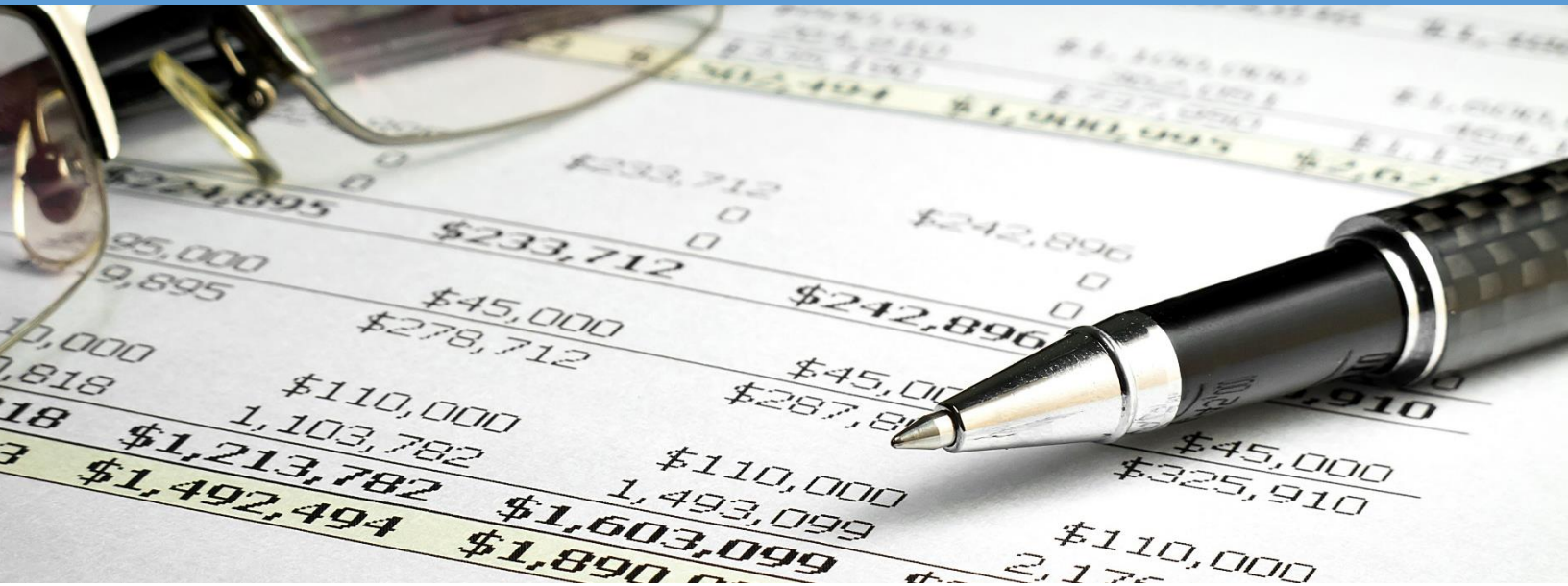


Financial Services



8th

Largest **financial services** cluster in Florida.



11,208

Employed in the **financial services** cluster.



1,910

Establishments in the **financial services** cluster.



-1.5%

Average annual employment growth in the **financial services** cluster.



928

Job seekers from top 20 occupations in the **financial services** cluster.

Industry Overview

The financial services cluster in Southwest Florida was the eighth largest financial services cluster in the state of Florida, based on employment. Employing some 11,000 people in the region (2,800 in the traded subcluster), it is an industry that provides wealth management services to a region that includes one of the wealthiest counties in the nation (Collier County). According to an article in Forbes, “America’s wealthy like warm weather and low taxes.” This group of residents and transplants has caused the population of this area to swell. Along with their needs for housing and recreation comes the need for wealth management and advice.

Firms in this cluster include predominantly financial investment firms, securities brokers and dealers, and credit intermediaries. Virtually all of them are small establishments, employing 20 workers or less. Many are branches of larger investment companies and banks, whose headquarters are in other parts of the state or the country. The largest two counties of the region account for the largest number of establishments of these types of firms.

A key characteristic of the financial services cluster is that it provides services such as wealth management to the growing retiree sector of the population that have relocated to the region and come with significant wealth to manage. Major financial institutions have moved away from providing wealth management services due to flat or declining revenues from this service. Changes in regulations affecting financial institutions could reverse this trend. Regardless of the provider, there is still and always will be the need to have establishments that have the expertise to provide advisory services in the area of wealth transfer and investment advice in the wealthier regions.

The data shows that this cluster had undergone some significant changes over the 2009-2015 period. Initial declines in number of employees and establishments in the early part of that period have turned around for two of the counties in this region. Those working in this cluster tend to be higher paid relative to the other clusters in this study. It is expected to continue as baby boomers continue to retire and transfer equity to the region.

Economic Profile

The financial services cluster consists of 32 six-digit North American Industry Classification System (NAICS) codes that define the 10 subclusters. The cluster consists of establishments that are involved with transactions that aid in the growth of financial assets, both for businesses and individuals. Firms that are part of this cluster include brokers, dealers, credit institutions and financial advisors. It also includes Federal Reserve employees, representing the monetary authority that oversees the activities of these firms and exchanges. In the five counties that represent the Southwest region of Florida, this cluster accounted for 3 percent of total employment in the state in 2015.

The five-county region ranked eighth in the state of Florida in employment in financial services. From 2009 to 2015, total employment in the traded segment of this cluster tracked that of the state, declining 11.5 percent. This reflected the continued adjustments made in this cluster following the financial crisis that began in 2007. However, combined with the local cluster, employment fell by a greater amount than the total decline in the state (-5.3 percent vs. -1.1 percent, respectively). A slowdown in the decline became evident in the more recent year to year change (2014-2015), with total jobs declining just .1 percent compared to 1.6 percent for the state. The total number of establishments in this cluster in the five-county region represented 6.3 percent of the state’s total financial services establishments in 2015. The ratio of local to traded financial services establishments in Southwest Florida was almost two to one. The location quotient for this cluster’s traded employment was just 0.5. Recalling that traded clusters refer to firms that tend to be unique and indicate the degree of a region’s comparative advantage, the low LQ implies that the region does not enjoy a comparative advantage in financial services.

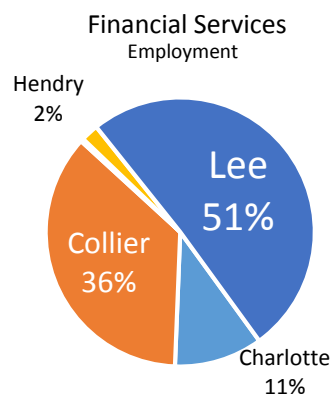
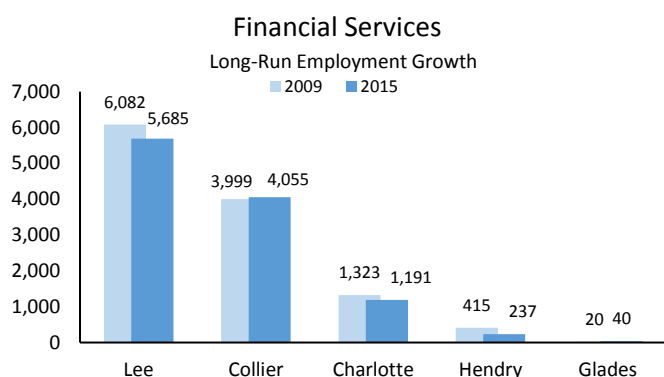
Financial Services

Economic Profile

	Southwest Florida			Florida		
	Traded	Local	Total	Traded	Local	Total
Employment, 2015	2,817	8,391	11,208	95,129	176,426	271,555
Number of Establishments, 2015	696	1,214	1,910	11,882	18,301	30,183
Short-run employment growth, 2014 to 2015	-0.5%	0.1%	-0.1%	-2.8%	-0.9%	-1.6%
Long-run employment growth, 2009 to 2015	-11.5%	-3.1%	-5.3%	-10.9%	5.1%	-1.1%
Average annual employment growth, 2009 to 2015	-2.0%	-0.5%	-1.5%	-2.3%	1.0%	-0.2%
Workforce Region Employment Ranking, 2015	8th	7th	8th	--	--	--
Location Quotient, Relative to Florida, 2015	0.62	1.00	--	--	--	--
Location Quotient, Relative to United States, 2015	0.49	0.94	--	0.79	0.94	--

Source: County Business Patterns: 2015

Employment by County



Southwest Florida's financial services cluster totaled 11,208 employees in 2015. Employment in the local portion of the cluster was almost three times more than that of the traded portion. Lee County accounted for the largest proportion of jobs (50.7 percent) in this cluster, with 5,685 employees. Collier County followed closely behind with the next highest number of employees, in both the traded and local financial services clusters, with 4,055 employees, representing 36.2 percent of the total for the region. With Charlotte County's 1,191 employees, the three counties accounted for about 97 percent of the total employment in financial services.

Financial Services Employment By County

County	Traded	Local	Total	Percent of Total Employment
Charlotte	241	950	1,191	10.6%
Collier	1,245	2,810	4,055	36.2%
Glades	20	20	40	0.4%
Hendry	40	197	237	2.1%
Lee	1,271	4,414	5,685	50.7%
Southwest Florida	2,817	8,391	11,208	100.0%

Source: County Business Patterns: 2015

Southwest Florida had a total of 1,910 establishments in the financial services cluster in 2015, with the majority of the firms in this cluster (over 85 percent) employing less than 10 workers. Lee County accounted for the largest number of establishments (1,024), with only three employing more than 100 employees. Collier County had the second-largest number of establishments in this cluster, with all but one firm employing less than 100 workers. Charlotte County had 211 establishments, with just 29 employing more than 10 workers but no firms with over 100. Hendry and Glades counties had 34 and five establishments, respectively, all with less than 100 employees. This cluster consists of predominantly small-sized firms.

Financial Services Establishments										
By County										
County	Number of Employees in Establishment									Total
	1 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	250 to 499	500 to 999	1000+	
Charlotte	126	56	23	5	1	0	0	0	0	211
Collier	383	159	60	22	11	1	0	0	0	636
Glades	3	2	0	0	0	0	0	0	0	5
Hendry	21	7	5	0	1	0	0	0	0	34
Lee	657	236	93	30	5	2	1	0	0	1,024
Southwest Florida	1,190	460	181	57	18	3	1	0	0	1,910

Source: County Business Patterns: 2015

The five-county region experienced a 5.3 percentage point decline in jobs in the financial services cluster from 2009 to 2015. While financial service jobs doubled in Glades County, all but Collier County experienced losses between 2009 and 2015. Employment in the traded portion of this cluster was hardest hit, with an 11.5 percent decline during this period. Hardest hit relative to their 2009 numbers, were Charlotte and Hendry counties. Declines in employment in the local portion of this cluster overall were milder (3.1 percent for the region) but mixed depending on the county. While Lee County lost almost 300 local jobs during this period, Collier County gained about 150 jobs in the local cluster. Hendry County lost a substantial number of jobs relative to its size, in both the traded and the local clusters. The local cluster jobs in Charlotte and Glades County remained virtually unchanged from 2009 to 2015.

Financial Services Long-Run Employment Growth									
By County									
County	Traded			Local			Total		
	2009	2015	Percent Change	2009	2015	Percent Change	2009	2015	Percent Change
Charlotte	372	241	-35.2%	951	950	-0.1%	1,323	1,191	-10.0%
Collier	1,341	1,245	-7.2%	2,658	2,810	5.7%	3,999	4,055	1.4%
Glades	0	20	N/A	20	20	0.0%	20	40	100.0%
Hendry	100	40	-60.0%	315	197	-37.5%	415	237	-42.9%
Lee	1,370	1,271	-7.2%	4,712	4,414	-6.3%	6,082	5,685	-6.5%
Southwest Florida	3,183	2,817	-11.5%	8,656	8,391	-3.1%	11,839	11,208	-5.3%

Source: County Business Patterns: 2015

As shown on the table below, Southwest Florida had an overall decline in the number of financial service establishments over the six-year period. The loss of firms was concentrated in Charlotte County, which was the only county in the region that experienced a decline in financial service establishments from 2009 to 2015. Although all the counties in the region experienced losses of traded firms, all but Charlotte saw gains in local firms. (Glades County lost just one of its four firms). This data affirms that the region does not have a comparative advantage in the financial services market, as evident by the loss of firms in the traded portion of the cluster.

Financial Services Long-Run Establishment Growth

By County

County	Traded			Local			Total		
	2009	2015	Percent Change	2009	2015	Percent Change	2009	2015	Percent Change
Charlotte	121	74	-38.8%	248	137	-44.8%	369	211	-42.8%
Collier	262	258	-1.5%	358	378	5.6%	620	636	2.6%
Glades	0	2	N/A	4	3	-25.0%	4	5	25.0%
Hendry	9	7	-22.2%	20	27	35.0%	29	34	17.2%
Lee	364	355	-2.5%	639	669	4.7%	1,003	1,024	2.1%
Southwest Florida	756	696	-7.9%	1,269	1,214	-4.3%	2,025	1,910	-5.7%

Source: County Business Patterns: 2015

Employment by Subcluster

The table below shows employment in the five subclusters of the financial services cluster, split between the traded and local clusters. The largest proportion of employment is in the securities brokers, dealers and exchanges traded subcluster, with 1,153 workers, closely followed by workers in financial investment activities and credit intermediation. The local cluster jobs are predominantly in deposit-taking institutions, followed by insurance agents and brokers. While monetary authorities (e.g., Federal Reserve Bank regulators) are part of the financial services employment cluster, the region has no central bank or branch, resulting in no official employment number for this subcluster.

Financial Services Employment

By Subcluster

Subcluster	Employment	Percent of Total Employment
<i>Traded Financial Services</i>		
Financial Investment Activities	848	7.6%
Credit Intermediation	796	7.1%
Credit Bureaus	20	0.2%
Monetary Authorities - Central Bank	0	0.0%
Securities Brokers, Dealers, and Exchanges	1,153	10.3%
<i>Local Financial Services</i>		
Deposit-taking Institutions	4,340	38.7%
Pension, Health, and Welfare Funds	436	3.9%
Insurance Agents and Brokers	2,859	25.5%
Tax Return Preparation Services	650	5.8%
Collection Agencies	106	0.9%
Total	11,208	100.0%

Source: County Business Patterns: 2015

The table below shows the number of employees per establishment disaggregated by the five subclusters for the traded and local financial services cluster. Virtually all of the firms in the traded subcluster employ less than 50 employees. The largest subcluster in this group is that of securities brokers, dealers and exchanges. The providers of the types of services shown by the subclusters are typically nonbank wealth management firms rather than large banks. Although there are no headquarters of these firms in this region, many of their services are provided in smaller branch offices, employing smaller staffs. The employees in the other two groups—financial investment activities and credit intermediation—represent the remaining two-thirds of jobs in the traded subcluster. The firms that make up the local financial services subcluster are also small (employing less than 50 employees for the most part). The largest group in this subcluster are insurance agents and brokers, followed by deposit taking institutions.

Financial Services Establishments

By Subcluster

Subcluster	Number of Employees in Establishment									Total
	1 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	250 to 499	500 to 999	1000+	
<i>Traded Financial Services</i>										
Financial Investment Activities	217	19	4	9	0	0	0	0	0	249
Credit Intermediation	138	39	6	2	1	0	0	0	0	186
Credit Bureaus	2	0	0	0	0	0	0	0	0	2
Monetary Authorities - Central Bank	0	0	0	0	0	0	0	0	0	0
Securities Brokers, Dealers, and Exchanges	208	27	12	9	3	0	0	0	0	259
<i>Local Financial Services</i>										
Deposit-taking Institutions	126	231	106	25	6	1	0	0	0	495
Pension, Health, and Welfare Funds	9	3	0	0	0	0	1	0	0	13
Insurance Agents and Brokers	403	102	42	10	6	2	0	0	0	565
Tax Return Preparation Services	84	37	9	2	1	0	0	0	0	133
Collection Agencies	3	2	2	0	1	0	0	0	0	8
Total	1,190	460	181	57	18	3	1	0	0	1,910

Source: County Business Patterns: 2015

Employment in financial services cluster shrank during the six-year period from 2009 to 2015, reflecting continued adjustments made in this cluster following the aftermath of the financial crisis that began in 2007. The table below shows the decline in employment by subcluster for traded and local financial service firms. The only traded subcluster that showed gains in employment was the financial investment activities, which grew almost 26 percent over the six-year period. That increase was offset by an almost identical decline in employment for securities brokers, dealers and exchanges. Credit intermediaries also declined by over 14 percent for the same time span. Employment in the local subcluster firms over the six-year period was mixed. Jobs increased for collection agencies and insurance agents (both close to about 27 percent each) while declining for tax return preparers and deposit taking institutions.

Financial Services Long-Run Employment Growth

By Subcluster

Subcluster	Employment		Percent Change
	2009	2015	
<i>Traded Financial Services</i>			
Financial Investment Activities	673	848	26.0%
Credit Intermediation	926	796	-14.0%
Credit Bureaus	20	20	0.0%
Monetary Authorities - Central Bank	0	0	N/A
Securities Brokers, Dealers, and Exchanges	1,564	1,153	-26.3%
<i>Local Financial Services</i>			
Deposit-taking Institutions	5,059	4,340	-14.2%
Pension, Health, and Welfare Funds	445	436	-2.0%
Insurance Agents and Brokers	2,244	2,859	27.4%
Tax Return Preparation Services	824	650	-21.1%
Collection Agencies	84	106	26.2%
Total	11,839	11,208	-5.3%

Source: County Business Patterns: 2015

The changes in employment by subcluster reflects the pattern of change in the number of establishments. The financial investment activities subcluster was the only traded subcluster to grow from 2009 to 2015, increasing 7.3 percent. The credit intermediation subcluster experienced the largest decline in number of establishments from 2009 to 2015, with a 25.6 percent decrease over the time span. The number of establishments in the securities brokers, dealers, and exchanges subcluster also declined over the six-year period. The number of credit bureaus in Southwest Florida was the same from 2009 to 2015. There was also a reduction in four of the local financial services establishments between 2009 and 2015. Only establishments engaged in tax preparation services grew close to 30 percent, despite the decline in employment as shown in the previous table.

Financial Services Long-Run Establishment Growth By Subcluster

Subcluster	Employment		Percent Change
	2009	2015	
<i>Traded Financial Services</i>			
Financial Investment Activities	232	249	7.3%
Credit Intermediation	250	186	-25.6%
Credit Bureaus	2	2	0.0%
Monetary Authorities - Central Bank	0	0	N/A
Securities Brokers, Dealers, and Exchanges	272	259	-4.8%
<i>Local Financial Services</i>			
Deposit-taking Institutions	573	495	-13.6%
Pension, Health, and Welfare Funds	18	13	-27.8%
Insurance Agents and Brokers	561	565	0.7%
Tax Return Preparation Services	104	133	27.9%
Collection Agencies	13	8	-38.5%
Total	2,025	1,910	-5.7%

Source: County Business Patterns: 2015

Workforce Ranking

The five counties representing the Southwest Florida region ranked eighth among all other regions in the state for employment in the financial services cluster. This represents almost 3 percent of the state's total employment of 95,129 in 2015 for this cluster.

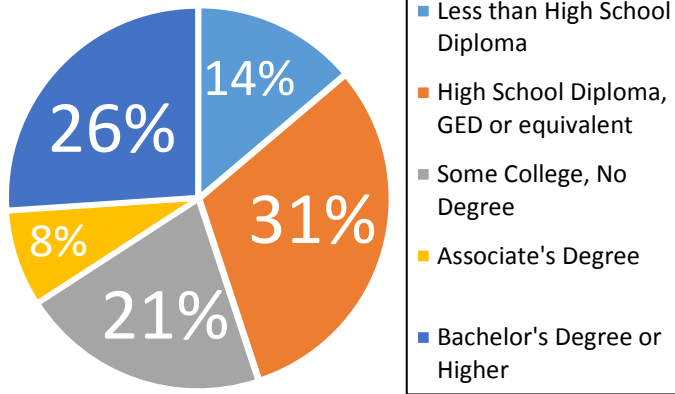
Financial Services Workforce Rankings		
Rank	Workforce Region	Employment Level
1	Northeast Florida	39,905
2	South Florida	39,257
3	Tampa Bay	32,486
4	Central Florida	32,164
5	Broward	24,121
6	Palm Beach County	19,732
7	Pinellas	18,265
8	Southwest Florida	11,208
9	Escarosa	8,030
10	Suncoast	7,216
11	Polk	6,184
12	Research Coast	5,028
13	Brevard	4,932
14	Flagler Volusia	4,074
15	Capital Region	3,990
16	Pasco Hernando	3,424
17	Citrus Levy Marion	3,068
18	North Central Florida	2,821
19	Okaloosa Walton	2,422
20	Gulf Coast	1,972
21	Heartland	1,089
22	Chipola	771
23	Florida Crown	754
24	North Florida	730

Source: County Business Patterns: 2015

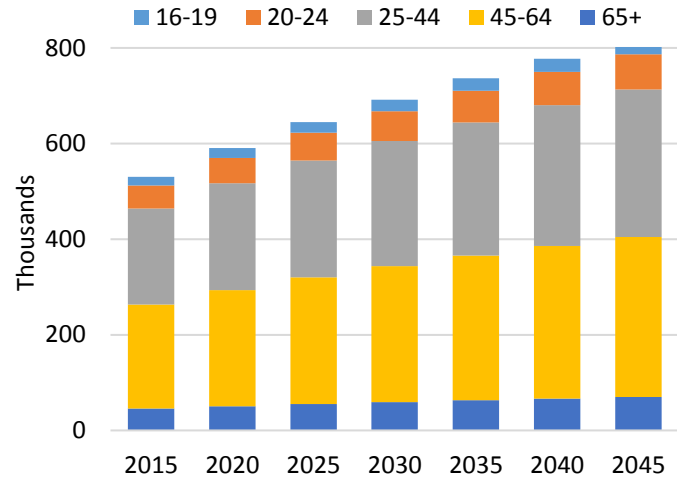
Workforce Profile

Many companies choose to operate in Southwest Florida due to its workforce. Of the region's adult population, 26 percent have a Bachelor's Degree or higher, while 86 percent have at least a high school diploma. Florida Gulf Coast University conferred 2,331 Bachelor's Degrees to students during the 2015-2016 academic year, while Florida Southwestern State College, with its four campuses throughout the region, conferred 1,942 Associate's Degrees and 341 Bachelor's Degrees during the 2014-2015 academic year. Other educational institutions serving the area include Hodges University in Naples and Kaiser University in Fort Myers. Meanwhile, regional training programs, such as CareerSource Florida, provide training programs and certificates in numerous areas. Furthermore, the composition of the workforce is expected to change as the population grows over the next 25 years. Southwest Florida's population is expected to grow 50 percent by 2045, expanding the region's customer base while increasing its labor force by 54 percent.

Educational Attainment



Projected Labor Force



Financial Services Occupations By Total Employed

Occupation	Total Working Across All Industries	Number of Available Applicants	Number of Graduates	Entry Wage	Median Wage	Experienced Wage	Education Level
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	11,579	98	0	\$10.49	\$14.75	\$17.64	Post Secondary Adult Vocational
Office Clerks, General	8,666	176	0	\$9.24	\$12.43	\$15.85	High School/GED
Bookkeeping, Accounting, and Auditing Clerks	5,279	111	38	\$11.88	\$16.47	\$19.84	Some College
Receptionists and Information Clerks	4,978	134	52	\$10.09	\$13.12	\$15.20	High School/GED
First-Line Supervisors of Office and Administrative Support Workers	4,285	35	77	\$15.45	\$22.32	\$26.81	Some College
General and Operations Managers	3,755	85	167	\$28.69	\$45.91	\$68.75	Some College
Accountants and Auditors	3,668	83	19	\$19.99	\$29.03	\$40.43	Bachelor's Degree
Executive Secretaries and Executive Administrative	2,320	110	16	\$15.70	\$20.72	\$24.92	Post Secondary Adult Vocational
Bill and Account Collectors	929	20	0	\$11.69	\$15.03	\$16.68	High School/GED
Personal Financial Advisors	895	6	0	\$21.62	\$39.36	\$71.46	Bachelor's Degree
Financial Managers	796	27	0	\$35.55	\$50.41	\$68.37	Bachelor's Degree
Securities, Commodities, and Financial Services Sales Agents	724	7	0	\$17.05	\$34.64	\$56.06	Bachelor's Degree
Loan Officers	632	6	0	\$20.68	\$37.94	\$50.45	Some College
Real Estate Brokers	513	1	0	\$10.95	\$19.08	\$30.94	Post Secondary Adult Vocational
Loan Interviewers and Clerks	368	2	0	\$12.16	\$16.99	\$19.52	Post Secondary Adult Vocational
Financial Analysts	342	19	0	\$23.70	\$33.98	\$48.75	Bachelor's Degree
Financial Specialists, All Other	263	6	0	\$17.36	\$26.63	\$32.74	Post Secondary Adult Vocational
Credit Counselors	196	1	0	\$13.62	\$15.18	\$18.65	Some College
Brokerage Clerks	113	1	0	\$13.05	\$20.99	\$26.24	High School/GED
Credit Analysts	57	0	19	\$28.62	\$35.30	\$39.35	Post Secondary Adult Vocational

Source: Florida Department of Economic Opportunity, Occupational Supply/Demand Report

Cluster Highlights

EVENTS, AWARDS AND RECOGNITIONS

- Financial Times ranked a managing director of Investments at Moran Edwards Asset Management Group of Wells Fargo Advisors in Naples (Collier County) as one of the “Top 400 Financial Advisors” in the country. Such advisors are ranked by assets under their management. The list of advisors is considered “elite” and drawn from national, independent and regional brokers-dealers of whom there are more than 1,500.
- In response to local banking and financial services employer needs, Florida Southwestern State College’s School of Business and Technology created a course concentration and certificate in Financial Services Management with in the bachelor degree in Supervision and Management.
- Forbes continues to indicate that Collier County is one of the wealthiest counties in the nation with a steady flow of inbound migration of wealthy residents. The growth of this segment of the population has created and will continue to create a growing demand for providers of wealth management services.

Companies

- Wells Fargo Advisors
www.wellsfargoadvisors.com
- Colony Group
www.thecolonygroup.com
- Merrill Lynch Wealth Management
www.ml.com
- Raymond James Wealth Management
www.raymondjames.com
- TD Ameritrade Inc.
www.td.com
- Northern Trust Wealth Management Services
www.northerntrust.com
- Everbank
www.everbank.com
- UBS Financial Services
www.ubs.com
- CJA and Associates
www.cjmarketing.com
- Strickland Financial Group, Inc.
www.thestricklandfinancialgroup.com

Education & Training

Florida’s system of higher and post-secondary education provides hundreds of training programs generating advanced degrees and occupational certificates that prepare students for productive careers in our region. The state university system includes 13 institutions, while community colleges number 28. Furthermore, there are 84 private universities and occupational and technical schools in the state. A list of the top educational institutions producing graduates that work in the financial services cluster would include the following:

- Florida Gulf Coast University
www.fgcu.edu
- University of Miami
www.miami.edu
- Florida State University
www.fsu.edu
- University of Central Florida
www.ucf.edu
- University of Florida
www.ufl.edu
- University of South Florida
www.usf.edu
- Florida SouthWestern State College
www.fsw.edu
- Keiser University
www.keiseruniversity.edu
- Florida Atlantic University
www.fau.edu
- Florida International University
www.fiu.edu
- Miami-Dade College
www.mdc.edu

Cluster Definition

The financial services cluster consists of 32 six-digit North American Industry Classification System (NAICS) codes that define the 10 subclusters. A list of each subcluster and NAICS category, along with the appropriate six-digit NAICS code can be found in the table below.

Financial Services Breakdown of Subclusters	
Subcluster/NAICS Description	6-Digit NAICS Code
<i>Financial Investment Activities</i>	
Miscellaneous Intermediation	523910
Portfolio Management	523920
Investment Advice	523930
Trust, Fiduciary, and Custody Activities	523991
Miscellaneous Financial Investment Activities	523999
Open-End Investment Funds	525910
Other Financial Vehicles	525990
<i>Credit Intermediation</i>	
Savings Institutions	522120
Other Depository Credit Intermediation	522190
Credit Card Issuing	522210
Sales Financing	522220
Consumer Lending	522291
Real Estate Credit	522292
International Trade Financing	522293
Secondary Market Financing	522294
All Other Nondepository Credit Intermediation	522298
Financial Transactions Processing, Reserve, and Clearinghouse Activities	522320
Other Activities Related to Credit Intermediation	522390
<i>Credit Bureaus</i>	
Credit Bureaus	561450
<i>Monetary Authorities - Central Bank</i>	
Monetary Authorities-Central Bank	521110
<i>Securities Brokers, Dealers, and Exchanges</i>	
Mortgage and Nonmortgage Loan Brokers	522310
Investment Banking and Securities Dealing	523110
Securities Brokerage	523120
Commodity Contracts Dealing	523130
Commodity Contracts Brokerage	523140
Securities and Commodity Exchanges	523210
<i>Deposit-taking Institutions</i>	
Commercial Banking	522110
Credit Unions	522130
<i>Pension, Health, and Welfare Funds</i>	
Third Party Administration of Insurance and Pension Funds	524292
<i>Insurance Agents and Brokers</i>	
Insurance Agencies and Brokerages	524120
<i>Tax Return Preparation Services</i>	
Tax Preparation Services	541213
<i>Collection Agencies</i>	
Collection Agencies	561440

Source: U.S. Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School