

## Economic Prosperity Indicator: Employment Distribution

**Why:** Economic prosperity requires enough jobs to accommodate the number in the labor force, jobs with adequate compensation, and a diversity of jobs. A diverse economy reflected in the distribution of jobs across industries and occupations is more sustainable.

**What:** Employment distribution is calculated from the average location quotient for key industries in the indicated area. Location quotients provide a way to readily compare the industrial activity levels among different areas of the country.

The location quotient is calculated as: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area. (U.S. employment is used as the base-industry employment in the calculation and thus is reported as “NA.”) The quotients reported here are the simple average of the quotients for all industry sectors except “other.”

**Where:** U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Location Quotient Calculator. <http://www.bls.gov/>

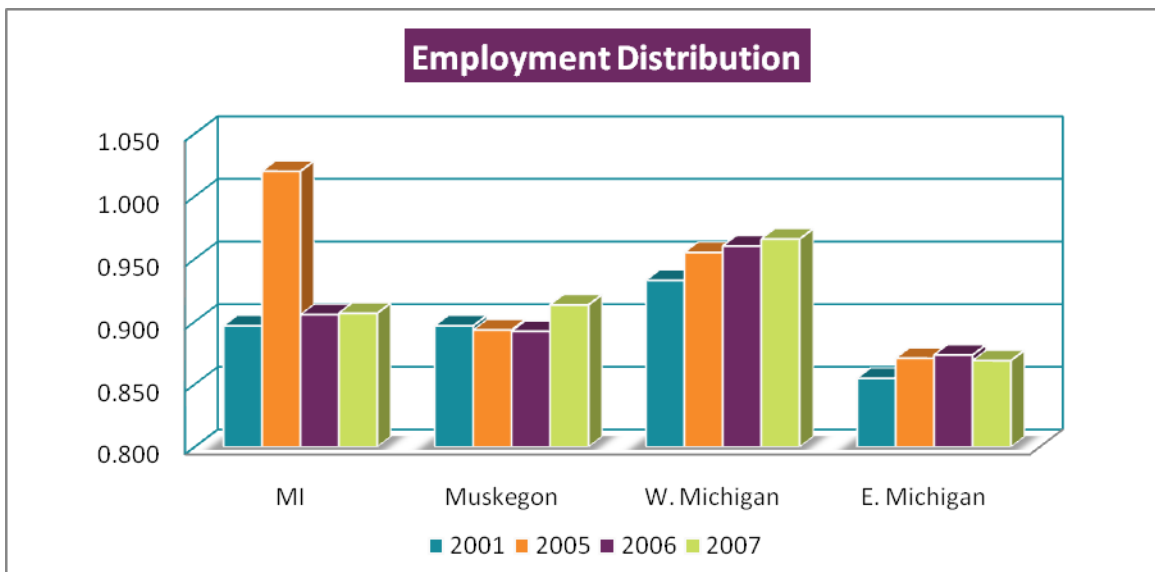
Employment Distribution <i>average location quotient</i>								
Geography	2001		2005		2006		2007	
	Quotient	Index Score	Quotient	Index Score	Quotient	Index Score	Quotient	Index Score
<b>Muskegon County</b>	0.897	2.0	0.893	1.9	0.892	1.9	0.913	2.2
Kent County	0.888	1.9	0.897	2.0	0.897	2.0	0.893	1.9
Ottawa County	1.014	3.1	1.076	3.8	1.092	3.9	1.091	3.9
<b>West MI Average</b>	0.933	2.3	0.955	2.6	0.96	2.6	0.966	2.7
Bay County	0.836	1.4	0.842	1.4	0.858	1.6	0.847	1.5
Genesee County	0.844	1.4	0.861	1.6	0.868	1.7	0.872	1.7
Saginaw County	0.884	1.8	0.909	2.1	0.894	1.9	0.888	1.9
<b>East MI Average</b>	0.855	1.5	0.871	1.7	0.873	1.7	0.869	1.7
Michigan	0.897	2.0	1.02	3.2	0.906	2.1	0.907	2.1
U.S.	N/A		N/A		N/A		N/A	

### Index Scores

**Rubric:** The sustainable level was set equal to the location quotient that reflects an employment distribution meeting local demands. A location quotient score of 1.0 indicates local production in the selected industries is meeting local demand; above 1.0 indicates production is exceeding local demand and the resulting surplus products or services are being exported; less than 1.0 means production is not meeting local demand resulting in importing local goods or services.

**Scale:** Simple scale increasing by 0.100.

Rubric: Employment Distribution		
Level	Index	Quotient
Thriving	5	1.200
Advancing	4	1.100
Sustainable	3	1.000
Needs Improvement	2	0.900
Failing	1	0.800



- *The employment distribution quotient in Muskegon County was higher in 2007 than in 2001.*
- *Financial Activities and Professional and Business Services are the two lowest industry sectors by quotient values in Muskegon County.*
- *The highest quotient scores in Muskegon County are in the sectors of Leisure and Hospitality, Education and Health Services, and Manufacturing.*