

The

# OPPORTUNITY

An economic scorecard of the Omaha region 2016





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## Where Does Omaha Stand?

Continuous improvement. Without it, Omaha's Terence "Bud" Crawford couldn't have achieved a round five TKO against Hank Lundy at Madison Square Garden this year. It takes thousands of hours at the speed bag, countless miles on the treadmill and dizzying turns around the sparring ring to win the title and keep defending it, fight after fight.

Think of this Barometer as our region's speed bag and its measures as our stopwatch. Each year through the Barometer, we take a hard look at our region and see where we rank compared to others.

In the 2016 Barometer, we gauge our standing in eight key economic and performance-related areas: Growth, Human Capital, Private Capital, Innovation, Entrepreneurship, Infrastructure, Cost of Doing Business and Quality of Life. We benchmark ourselves against nine selected cities that are either our peers, competitors or thriving centers of growth and innovation.

The Barometer shows that Omaha performs well across multiple areas and often ranks in the middle. Our strengths include quality of life, low cost of doing business and entrepreneurship, but we lag behind in innovative capacity, concentration of knowledge workers and in information technology industries.

In big and small ways, Greater Omaha consistently fights the big fights but there's always more to do. Together, let's celebrate our successes and work to focus our vision, channel passion into action and solidify our status as one of the truly great American cities.



**David G. Brown**  
President and CEO  
Greater Omaha Chamber



**George A. Little**  
Chairman of the Board  
Greater Omaha Chamber Board of Directors

**We innovate, accelerate – and always strive to do better.**

## COMPARISON CITIES

We chose each of the nine comparison cities for the 2016 Barometer for very specific reasons.

### PEERS

#### ► Salt Lake City, UT

SLC has a metropolitan area population of 1.1 million people. While the landscape of the region is very different than ours, we have aspects in common, including proximity to an air force base that serves as one of the state's largest employers. The SLC region is a center for healthcare in Utah, and a national hub for innovation and entrepreneurship in the technology industry.

#### ► Louisville, KY

This region of 1.2 million people crosses state lines into Indiana and is home to several post-secondary institutions, including University of Louisville and several smaller private four-year colleges. Located 40 miles northeast of Fort Knox, Louisville, like Omaha, has a strong military presence. It is also the cultural and healthcare center for Kentucky and boasts a large transportation industry. Louisville is also located 100 miles southwest of Cincinnati, a much larger city with professional baseball and football teams, similar to Omaha's relationship with Kansas City.

#### ► Colorado Springs, CO

With a metropolitan population of less than 700,000, Colorado Springs is smaller than Omaha. Colorado Springs boasts two major military installations — Peterson Air Force Base and Colorado Springs Army Air Base. Major industries include healthcare and professional, scientific and technical services.

### COMPETITORS

#### ► Des Moines, IA

A fellow Midwestern city, Des Moines' major industries are finance and insurance, healthcare and social assistance. Its metropolitan population comes in at just under 600,000 and much like Omaha, it sits at the intersection of two major interstates, I-80 and I-35. Des Moines' low cost of living and affordable wages make it attractive to potential businesses.

#### ► Kansas City, MO

This region's population of more than 2 million famously straddles two states, just like Omaha. Known as a hub for financial services as well as an entrepreneurial and startup community. KC's population is well-educated: 33 percent of those 25 and older hold a bachelor's degree or higher.

#### ► Oklahoma City, OK

With a population of almost 1.3 million, the Oklahoma City region boasts two medical schools and several major institutions like Omaha. OKC is a healthcare center for its state and a national hub for the energy industry. Tinker Air Force Base is a major asset to the region.

### ASPIRATIONAL CITIES

#### ► Austin, TX

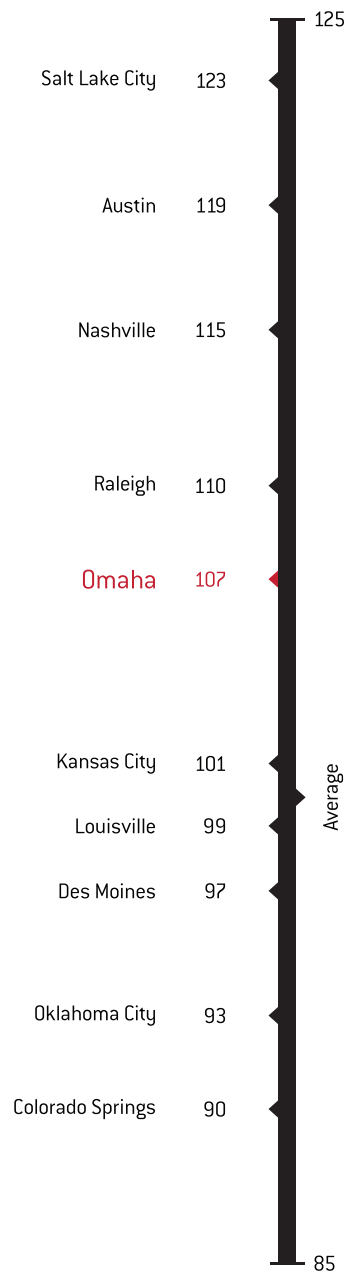
Austin has been overshadowed by Dallas and Houston for much of its life, but in the last 30 years, the city has come into its own. With its population of almost 1.8 million, Austin is home to a thriving creative class of entrepreneurs, innovators and musicians, as well as higher education institutions, including Texas State University and the Big 12 powerhouse of University of Texas at Austin.

#### ► Raleigh, NC

Raleigh, with a population of 1.1 million, is positioned inside the research triangle where University of North Carolina at Chapel Hill, North Carolina State University, Duke University and three medical schools reside. Raleigh is a hotbed of high-tech activity and innovation, specifically in the areas of information technology and biotechnology.

#### ► Nashville, TN

Nashville is known as the cradle of the country music industry, but it's also seen major economic development over the past four decades. More than 1.8 million people reside in the region's 13 counties and are the engine to its thriving entertainment scene, advanced manufacturing industry and higher education systems, including Middle Tennessee State University and Vanderbilt.



## THE RESULTS

The 2016 Barometer updates many components of the 2015 Barometer. Just like Bud Crawford, we changed up some of our exercises this year in order to perfect the result.

### Changes to this year's report:

- ▶ New to the 2016 Barometer was an added index to measure Private Capital, which includes structures, machinery and intellectual property such as software. These assets are all critical for businesses' production, thus essential to economic growth.
- ▶ A measure of arts and cultural activity was also added to the Quality of Life Index. This measures level of employment in traditional, heritage-type organizations including symphony, opera, ballet and theater companies, art and history museums, zoos and botanical gardens.

### The Results: What changed between 2015 and 2016?

- ▶ Results from the 2016 Barometer indicate that Greater Omaha maintained its overall rank of 5th out of 10 regions.
- ▶ Omaha moved up its ranking in three indexes
  - ▷ Economic Growth: Moved up two spots from 7th to 5th

Why? Greater Omaha saw an increase in private wages per job, which reflects improvement in the standard of living. In addition, some of the other Barometer cities saw a wages decrease. Oklahoma City, for example, is heavily reliant on the oil and gas industry, which experienced a particularly tough 2015 and lost some high wage jobs as a result.

- ▷ Quality of Life: Moved up one spot from 3rd to 2nd

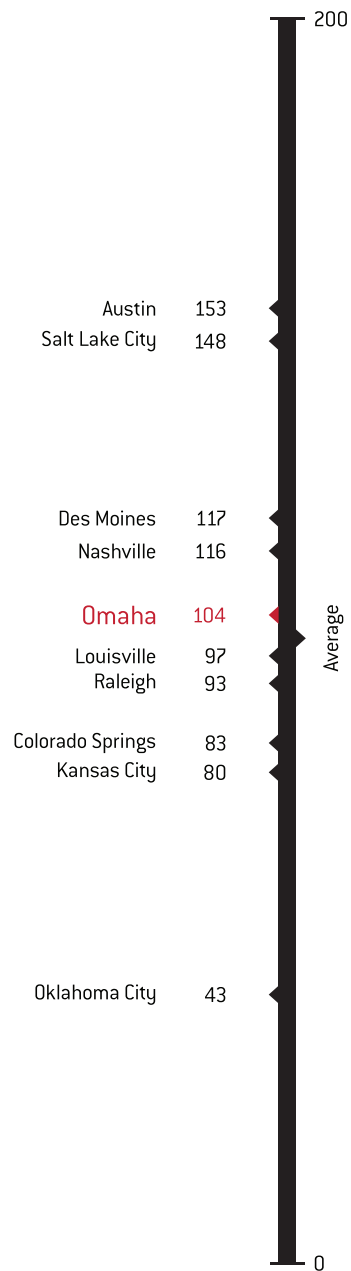
Why? The addition of the new arts and culture indicator made the difference here. Greater Omaha employs more workers in arts and culture than any other Barometer region, surpassing even Nashville.

Cost of living in Greater Omaha increased slightly from the 2015 Barometer but because there are multiple affordable comparison regions, that slight cost increase caused Greater Omaha to fall from the least expensive region to fourth lowest.

- ▷ Cost of Doing Business: Moved up one spot from 3rd to 2nd

Why? In comparison to other Barometer regions, Greater Omaha saw lower costs on both energy and lease costs.

- ▶ There was no change in Omaha's ranking for the human capital, entrepreneurship, innovation and infrastructure capacity indexes.



## GROWTH



Solid economic growth supports the performance of labor and property markets, ensures opportunity for locally-oriented businesses and improves the likelihood that workers will stay employed and advance in their careers. Indicators of growth are the first and, perhaps, most interesting barometer for a metropolitan economy.

### Indicators of Growth:

- ▶ Total Employment Growth
- ▶ Private Wage Growth
- ▶ Private Wages per Job
- ▶ Unemployment Rate





# GROWTH



## Total Employment

Source: Current Employment Statistics, Bureau of Labor Statistics, 2012–2015

1	AUSTIN	216
2	NASHVILLE	181
3	SALT LAKE CITY	161
4	RALEIGH	159
5	LOUISVILLE	133
6	DES MOINES	133
7	OKLAHOMA CITY	102
8	COLORADO SPRINGS	96
9	KANSAS CITY	83
10	OMAHA	81

Total employment growth captures the expansion of private sector and government job opportunities.

Rank – Total Employment Growth: Omaha #10



## Unemployment Rate

Source: Local Area Unemployment Statistics program, U.S. Department of Labor, 2012–2015

1	OMAHA	58
2	AUSTIN	62
3	SALT LAKE CITY	63
4	DES MOINES	66
5	OKLAHOMA CITY	69
6	LOUISVILLE	87
7	NASHVILLE	89
8	RALEIGH	89
9	COLORADO SPRINGS	91
10	KANSAS CITY	94

The unemployment rate typically rises during an economic recession and falls after the economy begins to recover. A low unemployment rate suggests an economy has experienced consistent growth.

Rank – Unemployment Rate: Omaha #1



## Private Wages

Source: Current Employment Statistics, Bureau of Labor Statistics, 2012–2015

1	AUSTIN	157
2	SALT LAKE CITY	140
3	NASHVILLE	118
4	DES MOINES	102
5	LOUISVILLE	90
6	RALEIGH	87
7	OMAHA	81
8	COLORADO SPRINGS	76
9	KANSAS CITY	73
10	OKLAHOMA CITY	8

Growth in private wages provides a more comprehensive measure of economic growth. This category reflects both the increase in hourly wages and hours worked per week as well as change in the level of private employment. Thus, the measure reflects earnings power and the number of jobs created.

Rank – Private Wages Growth: Omaha #7



## Private Wages per Job

Source: Current Employment Statistics, Bureau of Labor Statistics, 2012–2015

1	SALT LAKE CITY	130
2	OMAHA	81
3	DES MOINES	78
4	AUSTIN	77
5	KANSAS CITY	56
6	NASHVILLE	51
7	LOUISVILLE	49
8	COLORADO SPRINGS	48
9	RALEIGH	13
10	OKLAHOMA CITY	-81

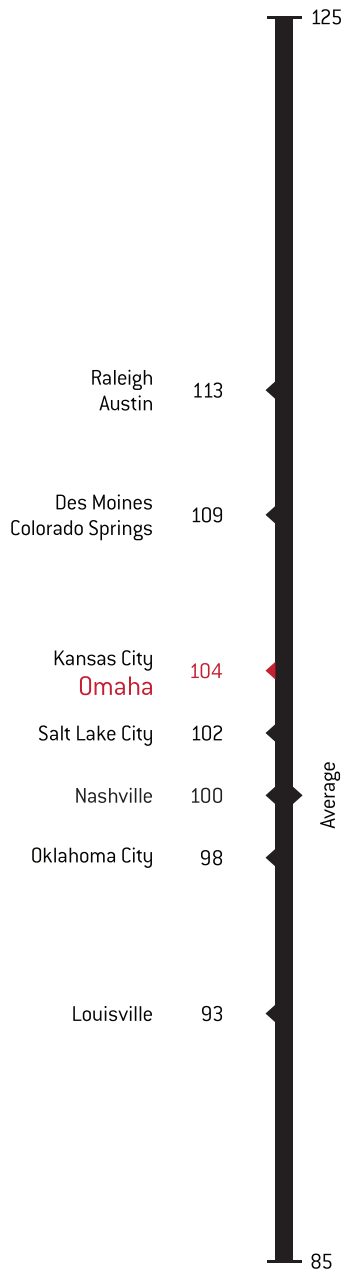
Growth in private wages per job reflects improvement in the standard of living within a metropolitan area. Wages per job typically rise over time with inflation (and as the living standard improves) but can fall when the economy creates new jobs with lower wages than existing jobs.

Rank – Private Wages per Job Growth: Omaha #2  
19 percent below the national average





## HUMAN CAPITAL



Human capital — the accumulated educational and occupational skill of the workforce is critical for economic growth. A human capital index, therefore, includes indicators of both experience and education, which capture the share of the workforce that continues to gain work experience, particularly in knowledge-intensive fields.

### Indicators of Human Capital:

- ▶ High School Attainment
- ▶ College Attainment
- ▶ Labor Force Participation Rate
- ▶ Share of Knowledge Workers







## HUMAN CAPITAL



### High School Attainment

Source: American Community Survey, U.S. Census Bureau, 2010–2014

1	COLORADO SPRINGS	106
2	DES MOINES	105
3	OMAHA	103
4	KANSAS CITY	103
5	RALEIGH	102
6	SALT LAKE CITY	101
7	AUSTIN	100
8	OKLAHOMA CITY	99
9	NASHVILLE	99
10	LOUISVILLE	99

Graduating high school or obtaining a GED remains an important first step for individual success for adults age 25 or older. Graduates are much better prepared to pursue opportunities in a changing economy compared to individuals who fail to finish school.

Rank – High School Attainment (Adults age 25+): Omaha #3



### Share of Knowledge Workers

Source: Occupation Employment Survey, Bureau of Labor Statistics, 2012–2014

1	AUSTIN	114
2	COLORADO SPRINGS	114
3	RALEIGH	111
4	DES MOINES	108
5	KANSAS CITY	104
6	OKLAHOMA CITY	103
7	SALT LAKE CITY	99
8	OMAHA	99
9	NASHVILLE	98
10	LOUISVILLE	86

Workers who find employment in knowledge-based occupations can better maintain and grow their skills. The share of workers in knowledge-based occupations – such as: managers; financial workers; scientists; teachers and health care professionals – is a key human capital indicator.

Rank – Share of Knowledge Workers: Omaha #8



### College Attainment

Source: American Community Survey, U.S. Census Bureau, 2010–2014

1	RALEIGH	131
2	AUSTIN	127
3	COLORADO SPRINGS	108
4	DES MOINES	108
5	KANSAS CITY	104
6	OMAHA	103
7	NASHVILLE	97
8	SALT LAKE CITY	95
9	OKLAHOMA CITY	88
10	LOUISVILLE	83

Graduating college provides improved opportunities for careers in a variety of higher paying, knowledge-intensive industries.

Rank – College Attainment (Adults age 25+): Omaha #6



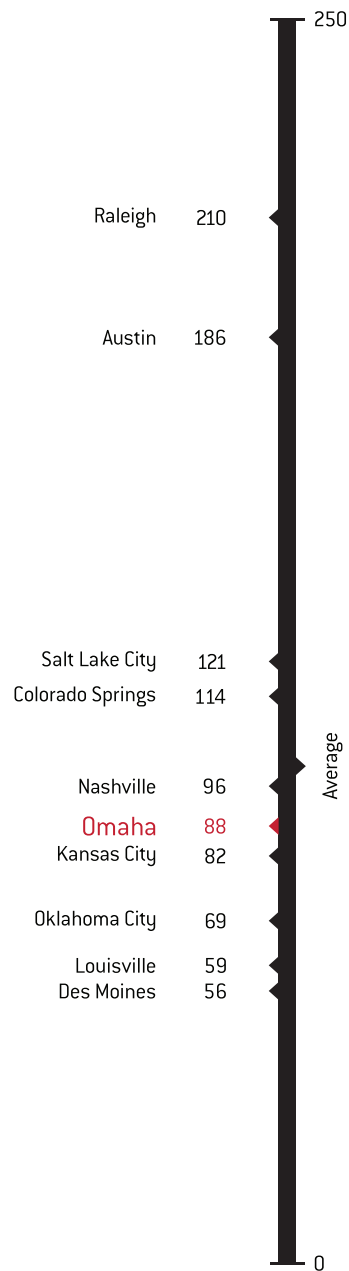
### Labor Force Participation Rate

Source: American Community Survey, U.S. Census Bureau, 2010–2014

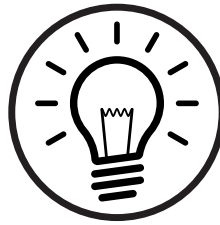
1	DES MOINES	114
2	OMAHA	112
3	SALT LAKE CITY	111
4	AUSTIN	110
5	RALEIGH	109
6	KANSAS CITY	107
7	COLORADO SPRINGS	107
8	NASHVILLE	105
9	LOUISVILLE	102
10	OKLAHOMA CITY	102

Workers gain experience fastest in regions where a larger share of the population is participating in the workforce. Thus, the labor force participation rate is a key measure of human capital development.

Rank – Labor Force Participation Rate: Omaha #2



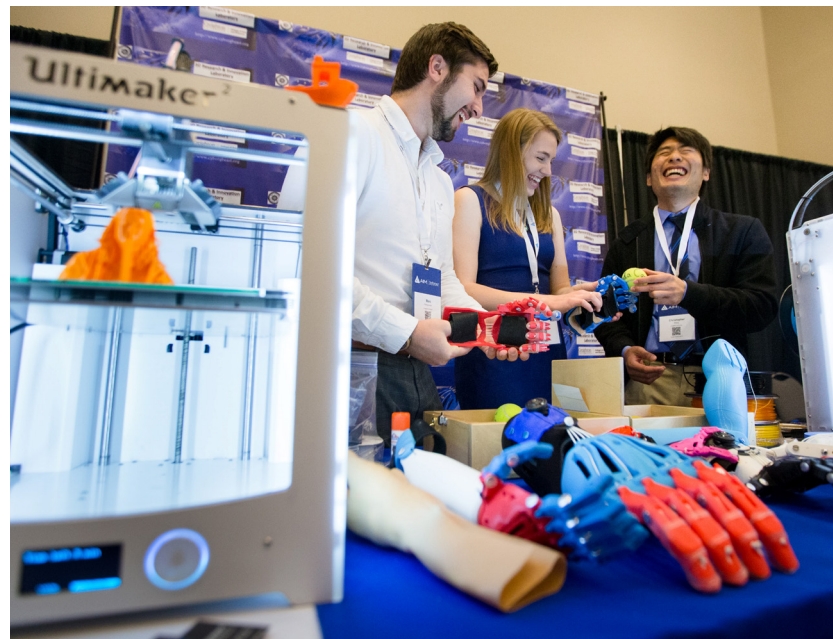
## INNOVATION



Innovation can spur highly valued entrepreneurial ventures and enhance the productivity of workers. It is measured via technical progress in both private industry and the education sector.

### Indicators of Innovation:

- ▶ Share of Jobs in Tech Positions
- ▶ IT Sector Share of Jobs
- ▶ Patents per 10,000 Workers
- ▶ NIH Funding per Job
- ▶ Science Graduate Students





# INNOVATION



## Share of Jobs in Technology Positions

Source: Occupation Employment Survey, Bureau of Labor Statistics, 2012–2014

1	AUSTIN	176
2	RALEIGH	163
3	COLORADO SPRINGS	154
4	SALT LAKE CITY	117
5	KANSAS CITY	111
6	DES MOINES	105
7	OMAHA	104
8	OKLAHOMA CITY	97
9	NASHVILLE	79
10	LOUISVILLE	68

Private sector innovation occurs at businesses throughout the economy and can be tracked through the concentration of workers in occupations and industries where scientific work and product development take place.

In terms of occupations, rates of innovation are elevated in metropolitan areas with a larger share of the workforce in: computer and mathematical; engineering; and life, physical, and biological science occupations.

Rank – Share of Jobs in Technology Positions: Omaha #7



## Science Related Graduate Students per Workers

Source: National Center for Education Statistics, 2013–2014

1	RALEIGH	278
2	AUSTIN	145
3	SALT LAKE CITY	117
4	OMAHA	106
5	OKLAHOMA CITY	100
6	LOUISVILLE	96
7	NASHVILLE	70
8	COLORADO SPRINGS	56
9	KANSAS CITY	32
10	DES MOINES	0

Innovative research in biomedical, computer science, engineering and physical science fields is achieved through a combination of faculty and graduate students. A concentration of graduate students in particular is evidence of a focus on research activity.

Rank – Science Related Graduate Students per Workers: Omaha #4



## Share of Jobs in Information Technology Industries

Source: County Business Patterns database, U.S. Census Bureau, 2012–2013

1	COLORADO SPRINGS	251
2	AUSTIN	222
3	RALEIGH	216
4	SALT LAKE CITY	130
5	KANSAS CITY	125
6	OMAHA	109
7	DES MOINES	85
8	NASHVILLE	70
9	OKLAHOMA CITY	47
10	LOUISVILLE	37

Rates of innovation are elevated in metropolitan areas with a larger share of the workforce in: software publishing; data processing and hosting; Internet publishing and broadcasting, and computer systems design industries.

Rank – Share of Jobs in the Information Technology Industries: Omaha #6



## NIH Awards per Workers

Source: National Institutes of Health, 2012–2015

1	NASHVILLE	231
2	SALT LAKE CITY	144
3	RALEIGH	114
4	OMAHA	90
5	OKLAHOMA CITY	77
6	LOUISVILLE	56
7	KANSAS CITY	49
8	AUSTIN	44
9	COLORADO SPRINGS	12
10	DES MOINES	2

The National Institutes of Health provide grant funding to innovative biomedical research. The level of NIH funding per worker provides an indicator of biomedical innovation in universities, research institutions and private businesses in a metropolitan area.

Rank – NIH Awards per Workers: Omaha #4  
10 percent below the national average



## Patents per 10,000 Workers

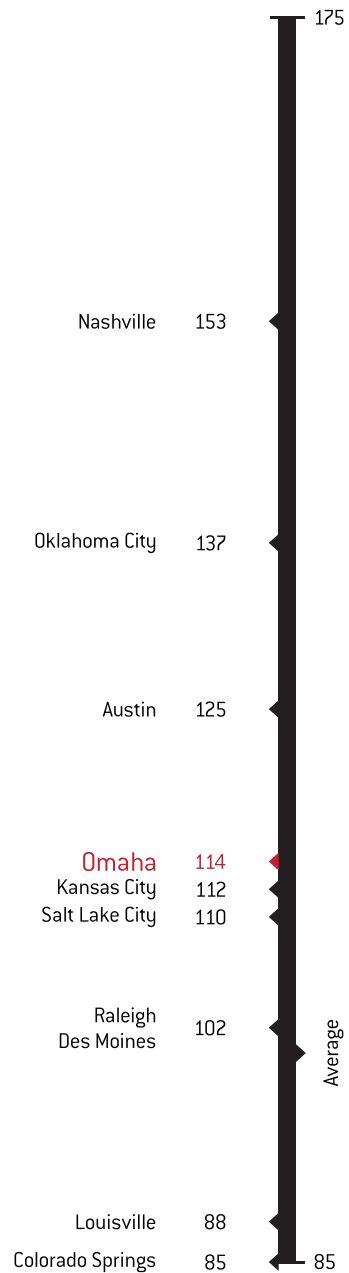
Source: U.S. Patent and Trademark Office, 2011–2013

1	AUSTIN	343
2	RALEIGH	278
3	SALT LAKE CITY	98
4	COLORADO SPRINGS	95
5	KANSAS CITY	92
6	DES MOINES	86
7	LOUISVILLE	35
8	OMAHA	31
9	NASHVILLE	30
10	OKLAHOMA CITY	25

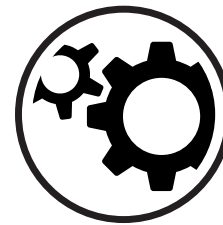
Patent activity per 10,000 workers provides a measure of the concentration of patent activity within a metropolitan area, a broader measure of innovation capturing the development of new products and technologies throughout the economy.

Rank – Patents per 10,000 Workers: Omaha #8





## ENTREPRENEURSHIP



Arguably the most critical type of human capital in a market economy — entrepreneurs combine workers, capital and the other key resources to introduce new or improved products and meet growing demand. As a result, metropolitan areas with a more entrepreneurial population achieve faster growth.

### Indicators of Entrepreneurship:

- ▶ Non-Farm Proprietors
- ▶ Non-Farm Proprietor Income Share
- ▶ Business Services Share of Employment
- ▶ Average Income per Non-Farm Proprietor







## ENTREPRENEURSHIP



### Non-Farm Proprietor per Person

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis, 2012–2014

1	AUSTIN	130
2	NASHVILLE	118
3	OKLAHOMA CITY	111
4	SALT LAKE CITY	106
5	COLORADO SPRINGS	100
6	DES MOINES	97
7	RALEIGH	96
8	KANSAS CITY	95
9	OMAHA	83
10	LOUISVILLE	83

The proportion of the population that owns a proprietorship (non-farm) is the first measure of the share of entrepreneurial activity in a metropolitan area.

Rank – Non-Farm Proprietor per Person: Omaha #9



### Business Services Employment Share

Source: Current Employment Statistics, U.S. Bureau of Labor Statistics, 2012–2015

1	AUSTIN	149
2	RALEIGH	144
3	COLORADO SPRINGS	142
4	KANSAS CITY	127
5	SALT LAKE CITY	118
6	NASHVILLE	96
7	OMAHA	92
8	DES MOINES	84
9	OKLAHOMA CITY	83
10	LOUISVILLE	78

The share of employment in the businesses services sector captures the share of people working in sectors such as information technology, consulting or architecture where self-employment and forming new businesses is more common.

Rank – Business Services Employment Share: Omaha #7



### Non-Farm Proprietor Income Share

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis, 2012–2014

1	NASHVILLE	212
2	OKLAHOMA CITY	185
3	OMAHA	122
4	AUSTIN	122
5	SALT LAKE CITY	115
6	KANSAS CITY	109
7	DES MOINES	107
8	LOUISVILLE	89
9	RALEIGH	80
10	COLORADO SPRINGS	52

The share of non-farm income due to non-farm proprietor income provides another measure of the share of entrepreneurship within the economy. The share reflects both the number of people engaged in entrepreneurship, as well as the earnings of entrepreneurs.

Rank – Non-Farm Proprietor Income Share: Omaha #3



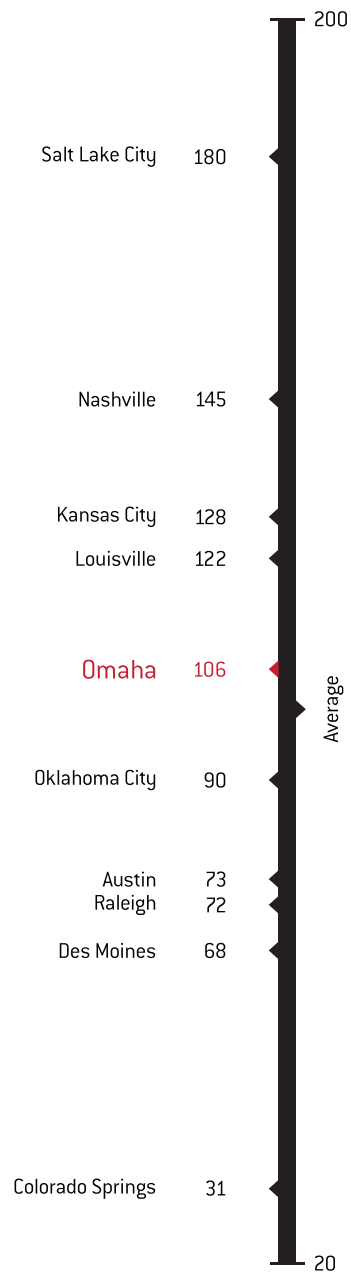
### Income per Non-Farm Proprietor

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis, 2012–2014

1	NASHVILLE	186
2	OKLAHOMA CITY	169
3	OMAHA	157
4	DES MOINES	118
5	KANSAS CITY	117
6	LOUISVILLE	101
7	SALT LAKE CITY	100
8	AUSTIN	97
9	RALEIGH	87
10	COLORADO SPRINGS	48

Income per proprietor rises when business owners operate in more lucrative fields and engage in full-time rather than part-time entrepreneurship.

Rank – Income per Non-Farm Proprietor: Omaha #3



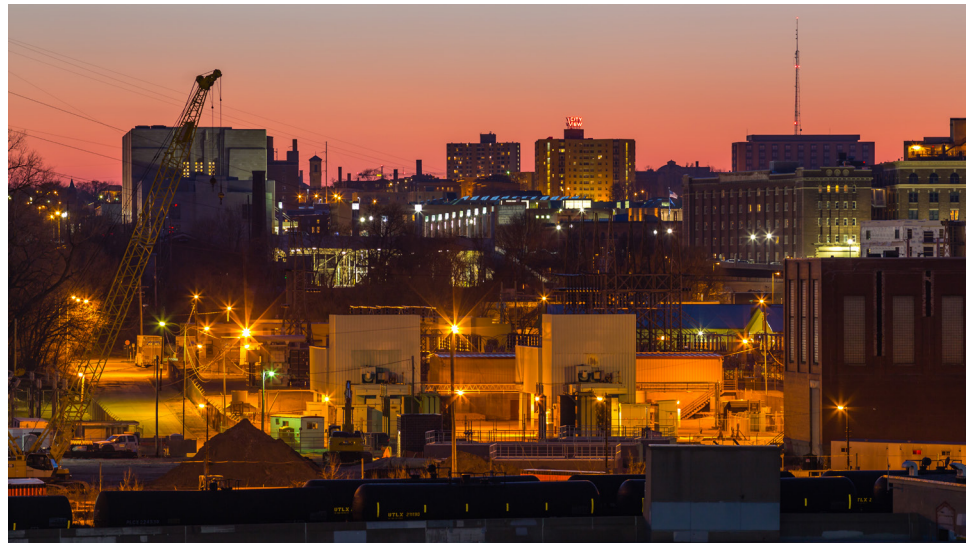
## INFRASTRUCTURE



Metropolitan areas need sufficient infrastructure capacity to accommodate economic growth. Metropolitan areas serving as a hub for transportation activity have important additional advantages for growth.

### Indicators of Infrastructure:

- ▶ Miles of Interstate Highway
- ▶ Air Passenger Enplanements
- ▶ Transportation Services





## INFRASTRUCTURE



### Miles of Interstate Highway

Source: Transportation maps of relevant state transportation agencies, 2015

1	NASHVILLE	171
2	OKLAHOMA CITY	151
3	SALT LAKE CITY	134
4	KANSAS CITY	129
5	OMAHA	120
6	LOUISVILLE	109
7	DES MOINES	87
8	AUSTIN	39
9	RALEIGH	32
10	COLORADO SPRINGS	28

Metropolitan areas served by multiple interstate highways – or with abundant industrial sites along highways – have significant advantages for location and growth of manufacturing and warehousing activity. The miles of interstate highway located within a metropolitan area reflect both the length and number of interstates that traverse each metro.

Rank – Miles of Interstate Highway: Omaha #5



### Passenger Enplanements

Source: Federal Aviation Administration, 2012–2014

1	SALT LAKE CITY	268
2	NASHVILLE	139
3	AUSTIN	135
4	KANSAS CITY	134
5	RALEIGH	125
6	OMAHA	55
7	OKLAHOMA CITY	50
8	LOUISVILLE	45
9	DES MOINES	30
10	COLORADO SPRINGS	19

Airports serving as hubs for national travel or drawing on a large regional passenger base generate high levels of passenger travel and a variety of route options. Consequently, metropolitan areas containing airports with high passenger enplanements provide an advantage to local business travelers.

Rank – Passenger Enplanements: Omaha #6



### Transportation Services

Source: Quarterly Census of Employment and Wages, U.S. Bureau of Labor Statistics, 2012–2014

1	LOUISVILLE	212
2	OMAHA	143
3	SALT LAKE CITY	138
4	NASHVILLE	125
5	KANSAS CITY	122
6	DES MOINES	86
7	OKLAHOMA CITY	68
8	RALEIGH	59
9	COLORADO SPRINGS	47
10	AUSTIN	47

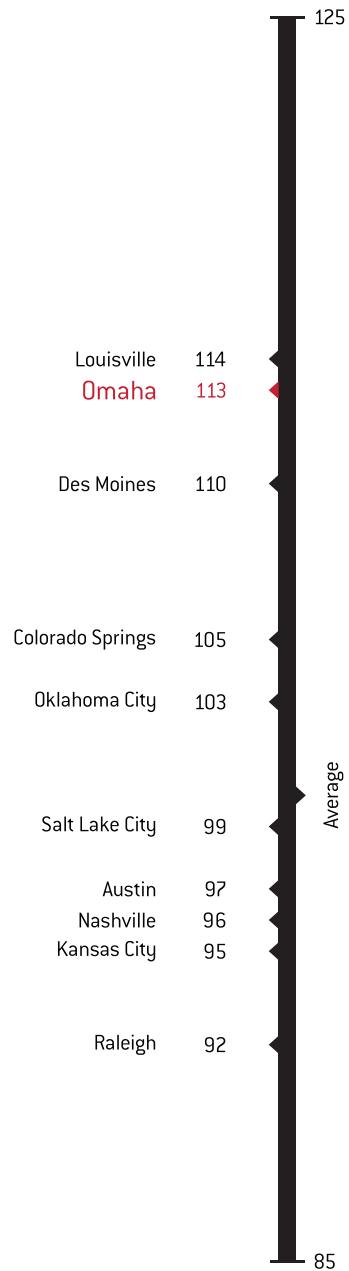
A large and entrepreneurial local transportation and logistics industry provides an advantage for local business. Such advantages are captured through a measure of the share of metropolitan area employment in the transportation and warehousing industry.

Rank – Transportation Services: Omaha #2





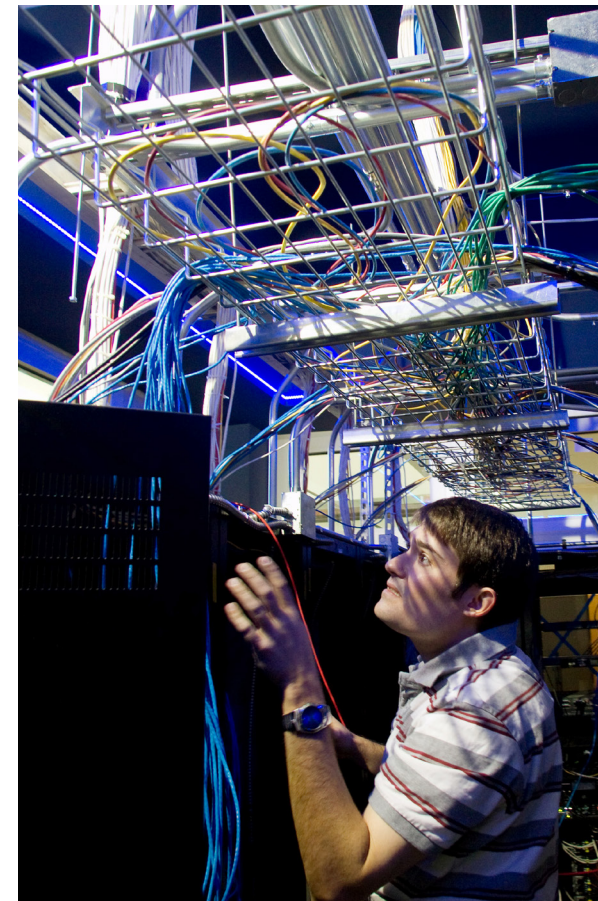
## COST OF DOING BUSINESS



Businesses operating within a metropolitan area face a variety of common “costs of doing business” that can make a serious impact on the bottom line.

Indicators of this index:

- Hourly Wage Rates
- Space Rental Rates
- Industrial Energy Rates







## COST OF DOING BUSINESS



### Labor Costs

Source: Occupation Employment Survey, U.S. Bureau of Labor Statistics in seven specific occupations: accountants, software developers, lawyers, retail salesperson, licensed practical nurses, industrial machinery mechanics and heavy truck and tractor-trailers drivers, 2012–2014

1	LOUISVILLE	86
2	OKLAHOMA CITY	86
3	OMAHA	87
4	NASHVILLE	90
5	COLORADO SPRINGS	92
6	DES MOINES	95
7	RALEIGH	96
8	KANSAS CITY	96
9	SALT LAKE CITY	97
10	AUSTIN	97

Labor cost – the largest cost for many businesses – refers to the general level of wages required for workers, given a particular skill level. Labor costs are, therefore, best measured by comparing hourly wages across metropolitan areas for a set of specific occupations.

Rank – Labor Costs: Omaha #3



### Space Costs

Source: LoopNet Real Estate, 2015

1	DES MOINES	87
2	COLORADO SPRINGS	88
3	LOUISVILLE	88
4	OMAHA	89
5	OKLAHOMA CITY	91
6	KANSAS CITY	94
7	SALT LAKE CITY	106
8	NASHVILLE	108
9	RALEIGH	116
10	AUSTIN	133

Space costs are compared on a per square foot basis and reflect the costs for all types of business properties, including industrial, commercial and retail properties.

Rank – Space Costs: Omaha #4



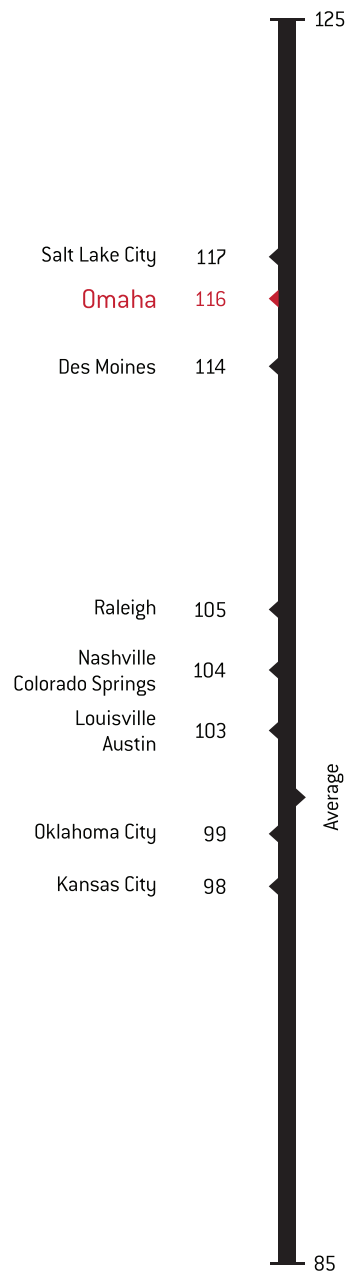
### Industrial Energy Costs

Sources: Lincoln Electric Systems National Electric Rates Survey (industrial electricity rates), 2012–2015  
Energy Information Administration, U.S. Department of Energy (state natural gas rates), 2012–2015  
An aggregate industrial energy cost indicator was developed reflecting the average industrial rates for electricity and natural gas

1	LOUISVILLE	89
2	AUSTIN	89
3	OMAHA	90
4	DES MOINES	91
5	SALT LAKE CITY	102
6	COLORADO SPRINGS	109
7	NASHVILLE	117
8	RALEIGH	118
9	OKLAHOMA CITY	120
10	KANSAS CITY	133

Utility costs refer to the bundle of utilities, including: electric; natural gas; water and sewer, and broadband access. Consistent, comparable measures of cost, however, are limited for utilities and are most feasible for electric and natural gas utility rates.

Rank – Industrial Energy Costs: Omaha #3



## QUALITY OF LIFE



Quality of life plays a key role in attracting and retaining talent in a metropolitan area, making it a significant consideration for businesses relying on those employees.

Key Quality of Life components:

- Cost of Living
- Commute Time
- Health Care Access
- Violent Crime Rate
- Air Quality
- Natural Amenity Scale
- Arts and Culture





## QUALITY OF LIFE

### 04 Cost of Living

Source: Council for Community and Economic Research (Data is for the principal city of each metropolitan area)

1	OKLAHOMA CITY	88
2	DES MOINES	90
3	RALEIGH	91
4	OMAHA	91
5	LOUISVILLE	92
6	KANSAS CITY	94
7	NASHVILLE	95
8	COLORADO SPRINGS	95
9	AUSTIN	96
10	SALT LAKE CITY	97

Cost of living refers to both money and time – and is captured through a cost of living and a commuting time indicator.

Metropolitan cost of living is a comprehensive measure of the cost of household goods and services.

Rank – Cost of Living: Omaha #4

### 01 Health Care Access

Source: Occupational Employment Survey, Bureau of Labor Statistics, 2012–2014

1	OMAHA	135
2	LOUISVILLE	130
3	KANSAS CITY	121
4	OKLAHOMA CITY	119
5	DES MOINES	118
6	SALT LAKE CITY	115
7	NASHVILLE	115
8	RALEIGH	89
9	COLORADO SPRINGS	83
10	AUSTIN	81

Access to health care, a key quality of life amenity, generally rises when doctors, nurses and other health care professionals account for a larger share of the workforce.

Rank – Health Care Access: Omaha #1

### 02 Commute Time

Source: American Community Survey, 2010–2014

1	DES MOINES	78
2	OMAHA	78
3	OKLAHOMA CITY	86
4	COLORADO SPRINGS	87
5	SALT LAKE CITY	88
6	KANSAS CITY	89
7	LOUISVILLE	92
8	RALEIGH	97
9	NASHVILLE	103
10	AUSTIN	103

Commute time is a measure of the cost of living in terms of time, capturing the ease of travel to destinations around a metropolitan area.

Rank – Commute Time: Omaha #2

### 09 Natural Amenities

Source: Economic Research Service, U.S. Department of Agriculture

1	SALT LAKE CITY	159
2	COLORADO SPRINGS	133
3	AUSTIN	129
4	NASHVILLE	113
5	LOUISVILLE	111
6	OKLAHOMA CITY	101
7	RALEIGH	97
8	KANSAS CITY	92
9	OMAHA	90
10	DES MOINES	89

Quality of life also depends on natural amenities such as: temperature; humidity; sunshine; topography and access to water.

Rank – Natural Amenities: Omaha #9





## QUALITY OF LIFE (CONTINUED)

### 06

#### Violent Crimes Rate

Source: Unified Crime Statistics, Federal Bureau of Investigations, 2012–2014

1	RALEIGH	61
2	AUSTIN	76
3	DES MOINES	78
4	SALT LAKE CITY	92
5	COLORADO SPRINGS	101
6	OMAHA	103
7	LOUISVILLE	122
8	KANSAS CITY	128
9	OKLAHOMA CITY	135
10	NASHVILLE	167

Personal safety is a critical component of quality of life and can be captured through the violent crime rate.

Rank – Violent Crime Rate: Omaha #6

### 05

#### Air Quality

Source: Air Quality Index Report, Environmental Protection Agency, 2012–2014

1	DES MOINES	104
2	RALEIGH	103
3	AUSTIN	103
4	COLORADO SPRINGS	103
5	OMAHA	102
6	OKLAHOMA CITY	101
7	NASHVILLE	101
8	SALT LAKE CITY	97
9	LOUISVILLE	97
10	KANSAS CITY	88

Air quality is a critical indicator of pollution. The measure is the share of days with good or moderate air quality each year.

Rank – Air Quality: Omaha #5

### 04

#### Arts and Culture

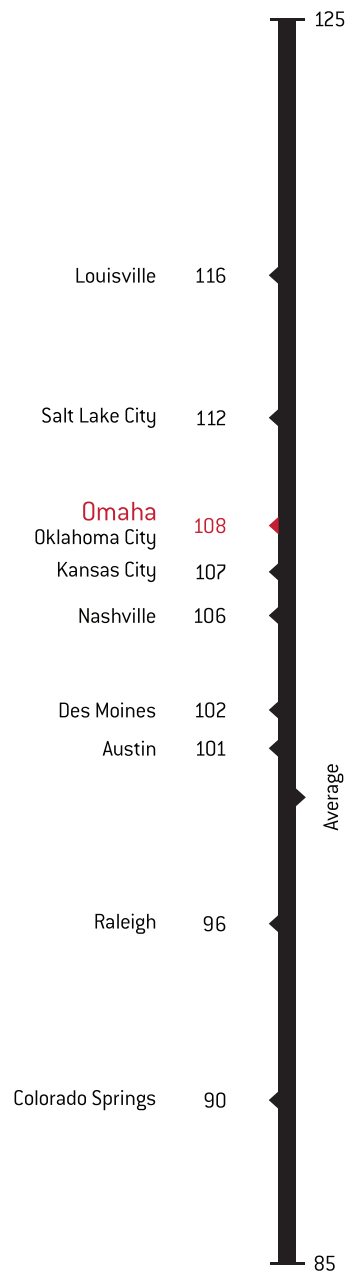
Source: U.S. Bureau of Labor Statistics and U.S. Census Bureau, 2012–2013

1	OMAHA	152
2	NASHVILLE	137
3	DES MOINES	122
4	SALT LAKE CITY	119
5	KANSAS CITY	89
6	COLORADO SPRINGS	88
7	LOUISVILLE	86
8	AUSTIN	74
9	OKLAHOMA CITY	67
10	RALEIGH	66

Access to arts and cultural opportunities is another key to quality of life. Access rises with the number and level of activity at: performance companies; presenting organizations; museums and zoos, along with the level of employment by those organizations.

Rank – Arts and Culture: Omaha #1





## Private Capital



Private capital such as machinery, software and buildings are a cornerstone of a productive economy. A stock of private capital raises worker productivity, ensuring a larger metropolitan economy.

Indicators of Private Capital:

- ▶ Equipment/Machinery used in: factories; construction sites; warehouses; offices; health care facilities and stores
- ▶ Structures — buildings
- ▶ Intellectual Property Products — software and other processes that businesses use in production





## PRIVATE CAPITAL



### Private Equipment

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics, 2012–2014

1	LOUISVILLE	122
2	SALT LAKE CITY	112
3	OMAHA	111
4	DES MOINES	107
5	KANSAS CITY	106
6	NASHVILLE	105
7	OKLAHOMA CITY	101
8	AUSTIN	94
9	RALEIGH	90
10	COLORADO SPRINGS	86

Private equipment includes the machinery which employees use to produce goods and services. The unique industry structure of each metropolitan area determines whether the region has a concentration of capital-intensive businesses. Metropolitan areas with more of these businesses have higher levels of private equipment per worker.

Rank – Private Equipment: Omaha #3



### Private Structures

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics, 2012–2014

1	OKLAHOMA CITY	146
2	LOUISVILLE	119
3	OMAHA	116
4	SALT LAKE CITY	110
5	KANSAS CITY	106
6	NASHVILLE	105
7	DES MOINES	105
8	AUSTIN	98
9	COLORADO SPRINGS	93
10	RALEIGH	92

Private structures house the factories, inventory, offices and stores which businesses use to serve their customers. The use of structures vary by industry, with industries such as manufacturing and warehousing often requiring more square feet of structures per worker. The value of structures also varies by industry.

Rank – Private Structures: Omaha #3



### Intellectual Property Products

Source: National Income and Production Accounts, U.S. Bureau of Economic Analysis and Current Employment Statistics, U.S. Department of Labor, 2012–2014

1	SALT LAKE CITY	114
2	AUSTIN	112
3	LOUISVILLE	109
4	KANSAS CITY	108
5	NASHVILLE	108
6	RALEIGH	105
7	OMAHA	98
8	DES MOINES	95
9	COLORADO SPRINGS	92
10	OKLAHOMA CITY	77

Intellectual property products such as software or patented processes are a key to the efficient and productive operation of businesses. The use of intellectual property products varies by industry, but use is especially prevalent in manufacturing.

Rank – Intellectual Property Products: Omaha #7

# WHAT NEXT?

All of the diverse industries in Greater Omaha can make an impact on how we grow our strengths and improve our weaknesses.

## Our Strengths

- ▶ Low Business Costs – We consistently have low lease costs, utility rates and reasonable employee wages that are attractive to businesses.
- ▶ High Quality of Life – Greater Omaha's moderate cost of living, access to great leisure activities and amenities make the region a great place to live.
- ▶ Strong Private Capital – Our region has the assets needed for businesses to produce great products and services, which contributes to high productivity.
- ▶ Good Basic Human Capital (the share of the workforce ages 25 and older who hold at least a high school degree) – Greater Omaha boasts one of the highest graduation rates in the nation.
- ▶ Thriving Entrepreneurship – Not only is there a strong concentration of entrepreneurs in Greater Omaha, but those who choose that path are more profitable – 22 percent above the national average, in fact.

## Our Weaknesses/Opportunities

- ▶ Innovation – Overall, what is our capacity to develop new methods and technologies here that enrich the economy?
- ▶ Advanced Human Capital (the share of the workforce ages 25 and older who hold a college degree or higher) – How are we shepherding young students into college careers and once we've educated them, how can we best create an environment to convince them to build their careers in Greater Omaha?
- ▶ Patent Activity – How do we create education-business partnerships that fuel inventors in colleges and businesses to create solutions that are unique and marketable? Do we have the proper concentration of science-related graduate students in our institutions to focus on research activity that could result in patents?
- ▶ Information Technology - Do we encourage students to explore careers in IT-related occupations? How do we make resources accessible and engaging? Are we a competitive marketplace for tech talent when it comes to wages and benefits?

## CHANGE IN ACTION:

How is Omaha's business and educational community addressing these weaknesses?

Data is power and having concrete evidence of where we lag behind provides us all with an opportunity to take specific steps to improve.

In 2015, Omaha's business and education leaders began to take extraordinary steps to improve the region's shortage of tech workers by designing a Tech Talent Growth Initiative. Led by the Greater Omaha Chamber and AIM, more than 100 businesses participated in several focused task forces to best measure where the region stands in educating, attracting and retaining tech talent.

Armed with this data, the coalition assessed our region's five-year needs and designed a strategy to increase tech workers in Greater Omaha by 4,000 workers by 2020.

Launched in December 2015, the initiative is in its beginning stages but dozens of companies are engaged. Regular reports will be released tracking progress.

To learn more about the Tech Talent Growth Initiative, contact the initiative's manager Holly Benson, [hbenson@selectgreateromaha.com](mailto:hbenson@selectgreateromaha.com) and 402-233-7152, or visit [WeDontCoast.com/TechHub](http://WeDontCoast.com/TechHub).

# METHODOLOGY

In 2014, the Greater Omaha Chamber research department developed The Barometer: an Economic Scorecard of the Omaha Region. The Barometer compares Omaha with a set of prosperous metropolitan areas from around the United States in order to identify areas of strength and areas for improvement within the Omaha economy. This report, the 2016 Barometer, is the 3rd edition of the Barometer report. It was developed by the University of Nebraska-Lincoln Bureau of Business Research (BBR) in coordination with the Greater Omaha Chamber research department.

The 2016 Barometer is designed to evaluate the performance of a metropolitan area economy from a broad perspective, including growth in overall economic activity and key labor market outcomes such as unemployment and growth in employment and wage rates. The Barometer also examines the economic characteristics which determine growth. These are the sources of comparative advantage for a metropolitan economy which economic research has found to be related to growth including: human capital stock; private capital; infrastructure capacity; innovation; entrepreneurship; quality of life for households and the cost of doing business.

In this report, an index is calculated for each of these eight growth determinants in Omaha and the nine comparison metropolitan areas: Austin; Colorado Springs; Des Moines; Kansas City; Louisville; Nashville; Oklahoma City; Raleigh and Salt Lake City. These indexes are calculated utilizing data from 2012 through 2015, or 2012 through 2014 if 2015 data is not yet available. The 2016 Barometer reflects current conditions and recent growth in metropolitan economies.


Changes to the 2016 Barometer from earlier editions include:

- ▶ Private Capital: An 8th index was added to the Barometer to reflect Private Capital, or assets within the market that include machinery, software and buildings. Private Capital is a component of regional economic growth theory.
- ▶ Arts and Culture: A new indicator was added within the Quality of Life index to measure the number and level of activity at: performance companies; presenting organizations; museums and zoos. Activity is measured via employment in arts and cultural activities per person, according to the U.S. Bureau of Labor Statistics and the U.S. Census Bureau. Examples of organizations measured include: symphony orchestras and chamber groups; opera companies; ballet/dance companies; theatre; art museums; history museums; botanical gardens and zoos.
- ▶ Data on education attainment and other measures from the American Community Survey are from the 2010 through 2014, as the Bureau of Census no longer generates 3-year averages in American Community Survey data.

All indicators were given an average index value equaling 100, based on either national averages or the average of all comparison cities, and then each comparison city was measured against that index value.

The data gathering and analysis work was completed by the BBR during January through March 2016 and all data sources are cited within the report.





We are a catalytic community, full of change makers, and when we work together we can accomplish so much more.

OMAHA  
**WE DON'T COAST<sup>®</sup>**