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# ANNUAL WORKFORCE INFORMATION GRANT PERFORMANCE REPORT

October 26, 2021

Washington state is submitting its Workforce Information Grant (WIG) performance report for Program Year (PY) 2020, as required of grantees under Training and Employment Guidance Letter No. 2-20. This report summarizes accomplishments and challenges and provides recommendations for improvement to workforce information and services.

Washington state has completed the three deliverables required in PY 2020: (1) maintaining the Workforce Information Database (WIDb) with state and local data; (2) producing state and local industry and occupational employment projections; and (3) conducting a statewide annual economic analysis report.

# I. Workforce Information Database (WIDb)

The Washington State Employment Security Department’s (ESD) Data Architecture, Transformation and Analytics (DATA) division, formerly Labor Market and Economic Analysis (LMEA), has updated the Workforce Information Database to version 2.8. This version has been populated with current state and local data.

# II. Industry and occupational employment projections

*[Employment projections](https://esd.wa.gov/labormarketinfo/projections)*provide a general outlook for industry and occupational employment in Washington state. They provide 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 2020. The base period for the five-year (medium-term) and 10-year (long-term) projections is 2019. Staffing patterns for each industry are used to convert industry projections into occupational projections.

The DATA division completed the short-term occupational [*employment projections*](https://esd.wa.gov/labormarketinfo/projections) for Washington state and its 12 local workforce development areas (WDAs) and submitted them to the Employment and Training Administration (ETA) in February 2021. Long-term occupational employment projections are submitted to ETA in even years only. The last long-term submission was in September 2020, and the next submission will be in July 2022.

We continued our 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.

Every year, DATA seeks agency partner and regional labor economist feedback on detailed and aggregated industry forecasts. The projections produced by DATA use statistically valid methods. The Projections Managing Partnership (PMP) methodology advises forecasters to 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*](https://esdorchardstorage.blob.core.windows.net/esdwa/Default/ESDWAGOV/labor-market-info/Libraries/Industry-reports/Employment-projections/2019%20Employment%20Projections%20Technical%20Report.pdf).

Contact with local workforce boards, workforce development professionals, planners, businesses, higher education institutions and other customers indicate that both short-term, mid-term and long-term industry and occupational employment projections data are heavily used. These projections are the underlying foundation for workforce development discussions and higher education planning throughout Washington state.

# III. Annual economic analysis and other reports

Consistent with this grant and required by state law, DATA published a detailed annual economic analysis report. This report provides statewide information for economic policy development, training program planning and resource allocation by the:

• Governor

• State Workforce Investment Board (WIB, known as the Workforce Training and Education Coordinating Board)

• Local LWDBs (known as Workforce Development Councils)

• State legislators

• Other partners including community and technical colleges, economic development organizations and other talent development stakeholders

The [*2020 labor market and economic report*](https://media.esd.wa.gov/esdwa/Default/ESDWAGOV/labor-market-info/Libraries/Economic-reports/Annual-Report/2020-labor-market-and-economic-report.pdf) is an annual overview of Washington state’s economy. It includes analyses of employment conditions and trends, unemployment, wages, income and employment projections. The report also devotes greater detail on the seasonal, structural and cyclical aspects of employment and includes economic comparisons with other states.

Throughout the year, DATA staff conducted special studies and economic analyses at the statewide and local levels. During this reporting period, 1,673 items were published. These reports and data sets are available on [*Washington state’s labor market information website*,](https://esd.wa.gov/labormarketinfo) and further detail on specific reports is provided below. We also added additional dashboards and Tableau data visualizations to our web pages, many interactive, which were updated along with our statistical reports. Our website recorded over 700,000 page views in PY 2020.

In March 2020, we added COVID-19-specific content to our [*unemployment claims*](https://esd.wa.gov/labormarketinfo/unemployment-insurance-data) page. This is a series of 14 data sets that are updated weekly. We also created a new COVID-19 economic data page whereas ESD, in partnership with the Bureau of Labor Statistics (BLS), publishes datasets that help us to understand the employment effects of the COVID-19 pandemic recession on Washingtonians. The data dashboards include the Census COVID-19 impact planning report dashboard tool, Washington State Department of Health COVID-19 data dashboard, the Washington State Department of Commerce economic recovery dashboard, and links to the Economic and Revenue Forecast Council.

**In June, ESD** convened **government, private sector, small business, non-profit and community leaders from across the state to address key workforce and economic development challenges as well as share data-driven plans and solutions for navigating post-pandemic economic recovery efforts.**

This [*all-virtual Economic Symposium*](https://esd.wa.gov/2021-symposium) provided the opportunity for attendees to network and connect with experts and colleagues from across the state around a wide variety of economic recovery topics that everyone is talking about including:

* **Review of the data regarding Washington's employment conditions, economy, job market and workforce during the pandemic**
* **Washington state and regional economic forecasts**
* **The future of the office as workplace: remote and hybrid options**
* **(Re)training and upskilling workers for remote work, in-demand and emerging
new jobs**
* **Economic recovery trends and strategies from Washington state agency leaders**
* **The future of workforce development: innovative approaches, programs, and initiatives**
* **The future of economic development: innovative approaches, programs, and initiatives**
* **Sustainability of the unemployment insurance(UI) system**
* **Workforce and economic resiliency planning**
* **Status of industry sector recovery efforts: Who is thriving and how employers are addressing specific challenges brought about by the pandemic**
* **ESD’s labor market information website of data and resources**

## Monthly

• [*Monthly employment report*:](https://media.esd.wa.gov/esdwa/Default/ESDWAGOV/labor-market-info/Libraries/Economic-reports/MER/MER%202020/MER-2021-08.pdf) A comprehensive, monthly report on Washington state’s job market. We report the unemployment rate statewide and by county, the number of people in Washington’s workforce and the number of people employed by industry and county. This report relies on current labor force statistics developed in partnership with the BLS and is the basis of a major monthly press release on the state’s economy and is followed by a second press release by county.

• [*Labor market facts and figures reports:*](https://esd.wa.gov/labormarketinfo/facts-and-figures-report) This report includes 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 more. It is a quick reference for employees, legislators, partners and others who may be interested.

• [*Labor area summaries*:](https://esd.wa.gov/labormarketinfo/labor-area-summaries) Monthly labor area summaries provide labor market information for each of the metropolitan areas and counties in Washington state. This information is screened by DATA’s six regional labor economists who are located around the state and are the primary points of contact for regional labor market information. The labor area summaries provide vital information to decision makers and media, timed according to the monthly release of local labor market statistics by BLS.

• [*Employer demand reports*:](https://esd.wa.gov/labormarketinfo/employer-demand) A monthly series of four reports reflecting the top 25 skill sets and certifications that employers are looking for in workers, as well as the top 25 occupations and employers. These reports are based on The Conference Board® Burning Glass® Help Wanted OnLine™ data series, which provide a measure of real-time labor demand gathered from online job ads.

• [*Labor market supply/demand reports:*](https://esd.wa.gov/labormarketinfo/supply-demand-report) The labor market supply/demand reports provide a gap analysis for detailed occupations along with comparisons of online job postings and ESD data on UI claimants.

• [*Washington employment estimates*:](https://esd.wa.gov/labormarketinfo/employment-estimates) This data series provides monthly estimates of nonfarm employment by industry in Washington state. Current employment statistics (CES) survey data and quarterly benchmarked data are provided at the state, metropolitan areas and county levels.

• [*Labor force:*](https://esd.wa.gov/labormarketinfo/labor-force) Local area unemployment statistics (LAUS) are monthly estimates of the labor force including employment, unemployment and unemployment rates statewide, by county, city, WDA and metropolitan areas.

• [*Unemployment insurance claims:*](https://esd.wa.gov/labormarketinfo/unemployment-insurance-data) The UI program provides unemployment benefits to eligible workers who become unemployed through no fault of their own, and meet certain other eligibility requirements, including COVID-19 resources.

• [*Facts and Figures Report:*](https://esd.wa.gov/labormarketinfo/unemployment-insurance-data) The Facts and Figures Report is prepared monthly and posted after the county press release as a quick reference for employees, legislators, partners and others who may be interested. The report includes unemployment rates, monthly job growth or loss, data for unemployment claims and benefits, long-term unemployed data, average and minimum wage, unemployment taxes and trust fund, WorkSource services, ESD employee data, and toll-free numbers to resources for UI claimants, employers, job seekers and more.

## Quarterly

• [*Business employment dynamics*:](https://esd.wa.gov/labormarketinfo/business-employment-dynamics) A national and state view of changes to businesses and the job market.

• [*Unemployment insurance trust fund forecast*:](https://esd.wa.gov/labormarketinfo/UI-trust-fund) This report provides the status and updated projections of the state’s unemployment insurance trust fund.

• [*Covered employment (Quarterly Census of Employment and Wages [QCEW]):*](https://esd.wa.gov/labormarketinfo/covered-employment) Industry employment and wage data from employer tax records.

• [*WorkSource system performance reports:*](https://esd.wa.gov/labormarketinfo/WorkSource-system-performance) The WorkSource system performance dashboards provide data and analysis for the state’s WorkSource system. The DATA division produces these reports for the state and its 12 WDAs. The statewide dashboard contains the performance indicators and data for each quarter.

## Annually

• [*Learn about an occupation*:](https://esd.wa.gov/labormarketinfo/LAAO) These tools distinguish occupations as “in demand,” “balanced” and “not in demand” across the state and within individual WDAs. We evaluate short- and long-term employment projections to determine whether employment opportunities in more than 740 occupations are expected to increase or decrease. The local workforce development councils (WDCs) then review, adjust and approve the initial list based on their local, on-the-ground experience, and make revisions throughout the year. The [*Occupation in Demand list*](https://esd.wa.gov/labormarketinfo/learn-about-an-occupation#/search) is used to determine eligibility for a variety of training and support programs. During PY 2020, we continued to make improvements to the information available for each specific occupation by area, making it easier for job seekers to directly connect to job postings and occupation and training options. These tools are the most visited pages on DATA’s website and received over 250,000 page views in PY 2020.

• [*Find employers*:](https://esd.wa.gov/find-an-employer#/) DATA division’s labor market information website allows users to find contact information for more than 300,000 employers in Washington state. Users can search by area for an industry or occupation or employer name. Since identifiable information gathered through the BLS is strictly confidential, this information was provided by *Infogroup*.

• [*Labor market and economic report*:](https://esd.wa.gov/labormarketinfo/annual-report) Provides an annual overview of Washington state’s economy (discussed in more detail above).

• [*Agricultural employment*](https://esd.wa.gov/labormarketinfo/ag-employment-and-wages) *and wages:* The DATA division has produced agricultural workforce reports since 1999. These reports provide information on agricultural employment, wage rates and H-2A prevailing wages and employment practices. Our most recent [*wage and practice survey*](https://esdorchardstorage.blob.core.windows.net/esdwa/Default/ESDWAGOV/labor-market-info/Libraries/Industry-reports/Annual-Ag-Report/2018%20Agricultural%20Wage%20and%20Practices%20Survey%20Results.pdf) was published in April 2020.

• [*Employment projections*: Two-, five- and 10-year industry and occupational projections (discussed in more detail above). Users have access to a report based on the projections, detailed methodology information and detailed data tables for the three sets of projections.](https://esd.wa.gov/labormarketinfo/projections)

• [*County profiles*:](https://esd.wa.gov/labormarketinfo/county-profiles) County profiles highlight aspects of the economic health of each of Washington’s 39 counties. The facts and figures are useful for grant applications, strategic planning, economic development and other research projects. We compose each county profile using data we collect and data from the U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, U.S. Census Bureau, Washington State Department of Revenue, Washington State Office of Financial Management and other resources.

• [*Occupational employment and wage estimates:*](https://esd.wa.gov/labormarketinfo/occupations) Our occupational employment and wage estimates are counts of workers and entry-level, average and experienced-worker wage estimates for more than 860 occupations. Data are displayed statewide, by metropolitan statistical area and nonmetropolitan area.

• [*Median and average hourly wage report:*](https://esd.wa.gov/labormarketinfo/median-hourly-wages) The median and average hourly wage reports contain hourly and annualized wage estimates for the state as a whole and by county. The tables include annual data going back to 1990 for the state and each county. Unadjusted, inflation-adjusted, and annualized data are listed, as well as a breakout for the private sector.

• [*Distressed areas list:*](https://esd.wa.gov/labormarketinfo/distressed-areas) The DATA division produces the list of distressed areas – counties where the three-year unemployment rate is at least 20 percent higher than the statewide average – to assist users with identifying areas that may qualify for certain publicly funded programs to spur job growth and economic development.

• [*Establishment size report:*](https://esd.wa.gov/labormarketinfo/establishment-size) Establishment size data provide a count of establishments and their size class based on their number of employees for each county. We tabulate the number of establishments by size class and industry sector and subsector for the state.

# IV. Customer consultations

The DATA division uses multiple methods to collect feedback from customers regarding their use of and need for labor market information (LMI) products and services. Methods for collecting data on customers’ use of LMI products and services include web visitor analytics, a website feedback page, and automated tracking of ad hoc requests.

DATA uses customer feedback to improve both its deliverables and its delivery system. To assist customers in accessing and understanding LMI posted on its labor market information website, the DATA division offers an [*online interface*](https://esd.wa.gov/labormarketinfo/contact) as well as contact information for our [*regional economists*.](https://esd.wa.gov/labormarketinfo/economists) Trained individuals staffing that center can assist clients in locating the appropriate information and answer questions about it.

The DATA division provides training to the WorkSource centers in order to facilitate a better understanding of the current tools available, how to use them, and to provide information on new products which are then transmitted to their customers. This collaboration between the DATA division and the WorkSource centers provides shared opportunities and plays a key role in making LMI more accessible around the state.

DATA solicits input from WorkSource (Washington’s One-Stop system), WDC managers and other customers on the regional labor economists’ performance of their responsibilities. That feedback is incorporated into our publications and communications strategies, as well as in broader planning for products and services.

# V. Activities undertaken to meet customer needs

DATA has further developed the use of The Conference Board’s Help Wanted OnLine® data to meet our customers’ needs. We have developed monthly [*labor market supply/demand reports*,](https://esd.wa.gov/labormarketinfo/supply-demand-report)which provide a comparison of online job postings and ESD’s data on UI claimants. The data is organized by WDA and occupation category.

The Help Wanted OnLine® reports provide a measure of real-time labor demand gathered from online job ads combined with what we know about individuals currently looking for work with relevant experience. The annual version of the supply/demand report takes into account the number of graduates from colleges and universities entering the workforce as well as the number of UI claimants.

Given the importance of the [*Learn About an Occupation Tool*](https://esd.wa.gov/labormarketinfo/learn-about-an-occupation#/search) to our customers, we make updates to the information for each specific occupation several times per year, making it easier for job seekers to directly connect to current details on occupation and training options in their geographical area of interest. As in years past, the learn about an occupation tool was the most frequently visited page on DATA’s website in PY 2020.

# VI. New tools and resources

We continue to develop a wide range of data visualizations using Tableau software. These visualizations allow visitors to immediately engage with the data. This past year we upgraded our monthly supply/demand tool from Excel to Tableau so that users can visualize the data directly in a web browser rather than downloading a file. DATA has served as a leader among Washington’s state agencies in supporting and developing the state’s open data portal, [*Data.WA.gov*.](https://data.wa.gov/browse?category=Employment) We currently publish LAUS, occupational employment and wage statistics (OEWS) and nonfarm employment estimates on this site, under the “employment” category. We have also added a series of COVID-19-related data sets to our website as noted above.

# VII. Efforts to create and support partnerships and collaborations

## Regional labor economists

DATA’s six regional labor economists (RLEs) continue to work with local partners, including WDCs, economic development councils, WorkSource Centers and legislative entities, to better understand local labor markets and effectively communicate that information to customers with varying degrees of knowledge and expertise. The RLEs, who are located in WorkSource centers, work with these partners to identify their specific needs and tailor information and services to meet those needs. The services included periodic economic briefings on changes in local labor market conditions, including regional symposiums, training on occupational and career information and tools, and input and technical assistance with local strategic planning.

In PY 2020, the RLEs identified and tracked the percentage of contacts they received by customer type, as shown in the *Figure 1*:

**Figure 1.** Percentage of contacts by customer type

Washington state, PY 2020

Source: Data Architecture, Transformation and Analytics Division, regional economists

| Customer type | Percentage of contacts |
| --- | --- |
| Governments | 48.5% |
| Media and reporters | 22.6% |
| WorkSource system agencies | 10.2% |
| Economic development councils | 10.1% |
| Industry associations | 4.9% |
| Universities | 1.9% |
| High schools | 1.0% |
| Community colleges | 0.8% |

## Occupations in demand

On an annual basis, DATA and the local WDCs have continued to partner on an occupations in demand (OID) list, which is used for determining individuals’ eligibility for a variety of training and support programs. This list populates our website’s [*learn about an occupation tool*.](https://esd.wa.gov/labormarketinfo/LAAO) DATA initiates the annual process by distinguishing among occupations that are “in demand,” “balanced” and “not in demand” on the state and WDA level. The WDCs then review, adjust and approve that initial list based on their local, on-the-ground experience. As changes in economic conditions throughout the year effected occupational

demand, the WDC staff made updates to the list to reflect current occupational demand and supply conditions. In accordance with state law, the WDCs are responsible for changes to the list throughout the year, and DATA’s RLEs provide technical assistance as requested.

## Sharing data

DATA continues to serve as a leader among Washington’s state agencies in protecting data and supporting those in need of the vital information we can provide. We continue to work with our local partners, including government agencies, planning councils, education institutions and research centers to provide consistent support for their data needs to help grow the workforce.

## One-Stop management reports

The DATA division continues to publish performance measures, [*labor market supply/demand reports*](https://esd.wa.gov/labormarketinfo/supply-demand-report) for our state’s WorkSource (One-Stop) system. The labor market supply/demand reports represent comparisons of online job postings and data on UI claimants and WorkSource job seekers. The data is organized by WDA and occupation category.

The [*quarterly performance dashboards*](https://esd.wa.gov/labormarketinfo/WorkSource-system-performance) provide meaningful data and analysis to WorkSource system leaders in order to develop better customer service strategies. The dashboards encourage every customer using this information to speak the same performance language, from the U.S. Department of Labor (USDOL) and our Governor to the WDC board members and contractors.

## Performance

DATA continues to take a leadership role developing and maintaining outcome measures and leading indicators for each of the agency’s goals. The Executive Leadership Team relies on our knowledge and insights to guide what we measure and why. That is both a great opportunity and responsibility.

## WIOA implementation

The DATA division has provided full support to Washington’s WIOA implementation efforts in PY 2020. DATA’s Chief Analytics Officer served on subcommittees and task forces convened by the state Workforce Board, particularly focused on performance. The Chief Analytics Officer currently sits on:

* The Employment Statistics Policy Council
* The LMI Institutes Board of Directors
* Projections Management Partnership (PMP) Board of Directors
* National Association of State Workforce Agencies (NASWA) Member
* NASWA Workforce Labor Market Information Committee Technical Chair

Washington’s regional labor economists met regularly with state and local workforce board members and other key policy advisors or partners. This ensures that LMI staff are adhering to a key principle of the WIOA: “consult with key customer groups” by: 1) listening to their needs; 2) contributing to their discussions; 3) making sure they are aware of what LMI information can offer them; and 4) presenting information.

Out-stationed research staff have always had close relationships with their local workforce boards. Research staff attended several WIOA implementation meetings during the program year. Research staff met virtually with a variety of workforce, education, and economic development partners and customers, contributing LMI expertise and resources to policy, resource, and other decision-making activities. Research staff provided information subsequent to these meetings. The Washington LMI staff met regularly with the leadership from the Workforce Training Board, Community Colleges and Workforce Development Boards.

# VIII. Activities to leverage LMI-WIG funding

DATA continues to actively support the [*Washington’s Statewide Longitudinal Data System* (SLDS)](https://nces.ed.gov/programs/slds/state.asp?stateabbr=WA) by sharing weekly UI claims information, UI wage records and Labor Exchange Reporting System (LERS) files. The state’s [*Education Research and Data Center*](http://www.erdc.wa.gov/) (ERDC) continues to refine requirements for analytical data marts that link education and workforce data to better serve research and policy analysts. ESD and ERDC maintain active data sharing agreements to support this work.

Part of the funding strategy for Washington’s LMI activities is to charge customers for projects that go beyond what can reasonably be expected from base funding sources. However, the base funding provides the infrastructure that allows Washington to take on those additional “special” projects. Washington leverages the WIG and other base funding to take on other, paid projects for economic development entities, local workforce boards, community colleges and others.

It should be noted Washington’s LMI deliverables that are most closely associated with the Workforce Information Grant cannot be achieved with WIGS funding alone. Washington significantly supplements WIGS funding with other state funding sources to pay for LMI training to agency and partner staff, build and maintain a strong labor market information website, publish research and special economic reports annually, as well as produce detailed industry and occupation projections. Without them, the state of LMI in Washington would be much less robust and look remarkably different.

**IX. Recommendations to the Employment and Training Administration for changes and improvements to WIG requirements**

We encourage the ETA to work closely with state LMI shops in the planning and development of language for the annual WIG TEGL requirements to ensure the partnership remains strong and the agreed upon deliverables work towards providing workforce information that is valuable to our customers and stakeholders. New requirements not vetted with the states and without associated funding increases can create many challenges to the effective planning and implementation of robust workforce information.