

The Utterly New Normal:

Workforce Development in a Worker Empowered World

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On Behalf of
The Susquehanna Workforce
Network
June 28, 2024

Introduction & Background

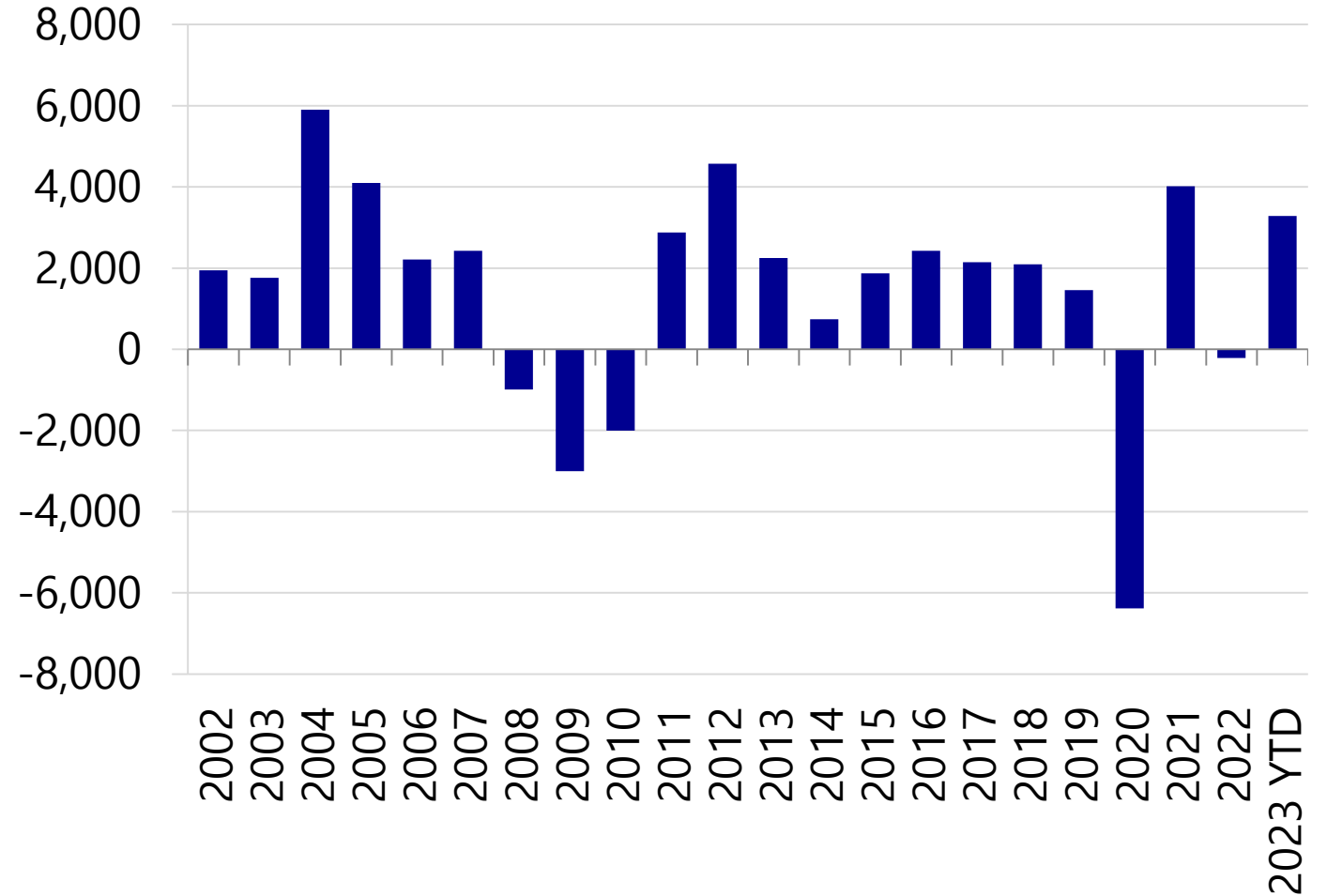
- In 2012, 2016, and again in 2020, Sage Policy Group, Inc. (Sage) authored workforce development reports on behalf of the Susquehanna Workforce Network (SWN).
- Earlier this year, the Susquehanna Workforce Network in partnership with the economic development offices of Cecil and Harford counties once again tasked Sage with conducting a labor market analysis/assessment.
- Today's agenda:
 - Recent labor market and economic trends
 - Recommendations
 - Q&A / Discussion

Recent Labor Market & Economic Trends

Susquehanna Region Employment Growth

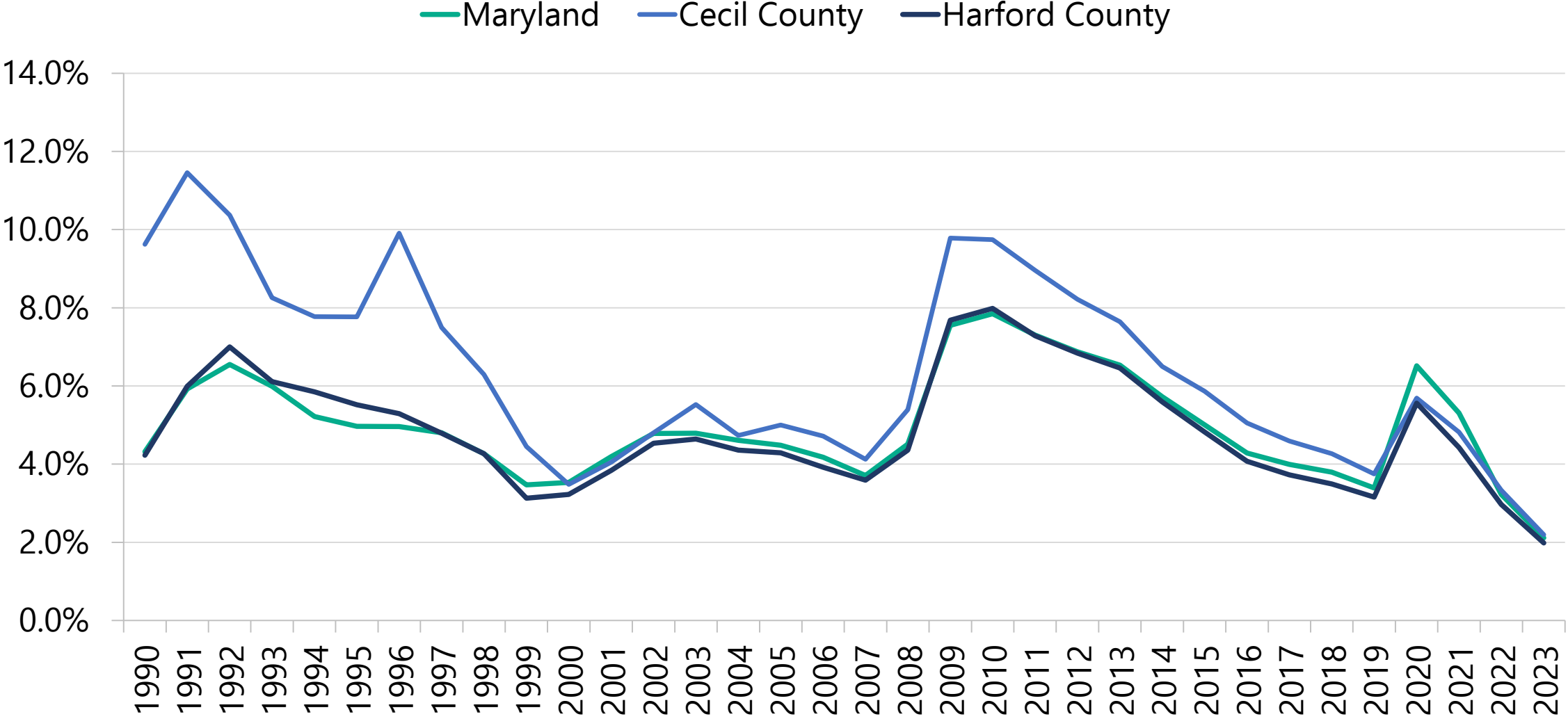
- Regional employment declined by 5% in 2020.
- Most of that loss was experienced in Harford County, where employment fell by more than 6,000 jobs or 6.3%.
- Employment in Cecil County contracted by 300 positions or 1.1%.
- Total employment in the region stood at 128,000 in 2023, slightly below its pre-pandemic level (-0.04%).

Susquehanna Region: YOY Employment Growth



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Sage.
Notes: 1. NSA: Not Seasonally Adjusted. 2. 2023 YTD average as of 2023Q3; 2023 figures are preliminary.

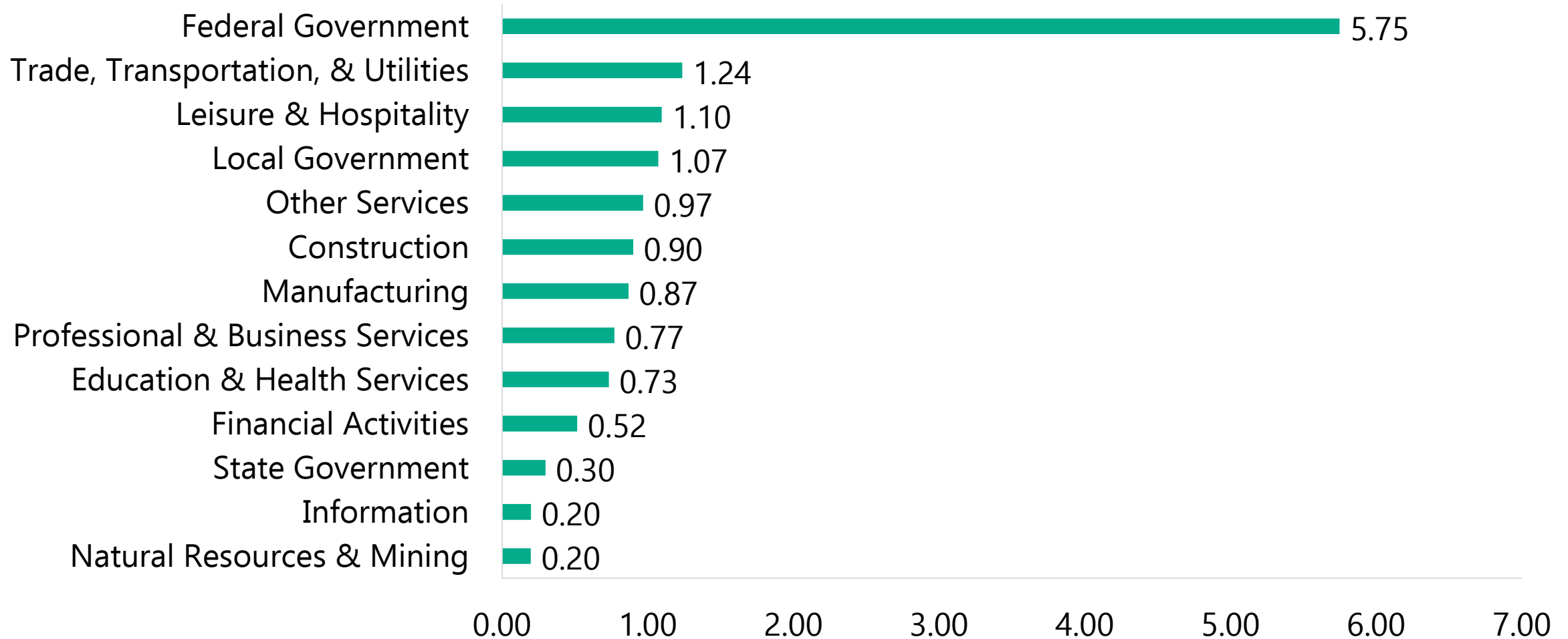
Maryland & Susquehanna Region Unemployment Rate, 1990-2023



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS) program; Sage. Notes: 1. Data are not seasonally adjusted.

Same Industries Form the Backbone of Regional Employment

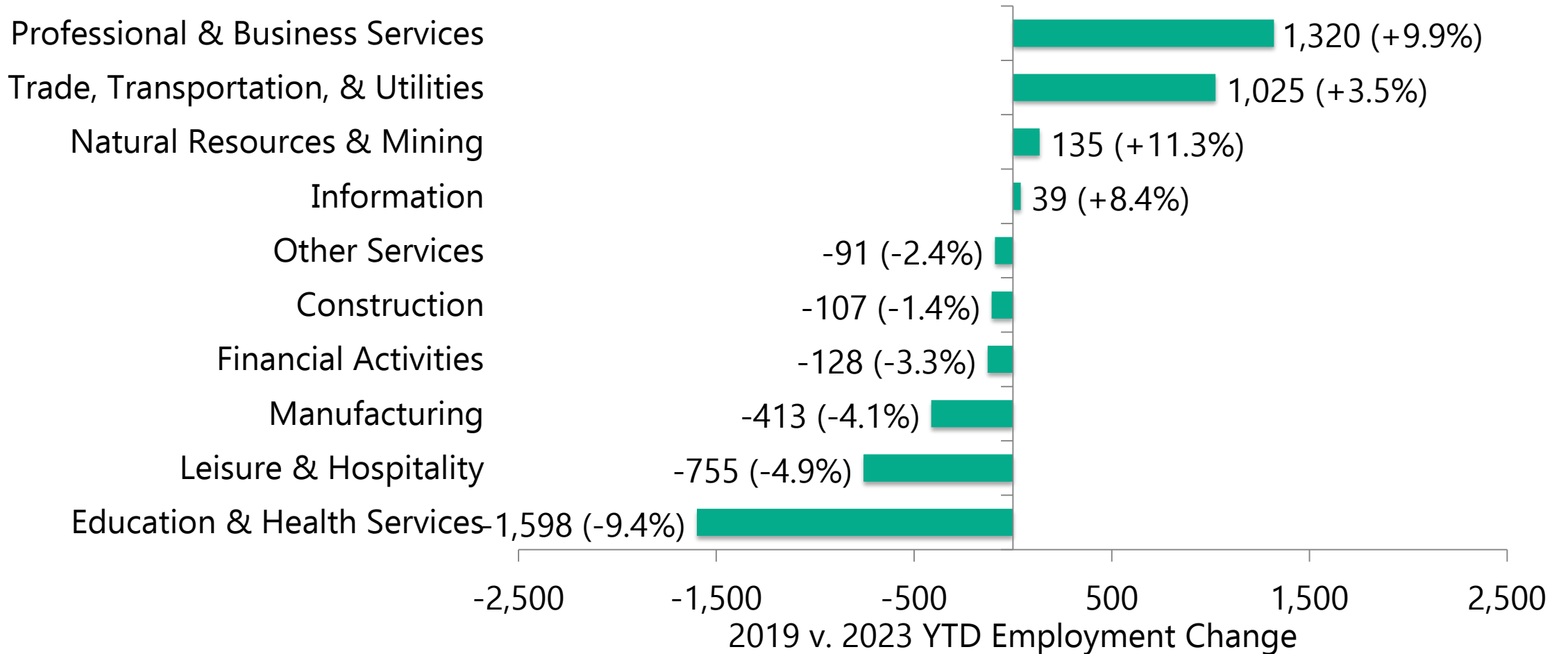
Susquehanna Region Industry Concentration (Location Quotients), 2023Q3



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) program; Sage. Notes: 1. Figures are for private employment except for Federal/State/Local government. 2. Location quotient is the percentage of employment in a given sector relative to the percentage of employment in this sector at the national level. Values above 1.0 reflect a concentration greater than the national average. Values below 1.0 reflect a lesser concentration. For example, Las Vegas will have a location quotient greater than 1 in the Leisure and Hospitality industry because this industry makes up a larger share of the Las Vegas employment total than it does for the country as a whole.

Some Industries Yet to Recover Pandemic Losses

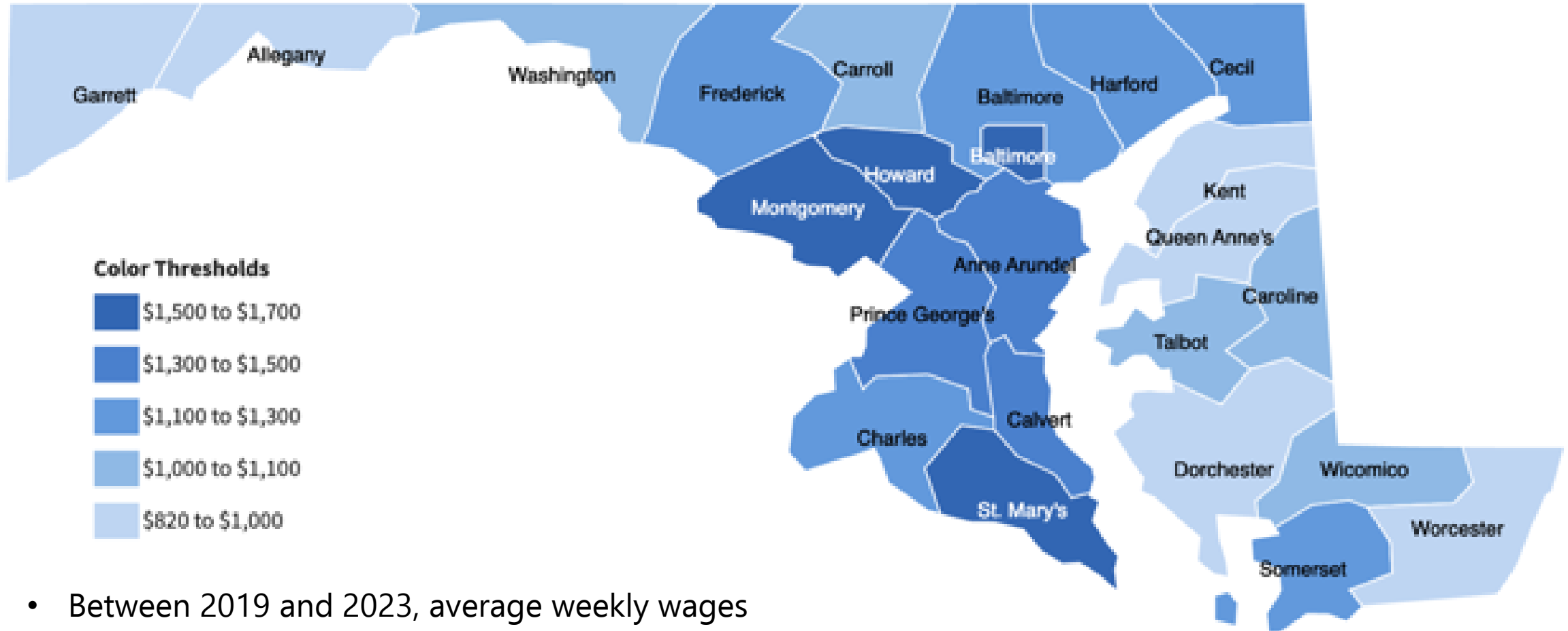
Growth in Susquehanna Region Private Sector Employment by Industry, 2019 v. 2023 YTD



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) program; Sage.

Note: 1. 2023 YTD average as of 2023Q3; 2023 figures are preliminary. 2. Data for Cecil County employment in natural resources & mining; construction are imputed.

Average Weekly Wages in Maryland, 2023Q3

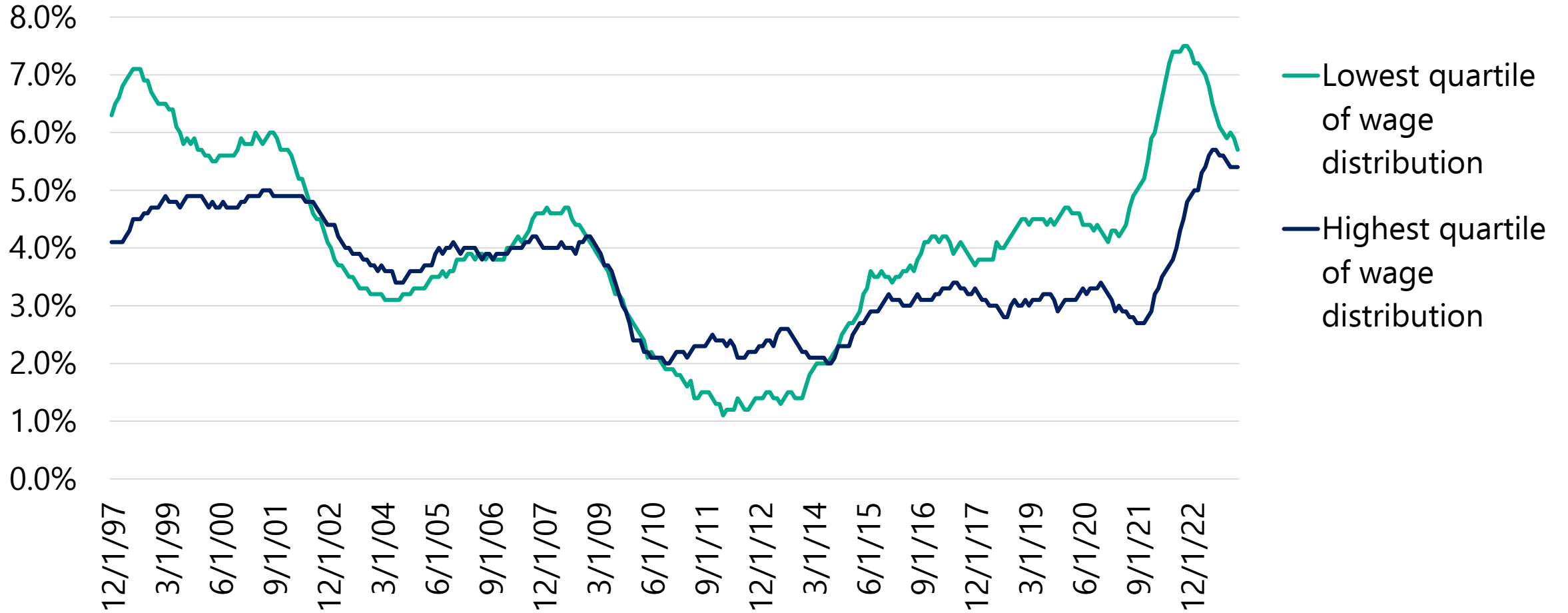


- Between 2019 and 2023, average weekly wages expanded by approximately 20 percent in the Susquehanna region.
- The average weekly wage in the Susquehanna region is lower than the statewide average.

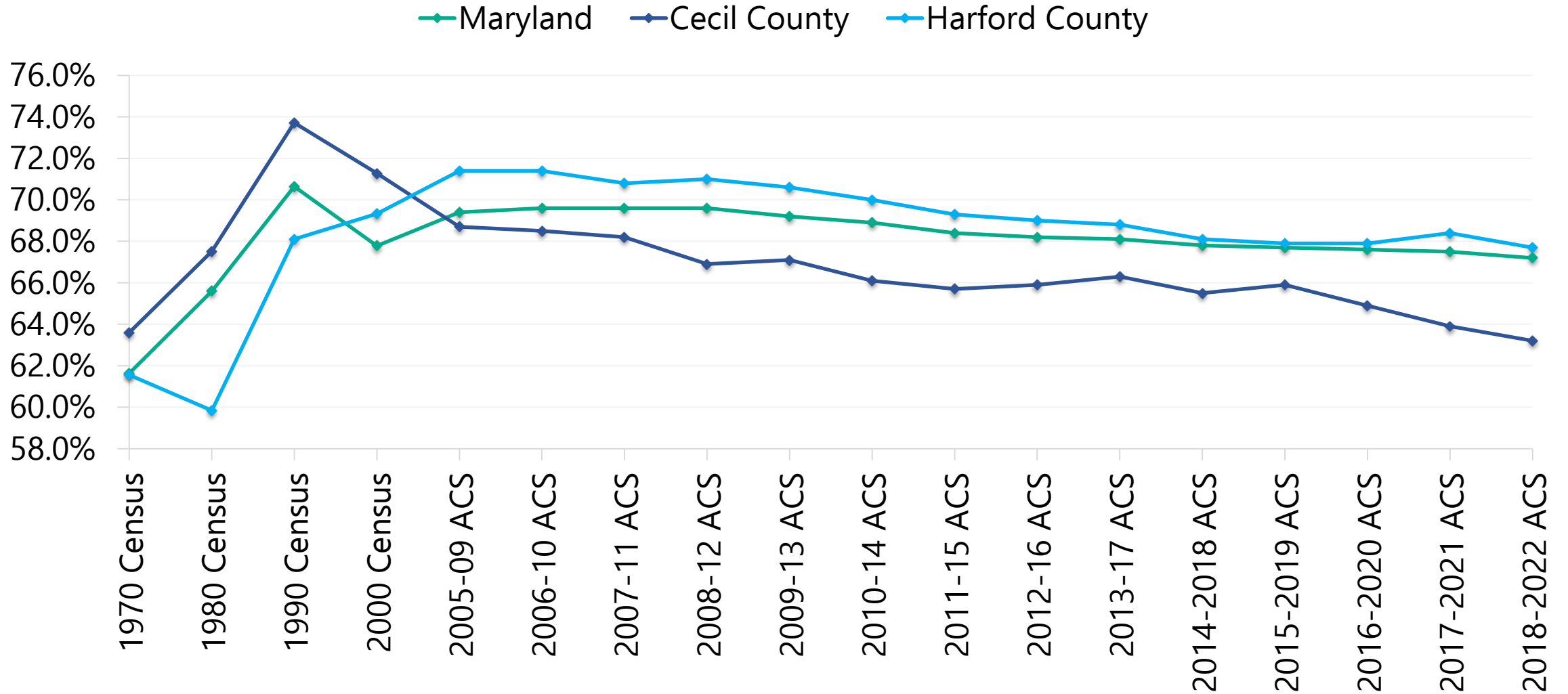
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) program, QCEW State and County Map Application; Sage.
Note: Average weekly wage among all industries, public and private.

U.S. Wage Growth by Wage Level, 1997-2024

12-Month Moving Average of Median Wage Growth, Hourly Data

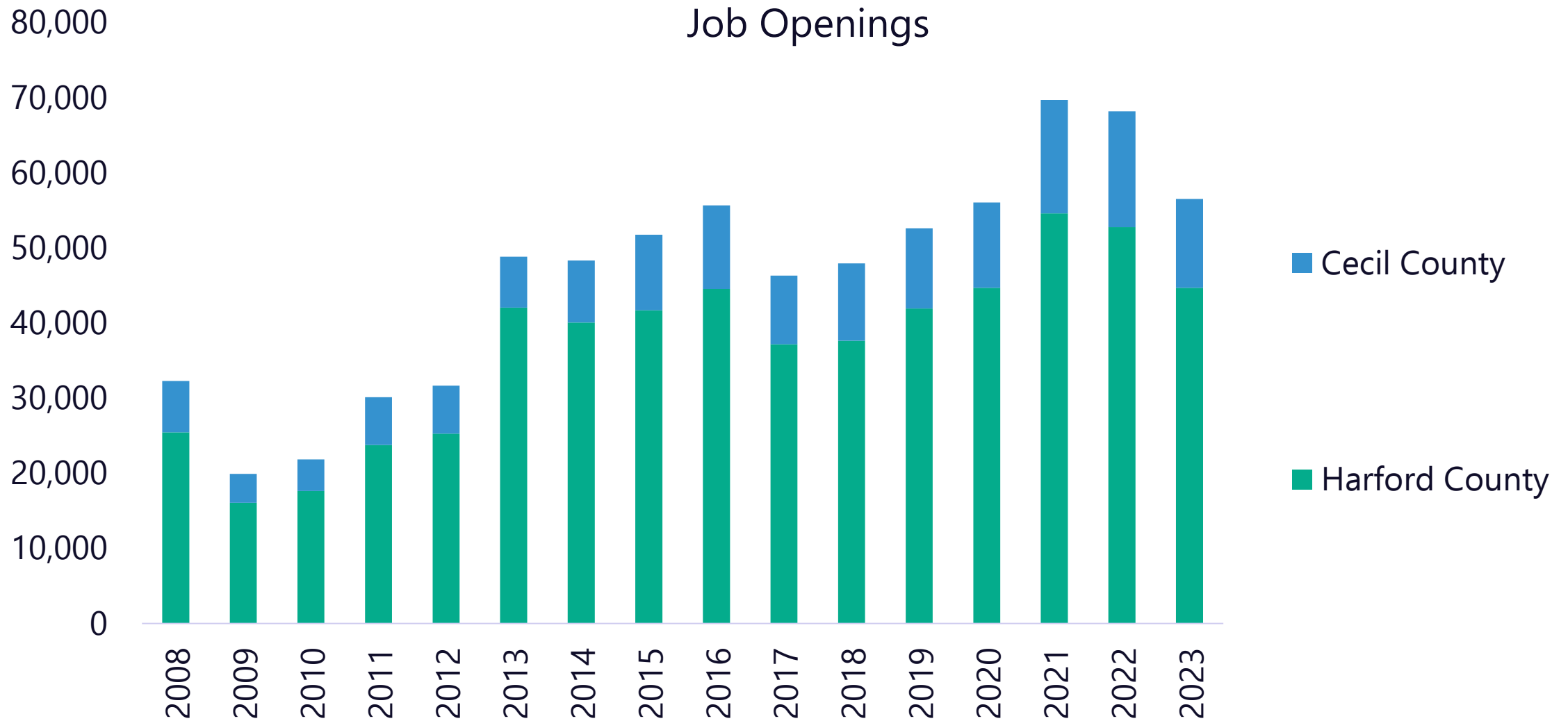


Maryland & Susquehanna Region: Labor Force Participation Rates



Source: 1. Maryland Department of Planning, 2. U.S. Census Bureau, American Community Survey 5-year estimates: S2301. 3. Sage.
Note: population ages 16 and over.

Job Openings in the Susquehanna Workforce Region, 2008-2023



Source: Maryland Department of Labor-Maryland Workforce Exchange: Labor Market Information (online advertised jobs data); Sage.
Notes: 1. Job openings figures are Jobs De-duplication Level 2: High level de-duplication of advertised job openings (for statistical analysis).

Jobs/Skills In-Demand

Susquehanna Region Job Openings by Industry, 2023

Industry	Job Openings
Prof., Scientific, & Technical Services	11,045
Health Care & Social Assistance	10,474
Retail Trade	4,355
Manufacturing	2,568
Educational Services	2,480
Administrative/Support & Waste Mngt./Remediation Services	2,255
Other Services (except Public Administration)	1,623
Wholesale Trade	1,604
Accommodation & Food Services	1,532
Public Administration/Government	1,144

Industry	Job Openings
Transportation & Warehousing	992
Construction	602
Finance & Insurance	578
Arts, Entertainment, & Recreation	432
Real Estate and Rental & Leasing	326
Information	318
Mining, Quarrying, & Oil /Gas Extraction	187
Utilities	105
Management of Companies & Enterprises	95
Agriculture, Forestry, Fishing & Hunting	39

Source: Maryland Department of Labor-Maryland Workforce Exchange, Labor Market Information (online advertised jobs data); Sage. Notes: 1. Job openings figures are Jobs De-duplication Level 2: High level de-duplication of advertised job openings (for statistical analysis).



SWN Region Job Openings, Top 10 Job Skill Requirements, in All Industries (as of Feb. 2024)

Some skills in demand can be cultivated without formal education or credentials. Customer service and basic skills like flexibility, problem solving, organization, and collaboration were some of the top skills found in job openings advertised online on the Maryland Workforce Exchange in the Susquehanna region.

Rank	Detailed Job Skill	Skill Group
1	Customer service	Customer Service Skills
2	Must be flexible	Basic Skills
3	Problem solving	Basic Skills
4	Interpersonal skills	Interpersonal Skills
5	Work independently	Basic Skills
6	Attention to detail	Basic Skills
7	Organizational skills	Basic Skills
8	Collaborative skills	Interpersonal Skills
8	Decision making	Basic Skills
10	Leadership development	Management Analyst Skills

Source: Maryland Department of Labor-Maryland Workforce Exchange, Labor Market Information (online advertised jobs data); Sage.
 Notes: 1. Job openings figures are Jobs De-duplication Level 1: Low level de-duplication of advertised job openings (more jobs).



SWN Region Job Openings, Top 10 Job Skill Requirements, in All Industries (as of Feb. 2024)

Filtering out “basic skills”, some of the skills in demand include risk management, inventory management, financial management, preventative maintenance, and engineering.

Top 10, Filtering out “Basic Skills”		
Rank	Detailed Job Skill	Skill Group
1	Customer service	Customer Service Skills
2	Leadership development	Management Analyst Skills
3	Risk management	Risk Analyst Skills
4	Provide technical support	Project Engineer Skills
5	Preventative maintenance	Maintenance Technician Skills
6	Mops floors	Housekeeper Skills
7	Inventory management	Bill and Account Collectors Skills
8	Financial management	Controller Skills
9	System integration	Systems Engineer Skills
10	Dusting	Housekeeper Skills

Source: Maryland Department of Labor-Maryland Workforce Exchange, Labor Market Information (online advertised jobs data); Sage.
 Notes: 1. Job openings figures are Jobs De-duplication Level 1: Low level de-duplication of advertised job openings (more jobs).



Susquehanna Region Job Openings, Top 10 Detailed Tools & Technology Requirements, in all Industries (as of January 2024)

Rank	Detailed Tool/Technology	Tool/Technology Group	Job Openings Match Count
1	Microsoft (MS) Office	Office Suite Software	1,204
2	Microsoft PowerPoint	Presentation Software	377
3	Python	Object or Component Oriented Devl. Software	255
4	Forklift	Forklifts	190
5	C++	Object or Component Oriented Devl. Software	181
6	Cash Register	Cash Registers	180
7	VMWare	Configuration Management Software	176
8	Personal protective equipment	Hazardous Material Protective Apparel	162
9	Microsoft Word	Word Processing Software	146
10	Structured query language (SQL)	Database User Interface and Query Software	145

Source: Maryland Department of Labor-Maryland Workforce Exchange, Labor Market Information (online advertised jobs data); Sage.
 Notes: 1. Job openings figures are Jobs De-duplication Level 1: Low level de-duplication of advertised job openings (more jobs).



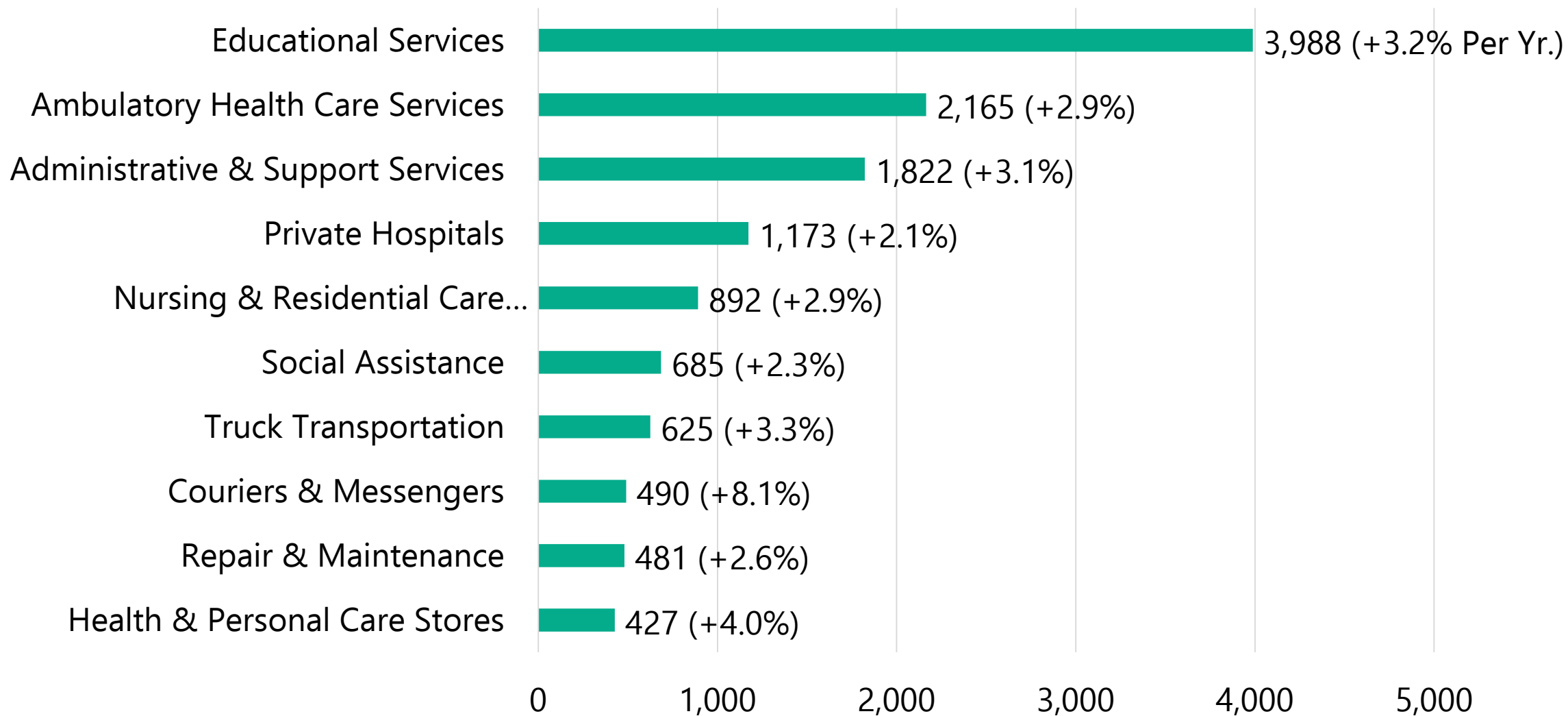
SWN Region: Top 10 Occupations by Projected Employment Growth, 2020-2030

Occupation	Education Level	2020-2030	
		Total Growth	Annual % Growth
Heavy & Tractor-Trailer Truck Drivers	Postsecondary non-degree award	877	2.7%
Elementary School Teachers (1)	Bachelor's degree	612	3.0%
Teaching Assistants (2)	Some college, no degree	507	3.0%
Registered Nurses	Bachelor's degree	488	2.0%
Stockers & Order Fillers	HS diploma or equivalent	487	1.0%
Light Truck or Delivery Services Drivers	HS diploma or equivalent	484	3.5%
Passenger Vehicle Drivers (3)	No formal educational credential	461	3.0%
Secondary School Teachers (4)	Bachelor's degree	438	3.0%
Nursing Assistants	Postsecondary non-degree award	356	2.4%
General and Operations Managers	Bachelor's degree	352	1.7%

Source: Maryland Department of Labor (DOL); Sage. Notes: 1. Except special education. 2. Except postsecondary. 3. Except bus drivers, transit and intercity. 4. Except special & career/technical education.



SWN Region: Top 10 Detailed Industries by Projected Employment Growth, 2020-2030



Source: Maryland Department of Labor (DOL); Sage.

Recommendations

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- Recommendation 1: Target Industry Clusters & Promote Sectoral Training with Regional Industry Input
- Recommendation 2: In an Environment Characterized by Scarce Resources, Focus on High-Value, High-Impact Activities
- Recommendation 3: Promote Work-Based Learning Experiences for High-Schoolers
- Recommendation 4: Engage Students Earlier and with Greater Frequency

Recommendation 1: Target Industry Clusters & Promote Sectoral Training with Regional Industry Input

- Sage recommends that these industries be prioritized as focus areas, largely because of the region's location, available infrastructure, and institutional base:
 - Logistics, Healthcare & Retirement Services, Construction, Manufacturing (including 3D Printing), Information Technology/Cyber (including AI), and Hospitality.
- When targeting these industries for growth, a sector-based training model, in which an intermediary like SWN connects regional industry with educators (e.g., high schools, community colleges) to train workers for available and emerging jobs in those industries and related occupations can be remarkably effective.
- Research shows that these types of training programs result in sustained gains in earning for participants.

Recommendation 2: In an Environment Characterized by Scarce Resources, Focus on High-Value, High-Impact Activities

- Barriers related to transportation, childcare, and mental health often cause training program participants to exit programs early.
- Evidence indicates that **counseling and support services** substantially increase program completion and labor market success.
- *In an environment characterized by increasingly scarce resources, SWN should focus efforts on support services, which can be high-value, high-impact activities that improve worker outcomes.*
- Strengthening the **connective tissue** of support services is also important. Education, training, and employment systems are decentralized. The array of options can overwhelm workers who are navigating busy lives on top of training needs. When program participants exit workforce training programs early due to fragmentation of existing services and resources, there is lost opportunity.

Recommendation 3: Promote Work-Based Learning Experiences for High-Schoolers

- While **work-based learning** (internships, apprenticeships, etc.) in the U.S. has historically been closely associated with the career and technical education track rather than the four-year college track, educators and policymakers have recently become more open to the notion that college preparedness and career readiness require similar forms of preparation.
- Bailey and Belfield of Teachers College, Columbia University, describe the traditional distinction between vocational education and academic learning as a “false dichotomy”, indicating that “**educational paths are best understood as accumulations of general education, followed by terminal work-related education.**”
- Work-based learning experiences can benefit students, local businesses, and the regional economy as a whole. This form of learning should be made as broadly accessible as possible to those attending regional high schools.

Recommendation 4: Engage Students Earlier and with Greater Frequency

- Work-based learning is often conceived as a continuum that includes **four stages**: **1.** career awareness, **2.** career exploration, **3.** career preparation, and **4.** career training/career seeking and advancement.
- Experts generally agree that related activities would commence as early as elementary school.
- SWN should work with regional elementary and middle schools to engage students in work-based learning, including by introducing them to local industries and associated career paths.
- Activities in the **career awareness** and **exploration** phases of the work-based learning continuum such as interest surveys and classroom guest speakers from local industries can be relatively low-cost and thus present a high-value use of resources.

Q&A

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