

Region One Workforce Investment Board Partnership

Serving the Parishes of Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John, and St. Tammany

Region One Priority Industry Sectors

Executive Summary

The four priority target sectors selected by Region one includes:

- **Construction (NAICS 236 – 238, excluding Residential)**
- **Manufacturing (NAICS 324-333), including Oil and Gas Extraction segment of (NAICS 211)**
- **Healthcare and Social Assistance (NAICS 621 – 623, excludes Social Assistance)**
- **Retail Trade (NAICS 44-45)**

Sector Selection Criteria and Selection Methodology

Sector selection criteria for a region encompasses numerous factors, including:

- Total job share for a sector
- Total projected number of openings due to growth
- Total projected number of openings due to attrition
- Total projected change in growth, such as for emerging industries
- Economic impact
 - Occupations that offer self-sustaining wages
 - Overall total wage impact on the regional economy
 - Overall revenue impact for industry on the region
- Impact of sector on multiple geographical areas within a region

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- Scope of services provided by the workforce system and ability to impact specific priority occupations within a sector
 - Level of training required fits with capabilities and scope of workforce system (IBC's and Associate degree or lower)
 - Experience needed in occupations does not exceed scope of workforce system capabilities (OJT, Work Experience, Apprenticeships, Internships)
 - Ability to access, recruit, and/or train workforce for demand occupation
- Exceptions and Additional Considerations
 - Core competencies and transferability of skills across sectors
 - Anecdotal/on-the-ground data that impacts analysis of historical data

In the arena of workforce sector strategy in a region that is undergoing a major transformative economic period, the forecast is best **focused on a 5-year period**, with reviews and adjustments every 1-2 years thereafter. Region One relies on heavily on data provided through EMSI, Inc. as it has proven to most closely match the monthly LWC LMI Bulletin and quarterly wage data (QCEW). Further, it allows for the most comprehensive and customizable analysis by carefully populating suppressed data that is unavailable at the State level. EMSI data has been monitored quarterly by the region for 7 years with only one noted anomaly affected by the 2010 Census upload in relation to “Katrina” adjustments, which was corrected prior to the next quarter. It remains the most trusted source for economic and labor market data from our regional Economic Development Partners and LED at the State level.

Comparison to Statewide Economy

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Region One - Greater New Orleans

Top Private Sectors in Job Share, Growth, Openings, and Change (excluding Government), and Overall Economic Impact

2013

NAICS Code	Description	2012 Establishments	% of Total Establishments	2013 Jobs	% of Total 2013 Jobs	2018 Jobs	2018 Job Growth	Earnings*	% of Total Earnings	Sales*	% of Total Sales	EPW
11	Agriculture, Forestry, Fishing and Hunting	113	0.31%	440	0.08%	439	-1	\$204,146,000	0.56%	\$459,658,000	0.33%	\$34,000
21	Mining, Quarrying, and Oil and Gas Extraction	253	0.70%	7,989	1.49%	8,257	268	\$1,443,723,000	3.95%	\$6,418,560,000	4.62%	\$121,000
22	Utilities	91	0.25%	2,270	0.42%	2,418	148	\$292,949,000	0.80%	\$1,423,212,000	1.03%	\$125,000
23	Construction**	3169	8.74%	32,586	6.07%	34,881	2,295	\$2,451,417,000	6.70%	\$5,135,269,000	3.70%	\$50,000
31-33	Manufacturing**	1125	3.10%	32,267	6.01%	33,049	782	\$3,361,351,000	9.19%	\$56,336,676,000	40.59%	\$97,000
42	Wholesale Trade	2590	7.15%	22,026	4.10%	22,818	792	\$1,760,022,000	4.81%	\$4,792,241,000	3.45%	\$72,000
44-45	Retail Trade	4805	13.26%	59,884	11.15%	62,782	2,898	\$2,126,667,000	5.81%	\$5,245,051,000	3.78%	\$30,000
48-49	Transportation and Warehousing	1207	3.33%	23,995	4.47%	26,655	2,660	\$1,946,632,000	5.32%	\$5,829,648,000	4.20%	\$62,000
51	Information	558	1.54%	8,646	1.61%	9,729	1,083	\$640,653,000	1.75%	\$2,745,160,000	1.98%	\$58,000
52	Finance and Insurance	2213	6.11%	17,421	3.24%	17,683	262	\$2,195,650,000	6.00%	\$6,638,832,000	4.78%	\$64,000
53	Real Estate and Rental and Leasing	1452	4.01%	8,456	1.57%	8,955	499	\$959,102,000	2.62%	\$5,484,847,000	3.95%	\$26,000
54	Professional, Scientific, and Technical Services	4816	13.29%	29,178	5.43%	32,131	2,953	\$3,219,547,000	8.80%	\$5,713,368,000	4.12%	\$67,000
55	Management of Companies and Enterprises	297	0.82%	8,045	1.50%	8,194	149	\$724,087,000	1.98%	\$1,328,395,000	0.96%	\$75,000
56	Administrative and Support and Waste Management and Remediation Services	2162	5.96%	33,616	6.26%	35,399	1,783	\$1,647,744,000	4.50%	\$3,398,072,000	2.45%	\$31,000
61	Educational Services (Private)	403	1.11%	16,180	3.01%	19,074	2,894	\$1,134,762,000	3.10%	\$1,819,919,000	1.31%	\$42,000
62	Health Care and Social Assistance	3294	9.09%	57,723	10.75%	64,925	7,202	\$3,621,759,000	9.90%	\$6,595,361,000	4.75%	\$52,000
71	Arts, Entertainment, and Recreation	556	1.53%	9,793	1.82%	10,540	747	\$618,048,000	1.69%	\$1,364,352,000	0.98%	\$33,000
72	Accommodation and Food Services	3422	9.44%	66,516	12.39%	74,060	7,544	\$1,724,284,000	4.71%	\$5,454,835,000	3.93%	\$23,000
81	Other Services (except Public Administration)	2939	8.11%	13,586	2.53%	13,984	398	\$1,092,563,000	2.99%	\$1,981,769,000	1.43%	\$20,000
90	Government	781	2.15%	86,350	16.08%	87,864	1,514	\$5,426,624,000	14.83%	\$10,645,444,000	7.67%	\$63,000
		36246		536,967		573,837	36,870	\$36,591,730,000		\$138,810,669,000		

Top 5 in each category is highlighted in Green

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	2012 Establishments	2013 Jobs	2018 Jobs	2018 Job Growth	Earnings	Sales
Louisiana	127,777	1,946,525	2,100,406	153,881	\$120,880,917,000	\$421,483,417,000
Region One's Share of the State Economy	28.37%	27.59%	27.32%	23.96%	30.27%	32.93%

Source: EMSI Covered Employment - 2013.2

* Earnings and Sales data includes complete employment figures, all other data includes covered employment.

** Figures above do not reflect new or pending expansions in Manufacturing and/or Construction that did not occur prior to second quarter of 2013.

Priority Sectors for Region One with Detailed Explanation

Construction (NAICS 236 – 238, excluding Residential)

The Construction industry has demonstrated a projected growth of new jobs for 2013 – 2018 of approximately 2,295 jobs, the anticipated number of openings is much greater at with estimates more in the range of 6,000 openings due to attrition. This data does not take into account the “construction boom” that has begun in the region and is anticipated to continue through 2018 likely adding upwards of 6,000 to 7,000 additional jobs. The workforce system is well poised to have a direct impact in the areas of recruitment and training for the primary occupations involved in this industry.

Manufacturing NAICS (324-333), Including Oil and Gas Extraction segment of (NAICS 211)

The Manufacturing industry has both segments that are growing and contracting. The emphasis of this sector should be limited to those subsectors that are most impacted by the energy and natural gas resurgence in the region. If the pace of growth continues as it has from 2011-2013, the region can expect to add more than 1,800 jobs with no manufacturing new projects announced. Of special note, 19% of the workforce is over the age of 55 and when you consider that the industry’s workforce over the age of 65

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drops dramatically to just 2%, you can surmise that retirement is most common closest to the age 65. Therefore, when looking at the number of openings due to attrition which runs at approximately 2.8 times the new job growth, jobs needing to be filled jumps to 5,040 openings in these subsectors, mostly due to retiring baby boomers. The workforce system is well positioned to have a direct impact in the areas of recruitment and training for the primary occupations involved in this industry.

Oil and Gas Extraction (NAICS 21): While technically, this industry is separated out from manufacturing, it is commonly included as a component of the sector because of the high transferability of skill sets. These highly transferable occupations include Operators, entry level helpers, Welders, Heavy equipment Drivers and Operators. This industry heavily impacts the parishes that are aligned with the Mississippi River and has cross regional impact. Wages in nearly all industry occupations are above \$12.00/hr.

Healthcare and Social Assistance (621 – 623, excludes Social Assistance)

The Healthcare Industry continues to see very high levels of demand being brought on by the need for services for an aging population, as well as the retiring healthcare workforce making room for new recruits. The current projection for new growth is 7,202. This does not include the VA Hospital or Bio District which will drive this number even higher. Of special note, the industry is anchored by the largest employer in the State for which the Business and Career Solution Centers already maintain a working relationship.

Retail Trade (44-45)

The Retail Industry is a major staple in Region One, representing 11% of the jobs with a 5 year growth projection to increase by nearly 3,000. With median wages at \$30,000, it is an industry that has a greater number of self-sustaining jobs than other larger sectors, such as Accommodation and Food Service. Beyond the projections, there continues to be new investments in the industry in nearly all parishes of the region, particularly along the I-12 corridor and neighborhood revitalizations in Orleans.

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Core Competencies that are Cross Sector

There are often core competencies that cut across multiple industry sectors. One that is prevalent is the “soft skills” that every employer in every industry has expressed concerns with finding individuals with those basic skills/attributes, such as attendance, teamwork, accountability, and attitude. While in some circles these could be considered a core competency, our focus is on core competencies that are more vocational specific in nature, and enable greater career ladder mobility across multiple industries.

Supervisory Skills (Two concentrations):

Service Based: Retail / Accommodations and Food Service / Administrative / Professional, Technical and Scientific

Industrial Based: Manufacturing / Construction

There are currently 28,432 First-Line Supervisory jobs in the region with anticipated growth of 1,227 and when combined with attrition, a need for 5,137 supervisors. Because this position requires less than 5 years work experience, sufficient numbers front-line workers are challenged with “standing out” in order to make that next step up the ladder. However, if someone were to have training specific to the skills needed to be a supervisor, their chances of moving into those positions increases and also affords opportunities for them to crosswalk into other related industries.

Customer Service Skills

Service Based: Retail / Accommodations and Food Service / Administrative / Professional, Technical and Scientific

Industrial Based: Manufacturing / Construction

Focusing on providing access to customer service skills assist job seekers with better self promotion to employers and provides a more valuable asset to the organization on many different levels, thus promoting business growth and further creating job opportunities through that growth.

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