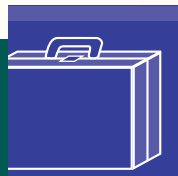


HUMAN CAPITAL

GREATER WASHINGTON'S KNOWLEDGE WORKERS

Executive Summary

A STUDY BY THE
Greater Washington Initiative



MEDIA SPONSOR

washingtonpost.com

The Washington Post

Washington Post Jobs

The local expert on local jobs

GREATER WASHINGTON: A CAPITAL FOR TALENT

The region including Washington, DC, Suburban Maryland, and Northern Virginia has more than 1.1 million knowledge workers — people whose daily job tasks require them to use, analyze, and develop ideas and information.

What do these people do? What is their impact on the economy? And how does the knowledge workforce in this region compare to other major metropolitan areas?

Answering these questions and more, this study reveals that Greater Washington is a leading talent capital, boasting the nation's highest concentration of knowledge workers among all metro areas with more than one million residents.

This concentration of knowledge workers drives the region's economy and gives the region a significant advantage in sectors that are expected to grow in coming years.

AT A GLANCE: GREATER WASHINGTON'S KNOWLEDGE WORKERS

Professional Category	2005 [†]	Projected 2014*	Growth (2005–2014)	US Average
Professional Services	432,660	496,480	14.8%	13.2%
Information Technology	219,950	281,540	28.0%	24.3%
Healthcare	211,060	248,540	17.8%	20.5%
Education & Research	178,400	185,380	3.9%	2.2%
Media, Arts & Design	72,450	81,820	12.9%	11.6%
Knowledge Workforce	1,114,520	1,293,760	16.1%	14.1%

Source: Bureau of Labor Statistics, 2004–2005. GWI Analysis, 2007.

[†]Self-employed people in post-secondary education and five medical occupations are not included in 2005 figures.

*Post-secondary education and five medical occupations are not included in 2014 figures.

> ARE YOU A KNOWLEDGE WORKER?

If the daily tasks of your job require you to use, analyze, and develop ideas and information, you're a knowledge worker. In addition to "knowledge worker," some might also call you an "idea worker" or place you in the "creative class." All of the jobs in this study (except for 0.1%) require an associate's degree or higher; more than 70% of the jobs require a bachelor's degree or higher.



TOP TAKEAWAYS

Most concentrated knowledge workforce: Greater Washington has 1.1 million knowledge workers, the nation's highest concentration among all metropolitan areas with more than 1 million people.

Tops in 3 of 5 categories: Per capita, the region has more knowledge workers in IT, education and research, and professional services than the benchmark regions. The region also leads the nation in professional services and IT among all metropolitan areas with more than 1 million people.

1.3 million by 2014: The region's knowledge workforce, which grew nearly 20% between 1999 and 2005, is expected to grow 16.1% by 2014, reaching 1.3 million workers.

Epicenter for professional services: The number of people providing professional services — the region's largest talent pool — is expected to continue growing well ahead of the national average, reaching nearly a half-million people by 2014.

More business and finance than legal professionals: Within professional services, the region's largest category of knowledge workers, there are 100,000 (or 2.65 times) more people providing business and financial services than legal services in Greater Washington.

The healthcare gap: A shortage of healthcare workers is the principal weakness for Greater Washington's knowledge economy, though the number of healthcare workers in the region is expected to grow nearly 18% by 2014.

IT growth to moderate: After a rapid 43% increase in the number of IT professionals between 1999 and 2005, this part of the region's workforce will grow 28% by 2014, ahead of the 24% national average.

SNAPSHOT OF GREATER WASHINGTON'S KNOWLEDGE WORKFORCE

Professional Category	Total Workers	Per 100K Residents	Per Capita Rank*
Education & Research Total	166,690	3,260	1st
Research Science	37,090	720	1st
Education	129,600	2,530	5th
Healthcare Total	182,800	3,570	4th
Medical Professionals	61,600	1,200	4th
Medical Therapists	9,730	190	5th
Medical Services	79,400	1,550	6th
Social Services	32,070	630	2nd
Media, Arts, Design Total	43,940	860	2nd
Media	21,200	414	1st
Commercial Arts	6,570	128	4th
Design	16,170	316	1st
Professional Services Total	360,230	7,040	1st
Advertising & Marketing	35,730	700	1st
Business & Financial Services	159,410	3,110	1st
Environmental Services	13,780	270	1st
Engineering	46,890	920	2nd
Human Resources	22,060	430	1st
Insurance	10,370	200	6th
Legal	60,090	1,170	1st
Real Estate	11,900	230	1st
Technology Total	202,580	3,960	1st
Knowledge Workforce Total	956,240	18,680	1st

Note: Employment listed does not include self-employed individuals because figures are not available for all regions.

*Greater Washington's rank among benchmark regions for number of workers, per capita, in each professional category.

> Not enough local graduates for demand: Although the region graduates 60,000 students each year, in some professions, there are not enough students graduating from the region's 50 colleges and universities to meet demand from Greater Washington's employers. Employees coming from other regions or educational backgrounds help meet the demand.

2005 JOB OPENINGS AND DEGREES CONFERRED IN GREATER WASHINGTON

Professional Category	Education Level	2005 Graduates	2005 Job Openings
Accounting	Associate's	100	1,240
Accounting	Bachelor's or Master's	1,060	1,740
Education	Associate's	170	1,360
Information Technology	Associate's	620	920
Information Technology	Bachelor's or Master's	3,710	8,680
Nursing & Healthcare	Associate's	1,310	5,610

WHY FOCUS ON KNOWLEDGE WORKERS?

Get a college degree and you'll earn more money than those who don't...that's the simple lesson contained in charts comparing the income of college graduates to those without a college degree.

So what happens when a regional economy attracts jobs that require an educated workforce? It becomes more productive and is best positioned for future growth.

The people who fill these jobs have become known as "knowledge workers" or "the creative class," and their skills are the driving forces behind strong regional economies. Current theories about economic development already support these claims, but so does a quick look at the numbers.

ECONOMIC IMPACT OF A KNOWLEDGE WORKFORCE

	Knowledge Workers Per 100K Residents [†]	GRP Per 100K Residents (2004)	2005 Median Household Income
Greater Washington	18,680	\$5.4 billion	\$74,708
Large metros with most concentrated knowledge workforces (average of 8)	15,790	\$4.9 billion	\$59,583
Large metros with least concentrated knowledge workforces (average of 7)	10,900	\$4.1 billion	\$49,132

Source: U.S. Census, American Community Survey, 2005. Bureau of Labor Statistics, 2005. Global Insight, 2004. GWI Analysis, 2007.

Note: Includes U.S. metro areas with more than 2 million people. Most concentrated includes metro areas that have more than 14,500 knowledge workers per 100,000 residents; least concentrated have fewer than 12,000 per 100,000 residents.

[†]Does not include self-employed individuals.

ABOUT THIS STUDY

This study compares the knowledge workforce of Greater Washington — the region including Washington, DC, Suburban Maryland, and Northern Virginia — to the knowledge workforce of five competing metropolitan areas: Boston, Chicago, Los Angeles, New York, and San Francisco-San Jose.

This study has a section on each of the 5 major categories of the knowledge workforce. These include:



Education & Research



Healthcare



Information Technology



Media, Arts & Design



Professional Services

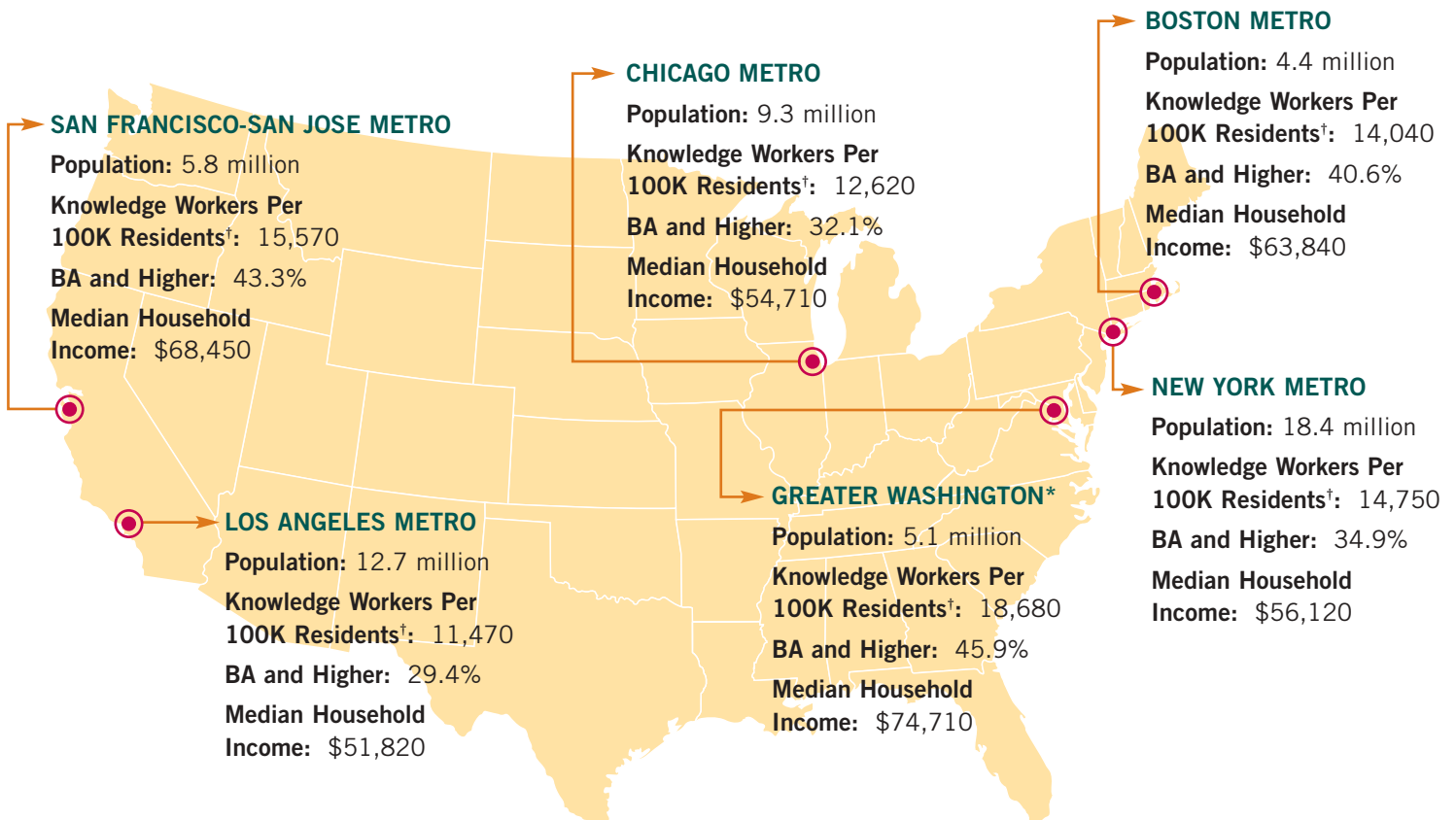
These sections are further divided into 18 chapters, each focusing on a particular professional category. Each chapter shows changes between 1999 and 2005 and also makes conservative projections to the anticipated size of knowledge workforce professions in 2014.

The study also includes information on freelancers, number and types of companies in each sector, and salary comparisons for specific careers.

This study classifies employees according to what they do, not where they work. So a marketing professional for an IT firm would be included in the “Advertising and Marketing” chapter. Similarly, this study also captures knowledge workers employed by the federal government.

The entire study, as well as each of the 5 sections, is available for purchase at www.greaterwashington.org.

BENCHMARK REGIONS: HOW DOES GREATER WASHINGTON STACK UP?



Source: U.S. Census, American Community Survey, 2005.

†Does not include self-employed individuals.

*For this study, Greater Washington does not include Anne Arundel and Howard Counties because they are not included in federal definitions of the region.

EXECUTIVE LEVEL INVESTORS



MEDIA SPONSOR

washingtonpost.com

The Washington Post

Washington Post Jobs

The local expert on local jobs

STUDY SPONSORS



Booz | Allen | Hamilton

**GILBERT
TWEED**



Greater Washington Initiative
1725 I Street NW, Suite 200
Washington, DC 20006

T 202.857.5999
F 202.466.4980

www.greaterwashington.org
greaterwashingtoninitiative@bot.org

Toll free from within the
U.S. and Canada
800.555.6783

an affiliate of



GREATER WASHINGTON
Board of Trade

MARCH 2007