

Building a Knowledge Economy, One Worker at a Time

The Tulsa Remote program builds a modern economy by bringing financial and social gains to a heartland city traditionally known for oil and gas and manufacturing.

Letter from the Managing Director

When the George Kaiser Family Foundation started a program in 2018 to attract remote workers to the city of Tulsa, it was long before remote work became widely accepted.

To be sure, we were reacting—just not to a global pandemic. Instead, we were responding to our local situation. Tulsa, with a metro area of about one million people, has an aging population with an economy dominated by oil and gas extraction (a volatile industry in the best of times) and manufacturing. Like many midsize heartland cities, Tulsa has been overlooked by the knowledge economy sector of high-tech companies and their high-paying jobs, which are concentrated in coastal enclaves.

We thought one way to advance our economy would be to focus on attracting remote workers—employees who can work from anywhere, given a laptop and a Wi-Fi connection. In this way, we hoped to build a more inclusive and resilient local economy—one that workers, and in turn companies, would find appealing in a sort of virtuous cycle.

When we launched the Tulsa Remote program, news reports focused on the initial allure of our novel idea of paying remote workers \$10,000 to move to the city. Now, five years after the launch, we have data that provides a more nuanced appreciation of our success and its benefits for the workers, the local economy and the Tulsa community.

Our latest survey of Tulsa Remote program members, combined with rigorous economic projections, tells us that the \$10,000 stipends to remote-work pioneers have been repaid many times over to the city and state through tax revenues and multiplier effects. But the benefits extend far beyond financial scorecards. The 1,852 Remote members living in Tulsa as of 2022 are contributing to the city's cultural and recreational attractions, including live music, fine restaurants and extensive public parks. Members are bringing fresh talent and ideas to volunteer organizations as they seek to make a difference in local communities. And many, just with their presence, are increasing ethnic diversity across the city.

Financially, Tulsa Remote has improved the standard of living for thousands of new Tulsans and their families, who benefit from living expenses well below the national average and from non-financial benefits such as days without heavy commuter traffic. Meanwhile, a recent **Brookings Institution report** shows that Tulsa Remote members had higher real income growth (with no drop in productivity) than a cohort of applicants who ultimately did not relocate here.

The U.S. economy stands to benefit, too, especially amid the deep divides between coastal and heartland areas and the challenges many local economies have recruiting talent. The same Brookings report concludes that remote worker attraction programs like Tulsa Remote may help reverse the "brain drain" from small and mid-sized cities, positioning more regions of the country to prosper and contribute to America's overall success.

Attracting remote workers is not a zero-sum game. We firmly agree that as more heartland cities put out a welcome mat for remote workers, our entire region will prosper. We present this report in part to drive an increased understanding of the value of remote work and of the people inclined to do it. We want our findings to encourage other cities to follow suit, learn from our experience and even improve our initiative.

—Justin Harlan, Managing Director, Tulsa Remote



tulsa remote

Executive Summary



Our latest survey of Tulsa Remote program members reveals that the program is having an impact on Tulsa far greater than our investment—bringing in skilled workers, adding local jobs, increasing tax rolls and adding more energy to the city's cultural and recreational life. Among our findings:



¹ Includes relocation stipends for all members, including those who left the program. Labor income is the salary of the remote worker plus induced wages as a result of members' spending in the community. To maintain consistency with EIG's methodology, labor income numbers only include those present for the entirety of 2022.



"...we've determined that Tulsa gains three residents for every two Tulsa Remote program participants."

The program has also diversified the local economy by attracting knowledge-sector workers in a wide range of sectors. This includes tech, professional services, finance, IT, and media and entertainment, and it's helping slow the "brain drain" of highly educated workers out of the city.

Moreover, as noted above, Tulsa Remote members have drawn "magnet movers"—friends and family who are not in the program. Many move here and start or continue their own careers or businesses. And together, members and magnet movers create benefits for Tulsa and themselves that stretch beyond the financial.

With their presence, many members and magnet movers further diversify Tulsa's ethnic and racial mix, for example. Many also support and participate in community organizations and institutions. They also help create a workforce that is able to lead better, more productive lives as they are freed from long and traffic-heavy commutes and other big-city hassles.

Tulsa Remote has put Tulsa on the map as a destination of choice for remote workers, and is modeling the way for communities looking to grow and sustain their knowledge



economy through the power of remote work. The momentum from Tulsa Remote is helping to lay the foundation for a strong tech and innovation economy in the heartland. In this report, we will look at our achievements and challenges, then offer guidance, based on our experience, to other cities as well as employers and remote workers. We see a bright future for remote work and for cities in the heartland and elsewhere that seek to attract such workers. Getting there will require employers to make a commitment to understand and respect how employees' life-work goals and boundaries have changed since the pandemic. And city leaders will need to understand how to market the unique assets of their communities as remote-work destinations.



Tulsa Remote members have generated \$306.7 million in employment income in Tulsa since the program began in 2019

Although the number of Tulsa Remote members is a comparatively small and select group, they are generating outsized job and tax revenue for the state and city (relative to our investment), according to our recent survey of members.²

Most of that financial impact occurred within the last year, thanks to the strong growth in our recruiting. In 2022 alone, Tulsa Remote members were estimated to have contributed more than \$203 million in new labor income, including \$163.9 million in their own direct income and \$39.2 million in local income created by their presence.

On average, the program resulted in \$150,937 in new local labor income for every Tulsa Remote member present in Tulsa for the entirety of 2022. This figure represents a return last year of \$11.56 in new local labor income for every relocation dollar³ that Tulsa Remote spent in the prior years.

We estimate that in 2022 alone, Tulsa Remote members' household spending created 722 full-time-equivalent local jobs. The economic activity these program members created led to estimated new tax revenue of \$2.5 million for Tulsa County and \$3.1 million for the state of Oklahoma. That includes state income tax, state and local sales tax and local property tax.

The projected growth in the number of Tulsa Remote members (more on page 10) suggests that the job and tax benefits of the program are poised to contribute ever higher revenue to the local economy over time.

tulsa remote

² This analysis replicates the methodology of EIG's evaluation of Tulsa Remote as closely as possible by using updated program and survey data. The economic analysis was completed in IMPLAN. ³ Relocation spending includes the \$10,000 per-person stipend; it does not include access to a group work facility for the first year; or access to housing and other relocation services.

Members are diversifying the local economy

Tulsa's traditional economy is dominated by oil and gas extraction and aerospace manufacturing, which are industries not conducive to remote work. By contrast, Tulsa Remote participants generally work in the knowledge economy as managers and program directors, financial professionals, marketers, consultants and software developers. The induced employment that Tulsa Remote members give rise to is likewise distributed across a range of industries, with the most significant gains in healthcare, accommodation services, retail and finance.

Moreover, some Tulsa Remote members and alumni eventually quit their remote work in Tulsa to start businesses in the area. The following examples help illustrate this:



During the pandemic, Elena Haskins relocated from New York City to Tulsa, seeking a more desirable work-life balance. At the time of her move, she was working as a freelance UX designer. Since arriving in Tulsa, Elena has established her own UX design studio, hired local people to work for her team and launched an online mentorship program for aspiring UX designers, which has successfully graduated three cohorts. Within eight months of living in Tulsa, her income doubled from the previous year. With her renewed perspective on life-work balance, Elena has also taken up rock climbing, enrolled in German and Spanish courses and joined the German-American Society of Tulsa.

Elena Haskins, Moved from New York City, NY



Montana Cain heard about Tulsa and Tulsa Remote when she was looking for a fresh start in late 2020. "Tulsa was most appealing due to the history of Black Wall Street and the incentive itself," she says. She was referring in part to the Greenwood District of Tulsa that in the early 1920s was one of the most prosperous Black communities in the U.S. before a racial massacre against Black residents destroyed it. For some, moving to Tulsa is part of an inspirational effort to counter that dark past and rebuild in a more inclusive way. Montana moved here from South Carolina in March 2021, and a year later left her job to become a full-time entrepreneur, offering educational consulting services.

Montana Cain, Moved from Columbia, SC





Members are also diversifying the city's demographic mix

Since 2020, Tulsa Remote members as a group are more ethnically and racially diverse than the overall population of Tulsa County. And since 2022, members are more diverse than the population in the city of Tulsa. Non-white applicants make up more than 48 percent of the finalists who have accepted their offers to move in 2023.

Multiracial members were the largest non-white group when the program started, though the number of Black members has since exceeded that. Black members currently make up one in five of the new arrivals the program brings to the city. Tulsa Remote members are more Asian and less Hispanic than workers in the city of Tulsa overall, while both the program and the city continue trending toward majority-minority futures. It's also worth noting the diverse geographic origins of our members, who have come from 350 cities in 44 states, plus Washington, D.C., and Puerto Rico. About one-third come from California and Texas combined.

Also represented are many so-called boomerang members —Tulsa natives who had left for "greener pastures" but were motivated to come home, thanks at least in part to our program:

Moira Gallagher grew up in Tulsa and moved to New York City after graduating from Brown University. After she and her husband had their first child, Moira realized that the life of "breastfeeding on the subway" was not for her. She saw how much Tulsa had grown since her childhood; the Tulsa Remote program convinced her to come home. Moira now works remotely as a senior research manager for Amazon Web Services.

Moira Gallagher, Moved from New York City, NY

Tulsa native Peter Mullen moved away at 18 and spent most of his life in San Mateo, CA. He returned as a Tulsa Remote member, working in tech research, and is now an advisor for **Build in Tulsa's Techstars Accelerator program**.

Peter Mullen, Moved from San Mateo, CA

Members from all over the country, and especially the boomerangers, suggest that programs like Tulsa Remote can help reverse the "brain drain" out of heartland cities and beyond.

Overall, Tulsa Remote members come to stay

Tulsa Remote members are of course free to leave the city after earning their \$10,000 stipend at the end of one year, but most stay—in fact, 76 percent of members who have completed their program year are still in town.

We believe that the white glove service we provide when they first arrive helps shape their long-term experience, as we meet with them to better understand who they are, what they want to do and how to best integrate into our city. Connecting new members with other remote workers at a coworking space they can access for up to three years, and through their choice of 15 monthly events, also factors in their satisfaction.

The vast majority of both stayers and leavers are still working remotely, with 80 percent of stayers doing so and 76 percent of leavers. This suggests that work arrangements are not an important consideration in decisions to leave. In fact, only one in five of those leaving cited a change in work as the primary reason; the biggest reason was distance from family.



The mover multiplier

Our survey also examined the dynamic of Tulsa Remote members attracting other out-of-towners to live in our city.

We found that 19 percent of members have friends or family move to Tulsa without a stipend, as a direct result of those members' presence in the city. On average, the Tulsa Remote members in this cohort attract 2.7 additional new residents to Tulsa. That equates to more than one additional new arrival to the city for every two who receive grants through the program.

Who are these so-called magnet movers who follow program members to Tulsa?



9.5 % of all Tulsa Remote members move with a partner who is not in the program.



4.8% bring kids, moving 1.8 children on average; 5.2% prompt other relatives to join them, attracting an average of 2.3 family members each.



11.2% convince friends to move to Tulsa without the program's financial incentive, persuading 1.9 of their friends on average.

While some magnet movers are children or family members, many others are themselves working in Tulsa, whether remotely or locally. Consider Obum Ukabum, one of the first Tulsa Remote participants. He and his wife, Faith Walker, who was not a Tulsa Remote member, moved here from Southern California in 2019. She recently opened her own restaurant and has hired 17 local Tulsans.

Of course, even non-working magnet movers boost local economic activity through their household spending. The absence of magnet movers' personal income and induced income from the data shared above suggests that our results may even understate the full economic impact of Tulsa Remote. The magnet movers also put the retention rate of Tulsa Remote in new perspective, with these "plus-ones" who stay in Tulsa outnumbering the program alumni who leave Tulsa by well over two to one.



Considering the community benefits of Tulsa Remote



Not all benefits of Tulsa Remote are measured in dollars and cents. Applicants to our program are carefully screened to assess their enthusiasm for community involvement, and we are proud to report our members' engagement with local cultural and philanthropic organizations. One common reason members cite for getting involved is having more time to do so. Members report that living and working in a relaxed midsize city without traffic jams and long commutes has given them time for outside activities:

Consider Obum, whose wife opened the restaurant. He says getting off the L.A. freeways has given him more time, resources and flexibility to give back to the community. Now he volunteers with the Tulsa Speech and Debate League, serves on the board of Leadership Tulsa, directs musicals with Tulsa Theatre and coaches youth soccer.



Obum Ukabum, Moved from Los Angeles, CA

Jackiez Gonzales was one of our first 30 members, moving to Tulsa from Boston. When not working remotely on the corporate social impact team of Best Buy, she hosts Vamos a Practicar, a monthly Spanish-language study group of Tulsa Remote members and serves as chair of Tulsa's Young Professionals, among other activities.



Future Focus: Goals and challenges going forward

Our organizational goals for 2023 include adding 1,000 new members, and we hope to retain 90 percent after their first year, with a 10 percent turnover each year going forward. By 2027, we aim to have more than 4,000 members in the Tulsa Remote community.⁴ Reaching our goals will mean increasing our marketing and social media outreach, conducting more applicant visits and hosting more, and more varied, member events to build on our sense of community. A concurrent strategy will involve deepening our IT infrastructure to promote even more member engagement.

It's important to acknowledge that with this growth, we are paying close attention to external challenges:

The future of remote work

The national debate over remote work was probably inevitable as the acute phase of the pandemic ended, and it continues today. Before Covid, just over two percent of the U.S. workforce worked remotely full-time or close to it. By May 2020, a few months into the pandemic, more than 35 percent of workers were full-time remote.⁵ Some employers are pushing back on remote work—or at least limiting it to part-time.

While not all jobs may be suitable for remote work, recent surveys that the Pew Research Center conducted predict the current level of full-time remote workers—about 15 percent of the total workforce—will hold steady. Workers and employers have invested heavily in technology and infrastructure to facilitate remote work, and both groups will be reluctant to backtrack on those investments entirely. Beyond that, Covid caused many talented workers to reassess their priorities; to attract those workers, companies will need to open themselves to change.

What's more, a long-term goal of the George Kaiser Family Foundation is to attract more knowledge-economy companies, not just remote workers, to Tulsa. Those efforts include Build in Tulsa (supporting Black entrepreneurs), 36 Degrees North (providing workspace and resources for community entrepreneurs), Atento Capital (early stage capital investing) and inTulsa (company attraction and talent matching services). To that end, our skilled recruiters are helping to boost Tulsa's reputation as an amenable location for companies in the modern knowledge economy—regardless of the fate of remote work.



"Competition" from other cities

Another oft-cited challenge, or at least a perceived one, is the explosion of other cities promoting their own remote-work recruitment programs. Indeed, we are aware that dozens of other cities are following our lead and offering stipend rewards to remote workers. A few are awarding as much as double our \$10,000 stipend though none have reached the size and scale of Tulsa Remote.

But for us, attracting remote workers to the heartland is not zero-sum. In fact, we talk to other cities all the time, and happily trade ideas. We believe that bringing more knowledgeeconomy workers and businesses to our region is good for everyone—the so-called "agglomeration benefits" of these strategies. There is room for us all, and as the pioneers in this field, we are confident that our program will continue to result in Tulsa being a choice destination even for candidates considering multiple cities.

⁴The application process is rigorous and helps ensure that the new members we choose from the pool of applicants will have a positive experience in Tulsa. ⁵According to a new Pew Research Center survey.

Ensuring access to and development of housing

Any city attracting new residents to their community must be intentional in ensuring continued access to and development of housing for its residents. In spite of Tulsa's population growth since 2010, the city remains one of only four in the U.S. where the average American can afford a starter home, according to a **study** by the real estate website Point 2.

To help ensure Tulsa housing remains affordable, last year the City of Tulsa announced a \$500 million housing initiative, designed to increase the city's housing stock at all levels including transitional, supportive, affordable and market-rate housing. In line with the City of Tulsa's \$500 million goal to drive the development of additional housing, the George Kaiser Family Foundation also plans to create more than 1,000 units of housing in Tulsa over the next few years to contribute meaningfully to the city-wide need to increase housing stock.

And while Tulsa Remote members account for only a small portion of housing rentals and purchases in the community, the organization has implemented specific programs, resources and rules to ensure members are responsibly participating in the local housing market:



Tulsa Remote gives members access to our own Equitable Housing Partners (EHP) program, which provides support from real estate professionals who know the history of housing in Tulsa and are trained to recognize housing bias and inequities that marginalized communities face in seeking affordable housing. The EHP program is part of the George Kaiser Family Foundation's broader effort to promote housing equity throughout Tulsa.



Tulsa Remote has also created an EHP training designed to educate local real estate professionals about these topics and will only refer members to real estate professionals who have undergone this EHP training.



Members who choose to participate in the Homeownership Initiative, which provides their \$10,000 upfront after they purchase a home, must maintain an owner-occupied residence. In other words, they must live in the home as their primary residence and cannot earn revenue off of the property during their program year.



Economic silos

Finally, there is the challenge of ensuring an inclusive economy when introducing a knowledge economy workforce into the larger, more working-class Tulsa community. This means applying strategies that allow for people to move here without decreasing the experience that locals are having. Instead of an "either or" it should be a "both and."

As mentioned earlier, we have a rigorous selection process that considers an applicant's enthusiasm for community involvement which we encourage through frequent contact with, and events for, active members and alumni. As a member of the larger George Kaiser Family Foundation ecosystem, we're also able to work in concert with partner organizations to ensure that all Tulsans have pathways available into the knowledge economy via programs like inTulsa (a local talent matching firm), the Holberton School (a local coding school), additional educational programs at local universities and community colleges, such as the Cyber Skills Center at Tulsa Community College, and entrepreneurial support programs like Build in Tulsa, 36 Degrees North and Atento Capital.

What we've learned... and can share

As a pioneer in attracting knowledge-industry workers, Tulsa Remote has become a knowledge base of its own—not just for other cities looking to replicate our success, but for businesses and workers seeking to navigate the new and exciting pathways that remote work presents. Following are the best practices we've identified for various stakeholder groups.

For other cities

We've shared with peer cities that a remote work program is in effect marketing. And like any marketing campaign, you must first define what you are "selling"—what makes your city different and unique? Then, you must define your "customer"—who are you trying to attract? Only then can you create a strategy that presents your unique offering to your ideal candidate. And it won't be the same offering, or the same candidate, for every city.

Of course, making your city attractive to remote knowledge workers doesn't just happen by putting up a slick website and offering a relocation incentive.

Don't assume your job ends when a new recruit lands in town. Program members need your continued support to connect with the community, which is critical to their long-term success and happiness—and thus critical to the program itself. When considering individuals for the program, Tulsa Remote not only looks for people with great remote jobs, but also people who express a desire to contribute to their community in meaningful ways. We then invest time and resources into ensuring they receive the support they need to become a part of both the community of Tulsa Remote members, and the greater Tulsa community.

Support includes offering access to coworking space, relocation services and referrals to trusted local experts. It also includes offering help to find local community organizations that will make new residents feel connected. This could mean a garden club, a theater group or local nonprofits seeking volunteers. Some of these services require a financial commitment (like covering the cost of a workspace) and others require thoughtfulness and time to provide moral support and local expertise to members, but they both require a local team committed to ensuring the new arrivals thrive in your city.

It also takes a long-term commitment to defining and improving your place. Take Tulsa: Americans might recognize it as a prairie waypoint along historic Route 66. But in fact, our city has invested in fostering a rich culture and arts scene with the Bob Dylan Center, Greenwood Rising, which is a nationally recognized history center honoring the legacy of Black Wall Street, and historic musical landmarks like Cain's Ballroom and The Church Studio where performers like native Tulsan Leon Russell and Willie Nelson have recorded. Named the "best city park" in the country by USA Today, Tulsa is also home to the Gathering Place, a 100-acre riverfront park with an adventure playground, a lake and a boat house and a sensory garden.

Finally, when considering a remote-work recruitment program, a good rule is to **prepare for growth early on.** Here in Tulsa, the early challenges we faced were often related to us underestimating the popularity of our program. Building the technical infrastructure and team to manage demand for and success of your program is a step that you should not overlook.



For employers and organizational leaders

We urge CEOs and HR directors of knowledge-industry companies to **create a remote work policy that aligns with your organizational values.**

Root your remote work culture in transparency and over-documentation, leveling the playing field for all employees. For example, employees whose jobs allow for remote work should have the same access to information and advancement opportunities as the people sitting in the office.

Be comfortable with your employees being asynchronous. Performance should be based on output metrics rather than rigid work schedules. Clearly defined expectations will build trust with and loyalty from talented workers.

For remote workers

As for remote workers looking for a change of place, we would first say, "Visit Tulsa!" Beyond that, our experience has convinced us that remote work doesn't have to mean isolation or loneliness. Indeed, the success of Tulsa Remote is largely the story of bringing people together within the realities of remote work. Even people who work from home need to feel part of a larger community. Humans are social creatures; we thrive in groups. Tulsa Remote helps its members do just that through coworking space and abundant events. Build your life around the community you choose.

Finally, when you assess your priorities, advocate for yourself, follow your dreams and **create a healthy balance between life and work**, you will lead a happier and more productive life. That, in the end, is why we all get up in the morning. Especially if we get up and go to work on the back porch.