

# Thoughts and Experiences in Constructing a Regional Dashboard

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# Outline

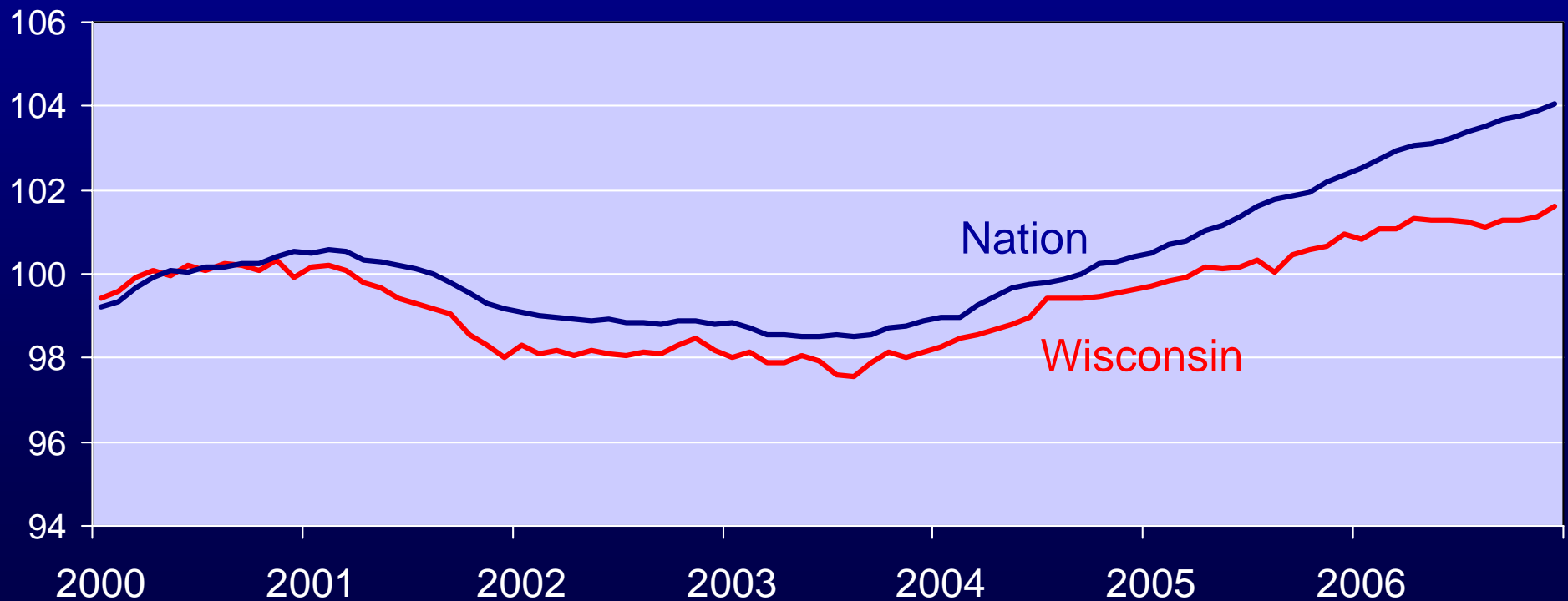
- Can I tell you how envious we are of you?
- Why bother with constructing a Economic Dashboard?
- Our Experiences and Findings
- Lessons Earned – “If we were to do it all over again.....”

# Why are we envious of you?

- Employment conditions – the best in the Great Lakes states
- Above-average education achievement levels for key age groups.

# Wisconsin, while lagging the nation, is still in positive territory.

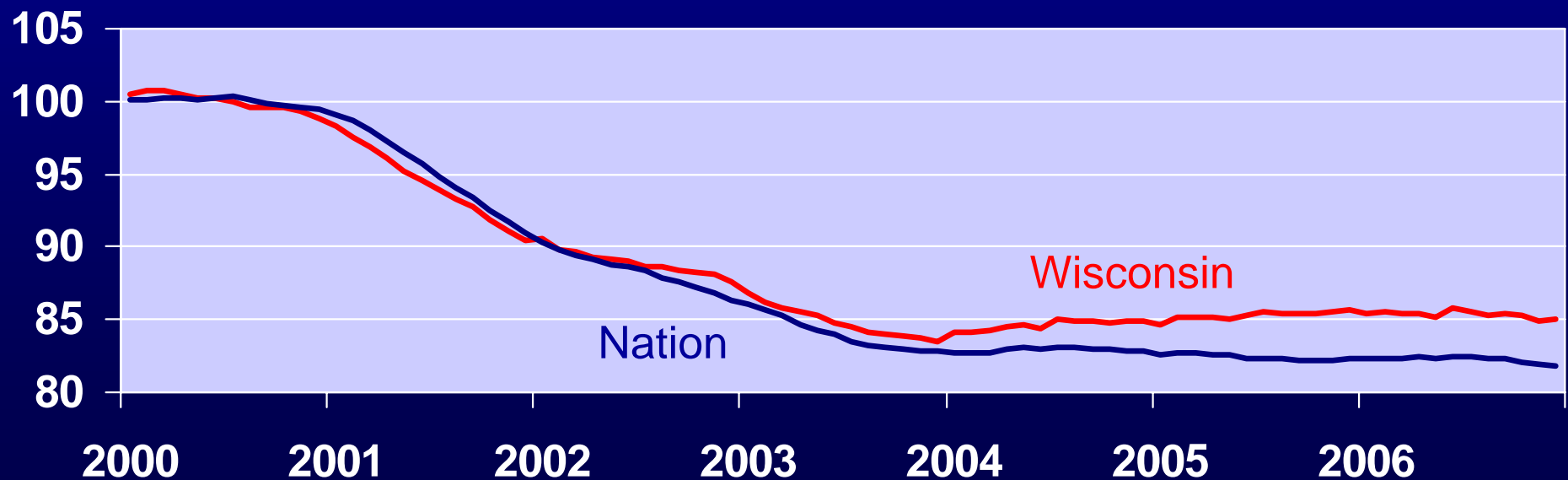
**Total Employment Index**  
**Average 2000 = 100**



Source: BLS

# The state's manufacturing sector outperformed the nation.

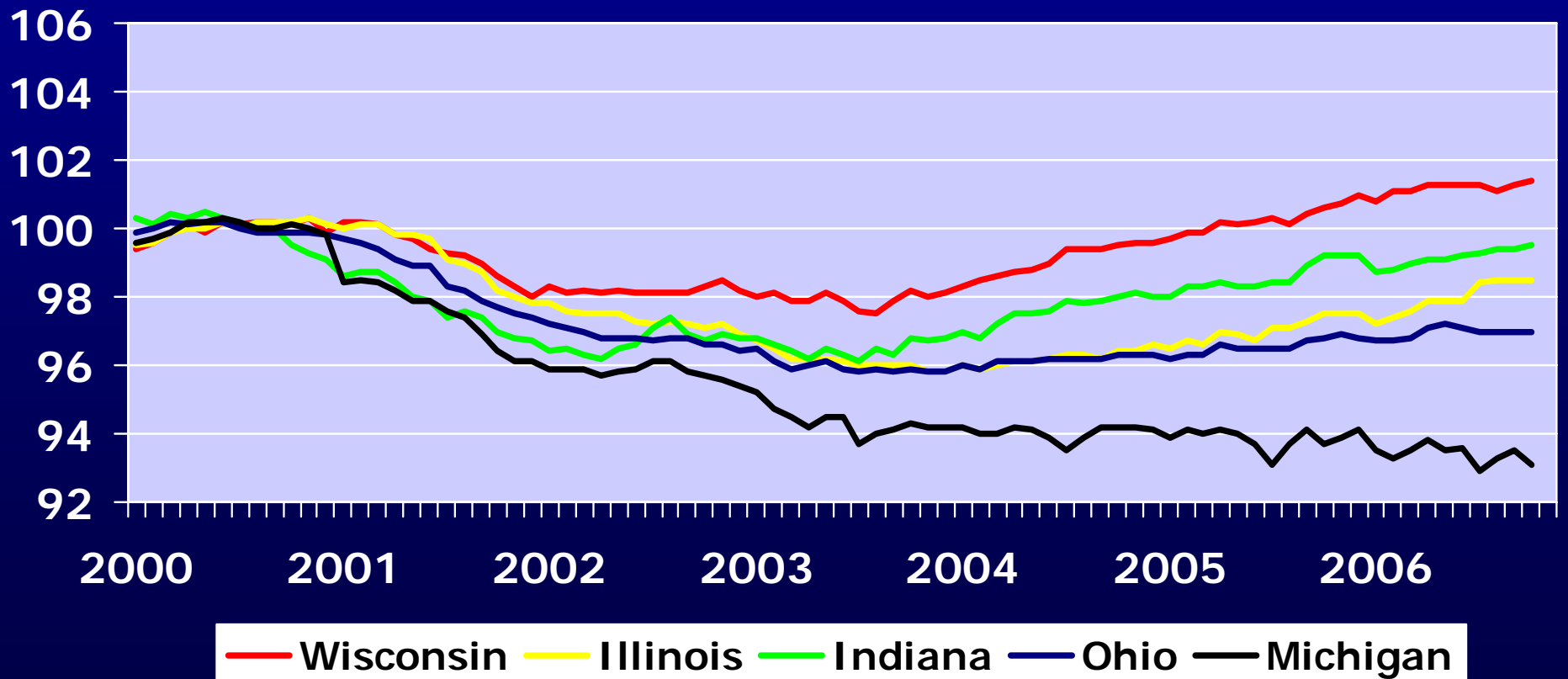
Manufacturing Employment Index  
Average 2000 = 100



Source: BLS

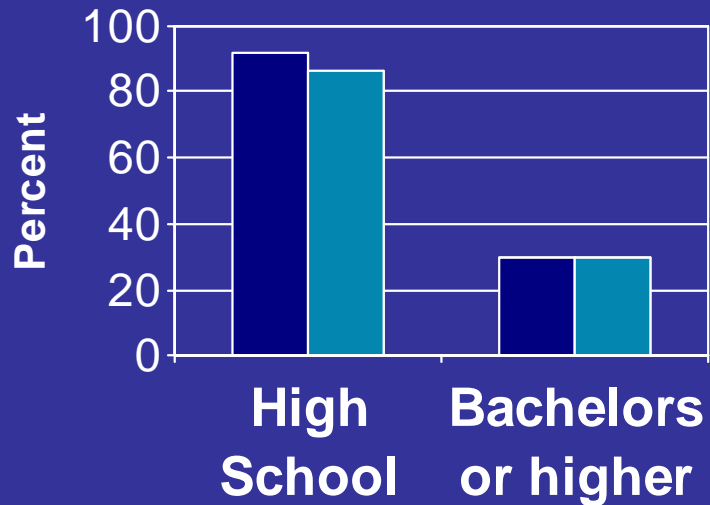
# Wisconsin has clearly risen to the top of the region.

Total Employment Index  
2000 average = 100



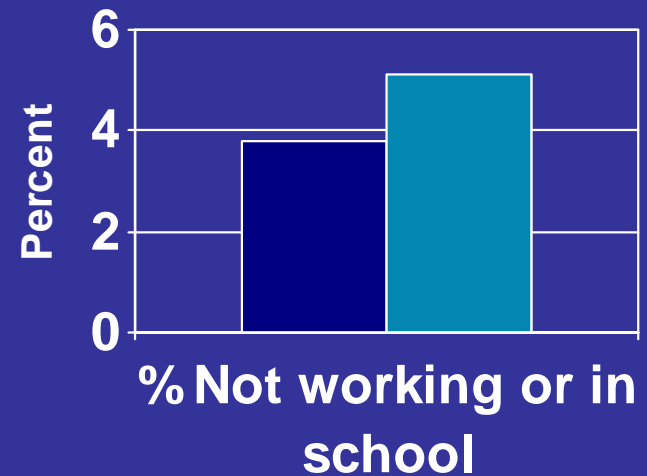
# Solid Education Achievement Levels

## Education Achievement 25 to 34 year olds



■ Wisconsin ■ U.S.

## Idleness Among 16 to 19 year olds



■ Wisconsin ■ U.S.

# Why bother with constructing a Dashboard? *More than a score card*

- Provides useful perspective on the regional growth dynamics through the development of a regional framework.
- Identifies the basic fundamentals of regional economic growth taking place across the country.
- Provides guidance in the selection of economic development strategies.



# Northeast Ohio Dashboard

- Methodology
- Results
- Next Steps

# NEO DASHBOARD INDICATORS

## Steps to Identify Growth Factors

### Step 1: Identify potential themes to be explored in analysis:

- Economic Growth and Employment
- Education and Workforce
- Quality of Life and Place
- Equity and Fairness
- Cooperation and Governance

Step 2: Select variables associated with initial themes and other factors

Step 3: Use statistical methods to identify structural relationships among variables that actually occur in metropolitan areas

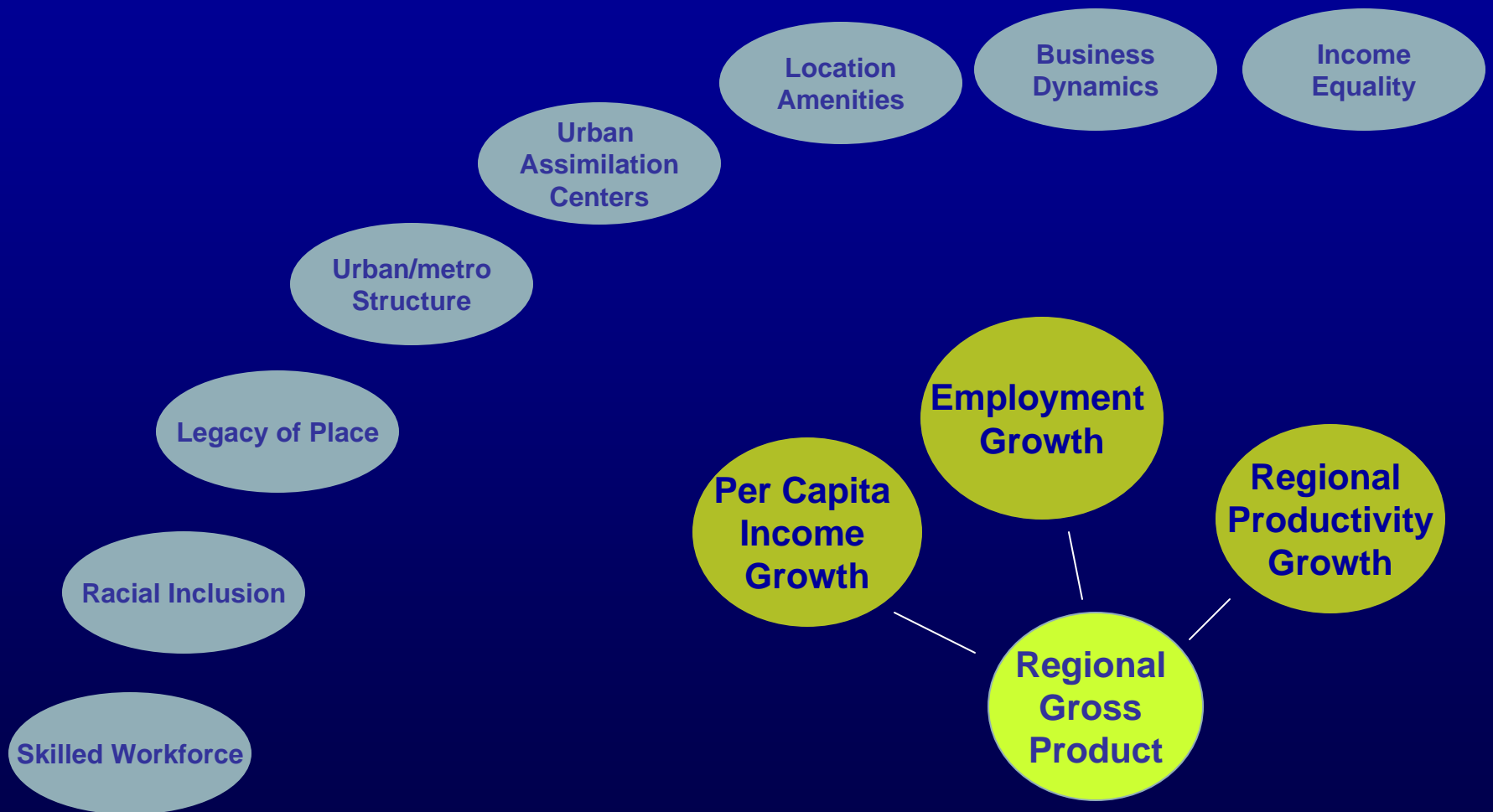
Step 4: Use statistical methods to relate factors to measures of economic growth

# NEO DASHBOARD INDICATORS

## Growth Factors

- Skilled Workforce
- Urban Assimilation Centers
- Racial Inclusion
- Legacy of Place
- Income Equality
- Location Amenities
- Business Dynamics
- Urbanization/Metro Structure

# NEO DASHBOARD INDICATORS

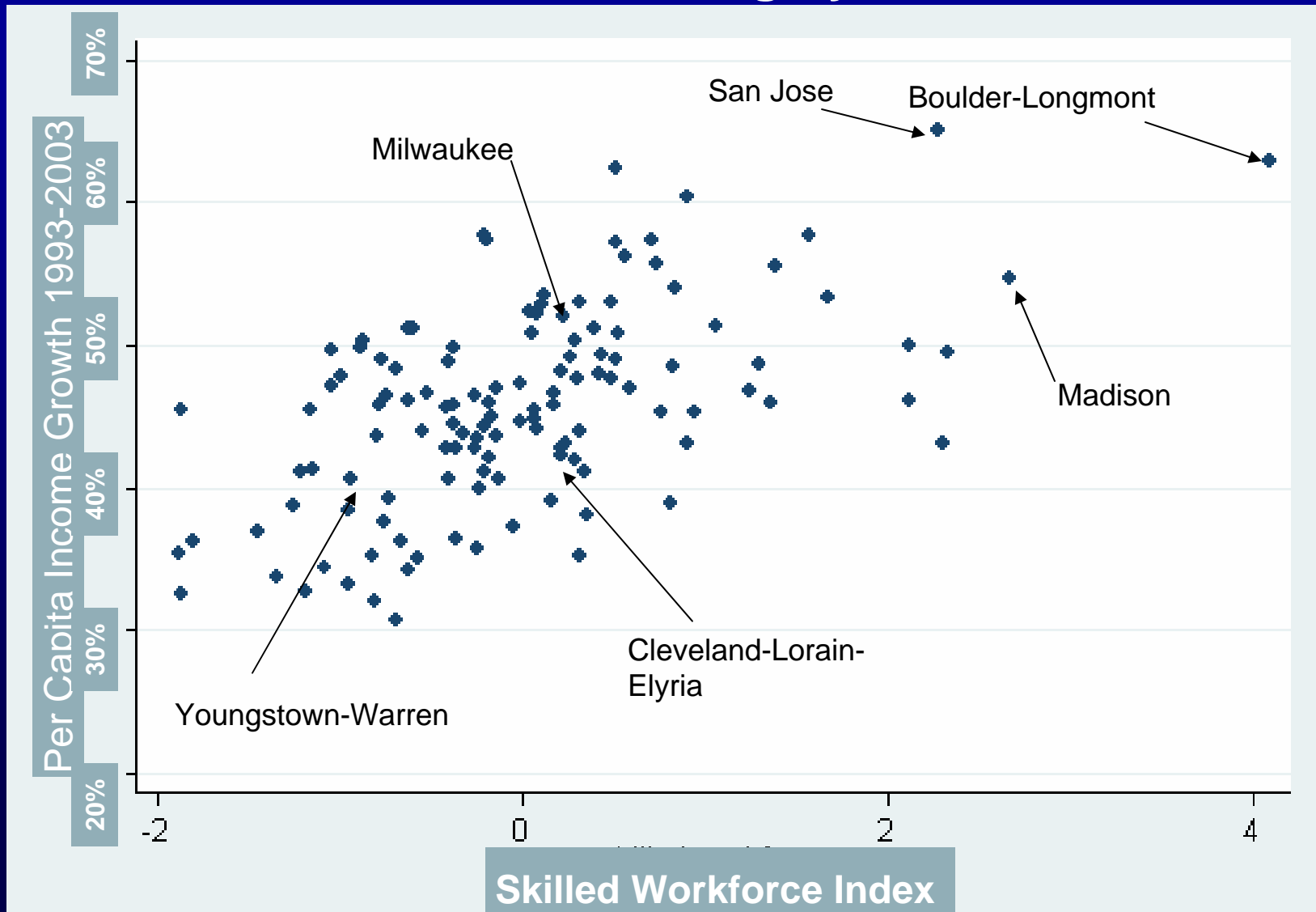


# NEO DASHBOARD INDICATORS

## Rankings of Growth Factors According to Their Importance to Economic Growth

Factors	Growth Rate of:			
	Employment	Per Capita Income	Productivity	Output
Skilled Workforce	5	1	1	1
Racial Inclusion	3		3	3
Urban Assimilation	6		2	2
Income Equality	4	4		5
Business Dynamics	2			6
Legacy of Place Costs (negative)	1	2		4
Location Amenities		5		
Urban/Metro Structure		3		7

# Per Capita Income Growth and Skilled Workforce are Highly Correlated



## Rank of Metropolitan Areas According to Skilled Workforce Score

Rank	Metro Areas		Score
1	Boulder--Longmont,	CO	4.092
<b><u>2</u></b>	<b><u>Madison,</u></b>	<b><u>WI</u></b>	<b><u>2.671</u></b>
3	Middlesex--Somerset--Hunterdon,	NJ	2.326
4	Raleigh--Durham--Chapel Hill	NC	2.297
5	San Jose	CA	2.267
<b><u>41</u></b>	<b><u>Milwaukee--Waukesha,</u></b>	<b><u>WI</u></b>	<b><u>0.221</u></b>
<b><u>101</u></b>	<b><u>Appleton--Oshkosh--Neenah,</u></b>	<b><u>WI</u></b>	<b><u>-0.893</u></b>
114	Hickory--Morganton--Lenoir,	NC	-1.353
115	Modesto,	CA	-1.809
116	Bakersfield,	CA	-1.868
117	Lakeland--Winter Haven	FL	-1.872
118	Visalia--Tulare--Porterville,	CA	-1.888

## Rank of Metropolitan Areas According to Business Dynamics Score

Rank	Metro Areas		Score
1	San Jose	CA	2.635
2	Hickory--Morganton--Lenoir,	NC	2.273
<b><u>3</u></b>	<b><u>Appleton--Oshkosh--Neenah,</u></b>	<b><u>WI</u></b>	<b><u>1.558</u></b>
4	Grand Rapids	MI	1.520
5	Dayton--Springfield,	OH	1.436
<b><u>12</u></b>	<b><u>Milwaukee--Waukesha,</u></b>	<b><u>WI</u></b>	<b><u>1.188</u></b>
<b><u>40</u></b>	<b><u>Madison,</u></b>	<b><u>WI</u></b>	<b><u>0.508</u></b>
114	Fort Pierce--Port St. Lucie,	FL	-1.898
115	Fort Myers--Cape Coral,	FL	-1.934
116	Sarasota--Bradenton,	FL	-2.016
117	West Palm Beach--Boca Raton,	FL	-2.075
118	Atlantic--Cape May	NJ	-2.181

## Rank of Metropolitan Areas According to Legacy Costs

Rank	Metro Area		Score
1	Jersey City,	NJ	3.337
2	Utica--Rome,	NY	2.637
3	Scranton--Wilkes-Barre--Hazleton,	PA	2.339
4	Binghamton,	NY	2.177
5	Syracuse,	NY	1.928
<b><u>20</u></b>	<b><u>Appleton--Oshkosh--Neenah,</u></b>	<b><u>WI</u></b>	<b><u>0.900</u></b>
<b><u>27</u></b>	<b><u>Madison,</u></b>	<b><u>WI</u></b>	<b><u>0.772</u></b>
<b><u>28</u></b>	<b><u>Milwaukee--Waukesha,</u></b>	<b><u>WI</u></b>	<b><u>0.729</u></b>
114	Fort Pierce--Port St. Lucie,	FL	-1.250
115	Jacksonville,	FL	-1.251
116	Orlando,	FL	-1.294
117	Tampa--St. Petersburg,	FL	-1.302
118	Baton Rouge,	LA	-1.401

# Lessons Learned

- **More is Less.** You want to create the dashboard of a car, not the environment of a cockpit of a plane.
- **Often data are not available or expensive to obtain.**
  - Must be willing to accept proxies for key variables that are not available.
  - Data should be available on an annual basis with a maximum of a 3-year lag.

## Lessons Learned (cont'd)

- **Performance vs. factor indicators**  
Goal to identify factor indicators that impact performance indicators.
- **Must remain aware of macro forces**, which you have no control over, that can severely impact your performance.
  - Comparison analysis controls for this somewhat.

## Lessons Learned (cont'd)

- **Many indicators are very hard to move.** To move some indicators, it may take many years of hard work. More importantly, the lack of progress in moving a indicator after one or two years **SHOULD NOT** be taken as a sign of failure.

# Findings

- **No “silver bullet”** that turns a slow-moving traditional-based economy into a vibrant, high-performing one.
- A skilled workforce and strong business dynamics are most highly correlated with regional economic growth.

## Findings (cont'd)

- Racial inclusion and income equality correlates to economic growth.
- The locational amenities indicator, which includes transportation systems, arts, and health services, is positively related to per capita income growth but not as strongly as other indicators.

# What about using the Dashboard for evaluation?

- Some would say this is the ***Odometer*** of the Dashboard.
- I offer a strong word of caution.

# What about using the Dashboard for evaluation? (cont.)

- Scale matters greatly; good and effective programs may not move the dashboard indicators.
  - Impossible to control for the one hundred other things that can impact the indicators.
- May consider leaving some gauges “open” that monitor outcomes of key initiatives.

## What about using the Dashboard for evaluation? (cont.)

- The Dashboard can provide direction regarding what activities your community should pursue.
- However, to evaluate individual programs a more focus effort –using some type of “control group” proxy– should be completed.



To obtain copy of our working paper on the NEO Dashboard:

[www.upjohninstitute.org](http://www.upjohninstitute.org): on the top of the page click on to “working papers” and it is listed under Eberts, Erickcek & Kleinhenz

OR email me:

[erickcek@upjohninstitute.org](mailto:erickcek@upjohninstitute.org)

And for a limited time only, I will throw in a copy of this Powerpoint absolutely free!

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