

Forbes' Best Places for Business and Careers

Since 1999, Forbes Magazine has also published an annual “Best Places” ranking of metro areas. The rankings are intended to show the best places “for business and careers,” and thus mix business location considerations with factors presumably influencing labor migration. They rank the 200 largest metro areas, and then separately rank the “Best Small Places” — metro areas with populations under 262,700.

The latest version of the ranking is based on each city’s score on 14 metrics:

- Cost of doing business
- Educational attainment: the share of the population over age 25 with at least a bachelor’s degree
- Educational attainment: the share of the population over age 25 with at least a high school diploma
- Number of highly ranked colleges in the region based on Forbes’ annual college rankings
- Volume and concentration of highly-educated millennials
- Laws protecting people from employment discrimination based on sexual or gender identity
- Cost of living: an index based on housing costs, utility costs, transportation, and other expenditures
- Culture and leisure: an index based on the prevalence of museums, theaters, golf courses, sports teams, and other cultural and recreational facilities
- Projected economic growth through 2018
- Income growth: average annual growth over past five years
- Job growth: average annual growth over past year
- Job growth: average annual growth over past five years
- Job growth: projected for the next three years
- Net migration: average annual rate over past five years

Metro areas are ranked on each of the 14 factors, which are then weighted and combined to produce the overall ranking. The cost of doing business and educational attainment are weighted most heavily.

While the growth measures appear to be outcomes measures, one could argue that they belong on this list because job-seekers naturally look for growing rather than stagnant places. **This illustrates the problems involved in creating a single ranking of the**

best places for business and the best places to start a career. Rapid growth and rising wages, for example, probably signify good places for employees to seek jobs, but businesses may be more attracted by labor surplus areas. Which is the “best place” depends on who you are.