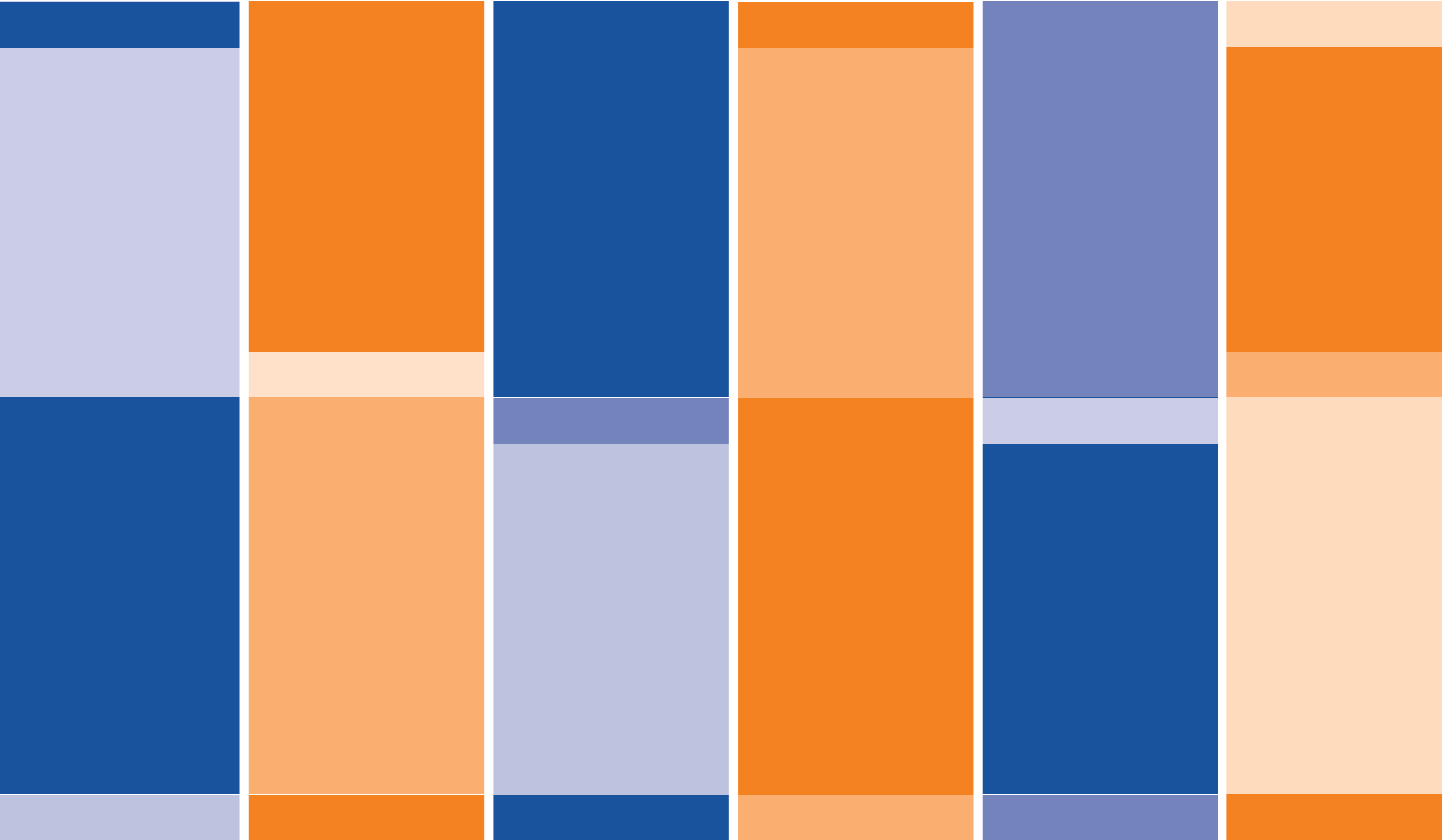


# Talent & Equity Report



The **2023 Talent & Equity Report** is the first in a series of three reports that Team NEO will produce annually to provide an update on the **Vibrant Economy Index** and insights into challenges and opportunities the Northeast Ohio Region has as we work to build a vibrant economy.



The  
**vibrant  
ec****onomy**  
Index

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# 2023 Talent & Equity Insights



In order for our economy to become more competitive and increase individual prosperity for all, we must have a workforce that is educated and trained to fill in-demand jobs in our economy. And, we must ensure that women, people of color, and all historically underrepresented individuals have access to the education and training opportunities that are needed to succeed in those in-demand jobs.

The Vibrant Economy Index tracks several measures of the Northeast Ohio region's workforce, including education attainment and workforce participation for in-demand jobs, by race and gender. A review of the data in the talent and equity pillars provides insights into the challenges and opportunities our economic development network should prioritize.

**OPPORTUNITIES:** These areas indicate improvement in the data and the relative ranking of the Northeast Ohio Region compared to the peer markets in the VEI. As an economic development network, we should continue to invest in the strategies and policies that are driving this change.

- From 2018 to 2021, the Northeast Ohio Region has significantly increased associate, bachelor's, and graduate degrees (BA+). During this timeframe:
  - The number of bachelor's degrees earned increased by 60,000 and the number of associate degrees earned increased by nearly 12,000.
  - We also saw a decline by 5,000 in the number of people who had completed only some college for this time frame, signaling that students are completing their post-secondary education.
- From 2018 to 2021, we have seen small but important growth in our 25–34-year demographic, a trend that will be key to reversing population decline over time.
  - This age group is an important indicator because it is a distinctive measure of the success with which we are replacing an older generation of workers and diversifying our workforce that has a different skill set.
  - The Northeast Ohio Region remains 8th in this metric, relative to the peer markets in the VEI.
- From 2020 to 2021, most groups experienced wage growth, with Black or African Americans experiencing 16% growth and Hispanics experiencing a 4% increase in wages, while white wage growth was 6%.
  - While the racial wage gap is still significant, the recent higher rate of wage growth for Black or African Americans indicates important progress towards closing the gap.

**CHALLENGES:** As we continue to advance our efforts to build a vibrant economy, the economic development network should review the following challenges and prioritize strategies and policies that can help mitigate them.

- The Northeast Ohio Region continues to rank in the bottom third of markets tracked by the VEI for broadband internet access, regardless of race.
  - Research indicates that higher levels of broadband adoption led to economic growth, higher incomes, and lower unemployment. It also plays an important role in improving social outcomes.<sup>1</sup>
- BA+ attainment for people of color is only half that of their white counterparts.
  - Increasing BA+ attainment increases earnings potential and can lead to more equitable outcomes and increased individual prosperity.
    - In 2021, the median earnings of those with a master's or higher degree were \$74,600, 21% higher than the earnings of those with a bachelor's degree (\$61,600).
    - In the same year, the median earnings of those with a bachelor's degree were 55% higher than the earnings of those who completed high school (\$39,700).<sup>2</sup>
- People of color continue to be underrepresented in healthcare, manufacturing, and technology, top sectors in the Northeast Ohio Region.

<sup>1</sup> Brookings, Why Broadband matters

<sup>2</sup> <https://nces.ed.gov/programs/coe/indicator/cba/annual-earnings>

# What is a vibrant economy? And how do we build one?

Team NEO, as the economic development partner for all 18 counties in the Northeast Ohio Region, is working to build a more vibrant economy. A vibrant economy has an educated, trained, and diverse workforce to fill in-demand jobs; it is innovative and resilient and offers equitable opportunities for all. When the Northeast Ohio Region achieves these things, we will be more competitive as a region and increase individual prosperity for everyone.

To ensure that we are advancing our goal of creating a vibrant economy, we developed the Vibrant Economy Index (VEI), a comprehensive measure of economic success that tracks progress in six categories in the Northeast Ohio Region and in 12 peer markets across the United States – talent, equity, innovation, resilience, competitiveness, and prosperity – resulting in more than 600 data points.

Since launching the VEI in early 2022, Team NEO has used the Vibrant Economy Index to inform our new strategic plan and guide our work to address the talent demand/supply gap, grow our region's diverse industry base and pipeline of competitive sites, promote Northeast Ohio as a destination for business investment, and engage the economic development network.

With the Vibrant Economy Index, local economic development organizations, businesses, philanthropy, and the public sector will be better informed about the status of our economy. And, more importantly, our entire economic network can and should leverage the insights contained in this report series to develop strategies, advocate for, and enact policies, and drive investment with the goal of increasing equity, individual prosperity and regional competitiveness.

# Organizations Working to Create a Vibrant Economy

The VEI provides a blueprint for building a vibrant economy. By tracking progress over time, the tool can help Team NEO and many of its economic development partners implement initiatives designed to inform strategies to **decrease the talent gap, increase diversity in the workforce**, and more. Over time, these efforts – and others – should help us create a more competitive economy and equitable opportunities for prosperity.



## Where Are the Workers?

### CASE STUDY



The Fund for Our Economic Future, a nonprofit working with leaders across sectors and across Northeast Ohio to collectively invest in, test and amplify strategies to make our region's economy more equitable and competitive, set out to answer the question *Where Are the Workers?*

The organization conducted a multi-part analysis of Northeast Ohio's changing talent landscape in partnership with, ConxusNEO, PolicyBridge, the Summit and Medina Workforce Area Council of Governments, and Team NEO. Surveys and focus groups gathered perspectives from more than 5,000 Northeast Ohioans and 600+ employers between December 2021 and July 2022. Findings laid the groundwork for what employers, policymakers, workforce practitioners, economic developers, and others can do to strengthen workplaces, build economic resiliency, and improve talent strategies to work for today's workforce.

*Where Are the Workers?* uncovered insights into what matters for workers, how different segments of Northeast Ohio residents experienced pandemic impacts, and what our region's residents and employers need to support equitable growth beyond the early years of the pandemic.

Among the findings are that Generation Z, women, people of color, and people with young children experienced greater hardships during the pandemic—from layoffs and wage impacts to burnout, reduced feelings of safety at work and more quits attributed to negative work environments. In many cases, these experiences have exacerbated systemic inequities in access to family-sustaining jobs.

All the data can be found at [strengtheningworkplaces.com](https://strengtheningworkplaces.com) and explores potential strategies for employers, workforce practitioners and other decision-makers.

# Strengthening Stark

## CASE STUDY



Strengthening Stark was established in 2017 out of the combined efforts of forward-looking representatives from 14 businesses, local governments, foundations, and non-profits that worked together for more than a year to understand Stark's economic health and developed recommendations in a report titled "A Call for Economic Transformation."

The data suggested the county was becoming older, smaller, and poorer. Recommendations were designed to reverse these trends. Armed with a vision for "a more vibrant economy for all," the next phase of work began.

A Governance Committee was convened of more than two dozen business, government, non-profits and funders united to form a movement to implement the recommendations. The Mission: create a growing, younger, and more prosperous community for all around three areas of focus:

- Talent development
- Business growth and development
- Quality of place

Using these areas of focus, community partners with common interests were invited to collaborate, share ideas and work together in a more intentional way.

The Governance Committee developed a set of long-term metrics to evaluate progress and guide future areas of focus. Working with Team NEO insights, a set of economic vibrancy indicators was established. The indicators include Gross Regional Product, Per Capita Income, Population Change and Percentage of Population in Poverty. These Community Metrics also include a lagging indicator of New Business Starts.

A five-year review (2017-2021) revealed progress in many areas including:

- Adults with an associate degree is up 3%
- Adults with a bachelor's or higher is up 6%
- 20- to 44-year-old population is up 5%

# Urban League of Greater Cleveland

## CASE STUDY



The Urban League of Greater Cleveland (ULGC) is a community-based organization focused on eliminating the racial, economic, and societal barriers that prevent Black Americans and other underrepresented/under-served communities of color from achieving their full potential. Ultimately, their imperative is to ensure that **EVERY** member of the community has equitable civil rights, access to education, workforce development and economic empowerment. By mission and imperative, they are uniquely positioned to work at/across system and organizational levels to identify barriers and participate in the crafting/delivery of solutions.

As Sector Partnerships emerged as a solution to the talent pipeline shortages, and post pandemic solutions to re-engage disconnected workforce participants were sought, effective service providers with mission-alignment were needed. In addition to the strong track record ULGC has established in providing quality services in the areas of education, workforce, and entrepreneurship; they also bring along the underpinning of DE&I thought leadership and strategy development. In 2020, ULGC was selected as one of three service providers for the Ohio To Work (OTW) Initiative, a statewide workforce recovery initiative administered by JobsOhio. The effort led to an increased level of collaboration amongst partners in the workforce ecosystem. Ohio Means Jobs (OMJ-CC) and ULGC formed Enhanced Skills for Success (ESS); a program to increase delivery of soft skills training in Cleveland and Cuyahoga County. ESS launched in February 2022 as a pilot with a goal to train and place 75 adults within eight months. During that time, ULGC exceeded expectations by producing 149% of placement goal.

With collaboration as part of the ULGC's DNA, they are participating in many of the emerging large-scale efforts across the city, county, and region to address workforce system and economic development challenges. These include: ARPA funded Built Environment collaborative (City of Cleveland); Build Back Better (City of Cleveland); NSF Engines Collaborative, (Case Western Reserve University); Center for Economic Inclusion Grant (Team NEO); and ETA Tech Hub grant proposal (Cleveland Water Alliance).



## Peer Market Activities

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While the peer markets in the VEI offer an opportunity to compare our progress towards building a vibrant economy, they also provide an opportunity to identify best practices that could be implemented in the Northeast Ohio Region.

### Michigan Reconnect

Michigan Reconnect is a last-dollar tuition grant program launched in 2021 that supports adults aged 25 and older looking to complete a Pell-eligible associate degree or industry-recognized certification program. Students can choose from tuition free in-district schools or a largely discounted tuition at out of district schools.

Criteria for the program includes:

- 25 years or older to apply
- Be a Michigan resident for a year or longer
- Have a high school diploma or similar equivalent
- Do not have an associate degree or higher

Michigan leaders started this program to address their own educational attainment gap, specifically to increase the percentage of adults 25 and older with an associate degree or certification.

So far, the program has received more than 100,000 applicants and demonstrates a creative solution that not only helps address the talent gap, but improves the vibrancy of a community by providing education to working adult-age residents that do not have the resources to attain a skill or degree.

## Help Build a Vibrant Economy in the Northeast Ohio Region

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The Vibrant Economy Index is more than a dataset. It's an opportunity for the economic development network to align strategies towards a common goal. To learn more about the VEI and how organization can help build a vibrant economy, connect with Team NEO:

- Schedule a VEI Lunch & Learn with Team NEO's research team. This 30-minute virtual session will help you better understand the data, insights, and opportunities presented by the VEI.
- Stay informed. Visit [vei.teamneo.org](http://vei.teamneo.org) to sign up for VEI updates.
- Already working to build a vibrant economy? Submit your strategy, initiative, or program to Team NEO as a case study. Contact **Jacob W. Duritsky** at **440.785.0636** to learn how.

The  
**vibrant  
ec****onomy**  
Index

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