

WHAT DOES ECONOMIC DIVERSITY MEAN TO A REGION

What is an Economic Diversity Index?

- The economic diversity index was prepared by Chmura's Economics and Analytics team in 2019, 2021 and 2022. The index was not measured in 2020 due to Covid-19.
- An economic diversity index measures how economically diverse a region is and gauges how flexible and stable an economy is during a disruptive event. A low index implies how diverse a region is and how much better insulated the region is against economic shocks.
- The index is a measure relative to the national industry mix which includes the industry employment and the economic diversity of other regions during a specific year. According to Chmura, the economic diversity index in some regions were more economically diverse than others in 2019, 2021 and 2022.
- Here's what the index revealed about the Tampa MSA and why it stands out among the 384 MSAs measured in the nation. One of the main reasons Tampa maintains a low index and ranks among the top ten markets is primarily due to the broad mix of industries that are equally represented by strong business sectors. Tampa does not rely predominately on one or two specific industries like some regions do.
- Prior to COVID-2019, Tampa ranked eighth in the nation with an index of 36.10 behind Atlanta with a 35.59 and Philadelphia in the lead ranking first with a 30.92 index. Two other Florida metros ranking in the top thirty were Jacksonville (42.29) #28 and Miami-Fort Lauderdale-West Palm Beach (42.5) at #29.
- In 2021, Tampa moved to ranking seventh with an index of 36.00 behind Atlanta in sixth with a 35.86 followed by Minneapolis in the #8 spot with an index of 37.04. Jacksonville (42.30) moved up to #27 and Orlando (43.23) moved to #28 from #54 in 2019 (46.96), leaving Miami-Fort Lauderdale-West Palm Beach in the 29th spot again with a 43.26 index.
- By 2022, Tampa retained the #7 ranking with an index of 34.64 behind Atlanta in sixth with a 34.46. Jacksonville (40.84) moved to #26 and Orlando moved back to #41 (43.97).
- Go to the next slide for more details on where the top twenty metro areas ranked in the economic diversity index.

Source: Chmura Analytics 2019, 2021 & 2022 | 384 MSAs measured. Due to Covid-19 2020 was not measured.

Prepared by Tampa Bay EDC Research Department

Note: A low index value implies an equally economically diverse region, while a high index value means a region is not very economically diverse



ECONOMIC DIVERSITY INDEX BY MSA

In 2019, 2021 and 2022 these metros retained the top five ranking spot each year:

- #1 Philadelphia
- #2 Chicago
- #3 St. Louis
- #4 Kansas City
- #5 Dallas

Followed closely behind were Atlanta and Tampa both moving up a rank in 2021 scoring a lower index and moved Minneapolis to #8. Then in 2022, Phoenix took the #8 spot leaving Minneapolis at #9.

Tampa has ranked among the top ten each year.

These three metros ranked last each year with an index over 100:

2019:

- Madera, CA 100.20
- Elkhart, IN 101.95
- Hanford, CA 106.32

2021

- Hinesville, GA 100.12
- Elkhart, IN 105.71
- Hanford, CA 106.78

2022

- Hinesville, GA 103.28
- Hanford, CA 106.04
- Elkhart, IN 107.70

