**Analysis for Community Planning**

**PLAN 7012**

**Fall 2014**

**Metropolitan Area Economic Analysis, Pt 2:**

**Shift-Share / Industry Targeting Analysis (15 points)**

Due Monday, December 8 (**10:00 am**)

Using the template provided, create a shift-share table for your MSA.[[1]](#endnote-1)\* Use the data in your shift-share table, along with your economic base table and the “Industry Targeting Analysis Decision Tree” from McLean and Voytek Chapter 5, to prepare a narrative report that contains the following elements. (Submit your shift-share spreadsheet via email.)

**Introduction:**

In your introduction, describe the nature and purpose of shift-share analysis and how it might help the reader understand the economy of the study area.

**Industrial Mix Component:**

In what industry groups or industries has your economy gained employment due to industrial mix over the study period? In what industries has it lost employment due to industrial mix?

**Competitive Component:**

In what major industry groups or industries has your economy gained competitive share over the study period? In what industries has it lost competitive share? Speculate as to why this has occurred. (Review the “potential factors influencing industrial location” at the end of the Galambos and Schreiber Chapter 2, and the “sources of competitive advantage” discussed in McLean and Voytek Chapter 7. Could changes in any of these factors influence the trends you’ve just described? Which ones, if any, could local planners influence?)

**Industry Targeting Analysis:**

Which industries (at the 3-digit NAICS level) represent the current strengths of the area’s economy? Explain how this was determined. Include a table that highlight the appropriate information regarding the industries in this category.

Are the area’s 5 biggest industries and 5 fastest growing industries among the current strengths? If not, explain why not.

Which industries (at the 3-digit NAICS level) should be the focus on special retention efforts? Explain how this was determined. Include a table that highlight the appropriate information regarding the industries in this category.

Which industries (at the 3-digit NAICS level) represent potential future strengths? Explain how this was determined. Include a table that highlight the appropriate information regarding the industries in this category.

**Implications/Conclusions:**

Provide an appropriate conclusion.

1. \* You will need to change all the zeros (0) in your economic base tables to ones (1), to facilitate the shift-share calculations. [↑](#endnote-ref-1)