job creation through economic development, it will be essential to capitalize on growing industry sectors and understand the role of technology and entrepreneurship. According to the World Economic Forum, 65% of children entering primary school will ultimately work in new job types that do not yet exist. In addition, the Bureau of Labor Statistics reported the average job tenure in 2020 was 4.1 years. Cultivating opportunities will help improve the economy and increase competitiveness. Mississippi's colleges and universities can help students develop an entrepreneurial mindset that would encourage young professionals to start a business. Focusing on state-of-the-art research and development opportunities can help students identify career paths in the state.

Technology and innovation will continue to change the way we work. According to "Technology, Jobs and the Future of Work," a report from McKinsey and Company, new technologies have the potential to upend much of what we know about the way people work. McKinsey said the disruption might be a challenge. Still, it could create opportunities, especially given the promise of digital talent platforms and new options for independent work. Technology has played a role in changing jobs since the Industrial Revolution. McKinsey points out that in the past 25 years, approximately one-third of new jobs were in the technology sector. Mississippi can benefit by improving conditions and promoting the creation and growth of new technology-based firms. The private sector will drive the innovation, however, creating incentives and public-private partnerships will encourage technology investment.

TELL MISSISSIPPI'S STORY AND HIGHLIGHT ADVANTAGES

Mississippi's bright, well-rounded students and young skilled professionals need opportunities and encouragement to remain in the state. There are many in-demand career opportunities throughout the state. Young professionals may decide to leave the state unaware of those opportunities. Utilizing mentors or internships can provide in-state students a chance to learn about these opportunities.

In addition, COVID-19 has increased the ability to work remotely. As a result, Mississippi has access to talent like never seen before. Properly promoting the in-demand careers and marketing Mississippi's advantages, such as a low cost of living and quality of life, could help retain and attract professionals. Also, it could entice businesses looking to leave more densely populated states to Mississippi.

A significant discussion throughout the MEC Tour focused on telling Mississippi's story. The concern is that there is not anyone who has taken ownership of communicating what the state offers. Providing knowledge of amenities and activities would help demonstrate a higher quality of life in Mississippi than some perceive. Recruitment and retention could be supported by packaging and marketing the state to people living here and expatriates. This could be advantageous to recruit new hires and their spouses.



There are many benefits and amenities to be highlighted. Among them, affordable housing for young families; incredible outdoor activities such as camping, hiking, kayaking, boating, water skiing, photography, and birdwatching; excellent hunting and fishing; and music venues, arts festivals, and museums. Another benefit is the growing number of revitalized downtowns with housing and nightlife. It will be essential to make sure the marketing of our state is consistent and targets our future workforce.

Quality of Place is essential for talent attraction and retention. Destination development is a strategic approach for providing new attractions, downtown revitalization, compelling experiences, and quality infrastructure. Such development would improve experiences for visitors, make communities more appealing for existing and potential residents, and spur private sector investment. The availability of ARPA funds provides an opportunity to invest in improving tourism amenities across the state that will provide benefits for our communities for generations to come. This investment would enhance our tourism economy, as well as make our communities more attractive places to live, work, and play.

Mississippi's community colleges and four-year universities are vital for retaining and attracting talent. Our post-secondary institutions and training programs must focus on teaching the skills needed for today's in-demand jobs and communicate Mississippi's diverse career opportunities to students. This will help Mississippi companies obtain the workforce necessary to succeed and expand their operations. Also, recruiting out-of-state students to continue their post-secondary education in Mississippi allows them to become aware of career opportunities in the state, and they experience first-hand Mississippi's quality of life.

ENCOURAGE YOUNG PROFESSIONALS TO MAKE MISSISSIPPI HOME

As Mississippi explores ways to retain more of the best and our brightest to stay in Mississippi and attract expatriates to return to the state, developing a talent attraction/retention program could pay big dividends for the state. Legislation has been proposed to incentivize young professionals to work and live in Mississippi. Among the options are down payment assistance for first-time homebuyers or outof-state workers willing to live and work in Mississippi for at least five years; student loan forgiveness for professionals willing to remain in the state; offering free or reduced tuition for in-demand career programs at public universities for students who commit to working for at least five years in Mississippi; or developing tax credits or other incentives for those willing to stay or relocate to the state.

Retaining and attracting young professionals will require creating an appealing community life. Younger generations are more actively seeking a connection to the community than older generations. SWNS digital reports that 64% of millennials want to participate in their communities. However, 57% feel as if they are not part of the community. In Mississippi, community life impacts retention and attraction, especially for younger workers. "Place-making" - the ability to engage and be part of a community was an issue identified during the MEC Tour discussions. Things identified as necessary for young professionals include broadband access, walkable communities, live, work, and play opportunities, affordable and available housing, and vibrant downtowns. As expatriates reach their 30s, other issues become more critical. Reasons for people tending to move back to Mississippi after starting their careers in other states are safety for children, good schools, affordable housing, and being closer to family.





Grow Our Economy by Strengthening Infrastructure

RECOMMENDATIONS

- Develop a strategic approach for identifying and implementing a long-range plan to address the state's transportation infrastructure. We must engage the Mississippi Department of Transportation and a broad range of stakeholders in the process.
- Continue to look for innovative ways to increase funding to repair and maintain Mississippi's roads and bridges.
- Build on the success of the Emergency Road and Bridge Repair Fund through additional funding.
- Identify transportation infrastructure projects that can be fast-tracked to utilize the additional funding allocated for road and bridge projects at the state and local levels.
- Capitalize on the financial investment and expand funding sources into developing broadband access for all Mississippians.
- Ensure incentives for electric utilities and cooperatives, and traditional legacy providers will create access to high-speed internet in underserved areas throughout the state.
- Address mapping discrepancies by using proper tools for collecting data and analyzing the areas of greatest need in Mississippi.
- Study the state's public transportation system to determine gaps and needs.

Addressing infrastructure needs is essential to help drive our state's economy. Investment in roads and bridges boosts employment, increases capacity, and facilitates a more efficient delivery of goods. Expanding broadband access creates new opportunities for e-commerce and connectivity, especially in rural areas of the state. Railways, ports, and waterways are vital in assuring a more robust intermodal system to support commerce. Delivering services, such as water, sewer, and utilities, is essential for economic development. Recent commitments by the Mississippi Legislature to increase spending for infrastructure will create new opportunities for growing our economy, but this must remain a priority. It is equally important to look for ways to find additional funding avenues.

ROADS AND BRIDGES

Mississippi's transportation system is one of our state's greatest assets. In 2018, Mississippi provided additional funding for transportation infrastructure. This was a vital step in addressing transportation needs in Mississippi, especially at the local level. However, in December 2015, MEC's Blueprint Mississippi Infrastructure Task Force released an extensive study calling for an additional \$375 million annually used strictly for pavement maintenance and bridge repairs or replacements. The 2018 funding will provide approximately \$200 million annually dedicated to maintaining roads and repairing and replacing bridges. Additional funding will be available over the next five years. Recent federal legislation allocates \$3.5 billion for federal-aid highway apportioned programs and \$225 million for bridge replacement and repairs. We must ensure we dedicate the funding necessary to meet the state match to receive the federal allocation.



The Emergency Road and Bridge Repair Fund (ERBRF), using criteria developed by Mississippi Department of Transportation (MDOT), prioritized requests for 167 projects throughout the state during the first round of funding. Projects at the county and city level received 85% of the funding, while the remaining 15% went to MDOT projects. The economic impact of this spending has been tremendous, as more than 40 different contractors have received contracts for ERBRF projects. An additional 16 projects were selected for the second round of funding in 2020. This program's success shows that dedicating additional funding would have a long-term, positive economic impact on our state.

Using MDOT's priority map, the state needs to develop a plan to speed up letting contracts that will resurface needed highways and roads, plus repair and/or replace damaged or unsafe bridges. It is also vital to protect the funding provided in the special session for infrastructure projects through MDOT, State-Aid, the local system bridge program, and the cities and counties. To address pressing needs, it is crucial to fast-track infrastructure projects, including roads, bridges, utilities, and water and sewer.

BROADBAND ACCESS

Mississippi still faces challenges with broadband access. As a rural state, building a network to provide high-speed internet services will lead to a more informed citizenry and help address educational disparities. Bringing access to all parts of the state will open new opportunities in today's global, knowledge-based economy.

Funding availability is continuing to grow to support broadband deployment. CARES Act funds dedicated to broadband expansion by the Mississippi Legislature were time-limited, so it is crucial to determine what additional incentives could encourage retail service providers or electric utilities to make further investments to expand coverage. Over the next 10 years, Mississippi will receive \$497.5 million through the FCC's Rural Digital Opportunity Fund to support broadband infrastructure construction. Additionally, the recent allocation from the federal infrastructure act of up to \$100 million to help provide broadband can expand deployment significantly.

PUBLIC TRANSPORTATION

As a rural state, public transportation is limited and has not been a priority. Often public transportation isn't classified as something important in Mississippi. However, the demand for such transportation exists. The lack of public transportation is an issue for workers in many areas of the state. Given the current limitations and lack of attention, it is essential to study the issue of public transportation to determine needs and gaps. Based on the funding formula of the recently passed federal infrastructure act, Mississippi would expect to receive \$233 million over five years to improve public transportation options. Ensuring the funding addresses workers' needs would help grow employment in Mississippi.





Strengthen and Expand Mississippi's Economy through Job Growth

RECOMMENDATIONS

- Increase the number of quality jobs with higher incomes.
- Raise average per-capita income in Mississippi.
- · Grow opportunities for entrepreneurship.
- Create a marquee economic development incentive program by streamlining the state's incentive portfolio.
- Focus on on-site readiness through site infrastructure advancement to create a short timeframe for development, usually within 12 months or less.
- Remove barriers and increase access to capital for minority-owned and small businesses.
- Maintain a tax structure that encourages business investment while providing fairness.
- Recognize and promote the expansion of technology-driven opportunities.

Creating a solid business climate is the key to growing Mississippi's economy. This begins with focusing on creating a more consistent approach to economic development, which includes looking at job types and job income, not just the number of jobs being created. Mississippi has traditionally found success with determining priority target sectors with industry. Continuing this strategic approach is essential for strengthening the state's economy. However, in doing so, it is critical not to overlook the value small business and start-ups bring to the state's economy.

In July 2021, Mississippi ranked 6th nationally in business applications per 100,000 population, according to information prepared by Economic Leadership.

HIGH-QUALITY, HIGH-PAYING CAREERS

As Mississippi looks to broaden its approach to business development, it is imperative to optimize opportunities to increase wages. Compared to the national average, Mississippi's per capita income lags by almost \$10,000, according to the U.S. Census. The state does have some key advantages that it can use to boost the overall income for our citizens. According to the World Population Index, Mississippi has the lowest cost of living in the country. Additionally, Mississippi ranks in the Top 10 least expensive states to run a business, as the Business Cost Index 2021 ranks Mississippi the 9th cheapest state to run a business.

While manufacturing and agriculture are critical for our state's economy, capitalizing on opportunities for expanding other sectors will be important in attracting higher-paying jobs and raising income. Entrepreneurship remains essential for the state and local economies. In many cases, many start-ups are driven by university-sponsored research. Such innovations spur the creation of new businesses, create jobs, and accelerate economic growth.

STREAMLINE THE INCENTIVES PORTFOLIO

For several years, creating a marquee economic development incentive program has been a priority. The Mississippi Economic Development Council, in conjunction with MEC, conducted the "Mississippi Competitiveness Study" in 2014. The research by Deloitte Consulting and Garner Economics LLC recommended eliminating incentives programs that have a low return on investment. By consolidating the number of incentive programs, the state could potentially hold more funds for incentives that are more widely utilized and applicable to Mississippi's target industries, according to the report.

In the 2021 session of the Mississippi Legislature, a bill to simplify the application process for incentives was introduced. Commonly referred to as MFLEX, the program would give business and industry flexibility in determining which incentive is best for the company. Offering a suite of tax incentives allows economic development officials to provide an incentive package without having to receive legislative approval for every major project. Such a plan would increase efficiency and give confidence to those looking to invest in the state.

SITE READINESS, AN IMPORTANT FACTOR IN ECONOMIC DEVELOPMENT

Strengthening a statewide site certification program is essential in enhancing our state's competitive edge and supporting local and regional economic development efforts. Improving our current site inventory could lessen the cost burden for environmental requirements, land acquisition and infrastructure improvement.

The availability of sites and the level of site infrastructure readiness can be the difference between success and failure in the pursuit of a corporate client, according to the Mississippi Competitiveness Study. The Mississippi Development Authority's Site Development Grant Program has helped alleviate some of the cost burdens on local economic development organizations to invest in environmental due diligence, infrastructure improvements, and land acquisition.

Our state's utilities can also play a vital role in improving critical infrastructure to elevate a site's competitive edge. Requirements may vary from site-to-site based upon a location's development challenges and the community's realistic targets. Working together with the Mississippi Development Authority, professional site consultants, and the Public Service Commission, can help determine the needs at each site.

MINORITY-OWNED BUSINESSES, SMALL BUSINESS IMPORTANT TO ECONOMY

The goal must be to create long-term economic sustainability in African American and minority communities. This would increase opportunities for Mississippians and provide a positive economic impact.

Access to capital for minority entrepreneurs is viewed as one of the most challenging barriers, as 62% of participants in the MEC Tour survey in 2021 believe minorities have more barriers when trying to secure financing for their company. Establishing new avenues for loans and grants would help address these critical issues. The program could utilize Mississippi-based Community Development Corporations, which have historically served minority, underbanked, and unbanked communities. Providing technical training, entrepreneur preparedness, and support will help protect investments and lead to business success.



COMPETITIVE, FAIR TAX STRUCTURE PROMOTES BUSINESS GROWTH

It is vitally important to have a competitive, consistent, and fair tax structure to foster economic growth. Taking a holistic look at our tax structure will ensure we are properly funding necessary government services while positioning the state's continued growth.

The state's tax structure must encourage business investment while providing fairness to all citizens. In recent years, the Mississippi Legislature has eliminated several non-competitive business taxes in Mississippi, removing roadblocks to economic growth. Many of these were highlighted in the "Mississippi Competitiveness Study." We must be diligent in reviewing our overall tax structure to create a competitive advantage.

TECHNOLOGY DRIVING CHANGE

Ever-changing technology impacts so many aspects of our daily lives. The COVID-19 pandemic exposed this as a weakness in Mississippi due to the lack of reliable broadband service. This affects economic growth, distance learning, and working remotely. This also limits the opportunity for innovation. As Mississippi looks to grow its entrepreneurial base, technology will be a driving factor in achieving this objective.

Research from Economic Leadership shows Mississippi ranks 31st nationally in expected technology occupation growth between 2020-2025. Expanding coding academies across the state creates an excellent career opportunity for students and provides businesses with both a source of trained tech talent and a way to insource vital work. The Mississippi Coding Academies and Innovate Mississippi are looking to continue expanding this unique training by raising additional funding, including applying for a Good Jobs Grant from the U.S. Department of Commerce's Economic



Development Administration. If funded, this provides a way to integrate employers and potential employees and help make Mississippi a software development center.

In addition to increasing business opportunities, utilizing today's technology can help improve distance learning capacities in rural and minority communities. A long-term strategy to attract technology businesses and improve educational opportunities is crucial for the state to prosper. It is essential to determine how best to meet equipment, rural broadband services, and other technological services needs.





Articulate the Importance of Healthcare for Today's Workforce

RECOMMENDATIONS

- Increase awareness of a healthy citizenry as a workforce issue.
- Highlight benefits of workplace wellness programs.
- Expand access to and utilization of healthcare services.
- Promote healthcare as an economic driver.
- Promote the value of careers in healthcare.

Healthcare is becoming increasingly more important when it comes to all aspects of the economy, especially related to the workforce. More than 92% of the participants in the MEC Tour survey said focusing on health is a key to having a work-ready workforce in Mississippi. A healthy workforce means a more productive workplace, increased job satisfaction, and a better quality of life. In addition, healthcare continues to be a significant part of Mississippi's economy in job creation, research and development, and private sector investment.

UNDERSTANDING THE IMPORTANCE OF HEALTH

A healthy workforce equals a productive workforce. Worker productivity is driven by many things, including the worker's health. It is vital to focus awareness on ways to improve the health of Mississippians. Preventive care is critical in addressing healthcare needs – the missed time from the job, hospitalizations, and long-term disability. Preventive care reduces the risk for diseases, disabilities, and death and can detect diabetes, high blood pressure, and high cholesterol.

Necessary preventive health measures for adults include vaccinations, colorectal cancer screening, checking cholesterol levels, blood pressure screening, and testing blood glucose levels for diabetes. The timing and frequency of these screenings depend on age and risk factors, according to the Mayo Clinic News Network. Barriers still exist. Among them are cost, no primary care provider, living too far from providers, and lack of awareness of preventive services, according to the U.S. Department of Health and Human Services. Understanding preventive care is critical for making sure people receive the recommended services and, as a result, it will lower overall health care costs.

Workplace wellness programs are an excellent way to increase awareness of the importance of a healthy lifestyle. In addition to focusing on preventive care, these programs also focus on the importance of eating healthy and exercising. The interest among companies participating in the MEC Tour discussions was high, as there were either plans in progress or aspirations to start a wellness program. However, only 50% of the MEC Tour survey participants said their employer had a program that focused on health.



STRENGTHEN ACCESS AND DELIVERY NETWORK

Mississippi's population must be healthier and have better access to care to create a strong workforce for the future and be competitive in capturing private-sector investment. Healthcare access is a problem, especially in rural areas. The "Blueprint Mississippi: Health Care as an Economic Driver" study points out that Mississippi trails most states in the number of physicians per capita. The uneven distribution of access leaves gaps in care in rural areas. While there has been an increase in medical students across the state, both at the University of Mississippi Medical Center and William Carey's College of Osteopathic Medicine, Mississippi still ranks last among active physicians per 100,000 population. According to the Association of American Medical College's "2019 Physician Workforce Data Report," Mississippi had 191 active physicians per 100,000 residents.

The study also recommends promoting alternative delivery methods to help address barriers to utilizing care. One alternative where that has seen increased emphasis is telemedicine. McKinsey and Company reports that telemedicine surged due to COVID-19, as usage was 78 times higher in April of 2020. As a result, consumer and provider attitudes toward telehealth have improved, McKinsey said. Other alternatives include providing less expensive options for transportation, insurance, and medication. As Mississippi looks to improve access to healthcare, it is essential to explore all options to improve access to affordable healthcare for working Mississippians and address the burden of uncompensated care on the state's healthcare system.

OPPORTUNITIES IN THE HEALTHCARE SECTOR

Mississippi should continue to promote healthcare as an economic driver. According to the Bureau of Labor Statistics [BLS], healthcare occupations are projected to grow 16% from 2020 to 2030. This will outpace all other trades and add about 2.6 million new jobs. According to BLS, the median annual wage for healthcare practitioners and technical careers in the U.S. was \$69,870 in May 2020. The median annual salary for all occupations was \$41,950.

Additionally, healthcare is not just doctors, nurses, technicians, and hospitals. The businesses that supply those hospitals and medical offices with medical equipment, high-tech diagnostic machines, essential goods, and the services necessary to make those organizations function are extremely important to our state's economy. Healthcare is more than just the delivery of care. It is also research and development and innovation. When viewing healthcare as an economic driver, increasing privatesector investment among suppliers and other healthcare-related industries could have a significant economic impact in Mississippi.

Focusing on healthcare will open the doors for new career opportunities for Mississippians. AccelerateMS has identified several occupations within the healthcare sector where growth will exist. Nurses, radiology technicians, sonography, and medical technicians are among those careers. An investment in growing the healthcare industry and providing career opportunities will improve the state's physical and economic health.





Be Part of the Process

There are numerous not-for-profit organizations and state agencies currently focusing on elements outlined in the goals and recommendations of this report. By partnering with private sector business leaders, these groups have an essential role in helping achieve the outcomes necessary to chart a new course for Mississippi. Working together is the key to "Securing Mississippi's Future."

Potential Partners Include:

- AccelerateMS
- Business and Industry Political Education Committee
- CREATE Foundation
- Children's Foundation of Mississippi
- Delta Council
- Delta Regional Authority
- Empower Mississippi
- Gulf Coast Business Council
- Innovate Mississippi
- Institutions of Higher Learning
- All state universities
- M.B. Swayze Foundation
- Mississippi Asphalt Pavement Association
- Mississippi Association of Educators
- · Mississippi Alliance of Nonprofits
- Mississippi Association of School Administrators
- Mississippi Association of School Superintendents
- Mississippi Center for Quality and Workforce
- Mississippi Construction Education Foundation
- Mississippi Community College Board
- · All community colleges
- Mississippi Department of Education
- Mississippi Department of Employment Security
- Mississippi Department of Human Services
- Mississippi Department of Transportation
- Mississippi Development Authority
- Mississippi Economic Development Council

- Mississippi Education Achievement Council
- Mississippi Energy Institute
- Mississippi First
- Mississippi Gaming & Hospitality Association
- Mississippi Hospital Association
- Mississippi Hospitality and Restaurant Association
- Mississippi Association of Independent Colleges
- Mississippi Manufacturing Association
- Mississippi Ports Association
- Mississippi Professional Educators
- Mississippi Railroad Association
- Mississippi Road Builders Association
- Mississippi State Medical Association
- Mississippi Tourism Association
- Mississippi Trucking Association
- MINACT, Inc. Job Corps Centers
- · North Mississippi Industrial Development Association
- The Parents' Campaign
- Parents for Public Schools
- · Phil Hardin Foundation
- · Public Education Forum of Mississippi
- · Skills Foundation of Mississippi
- · State Workforce Investment Board
- · Teach for America
- · W.K. Kellogg Foundation
- · William Winter Institute for Racial Reconciliation
- · Woodward Hines Education Foundation

Organizations on this list have not endorsed the MEC's "Securing Mississippi's Future." However, these organizations have one or more of these goals and recommendations among their priorities in helping move Mississippi forward.

Also

- · Local chambers of commerce
- Local economic development agencies
- Local civic clubs
- Faith-based organizations
- Planning & development districts

There may be other organizations whose priorities align with the objectives described in "Securing Mississippi's Future." Please reach out to the Mississippi Economic Council with information and input.

Mississippi Economic Council - The State Chamber of Commerce

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Building on a Strong Foundation

MEC's strategic vision plan, "Securing Mississippi's Future," is designed to help accomplish the objectives outlined in the MEC mission statement and vision statement.

MEC MISSION STATEMENT

To be the leading force for business in Mississippi. Use factual, data-driven research to promote collaboration between top private and public sector leaders, develop feasible solutions for economic competitiveness, and effectively advocate proactive public policy to put Mississippi and her citizens in the place of greatest opportunity.

MEC VISION STATEMENT

Serve as the essential organization for Mississippi businesses to cultivate job creation and economic growth.

The goals and recommendations outlined in this report are a continuation of the work that began almost 20 years ago with the development of Blueprint Mississippi. Released in 2004, Blueprint was designed to bring together public and private sector leaders to help move our state forward. In 2011, Blueprint was updated, providing much greater detail with input from hundreds of Mississippians with a vested interest in our state. In 2018, MEC released Endeavor, a report focused on workforce development and its role in driving the Mississippi economy. Many of the goals outlined in these reports have been accomplished and provide a solid foundation.

MEC has served as the voice of business since 1949. Its programs and the commitment of volunteer leaders from all regions of Mississippi help MEC focus on vital issues. These programs will continue to be instrumental going forward.





Leadership Mississippi remains a premier program for MEC. For almost 50 years, Leadership Mississippi has provided the opportunity for business leaders to come together and focus on strengthening our state's quality of life. With a network of over 2,000 alumni, Leadership Mississippi, an annual program of the MEC conducted by the M.B. Swayze Foundation, will continue to play a vital role in advancing the objective of improving our state image and helping make Mississippi a great place to live, work and play.





MEC's Mississippi Scholars Initiative is an education program managed by the Public Education Forum of Mississippi, which utilizes business leaders to motivate students to complete a rigorous course of study in high school. This provides a pathway for students – not just for college but for life. The Mississippi Scholars Tech Master program, developed under the Mississippi Scholars umbrella, encourages students to pursue and perform well in a career technical education course of study. Together these programs have recognized 68,000 students for completing this vital path to success in their post-secondary studies. Looking ahead, the scholars programs have an essential role in helping students understand the importance of educational attainment and outlining successful career opportunities.



The Student-Teacher Achievement Recognition (STAR) Program, also overseen by the M.B. Swayze Foundation, encourages scholastic achievement among the state's high school students and provides recognition of the teaching profession. The STAR program is critical in recognizing and helping retain top students to continue their education and careers in Mississippi.

It is crucial MEC continues to utilize its programs, strengthen its partnerships, and work with business and community leaders across the state. Working together, we can secure Mississippi's future.

Conclusion: Snapshot into the Future

The research provided through the MEC Tour: "A New Day, A New Opportunity for Mississippi" created an opportunity to develop a comprehensive look at ways to move Mississippi forward. The goals and recommendations outlined in "Securing Mississippi's Future" are intertwined and must be approached in unison. However, as we move forward, some issues may demand additional study, and as a result, other issues may come to light.

The framework of "Securing Mississippi's Future" provides an actionable plan and creates a pathway for capitalizing on the opportunities that exist for the state. As the "Voice of Business," MEC is committed to focusing on solutions to improve our workforce, enhance job growth, and cultivate an economic environment - serving as a catalyst for economic growth.

As we move forward, it is essential to create a well-defined process in determining priorities, developing objectives, and establishing performance indicators to measure progress. Mississippi's business community can lead this effort. Still, it must utilize the resources within the public sector to develop a strategy for accomplishing the work necessary to take Mississippi to the next level.

Success will require regular review and evaluation of the goals and recommendations. Doing so provides the agility to remain aligned with the overall mission of MEC and creates proactive approach in meeting the needs of its members, leading to long-term success in creating economic growth in Mississippi.

NOW IS THE TIME TO SEIZE THIS OPPORTUNITY.



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