



UNIVERSITY OF
SOUTH CAROLINA

Darla Moore School of Business





Who is EngenuitySC?

EngenuitySC is an economic development nonprofit focused on enhancing our region's competitiveness and prosperity.

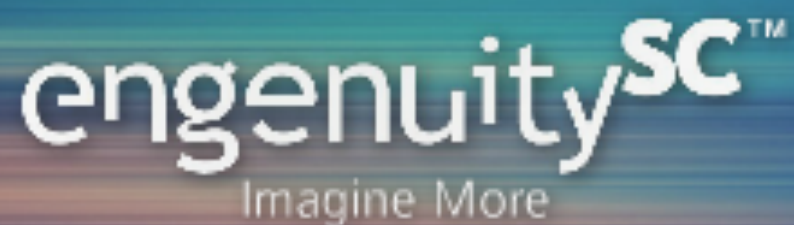
Why does EngenuitySC exist?

To manage regional collaborations between business, government, education and community leaders that will ultimately make the Midlands more competitive and prosperous.

What does EngenuitySC do?

We provide expertise and staff capacity to the region around four key service areas:

- 1. Regional Collaboration Management.** Management of large scale regional collaborations that involve multiple partners from different industries, sectors, backgrounds, etc. and are generally focused on solving a systemic regional challenge
- 2. Project Management.** Discrete projects with a clear beginning and end that stem from the needs of our partners around the region. By providing access to our team of project managers, partners are able to generate additional staff capacity and accomplish their goals more efficiently and effectively
- 3. New Cluster Activation.** Working with public, private and education partners to monitor, create and manage budding industry clusters that could play a significant role in the economic competitiveness of the Midlands
- 4. Regional Marketing, Research and Analysis.** Development of impactful tools for the Midlands that help track and analyze our progress as a region, celebrate regional successes, underscore opportunities for improvement and catalyze conversation around where and how we should focus our time and resources



2015 Midlands Regional
COMPETITIVENESS REPORT

TALENT | ENTREPRENEURIAL & BUSINESS ENVIRONMENT | INNOVATION | INDUSTRY CLUSTERS | LIVABILITY

www.EngenuitySC.com

Process

- EngenuitySC developed an **annual scorecard** that identifies and tracks metrics to measure regional competitiveness
- Report partners include:
 1. **The Darla Moore School of Business:** economists conduct research
 2. **SCBiz:** designs, publishes and distributes report
- In 2012 we collected data, analyzed and shared metrics, ultimately made the decision not to publish
- Reevaluated in 2014, updated the peer and aspirant cities list and published First Edition in October 2014 and Second Edition in December 2015



Columbia, SC MSA

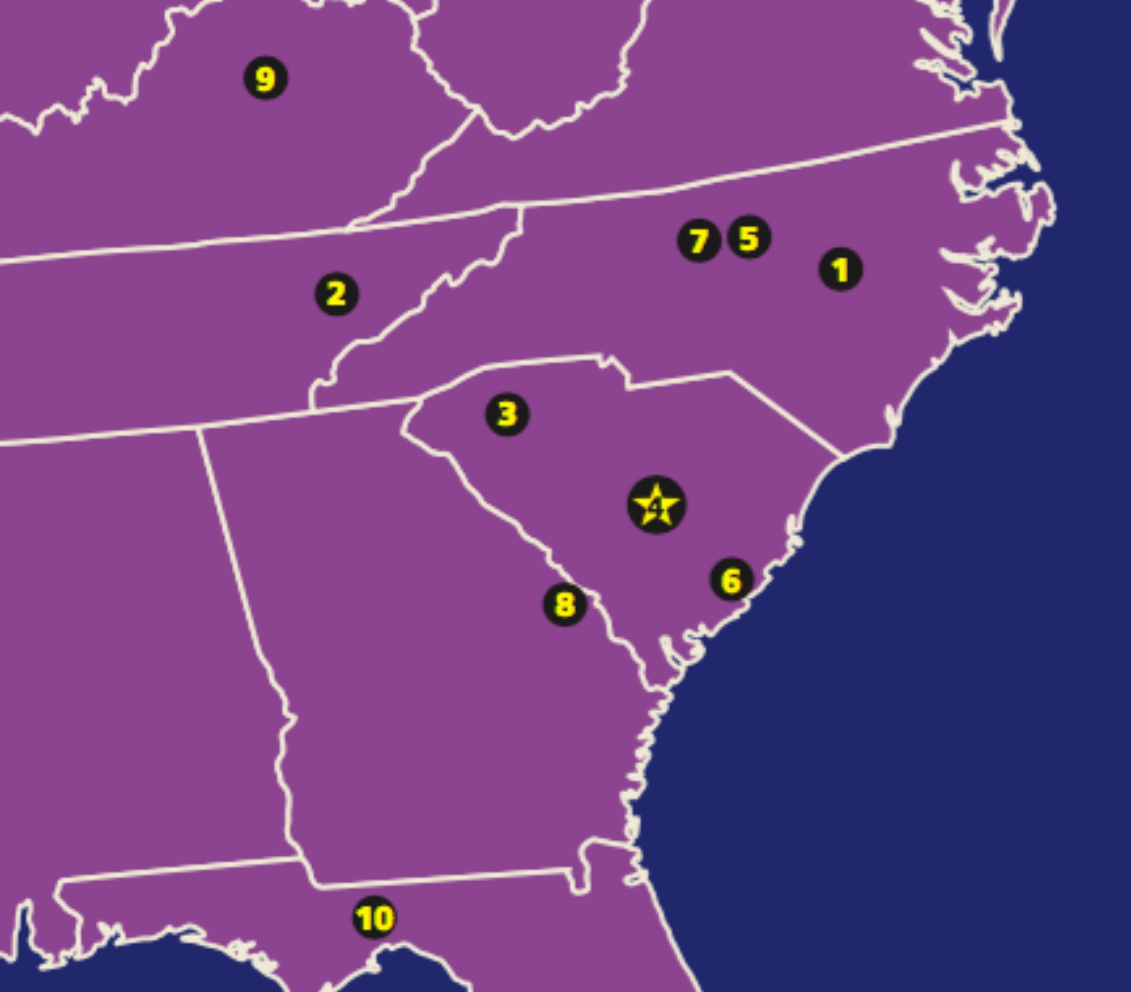
Population: 767,598

Population source: US Census Bureau; 2010 Census

Comparative MSAs

The comparative MSAs were chosen based on a diverse set of economic assets comparable to the Columbia MSA, with all MSAs having at least one of the following similar assets to Columbia:

- State capital
- Major university in region
- Strong higher education system (2-year and 4-year)
- Comparable population
- Entrepreneurial environment
- Strength in technology
- Similar geographic situation and landscape



1. Raleigh, NC MSA* Population: 1,130,490	6. Charleston-North Charleston, SC MSA Population: 664,607
2. Knoxville, TN MSA Population: 837,571	7. Winston-Salem, NC MSA Population: 640,595
3. Greenville-Anderson-Mauldin, SC MSA Population: 824,112	8. Augusta-Richmond County, GA-SC MSA Population: 564,873
4. Columbia, SC MSA Population: 767,598	9. Lexington, KY MSA Population: 472,099
5. Greensboro-High Point, NC MSA Population: 723,801	10. Tallahassee, FL MSA Population: 367,413

**Raleigh is an aspirational metro, meaning it serves as a target for the Midlands as opposed to a peer metro*

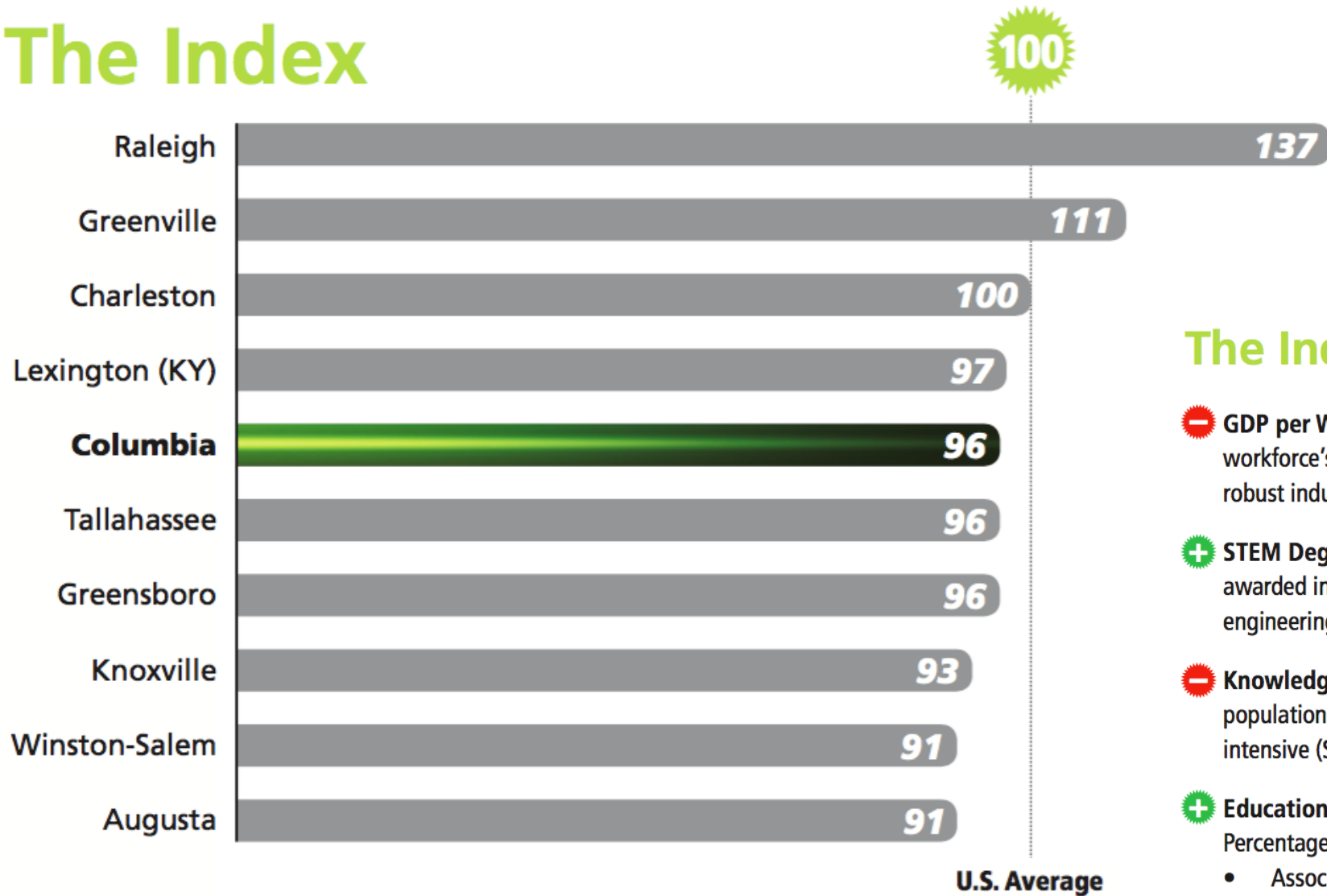
Population source: US Census Bureau, 2010 Census

Indices

1. **Talent**. A region's ability to provide a skilled workforce to meet the demands of industry in its economy.
2. **Entrepreneurial & Business Environment**. A region's ability to commercialize innovation and to provide an environment that supports the growth of business ventures.
3. **Innovation**. A region's capacity to support creation of new knowledge and generate new ideas, products and processes.
4. **Industry Clusters**. A region's relative size, strength, and density of high impact clusters and ability to grow industries that are competitive on an international scale.
5. **Livability**. A region's ability to attract and retain talent through building a dynamic live, learn, work and play environment.

Talent

The Index



The Indicators

- GDP per Worker:** Measures a regional workforce's productivity to support robust industries
- + STEM Degrees:** Percentage of degrees awarded in science, technology, engineering and math
- Knowledge Workers:** Percentage of population employed in knowledge-intensive (STEM) occupations
- + Educational Attainment:** Percentage of population with:
 - Associate's degree
 - Bachelor's degree or higher
- + Global Talent:** Percentage of population that is foreign-born

Focus on Trends

Positive

- Increase in the percentage of foreign-born talent
- Increase in STEM degrees awarded
- Continue to be strong in educational attainment, with 8.4% of population with an Associate's degree and 30.7% with a Bachelor's degree or higher (higher than the US average and an improvement over last year's data)

Negative

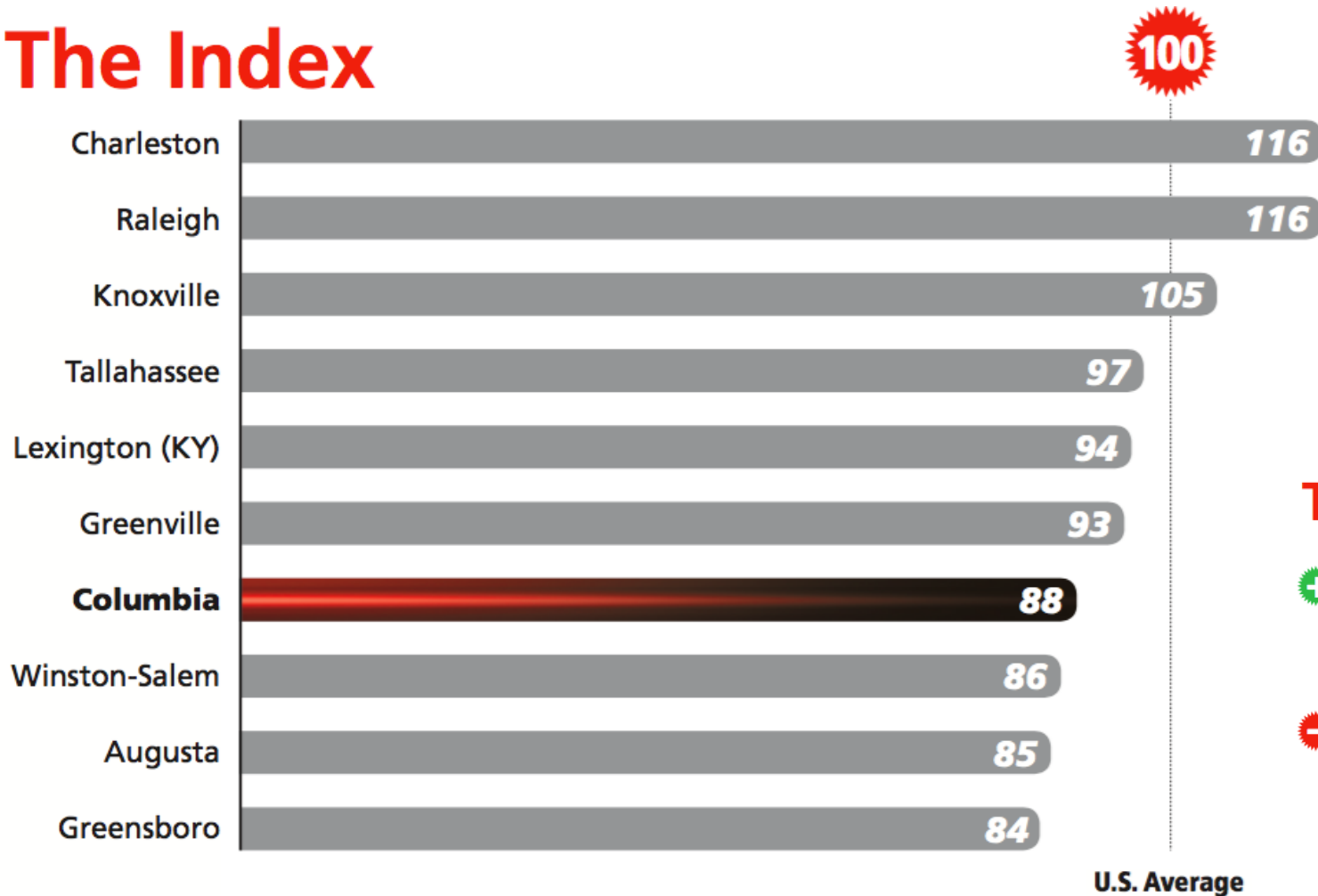
- Employment in STEM occupations is below the US average and decreased slightly to 18.27% from 19.04%
- GDP per worker slipped from last year



Magnifying Opportunities

- Increase state funding for public two- and four-year higher education institutions to help mitigate cost for students and increase graduates to meet the demands of business
- Support regional opportunities, like Cradle to Career, that will establish data-driven benchmarks and provide accountable oversight
- Increase participation in programs like Youth Apprenticeship and ApprenticeshipSC
- Emphasize STEAM (science, technology, engineering, arts and math) and soft skills in regional K-12 programs

The Index



The Indicators

- + Proprietors' Income Share:** Percentage of income in a region generated by business ownership
- Small Business Activity:** Percentage of establishment births of the total establishment activity (businesses with 20-499 employees)
- Business Density:** Number of establishments per 1,000 employees
- + Business Services:** Share of population employed in professional and technical services occupations

Focus on Trends

Positive

- Proprietorship is strong, as indicated by an increase in percentage of income generated by business ownership
- Share of employment in professional and technical services increased

Negative

- Small business activity has decreased slightly from last year's data

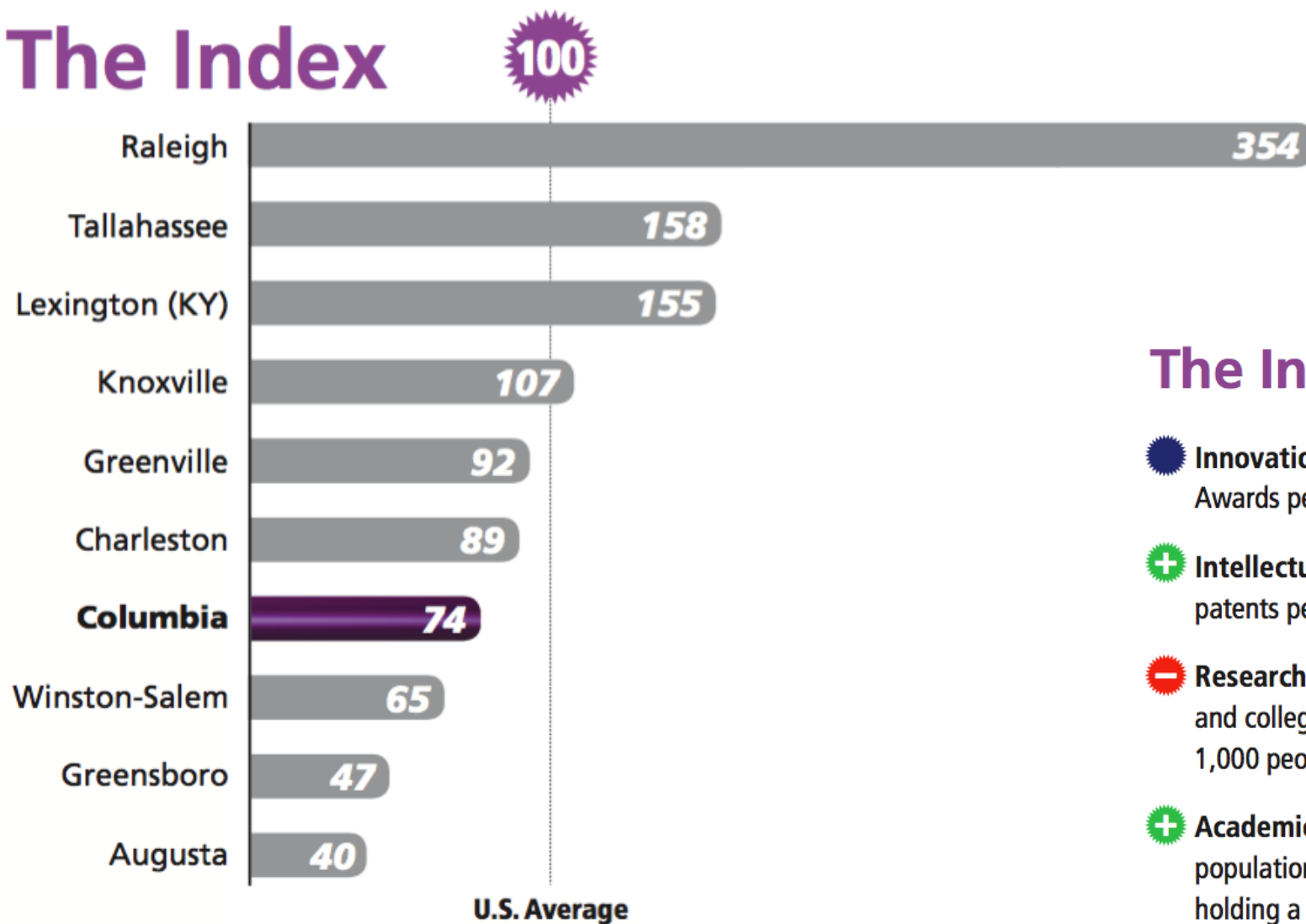


Magnifying Opportunities






- Tell the unique Midlands story: strong small-business culture, regional “cool-factor”, easy to do business
- Support local business retention and expansion efforts
- Create more fundable, scalable, growth-oriented companies in the Midlands
- Generate an excitement for investing in next generation of business opportunities
- Capitalize on new, vibrant spaces under construction for some of the region’s incubators and co-work spaces, using them as a tool to recruit and retain top talent

*Innovative
Capacity*

The Index



The Indicators

-  **Innovation Awards:** SBIR and STTR Awards per 100,000 residents
-  **Intellectual Property Creation:** utility patents per 10,000 workers
-  **Research & Development:** university and college R&D expenditures per 1,000 people
-  **Academic Achievement:** Percent of population aged 25 years and older holding a graduate degree
-  **Research & Development Funding:** amount awarded from all sources per 1,000 people

Focus on Trends

Positive:

- Utility patents have increased and the Columbia MSA's growth rate for patents is higher than the U.S. average
- Have a high percentage of population (11.5%) with a graduate or professional degree and that percentage has increased year-over-year

Negative:

- Higher education R&D expenditures decreased from last year's data

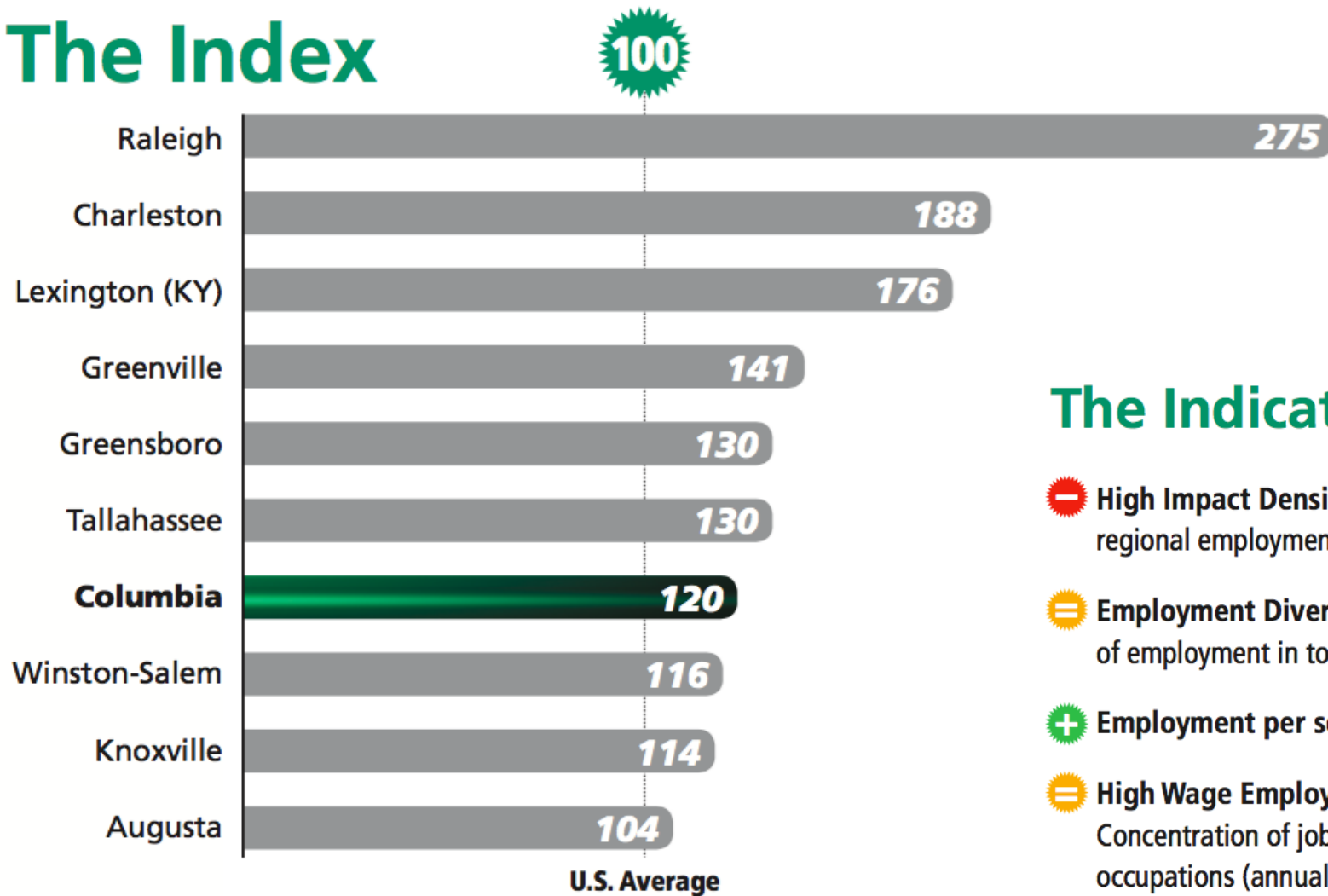


Magnifying Opportunities





- Encourage spin-off companies with innovations discovered through local R&D
- Maximize programs - such as SCRA Technology Ventures and Capital Angels - that help fund companies
- Get on track to increase private and federal higher education R&D funding
- Encourage and train more innovative small businesses to apply for SBIR and STTR funding

*Industry
Clusters*

The Index



The Indicators

-  **High Impact Density:** Share of regional employment in traded clusters
-  **Employment Diversity:** Concentration of employment in top 5 occupations
-  **Employment per square mile**
-  **High Wage Employment:** Concentration of jobs in high wage occupations (annual pay of \$43,500+ per year)
-  **High Impact Growth:** Establishment growth rates in traded clusters

Focus on Trends

Positive

- Employment per square mile is nearly triple the US average and has increased, indicating a climate conducive to clusters

Negative

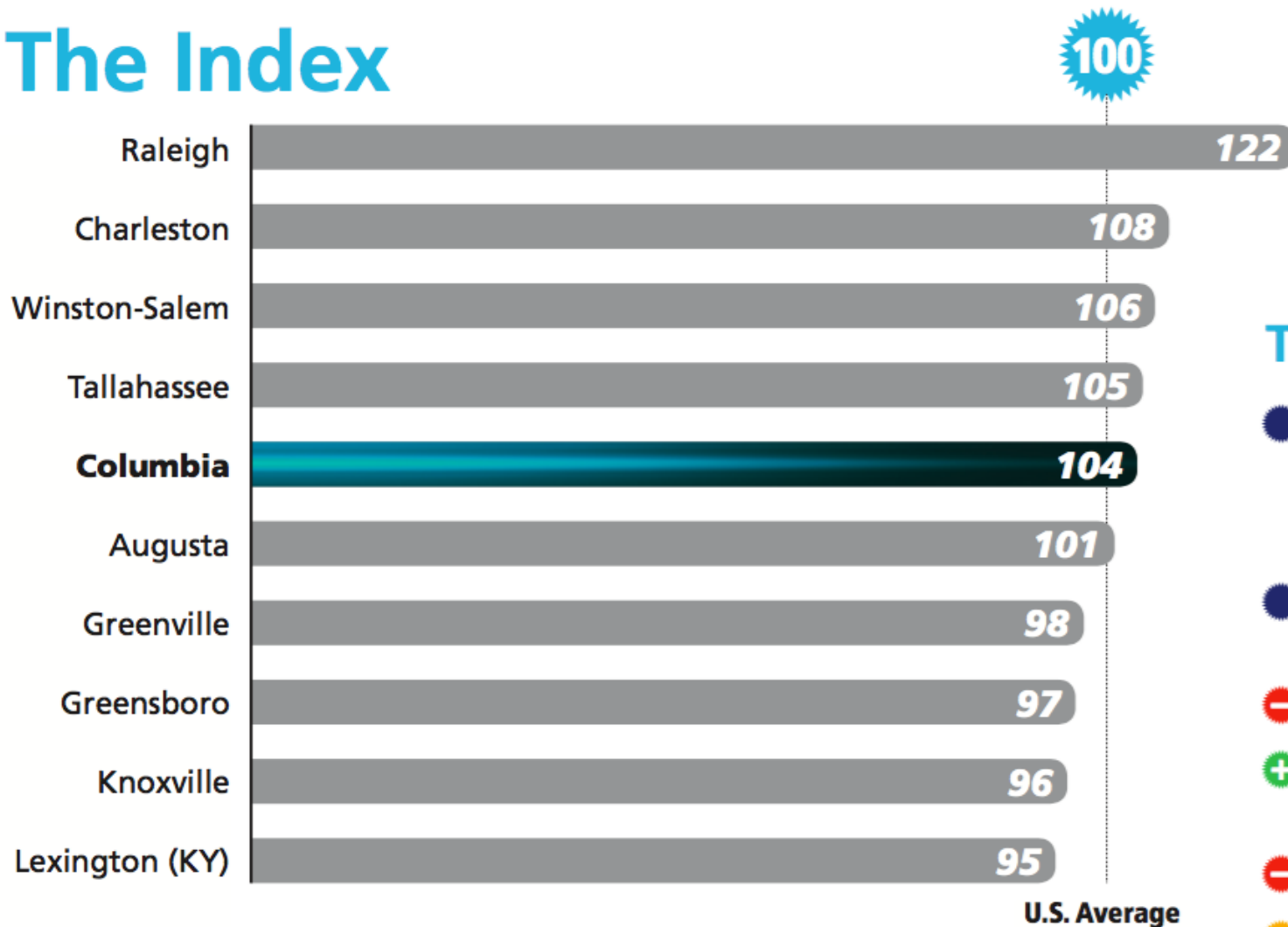
- Share of employment in clusters has slipped from last year's data
- Growth rate in traded clusters fell slightly, but is still above the U.S. average

Magnifying Opportunities









- Work in partnership with the SC Council on Competitiveness to identify opportunities with the fastest growing clusters in our region
- Take advantage of clustering opportunities in aerospace and analytics with new regional partners, Boeing and IBM
- Economic development organizations should work collaboratively to recruit globally impactful technology and IT firm headquarters
- Create a streamlined solution to quickly meet the workforce needs of companies interested in relocating

Livability

The Index



The Indicators

-  **Arts and Entertainment:** Compound annual growth rate of employment in the arts, entertainment and recreation (2010-2014)
-  **Healthcare Access:** physicians per 100,000 residents
-  **Commute Time**
-  **Vitality:** Percentage of population 18-44 years old
-  **Volunteer Rate**
-  **Cost of Living Index**
-  **Crime:** Violent crime rate per 100,000 inhabitants
-  **Gallup Wellbeing Index**



Focus on Trends

Positive

- The region has a strong growth rate in its arts, entertainment and recreation employment, indicating an increase in entertainment and recreation offerings
- Nearly 40% of the population is 18-40 years old, contributing to a young and vibrant culture
- Though no change from last year, the cost of living is below the national average and competitive with many peer regions

Negative

- Volunteer rate has slipped (from 25.3% to 24%) and continues to be lower than many peer regions
- The Columbia MSA has seen an increase in violent crime: from 417 occurrences per 100,000 inhabitants to 578 (2013 data compared to 2012 data in last year's report)
- Average commute time has ticked up to 23.3 minutes (from 22.7 minutes)

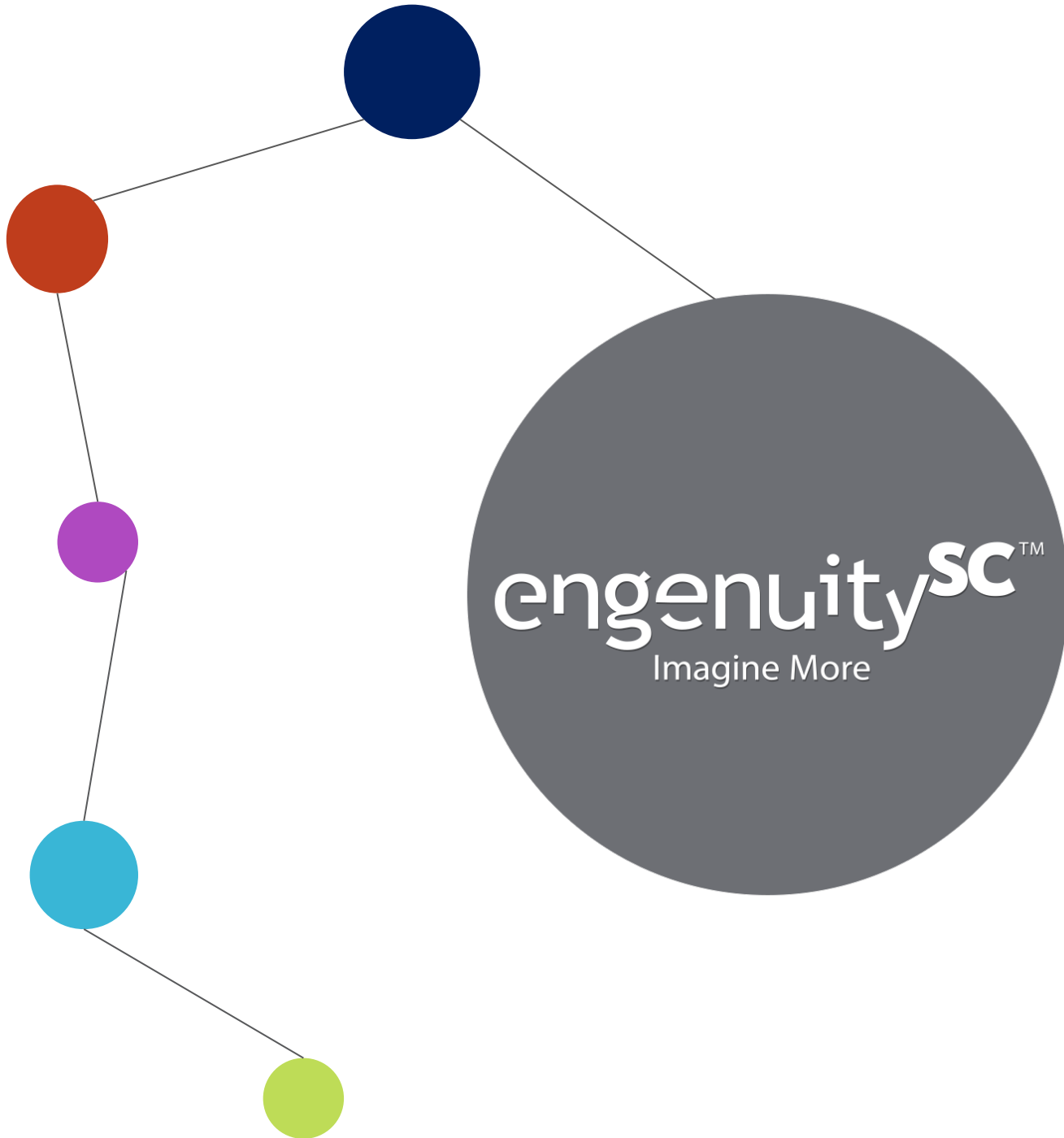
Magnifying Opportunities

- Develop a shared Midlands vision for improving regional competitiveness and collaboration between Chambers, nonprofits and economic development entities
- Increase philanthropic giving through programs like Midlands Gives, presented by Central Carolina Community Foundation
- Support growth in arts and entertainment through better promotion of regional assets
- Encourage regional employers to incentivize and promote volunteerism
- Support municipal and county efforts to combat gang and gun violence

So...now what?

Next Steps

- A group of regional leaders are already at work to identify ways to better collaborate and streamline efforts
- EngenuitySC will work with that group and others to take the metrics in the report and prioritize them for maximum impact
- Goal is for each prioritized index to become an action plan, owned by peers around the region
- This report is owned by the region as a whole
 - we're all critical to the competitiveness of this region
 - our success depends on shared ownership, accountability and impact
- The 2016 Annual report will be published on January 16



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