



Sector Essentials

Using Research to Guide Planning

Who We Are

Insight Center for Community Economic Development

- National, nonprofit, research and consulting organization formed in 1969. Previously: National Economic Development & Law Center.
- Mission: helping people and communities become, and remain, economically secure.

National Network of Sector Partners

- Project of the Insight Center for Community Economic Development.
- Membership organization of sector initiatives and their supporters, formed in 1999.
- Mission: to promote the use of sector initiatives and strategies that support them in order to improve employment and economic opportunities for low-income individuals, families, and communities, strengthen industry sectors that are important to regional labor markets, and increase regional economic vitality.

Why Do Research?

- To help choose an industry sector
- To help plan strategy/approach for a new sector initiative
- To update an existing sector initiative
- To identify gaps in education/training, support services, etc.
- To inform policy changes

Before Beginning Research

Step back before you step forward:

There may be one or more sector initiatives or other industry-specific training programs already underway in the community or region.

Find out!

- Remember, your sector initiative should fill a gap, NOT duplicate an existing effort.
- Research can help an existing sector initiative improve.

What Information Do You Need?

Information about *industries*

employers

workers

education & training

support services

the community

the regional economy

What Do You Need to Know?

About Industries?

- Industry concentration and projected job growth
- Occupational distribution and projected openings
- Accessibility:
 - Job skill requirements
 - Other employment requirements
- Wage levels
- Career advancement

Key Question: Industry Demand

- Within the target region, is the industry experiencing high demand for workers?
- Is the number of projected job openings large?
 - How many newly created jobs each year?
 - How many vacancies due to attrition?

Key Question: Job Accessibility

- Within the target region, is the industry accessible to low-skill workers?
- How many projected job openings require:
 - Little or no preparation (e.g. on-the-job training)
 - Some preparation (e.g. short-term vocational training)
 - Medium preparation (e.g. up to two years of vocational training)

Key Question: Self-Sufficiency

- Within the target region, which jobs in the industry have many projected openings and provide self-sufficiency wages?
- Is the average compensation in at least some of the occupations the sector initiative will address at the self-sufficiency level or higher?
- If occupations addressed by the sector initiative are low-wage, do they have the potential to be improved or to lead to higher-wage jobs?

Key Question: Mobility/Career Paths

- Does the industry have a career path from lower-skilled occupations to higher skilled occupations?
- Are there similar numbers of projected job openings at successive jobs on the career path?
- If lower-skilled occupations have wages below the self-sufficiency level, do higher-skilled occupations on the career path have wages above the self-sufficiency level?

What Do You Need to Know?

About Employers?

- Workforce projections
- Hiring or training needs
- Retention and advancement patterns
- Internal HR processes
- Business projections
- Industry associations or networks involved in
- Other business challenges

Key Question: Employer Needs

- What problems do employers cite about their current and potential workforce?
- Which critical positions are hardest-to-fill?
- What retention challenges do they face, if any?
- How important is employee skill development to the business strategy?
- What is their experience with and perception of relevant existing workforce development services?
- What keeps them up at night?

What Do You Need to Know?

About Workers?

- Availability and skill levels
- Incumbent workers (w/in an industry and in other industries) and job-seekers:
 - Assets, barriers, and interests
- Demographics: ethnicity, languages, literacy, skill levels and education, age, gender, family size/composition, etc.
- Commuting patterns: mode of commute, distance, time
- Additional information: immigration status, public assistance, criminal convictions, etc.

Key Question: Workforce Availability

- Use occupational concentration of the industry:
 - Is there an available local labor force with the minimal job skills for common occupations or that could be trained in 3-6 months for entry level openings?
- Identify other occupations that could easily move into common occupations in the industry
- Identify other industries in region with same common occupations or occupations that could transfer
- What is the likelihood of workers in those industries to move into the industry?
 - Note wages, turnover, growth/contraction of industries

What Do You Need to Know?

About Education & Training?

- Which entities provide skill development in the community? In the industry?
- What education and training is currently provided?
- How is training paid for?
- How is curriculum developed?
 - Customized, general; time required?
- What is the track record of adapting quickly to learner needs?

Key Question: Industry Focus

- How are employers engaged in determining education and training content?
- How is industry-specific curriculum content updated and kept current?
- What is the track record of education and training providers in adapting quickly to employer needs?
- What is the capacity to meet new skill needs?
- What are the barriers to creating, customizing, articulating, or expanding training?

What Do You Need to Know?

About Support Services?

- What services are available, and what might be missing?
- Who provides these services in the community?
- What organizations do employers and workers typically use? How well do they meet needs?
- How are support services paid for?
- What are the challenges for support service providers in working with specific populations or with particular industries or employers?

What Do You Need to Know?

About the Community?

- Who are the other “players” or potential stakeholders in a sector initiative?
 - Economic development organizations, employer associations, labor organizations, workforce development organizations, TANF agencies, neighborhood groups, faith-based organizations, etc.
- Family sustaining wage rates (e.g. self-sufficiency standard)

What Do You Need to Know?

About the Regional Economy?

- What mix of industry sectors will produce a balanced, diverse economy?
- What industry sectors will bring in revenue from outside the region?
- What industry sectors have high local multipliers and positive benefits for other sectors?
- What industry sectors have jobs that are hard to move out of the region?
- What industry sectors promote local wealth creation?
 - Greater numbers/opportunities for locally-owned, minority-owned, and women-owned businesses

Systems Change

- Sector initiatives create lasting change in industry practices, policy, and the workforce development system to benefit workers, employers, or both.
- By identifying barriers to success for individuals, industries, and the sector initiatives that support them, research can indicate where systems change efforts may be most beneficial.
- Identified barriers thereby become indicators of where solutions may be most needed!

Adapted from *Systems Change*, by The Aspen Institute Workforce Strategies Initiative

Industry Practices

Possibilities for systems change in industry:

- How could hiring practices better include low-income constituencies?
- How could working conditions be improved to benefit workers and employers?
- How could advancement opportunities be developed for low-wage workers?

Adapted from *Systems Change*, by The Aspen Institute Workforce Strategies Initiative

Education and Training

Possibilities for systems change in education and training infrastructure:

- How could access to education (including credit-based and industry-recognized certificate programs) be improved?
- How could new training improve access to quality jobs (e.g. new apprenticeship programs) ?
- How could the workforce development system, including education and training, better meet industry needs?

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Public Policy

Possibilities for systems change in policy:

- How could regulation of the target industry be changed to encourage high-quality employment opportunities?
- How could public funding support of education and training be increased or improved (e.g. made more flexible)?

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Sources of Information

- **Secondary Sources**
 - Labor Market Data
 - Industry Data
 - Demographic Data
 - Family Economic Self-Sufficiency Data
- **Primary Sources**
 - Focus Groups
 - Interviews
 - Surveys