



Executive Summary:
Prosperity for Greater Charlotte

An initiative to align the region's economic, workforce, and education efforts to boost prosperity in the 21st Century

The initiative was sponsored by:



Vibrant Communities – Robust Region



The project was assisted by the consulting team of **Avalanche Consulting**, the **Council for Adult & Experiential Learning**, and **McCallum Sweeney Consulting**
December, 2012

Economic Strategic Assessment for the Greater Charlotte Region

Including the;

Centralina EDD Comprehensive Economic Development Strategy

And

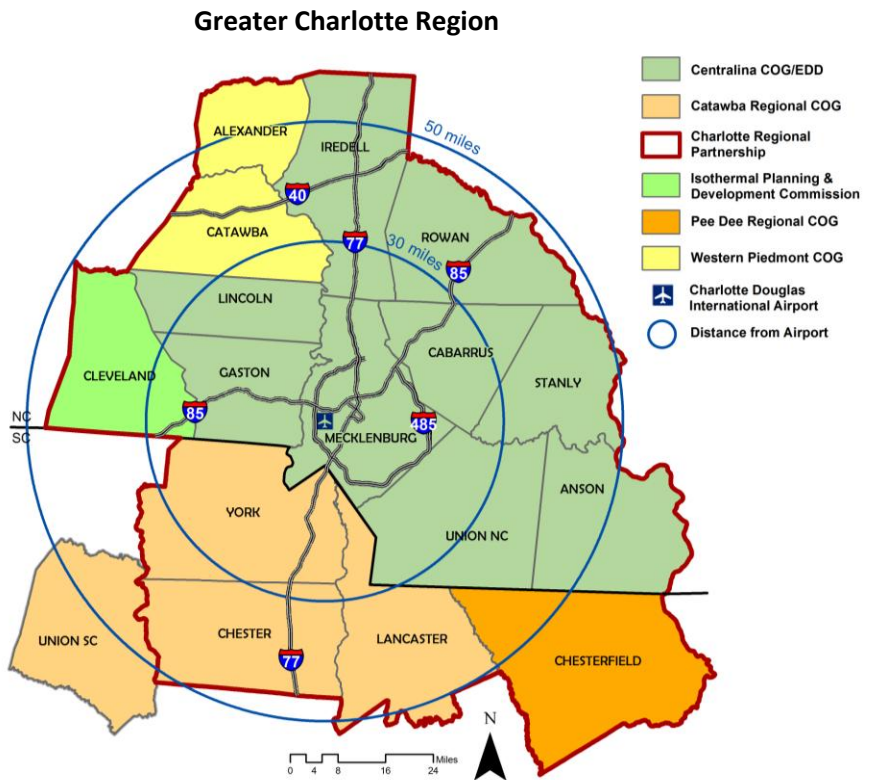
Catawba Regional COG Comprehensive Economic Development Strategy



Strategic Economic Assessment

Executive Summary

The **Prosperity for Greater Charlotte** project and the HUD **“CONNECT Our Future”** Economic Development Group collaboratively partners the Centralina Council of Governments, Catawba Regional Council of Governments, Centralina Economic Development Commission, and the Charlotte Regional Partnership in an innovative, integrated approach that is essential to support the region’s future growth and prosperity. In May 2012, the Centralina Economic Development Commission and this coalition of regional partners began a strategic assessment process to evaluate the 17-county greater Charlotte economy and identify strategies to boost economic and educational success.



In anticipation of dynamic economics that will drive future global competitiveness, our innovative strategic planning design dictated inclusion of seventeen counties in the global competency analysis, parallel with the Charlotte USA footprint. This collaborative community network shown on the map illustrates the fifty-mile radius economic zone that constitutes the Greater Charlotte 21st Century Global Region.

The consulting team of Avalanche Consulting, Inc., the Council for Adult and Experiential Learning (CAEL), and McCallum Sweeney Consulting led the project’s technical analysis. An Advisory Council comprised of 39 industries, public sector, nonprofit, and economic development leaders provided guidance and input throughout the project.

All report findings and priorities with goals, objectives, and tactics are specifically endorsed and adopted only for the EDA-approved nine-county jurisdiction of the Centralina Economic Development Commission (EDD). This report in no way replaces or supplants adjacent EDD CEDS jurisdiction plans that share partial coverage within the economic zone of influence defined and analyzed for this report.

Goals of the Centralina Strategic Plan

The project culminates in three strategic plans: the *Centralina Comprehensive Economic Development Strategy* and the integrally linked Greater Charlotte region *Jobs, Workforce & Education Alignment Strategy* with the additionally supported, but independently completed, *Catawba Region Comprehensive Economic Development Strategy* of the Catawba Regional Council of Governments. The resulting Centralina strategy calls on regional leadership to heighten collaborative efforts around five goals. Full detail on the strategies and all project reports, along with the supporting analysis can be found at these links:

www.ProsperityForGreaterCharlotte.com
www.ConnectOurFuture.org

Workforce & Education	Prepare the region’s workforce and students with skills, competencies, and knowledge that align with target industry needs.
Entrepreneurship & Innovation	Enable a highly innovative entrepreneurial climate that drives the creation of high-growth firms.
Infrastructure	Ensure the region has a highly connected, efficient multimodal transportation system and an abundant supply of shovel-ready sites.
Business Climate	Create a globally competitive region around the target industries and a strong business brand worldwide.
Quality of Life	Continue investing in the region's lifestyle amenities and making the region attractive to a young professional workforce.

Prosperity for Greater Charlotte: Project Components

An **Economic & Demographic Assessment** examines historical growth trends in the Greater Charlotte Region and the individual counties. Economic datasets presented and discussed include overall jobs, employment by industry, unemployment, shift-share analysis of regional industries, payroll, average salaries, and gross regional product. Demographic data presented includes overall population trends, age distribution, and incomes.

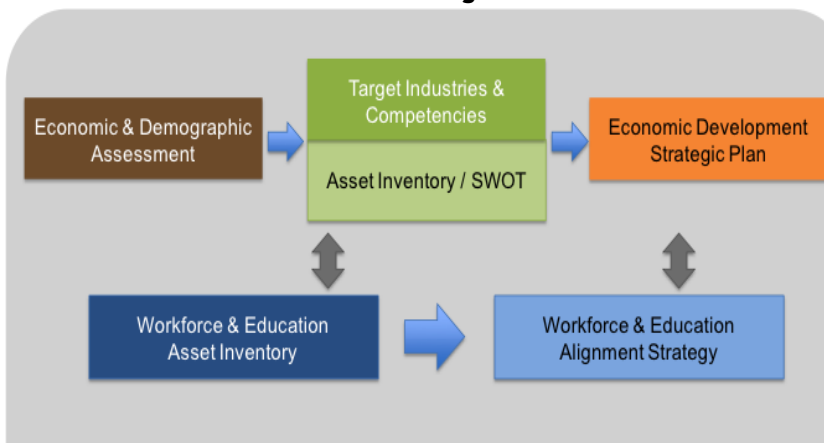
The second component, **Asset Inventory / Centralina SWOT**, inventories and evaluates key economic development assets in the Greater Charlotte Region. The report identifies assets in several categories: Workforce & Education, Entrepreneurship & Innovation, Infrastructure, Business Climate, and Quality of Life. For each of these topics, the report includes a Centralina SWOT (Strengths, Weaknesses, Opportunities, & Threats) assessment summarizing the key takeaways for the Centralina Comprehensive Economic Development Strategy.

Unique to this project is the addition to the above components of a **Workforce & Education Asset Inventory**. This report inventories all college and K-12 educational programs that address target cluster needs; identifies broad workforce and education provider capacities; recognizes existing workforce skills and competencies; and examines national and global workforce skill trends. This inventory provides an essential perspective for understanding regional strengths and industry objectives that link to jobs and industry growth of the future.

The second phase of the project builds on the previous reports, identifying and validating target industry clusters for the Greater Charlotte Region. The **Target Industries & Competencies** component includes a cluster analysis of regional industries, examining growth trends, location quotients, and employment bubble charts. The project team evaluated potential target industries by filtering candidates through numerous criteria, including the regional asset fit, national industry trends, and match to regional economic development goals. The Target Industries & Competencies analysis culminates in a list of target industry recommendations and profiles for each industry that is built upon regional cross cutting competencies across the primary clusters. This dynamic provides place based globally competitive advantages for the Greater Charlotte Region as a mega-region component on the national and international front.

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Process Diagram



Why This Plan

Did you know that the region's population is expected to double within 40 years? Did you know that more than 50% of all workers commute across a county line each day to get to work? Successful economic development today requires a plan to be in place. In fact, site selectors and companies now look to a region's plans as an indicator of where a community plans to be, how it plans to get there, and which institutions are accepting responsibility. Regions with cohesive and realistic plans will grow in a more organized fashion and better leverage the assets in each of the component counties or jurisdictions that comprise the area of economic influence.

The Prosperity of the Greater Charlotte Region depends on our ability to plan for the future, collaborate across jurisdictions, and communicate our shared priorities to citizens, businesses and the public sector.

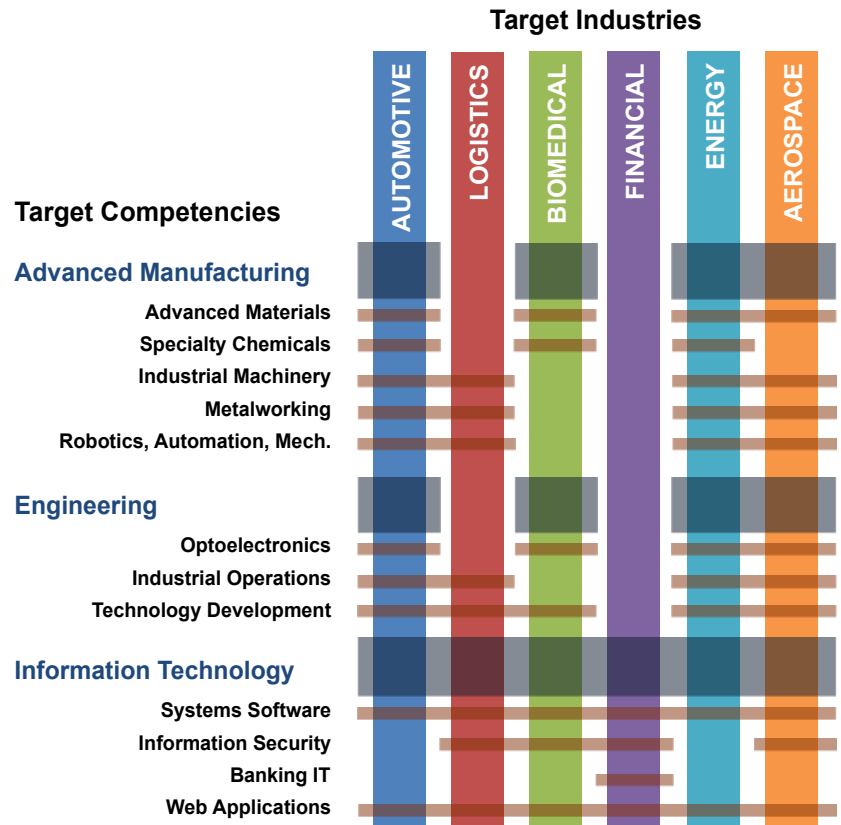
Target Industries and Competencies

The Greater Charlotte Region has numerous competencies supporting industry growth, from specializations in Advanced Materials and Robotics to Engineering expertise in Optoelectronics and Industrial Operations. The diagram to the right illustrates the identified and recommended Target Industries and Target Competencies for the Greater Charlotte Region and how they intersect. Below, a detailed matrix indicates the specific niche industries within the six major industries to be targeted. Emerging industries are identified in italics.

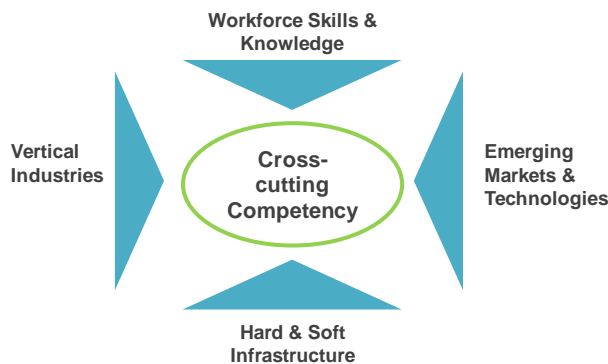
What are “Competencies” and why include them as targets? Communities are the unique combination of their workforce skills, technology and product knowledge, ability to produce and manufacture, and ability to market and deliver products to their

consumers. Today’s challenge for communities is to build multiple “competencies” that not only ensure a wide foundation to existing clusters but spark new industries and products – to not work just to protect what you have, but to focus on the new products and markets that will create new jobs.

Target Competency Matrix – Greater Charlotte Region



Competencies Form at the Nexus of Industry, Workforce, Technology and Infrastructure



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Competency Matrix: Connecting Competencies and Industries

A vertical industry is one that is focused on a specific market or product, such as aerospace, automotive, and biomedical. These are the “industries” that usually comprise a target industry plan, and are usually listed on an economic development website as the region’s focus.

A horizontal (or platform) competency can consist of a unique technology, workforce skill, or physical asset that supports numerous vertical industries. A multimodal transportation network (port-rail-highway) is one example, as it can serve any number of industries that might manufacture, test, or distribute their goods locally. Competencies are also workforce-specific, such as skills in machining, IT, advanced materials, or design. Competencies can influence some or all industry targets in a region.

As shown in the diagram above, the combination of industries and competencies form a lattice of connections that make a region unique. The Greater Charlotte Region’s future economic development activities should focus both on its vertical target industries and its horizontal competencies that support target and other industry success.

Detailed Targets and Niche Targets

Target Industries

Italics = emerging

Automotive	Logistics & Global Commerce	Biomedical & Health
Motorsports	Intermodal Distribution	Biomedical Supplies & Labs
Battery Technology	Warehousing	Regional Health Care
Automotive OEMs	International Logistics HQs	Medical Device Mfg
Auto Suppliers, incl. Plastics	Food Processing & Distribution	<i>Bioinformatics & Genomics</i>
Electronic Components	Paper & Wood Product Mfg/Dist.	<i>Nutritional Sciences</i>
Financial Services	Energy	Aerospace & Defense
International & Domestic Banking	Nuclear Components	Aircraft parts suppliers
Investment Banking	Energy Equipment & Components	UAVs
Insurance	Energy Generation & Dist.	Defense Contractors
Back Office	<i>Clean Energy</i>	Defense Research
<i>Financial IT</i>		
Corporate Headquarters	Tourism	Film

Target Competencies

Advanced Manufacturing	Engineering	Information Technology
Advanced Materials	Optoelectronics	Data Centers
Specialty Chemicals	Industrial Operations	Systems Software
Industrial Machinery	Technology Development	Information Security
Metalworking		Banking IT
Chemicals		<i>Web applications</i>
Robotics, Automation, Mechatronics		

Aspirational Targets

Software	Health Care	Financial Services
Logistics IT	Clinical Testing	Mobile Banking IT
Data Visualization	Health Care IT	

The Centralina EDD Region's 7 Priorities

1. Improving basic K-12 education remains a pressing concern and priority for the region.
2. College and university participation in economic development must be strengthened so feedback mechanisms are in place to allow faster deliberate response by the education community to changes in industry needs and alignment of training\curriculum of the future.
3. The region must achieve realignment of its existing workforce skills toward the targeted industries and competencies that will generate new jobs in the future as well as enhance the same career pathways link to students and younger generation.
4. New and emerging industries and technologies must be supported through improved entrepreneurial support systems and targeted infrastructure improvements.
5. The region's industries must increase integration of new technologies to remain competitive (build on 2007 CEDS Advanced Manufacturing strategy) and leverage new logistics assets and infrastructure to access global markets (such as new intermodal facility at the airport and regional telecom infrastructure).
6. Regional collaboration is strong in economic development but should be strengthened by strategic collaboration in entrepreneurship, infrastructure planning, education and workforce development planning.
7. Marketing initiatives will be needed to broadcast the new and "updated" Greater Charlotte Region image to its local citizens and global businesses and tourists.

Entrepreneurship & Innovation

Objective 1: Coordinate and boost support services for entrepreneurs across the region.

Objective 2: Support creation of physical spaces and virtual incubators to house entrepreneurs.

Objective 3: Increase the available local pool of venture, angel, and other financial capital.

Objective 4: Expand entrepreneurship education into all levels of education.

Objective 5: Expand university research in the region and connect researchers to local companies.

Infrastructure

Objective 1: Increase the availability of shovel-ready sites and business parks.

Objective 2: Support the ongoing development of a multimodal strategy for the region that empowers global businesses to design, manufacture and distribute products from or through the Greater Charlotte region.

Objective 3: Increase strategic planning and funding for major transportation projects to better connect residents with job opportunities and growth centers throughout the region.

Objective 4: Support the CONNECT regional preferred development scenario planning for alignment of system wide enhancements to maintain economic competitiveness and meet growth impacts.

Business Climate

Objective 1: Support economic development collaboration across the region.

Objective 2: Expand and improve policies designed to attract and grow industries to the region.

Objective 3: “Globalize” the region’s businesses and institutions by promoting and developing the competencies of local citizens.

Objective 4: Market the region to businesses worldwide and strengthen the region’s business brand

Quality of Life

Objective 1: Continue to make the region more attractive a young professional workforce.

Objective 2: Continue to enhance downtowns in the region and invest in arts, non-profits and entertainment venues.

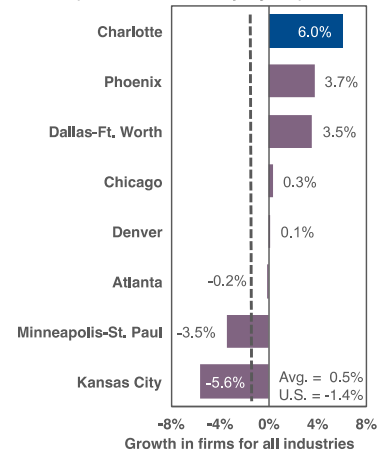
Objective 3: Encourage the promotion of tourism through regional marketing campaigns.

Objective 4: Increase awareness and understanding of all ethnic cultures and the increasing multinational community that visit or work in the region.

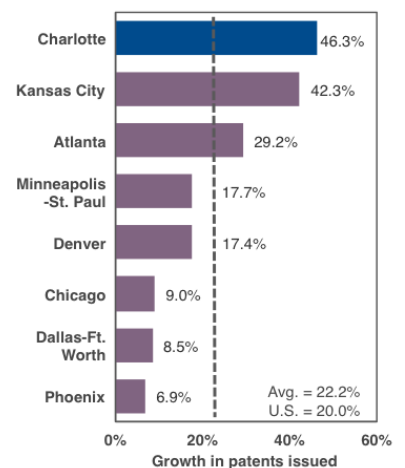
Objective 5: Ensure that an adequate supply and variety of housing options are available to current and future residents.

The Economic & Demographic Assessment and the Asset Inventory evaluated dozens of benchmark metrics on the Greater Charlotte region in five topic areas: Workforce, Entrepreneurship & Innovation, Infrastructure, Business Climate, and Quality of Life. We present samples of the data showing promising areas of growth for the region:

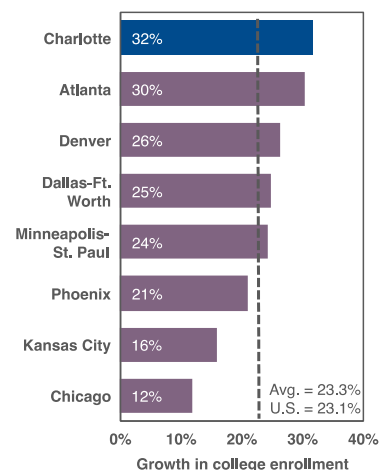
**Growth in Micro Firms, 2005-2010
(Fewer than 10 Employees)**



Patent Growth, 2006-2010



College Enrollment Growth, 2005-2010



Workforce & Education – Findings from Jobs, Workforce and Education Alignment Study

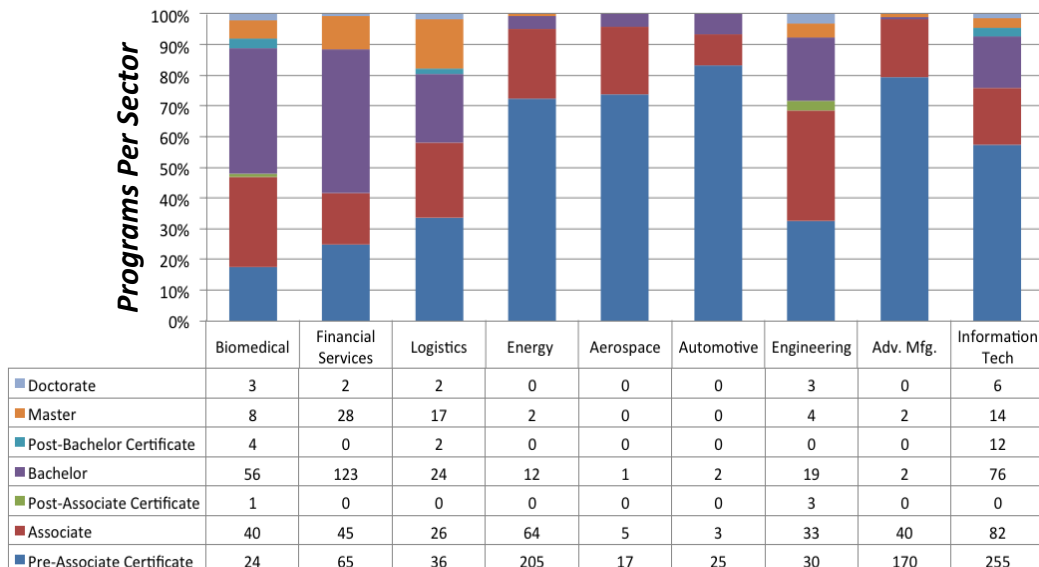
- OBJECTIVE 1:** Expand Target Sector Education and Training Alignment Programs.
- OBJECTIVE 2:** Expand Target Sector and Competency Career Awareness and Connections.
- OBJECTIVE 3:** Formalize Structures for Workforce System Partnerships across the Region.
- OBJECTIVE 4:** Strengthen Regional Collaboration and Target Industry Input.
- OBJECTIVE 5:** Enhance Employer Engagement and Employer Services.
- OBJECTIVE 6:** Increase Regional Opportunities for Credential Attainment.



The Workforce & Education research compared college graduates by degree for the region against the long-term demand for occupations and skills. Skills areas were identified for the near-term that were either in short supply, at risk of shortages, or in balance, as shown on the right:

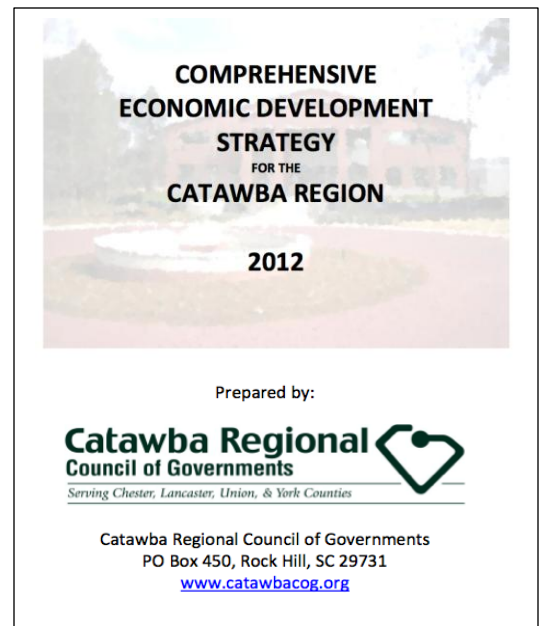
A key component of this strategic planning process is to help the regional economy boost its job growth rate by linking the region's workforce skills and strengths, education assets, and infrastructure to the needs of high-growth and emerging industries. A review of the region's 47 public and private institutions yielded a complete inventory of educational programs that serve the needs of the region's target industries and competencies, as shown below:

- Occupations with Supply Shortages**
 - Computer / Software
 - Logistics / Transportation
 - Engineering – Nat. Resources & Industrial
 - Hospitality & Personal Services
 - Legal
- Occupations at Risk of Shortages**
 - Medical – Doctors, Nurses, Aides, Technicians
 - Mechanics
- Occupations in Balance with Demand**
 - Financial and Business
 - Back Office / Administrative Support
 - Education



Strategic Assessment Report Part III

Catawba Regional Council of Governments completed a detailed Catawba Region CEDS for the four South Carolina counties of York, Lancaster, Chester, and Union that comprise the CRCOG Economic Development District. The regional data and supporting research from the Prosperity for Charlotte project was provided in support of the process for their Strategic Planning and subsequent independent final report led by the Catawba Region CEDS Advisory members for the South Carolina CRCOG jurisdiction. The full report that is inclusive of all local SWOT analysis with Goals and Objectives for the Catawba Region is included as an integral component (Part III) of the regional assessment project documents.



Prosperity for Greater Charlotte Project

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www.Prospersity for Greater Charlotte.com

The Centralina Economic Development Commission (CEDC), established in 2005 by Centralina Council of Governments, promotes a diversified and innovative regional economic base, advocates sustainable growth, and supports jobs development through expansion, retention, and recruitment of business and industry. The CEDC region of nine counties, also delineated as North Carolina COG Region F, is designated by the U.S. Department of Commerce, Economic Development Administration (EDA) as the approved Centralina Economic Development District (EDD). The CEDC is responsible for developing and maintaining the regional Centralina Comprehensive Economic Development Strategy (CEDS) and administering the Centralina Economic Development District.

Our CEDS economic development planning process has been integrated with the CONNECT Our Future regional project framework and will provide key components to the bi-state Greater Charlotte 2011 HUD Sustainable Communities Grant. This strategic planning will provide an approach to growth and prosperity for a world class region that supports businesses and job growth and ensures globally competitive vibrant and resilient communities.



Vibrant Communities – Robust Region



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Project
Consulting Team:

