

REFINING the VISION

By Tom Schuman

Task Force Updates 2025 Blueprint



Chris LaMothe, third from left, leads the discussion as chair of the *Indiana Vision 2025* task force.

Any long-range effort requires benchmarks or checkpoints along the way to ensure the original plan is on track. The same is true for *Indiana Vision 2025*, the economic development blueprint that was adopted by the Indiana Chamber in 2011 and unveiled in early 2012.

That important evaluation took place during the first four months of 2016. A 30-person statewide task force of business and organization leaders – with many returnees from the 2010-2011 group that developed the vision along with some newcomers to provide a fresh perspective – focused on three areas:

1. Reviewing progress
2. Updating goals and metrics
3. Identifying potential new research to enhance future Report Cards

“At the approximate one-third mark toward the end time frame, it was important to step back and take a comprehensive look at *Indiana Vision 2025*,” says Indiana Chamber President and CEO Kevin Brinegar. “While we found many goals and metrics still stand the test of time, the group took part in robust discussions and offered many suggestions and strategies for achieving even greater success.”

Chris LaMothe was president of the Indiana Chamber when it created the original *Economic Vision 2010* plan in 1999. He chaired the initial *Indiana Vision 2025* task force and returned in the same role this time around.

“It was exhilarating to work with top leaders from throughout the state so interested and dedicated to building a strong future for Indiana,” offers Chris LaMothe, who now serves as CEO of Elevate

Ventures. “It was challenging, as each meeting included passionate and informed discussions on everything from retaining and attracting outstanding talent to building on the momentum Indiana is experiencing in its dynamic business environment.”

Getting to 2016

The listing of the original 33 goals on Page 20 includes some of the progress that has taken place over the last four-plus years. Among the highlights:

- Two boosts to an already Attractive Business Climate driver with passage of a right-to-work statute and elimination of the state inheritance tax. The state’s recent top 10 rankings in a variety of national comparisons is due to work that began early this century as part of *Economic Vision 2010*.
- Strong progress toward the Superior Infrastructure goal of developing and implementing a strategic water resource plan. It began with a highly-regarded 2014 Chamber-led study – *Water and Economic Development in Indiana: Modernizing the State’s Approach to a Critical Resource* – and continued the last two years with legislation to collect additional information on water supplies and usage. The “data before decisions” approach is a solid one.

- An increased focus on connecting employers and educators for both the short- and long-term benefit of students. The Indiana Chamber and its foundation continue to contribute through various activities, including local and regional Postsecondary Pathways events (featured in *BizVoice*® in March-April 2015 and again this year).

Brinegar: “The progress noted on many of the goals is far from an indication that the work is done. Few would argue today, as in 2011, that attracting and retaining Outstanding Talent remains a tremendous challenge. And despite some momentum in certain parts of the state, Indiana still lacks in overall business start-ups and the corresponding venture capital investment.”

Updating the plan

The task force adjusted the language in 12 goals. Several of these changes resulted from the difficulty in obtaining reliable

The per-capita income goal was debated a great deal before being excluded in the original plan. All involved acknowledge the difficulty in moving the needle – Indiana was 39th in 2015, a drop of one spot from a year earlier. Several point to the ultimate goal of top 10 status, but are more comfortable with a still ambitious top 25 target for 2025.

With goal metrics, some existing and new work from both the Lumina Foundation and Indiana Commission for Higher Education was identified to supplement current measures. In addition, future Report Cards will be augmented by a narrative approach to certain goals (the previously-mentioned strategic water plan being one prime example).

Finally, task force members urged additional research into areas that include, as examples, entrepreneurial best practices, impact of venture capital tax credits and the potential use of PSAT (Preliminary Scholastic Aptitude Test) scores to complement

- **Outstanding Talent:** Remains a top priority, not only with today’s students but continuing efforts to address the skills shortages of current workers. This becomes even more critical with more Baby Boomers heading to retirement in the very near future.
- **Attractive Business Climate:** Indiana fares best in this area, but the local government reform needs and poor health status of too many of the state’s residents are of particular concern.
- **Superior Infrastructure:** The immediate attention this summer and in the 2017 Indiana General Assembly is long-term infrastructure funding. Increasing industrial electricity prices must be addressed and security challenges are not unique to our state.
- **Dynamic and Creative Culture:** As noted earlier, Indiana’s statistical achievements lag the anecdotal stories and



Task force members (from left) include Jean Wojtowicz, Elaine Bedel, Mike Rechin and Alisa Wright.

2016 Task Force

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| Devin Anderson, E&A Industries | Chris LaMothe, Elevate Ventures |
| Allison Barber, WGU Indiana | Teresa Lubbers, Indiana Higher Education Commissioner |
| Sonny Beck, Beck’s Hybrids | Mark Maassel, Indiana Energy Assoc. |
| Elaine Bedel, Bedel Financial | Marilyn Moran-Townsend, CVC Communications |
| Mike Bosway, City Securities Corp. | Mark Richards, Ice Miller |
| Wally Brant, Indiana Oxygen Co., Inc. | Mike Rechin, First Merchants Corp. |
| Leslie Carter-Prall, Regions Bank | John Sampson, Northeast Indiana Regional Partnership |
| Ron Christian, Vectren | Tom Snyder, Ivy Tech Community College |
| Drew Coolidge, SIRVA | Bill Soards, AT&T Indiana |
| Dan Elsener, Marian University | Bill Stephan, Indiana University |
| Heather Ennis, Northwest Indiana Forum | Mike Wells, REI Investments |
| Larry Gigerich, Ginovus | Jean Wojtowicz, Cambridge Capital Management Corp. |
| Jeff Hagerman, Hagerman Group | Alisa Wright, BioConvergence |
| Tom Hirons, Hirons & Company | |
| David Johnson, Central Indiana Corporate Partnership | |
| Jerry Jones, Cannon IV | |
| Mike Kubacki, Lake City Bank | |

international education metrics; instead, future Report Cards will focus on the significant progress still needed for Indiana against its national competitors. Others adjustments provide clarity to the intent of the goals.

Three goals were added:

- Breaking out associate degrees (already used as a metric) from bachelor degrees with the goals being to rank top 10 nationally in each. The current rankings are 45th (associate’s) and 42nd (bachelor’s), respectively.
- Ensure strong security measures (both physical and cyber) are in place for all of Indiana’s critical infrastructure.
- Improve Indiana’s per-capita income ranking to “Top 25” nationally.

existing fourth- and eighth-grade NAEP (National Assessment of Educational Progress) test scores.

Brinegar: “Another focus was reasserting the importance of local government reform. The momentum generated by previous Chamber studies and the 2007 Kernan-Shepard Commission report resulted in eliminating some, but not enough, past practices that simply don’t stand up today. The opportunity to increase the efficiency and effectiveness of service delivery is too important to ignore.”

Looking ahead

There was general agreement on the status of the four drivers:

momentum taking place in some locations. The final goal – promote a diverse and civil culture that attracts and retains talented individuals – is critical to the overall plan.

“We discussed *Indiana Vision 2025* with both gubernatorial candidates at our spring board of directors meeting and will continue to have conversations with legislators, local stakeholders and others throughout the state,” Brinegar affirms.

“The Indiana Chamber is the only organization with a long-term plan for the state. It has served our members and the state very well thus far,” he continues. “Much progress has been made, but there is much more work to do.”

2012 Drivers, Goals and Progress

DRIVER 1: OUTSTANDING TALENT

- Increase the proficiency of Indiana students in math, science and reading to “Top 5” status internationally. **Strong improvements in NAEP reading and math scores**
- Increase to 90% the proportion of Indiana students who graduate from high school ready for college and/or career training. **Keeping assessments aligned to new standards; Chamber partners in Postsecondary Pathways events to connect education-business communities**
- Eliminate the educational achievement gaps at all levels, from pre-school through college, for disadvantaged populations. **Continued funding for first publicly-funded preschool program for low-income children; establishment of more balanced school funding formula**
- Increase to 60% the proportion of Indiana residents with high quality postsecondary credentials.
- Increase the proportion of Indiana residents with bachelor’s degrees or higher to “Top 10” status internationally.
- Increase the proportion of Indiana residents with postsecondary credentials in STEM-related fields to “Top 5” status internationally.
- Develop, implement and fully fund a comprehensive plan for addressing the skills shortages of adult and incumbent workers who lack minimum basic skills. **Continued efforts of Indiana Career Council and Indiana Works Councils; significant funding increase for career and technical training**

DRIVER 2: ATTRACTIVE BUSINESS CLIMATE

- Adopt a right-to-work statute. **Passed February 2012**
- Enact comprehensive government reform at the state and local levels to increase efficiency and effectiveness in delivery of services. **Repeal of common construction wage law**
- Reform public pension systems to achieve fairness and cost containment. **Moderate cost containment passed in 2014**
- Preserve and enhance a “Top 5” ranking among all states for Indiana’s legal environment. **Legal climate generally regarded as very fair and effective**
- Attain a “Top 5” ranking among all states for Indiana’s business regulatory environment. **Top ranking in 2013 and 2015 Report Cards**
- Eliminate the business personal property tax. **2015 legislation eliminates tax for more than 150,000 small businesses**
- Eliminate the state inheritance tax. **Phase out passed in 2012/tax eliminated in 2013**
- Promote the enactment of a federal solution to the Internet sales/use tax dilemma. **Marketplace Fairness Act reintroduced in Congress**
- Streamline and make consistent the administration of the state’s tax code. **Several moderate procedural improvements passed in 2015**
- Establish government funding mechanisms to more closely approximate “user fee” model.
- Contain health care costs through patient-directed access and outcomes-based incentives.
- Reduce smoking levels to less than 15% of the population. **First statewide smoking ban passed in 2012; nearly 4% drop in adult smoking rate in 2015 Report Card**
- Return obesity levels to less than 20% of the population. **Wellness Council of Indiana working directly with employers**

DRIVER 3: SUPERIOR INFRASTRUCTURE

- Create and implement a plan to position Indiana as a net exporter of energy.
- Diversify Indiana’s energy mix with an emphasis on clean coal, nuclear power and renewables.
- Identify and implement workable energy conservation strategies. **2015 legislation requires utilities to submit efficiency plans**
- Develop and implement a strategic water resource plan that ensures adequate fresh water for citizens and business. **Indiana Chamber Foundation water resource study (August 2014); 2015-2016 legislation directs collection of additional resource data**
- Develop and implement new fiscal systems to support the array of infrastructure projects critical to economic growth. **2014 Blue Ribbon Commission identified priorities; short-term funding passed in 2016; summer task force to pursue long-term solutions**
- Aggressively build out the state’s advanced telecommunications networks. **2015 Broadband Ready Communities legislation streamlines regulatory hurdles to network expansion/upgrades**

DRIVER 4: DYNAMIC & CREATIVE CULTURE

- Develop entrepreneurship and aggressively promote business start-ups through education, networking, investment and financial support. **2015 developments: Launch Indiana program authorized and funded; 21st Century Fund reauthorized and funded**
- Increase the amount of technology transfer from higher education institutions and attain “Top 5” ranking per capita among all states. **Indiana Biosciences Research Institute created (2013); leadership in place, fund-raising ongoing**
- Achieve “Top 12” ranking among all states in number of utility patents per worker.
- Achieve “Top 12” ranking among all states in venture capital invested per capita. **Crowdfunding legislation passed in 2014**
- Strategically recruit foreign direct investment (FDI) and achieve “Top 12” ranking among all states in FDI as a percent of gross state product. **State maintains 12th-place ranking**
- Increase Indiana exports to achieve “Top 5” ranking per capita among all states. **Top 10 ranking maintained**
- Promote a culture that further values diversity and civility, attracting and retaining talented individuals. **Regional Cities Initiative bill promoting quality of place passed and three programs funded; legislative protections for LGBT community passed into law for first time; further legislation debated in 2016**

2016 Task Force Update

DRIVER 1: OUTSTANDING TALENT

- Increase the proficiency of Indiana students in math, science and reading to “Top 5” status **nationally internationally**.
- Increase to 90% the proportion of Indiana students who graduate from high school ready for college and/or career training.
- Eliminate the educational achievement gaps at all levels, from pre-school through college, for disadvantaged populations.
- Increase to 60% the proportion of Indiana residents with high quality postsecondary credentials.
- Increase the proportion of Indiana residents with bachelor’s degrees or higher to “Top 10” status **nationally internationally**.
- **NEW Goal:** Increase the proportion of Indiana residents with associate’s degrees to “Top 10” status **nationally**.
- Increase the proportion of Indiana residents with postsecondary credentials in STEM-related fields to “Top 5” status **nationally internationally**.
- Develop, implement and fully fund a comprehensive plan for addressing the skills shortages of adult and incumbent workers who lack minimum basic skills.
- **NEW Goal:** Improve Indiana’s per-capita income ranking to “Top 25” **nationally**

DRIVER 2: ATTRACTIVE BUSINESS CLIMATE

- Adopt a right-to-work statute.
- Enact comprehensive government reform at the state and local levels to increase efficiency and effectiveness in delivery of services.
- Reform public pension systems to **ensure Indiana’s are competitive and actuarially sound according to industry standards** ~~achieve fairness and cost containment~~.
- Preserve and enhance a “Top 5” ranking among all states for Indiana’s legal environment.
- Attain a “Top 5” ranking among all states for Indiana’s business regulatory environment.
- Eliminate the business personal property tax.
- Eliminate the state inheritance tax.
- Promote the enactment of a federal solution to the Internet sales/use tax dilemma.
- Streamline and make consistent the administration of the state’s tax code.
- Establish government funding mechanisms to more closely approximate “user fee” model.
- Contain health care costs through patient-directed access and outcomes-based incentives.
- Reduce smoking levels to less than 15% of the population.
- Return obesity levels to less than 20% of the population.

DRIVER 3: SUPERIOR INFRASTRUCTURE

- Create and implement a plan to position Indiana as a net exporter of energy: **Encourage, and assist where possible, state development and implementation of a strategic energy resource plan that helps ensure Indiana is one of the “Top 10” most affordable states for electricity.**
- Diversify Indiana’s energy mix with an emphasis on clean coal, **natural gas**, nuclear power and renewables.
- Identify and implement workable energy conservation strategies.
- Develop and implement a strategic water resource plan that ensures adequate fresh water for citizens and business.
- Develop and implement new fiscal systems to support the array of **transportation** infrastructure projects critical to economic growth.
- Aggressively build out the state’s advanced telecommunications networks.
- **NEW Goal:** Ensure strong security measures (both physical and cyber) are in place for all of Indiana’s critical infrastructure.

DRIVER 4: DYNAMIC & CREATIVE CULTURE

- **Drive strategic entrepreneurship and innovation formation for new and existing firms.** Develop entrepreneurship and aggressively promote business start-ups through education, networking, investment and financial support.
- Increase **intellectual property commercialization** ~~the amount of technology~~ from higher education and **business** institutions and attain “Top 5” ranking per capita among all states.
- Achieve “Top 12” ranking among all states in number of ~~utility~~ patents per worker.
- Achieve “Top 12” ranking among all states in venture capital invested per capita.
- Strategically recruit foreign direct investment (FDI) and achieve “Top 5 +2” ranking among all states in FDI as a percent of gross state product.
- Increase Indiana exports to achieve “Top 5” ranking per capita among all states.
- Promote a **diverse and civil culture that attracts and retains talented individuals** ~~culture that further values diversity and civility, attracting and retaining talented individuals.~~