

Workforce UPDATE

MARCH 2017



Unemployment in Northwest Ohio averaged 4.5% for the last three months of 2016. It was 4.8% for 2016. This is the lowest average, yearly unemployment number in 10 years. The fourth quarter average unemployment was 4.7% for the nation and 4.9% for Ohio in 2016.

The average total available workforce for Northwest Ohio, which includes all employed and unemployed people, was 617,800 for 2016. This is the first increase in 10 years. There were 588,300 people working and 29,500 people unemployed in our region. This is the lowest number of people unemployed in 10 years. The average for the fourth quarter people in the civilian labor force was 609,800. This is down about 1% from the yearly average.

There were 12,715 job openings advertised in Northwest Ohio as of December 2016 according to Wanted Analytics. The top three occupations in demand continue to be Heavy/Tractor-Trailer Truck Drivers, Retail Sales, and Registered Nurses. These three categories represented 38% of all jobs posted in Northwest Ohio. The fourth and fifth leading jobs were for supervisors in retail sales or food service respectively.

Of all jobs posted in December of 2016, 43% required a high school education and 57% required a two-year degree or more. The number one certification sought was a CDL license. The second was a driver's license. Five of the top 10 non-manufacturing corporations hiring were in the transportation

fields while three were healthcare. The top five occupations in the manufacturing area were Industrial engineer, first line supervisors, maintenance/repair, mechanical engineers, and labor/freight stock movers.

The Regional Growth Partnership and JobsOhio, Owens Community College, Toledo-Lucas County Port Authority, NORED, and OhioMeansJobs Lucas County offer this quarterly snapshot of the economic status in Northwest Ohio. This data tracks the vitality of our regional economies as well as offers insights into workforce development trends and issues.

Top 10 Corporations Hiring

1. ProMedica
2. Bob Evans Farms
3. Mercy Health
4. WEL Companies
5. Blanchard Valley Health
6. Fraley & Schilling
7. Western Express
8. Veriha Trucking
9. Heartland Express
10. The Andersons

Top 5 Corporate Occupations

1. Heavy and Tractor Trailer Truck Drivers
2. Registered Nurses
3. Retail Salespersons
4. First Line Supervisors of Retail Salespersons
5. First Line Supervisors of Food Preparation Workers

Top 10 Manufacturers Hiring

1. Dana
2. NSP Inc.
3. Materion
4. Principle Business Enterprises, Inc.
5. OI Corporation
6. General Dynamics
7. Eaton Industries
8. FedEx
9. Continental Structural Plastics
10. FCA US / Chrysler

Top 5 Open Manufacturing Occupations

1. Industrial Engineers
2. First Line Supervisors of Production Workers
3. Maintenance and Repair Workers
4. Mechanical Engineers
5. Laborers and Freight Stock Movers

Source: Wanted Analytics

Lucas County is Work Ready!

by Joseph Luzar, Vice President, Business Development with Mosser Construction, Chairman of the Lucas County Workforce Development Board

WorkReady Manufacturing is a new program that is part of Lucas County's comprehensive approach to making sure that our local workforce is work-ready on day one. *WorkReady Manufacturing* expands the support offered to individuals in order make sure they are prepared for new employment opportunities and to attract investment in manufacturing.

Recently, Dana Holding Corporation and Detroit Manufacturing Systems announced that they will build manufacturing facilities at Overland Industrial Park in Toledo, Ohio that will bring hundreds of additional jobs to our community. These two automotive suppliers are making considerable investments in building two new operations to supply their customers with quality and competitive products manufactured in this country.

We spoke directly with our private sector partners and asked—what do you need? What are you looking for in an employee? *WorkReady Manufacturing* is a direct result of those conversations. *WorkReady*



Manufacturing is a strategic effort—done in concert with the private sector and our community partners to have *enough* skilled workers to fill these jobs. That's why this program is so important.

The goal of *WorkReady Manufacturing* is to provide these companies with a pool of highly-skilled workers and to reach into our communities to make sure that everyone has a chance for such life-changing employment. As the labor market becomes more challenging in its efforts to find qualified people, the *WorkReady* program is reaching out to those in the area to explain the opportunities available and the requirements necessary to gain quality manufacturing positions in automotive manufacturing.

This free program is available to anyone in Lucas County who has an interest in manufacturing—regardless of experience. Numerous outreach efforts were held at OhioMeansJobs Lucas County and at Toledo Lucas County Public Library branches located in neighborhoods. Larger community

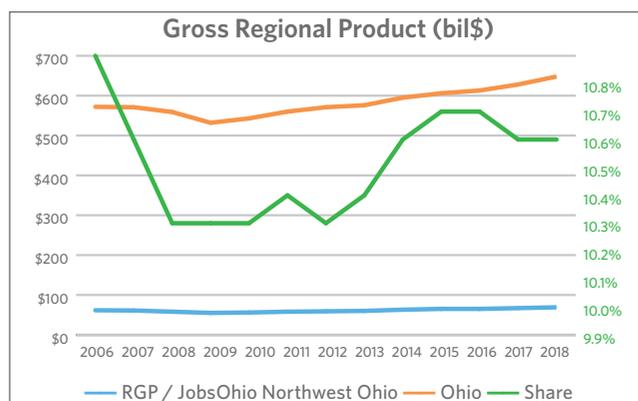
outreach strategies were also put into place through a partnership with Toledo Public Schools (TPS). These efforts brought out over 1,000 community residents, with nearly 700 signing up to participate in *WorkReady Manufacturing*.

The sessions informed people what the manufacturing employers are looking for in the jobs that will be available soon. If any people have barriers to employment—such as reliable transportation or access to child care—the program will work with them to find solutions.

Completing the *WorkReady Manufacturing* program is not a guarantee of a job. It is about getting ready for a career in manufacturing. It advances one's chances for employment and gives the job seeker the knowledge they need to compete in the 21st century workplace. The Toledo area community has a long and successful history in automotive manufacturing. It will continue to have one through the growth of good jobs and skilled people who are Work Ready.

This program will demonstrate that our community has the people and the skills that employers need to do the job on day one.

Call us at 419-213-JOBS or visit workreadylucascounty.com for more information.



Gross Regional Product

- All dollars are in 2016 real/constant dollars
- Dollars are reported in billions
- Data were pulled February 2017

When is Good News Bad?

by Gary J. Corrigan, PhD, Corrigan and Associates

In 2009, the unemployment rate in Northwest Ohio peaked at 12.6%. At this time there were 79,600 Northwest Ohioans unemployed. In 2016, 29,500 were unemployed and Northwest Ohio had its first increase in 10 years of the total number of people in the workforce and the fewest unemployed. It also had the lowest unemployment rate in 10 years of 4.8%.

The economic downturn in 2008/2009 put pressure on companies to reduce their training and employee expenses as survival tactics. Now, in Northwest Ohio—like the rest of the country—more people are entering a workforce that is less prepared for them. For those businesses that are not prepared or delay workforce development investment there will be consequences that could impact their viability. What does this trend mean for area employers? Could good news be a bad thing?

In Northwest Ohio it could mean that businesses may face a combination of the following:

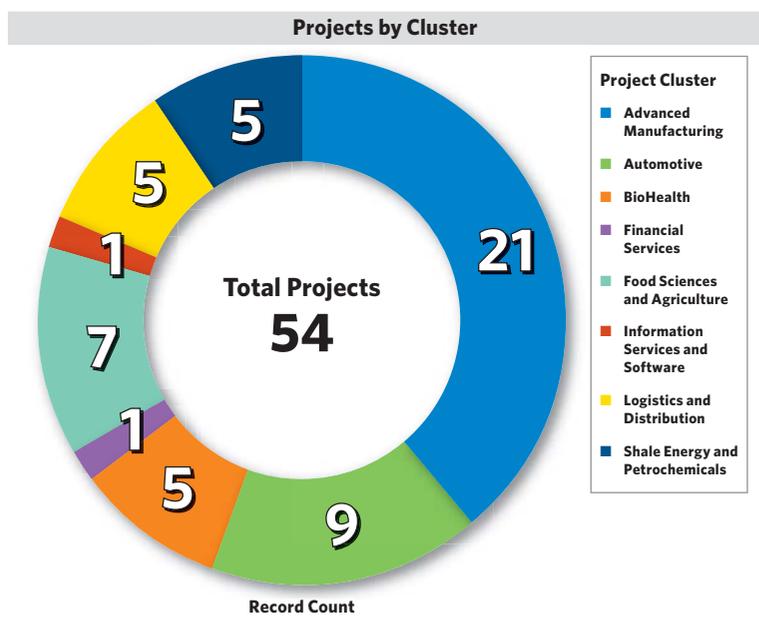
- Locate to more labor resource rich area
- Increased hiring levels of less experienced workers
- Increased labor expenses—wages, benefits, recruitment
- Increased automated labor productivity investment
- Increased competition for skilled labor

The trends in workforce employment are a sign that good economic news can have a downside. Finding the right talent for your company is more than a skills gap in which the needs of a company are not matched by the skills of those seeking employment. It is a lack of qualified applicants to fill positions vacated by retirement, promotion, or growth.

According to a recent article by Jeffrey Sparshott in *The Wall Street Journal* on February 3, 2017, job training by small firms is increasing. A collaborative survey by *The Wall Street Journal* and Vistage International indicates that firms are investing in training for their employees. In their January 2017 monthly survey, over 60% of the companies interviewed are spending more on training their people. These companies also noted that over 54% are finding it difficult to obtain skilled labor. The survey stated that almost 60% of the companies have plans for increases in future employment. They also said that about 74% of those hired have the same or a little less experience than those hired a year ago.

According to a recently released National Federation of Independent Business (NFIB) Index, finding qualified workers remains a persistent problem for small business owners. High levels of job openings suggest that job growth might be affected by hiring difficulties. This is consistent with the findings in the *WSJ/Vistage International Survey*. The growth in the available workforce and the decline in unemployment is an opportunity for companies to answer questions about their hiring strategies regarding anticipated retirements or turnover.

Now is the time to develop training plans for keeping knowledge and skills updated. It is time to consider developing internal candidate pools and recruiting programs. The good news of more people in the workforce and lower unemployment will depend on how companies plan a hiring strategy for their future.



JOBSONIO & INVESTMENT 4TH QUARTER 2016 **1,360** Jobs Created

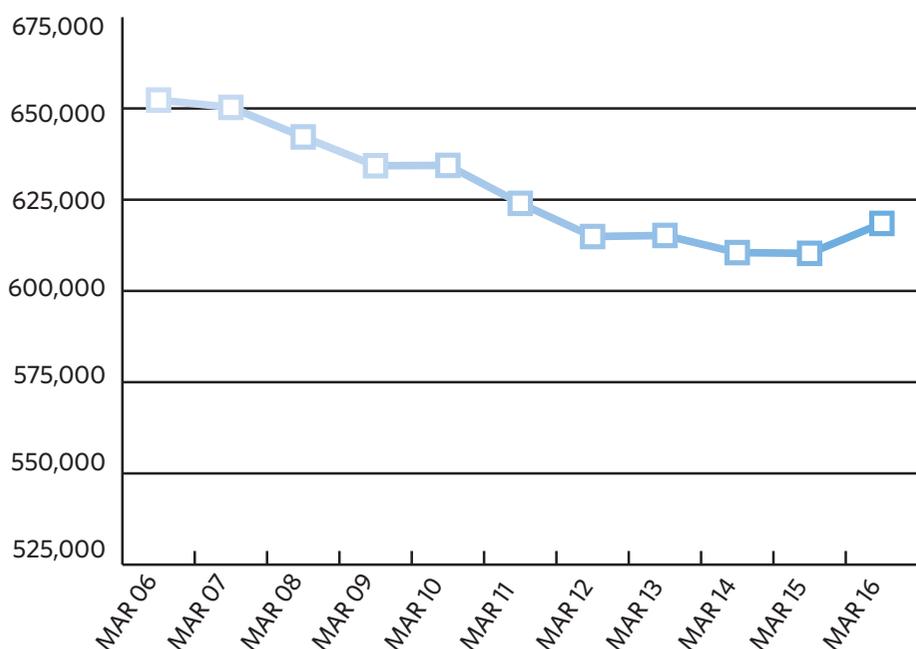
5,056 Jobs Retained

\$1,257,679,093 Capital Investment

JOBSONIO & INVESTMENT YEAR END 2016 **3,960** Jobs Created

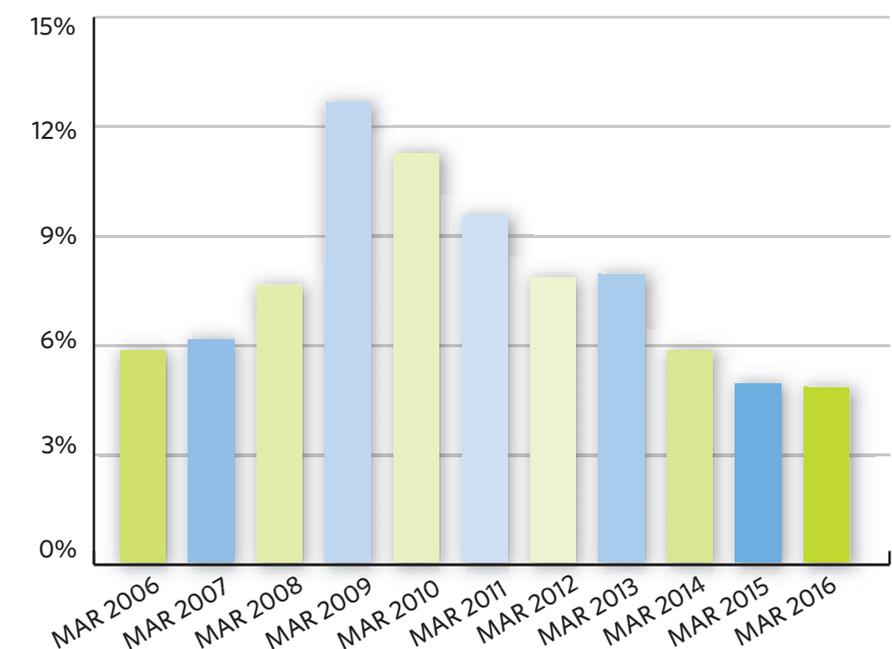
\$3,260,770,382 Capital Investment

TOTAL AVAILABLE WORKFORCE NORTHWEST OHIO



Source: OhioLMI

UNEMPLOYMENT RATE NORTHWEST OHIO



Source: OhioLMI

For more information about Workforce Update, contact garyjcorrigan@aol.com.