WORKFORCE TRENDS & OPPORTUNITIES
TEXAS ASSOCIATION OF WORKFORCE BOARDS

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AGENDA

1. Introduction
2. Workforce Trends
3. Practices from the Field
INTRODUCTION
WHO IS TIP STRATEGIES?

ECONOMIC & WORKFORCE STRATEGY

FOUNDED 1995

FOUR PRINCIPALS WITH A STAFF OF 12

NATIONAL REACH
RECENT WORK:

• Austin, TX – Workforce Master Plan
• Choctaw Nation (OK) – Economic Development Strategy
• State of Delaware – Economic Strategy & Implementation
• East Texas I-20 Alliance – Regional & Community Labor Profiles
• El Paso, TX – Industry Skills Gap Assessments
• Fort Worth, TX – City Economic Development Strategy
• Green Bay, WI – Economic Development Strategy
• Midland, TX – Strategic Master Plan
• Milwaukee, WI – Tech Talent Impact Study
• Northwest Indiana – Regional Economic Development Strategy
• Oneida Nation – Economic Development Strategy
• Savannah River Site, SC – Workforce Transition Strategy
• South Carolina I-77 Alliance – Regional Labor Profile
• Tampa, FL – Regional Talent Strategy
• Travis County, TX – Economic Development Strategy
WORKFORCE TRENDS
AN ECONOMY AT FULL EMPLOYMENT
US Unemployment Rate, 2008 - 2018

EVIDENCE OF AN ON-GOING TALENT SHORTAGE

Reasons for Hiring Difficulty

- **26%** Lack of available applicants/no applicants
- **21%** Lack of experience
- **16%** Looking for more pay than is offered
- **14%** Lack of hard skills (technical competencies)
- **7%** Lack of soft skills (workplace competencies)

Source: ManpowerGroup's 2017 Talent Shortage Survey
TRENDS AFFECTING WORKFORCE DEMAND

Aging Workforce

Pace of Technological Change

Digitalization of Jobs
AGING WORKFORCE
Percent of Labor Force 55 Years and Older

LOOMING RETIREMENTS
Age Distribution of Employed Workers, as of October 2018

35 million employed workers are or will be eligible to retire in the next 10 years

23% 55 & over

Source: Emsi – QCEW Employees, Non-QCEW Employees, and Self-Employed
TECHNOLOGICAL CHANGE
Technology adoption by households in the United States

Technology adoption rates, measured as the percentage of households in the United States owning, or the adoption rates of, a particular technology. See the sources tab for definitions of household adoption, or adoption rates, by technology type.

Source: Comin and Hobijn (2004) and others

OurWorldInData.org/technology-adoption/ • CC BY-SA
DIGITAL TRANSFORMATION IN INDUSTRY
Percent Using Digital Technology to do Business in Fundamentally New Ways

- **Retail**: 69%
- **Healthcare**: 57%
- **Manufacturing**: 44%
- **Logistics & Distribution**: 48%

THE IMPACT OF AUTOMATION
Automation will have a major impact globally

50% of current work activities are technically automatable by adapting currently demonstrated technologies

6 of 10 Current occupations have more than 30% of activities that are technically automatable

WORKFORCE IS RAPIDLY DIGITALIZING

Comparative Jobs by Digital Score, 2002 and 2016

Note: Low digital scores are 33 and below; medium are 33 to 60; and high are 60 to 100.
OPPORTUNITIES FOR WORKFORCE BOARDS

Incumbent worker training is increasingly important

Business relationships and engagement are essential

Rapid and responsive skills training models are needed
PRACTICES FROM THE FIELD
THE CONTEXT

Unprecedented expansion (2014)

THE CHALLENGE

Intense talent shortages in key industries and occupations, particularly middle skill

Gaps: awareness, basic skills & employability, coordination, data

THE OUTCOME

UpSkill Houston
THE CONTEXT
• Growing affordability issues and concern that prosperity is not shared by all

THE CHALLENGE
• Connecting disadvantaged workers with middle-skill opportunities

THE OUTCOME
• The Master Plan & implementation network

AUSTIN METRO AREA
MASTER COMMUNITY WORKFORCE PLAN
JUNE 2017
THE CONTEXT
• Misalignment of workforce skills with growth & target industries

THE CHALLENGE
• Low wages, low educational attainment, brain drain
• Digitalization of jobs & the digital divide

THE OUTCOME
• Borderplex Alliance, WFS alignment + shared strategy

ASSESSMENT OF MIDDLE AND ADVANCED SKILLS
LIFE SCIENCES AND ADVANCED MANUFACTURING
EL PASO, TX
COMMONALITIES ACROSS EXAMPLES

- **DEMAND-DRIVEN**: Effort to align more closely with employers needs

- **NARRATIVE OF SUCCESS**: Recognition that not all successful careers require a four-year degree

- **COORDINATION**: Closer collaboration with economic development partners and a broad base of stakeholders

- **COMMUNITIES OF LEARNING**: Use of national models for convening and engaging industry
QUESTIONS?
THANK YOU