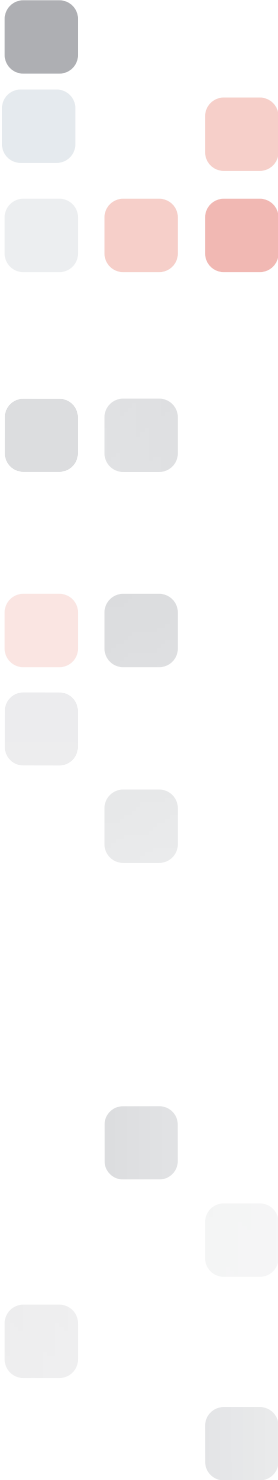


4th Quarter 2020

CEO REPORT

REGIONAL PERSPECTIVE CURRENT PROJECTS REGIONAL SPOTLIGHT

Letter from the CEO

A decorative graphic on the left side of the page consists of a grid of colored squares. The squares are arranged in a roughly rectangular shape, with colors ranging from light gray to dark gray, and some in shades of red and orange. The squares are of varying sizes and are scattered across the left margin, creating a modern, abstract design.

The fourth quarter of 2020 has been interesting to say the least. COVID numbers around the Country have been spiking at levels not seen since the Pandemic began. The Great Lakes Bay Region has been reporting numbers higher than State and National averages since October. The decision was made in late October to move all of the Great Lakes Bay Michigan Works staff to a remote work status, minimizing the opportunity for the virus to spread across staff members while making every effort to continue providing the same level of great service our region has become known for. This move has also provided an opportunity to develop innovative strategies for improving our service delivery models in ways to make our operations more efficient now and beyond COVID.

Throughout the pandemic, the employment trends focused on a clear correlation between unemployment benefits and lack of available talent. But things have changed this quarter. Across the region, unemployment rates have been steadily decreasing since the historical highs in April and May, but are still twice what was reported this time last year. Typically, unemployment numbers at these levels would indicate an abundance of talent with employers having little to no problems finding the labor required to match their operational needs. Unfortunately, it is no longer the case. This change from historical trends can be traced to a combination of uncertainty with safety, the need to provide supervision to students in virtual learning and increased unemployment benefits which has resulted in a perfect storm in low talent availability. Employers have starting increasing wages to attract the workforce needed, but it has been difficult. To counter act this, the GLBMW! team has been working with employers to not only assist in attracting talent, but also to apply our WIOA programming to assist in up skilling their current talent pool. New FAST START programs are being finalized along with Going Pro Programs (application period closes Nov 30th) and the Business Resource Network. Additionally, our staff has been undergoing a philosophical shift in the way in which case management is administered. No longer will Michigan Works staff be focusing just on the programmatic needs of our participants, but instead focusing on the whole person concept. The whole-person case management model has been piloted in several regions statewide in PATH, but GLBMW! is the first to implement this philosophy across WIOA programs. This shift, which was identified by our front line team members, will revolutionize how program participants are developed and will be a part of a permanent solution to help participants grow into valuable members of the workforce.

These are challenging times, but together, we are making a difference! Thank you for being a part of the Great Lakes Bay Michigan Works Joint Board of Directors!

Respectfully,

Chris Rishko

regional PERSPECTIVE

LABOR FORCE SNAPSHOT, INDUSTRY SNAPSHOT,
OCCUPATION SNAPSHOT



Labor Force Snap Shot

Total Employment

The Employment metric is the number employees that are actively employed. The number Employed + the number Unemployed (those actively seeking employment) = Labor Force.

Total **Employment** for the Great Lakes Bay Region has improved significantly since the onset of the COVID-19 pandemic in Spring of 2020. Since April of 2020, Total **Employment** for the GLBMW! Region have increased by 24%, but are still 4% lower than September of 2019 (See Figure 1). Gratiot and Isabella Counties have shown a 1% increase in total **Employment** and **Labor Force** since September 2019.

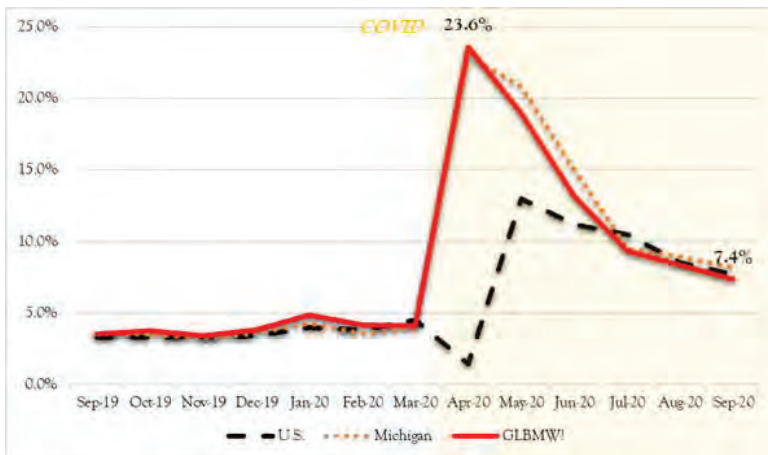


Figure 2: Historical Comparison of the Unemployment rate for GLBMW!, Michigan and the U.S.

Discussion

September's unemployment data shows current unemployment rates are twice the levels experienced in Sept of 2019. Rates at that level would normally translate to a surplus of talent and steady to falling wages. Across our region, employers continue to report difficulty in finding and retaining the talent needed to meet operational demands and are raising wages accordingly (\$2-\$3/hr). This evidence points to the reality that current unemployment levels do not accurately reflect the situation impacting our region's workforce. These trends highlight that our region is actually beyond full employment (unemployment <5%) and the current levels are artificially elevated. The most likely factors contributing to these inflated levels are virtual education (parents unable to secure care for at-home learning), COVID fears surrounding the workplace and extended unemployment benefits delaying the need to re-enter the work place.

If another shutdown were to occur due to rising COVID infections in our region, we should experience spikes similar to April and May of 2020 with a drastic return after numbers decrease ("V" curve). In the absence of another shutdown, future labor force trends will be directly correlated to additional governmental stimulus activities (further extension of unemployment, additional unemployment payments, etc), uncertainty regarding workplace safety, and virtual education requirements. Stimulus packages that promote the need to reenter the labor force (benefit levels less than what would be earned on the job) is still the best solution to encourage employees to return to work. Regardless, many industries (Arts, Entertainment, Recreation, Accommodation, Food Service) will continue to suffer until an effective vaccine protocol can be developed and distributed.

Area	Current Employment (Sept 2020)	Previous Month (August 2020)	% Change Month	Previous Year (Sept 2019)	% Change Year
Michigan	4,479,000	4,505,000	-1%	4,758,000	-6%
Bay County	44,823	45,189	-1%	47,725	-6%
Gratiot County	17,375	17,662	-2%	17,155	1%
Isabella County	33,838	34,235	-1%	33,540	1%
Midland County	37,247	37,655	-1%	38,558	-4%
Saginaw County	77,737	78,694	-1%	82,415	-6%

Figure 1: Current rates of Employment changes month/month and year/year as compared to Michigan for all 5 GLBMW counties. (source: www.milmi.org)

Unemployment and Wages

COVID-19 continues to be the biggest factor driving our region's **Unemployment**. During summer 2020, the effects of Michigan's COVID response began to normalize and **Unemployment** numbers caught up to the national average. By September of 2020, the **Unemployment** for the region is below both the national and state averages (See Figure 2).

Internal to our region, **Unemployment** numbers continue to fall with **Unemployment** rates near 6% for three of our 5 counties.

Industry Snapshot

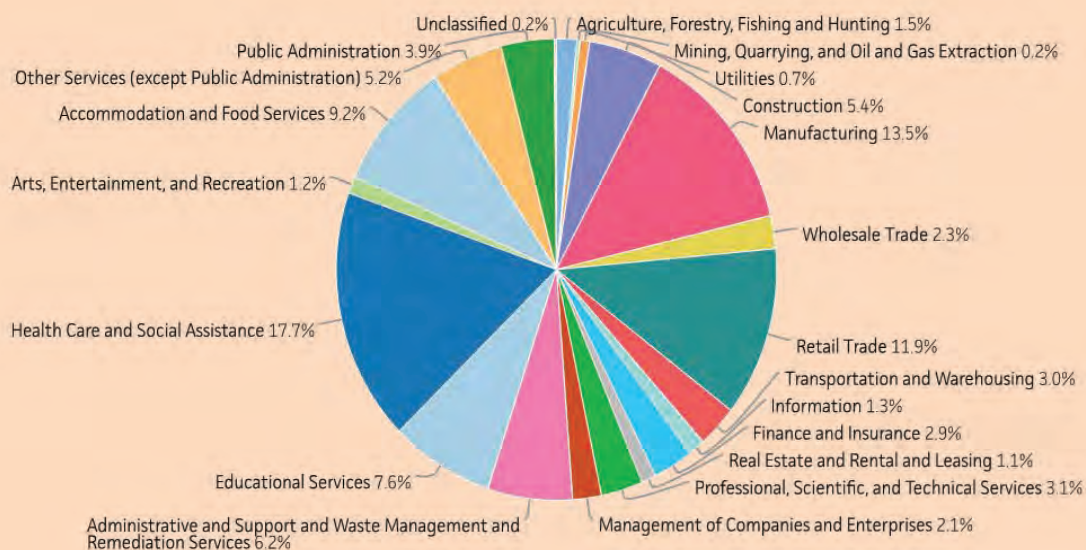
The largest Industry sector in the Great Lakes Bay Region is Health Care and Social Assistance, employing 35,308 workers. The next-largest sectors in the region are Manufacturing (26,757 workers) and Retail Trade (23,658).

Industry sectors in the Great Lakes Bay Region with the highest average wages per worker are Management of Companies and Enterprises (\$132,074), Utilities (\$89,089), and Manufacturing (\$70,474). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Transportation and Warehousing (+639 jobs), Construction (+492), and Utilities (+469).

Over the next 5 years, employment in the Great Lakes Bay Region is projected to contract by 6,581 jobs. The fastest growing sector in the region is expected to be Health Care and Social Assistance with a +0.3% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Health Care and Social Assistance (+614 jobs), Construction (+9), and Mining, Quarrying, and Oil and Gas Extraction (-9).

Industry	Current		5-Year History		5-Year Forecast				
	Empl	Avg Ann Wages	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
Health Care and Social Assistance	35,308	\$48,837	-386	-0.20%	17,350	8,229	8,507	614	0.30%
Manufacturing	26,757	\$70,474	-672	-0.50%	11,429	4,949	8,475	-1,995	-1.50%
Retail Trade	23,658	\$29,164	-2,359	-1.90%	13,836	6,764	8,546	-1,474	-1.30%
Accommodation and Food Services	18,212	\$19,706	-2,835	-2.90%	14,608	6,497	8,182	-72	-0.10%
Educational Services	15,152	\$46,229	-1,364	-1.70%	6,101	3,287	3,547	-733	-1.00%
Administrative and Support and Waste Management and Remediation Services	12,349	\$43,886	-2,078	-3.10%	6,546	2,956	4,032	-443	-0.70%
Construction	10,659	\$54,388	492	0.90%	5,231	1,872	3,350	9	0.00%
Other Services (except Public Administration)	10,382	\$22,410	160	0.30%	5,212	2,625	3,134	-548	-1.10%
Public Administration	7,730	\$50,166	-182	-0.50%	3,104	1,466	1,995	-356	-0.90%
Professional, Scientific, and Technical Services	6,087	\$63,778	-1,122	-3.30%	2,530	960	1,625	-55	-0.20%
Total - All Industries	198,925	\$47,231	-11,069	-1.10%	99,958	45,536	61,004	-6,581	-0.70%

Total Workers for Great Lakes Bay Michigan Works by Industry



Occupation Snapshot

The largest major occupation group in the Great Lakes Bay Region is Office and Administrative Support, employing 23,010 workers. The next-largest occupation group in the region are Sales and Related Occupations (20,368 workers) and Production Occupations (18,026).

Occupation groups in the Great Lakes Bay Region with the highest average wages per worker are Management Occupations (\$96,800), Legal Occupations (\$83,900), and Architecture and Engineering Occupations (\$80,500). The unemployment rate in the region varied among the major groups from 2.4% among Legal Occupations to 14.0% among Food Preparation and Serving Related Occupations.

Over the next 5 years, the fastest growing occupation group in the Great Lakes Bay Region is expected to be Healthcare Support Occupations with a +0.9% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Healthcare Support Occupations (+468 jobs) and Community and Social Service Occupations (+36). Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Food Preparation and Serving Related Occupations (15,131 jobs) and Sales and Related Occupations (13,618).

Occupation	Current					5-Year History		5-Year Forecast		
	Empl	Avg Ann Wages	Unempl	Unempl Rate	Online Job Ads	Empl Change	Ann %	Total Demand	Empl Growth	Ann % Growth
Office and Administrative Support	23,010	\$38,000	1,505	6.30%	727	-1,941	-1.60%	10,841	-1,651	-1.50%
Sales and Related	20,368	\$37,200	1,773	8.30%	1,491	-2,062	-1.90%	12,389	-1,229	-1.20%
Production	18,026	\$41,500	1,807	9.50%	334	-1,197	-1.30%	8,058	-1,455	-1.70%
Food Preparation and Serving Related	17,610	\$24,900	2,715	14.00%	1,182	-2,832	-2.90%	15,104	-27	0.00%
Healthcare Practitioners and Technical	14,302	\$78,800	372	2.60%	1,365	10	0.00%	3,962	-7	0.00%
Transportation and Material Moving	14,118	\$34,000	1,589	10.40%	859	-707	-1.00%	7,879	-648	-0.90%
Management	11,665	\$96,800	356	3.00%	416	-56	-0.10%	4,476	-308	-0.50%
Educational Instruction and Library	10,267	\$52,100	748	6.80%	217	-813	-1.50%	3,993	-424	-0.80%
Healthcare Support	10,085	\$28,900	622	6.10%	644	-130	-0.30%	6,837	468	0.90%
Business and Financial Operations	8,867	\$69,000	314	3.50%	309	318	0.70%	3,837	-259	-0.60%
Construction and Extraction	8,503	\$46,900	1,133	12.10%	159	159	0.40%	4,623	-28	-0.10%
Building and Grounds Cleaning and Maintenance	8,277	\$29,100	847	9.90%	321	-405	-1.00%	5,045	-222	-0.50%
Installation, Maintenance, and Repair	7,883	\$45,400	495	6.10%	366	-209	-0.50%	3,370	-302	-0.80%
Personal Care and Service	5,892	\$28,700	922	13.60%	124	-269	-0.90%	4,303	-117	-0.40%
Architecture and Engineering	4,031	\$80,500	133	3.20%	146	209	1.10%	1,332	-112	-0.60%
Community and Social Service	3,465	\$44,800	101	2.80%	319	-89	-0.50%	1,889	36	0.20%
Computer and Mathematical	3,438	\$73,800	114	3.20%	322	-532	-2.80%	1,190	-54	-0.30%
Protective Service	3,281	\$45,200	133	3.90%	60	-223	-1.30%	1,458	-148	-0.90%
Arts, Design, Entertainment, Sports, and Media	2,589	\$45,000	241	8.40%	109	-223	-1.60%	1,273	-105	-0.80%
Life, Physical, and Social Science	1,232	\$67,000	47	3.70%	78	-30	-0.50%	517	-29	-0.50%
Farming, Fishing, and Forestry	1,073	\$31,200	165	13.80%	8	7	0.10%	763	-60	-1.10%
Legal	941	\$83,900	23	2.40%	10	-56	-1.10%	277	-20	-0.40%
Total - All Occupations	198,925	\$47,000	16,155	7.70%	9,566	-11,069	-1.10%	103,529	-6,588	-0.70%

current PROJECTS



Summer Young Professionals Program, Business
Resource Network, Outdoor Job Fair, Virtual Talent
Tours, Jobs for Michigan Graduates



Summer Young Professionals

The Summer Young Professionals program is off and running in our region. The inaugural cohort of the program saw 14 students from Saginaw, Midland and Bay Counties successfully complete their 8 week program. Cohort 2 is underway and has 50 students enrolled. Due to the COVID pandemic, the program was re-imagined delivering the curriculum Virtually.

The Summer Young Professionals program is designed to reduce youth unemployment and place young adults, ages 14-24, on the right path to gain the skills necessary to achieve lifelong economic self-sufficiency.

Young adults will be supported with stipends for career exploration and preparation or wages earned for participation in work experiences.

Business Resource Network

The Business Resource Network is back on track after a slight pause in operations due to the COVID shutdown. **Mr. Bret Hyble**, the BRN program director, is actively re-engaging organizations from across the region to establish service agreements.

The funding structure was deliberately changed due to the pause in services allowing GLBW! to provide a greater offset of the costs to employers as part of the BRN membership. **Stormie Jacobs-Wakemup**, the BRN Success coach is fully trained and currently assisting employees.

Going Pro Talent Fund

The Going Pro Talent Fund was application window opened on 1 Nov 2020. The GLBMW! team hit the ground running, holding virtual information sessions and providing support to interested applicants. This year's program was allocated \$27.9M statewide.

To date applications have been down approximately 20% due to uncertainties facing employers caused by the COVID pandemic.

Youth Build

After our August JBD meeting, I reported that GLBMW! and YDC had been working together on the Youth Build Initiative. Since that time, GLBMW! was able to register an additional 15 (17 total) Youth Build participants into WIOA programming.

Our team reports the program continues to move forward and the relationship between both organizations is strong.

Jobs for Michigan Graduates (JMG)

The JMG program hit a significant hurdle when schools were shutdown due to COVID concerns. The Team at IEE kept the momentum rolling and was able to further expand the program into Midland (Bullock Creek H.S.) and Saginaw (Mackinac Academy) Counties.

Currently, there are 14 students enrolled in JMG programming with another 16 in process. GLBMW! and Youth Solutions are currently discussing the assumption of the Windover H.S. (Midland Co.) JMG program in Spring 2021. This is in addition to an expansion in cooperation with Saginaw Public Schools in fall 2021.

Virtual Talent Tours

On Oct 30th, the MiCQMM team presented the first round of Virtual Talent Tours featuring *Star of the West*. These videos are being developed with area employers in all five industry sectors: advanced manufacturing, agribusiness, construction, health care, and information technology.

Each employer is identifying 2-3 high demand jobs in their industry, and our video crew is capturing thoughts from employees and highlighting elements like:

- Average day
- Necessary training
- Work schedule
- Salary and benefits

Videos can be viewed on www.micareerquestmm.com

regional SPOTLIGHT



SUCCESS STORIES FOR EMPLOYERS & JOB SEEKERS



From Unemployed to a CDL Endorsement

When Steven Rush came to the Great Lakes Bay Michigan Works! office in Alma in December of 2018, he was unemployed and his skills were out-of-date. He was interested in training to improve his marketable skills. He had a job lined up as a truck driver, but didn't have enough funds to pay for CDL-A training himself. He heard that Michigan Works! might be able to assist with funding for training if he met the qualifications. A Career Manager worked with Steven to determine that he was eligible for assistance through the WIOA Adult Program. Steven also had reliable transportation, means to support himself while in training, a clean driving record, and a clean background check.



Steven researched the CDL schools in the area and decided the four-week training program at 160 Driving Academy in Saginaw fit his needs. Steven completed the training enrollment paperwork and began his CDL-A training in January of 2019. Training was challenging, but not because of Steven's abilities; Michigan was dealing with the unusually frigid temperatures caused by a polar vortex. There were many days that training was canceled due to the weather or the training yard was too icy for the students to safely practice driving skills. Steven persevered through the extended training time to successfully complete training, pass his road test, and earn a CDL-A endorsement in March. Two days later, Steven interviewed with Van Eerden Trucking. He was offered a driving position immediately and began training with the company soon after that. He has been driving for the company ever since. "Everything is going great! I love my job and love seeing the country, " Steven stated in an email, "Michigan Works! has given me the opportunity to pursue my life-long dream. Thanks again for everything!"

A Better Career with Help from GLBMW!

Dona Dillon came to the Great Lakes Bay Michigan Works! as the mother of a two parent family. Due to certain difficult circumstances in her life, she was the primary provider for the family. Dona had received her high school diploma, but at this point was not interested in receiving training. Her situation at home required her to quickly find employment.

Dona was very interested in receiving as much assistance as possible. In her first three weeks of AEP, Dona took advantage of the Academic Center and many of the workshops including Budgeting, Essential Work Skills and Customer Service. These services were of great assistance to her since she was looking for employment in the customer service field. She also took the CASAS test and continued attending the Academic Center, even after becoming employed. Dona was able to receive bus passes to help her get back and forth to Great Lakes Bay Michigan Works!, to assist her with job searching and eventually for work.

Dona received assistance with her resume, interview tips, and interview clothing that helped her to successfully receive a job offer from Meijer in Midland. She started working in the Bakery Department on November 24, 2019. When Dona started with Great Lakes Bay Michigan Works! she lacked self-confidence and was quite shy. Once she started working she was able to gain the confidence necessary to become a vital member of the Meijer team.

Once the COVID-19 pandemic began, Dona continued to safely maintain her job at Meijer along with ensuring the safety of her family at home. She has been working 35 to 40 hours per week earning \$11.15 per hour. Dona has more than once expressed her gratitude for the assistance that she has received from Great Lakes Bay Michigan Works!. Her cash grant is now closed but continues to receive mileage assistance until her 180-day retention period is up.



From Unemployed to Upskilled



When Steffan first came to Michigan Works! in May 2017, he had been permanently laid off from Suniva working as a Module Operator making 13.65/hr. Steffan had been previously laid off from entry-level production positions prior to Suniva shutting their doors permanently. He was ready for a change and no longer interested in an unstable, entry-level production positions.

Steffan's most significant barriers to employment included having no marketable credential and a general lack of confidence in his ability to excel. Through participation in the TAA and Dislocated Worker program (WIOA), he was provided the following services to help overcome these barriers:

- Remedial training for WorkKeys to obtain required skill levels
- Career interest inventory identified appropriate career pathways;
- Confidence building & motivational support provided by career manager; and
- Training activity to obtain marketable credential.

He also had some unexpected personal barriers within his home-life, including his car getting broken into and windows smashed. This created a setback for Steffan financially. He had to get rides, and do whatever was possible to obtain reliable transportation. However, Steffan, with determination and diligence, continued forward with training and didn't let that stop him from completing successfully.

Steffan decided to apply for the Chemical Fast Start Program. He was accepted and began in January 2018. Within the Fast Start Program, Steffan landed an interview with Dow Chemical, in turn Steffan was offered employment at that time. Steffan graduated from the Chemical Processing Fast Start Program in April 2018. He started at Dow Chemical one week after he graduated from the program as a Process Operator, full-time with benefits, making \$19.37/hour. In December 2019, Steffan was promoted to Extrusion Operator making \$22.05/hour, full-time with benefits.

After completing training, Steffan referred his brother to the TAA and Dislocated Worker programs. His brother, also, was eligible for both programs and moved forward with the Chemical Fast Start Program. Today, both of them, work together at Dow Chemical and enjoy their stable, suitable jobs, thoroughly. Steffan is extremely appreciative of the TAA and Dislocated Worker programs for giving him and his brother this opportunity, and in supporting him as he obtained his desired training and employment. In a recent conversation with his Case Manager, Steffan said, *"Just wanted to thank you for everything again, this entire experience has really been life changing for me and my brother."*



A report by
Great Lakes Bay Michigan Works
CEO Christopher Rishko

MICHIGAN
WORKS!
Great Lakes Bay Region