Using Labor Market Information for Workforce Planning & Alignment

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Disclaimers

- Every region of Texas is different. We tried to draw examples from a few boards and present ideas. But everything should be adapted to your local market.

- TWC's board planning procedures incorporate lots of local discretion. This presentation is about suggesting and highlighting good data tools and should not be viewed as a mandate.

- This presentation is designed to highlight LMI data resources that can be used in board plans, but it is always important to review and understand *current* TWC policy and applicable WD letters before starting a plan, which were not published at the time this presentation was prepared.

Telling your story

Using data to describe your local labor market

Gathering data insights on the local economy

- Data can confirm what you already know about the region

- It can also show how things have changed over time

- Most board plans contain a description of the local economy and labor market

- There are multiple ways to accomplish this task

- LMI profile is a good start

WDA profiles on TexasLMI.com

- Provides commonly requested statistics for a region

- Can select additional detail

- All provided data can be exported to Excel

- Access from first link in second column of TexasLMI.com front page or from drop-down menu

Economic Profile for Workforce Development Area for the Month of July 2023

| Summary Report | All Tables | Labor Force Statistics | Projections | Quarterly Employment |

| Summary Report PDF | All Report PDF | Export To Excel |

| Brazos Valley Workforce Development Area | | | | July 2023 |

WDA Labor Force Statistics

	Jul-23	Jun-23	Jul-22	Yearly Change
Civilian Labor Force	185,508	184,858	178,918	6,590
Employed	177,825	177,617	172,344	5,481
Unemployed	7,683	7,241	6,574	1,109
Unemployment Rate	4.1%	3.9%	3.7%	0.4%

Texas Labor Force Statistics

	Jul-23	Jun-23	Jul-22	Yearly Change
Civilian Labor Force	15,180,378	15,047,054	14,678,367	502,011
Employed	14,496,912	14,418,818	14,088,346	408,566
Unemployed	683,466	628,236	590,021	93,445
Unemployment Rate	4.5%	4.2%	4.0%	0.5%

US Labor Force Statistics

	Jul-23	Jun-23	Jul-22	Yearly Change
Civilian Labor Force	168,354,000	167,910,000	165,321,000	3,033,000
Employed	161,982,000	161,559,000	159,067,000	2,915,000
Unemployed	6,372,000	6,351,000	6,255,000	117,000
Unemployment Rate	3.8%	3.8%	3.8%	0.0%

Continued Claims for the Week of the 12th

	Jul-23	Jun-23	Jul-22	Yearly Change
WDA	926	1,116	713	213
Texas	119,561	120,579	86,132	33,429

Historical Unemployment Rates

Use QCEW industry data from TexasLMI.com

- Go to LMI By Category: QCEW.
- Select reference quarter and possible past quarter (compare same qtrs., Q1'20:Q1'22 etc.).
- Select total ownership.
- Drop-down menu selects NAICS codes of same digits (industry levels).
- To compare industries, must be same number of NAICS digits.

Select Ownership

☐ Private   ☐ Local Govt.   ☐ State Govt.   ☐ Federal Govt.   ☑ Total

Get Industries   **Reset**

Table Customizations/Keyboard Shortcuts ❓

Select Industries

Search Industry (NAICS) Title   **Search**   **Clear**

Select all Level 2 industries ▾

...lected 21 of 21 industries.

Selections	Level	▼	Industry Code	▼	Industry Title
☑	2		11		Agriculture,
☑	2		21		Mining, Quar

Pie-charts can tell a lot

- Download spreadsheet of two-digit codes from QCEW
- Use QCEW because of how it reflects education and health care
- Make a pie-chart of two-digit industry sector employment
- May need to aggregate the smaller sectors to make a meaningful pie chart
- Compare with same result 20-25 years ago to see how your region's employment has changed
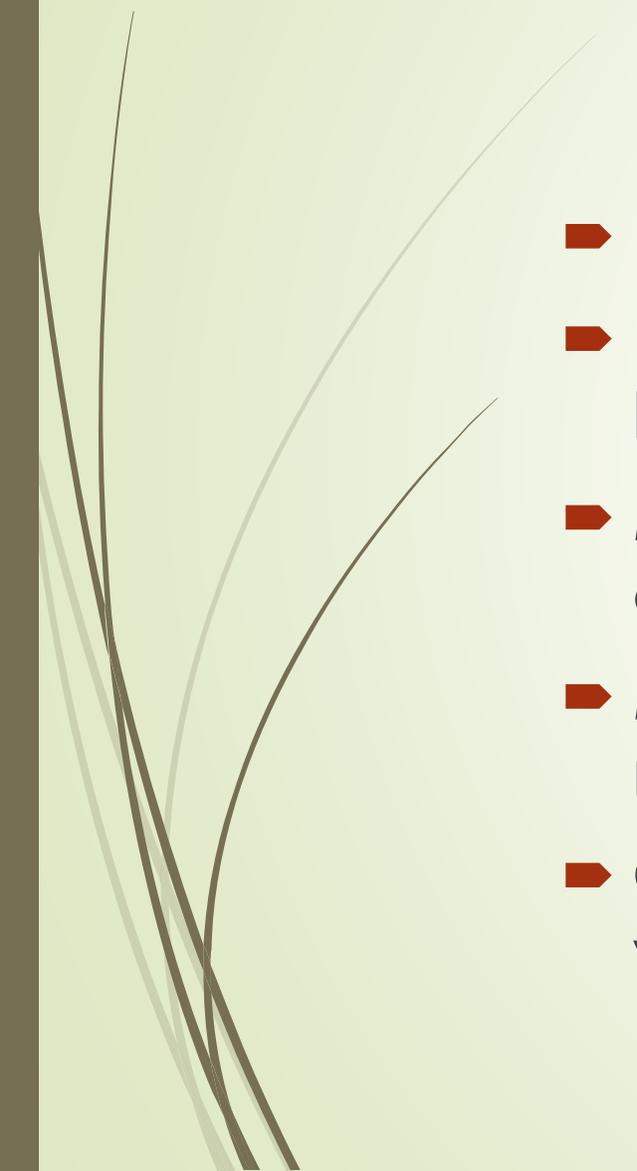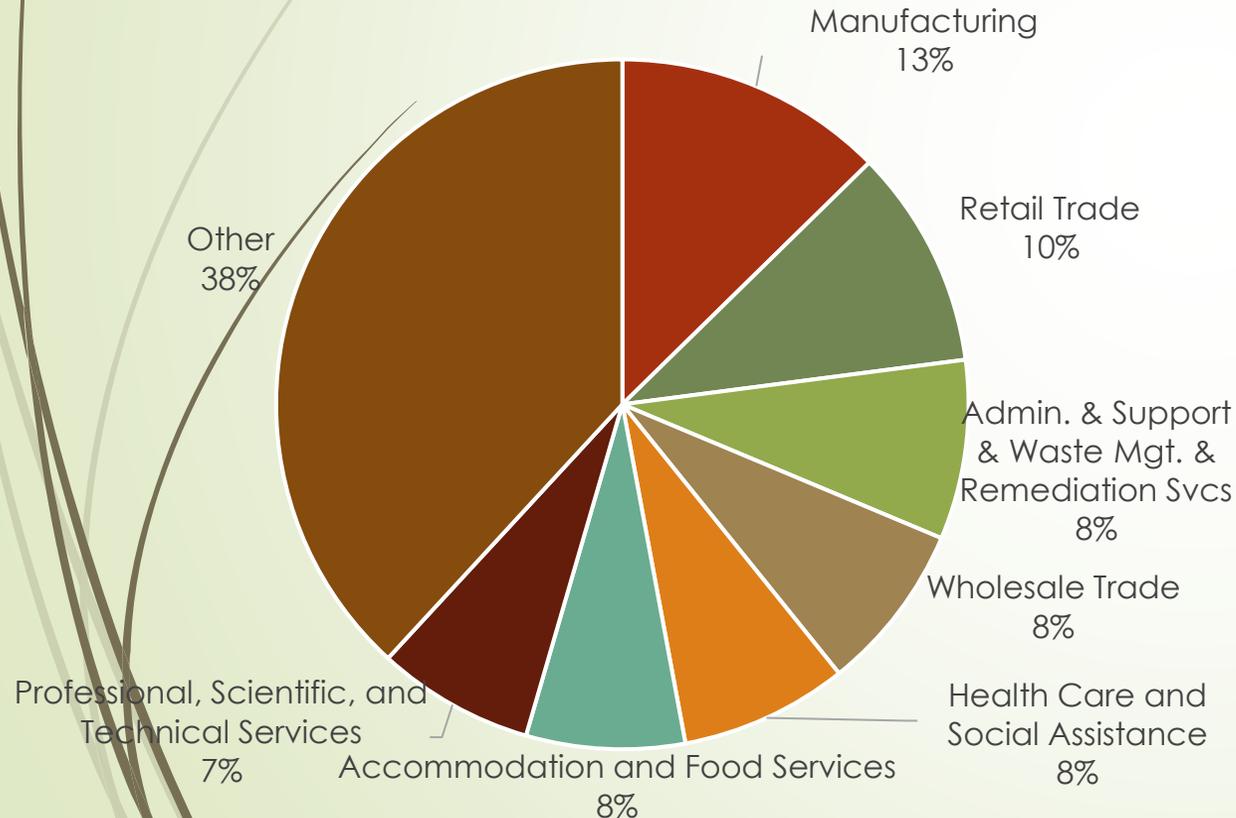
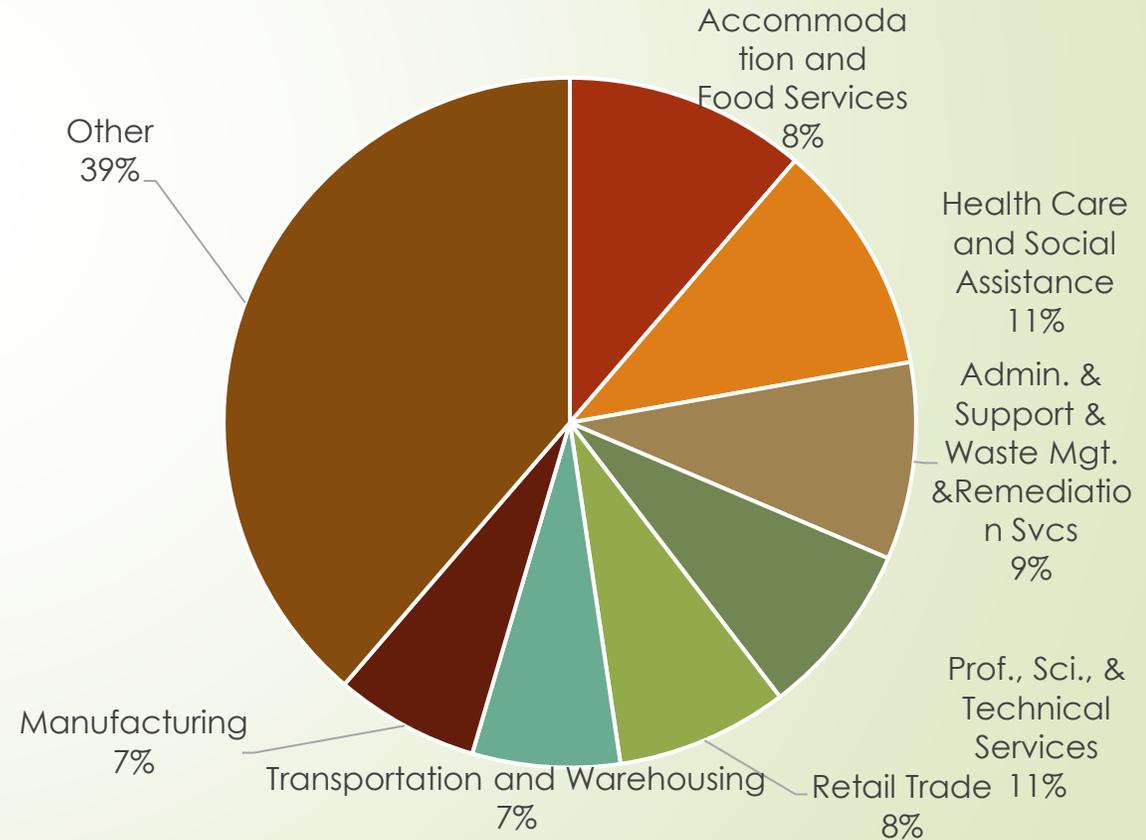Brazos Valley Industry Concentration
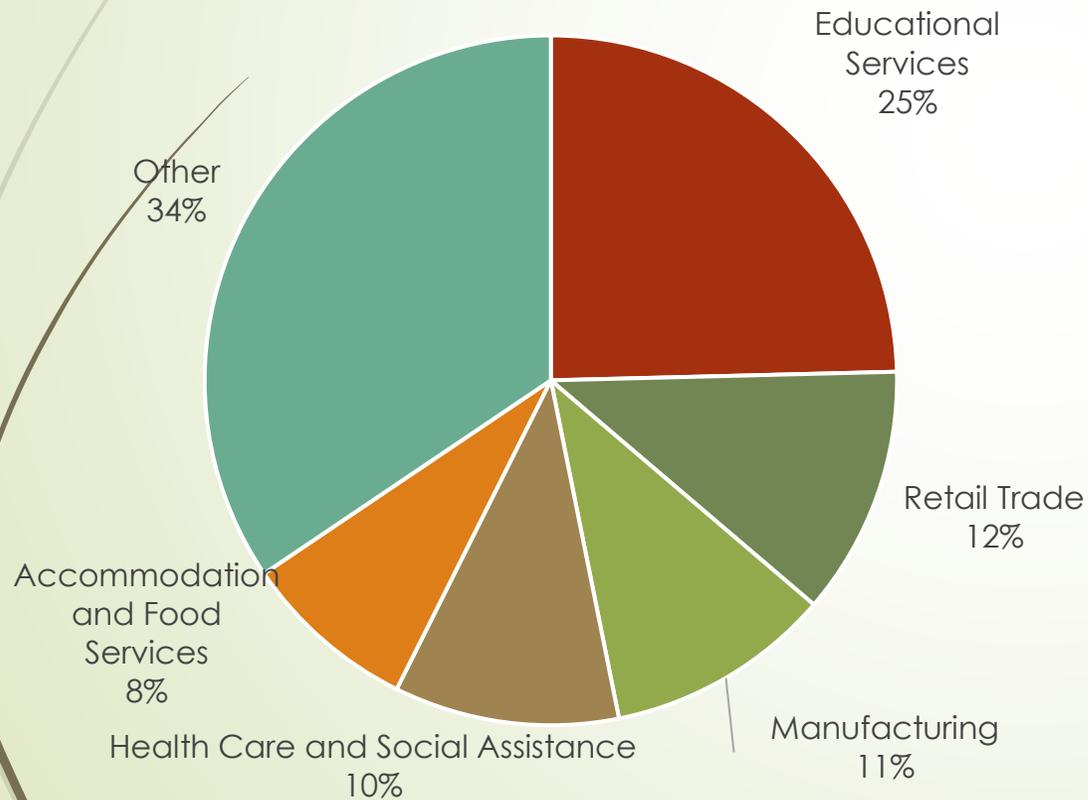
3rd Quarter 1998

3rd Quarter 2023

Source: Texas Workforce Commission. Quarterly Census of Employment and Wages.

Dallas County Industry Concentration

3rd Quarter 1998

- Manufacturing 13%
- Retail Trade 10%
- Admin. & Support & Waste Mgt. & Remediation Svcs 8%
- Wholesale Trade 8%
- Health Care and Social Assistance 8%
- Accommodation and Food Services 8%
- Professional, Scientific, and Technical Services 7%
- Other 38%

3rd Quarter 2023

- Accommodation and Food Services 8%
- Health Care and Social Assistance 11%
- Admin. & Support & Waste Mgt. &Remediation Svcs 9%
- Prof., Sci., & Technical Services 11%
- Retail Trade 11% 8%
- Transportation and Warehousing 7%
- Manufacturing 7%
- Other 39%

Source: Texas Workforce Commission. Quarterly Census of Employment and Wages.

Look at largest 3-digit industries

- Now repeat the same exercise but with 3-digit codes.

- Instead of making a pie-chart, sort from largest to smallest NAICS.

- Note the 10-15 largest 3-digit industries in your region.

- Use local insight to supplement.

Largest industries by employment in Gulf Coast WDA

Industry Name	Employment	Average Weekly Wage
Educational Services	318,281	$1,182
Food Services and Drinking Places	294,478	$491
Prof., Scientific, & Technical Services	255,678	$2,201
Administrative and Support Services	210,551	$1,104
Ambulatory Health Care Services	194,384	$1,254
Hospitals	138,844	$1,867
Specialty Trade Contractors	116,378	$1,368
Merchant Wholesalers, Durable Goods	104,305	$1,820

Source: Texas Workforce Commission. Quarterly Census of Employment and Wages. 3rd Quarter 2023.

Largest industries by employment in Panhandle WDA

Industry Name	Employment	Average Weekly Wage
Educational Services	18,074	$916
Food Services and Drinking Places	16,577	$404
Food Manufacturing	14,684	$1,144
Animal Production and Aquaculture	9,199	$949
Ambulatory Health Care Services	8,884	$1,356
Hospitals	8,416	$1,343
Specialty Trade Contractors	6,038	$1,161
Prof., Scientific, &Technical Services	5,964	$1,363

Source: Texas Workforce Commission. Quarterly Census of Employment and Wages. 3rd Quarter, 2023.

Introducing Texas Labor Analysis

➢ www.texaslaboranalysis.com

➢ TWC website designed to assist in board planning.

➢ The "Top Statistics" field can be particularly helpful in understanding large occupations.

Top Statistics page generates customized top occupations list

Top Statistics

Generate Top 25 statistical reports for an occupation.

Region

Select a region to view the Top 25 occupations. To change your selection, you must delete the previously selected region.

[Select from List] [Select from Map]

Brazos Valley ✕

Choose a Report to view:

[Current Employment] [Current Job Postings] [Wages] [Projections] [Current Supply (WIT)]

Select an Education Level

☑ No Education Requirement ☑ High School Diploma ☑ Postsecondary Non-Degree ☑ Associates ☑ Bachelors ☑ Masters or Above

Top 25 Occupations by Current Employment for Brazos Valley

☐ Choose occupations above the Texas Median Wage ($43,463)

[Export to Excel] [Print to PDF]

Create several lists of important occupations

- Texas Labor Analysis allows for sorting by several variables

- Categorize by employment, job postings, wages, projections, and Work In Texas postings

- Can screen for greater than median wage

- Can screen by education level

- All lists are exportable to Excel

Top Occupations by Job Postings requiring bachelors: Cameron County

SOC Code	SOC Title	Current Employment (2022)	Job Postings (Mar 2024)	Wage (2022)
29-1141	Registered Nurses	2,660	514	$72,948
11-9111	Medical and Health Services Managers	560	87	$105,948
11-9198	Personal Svc Mgrs, AO; Entertainment & Rec Mgrs, Ex Gambling; & Mgrs, AO	N/A	72	$105,143
11-1021	General and Operations Managers	3,550	44	$86,597
41-3031	Securities, Commodities, and Financial Services Sales Agents	290	35	$75,727
11-2022	Sales Managers	360	28	$101,937
13-1198	Project Management Specs & Business Operations Specs, AO	N/A	28	$69,495
13-1071	Human Resources Specialists	550	27	$51,514

Top Occupations by Wages requiring Post-secondary or Associate, : Borderplex (>50 employment)

SOC Code	SOC Title	Current Employment (2022)	Wage (2022)
33-1021	First-Line Supervisors of Firefighting and Prevention Workers	300	$81,935
29-1292	Dental Hygienists	300	$71,179
29-2035	Magnetic Resonance Imaging Technologists	70	$70,156
17-3023	Electrical and Electronic Engineering Technologists and Technicians	80	$68,824
29-2032	Diagnostic Medical Sonographers	160	$68,608
31-2021	Physical Therapist Assistants	240	$64,747
29-1126	Respiratory Therapists	310	$64,407
29-2034	Radiologic Technologists and Technicians	920	$63,539

Telling your wage story: Datapoints

- Mean Wage: Average Wage rate people are paid
- Median Wage: Mid-point of wage rate
- Average Weekly Wage: Average earnings (includes bonuses and overtime)
- Occupational has wage rates. Industry has earnings
- Cost of Living variables such as housing prices
- Entry wage: average of lower-third of wage rates
- Hourly and annual available

Workforce Solutions Heart of Texas wages

➤ Mean: $23.93 per hour

➤ Median: $18.50 per hour

➤ Entry Wage: $11.87 per hour

➤ Average Weekly Wage (Q2:2022): $1,048

In Demand Industries

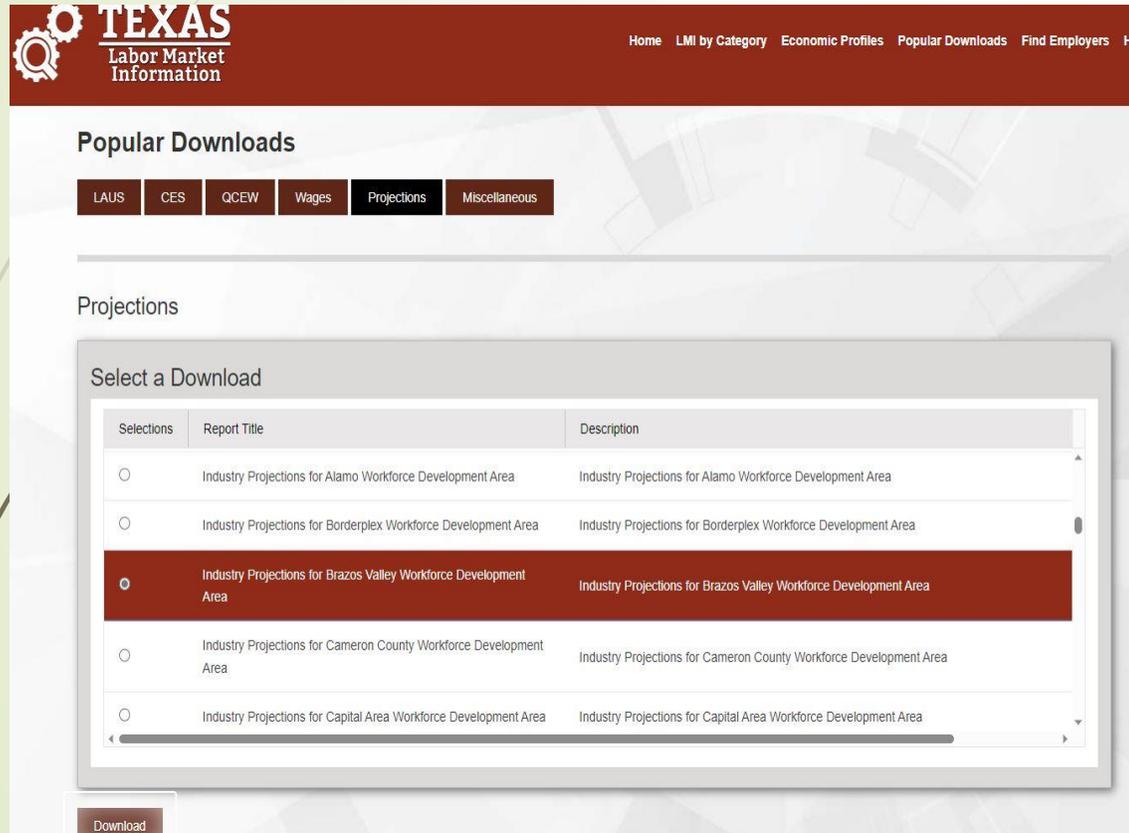Using projections to find growing industries

"

an industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the State, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors;

"

WIOA Sec. 3(23). 29 USC 3102(23)(A)(i)

WIOA In-Demand Industry Definition

Use TexasLMI.com Industry Projections

- Go to www.TexasLMI.com.
- Click on "Popular Downloads" then "Projections."
- Go to "Industry Projections for [Board name]

Using industry projections data

- Step one is making local policy decisions about qualifying level of number and percentage growth
- Another local policy decision: do you want to set targets for Average Weekly Wage?
- Filter for 4-digit NAICS codes
- Sort or filter by number and percentage growth per local criteria
- Regional averages and the "fastest" or "adding" tabs may be helpful for making local policies
- Apply local wisdom
- Popular downloads spreadsheet contains needed variables

In Demand and Target Occupations

How projections can help

" an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy, as appropriate. "

WIOA Sect. 3(23). 29 USC 3102(23)(A)(ii)

WIOA In-Demand Occupation Definition

Steps to in-demand occupations list

- Make local policy decisions about number and percent growth targets or number of open positions
- Make local policy decisions about wages
- Download projections (with wages) spreadsheet
- Apply local policy decisions
- Use local wisdom to round out list

Download occupational projections sheet from TexasLMI.com

- Filter for detail occupations (or detail-broad in SOC transition years)
- Filter for appropriate occupation size (>500?)
- Filter based on local criteria
- Filter for wage
- Sort as desired

" Target Occupations--As determined by LWDA, include: (A) occupations that: (i) are in-demand, as defined by WIOA §3(23); (ii) have a dedicated training component; and (iii) provide wages that meet self-sufficiency requirements in the LWDA; or (B) occupations that are included in career pathway leading to an occupation described in subparagraph (A) of this paragraph. "

40 TAC 840.2(12)

TWC Definition of Target Occupation

Notes on target occupations

- An occupation MUST be in-demand to be target; the target occupation list is a subset of in-demand list

- Board must adopt and apply a self-sufficient wage criteria

- Wage is a LOCAL decision, not a TWC one

- An occupation MUST have one or more eligible training providers to be a target occupation

- Many boards emphasize "middle skills" occupations on the target list
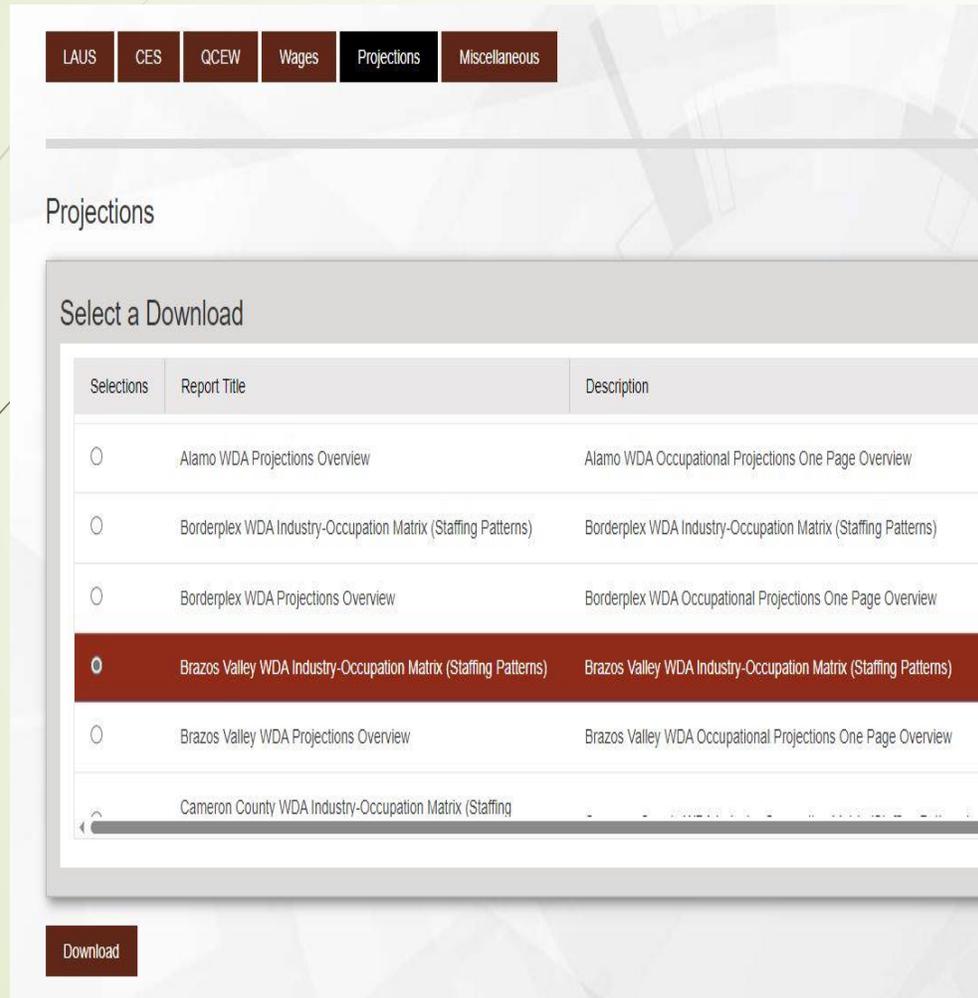
Local wisdom

- The Texas Workforce System is a locally-driven system, reflecting local priorities

- In addition to published statistical criteria, boards can use local wisdom to add occupations to the list

- Good example: we know a plant is going to open in a year, and we've been told 500 of these occupations will be hired

- Declare local wisdom additions on spreadsheet

How to cite local wisdom (Examples from WD letter 24-20)

- "The Lubbock Chamber of Commerce (Chamber) has commitments for three new data centers within the next two years. The Chamber expects these centers to need 75 customer service representatives at prevailing wages of greater than $15 per hour. Half of the new positions will require Spanish-language skills.

- "The Exxon/Mobil Baytown refinery will double its capacity over the next five years. It is badly in need of American Welding Society–certified welders and braziers. Additional training slots have been added at San Jacinto Community College, and the mayor's office is starting a high school recruiting program."

- "A survey conducted by the university's Business Research department indicated that there is an extensive demand for medical secretaries. Vocational training will emphasize computer skills, transcription skills, and medical vocabulary, all of which were reported in the survey as critical skills."

Staffing patterns

- Shows what occupations are hired by a given industry and what industries hire a given occupation

- Like a translator

- Can be useful in determining occupations for critical local industry

- Posted to TexasLMI for each board area under popular downloads: projections. "[Name] WDA Input/Output Matrix"

Navigating the staffing pattern spreadsheet

- Filter column B or C for desired industry
- Column G can be filtered for detailed occupations
- Sort by Column M (or O for projected) to get a list of most-hired occupations in an industry
- To look at what industries hired an occupation, filter column E or F for the occupation
- Use column D to filter for Industry level (4-digit, etc)
- Sort by columns N or O for most-hired list

Staffing Pattern sample: key SE Texas industries

Construction

Occupation	Industry Emp. 2020	Median Wage
First-Line Supervisors of Const. Trades & Extraction Wkrs.	1,347	$70,345
Plumbers, Pipefitters, and Steamfitters	1,063	$63,541
Electricians	981	$58,420
Carpenters	901	$50,573
Sales Rep's, Wholesale & Manufact.	420	$66,189

Manufacturing

Occupation	Industry Emp. 2020	Median Wage
Petroleum Pump Sys. Op., Refinery Op., & Gaugers	1,453	$88,132
Chemical Plant & System Operators	1,086	N/A
1st-Line Supervisors: Production & Opr. Workers	1,081	$79,616
Chemical Equipment Operators &Tenders	1,028	N/A
Welders, Cutters, Solderers, & Brazers	728	$60,152

SHOW YOUR WORK

- Just like high school algebra, how the board got from point A to point B needs to be clear

- Specify your methodology for determining in-demand occupations and industries and target occupations

- Clearly state on the spreadsheet exceptions to statistical criteria based on local wisdom

- If a different data source is used in one or two columns or rows, clearly label

- Use standard, DOL-approved SOC codes. Some third-party data sources invent or use non-standard SOC codes.

Coming attractions

- Early Summer 2024 (possibly June): OEWS Occupational Wage Estimates

- July 2024: 2022-2032 TWC Long-term projections

- LMI webinars on board plans + projections
  - Will happen after WD letter and projection release
  - Probably sometime in the fall 2024

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THANK YOU!!