State of the Region: Workforce

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Overview

• “Disruptive Demographics”
• Production Occupation Projections
  • US and Ohio
...every region in this great nation and every state is in the midst of an unprecedented demographic transformation. A set of demographic forces that are so dramatic we call them disruptive demographic trends...If you ignore them, [then] you ignore them at your own peril.

-Dr. James H. Johnson, Jr.
Professor, UNC Kenan-Flagler Business School
“The Great Demographic Disruption”
2013 Presentation

“For the first time in U.S. history, the number of people over 60 exceeds those under age 15.”

-Laura L. Carstensen, Ph.D.
Professor of Psychology and Director of Stanford Center on Longevity
Time Magazine, Feb.23/March 2, 2015
2015 Chicago EDA Region Population

85+ years
80-84 years
75-79 years
70-74 years
65-69 years
60-64 years
55-59 years
50-54 years
45-49 years
40-44 years
35-39 years
30-34 years
25-29 years
20-24 years
15-19 years
10-14 years
5-9 years
0-4 years

Female
Male

-4.0%
-3.0%
-2.0%
-1.0%
0.0%
1.0%
2.0%
3.0%
4.0%

2025 Chicago EDA Region Population

85+ years
80-84 years
75-79 years
70-74 years
65-69 years
60-64 years
55-59 years
50-54 years
45-49 years
40-44 years
35-39 years
30-34 years
25-29 years
20-24 years
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Female
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Manufacturing Employment Projections: Production Workers


- Production occupations are projected to have little or no growth.
- Manufacturing, largest production occupation employer, is projected to decline 4.6 percent by 2022. Due to
  - foreign competition
  - efficiency improvements

Production Workers

- Half of manufacturing jobs are production occupations.
- 68% of production workers work in manufacturing


*Production occupations*
- Jobs in 2012: 8,941,900
- Projected jobs in 2022: 9,017,500
- Numeric change: 75,600
- Percent change: 0.8 percent (little or no change)

• 2/3rds (49,500) of new production jobs will be Team Assemblers
• Team-based production techniques improve productivity and lead to higher quality products.


• Large majority of production jobs require HS degree or less
• 3 occupations requiring a postsecondary education are projected to have declining employment
  • Semiconductor processors
  • First-line supervisors
  • Prepress technicians

Table 23. Production occupations employment by educational requirement, 2012 and projected 2022 (employment in thousands)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>High school diploma or equivalent</td>
<td>6,689.2</td>
<td>6,755.3</td>
<td>66.1</td>
</tr>
<tr>
<td>Less than high school</td>
<td>1,594.0</td>
<td>1,625.3</td>
<td>31.3</td>
</tr>
<tr>
<td>Postsecondary nondegree award</td>
<td>637.4</td>
<td>621.4</td>
<td>-16.0</td>
</tr>
<tr>
<td>Associate’s degree</td>
<td>21.3</td>
<td>15.5</td>
<td>-5.8</td>
</tr>
</tbody>
</table>


- Few **new** jobs!

- Yet...

- Over 1.8 million job opportunities in production occupations due to retirements or workers changing occupations.
### Production Occupations in Ohio

<table>
<thead>
<tr>
<th>Employment*</th>
<th>Change in Employment</th>
<th>Annual Openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2022</td>
<td>2012 - 2022</td>
</tr>
<tr>
<td>482,830</td>
<td>485,990</td>
<td>3,160</td>
</tr>
</tbody>
</table>

**Overview**

- By 2025 nearly a quarter of the population will be over the age of 60.
- Is the current pipeline of workers sufficient to fill the pending job openings?
- Are they sufficiently skilled?
- Given limited resources where do we get the most return on investment with workforce training programs?
- How do we address the hollowing of the workforce and loss of middle-wage/skill jobs?