

3rd Quarter 2020

CEO REPORT

REGIONAL PERSPECTIVE  CURRENT PROJECTS  REGIONAL SPOTLIGHT
UPCOMING EVENTS  PERFORMANCE REPORTS

Letter from the CEO

The Second and Third Quarter of 2020 has been unprecedented for our region and for the world. The COVID-19 pandemic brought new and unexpected challenges that have created a yet unrealized “new normal” for our country’s employers and workforce.

The 2020 agenda for GLBMW! started with strategies to institute some ambitious programs focused on developing some new partnerships while leveraging existing relationships. The intent was to create extraordinary programming that would reach customers (both employers and job seekers alike) in exciting new ways. Unfortunately, COVID-19 had other plans. It quickly became clear that we had to adjust our normal way of doing business to conform to the protocols necessary for the health and safety of our team members and our customers. On March 13th, 2020, GLBMW! closed our doors to in-person service delivery while instituting the technologies required to seamlessly transition to a virtual delivery model for the critical workforce development programs that would be an integral part of helping our region recover from this unprecedented event. Many of our programs and services would need to be significantly adjusted or suspended for the foreseeable future. Programs such as Jobs for Michigan Graduates (JMG), Business Resource Network (BRN), Community Ventures (CV), Going PRO Talent Fund and MiCareerQuest were put on hold, while the Summer Young Professionals, and our WIOA, PATH and SNAP programs were adjusted to facilitate engaging participants in a virtual format.

Even though these changes were sudden and unexpected, it provided the opportunity to be innovative and creative in the way GLBMW! operates. The implementation of virtual platforms has added a new level of efficiency to our communications. The increased call volumes experienced during the height of the UIA support activities (over 160,000 to date) identified significant limitations in our networking infrastructure which we are working to correct. Our Business Services Team created a new way for connecting employers with job seekers in the COVID-19 environment: the Outdoor Job Fair, a model being mirrored all across Michigan. Our MiCQMM team, in an attempt to continue the momentum and excitement surrounding last year’s event, developed an initiative to keep career exploration moving forward for our Region’s youth: Virtual Talent Tours. These events are intended to expose area students to the career opportunities in our region one employer at a time.

These are just some of the outstanding examples of the new and exciting ways the Great Lakes Bay Michigan Works Team is working to provide the services that are so integral in successfully leading our region through this pandemic. 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

Unemployment Rate

The effect of COVID-19 on our region's workforce was painfully apparent in the unemployment rates this spring/summer. As a whole, our region was at or below Michigan's unemployment rate during each period.

The unemployment rate statewide stayed above that of the U.S. throughout most of the pandemic, however, July rates showed a marked improvement dipping a full percentage point below that of the Country. **Figure 1**. Analysis is still occurring to determine what factors led to this shift.

Regionally, unemployment rates were higher than both the state and national average. Internally, there was a great deal of variance in the unemployment rate which can be attributed to the prevalent industries in each area. Saginaw and Bay Counties felt the impact the hardest with Midland County repeatedly staying below the state average. (Figure 2)

Across our region, Michigan and the U.S. unemployment rates are going back down nearly as quickly as they rose. Our regional analyst for the Michigan Department of Technology, Management & Budget (MDTMB), Ivan Linsky, predicts post-COVID unemployment rates for Michigan should level out at around 9% higher than pre-COVID levels but still much healthier than in April and May.

Living Wage

The average worker in the Great Lakes Bay region earned annual wages of \$20,000 as of 1st 2020. The average annual wages per worker increased 0.1% in the GLB region over the preceding four quarters. For comparison, annual average wages were \$19,200 in the U.S. and \$19,200 in Michigan for 1st 2020.

The Cost of Living Index estimates the relative price levels for consumer goods and services. When applied to wages and salaries, the result is a measure of relative purchasing power. The cost of living in the GLB region is 11.9% lower than the U.S. average and 12.1% lower than the average for Michigan.

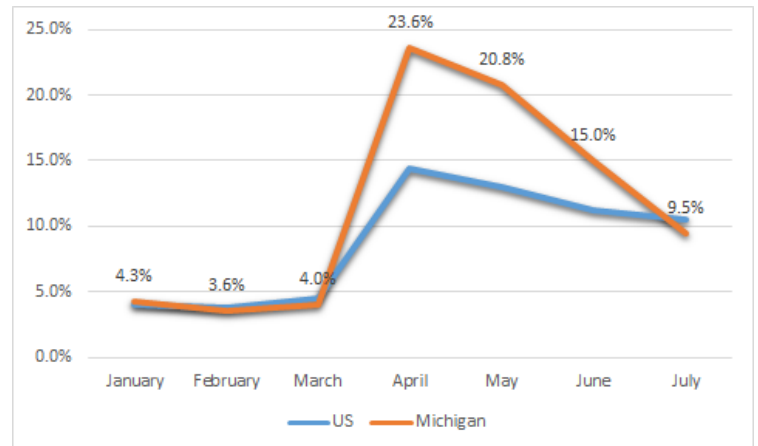


Figure 1: Monthly Unemployment Rate comparison for the U.S. and Michigan (source: www.milmi.org)

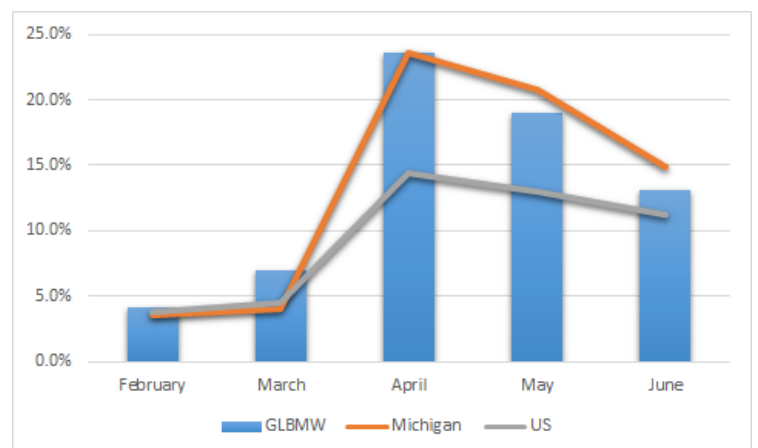


Figure 2: Monthly Unemployment Rate comparison for the U.S., Michigan, and the GLB region. (source: www.milmi.org)

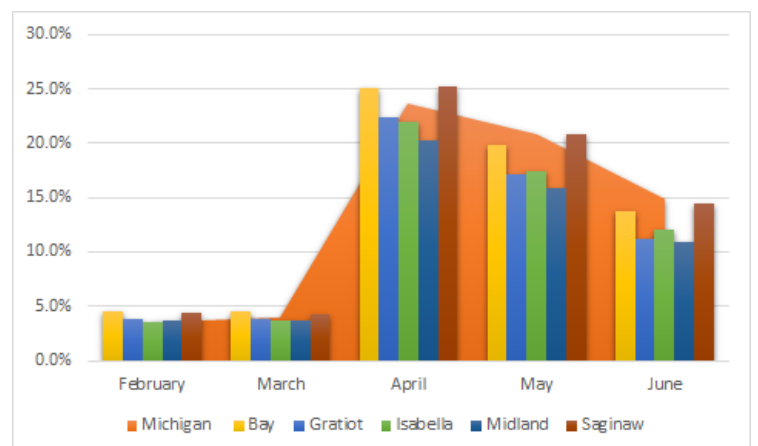


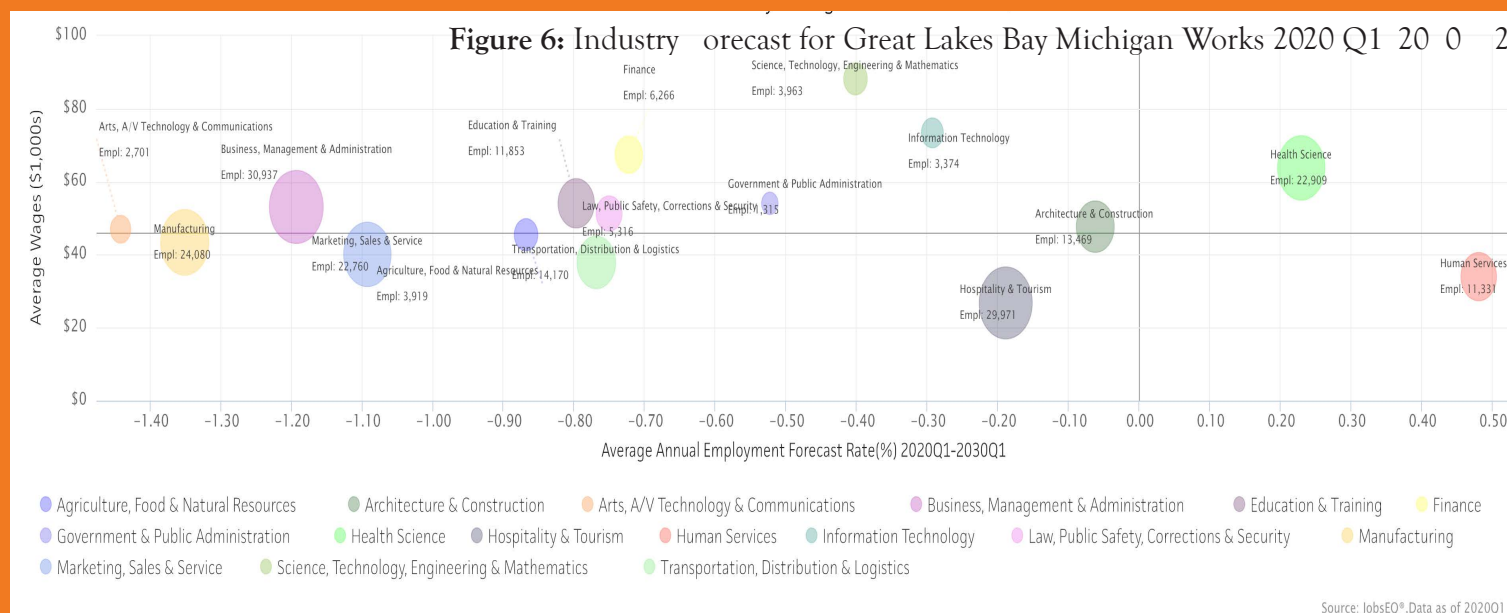
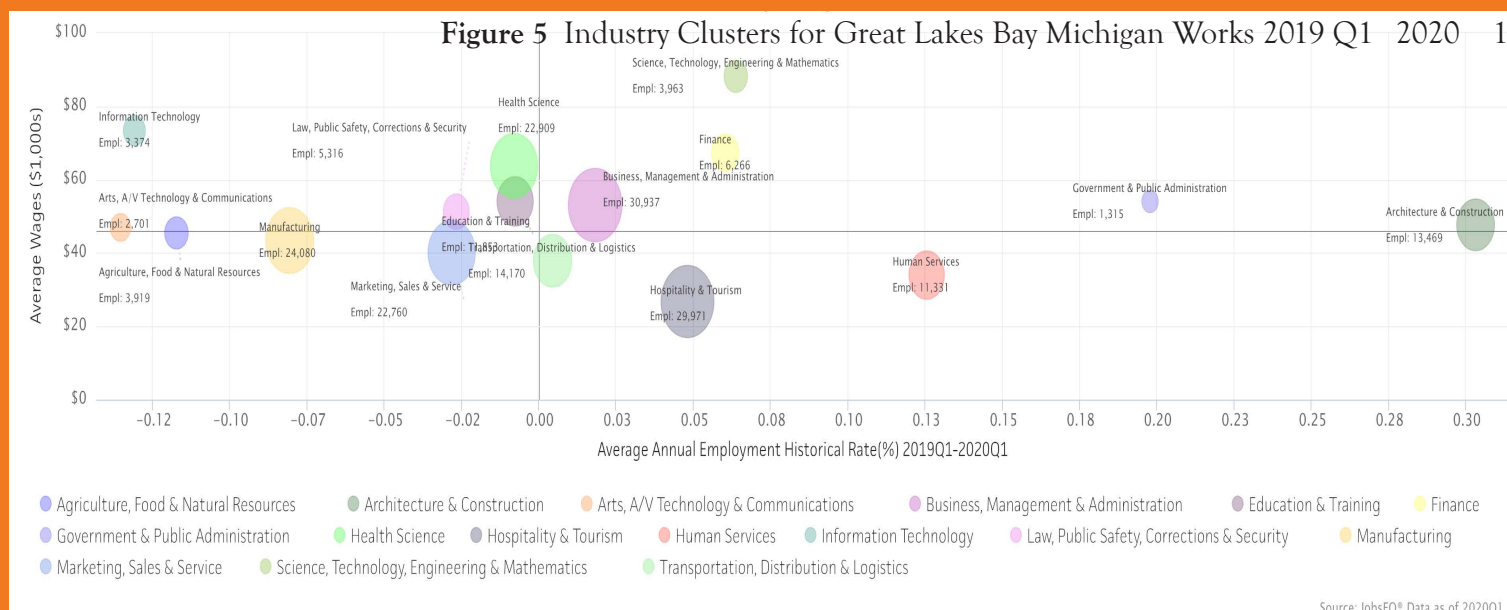
Figure 3: Monthly comparison of unemployment rates for each GLB county as compared to Michigan. (source: www.milmi.org)

Industry Snap Shot

Industry Clusters

A cluster is a geographic concentration of interrelated industries or occupations. In our region, in 2019, there was marked growth in multiple industries across our region, many of which had average annual wages above the national average. Unfortunately, many of the industries that showed an increase in employment do not industries which employ the greatest number of employees (**Figure 5**). The full impact of COVID will not yet be fully realized for some time.

Looking forward, forecast models show a marked decrease in the majority of industries across our region, with Healthcare and Health Sciences being the exceptions (**Figure 6**). It is critical that long term strategies be developed through cooperation of multiple stakeholders focusing on the on a regional landscape focused on the attraction of specific industries to the Great Lakes Bay Region that will ensure regional growth into the future.



Industry Snapshot

The largest sector in the Great Lakes Bay Michigan Works Region is Health Care and Social Assistance, employing 35,829 workers. The next-largest sectors in the region are Manufacturing (28,531 workers) and Retail Trade (24,805). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Manufacturing (LQ = 1.67), Management of Companies and Enterprises (1.31), and Utilities (1.28).

Sectors in the Great Lakes Bay Michigan Works with the highest average wages per worker are Management of Companies and Enterprises (\$126,384), Utilities (\$89,604), and Manufacturing (\$68,483). Regional sectors with the best job growth (or most moderate job losses) over the last 1 year are Construction (+543 jobs), Accommodation and Food Services (+388), and Transportation and Warehousing (+85).

Over the next 10 years, employment in the Great Lakes Bay Michigan Works is projected to contract by 12,292 jobs. The fastest growing sector in the region is expected to be Health Care and Social Assistance with a +0.4% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Health Care and Social Assistance (+1,475 jobs), Construction (+92), and Mining, Quarrying, and Oil and Gas Extraction (-14).

EMPLOYMENT



WAGES



2-Digit Industry	Empl	Avg Ann Wages	LQ	5yr History	Annual Demand	Forecast Ann Growth
Health Care and Social Assistance	35,829	\$48,023	1.19		3,520	0.4%
Manufacturing	28,531	\$68,483	1.67		2,542	-1.5%
Retail Trade	24,805	\$28,729	1.17		2,994	-1.2%
Accommodation and Food Services	20,565	\$19,461	1.09		3,314	0.0%
Educational Services	15,658	\$46,440	0.92		1,288	-1.0%
Administrative and Support and Waste Management and Remediation Services	13,871	\$42,140	1.04		1,505	-0.6%
Construction	10,982	\$53,465	0.92		1,085	0.1%
Other Services (except Public Administration)	10,915	\$22,286	1.18		1,132	-1.0%
Public Administration	8,091	\$50,158	0.82		669	-0.9%
Professional, Scientific, and Technical Services	6,325	\$60,290	0.45		534	-0.1%
Remaining Component Industries	32,764	\$56,914	0.83		3,048	-0.9%
Total - All Industries	208,336	\$46,006	1.00		21,371	-0.6%

Occupational Snapshot

The largest major occupation group in the Great Lakes Bay Region is office & administrative support occupations, employing 27,025 workers. The next-largest occupation groups in the region are sales & related occupations (21,539 workers) and food preparation & serving related occupations (19,464). High location quotients (LQs) indicate occupation groups in which a region has high concentrations of employment compared to the national average. The major groups with the largest LQs in the region are production occupations (LQ = 1.54), healthcare support occupations (1.30), and healthcare practitioners & technical occupations (1.25).

Occupation groups in the Great Lakes Bay Region with the highest average wages per worker are management occupations (\$103,200), healthcare practitioners & technical occupations (\$77,500), and architecture and engineering occupations (\$74,900). The unemployment rate in the region varied among the major groups from 1.5% among healthcare practitioners & technical occupations to 9.0% among farming, fishing & forestry occupations.

Over the next 10 years, the fastest growing occupation group in the Great Lakes Bay Michigan Works is expected to be healthcare support occupations with a +1.2% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for healthcare support occupations (+924 jobs) and healthcare practitioners & technical occupations (+657). 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 & serving related occupations (32,825 jobs) and office & administrative support occupations (28,940). (Figure 7)

Great Lakes Bay Michigan Works, 2020Q1 ¹														
SOC	Occupation	Current					1-Year History			10-Year Forecast				
		Empl	Avg Ann Wages ²	LQ	Unempl	Unempl Rate	Online Job Ads ³	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
43-0000	Office and Administrative Support	23,887	\$38,000	0.91	873	3.6%	899	-48	-0.2%	22,865	10,923	15,091	-3,149	-1.4%
41-0000	Sales and Related	21,412	\$37,100	1.06	1,064	5.0%	1,874	-68	-0.3%	26,298	11,336	17,356	-2,394	-1.2%
35-0000	Food Preparation and Serving Related	19,598	\$24,900	1.10	1,344	6.8%	1,436	6	0.0%	33,858	13,629	20,170	59	0.0%
51-0000	Production	19,308	\$41,300	1.57	944	4.9%	413	-251	-1.3%	17,577	6,697	13,731	-2,852	-1.6%
53-0000	Transportation and Material Moving	14,643	\$33,900	0.86	888	5.9%	1,202	-58	-0.4%	16,545	6,521	11,240	-1,215	-0.9%
29-0000	Healthcare Practitioners and Technical	14,607	\$78,800	1.23	235	1.7%	1,336	61	0.4%	8,241	3,781	4,361	98	0.1%
11-0000	Management	12,003	\$97,000	0.90	211	1.7%	452	91	0.8%	9,334	3,302	6,572	-540	-0.5%
25-0000	Educational Instruction and Library	10,516	\$52,300	0.90	344	3.2%	291	-8	-0.1%	8,194	4,167	4,876	-849	-0.8%
31-0000	Healthcare Support	10,221	\$29,000	1.12	402	4.0%	839	16	0.2%	13,943	6,136	6,798	1,009	0.9%
13-0000	Business and Financial Operations	9,137	\$68,900	0.80	248	2.7%	314	207	2.3%	8,020	2,423	6,056	-459	-0.5%
37-0000	Building and Grounds Cleaning and Maintenance	8,957	\$29,100	1.26	535	6.1%	399	-34	-0.4%	11,049	5,006	6,436	-393	-0.4%
47-0000	Construction and Extraction	8,791	\$46,900	0.91	518	5.8%	264	311	3.7%	9,650	2,793	6,854	3	0.0%
49-0000	Installation, Maintenance, and Repair	8,178	\$45,300	1.02	233	2.9%	544	65	0.8%	7,094	2,458	5,183	-547	-0.7%
39-0000	Personal Care and Service	6,224	\$28,800	1.05	299	4.6%	214	95	1.6%	9,204	4,197	5,204	-197	-0.3%
17-0000	Architecture and Engineering	4,205	\$80,500	1.19	92	2.2%	141	45	1.1%	2,834	910	2,115	-191	-0.5%
21-0000	Community and Social Service	3,551	\$44,900	1.00	74	2.1%	384	0	0.0%	3,904	1,276	2,531	97	0.3%
33-0000	Protective Service	3,533	\$45,400	0.78	103	2.8%	92	16	0.5%	3,167	1,461	2,000	-294	-0.9%
15-0000	Computer and Mathematical	3,522	\$73,700	0.57	84	2.3%	315	-40	-1.1%	2,474	579	1,978	-83	-0.2%
27-0000	Arts, Design, Entertainment, Sports, and Media	2,743	\$45,000	0.72	100	3.5%	163	4	0.2%	2,717	1,059	1,866	-208	-0.8%
19-0000	Life, Physical, and Social Science	1,279	\$67,000	0.72	29	2.3%	68	-6	-0.5%	1,090	249	892	-51	-0.4%
45-0000	Farming, Fishing, and Forestry	1,063	\$31,300	0.81	106	9.4%	21	20	1.9%	1,530	401	1,236	-106	-1.0%
23-0000	Legal	957	\$84,000	0.55	14	1.4%	22	-18	-1.8%	572	234	370	-32	-0.3%
	Total - All Occupations	208,336	\$46,700	1.00	8,740	4.2%	11,682	408	0.2%	220,159	89,536	142,916	-12,292	-0.6%

Figure 7: Occupational Snapshot for the Great Lakes Bay Region as of 2020 Q1. source: JobsEQ

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 slated to start in a few weeks. 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 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 onsite assisting employees.

Outdoor Job Fairs

During the last week of July, the Great Lakes Bay Michigan Works team held an Outdoor Job Fair in each of our 5 counties. These events were focused on employers with current job opening who were ready to hire. Great care was taken to ensure the highest level of safety while providing an opportunity for area job seekers to meet face to face with employers.

At each event, participants reported interviews being scheduled as soon as later that afternoon. The outdoor job fair model was developed by Sheril Tarrant, the GLBMW! Business Service Director, and her team as a way to help address the need to connect employers with job seekers in a safe and effective way. Word quickly got out and the Outdoor Job Fair model spread across the state.

Virtual Talent Tours

In an effort to address the gap left through the cancellation of this year's MiCareerQuest and to continue the momentum created by last year's event, the MiCareerQuest team is implementing a Talent Tours Program. This initiative is intended to produce exploratory videos, produced on-site at area facilities, continuing the exposure of students and teachers to the career opportunities in our area. This will not be a replacement for MiCareerQuest, but instead provide a vehicle to keep the conversation going.

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. Discussions were also begun between Youth Solutions and Saginaw Public Schools to bring the JMG model to Saginaw in Jan 2021.



A report by
Great Lakes Bay Michigan Works
CEO Christopher Rishko

MICHIGAN
WORKS!
Great Lakes Bay Region