



What Should You Expect from the
SSI Data Packet,
the
SSI How-To-Handbook
and the
SSI Workshops?

Information Memo #1:
July 1, 2005



INDIANA
WORKFORCE
DEVELOPMENT

Indiana Department of Workforce Development
Indiana Business Research Center
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Preface:

In its Research and ID phase, the Indiana Strategic Skills Initiative (SSI) asks each of the state's economic growth regions (EGRs) to submit three deliverables to the Indiana Department of Workforce Development (IDWD).¹ These are the:

1. Occupational and Skill Shortages Report
2. Root Causes Report
3. Regional Solutions Report

Associated with each of these is a primary task as shown in the adjacent box. The *Request for Application* document outlines each of these three tasks and the steps needed to complete each of them.² That document also states that IDWD will support the regional consortia in accomplishing SSI's Research and ID phase by providing a kit of methodological tools and resources. Elements of that kit include:

Three Primary Tasks:

- 1) Identify Occupational and Skill Shortages
- 2) Determine Root Causes
- 3) Develop Solutions

1. The SSI Data Packet: IDWD will provide a database of economic and labor market statistics relevant to SSI analysis. This database will be hosted at a Web site dedicated specifically for use by regional consortia and their staff.
2. The SSI How-To-Handbook: IDWD will provide all consortia and their staff with a methodological guidebook entitled *The SSI How-To-Handbook*. This document will be an easy-to-read, straightforward guide to support the research and other activities necessary for the consortia to prepare the three SSI reports.
3. SSI Workshops: To help build know-how and lasting expertise at the local level, IDWD will supplement the handbook with a series of Web-based SSI workshops designed to coach consortium staff members who are directly involved in the conduct of SSI analysis and report writing. These workshops will be conducted by the IDWD SSI team and delivered individually (not jointly) to participating consortia interactively via the Internet with telephonic audio. IDWD will furnish these workshops without additional charge to consortia who indicate in their Applications that they wish to receive them in lieu of engaging consultants to perform the SSI work.

The purpose of this document is to provide a preview of the elements of the kit of methodological tools and resources as they relate to the first report, i.e., the Occupational and Skill Shortages Report.³ For this first report, as for the others also, all three elements of the kit will be organized around the tasks necessary to prepare reports while taking full account of the Review Criteria supplied as Attachment 5 of the *Request for Application* document.⁴

¹ Request for Applications, Strategic Skills Initiative, IDWD, June, 2005, p. 8.

² Ibid, pp. 11-13.

³ Subsequent memos of this type will describe how the tool kit will assist consortia to prepare the second and third reports.

⁴ Ibid, pp. 27-35.





1. The Occupation and Skill Shortage Report

The purpose of this report and the research associated with it is to **identify** the important occupations and skill sets in high-wage industries within each EGR that are now or may soon be in short supply. The analysis required to prepare this report proceeds in three steps:

Step 1: Identify key industries or industry clusters: The first step in the demand side of SAI labor market analysis is identify the industries (or clusters of industries) within the EGT that are critical to the economy of the region, i.e., that are key to its economic growth and prosperity.

Step 2: Drill down. Once important industries and clusters have been decided, it will be necessary to “drill down” to find the key industries and employers that are experiencing, or are projected to experience, shortages in critical occupations and skill. Specificity in this area is important so that, ultimately, identification of individual establishments within the targeted industries is possible.

Step 3: Specific occupations and skill sets in shortage will be identified and targeted for further study. For an occupation to be deemed “in shortage,” it must meet four criteria:

1. Must represent strong employment demand
2. Must be critical to industry competitiveness
3. Must provide good earnings and benefits for workers
4. Must be appropriate for targeting by the workforce system

Step 4: The analysis must move from identification to quantification. Specific numeric estimates of projected occupational shortages must be made for the near term (two years) and long-term (ten years). With respect to shortages of critical skill sets (“skill gaps”), it will be necessary to describe their negative impacts on the development of key industries and clusters. Regional industry representatives will participate in the analyses and validate that the occupations and/or skill sets selected for further study are, in fact, critical to industry needs and are in shortage or are likely to become so. Industry representatives must also indicate that they welcome help from the public sector to meet the demand for skilled workers.

Questions, Questions, Questions

The recommended methodological approach to the research necessary to prepare this report will be organized around a series of questions that are formulated in this section. Developing answers to these questions will supply the information needed to write the Occupation and Skill Shortage Report. The questions themselves are divided into “Demand Side” questions and “Supply Side” Questions and they are as follows:

Demand Side questions:

1. Which industries in this area employ the greatest number of workers?
2. Which industries pay the best?
3. Which industries have been growing the fastest, in jobs? In numbers of establishments? In average weekly wages?



4. Which industries will be offering the greatest number of new jobs in the next few years?
5. In which of our industries do we now have the greatest comparative advantage?
6. Which industries seem to building stronger strong competitive advantage for the future?
7. Which of our industries are positioned to capitalize on regional, national and/or global growth trends?
8. Which industries have been targeted by state and /or local economic development experts for future growth?
9. Who are the region's specific employers by six-digit NAICS industry code? How many workers do they employ? What are their annual sales? Where are they located? Who is an appropriate person to contact at that firm?
10. Which occupations are most important for the key industries (or clusters) identified in the preceding analysis?
11. What is the projected employment growth for the critical occupations, both in the key industries and in total?
12. What are the compensation levels and trends thereof for critical occupations in Indiana and its regions...and how do these compare to what prevails elsewhere in the Midwest and the nation?
13. What education/training, skills, and knowledge will be needed in these critical occupations?
14. What specific licenses, certifications or other formal requisites are necessary for entry into and continued practice in the critical occupations?
15. Which occupations in which industries appear now to be in shortage and in what quantity?

Supply Side questions

16. How many workers in the area now possess the qualifications necessary to fill jobs in the critical occupations that have been identified?
17. What is the age structure of those workers ? (This information is useful to project future attrition due to retirements from these occupations.)
18. What is the present employment status of these workers?
19. What is the present and anticipated future "output" of education and training institutions that prepare entrants into the critical occupations? Needed is a database that shows the following for each institution or organization offering such educational and/or training programs:
 - a. Academic and other requirements for entry into these programs.
 - b. Duration of the programs.
 - c. Cost of the programs.
 - d. Present and planned capacity for intake into the programs.
 - e. Present and anticipated actual intake into the programs.
 - f. Persistence rates and completion rates in these programs.
 - g. A breakdown of reasons for non-persistence and non-completion.
20. What happens to the graduates and other completers of educational and training programs offered by Indiana institutions and organizations?

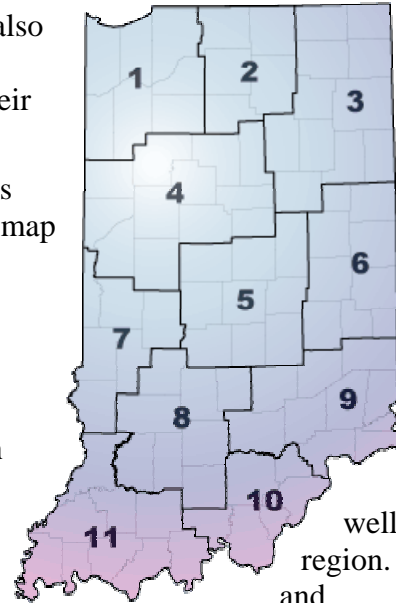


21. What is the geographical mobility of Indiana workers by occupation, age, and educational attainment?
22. How much money does it take for a family to be financially self-sufficient in Indiana and its regions?

How will the Methodological Tool Kit help answer those questions?

The SSI Data Packet is designed to supply as much secondary data for SSI analysis as is possible. The Packet is being developed by the Indiana Business Research Center will not only provide access to the data but also add value by organizing it, facilitating its downloading and adding computational value in order to assist the regions in their planning and implementation processes.

So, what do we have and will we have available? First, here is the direct URL: <http://www.stats.indiana.edu/ssi/> An image map appears on the first page that allows the user to click on their region and then get to that specific regions data page.



What’s there now?

- Profiles. Taking advantage of STATS Indiana’s custom region building, we are providing you with both the in-depth and national county comparison profiles with totals FOR YOUR REGIONS as well region. and as the profiles for each of the counties within the region. Use these to get the bigger picture of your region and compared to other regions in the state in terms of demographics, housing, and economic indicators.
- Projections of the population with focus on the 15-54 age range, to help assess the potential labor supply over the next 5 to 10 to 15 years.

What can you expect over the summer?

For Questions 1-3 and 5-8:

Quarterly Census of Employment and Wages at the region level down to the 4th, 5th, and 6th digit where possible. Time series 1995 to 2004. These data will be value – added – not just the totals by as much NAICS-based industry as possible within disclosure restrictions, but with the appropriate calculations to answer these questions:

For Questions 4, and 9-11 and 14.

Occupation Employment Survey Estimates and Projections for each region. The estimates and projections for each region are being tabulated now by the IDWD and we expect to post them by July 15. The estimates will provide both occupational estimates for the most recent three panels and will also be categorized by NAICS in order to provide staffing patterns. The projections will provide you with information on potential



skill gaps between 2002 and 2012. Links to occupation estimates and projections for the U.S. and Midwest will be provided in order for you to compare regional trends with the nation and the Midwest. These data and links will also be posted by July 15th.

Job Vacancy Survey Data for Indiana. A survey of employers is currently underway by the ERISS Corporation on job vacancies within key industries and clusters. The sample of employers was drawn from all the regions and covers industries targeted by economic development agencies. These data will be available by August.

Links to occupation estimates and projections for the U.S. and Midwest will be provided in order for you to compare regional trends with the nation and the Midwest.

The SSI How-To-Handbook will provide a methodological guide to the analysis of the secondary data provided in the Data Packet as well as general guidance about how to tap primary data sources in the EGRs (e.g., interviews, surveys, and focus groups). The Handbook will also provide explicit guidance to the drafting of required SSI reports. More about the Handbook will appear in subsequent memos like this one.

The SSI Workshops will be delivered through the medium of Microsoft's Live Meeting software which allows direct on-screen interactions between presenters and participants.⁵ That software has already been purchased so there will no added software expense for consortia. Workshop lessons and exercises will be led by IDWD-provided consultants (e.g., Workforce Associates, Inc.) with broad and deep experience accumulated in Illinois' Critical Skills Shortage Initiative. The workshops will tailored to the needs of each EGR consortium and its staff persons charged with accomplishing the SSI analysis and report preparation.

IDWD's intent is that the SSI Workshops, together with the efforts of EGR staff assigned to SSI, should obviate consortia's need to engage consultants. The full menu of workshop offerings is still under discussion at DWD. At a minimum each participating EGR can expect workshops to support the work needed to produce all three reports required in the Research & ID Phase of the SSI. Each EGR consortium should expect workshops that are dedicated directly to it and its SSI staff. Telephone support may be arranged as needed. On-site assistance may be supplied as circumstances warrant.

Look for more detailed news about SSI Workshops in the next installment of these SSI memos.

⁵ For information about Microsoft Live Meeting see the website at <http://main.livemeeting.com/index.cfm>