

# Competitive & Prosperous Report



In 2023 we released updates to the Vibrant Economy Index as it relates to metrics in the four pillars that drive economic vibrancy: talent, equity, innovation, and resilience. Those enabling metrics are key because the insights they provide allow us to build strategies to increase our economy's competitiveness and prosperity for everyone in the region. This report focuses on these long-term outcomes and provides a macro-overview of some of this data such as gross regional product (GDP), employment, and wages. We'll review projections in these areas through 2030 and provide a summary of initiatives that are being implemented throughout the region to change the region's economic trajectory and create a more vibrant economy for all. It is important to note that these are projections based on where our economy stands today. Through coordination and aligned strategies that support the enabling concepts of the VEI, we have the opportunity to shift the direction of these trends over time.



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

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# 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. We define a vibrant economy as one that has an educated, trained and diverse workforce; and is innovative and resilient. When we achieve these things, we will be more competitive as a region and increase equitable outcomes for all.

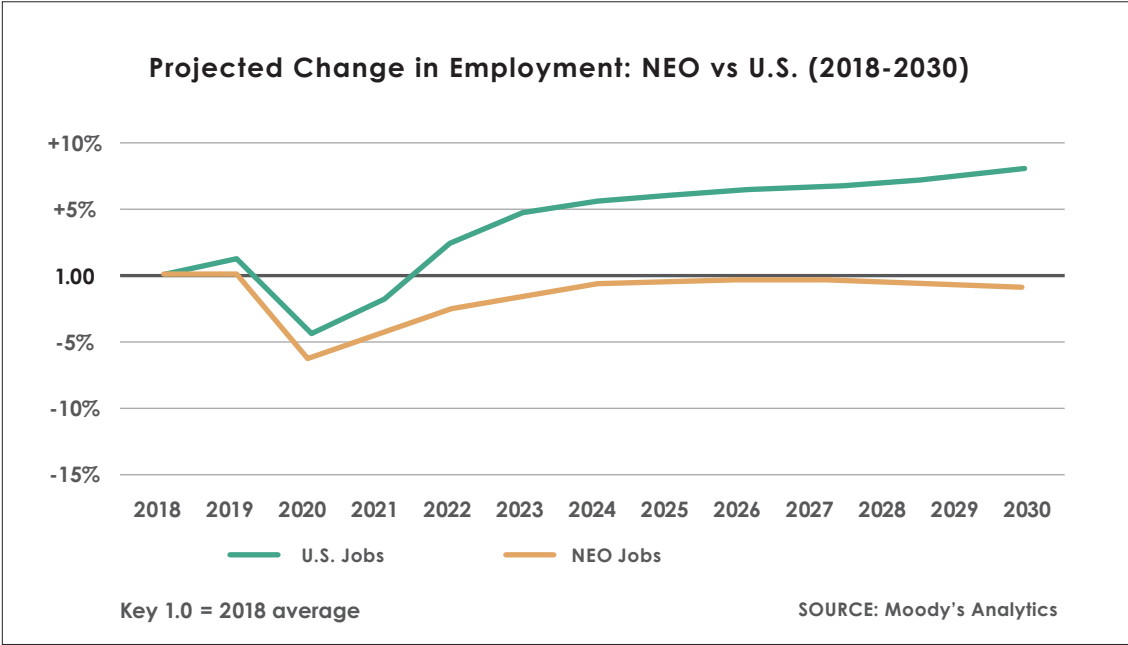
To ensure that we are advancing our goal of creating a vibrant economy, we developed the Vibrant Economy Index (VEI), a more comprehensive measure of economic success that tracks progress in six categories: talent, equity, innovation, resilience, competitiveness, and prosperity in the Northeast Ohio Region and in 12 peer markets throughout the United States, 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 three-year strategic plan and we are leveraging the insights it offers to 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.

It is imperative that the entire economic development network – local economic development organizations, businesses, philanthropy, and the public sector – use this valuable information to help develop strategies, advocate for and enact policies, and drive investment with the goal of increasing equity, individual prosperity, and regional competitiveness.



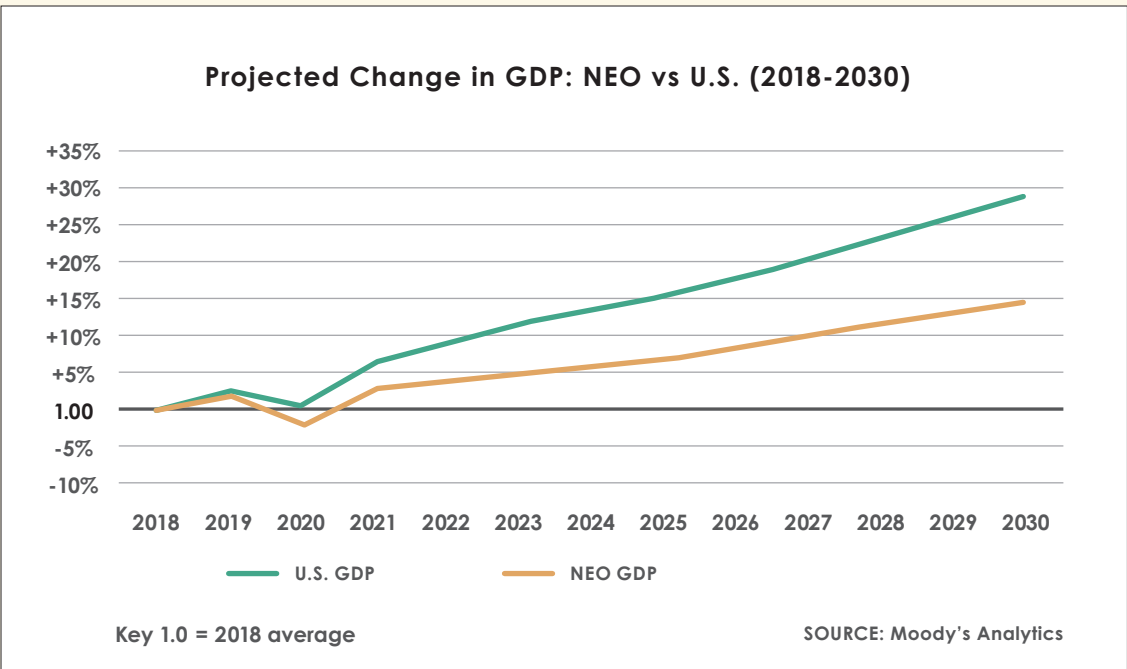
A vibrant economy sees growth in top-line metrics such as gross domestic product and total employment, and creates equitable opportunities for more people to work, earn good wages and thrive. The following charts offer a snapshot of these top-line metrics that indicate the Northeast Ohio Region's competitiveness and the extent to which we are increasing individual prosperity over time.



**Employment Remains Flat; Creative Strategies Needed to Fill In-Demand Jobs**

Northeast Ohio total employment is projected to remain relatively flat from 2018-30. This is in large part due to demographic headwinds, like declining population an aging workforce leaving the market, inadequate replacement with younger workers, and a lack of strategies that embrace minority workers and women as talent solutions.

Team NEO's 2023 Aligning Opportunity report takes an in-depth look at four unique labor force demographics: communities of color, working women, workers with disabilities, and veterans in the workforce and explore how businesses can engage these segment. The insights are socialized to business leaders, HR professionals and workforce organizations.



**Northeast Ohio GDP Projected to Grow Almost 15% by 2030**

Tracking gross domestic product (GDP), or the market value of all final goods and services produced in the region annually, is one of the best ways to gage overall growth of the regional economy. In 2018, The Northeast Ohio Region's 18-county GDP was \$293.4 billion. By 2030 it is projected to grow almost 15%, or to \$337 billion. This compares to the country's growth of 29% for the same time period. While slower than the country overall, we have the opportunity to increase this projection with our strong manufacturing base, which is 20% of Northeast Ohio's GDP. By focusing on new ways for both our existing and emerging manufacturing to innovate and adapt new technologies will help increase our overall GDP.

The Smart Manufacturing Cluster of Northeast Ohio, powered by Team NEO and partners like MAGNET and CESMII, is a unique asset for our region to grow businesses by using industry 4.0 technologies.



**A vibrant economy must support industries with in-demand jobs and create more opportunities for everyone in our workforce to access those in-demand jobs.** Education, training, and prospects are important for filling the jobs of the future. Innovation is key as advancement in technology plays a vital role in jobs of tomorrow, including the adoption of technology that impacts productivity across all sectors. Prioritizing our adoption of new technologies, retaining more educated talent, and upskilling our existing labor force will all be key elements of driving even greater opportunity than this data suggests.



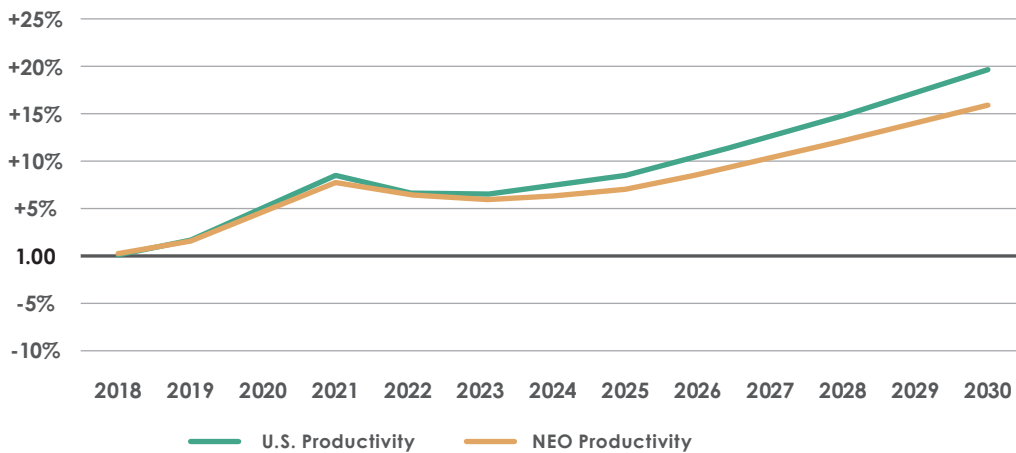
### Technology Powers Productivity

The impact of technology advances will continue to help increase manufacturing productivity across industries.

In addition, productivity gains are being made in the service sector in areas such as finance, insurance, and even retail seeing growth.

While we are still feeling the pressure of rising nominal wages, Northeast Ohio's wage challenge is slowing at a greater rate than the country overall.

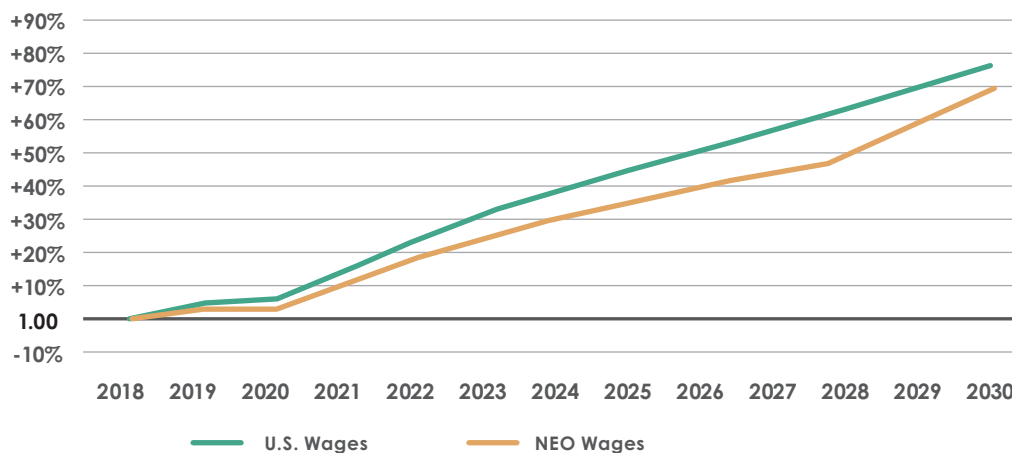
**Projected Change in Productivity: NEO vs U.S. (2018-2030)**



Key 1.0 = 2018 average

SOURCE: Moody's Analytics

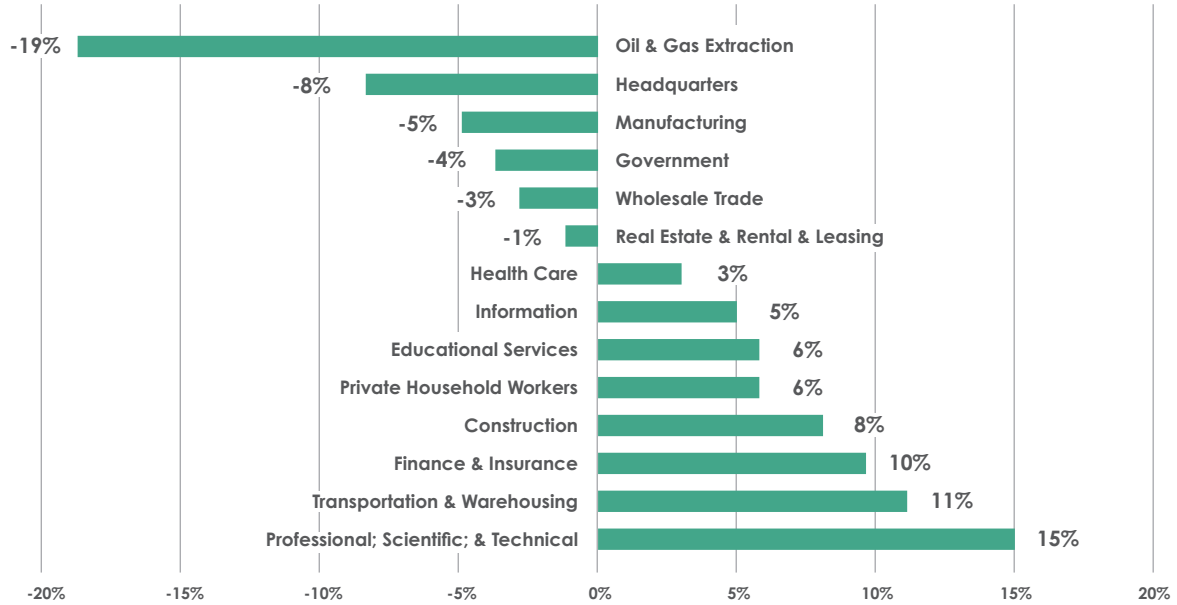
**Projected Change in Wages: NEO vs U.S. (2018-2030)**



Key 1.0 = 2018 average

SOURCE: Moody's Analytics

### Projected Change in NEO Traded Sector Employment (2018-2030)

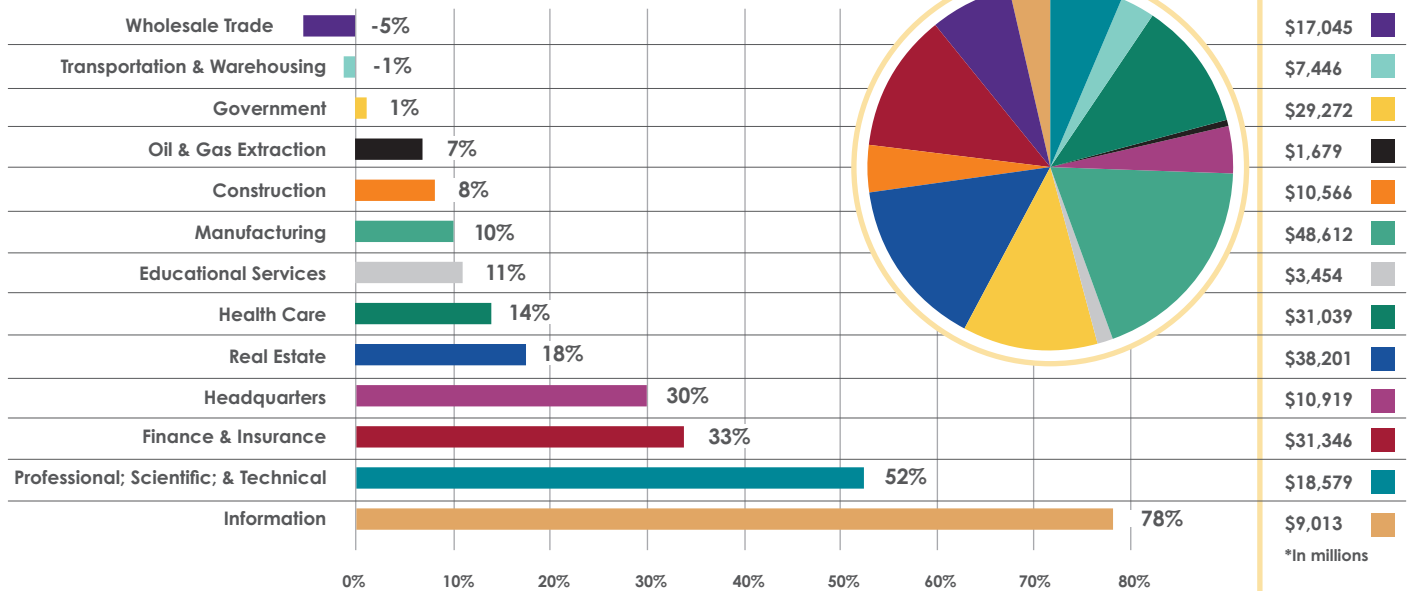


SOURCE: Moody's Analytics

### Industry Sectors Projected to Grow Lag in Employment Growth

For GDP, all Northeast Ohio industries are projected to grow by 16% from 2018-2030. This is on par with the U.S. projected growth and is a result of advancement in technology. However, some sectors are projected to grow faster than the availability of talent, creating an opportunity for the regional economic development network to continue to invest in targeted strategies to close the talent demand/supply gap. For example, the information industry is projected to grow 78% by 2030, but talent is projected to grow only 5%. Similarly, jobs in the professional, scientific, and technical category are projected to grow 52% with employment only growing 15%. And while manufacturing employment is projected to decline 5%, manufacturing GDP is projected to grow by 10%.

### Projected Change in Traded Sector GDP (2018-2030)



SOURCE: Moody's Analytics



The projections for employment growth may indicate challenges in the future; however, a number of initiatives are underway throughout the region that have the potential to accelerate economic growth. The following case studies are some examples.



## CASE STUDY

# *Cleveland* TALENT ALLIANCE

YOUR LAND. YOUR LIFE. YOUR FUTURE.

### Advancing Regional Talent Strategies

Team NEO is one of fourteen non-profit, public, and private entities working together to develop seamless strategies to identify, attract, navigate, engage, welcome, and retain the best talent in Cleveland with the ultimate plan to help Cleveland become one of the fastest-growing and most diverse metro areas in the Midwest by 2030. The initial focus is on improving perceptions of Northeast Ohio, and engaging prospective talent to grow the fast growing sectors of IT/technology (including financial services), healthcare, and smart manufacturing. In 2024, initiatives will focus on improving perceptions of Cleveland as a place to live and work, attracting IT tech talent, and retaining graduates of Northeast Ohio colleges and universities. In 2024, initiatives will focus on improving perceptions of Cleveland as a place to live and work, attracting IT tech talent, and retaining graduates of Northeast Ohio colleges and universities.



## CASE STUDY



### The Future of Work – Stark Tuscarawas Workforce Report

The Future of Work report was created to increase understanding of what the future of work will look like for the Greater Canton region, focusing on Stark and Tuscarawas counties. It explores evolving attitudes around in-demand hard and soft skills, industry-specific certifications, education, and technology, with a focus on five in-demand industries: Healthcare, Manufacturing, Transportation and Warehousing, Travel and Tourism and IT/STEM.

The Stark Tuscarawas Workforce Development Board, in partnership with Team NEO, led the efforts to create the report and provide this crucial information to the economic development community. The goal is to help stakeholders develop workforce strategies that will complement the emergence of key technologies to keep this region thriving.



## CASE STUDY



### Lorain County Community College Preparing Students for Projected In-Demand Jobs

Lorain County Community College (LCCC) is training students to be prepared for the semiconductor industry. LCCC is among the eight colleges and universities receiving Intel awards as part of the Intel @Semiconductor Education and Research Program for Ohio. As part of the award, LCCC will lead a collaboration of 10 Ohio TechNet colleges and universities across the region to develop curriculum, faculty training and experiential learning programs specifically in semiconductor processing and industrial automation manufacturing. Project partners include Cuyahoga Community College, Stark State College, Lakeland Community College, Cleveland State University, Kent State University, Ashland University, Case Western Reserve University, the University of Toledo, Ohio Dominican University, and Youngstown State University.

This landmark investment will create a wave of economic opportunity across the state increasing the demand for a highly skilled workforce that will service an entire industry, not just one company.







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

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.

TALENTED EQUITABLE INNOVATIVE RESILIENT COMPETITIVE PROSPEROUS

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