CEOs for Cities is a national network of urban leaders dedicated to building and sustaining the next generation of great American Cities.
The Talent Dividend
City Dividends

1% point
college attainment

Talent

1 mile per day
vehicle miles traveled

Green

1% point
poverty

Opportunity

CEOs FOR CITIES
INSPIRE • CONNECT • SUCCEED
National Gains

Talent × Green × Opportunity × Core Vitality = $166 Billion

CEOs FOR CITIES
INSPIRE • CONNECT • SUCCEED
Talent

Talent Dividend

$124 Billion

Thriving Cities

Increase in college attainment

years 0 1 2 3 4

CEOs FOR CITIES
INSPIRE · CONNECT · SUCCEED
Talent retention is key.

Quality of place
Quality of opportunity
The Approach

• Cities differ in educational attainment
• Differences reveal opportunities for improvement
• Improvement gains estimated from evidence
• Gains represent potential payback from better policies
The Hypothesis

- Better-educated = higher incomes
- Better-skilled = more innovation and productivity
The Evidence

**Education Explains Most Differences in Metro Income**

Annual Per Capita Income, 2005

![Graph showing the relationship between annual per capita income and the percent of population with a 4-year college degree. The equation is $y = 763.27x + 16466$ with $R^2 = 0.5846$. Sources: BEA (Income), Census (Education).]
Estimating the Gain

• Each 1 percentage point increase associated with $763 increase in per capita income or about $1,900 to $2,290 per year for average household (2.5-3 people)

• Important to note: education gains are product of shift in entire skill distribution - not just moving a certain number of people from no degree to college graduation
Shifting the Distribution

Dropouts

Advanced Degrees
## Educational Attainment

<table>
<thead>
<tr>
<th>Talent Measures</th>
<th>%</th>
<th>No. of People</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational Attainment (Population 25 and Older)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than High School</td>
<td>13.3%</td>
<td>78,465</td>
</tr>
<tr>
<td>High School Only</td>
<td>30.8%</td>
<td>181,709</td>
</tr>
<tr>
<td>Some College/AA</td>
<td>31.4%</td>
<td>185,249</td>
</tr>
<tr>
<td>Four-year Degree</td>
<td>24.5%</td>
<td>144,541</td>
</tr>
<tr>
<td><strong>Educational Attainment of Young Adults (25 to 34)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than High School</td>
<td>12.6%</td>
<td>15,039</td>
</tr>
<tr>
<td>Four-year Degree</td>
<td>22.4%</td>
<td>26,736</td>
</tr>
<tr>
<td><strong>Talent Dividend</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goal</td>
<td>25.5%</td>
<td></td>
</tr>
<tr>
<td>Additional degree holders</td>
<td></td>
<td>5,900</td>
</tr>
</tbody>
</table>

Source: 2007 American Community Survey
Why Focus on Educational Attainment?

<table>
<thead>
<tr>
<th>Unemployment by Education Level</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>9.8%</td>
</tr>
<tr>
<td>Less than High School</td>
<td>15.0%</td>
</tr>
<tr>
<td>High School Only</td>
<td>10.8%</td>
</tr>
<tr>
<td>Some College/AA</td>
<td>8.5%</td>
</tr>
<tr>
<td>Four-year Degree</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

Three-quarters of the workers that were fired over the last year were let go on a permanent, not a temporary basis.

-- David Rosenberg, July 2009
Tulsa’s Talent Dividend

If we increase Tulsa’s college attainment rate from 24.5 percent to 25.5 percent (5,900 additional new grads)...

The Tulsa Talent Dividend = $646 million annually
City Dividends

$646 million
1% point
Talent

$163 million
1 mile per day
Green

$73 million
1% point
Opportunity

Total City Dividends for Tulsa...
$882 Million Annually
Capturing the Talent Dividend

Strategy Buckets:

- Re-engage adults with some college, no 4-year degree
- Increase transfer rate of students in 2-year institutions to 4-year institutions
- Retain current students for timely completion
- Increase college-going behavior of high school students
Talent Continuum

- Leakage Point
- Developed BA Talent Pool
- Traditional Local Students
- Traditional Nonlocal Students
- Adult Students
- BA Degree Holders Living Elsewhere

Attract to City

- Enroll in 2-year Local College
- Enroll in 4-year Local College

Complete associate degree

Complete bachelor's degree

Receive BA degree

Return to City

Complete master's degree

Receive MA degree

Stay in City

Complete doctorate degree

Receive PhD degree

Go to City
## Talent Responsibility Map

### Milestones

<table>
<thead>
<tr>
<th>Organization</th>
<th>College-Qualifying ACT/SAT Scores</th>
<th>College Applications</th>
<th>Enroll in College</th>
<th>Complete 1st Year</th>
<th>Complete 2nd Year/Receive AA</th>
<th>AA Transfer to 4-year</th>
<th>Complete 3rd Year</th>
<th>Receive BA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>K-12</strong></td>
<td>City Public Schools</td>
<td>County Public Schools</td>
<td>Private Schools</td>
<td>Community College</td>
<td>Public University</td>
<td>Private Universities</td>
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<tr>
<td><strong>Higher Education</strong></td>
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<tr>
<td><strong>Nonprofits</strong></td>
<td>Access to College</td>
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</tbody>
</table>

= Primary Organization
= Secondary Organization

### Calculations

- Total BAs produced: \(X+Y\)
- Net in-migration: \(Z\)
- Dying BAs: \(A\)
- Net BAs: \(X+Y+Z-A\)
- TD Goal New BAs: \(\#\)
- Gap: \(#-\text{Net BAs}\)