

# MKE Tech Hub Proposed Strategic Plan

November 2017 was a seminal moment for the M7 region. John Schlifske, in front of an audience of 350+ regional stakeholders declared that Milwaukee *would* become a successful tech hub. Mr. Schlifske has since been joined by other corporate leaders, elected officials and incoming influencers (Foxconn) who have also declared their commitment to seize an unparalleled opportunity to make Milwaukee not only regionally, but nationally, if not internationally competitive.

After nine months of comprehensive work including various forms of data collection, as well as tech hub best practices and market research, an initial regional assessment of Milwaukee reported that the region possesses the necessary assets to successfully transition into a viable, competitive technology center.

At this stage, critical input is needed from those with the most to gain in Milwaukee's successful tech transition—corporate partners. Corporate partners play an important role in regional efforts. Not only do the largest corporations have the most to gain from regional strategic investments, they are the most empowered entities to articulate industry need and drive transformative change.

Early discussions have resulted in an estimated 3-5 major corporate partners who would serve as initial pioneers or key leaders of this effort, with other corporations and small-medium businesses to follow and to ultimately share a (much smaller) portion of the financial responsibility (and gain).

## This Summarized Strategic Plan Brief:

- ! Does not include a comprehensive list of strategies and options, but instead focuses on three key pillars of investment recognized as best practices within successful technology hubs around the country. This includes:
  - o Talent Recruitment & Retention
  - o Brand Identity & Outreach
  - o Innovation/Startup Support & Development
- ! Assumes close partnerships with regional institutions (i.e., M7, MMAC, GMC, state and city government, area colleges and universities, etc.) and potential outside industry (i.e., Microsoft, Google, etc.). Very often, it is the case that close strategic partners (whether in market or outside of market) also join as investors in the effort.
- ! Recommends a regional performance review and coalition governance reassessment every 6 months given the fast-moving nature of tech.

## Regional Coalition with Industry Leadership

We recommend the creation of an industry-led regional coalition, overseen by an executive board, with the intent of centralizing activity and investment around growing Milwaukee as a tech hub. The regional coalition will bring together like-minded, forward-thinking executive leaders and proven, early-stage entrepreneurs to share best practices and identify regional gaps in services or resources. The regional coalition is not a replacement for any existing organization, but will function alongside and support M7 and other economic development organizations to ensure strategic alignment.

## Strategic Plan Framework

With experienced and focused leadership and the impetus for change brought on by Foxconn, the resources and climate are ideal for Milwaukee to take a crucial step forward and begin its journey through authentic cultural and technological talent transformation.

The strategic plan centers around prioritizing three key pillars: talent, identity and innovation/startups.

## Pillar One: Talent

The most critical pillar in any economic development strategy is talent. Milwaukee is in a unique position, with Foxconn catapulting the region onto the global stage. Some critical points for understanding the talent challenges and opportunities currently faced in Milwaukee include:

- ! The definition and skill sets required by manufacturing talent and technology talent are increasingly *converging* to create shared needs for all Milwaukee industries.
- ! Milwaukee currently has no coordinated scaled approach for recruiting and retaining tech talent.
- ! Early estimates show that Milwaukee will face a minimum annual tech talent replacement deficit averaging 5,000 people per year.
- ! More direct engagement in talent development is required from regional employers.

Immediate (Six-month process beginning ASAP): **Define primary industry needs.**

Milwaukee's primary industries for leading the region through tech transformation have been identified as advanced manufacturing, healthcare and financial services. The technological needs of these industries should be defined and projected with an eye towards integrating training for **emerging technologies** (i.e., artificial intelligence, blockchain, Smart IoT, Intelligent Agents, etc.) to lay the groundwork for competing nationally and internationally.

- ! Short-Term (minimum 3-year initiative beginning 2019): **Recruit out of market tech talent.**
  - o It is recommended that the region coalesce around targeting markets located in the Midwest that show a high concentration of the area's most needed occupation. Collective regional recruiting efforts have been proven successful in markets experiencing high growth in tech (Kansas City, Austin, etc.) and are most successful when private industry resources are combined with public dollars.
  - o Existing economic development organizations will be critical partners in the external recruiting effort. Their existing brand and outreach strategies will need to be in lock step with technology interests, and applicable to tech target markets—most in the Millennial or Gen Z category.
- ! Mid-Term (3-5 years beginning 2019): **Rapidly expand recruiting and internship programming in regional higher ed institutions.**

The early years should focus on *aggressively scaling* the buildout of existing programs with meaningful volume within established higher ed institutions. Partnering with other institutions is assumed to happen in later years (year three and beyond) and built with the efficiencies and learnings from early partnerships. Recommended established partners to start include the Milwaukee School of Engineering, University of Wisconsin Milwaukee, and Marquette University.