



MISSOURI2030

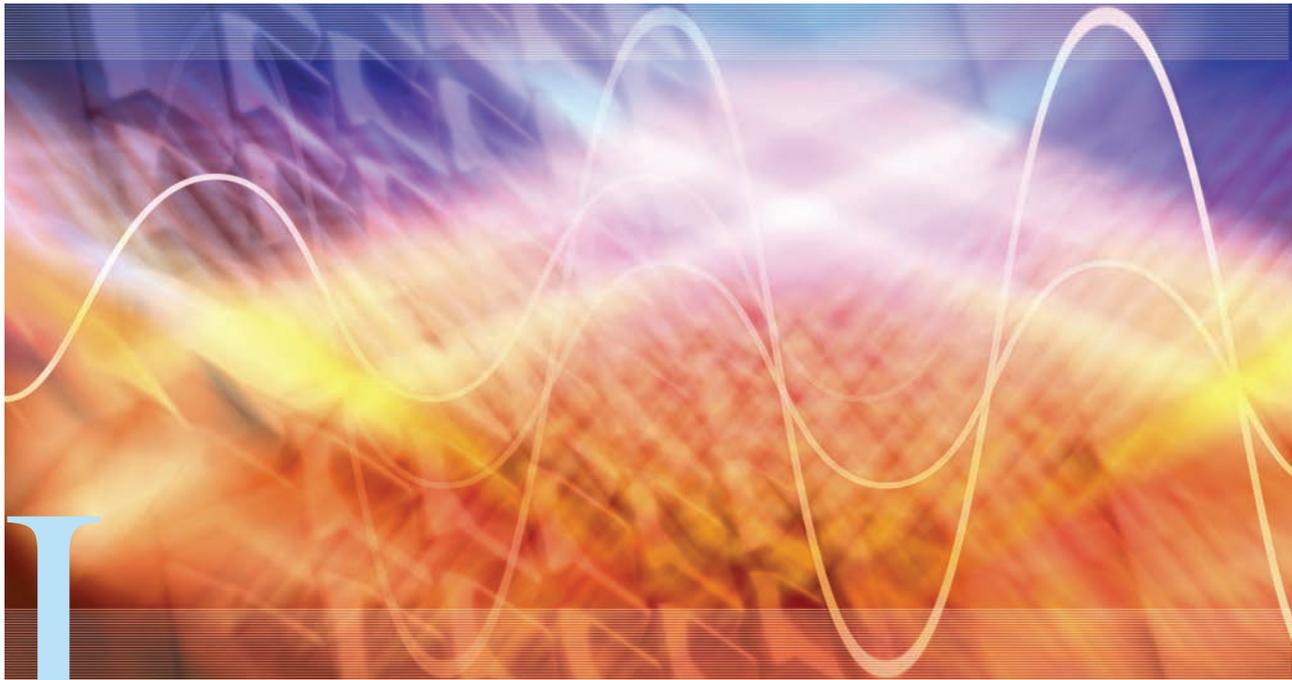
An Agenda to Lead



MISSOURI2030

An Agenda to Lead

JOIN THE CONVERSATION #MO2030



In a rapidly-changing economic landscape where globalization and technological transformations are rerouting the road to competitiveness, every state must critically, and continuously, examine itself. States that are not taking strategic and intentional action to grow jobs and economic opportunities will be left behind.

In 2014, the Missouri Chamber Foundation launched a year-long comprehensive analysis of Missouri's recent economic performance, a process that included thorough research of existing economic data and a survey of more than 1,000 businesses. The Missouri Chamber Foundation contracted with the internationally recognized research firm Gallup to conduct this independent study.

Based on Gallup's research and comparable economic data, we have concluded that Missouri has fallen behind. Without unified, statewide business leadership and ambitious new efforts our state's economic performance is not likely to improve. In fact, our position likely will decline compared to other states that are actively addressing employer needs.

The news is not all bad. Our research and Gallup's input from business leaders uncovered numerous opportunities for job growth in Missouri. There are many economic strengths upon which Missouri can build. It comes down to these two questions: How do we eliminate the obstacles to growth? How do we harness these opportunities and strengths and turn them into job creation?

We believe the answer is [Missouri 2030: An Agenda to Lead](#), a bold, 15-year strategic plan to reposition Missouri as a global economic leader. Missouri will not be satisfied with middle-of-the-road economic performance. We must position our state as a global leader in key economic measurements such as workforce, infrastructure and business climate. Missouri's business community must lead this charge.

[Missouri 2030: An Agenda to Lead](#) will serve as the vehicle to empower Missouri employers from all industry sectors and every corner of the state with an agenda that will drive Missouri toward better job creation, wage growth, economic productivity and output. [Missouri 2030: An Agenda to Lead](#) is

designed to transcend political cycles, term limits and parties and will provide a plan with transparent metrics and benchmarks that will hold leaders accountable for progress.

We have a long way to go to get to the Missouri we all want and expect. [Missouri 2030: An Agenda to Lead](#) is how we get there.

We must position our state as a global leader in key economic measurements such as workforce, infrastructure and business climate.

What the numbers say:

Missouri is lagging behind



In the past decade, every state felt the impacts of the Great Recession. As a nation, the United States lost almost nine million jobs before beginning a tepid recovery that is now in its fifth year. However, the rate at which states recovered from the recession varies widely. In the past few years, Missouri has had some good economic news. There have been announcements of new companies and expanding jobs. Each is a cause for celebration and excitement, but it is easy to get complacent with the narrative. Looking at the last decade, the longer trends create reasons for concern. Although there are many factors to examine when evaluating a state's economy, three can convey a broad picture: Employment growth, income growth and the growth in state per capita gross domestic product (GDP).

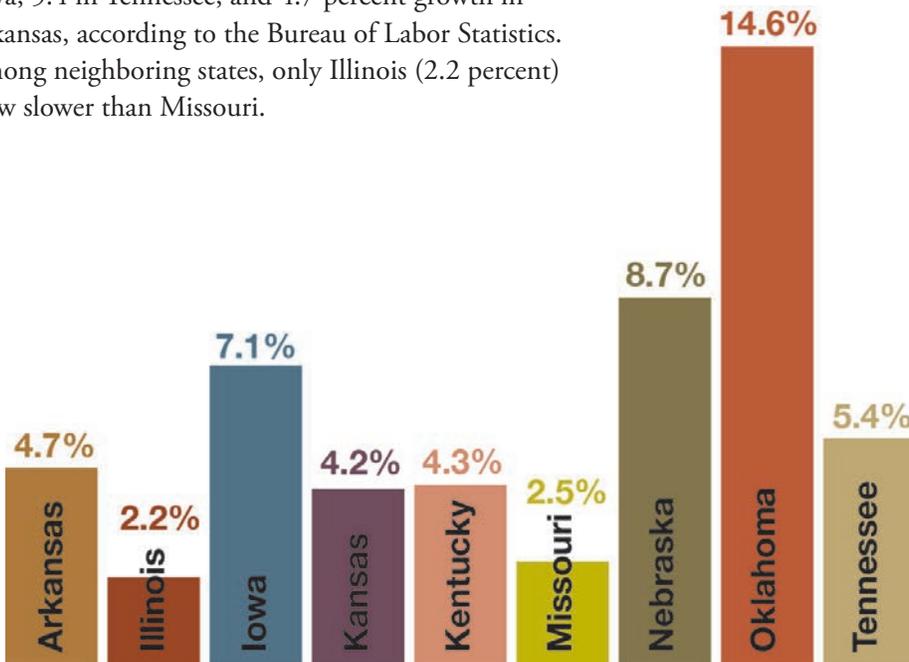
Missouri Rankings over the Past Decade

Employment Growth (Bureau of Labor Statistics)	#42
Per Capita GDP Growth (Bureau of Economic Analysis)	#43
Per Capita Income Growth (Bureau of Economic Analysis)	#37

Employment Growth (Dec. 2004 - Dec. 2014) Bureau of Labor Statistics

EMPLOYMENT GROWTH

From December 2004 through the December of 2014, employment growth in Missouri totaled 2.5 percent, ranking Missouri 42nd among the 50 states. Several of the surrounding states performed much better: 14.6 percent growth in Oklahoma, 8.7 percent growth in Nebraska, 7.1 percent growth in Iowa, 5.4 in Tennessee, and 4.7 percent growth in Arkansas, according to the Bureau of Labor Statistics. Among neighboring states, only Illinois (2.2 percent) grew slower than Missouri.





Growth in Per Capita Real GDP (2003 - 2013)
Bureau of Economic Analysis

GROWTH IN PER CAPITA REAL GROSS DOMESTIC PRODUCT

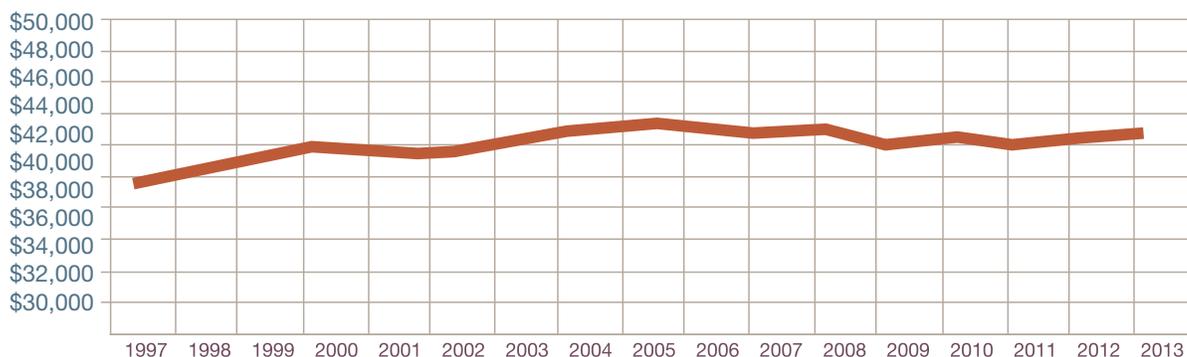
Between 2003 and 2013 National Real Per Capita GDP grew by 7.0 percent. According to the Bureau of Economic Analysis (BEA), Missouri's grew by 0.8 percent, 43rd best among the 50 states. Meanwhile, all of our neighboring states grew faster with Oklahoma, Iowa, Nebraska and Arkansas ranked in the top ten states nationally.

Between 1997 and 2005 Real GDP Per Capita grew at a strong pace, but today it is below 2005 levels.

GROWTH IN PER CAPITA REAL PERSONAL INCOME

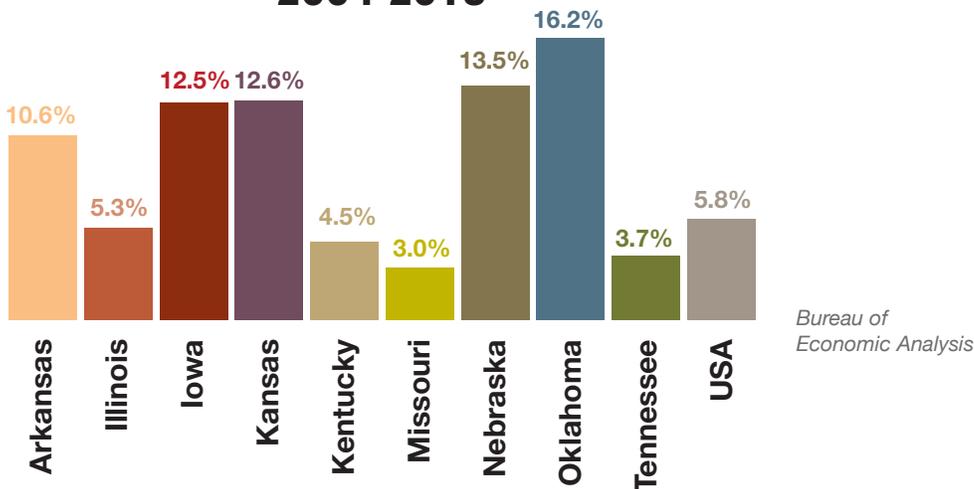
Missouri's Real Personal Income Per Capita grew by 3.9 percent from 2004-2013, 37th best among the states. Nationally according to the Bureau of Economic Analysis, the growth was 5.8 percent. Among neighboring states only Tennessee grew at a slower rate than Missouri. Some neighboring states including Oklahoma, Nebraska, Kansas, Iowa and Arkansas grew at rates more than twice Missouri's.

Missouri Real GDP Per Capita 1997-2013



Bureau of Economic Analysis

Growth in Per Capita Real Personal Income 2004-2013



OTHER RANKINGS AND ECONOMIC INDICATORS

We examined dozens of additional indicators to assess Missouri’s economic position and discovered other key areas where Missouri lags many national averages:

According to Harvard University's Dr. Michael Porter, in his 2012 report entitled *Missouri Competitiveness: Creating a State Economic Strategy*, Missouri's rankings among U.S. states were middle of the group at best and may be eroding in some areas.

In Porter’s report, Missouri ranked 48th in industry cluster strength, 39th in labor productivity, and 33rd in innovation. Missouri's best ranking among the states was 24th in new business formation. Porter is the nation’s leading economic development expert and many of his findings and recommendations were supported by the Missouri Chamber Foundation’s research.

	UNITED STATES	MISSOURI
Per Capita Gross Domestic Product (2013)	\$49,115	\$42,708
Per Capita Personal income (2013)	\$44,765	\$40,663
Change in Real Productivity (2004-2013)	+4.5%	+1.7%
Change in Real Wages (2004-2013)	+2.6%	+0.2%
Growth in High Tech Establishments	+9.9%	+4.1%

Bureau of Economic Analysis, Bureau of Labor Statistics, National Science Foundation



*What Missouri's
employers say:*

We need a plan to

Missouri's poor performance among the states in key economic indicators compelled the Missouri Chamber Foundation to reach out to Missouri employers to find out if they

shared the same concerns and, most importantly, to ask employers what they believed Missouri should do to address the problems. The Missouri Chamber Foundation commissioned Gallup to survey more than 1,000 employers via phone. In addition, Gallup conducted in-depth interviews with site selectors from around the nation. The Missouri Chamber Foundation also conducted one-on-one interviews with 50 of Missouri's most influential employers. Finally, the Missouri Chamber Foundation conducted six regional meetings across the state, reaching hundreds of Missouri employers and business leaders listening to their concerns and ideas.

The ideas and suggestions we gathered from Missouri's economic front line—our employers—blended with the research, form the foundation of [Missouri 2030: An Agenda to Lead](#).



MISSOURI2030

An Agenda to Lead



MISSOURI CHAMBER FEDERATION

Belton Chamber of Commerce
 Blue Springs Chamber of Commerce
 Branson/Lakes Area Chamber of Commerce
 Brentwood Chamber of Commerce
 Camdenton Area Chamber of Commerce
 Cape Girardeau Area Chamber of Commerce
 Carthage Chamber of Commerce
 Cassville Area Chamber of Commerce
 Columbia Chamber of Commerce
 Concordia Area Chamber of Commerce
 Cottleville/Weldon Springs Chamber of Commerce
 Farmington Regional Chamber of Commerce
 Fenton Area Chamber of Commerce
 Grain Valley Chamber of Commerce
 Grandview Chamber of Commerce
 Greater Clinton Area Chamber of Commerce
 Greater Kansas City Chamber of Commerce
 Greater St. Charles County Chamber of Commerce
 Greater Warrensburg Area Chamber of Commerce
 Greater West Plains Area Chamber of Commerce
 Hannibal Area Chamber of Commerce
 Harrisonville Area Chamber of Commerce
 Hermann Area Chamber of Commerce
 Higginsville Chamber of Commerce
 Hispanic Chamber of Commerce of Greater Kansas City
 Hispanic Chamber of Commerce of Metropolitan St. Louis
 Independence Chamber of Commerce
 Jackson Area Chamber of Commerce
 Jefferson City Area Chamber of Commerce
 Joplin Area Chamber of Commerce
 Kirksville Area Chamber of Commerce
 Lake Area Chamber of Commerce
 Lebanon Area Chamber of Commerce
 Lee's Summit Chamber of Commerce
 Lexington Chamber of Commerce
 Liberty Area Chamber of Commerce
 Maryville Chamber of Commerce
 Maryland Heights Chamber of Commerce
 Mexico Area Chamber of Commerce
 Neosho Area Chamber of Commerce
 Nixa Area Chamber of Commerce
 North Kansas City Business Council
 Northland Regional Chamber of Commerce
 Northwest Chamber of Commerce
 O'Fallon Chamber of Commerce
 Oak Grove Chamber of Commerce
 Ozark Chamber of Commerce
 Parkville Chamber of Commerce
 Raytown Area Chamber of Commerce
 Republic Area Chamber of Commerce
 Richmond Chamber of Commerce
 Riverside Area Chamber of Commerce
 Rolla Area Chamber of Commerce
 Sedalia Area Chamber of Commerce
 South Kansas City Chamber of Commerce
 Sparta Area Chamber of Commerce
 Springfield Area Chamber of Commerce
 Ste. Genevieve Chamber of Commerce
 St. Joseph Chamber of Commerce
 St. Louis Regional Chamber
 Stockton Area Chamber of Commerce
 Table Rock Lake Area Chamber of Commerce
 Trenton Area Chamber of Commerce
 Troy Area Chamber of Commerce
 Warrenton Area Chamber of Commerce
 Warsaw Area Chamber of Commerce
 Waynesville-St. Robert Area Chamber of Commerce

be better

The Missouri Chamber Foundation will take a four-pronged approach to implement the plan.

- The Missouri Chamber Foundation will provide research and data to guide the plan.
- The Missouri Chamber of Commerce and Industry will advocate legislative initiatives and support other market-based initiatives.
- The Missouri Chamber Federation, a network of Missouri's strongest chambers of commerce, will provide grassroots support on issues that align with local priorities.
- Missouri Chamber PAC will influence the pro-jobs makeup of the legislature.

It is this four-pronged approach that will allow [Missouri 2030](#) to get the penetration and statewide leverage necessary for successful implementation.

(Listing as of October 2015)

*Taking the lead to put Missouri
in the lead in four key areas:*

Missouri 2030 Drivers



The framework of the agenda is built around four drivers:

1 Preparing the Workforce

2 Competing for Jobs

3 Connecting through Infrastructure

4 Uniting the Business Community

These priorities focus on the fundamentals of a successful economy. If Missouri can lead in these areas, we will be an economic force that will provide more opportunities and an improved quality of life for Missourians.

Turning around the trends in these critical areas will take time. **Missouri 2030** is a long-term agenda for continued improvement. By the time we reach 2030, the Missouri General Assembly will have seen three generations of legislators and at least three governors come and go due to term limits. **Missouri 2030** will provide continuity throughout these political changes. **Missouri 2030** will provide the structure and goals that Missouri's business community and other stakeholders can endorse and work together to achieve.

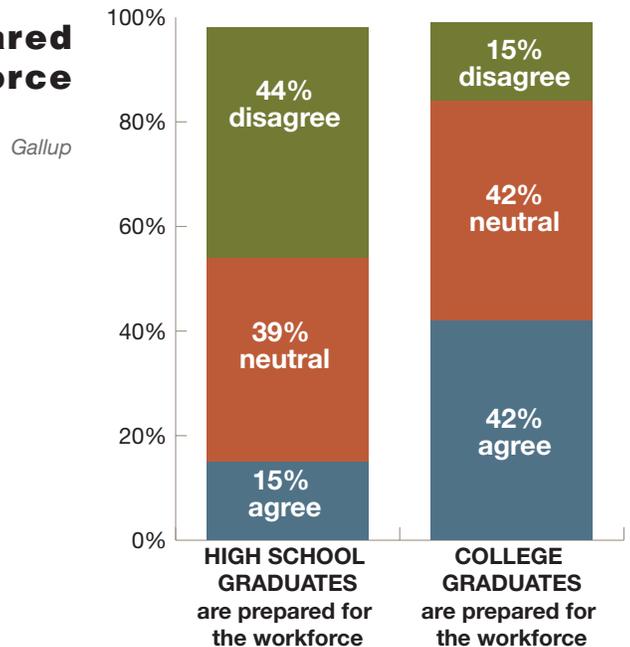
Preparing the Workforce

WHAT THE RESEARCH REVEALED:

Through our Gallup research, we heard clearly that we need to invest in Missouri's workforce. Only 44 percent of Missouri business owners are satisfied with the state's availability of skilled workers. Employers cited weaknesses in the state's ability to prepare, attract and retain workers. According to the Gallup survey:

- Only 15 percent of Missouri business owners agree that high schools are preparing students for the workforce.
- Only 42 percent of Missouri businesses agree that colleges provide preparation for the workforce.
- Only 30 percent of Missouri business owners agree that Missouri attracts the top talent.
- Only 30 percent of Missouri business owners agree the state is able to retain top talent.

Prepared Workforce



One-on-one interviews with the CEOs from some of the state's largest employers mirrored the responses from the Gallup survey. More than 90 percent felt that actions to improve education and workforce preparedness were absolutely necessary.

While a major issue for existing businesses, workforce also is a key for attracting new jobs to the state. Gallup followed up the survey with business leaders to conduct in depth interviews with site selection consultants. Through these interviews, site selectors told Gallup:

- It is increasingly difficult for manufacturers to find skilled and semi-skilled labor, such as machinists, welders and maintenance technicians. Demand for these positions is outstripping supply.
- The site selectors praised community colleges and other higher education institutions, but believe that Missouri is not effectively promoting the social and economic value of industrial careers that may not require two and four year degrees.
- The site selectors interviewed also recommended that Missouri look to other states that have implemented training grants and reimbursement programs.

Another indicator of workforce strength analyzed by the Missouri Chamber Foundation was the status of 25-44 year olds. This population sector in Missouri is decreasing at three times the rate as the national average.

Addressing the top concern of workforce will require a new focus on the demand side of worker training.

A demand-driven approach, according to Dr. Michael Porter “is made up of the public and private sector policies and programs that help people acquire the knowledge and skills needed to earn a living.”

By focusing on the demands of business, this type of approach allows local citizens and service providers to understand the opportunities that exist for current and future employment and what specific skills are necessary to take advantage of those opportunities.

“The community colleges have outstanding technical programs but we are not getting the throughput. It needs to be pushed to students, parents, teachers and adults with influence in their lives ... we are not effectively promoting the social and economic value of industrial careers ... we need a PR campaign ... we need to make this a cool thing to do.”

Site Selector

HOW MISSOURI 2030 CAN HELP MISSOURI BETTER PREPARE:

No other issue is of more concern for businesses today. Missouri must improve the education system at all levels and integrate the skills needed by business into every curriculum. Gallup reported that a common sentiment was “unless Missouri changes the way we are preparing people for the jobs of the future, the current mismatch between employer skill needs and the talents of the workforce will widen.” Systemic education reform is needed, but it will take years. Therefore, initiatives that work around the current system must also be made available to help employers in the short term.

Preparing the Workforce

Goal: Increase the voice of business and industry on education and workforce issues at the state and national policy levels.

Action steps:

- ▶ Hire a dedicated governmental affairs liaison to address workforce needs.
- ▶ Advocate policy that competitively funds our K-12 and higher education system, implements much-needed reforms, provides better support for high performing teachers and administrators and sets higher standards for Missouri students.

Goal: Align workforce needs with outcomes from Missouri's education systems by facilitating research and collaboration between business leaders, educators, policy makers and workforce development professionals.

Action steps:

- ▶ Create an alliance called Missouri 2030: Workforce consisting of business leaders, educators and workforce development professionals charged with the creation of an actionable plan to address the gap between workforce supply and demand.
- ▶ Commission a study/survey to identify gaps between student achievement and employer needs.

Goal: Increase the number of students considering technical employment, STEM and other targeted employment sectors by providing timely job, skill and wage information for students, parents and employers through a strong public relations campaign.

Action steps:

- ▶ Develop timely and informative, age-appropriate industry and occupation materials for students in

middle and high school that also reference various educational and training pathways.

- ▶ Invest in paid media, earned media, public service announcements and a social media campaign in targeted regions of Missouri.
- ▶ Develop partnerships to channel information to students, parents and employers.

Goal: Optimize existing training programs and find innovative solutions to address gaps.

Action steps:

- ▶ Facilitate an alliance called Missouri 2030: Training consisting of human resource managers, educators and workforce development professionals to identify strengths and weaknesses in Missouri's training systems. The alliance will produce an actionable plan to improve the efficiency of state training systems.
- ▶ Hold an annual training conference that brings together business leaders, community leaders, economic developers and workforce development professionals to share best practices and to align goals.
- ▶ Support statewide deployment of the Certified Work Ready Communities (CWRC) program through statewide public relations campaign.
- ▶ Advocate and secure the release of currently withheld state funds the legislature approved to support the CWRC.
- ▶ Provide grant-writing support to smaller communities to pull down federal and other funding available to support training programs.
- ▶ Advocate for more effective use of state and federal training funding.

Goal: Expand relevant work experience opportunities throughout the education system.

Action steps:

- ▶ Build a system to promote internship opportunities to Missouri's employers, K-12 schools, post-secondary institutions, students and parents.
- ▶ Develop communication channels with high school counselors to encourage students to take rigorous courses and pursue relevant career pathways.

Goal: Encourage students to take more rigorous courses while in high school to be better prepared for the workforce or higher education.

Action steps:

- ▶ Deploy statewide the Show-Me Scholars initiative, which connects business leaders into junior high and high school classrooms to encourage students to take rigorous courses.
- ▶ Research outcomes of students taking more rigorous coursework and publicize the importance of raising the bar.
- ▶ Expand the number of scholarships for Show-Me Scholar students.
- ▶ Support the expansion of high-impact statewide STEM education efforts.
- ▶ Expand the active participation and support by business leaders for the Missouri Mathematics and Science Coalition.

Competing for Jobs

WHAT THE RESEARCH REVEALED:

Without a competitive business climate, Missouri cannot win the global war for economic prosperity. Gallup dug deeply into key areas that impact Missouri's business climate. Gallup found that less than one in four employers is satisfied with Missouri's litigation climate, tax environment or government regulations.

Specifically, in the area of tax, the Gallup survey revealed that 10 percent of businesses in Missouri believe that Missouri's tax environment is their biggest obstacle to growth. That statistic is slightly higher than a national survey conducted by Gallup-Wells Fargo, which put that number at 7 percent.

Gallup's research found that employers were not as concerned about the tax rate as the consistency of Missouri's tax laws. Gallup concluded that "the inconsistency of Missouri's tax policy is perceived as a major issue, with 1 in 5 business owners agreeing policies are stable enough to allow for year-to-year growth planning. Construction, wholesale trade, and health care industries reported even more concern over tax inconsistency than other industries overall.

Interviews with site selectors revealed a similar concern. While generally complimentary of Missouri's tax incentive programs, site selectors were worried that the programs' administrative complexity could be holding back some opportunities for Missouri. "The time and effort that go into applying for the incentives can normalize the value of the incentive package except in very large deals," commented one site selector interviewed.

Like taxes, a state's labor policy has a direct impact on employers' bottom lines. The Gallup survey revealed that Missouri employers are also concerned about labor policy. The majority of business leaders Gallup surveyed, 54 percent, favors Missouri becoming a

MISSOURI TAX RANKINGS

Overall	17th
Individual Income Tax	29th
Sales tax	29th
Property Tax	7th
Corporate Tax	4th

The Tax Foundation

Right-to-Work state. Support for this policy change was even higher in some industry sectors, such as Transportation, Communications, and Utilities, where 67 percent supported becoming a Right-to-Work state.

Labor policy also plays a large role in a state’s ability to recruit new business. Site selectors also stated that becoming a Right-to-Work state would benefit Missouri. One site selector commented that “Missouri’s prospect flow on manufacturing is only 60 percent of what it would be if it was Right-to-Work.”

Gallup also surveyed employers about the impact of health care costs on their businesses. The vast majority (80 percent) of businesses reported that their health care costs will increase significantly in upcoming years. Seventy one percent cited that these increases will impede their companies’ abilities to grow. Yet, very few businesses, only 5 percent, cited health care as their biggest obstacle to growth.

“Missouri’s prospect flow on manufacturing is only 60 percent of what it would be if it was Right-to-Work.”

Site Selector

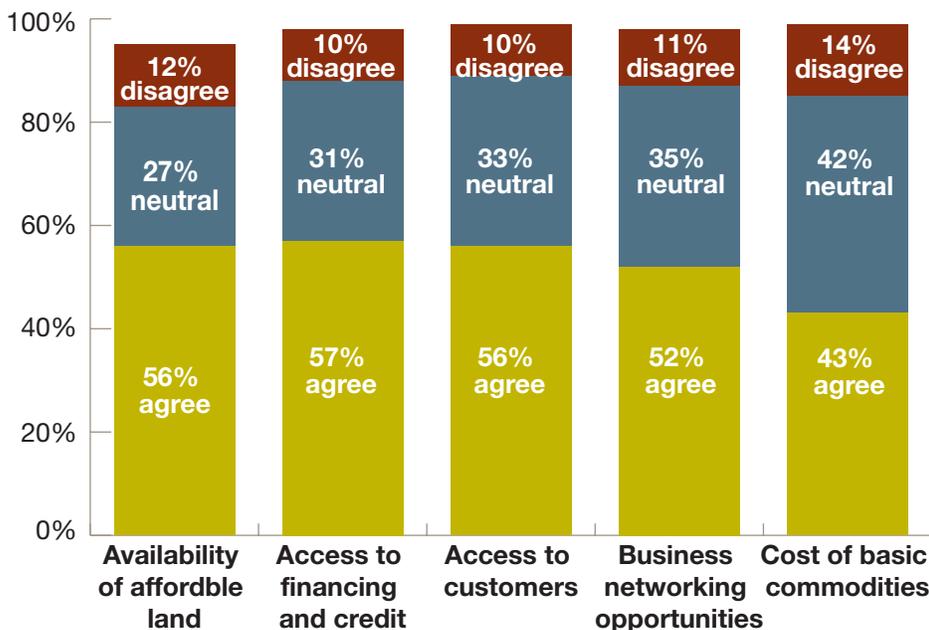
Some of Gallup’s findings identified strengths in this area. Missouri businesses rate their access to key inputs to their business’ success relatively high as compared to other questions in the survey, with over half reporting satisfaction with availability of credit, affordability of land, access to customers, and business networking opportunities.

HOW MISSOURI 2030 CAN HELP MISSOURI BETTER COMPETE:

Gallup’s research has identified several factors in our business climate that Missouri can address. Simplicity, predictability, transparency and efficiency should

guide future policy. The Missouri Chamber has long been considered the most influential business advocacy group in Missouri’s capitol. Missouri 2030 will make that lobbying team even stronger with additional advocacy resources and tools. More and more, due in a large part to term limits, public policy is circumventing the legislature and instead is being made through government agencies and in the courts. Missouri 2030 arms the Missouri Chamber with the support it needs to become a stronger presence in these areas.

Key Inputs for Missouri Businesses



Competing for Jobs

Missouri 2030 also puts a strong focus on policies to support entrepreneurship and innovation. Research consistently shows that a large percentage of job growth emanates from fast-growing, young companies. By minimizing regulatory costs and maximizing available capital, these companies can be nurtured and allowed to grow.

Goal: Continue to aggressively monitor Missouri's business climate and advocate for improvements in the areas of: tax policy, legal environment, unemployment insurance and workers' compensation systems, labor, health care and other factors impacting business competitiveness.

Action steps:

- ▶ Maintain the strongest advocacy team for business in Jefferson City by providing cutting edge support resources.
- ▶ Develop targeted research studies to support advocacy efforts of key issues.
- ▶ Invest in annual, statewide issue polls.
- ▶ Invest in communications tools and campaigns to keep employer members, legislators, media and the general public engaged in pro-jobs policy making.

Goal: Keep Missouri's corporate taxes competitive and guarantee consistency.

Action steps:

- ▶ Conduct a comprehensive study of Missouri's state budget, including a 15-year projection of expected revenue growth and spending to use in setting long-term tax policy.
- ▶ Commission an analysis of Missouri's tax code by leading tax professionals and present an actionable list of recommendations that can be legislated.
- ▶ Conduct annual state-by-state comparisons of tax levels.

Goal: Improve Missouri's corporate litigation environment.

Action steps:

- ▶ Expand manpower for the Missouri Chamber Legal Foundation to increase advocacy strength, engage in the judicial selection process and intervene in corporate legal cases.
- ▶ Perform a state-by-state analysis of key tort reforms (employment law, comparative fault, punitive judgements, evidentiary standard) and implement a plan to align Missouri with states that have more balanced, competitive litigation climates.
- ▶ Invest in a research study to analyze the impact of Missouri's unbalanced tort system on our economy to support advocacy efforts. Compare Missouri to other states in levels of corporate suits filed, number of cases settled pre-trial and number of cases filed in state and federal courts, among other data.
- ▶ Build an alliance of Missouri's corporate counsels and convene regular communications to develop a common action plan and path toward meaningful tort reforms.
- ▶ Establish an aggressive public relations plan to support tort reform efforts.
- ▶ Build a database that tracks political contributions from trial attorneys to elected officials and invest in a paid and earned media campaign and social media to publicize.

Goal: Become a model state for fair and balanced resolution for injured workers and unemployed workers while lowering transaction costs of the workers' compensation and unemployment insurance systems.

Action steps:

- ▶ Tap into the expertise of corporate defense attorneys among Missouri Chamber membership through the Missouri Chamber Legal Foundation to help monitor legal decisions and other factors

impacting Missouri's workers' compensation and unemployment insurance systems.

- ▶ Develop a method to track Missouri's "real" unemployment rates to use in developing more effective policy to address joblessness.
- ▶ Provide legal white papers through the Missouri Chamber Legal Foundation to help Missouri employers stay in compliance with changes in the law.

Goal: Improve access to quality, cost effective health care.

Action steps:

- ▶ Work to reduce the negative impact of the Affordable Care Act on Missouri employers by enacting strong Medicaid reforms.
- ▶ Build resources to support advocacy of medical malpractice caps.
- ▶ Research methods to provide transparency in the health care system.

Goal: Implement labor reforms.

Action steps:

- ▶ Monitor labor activity in other states and build resources and support to enact competitive labor reforms in Missouri.
- ▶ Invest in a strong grassroots campaign and media plan to enact labor reforms.
- ▶ Build a database that tracks political contributions from unions to elected officials and invest in a paid and earned media campaign and social media to publicize.

Goal: Foster entrepreneurs and innovation.

Action steps:

- ▶ Facilitate an alliance called Missouri 2030: Entrepreneurs to create an actionable plan to make Missouri a much more attractive state for business start-ups.
- ▶ Collaborate with the SBDTC to provide effective entrepreneurial training and start up support to emerging Missouri businesses.
- ▶ Provide annual regional entrepreneur networking events.
- ▶ Proactively identify students and citizens with entrepreneurship talent that are most likely to start a new business. Work with schools and universities to develop the interest, skills and partnerships needed to capitalize on this talent.
- ▶ Conduct an annual tax policy review to maximize the benefits for start-up and high-growth companies.
- ▶ Expand flexible capital formation through policies that encourage new market tax credits, venture capital, angel networks and crowdfunding.
- ▶ Promote collaborative industry and higher education research and development to increase our ability to commercialize research projects.

Goal: Identify economic areas of strength and leverage through collaboration and strategic policy, including agriculture, banking, energy, finance, insurance, health care, manufacturing and technology sectors.

Action steps:

- ▶ Build alliances of the state's leading companies and experts for each of these sectors to collaborate and develop actionable plans for growth.

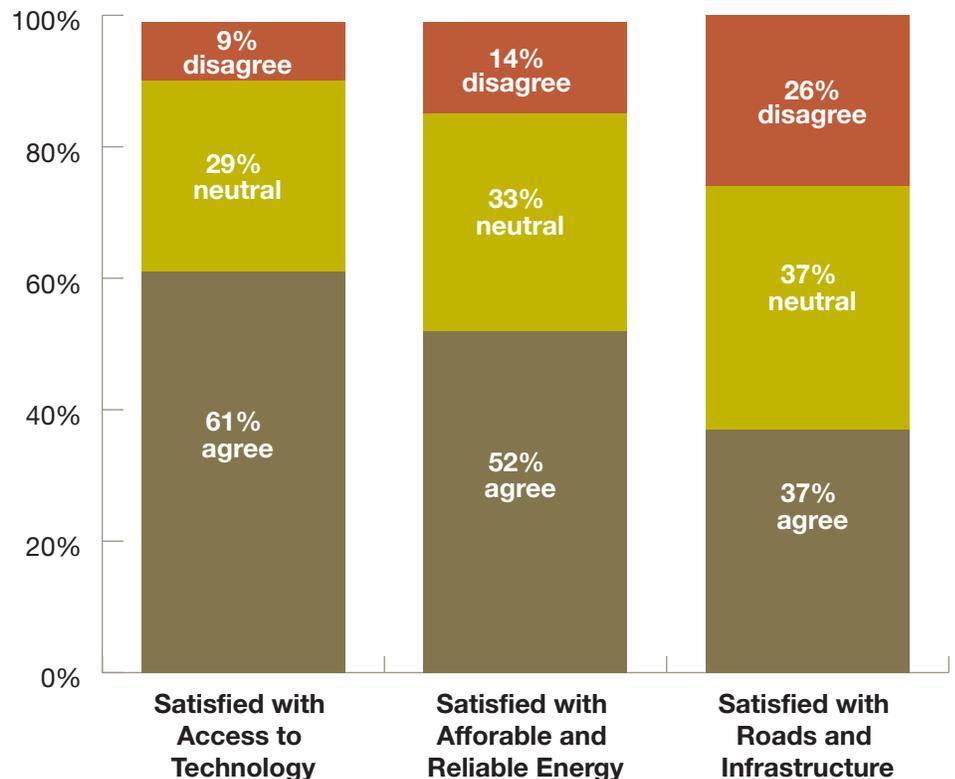
Connecting through Infrastructure

WHAT THE RESEARCH REVEALED:

Gallup's research also focused on the infrastructure that Missouri's business community needs to grow and be competitive. The research revealed that basic infrastructure, such as roads and bridges, is a prevalent concern of employers, especially industries that depend on roads and airports for the movement of goods. Gallup concluded that, "business owners that operate day-to-day in the state feel aging infrastructure as an increasing challenge for their operations." Respondents were 61 percent satisfied with their access to technology as compared to only 37 percent satisfaction with basic infrastructure, including roads. Transportation was one of the few areas where responses differed based on geography. The Gallup research showed that business owners in the St. Louis area were more satisfied with transportation infrastructure than those in other areas of the state.

The site selectors interviewed by Gallup were quick to cite location as strength for Missouri. One stated, "Especially in manufacturing, my decision is made 65 percent by logistics and supply chain dynamics. Customers are expecting their goods faster and faster and shipping times are decreasing."

Satisfied With Infrastructure



Another site selector commented, “Missouri has so many strengths by default in its central location and needs to take better advantage of these.”

Gallup concluded that leveraging Missouri’s location through strategic policy making and investment would be a smart move for the state.

HOW MISSOURI 2030 CAN HELP MISSOURI CONNECT:

Missouri has always enjoyed a logistics advantage due to its central location, navigable rivers and strong railroad and interstate highway systems. Infrastructure for the future, including global and domestic air connectivity, passenger rail, public-transit service to improve employee mobility, digital coverage and speed can position Missouri as a hub for commerce in the Midwest. At the same time, Missouri enjoys low energy costs. This is an asset that Missouri must actively protect and promote.

Goal: Leverage Missouri’s natural competitive advantage of location by investing in strong transportation infrastructure.

Action steps:

- ▶ Utilizing an analysis of Missouri’s long-term revenue and spending projections, identify how much investment can be made in infrastructure through existing revenue growth.
- ▶ Analyze how much additional funding is required to meet needs and conduct polling to see what funding methods or combination of funding methods Missourians will support.
- ▶ Focus transportation infrastructure investment priorities on the most leveraged areas for productivity and economic growth.
- ▶ Employing the above data, develop a long-range plan for sustainable infrastructure funding.
- ▶ Support the Missouri Department of Transportation’s freight plan, and improve freight mobility and connections between roads, rail and ports.
- ▶ Create an Alliance called Missouri 2030: Infrastructure to develop and implement a plan for passage of a sustainable transportation plan and other infrastructure needs.

- ▶ Invest in a strong grassroots campaign and media plan to build support for a sustainable transportation plan.

Goal: Expand Missouri’s logistics capacity for domestic and international trade.

Action steps:

- ▶ Create an alliance called Missouri 2030: Trade to bring together current exporters, prospective exporters and international trade professionals to share best practices and develop an actionable plan to grow international trade.
- ▶ Support efforts of the Midwest Cargo Hub Commission to create an international air cargo hub at Lambert Airport in St. Louis.
- ▶ Partner with corporations to develop a “Made in Missouri” campaign and help Missouri employers to network and learn more about exporting their products.

Goal: Protect Missouri’s advantage as a low-cost energy and utility state.

Action steps:

- ▶ Engage in legislative, agency and legal activity that impacts energy production and distribution.
- ▶ Work with business leaders, energy providers and community leaders to establish a collaborative, long-term plan to address Missouri’s aging infrastructure and future energy and utility needs.

Goal: Develop a competitive advantage in broadband coverage and speed.

Action steps:

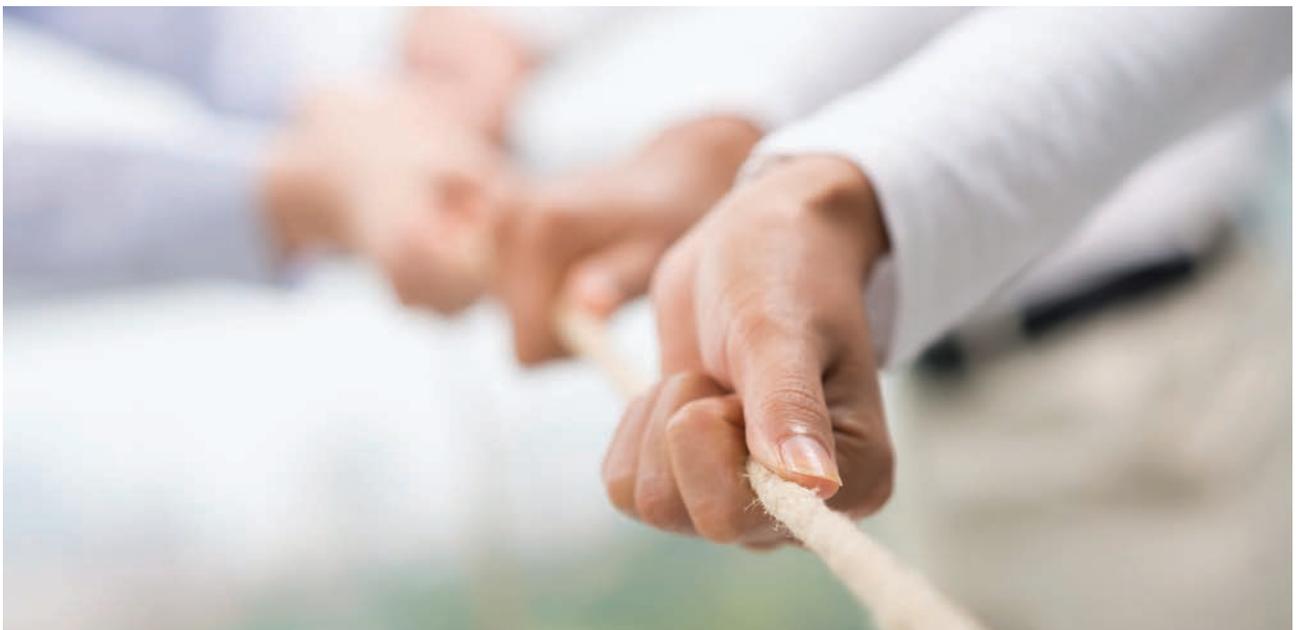
- ▶ Work with communities, state and local governments and broadband providers to stimulate broadband use. Minimize regulations and rules, which may impede the deployment.
- ▶ Support grant programs to provide assistance for consumers, education institutions and libraries to purchase broadband service/equipment by working with Regional Economic Development Planning Councils.

Uniting the Business Community

WHAT THE RESEARCH REVEALED:

The Gallup survey clearly identified policies that Missouri employers want addressed, but employers were not confident in elected officials' ability to enact change. Only 20 percent of the business leaders surveyed believe that politicians are committed to improving the state's business climate. Elected officials have championed numerous economic studies and initiatives over the years, but those plans languish when the politicians leave office. Many of the findings in the Missouri 2030 research echoed previous studies and analysis. Unfortunately, no long-term, actionable plan has been put in place to implement the changes. Missouri has seen a cycle of studies pointing out problems, without a unified vehicle to act.

Our research demonstrates that Missouri employers want to change that dynamic. According to the one-on-one CEO interviews, 87 percent believe the



Missouri Chamber should serve in the leadership role to advance a unified initiative to better position our state economically.

HOW MISSOURI 2030 CAN HELP MISSOURI BETTER UNITE:

Fragmentation has become the norm for Missouri. The divide and dissent between our political parties, urban-rural interests and metropolitan boosters all create friction as we look for statewide direction in education, infrastructure and business climate. If Missouri is going to take the actions necessary to be more competitive, the Missouri Chamber of Commerce and Industry and its business leadership must lead on these critical issues. We must look for alignment between elected officials and the policies that we believe are necessary to grow the economy.

Goal: Unite the business community.

Action steps:

- ▶ Create an online website dashboard to display Missouri's progress in key economic indicators and hold leaders accountable for improvement.
- ▶ Continue to hold strategic planning sessions with the state's most influential CEOs to keep the business agenda focused.
- ▶ Continue to build the Missouri Chamber Federation, a network of Missouri's strongest chambers of commerce, by adding more members and arming members with resources and tools needed to engage in statewide advocacy, workforce and economic development initiatives.
- ▶ Continue to build the Missouri Chamber Small Business Alliance, which consists of Missouri Chamber Federation member employers with 10 or fewer employees. These employers automatically become members of the Missouri Chamber and receive all advocacy and select member benefits free of charge.
- ▶ Secure endorsements of Missouri 2030 from other influential economic development, workforce development and trade associations and provide materials that these entities can use to educate their constituents and advocate for those measures in the plan that align with their goals.
- ▶ Invest in communications and strategies to improve Missouri's business image.
- ▶ Issue frequent media releases, provide briefings and communicate economic development accomplishments to the public, investors and stakeholders.



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What we expect: **The Return on Investment**

If it matters, it needs to be measured and monitored. The Missouri Chamber will work with business leadership to develop an online dashboard to measure progress on key metrics and success. This dashboard will provide clear longitudinal and comparative data, transparency and accountability and will be accessible to anyone with Internet access.

BELOW ARE THE INITIAL ROI GOALS OF MISSOURI 2030:

- Future Missouri performance for GDP growth, employment growth and income growth will be above the national average.
- Missouri will be a top 15 state for new business formations.
- Missouri postsecondary educated 22-44 year olds' ranking will improve to a top 10 state per capita.
- Missouri will be ranked among the top third of states for business climate and best places to do business.
- Workforce credentials, at all levels, will increase faster than labor force growth.
- Exports per capita from Missouri will grow faster than the national average.
- Business satisfaction surveys concerning the skills of the available workforce will show significant improvements within five years.
- Missouri's image among site selection professionals will be among the top tier states.
- Missouri will improve in rankings measuring quality of life.

How will we keep **stakeholders informed?**

In addition to bolstering the four economic drivers, it is critical that this effort keeps investors and the Missouri business community fully informed about economic development projects, programs and opportunities.

TO FULFILL THIS GOAL, THE MISSOURI CHAMBER FOUNDATION WILL:

- Host an annual statewide economic development event (celebration of successes).
- Host investor luncheons and other events to provide updates on progress made toward achieving the goals outlined in the strategic plan.
- Invite investors to announcements, ground breakings, ribbon cuttings and special economic development receptions and programs.
- Issue frequent media releases, provide briefings and communicate economic development accomplishments to the public, investors and stakeholders.
- Publish and distribute timely newsletters, press releases and other materials that provide updates on progress made toward achieving the goals outlined in the strategic plan.
- Conduct a comprehensive capital campaign to secure private resources to broaden the base of support and fund the Missouri 2030 plan.
- Create an “investor oversight committee” made up of top investors to oversee program implementation and maintain program accountability and progress (meet twice a year and receive special updates as needed).
- Broaden support of strategic plan by continuing to engage the Missouri business community in future years.
- Annually audit the Missouri Chamber Foundation’s financial processes and report to investor oversight committee and board of directors.

How can you join our effort
to make Missouri a leader?

Learn more about Missouri 2030 on our website:

mo2030.com

- Sign up to receive progress updates.
- Learn additional information about each key driver.
- Download the full plan.
- Join and promote the effort.



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428 East Capitol Avenue
P.O. Box 149
Jefferson City, MO 65102

573-634-3511

mochamber.com