# The PPI Tech/Info Job Ranking

progressive policy institute ppi

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The last few years have been tough for many cities and localities. Most places have not yet fully recovered from the financial collapse, either in terms of jobs or revenues. High growth seems unattainable.

But some cities and localities—ranging from New York to New Orleans to Davis County, Utah—are doing unexpectedly well. What they have in common: Strong growth in the tech/information sector. This sector ranges from tech startups to Internet firms such as Google and Facebook to telecom providers such as AT&T and Verizon to content producers such as newspapers and movie studios (see definition below).

New analysis by the Progressive Policy Institute shows that places with strong tech/information growth have survived the recession much better than their counterparts. In particular, counties with a higher number of **new** tech/information sector jobs from 2007 to 2012 had enjoyed substantially faster growth in both overall private employment and non-tech jobs over the same period.

In order to quantify the link between the tech/information sector and overall growth, we have constructed the PPI Tech/Info Job Index. For each county, the Index measures the number of **new** tech/information jobs between 2007 and 2012, as a share of 2007 total private sector employment in that county. For example, an index of 1 means that new tech/info jobs equals 1% of total private employment.

On average, the top 25 counties, as measured by the Index, showed an average private sector job gain of 2.4% between 2007 and 2012. That doesn't seem like much, but the remaining counties had a decline of 3.5%. In other words, a vibrant tech/info sector tended to make the difference between a local economy that had recovered by 2012, and one that was still in decline.

The implication is that policies to encourage tech/info growth are more likely to boost the overall economy. Innovation creates well-paying jobs. What's more, the diversity of places on our list suggests a high-growth economy is not just for traditional tech powerhouses such as Silicon Valley, but has broader applicability.

**Methodology**

Our definition of the tech/info sector is drawn from "Building A Digital City: The Growth and Impact of New York City's Tech/Information Sector" (South Mountain Economics, 2013). That paper developed a broad definition of the tech/information sector, and a narrow definition. For the PPI Tech/Info Job Index, we use the narrow definition, consisting of the following industries spanning NAICS 51 and NAICS 5415:

Broadcasting (Internet, cable and over-the-air); Custom computer programming (including app developers and web developers); Data processing and hosting (including cloud computing); Film, video, and sound recording (conventional and digital distribution); News services (i.e. Reuters, Bloomberg, Associated Press); Publishing (print and digital); Software; Web search portals and social media; Wired and wireless telecom; Other computer-related services.

## Top 25: PPI Tech/info Jobs Index

| | County | PPI Tech/info Jobs Index | Growth of tech/info jobs 2007-2012 | Growth of non-tech/info private jobs 2007-2012 | Location |
|---|---|---|---|---|---|
| 1 | San Francisco County, California | 3.8 | 51.8% | 2.1% | San Francisco, Calif. |
| 2 | San Mateo County, California | 2.6 | 27.8% | -2.7% | San Francisco MSA |
| 3 | Santa Clara County, California | 1.8 | 16.0% | 0.1% | San Jose, Calif. |
| 4 | Madison County, Alabama | 1.6 | 25.7% | -5.6% | Huntsville, Ala. |
| 5 | Utah County, Utah | 1.5 | 20.1% | -1.9% | Provo, Utah |
| 6 | Denton County, Texas | 1.3 | 36.4% | 11.9% | Dallas MSA |
| 7 | King County, Washington | 1.3 | 13.5% | -2.9% | Seattle, Wash. |
| 8 | Wake County, North Carolina | 1.3 | 18.2% | 2.7% | Raleigh, N.C. |
| 9 | Dane County, Wisconsin | 1.3 | 24.9% | -1.6% | Madison, Wis. |
| 10 | Davis County, Utah | 1.2 | 45.4% | 1.5% | Salt Lake City CSA |
| 11 | Loudoun County, Virginia | 1.1 | 8.1% | 8.7% | Washington DC MSA |
| 12 | Middlesex County, Massachusetts | 1.1 | 12.2% | 0.4% | Cambridge, Mass. |
| 13 | Orleans Parish, Louisiana | 1.1 | 32.9% | 7.9% | New Orleans, La. |
| 14 | Arapahoe County, Colorado | 0.9 | 9.8% | -0.4% | Denver MSA |
| 15 | New York County, New York | 0.9 | 10.1% | 1.1% | New York City |
| 16 | Travis County, Texas | 0.9 | 12.5% | 6.1% | Austin, Texas |
| 17 | Fayette County, Kentucky | 0.6 | 14.2% | -0.8% | Lexington, Ky. |
| 18 | Washtenaw County, Michigan | 0.6 | 14.8% | -4.0% | Ann Arbor, Mich. |
| 19 | Prince William County, Virginia | 0.5 | 12.2% | 6.8% | Washington DC MSA |
| 20 | Union County, New Jersey | 0.5 | 15.3% | -8.5% | New York MSA |
| 21 | Suffolk County, Massachusetts | 0.5 | 13.0% | 1.4% | Boston, Mass. |
| 22 | Larimer County, Colorado | 0.5 | 14.4% | 0.7% | Fort Collins, Colo. |
| 23 | Mecklenburg County, North Carolina | 0.4 | 8.8% | -1.6% | Charlotte, N.C. |
| 24 | Snohomish County, Washington | 0.4 | 14.0% | 1.8% | Everett, Wash. |
| 25 | Kings County, New York | 0.4 | 21.3% | 11.2% | Brooklyn, N.Y. |

*Based on counties with population of 300,000 or over.*
*PPI Tech/info Job Index is defined as 2007-2012 change in tech/info jobs in the county, divided by 2007 total private employment in the county, multiplied by 100.*
*Data: Bureau of Labor Statistics, Progressive Policy Institute, South Mountain Economics LLC*

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