

# Barra says GM will 'go to where the talent is' to develop software-driven vehicles

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In the battle to build software-driven connected vehicles, General Motors Co. CEO Mary Barra knows the "industry is so fierce, you have to have the very best talent."

That's one reason Barra is heading to California for an event celebrating the opening of the automaker's new Mountain View Technical Center in the Silicon Valley, home to 200 employees and a sign that GM's talent search stretches far beyond its Michigan roots. The move comes as the Detroit automaker is preparing to abandon its Renaissance Center headquarters for smaller corporate digs in the Hudson's Detroit development amid a steady decline in RenCen headcount and upgrades at its Warren Technical Center.

GM is "going to go to where the talent is," Barra told The Detroit News in an interview. "It's not to say that our people aren't great, but if you haven't been a [software engineer](#) and doing the type of software that is needed, you don't have time to learn. Bringing in the right talent, wherever they are, is going to be important."

State stakeholders, experts and business executives say Michigan—even with three global automakers headquartered here and several tier-one auto suppliers—badly lags other states in the knowledge-based economy, forcing companies to look elsewhere for the tech talent they need to be competitive in the global marketplace.

The 50,000-square-foot Mountain View center centralizes the labs and offices GM operates in the area for the automaker's software team to collaborate. The office space will eventually have a software quality lab. Leaders, including Baris Cetinok, GM's vice president of product, software and services, will work out of the office building.

Michigan is still "where the core and the bulk of our talent are," Barra said, but in Silicon Valley, "there is a lot of software talent there. And you have to tap into that."

GM employs more than 25,500 at its three southeast Michigan offices with most of those employees working out of the Global Technical

Center in Warren. GM still calls the Renaissance Center in downtown Detroit its global headquarters but will be moving its HQ to the Dan Gilbert-backed Hudson's Detroit development in 2025.

GM has not said how many people will work out of the Hudson's building. As the development's anchor tenant, the automaker will lease the top two office floors of the 12-story mixed-use office, retail and event-space building for 15 years, The Detroit News previously reported.

"It will be our true corporate headquarters," said Barra, noting she'll be there along with corporate staff.

GM's presence in the RenCen has noticeably dwindled post-pandemic. The automaker no longer breaks down the employee count at each of its southeast Michigan offices, but The News in December reported 1,320 employees worked there, a 67% decline since early 2020.

A few years back, GM shifted its sales and marketing team to work closely with engineers and designers stationed at the Warren campus, Barra said.

The automaker will work with Gilbert's real estate firm Bedrock on a redevelopment plan for the Renaissance Center, which opened in 1976 and was purchased by GM in 1996.

"We are reimagining what our headquarters will be, but we're very proud Detroit is our home and we've said that it will be our home," Barra said.

Still, GM and other companies have to go beyond the Great Lakes state when trying to attract and retain talent, which researchers say will affect Michigan's prosperity.

In 2004, economist Donald Grimes of the University of Michigan's

Research Seminar in Quantitative Economics and Lou Glazer, president of Michigan Future Inc., a nonpartisan nonprofit focused on "recreating a high prosperity Michigan," found that manufacturing was no longer the driver of growth for the state. Instead, prosperity would come from having a knowledge-based economy. That shift has not occurred in the last 20 years, resulting in the state dropping from 16th in 1999 to 39th in personal income per capita among the 50 states as of 2022.

The researchers found that if the same trends continue, Michigan in 2045 would be ranked 48th. To prevent this and push for a knowledge-based economy, Michigan needs to create vibrant cities for young professionals and encourage students to obtain degrees.

"You need to design an education system ... so all kids are prepared to complete four-year degrees," Glazer said. "Secondly, you need consistent messaging that four-year degrees are the best path to successful, prosperous 40-year careers, and we're not doing either of those things."

Barra says the state has "to fix the public school system."

"Education is foundational because when someone has a great education, they can do anything," she said. "When we're not serving the children in this state well with a solid quality education, we put them at a disadvantage."

She added the colleges here "do a fabulous job."

"We have to fix the core issue in K through 12," she said. "But I think our university system here is incredibly strong."

Glenn Stevens, executive director of MICHauto and the Detroit Regional Chamber's vice president of automotive and mobility initiatives, has heard from multiple executives it's important to "build your own and

keep your own." That means ensuring Michigan youth go on to attend higher-education institutions here.

"You have to have career-path planning for these kids ... and we are 48th in the country in the ratio of counselors to students in our schools," Stevens said. "That's a problem to me."

Erik Gordon, a professor at the University of Michigan's Ross Business School, said companies like GM have a "double-barreled problem" of having difficulty in attracting talent to Michigan and then in California having to compete with other, potentially more appealing companies.

"Even the advanced manufacturing the car companies do is not glamorous on the coast," he said. "Who can you get to come here and work here? How do you compete with the snazzy companies on the coast if you go there?"

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