

Talent Attraction, Scotland, U.K.¹

(by Robert Pollock, United Kingdom)

Description of the approach (aims, delivery, budget etc)

Scotland has a long-term declining population, a long-term growth rate lagging behind the UK and a lower level of business start-up compared with the UK average. Over the last five years, with the advent of the Scottish Parliament, policy attention has focused on the economic opportunities of attracting talent from the wider UK and overseas. Scotland has a number of distinct USPs (Unique Selling Propositions):

- Perceived quality of life (not overly urbanised, good natural environment);
- Lower cost of living than UK average (e.g. house prices);
- Good education system and child care; and
- Less pressure on public services (e.g. health care).

Objectives of the policy are to attract: (i) entrepreneurs and potential entrepreneurs (ii) individuals with skills that the economy requires (iii) individuals that will bring diversity, new knowledge and an international perspective to the Scottish economy.

There have been two strands to the policy approach. Firstly, general raising of awareness of Scotland as a place to live and work via the internet, marketing and the media (e.g. Scotland is the Place Campaign). Secondly, targeted programmes to support people to come and live and work in Scotland (these programmes offer specific advice about employment, the business environment, types of support for entrepreneurs, advice on living in Scotland e.g. legal issues, taxes, housing, schooling). These programmes are focused both at high technology skilled migrants (Talent Scotland initiative) and at the wider market of potential migrants (Fresh Talent initiative). These programmes are not capital intense but require marketing and media campaigns and co-ordination between agencies. The cost for such a programme is approximately EUR 300 000 per annum.

Why the approach is relevant to East Germany?

The Highlands and Islands region of Scotland is primarily rural, sparsely populated (only one notable urban centre) and is extremely peripheral. The region historically suffers from population decline, declining state planned industries, a dependence on agriculture and a limited service sector. It has been designated an Objective 1 area.

Reasons for the success of the approach

In recent years the Highlands and Islands area has marketed its very distinct USPs to attract new entrepreneurial talent and stimulate an economic and business renaissance. The region has successfully marketed itself as place where the high quality of life, rich cultural heritage, good public services and public assistance to business, outweigh the issues of peripherality and isolation. This change in perception and reality has also been greatly assisted by the internet and ICT.

In the Highlands and Islands, the results speak for themselves. The long-term downward demographic trend has been reversed, talented migrants have settled (primarily from other parts of the UK but a growing number from Central and East Europe) and for the first time in many decades economic indicators (growth rates, incomes, business start-up rates, especially in services) are

¹ Source: Discussion Paper "Entrepreneurship in the Districts Uckermark (Brandenburg) and Parchim (Mecklenburg-Western Pomerania)", in: *OECD LEED Local Entrepreneurship Series*, October 2006.

moving in the right direction.

The obstacles that were faced

Such an approach needs a clear understanding of an area's USPs, a willingness to change and accept new residents, and effective marketing strategies and channels.

Considerations for adoption of this type of approach in the two districts and in East Germany

Given East Germany's demographic and entrepreneurial situation, both districts should consider talent attraction strategies. This will require a co-ordinated marketing and media strategy for each area and the promotion of positive stories in the regional and national media. There also needs to be co-ordination between local agencies to ensure a consistent proposition and approach to marketing and advice.

A final policy lesson from Scotland relates to internationalisation. Companies that have existing export experience may require support and advice on deeper forms of internationalisation, such as licensing, joint ventures, acquisitions, opening overseas offices and facilities. Such support has been introduced by Scottish Enterprise's Global Companies Development Programme.

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www.scotland.gov.uk/Topics/Business-Industry/support/Fresh-Talent