A roadmap to developing inclusive regional economic indicators

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Contents

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Introduction

More than 65 years have elapsed since management guru Peter Drucker introduced the idea of setting objectives and measuring performance to steer a business.[1] That idea profoundly transformed not only corporate America, but also many other public and civic institutions that embraced a philosophy of results-oriented management.

By the late 20th century, organizations in regions across the United States had begun to develop economic indicator dashboard projects—management tools to track, analyze, and display key regional performance metrics—to help monitor the condition and progress of their communities, inform priorities and goal setting, and provide essential guidance for local stakeholders' investments. The indicators that make up these dashboards ostensibly represent what is important to a local community.

For the most part, organizations that embraced a certain vision of success—chambers of commerce, business leadership organizations, regional economic development agencies, and other entities chiefly relating to the private sector—designed those dashboards. Consequently, many of them prioritize indicators of growth in the local economy, and so-called "quality of life" factors that are thought to influence a region's ability to attract and retain businesses and jobs. They have traditionally focused less on conditions of the region's existing residents and communities, the distribution of economic resources across them, and how these are changing over time.

The last couple of decades, however, have brought increasing awareness that growth is not sufficient to counteract a long-run decline in economic opportunity for large segments of the population, particularly historically marginalized communities. Rather, while growth can set the necessary conditions for greater inclusion, inclusion does not necessarily follow. Instead, intentional efforts to counteract historically rooted and persistent inequalities are needed to ensure the benefits of growth are shared widely by all.

Aside from the moral responsibility local leaders bear to address these inequities, improving inclusion is actually linked with greater economic growth. For example, research demonstrates that metro areas that exhibit greater upward mobility for low-income residents experience faster per capita income growth.[2] Others have found the reduction of barriers women and Black workers experienced in the labor market is responsible for 15% to 20% of aggregate wage growth between 1980 and 2007.[3] The logic of this connection is clear—more inclusive economies "maximize the talent and entrepreneur bases on which their growth and productivity depend."[4] When people have the resources they need to reach their full potential, the whole economy benefits.

In that spirit, Brookings Metro has encouraged regions to embrace a more holistic vision of economic success that explicitly promotes greater inclusion in the local economy by income, race, and place—a concept operationalized in our annual Metro Monitor report.[5] Organizations like the Center for Economic Inclusion in Minneapolis-St. Paul have begun to develop inclusive dashboards that measure the concept at a regional level, following in the footsteps of successful community-wide efforts such as the Boston Indicators Project and SA2020.[6]

A commitment to inclusive economic outcomes implies attention not only to the quantity of economic growth and its impact on average living standards, but also to the distribution of that growth among a region's residents, particularly those who have historically faced economic exclusion. These may include people with lower incomes or limited wealth; members of racial and ethnic minority groups; and residents of communities challenged by long-term disinvestment. As this roadmap describes, regions have used a variety of different approaches and metrics to capture their inclusive economic performance, but each posits a more equitable distribution of growth and prosperity as a fundamental measure of success.

In response to growing interest in these efforts, Brookings Metro launched its Inclusive Economic Indicators (IEI) Lab in 2020 to help three regions develop compelling and influential indicators projects that use metrics to drive more inclusive local economic outcomes. Through a competitive process, Brookings Metro selected three teams that exhibited readiness, capacity, and commitment to deliver a set of inclusive regional indicators that could inform and influence regional priorities (see Box 1).

This roadmap distills experiences and lessons from the IEI Lab. In the process, it outlines an approach that leaders in other regions can use to develop and advance their own inclusive economic indicators projects. Each region, of course, faces a unique set of economic, political, and institutional circumstances, so not all lessons will translate directly. As the Lab unfolded over the course of 2020, participating organizations were forced to confront the local impacts of a global pandemic that greatly disrupted the economy, introducing new complexity to the process and placing new and competing pressures on the organizations themselves (see Box 2). Moreover, many core participants in the IEI Lab were business-aligned organizations; the process and priorities may evolve differently in regions where public-sector or civic-sector organizations lead a project.

Box 1
Lab participants

Indy Chamber: The chamber joined the IEI Lab having previously completed substantial work to build a coalition in the region focused on inclusive economic development. Through the IEI Lab, they sought to create a dashboard to tie together and lift the profile of these efforts. Stacia Murphy, the chamber's director of equity, outreach, and strategic partnerships, led the chamber's core team, which included representatives from its economic development, civic engagement, and policy arms. The team supplemented its capacity and expertise through the engagement of an external data partner.

Innovate Memphis, Greater Memphis Chamber, and BLDG Memphis: Memphis's core team was the only one to include members from multiple organizations. Their team was led by Justin Entzminger, the executive director of Innovate Memphis, a nonprofit with deep ties to local government. It also included members from BLDG Memphis, a community development intermediary, and the Greater Memphis Chamber. Through the IEI Lab, the core team hoped to build bridges between Memphis's traditionally siloed economic development and community development sectors and establish a new data- and inclusion-driven approach to economic development in the region.

Orlando Economic Partnership (OEP): The partnership is a nonprofit economic and community development organization focused on promoting what it calls "broad-based prosperity" in the Orlando region. The partnership includes Orlando's regional chamber and regional economic development entity, along with the Foundation for Orlando's Future, Orlando Tech Council, and Orlando Film Commission. The OEP joined the Lab intending to expand upon its existing Orlando Prosperity Scorecard launched in 2019, to include metrics explicitly focused on inclusion. The OEP Lab team was led by Director of Research Phoebe Fleming and included five other members of the partnership's staff with expertise in marketing and communication, data analysis, and stakeholder engagement.

Nevertheless, the roadmap offers a flexible framework and case-study examples that can help interested regions develop an inclusive indicators project and understand the choices inherent in that process. The framework identifies three phases, beginning with steps to **set the conditions for success** by identifying key stakeholders and agreeing on shared definitions and motivations for pursuing inclusive economic growth. Regional leaders then **create the indicators project**, honing a shared vision, identifying indicators and metrics, and testing and refining each iteratively. From there, they **put the indicators to work** by strategically communicating the results and embedding the indicators into as many organizational strategies as possible.

For each of these phases, the roadmap outlines context and purpose, and provides an overview of the key activities in that phase. It offers examples from the Lab and other leading inclusive indicators efforts around the country as to how different coalitions approached the work, and what they experienced and learned in the process. The roadmap also references tools that Brookings Metro developed for the Lab. These tools include several Brookings Metro activities that Lab participants completed, which similar organizations may find useful as they move through the phases of this roadmap. They also include an inventory of indicators used in existing inclusive economic indicators projects that served as a reference for Lab participants as they compiled and tested their own indicators (see Box 5).

If you are reading this roadmap, your organization may already be involved in building an inclusive economic indicators project, or you may be considering it seriously. The IEI Lab and other regional economic initiatives in which Brookings Metro has been involved over the years reveal the value such projects can have, for any region of at least moderate size and economic/institutional complexity. But not every inclusive indicators project delivers on its promise. In fact, our survey of the field suggests there are at least as many projects from recent years that are defunct or lying fallow as there are ongoing efforts that are making a real difference. Our hope is that this roadmap provides a clearer picture of what it may take to succeed.

Box 2

How the pandemic recession shaped inclusive indicators projects

After soliciting applications in February 2020, Brookings Metro selected participants for the IEI Lab and planned its launch for late March 2020. The onset of the COVID-19 pandemic in the United States in early March, however, brought emergency demands upon the Lab's core local partners and an abrupt end to a record run of economic growth that had only recently begun to extend benefits broadly. Orlando found itself at the epicenter of one of the most impacted regional economies in the United States, given its heavy reliance on domestic and international tourism. Indianapolis, meanwhile, confronted one of the highest metropolitan rates of COVID-19 cases per capita nationwide in March 2020. Teams in each of the markets took on significant new duties related to the pandemic response, such as outreach and assistance for shuttered small businesses and displaced workers. Consequently, Brookings Metro pressed pause on the Lab launch for a few months, until June 2020.

The radically changed context for the Lab did not fundamentally change participants' commitment to pursuing inclusive indicators projects, but it did shape how certain stakeholders approached it. The core team at the Orlando Economic Partnership, which had planned to use the Lab to go much deeper on ensuring "broad-based" regional prosperity, saw that the pandemic's deep impacts on the regional economy revived stakeholders' focus on more traditional concerns and metrics of economic recovery and diversification. At the same time, the team in Memphis reflected that the pandemic's economic and health tragedies, coupled with the racial justice reckoning spurred by George Floyd's murder in May 2020, created the necessary space to motivate greater cross-sector concern around issues of inclusion and exclusion in the regional economy. Across all three markets, highly uneven impacts of the pandemic by race and income provided important reminders of economic inclusion's importance for longer-term recovery and prosperity.

Phase 1:
Set the conditions for success

Undertaking a process to measure inclusive growth can help a region's leaders better define their desired outcomes and deepen collective commitment to pursuing them. But gaining a shared understanding ahead of the measurement process on what inclusive growth means, why it's an important vision, who must be involved in seeding it, and what role metrics themselves will play can ensure these leaders address important questions and organize key stakeholders in ways that facilitate a high-impact project. In this section and throughout the roadmap, we use the term "core organization" to refer to the civic entity most responsible for driving the regional indicators project forward.

Commit to inclusive economic growth

Efforts to develop a shared definition of, and commitment to, inclusive growth should involve regional actors who are stewards of the "inclusion" and "growth" agendas, respectively.[7]

Historically, growth-focused and inclusion-focused organizations have pursued separate goals, engaged distinct stakeholders, and tracked different success metrics. But marrying inclusion and growth can address barriers that hinder both.[8] Excluding populations from a regional economy stymies growth as potential talent and entrepreneurship are lost. And although actors focused on inclusion may question the importance of growth to their agendas, growth often sets conditions that make inclusion easier to attain—tighter labor markets that promote increased wages and a greater tax base with which to fund public goods. Indeed, a shared regional vision for inclusive economic growth can unite distinct factions in common cause.

Through the Inclusive Economic Indicators Lab, Brookings Metro worked with core teams that largely represented organizations charged with managing the growth agenda in their regions. The Indy Chamber and Orlando Economic Partnership principally focus on economic development for their respective regions. The cross-sector team from Memphis represented the business and economic development community via the Greater Memphis Chamber, and the community development sector via intermediary BLDG Memphis; anchor partner Innovate Memphis is a nonprofit organization with strong ties to the public sector. The fact that many indicators projects originate from business-aligned organizations may reflect that data and data-informed decision making often form a strong part of business culture. The Lab, however, created a process in which each core-team organization connected with a wider set of regional stakeholders to ensure the project reflected the values and objectives of both growth-aligned and equity-aligned actors.

As the Memphis example illustrates, successful indicators project need not be led by growth-focused actors like chambers and business leadership organizations alone. That noted, the complexity of achieving inclusive economic growth does require these projects to bridge historical gaps in mission, vision, and metrics that tend to differentiate public, private, and nonprofit sector stakeholders within U.S. regions. Participating in the Lab became a spur for the Greater Memphis Chamber to embrace economic inclusion more strongly in its strategies, particularly through a new Center for Economic Competitiveness. Indianapolis, on the other hand, had wrestled with the inclusive growth challenge through a 2017 Inclusive Economic Development Lab with Brookings Metro, which helped define a set of core stakeholders and shared interests for the IEI Lab (see Box 3).

Box 3

Previous Indy Chamber and partner efforts set the stage for work on inclusive indicators

The Indy Chamber's participation in the Inclusive Economic Indicators Lab in 2020 continued its several years of work on inclusive economic development.

In 2017, the Indy Chamber participated in Brookings Metro's Inclusive Economic Development Lab.[9] Through this first lab experience, the Chamber established the business case for inclusive growth and developed targeted messaging so other regional stakeholders could better understand why inclusion is important to driving economic growth in Indianapolis.

In 2017–18, the city of Indianapolis participated in additional work with Brookings Metro that explored the alignment of the city's economic development incentives with driving equitable outcomes.[10] As a result of both the Brookings Metro lab and the incentives assessment, the city of Indianapolis reformed its economic development incentives to promote better paying jobs and increase access to those jobs for existing residents.[11] The new incentives program launched at the beginning of 2020.

Other prominent local actors also share the goal of a more inclusive Indianapolis economy. Representatives from economic development, community development, public, and philanthropic organizations meet regularly as part of Indianapolis' Inclusive Growth Working Group. Indeed, the working group has been essential to the Indy Chamber's progress in the Inclusive Economic Indicators Lab and speaks to the region's commitment to economic inclusion.

While the region had taken steps toward fostering more inclusive economic growth, Indy Chamber leaders saw that a lack of metrics to articulate shared priorities, demonstrate progress, and drive accountability were stymieing progress. The chamber joined the Inclusive Economic Indicators Lab to address this gap. Its work in the Lab deepened local commitment to inclusive growth and promoted shared accountability across this wide set of stakeholders.

Identify key stakeholders and roles

For inclusive economic indicators projects to drive real accountability and action, they need to be designed to engage key stakeholders that can influence the region's ability to deliver strategies relevant to the goals of economic inclusion. These actors may have varying levels of commitment and understanding around the goal of economic inclusion, and/or their organization's role in driving it.

Early on in the Lab, each participant undertook an exercise to identify their region's universe of organizations that they would consider engaging in the indicators effort. Participants assessed these organizations both for their potential impact on inclusive growth within the region, and how much influence participants had on the activities of those organizations. They considered a wide range of stakeholders from the economic development and business communities, state and local elected officials and public sector entities, workforce and community development fields, and regional philanthropy. The Lab encouraged participants to focus their energies first on those entities with the potential to exert high impact on inclusive growth, on whom they had the greatest potential influence.

In each of the Lab regions, key stakeholders also included leadership within the core team organizations themselves. Buy-in at the top of the organization was critical to sustaining momentum for inclusive indicators. The CEOs of the Indy Chamber, Greater Memphis Chamber, and Orlando Economic Partnership were key champions for the effort. In Memphis and Orlando, Brookings Metro presented at board meetings alongside core team members from the Greater Memphis Chamber and Orlando Economic Partnership to explain the project and build awareness and support. All three Lab core-team organizations are charged with carrying out local or regional economic development, the goals and tools of which are often highly pertinent to inclusive economic outcomes. Identifying them as a key audience and/or development partner for inclusive indicators helped ensure that lead organizations could work with unified purpose as they engaged other critical external stakeholders in the process.

Even where core organizations had previously worked to establish broad understanding of the inclusive growth imperative, the act of identifying potential stakeholders for inclusive indicators often helped widen the circle of committed actors. The Orlando Economic Partnership, for instance, built fairly widespread support for "broad-based prosperity" through a three-year strategic planning process prior to the Lab, aligning the vision and brand of its organization with that goal. The Lab gave them an opportunity to engage members of the newest class of Leadership Orlando 2.0, the region's civic leadership development program, in developing a revised framework and indicators. This effort, by extension, helped to build awareness and buy-in for its Prosperity Scorecard across the businesses, nonprofits, and public-sector agencies that Leadership Orlando 2.0 class members represented. As Phoebe Fleming of the Partnership observed, this ongoing work served as a reminder that "the buy-in phase is a marathon, not a sprint."

In identifying potential stakeholders for the project, core organizations should also consider the value of residents' perspectives, especially those from communities that have faced historical economic exclusion. A growing number of equity-focused data efforts are elevating the importance of lived experience as a source of expertise.[12] That expertise may help the project not only make more informed choices about

indicators and their interpretations, but also add to the overall legitimacy of the project, particularly in regions with significant demographic (age, race) differences between the general population and leaders of large, influential organizations that show up as stakeholders.

Whichever kind of organization leads the effort, successfully engaging diverse stakeholders in building and committing to new indicators requires understanding each stakeholder's mission, audiences, and incentives (and disincentives) to participate. This also applies to core team members themselves. Being clear about the roles, objectives, milestones, and timelines for each member within the core team at the outset can minimize duplication, ensure that important activities don't escape execution, and provide for continuity amid personnel changes that may occur along the way. This may be particularly important where a core team spans multiple organizations with somewhat different missions, audiences, and modes of work.

Establish the purpose of the indicators project

In considering the stakeholders for the project, lead organizations also need to be clear themselves about the ultimate goal of developing shared inclusive regional metrics.

In some regions, leaders may wish to use metrics chiefly to highlight and communicate the importance of economic inclusion, and to help a wide range of audiences explore different dimensions of inclusive economic performance. This may be a sensible approach in regions where the concept of inclusive growth has yet to gain a strong foothold, or where important stakeholders are at very different stages in their understanding. In the context of the Lab, Brookings and participating regions referred to such indicators projects as developing an "atlas" of economic inclusion.

In other regions, leaders want to use metrics to inform and influence strategy, changing how key actors deploy their resources toward a set of measurable inclusive economic outcomes. This is a much taller order, obligating coalitions of stakeholders to work together to critically assess how they are spending their time and money, and to share accountability for their success (or failure) in moving the needle on those outcomes. We used the term "strategic dashboard" to refer to these more ambitious strategic efforts.

Most existing inclusive economic indicators projects serve chiefly as communications tools, not strategic planning tools. The Lab started from an assumption that participants would ultimately seek to use inclusive metrics to drive new regional collaborations and strategies. Developing and testing frameworks and indicators with regional stakeholders changed how some lead organizations viewed the goals of their project. Ultimately, some inclusive economic indicators projects establish an overall communications platform, which then provides the basis for deeper strategic work in selected areas. The roadmap explores these trade-offs further below. Nevertheless, being clear at the outset of an inclusive indicators project about ambitions can help clarify which stakeholders are ready to embrace metrics as a truly strategic proposition. And the project goal helps set some basic parameters for the development of indicators themselves, wherein regional leaders can effectively communicate a larger breadth of indicators than can form the basis for a focused strategy to drive inclusive growth.

Take stock of existing regional metrics

As part of their landscape analysis, Lab participants also surveyed their regional landscape to identify other economic indicators projects that already exist. These projects may have been constructed for different purposes than to measure or drive inclusive economic growth. They may be critical ongoing reference points for some regional stakeholders and initiatives. Or they may no longer be actively employed. In any case, they remain important to acknowledge and factor into the design of any new effort.

In Memphis, for instance, the core team identified work on regional metrics that began more than a decade ago led by Memphis Tomorrow, a coalition of top local philanthropists and business leaders. The resulting *Memphis Fast Forward* agenda focused on "creating good jobs, a better-educated workforce, a safer community, a healthier citizenry, and a fiscally strong and efficient government in Greater Memphis."[13] Memphis Tomorrow served as the backbone organization for several initiatives

under Memphis Fast Forward, each of which tracked individual metrics that in turn rolled up to a larger regional dashboard. While those metrics are no longer being published, the core team was able to explain to local stakeholders during their initial phase how the framing, goals, and tactics of their new inclusive indicators effort related to that past effort.

In Indianapolis, a metrics project already existed within the Indy Chamber itself in the form of Accelerate Indy, the chamber's regional economic development strategy.[14] Accelerate Indy's Regional Indicators Dashboard emphasizes several common indicators of economic growth and development, such as the size of the regional economy, adult educational attainment, exports (including tourism), venture capital, and household income. It also features a few indicators that speak to economic inclusion, such as the regional poverty rate and the share of jobs paying family-sustaining wages. The chamber's decision to go deeper on measuring economic inclusion created opportunities and challenges around synching that effort with the refresh of the Accelerate Indy strategy and metrics.

Answer some baseline questions

Before embarking on detailed project design, core organizations and key stakeholders should discuss their collective answers to a few key questions that can help establish shared purpose and avoid confusion and disagreement down the road.

WHY IS THIS REGIONAL IN SCALE?

Given that geographic inequities in many regions are as stark as racial inequities, there may be questions about the value of tracking economic data at the regional scale. Stakeholders may want to see each indicator broken out by neighborhood. Core organizations may consider responding in two ways. One is to commit to including regional measures of geographic disparity, such as the gap between neighborhoods at the 10th and 90th percentile on a given indicator. While this doesn't capture neighborhood-level trends in great detail, it ensures that the indicators elevate discussions about geographic inequities. The other is to defend the relevance of regional economies despite great variation in outcomes at the neighborhood scale. For example, most people work outside the neighborhood in which they live. So even if a region's goal is to improve economic outcomes in a given neighborhood, it's still important to track whether the region is creating more good jobs overall.

WHAT COUNTS AS AN ECONOMIC INDICATOR?

It is hard to determine where "the economy" begins and ends. Some stakeholders will want an indicators project to track the extremely wide range of factors that influence economic outcomes, and that economic development may in turn influence (from health outcomes to crime to volunteerism to environmental outcomes). Others will worry about scope creep and insist that the indicators project hew more closely to traditional definitions of economic development, which might only encompass basic factors such as job creation and job preparation. Again, there is no scientific way to define what counts as part of the economy, but core organizations will want to develop some theory or justification of what's "in the box" at the outset.

WHAT IS THE ROLE OF RACIAL EQUITY IN THE PROJECT?

While it is less common for stakeholders to question the validity or usefulness of a race-focused set of indicators today than it may have been several years ago, these questions still emerge, whether explicitly or implicitly. They may reflect either a concern that a focus on racial equity distracts from the work of making businesses more competitive, or a concern that the white population also faces significant economic challenges that race-focused measures risk overlooking. Core organizations and key stakeholders may want to consider crafting a response to each of these concerns before beginning an indicators project. First, what is the business case for racial equity? There is a growing body of research demonstrating how racial equity can unleash innovation, make firms more productive, decrease turnover costs, create a stronger and more adaptable workforce, and more. Core organizations should consider testing these sorts of data points with business leaders to see which resonate. Second, how will the white population be treated in the indicators or related goals? Along these lines, john a. powell's "targeted universalism" approach suggests that regions should set goals that would improve the situation of everyone in the region, rather than just closing the disparity between a given racial group and the white population.[15] From there, regions develop targeted strategies that recognize that certain racial groups are much further from that goal and face greater barriers. powell describes this as a "bridging strategy" for communications, as it recognizes the needs of the dominant population while still supporting relevant race-focused interventions.

Decide whether/when to proceed

This phase provides core organizations with a critical opportunity to assess the depth and breadth of shared commitment in their region to measuring and pursuing inclusive growth. Having done that, core organizations must make a choice. If internal and external stakeholders are sufficiently aligned and committed to the project's success, they can feel confident in moving to Phase 2. If conditions are more uneven, core organizations should consider whether and how regional actors might benefit from additional up-front work. In some cases, developing certain early Phase 2 outputs (e.g., vision, framework) may help deepen understanding and commitment among tentative stakeholders. In other cases, stakeholders might benefit from further reviewing other models of success—and failure—in using metrics to drive inclusive growth. Finally, some regions may be too early on a journey toward embracing inclusive growth as an imperative, or key parties may be too far apart in their definitions or aspirations for using metrics. In these instances, plowing ahead is likely to yield a project that at best sits on the proverbial shelf, and at worst diminishes civic confidence and squanders future opportunities for success. Revisiting the effort at a later date may be the wisest course.

Phase 2:
Create the indicators project

Having set the conditions for success, successful projects proceed to creating the indicators themselves. Because there are innumerable ways in which to portray the state of economic inclusion or exclusion in a place, regional leaders should start this phase by agreeing on a vision of success for their communities. That vision can then inform a model or framework of inclusive economic growth that resonates with key stakeholders, animated by a set of indicators. Regional leaders have a series of options for how to design and develop the indicators that the Lab helped reveal, and which this section outlines. No matter the pathway they choose, lead organizations should prepare for an intensive period of testing the framework and indicators with other regional stakeholders, which serves to inform the project design, increase buy-in, and highlight other important partners to engage in the process.

Develop a shared vision and framework

After developing consensus on the importance of achieving an inclusive economy, but before getting into the nitty-gritty of measuring economic inclusion, smart indicators projects work to articulate a shared vision of success for their region, and to translate that vision into a set of key themes that form a solid framework for indicators.

A good vision statement provides a north star to guide indicator development and reminds diverse stakeholders—especially those who spend most of their time thinking about either "growth" or "inclusion," but not both—why and how they are committed to the work. The concept of inclusive growth can mean something different to just about everyone, so spending time up front to parse those meanings and build a shared definition can forestall confusion and conflict down the road. Kania and Kramer of consulting firm FSG observe that having a common vision and a shared set of metrics to operationalize it are key conditions that support successful collective impact initiatives.[16]

Different communities will naturally arrive at different types of vision statements that reflect their culture, their economic and institutional endowments, and the nature of their commitment to change. In Kansas City, for instance, KC Rising—the region's business-led economic development collaborative—is launching a new version of its metrics under the vision of "grow the economy and include everyone."[17] This vision sets the context for KC Rising metrics that capture both the quality of economic growth and the distribution of the resulting opportunities by income and race. In San Antonio, nonprofit SA2020 is the organizational vessel for what it calls the "shared Community Vision," which a broad cross-section of San Antonians articulates as, "We have a shared responsibility for our collective well-being." That overarching vision, in turn, incorporates a series of 10-year vision statements in nine discrete areas that together define community well-being, each with its own metrics and corresponding goals.

The Lab asked each participating region to describe its vision of economic success, including what that vision would enable the region to achieve. It also urged participants to describe how this vision would help the region overcome challenges it may have faced for a long time. The vision represents the apex of a model that regions can use to drive their shared high-level aspirations into the strategic work of individual organizations toward realizing those aspirations (see Box 4).

The resulting draft vision statements were diverse in how they were conceived and reflected different organizational and community norms:

- The Orlando team recommitted to an existing vision of broad-based prosperity, which it defines as "an economy that creates opportunities for all; where regional talent has the capabilities to take advantage of those opportunities; and barriers limiting access to participate in the economy are removed." In this way, Orlando's vision connected explicitly to the framework (opportunities, capabilities, access) it used to organize the metrics themselves.

- The Indianapolis team developed a draft vision of a "thriving and robust economy that provides access to economic opportunity and the chance to flourish for all its residents." It positioned this vision in contrast to a "dual-sided economy" in the region that had achieved strong growth in advanced sectors, but also saw an increase in regional poverty that "fractures the economy and increases vulnerability."

- The Memphis team, which aimed to bridge traditionally disconnected local economic and community development sectors, alighted on "a future where all Memphians *thrive*" as its draft vision. That vision built on a track record of market momentum pre-pandemic that, overlaid on persistent income and wealth disparities, fueled calls to ensure shared prosperity as the region grew anew.

Through the Lab, Brookings Metro and participating regions learned that these initial vision statements were subject to change. Continued stakeholder outreach caused some core teams to revisit the language and framing to better appeal to key constituencies. Others found that only through actually developing and sharing draft indicators could stakeholders grasp the meaning of the vision. Stacia Murphy from the Indy Chamber observed that sharing the framework and vision without a grasp of the data was less effective for engaging stakeholders. Only when Indy's core team put draft data together were stakeholders able to wrestle with different options for articulating the community's shared vision.

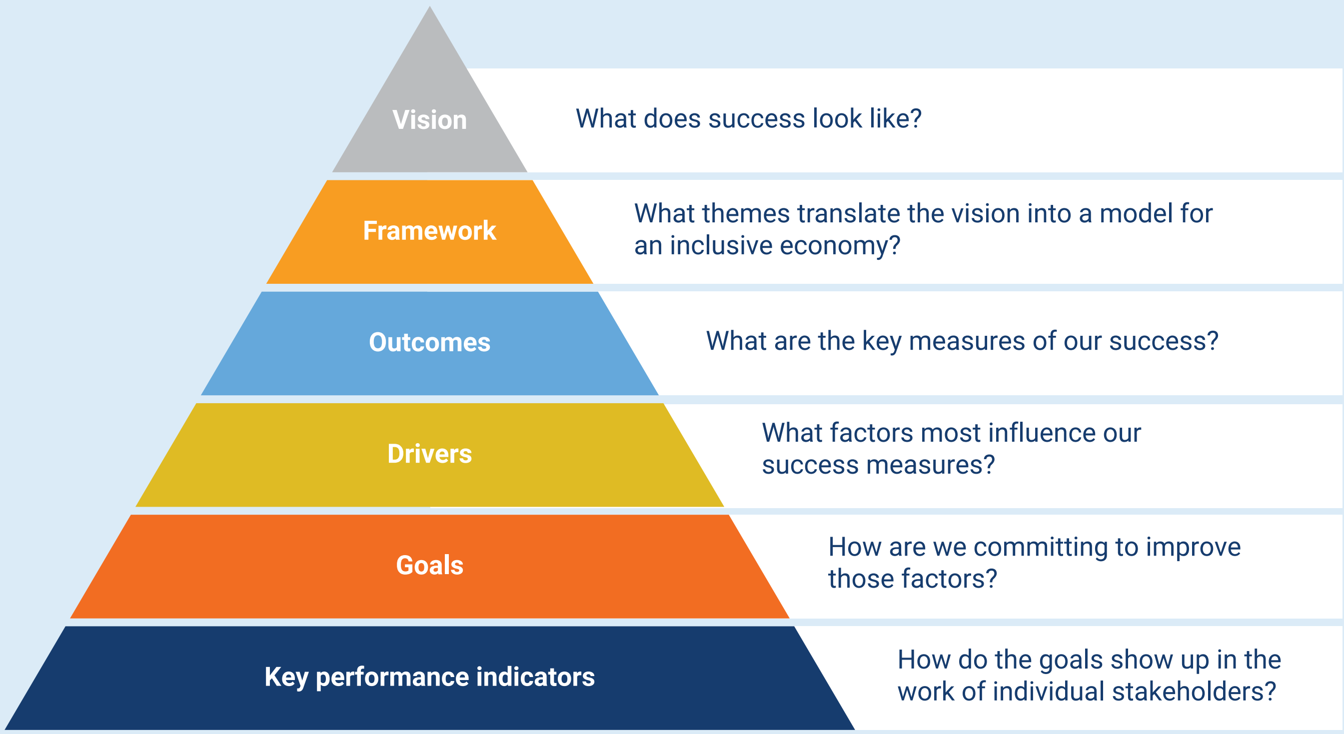
The framework, as Brookings Metro defines it, translates the vision into the key themes around which the region will organize its efforts to achieve an inclusive economy, including how these relate to one another in a rough model of inclusive economic growth. In doing so, the framework sets a concrete direction for developing not only the indicators, but also the other levels of a shared accountability approach to fostering inclusive growth.

Box 4

Linking shared vision to shared accountability with "cascading" metrics

Through the Lab, Brookings Metro developed a conceptual model, informed by the work of other regional inclusive indicators projects, that seeks to connect a region's vision for success to the day-to-day activities of key stakeholders crucial to delivering on that vision. This model is most relevant for indicators projects that aim to inform and influence regional strategy but may hold some value even for projects whose goal is to simply enhance understanding of regional economic inclusion.

Figure 1. A model that links a shared vision to shared accountability



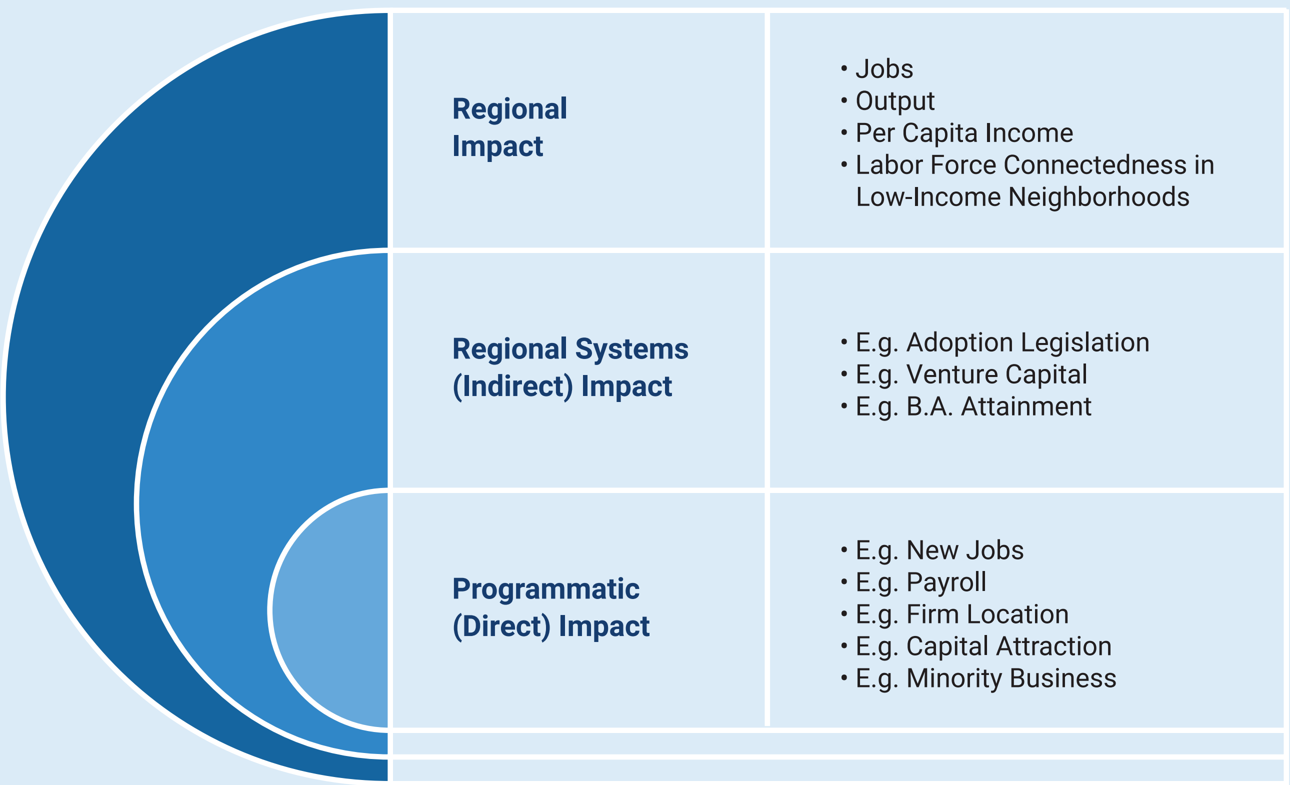
Source: Brookings Metro

Phases 2 and 3 of the roadmap describe how to apply this model, including each of the components, in a given regional context. The process of developing a successful indicators project is not nearly as neat and top-down as the diagram suggests. Nevertheless, using a conceptual model such as this can help lead organizations and key stakeholders identify where they are in the indicators process, avoiding discussions that traverse different layers of the model (especially outcomes, drivers, and individual program/initiative goals and indicators) without sufficient distinction.

This conceptual model borrows from an approach that Northeast Ohio stakeholders used in the mid-2010s to align around a shared strategy for inclusive economic growth. They termed the approach "cascading metrics." The top level features ***regional impact*** indicators (e.g., jobs; incomes) that are the product of multiple interacting systems and macroeconomic conditions. The second level reflects indicators relevant to impact on ***regional systems*** (e.g., venture capital invested; educational attainment) in which stakeholders work, but which represent the efforts of multiple actors. The third level tracks indicators of more direct ***programmatic impact*** (e.g., new businesses supported through an accelerator program; at-risk students receiving post-secondary support) that align with the work of specific organizations. These three levels correspond, respectively, to **outcomes**, **drivers**, and **key performance indicators** in the Brookings conceptual framework. As Emily Garr Pacetti describes:

> "… no one organization should be under the illusion that the movement toward or away from a regional goal … is attributable to a particular intervention. Rather, progress at this level is the result of many variables, some within and many outside of any one organization's or sector's control … as time progresses the articulation and adaptation of shared goals across organizations will increase the likelihood of achieving them."[18]

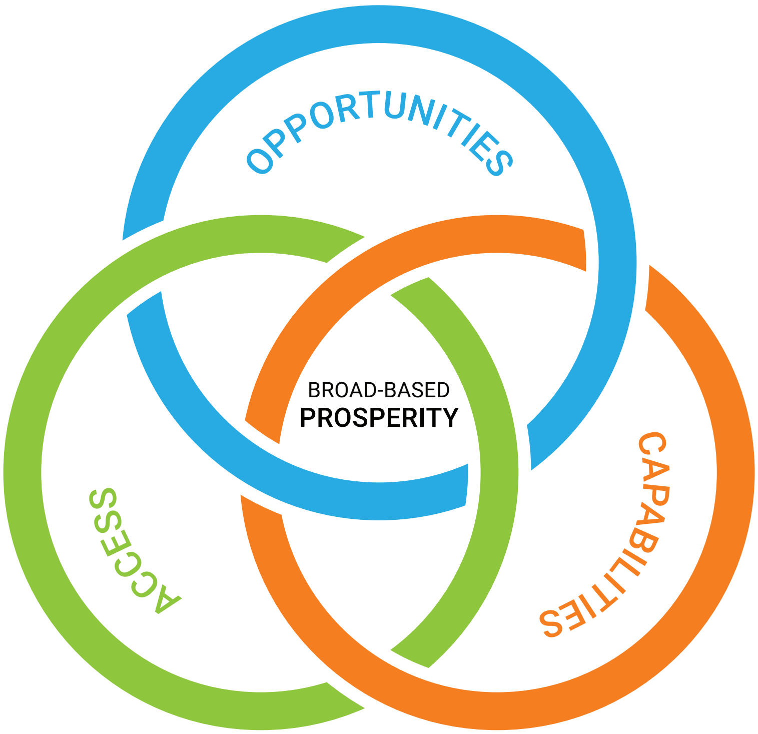
Figure 2. Cascading metrics concept as outlined by Emily Garr Pacetti



Source: Adapted from Figure 5.2 in Emily Garr Pacetti, "Aligning Local and Regional Data to Achieve a More Inclusive Economy: A Northeast Ohio Model." In M. Holden et al. (eds.), *Community Quality-of-Life Indicators: Best Cases VII* (Basel, Switzerland: Springer International Publishing AG, 2017).

As noted above, Orlando preserved their framework of opportunities, capabilities, access from their initial Prosperity Scorecard. They derived the framework from economist Amartya Sen's and philosopher Martha Nussbaum's capability approach, which argues that individuals' freedom to achieve well-being is not only a function of the rights they possess, but also what they are able to do and to be.[19] The framework, in turn, connects the lenses of economic (opportunities), workforce (capabilities), and community (access) development around the vision of an economy "built for social mobility," expressed through the vision of broad-based prosperity.

Figure 3. Orlando Economic Partnership's framework for inclusive economic growth



OPPORTUNITIES

- Jobs
- Income
- Innovation and Entrepreneurship
- Economic Diversification

CAPABILITIES

- K-12 Education
- Individual Health
- Continued Education
- Social Capital

ACCESS

- Transportation
- Housing
- Digital
- Food
- Childcare

Source: Orlando Economic Partnership

Memphis also developed a three-part framework. The framework connects foundations for thriving households (consistent with the "thriving Memphians" vision) with economic enablers, yielding prosperous economic outcomes. Similar to Orlando's, Memphis's framework implicitly ties the work of its community development sector (principally in the foundations space) with the work of its economic and workforce development sectors (principally in the enablers space). The *People Powered Prosperity* label sits atop the framework, foregrounding a human-centered view of the region's growth and development.

Indianapolis developed a four-part framework to guide their indicators efforts. The business-focused categories of neighborhood development and economic development define a "job growth and creation" axis, while the people-focused categories of educational attainment and social capital and support anchor a "job readiness" axis. Together, the Indy Chamber proposed these categories and indicators to measure the performance of the region's inclusive growth ecosystem.

Figure 4. Memphis's framework for inclusive economic growth

Source: Greater Memphis Chamber, Innovate Memphis, BLDG Memphis

Figure 5. Indy Chamber's framework for inclusive economic growth

Strategic Outcomes & Drivers

	PRIORITY AREA	DESIRED OUTCOME
Business	Economic Development	Reduce poverty and increase number of good and promising jobs
Business	Neighborhood Development	Make Indy region more connected and attractive ensuring residents have equitable access to resources and amenities
People	Education & Training	Prepare individuals with requisite education and training to find/retain good and promising jobs that lead to economic mobility
People	Social Capital & Support	Strengthen network of support to effectively connect people to jobs, jobs to people

Source: Adapted from Indy Chamber

Good frameworks construct an explicit bridge between the vital work of different stakeholder communities, showing how factors like transportation, child care, and social capital, for instance, relate to issues of regional innovation, diversification, and entrepreneurship. A strong and compelling framework can also help a region break into discrete, more manageable parts the complicated work of shaping inclusive economic growth, and guide how different stakeholders can best plug into the overall effort. At the same time, a good framework implicitly identifies what a region will *not* focus on in its inclusive economic growth strategies, helping stakeholders to remain focused on areas of core mutual and regional benefit.

Identify indicators

As core organizations begin to select and test indicators, the choice between assembling an atlas versus a strategic dashboard for economic inclusion, as described above, greatly shapes the process. An atlas can generally accommodate a larger number of indicators and provide audiences with the ability to explore aspects of inclusive growth performance for different sub-populations or sub-geographies within the region. Creating an effective strategic dashboard that influences how regional stakeholders collectively tackle economic inclusion obligates core organizations to constrain the number and complexity of indicators. To be sure, a strategic dashboard cannot ignore major forms of economic exclusion that bear on a region's capacity to generate better outcomes for more people. At the same time, simply listing all possible dimensions of inclusion or exclusion is inherently non-strategic since it provides insufficient focus and impetus to act at scale.

Irrespective of whether regional actors choose to develop an indicator atlas or strategic dashboard, a project gains coherence and communications power when it is clear about what influences what. A strong framework can make this hierarchy clear, but core organizations should aim to select indicators that connect to one another in easy-to-understand ways, following the model of cascading metrics above (Box 4). A couple of examples:

- Regional stakeholders may conclude that growth in middle-wage jobs is a critical desired outcome and marker of an inclusive economy. In that scenario, the region might not choose to elevate bachelor's degree attainment as a key driver of that outcome, even though degree attainment may contribute importantly to other kinds of desired outcomes. Such a region might instead try to identify skills most closely aligned with middle-wage occupations, and measure levels of (or changes in) the quantity of those skills among the region's workforce.
- If regional stakeholders seek to increase wealth among the Black population as a key outcome, then it may make more sense for them to measure as a driver the number of Black-owned businesses in high-growth sectors, which may be more likely to generate increased wealth than Black-owned businesses (or small businesses) broadly. This may also help regional stakeholders pinpoint the types of entrepreneurship assistance and capital access programs for which they should develop goals to move that driver indicator.

To inform the Lab regions' indicator selection, Brookings Metro assembled an inventory of inclusive economic indicators, derived from more than two dozen existing projects around the country (see Box 5). The inventory helped regions navigate a series of key decision points they confronted in the process of evaluating potential indicators:

GEOGRAPHIC AND DEMOGRAPHIC SPECIFICITY:

Amid a longstanding rise in inequality among people and places, regional stakeholders increasingly seek maximum disaggregation of indicator data, especially by race/ethnicity/gender and neighborhood. Such detail can be critical for assessing whether a region is truly achieving economic prosperity for everyone, and thus for operationalizing concepts of inclusion within the project.

At the same time, core organizations need to assess not only how much precision the underlying data can deliver on these counts (given sample sizes and associated margins of error), but also how much information the intended audiences for the indicators can absorb, and how they will do so. Regions delivering an atlas of economic inclusion may be able to accommodate more significant disaggregation, allowing users to explore outcomes for different groups and geographies. Those aiming for a strategic dashboard may need a more judicious approach, opting to aggregate demographic or geographic groups (say, Black and Latino or Hispanic residents; or residents of low-income neighborhoods) that tend to face similar levels of inclusion or exclusion in the regional economy. Orlando's Prosperity Scorecard, for instance, measures outcome gaps by race (difference between Black and non-Hispanic white residents), ethnicity (difference between Latino or Hispanic and non-Hispanic white residents), and gender (difference between male and female residents).

Even where stakeholders broadly support a focus on racial equity, there may be disagreement on how the indicators incorporate race measures. Should the indicators combine multiple racial groups into a broader minority or BIPOC (Black, Indigenous, and people of color) category? How should the Latino or Hispanic population be treated, given that federal data treats it as an ethnicity that cuts across multiple racial groups? Should the indicators focus on just white and Black populations, under the assumption that the Black population faces the greatest barriers and progress in that population will necessarily benefit other people of color? There are no completely scientific ways to answer these questions, so core organizations should consult with community organizations that have grappled with these questions before and found satisfactory ways to justify their approach or terminology.

Using gaps between white and non-white groups as measures of economic exclusion/inclusion is not without controversy. Such methods draw criticism from some experts who argue that they normalize or center outcomes for white people, and that those outcomes reflect the products of unearned privilege and policy bias.[20] At the same time, others argue that because such gaps reflect the accumulated impacts of structural racism, highlighting and working to narrow them represents a direct way to combat that racism.[21] Whatever approach a region adopts along these lines, project directors should be prepared to explain their goals and reasoning.

BENCHMARKING:

Some regions find valuable information and motivation by comparing themselves to other regions as part of an indicators project. Such regional peers may already have been identified for an existing regional economic development benchmarking project. For example, Memphis's People Powered Prosperity benchmark compares Greater Memphis's indicators to those from nine economic/demographic peers in the Southeast and Midwest. This enabled Memphis stakeholders to set goals informed by the real-world performance of its strongest peers (see further discussion below in Phase 3).

Using benchmark regions involves developing and displaying data (and/or ranks) for multiple places. It also means that the project must use data sources that are generally available across regions (e.g., data from federal agencies or national economics consultancies), rather than specific to the project geography itself (e.g., local administrative or survey data). This necessarily constrains the region's data options, although a project could embed "deep dive" options for users to explore locally specific data within a broader strategic dashboard featuring benchmarks.

Decisions about peer regions interact with decisions about how to assess racial equity, too. Stakeholders may question whether peer comparisons are relevant for demographic subgroups if, for instance, a region compares favorably to peers for Black household income, but those incomes remain far lower than for white households in the same region. Similarly, a region's closest economic peers may be quite different on demographic attributes, raising the question of how to select peers that are meaningful for assessing both racial and overall economic inclusion.

TIMING:

Rather than—or in addition to—comparing themselves to other regions, projects may elect to use change-over-time data to assess whether their performance on a given indicator is improving or declining. The nature of the underlying data may constrain how frequently projects can measure change, how long a gap exists between the measurement period and when the data become available (due to lags in reporting), and how long it is likely to take a region to see a measurable impact on the indicator.

As core organizations select and test change-over-time indicators, they should be mindful of the likely pace of change in each. The "cascading metrics" concept above, and the conceptual model for the IEI Lab, provide some guidance here. Regions might aim for substantial progress on indicators at the "goals" or "programmatic impact" level—for instance, the number of minority small business owners reached through an entrepreneurship assistance program—within a three- to five-year window. Indicators at the "drivers" or "regional systems" level, such as the regional gap in small business ownership between white and nonwhite groups, may change across a longer, five- to 10-year window, and will reflect a range of regional inputs beyond specific program performance. And the influence of these on "outcomes" or "regional impact" indicators such as overall business dynamism, or Black wealth and incomes, are likely to take at least a decade to manifest, and are subject to much broader forces such as the macroeconomic business cycle.

LONG-TERM COMMITMENT VS. FLEXIBILITY:

As core organizations select indicators and prepare to roll them out to stakeholders (see "Test and iterate" below), they should also consider for how long they will propose to stick with those indicators. For SA2020, deciding at the outset to track a consistent set of indicators over a 10-year period provided a sense of longevity and commitment that the community valued. As a result, they focused on drawing their indicators from long-term, relatively stable data sources. Other organizations, such as Greater MSP in Minneapolis-St. Paul, valued the opportunity to evolve and change their indicators over time, particularly in response to a growing imperative to focus on equity and inclusion. Whichever path a region chooses, core organizations should be prepared to navigate changes in underlying data sources over time that may alter their ability to generate certain indicators. They should also remain attuned to the quality of data those sources provide, and to jettison—or at least contextualize—indicators that for one reason or another are not reliably reflecting community conditions.

Box 5

Using an inventory to inform indicator selection

To support the Lab participants in their indicators work, Brookings Metro developed an inventory of regional economic indicators projects that have a focus on equity and inclusion. In total, the inventory captures nearly 30 indicators projects spanning local, state, and national-level efforts.

There are three elements to the inventory:

- The **Project Inventory** profiles basic background information for each of the indicator projects, including start date, sponsoring organization, project framework, and specific indicators included (organized among 12 categories).
- A catalogue of the **Indicators** commonly used within each indicator category, including information on the data source and detail of the information available (e.g. geographic scope, capacity to be disaggregated by race/ethnicity, etc.).
- An index of **Common Data Sources** which identifies datasets frequently used across the projects, the measures they provide, and details on demographic and geographic specificity and data frequency/lag.

The inventory identifies more than 100 distinct data sources that local projects have used to generate indicators. Of these, 15 datasets appear across multiple projects, including the American Community Survey and Longitudinal Employer-Household Dynamics Quarterly Workforce Indicators. Each data source has its own limitations, in areas such as data timeliness, sample sizes, geographic specificity, and incomplete demographic information. Despite these imperfections, the inventory helped focus the IEI Lab cohort organizations during the exploratory phase of their inclusive indicator projects and helped them move more quickly toward delivering high-impact projects for their communities.

Engage capable data partners

As organizations begin to put together a draft atlas or dashboard, they should assess their capacity to collect, process, and analyze the indicators, not only for the initial launch, but for subsequent updates of the project. Analysts for these projects must be able to navigate among many different data sources, harmonizing indicators by time, place, and population subgroup. They should also have experience in presenting data in easy-to-understand formats and collaborating with colleagues to share data with other stakeholders and incorporate feedback.

Some organizations may possess internal capacity to develop an inclusive indicators project. The Orlando Economic Partnership and Greater Memphis Chamber, for instance, have highly capable research divisions and personnel that played lead roles in selecting, testing, and presenting indicators for their respective inclusive economic dashboards. The Indy Chamber, by contrast, worked with a local university research partner for its project. That partner brought experience from other local community-engaged data projects that significantly augmented the chamber's capacity and allowed its personnel to focus on strategic project issues. Other existing regional inclusive indicators efforts, such as the Center for Economic Inclusion's Indicators of an Inclusive Regional Economy and KC Rising's Metrics, have also leveraged external data expertise to help design and produce their projects.

Test and iterate

After developing draft indicators to populate the framework, core organizations should proceed to engage (or in some cases, re-engage) key stakeholders with the vision, framework, and indicators. This phase should be designed to do as many as five things:

- **Test understanding of the data:** Do stakeholders readily grasp what the indicators are measuring? Ensuring that the indicators relate to one another in clear ways through the framework can promote understanding.

- **Solicit feedback on what the data reveal:** What stands out from the indicators? Do the levels, trends, and/or comparisons accord with stakeholders' perceptions? Do they usefully challenge preconceived notions?

- **Stress-test the vision and framework:** Does seeing the data elicit alternative viable ways to articulate regional economic success, or the themes most critical to that vision? Stacia Murphy observed that in Indy, the indicators provided meaning to the draft vision and framework for stakeholders.

- **Build buy-in and commitment:** Around what potential goals and key performance indicators do the indicators suggest stakeholders might collaborate? Engaging stakeholders early around the data (including those internal to core team organizations) should be part of the long game toward securing not only their support for the project, but also their commitment to actions needed to make progress toward an inclusive economy.

- **Widen the circle:** What additional key individuals/organizations do stakeholders identify that might possess valuable insights, or are doing work crucial to progress on the indicators?

The Lab organizations used a variety of different methods to engage stakeholders on the draft indicators, which reflected the varying scope of their efforts and the role of their key stakeholders.

The Orlando team identified the partnership's own board, composed of directors of many of the region's largest companies, plus heads of other key civic organizations as the highest-priority stakeholders for the revised Prosperity Scorecard. The team had a head start over Indianapolis and Memphis in that they had already built awareness of the Scorecard and its broad-based prosperity vision through the first edition launched in late 2019. One creative method the team used to solicit feedback and widen the circle of stakeholders was to engage its newest Leadership Orlando 2.0 class in the dashboard's design. That class represented a cross-section of the region's emerging nonprofit, public-sector, and private-sector leaders. The team used interactive presentation software to show Leadership Orlando 2.0 members the draft indicators and have them vote on those they felt best represented the opportunities, capabilities, and access that would add up to broad-based prosperity for the region's residents, especially those from lower-income communities. Members also connected with their own colleagues to solicit feedback on the first scorecard, which highlighted issues such as food security and childcare that the Partnership ultimately incorporated into the new scorecard.

Photo by Ryan De Hamer on Unsplash.

The Indy Chamber team, for its part, took a slower, more collaborative approach to engaging stakeholders with its draft indicators. This reflected a somewhat more complicated local landscape for the project than existed in Orlando, as well as the chamber's ambitions to reach a broader set of stakeholders and explicitly build toward a shared accountability framework. The Indy Chamber houses economic development functions for both the broader Central Indiana region (Accelerate Indy) and the city of Indianapolis/Marion County (Develop Indy), and stakeholders at each level remain in different places on their understanding and buy-in around inclusive economic growth. At the same time, the chamber team sought to use indicators to build on the momentum they had already created in Indianapolis (see Box 3). This involved explicitly connecting to existing frameworks and indicators such as the Marion County Community Data Snapshot housed at the Richard M. Fairbanks Foundation. Ultimately, the Indy team opted for a more atlas-like approach to its indicators, seeking to position itself as a critical resource for understanding the state of inclusive growth in the city and region. Given all these factors, the team started by populating certain data for Indianapolis/Marion County and sharing them with close-in stakeholders, before revising, adding more data, and testing with a wider range of local and regional stakeholders. Stacia Murphy, the Indy Chamber's core team lead, reflected that the process of engaging stakeholders around the draft indicators changed their understanding of who those stakeholders actually are, compared to the initial landscape assessment they had conducted.

The pandemic and the resulting need to engage stakeholders virtually around the data proved both a challenge and an opportunity for the Lab participants. On the one hand, showing stakeholders draft visions, frameworks, and indicators through Zoom presentations risked falling a bit flat, especially for audiences not accustomed to wading through reams of data. On the other hand, the widespread adoption of virtual tools made it easier for teams to overcome the barriers that distance and time often pose in a world of in-person engagement. The Memphis team, which had originally intended to engage community development stakeholders in the early stages of dashboard design, ultimately pivoted toward developing a draft dashboard on which they could solicit feedback, rather than asking those stakeholders to respond to more theoretical concepts in a virtual environment.

Phase 3:
Put the indicators to work

The ultimate test of any inclusive indicators project is not how theoretically sound it is, nor how many organizations in a local community endorse it. The project is successful if it helps change behaviors—in public policy, private-sector practice, and philanthropic investment—in ways that advance inclusive economic growth and prosperity. In that regard, we still don't know whether the Brookings Metro Inclusive Economic Indicators Lab projects are successful; they are too early in their development to have stimulated behavioral change at the scale that could influence the direction of their local economies. Still, there are a set of practices associated with other existing indicators efforts that seem to set the stage for success, involving communicating continuously, setting strategic goals, and driving the indicators into the work of key stakeholder organizations.

Communicate continuously

It is common practice with any new data product to plan and execute a significant rollout strategy timed to its initial public release. This can generate desired attention from key audiences, particularly by involving media and partner organizations in publicizing the project and its headline findings. Likewise, past inclusive indicators projects have commanded significant attention at their launch by emphasizing the novel vision and partnerships motivating the effort and extracting a couple of storylines from the data that illustrate the urgency and direction of the work the project will inspire and inform.

However, core organizations err if they treat communications as a one-time activity that will on its own generate the needed awareness and commitment to ensure project success. The Orlando team launched its newest Prosperity Scorecard in early 2021, and Phoebe Fleming notes that:

> *… the work is now focused on continuing to talk about and use the dashboard. In some ways that's maybe the most important or the hardest part because we've released this thing and it's updated and it's new but how do we keep it relevant and prevent it from becoming just another website that sits on the shelf? We're now focused on communicating it to as many committees and councils as we can and continuing to relate it back to our programming.…*[22]

To that end, Orlando is exploring the idea of building its ongoing Leadership Orlando 2.0 program around its Prosperity Scorecard. Each session would revolve around a different part of the framework and data, with partnership staff offering a deep dive into the indicators, and participants coming together to strategize around actions. In addition, the partnership's Scorecard report outlines a series of "engagement tiers" for organizations to learn more about the Scorecard and to drive it into philanthropic and corporate strategies.[23]

The importance of continuous communication echoes the experience of Northeast Ohio's Fund for Our Economic Future. The launch of their *The Two Tomorrows* report in 2018 married a compelling narrative portrait of the region with a lean new set of inclusive economic indicators and attracted significant attention from local media.[24] Communications and marketing efforts for *The Two Tomorrows* also involved a "long tail," involving a continuous series of conversations and briefings with local stakeholders whose buy-in the fund and its partners sought. The project thus needed dedicated staff capacity post-launch to conduct outreach, and to respond to opportunities to explain the project's goals, findings, and calls to action to new stakeholders. Ultimately, the project did not drive widespread adoption of new regional economic indicators, but it did help push a commitment to racial economic equity further toward the center of public discussion in Greater Cleveland. The fund's former President Brad Whitehead summarizes one lesson of that process as, "Take your communications and marketing budget … double it … then double it again."

Most Lab participants have, or are planning on having, a web tool that allows users to easily access and explore the indicators. That tool can provide a platform for core organizations not only to update the indicators over time, but also to amplify the stories the data tell and their implications for policy and practice. Organizations such as SA2020 and Boston Indicators have used this more holistic approach successfully, making them go-to resources not only for the data, but also for data-informed perspectives on critical local issues concerning inclusive growth. These and other organizations have also used annual updates of their indicators as focal points for highlighting progress, rallying stakeholders, and launching or deepening commitments to critical initiatives. This approach can put pressure on core organizations to find the news amid often-incremental change in headline indicators, so sustaining a steady flow of goals or programmatic impact-level activity and accomplishments can provide highlight-worthy data as well. At the same time, some organizations are building complementary real-time indicators projects that aim to fill data gaps between annual updates, stimulated in part by fast-changing economic conditions amid the COVID-19 pandemic (see Box 6).

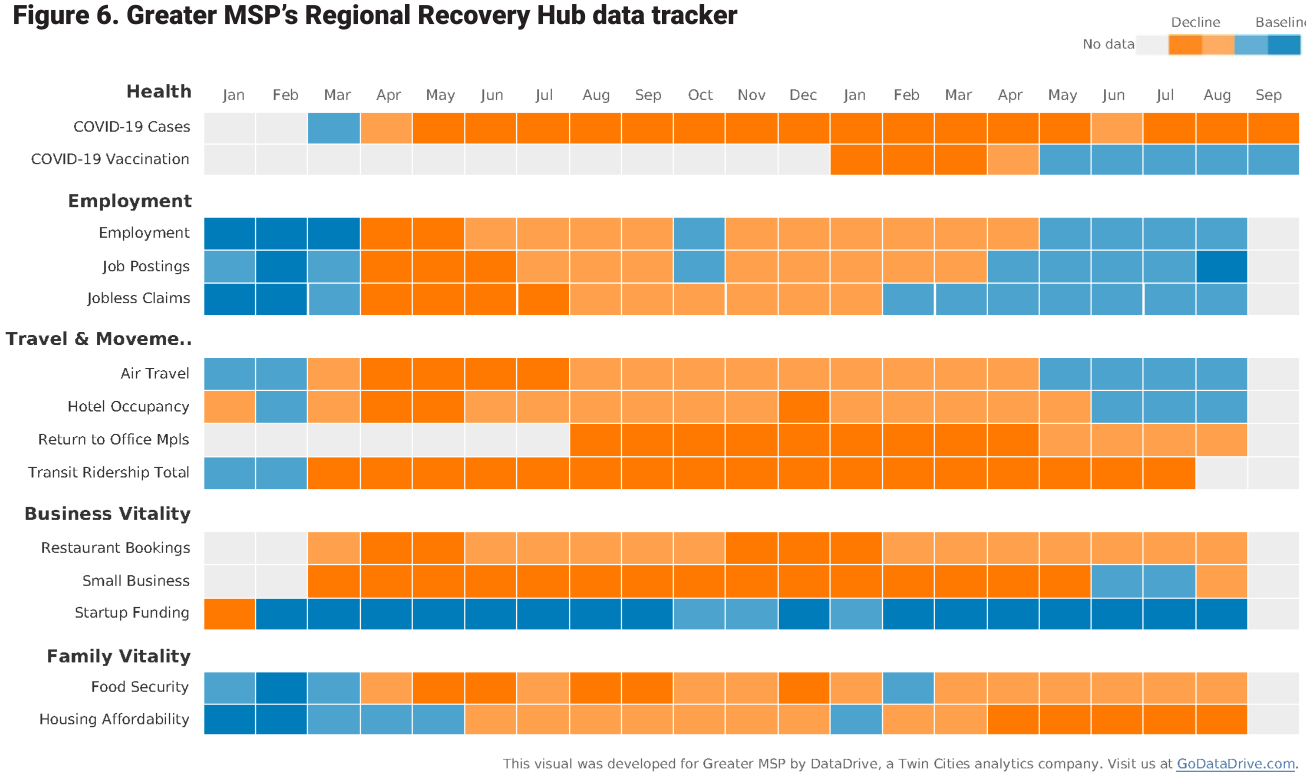
Box 6

Tracking real-time economic data in Minneapolis-St. Paul

Like all regions, Minneapolis-St. Paul saw its economy upended by the COVID-19 pandemic and actions the public and private sectors took to stem the virus's impact. Between March and April of 2020, the region shed nearly one in seven jobs, and nearly half its small businesses shuttered.[25] Conditions improved from there, of course, but the speed and severity of these changes pointed to a need for reliable information on the state of the regional economy between annual updates of Greater MSP's Regional Dashboard.

In response, Greater MSP developed its Regional Recovery Hub.[26] The Hub tracks 14 indicators that are updated on a weekly or monthly basis for the Minneapolis-St. Paul metro area, in the categories of health, employment, travel and movement, business vitality, and family vitality. For each indicator, the Hub shows how the region is doing relative to its pre-pandemic baseline, as well as its trajectory (improvement or decline) from the previous update. For several Hub indicators derived from national sources, Greater MSP benchmarks the region's experience against that of the same 10 peer regions it tracks in the Regional Dashboard.

Figure 6. Greater MSP's Regional Recovery Hub data tracker



Source: MSP Regional Recovery Hub *beta*, https://www.greatermsp.org/index.php?src=directory&view=featured_content&category=Intelligence%20 [accessed September 2021].

To be sure, data sources that are continuously updated offer limited options for digging deep on economic inclusion. Examining the experience of different demographic or small-geographic-area groups relies on population-based samples or extensive administrative data that are not collected or published frequently. As one creative response, Greater MSP collects data from regional food bank Second Harvest Heartland to provide indications of food insecurity across the region. In the end, real-time data gathering and reporting of this kind may be less valuable for the deep insights it offers on economic inclusion than for its power to continuously communicate to stakeholders the evolving economic context for efforts to effect medium- and long-term change.

Coalesce around ambitious but achievable goals

Whether a region chooses to develop a focused strategic dashboard of economic inclusion, or a more expansive atlas of inclusive economic growth, engaging key stakeholders around a public set of metrics affords a compelling opportunity to work together in a focused way to improve the region's performance on selected metrics. Setting shared goals based on those metrics is a common way to motivate and measure such improvement efforts.

Choosing goals is not a straightforward exercise, however. First, the state of economic inclusion in a particular place is the product of a complex set of forces, several of which—e.g., the state of the macroeconomy, federal policy, etc.—lie well beyond the purview of even the most motivated local actors. Second, economic inclusion involves not only hard-headed economics, but also a strong moral dimension. The historical injustices that economic exclusion measures imply, and an accompanying desire to motivate change, can lead stakeholders toward goal inflation. Setting too-aggressive goals may actually lead to feelings of confusion and defeat among partners who also want to make change, but don't see sufficient progress or pathways toward it.

The Greater Memphis Chamber's participation in the Lab was motivated by a desire to drive change through a more data-driven approach to goal setting than the region had used in the past. In unveiling its new draft dashboard and indicators benchmarked against peer cities, the Memphis team recognized that the region severely lagged its strongest peers on the production of STEM graduates from local colleges and universities, which they posit as a key input to regional prosperity. They saw that Memphis would need to quadruple its STEM grad production to match peer leaders and took this insight to partners at the University of Memphis. Their conversation illuminated the fact that students take an average of six years to graduate from the university, and that many face resource challenges along the way. These data are helping inform the development of a bold but realistic goal and accompanying initiatives to boost the population of STEM graduates in the Memphis region, with a strong eye toward equity. They are also providing important context for local debates about the future of economic development incentives in the region.

Photo by Joshua J. Cotten on Unsplash.

The Memphis experience was informed in part by guidance that Brookings Metro nonresident fellow Ryan Donahue shared with Lab participants around using metrics to instigate behavior change in economic development. He counsels breaking down aspects of economic exclusion implied by the metrics into specific categories/populations (e.g., STEM graduates). He then recommends defining a gap that the region might seek to close over a defined time period, guided by comparisons with peer regions. A bold but defensible goal, Donahue argues, might be to catch up to the best peer region's current performance in five to 10 years. As the Memphis example illustrates, the goal can have greater communications and motivational value when it is expressed in real-world terms, i.e., not rates or percentages, but numbers of people or businesses. This approach also helps engage organizations that are doing work directly relevant to the goal, who can then answer the question, "what portion of that goal can we help achieve?"

This approach resonated with the Orlando core team as well. Their Prosperity Scorecard highlighted that while the region compared favorably to peers in business ownership disparities by race, those disparities were nonetheless widening over time, and translated to significant gaps in real terms. Their *Beyond the Baseline* report accompanying the Scorecard highlights that if business ownership rates for the region's Black and Hispanic residents equaled those for its white residents, Greater Orlando would have an additional 7,700 Black-owned businesses and 11,900 Hispanic-owned businesses.[27] Those statistics, in turn, help the partnership engage with stakeholders about supporting initiatives and organizations like Black Orlando Tech and the Metro Orlando Hispanic Chamber of Commerce.

To be sure, any thoughtful inclusive economic indicators project will struggle to highlight only a small number of areas in which to set goals and develop shared initiatives. Economic exclusion by race, neighborhood, gender, educational background, and many other factors is unfortunately hard-wired into regional economic systems, and thus pervasive across indicators. And yet, the very embeddedness of those challenges requires that stakeholders not spread their time and resources too thinly across them. The enemy of a focused, selective set of goals and patient aligned efforts is not doing nothing; it is dozens of small pilot programs that are underfunded relative to the challenges they seek to tackle, that inevitably collapse and erode mutual trust and motivation.

Drive goals into organizational plans

A third aspect of putting the data to work gets to the base of the conceptual framework outlined above: key performance indicators. In order to hold themselves collectively to account for progress on shared goals, stakeholders must also hold themselves accountable for their individual contributions toward those goals. This practice is obviously more relevant with respect to regions building a strategic dashboard versus an atlas of economic inclusion, but bears consideration regardless.

Embedding goals into organizational plans is an admittedly evolving practice area, not only for the Lab regions that are still building up to goal-setting and shared accountability, but also for many existing projects. Some mature indicators projects, however, have made inroads. Greater MSP, the regional economic development partnership for the Minneapolis-St. Paul region, uses metrics from its Regional Indicators Dashboard to anchor several of the initiatives that the partnership helps operate.[28] For instance, Forge North, the partnership's initiative on entrepreneurship, is working toward a goal of doubling the number of local ventures that report raising an early round stage of capital, in line with the Dashboard's venture capital indicator.[29] Similarly, the partnership's Make It. MSP. initiative operationalizes strategies connected to the dashboard's talent attraction and retention measures, such as increasing the number of new local graduates who accept jobs within the region.[30] While the dashboard is not a fully "inclusive" indicators project, it offers one illustration for how such projects can align key metrics with organization-level strategies and tactics.

Photo by Andrew on flickr (CC BY-NC 2.0)

To drive the metrics into strategy, at least a couple of the Lab organizations are starting at home. The Orlando Economic Partnership developed the revised Prosperity Scorecard through the Lab in part to help guide its next three-year organizational strategic plan. Meanwhile, the Greater Memphis Chamber is using its new dashboard to develop goals and strategies under its forthcoming Vision 2030 plan, and to help its new Center for Economic Competitiveness forge a series of public-private partnerships around significant regional priorities. Ultimately, moving these indicators will require coordinated cross-sector efforts that reach well beyond any one organization's efforts. But organizations that own inclusive indicators projects can usefully model for others their commitment to results-based accountability around the metrics.

Photo by Indiana Humanities on flickr (CC BY-SA 2.0)

Conclusion

Economic inclusion is a long-term process, not a one-time project. The same could be said of successful inclusive indicators efforts. It is critically important for core organizations to identify a compelling vision and framework, select clear and reliable indicators that represent a path to regional success, and continuously communicate progress to stakeholders. As this roadmap makes clear, however, embedding inclusive economic indicators into a region's DNA is much more of an exercise in civic muscle-building than a sprint for empirical exactitude. While every region may approach the exercise from a unique starting point, the Brookings Metro Inclusive Economic Indicators Lab revealed experiences and best practices that we believe are relevant for any region considering using metrics to drive more inclusive growth. We hope the roadmap provides interested organizations with valuable tools for building high-impact indicators efforts that help extend robust economic opportunity to more people and communities.

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