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[Northwest Arkansas Council Releases NWA Report Card](#)

by [NWABJ Staff](#)

The economy of Northwest Arkansas is on an upward trend with rapid growth in employment and the number of businesses.

The region continues to lag, however, in educational attainment and research funding.

Those themes were shared Thursday in the State of Northwest Arkansas Region Report, prepared annually for the nonprofit Northwest Arkansas Council by the Center for Business and Economic Research in the Sam M. Walton College of Business at the University of Arkansas.

The report compares key economic and social factors in Northwest Arkansas with those in similar regions throughout the United States.

Kathy Deck, director of the CBER, and Mike Harvey, the NAC's chief operating officer, discussed the analysis during a news conference at the NAC offices in Springdale.

“The best news [from the report] is that employment growth in our region has returned to rates last seen during the pre-recession years,” Deck said. “Northwest Arkansas continues to outpace competitor regions in producing job opportunities, which is the key to continued prosperity.

“On the flip side of the coin, the region’s relatively low levels of educational attainment and research funding are constraints that we must overcome to enjoy economic gains in the future.”

The report compares the economy in the Northwest Arkansas region — Benton, Madison and Washington counties in Arkansas and McDonald County in Missouri — to that in similar areas around Tulsa; Kansas City; Huntsville, Ala.; Knoxville, Tenn.; and Omaha, Neb.

It also compares conditions with Arkansas and the United States.

Harvey said regional comparisons are important because companies looking to expand are interested in knowing whether a region can provide the work force talent it needs to be successful, and the companies are making those same kinds of comparisons.

Factors such as educational attainment, unemployment and a region's future population growth are critical factors in companies' decisions about where they will expand.

"Today's companies look at hundreds of criteria when they size up whether they want to expand in a particular region," Harvey said. "Regions must be strong in dozens and dozens of areas to show companies that they can meet their needs.

"We have work to do, but we're on a good course."

Key findings from the report indicate:

- During the period from 2000 to 2011, employment in Northwest Arkansas grew at 25 percent, a rate that outstripped competitor regions, the state of Arkansas, and the nation as a whole.
- From 2001 to 2011, the number of business establishments in Northwest Arkansas grew 34.8 percent.
- When compared to its competitor regions, Northwest Arkansas had the second-lowest unemployment rate in 2011. The unemployment rate dropped 0.3 percent from 2010 to 6.2 percent in 2011.
- From 2001 to 2010, the real gross domestic product in the Northwest Arkansas region grew 37.5 percent.
- Research expenditures at the University of Arkansas increased 34.7 percent from 2001 to 2009, but the growth rate was the second slowest among the major research institutions in the competitor regions of Northwest Arkansas.
- Just over 25 percent of adults in Northwest Arkansas have attained a bachelor's degree or higher, ranking the region second to last among competitor regions but better than the Arkansas average.