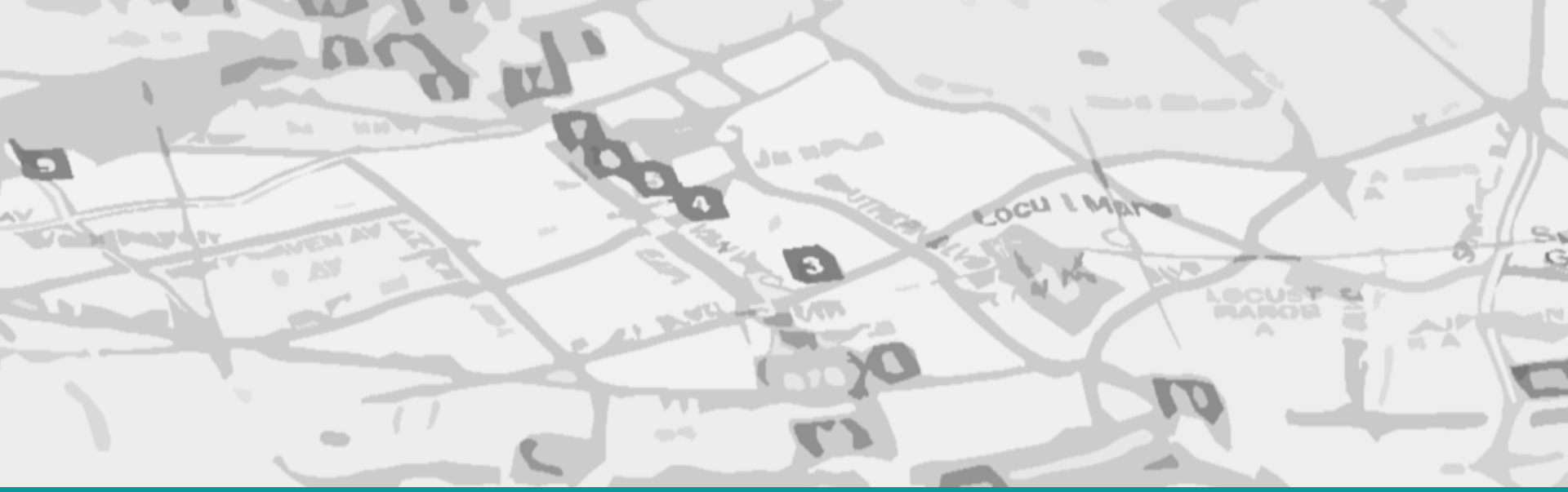

Regional Data Snapshot

Industry Cluster Analysis
SET Session 1

East Central NM, New Mexico

PURDUE UNIVERSITY

Center for Regional Development
Advancing Collaboration : Energizing Regions

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01 overview

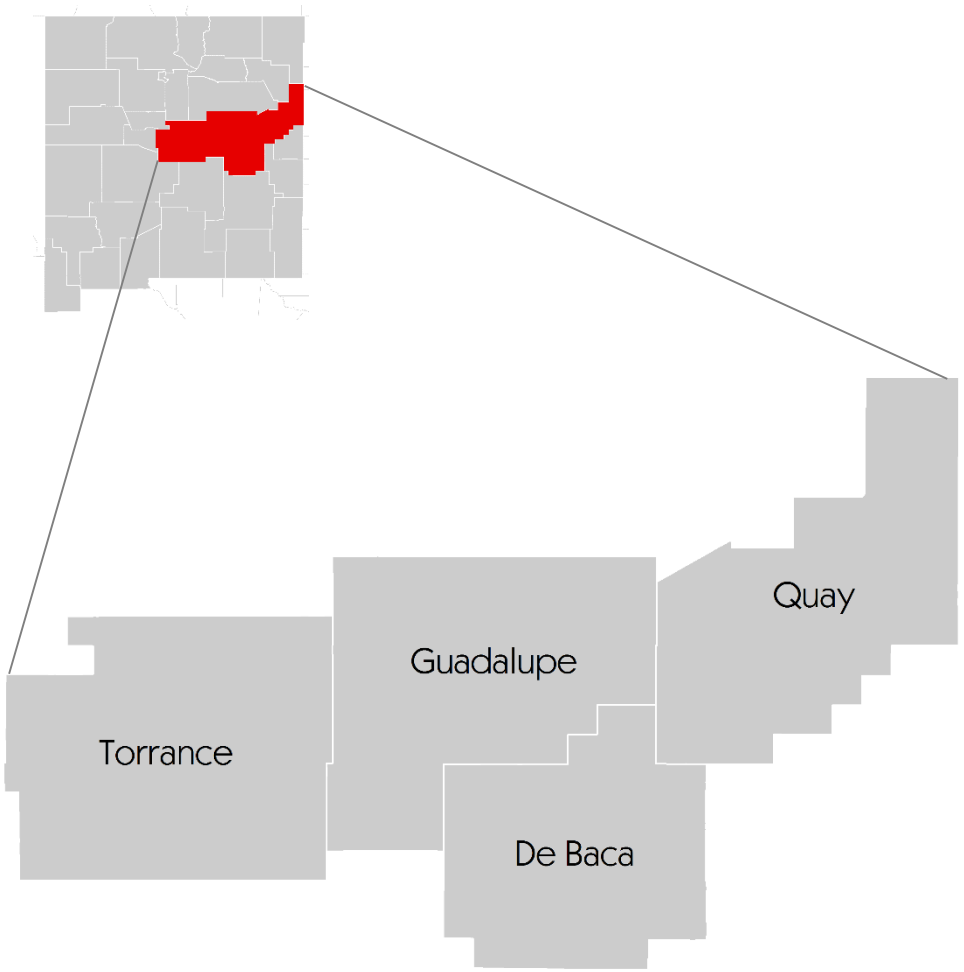
East Central NM, NM

Overview

East Central NM

The East Central NM Region is comprised of 4 New Mexico counties. Interstate Highway 40 connects the region to Albuquerque in the west and to Texas in the east.

- De Baca
- Guadalupe
- Quay
- Torrance



02 industry and occupation

Establishments

Employment by industry

Components of changes in Jobs

Changes in Jobs (2009-2015)		
Gained by	New Startups	4,847
	Spinoffs	858
	Expansion	1,627
	In-migration	168
Lost by	Closings	-4,562
	Contractions	-2,204
	Out-migration	-122
Net change		612

An establishment is a physical business location.

Branches, standalones and headquarters are all considered types of establishments.

Definition of Company Stages

0 Self-employed

1 2-9 employees

2 10-99 employees

3 100-499 employees

4 500+ employees

Source: YourEconomy.org

Establishments

Number of Establishments by Company Stages

	2009		2015	
Stage	**Establishments**	**Proportion**	**Establishments**	**Proportion**
Stage 0	278	19%	291	17%
Stage 1	919	62%	1,114	65%
Stage 2	286	19%	304	18%
Stage 3	8	1%	8	0%
Stage 4	0	0.0%	0	0.0%
Total	1,491	100%	1,717	100%

Questions:

- What stage businesses have shaped the region's economic growth in the last 6 years?
- Which ones are growing or declining the most?
- Which stage of establishments are likely to shape the region's future economic growth?

Note: The table has some residuals in 2009 establishments due to the lack of information on the De Baca county.

Source: Youreconomy.org database

Establishments

Number of Jobs by Company Stages

Year	2009	2015	% Change
Stage 0	278	297	7%
Stage 1	3,472	4,355	25%
Stage 2	6,382	6,942	9%
Stage 3	1,198	1,190	-1%
Stage 4	0	0	-
Total	11,330	12,784	13%

Sales ($Billion, 2015) by Company Stages

Year	2009	2015	% Change
Stage 0	0.05	0.2	294%
Stage 1	0.86	0.9	4%
Stage 2	1.08	1.1	1%
Stage 3	0.20	0.1	-44%
Stage 4	0.00	0.0	-
Total	2.19	2.29	5%

Questions

What establishments are the most numerous based on company stages?

What stages have experienced the largest growth? The greatest decline?

What company stage employs the largest number of people?

What stage captures the most sales?
Which ones have experienced the greatest percentage loss over the 2009-15 period?

Note: The table has some residuals in 2009 jobs and sales due to the lack of information on the De Baca county.

Source: Youreconomy.org database

Top ten industry sector employment growth

NAICS	Description	2009 Jobs	2014 Jobs	Change	Change (%)	State Change (%)
42	Wholesale Trade	121	323	202	167%	-1%
21	Mining, Quarrying, and Oil and Gas Extraction	46	121	75	163%	60%
71	Arts, Entertainment, and Recreation	167	235	68	41%	4%
61	Educational Services	103	141	38	37%	51%
31	Manufacturing	197	264	67	34%	-5%
81	Other Services (except Public Administration)	545	679	134	25%	-1%
56	Administrative and Support and Waste Management and Remediation Services	432	529	97	22%	-2%
72	Accommodation and Food Services	1,124	1,319	195	17%	8%
11	Crop and Animal Production	1,634	1,909	275	17%	10%
62	Health Care and Social Assistance	906	1,026	120	13%	7%

Questions:

- What regional industry sectors have seen the greatest growth?
- Did they grow at the same rate as the state?
- What factors are causing the growth?

Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors)

Top Five industry sector employment decline

NAICS	Description	2009 Jobs	2014 Jobs	Change	Change (%)	State Change (%)
23	Construction	868	692	-176	-20%	-10%
90	Government	3,022	2,675	-347	-11%	-1%
48	Transportation and Warehousing	496	462	-34	-7%	8%
52	Finance and Insurance	365	344	-21	-6%	0%
51	Information	61	58	-3	-5%	-11%

Questions:

- How does the industry sector make-up of the region compare to the rest of the state?
- Which industry sectors are growing and declining the most in employment?

Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors)

03 Industry cluster analysis

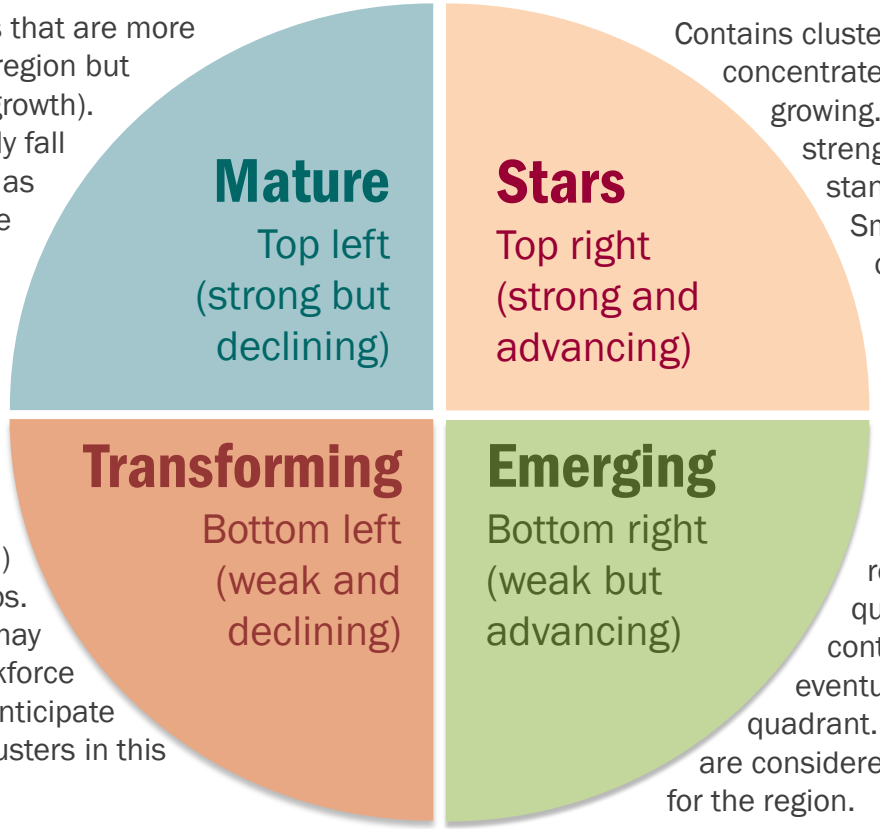
East Central NM, NM

List of Clusters

- Advanced Materials
- Agribusiness, Food Processing & Technology
- Apparel & Textiles
- Arts, Entertainment, Recreation & Visitor Industries
- Biomedical/Biotechnical (Life Sciences)
- Business & Financial Services
- Chemicals
- Computer & Electronic Product Manufacturing
- Defense & Security
- Education & Knowledge Creation
- Electrical Equip, Appliance & Component Manufacturing
- Fabricated Metal Product Manufacturing
- Energy (Fossil & Renewable)
- Forest & Wood Products
- Glass & Ceramics
- Information Technology & Telecommunications
- Machinery Manufacturing
- Manufacturing Super-cluster
- Mining
- Primary Metal Manufacturing
- Printing & Publishing
- Transportation & Logistics
- Transportation Equipment Manufacturing

How to interpret cluster data results

The graph's four quadrants tell a different story for each cluster.



Contains clusters that are more concentrated in the region but are declining (negative growth). These clusters typically fall into the lower quadrant as job losses cause a decline in concentration.

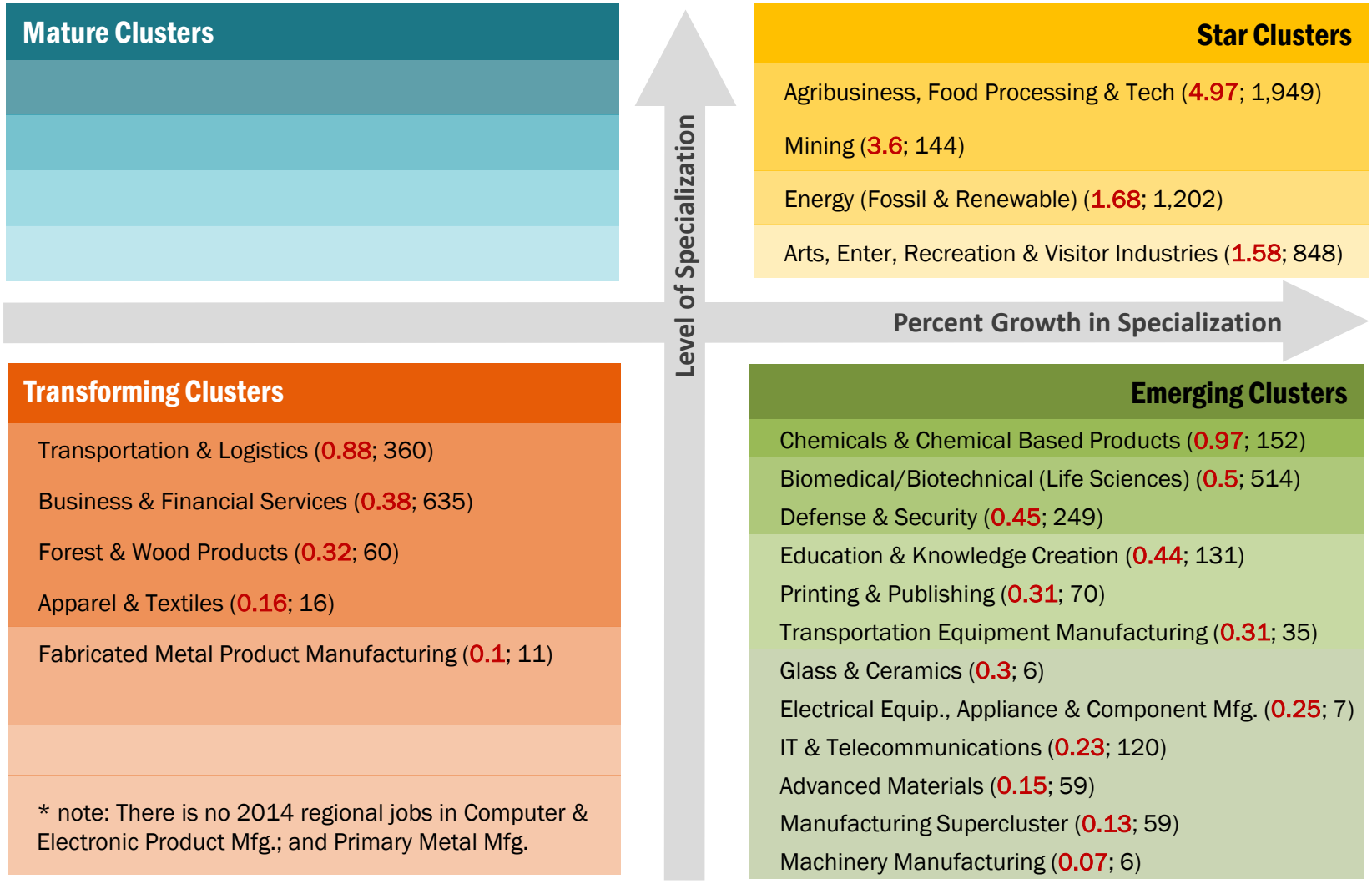
Contains clusters that are more concentrated in the region and are growing. These clusters are strengths that help a region stand out from the competition. Small, high-growth clusters can be expected to become more dominant over time.

Contains clusters that are under-represented in the region (low concentration) and are also losing jobs. Clusters in this region may indicate a gap in the workforce pipeline if local industries anticipate a future need. In general, clusters in this quadrant show a lack of competitiveness.

Contains clusters that are under-represented in the region but are growing, often quickly. If growth trends continue, these clusters will eventually move into the top right quadrant. Clusters in this quadrant are considered emerging strengths for the region.

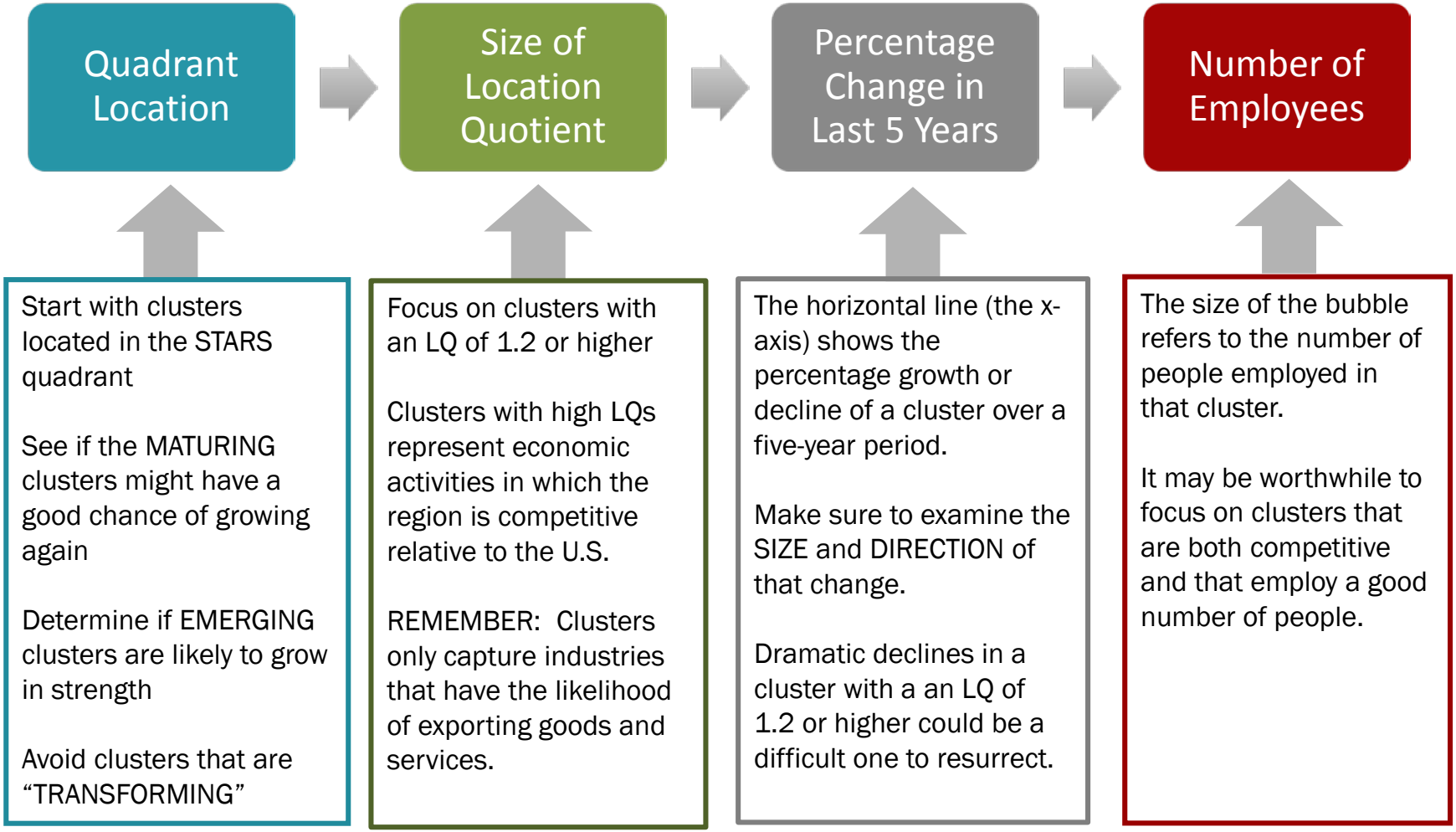
Modified from: http://www.charlestonregionaldata.com/bubble-chart-explanation/

Industry cluster analysis

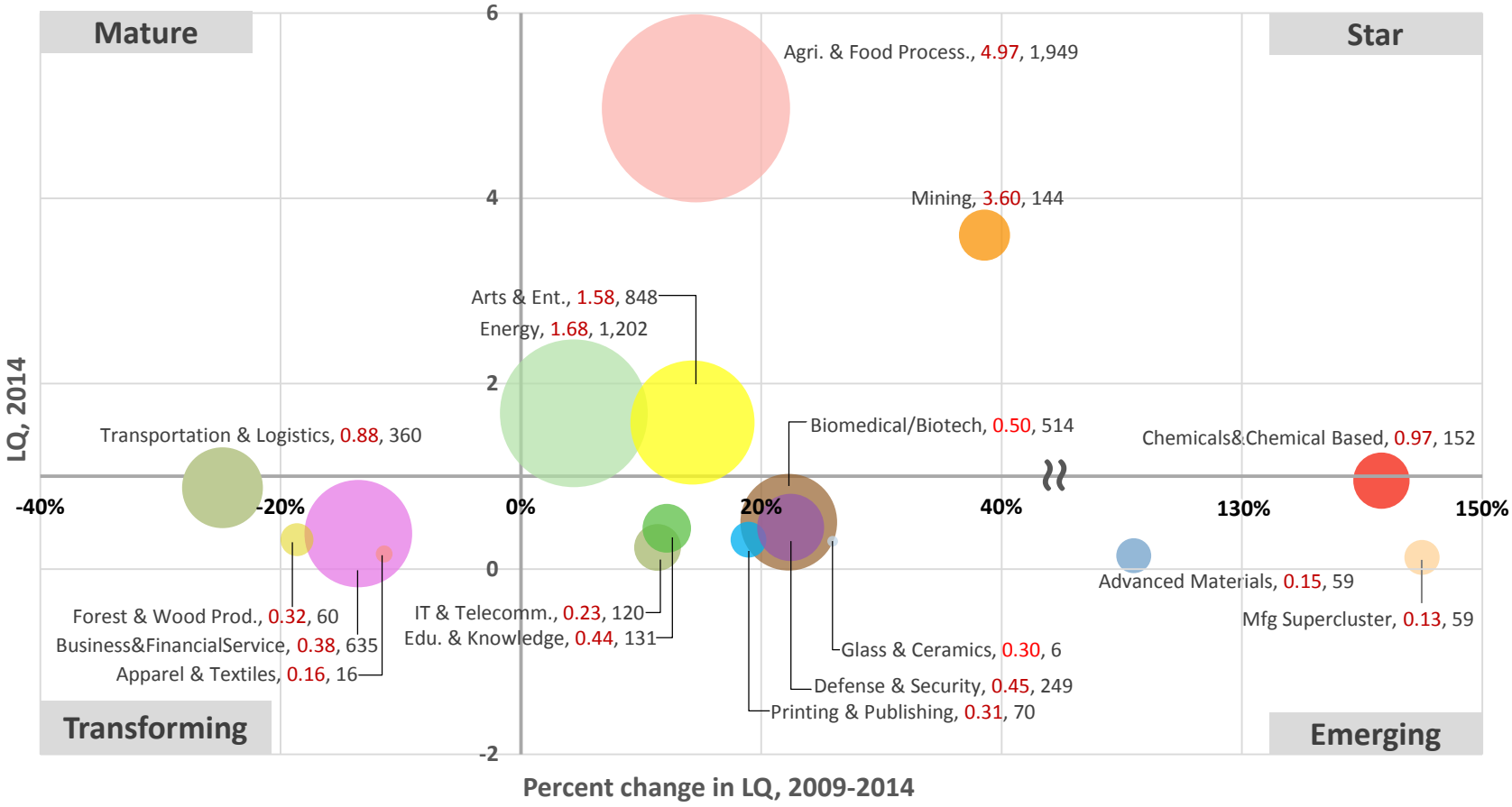


NOTE: The first number after each cluster represents the number of total jobs (full and part time jobs by place of work) in that cluster in the region in 2014. The clusters are sorted in decreasing order by location quotient as shown in the bubble chart.

Bubble Chart: What to Look at First



Industry cluster bubble chart

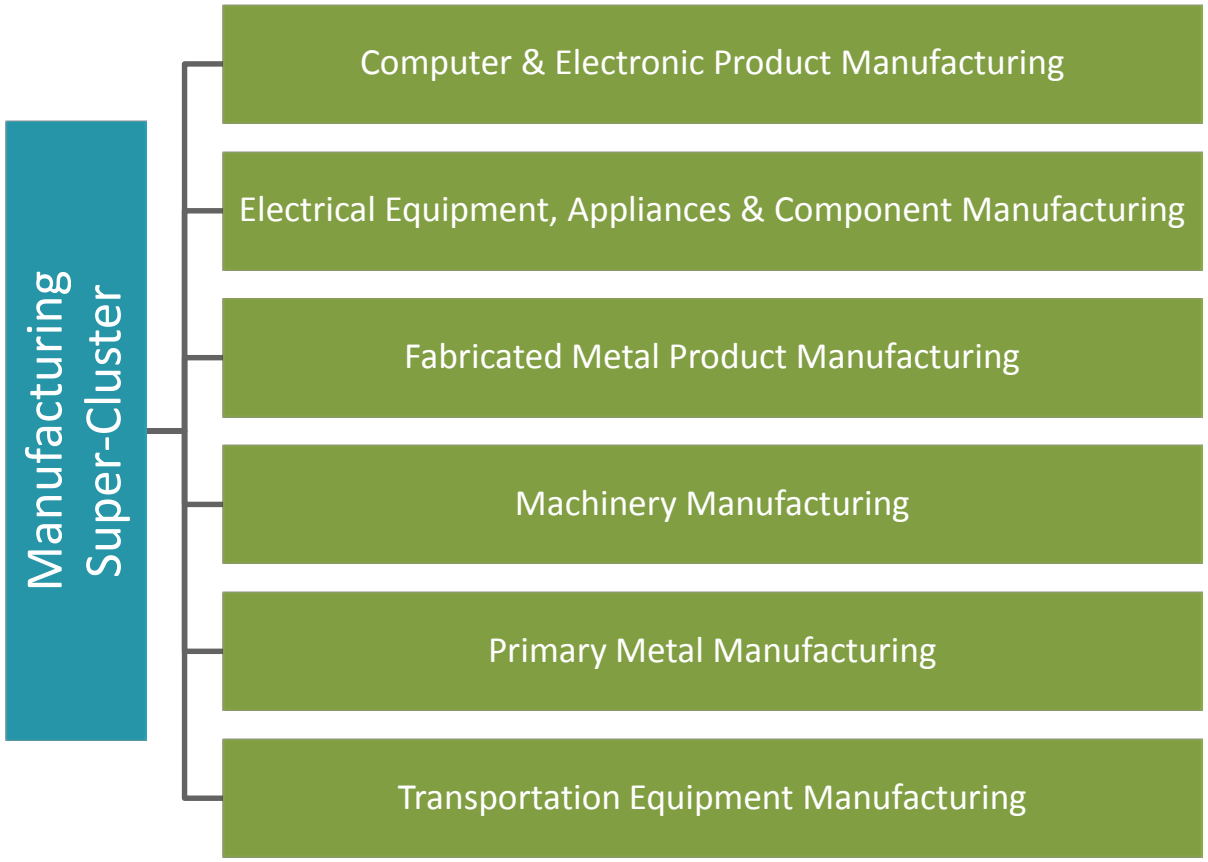


Note: Label includes cluster name, LQ in 2014, and Employment in 2014

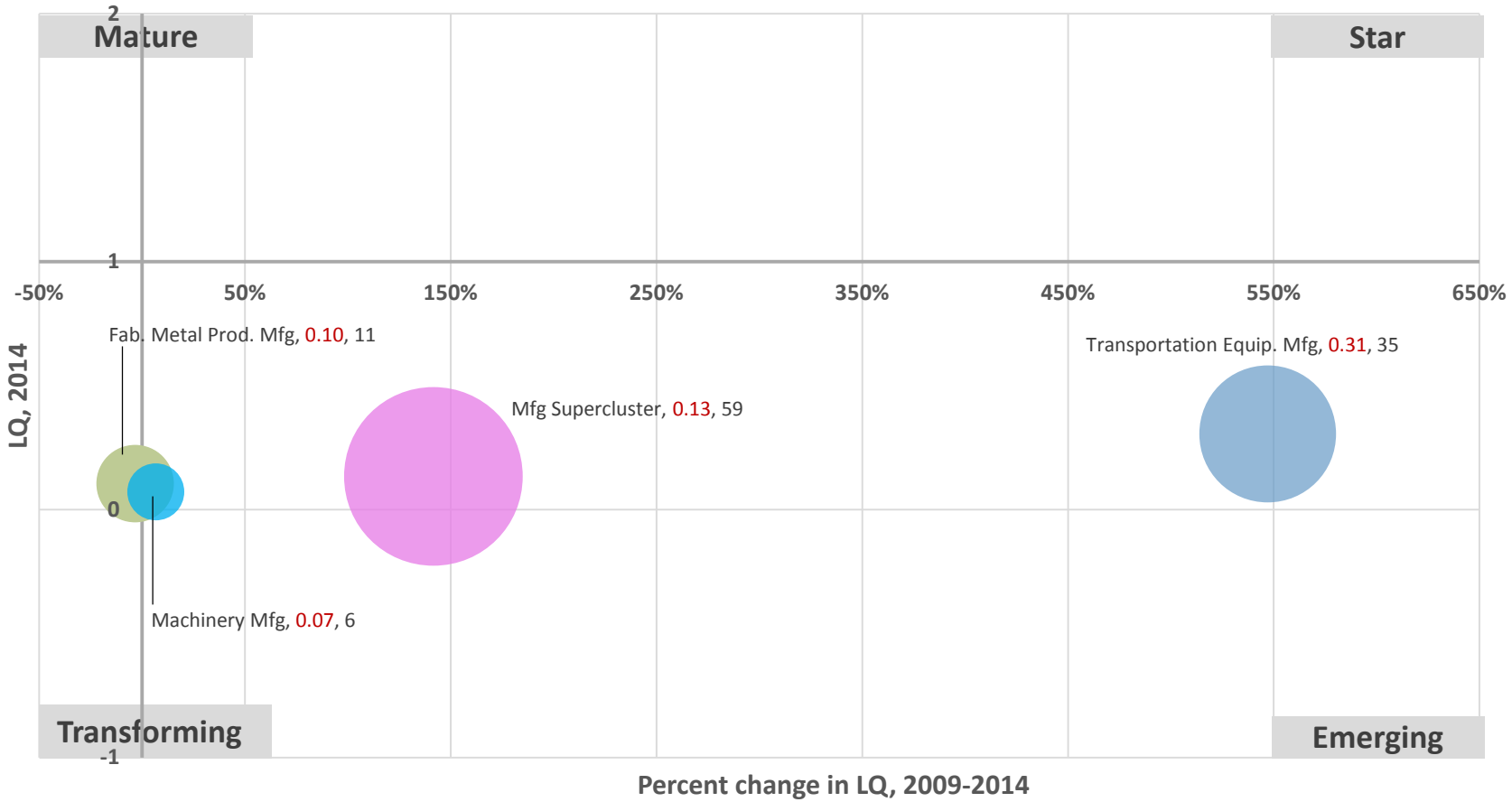
Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors).

The Manufacturing Super-Cluster

Please note that this is not a cluster that a SET region should select. Rather, focus on the manufacturing sub-clusters that are important to that super-cluster.



Manufacturing sub-cluster bubble chart



Note: Label includes cluster name, LQ in 2014, and Employment in 2014

There is no 2014 regional jobs in Computer & Electronic Product Mfg.; and Primary Metal Mfg.

% change in LQ of Elec Equip., App & Comp Mfg. presents 2649% between 2009 and 2014 due to increase by 7 jobs from 0 in 2009.

Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors).

For your region

Mature Industries

No industry cluster exists in the Matured stage in the East Central NM Region. Generally, mature industries are relatively concentrated, but their growth is trending downward. It is worth noting, however, that region may find it worthwhile to invest in efforts to shore up the concentration of these industries.

Transforming Industries

Transforming clusters capture the mix of industries that are experiencing relative decline and limited export capability. In the East Central NM Region, Transportation & Logistics; Business & Financial Services; Forest & Wood Products; Apparel & Textiles; and Fabricated Metal Product Mfg. are all Transforming clusters. Any amount of growth in these industries would require relatively large investments.

Star Industries

Star industry clusters are highly concentrated, exporting, and still experiencing growth in the region. Four Star industry clusters in the East Central NM Region are Agribusiness, Food Processing & Tech.; Mining; Energy; and Arts, Ent., Rec. & Visitor Industries. These clusters indicate that they have higher job concentration in the region compared to the U.S.

Emerging Industries

Industry clusters that may be poised for future growth are classified as “Emerging.” There are twelve Emerging clusters in total in the East Central NM Region: Chemicals; Biomedical/Biotechnical (Life Sciences); Defense & Security; Education & Knowledge Creation; Printing & Publishing; Transportation Equipment Mfg.; Glass & Ceramics; Electrical Equip., App. & Comp. Mfg.; IT & Telecom.; Advanced Materials;. and Machinery Mfg..

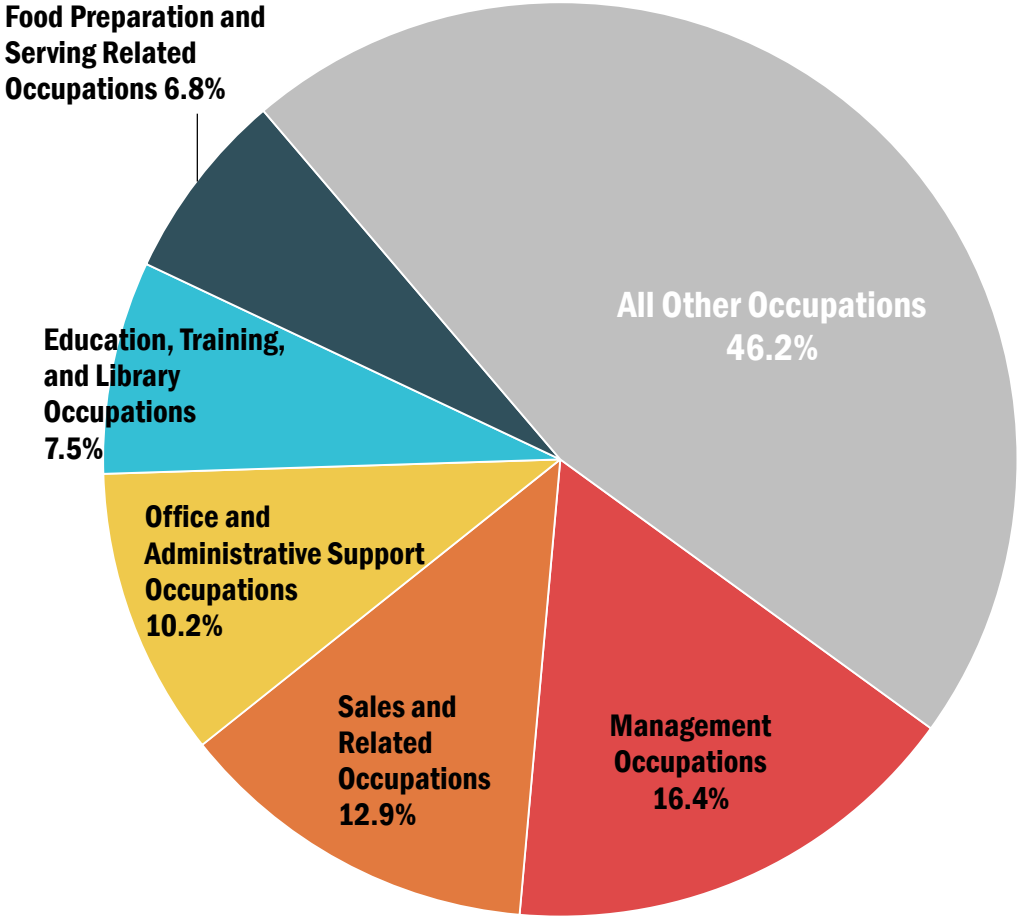
Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors).

04 occupations

Top occupations

STEM occupations

Top five occupations in 2014

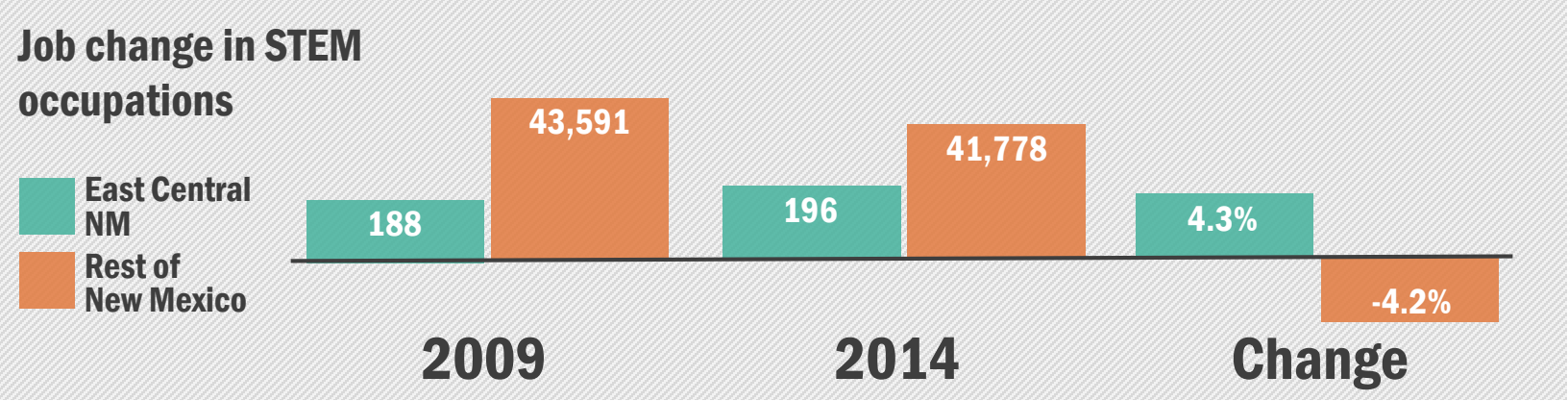


Questions:

- What are the education and skill requirements for these occupations?
- Do the emerging and star clusters align with the top occupations?
- What type salaries do these occupations typically provide?

Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors)

Science, Technology, Engineering & Math



Questions:

- How do STEM jobs compare to the state?
- What has been the trend of STEM jobs over time?
- How important are STEM jobs to the region's Star and Emerging clusters?

*Note: STEM and STEM-related occupation definitions from ESA, BLS (2010), etc.

Source: EMSI Class of Worker 2015.4 (QCEW, non -QCEW, self-employed and extended proprietors)

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The Purdue Center for Regional Development (PCRD) seeks to pioneer new ideas and strategies that contribute to regional collaboration, innovation and prosperity.

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