



Growth and Opportunity Impact Assessment

2017

Summary of Findings:
Northeast Ohio

FUND FOR
OUR
ECONOMIC
FUTURE

WORKING TOWARD

GROWTH &
OPPORTUNITY



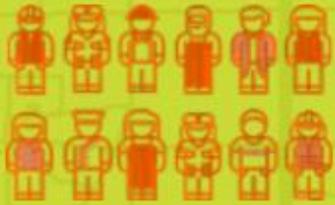
Contents

- **Impact Assessment: Goals and Process**
- Observations and Findings:
 - **Job Creation**
 - **Job Preparation**
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- What's Next?

Fund grantees regularly surpassed jobs, payroll and capital goals

Fund Job Creation Grantees

2004-2016



24,400+

Jobs Retained + Created



\$1.1 billion

Payroll Generated



\$6 billion+

Capital Attracted

Primary
Grantees:

Teamneo



MAGNET
Manufacturing Advocacy & Growth Network

 BioEnterprise


jumpstart

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FUTURE

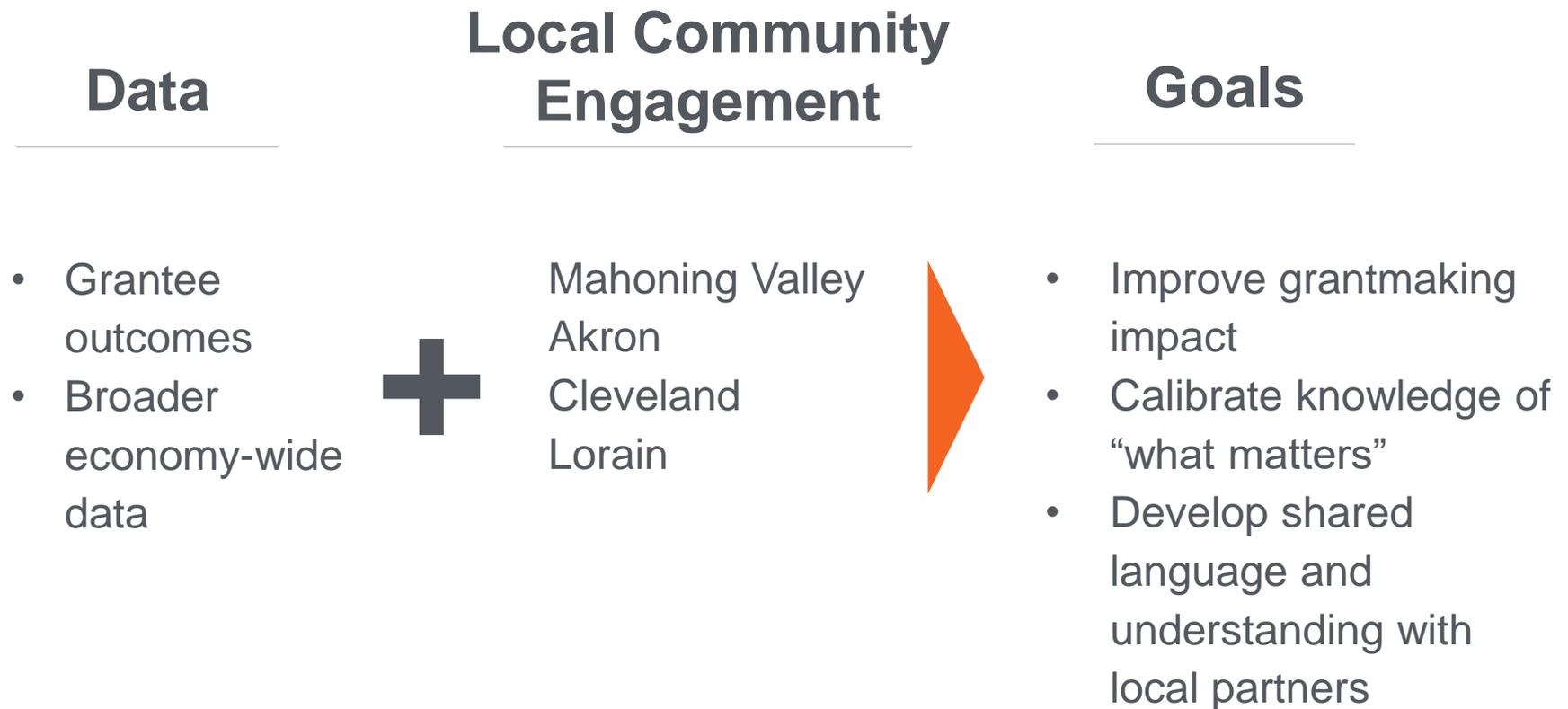
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But we wondered how this work advanced the rest of our strategy



- *Do these jobs pay family-sustaining wages?*
- *Are we creating job opportunities for Northeast Ohio residents with PhDs as well as those with GEDs?*
- *Can residents without a car get to where these jobs are located?*

We used data and local community feedback to explore this question





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Job Creation: Summary of Findings

- 1** | Traded-sector growth is fundamental to the long-term economic health of the region
- 2** | The Fund's job creation grantmaking outcomes are primarily within the traded sector, a reflection of the Fund's historic grantmaking strategy

Traded-sector growth is critical for the economic health of the region

Traded Sector: Companies with customers outside local economy (e.g., manufacturing, professional services); distinct from “population-serving” businesses



Wages¹

\$69k: traded sector

\$32k: local serving



Spill-over²

2.4 jobs added for every new traded job

0.5 jobs added for every new local-serving job



Accessible³

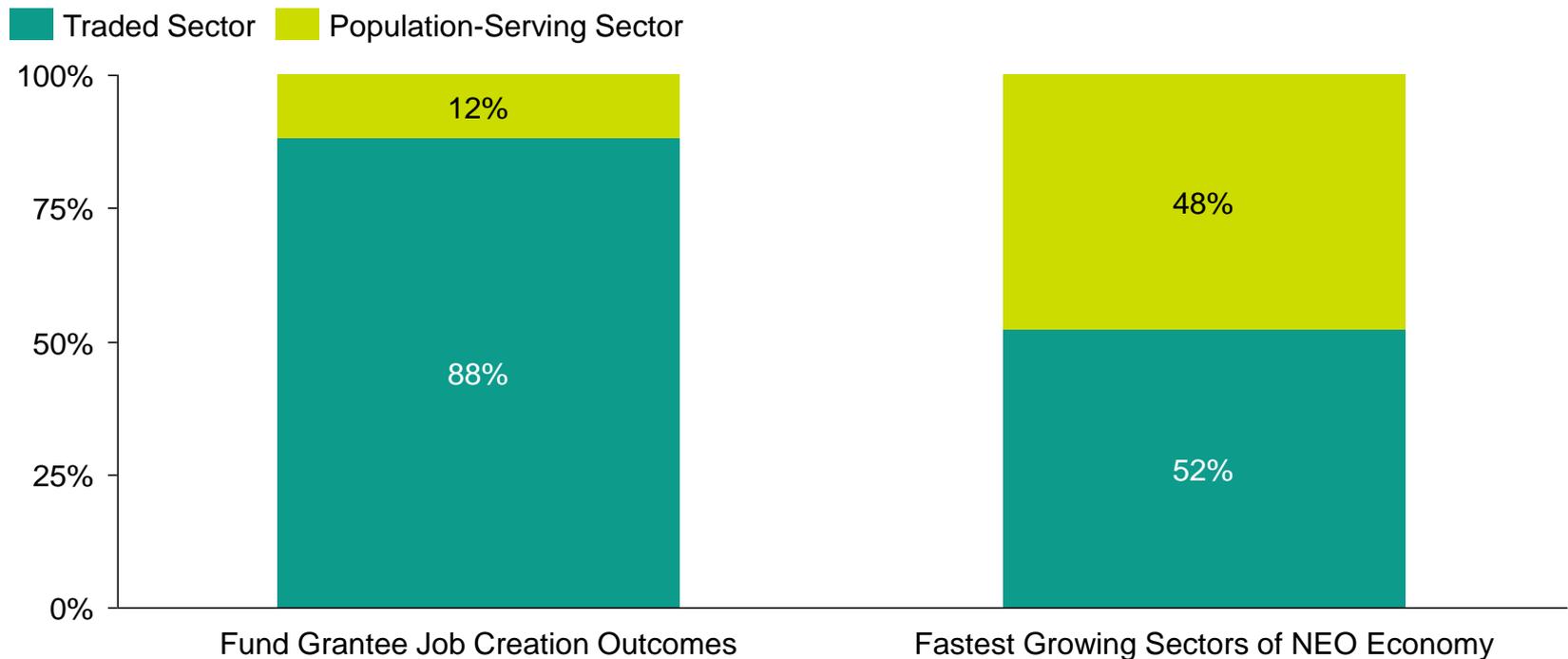
Opportunities exist for college educated as well as high school educated workers

1: Based on EMSI average annual wages in 18-county NEO; 2: Based on EMSI calculations for direct jobs added in 18-county NEO; 3: Educational accessibility of jobs in this sector will be discussed in greater detail in subsequent slides

Job creation grantee efforts concentrated in traded sector

Grantee job creation outcomes by sector vs. overall economy

Percentage of jobs by sector; top 25 fastest-growing industries; 2010-2016



Source: Grantee-reported outcomes; EMSI



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Job Preparation: Summary of Findings

? Guiding Questions

Beyond understanding the traditional jobs, payroll and capital metrics, we also asked ourselves:

- What are the educational attainment requirements to hold jobs in the traded sector?
- Do jobs in this sector tend to pay family-sustaining, living wages?
- What other barriers prevent or limit a resident's participation in the economy?

1

- Fund grantees are helping to create jobs along the “GED to PhD” spectrum
- These jobs also pay living wages much more regularly than jobs being created in the economy overall

2

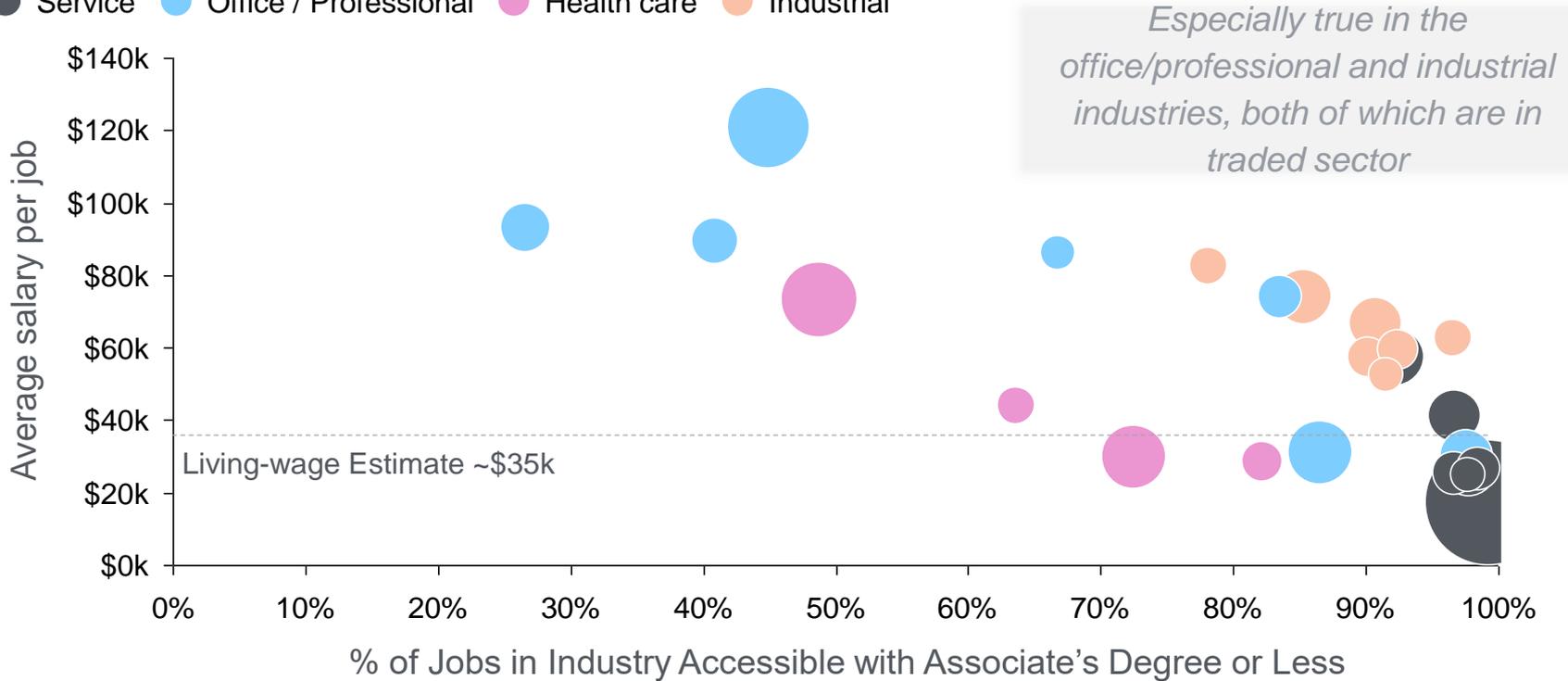
- Removing barriers to employment (i.e., language barriers) and increasing access to support services is critical for expanding access to opportunity

Some sectors are creating accessible, living-wage jobs

Educational attainment requirements and average wages by industry

Top 25 growing industries from 2010-2016; 18-county NEO; bubble size based on job growth

● Service ● Office / Professional ● Health care ● Industrial



Source: EMSI

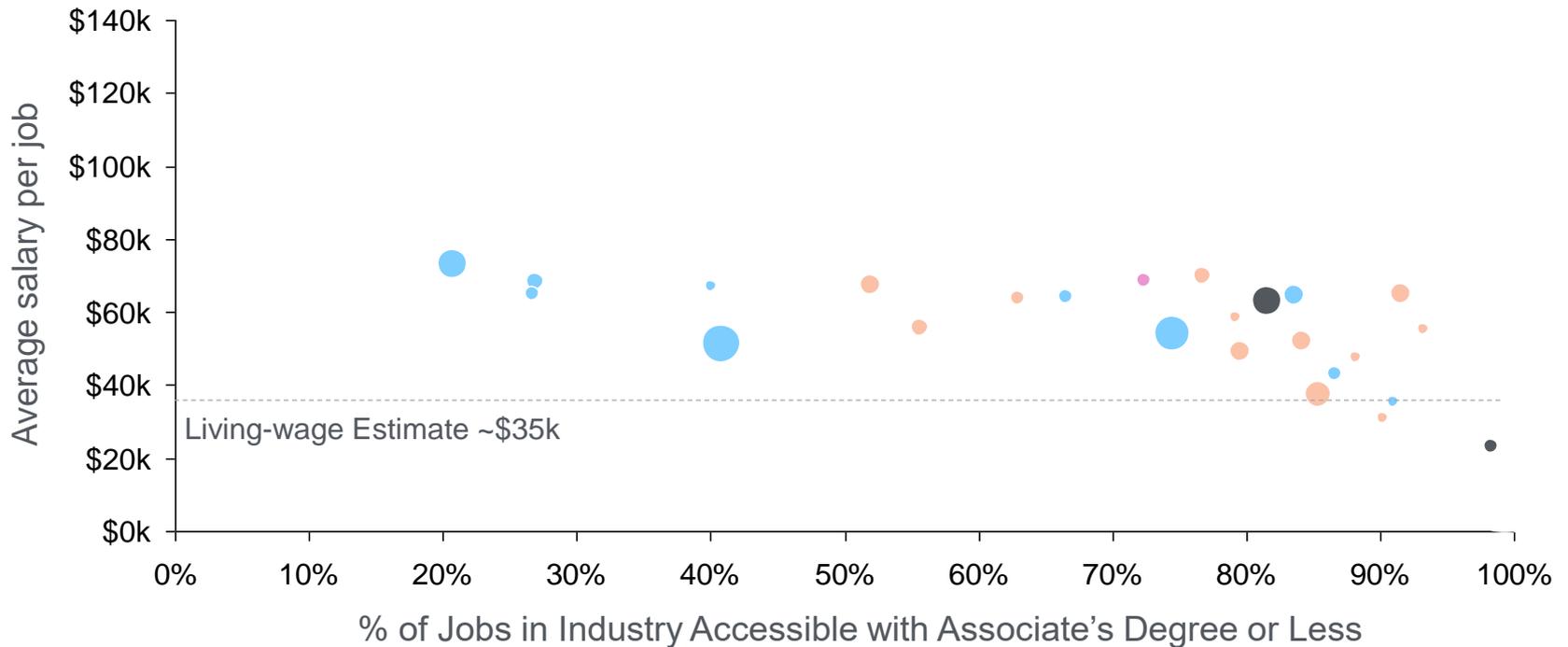
Fund job creation grantee outcomes:

Many jobs do not require 4-year degree; nearly all pay living wage

Educational attainment requirements and average wages by industry

FFEF grantees; top 25 industries by 2010-2016 job growth; 18-county NEO

● Office / Professional ● Service ● Industrial ● Health care



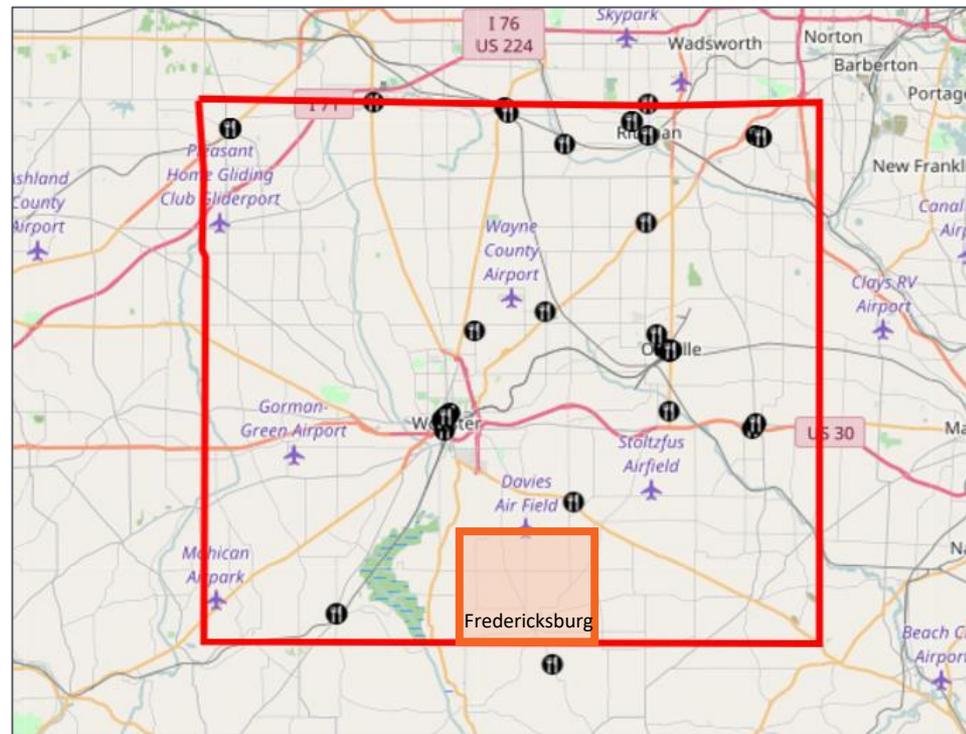
Source: Average educational attainment requirements by industry from EMSI; average salary per job as reported by grantees based on jobs and payroll

Accessible support services are critical for increasing access to opportunity

Access to food service locations is limited in parts of Wayne County
Food service locations (black icons) in Wayne County (red outline)

Presence of many different services can significantly help residents get and persist in quality jobs:

- Access to food (example at right)
- Access to childcare
- Assistance w/criminal backgrounds
- Driver's licenses
- Assistance w/language barriers
- Etc.





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Job Access: Summary of Findings

- 1** | Northeast Ohio is one of the worst places in the country when it comes to growing jobs close to where people live
- 2** | This geographic disconnect can be seen by observing where growing and shrinking job hubs are located across the region

Across NEO, jobs are moving farther from residents

Northeast Ohio metros are among worst in country when it comes to number of jobs near average resident

Change in Number of Jobs Near Average Resident: 2000 - 2012

Youngstown: **-13%**

81st of 96 MSAs

Akron: **-14%**

84th of 96 MSAs

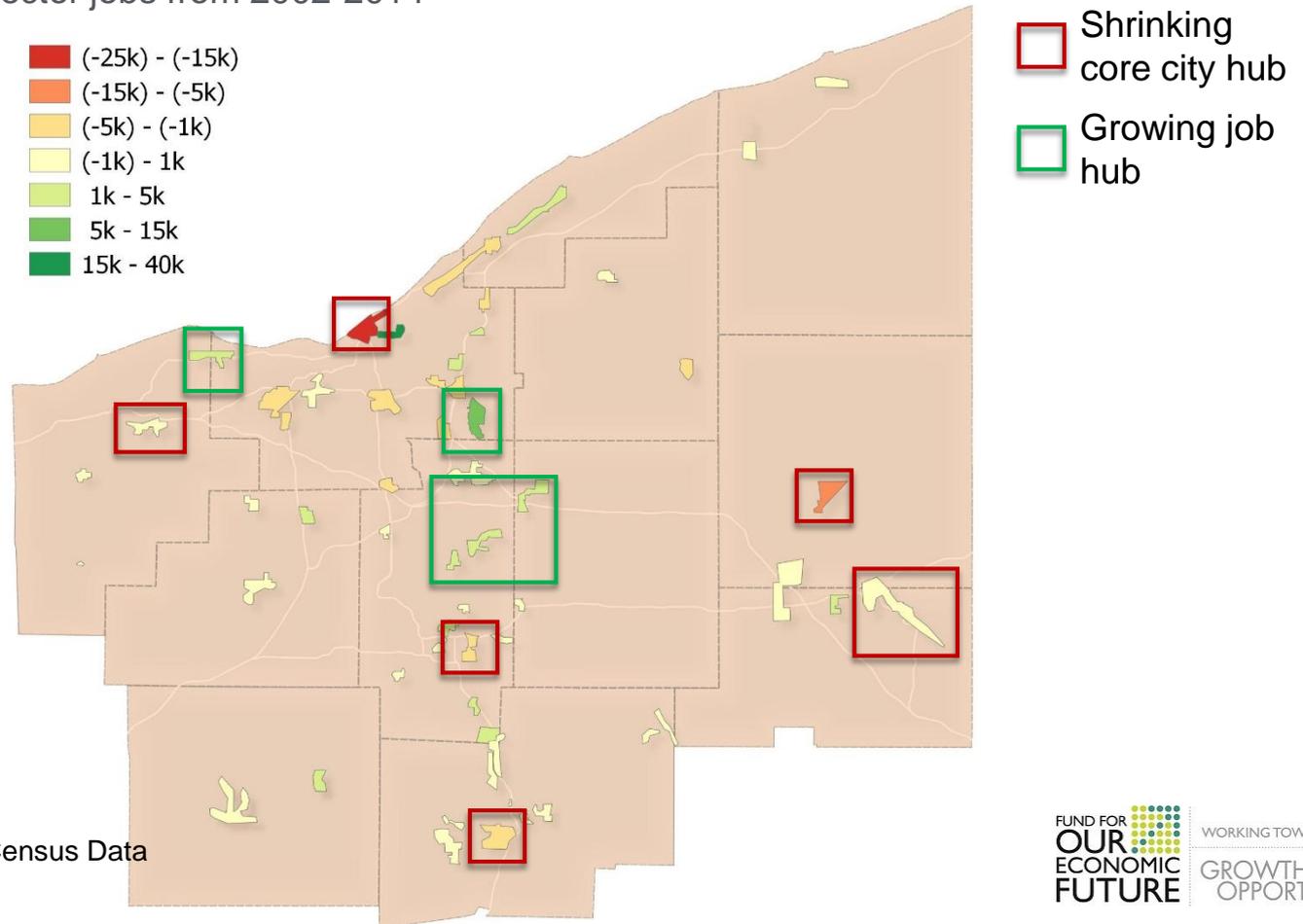
Cleveland: **-27%**

96th of 96 MSAs

Source: "The growing distance between people and jobs in metropolitan America," The Brookings Institution, May 2015; Measured by number of jobs within the median commute distance of the center point of each census tract. Median commute based on Cleveland MSA commuting patterns.

Regional job hub growth patterns illustrate the job access issue

Northeast Ohio: Traded-sector Job Hubs Change in traded-sector jobs from 2002-2014



Source: LODES 2014 Census Data



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The findings from this work are influencing our Fund's strategy

We are exploring many new initiatives as a result of this work. Examples include:

- 1 | Where are new opportunities to support traded-sector growth and/or cluster development?
- 2 | How can we better understand the economic impact of re-entry requirements for people with criminal records?
- 3 | Can mobility solutions like ride-sharing and on-demand transportation help address the job access challenge?



The findings also helped clarify our definition of an inclusive economy

An inclusive economy is...

A continuously regenerating economy...

...creating good jobs and rising incomes...

...for everyone.

- Traded-sector job growth
- Growth in young firms
- Rising prosperity (productivity, wages, standard of living)
- Full employment
- Economic security (living wage)
- Reducing racial disparity (employment, income and living wage)
- Reducing concentrations of economic distress