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Contributors:
Dr. Kolawole Ogundari†, Dr. Catalin Dinulescu‡, Dr. Rupa Iyer§

Affiliations:
†Institute of Rural Economic Development and Research, Division of Research, Innovation and Economic Development, Tarleton State University
‡ College of Business, Tarleton State University
§ Division of Research, Innovation, and Economic Development, Tarleton State University

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A New University Center to Drive Entrepreneurship and Equitable Economic Solutions
Backed by an Economic Development Administration grant, the new Tarleton Innovation and Entrepreneurship University Center aims to build a fully functioning entrepreneurial ecosystem through applied research, technical assistance, mentorship, coaching, and workforce development opportunities in North Central Texas (NCT). The University Center is being developed with support from the North Central Texas Economic Development District, the Heart of Texas Economic Development District, regional offices of the Texas Small Business Development Center Network, Workforce Solutions of North Central Texas, Greater Dallas and Tarrant County, Tech FW, HSC Next, Stephenville’s Economic Development Corporation as well as local government, non-profit and small business partners. The Center will provide cohesive and equitable support for rural and urban entrepreneurship, promote quality job creation, and enhance economic resilience and prosperity across a service region that spans 24 counties. This includes the counties of Bosque, Brown, Collin, Comanche, Dallas, Denton, Eastland, Ellis, Erath, Hamilton, Hill, Hood, Hunt, Jack, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, Stephens, Tarrant, and Wise.
North Central Texas (NCT) Region at a Glance

Figure 1. North Central Texas Region

Economic Indicators
Among other factors, one of the critical drivers of the demand for goods and services in any society is the population and household dynamics.

Population Growth
The changes in the size of the working-age population can significantly impact labor market participation and the economy in general. Population growth provides insights into the dynamic of market opportunities in any society. For example, population growth leads to more demand for goods and services, ultimately positively affecting economic growth over time. In light of this, Figure 2 provides population dynamics across the 24 counties in focus covering 2010-2021.

The annual population growth in the region from 2010-2021 ranges from -0.58% to 3.8%, with an average of 1.4%. Except for counties such as Comanche, Eastland, Hamilton, Jack, and Stephens, which show a negative average population growth, the rest reveal a positive growth. Most average annual population growth is found in Rockwall (3.9%), followed by Kaufman (3.8), Denton (3.7%), and Collin (3.7%).

The overall positive population growth allows for the expansion of the labor and products market, which is vital to the region's economy. This is a step in the positive direction to inform prospective entrepreneurs and regional business owners of the potential for the general demand for goods and services in the North-Central Texas region. There is evidence to suggest the presence of a qualified workforce, a crucial component for the production of goods and services in the region.
Housing Supply

It is equally essential to offer a comprehensive understanding of how the housing supply in the region has evolved and the dynamic forces at play in this context. This is because net household and housing growth contribute to the overall economy in general, as residential investment, including the construction of new single-family and multifamily structures and residential remodeling, contributes about 3-5% to the U.S. GDP. Figure 3 provides a historical perspective on the average housing growth from 2010-2020 to shed light on how housing supply evolved in the region.

The average housing supply growth in the region is about 1.1% from 2010 to 2020. However, similar to the annual population growth, the average annual growth in housing supply is negative in Comanche, Eastland, Jack, and Stephens. Despite this, the change in housing supply across most counties follows the same pattern as annual population growth with positive change. At the same time, Rockwall (3.7%) has the highest average annual growth, followed by Denton (3.5%), Kaufman (3.4%), Collin (3.4%), Parker (2.3%), and Johnson (1.6%).

Overall, this data provides important information regarding the robust housing market and the opportunity for growth in the sector, which is critical to attracting and growing local businesses in the region.

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1 For details, see https://www.nahb.org/news-and-economics/housing-economics/.
The household dynamics regarding the total number of households and household size/composition in an economy are also essential factors driving economic activities. Figure 4 provides an overview of the average number of families and household size across the counties in the region from 2019-2020.

The average number of total households and household size in the region are about 112, 853, and 2.76, respectively. While most families are in Dallas, Collin, and Tarrant, counties with the most household size include Kaufman, Ellis, and Collin. Regarding population growth, it is imperative to mention that counties with the highest annual population growth rate, such as Collin, reported the highest total number of households.
Unemployment Rate and Household Median Income

Another important indicator of a driver of goods and services is employment/labor force participation in the region. The average unemployment rate for the population 16 years old and above and the household median income per annum across the counties covering 2019-2020 are presented in Figure 5. The table shows that the unemployment rate varies significantly across the counties, with an average of 4.7% compared to 5.2% for Texas in the same period.

The average household median income from the region from 2019-2020 is about $63,437 compared to the average median income of $67,420 for Texas in the same period. The counties with a median income higher than the average from Texas include Denton, Ellis, Hood, Kaufman, Parker, Rockwall, and Tarrant.

The fact that the unemployment rate is far below the average unemployment rate from the state shows that the labor market for participation is robust to economic growth in the region.

Figure 5: Unemployment rate and household median income
Data Source: The American Community Survey (ASC)

Business Performance Indicators

Small Business (non-employer establishment) Performance

We focus on small businesses with no paid employees and revenue/sales of $1000 and above. Non-employer businesses, such as real estate agents and independent contractors, are generally small, constituting nearly three-quarters of all businesses. The U.S. Census Bureau noted that non-employer businesses contribute less than four percent of overall sales and receipts data.² Non-employer businesses can operate from home or in a separate physical location and are driven by self-employed individuals.

²https://www.census.gov/quickfacts/fact/note/US/NES010220
Small businesses (non-employer establishments) are vital for county-level economic development. In light of this, it is critical to provide a historical context regarding the development of non-employer establishments and sales/revenue in the region. Figure 6 provides the distribution of the average number of non-employer establishments and Sales/Revenue of $1000 and above covering 2012-2020 across the counties in the region.

The number of non-employer businesses fluctuates rapidly across the counties, with most establishments in Dallas, followed by Tarrant, Collins, and Denton in that order. Interestingly, the sales/revenue size follows the same pattern as the number of establishments across the counties. The average number of non-employer businesses and sales/revenue from the sector is about 3,500 and $1.2M annually from 2012 to 2020.

![Figure 6. Average number of non-employer businesses and Sales/Revenue

Data Source: The American Community Survey (ASC)](image)

Understanding how non-employer establishments evolved in a given period is critical to providing a perspective regarding small businesses in the region. To this end, Figures 7 and 8 provide insights into the average annual growth in the number of non-employer establishments and the Sales/Revenue reported from the counties in the region, covering 2012-2020.

The average annual growth in the number of non-employer establishments is about 3.3% in the region from 2012-2020. Although the magnitude of such increase varies across the counties, with the most growth in the number of non-employer establishments found in Kaufman and the least

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seen in Stephens. At the same time, the annual growth in sales/revenue from non-employer businesses is about 3.8%. Similar to Figure F, the magnitude of the yearly increase in sales/revenue from non-employer businesses varies across the countries, with the most annual growth found in Kaufman and the least seen in Stephens.

In Figure 7, except for Stephens, the other counties show positive average growth in the number of employer establishments covering 2012-2020, indicating that self-operated businesses are surging in the region. In contrast, in Figure 8, except for Jack, Eastland, and Stephens, other counties show positive growth in sales/revenue from non-employer businesses in the region.

The overwhelming evidence of increased growth in non-employer establishments and sales/revenue from non-employer businesses underscores resounding prospects for small businesses to succeed in the region.

![Figure 7. Average growth in the number of non-employer businesses](image)

*Data Source: The American Community Survey (ASC)*
Figure 8. Average sales/revenue growth
Data Source: The American Community Survey (ASC)

Editing by: Brian Iken
Formatting by: Al’Karaegon Pollard