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Metro Milwaukee's Startup Investment Increases; Longtime Weaknesses Persist

DataTool offers comparisons to peer metros on indicators of innovation, entrepreneurship

Venture capital investment in metro Milwaukee rose to record levels in 2024, marking progress in an area that has been a long-term weakness of its innovation economy.

Metro Milwaukee also maintained longstanding strengths in metrics such as the educational attainment of its workforce and its concentration of scientists and engineers.

However, other key indicators of innovation and economic growth show the region continues to have areas of concern. These include lackluster worker productivity growth, median household incomes that recently fell below the nation's, and sluggish growth in total employment, as the rate of job growth has slid into the bottom tier among comparable metro areas.

These and other findings stem from the Forum's 2025 update to its Innovation DataTool. The tool tracks the four-county Milwaukee metro area over the last decade -- and in relation to national comparison metros -- on 17 indicators of innovation, entrepreneurship, and economic growth.

Available to all as an online interactive at the Forum's website, it is meant to help the region's leaders identify its economic strengths and weaknesses, and set priorities for improvement.

The comparison metros used for the tool are: Austin, Buffalo, Cincinnati, Cleveland, Indianapolis, Kansas City, Minneapolis-St. Paul, Oklahoma City, Pittsburgh, and Portland. Many of these are midsized metros located in or near the Midwest and share many of metro Milwaukee's characteristics, such as a historic focus on manufacturing. We also include two metro areas often identified as leaders in innovation (Austin and Portland) and national averages.

Areas of innovation and economic strength for metro Milwaukee include:

Startup Businesses: Startup businesses in metro Milwaukee attracted more ($157.2 million) in venture capital investment in 2024 than in any previous year in our dataset, and more than twice as much as in 2023. On a per capita basis, however, the region attracted less venture capital funding than all but two of the comparison metros. Still, this progress holds promise for a longtime shortcoming of the region's innovation economy. We also find that over the last three years, metro Milwaukee received a greater number and value of federal grants for small businesses to conduct research and development activities.

Educated Workforce, Including STEM Talent: Metro Milwaukee maintained two long-held innovation strengths in 2024: concentrations of adults with college degrees – and of scientists and engineers – above the national averages. The share of metro Milwaukee adults 25 and over with bachelor's or advanced degrees (40.9%) ranked fourth among our 11 comparison metro areas in 2024. The region also ranked fourth among peer metros in its concentration of scientists and engineers per 1,000 working-age adults. This is due in part to the area's concentration of industrial, mechanical, and civil engineers.

Areas where improvement may be needed for metro Milwaukee to compete nationally include:

Total Employment Growth: After growing jobs slowly but steadily from 2010 to 2019, metro Milwaukee lost almost all of those gains in 2020 amid the COVID-19 pandemic. It has since recovered somewhat, but total employment in 2024 (816,630) remained 1.9% below its 2018 peak. Metro Milwaukee is also in the bottom tier among our comparison metros in employment growth since 2014 and added jobs at a far slower pace than the national average during that decade. The region's job losses may be partially explained by a decline in its working-age population (ages 15 to 64), which fell by 2.8% between 2017 and 2024.

Household Income: The ultimate goal of economic development efforts is to boost incomes and living standards for area residents. It is troubling, therefore, that Milwaukee's previous progress in growing both median household and per capita incomes has faltered. In 2024, metro Milwaukee's inflation-adjusted median household income remained below its 2019 peak for at least the fourth consecutive year (2020 data were not available). It also ranked seventh among the 11 comparison metros. And while its 2019 median household income was slightly above the United States median, its 2024 median was clearly below the nation's.

Worker Productivity: As recently as 2017, metro Milwaukee was competitive with its peers in per employee gross domestic product (GDP), which measures the value of all finished goods and services produced within an area. The region's productivity has since slid, however, and in 2023 – the most recent year for which data are available -- it ranked tenth among our 11 comparison metros. Between 2013 and 2023, metro Milwaukee's GDP also increased at the second-slowest pace among our peer metros. Wisconsin's statewide GDP per worker also lags every state in which our comparison metros are located.

Since 2010, the Forum has tracked the four-county Milwaukee metro area's performance on a range of metrics tied to innovation and economic growth, and we created this online DataTool in 2019. We hope its findings help economic development leaders and the broader community understand how the metro area is progressing and set priorities for future advancement.

This update to the Innovation DataTool is sponsored by Chris Abele and Bader Philanthropies.

Click here to access the 2025 Metro Milwaukee Innovation DataTool.