

HEARTLAND FORWARD

AN INSTITUTE FOR ECONOMIC RENEWAL

Who We Are and What We Are Doing

RuralRISE Conference Call | February 20, 2020

Presented by:

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Presentation overview

- Who We Are
- What We Are Doing
 - Previous Work
 - Young Firms and Regional Economic Vibrancy
 - Millennials Find a New Hope in the Heartland
- Conclusions

HF Mission Statement

Our mission is to improve the economic performance in the center of the United States by advocating for fact-based solutions to foster job creation, knowledge-based and inclusive growth, and improved health outcomes.

A Think-and-Do Tank

- We do not view ourselves as a think tank, but as a think-and-do tank
- We aim to produce high-quality research on how to improve economic and health outcomes in Heartland communities
- We *also* aim to work directly with Heartland policymakers to implement the success pathways we discover through research

Research Focus

- We conduct applied economic research analyzing factors influencing U.S. states, metropolitans, micropolitans, and rural areas
- We place a particular emphasis on areas in the Heartland
- We analyze **traditional** factors such as tax rates, energy costs, and regulatory structure
- We also analyze **transformative** factors such as entrepreneurial activity, university research commercialization, quality of place, and health care resources

Program Areas

1. Regional Competitiveness

- Explain how policies and other factors affect regional economic prosperity, and how regions compare in these factors
- Provide policymakers with policy recommendations based on these factors

2. Innovation and Entrepreneurship

- Explain why entrepreneurship is important to regional economic prosperity
- Provide policymakers with an understanding of the policy tools and structural tools (universities, federal labs, etc.) available to boost entrepreneurial activity

Program Areas

3. Building Human Capital

- Guide policymakers in efforts to boost workforce educational attainment and to ensure workforce skills match employer needs

4. Health Risks and Disparities

- Identify the relationship between socio-economic characteristics and public health issues
- Assist policymakers in developing effective policies for addressing the Heartland's public health disparities

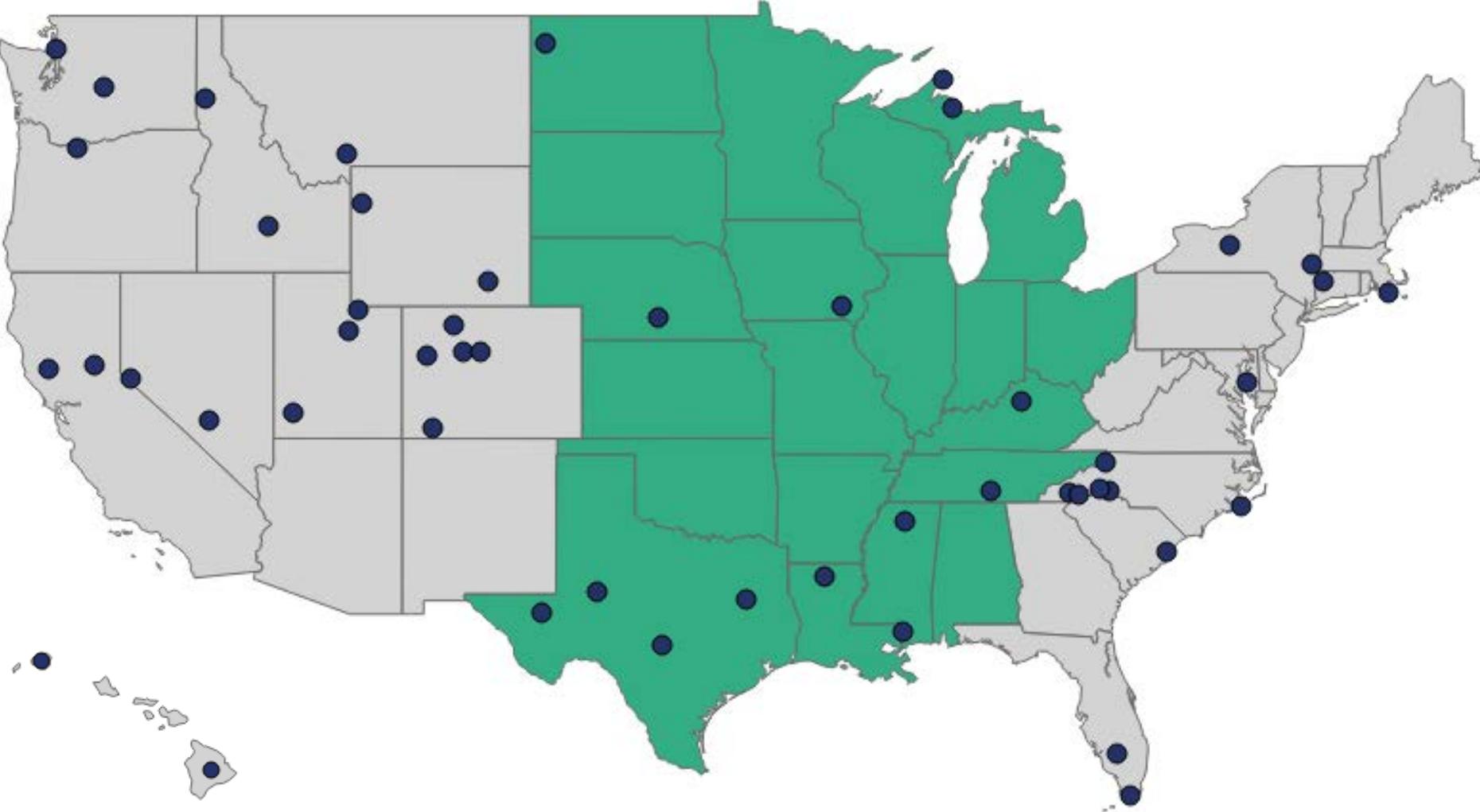
Previous Work



Study: Young Firms and Regional Economic Vibrancy

- Analyze the relationship between young firm activity and future job growth in metros and micros
- Two key measures:
 - Young firm employment share is the percentage of all private employment held at firms age five years or less
 - Young firm knowledge intensity is the percentage of all young firm employees who have attained a bachelor's degree or higher
- Compare metropolitans and micropolitans by performance in these two measures

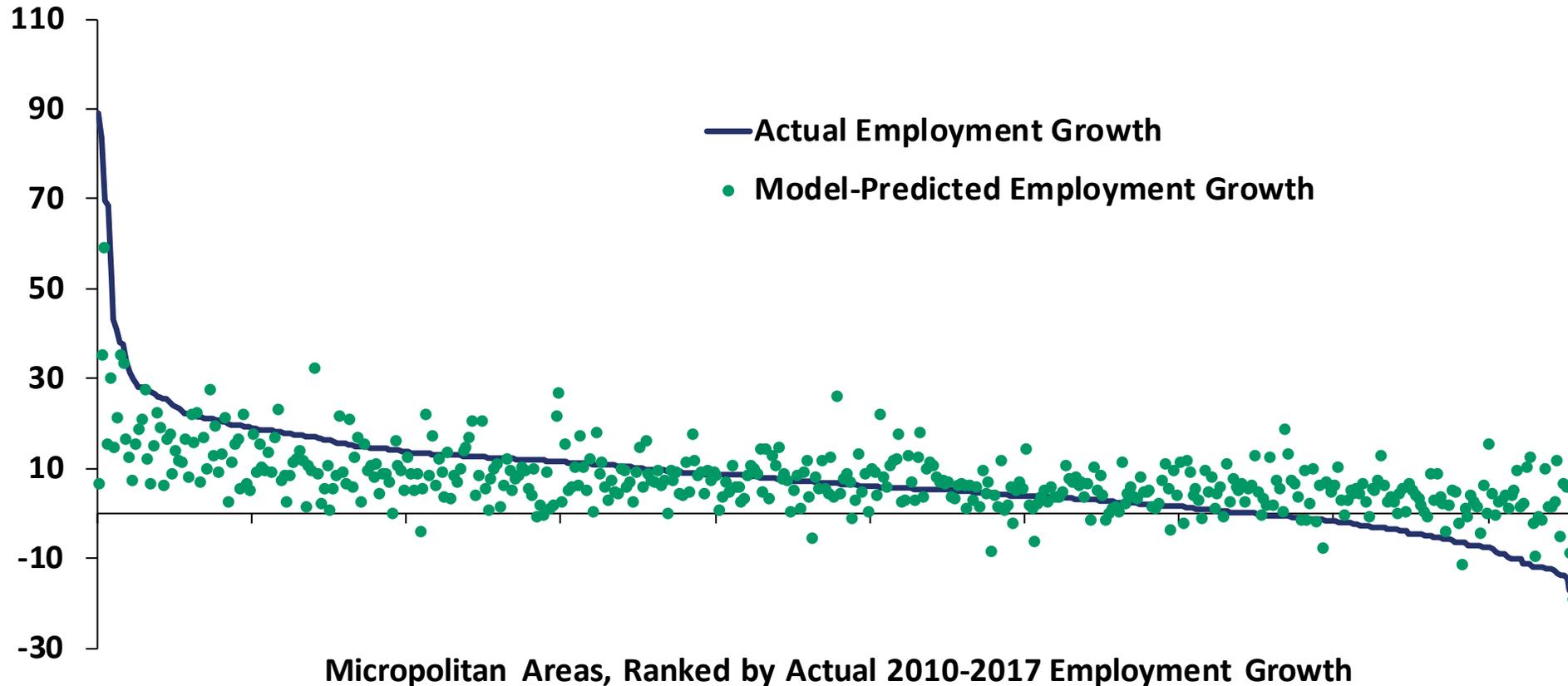
Top 50 Micropolitan Areas for Young Firm Activity



Source: Heartland Forward analysis of Census Bureau data

Model-predicted employment growth performs well

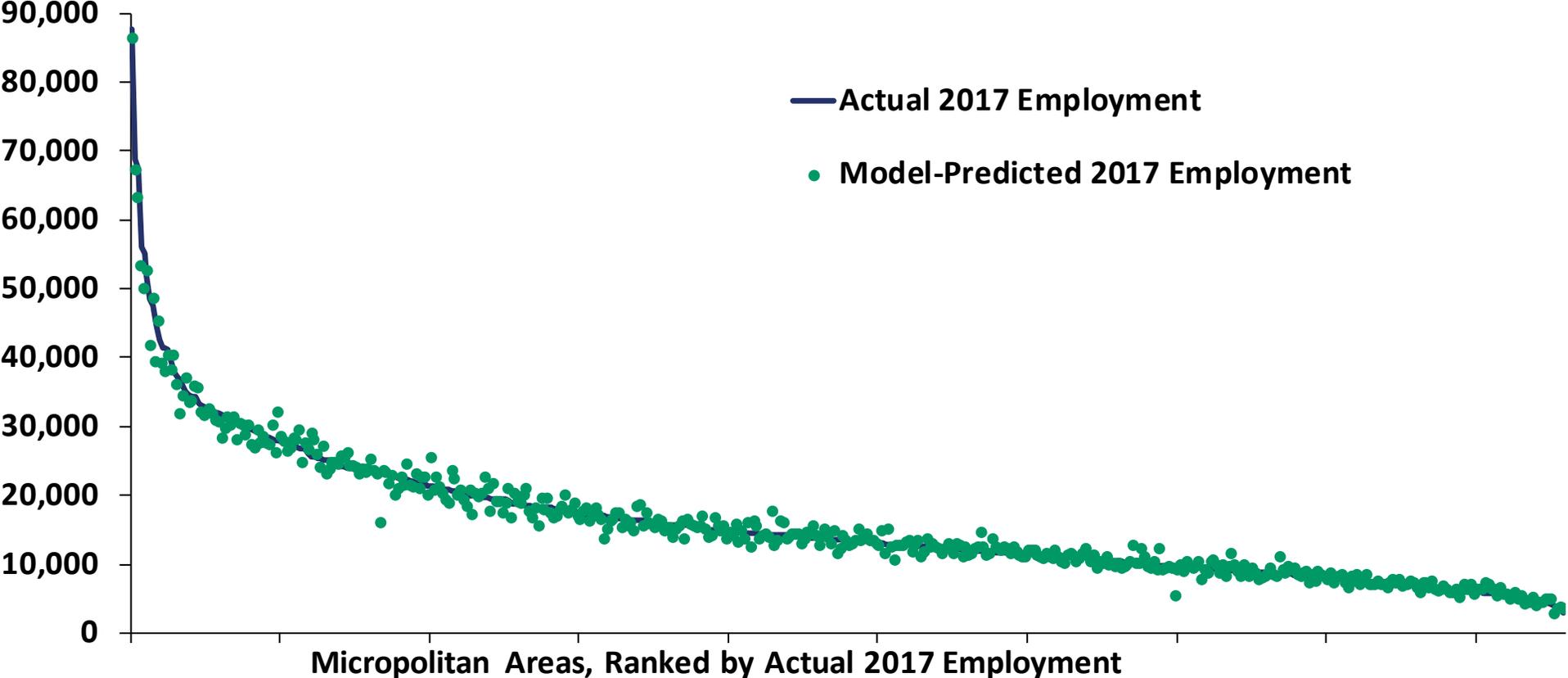
2010-2017 Percent Change in Private Employment



Source: Heartland Forward analysis of Census Bureau data

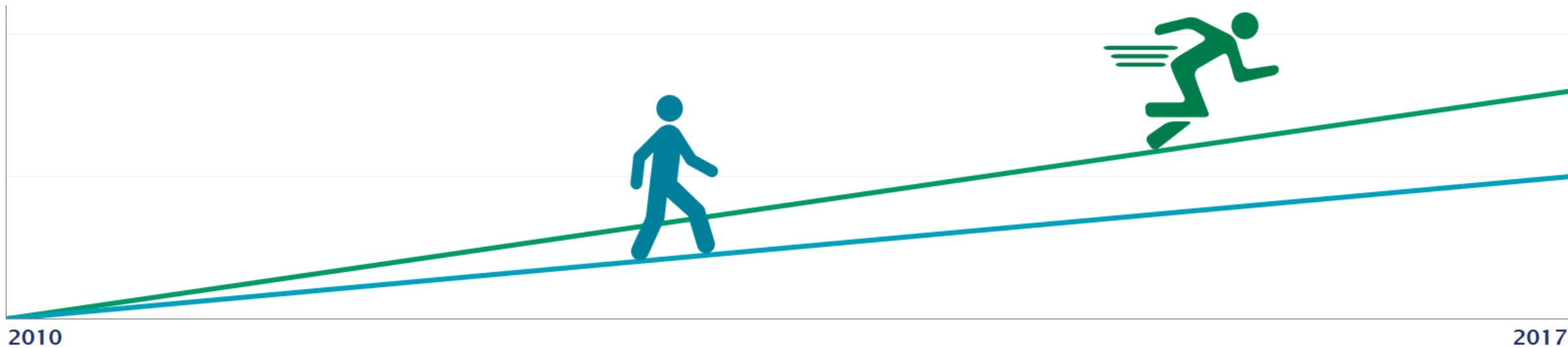
Model-predicted employment estimates a strong fit

Number of Private Sector Jobs



Source: Heartland Forward analysis of Census Bureau data

Expected Growth Paths: Young Firm Employment Share



2010

2017

Employment Shares 2.0

Mature Firms

Young Firms

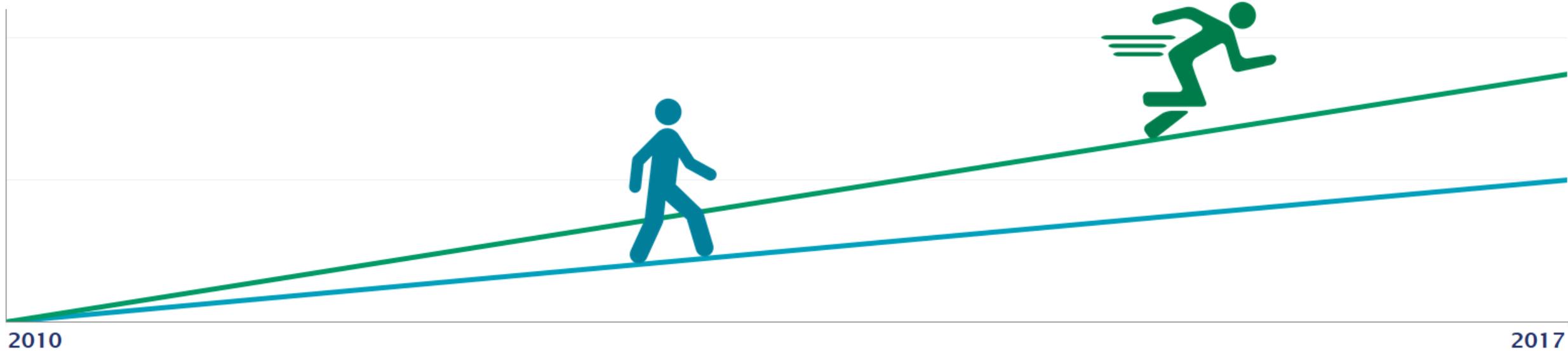
More YFs

Employment Shares 1.0

Mature Firms

Young Firms

Expected Growth Paths: Young Firm Knowledge Intensity



2010

2017

Young Firm Employment Shares 2.0

Less than Bachelor's

Bachelor's Degree or Higher

More Bachelor's+

Young Firm Employment Shares 1.0

Less than Bachelor's

Bachelor's Degree or Higher

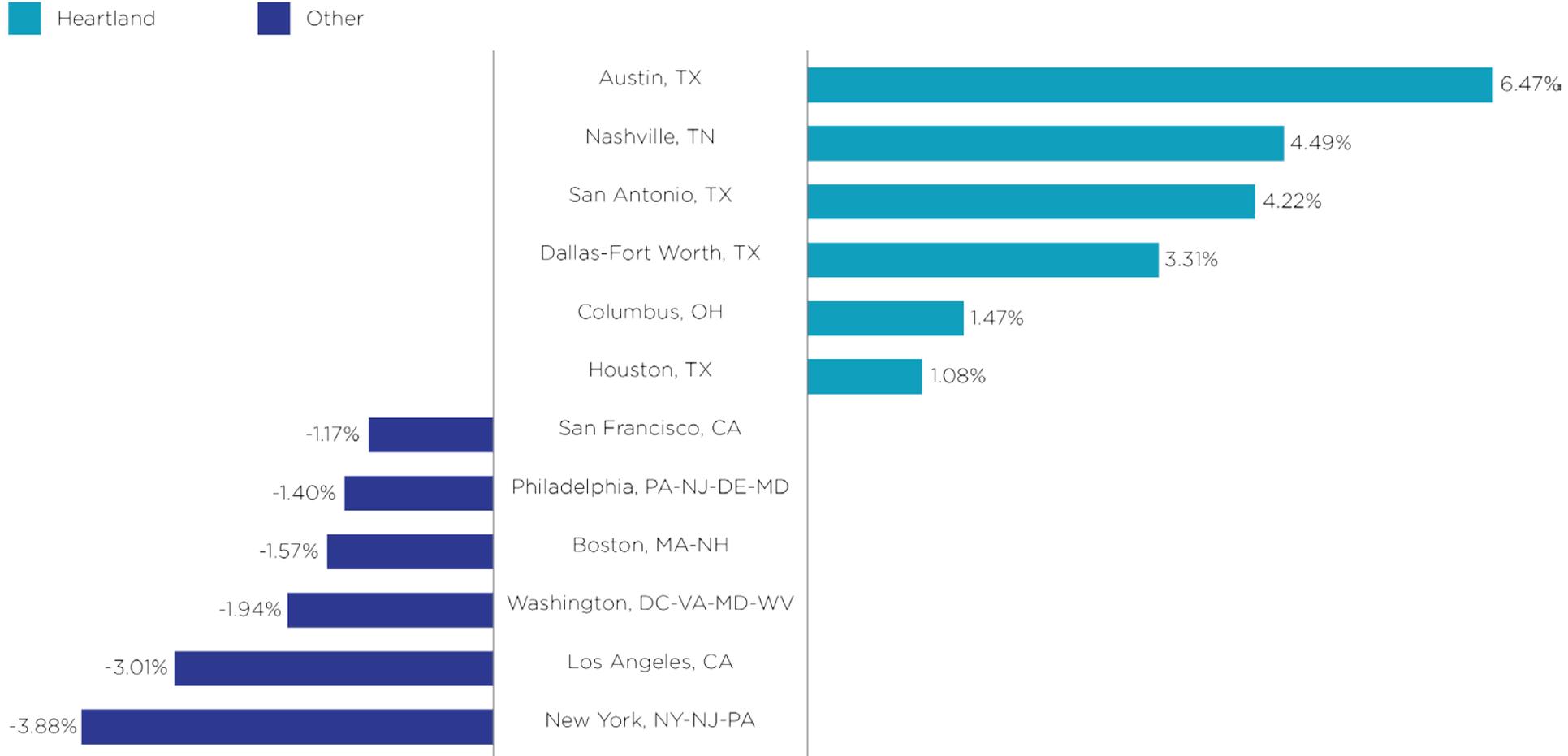
Study: Millennials Find a New Hope in the Heartland

- Lay out the Heartland's success and challenges in retaining and attracting Millennials
- Analyze how well each of the nation's metros and micros is doing in attracting Millennials
- Provide case studies for specific Heartland communities
- Discuss the potential of the Heartland to attract more of the Millennial population

Millennial Population Growth in Major US Cities

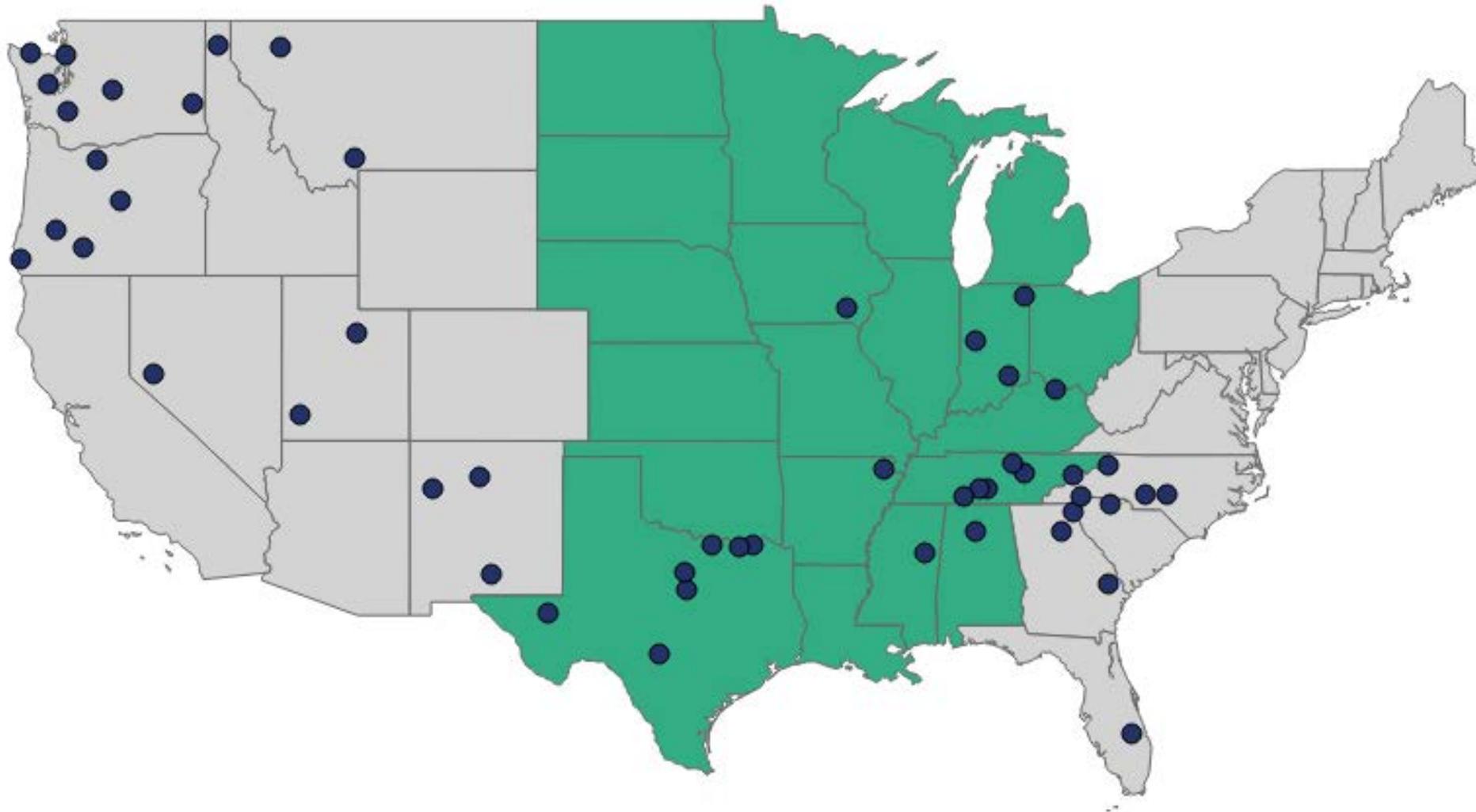
Change: 25-34 Population, 2014-2017

% OF 2014 POPULATION, FASTEST GROWING HEARTLAND & LARGEST NORTHEAST, WEST COAST MSA'S



Derived from Census Population Estimates

Top 50 Micropolitan Areas for Millennial Population Growth



Source: Authors' analysis of Census Bureau data

Conclusion



THANK YOU