

Dashboard Indicators of Vision Hampton Roads



HOW ARE WE DOING? THE DASHBOARD INDICATORS OF VISION HAMPTON ROADS

Ed Koch, the mayor of New York City from 1978 to 1989, became famous for continuously asking New Yorkers, "How am I doing?" The voluble mayor, who also served as a congressman and as a judge on the television show "The People's Court," and still is an active commentator on public issues, seemed genuinely interested in knowing what people thought about his performance and how his city was doing.

Mayor Koch's constant performance checkups have much to commend to Virginians in general and residents of Hampton Roads in particular. How are we doing? As a region, are we making progress, or are we falling behind?

Vision Hampton Roads, which in essence is an economic strategic plan for the region, comes into the picture at this point. Vision provides a "dashboard" of critical performance variables that help us determine how we really are doing. The dashboard is part of a region-wide five-year economic development strategy for Hampton Roads created with input from business, academia, nonprofits, government, military and citizens. (More information can be found at <http://visionhamptonroads.org>.)

The planning for Vision was led by the Hampton Roads Partnership and the Hampton Roads Planning District Commission in a process consistent with the U.S. Department of Commerce Economic Development Administration's Comprehensive Economic Development Strategy (CEDS) program, which is used to qualify regions for federal funding. The final product took nearly a year of work and involved more than 150 community volunteers in planning and 500 citizens via a public survey.

Vision initially adopted 10 dashboard variables as measures of progress and success. These can be followed in real time on Hampton Roads Performs, the region's website for tracking quality of life performance measures (<http://hamptonroadsperforms.org>). The variables are:

1. Business Start-ups
2. Employment Growth
3. Modeling & Simulation
4. Net Migration
5. Personal Income
6. Port/Maritime
7. Poverty
8. Research & Technology
9. Unemployment
10. Workforce Quality

Data relating to all of these variables (with the exception of the modeling and simulation measure) are presented below, along with the assessment of Vision Hampton Roads about where the region stands and how it has progressed or fallen behind in recent years. The State of the Region report has added its own commentary and some additional data to provide perspective.

Personal Income

Vision Hampton Roads Goal: Improve the growth of per capita personal income, resulting in a higher standard of living. The measurement is mean per capita income measured in constant 2008 dollars. The data come from the Bureau of Economic Analysis, U.S. Department of Commerce.

Vision Hampton Roads Grade: Improving

State of the Region Commentary: The worldwide recession that put a crimp in economic activity affected Hampton Roads as well. However, cushioned by defense expenditures, we did not experience as large a decline in per capita income as occurred in the Commonwealth and nationally. One reason is that the compensation of active-duty and civilian personnel employed by the Department of Defense increased more rapidly than private-sector pay in recent years. Nevertheless, between 2000 and 2009, the number of active-duty and civilian-defense employees in the region actually fell by about 9,000. The result has been a smaller number of more highly compensated individuals. "Improving" probably is a generous grade in light of recent declines in per capita income, though it would be fair to say that we have been hurt less than other regions by the recession.

	Hampton Roads	Annual % Change	Virginia	Annual % Change	U.S.	Annual % Change
2009	\$39,066	-0.76%	\$43,742	0.76%	\$39,560	-1.28%
2008	\$39,364	-0.74%	\$44,075	-1.65%	\$40,166	-1.80%
2007	\$39,659	+2.09%	\$44,815	+1.69%	\$40,904	+1.60%
2006	\$38,849	+3.18%	\$44,072	+2.79%	\$40,260	+3.09%
2005	\$37,649		\$42,875		\$39,052	



The PORT/TEUs

Vision Hampton Roads Goal: Improve total TEUs (20-foot equivalent units) shipped through the Port of Virginia. Track Hampton Roads relative to other East Coast ports such as Savannah, which has passed us to become the second largest port on the East Coast. The data source is the American Association of Port Authorities.

Vision Hampton Roads Grade: Improving

State of the Region Commentary: In another chapter of this report, we point out that Savannah has eclipsed the Port of Virginia in terms of TEU traffic. In the space of five years, Savannah bolted past the Port of Virginia and now holds a 26 percent TEU lead over us. There are many other valuable types of port activity that are not measured by TEU traffic, but much of the future of our port is tied to standardized TEU traffic. "Improving" appears to be an overly generous grade and does not accurately reflect what has been going on with respect to East Coast port traffic. Improved railroad connections to the Midwest have the potential to improve our position, as does the refashioning of the Panama Canal.

	Hampton Roads	Annual % Change	Savannah	Annual % Change
2008	2,083,278	-0.76%	2,616,126	+ 0.45%
2007	2,128,366	-0.74%	2,604,302	+20.56%
2006	2,046,285	+2.09%	2,160,16	+13.60%
2005	1,981,955	+3.18%	1,901,520	+14.44%
2004	1,808,933			1,662,021



Poverty Rate

Vision Hampton Roads Goal: Increase the number of households above the poverty level. The data source is the U.S. Census Bureau.

Vision Hampton Roads Grade: Maintaining

State of the Region Commentary: "Maintaining" seems the appropriate grade. The recession has pushed up poverty rates across the country and Hampton Roads is no exception. In the short term, there is little we can do about this, as national and international economic conditions call the tune to which we must dance. In the long run, however, factors such as the quality of our workforce, the adequacy of our transportation system, research and development expenditures, etc., do make a difference. Unfortunately, these are very difficult variables to manipulate in the short run.

	Hampton Roads	Virginia	U.S.
2008	11.0%	10.2%	13.2%
2007	10.8%	9.9%	13.0%
2006	10.2%	9.6%	13.3%
2005	10.9%	10.0%	13.3%
2004	11.0%	9.5%	12.7%



Research & Technology

Vision Hampton Roads Goal: Improve expenditures in active research and technology. The data source is the National Science Foundation and the dollars are expressed in thousands.

Vision Hampton Roads Grade: Improving

State of the Region Commentary: Research and development (R&D) expenditures can be highly variable, as the data below demonstrate. Nevertheless, the federal R&D expenditures coming into the area's colleges and universities declined by 9.6 percent between 2005 and 2008. Were it not for a significant increase in funded R&D at Old Dominion University, the region's performance in this area would be truly deficient. "Falling behind" may be too tough a grade in light of the variability of R&D expenditures; however, these data provide us with relatively little to crow about as a region.

	Old Dominion	William & Mary	EVMS	Hampton	Norfolk State	CNU	All
2008	\$66,538	\$55,090	\$30,777	\$21,089	\$7,893	\$ 805	\$182,192
2005	\$51,820	\$55,282	\$37,175	\$47,370	\$7,450	\$2,140	\$201,237
% Change, 2005- 2008	+28.4%	-.45%	-17.2%	-55.5%	+5.9%	-62.4%	-9.5%
National Rank	156	169	206	234	300	544	N.A.



Unemployment

Vision Hampton Roads Goal: Improve the number of people actively employed. The data come from the Bureau of Labor Statistics, U.S. Department of Labor.

Vision Hampton Roads Grade: Worsening

State of the Region Commentary: The discussion above relative to poverty rates also applies here. The economic recession put a dent in Hampton Roads. However, perhaps we can be permitted a bit of Schadenfreude with respect to the rest of the country, which has suffered much higher rates of unemployment than we have. Once again, however, there's not much we can do about this in the short run. We have little to say about the major determinants of our fate – the volume of defense expenditures (which account for about 45 percent of our regional economic activity), President Obama's stimulus package or the actions of the Federal Reserve. The "worsening" grade is appropriate, but not one we can do much about immediately.

	Hampton Roads	Virginia	U.S.
2009	6.83%	6.65%	9.30%
2008	4.17%	3.93%	5.78%
2007	3.17%	3.00%	4.62%
2006	3.33%	3.02%	4.62%
2005	3.93%	3.52%	5.08%



Workforce Quality

Vision Hampton Roads Goal: Improve the number of citizens with college degrees (measured by percentage of the adult population holding an advanced degree). The data come from the U.S. Census Bureau.

Vision Hampton Roads Grade: Improving

State of the Region Commentary: Yes, we have improved our performance in this relatively narrow category, but so also have Virginia and the United States. In particular, we continue to lag the Commonwealth (and most especially Northern Virginia) in terms of the percentage of our adults who have earned an advanced degree. Interestingly, it is not commonly recognized that Hampton Roads is somewhat of a college town, in the sense that it hosts approximately 100,000 college students. Unfortunately, these individuals tend to earn their degrees and then often move elsewhere. Since the most respected quality of life ratings systems tend to give Hampton Roads well above average grades, it is difficult to avoid the conclusion that our college graduates move because of more attractive job opportunities elsewhere.

	Hampton Roads	Virginia	U.S.
2008	10.4%	13.8%	10.2%
2007	9.9%	13.7%	10.1%
2006	9.8%	13.2%	9.9%
2005	9.8%	13.4%	10.0%



Employment Growth

Vision Hampton Roads Goal: Speed the rate at which the economy creates and fills new jobs. The data measure the overall growth rate in employment (the number of jobs filled) and they come from the Bureau of Economic Analysis, U.S. Department of Commerce.

Vision Hampton Roads Grade: Maintaining

State of the Region Commentary: Job growth in Hampton Roads exceeded the Virginia and national averages between 2000 and 2005. Since then, we have fallen behind. This is reflected in net out-migration of people from Hampton Roads since 2005. Typically, jobs act as a magnet that attracts people more so than people attracting jobs. Our job growth has been mediocre and hence more than a few of our citizens have been leaving. "Maintaining" appears to be a generous grade.

	Hampton Roads	Virginia	U.S.
2008	0.39%	1.04%	1.05%
2007	1.40%	1.96%	2.13%
2006	1.22%	1.68%	2.07%
2005	1.51%	2.59%	2.09%
2004	2.26%	2.75%	1.81%



Business Start-Ups

Vision Hampton Roads Goal: Improve the number of new businesses relative to the size of the population; this is perceived to be a measure of economic expansion and entrepreneurship. The data show the rate per 10,000 people and come from the Virginia Employment Commission.

Vision Hampton Roads Grade: Maintaining

State of the Region Commentary: Like R&D activity, the volume of business start-ups tends to fluctuate from year to year. Nevertheless, the data below demonstrate that our region trails the rest of the Commonwealth by significant margins where business start-ups are concerned. We may be maintaining our start-up rate, but that rate is deficient. This is yet another reflection of tepid job growth and the departure of college graduates.

	Hampton Roads	Virginia	Northern Virginia	Central Virginia
2008	7.41	10.41	13.76	10.90
2007	10.99	14.91	18.03	16.73
2006	8.10	10.36	14.59	10.81
2005	10.24	12.51	17.80	12.59
2004	6.09	8.25	11.64	9.09



Net Migration

Vision Hampton Roads Goal: Increase the flow of people moving into the region and remaining here – a measure of the region's overall attractiveness. The data measure the annual net change in population and come from the U.S. Census Bureau.

Vision Hampton Roads Grade: Worsening

State of the Region Commentary: Data supplied by Vision Hampton Roads confirm that our region has been suffering from out-migration for half a decade. Indeed, Census data reveal that the population of Hampton Roads grew only 6.2 percent between April 2000 and July 2009, while Virginia grew 11.4 percent and the United States grew 9.1 percent during the same time period. Further, as a region, we grew more slowly during this period than Charleston, Charlotte, Durham, Jacksonville, Raleigh, Richmond and Savannah (all roughly comparable Southeast regions). Our lagging population growth is a crude thermometer telling us that we are not producing enough jobs to attract and retain people.

	Hampton Roads	Virginia	Jacksonville	Savannah
2009	-7,185	39,166	3,518	6,166
2008	-14,947	24,768	7,109	2,624
2007	-14,711	20,156	13,113	5,729
2006	-96	35,901	23,115	5,242
2005	-4,481	50,938	19,497	2,030
2004	7,995	52,110	22,905	3,753

