ANNUAL WORKFORCE INFORMATION GRANT PERFORMANCE REPORT

September 21, 2022

Washington state is submitting its Workforce and Labor Market Information Grant to States (WIGS) performance report for Program Year (PY) 2021, as required of grantees under Training and Employment Guidance Letter (TEGL) No. 1-21. This report summarizes accomplishments and challenges and provides recommendations for improvement to workforce information and services.

I. Workforce Information Database (WID)

In PY 2020, the Washington State Employment Security Department’s (ESD) Data Architecture, Transformation and Analytics (DATA) Division and Information Technology Services Division (ITSD) updated the WID to version 2.8 within our legacy environment, and we continued to maintain the database in that form throughout PY 2021 and into PY 2022.

Looking forward, ESD is in the process of moving our data repositories and workflows to a new, cloud-based data estate. As part of that initiative, DATA is prioritizing the WID on our product roadmap. We are also exploring better ways to optimize and leverage the WID in automating cloud data processes and products.

II. Industry and occupational employment projections

Employment 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 2021. The base period for the five-year (medium-term) and 10-year (long-term) projections is 2020. Staffing patterns for each industry are used to convert industry projections into occupational projections.

DATA completed the short-term 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 2022. Long-term occupational employment projections are submitted to ETA in even years only. The last long-term submission was in September 2022, and the next submission will be in July 2024.

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.

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
- Workforce Training and Education Coordinating Board (WTECB)
- Local Workforce Development Boards (LWDBs, formerly known as Workforce Development Councils)
- State legislators
- Other partners including community and technical colleges, economic development organizations and other talent development stakeholders

The 2021 labor market and economic report 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. These reports and data sets are available on Washington state’s labor market information (LMI) website, and further detail on specific reports is provided below. We also continued to provide some interactive data visualizations through web pages, updated along with our statistical reports. Our website recorded over 620,000 page views in PY 2021.

During the first half of PY 2021, DATA published weekly COVID-19-specific content alongside general unemployment content on our unemployment claims page, but removed this supplemental data in December 2021 as pandemic impact on the Washington economy subsided. We still host a standalone COVID-19 economic data page to provide easy access to external resources, including the Census COVID-19 impact planning 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.
Monthly

- **Monthly employment report**: 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 U.S. Bureau of Labor Statistics (BLS). It 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 area summaries**: Monthly labor area summaries provide LMI 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 LMI. 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**: 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**: The labor market supply/demand reports provide a gap analysis for detailed occupations along with comparisons of online job postings and ESD data on Unemployment Insurance (UI) claimants.

- **Washington 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**: 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**: 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**: 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**: A national and state view of changes to businesses and the job market.
• **Unemployment insurance trust fund forecast:** 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]):** Industry employment and wage data from employer tax records.

• **WorkSource system performance reports:** The WorkSource system performance dashboards provide data and analysis for the state’s WorkSource system. DATA 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:** 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 are expected to increase or decrease. The LWDBs 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 is used to determine eligibility for a variety of training and support programs. During PY 2021, 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 200,000 page views in PY 2021.

• **Find employers:** The LMI 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:** Provides an annual overview of Washington state’s economy (discussed in more detail above).

• **Agricultural employment and wages:** DATA 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 interactive Agricultural Workforce Report was updated in September 2021. Our most recent wage and practice survey was published in February 2022.

• **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.

• **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 statistics:** Our occupational employment and wage statistics (OEWS) 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:** 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:** DATA 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:** 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 collects feedback from customers regarding their use of LMI products and services. Methods for collecting data on customers’ use of and feedback for LMI products include web visitor analytics, and a feedback form available on the website that visitors can complete and submit. This feedback is utilized to improve LMI products, services, and the delivery system.

The DATA Division assists customers in accessing LMI and understanding the products, services, and data available by making contact information available on the website. Customers can contact the LMI center, where trained staff can assist them in either locating the information they need, answering questions, or referring them to a different area that can better address their needs. Additionally, contact information for all regional economists is published to the website if customers require LMI, data or information about a particular labor market area.

DATA provides training to local WorkSource (Washington state’s One-Stop system) staff and partners to demonstrate and discuss available and new LMI tools and products. This collaboration provides shared opportunities and plays a key role in making LMI more accessible to the public and our local labor market areas.

Looking forward, the DATA Division is including actions that better capture the voice of customers as part of strategic and operational planning. These initiatives and actions will be incorporated into publications and communications strategies, as well as in broader planning for products and services.
V. Activities undertaken to meet customer needs

DATA has improved the use of The Conference Board’s Help Wanted OnLine® data to meet our customers’ needs through a monthly labor market supply/demand report. This report directly compares occupation demand from online job postings to occupation supply based on UI claimant occupations. 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 is known about individuals currently looking for work with relevant experience. The annual version of the supply/demand report includes 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 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 LMI webpage in PY 2021.

VI. 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 LWDBs, 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 work with these partners to identify their specific needs and tailor information and services to meet those needs. The services include periodic economic briefings on changes in local labor market conditions, regional symposiums, training on occupational and career information and tools, and input and technical assistance with local strategic planning.

In PY 2021, the RLEs identified and tracked the percentage of contacts they received by customer type (Figure 1).

Figure 1. Percentage of contacts by customer type
Washington state, PY 2021
Source: Data Architecture, Transformation and Analytics Division, regional economists

<table>
<thead>
<tr>
<th>Customer type</th>
<th>Percentage of contacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governments</td>
<td>14.7%</td>
</tr>
<tr>
<td>Media and reporters</td>
<td>26.4%</td>
</tr>
<tr>
<td>WorkSource system agencies</td>
<td>17.5%</td>
</tr>
<tr>
<td>Economic development councils</td>
<td>11.2%</td>
</tr>
<tr>
<td>Industry associations</td>
<td>19.0%</td>
</tr>
<tr>
<td>Universities</td>
<td>4.8%</td>
</tr>
<tr>
<td>High schools</td>
<td>2.3%</td>
</tr>
<tr>
<td>Community colleges</td>
<td>4.1%</td>
</tr>
</tbody>
</table>
**Occupations in demand**

On an annual basis, the DATA Division and the LWDBs 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](#). An annual process is initiated by distinguishing among occupations that are “in demand,” “balanced” and “not in demand” at both the state and WDA level. The LWDBs then review, adjust and approve that initial list based on their local experience. As economic conditions changed throughout the year, LWDB staff provide updates to the list to reflect current occupational demand and supply conditions. In accordance with state law, the LWDBs are responsible for changes to the list and the DATA Division provides 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 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**

DATA continues to publish performance measures, [labor market supply/demand reports](#) 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](#) provide meaningful data and analysis to WorkSource system leaders 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 LWDB 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.

**WIOA implementation**

The DATA Division has provided full support to Washington’s WIOA implementation efforts in PY 2021. ESD’s Chief Analytics Officer served on subcommittees and task forces convened that were particularly focused on performance. During PY 2021, the Chief Analytics Officer sat 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 meet 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.

VII. Activities to leverage LMI-WIGS funding

DATA continues to actively support the Washington’s Statewide Longitudinal Data System (SLDS) by sharing weekly UI claims, UI wage records and Labor Exchange Reporting System (LERS) files. The state’s Education Research and Data Center (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 WIGS 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 LMI 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.

VIII. Recommendations to the Employment and Training Administration for changes and improvements to WIGS requirements

We encourage the ETA to work closely with state LMI shops in the planning and development of language for the annual WIGS 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.
Washington also recommends adding language emphasizing that state-level LMI offices should play a major role in Workforce Data Quality Initiative (WDQI) grants and underscoring the importance of expanding uses of longitudinal data systems to provide information for WIOA. These systems provide a major opportunity to develop information for WIOA Boards, WIOA customers, and assist in the improvement of performance reporting. LMI offices are in a unique position to understand the workings of UI wage records, UI benefits data, Employment and Training data, and LMI data, and are well-situated to provide accurate information to the WIOA system and partners. ETA should add funds to the WIGS to help expand the development of longitudinal (e.g., WDQI) types of information.