

Regional Data Snapshot

Industry Cluster Analysis
SET Session 1

Southeast AR Economic Development District, Arkansas



Center for Regional Development
Advancing Collaboration : Energizing Regions

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01 overview

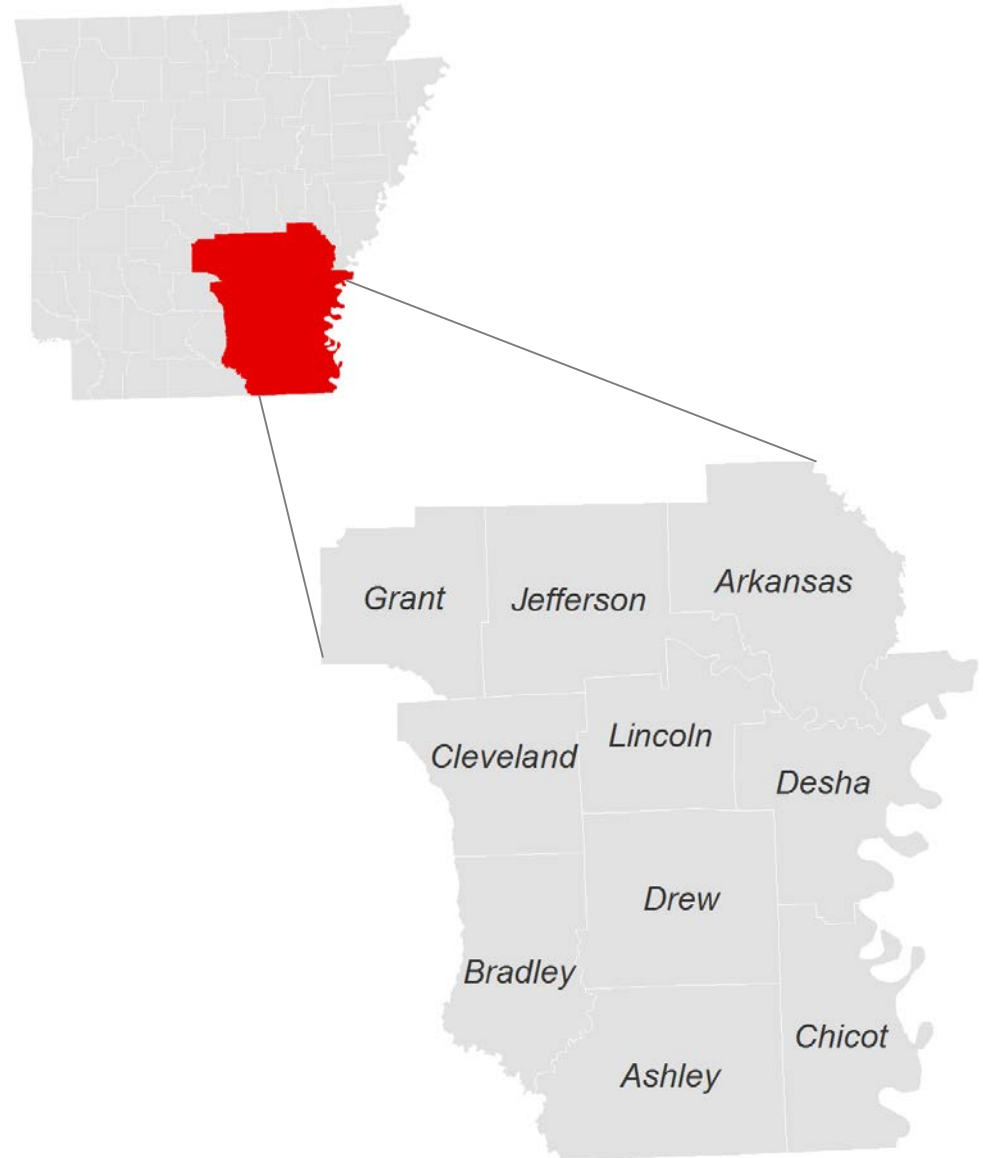
SAEDD, AR

Overview

SAEDD, Arkansas

The Southeast Arkansas Economic Development District is comprised of 10 Arkansas counties. Interstate 530 connects the region to Little Rock. U.S. Route 79 passes through the region. Arkansas River is the major navigable waterway. Major railroads include UP and DSRR. Majority of airports are municipal and smaller airfields.

- Arkansas
- Ashley
- Bradley
- Chicot
- Cleveland
- Desha
- Drew
- Grant
- Jefferson
- Lincoln



02 industry and occupation

Establishments

Employment by industry

Industry and occupation

Components of changes in Jobs

Changes in Jobs (2009-2015)

Gained by	New Startups	+24,991
	Spinoffs	+5,572
	Expansion	+16,438
	In-migration	+287
Lost by	Closings	-31,314
	Contractions	-11,238
	Out-migration	-848
Net change		+3,888

How to Interpret the Accompanying Table

New Startups: A completely new business from births/openings without any affiliation to an existing business.

Spinoffs: New businesses that were spun-off from existing businesses.

Expansions: Existing businesses that have expanded in jobs.

In-migration: Businesses that have moved-in from outside of the county.

Closings: Closure of existing businesses.

Contractions: Existing businesses that have shed/reduced jobs.

Out-migration: Businesses that have moved-out from the county.

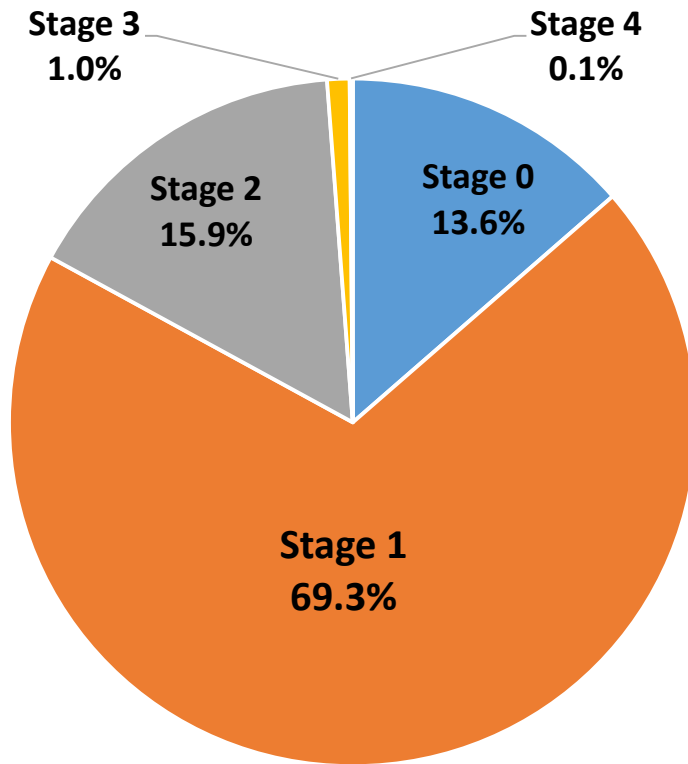
section 02

Note: YourEconomy has changed its data source from NETS to InfoUSA on August, 2016. Based on the data available, we can only estimate churn based on jobs and not establishments.

Source: YourEconomy.org

Economy

Company stages



Establishment Distribution by Stages
Arkansas, 2015

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		

Industry and occupation

Establishments

Number of Establishments by Company Stages

Stage	2009		2015	
	Establishments	Proportion	Establishments	Proportion
Stage 0	1,414	16%	1,223	13%
Stage 1	5,702	66%	6,424	70%
Stage 2	1,424	16%	1,435	16%
Stage 3	98	1%	91	1%
Stage 4	11	0.1%	13	0.1%
Total	8,649	100%	9,186	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?

Industry and occupation

Jobs and Sales

Number of Jobs by Company Stages

Year	2009	2015	% Change
Stage 0	1,414	1,226	-13.3%
Stage 1	21,461	24,109	12.3%
Stage 2	35,278	34,417	-2.4%
Stage 3	18,161	16,540	-8.9%
Stage 4	9,824	13,734	39.8%
Total	86,138	90,026	4.5%

Sales (\$Billion, 2015) by Company Stages

Year	2009	2015	% Change
Stage 0	0.28	1.4	401%
Stage 1	4.70	5.7	21%
Stage 2	5.40	6.7	24%
Stage 3	4.53	3.2	-30%
Stage 4	2.51	1.4	-44.1%
Total	17.41	18.34	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 2009-2015 period?

Industry and occupation

Top eight industry sector employment growth

NAICS	Description	2009 Jobs	2015 Jobs	Change	Change (%)	State Change (%)
48	Transportation and Warehousing	3,021	3,888	867	29%	6%
56	Administrative and Support and Waste Management and Remediation Services	3,234	3,993	759	23%	21%
61	Educational Services	1,047	1,262	215	21%	19%
71	Arts, Entertainment, and Recreation	628	702	74	12%	14%
53	Real Estate and Rental and Leasing	2,323	2,516	193	8%	4%
11	Crop and Animal Production	6,400	6,590	190	3%	-3%
72	Accommodation and Food Services	4,814	4,947	133	3%	12%
62	Health Care and Social Assistance	11,858	11,974	116	1%	8%

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?

Industry and occupation

Ten industry sector employment decline

NAICS	Description	2009 Jobs	2015 Jobs	Change	Change (%)	State Change (%)
21	Mining, Quarrying, and Oil and Gas Extraction	375	219	-156	-42%	25%
51	Information	596	463	-133	-22%	-13%
23	Construction	5,187	4,093	-1,094	-21%	-7%
54	Professional, Scientific, and Technical Services	2,338	1,890	-448	-19%	8%
55	Management of Companies and Enterprises	378	326	-52	-14%	25%
90	Government	20,352	18,276	-2,076	-10%	-2%
42	Wholesale Trade	2,489	2,299	-190	-8%	2%
52	Finance and Insurance	3,355	3,189	-166	-5%	3%
22	Utilities	665	641	-24	-4%	17%
44	Retail Trade	10,022	9,677	-345	-3%	7%

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?

03 Industry cluster analysis

SAEDD, AR

Industry cluster analysis

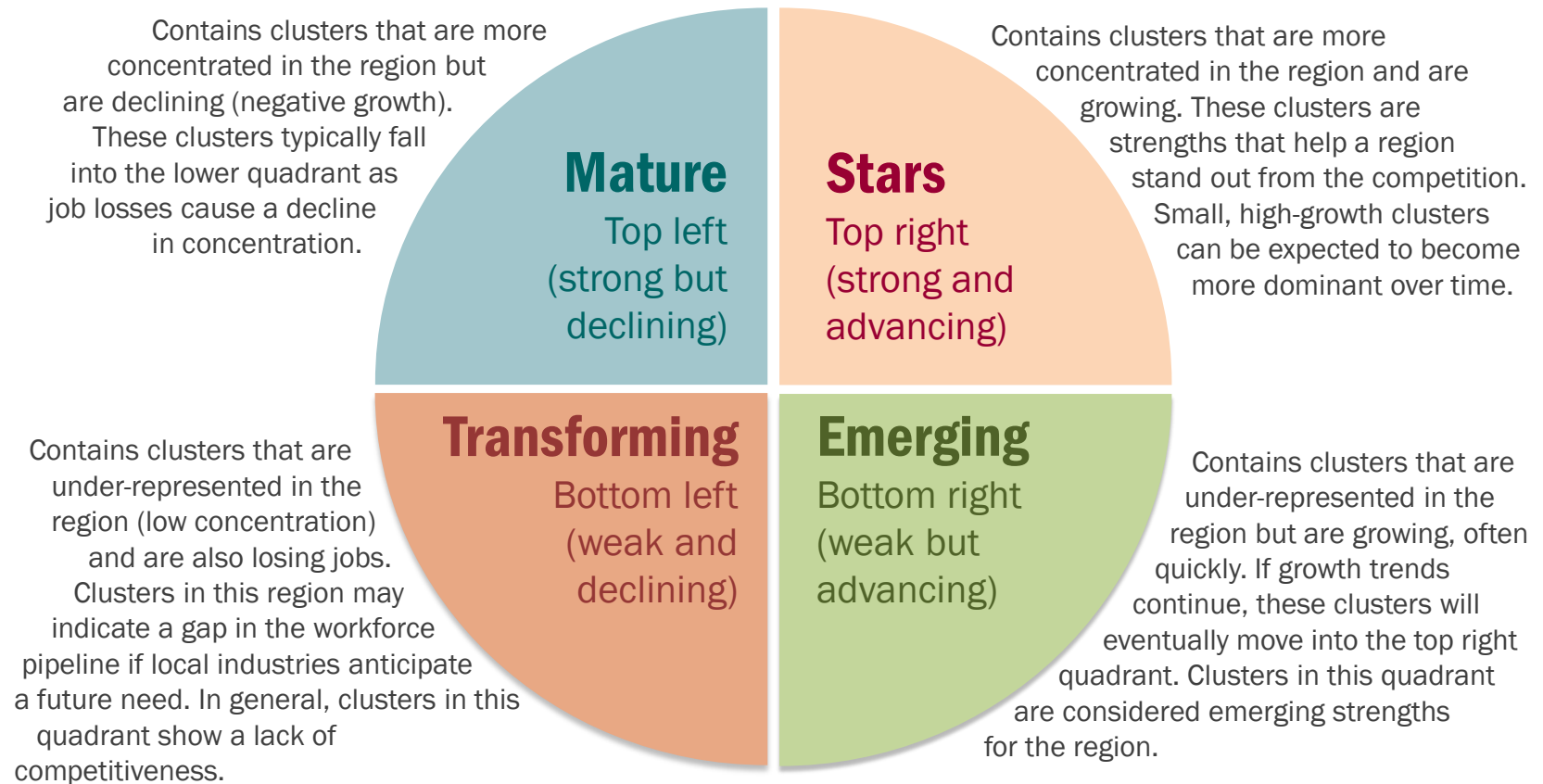
List of Clusters

- 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
- Mining
- Primary Metal Manufacturing
- Printing & Publishing
- Transportation & Logistics
- Transportation Equipment Manufacturing

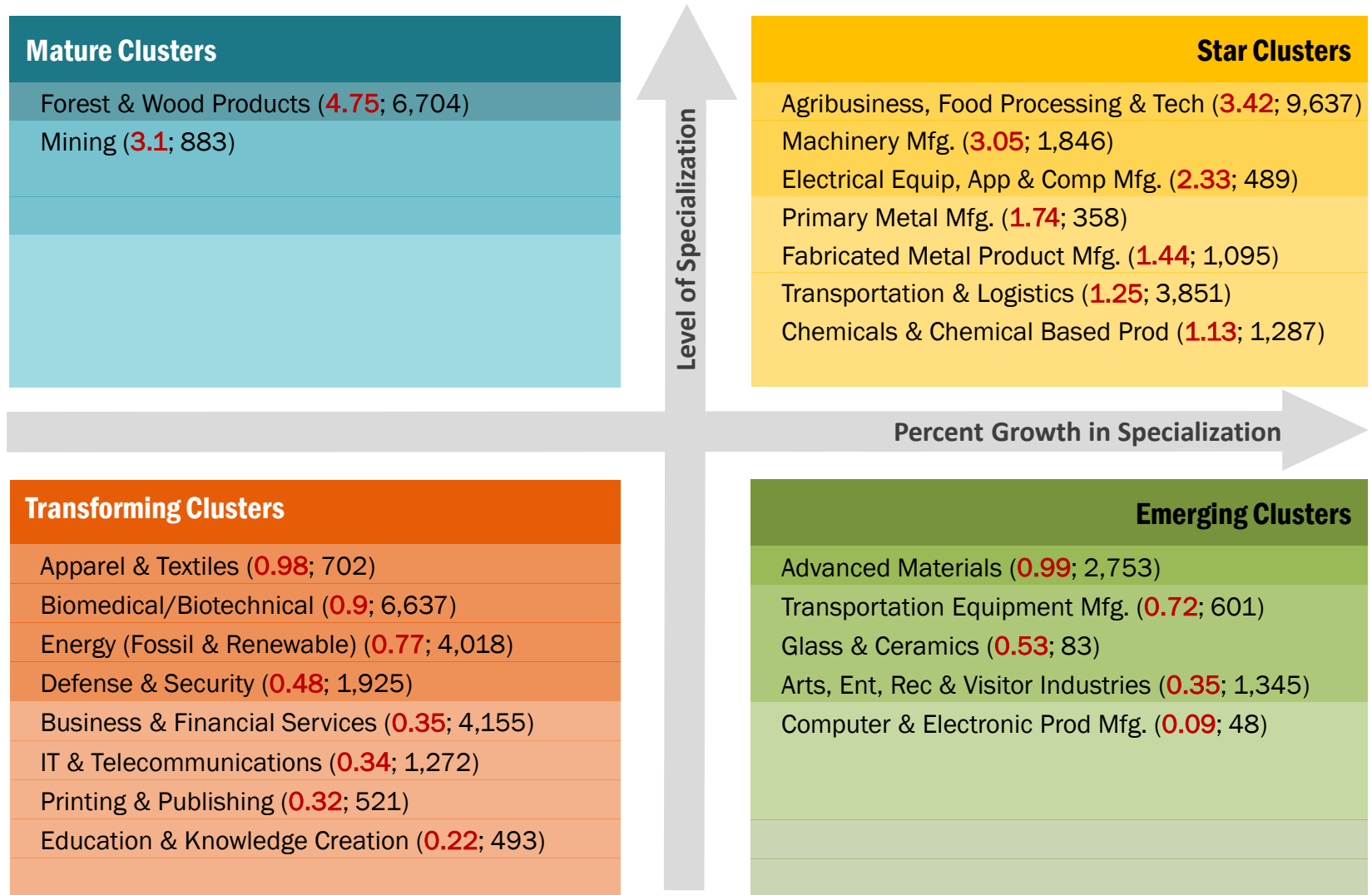
Industry cluster analysis

How to interpret cluster data results

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



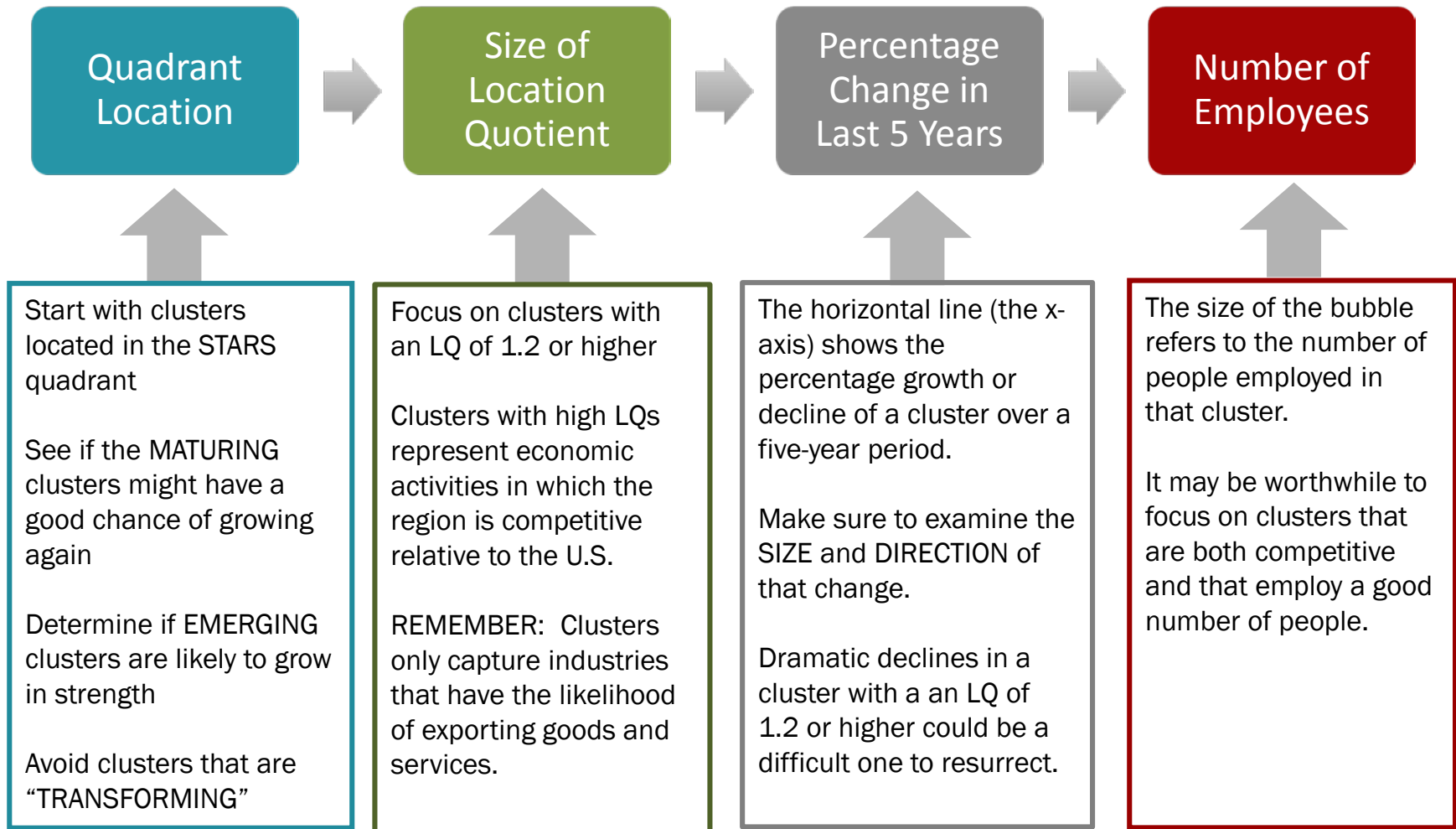
Industry cluster analysis



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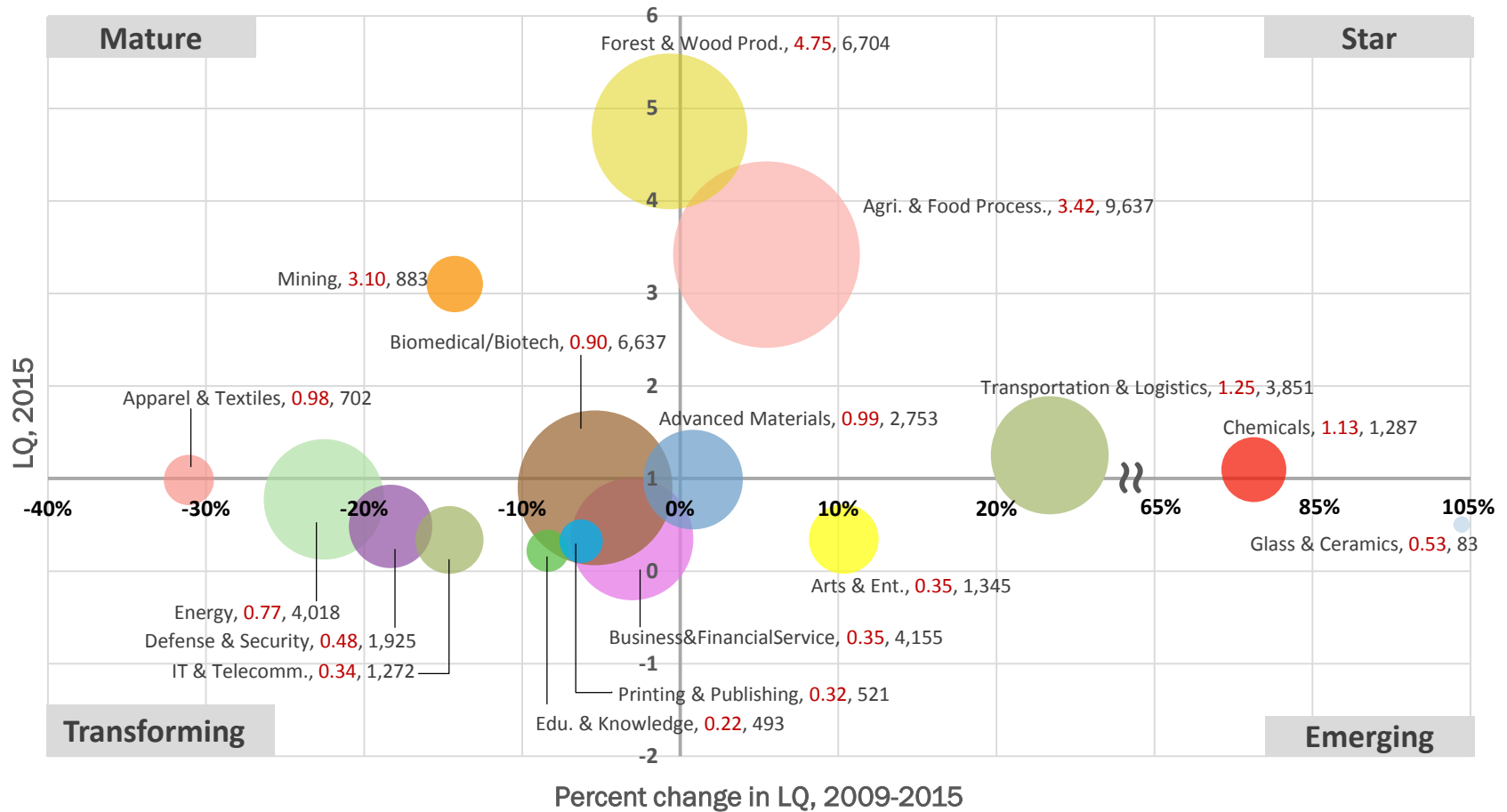
NOTE: The first number after each cluster represents the number of total jobs (full and part time jobs by place of work) in that cluster in the region in 2015. The clusters are sorted in decreasing order by location quotient as shown in the bubble chart.

Bubble Chart: What to Look at First



Industry and occupation

Industry cluster bubble chart

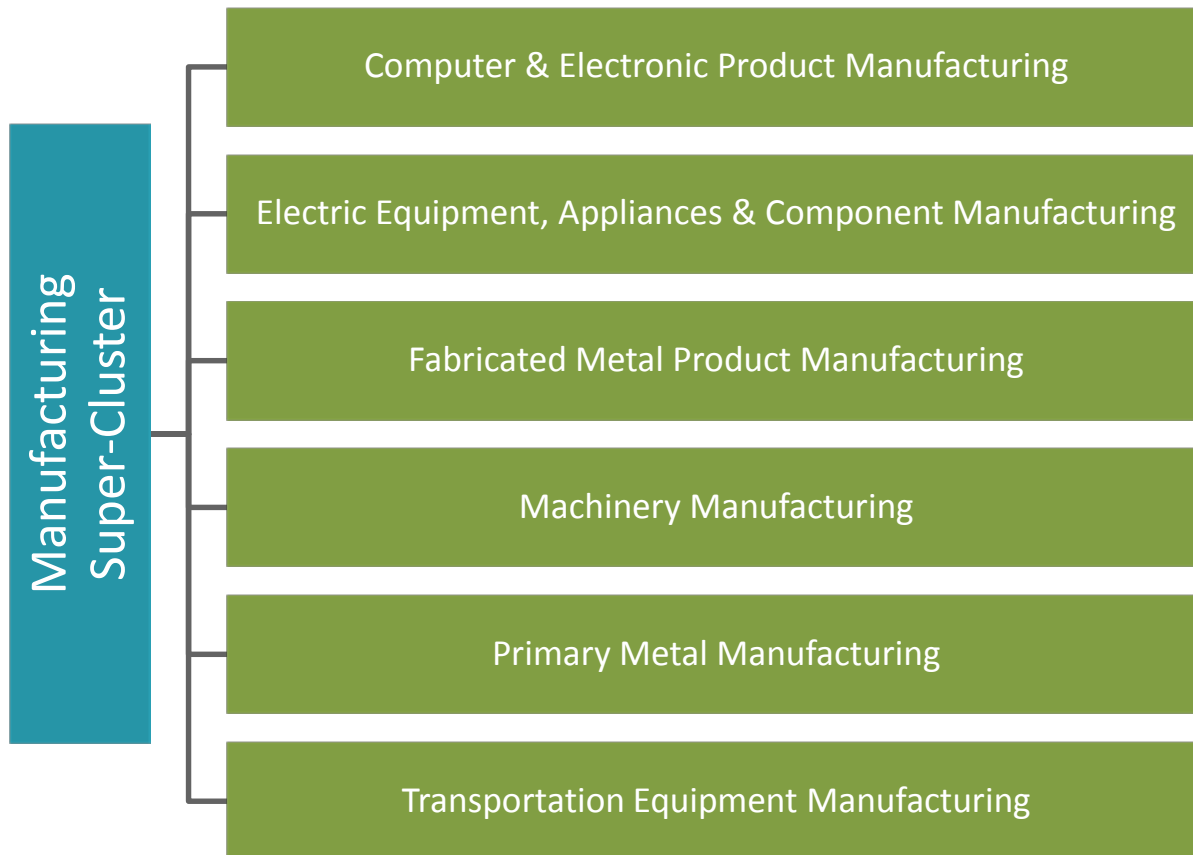


Note: Label includes cluster name, LQ in 2015, and Employment in 2015.

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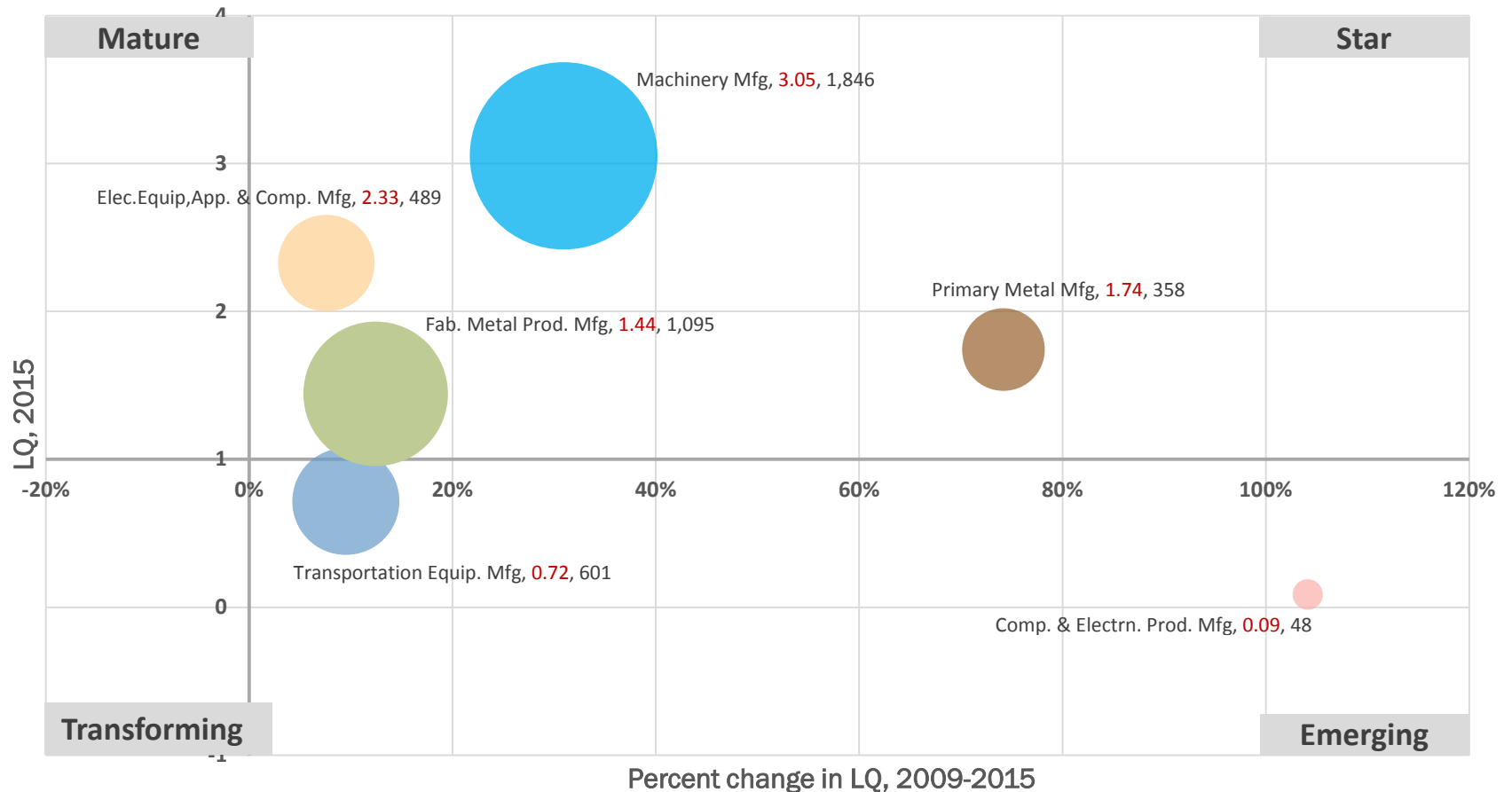
The Manufacturing Super-Cluster

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.



Industry and occupation

Manufacturing sub-cluster bubble chart



Note: Label includes cluster name, LQ in 2015, and Employment in 2015.

section 03

Industry and occupation

For your region

Mature Industries

Two industry clusters in the SAEDD region is in the Maturated stage: Forest & Wood Products and Mining. The mature industry is relatively concentrated, but its growth is trending downward. It is worth noting, however, that the 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 Region, Apparel & Textiles; Biomedical; Energy; Defense & Security; Business & Financial Services; IT & Telecommunications; Printing & Publishing; and Education & Knowledge Creation, eight industry clusters 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. Seven Star industry clusters in the SAEDD region Agribusiness, Food Processing & Technology; Machinery Mfg.; Electrical Equip, Appliance & Component Mfg.; Primary Metal Mfg.; Fabricated Metal Prod Mfg.; Transportation & Logistics; and Chemical. These clusters indicate that they have a little more jobs 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 five Emerging clusters in total in the SAEDD region: Advanced Materials; Transportation Equipment Mfg.; Glass & Ceramics; Arts, Entertainment, Recreation & Visitor Industries; and Computer & Electronic Product Mfg.

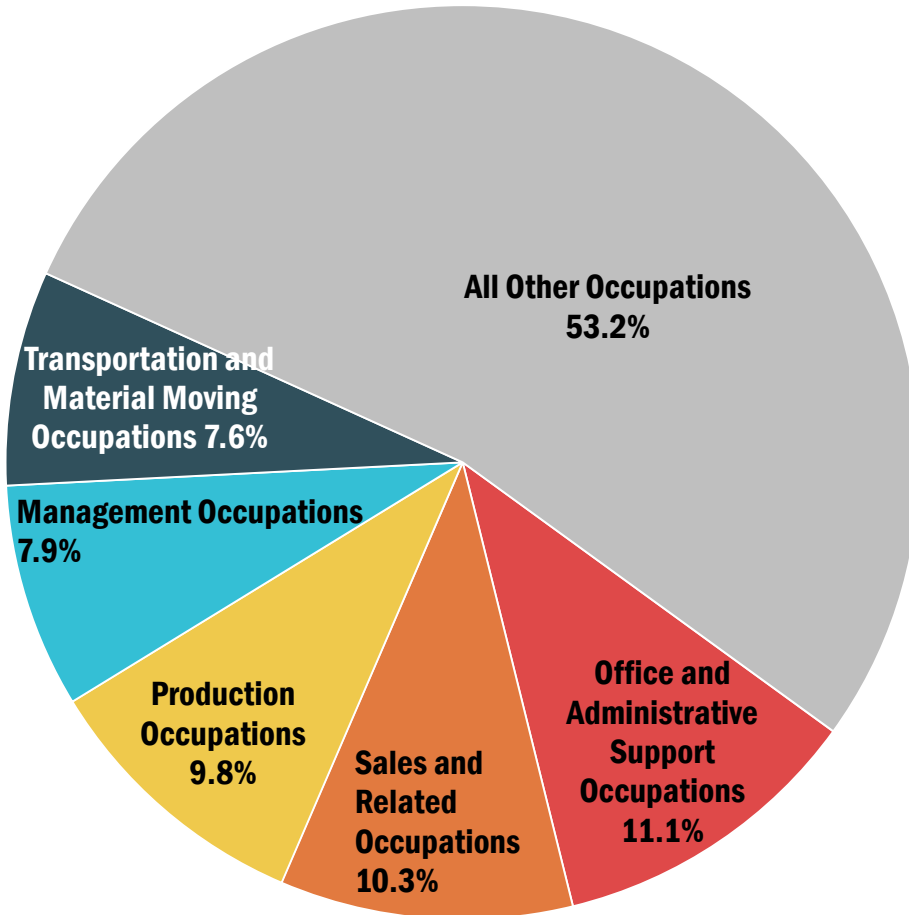
04 occupations

Top occupations

STEM occupations

Industry and occupation

Top five occupations in 2015

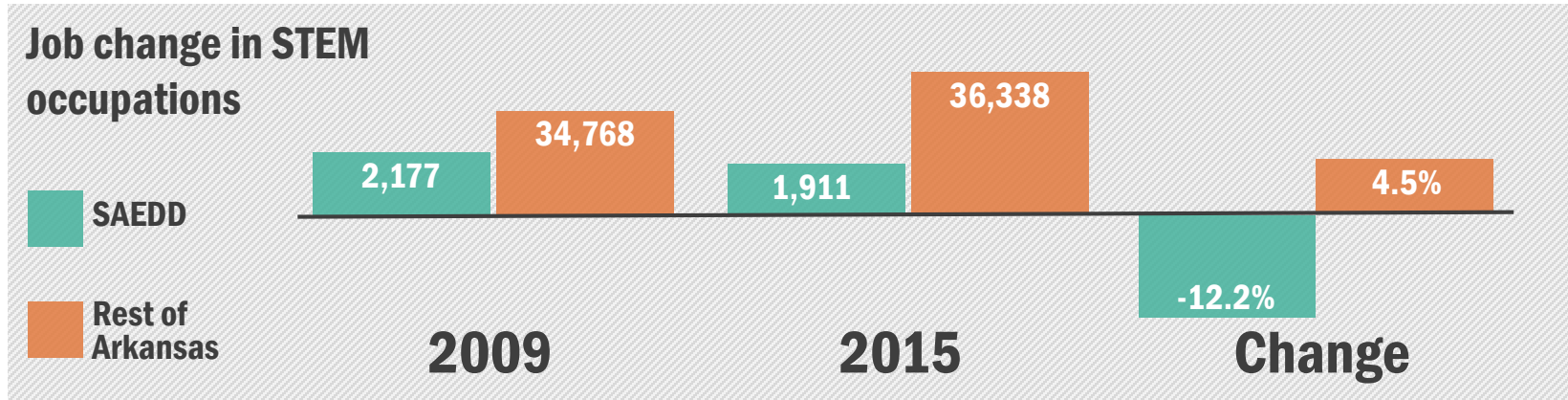


Questions:

- 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?

Industry and occupation

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?

Report Contributors

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Center for Regional Development
Advancing Collaboration : Energizing Regions

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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