

John J. Heldrich Center for Workforce Development

## research brief

# Unlocking the Treasure Chest of Labor Market Information: Crucial Information for Job Seekers, Educators, and Employers in a Tough Economy

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*Quality labor market data and analysis is critical to developing effective market-driven workforce and economic strategies in states, regions, and localities. Such information can be complex, intimidating, and overwhelming to many users, however. This issue brief offers a framework for understanding workforce information, including a summary of the different types of consumers of information and their need for comprehensive data and analysis about the labor market. It identifies the publicly available information sources that produce the data and provides suggestions on how to identify and address the gaps between user needs and the availability of reliable and timely data and analytical capacity to enable effective and informed decision-making by data consumers. Finally, it recommends ways in which states and local areas can make workforce information more readily available to consumers who must make important decisions.*

## Introduction

A fundamental challenge facing workforce and education policy-makers and program operators is keeping pace with the rapidly fluctuating economic landscape and the skill requirements of American business. To meet this challenge, up-to-date and accessible workforce information — that is, comprehensive data and analysis about local, state, and regional labor markets — is important to helping job seekers, public policymakers, businesses, and educators make informed decisions about a variety of areas affecting their current economic circumstances and futures.

Reliable, accurate, and timely workforce information allows policymakers and program operators to target education and training

investments so they can produce the best possible returns to job seekers. A deep and accurate understanding of the labor market by these users is a prerequisite for developing effective demand or market-driven workforce and economic development strategies. Without good information, it is nearly impossible to design effective sector programs, career pathways, or economic growth strategies.

Accurate workforce information is a vital resource for individuals entering a complex and changeable labor market. Accessible and useful workforce information can inform new workforce entrants, as well as guide those already in the workforce toward promising jobs and careers that support advancement and income growth. It helps educators, both in high schools and postsecondary institutions, to better prepare youth and adults with the skills needed to be successful in the labor

market. And it assists employers to make more informed decisions about where to locate their businesses, whether to expand, and where to find the most qualified workforce needed to stay competitive.

An effective and market-responsive workforce development service delivery system recognizes the importance of quality labor market data and analysis, and puts in place a system that can routinely collect and analyze current and projected job growth and skill needs of local businesses and occupations. Although labor market data collection and analysis are approached in different ways by state and local officials, research conducted by the John J. Heldrich Center for Workforce Development has shown that for any area wishing to develop a more effective and responsive workforce information system, the following essential steps need to be undertaken:

- Identification of, and knowledge about, the users of workforce information, including an understanding of their current and future needs;
- Identification of, and knowledge about, the workforce data landscape, including the sources and producers of workforce information; and
- Identification of sources of workforce information analytic capacity.

Once these steps are taken, a process of identifying gaps and developing strategies can take place that seeks to align the needs of state/local users with data sources and analytic capacity. The ultimate goal of these alignments is to give users timely access to the most critical information they need to make policy, economic, and career decisions.

## Consumers of Workforce Information

### Who Needs LMI and Why?

The collection, production, and dissemination of labor market information has historically been driven by the needs of federal and state public policymakers, including legislators, to monitor the state of the labor market, allocate public funds, plan services, and evaluate program performance. Researchers have also used workforce data to enhance public understanding of the labor market and the economy. While policymakers and researchers still use workforce information for their own purposes, additional consumers of workforce information have emerged over the past years. Faced with a complex and changing labor market, these new consumers, who require accessible and reliable workforce information, include:

- Job seekers (youth and adults) and members of the workforce;
- Frontline staff in public, private, and community organizations that provide workforce and education services, such as but not limited to career counselors, job developers, case managers, teachers, and guidance counselors;
- Program designers and managers in public, private, and non-profit community-based organizations that provide workforce and education services; and
- Employers and business organizations.

Different consumers of workforce information have varying needs. Public policymakers traditionally use labor market information to allocate resources or inform program design. They may review census data and state administration (program) data and/or commission or draw on special reports and studies produced by academic institutions or local think tanks.

## General Workforce Information Sources and Needs by Major Consumer Groups

Consumer Group	Typical Sources of Information	Needs Supported by Workforce Information
Public Policymakers/ Program Managers	<ul style="list-style-type: none"> <li>▪ Broad economic data</li> <li>▪ Census data</li> <li>▪ Federal, state, and local administrative data</li> <li>▪ Research reports</li> <li>▪ Anecdotal information/previous experience</li> </ul>	<ul style="list-style-type: none"> <li>▪ Allocation of resources and setting of priorities, laws, and regulations</li> <li>▪ Development of courses, curricula, training, or workforce and education programs</li> <li>▪ Planning the types of services to be delivered</li> <li>▪ Evaluation of program performance</li> </ul>
Researchers	<ul style="list-style-type: none"> <li>▪ Broad economic data</li> <li>▪ Census data</li> <li>▪ Federal, state, and local administrative data (e.g., departments of workforce development, commerce, economic development)</li> <li>▪ Interviews, focus groups (qualitative data)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Research (peer-reviewed journals, research reports, etc.)</li> <li>▪ Grant seeking and writing</li> </ul>
Job Seekers (Youth and Adults)	<ul style="list-style-type: none"> <li>▪ Public occupational data (such as O*Net)</li> <li>▪ Public growth occupations list</li> <li>▪ Family, friends, and teachers</li> <li>▪ Previous experience</li> </ul>	<ul style="list-style-type: none"> <li>▪ Selection of education and training</li> <li>▪ Career planning</li> <li>▪ Job search</li> </ul>
Frontline Staff and Educators	<ul style="list-style-type: none"> <li>▪ Public occupational data (such as O*Net)</li> <li>▪ Public growth occupations list</li> <li>▪ Occupational projections from public sources</li> <li>▪ Previous experience</li> <li>▪ Anecdotal information</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assistance with decisions about education and training</li> <li>▪ Assistance with career and job search decisions</li> <li>▪ Identification of employers for job development and finding employment</li> <li>▪ Identification of skill needs for occupations and curriculum development</li> </ul>
Employers	<ul style="list-style-type: none"> <li>▪ Broad economic data</li> <li>▪ Local, regional, state data (census, administrative)</li> <li>▪ Anecdotal information from business groups</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employee recruitment, compensation, and training</li> <li>▪ Location and expansion</li> <li>▪ Affirmative Action and diversity planning</li> </ul>

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Researchers employ a mix of quantitative and qualitative data sources — either publicly available or collected by their own organizations — to conduct policy research, understand how the labor market works, or provide supporting evidence for grant-seeking purposes. Job seekers — both adults and youth — are more interested in using workforce information to inform career choice and job search. They access data from public agencies on occupations and available jobs and they rely on family, friends, and co-workers for information on career options, jobs, and other opportunities in their local communities.<sup>1</sup> Frontline personnel, managers, and educators also rely on public sources for information about occupations and jobs, and they draw on their own experience in working in the community and talking to local business owners and job seekers. Finally, employers access economic data from public sources, private producers, and trade associations in order to make decisions about location, expansion, and labor force recruitment.

Overall, consumers rely on a variety of formal and informal information sources. They use informal sources when they cannot readily access timely data from known resources or do not know that the information they seek already exists. In a 2006 study conducted by the Heldrich Center for the New York City Workforce Investment Board, New York City consumers reported that they did not have ready access to the type, depth, and breadth of information they needed to make critical policy, economic, and career decisions.<sup>2</sup> Heldrich Center research found that this was predominantly the result of three factors:

- Most consumers were not aware of and were consequently not using the full range of existing workforce information.
- There was, in most instances, limited organizational capacity to analyze and interpret labor market information that would make this information more readily available and user-friendly to consumers.

### **New York By the Numbers: New York City's Labor Market Information Service**

Responding to an identified need for good, timely, and local workforce information that could be used to support employment-related decisions by a variety of stakeholders, the New York City Workforce Investment Board (NYCWIB) engaged the John J. Heldrich Center for Workforce Development in 2006 to map the landscape of workforce information in New York City and to recommend a design for a local system that would collect, analyze, and disseminate that information. Recognizing the need for analytical capacity, the NYCWIB entered into a joint endeavor with the Center for Urban Research at The Graduate Center of the City University of New York to create the New York City Labor Market Information Service (NYCLMIS). The NYCLMIS' objectives are to:<sup>3</sup>

- Develop action-oriented research and information tools that will be used by workforce development service providers and policymakers to improve their practice, and
- Be the portal for cutting-edge and timely labor market data about New York City.

The NYCLMIS primarily serves the program and policy needs of the public workforce system, while looking to create products that are of service to the broader practitioner and policy communities in their day-to-day and strategic decision-making. Examples of these products include:

- *Gauging Employment Prospects in New York City, 2009* (February 2009)
- *Employment in New York City's Transportation Sector* (September 2008)

Information about NYCLMIS as well as its research reports can be found at [www.urbanresearch.org](http://www.urbanresearch.org).

- Available information sources did not fully address the needs of many consumers. New York City consumers said that they want and need information that is occupation-specific, industry-specific, and as local as possible. They were less interested in information that is global or too wide in scope to be useful locally. To facilitate better decision-making, consumers cited a need for up-to-date, fine-grained data that can be sorted by occupation, industry, and geographic area, the more local the better.

## The Workforce Information Landscape

### What Big Questions Can Be Answered by Labor Market Information?

In general, **workforce information** is defined as the publicly available collections of facts, data, or analysis related to a particular labor market, including economic and business trends that can be used by information users to make decisions. This definition reflects three important considerations in framing an effective workforce information system. First, it includes both data and analysis. Second, it excludes privately generated data and analysis that is not readily available to most users. And third, it emphasizes the potential usefulness of workforce information to a range of consumers rather than its value only for researchers. In this definition, the terms “labor market information” and “workforce information” can be used interchangeably.

Workforce information can be framed into four distinct categories that include information on:

- Workforce Supply
- Employer (Market) Demand

- Intersection of Supply and Demand
- Workforce and Education Services

### Workforce Supply

Workforce supply data generally refers to data collected on individuals. Primary users of these data include policymakers and program managers, employers, and researchers. These data can address such primary user questions as:

- How are different groups or communities faring in the labor market?
- What is the current and projected available labor force? What are the education and skill levels of the workforce?
- What does the local workforce look like?

Information sought by users generally includes data on race/ethnicity, education level/skills, employment status, income level, gender, age, origin (foreign or native born), and disability status. It can also include data on the number of individuals who are participating in workforce training or educational programs and services.

Major sources of data that can be accessed to look at workforce supply include the following:

#### Workforce Supply Information

- Current and projected workforce size and demographic characteristics
- Education and skills levels of the workforce, including educational attainment
- Other barriers to employment in the workforce, including disability or poverty status
- Employment characteristics of the workforce, including employment status, occupation, and earnings

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- American Community Survey (U.S. Census)
- Current Population Survey (U.S. Census/ U.S. Bureau of Labor Statistics)
- Decennial Census (U.S. Census)
- Local Area Unemployment Statistics (State/U.S. Bureau of Labor Statistics)
- Population Estimates (U.S. Census)
- Public Use Micro Sample (U.S. Census)

In addition to these information sources, state labor market information offices and employment and training administration agencies routinely collect data and conduct analysis and research on state and local labor market areas. These can include demographic and economic characteristics of individuals at the person, household, and/or occupation level.

### Employer Demand

Employer (market) demand information generally refers to data on occupations, industries, employers, job openings, salary information, and job requirements. Primary users of these data include job seekers, front-

line workforce and education staff, education and training providers, policymakers, and program managers. Primary user questions include:

- What jobs are or will be available consistent with job seekers' skills, interests, and experience?
- What are the requirements (education, skills) and hiring processes for jobs in particular occupations and industries?
- What are the wages, benefits, career paths, and potential for advancement for particular occupations?
- What industries should be targeted for training and other workforce assistance?

Information sought by users generally includes number employed; number of job openings; wages; benefits; hours; training, education, and skill requirements; hiring methods and processes; and potential for advancement.

Sources of data and their producers that can be accessed to look at employer (market) demand include the following:

### Where to Begin?

- 1. State Labor Market Information Directors/Website.** Each state has labor market information personnel that are responsible for collecting and disseminating information on workforce supply and employer demand. The staff can be a tremendous resource for assisting users to navigate the large amount of data and information that is available. Each state disseminates state-specific data and information through its own website. A list of state LMI staff contacts and websites can be found at: [www.bls.gov/bls/ofolist.htm](http://www.bls.gov/bls/ofolist.htm)
- 2. Local Employment Dynamics (LED) Data.** The Census Bureau, through an innovative partnership with states, produces quarterly employment data by industry and county, as well as by the age and gender of employees for 46 states. The LED data include eight quarterly workforce indicators that can be useful for answering a wide variety of employer-demand questions. The LED data, and more information, can be found at: [lehd.did.census.gov/led/](http://lehd.did.census.gov/led/)
- 3. O\*NET: Occupational Information Network.** O\*NET, an effort of the U.S. Department of Labor, Employment and Training Administration, disseminates detailed information on the skills and education requirements of more than 800 occupations, based on extensive research with employers and workers. The O\*NET data, and more information, can be found at: [online.onetcenter.org/](http://online.onetcenter.org/)

### Employer Demand Information

- Current and projected employment levels, by occupation and industry, including number of jobs, number of openings due to replacement, number of openings due to growth, and information on employer job orders placed through the public workforce system
- Skill requirements of jobs, including required educational attainment and skills
- Job characteristics, including wages and benefits

### Occupations

- Occupational Employment Statistics (State/U.S. Bureau of Labor Statistics)
- Occupational Outlooks and Career Information (State/U.S. Bureau of Labor Statistics)
- Growth Occupations Lists (State/U.S. Bureau of Labor Statistics)
- Prevailing Wages Databases (State)

### Industry

- County Business Patterns (U.S. Census)
- Current Employment Statistics (State)
- Census of Employment and Wages (State)
- Local Employment Dynamics (U.S. Census/U.S. Department of Labor)
- Economic Census (U.S. Census)

### Employer

- America's Labor Market Information System Employer Database (InfoUSA)
- Firm Expansions and Contractions (State)
- Firm Size Data by Location (U.S. Small Business Administration)

### Job Openings

- Publicly Available Job Boards (State/Private/Non-Profits)

### Salary Information

- Salary.com/Salary Wizard
- National Compensation Survey (U.S. Bureau of Labor Statistics)

### Job Requirements

- O\*NET (U.S. Department of Labor, Employment and Training Administration)

In addition to these sources and producers, many state and local agencies (e.g., workforce development, commerce, and/or economic development) collect and report data on a variety of topics, including prevailing wages, personal income, business expansions and/or openings, and other economic activity. They also typically perform original labor demand research on one or more industries that are important in their states or local areas.

### Intersection of Supply and Demand

The intersection of supply and demand data generally refers to data that analyze the disparity between supply and demand information, provides a snapshot of economic developments or job market potential, and/or surveys businesses and/or households on critical or emerging labor market issues. Primary users of these data include job seekers, frontline workforce and education staff, education and training institutions, as well as policymakers and program managers. Primary user questions include:

#### Supply and Demand Information

- Comparison between the location of jobs and concentration of available workers
- Skill and education mismatches

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- What jobs are employers having the most difficulty filling?
- What are the significant business and other economic trends that will have an impact on the labor market?
- Which industries and occupations are declining and which are growing?
- Do the skills of the local workforce match employer demand?
- Where can a job seeker obtain needed education, training, and workforce services?
- Where can a student obtain needed post-secondary credentials for jobs in demand in the local community?
- Where can a laid-off worker obtain career transition or reemployment services?
- What resources are available to businesses to help train current workers in new skills?

Information sought by consumers generally includes number employed, number of openings, wages, benefits and hours, training, education and skill requirements, hiring methods and processes, potential for advancement, outsourcing and/or downsizing, temporary employment, race/ethnicity, educational level/skills, income level, gender, age, origin (foreign or native born), and disability status.

Major sources of data that can be accessed to look at the intersection of supply and demand include special reports published by state and local agencies, or reputable institutes, agencies, and organizations on particular topics such as employment and wage trends, unemployment in specific populations (e.g., youth, ex-offenders, people with disabilities), labor market outlooks, and the state of working in a particular geographic area.

### Workforce and Education Services

Workforce and education services information may include data on the location and availability of classes, curriculum and training opportunities from education and training providers, location of employment assistance services (e.g., local One-Stop Career Centers or other local employment-related resources), as well as data on the performance of training and education providers. Primary users of these data include job seekers, frontline workforce and education staff, training and education providers, workforce intermediaries, employers, as well as policymakers and program managers. This information addresses such questions as:

Information sought by users generally includes field of education and/or training, type of provider, location of provider, cost, program duration, and outcomes.

Information sources include federal and state websites outlining the location and available services of local One-Stop Career Centers and other community-based employment assistance providers, state eligible training provider lists and training program databases, and individual training provider report cards offered online by state governments.

#### Workforce and Education Services Information

- Availability of workforce services and education and training programs
- Effectiveness of workforce services and education and training programs, including job placement information
- Administrative data on the services that One-Stop Career Centers have provided to job seekers and employers, such as applicant screening, customized training, and job referrals
- Other government administrative data related to workforce issues

## Aligning the Needs of State/Local Consumers with Data Sources and Analytic Capacity

The first step toward building a strong workforce information system is understanding both the needs of consumers and the information that is already available to address those needs. The next important step is to have the capacity to analyze available data and present it in formats that are user-friendly and readily accessible to the lay person.

All states produce labor market information, usually in partnership with the federal government. Some states and localities have an infrastructure of information producers that produce annual, monthly, periodic, and/or special reports on the labor market, trends, economic growth activities, and the experiences of special populations in the labor market.

Several states have developed innovative approaches to making labor market information more accessible to a variety of users. For example, the **Florida** Agency for Workforce Innovation analyzes available information and makes this information available to job seekers and employers in a variety of accessible and easy-to-understand formats. The **San Diego, California** Workforce Partnership presents labor market information specifically targeted to the different types of consumers of this information. In addition, **Iowa's** Labor Market and Workforce Information Division has developed tools that allow local communities to easily obtain critical labor market data for use in economic development efforts. **New Jersey**, in partnership with the Heldrich Center, has developed labor market information products — both print and web-based — for a variety of audiences. Finally, **Minnesota** has created a Regional Analysis and Outreach Unit to provide technical assistance and training to potential users of labor market information.

### Providing Analytic Capacity to Support Regional Decision-Making and Prosperity: Minnesota's Regional Labor Market Analysts

Minnesota's Regional Analysis and Outreach Unit, and its five regional labor market analysts, are an important piece of the state's **21st Century Regional Prosperity** agenda, and a vital part of its capacity-building activities. Responding to myriad regional customer needs and decision-makers (such as local workforce councils and One-Stops, employment service providers, economic development agencies, educational institutions, community and industry groups, employers and the general public), the analysts — who are based at Minnesota workforce centers in Duluth, Bemidji, Willmar, Rochester, and Minneapolis/St. Paul — provide regional audiences with accessible expertise and analysis services that help them use available labor market information for their planning and decision-making purposes

Funded through Workforce Investment Act funds, the regional analysts allow the state's labor market information office to extend its research products and services to a wider array of customers across a broader spectrum of the state, in a manner that is more customized to the particular region of the state. Typically activities of the analysts and the unit include:

- Delivering presentations, briefings, and trainings to audiences interested in labor market conditions, trends, workforce shortages, and availability of statistics.
- Providing targeted training sessions to workforce development and economic development professionals with data access skills and a better understanding of their regional economies.
- Conducting research — from quick fact-finding to larger scale research, analysis, and internal consulting as well as answering questions ranging from simple ones such as “What is the wage for welders in my region?” to more complex ones such as “Where and what are the workforce and economic assets of my region?”

### Workforce Products from Florida's Agency for Workforce Innovation

The State of Florida has worked to create a strong product line that appeals to job seekers and front-line staff. The product mix includes reports, publications, CDs, brochures, posters, and a comprehensive and engaging labor market information website ([www.labormarketinfo.com](http://www.labormarketinfo.com)).

Job seeker- and staff-friendly products that are available in print include:

- **The Data Wheel**, a reference tool for Florida workforce professionals, featuring labor market statistics for Florida's workforce regions and information about Florida's major industries.
- The **Jobs Online Flyer**, which lists websites for labor market information, career information, and job listings.
- The **Wage Conversions Poster/Flyer**, which illustrates how much is earned on a weekly, monthly, and yearly basis with wages from \$6.67 to \$17.07 per hour.
- The **Education and Training Pay Poster/Flyer**, which displays the relationship between education and earnings.
- **Giving Children Hope and Skills for the 21st Century: A Parent's Handbook on the Future World of Work**, which provides parents and their children with insight into preparing for future careers.
- **Career Comic Books** that describe different careers with their job responsibilities, training/education needed, and wages.
- **Career Posters** that display career, education, and wage information for 10 leading industries.
- **Occupational Highlights**, including brochures that summarize occupational forecasts, such as those occupations gaining the most new jobs, fastest-growing occupations, declining occupations, and occupations earning the highest wages. Available for Florida and each of the state's 24 workforce regions.
- **Florida Fact Sheets** that focus on particular segments of the labor force, such as women, union members, older workers, and foreign-born workers.
- **Job Vacancy Survey** reports that display data collected for different workforce regions concerning their job openings.
- **Industry Profiles** are published based on Florida's targeted industry clusters. Profiles are updated annually and use detailed industry data that match the definition of the industry cluster.
- The **Resource Guide** displays the systems, publications, and reports available from the Labor Market Statistics Center.

Florida utilizes Internet-based resources, such as [www.whatpeopleareasking.com](http://www.whatpeopleareasking.com), an application designed by Florida's labor market statistics unit that allows job seekers and employers to answer their most frequently asked questions related to labor market information and receive answers for their own local area. The state has a **Census Data Center** to help users utilize data produced by the U.S. Census Bureau; **FRED, Florida Research and Economic Database**, a comprehensive economic and labor market information database that provides a one-stop source for Florida demographic, economic, and labor market information; **FloridaWages**, which provides online wages for Florida and the metropolitan statistical areas; and **LED, Local Employment Dynamics/QWI, Quarterly Workforce Indicators**.

### Collaborating with Academic Partners: The New Jersey State Government and the Heldrich Center — Perfect Together

For the past 10 years, the New Jersey Department of Labor and Workforce Development (NJLWD) and the New Jersey State Employment and Training Commission (SETC) have worked in partnership with the Heldrich Center to develop a blend of qualitative and quantitative labor market information products for a broad audience; these have included:

- **New Jersey's Consumer Report Card for Training Programs** ([www.njtrainingsystems.org](http://www.njtrainingsystems.org)) is an online directory of training programs in the state that, since 1997, has allowed New Jersey residents to search for programs that meet their specific training needs. It also serves as the state's list of eligible training providers that can receive government training funds. On a quarterly basis, the Heldrich Center calculates completion rates and employment outcomes for individuals enrolled in training programs at the state's institutions of higher education, proprietary schools, and adult vocational schools. New Jersey is the only state in the nation with such a developed system.
- **Ready for the Job.** Since 2003, the Heldrich Center has worked in partnership with the SETC and NJLWD to profile and document the workforce skill needs of key New Jersey industries by convening industry advisory groups and interviewing key business and human resource managers. Industry skill needs profiled have included construction, life sciences, health care, hospitality/tourism, information technology, manufacturing, retail, transportation, energy, utilities, and others.
- **NJNextStop.org.** Results and reports from the Ready for the Job Initiative are distributed through the NJNextStop website ([www.njnextstop.org](http://www.njnextstop.org)) — the state's primary free career guidance Internet portal for high school students, parents, teachers, and counselors. The site offers accessible information about the skills New Jersey workers must have to qualify for jobs being created within these industries over the next 5 to 10 years.

For more information, visit [www.heldrich.rutgers.edu](http://www.heldrich.rutgers.edu).

But consumers also want reliable information that is timely, specific, and local. Developing this information is challenging for most states and local areas, which leaves all users with a lack of up-to-date information on the local labor market or economy.

While the challenges faced by many state and local workforce information systems vary and depend on local conditions and past investments in data collection, production, and dissemination, there are several common challenges that state and local governments face to aligning consumer needs with being able to provide data to inform decision-making. They include:

- Few reliable special reports that focus on the intersection of supply and demand,
- Shortage of dedicated capacity to analyze and interpret existing data and workforce information,

- Lack of activity to collect and maintain 'real-time' workforce information that provides additional local information on the changing supply- and demand-side landscape, and
- Lack of time, imagination, and creativity in how workforce information can be presented to job seekers, employers, educators, training institutions, and other service providers.

The existence of these conditions results in infrequent and non-systematic use of data to make decisions, resulting in decision-making that is not data-driven, but is instead sometimes based on anecdotal information and feelings.

There are several strategies that can be put in place to address these challenges, and to create a workforce information system that

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is credible, relevant, and useful. All of these strategies, however, can only be successful if there is a fundamental belief in, and a commitment to, viewing data as a critical and important part of a broader decision support system. These strategies include:

- Making existing information and data reports more useful and user-friendly to consumers, in simpler and more digestible formats;
- Adding analytical capacity to existing known capacity in state or local employment statistics agencies or in local academic institutions that have such capacity;
- Filling gaps in existing information on the changing workforce needs of employers by engaging in systematic information gathering, including but not limited to conducting regular, in-depth industry studies, preparing in-depth profiles of new and growing occupations through relationship building and contacts with the business community, and routinely surveying employers;
- Improving the dissemination of workforce information through more accessible and user-friendly websites or other public communication avenues;
- Targeting and customizing workforce information analysis and dissemination through the development of simple online tools that allow users to customize data reports to meet their needs, targeting special reports for special user groups, and/or distributing quick facts or one-page bulletins that capture information in a snapshot; and
- Increasing users' awareness of existing workforce information and tools by conducting training and/or developing online tutorials that provide an orientation to labor market information for different users, forming partnerships with business and

industry organizations and other community-based groups to disseminate information to their communities, members, and staff, and partnering with agencies and organizations that have an interest and motivation to improve local workforce information.

### The San Diego Workforce Partnership

San Diego, California has developed a comprehensive and robust labor market information system through its main website ([www.sandiegowork.com](http://www.sandiegowork.com)). Examples of products designed specifically for a wide variety of consumers in San Diego includes:

- Monthly business and workforce editions of the e-publication, **The Manpower Workforce Report: A San Diego Labor Market Snapshot**. Jointly funded by the San Diego Workforce Partnership and Manpower.
- An annual **Occupational Outlook Report** for San Diego County involving several key partners, including institutions of higher education, the State of California, a major service provider, and a staffing service.
- An **Occupational Outlook Report** that contains information on wages, benefits, shifts, recruitment methods, and trends.
- In-depth profiles of local industry clusters, such as life sciences (2006), biotechnology (2006), health care (2006), hospitality (2006), and temporary staffing services (2004).
- The **Path to Prosperity Career Series**, a series of booklets that cover eight local clusters. Two are occupational (automotive occupations and skilled trades occupations) and six are industry based (communications, computer and electronics, health care, life sciences, software, and travel and entertainment).

## Iowa Workforce Development's Labor Market and Workforce Information Division: Free and Fee-for-Service Products

The Iowa Labor Market and Workforce Information Division offers a variety of tools to give local communities the ability to document and illustrate the characteristics of their labor forces for retaining and expanding their existing businesses while also attracting prospective new employers into the area. These include:

- **Laborshed Studies**, which are conducted on a fee-for-service basis, survey residents about their availability and willingness to change/enter employment, their current and desired occupations/experience/wages, the distance they are willing to commute, underemployment status, out-commuting patterns, benefits, and demographics. The information gathered in these surveys can be analyzed for a particular industry and used for prospect recruitment and expansion decisions or for other purposes. The laborshed area is identified by commuting patterns into an employment center regardless of natural or political boundaries. Laborshed Studies are conducted on an “as requested” basis and the fee is based on the size of the sample required for the laborshed area.
- **Community Hot Reports** that profile Iowa counties.
- **On the Map**, which provides detailed local area maps showing where workers are employed and where they live, with companion reports on age, earnings, industry distribution, and local workforce indicators.
- **College Student Surveys** and **Annual Profiles** of the state and each local workforce area.
- **Periodic Job Vacancy Surveys**, which collect information from employers on current vacancies, workforce retirement, and future plans. Working in partnership with many economic development groups, state partners, and business groups across the state, Iowa Workforce Development also collects information and produces reports pertaining to **Employer Fringe Benefit Packages**.
- The newest product is a fee-for-service **Regional Skillshed**, which identifies the gap between the skills of residents within a region and the skills needed by employers to fill current and projected vacancies.

## Conclusion

Quality workforce information is increasingly being viewed as a critical foundation for developing effective and relevant state and local workforce and economic policies. Readily accessible, timely, and reliable information helps policymakers and program operators develop strategies that meet the needs of the marketplace and that respond to a changing and diverse workforce. Good information also allows policymakers to distribute public resources more efficiently and wisely as well as target funding to identified ‘real-time’ priority needs in order to achieve the best possible results and return on taxpayers’ investments.

Improving state and local workforce information systems can ultimately benefit a wide range of users. Job seekers, including youth, those recently laid off, and those currently in the labor force, must be able to have good information and tools available to them to navigate an increasing complex and volatile job market. Workforce development professionals and educators need to offer more market-relevant educational offerings and more effective guidance to individuals who make use of the services of One-Stop Career Centers and other government programs as well as those who attend postsecondary institutions, including community colleges. And employers need a better and more accurate picture of the local workforce and economic landscape to help them make more informed decisions about location, expansion, and recruitment.

Given the current volatility of the labor market and economy, it is more critical than ever that job seekers and those helping people look for work receive the best information possible to help navigate the labor market. It is also important for state and local governments to be more proactive in producing and developing the capacity and the tools to better understand their labor markets and workforce, and to develop the types of local analyses necessary to ensure that education and training providers and resources meet the changing demands of the market, address current and project skills gaps, and better align with state, regional, and local economic development activities and priorities.

### End Notes

1. John J. Heldrich Center for Workforce Development. *Taking the Next Step: High School Students, College, and Careers* (New Brunswick, NJ, 2003).
2. John J. Heldrich Center for Workforce Development. *Design for a New York City Workforce Investment System for the New York City Workforce Investment Board* (New Brunswick, NJ, 2006).
3. About the New York City Labor Market Information Service. Accessed February 10, 2009 at <http://www.urbanresearch.org/about/cur-components/new-york-city-labor-market-information-service-nyclmis>.

### About the Authors

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### About the Heldrich Center

The John J. Heldrich Center for Workforce Development, based at the Edward J. Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey, is a dynamic research and policy center devoted to strengthening the nation's workforce. It is one of the nation's leading university-based centers devoted to helping America's workers and employers respond to a rapidly changing 21st Century economy. The Center's motto — "Solutions at Work" — reflects its commitment to offering practical solutions, based on independent research, that benefit employers, workers, and job seekers. The Center's policy recommendations and programs serve a wide range of Americans at all skill levels. Learn more about the Heldrich Center at [www.heldrich.rutgers.edu](http://www.heldrich.rutgers.edu).