

A Partner for New York City

An Interview with Kathryn S. Wylde,
President and Chief Executive Officer, Partnership for New York City

EDITORS' NOTE Prior to assuming her current post in 2000, Kathryn Wylde served as the founding President and Chief Executive Officer of two Partnership affiliates, the Housing Partnership and the Partnership Fund for New York City. She is Deputy Chair of the board of the Federal Reserve Bank of New York and a board member of the New York City Economic Development Corporation, the NYC Leadership Academy, the Manhattan Institute, NYC & Company, and The Research Alliance for New York City Schools.



Kathryn S. Wylde

ORGANIZATION BRIEF Focused on maintaining the city's position as the center of global commerce, the Partnership for New York City (www.pfnyc.org) is composed of the top 200 CEOs from the city's corporate, investment, and entrepreneurial sectors and works in partnership with government to advance the interests of the city. The organization's priorities include maintaining the city's competitive position in the attraction and growth of its business sector, improving public education, and fostering public/private partnerships to address the challenges facing the city. In March, the Partnership published a Jobs Blueprint that lays out how the next mayor can sustain economic growth and expand opportunity for all New Yorkers.

What is the vision behind the NYC Jobs Blueprint?

The Blueprint is a resource for the new leaders of city government who will take over in 2014 and for all the city's stakeholders. It describes how the Bloomberg Administration has diversified and grown the economy over the past 12 years, overcoming several major crises and building the largest city economy in the world. Today, the city has more private sector jobs (3.4 million) than at any time in its history. At the same time, the incoming administration will face new challenges – growing competition, reductions in federal aid, rising demands on the education system – that will require new solutions. The Blueprint seeks to lay out how city government can leverage its assets to maintain the city's positive trajectory.

In terms of what came out of the Blueprint, was it what you expected?

We knew that the city's entrepreneurial economy had emerged as a leading source of economic growth during the Bloomberg era with high tech,

the creative industries, and tourism showing the most significant growth. We also confirmed that financial services remains our most important economic driver, although growth has shifted from securities to insurance and asset management. On the other hand, the Blueprint definitely uncovered some surprises. For example, there has been a major increase in the contribution that Brooklyn and Queens make to the city's overall GDP, resulting from a Bloomberg Administration focus on development in the boroughs beyond Manhattan. The city population has not

increased as much as was projected, largely due to restrictive federal immigration policy. Productivity growth in the city has been held back by the large size of our least productive sectors – government, health care, and education. Finally, the city has seen a big increase in start-up businesses, but the number of growth sector businesses with more than 50 employees has been flat. We attribute this to relatively high costs and a difficult business environment that discourages companies from scaling up here and results in movement of some companies and many operations to more cost competitive locations.

Aside from analysis of the current and projected data, the Blueprint provides a series of recommendations that we have drawn from interviews with industry experts as to how government can work with the private sector, organized labor, and major educational institutions to continue to encourage job growth and expand economic output. It spells out what needs to be done in five key areas: creating more and better jobs, maintaining a secure and livable environment, improving connectivity and accessibility by investing in our infrastructure, better preparing New Yorkers for the jobs of the future by working on education and workforce development programs, and ensuring that we have a well-managed city government.

What kind of long-lasting impact will the Bloomberg Administration and his leadership have on the city?

Mayor Bloomberg pushed New York City to the forefront of the global innovation economy and this will be his most important legacy. He did this by championing entrepreneurship and by fostering projects that have made this the kind of city that the world's most talented people want to live in and work in. He has enhanced New York's brand as a livable city, a creative capital, and a technology hub. He leaves New York far stronger, safer, and more attractive than he found it.

Are the right steps being taken toward attracting talent for the future?

New York's talent base is our key competitive asset. During the past decade, the city's great universities and research institutions have been more engaged with the public policy and economic development agenda of the city, ranging from environmental sustainability and application of new discoveries to our legacy industries to more relevant education of the future workforce. We have established working relationships among industry, academia, and government that future leaders will almost certainly build on. Of course, replenishing the talent supply requires more open national immigration and visa policies as well as a more robust education and workforce development system. We are headed in the right direction, but these are long-term objectives that will require continued diligence in the years ahead.

Is it important for the Partnership to engage businesses that might be looking to come to New York City?

As we're working to diversify the city economy, we're also attempting to engage the next generation of business leaders – many of them from the high tech and creative industries – in public policy and civic dialogue. It's our goal to make sure that the city evolves to meet the needs of those companies that are creating jobs here, which tend to be smaller entrepreneurial firms. The Partnership Fund has been a key player in investing in and building new industry clusters in growth sectors such as financial and health technology, as well as the food industry and artisan industries.

How critical is it that the next Mayor understands the need to build on that public/private partnership?

Our most important message to the next Mayor is that he or she does not have to face the challenges of the future alone. The business community is prepared to join with civic, labor, and non-profit sectors to make sure the city continues on a strong course and is prepared to respond to the crises that inevitably will occur. For example, our Blueprint projects that, over the next decade, there will be a 21 percent increase in the number of jobs in the city that require a college degree. Employers and educators must work together to make sure the city's students are prepared for these jobs and to help the 21 percent of New Yorkers who are living in poverty move up the economic ladder. It is important that the next Mayor reaches out to the business community for help and advice. ●