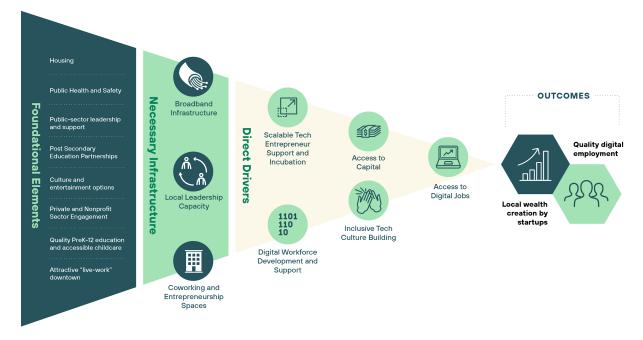


Summary of Northeast Minnesota's Digital Economy Current State Assessment

Assessment Context

In September of 2021, the <u>Center on Rural Innovation</u> (CORI) conducted an assessment of Northeast Minnesota's (rural regions of Itasca, Lake, Cook, St. Louis counties) current assets, gaps, and opportunities related to building a thriving digital economy ecosystem that can produce quality digital employment and increase local wealth. The framework used to assess your region's current state is the CORI Digital Economy Ecosystem Model, with a focus on assessing the five direct drivers of digital economic development. The following is a high-level summary of the findings Review the report for more detail.



Fast Facts about Northeast Minnesota's Current Digital Economy

- The region has significant fiber internet access, but lower usage than the US as a whole.
- Labor force participation and engagement in the economy are low (51%) in comparison to MN and the US, suggesting poorer alignment between employer needs and worker skills.
- Access to technology and devices is low (74%) in comparison to MN (~80%), and the US, indicating lower digital literacy.
- **Increasing levels of home-based workers** indicate good availability of home/remote-based employment opportunities.
- Shares of employment in tech-enabled industries are higher than similar rural communities, indicating strong potential for growing tech jobs and innovation in tech.
- More than 1500 self-identified tech workers across the region could be engaged as drivers of digital economic growth for the region.



Summary of Northeast Minnesota's Digital Economy Current State Assessment

Key Findings

Digital Workforce Development / Access to Digital Jobs

Assets	Gaps	Recommendations
 Higher demand for digital skills than local labor supply K12 STEM programs/camps across region Hibbing Community College produces 14 CS grads a year 	 Computer science grads in rural Northeast MN are produced at lower levels than similar rural counties (28th percentile) Computer science and coding are not a part of K12 STEM programs 	 Connect educators with employers to create a clear digital skills pipeline that meets demand (i.e. surveys, roundtables) Start the pipeline early (K12), leveraging existing STEM programs Design programs for traditional and non-traditional students that include work experience (e.g. internships)

Scalable Tech Entrepreneurship Support & Incubation / Access to Capital

Assets	Gaps	Recommendations
 Launch of Innovate 218 as the ecosystem leader in developing tech startups Region boasts traditional entrepreneurship supports such as SBDCs, coworking, incubator spaces Presence of investor groups and an angel network 	 Software startups uncommon in the region Investor groups have not historically focused on investing in software startups Low cultural tolerance for entrepreneurial risk 	 Start with a heavy focus on ideation workshops and awareness-building events. Educate/inspire investors to participate as mentors and investors regionally at every stage of entrepreneur's journey Create a project shop of newly skilled digital workers and provide support to support to startups

Inclusive Tech Culture Building

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Assets	Gaps	Recommendations	
 1500 self-identified tech workers across the region Grassroots gaming and GIS groups in the region Strong regional brands that could connect to tech culture 	 Perception of tech as "nerdy" and irrelevant Limited efforts to reach underrepresented groups (e.g. women, Indigenous peoples, dislocated workers, veterans) 	 Re-brand tech as a cool way to answer local problems/passions (e.g. duck hunting) via reverse pitches/hackathons Host community-building events for tech workers and entrepreneurs together Collaborate with agencies that serve underrepresented groups to design and pilot relevant events and programs 	