

Extension Area 8: Economic Overview

Hardin, Wyandot, Marion, Crawford, and Richland Counties

Report prepared March 2023 by Eric Romich, Associate Professor, OSU Extension Community Development

Fall 2023 Edition

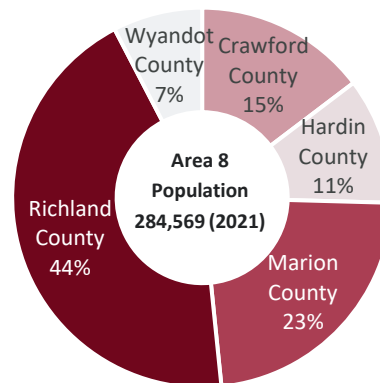
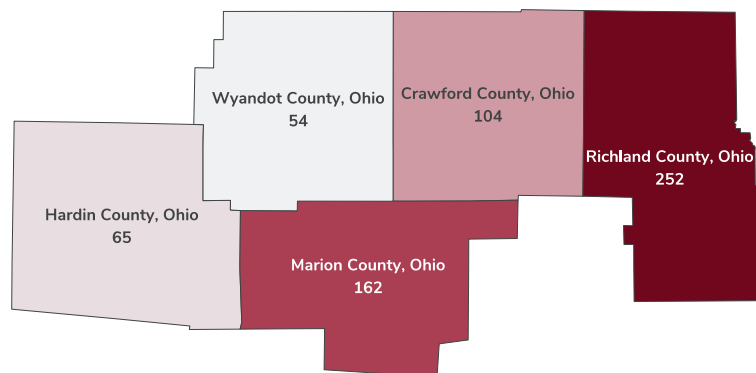
Regional Overview

OSU Extension Area 8 is a five-county area in the north-central part of the state, including Hardin, Wyandot, Marion, Crawford, and Richland counties. In 2021, the combined Area 8 footprint was 2,179 square miles (mi²) supporting a population of 284,569 residents and an overall population density of 130 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, Richland County had the highest population density of 252, while Marion County was the second highest at 162, followed by Crawford County 104, Hardin County 65, and Wyandot County with 54 residents per square mile.

Overall, the combined population in Area 8 remained consistent yet it increased slightly by -3.5% from 295,194 in 2001 to a total population of 284,569 in 2021. However, there were some notable shifts in the population trends of individual counties between 2001 and 2021. Crawford County experienced the greatest amount of loss as the population decreased by -10% from 46,594 in 2001 to 41,754 in 2021. During this period, Wyandot County also underwent a population decline of -5% to a total of 21,708 in 2021, while Hardin County had a population decrease of -4% to a total of 30,621 in 2021. Between 2001 and 2021 there were minor shifts in the population for Marion County with 65,291 residents and Richland County had a population of 125,195 in 2021.

Image 1: OSU Extension Area 8 Population Density



Key Stats

Total of 335 Industries

Total Employment of 134,981

Gross Domestic Product \$12.4 B

Data retrieved from IMPLAN
(2021 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. The total Area 8 output from all industries increased by 10% from 24.8 billion in 2020 to 27.4 billion in 2021.

Table 1 below ranks the top 10 industries in Area 8 by total output in 2021. Owner-occupied dwellings remained the top raked industry by total output at \$1.096 billion. 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.

In 2020 the nitrogenous fertilizer manufacturing industry ranked 68th in Area 8 with a total output of \$102 million. However, the nitrogenous fertilizer manufacturing industry experienced a significant growth in total output (594%), ranking as the second highest industry in 2021 with a total output of \$711 million. In addition, the total employment in the nitrogenous fertilizer manufacturing industry increased by 572% from 79 jobs in 2020 to a total of 529 jobs in 2021, with an average employee

compensation of \$143,161.

The industry with the third highest total output in Area 8 was monetary authorities and depository credit intermediation with a total output of \$646 million, supporting 1,220 jobs, and an average employee compensation of \$60,279 per year.

Of the top 10 industries by total output, the sector with the most employees in the region was employment and payroll of local government and education with 6,748 employees. The average annual income for these workers was \$68,145 per year.

Table 1: Area 8 Top 10 Industries by Total Output

Industry Description	Output	Total Employment	Average Employee Compensation
Owner-occupied dwellings	\$1,096,852,012	N/A	N/A
Nitrogenous fertilizer manufacturing	\$711,490,437	529	\$143,161
Monetary authorities and depository credit intermediation	\$646,230,622	1,220	\$60,279
Iron and steel mills and ferroalloy manufacturing	\$641,755,195	614	\$130,121
Hospitals	\$613,995,473	3,363	\$80,559
Other real estate	\$573,858,942	3,510	\$46,069
* Employment and payroll of local govt, education	\$528,225,201	6,748	\$68,145
Other plastics product manufacturing	\$527,448,852	1,794	\$60,397
Limited-service restaurants	\$462,781,828	5,018	\$19,534
Paperboard container manufacturing	\$447,463,963	907	\$72,460

Area 8 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 8 annual employment trends between 2001 and 2021. As shown in the chart, Area 8 experienced slight decline in employment between 2001 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. Between 2010 and 2019 the annual employment in Area 8

increased slightly by 3% from 138,259 in 2010 to 142,230 in 2019. However, between 2019 and 2021 Area 8 experienced a -5% year to year job loss, losing 6,756 jobs, leaving an annual employment of 134,981 in 2021.

In 2021, Richland County accounted for 46% of the total employment in Area 8, followed by Marion County with 23%, Crawford County at 13%, and Hardin County and Wyandot County each contributing 9% of the total. When considering the short-term 5-year employment trends of individual counties from 2017 to 2021, all 5 counties experienced a decline in total

“Since 2018, the Area 8 total employment has declined by 7,489 jobs”

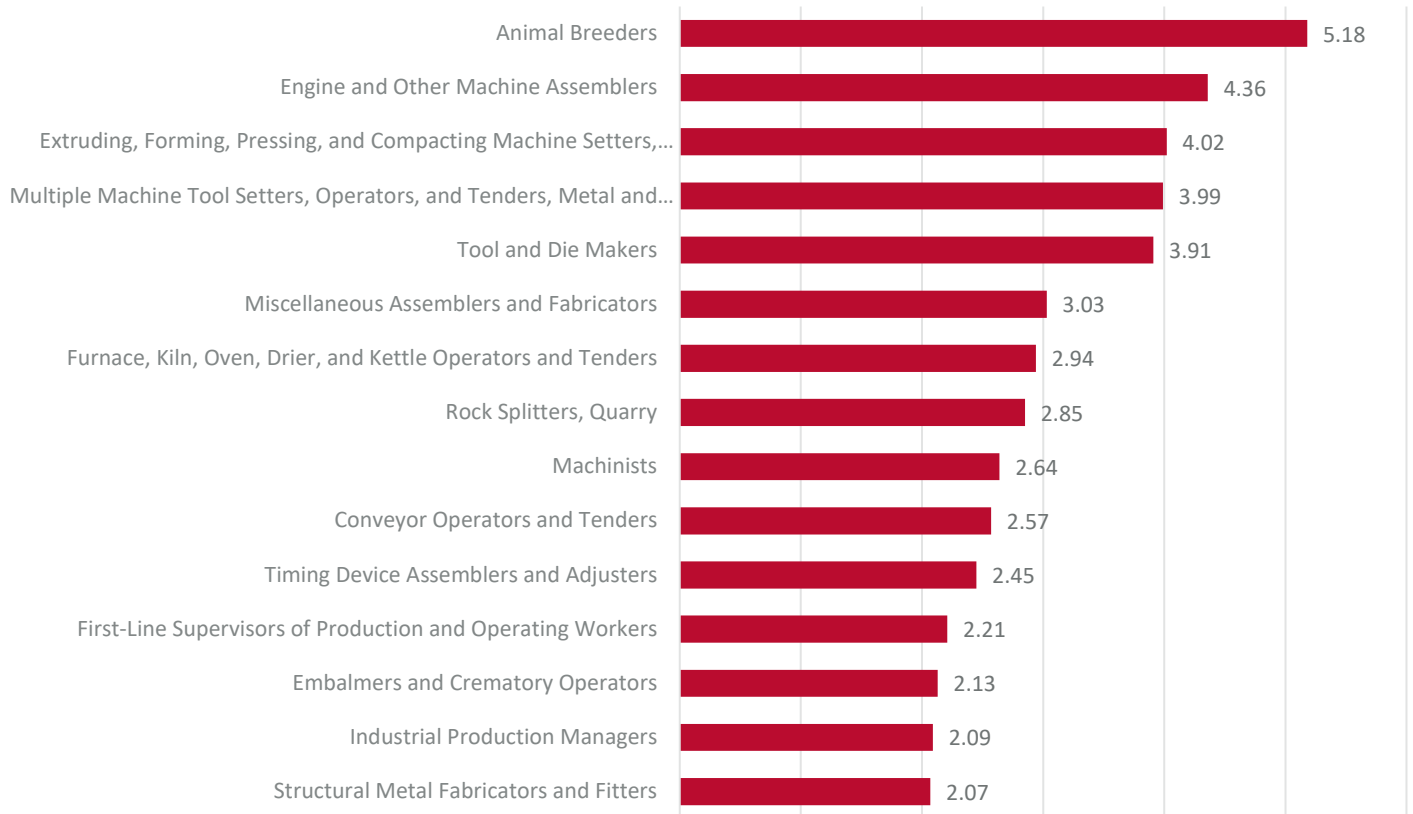
employment. Hardin County saw the greatest decline in total employment of -9%, decreasing from 13,067 in 2017 to 11,863 in 2021. Richland, Crawford and Wyandot counties each experienced a 4% decline in total employment from 2017 to 2021, while Marion County total employment declined by -2%.

Chart 1: Area 8 Annual Employment



Top 15 Occupations by Location Quotient

Chart 2: Occupation Location Quotient



A location quotient (LQ) is a metric that compares the relative concentration of a local regions 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 8 demonstrating a significant concentration of workers relative to the nation. In 2021, the top occupation by LQ in Area 8 was animal breeders, with an LQ of 5.18. This suggests the region has more than five times the number of workers in that industry compared to the national average. The second highest occupation by LQ in Area 8 was engine and other machine assemblers at 4.36, followed by extruding, forming, pressing, and compacting machine setters, operators, and tenders with an LQ of 4.02, and multiple machine tool setters, operators, and tenders, metal and plastic at 3.99.

Image 2: Average Employee Compensation by County

2021 Data and Dollar Year

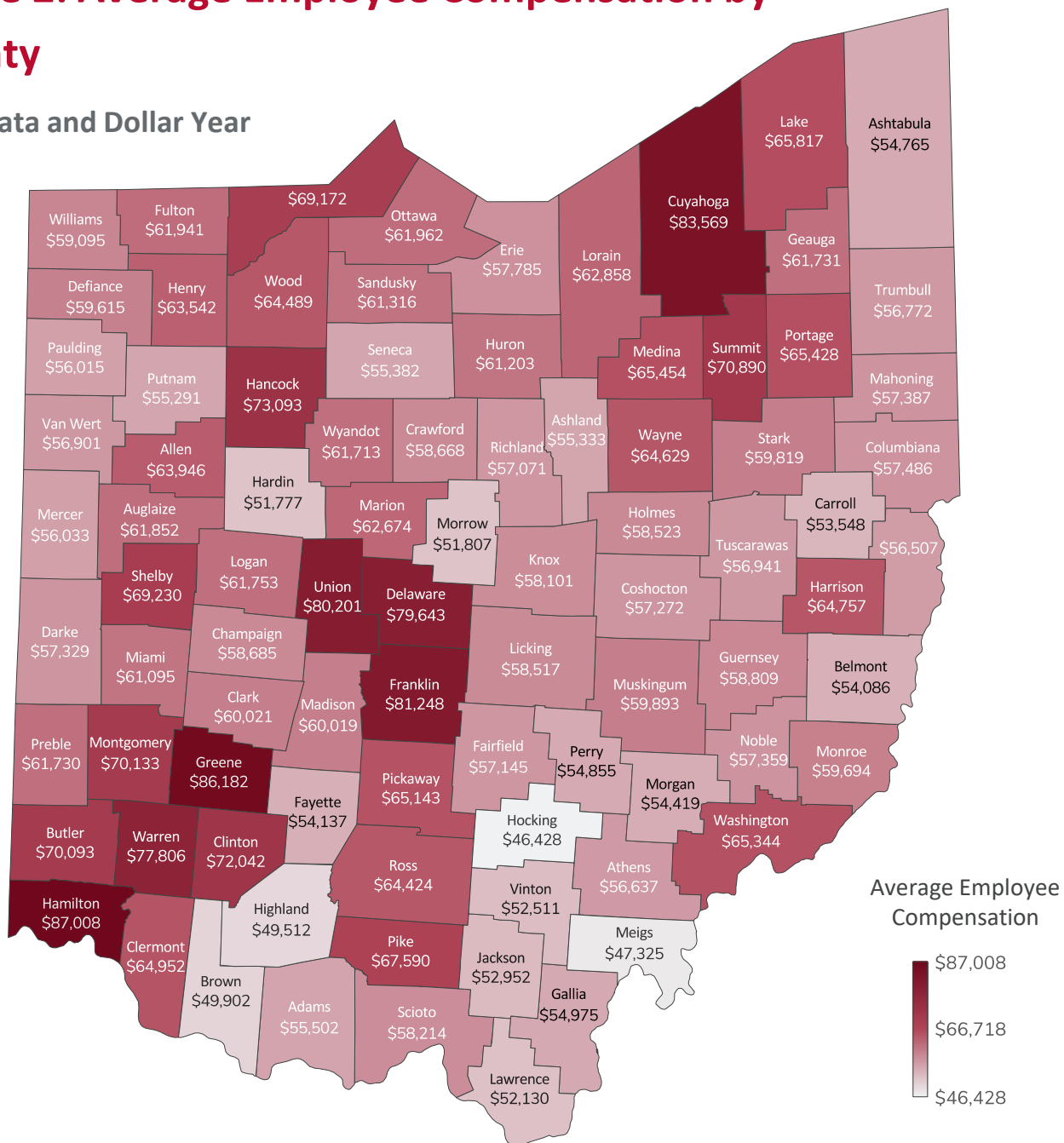


Image 2 illustrates the average employee compensation by county for 2021. Employee Compensation is the total payroll cost of an employee including wages and salaries, all benefits, and payroll taxes. The average employee compensation is calculated as Employee Compensation divided by wage and salary Employment. When comparing counties statewide, Hamilton County had the highest average employee compensation of \$87,008, while Hocking County posted the lowest county average of \$46,428 in 2021. When combining all Ohio counties,

the statewide average employee compensation in 2021 was \$60,659 per worker, which was a 4% increase compared to 2020. Of the counties in Area 8, Marion County had the highest average employee compensation of \$62,674, ranking 29th highest in Ohio. The next highest average employee compensation in Area 8 was Wyandot County at \$61,713, followed by Crawford County \$58,668, Richland County \$57,071, and Hardin County \$51,777.



IMPLAN® model, 2021 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 IMPLAN Team

Nancy Bowen-Ellzey, Associate Professor and Field Specialist (bowen-ellzey.1@osu.edu)

Joe Lucente, Associate Professor, OSU Extension, CD, and Ohio Sea Grant College Program (lucente.6@osu.edu)

Amanda Osborne, Educator, CD, OSU Extension – Cuyahoga County (osborne.414@osu.edu)

Eric Romich, Associate Professor and Field Specialist (romich.2@osu.edu)

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