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Contact: Randi Berris
Phone: (313) 597-4148
Email: RandiB@BusinessLeadersForMichigan.com

Michigan business leaders remain confident in Michigan, continue to see high demand for talent

- *About 80% of Michigan business leaders struggle to fill jobs, and cite talent as the prime decision-making factor for expanding operations*
- *Growing the talent pool and pipeline critical to our economic future*

DETROIT – A quarterly economic survey released today by Business Leaders for Michigan shows the state's top executives have confidence in their Michigan operations and high demand for qualified talent, even with potentially softening economic conditions.

Michigan business leaders' concerns over filling jobs has remained overwhelmingly high at 78%, with 81% of respondents citing a lack of applicants with necessary skills as the primary challenge. Additionally, 89% of respondents noted that quality and availability of talent is the top factor in choosing where to invest and expand their employment, followed by tax competitiveness, efficient regulatory and permitting process, and infrastructure.

The executives' views on their Michigan operations remain strong, with 81% expecting to maintain or increase both their employment levels and investments in the state over the next six to 12 months. Just over half of respondents, 52%, expect the United States economy to stay the same or improve over the next six to 12 months and 53% expect the Michigan economy to stay the same or improve.

"Our CEOs are dedicated to this state and are creating jobs for Michiganders," said Jeff Donofrio, president and CEO of Business Leaders for Michigan. "Businesses are looking for growth opportunities and talent right here in our state. Michigan has made advancements in our economic competitiveness in the last year and attracting, retaining and growing a deep talent pool will help us continue to compete on the global stage."

Key actions that Michigan can take to close the talent gap include:

- **Driving more training tied to employment and career growth**
  - Utilize training opportunities, such as the Going Pro Talent Fund, that support employer-designed training, and career advancement for incumbent and newly hired employees

    - Develop a statewide program to provide fast, flexible, customized training and talent for companies moving to or expanding in the state
- **Increasing post-high school education**
    - Invest and expand Michigan Reconnect, a program that provides a tuition-free path to a community college degree or certificates for Michiganders
    - Invest in completion programs for people with some college and no degree
    - Increase support for community college degree completion
    - Support skilled trades training and apprenticeship pathways
- **Attracting and retaining talent through marketing and internship programs**
    - Provide ongoing funding for a "Pure Michigan for Talent" marketing campaign
    - Expand internship experiences including MI STEM Forward, a statewide STEM focused internship program
- **Increasing labor force participation**
    - Increase the earned income tax credit to 30%
    - Expand affordable childcare options
- **Making Michigan welcoming to all**
    - Amend Elliot-Larsen Civil Rights Act to include the LGBTQ+ community, and prohibit discrimination based on sexual orientation and gender identity

In the quarterly survey, executives also ranked the top issues the governor and legislature should prioritize in 2023, with job growth and economic diversity coming in first, followed by K-12 public education reform, and increasing the workforce ranked third.

Detailed survey results:

Economic outlook for the United States in the next six to 12 months:

Better:	6%
About the same:	46%
Worse:	46%

Economic outlook for Michigan in the next six to 12 months:

Better:	5%
About the same:	48%
Worse:	46%

Outlook regarding inflation in the next six to 12 months:

Likely to come down:	50%
Likely to continue at same rate:	37%
Likely to continue increasing:	12%

Expectations for your company's capital investment in Michigan over the next six to 12 months:

Higher	17%
About the same	64%
Lower	17%

Expectations for your company's employment in Michigan to change in the next six to 12 months:

Higher	21%
About the same	61%

Lower	17%

Expectations for your company's real estate footprint in Michigan in the next six to 12 months:

Increase	10%
Remain the same	75%
Decrease	14%

Do you expect to have trouble filling positions in the next six to 12 months:

Yes:	78%
No:	21%

Factors impacting your ability to hire talent (choose all that apply):

Lack of applicants with the necessary skills:	81%
Lack of applicants with the necessary degrees/credentials:	37%
Lack of interest in the position:	46%
Other (salary, work from home policies, etc.)	9%

Business Leaders for Michigan conducted the internal member survey from Nov. 28- Dec. 12, 2022.

About Business Leaders for Michigan:

Business Leaders for Michigan, the state's business roundtable, is dedicated to making Michigan a Top 10 state for jobs, education, widely shared prosperity and a healthy economy. The organization is composed exclusively of the executive leaders of Michigan's largest companies and universities. Our members drive 40% of the state's economy, generate over $1 trillion in annual revenue and serve more than half of all Michigan public university students. Find out more at www.businessleadersformichigan.com.