

Profile

Inform *and* Engage

Scott Peterson tries to rally the business community to address the escalating labor shortage before it stunts Minnesota's economic growth.

HR executive Scott Peterson is more than a little alarmed when he describes how Minnesota's escalating labor shortages could reach catastrophic levels within only a few short years. And he's doing something about it.

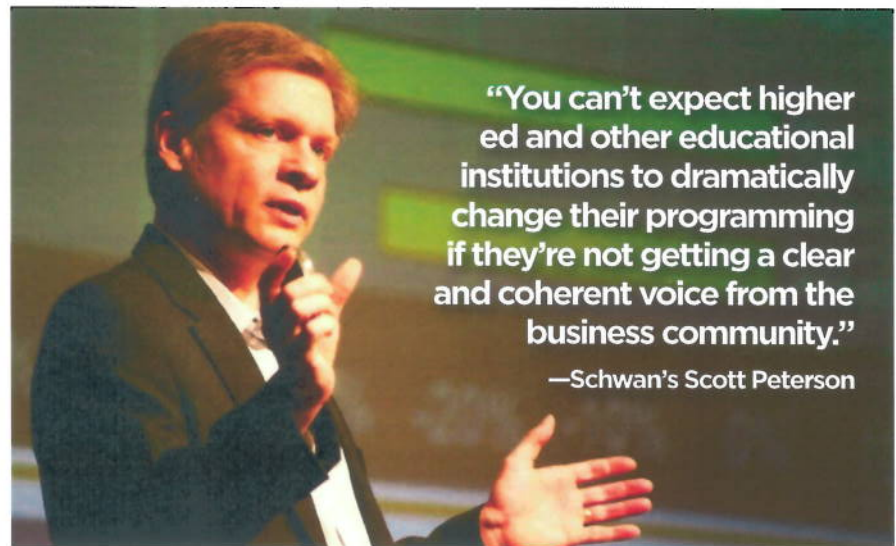
Peterson is executive vice president and chief human resources officer at the billion-dollar Schwan's Company, where he oversees a workforce of more than 12,000 personnel.

In 2013, he and Steven Rosenstone, then-chancellor of Minnesota State, co-chaired the Itasca Workforce Alignment project, he says, "to improve workforce alignment data and analytics to help ensure that Minnesota has a workforce fit to compete in the years to come."

That effort eventually evolved into RealTime Talent, a program of the Minnesota State Chamber that uses data-based insights to help create more informed, market-oriented decisions. Peterson chairs its advisory board.

The essence of the problem diagnosed by RealTime research, he says, is an imbalance between the skills that graduates have and what employers say they need. The net effect could be staggering. While there are some 60,000 unfilled jobs in Minnesota's economy today, Peterson says that number could increase to north of 200,000 by 2022. If realized, that worst-case projection could rip \$33 billion from the state's GDP and cost individual citizens \$12 billion in lost wages. On top of that, the state would lose out on more than \$2 billion in tax revenues.

"This is not just a crisis around filling jobs. It really challenges the fundamental prosperity of our state if we cannot find a way to improve our ability to gener-



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—Schwan's Scott Peterson

ate higher qualified employees in the numbers we need to meet the needs of employers," he says. "It's an important issue that really should command a lot of our time and attention."

Most important, Peterson emphasizes the business community needs to do more about the problem than waiting for someone else to solve it. "There are a lot of great efforts going on throughout the state—a lot of good, individual alliances and partnerships—but business as a community really has not aligned our efforts. You can't expect higher ed and other educational institutions to dramatically change their programming if they're not getting a clear and coherent voice from the business community."

Peterson was a speaker at an event sponsored by Center of the American Experiment in Minneapolis as part of its ongoing program, "Great Jobs Without a Four-Year Degree."

Earlier this year, Peterson used RealTime to initiate an employer-focused working group that includes the Itasca Group, Greater MSP, the Minnesota Business Partnership, and the Minnesota Chamber. They've been working together to forge a strategic framework to address some of these issues, be much more coordinated and, frankly, have a louder voice, a more impactful voice, to influence the supply side.

The group has identified healthcare, financial services, manufacturing, agriculture, IT, construction, and government as key sectors that are instrumental to Minnesota's economy. It is currently identifying leaders who will create business plans for their particular sectors to project the worker shortage and develop a plan, in conjunction with RealTime, to attract, develop, and retain the kind of workers each sector needs to actually meet the needs of the future. ★