

New York City's Competitiveness in Attracting Talent



2016 SCORECARD

The information economy relies on workers with specialized knowledge and expertise that often require high levels of education. Cities compete for a talented workforce, and businesses base their location decisions on the ability to recruit qualified candidates. To assess the New York City metropolitan area's competitiveness in attracting, cultivating, and retaining talent, the Citizens Budget Commission has compiled the second edition of its Competitiveness Scorecard.

The Scorecard assesses the relative performance of the New York City metro area against 14 of the largest domestic metro areas on a comprehensive set of quantitative indicators. The indicators are grouped into three categories: Demographics, which captures the presence and net in-migration of the highly educated; Human Capital, which focuses on educational, employment and entrepreneurship opportunities; and Quality of Life, which focuses on public services and amenities that make an area attractive to potential residents.

The Scorecard shows New York City metro continues to be an attractive location: its size, safety, public

transit network, education and employment opportunities, cultural amenities, and entertainment options are competitive advantages. The metro region has also made strides in entrepreneurship, with increased rates of business creation and venture capital in the area.

While these benefits make the New York City metro area competitive, the region faces increasing competition from other metro areas: since the 2013 edition, New York City metro's rank slipped to 10th and 13th in the percent increase of young and highly educated and highly educated, respectively. All metro areas examined except San Antonio attracted highly-educated individuals at higher rates than New York City metro did in 2014. And lengthy commutes and high rental costs continue to pose policy challenges.

While New York City is a highly attractive destination for businesses, residents, and visitors, it is important to remember that has not always been the case. To maintain a competitive position, it must have an economic development strategy that focuses on human capital and addresses weaknesses in quality of life.

Most Competitive

Least Competitive

Demographics

		New York City	Los Angeles	Chicago	Dallas	Silicon Valley	Houston	Philadelphia	Washington DC	Miami	Atlanta	Boston	Phoenix	San Diego	San Antonio
People	Number of Young and Highly Educated	1	3	4	8	5	9	7	2	11	10	6	13	12	14
	Young and Highly Educated as a Share of the Populaton	4	11	5	10	3	9	6	1	12	8	2	13	7	14
	Number of Highly Educated	1	2	4	8	5	10	7	3	11	9	6	12	13	14
	Highly Educated as a Share of the Population	4	10	6	11	3	12	5	1	9	8	2	13	7	14
Net Migration	Young and Highly Educated	2	9	6	4	1	3	14	5	13	8	7	10	11	12
	Percent Change in Young and Highly Educated	10	11	7	3	2	1	14	6	13	4	8	5	9	12
	Highly Educated	6	10	7	4	3	2	13	1	12	5	9	8	11	14
	Percent Change in Highly Educated	13	11	9	2	6	1	12	3	10	5	8	4	7	14

Human Capital

Higher Education	Number of Educational Institutions	1	2	3	9	6	13	5	7	10	8	4	12	11	14
	Number of Undergraduate and Graduate Students	1	2	4	9	8	13	7	5	12	11	6	3	10	14
	Number of International Students	1	2	5	7	4	9	8	6	10	11	3	12	13	14
Employment	Number of Jobs in Key Industries	1	2	3	6	4	10	9	5	11	7	8	12	13	14
	Share of Employment in Key Industries	4	10	8	6	2	14	12	1	9	3	7	5	11	13
	Average Annual Pay	2	9	6	8	1	5	7	4	13	11	3	12	10	14
	Number of Fortune 500 Companies	1	6	3	5	2	4	9	8	11	7	9	13	14	12
Entrepreneurship	Number of Self-Employed	1	2	4	7	8	10	9	6	3	5	11	12	13	14
	Number of Self-Employed as a Share of All Employment	3	4	5	12	11	13	9	8	1	2	10	7	6	14
	Rate of Business Creation (Kauffman Index)	6	2	12	10	3	4	13	14	1	5	11	8	7	9
	Venture Capital, Dollars Invested, 2012-2016	2	4	5	6	1	6	11	9			3		10	6
	Venture Capital, Number of Deals, 2012-2016	2	5	4	7	1	7	10	6			3		11	7

Quality of Life

Public Services	Crime Rates (1=Lowest)	1	3	5	7	9	10	6	13	12	14	4	8	2	11
	Percent Proficient on NAEP, Grade 8 Reading	4	6	5	10		6	11	9	1	6	3		1	
	Percent Proficient on NAEP, Grade 8 Math	3	11	6	7		3	7	10	5	7	1		2	
	Rent Affordability (1=Most Affordable)	11	13	8	2	4	1	10	6	14	9	7	5	12	3
	Location Affordability (1=Most Affordable)	4	10	8	5	2	9	6	1	14	11	3	13	7	12
	Commute Times	14	6	12	5	1	8	7	2	4	10	11	3	1	2
Amenities	Park Space, Acreage Per Capita	12	9	13	4	7	3	11	6	14	8	10	2	1	5
	Entertainment and Arts Establishments Per Capita	3	1	5	12	6	14	7	8	2	10	4	11	9	13
	Bars & Restaurants Per Capita	2	8	4	11	3	13	6	7	5	10	1	14	9	12
	Broadband Access	7	6	8	11	2	12	9	1	13	5	4	10	3	14

NOTES: Silicon Valley combines San Jose and San Francisco metro areas
 Highly Educated= Masters, Professional, or Doctoral Degrees
 Young=18-33 years old