

2016

Cleveland/Cuyahoga County Labor Market Analysis

Cleveland/Cuyahoga County Workforce Development Board

April 19, 2016

Purpose of WIOA

The purpose of the Workforce Innovation and Opportunity Act (WIOA) “is to provide workforce investment activities through statewide and local systems that increase the employment, retention and earnings of participants; increase attainment of recognized credentials by participants; improve the quality of the workforce; reduce welfare dependency; increase economic self-sufficiency; meet the skill requirements of employers; and enhance the productivity and competitiveness of the Nation.”

- National Association of Workforce Boards

Labor Market Analysis in Context of Local Plan

- WIOA mandates three levels of workforce plans: local, regional, and a statewide unified plan. Each level requires a Labor Market Analysis. This is the LMA for the *local* plan.
- The Labor Market Analysis must provide:
 - Analysis of existing and in-demand industry sectors and occupations and the employment needs of employers in those sectors and occupations
 - Analysis of the knowledge and skills needed to meet the needs of employers in the region
 - Analysis of the workforce in the region, including current labor force employment data, education and skill levels, barriers.

Selection of Data Sources

- This is a Cuyahoga County and Cleveland-centric document, NOT a region-centric.
- Most of the data are from public sources
- Cleveland is included as part of Cuyahoga County data
- Economic conditions: Federal Reserve Beige Book Summary
- Long-term workforce supply/demand projections: Ohio Department of Jobs and Family Services
- Short-term workforce supply/demand data: Help Wanted OnLine data from The Conference Board, provided by ODJFS
- Analysis of workforce characteristics: American Community Survey, US Census Bureau
- Various other studies, reports, as noted .

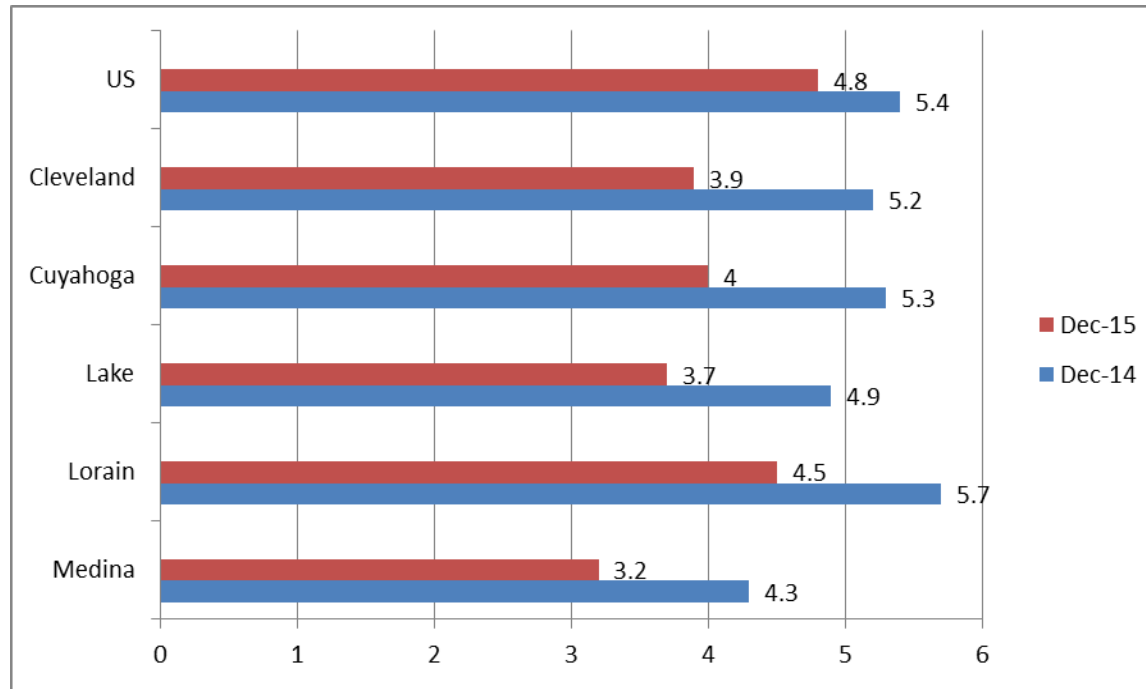
Regional Economic Trends

- Gradual recovery from the Great Recession
- Manufacturing output trending slowly higher
- Housing market improving; higher sales and prices
- Non-residential contractors reporting favorable trends, expected to continue into 2016
- Volume at general merchandise retailers is mixed
- Auto dealers reporting higher volume over 2015
- Demand for credit slowly moving higher
- Oil and gas extraction and coal production declining
- Freight volume trending lower
- Ongoing tightening in labor markets with job churn and wage pressure evident in lower skilled and service sectors

-FRB Cleveland Region Beige Book Summary, March 2, 2016

Unemployment

Unemployment Rates for Selected NEO Counties and the US, 2014-2015



U.S. BLS, Local Area Unemployment Statistics, Cleveland OH Economic Summary, 2/2016

Employment in Major Industry Sectors, 12/14 – 12/15

Cleveland Area Employment (numbers in thousands)	December, 2015	Change from 12-14 to 12-15	
		Number	Percent
Total nonfarm employment	1,068.1	23.3	2.2
Mining, logging, and construction	36.6	4.1	12.6
Manufacturing	124.4	0.4	0.3
Trade, transportation, utilities	188.0	3.1	1.7
Information	15.0	0.4	2.7
Financial activities	68.3	3.7	5.7
Professional and business services	146.2	-2.7	-1.8
Education and health services	205.2	7.5	3.8
Leisure and hospitality	105.8	5.0	5.0
Other services	41.8	0.7	1.7
Government	136.8	1.1	0.8

Additional Economic Indicators

- GDP per capita in Cleveland MSA was \$60,478 - \$6,800 above the nation's and \$10,800 above the state's.
- Consumer prices increased by only 0.1% in the Cleveland MSA from January, 2015 to January, 2016 – 1.3% less than the U.S. city average over the same time.
- Average hourly wages were mixed compared to wages in same occupations nationwide. Higher average wages for carpenters, construction laborers, customer service reps, assemblers. Lower for computer systems analysts, auditors, accountants, RNs, home health aides, wait staff, cooks.
- Average household spending: \$49,789 in 2013-14 in Cleveland area

- BLS Current Employment Statistics, Cleveland, OH Economic Summary, 2/2016

Overall Business Patterns

- Most of the businesses in the Cleveland MSA are small businesses: 93.8% had 49 or fewer employees in 2013
- Only 54 employers had 1000 or more employees
- Cleveland's top five employers as of July, 2014 were:

Cleveland Clinic	32,251
University Hospitals	14,518
U.S. Office of Personnel Management	11,254
Progressive Corporation	6,379
Cuyahoga County	7,776

Long-Term Projections by Major Industry, 2012-2022 (Increase)

Industry	2022 Projected	% Change
Construction	40,800	+27.9%
Health and Social Assistance	195,200	+18.5%
Professional	58,800	+15.1%
Administrative & Waste Services	68,000	+14.7%
Wholesale Trade	48,800	+10.2%
Transportation & Warehousing	28,000	+10.2%

- ODJFS (BLMI) projections for Cleveland MSA, 2012-2022

Long Term Projections by Major Industry 2012-2022 (Decreases)

Industry	2022 Projections	% Change
Utilities	2,500	-16.8%
Manufacturing	114,500	-6.9%
Information	14,000	-6.0%
Natural Resources inc. Mining & Agri.	5,600	-3.4%
Government	71,100	-2.2%
Retail Trade	100,000	--0.9%

-ODJFS (BLMI) projections for Cleveland MSA, 2012-2022

Occupations with Greatest Rate of Growth, 2012-2022

Occupation	Rate of Growth	Annual # Jobs
Healthcare Support	23.0%	1,795
Construction	19.0%	1,227
Healthcare Practitioner and Technical	14.2%	2,634
Community and Social Service	13.2%	615
Computer and Math.	11.5%	756
Personal Care & Service	11.4%	1,040
Education, Training & Library	10.3%	1,875

Fastest Growing Jobs, Cleveland MSA 2012-2022

Fastest-growing jobs by projected **rate of growth**:

Job Title	Rate of Growth	Annual # Jobs
Home health aide	38.3%	931
Personal care aide	36.9%	135
Brickmason	36.0%	35
Health specialties teach.	34.8%	34
Medical sonographer	33.3%	29
Medical equipment repairer	32.0%	23
Physical therapist asst.	28.3%	45

Greatest Number of Jobs, Cleveland MSA, 2012-2022

Jobs with the most projected **annual openings**:

Job Title	# Openings	Median Wage
Food prep. & serving	1,256	\$8.85
Retail salesperson	987	\$10.28
Cashier	966	\$9.23
Home health aide	931	\$9.47
Registered nurse	896	\$31.90
Laborers, freight, stock	814	\$11.15
Waiters, waitresses	763	\$8.90
Office clerks	469	\$14.37

Knowledge and Skills Required

Educational Level	Jobs With Fastest Rate of Growth	Jobs With Most Opportunities
Less than High School	3	14
High School	8	9
Post-Secondary Non-degree	2	3
Associate's Degree	5	1
Bachelor's Degree	5	3
Master's Degree	5	0
Doctoral or Professional Degree	2	0

Projecting Short-Term Demand from Online Ads

- Capture 60 – 70% of all job openings
- Track more than 80% of jobs requiring Bachelor's degrees +
- Over-represent job openings for college graduates
- Show limited opportunities for jobs with some college or Associate's degrees
- Over-represent industries that demand high skill workers
- Only 40 – 60% of jobs requiring high school appear online
- Most online job ads are placed by Fortune 1000 companies
- Tend to be unduplicated count

- Carnevale, et. al. , Georgetown University Center on Education and the Workforce,
2014

Help Wanted OnLine Ads for Cuyahoga County, 12/2015

Job Title	Number of Ads
Registered Nurse	1,276
Heavy and Tractor Trailer Truck Driver	808
Retail Salespersons	602
Supervisors of Retail Salespersons	491
Computer Systems Analysts	475
Customer Service Representatives	465
Marketing Managers	438
Supervisors of Office Workers	428
Management Analysts	417

Skills in Demand, Last Q 2015

Skills in Demand – Help Wanted OnLine Ads, Jobs Ohio Region

1. Quality Assurance
2. Pediatrics
3. Structured Query Language (SQL)
4. Quality Control
5. Technical Support
6. Critical Care
7. Customer Relationship Management
8. Java
9. Geriatrics
10. Microsoft SQL Server

Characteristics of Workforce

- Cuyahoga County population: 1,259,828; Cleveland population: 389,524. Both have lost population in this decade
- Women outnumber men in both Cleveland and Cuyahoga County. 52.3% in city; 52.4% in county
- Median age of county residents: 40.3 years; median age of Cleveland residents: 34.8 years.
- 36% of the population of Cleveland is under age 25; 30.8% of Cuyahoga County's

Race & Ethnicity, 2014

Cuyahoga County

White: 63.1%

Black: 29.9%

Hispanic/Latino: 5.4%

Asian: 2.8%

2 or more races: 2.5%

Native American: 0.9%

Cleveland

White: 37.5%

Black: 53.4%

Hispanic/Latino: 10.7%

Asian: 2.4%

2 or more races: 2.6%

Native American: 1.1%

Educational Attainment

Educational Attainment of Population 25+, 2014

Cuyahoga County

Less than high school:	11.9%
High school (or equiv) or higher:	88.1%
Bachelor's or higher:	31.0%

Cleveland

Less than high school:	23.4%
High school (or equiv) or higher	76.1%
Bachelor's or higher:	15.1%

Notes on Educational Attainment and Gender

- Approximately one-fourth of both women (26.0%) and men (24.1%) in the City of Cleveland over age 25 have not completed high school.
- A greater percentage of women than men have completed Associate's degrees in both the city (8.2%) and Cuyahoga County (8.8%)
- A greater percentage of men (18.4%) than women (17.6%) have Bachelor's degrees in Cuyahoga County
- A greater percentage of women (9.5%) than men (8.9%) have Bachelor's degrees in Cleveland
- About 12% of men and women in Cuyahoga County have Masters, Doctoral or professional degrees compared to about 6.5% of men and women in the City of Cleveland

Household Income, 2014

- 21.5% of all Cleveland households had annual income under 10,000/year in 2014, compared to 11.3% in Cuyahoga County
- 49.1% of all Cleveland households and 30.7% of all Cuyahoga County households have annual income under \$25,000
- In Cleveland, the rate of households with income below \$10,000 rose from 18.5% to 21.5% from 2010-2014. During this time the rate in Cuyahoga County dropped from 15.7% to 11.3%.
- The rate of Cuyahoga County household with income over \$50K was 45.1% in 2014; in Cleveland, it was 25.1%.

Poverty Status, 2014

- Approximately 39.2% of Clevelanders and 19.3% of County residents lived at or below the FPL at some point in 2014.
- FPL= \$11,600 for one person, \$15,730 for two, \$19,790 for three, \$23,850 for four persons.
- The younger the individual the more likely he/she is to have lived in poverty at some point in 2014. 79,000 children (29.7%) under age 18 lived at or below poverty in Cuyahoga County in 2014, as did 58.8% of Cleveland children.
- More women than men are likely to spend at least part of the year in poverty.
- Educational attainment is not necessarily a strong predictor of poverty status: of the people below poverty at some point in 2014, 15.1% in C.C. had some college or an Associate's degree

Employment

- 63.5% of County residents and 58.8% of Cleveland's residents over the age of 16 participated in the civilian labor force during 2014.
- Employed persons represent 57.1% of the 16+ population of the county and 48.2% of the population of the city in 2014.
- 10% of the 16+ population of the county and 18.4% of the 16+ population of Cleveland were unemployed in 2014.
- Only about half of County residents who worked full time worked 40 or more weeks/year and 47.3% worked 50-52 weeks. For Clevelanders, only 38.1% worked 40 or more weeks and 35.5% worked 50-52 weeks.
- Most residents of Cleveland and Cuyahoga County are employed by private companies.

Top 5 Occupational Growth Groups for County Residents, 2010-14

1. Arts, design, entertainment, sports and media: 40% increase
2. Firefighting and prevention, and other protective service workers: 31.3% increase (Firemen, EMTs, supervisors)
3. Computer and mathematical: 30.5% increase
4. Legal: 26.5% increase
5. Health technologists and technicians: 22.9% increase

Top 5 Occupational Growth Groups for City Residents, 2010-2014

1. Legal: 52.6% increase
2. Computer and Mathematical: 43.0% increase
3. Management: 30.7% increase
4. Health technologists and technicians: 28.9% increase
5. Life, physical and social sciences: 22.6% increase

Notes on Occupational Growth

- There was a 53.1% increase in self-employment in incorporated businesses by Cleveland residents from 2010 to 2014; the number rose from 1,896 to 2,914. Among County residents the rate dropped during this time by 1.6%.
- 72% of all County residents employed in the natural resources, construction and maintenance industries are White males; 16.7% are Black males. Among Cleveland residents in these industries, 52.4% are White males; 31.4% are Black males.
- More than 3/4s of County residents who work in the management, business, science and arts industries are White. In Cleveland, 57.5% of those in these industries are White, 32.5% are Black, 5.8% are Hispanic, 4.1% are Asian.

Transportation and Proximity

- 88.7% of employed Clevelanders and 92.3% of employed County residents work within the County's borders.
- 26.2% of County residents and 55.5% of City residents work in the same municipality in which they live.
- Only about a third of City and County workers have commutes of 30 minutes or more.
- About 10% of Cleveland workers use public transportation; only about 5% of County residents who work do.
- Among working Clevelanders, 55.2% of those who use public transportation to get to work are women.
- Public transportation riders are more likely to be Black workers: 55.3% of Clevelanders and 59.8% of County residents who use public transportation to get to work are Black.

People with Barriers to Work

- **Persons with Disabilities**

- Among the working age population, 18-64 years, 12.5% of County residents and 19.7% of Cleveland residents report having a type of disability
- 22% of the population of persons with disabilities in Cuyahoga County as a whole are employed; 72.8% not in labor force
- Educational level of persons with disabilities is highly varied; 35% are high school graduates; 26.9% have an Associate's degree or some college; 13.8% have a Bachelor's degree or +
- As a result of policies that allowed employers to pay below minimum wage to disabled people in sheltered workshops and stigma, 59.1% of the working disabled population in C.C. had income less than 150% of FPL in 2014.

People with Barriers to Work

- **Persons on SSI (Supplemental Security Income)**
 - Cuyahoga County had the largest number of persons receiving SSI in the state in 2013, 100% greater than Hamilton County and 50% higher than Franklin County's totals
 - 51,173 Cuyahoga County residents received SSI in 2013, including 33,110 persons 18-64
 - Provides \$733/month to individuals
 - Pumps \$29,616,000 into local economy
 - Carries a resource limit of \$2,000 for individuals and \$3,000 for couples – cannot accumulate property over that amount
 - Income exclusion (for earned income) is \$65
 - Disincentives to paid work include loss of Medicaid, housing

Persons with Barriers to Work

- **Non-English Speaking or Limited Language Proficiency**
 - Among workers 16+ in Cuyahoga County, 11.2% speak a language other than English at home; 13.2% in Cleveland
 - Predominant language is Spanish; 51.6% of Spanish speakers at home feel they speak English well. Followed by Arabic (57.1% speak English well); Chinese (55.7%); Russian (51.6%)
- **Formerly Incarcerated**
 - Approximately 3,700 released from ODRC facilities annually
 - 90% male, 10% female
 - Among male population, 27% White, 70% Black
 - Policy changes: Ban the Box, CQE certification have helped
 - OMJ, Towards Employment are primary employment resource

Persons with Barriers to Work

- **Youth**

- 80,000 15-19 year olds in Cuyahoga County in 2014
- 40.4% in female-headed households; 49.9% in married couple households
- 70,689 were enrolled in school – 77.1% in public school and 22.9% in private school
- 4.1% neither in school or in the labor force
- 2.6% of the female population of teens in Cuyahoga County had a birth in the past 12 months
- 44.2% were in the labor force (either working or looking for work)

Creating the “Inclusion Economy”

Ultimately, how should the resources available through WIOA be prioritized in a city and county with many needs and many resources? How do we build an inclusive workforce?

- WIOA funds in Cuyahoga County provide approx. \$9M
- The occupations with the greatest number of openings are also low wage, low skill jobs – but we have a large number of low skill potential workers. Should we MATCH, TRAIN, LINK?
- The occupations with the greatest short-term potential for economic development – construction and healthcare – have labor shortages. Should we CONNECT, TRAIN, UPSKILL, CREATE OPENINGS, implement PATHWAYS?
- Does the Workforce Board have a role in serving the needs of higher skill, higher paying employers in emerging fields?