



Next Move Group

We Are Jobs Podcast

with Special Guest: Don Pierson

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Chad Chancellor: Welcome to this week's episode of the Next Move Group We Are Jobs podcast. I'm Chad Chancellor, the co-founder of Next Move Group and today I'm pleased to have Secretary Don Pierson with us from Louisiana Economic Development. Secretary, thank you for being with us today.

Secretary Don Pierson: It's great to be with Next Move.

Chad Chancellor: Thank you. As you know, I live in New Orleans. Most of my listeners know that and I really appreciate, Secretary, what you all have done for the whole state of Louisiana. I've lived here four years and just been amazed at the progress that you all have made and some of the stuff going on. So, why don't you tell these folks the good stuff going on in Louisiana?

Secretary Don Pierson: Oh wow! That's a long, long story; longer than this podcast maybe, Chad, but we've been very fortunate to establish a lot of momentum here in Louisiana and I'm really proud that it's a great mixture of not just projects in the cities and there are great projects in our metropolitan regions but we've also been able to do some things in the rural areas.

So, last year, we had projects in 31 of our 64 parishes; that's approaching 50%. So, I think this year we are in 23 parishes and got a little bit more ahead. We've got four more months or so to wrap this thing up and I hope this year's will be in that same neighborhood of 30 somewhat parishes, but to date, 67 wins this year in 2019 creating 12,485 new jobs that retains about 14,964 jobs and we brought in about \$7.5 billion in new capital investments. So, yes, we're knocking it out.

Chad Chancellor: I know when you talk about the smaller parishes, that's not just lip service for you. You mean it. I remember I emailed Secretary about two years ago. New Orleans had a huge software win and I live here. I love it here and I just emailed and hey, congratulations. Thank you for what you're doing and he said, "This is really exciting, but I'm just as excited over some of our smaller parishes." So, you really got a passion behind that.

Secretary Don Pierson: Absolutely and a great example for us is LaSalle Lumber Mill that's recently been ribbon-cut. We've established on-site up there and \$110 million facility computerized this modern approach to creating a dimensional lumber, but so important that yes, that's a hundred jobs on site, but the indirect effect of everybody that's in the forest taking down trees, load them on trucks, the trucks are hauling, the mechanics are changing the oil. All these ripple effects that come along with that bring in some of our rural communities really back up on their feet.

So, it's greatly rewarding; similar to WestRock over in Jackson parish at Hodge to commit to doing a reinvestment in that facility. They'll bring a \$250 million towards modernization there over the

next five years. So, keeping the rural community strong, that's a great goal and one that we should never overlook.

Chad Chancellor: Of course, workforce training plays into that. Louisiana Economic Development has been named I think one of the best workforce training providers ten years in a row. So, talk about that program.

Secretary Don Pierson: Chad, I'm so proud of what we've been able to do with Louisiana FastStart and to set the stage as we talk about winning that trophy, the number one program in the nation for ten years in a row, you have to understand it's not like going to the bowling alley and looking at the same set of ten pins. It's not an archery target that's stationary.

This is a moving competition that's-- all states are workforce-focused these days and particularly in the south. It's basically SEC football. You've got-- when you're number one in this part of the world, then you're number one in the nation. What we've been able to do is put a lot of muscle against being able to advance onto cutting edge platforms to serve the clients and customers that we have.

When we say workforce development, it's a little misleading in that it's not just strictly a training vehicle; this is how you recruit talent. This is how you screen a group of people to find the right employees in that group and then present those to the hiring company and to allow them to look at the skill sets these people have and then allows us to copyright their materials and train these folks and build the culture that they want for their company at the same time.

We're more able to sit down with a company whether they're going to expand or consider Louisiana for a new investment. To be able to bring this comprehensive solution about workforce to the table really is powerful for us.

Chad Chancellor: Has that been some of the key to the growth in the software and high tech stuff? I know Baton Rouge and New Orleans have both had recent announcements. I assume that's part of the strategy.

Secretary Don Pierson: It's certainly a part of it and what's even more interesting is that some of those same IT dynamics are the kinds of things that we're using inside FastStart where we're now building training modules for ExxonMobil that have virtual reality and augmented reality; places

where you can train an employee to be in a very delicate or dangerous type of environment to do the right things, but do it in a safe way that never exposes them to danger.

Chad Chancellor: Right, right. One of the things I respect most about you is you're an economic development practitioner. So, you did this for years before you became the secretary and we've been fortunate enough we've been asked to speak at events lately, so I'm telling everybody I think you're the best. I'm not just telling you that because you're sitting here today.

Secretary Don Pierson: Oh, you're very kind with that, but it is. It's a passion for me. I came to the economic development profession almost 30 years ago now and worked in Bossier parish for about 17 years and really was active on that local level.

I feel like to be successful you've got to work with the mayor, you've got to work with the county commissioners or police jurors as we call them in Louisiana. That political element of having community support often gets overlooked by economic development professionals. You might have a great company and they might have a great solution, but you've also got to keep in mind to bring the audience of the local elected officials with you and make sure they understand why you think it's great and how it's going to benefit the community.

If you leave that as a blind spot, you really do so at your own peril. It is so important to have that support out there and it makes sense and for the company long term, they want to be in a place where they are valued and so to build that relationship on the front end is going to pay dividends for a long time.

Chad Chancellor: What could communities do? I hear this really across the country. It's not a Louisiana thing, but I hear a lot what can communities do to best partner with the State? With your project managers and recruiters, is there any formula or something where you say this really helps us promote you? It helps us partner with you or what would you advise folks that are maybe just getting in this and wondering how do I really work well with the State?

Secretary Don Pierson: Now, you're asking me to give away my secret formula for Coca-Cola. How do you think we got to be the best state in the nation? No, I think it's-- what you'd hope for is a great partnership between the local team and the state team.

So, for the local perspective, spending some time to make sure that you're familiar with the state team and have developed a relationship of trust is important and then from the State's perspective, every project is going to a county or a parish somewhere. It's going to land in somebody's yard and we really need to know, like a salesman knows his inventory, we need to know our regions and our communities and have those relationships with them and when something good's going to happen, it's going to be a win-win and we only get there if there is this team approach to it.

So, that sounds very simple, but I find that out there in the world, it's not always executed. There are folks that think that their pen is all that's required; that the State may just bring money to the deal, but I think it's far more complex than that and then so important for the local practitioner to have that relationship of trust and bring the full support of the State into their efforts to secure projects for their community.

Chad Chancellor: Well, I really haven't heard it in Louisiana, but I travel a lot and I hear a lot of rural towns say well, the State needs to bring us something. The State needs to bring us something. I always say well, what are you guys doing to make it easy for them? Are you preparing your product? What are you doing to make it easy for them to bring us something?

Secretary Don Pierson: No, and you're making a great point there. We are very fortunate that we have developed one of the best practices in the nation around this, which is the development-ready community program. When that town or that community says, "Hey, we want you to bring us something," we say okay, but if we throw the football, are you ready to catch it?

So, the development-ready community program is sort of a leadership program that takes the community through all the steps to identify their strengths and weaknesses, put together a business plan and a marketing plan and talk about where they would locate and what kind of business they want to locate and really stand up and be ready.

We've done that now for 40 communities in Louisiana. We only do them at a clip about seven or eight a year, so we've been doing it a while and it's really very, very helpful. The community comes away better prepared and certainly, we have more locations that we can bring projects to.

Chad Chancellor: Of course, I live in New Orleans because I choose to. I can live anywhere in the country, but I love New Orleans. It has been great for my business. I love it here, so I want to

spotlight New Orleans a little. Talk about some of the recent software-- we sort of touched about it, but we hadn't gotten any detail. You guys are winning jobs by the hundreds and thousands here. It's been incredible for me to watch. Within a mile of where I live, there's all these software tech jobs coming. So, talk about that if you don't mind.

Secretary Don Pierson: Well, we like to be active in a number of lanes and certainly here in New Orleans, we're not far from NASA Michoud where they are building this space launch system for Boeing and putting a Lockheed Martin. Orion space capsule is also being constructed here in New Orleans region at the NASA facility.

So, we like to point to advance manufacturing that we do. We certainly like to look at an expanding area of excellence. Right now, forest and water management, but we're also very focused on the IT and software industry in that today everything is about digital convergence. It doesn't matter whether you're in the medical field, in the automotive field, aviation, all of them are going to be driven by all the software that's being developed and continues to be developed and deployed; artificial intelligence just right over the horizon, those kinds of things.

So, if you don't have an active engagement in that area, you could be looking at a community that gets left behind. So, we've been fortunate in Louisiana to attract IBM, DXC, CGI, I don't know why these all just have alphabets for names, but it must be the way that you have to do-- CenturyLink is another major employer for us.

Right here in New Orleans, it's DXC who have just celebrated their one year of being open and operating and hiring. They have a goal of reaching 2,000 jobs. At this one year mark, I think they are 483. That's an impressive start. They do attribute a lot of that to our FastStart program that's helped them, but also to this outstanding university partnership what we put together to support all the kinds of jobs and special computer skills that are going to be needed to work at DXC and look, they don't have to go directly to DXC.

We hope they do. We want DXC to make their numbers, but Accruent and a number of other GE digital software providers and people that are active in the industry are becoming a part of the fabric here in New Orleans. So, it's exciting to watch, but it's really being powered by UNO and Southeastern and LSU and a consortium of universities that we put together that are going to be

directly responsible for teaching the kind of skills in the classroom that are needed by DXC and other companies, so pretty amazing to watch.

Chad Chancellor: Well, I'm very, very proud. I don't have a thing in the world to do with any of those projects, but living here, I'm just proud of it. People come visit us so often and when I start telling them about it people are just proud of it. So, if you haven't been to New Orleans lately, let us show you that. Don't just enjoy our food and culture. Look at some of the success we're having.

Well, Mr. Secretary, one thing we're asking all our guests is how did they get into this business? I find hardly anybody grows up as a little boy or girl says I want to be an economic developer. So, what's your story?

Secretary Don Pierson: I'm probably one of those people still trying to figure out what they want to do when they grow up, but I started out as an army officer and led an infantry unit in Fort Bragg, North Carolina; 82nd Airborne Division, but after five years outdoors in the rain and getting on mosquito bites, I was thinking maybe there could be a better way.

I came back to Louisiana and went to work in the family business, which happened to be real estate development. So, I got my contractor's license and my real estate broker's license over time. So, I understood those industries or at least I thought I did until the bottom fell out in the last oil crunch.

It's when they had the bumper sticker in Lafayette that said the last one out, turn out the lights. Up in Shreveport 13 banks failed. The FDIC became the biggest employer in town and I was holding quite a bit of property for sale at that time, but I was able to manage that; sell some, lease some, and work my way out of the equation.

While I was doing that, I think I loaned enough money to the lumber yard. The owners of the lumberyard are sitting on the board of the Chamber of Commerce said, "This guy needs a job. Let's pull him in." So, I went down to the Chamber of Commerce, started an economic development organization there and was really pleased with what I was doing and the ways that I could help grow the community, get it back on its feet.

During those difficult economic times, I began to really work around the State, some through the association. There's Louisiana Industrial Executive Association. Also, as president of the state's

Chamber of Commerce Association along the way and so got to know all the folks that operate in this environment, work with a lot of small businesses along the way.

Kathleen Blanco asked me to come down to Baton Rouge and serve with economic development and I became assistant secretary for Michael Olivier and worked there through the next two administrations of Governor Jindal and Governor Edwards asked me to stay on and head up the program. So, that's my story and as you can see, my roots are in job creation, small businesses, expanding the businesses that we have in our state and it's a passion for me.

Chad Chancellor: Well, I want to really thank you for being with us today and thank Governor Edward's whole team for the job you all are doing and these are hardworking folks. I get to see them behind the scenes on projects that I'm not even part of; just watch them and it's a hardworking team, not just yourself but the whole staff. So, really I compliment you and the Governor as a proud Louisiana resident, I'm thankful for what you all are doing. I really appreciate it.

Secretary Don Pierson: Well, thanks for being a great partner, Chad, and lots of success to you and Next Move.

Chad Chancellor: Thank you.

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Chad Chancellor: A special thank you to Younger Associates for recording, editing, and publishing this podcast for us. I encourage you to visit their website at younger-associates.com.