

STATE OF MISSOURI

Strategic Initiative for Economic Growth



Market Street met the challenge to assess issues for a very diverse state – urban, suburban, and rural – and worked with over 600 business, education, research, economic development, labor and government leaders to develop strategies that all would support.

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Background

Launched by Governor Jay Nixon to chart a clear path for long-term growth in the Missouri economy, the 2010 Strategic Initiative for Economic Growth was a nine-month process that engaged hundreds of representatives from a wide array of constituencies, including business, higher education, and economic development, from across the state. To gain insight from such a large number of stakeholders, several methods were employed including White Papers, which gave experts a means to provide tactical recommendations; an online survey; and two rounds of regional forums. These first series of forums contributed to the development of the target clusters and niches, proposed legislative initiatives, and high-level strategies. The second series solicited comments on research to date, tactics identified through White Papers, and the eight high-level strategies approved for inclusion in the Strategic Initiative plan.

One distinctive deliverable developed during this process was the Legislative Initiatives recommendation report. Initiatives proposed for approval in the Missouri legislature's 2011 session included (1) Improving Business Incentive Programs, (2) Development of a Science and Technology/Innovation Fund, and (3) Improving Workforce Development Incentives.

- Recommendation #1 led to the General Assembly proposal for a unified economic development credit packaged as "Complete Missouri" in 2011 and "Missouri Works" in 2012 that would replace the existing BUILD, Enhanced Enterprise Zone, Business Facility, and Missouri Quality Jobs Program. Though widely supported, the bill ultimately came up short of passage in 2012, but was proposed again, passed, and was signed into law in 2013.
- Recommendation #2 resulted in legislation that was passed and led to the Missouri Innovation, Development, and Entrepreneurship Advancement (IDEA) Fund, a \$24 million science and technology/innovation co-investment fund. Since it was launched in 2011, IDEA funds have assisted 40 Missouri companies investing over \$12 million.
- Recommendation #3 has led to the "Missouri Works Training" legislation, which passed in 2013. This program is designed to streamline training programs to reflect best practices of recognized states and recommendations from various companies and site selection consultants.



Implementation Highlights

The final Strategic Initiative plan featured action items in eight strategy areas: workforce development, business retention and expansion, tax and incentive policy, innovation, marketing, foreign trade, small business development, and infrastructure. Implementation began in April 2011. Among implementation highlights to date are:

- Fiscal year 2013 featured the State's highest total of new jobs and investment in its history, nearly tripling its recent average of new jobs and capital investment.
- The Missouri Department of Economic Development (DED) and the Missouri Economic Development Council (MEDC) developed a handbook of best practices for the implementation of a business retention and expansion program for use by MEDC members.
- Partnerships were formalized with Missouri's public and private research universities to discuss with research faculty their previous and current network of relationships with U.S. multinational corporations, foreign-based companies, other researchers, government representatives and policy directors. Monthly conference calls are held to explore trade and investment opportunities.
- Developed and maintains a current database of potential prospect companies and other high value business development targets to include contact information; area of research and the source of the lead.
- Designed an awareness campaign to optimize the knowledge and use of the state's Trade and Investment Offices.
- Developed a composite College-and Career-Readiness scoring system using the existing End-of-Course exams to determine Missouri high school graduates' college and career readiness. And, implemented a plan to increase funding for K-12 classrooms throughout the state. This focus on education has already paid dividends: Missouri currently boasts the 8th highest graduation rate in the nation.
- Created the Missouri State Trade & Export Promotion = Unlimited Possibilities (MO STEP=UP) program, which aims to increase the number of small businesses that are exporting and the value of exports for small businesses that currently export.
- Launched the University of Missouri's Extension Community Economic and Entrepreneurial Development program (ExCEED), which partners with rural communities to move forward community economic development strategies. And, created the Missouri Rural Development Partners (MRDP), a consortium of federal, state, and local economic development organizations, the university, and rural development agencies.
- Secured millions in Innovation Campus grants for higher education institutions and community organizations partnering with Missouri businesses to provide training in high-demand fields and provide qualified students with no-student-debt bachelor's degrees.
- Launched www.jobs.mo.gov, which features current job openings and internships from thousands of sources.