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# MACON ACTION PLAN

economic base snapshot



NOVEMBER 2014

# overview

This snapshot has been prepared to review components integral to Macon's Urban Core economy. A diverse group of indicators were collected and analyzed in order to gain an accurate picture of the health of the local economic base for the Urban Core.

While understanding the quantitative components of Macon's Urban Core economic dynamics is important, it is also valuable to note that the business climate and the actions of the local government are inextricably linked. It is crucial not to forget that qualitative issues do translate into hard dollar cost items for all segments of a community -- businesses, residents, government -- as well.

Key economic factors have been reviewed for Macon's Urban Core, and compared to the nation where appropriate, through four sections in this document.

**WORKERS:** Information on labor force and employee characteristics, commuting patterns, educational attainment, and age distribution is provided.

**JOBS:** Characteristics on current employment, employment trends, industry sectors, occupations, employers, and business size are profiled.

**MONEY:** Data related to income [sources, household, poverty] and earnings [by jobs and sectors] is reviewed.

**MAJOR FINDINGS:** Summary of trends and issues for Macon's Urban Core.

The data analyzed in this document is from a variety of sources, including: US Census Bureau, US Bureau of Labor Statistics, US Bureau of Economic Analysis, Claritas, and Macon-Bibb County.

# workers

## LABOR FORCE<sup>1</sup> & EMPLOYEES

Macon's Urban Core resident labor force totals approximately 5,910, equaling about 73% of the Urban Core's total population. The labor force accounted for 60% of the City of Macon's population. By comparison, the nation's labor force accounted for 62% of its total population. The Urban Core's proportion is highest, demonstrating Macon's Urban Core population age range constitutes a solid local workforce.

However, as is common in this day and age, people who live in Macon's Urban Core do not necessarily work in Macon's Urban Core. Macon's Urban Core is a job center in the region, so many non-resident workers commute into downtown every day. There are approximately 24,990 employees in Macon's Urban Core.<sup>2</sup> The Urban Core constitutes 46% of the City of Macon's jobs. It comprises 26% of the four-county Macon MSA and 15% of the nine-county Macon-Warner Robins-Fort Valley CSA.

## COMMUTING PATTERNS

Approximately 25% of Macon's Urban Core residents also work in the Urban Core. Only 2% of Macon's Urban Core employees also live in the Urban Core.

### Residents' Commutes

As in many communities across the nation, the majority (68%) of Macon's Urban Core residents drive alone to work. Approximately 6% of Urban Core residents worked from home. Not surprisingly for the region, very few took public transportation or cycled, but 11% walked to work and 9% carpooled.

A majority of Urban Core residents (56%) had commute times of 15 minutes or less. A solid proportion (30%) commute between 15 and 30 minutes. About 11% of residents had commute times between 30 and 45 minutes; only 3% have commute times longer than 45 minutes. The average commute time is 17.0 minutes for residents of Macon's Urban Core, which is much lower than the national average of 27.9 minutes.

### Workers' Commutes

For workers that live outside of Macon's Urban Core, just over half (55%) commute less than 10 miles and approximately 25% commute between 10 and 24 miles. There is also a notable proportion (16%) that commute a distance of greater than 50 miles. About 26% of workers that live outside

of Macon's Urban Core commute from other parts of the City of Macon. The balance of workers (74%) commute from all over the region and beyond, with no real concentrated source location.

## EDUCATIONAL ATTAINMENT

Macon's Urban Core resident population has lower educational attainment levels than the nation. Approximately 20% of the Urban Core's residents hold a college degree or higher, compared to the national average of 28%. Approximately 28% of Urban Core residents have less than a high school level of education, with 7% having less than a ninth grade education. Nationally, 14% have less than a high school education, with 6% having less than a ninth grade education.

Macon's Urban Core educational attainment of workers is higher than residents, but still moderate when compared to the nation. Approximately 24% of Urban Core workers have a Bachelor's or more advanced college degree. About 21% of Urban Core workers have a high school diploma with no college; and about 30% have some college education or an Associate's degree. Slightly less than 8% of Macon's Urban Core workforce has less than a high school education.<sup>3</sup>

## AGE DISTRIBUTION

Macon's Urban Core residents are younger than the national average (38.5 years), with an average age of 34.7 years in the Urban Core. The proportion of residents under age 18 (17%) is slightly lower than the national proportion (23%). Another major contributing factor for the average age of the population is the proportion of older residents; 10% of the Macon's Urban Core residents are aged over 65 years, which is lower than the national average (14%).

In terms of workforce, the bulk of Macon's Urban Core workers (62%) are between 30 and 54 years of age. About 18% of workers are aged less than 29 years and 21% of people that work in Urban Core are aged 55 years or older.

### workers :: findings

Macon's Urban Core is not the job center of the region.

Workers commute from elsewhere; very few live in the Urban Core.

Workers are more educated than residents, but still at moderate levels.

Residents are younger than workers.

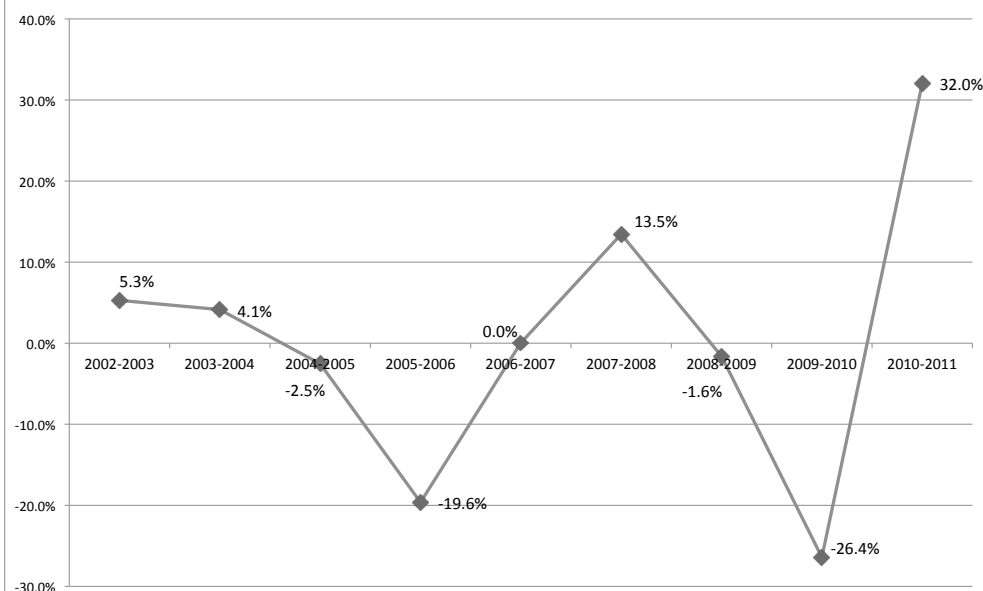
# jobs

## TOTAL EMPLOYMENT

The total daytime population, or employees, for Macon's Urban Core is approximately 24,990.<sup>4</sup> Employment in the Urban Core has had starts and stops over the last decade. Historical data on employment is available from different sourcing that, unfortunately, has a lag time due to reporting guidelines. It is valuable to consider what has been happening in the Urban Core over the last several years, even with the gap in timeline from current year.

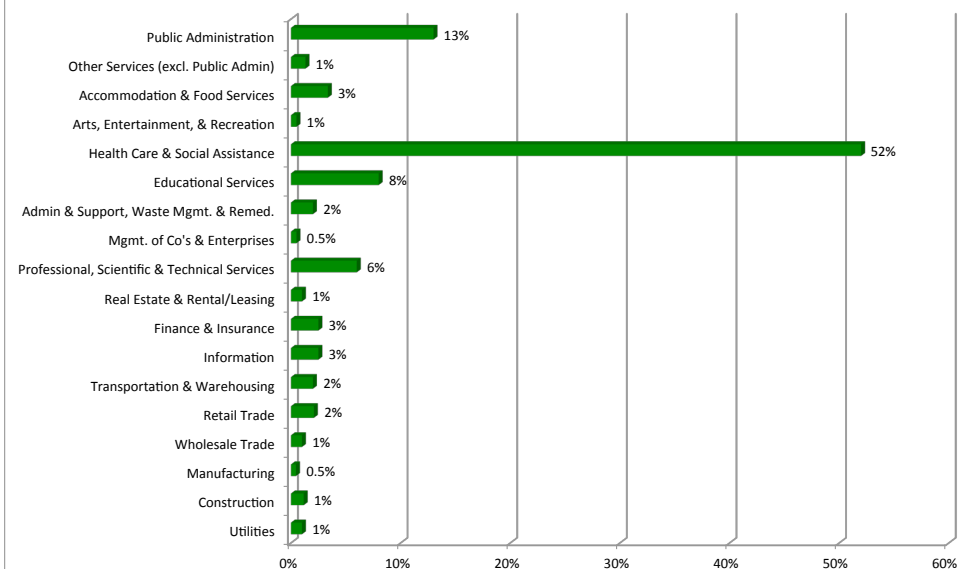
As seen in the chart on the next page, there were significant job losses between 2004 and 2006 and again between 2008 and 2010 in the Urban Core. The recovery between 2006 and 2008 is encouraging, with the losses between 2008 and 2010 similar to what many communities across the country experienced during the Great Recession. With the job gains in the intervening years, there is actually a net total job increase of 8.5% for the Urban Core between 2007 and 2011. However, with the significant loss during the Recession, there is a net total loss of 4% between 2008 and 2011. Regardless, compared to many other areas, the job gains made since the Recession are significant for Macon's Urban Core for the years data is available.

Annual Change in Total Jobs, Macon Urban Core, 2002-2011



Source: LEHD

Sector Employment Distribution, Macon Urban Core, 2014



Source: Claritas, LEHD, BLS, Re:Posit Strategies, Inc.

## SECTOR EMPLOYMENT

### Local Sector Employment

While overall employment numbers are an important economic and social indicator, the types and nature of jobs vary greatly between different regions, and also within local economies. The bottom chart gives a breakdown of employment by category within Macon's Urban Core. The largest proportion of jobs is far and away in the Health Care and Social Assistance sector (52%). The next-largest job sector is Public Administration (13%). All other sectors are below double-digits, with Educational Services (8%) and Professional, Scientific, and Technical Services (6%) sectors the only ones above five percent. The remaining 14 employment sectors are all less than three percent each; constituting a combined total of 21% of employment.

Health Care Services in the Urban Core are mostly jobs in hospitals (66%) and physician offices (20%).<sup>5</sup> In Macon's Urban Core, Professional Services are comprised mostly of lawyers (61%).

Given how the statistics are reported, there are eight sectors delineated that, taken together, really make up a "super sector" of Services. When taking these eight sectors together, it points to Services essentially functioning as the largest employment type, with about 74% of the jobs in Macon's Urban Core. Services historically has been a "mixed bag" when it comes to jobs, including restaurant workers to doctors to garbage collectors to teachers to amusement park operators. These sub-sectors

are now delineated individually in most data sources as stand-alone sectors to gain a better understanding of a local economy's working parts, as demonstrated in the preceding chart.

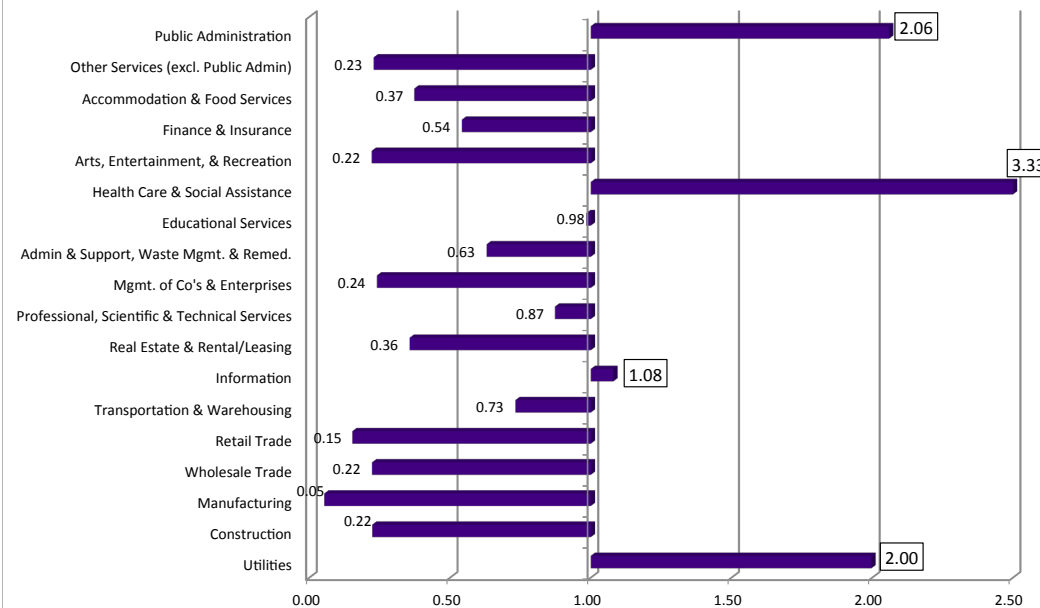
## Sector Employment Comparison

Location quotients<sup>6</sup> demonstrate concentrations in the local economic base in comparison to the nation as a whole, as depicted in the adjacent chart. Macon's Urban Core has significantly higher proportions of employment in three employment sectors: Health Care & Social Assistance; Public Administration; and Utilities. The Health Care Services location quotient demonstrates the destination-scale of medical services in the Urban Core, which generally create strong economic impacts. The high location quotients of Public Administration and Utilities show the concentration of government services, which generally throw off little economic impact.

There are two employment sectors that are essentially on par with the national proportions of employment: Information and Educational Services.

The remaining 13 sectors are all below the national proportions of employment. In particular, the Manufacturing, Retail Trade, Wholesale Trade, Construction, Arts, Entertainment, and Recreation,

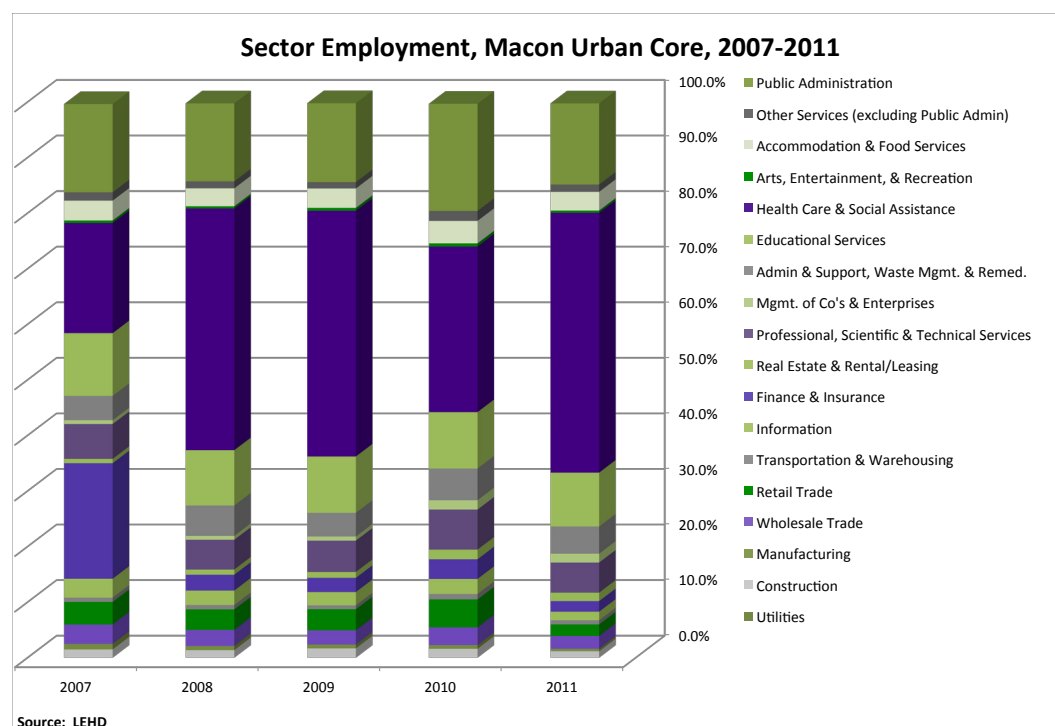
**Location Quotients, Macon Urban Core, 2014**



Source: Claritas, LEHD, BLS, Re:Posit Strategies, Inc.



Other Services, and Management of Companies and Enterprises sectors are significantly underrepresented in Macon's Urban Core when compared to the nation.



## Sector Employment Trends

The adjacent chart illustrates the sector employment trends in Macon's Urban Core between 2007 and 2011. Over the years considered, most of the sectors have remained relatively stable in terms of proportion in the local economy. The biggest fluctuations occurred in the Finance and Insurance and Health Care Services sectors.

The largest gains in the Urban Core were in the Health Care Services (156%), Management of Companies (151%), and Real Estate (112%) sectors. The other sectors with gains during this five-year period were: Administration and Support Services (21%); Transportation and Warehousing (4%); and Accommodation and Food Services (2%).

Between 2007 and 2011, six sectors declined by double-digits, in terms of proportionate share of employment: Finance and Insurance (-90%); Information (-51%); Manufacturing (-51%); Retail Trade (-44%); Wholesale Trade (-28%); and Construction (-15%).

## OCCUPATIONS

The largest occupational categories for workers in Macon's Urban Core include:

- Sales and Sales Related (16%);
- Office and Administrative Support (15%); and
- Management (9%).

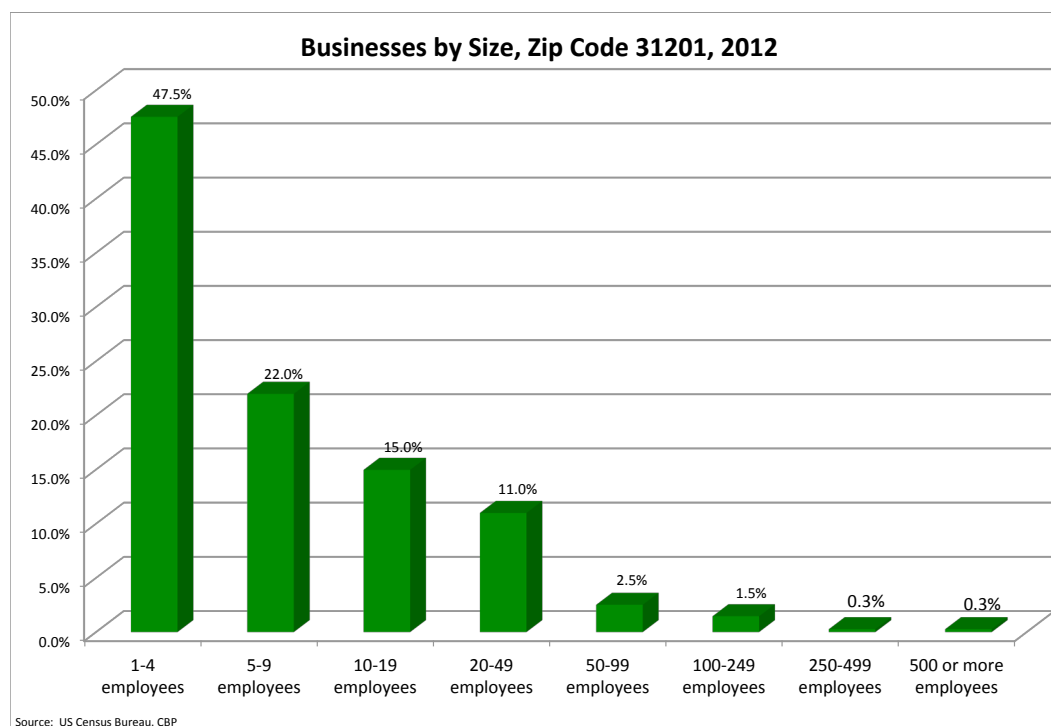
Some other occupations constitute more than five percent of total employment each, including: Education/Training/Library; Food Preparation/Serving; Building Grounds Maintenance; Health Care Support; and Health Practitioner/Technician.

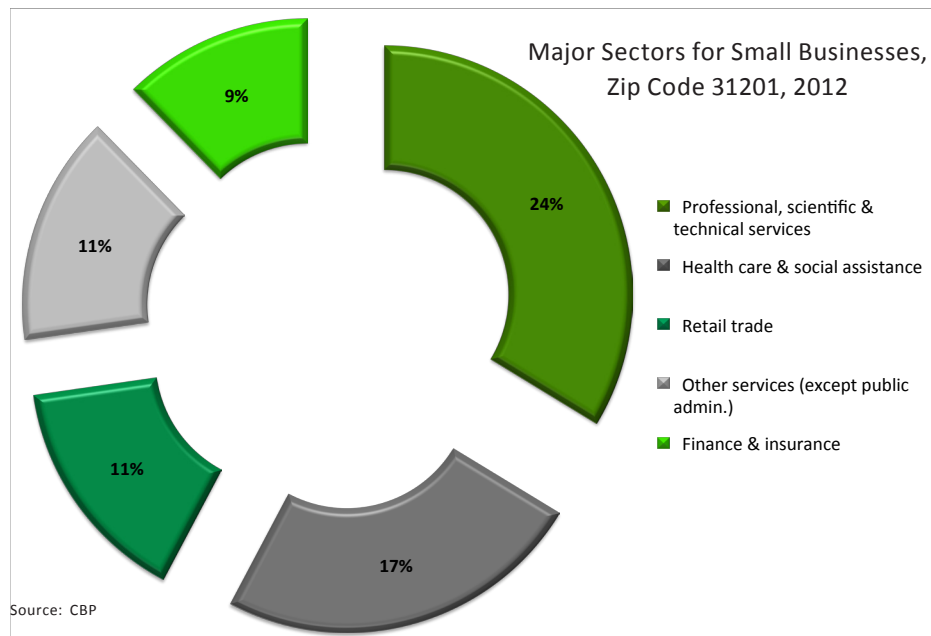
## BUSINESS SIZE<sup>7</sup>

There are 1,570 businesses in Macon's Urban Core, comprising 37% of the City of Macon's businesses. Since this proportion is less than the share of employees (46%), it denotes that there are some large employers located downtown; likely pointing towards the hospitals and government. The Urban Core comprises 20% of the four-county Macon MSA and 12% of the nine-county Macon-Warner Robins-Fort Valley CSA.

## Businesses by Employee Size

The bulk of Macon's Urban Core employers [approximated by zip code 31201 ] are small businesses, as seen in the chart below.





Approximately 70% of zip code 31201's businesses employ fewer than 10 people, with approximately 48% of those businesses employing fewer than five people. Further, as the number of employees/size of business increases, the total number of businesses decreases. This can clearly be seen graphically in the preceding chart.

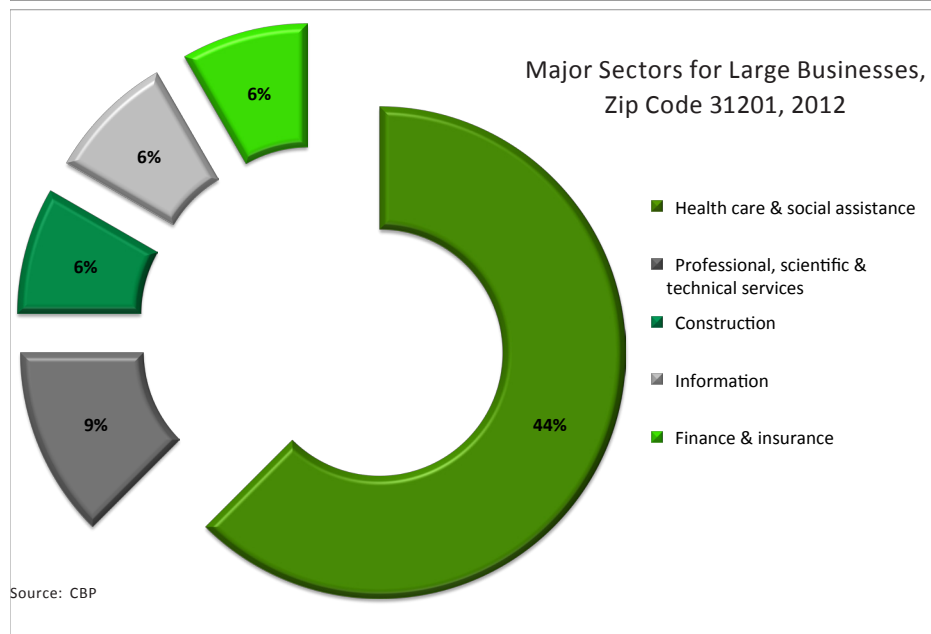
Approximately 5% of the Urban Core's businesses employ more than 50 people; of which, approximately 2% of zip code 31201's businesses employ more than 100 people.

## Businesses by Size & Sector

The major sectors for zip code 31201's small businesses (less than 10 employees) are shown in the top chart and the major sectors for zip code 31201's large businesses (more than 50 employees) are shown in the bottom chart.

There is a more even distribution in employment sectors' proportions in small businesses than in large businesses in Macon's Urban Core. Health Care Services comprises almost half of large businesses in the Urban Core. Professional Services and Health Care Services are the two largest sectors for small businesses, with a 7% difference between the two proportions.

In zip code 31201, small and large businesses share three major employment sectors in common: Professional, Science, and Technical Services; Health Care Services; and Finance and Insurance. The Retail Trade and Other Services sectors are the other major employment sectors for small businesses, while the Construction and Information sectors are the others for large businesses.



## Largest Employers

The largest employers in Macon-Bibb County, all with more than 500 employees, are listed in the adjacent table. Six of the County's largest employers are fully or partially located in Macon's Urban Core.

### jobs :: findings

Employment performance since Recession has been positive.

Macon's Urban Core jobs are dominated by Health Care Services and Public Administration; with concentrations greater than the national averages.

The biggest sector gains have been in Health Care and Real Estate, while the biggest sector losses have been in Finance & Insurance, Information, and Manufacturing.

The bulk of businesses are small (less than 10 employees).

Some of Macon-Bibb County's largest employers are located in the Urban Core.

**LARGEST EMPLOYERS, MACON-BIBB COUNTY, 2013**

EMPLOYER	PRODUCT	EMPLOYEES	INDUSTRY
Medical Center of Central Georgia	Hospital	6,200	Service
GEICO	Insurance	4,700	Service
Bibb County Board of Education	Education	3,700	Public
Coliseum Health Systems	Hospital	1,400	Service
City of Macon	Public	1,142	Public
Mercer University	Education	900	Edu/Private
Bibb County	Public	780	Public
YKK (USA) Incorporated	Zippers, Vinyl Windows	750	MFG
Wal-Mart Super Stores	Retail	740	Service
United States Postal Service	Public	600	Public
Ricoh USA	Office Machines	575	Distribution
Georgia Farm Bureau Federation	Insurance	525	Service
The Boeing Company	Airplanes	518	MFG
Graphic Packaging International	Paper Products	518	MFG

Source: Greater Macon Chamber of Commerce, August 2013.

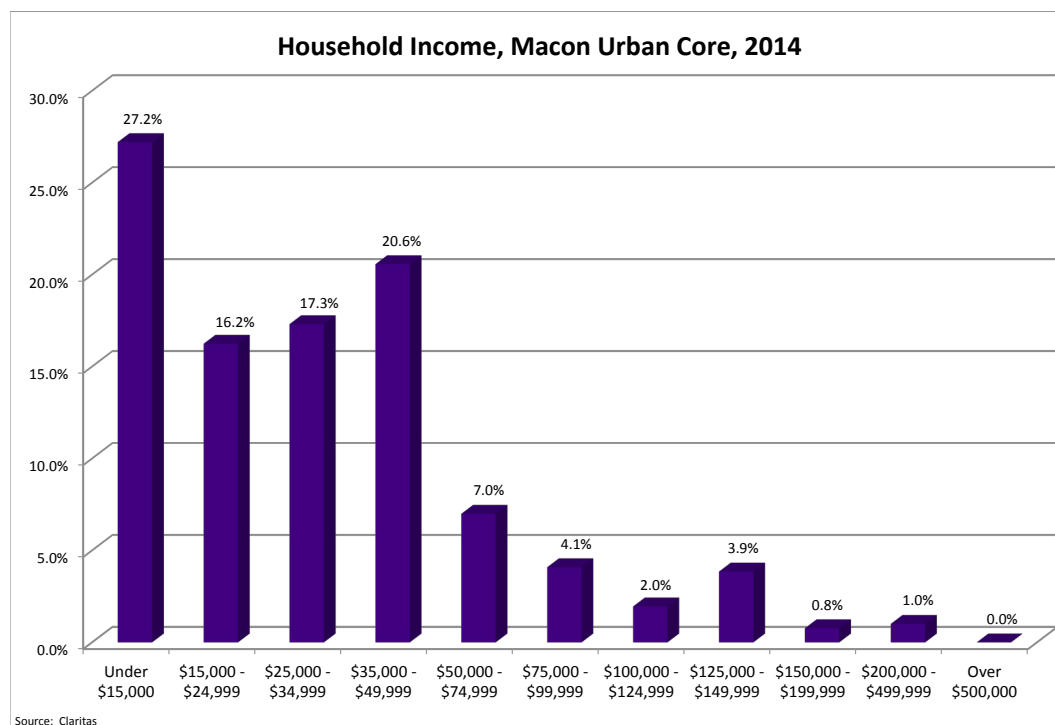
# money

## INCOME

### Household Income

Household income levels represent all the sources of income for residents of Macon's Urban Core (not workers). The average household income in the Urban Core is half the national average. Macon's Urban Core average household income is approximately \$34,780 annually; this is 49% of the national average of \$71,320.

The majority of Urban Core households (59%) have incomes less than \$25,000, as shown in the chart on the next page. Only 7% of Urban Core households have incomes at or above \$100,000. Another 16% have incomes between \$50,000 and \$100,000.



## Sources of Income<sup>8</sup>

Earnings provide the most significant proportion of income for households in Macon's Urban Core (63%) [approximated by zip code 31201].<sup>9</sup> Approximately 31% of Macon households receive Social Security at some level and another 9% receive other retirement income. Approximately 54% of households in the 31201 zip code receive some sort of public assistance; this is just under three times the national average (19%).

## Poverty Levels<sup>10</sup>

The level of poverty for Macon's Urban Core [zip code 31201] residents is extremely high, at nearly four times the national average. Families at or below the poverty level account for approximately 43% of all households in the Urban Core. The national average of families at or below the poverty level is 11%. Of the families in poverty in the Urban Core, 30% of them include children.

## EARNINGS

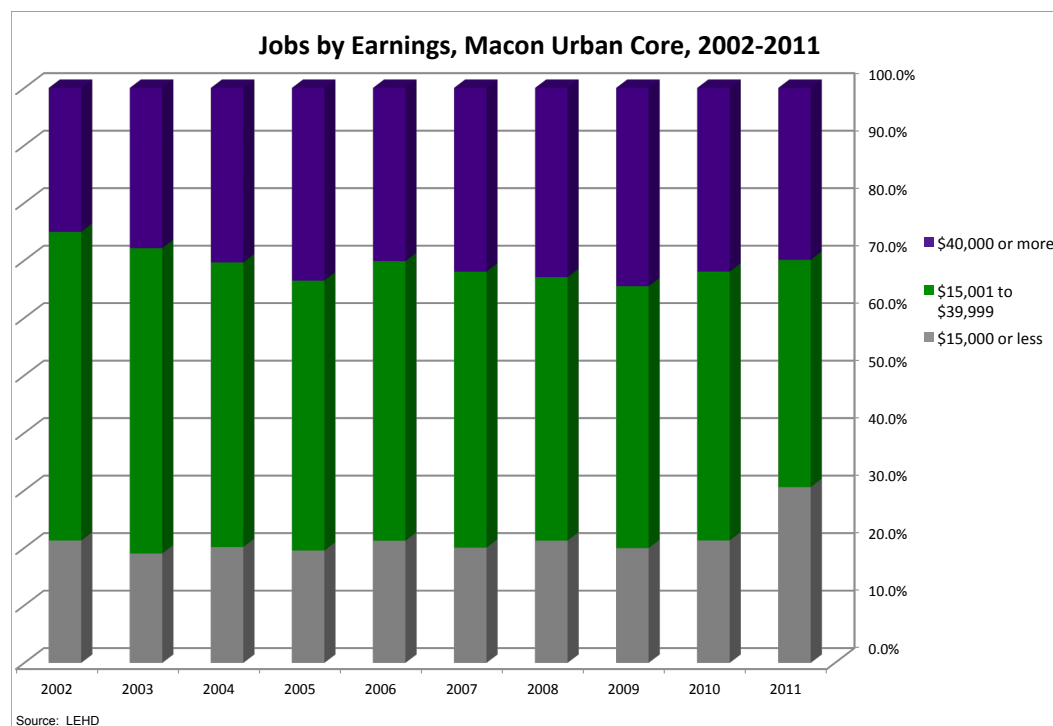
### Earnings by Jobs

Earnings represent the job-related income for workers in Macon's Urban Core (not residents). The detail available for worker-related data is limited. It also suffers from lag time due to reporting guidelines, but it is still worthwhile to examine. In Macon's Urban Core, the mid-earnings level (\$15,001 to \$39,999) is the largest proportion (40%), as shown in adjacent chart. The low-earnings level (\$15,000 or less) constitutes 31% and the high-earnings category (\$40,000 or more) accounts for 30% of total earnings.

Between 2007 and 2011, jobs that paid less than \$40,000 increased by 55%, while jobs that pay over \$40,000 increased by only 2% during the same timeframe.

### Earnings by Sector<sup>11</sup>

The annual average earnings for Bibb County workers are \$38,750. Bibb County's average is below the U.S. (\$49,810); equaling 78% of the national average. While the average earnings for an area can convey a great deal about overall economic health, sector earnings provide a better sense of the inner workings of the local economy.



Unfortunately, there is a limitation to data access in relation to job earnings, with County data being the most updated approximation. So, while it is not an exact comparison, it is the closest that is available. Bibb County's average annual earnings for the largest employment sectors in Macon's Urban Core are shown in the adjacent table.

The largest employment sectors for Macon's Urban Core are all above the County average. Health Care Services, Professional Services and Educational Services (private institutions) generally are higher-skill, higher-wage jobs. Public Administration is usually a lower-paying sector. For Bibb County, the difference is that federal-level public administration jobs are high-paying (\$82,720), whereas state and local government jobs are more typical, paying \$32,460 and \$35,250, respectively. If federal government jobs are excluded, then the weighted average for Public Administration is \$34,460 for local and state government workers.

**SECTOR EARNINGS, LARGEST SECTORS, MACON URBAN CORE  
AND BIBB COUNTY, 2013**

EMPLOYMENT SECTOR	URBAN CORE'S EMPLOYMENT SHARE	BIBB COUNTY'S AVERAGE EARNINGS
Health Care & Social Assistance	52%	\$48,720
Public Administration	13%	\$40,470
Educational Services	8%	\$44,860
Professional, Scientific, & Technical Services	6%	\$56,030

Source: BLS

## money :: findings

Residents' average household income is half of the national average.

Residents receiving some sort of public assistance is twice the national average.

Residents' level of poverty is nearly four times the national average.

There is a relatively even distribution between low-, mid-, and high-earnings jobs.

Workers' average annual earnings are below the national average.

Macon's Urban Core jobs generally pay above County-average earnings.



# major findings

## TRENDS & ISSUES

As with any community, the results and conclusions of this Economic Base Snapshot are mixed for Macon's Urban Core. Since community capacity and business climate are really the accumulated sum of numerous individual factors, any individual shortcomings can result in a negative perception of the community. Conversely, strengths and assets can be leveraged to establish a positive reality, and thus, project a more positive image of the community.

POSITIVE	NEGATIVE
Job gains since Recession	No longer region's job center
Largest sector is generally higher-paying jobs	Workers commute from elsewhere
Majority of small-sized employers	Non-diverse job base
Health Care Services is a strong concentration, achieving destination scale and high economic impact	Many professional- and knowledge-related industries have moved out of Urban Core
Some of largest employers in County located in Urban Core	Residents' average household income below national average
Even distribution of low-, mid-, and high-earnings jobs	Resident households of families in poverty above national average
Urban Core jobs generally pay above County-average earnings	Workers' average annual earnings below national average

## Understanding Positioning

Overall, Macon's Urban Core has strong positives in relation to job gains, types of jobs, and business size. However, there are notable negatives in relation to concentration of jobs, economic base diversification, and income and earnings levels.

Macon's Urban Core has been losing its positioning as the regional economic center. There are few corporate headquarters remaining, and little destination shopping and entertainment still prospering. The health care- and government-related jobs are the primary reasons that downtown still has economic relevance. Health care is a definitive and proven foundation for a regional economy, delivering on number, type, and wages of jobs. Government jobs are a needed and important part of the local economy, but are generally not a basis to build economic prosperity around.

Macon's Urban Core should be the central location for economic revitalization for the region. As movement away from the Urban Core happened over decades, the center did not move to another location in the region, it essentially dispersed and diluted. The Urban Core needs anchor businesses to return, or new ones to be grown or attracted.

## Future Direction

A keen focus on economic diversification is imperative to ensure a competitive and positive future. This would need to be pursued through sector diversification, job type/wage diversification, and attracting additional residents with higher-level education levels, skill sets, and incomes. Macon's Urban Core location in the center of middle Georgia and its proximity to many colleges and universities give it the opportunity to recruit high-paying jobs in expanding creative and technical fields. The Urban Core's latent assets around quality of life should be better leveraged for talent attraction and retention.

A concentrated move towards a more robust local economy enabling people to both live and work in the Urban Core will be needed to achieve long-term economic relevance and sustainability. A deep level of purpose and collaboration, with realistic priorities and coordinated tasks, will be imperative to improve Macon's Urban Core competitive positioning. In summary, to succeed and compete in this global environment, economic and community development efforts in Macon's Urban Core will need to be focused and proactive.

# endnotes

1. Labor force is defined here as all persons between 18 and 65 years of age that live in the jurisdiction. This effectively excludes the elderly and children. However, these parameters should be considered conservative, as many more retirees are remaining active in the workforce.
2. Source: Claritas and LEHD.
3. For the remaining 18% of workers, educational attainment data is not available.
4. Source: Claritas and LEHD.
5. Source: US Bureau of Labor Statistics.
6. Location quotients compare the local employment contribution of any given sector to its contribution nationally. A location quotient of 1.0 indicates that sector is providing the same percentage of employment locally and nationally. Above or below 1.0 means the industry is larger or smaller than the national average, respectively.
7. There is a limitation to data accessibility in relation to business size, which is only available at the zip code, county or MSA level. This data source also has a lag in timing of data reporting and assembly. Zip code 31201 is the closest approximation of the Urban Core study area.
8. Source: US Census Bureau.
9. There is a limitation to data accessibility in relation to sources of income, which is only available at the zip code, county or MSA level. This data source also has a lag in timing of data reporting and assembly. Zip code 31201 is the closest approximation of the Urban Core study area.
10. The poverty rate for a family of four in 2014 is defined at an income of \$23,850 annually.
11. There is a limitation to data accessibility in relation to sector earnings, which is available at the county level or larger. This data source also has a lag in timing of data reporting and assembly.