

Michigan's 2019 Entrepreneurial Scorecard

EMPOWERING MICHIGAN ENTREPRENEURS

THE ENTREPRENEURIAL SCORECARD IS AN ANNUAL REPORT THAT TAKES A COMPREHENSIVE LOOK AT MORE THAN 200 FACTORS THAT IMPACT MICHIGAN'S ENTREPRENEURIAL ENVIRONMENT AND RANKS MICHIGAN AGAINST ALL 50 STATES IN VARIOUS CATEGORIES. THE 2019 REPORT GIVES A PICTURE OF AN ENTREPRENEURIAL ECONOMY THAT IS STILL GROWING, BUT NOT AS FAST AS OTHER STATES.

Michigan's Entrepreneurial Climate, Change and Vitality

Over the past 15 years the Michigan Entrepreneurship Score Card team has used, tested and refined three distinct indexes:

CLIMATE: The factors that support the entrepreneurial economy

CHANGE: The direction and momentum of growth in the entrepreneurial economy

VITALITY: The level of entrepreneurial activity relative to that in other states

2019 Score Card											
Michigan Entrepreneurial Climate, Change and Vitality Rankings Relative to Other States (Out of 50), 2002-2017											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
ENTREPRENEURIAL CLIMATE	40	40	40	15	12	9	27	26	24	22	18
ENTREPRENEURIAL CHANGE	50	49	42	38	9	10	13	29	34	31	24
ENTREPRENEURIAL VITALITY	42	47	32	38	31	15	29	33	30	36	41

Note: Green shading indicates "Top 10" ranking and Red shading indicates "Bottom 10" ranking.

FIVE INSIGHTS ABOUT MICHIGAN'S EVOLVING ECONOMY

POOR INFRASTRUCTURE CONTINUES TO WORSEN AND PROGRESSIVELY THREATEN BUSINESS GROWTH

THE RATE OF IMPROVEMENT IN MICHIGAN'S POST-RECESSION ENTREPRENEURIAL ECONOMY IS SLOWING, WITH SEVERAL GROWTH-FOCUSED METRICS SOFTENING SINCE 2015. YET, THERE IS AN OVERALL BETTER ENTREPRENEURIAL ECONOMY TODAY THAN 10 YEARS AGO AND DYNAMISM ACROSS EXISTING BUSINESSES.

MICHIGAN CONTINUES TO HOLD ONTO KEY TECHNOLOGY AND HIGH-SKILL ECONOMY LEADERSHIP REMARKABLY WELL.

MICHIGAN'S GENERAL BUSINESS CLIMATE (WHICH SUPPORTS ITS START-UP, EXISTING, AND RELOCATING BUSINESSES) REMAINS MEDIOCRE, BUT WITH SOME INCREMENTAL IMPROVEMENTS IN 2017 AS INDICATED BY RANKINGS IN THE TOP 15 ON SEVERAL 'BEST STATES FOR BUSINESS' REPORT CARDS.

MICHIGAN'S QUALITY OF LIFE CONTINUES TO SUPPORT AND ATTRACT ENTREPRENEURS.

From the Top to the Bottom

HIGH-TECH MANUFACTURING EMPLOYMENT - 1ST
 PHYSICAL SCIENCE AND ENGINEERING WORKERS - 1ST
 HOMEOWNERSHIP RATE - 2ND
 BUSINESS TAX BURDEN - 2ND
 WORKERS' COMP PREMIUMS - 4TH
 BUILDING PERMITS GROWTH - 4TH
 INDUSTRY R&D - 4TH
 PATENTS PER INNOVATION WORKER - 5TH
 US NEWS TOP GRADUATE PROGRAMS - 5TH
 ACT SCORES - 5TH
 LACK OF HEALTH INSURANCE - 7TH
 BUSINESS LIABILITY COSTS - 7TH
 4Y+ TECH CREDENTIALS - 7TH
 EXPORT INTENSITY GROWTH - 7TH
 ENTREPRENEURIAL PROGRAMS - 7TH
 UNIVERSITY R&D - 7TH
 STATE BUSINESS TAX STRUCTURE - 10TH

48TH - UNEMPLOYMENT INSURANCE TAX STRUCTURE
 48TH - 2-YEAR COLLEGE TUITION GROWTH
 47TH - HIGHWAY QUALITY
 46TH - MANUFACTURING CAPITAL INVESTMENT GROWTH
 45TH - LAW ENFORCEMENT EMPLOYEES
 45TH - PRIME WORKING AGE RESIDENTS
 44TH - HATE CRIMES
 43RD - NEXT GENERATION INTERNET
 42ND - DIGITAL CONNECTIVITY
 42ND - SMALL BUSINESS HEALTH CARE PREMIUMS
 41ST - MALPRACTICE COSTS
 41ST - SAT PERFORMANCE
 41ST - ENERGY COSTS
 41ST - UNIVERSITY SPINOUT BUSINESSES
 40TH - PHYSICAL INFRASTRUCTURE
 40TH - PUBLIC HIGH SCHOOL GRADUATION RATES
 40TH - BANK COMMERCIAL AND INDUSTRIAL LENDING