

Workforce information grant performance report

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Data Architecture, Transformation and Analytics
PO Box 9046, Olympia, WA 98507-9046

Learn more at esd.wa.gov

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Introduction

This is Washington state's performance report on the Workforce and Labor Market Information Grant to States (WIGS) for Program Year (PY) 2022. Grantees are required to submit this report under [Training and Employment Guidance Letter \(TEGL\) No. 1-22](#). This report summarizes accomplishments and challenges and recommends improvements to workforce information and services.

Workforce Information Database (WID)

Description of activity

In PY 2022, the Washington State Employment Security Department made two major changes that improved work management and tracking for the Workforce Information Database (WID) and other data projects.

1. ESD implemented a new portfolio-driven approach to surface and prioritize its work. This prioritization and monitoring method is helping surface technical resourcing constraints and more effectively prioritize WID items on the product roadmap.
2. ESD implemented agile methodology to align and prioritize WID technical development and maintenance work. These changes to work cycle and tracking methodology aligned WID support processes with other agency software development efforts and supplied a structured approach for implementing enhancements and improvements prioritized through the portfolio.

During PY 2019, Washington state moved to version 2.8 of the WID and during PY 2021, Washington updated the 2.8 core tables.

Customer consultation

During the past program year, ESD continued its internal collaboration aimed at transitioning the WID to a cloud data project. IT developers, economic analysts, cloud data architect personnel, and ESD's product management team are working together to prioritize the transition through its divisional portfolio.

Customer needs

ESD is in the early planning stages of a customer value proposition, where one of the primary goals is to learn how to better meet customer needs through Washington's [labor market information \(LMI\) website](#). Insights will inform how the WID can be expanded and improved to serve LMI website improvements.

Collaborations or leveraged funding

In PY 2022, Washington state began attending Analyst Resource Center workgroup meetings and plans to continue this collaboration in 2023.

Industry and occupational employment projections

Description of activity

[Employment projections](#) provide a general outlook for industry and occupational employment in Washington state. They give job seekers, policy makers and training providers an idea of how much an industry or occupation is projected to change over time and show the future demand for workers.

On an annual basis, ESD produces industry employment projections for two, five and 10 years from a base period. The base period for the two-year (short-term) projections is second quarter 2022. The base period for the five-year (medium-term) and 10-year (long-term) projections is 2021. Staffing patterns for each industry are used to convert industry projections into occupational projections.

ESD completed and submitted short-term industry and occupational [employment projections](#) for Washington state and its 12 local workforce development areas (WDAs) and submitted them to the Employment and Training Administration (ETA) in February 2023. Long-term industry and occupational employment projections are submitted to ETA in even years only. The last long-term submission was in July 2022, and the next submission will be in July 2024.

ESD continued its practice of annually updating these three sets of projections – two of which are required under this grant (two- and 10-year) and one of which is required by state law (five-year) – for the state as a whole and for the 12 WDAs.

Customer consultation

Annually, ESD seeks agency partner and regional labor economist feedback on detailed and aggregated industry forecasts. The projections use statistically valid methods. The Projections

Managing Partnership (PMP) methodology recommends that forecasters combine alternative economic forecasting methods and to choose the best fitted model based on performance measures over the observed periods. Washington state employed this methodological approach, which can be found in the [2019 employment projections technical report](#).

Customer needs

Short-term, mid-term and long-term industry and occupational employment projections data are heavily used by local workforce boards, workforce development professionals, planners, businesses, higher education institutions and other customers. The data are the underlying foundation for workforce development discussions and higher education planning in Washington state.

Collaborations or leveraged funding

Occupational and industry projections are presented to and used by various stakeholders throughout the statewide and local workforce systems. Local workforce development boards, public K-12 systems, community and technical colleges, and apprenticeship programs frequently consult the list and work with regional economists to ensure alignment of programs. Many educational partners are required to demonstrate demand for annual Perkins funding. ESD partnered with Washington STEM, an education-focused nonprofit, to create and support a data visualization based on occupational projections to support Perkins grant applications. Various stakeholders internal and external to the educational system also rely on projections for business and community planning purposes. Projections information can be accessed at esd.wa.gov/labormarketinfo, the [annual economic report](#), or through regional economists.

LMI training for service delivery

Description of activity

Washington's regional economists and state economist engaged in a number of training events throughout the year. Many trainings and educational meetings were conducted virtually, although demand for in-person meetings increased in 2022-2023 compared to during the COVID-19 pandemic. In all, regional and state economists responded to more than 1,000 requests involving LMI education and training. Activities took the form of training presentations and workshops, media interviews, consultations and reports. Customers included federal, state, local and tribal governments, local and statewide workforce training boards, workforce

system partners, K-12 and postsecondary education institutions, economic development, business and industry associations, businesses and more. Some examples follow:

- Out-stationed regional economists are invited to speak at local workforce board meetings during the year. Presentations cover information on trainings and up-to-date labor market trends, bringing board members up to speed on labor market conditions and available resources.
- Economists delivered presentations and training to staff and partners in Washington's Career One-Stop centers (called WorkSource in Washington state). In-person presentations highlighted local economic conditions and trends. Online classroom-style trainings focused on how to find, use, and interpret labor market information for working with job seekers, employers and partners in local workforce development systems.
- Economists provided training and presentations for K-12 Career and Technical Education programs, community and technical colleges and universities, and local educational service districts throughout the state. Trainings involved analysis and communication about supply and demand of local industry and occupational employment to inform programming, as required by programs such as the federal Perkins Act, Worker Retraining, and Basic Food, Employment and Training (BFET).
- Economists delivered training presentations to local and state business and economic development audiences, including economic development associations, chambers of commerce, industry associations, Society of Human Resource Management (SHRM) affiliates, membership organizations, conferences, and statewide organizations including the Washington Economic Development Association (WEDA) and the Association of Washington Businesses (AWB). Presentations teach local and state labor market conditions, including industry trends and characteristics of the labor force.
- ESD delivered a series of tailored trainings for human resources and executive level leaders of other state government agencies. Trainings focused on labor conditions and data highlighting difficult-to-fill occupations and to examine possible solutions through the Career One Stop (WorkSource) system.
- Economists worked extensively with media partners, providing interviews and consultations and trainings with newspaper, radio, television, and online and industry publications reporters.
- Economists proactively engaged with their local customers by writing and distributing local labor area summary publications and newsletters.
- Economists worked closely with local workforce development boards and partner agencies to train staff on how to use the [Occupations in Demand list](#), analyze local

occupational supply and demand, and advise on status changes (supply, demand, balanced) for administration of workforce programs.

- Economists delivered training presentations and took part in high-profile public meetings including legislative workgroup meetings, Results Washington (governor's accountability work session), the Washington State Transportation Commission, and the Child Support Schedule Work Group.

Customer consultation

ESD made many contributions to Washington's workforce system over the past year, attending meetings, giving presentations, data, and consultation to many workforce and training partners at statewide and local levels. Through consultations, staff shared information and met customer needs with customized reports, and data and website design plans.

Out-stationed economists provided services to Local Workforce Development Boards and the statewide Workforce Training Board. Some examples follow:

- Regional economists maintain close working relationships with local workforce boards.
- Economists attended workforce board meetings by request to provide information to help decision.
- Economists provided in-depth analysis, consultation, and a critical communication link between central office and local workforce development boards for decisions affecting 12 local occupational training eligibility lists ([Occupations in Demand lists](#)).

Economists met with a variety of workforce, education, training, and economic development customers, contributing LMI expertise and resources for policy, resource, and other decision-making activities. Some examples follow:

- Staff conducted a focus group with the State Board of Community and Technical Colleges (SBCTC) and representatives from all 34 colleges about how labor market information is used and what improvements they would like to see for data products and delivery.
- Staff supplied geographic and demographic information about local areas to inform staffing and location decisions for WorkSource offices.
- Regional economists answered questions from WorkSource offices, partner agencies throughout the economic and workforce development systems, businesses, media, and the public.
- Staff conducted a focus group of professionals representing rural and tribal economic development districts from around Washington state. Staff highlighted available LMI

resources, including how to find and use data, discussed data constraints, and asked participants how data might be made more available and useful to rural partners.

- Contact information for regional economists and the state economist are published on the LMI web page <https://esd.wa.gov/labormarketinfo/economists>. Customers can also send inquiries through an [online form](#). Economists' contact information is also published on many reports and press releases.

Customer needs

ESD was heavily involved in assisting local workforce boards, sharing labor market information with training providers, businesses, economic development boards and other partners throughout the state. Some examples follow:

- Regional economists worked directly with businesses, local governments, and non-profit organizations by preparing reports and analysis addressing specific challenges and questions ranging from general scans of the economic environment to questions about accessing occupational wage range data.
- Regional economists conducted research focused on occupational supply and demand in specific industries and for specific locations to assist in Perkins grant compliance by local K-12, and postsecondary institutions. Many economists serve on workforce training advisory committees at local educational institutions to maintain relationships. Ongoing labor market analysis is necessary for various state and federal funding streams.
- An economist collaborated with a researcher at the Workforce Training Board to compile data in a customized report allowing direct comparisons of industry employment between urban and rural Washington in different regions across the state.

Customers throughout Washington state, regardless of sector, are also important to our mission.

- Out-stationed economists regularly supply information to local media, providing interviews, analysis and consultation for locally relevant questions about labor market conditions. We also deliver high profile and routine publications such as the monthly employment report.
- Economists worked with economic development partners to build economic context for business attraction and retention efforts.
- Economists worked with businesses interested in expansion and relocation possibilities. They also helped businesses with wage analysis and market research.

- Economists worked with students and educators who reached out with questions about data and products.

Collaborations or leveraged funding

Staff took part in a collaborative workshop with the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) program. The Census Bureau hosted two presentations highlighting research that combined Washington ESD data with LEHD data to glean greater insight including race, ethnicity, educational attainment, and turnover dynamics. One hosted presentation supplied a high-level overview, and the second focused on how to combine data to tell a more complete story.

ESD economists and data analysts collaborated with the State Board of Community and Technical Colleges (SBCTC) to conduct a focus group with participation from all 34 community and technical colleges around labor market information from ESD.

An economist consulted with the Association of Washington Business Institute (AWBI) on a [public-facing dashboard](#) and [Futurecast](#) product.

The [Labor Market and Credential Data Dashboard](#) is the product of an ongoing collaboration between the DATA division and the nonprofit education-focused non-profit organization Washington STEM.

Annual economic analysis and other reports

Description of activity

Over the course of this evaluation period, staff wrote and published the [2022 Labor Market and Economic Report](#).

The annual Labor Market and Economic Report is published using guidance from the [Revised Code of Washington, section 50.38.40](#), and roughly follows the content and format of previous years' reports.

- Chapter 1: U.S. economy and labor market
- Chapter 2: Washington's economy and labor market
- Chapter 3: Seasonal, structural and cyclical industry employment
- Chapter 4: Unemployment
- Chapter 5: Employment projections

- Chapter 6: Income
- Chapter 7: Appendices

The report covers material produced by several teams at ESD and is intended to provide a comprehensive snapshot in time, with comparisons over the past five years in most cases. In Washington, as with much of the nation, the story of the past five years includes record high unemployment and job losses in early 2020, followed by a rapid recovery and near-record low unemployment rates by 2022.

In addition to the annual report, ESD produced the following reports over the evaluation period:

- Facts and Figures Report, published monthly. A quick reference card that provides high-level summary data on unemployment rates, monthly job growth or loss, data for unemployment claims and benefits, long term unemployed data, average wage/minimum wage, unemployment taxes/trust fund, WorkSource services, ESD employee data, and toll-free numbers to resources for UI claimants, employers, job seekers and others.
- [Monthly Employment Report](#), published monthly. A summary of one-month and 12-month changes in industry employment, labor force and unemployment rates. It references BLS Current Employment Statistics (CES) and Local Area Unemployment Statistics (LAUS).
- [Labor Area Summaries](#), refreshed monthly. County and metropolitan area labor market snapshots of unemployment and labor force information, nonfarm industry employment, and labor force participation rate. They reference LAUS, Washington Quarterly Benchmarked Employment Statistics (WA-QB), and BLS, Current Population Survey (CPS).
- [County Profiles](#), published annually. Narrative publications detailing economic and social characteristics and trends for each of Washington's 39 counties. They reference several public datasets published by ESD, BLS, Census, BEA, and OFM.
- [Business Employment Dynamics \(BED\)](#), published quarterly. Covers job gains and losses at private sector firms and identifies whether the change is due to businesses opening or closing, or due to increases and decreases in employment at existing firms. References QCEW.
- [Agricultural Employment and Wages](#), published annually. Provides information on agricultural employment, wage rates and H-2A prevailing wages and employment practices. References QCEW, ESD UI Wage File, Department of Labor Foreign Labor Certification.

- [Supply/Demand Report](#), refreshed monthly. Compares supply and demand of 2- and 3-digit occupations based on UI claims data (supply) and job postings (demand) statewide and by Workforce Development Area (WDA). References ESD UI data and Burning Glass® job postings data. The annual version also references IPEDs educational data.
- [Employer Demand](#), refreshed monthly. County and state level summaries of the top 25 occupations, employers, skill clusters and certifications as gleaned from job postings data. References the Burning Glass® data series of job postings.
- [Learn About an Occupation/Occupations in Demand Lists](#), published annually and refreshed by request. Occupational statistics used to determine eligibility for the Training Benefits program and other training and support programs. Derived from several inputs including ESD occupational projections, Burning Glass® job postings data, UI claims, and extensive customer input. Includes the following descriptive LMI: SOC number, title and description, BLS education and training, OEWS average wage, ESD projections, and links to educational and WorkSource partners.
- [Labor Market and Credential Data Dashboard](#), refreshed annually. A collaboration with Washington STEM to provide a reference dashboard for educational programs and students. References ESD occupational projections, ESD OEWS occupational wages, self-sufficiency wage calculator, and BLS educational attainment modified to include apprenticeship, STEM, and STEM literacy categories.

Customer consultation

The Annual Labor Market and Economic Report is guided by the [Revised Code of Washington, section 50.38.40](#). A collaborative team of labor economists, econometric analysts, and labor force statistics experts works cross functionally with communication and government relations personnel to choose the specific topics and data for the report. Choices are made based on team members' industry knowledge and expertise, conversations in the field, and current events. The publication is peer reviewed and edited across ESD for accuracy, style and accessibility before a final edit by the statewide Office of Financial Management.

[Occupations in Demand lists](#) involve extensive customer consultation:

- Occupations in Demand lists are produced by ESD and published on ESD's website, but the lists are owned and managed by Local Workforce Development Boards (LWDBs). Occupations in Demand lists are living documents that reflect changing labor market dynamics. They help determine access to training programs such as the Training Benefits program.
- Regional economists work closely with LWDBs and LWDB partners in the month prior to publication to adjust the list to reflect local conditions. Economists are also available

throughout the year to assist with adjustments as local economic changes occur in real time.

Customer needs

The Washington State Legislature is the target audience for the [Annual Labor Market and Economic Report](#). The report sets the stage for members of the legislature and their staff, so they have a broad and mutual understanding of the economic context for important policy decisions.

The Annual Labor Market and Economic Report is written and published with accessibility for the public in mind. Decisionmakers from all parts of the economy can access this reference document to inform decisions.

Other reports detailed in this section meet a variety of customer needs:

- [Facts and Figures Report](#): The target audience is ESD executive leadership to inform policy and program decisions across the agency.
- [Monthly Employment Report](#) and accompanying press release: The target audience is the media, and it is written for consumption by the public. This report informs readers about current statewide economic conditions and is a good supplement to the Annual Report for this purpose.
- [Labor Area Summaries](#): The audience is decisionmakers who are interested in keeping track of changing local economic conditions. This is a local emphasis supplement to the Monthly Employment Report.
- [County Profiles](#): County profiles are written for a general audience to provide local context in a narrative summary. Businesses and other institutions use county profiles to contextualize decisions. Job seekers use them to explore their niche in the local economy. County profiles are also used extensively by college students writing term papers.
- [Business Employment Dynamics](#): The target audience is the public, especially businesses. This report helps private sector businesses evaluate statewide hiring trends and risk.
- [Agricultural Employment and Wages](#): This report is used by businesses, labor and others in the agriculture sector to evaluate changing labor conditions and wages. Every two years, this report is supplemented by the H2-A prevailing wage survey.
- [Supply/Demand Report](#): LMI clients in education and workforce development reference the supply/demand report to evaluate supply and demand conditions of various occupations. It is used to inform educational programming and training decisions.

- [Employer Demand Reports](#): WorkSource staff, training providers and job seekers use the employer demand tool to identify characteristics of job postings to tailor job search strategies, identify local opportunities, and consider training and education options.
- [Learn About an Occupation/Occupations in Demand lists](#): Used by job seekers, WorkSource staff, and education and training providers to identify opportunities and determine eligibility for paid education and training opportunities.
- [Labor Market and Credential Dashboard](#): Used primarily by LMI clients in K-12 and higher education to identify growing occupations with livable wages in order to develop education and training programs that will create pathways to those opportunities.

Collaborations or leveraged funding

The Occupations in Demand list and other publications focused on education and training support collaborations with LWDBs and other workforce system partners, including educational institutions.

Helping the economy in the wake of COVID-19

Washington was the first state in the nation to experience COVID-19 first-hand. Policies and resulting employment impacts were therefore swift and required quick and creative LMI solutions for documenting the rapidly unfolding crisis. The usual reporting cycle for monthly employment and labor force statistics relies on the employment situation on the week containing the 12th of every month. In Washington, many Seattle-area businesses and workers were first impacted by a stay-at-home order that began Friday, March 13, 2020. The rest of the state was placed on similar orders that went into effect Monday, March 16, 2020. In terms of traditional LMI, the timing of the crisis was effectively delayed until the April data release in mid-May. In the meantime, the crisis was unfolding without data to estimate and document the impact.

Like many states, Washington turned to unemployment insurance data to estimate potential impacts while waiting for traditional LMI measures to catch up.

A team of economists and analysts from ESD's DATA division and IT division worked together to generate publicly consumable unemployment insurance datasets as a temporary substitute for—and later supplement to—traditional LMI. Unemployment Insurance data was aggregated to illustrate employment impacts on different locations (state, county and ZIP codes), industries, occupations, and demographics (race, ethnicity, gender, age and education level). Reports were refreshed weekly and published to the LMI website. Customized reports with ZIP

code level resolution were also made available to municipalities, workforce development councils, public health districts and others by request. Publication of unemployment insurance reports continued until December 2021, after traditional LMI stabilized and the wave of unemployment insurance claims subsided.

Recommendations to ETA

We appreciate the opportunity to partner and collaborate with ETA on improving labor market information service and products. We encourage ETA to continue to work closely with states to understand the needs of customers and how grant funding and requirements do or do not align. New requirements, modernization costs, and other increasing costs without additional funding can create barriers to the development of meaningful labor market and workforce development information.

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