Extension Area 15: Economic Overview
Greene, Montgomery, and Warren Counties

Regional Overview

OSU Extension Area 15 is a three-county area in the south-west part of the state, including Greene, Montgomery, and Warren counties. In 2020, the combined Area 15 footprint is 1,277 square miles (mi²) supporting a population of 945,751 residents and an overall population density of 741 residents per square mile. Population density is a ratio of total population to total land area, simply described as a count of residents per square mile. As illustrated in Image 1, Montgomery County has the highest population density of 1,158, followed by Warren County with a population density of 600, and Greene County with 413 residents per square mile.

Overall, the combined population in Area 15 rose by 8% from 871,683 in 2001 to a total population of 945,751 in 2020. However, there were some notable shifts in the population trends of individual counties between 2001 and 2020. Warren County experienced the greatest amount of growth as the population increased by 42% from 169,025 in 2001 to 239,834 in 2020. During this period, Greene County also underwent a population increase of 15% to from 148,426 in 2001 to a total of 171,137 in 2020, while Montgomery County had a population decrease of -4% from 554,232 in 2001 to a total of 534,780 in 2020.

Key Stats
Population 945,751
Total of 404 Industries
Total Employment of 550,696
Gross Domestic Product $56.51B

Data retrieved from IMPLAN (2020 data)
Regional Industry Sector Overview

IMPLAN defines the total annual production value of each Industry or Commodity as Output. Total output represents the total production value of an industry including intermediate inputs, employee compensation, proprietor income, taxes on production and imports, and other property income.

Table 1 below ranks the top 10 industries in Area 15 by total output in 2020. Employment and payroll of federal govt, military was the highest ranked industry with a total output of $4.35 billion, supporting 8,289 jobs, and with an average employee compensation of $111,273. While ranking #3 in 2019, the industry ranked #1 in 2020, increasing output by almost $880 million with jobs remaining about the same. As the same time, the #1 industry in 2019, insurance carriers, dropped to #3 in 2020 but actually added 373 jobs while output dropped by $208 million. (This industry stable with very little drop in output and a reduction in total employment from 6,197 in 2019 to 4,160 jobs in 2020.

Of the top 10 industries by total output in both 2019 and 2020, the sector with the greatest number of employees in the region was hospitals. Employment dropped from 19,662 in 2019 to 19,366 in 2020, or by almost 300 jobs, with average employee compensation remaining about the same at around $70k both years.

The owner-occupied dwellings industry ranked second in both 2019 and 2020, with an output of $4.17 and $4.28 billion respectively. The owner-occupied dwellings sector represents the wealth generated from home ownership. Owning and maintaining a home is also a major area of spending and the owner-occupied dwellings sector captures that economic effect. However, there is no employment or labor income generated in the owner-occupied dwellings sector, as the employment positions such as property managers and real estate agents is captured in the other real estate sector.

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### Table 1: Area 15 Top 10 Industries by Total Output

<table>
<thead>
<tr>
<th>Industry Description</th>
<th>Output</th>
<th>Total Employment</th>
<th>Average Employee Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment and payroll of federal govt, military</td>
<td>$4,347,407,655</td>
<td>8,289</td>
<td>$111,273</td>
</tr>
<tr>
<td>Owner-occupied dwellings</td>
<td>$4,276,155,410</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Insurance carriers, except direct life</td>
<td>$3,974,374,916</td>
<td>7,392</td>
<td>$105,051</td>
</tr>
<tr>
<td>Employment and payroll of federal govt, non-military</td>
<td>$3,550,619,924</td>
<td>18,312</td>
<td>$136,413</td>
</tr>
<tr>
<td>Hospitals</td>
<td>$3,301,636,134</td>
<td>19,366</td>
<td>$70,772</td>
</tr>
<tr>
<td>Management of companies and enterprises</td>
<td>$3,088,913,046</td>
<td>11,743</td>
<td>$161,171</td>
</tr>
<tr>
<td>Other real estate</td>
<td>$2,541,472,885</td>
<td>14,144</td>
<td>$60,620</td>
</tr>
<tr>
<td>Scientific research and development services</td>
<td>$2,351,577,383</td>
<td>10,732</td>
<td>$102,953</td>
</tr>
<tr>
<td>Offices of physicians</td>
<td>$2,174,527,705</td>
<td>13,066</td>
<td>$136,326</td>
</tr>
<tr>
<td>Monetary authorities and depository credit intermediation</td>
<td>$2,102,944,909</td>
<td>4,013</td>
<td>$75,012</td>
</tr>
</tbody>
</table>
Area 15 Annual Employment Trends

The Total Employment figure reported by IMPLAN represents a full and part-time annual average including the self-employed, all federal, state, and local government employment and military employment (including overseas military).

Chart 1 provides a visual reference of the Area 15 annual employment trends between 2001 and 2020. As shown in the chart, Area 15 experienced consistent growth between 2002 and 2007 when the U.S. housing market collapsed, stressing global financial markets, and ultimately triggering the U.S. economy into a period of recession. Since 2010 annual employment in Area 15 increased by 10%, from 500,538 in 2010 to 550,696 in 2020. However, between 2019 and 2020 Area 15 experienced the greatest year to year job loss, loosing 13,534 jobs, leaving an annual employment of 550,696 in 2020.

When considering the long-term employment trends by county, Warren County saw the greatest growth in total employment at 63%, increasing from 77,817 in 2001 to 126,492 in 2020. Greene County employment increased by 32%, from 82,894 in 2001 to 109,320 in 2020.

In contrast, Montgomery County’s total employment decreased by -12%, from 358,402 jobs in 2001 to 314,884 in 2020. Overall, employment in Area 15 increased by 6% during the twenty year period between 2001-2020.

“Despite a significant drop off in 2020, overall employment in Area 15 has increased by 6% since 2001”
A location quotient (LQ) is a metric that compares the relative concentration of a local region's workers in a specific industry sector to the concentration of workers nationally in the same sector. An LQ equal to 1 signifies that the local share is equal to the national share, while an LQ greater than 1 means the local share is greater than the national share and is typically an exporter or perhaps has a specialization in that sector. Where there is an occupational concentration, there also tends to be higher core competencies relative to other areas, creating a competitive advantage. In addition, training and education opportunities associated with the occupation are often readily available to meet hiring demands.

Illustrated above, Chart 2 lists the top 15 occupations with the highest LQ in Area 15 demonstrating a significant concentration of workers relative to the nation. In 2020, the top occupation by LQ in Area 15 was religious workers, with an LQ of 1.51. This suggests the region has more than one and a half times the number of religious workers compared to the national average. The second highest occupation by LQ in Area 15 was metal and plastic workers at 1.48, followed by military known and military unknown, tied with LQ's of 1.38, and computer occupations at 1.30. There is a relatively high concentration of life scientists and mathematical science occupations in the region, sharing an LQ of 1.28.
Image 2 illustrates the average employee compensation by county for 2020. Employee Compensation is the total payroll cost of an employee including wages and salaries, all benefits, and payroll taxes. The average employee compensation is calculated as Employee Compensation divided by wage and salary Employment.

Of the counties in Area 15, Greene County had the highest average employee compensation of $80,504, ranking among the highest in Ohio. The next highest average employee compensation in Area 15 was Warren County ($75,053), followed by Montgomery County ($67,512). Overall, Area 15 wages are higher compared to many other areas in Ohio.
IMPLAN® model, 2020 Data, using inputs provided by the user and IMPLAN Group LLC, IMPLAN System (data and software), 16905 Northcross Dr., Suite 120, Huntersville, NC 28078 www.IMPLAN.com

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OSU Extension Community Development Mission:
We help communities enhance their well-being and create social, economic and environmental conditions in which they can thrive.