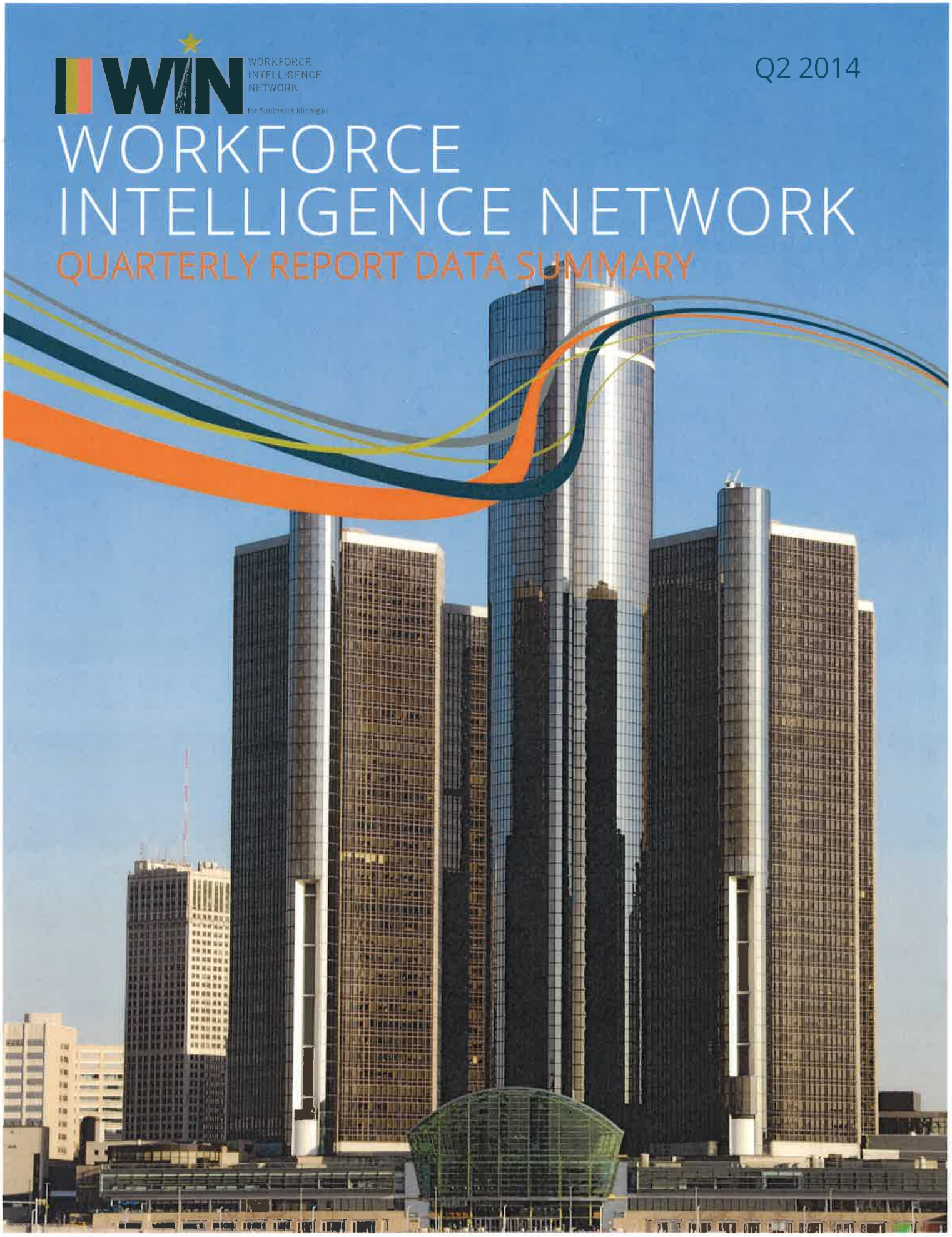
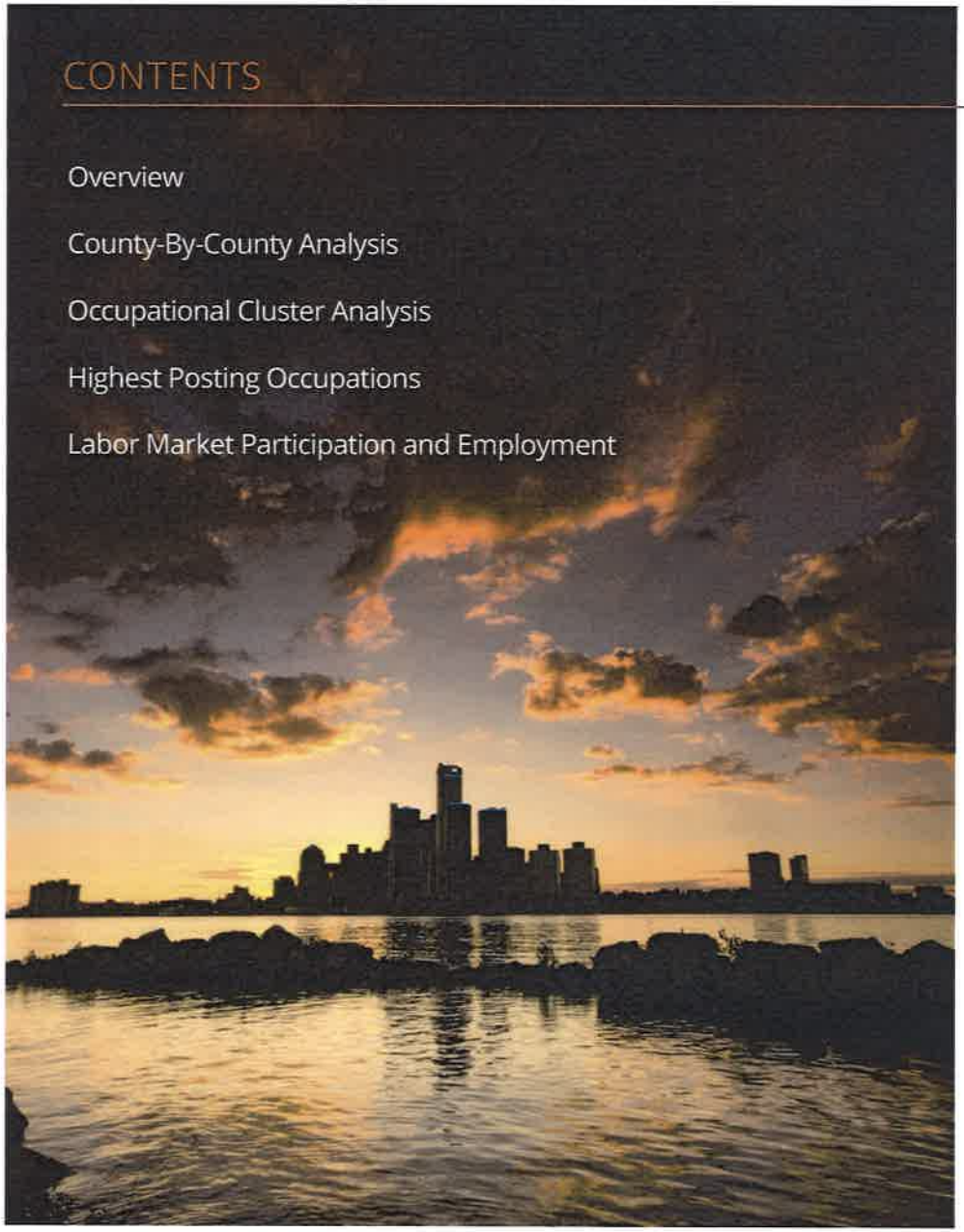
WIN WORKFORCE INTELLIGENCE NETWORK for Southeast Michigan

Q2 2014

WORKFORCE INTELLIGENCE NETWORK

QUARTERLY REPORT DATA SUMMARY





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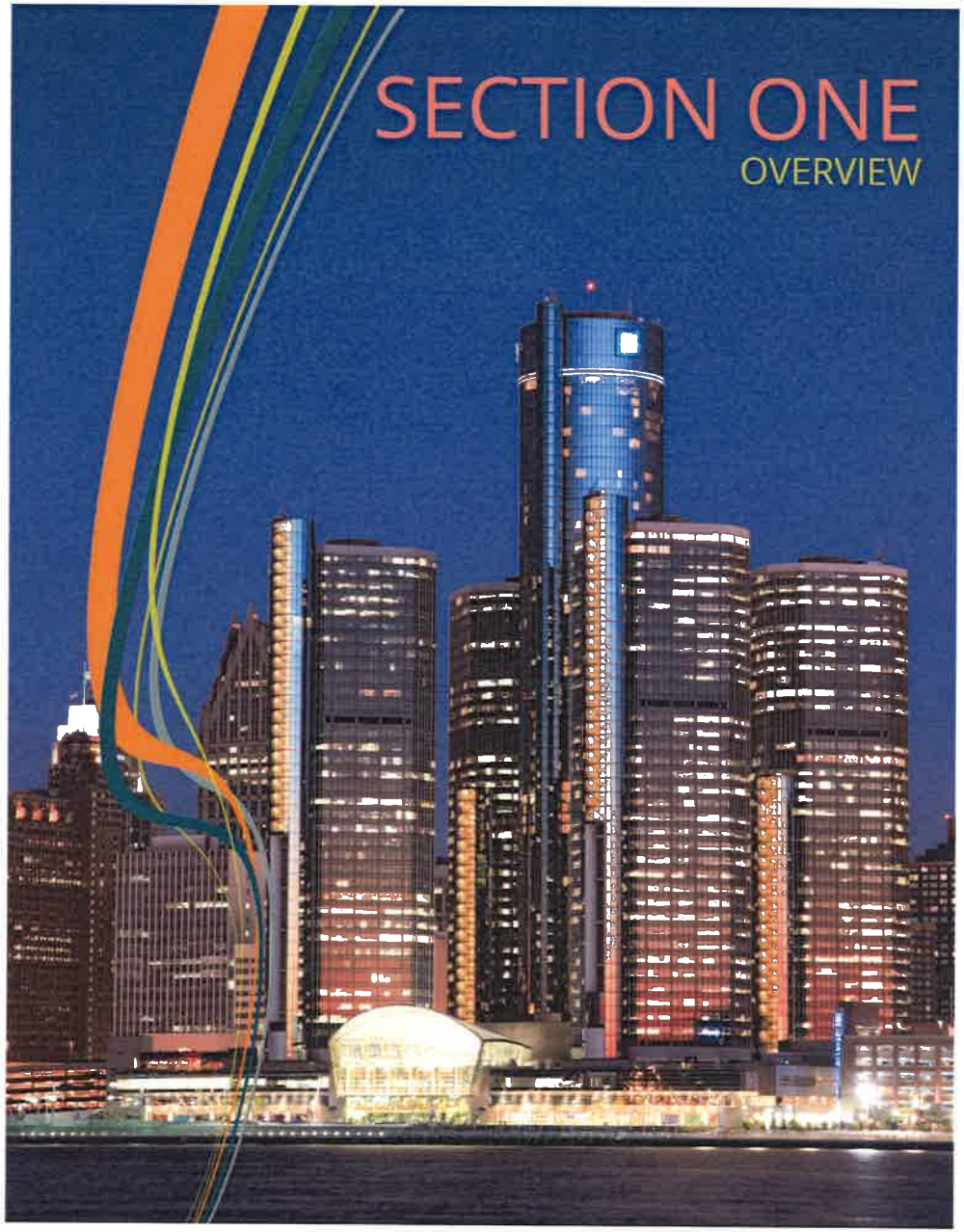
JOB DEMAND SUMMARY:

2ND QUARTER 2014 EMPLOYMENT DEMAND FINDINGS

The Workforce Intelligence Network of Southeast Michigan (WIN) released second quarter (Q2) 2014 labor market trends, including real-time employer demand determined through online job postings, for the 9 counties of Southeast Michigan (Genesee, Livingston, Macomb, Monroe, Oakland, Shiawassee, St. Clair, Washtenaw, Wayne) and the City of Detroit.

The following pages include a summary of the county-by-county reports, which can be found in their entirety on our wesbite:

www.win-semich.org/data-research/quarterly-reports/



OVERVIEW

Q2 2014

The WIN region labor market is in a holding pattern, with no major losses or gains over the past quarter.

In Q2 2014, the labor force held relatively steady compared to Q1 2014, experiencing a decline of less than 1% (0.67%, 16,304 individuals). Looking at the same quarter a year ago, the Q2 2014 labor market experienced a decline of 1.3% (32,773 individuals). Generally speaking, since 2011, the regional labor force has remained stable, with typical peaks and troughs throughout the business cycle. The regional labor force has avoided the declines that occurred during the Great Recession but has not seen substantial gains either.

Q2 2014 was a time of insignificant job growth with regional employment rising by over 800 jobs compared to Q1 2014. Looking at the same timeframe a year ago, Q2 2013 to Q2 2014 experienced a gain of 3,500 jobs. Both increases represent a fraction of a percentage change.

WIN Executive Director, Lisa Katz, commented, "Second quarter 2014 is period of stability, with little change occurring in both the labor or employment markets. The decline in the regional unemployment rate is due more so to a shrinking labor force than an increase in employment. We hope to see a shift back to major job gains in Q3 2014."
The Southeast Michigan unemployment rate declined by 0.6% points from 8.3% to 7.7% (Q1 to Q2) this year. In comparison to one year ago, the rate fell 1.3%points from 9.0% (Q2 2013) to the current rate of 7.7%. These drops are due primarily to the labor force decline rather than the employment: as noted, the labor force declined by a larger margin than jobs were gained. This contrasts to Q1 2014, when the unemployment rate fell compared to Q1 2013 because of jobs added. Katz noted, "Labor force and employment data tend to peak in the third quarter of each year, so we expect that Q3 2014 will show more activity and less fallout in the labor force than Q2 this year."

Compared to the immediate post-recession timeframe, Q2 2014 continued to demonstrate higher-than-usual activity in online job postings. While Q2 2014 job postings were lower than Q1 2014 (106,927 vs. 125,145 respectively), the current quarter's performance exceeded average posting activity from 2011 to early 2013. Katz added, "Compared to immediate post-recession levels, we are seeing a fourth consecutive quarter of higher than usual posting behavior by employers, following the major peak we saw in Q3 2013 when job postings exceeded over 139,000 for the quarter. This, in combination with recent modest hiring gains, signals potential for more hiring in the future."

SECTION TWO

COUNTY-BY-COUNTY ANALYSIS

Compared to Q1 2014, regional online job postings in Q2 2014 declined 14.6%, but are up 46.7% compared to a year ago. The majority of postings are from employers in Wayne and Oakland counties (just over 67%). Compared to Q1 2014, only St. Clair County experienced growth in Q2 (2.2%). Livingston, Monroe, and Washtenaw counties all experienced less than a 4% reduction in postings, with other counties seeing more substantial declines.

The largest drop in postings occurred in the City of Detroit (20.6% drop from Q1 to Q2) primarily due to fewer postings in retail and hospitality jobs (1,05 fewer postings), IT jobs (707 fewer postings), and health care positions (47 fewer postings). The city drove the drop in Wayne County, with about 75% of the loss in Wayne County postings coming from Detroit. While the drop seems substantial, postings in Detroit are still 18% higher than one year ago. The two-county region of Genesee and Shiawassee counties was the one area to experience significant job growth this quarter. Over 5,000 jobs were added since Q1 and the labor force grew by 2,000. This marks a drop in unemployment caused by job gains rather than labor force losses. This two county region, anchored by the City of Flint, is showing promise this quarter.

TOTAL POSTINGS Q2 2014

	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Share of Total Postings Q2 2014	Change over time	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
WIN-Region Total	72,912	139,163	111,517	125,146	106,927			46.7%	-14.6%
Genesee & Shiawassee	4,376	7,863	6,368	6,913	6,131	5.73%		40.1%	-11.3%
Livingston	1,199	2,298	1,567	1,484	1,479	1.38%		23.4%	-0.3%
Macomb	6,799	14,185	10,950	12,450	11,043	10.33%		62.4%	-11.3%
Monroe	1,416	2,392	1,673	1,674	1,631	1.53%		15.2%	-2.6%
Oakland	20,221	39,860	32,489	35,385	31,899	29.83%		57.8%	-9.9%
St. Clair	1,410	2,211	1,376	1,605	1,640	1.53%		16.3%	2.2%
Washtenaw	8,051	14,294	11,486	13,495	13,000	12.16%		61.5%	-3.7%
Wayne	29,440	56,060	45,608	48,883	40,104	37.51%		36.2%	-18.0%
Detroit	17,720	29,032	25,364	26,165	20,762	19.42%		17.2%	-20.6%
Outer Wayne	11,720	27,028	20,244	22,718	19,342	18.09%		65.0%	-14.9%

SECTION THREE

OCCUPATIONAL CLUSTER ANALYS

We track four key occupational clusters regularly, including advanced manufacturing (broken down by engineering/design occupations and skilled trades/technician occupations), health care, information technology, and retail and hospitality.

Change in posting levels was relatively consistent this quarter with a drop in all areas but retail and hospitality (flat 0.5% growth). IT postings fell by 12%the largest relative drop, and engineering and design postings fell 3.8%, the smallest relative drop (but still fairly flat).

Retail and hospitality postings have been in a period of stagnation for three quarters running. WIN partners have observed that these employers are less optimistic about the overall economy this year and therefore not hiring as much.

Currently, flat posting levels may represent the number of job openings that retail and hospitality employers consistently post online due to churn in their industry, while a bump up in retail and hospitality postings may signal soon-to-come employment growth.

The five occupation groups analyzed by WIN only account for 3,200 of the cumulative 18,200-drop in postings in the region (about 17.6%), but these occupation groups represent 54.4% of all postings in the region. A large portion of the drop is due to a fall in postings in two key occupations: delivery and tractor trailer truck drivers (2,272 decline) and data entry, filtering, coding, classifying, and machine setters, operators, and tenders (1,276 decline). Together, postings for these two occupations capture over 20% of the drop in postings from Q2 '13 to Q2 '14.

See the accompanying data tables for county-by-county analysis by occupational cluster.

POSTING TRENDS BY CLUSTER

Clusters	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Change over time	Share of Total Postings Q2 2014	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
Total	72,912	139,163	111,517	125,146	106,927			46.7%	-14.6%
Skilled Trades & Technicians	2,449	4,026	2,719	3,652	3,365		3.1%	37.4%	-7.9%
Engineers & Designers	5,186	8,929	7,049	7,560	7,274		6.8%	40.3%	-3.8%
IT	9,126	16,647	12,498	13,037	11,469		10.7%	25.7%	-12.0%
Health Care	7,263	15,691	12,140	12,835	11,637		10.9%	60.2%	-9.3%
Retail & Hospitality	16,634	35,455	24,492	24,336	24,460		22.9%	47.0%	0.5%

SECTION FOUR
HIGHEST POSTING OCCUPATIONS

THE REGION'S TOP 10 JOB POSTINGS FOR THE SECOND QUARTER 2014 WERE:

1. **Software Developers, Applications (3,798 postings)**
2. **Registered Nurses (3,657 postings)**
3. **Retail Salespersons (3,251 postings)**
4. **Heavy And Tractor-Trailer Truck Drivers (2,955 postings)**
5. **Sales Representatives, Wholesale And Manufacturing, Except Technical And Scientific Products (2,651 postings)**
6. **First-Line Supervisors Of Retail Sales Workers (2,203 postings)**
7. **Customer Service Representatives (2,061 postings)**
8. **Computer Systems Analysts (1,574 postings)**
9. **Combined Food Preparation And Serving Workers, Including Fast Food (1,536 postings)**
10. **Medical And Health Services Managers (1,523 postings)**

In Q2 2014, software developers (applications) was the top posting occupation in the WIN region, with 3,798 postings. While this occupation moved into the top position in the most recent quarter, postings for this job fell by about 500 since Q1 2014.

Heavy and tractor-trailer truck drivers had a near doubling in postings from Q4 2013 to Q1 2014, and was previously the top posting occupation: however, in the most recent quarter postings fell by almost half, dropping the occupation from 1st to 4th in the rankings. The top posting occupations in the WIN region have been relatively unchanged for over a year running: software developers for applications, registered nurses, retail salespersons, and heavy and tractor-trailer truck drivers have rotated among the top 4 spots nearly every quarter since early 2013. Each of these jobs has high levels of posting for different reasons. Retails sales jobs are often high turnover and therefore must post a lot in order to keep a certain level of employment.

Other jobs, like software developers and truck drivers, are experiencing great need at the moment, and employers are scrambling to get the talent they need to fill these high demand jobs.

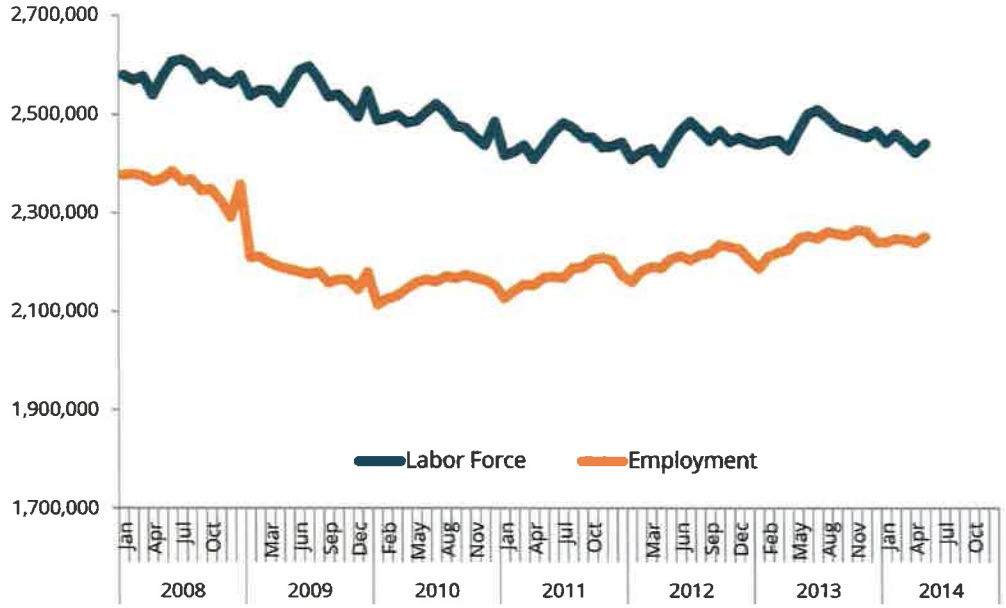
SECTION FIVE

LABOR MARKET PARTICPATION AND EMPLOYMENT

The labor force in the WIN region has declined since 2008. While participation is lower than pre-recession levels, since 2011, it has leveled off into a relatively consistent business cycle. In Q2 2014, the labor force maintained its fairly flat level (0.67% drop from Q1 2014) and we expect that it will continue with little growth. Compared to Q2 one year ago, nearly 33,000 individuals have left the labor force in Southeast Michigan, a drop of about 1.3%.

Unlike the labor force, employment in the region has been increasing slowly since the 2009 trough. Employers have added 800 jobs since last quarter (nearly flat growth) and 3,500 jobs since Q2 2013. While growth is small, it is steady, and the trend is positive.

The Southeast Michigan unemployment rate declined from 8.3% to 7.7% from Q1 to Q2 this year and fell from 9.0% compared to the same quarter last year. These drops are due mainly to the labor force decline rather than employment increases: the labor force declined by a larger margin than jobs were gained. This contrasts to Q1 2014, when the unemployment rate fell compared to Q1 2013 because of jobs added. Third quarter labor force and employment tend to be peaks, so it is possible that Q3 2014 will show more promise than Q2.



Source: Bureau of Labor Statistics
Analysis: Workforce Intelligence Network

During Q2 2014, the WIN region maintained higher than usual postings, with a total of 106,927 online job ads from employers in the region.

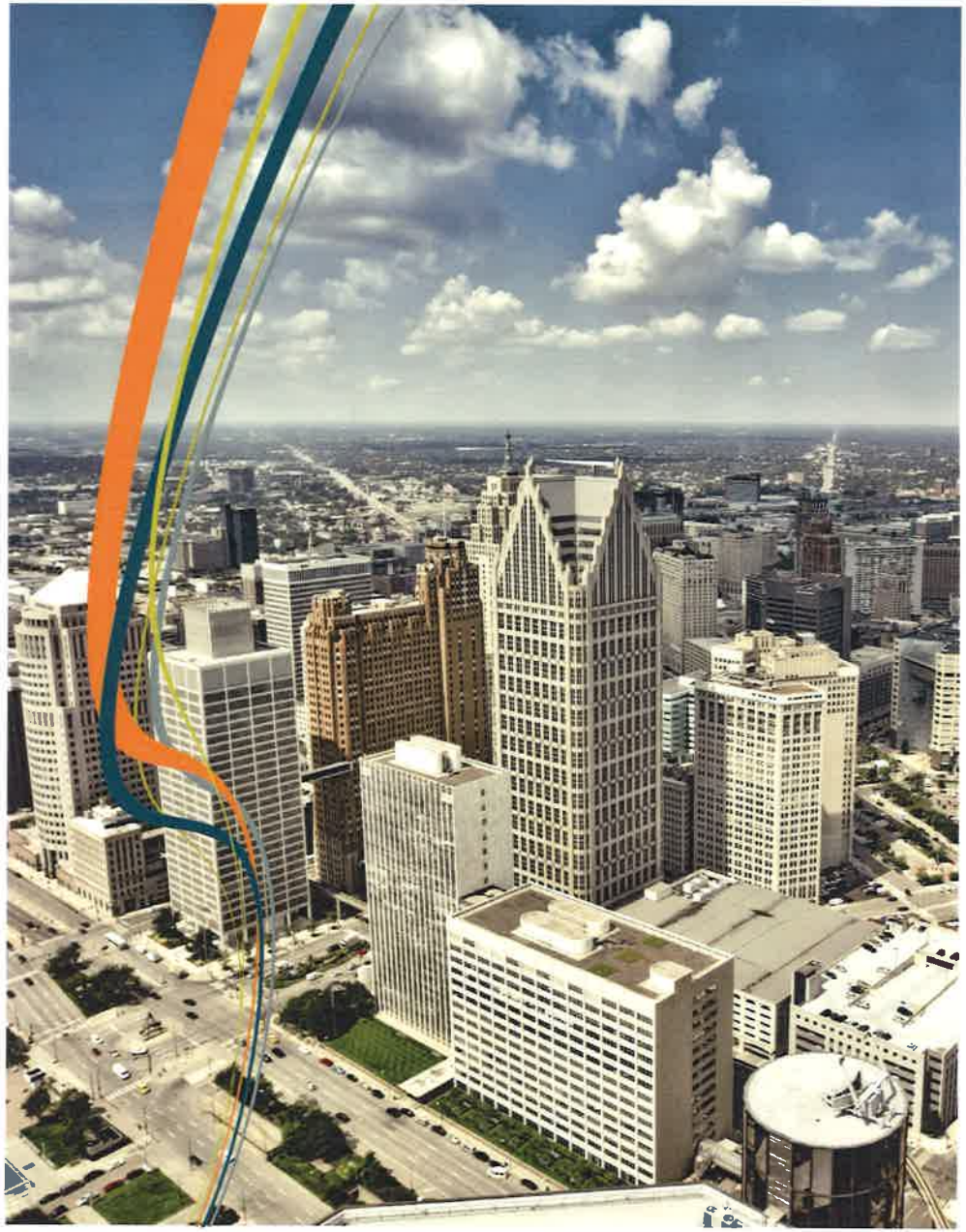
Postings have dropped since Q1 of this year but are still higher than the average from 2011- early 2013. While postings remain strong, Q2 2014 marks the lowest level of activity in 4 quarters. What looks like stable high levels may in fact be a slow decline/leveling off from the Q3 2013 peak (139,163 postings). Q3 2014 data will confirm whether higher levels are here to stay for another quarter running.

Of regional online postings, 54.4% are from one of the five occupation groups analyzed by WIN.

NOTES: Updated job posting and labor force data: Due to a data update in Burning Glass Technologies' Labor Insight tool,comparisons should not be made between the previously released Q4 2013 report and the Q1 2014 report. All numbers included in this report are the correct and updated data. Adjustments to the labor force information were also made to reflect and incorporate updated inputs, re-estimation, and controlling to new statewide totals. More information can be found here: www.bls.gov/lau/launews1.htm

Demand refers to statistics derived from employer job postings, which indicate the potential for employment but may or may not materialize into actual jobs.

Labor market demand data for this report was compiled using Burning Glass Technologies' Labor Insight Tool, and analyzed by the Workforce Intelligence Network. Check out our website www.win-semich.org for more data and detailed information about our sources.



ABOUT WIN

The Workforce Intelligence Network of Southeast Michigan (WIN) is a collaborative effort between nine community colleges and seven Michigan Works! Agencies, in partnership with numerous other organizations, to create a comprehensive and cohesive workforce development system in Southeast Michigan that provides employers with the talent they need for success. WIN covers a 9-county area, including Genesee, Livingston, Macomb, Monroe, Oakland, Shiawassee, St. Clair, Washtenaw and Wayne. WIN was founded with the support of the New Economy Initiative for Southeast Michigan and publicly launched in November 2011.

WIN PARTNERS

Community Colleges

Henry Ford College
Macomb Community College
Monroe County Community College
Mott Community College
Oakland Community College
Schoolcraft College
St. Clair County Community College
Washtenaw Community College
Wayne County Community College District

Michigan Works! Agencies

Detroit Employment Solutions Corp.
Career Alliance
Livingston County Michigan Works!
Macomb/St. Clair Michigan Works!
Oakland County Michigan Works!
Southeast Michigan Community Alliance
Washtenaw County Michigan Works!

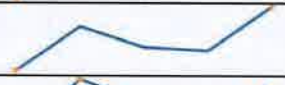
SKILLED TRADES & TECHNICIANS POSTINGS

Q2 2014

	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Share of Regional Postings	Change Over Time	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
Total	2,449	4,026	2,719	3,652	3,365			37.4%	-7.9%
Genesee & Shiawassee	130	214	132	187	168	4.99%		29.2%	-10.2%
Livingston	109	128	67	91	101	3.00%		-7.3%	11.0%
Macomb	461	775	444	694	688	20.45%		49.2%	-0.9%
Monroe	109	117	86	117	100	2.97%		-8.3%	-14.5%
Oakland	576	1,108	734	972	907	26.95%		57.5%	-6.7%
St. Clair	101	123	63	82	79	2.35%		-21.8%	-3.7%
Washtenaw	218	293	195	304	284	8.44%		30.3%	-6.6%
Wayne	745	1,268	998	1,204	1,024	30.43%		37.4%	-15.0%
Detroit	340	458	459	493	437	12.99%		28.5%	-11.4%
Outer Wayne	405	810	539	711	587	17.44%		44.9%	-17.4%

ENGINEERS & DESIGNERS POSTINGS

Q2 2014

	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Share of Regional Postings	Change Over Time	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
Total	5,186	8,929	7,049	7,560	7,274			40.3%	-3.8%
Genesee & Shiawassee	77	100	79	120	89	1.22%		15.6%	-25.8%
Livingston	26	39	33	32	45	0.62%		73.1%	40.6%
Macomb	708	1,149	976	936	1,068	14.68%		50.8%	14.1%
Monroe	70	122	132	123	105	1.44%		50.0%	-14.6%
Oakland	1,883	3,137	2,710	2,876	2,809	38.62%		49.2%	-2.3%
St. Clair	54	76	55	56	50	0.69%		-7.4%	-10.7%
Washtenaw	356	503	384	448	391	5.38%		9.8%	-12.7%
Wayne	2,012	3,803	2,680	2,969	2,702	37.15%		34.3%	-9.0%
Detroit	789	1,292	1,021	1,181	1,119	15.38%		41.8%	-5.2%
Outer Wayne	1,223	2,511	1,659	1,788	1,583	21.76%		29.4%	-11.5%

INFORMATION TECHNOLOGY POSTINGS

Q2 2014

	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Share of Regional Postings	Change Over Time	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
Total	9,126	16,647	12,498	13,037	11,469			25.7%	-12.0%
Genesee & Shiawassee	108	307	180	176	166	1.45%		53.7%	-5.7%
Livingston	44	69	44	29	35	0.31%		-20.5%	20.7%
Macomb	667	1,109	681	840	810	7.06%		21.4%	-3.6%
Monroe	62	73	73	52	55	0.48%		-11.3%	5.8%
Oakland	2,972	5,192	3,941	4,430	3,948	34.42%		32.8%	-10.9%
St. Clair	41	62	19	39	41	0.36%		0.0%	5.1%
Washtenaw	1,018	1,588	1,111	1,145	1,120	9.77%		10.0%	-2.2%
Wayne	4,214	8,278	6,435	6,326	5,287	46.10%		25.5%	-16.4%
Detroit	2,691	5,106	4,165	3,827	3,120	27.20%		15.9%	-18.5%
Outer Wayne	1,523	3,172	2,270	2,499	2,167	18.89%		42.3%	-13.3%

HEALTH CARE POSTINGS

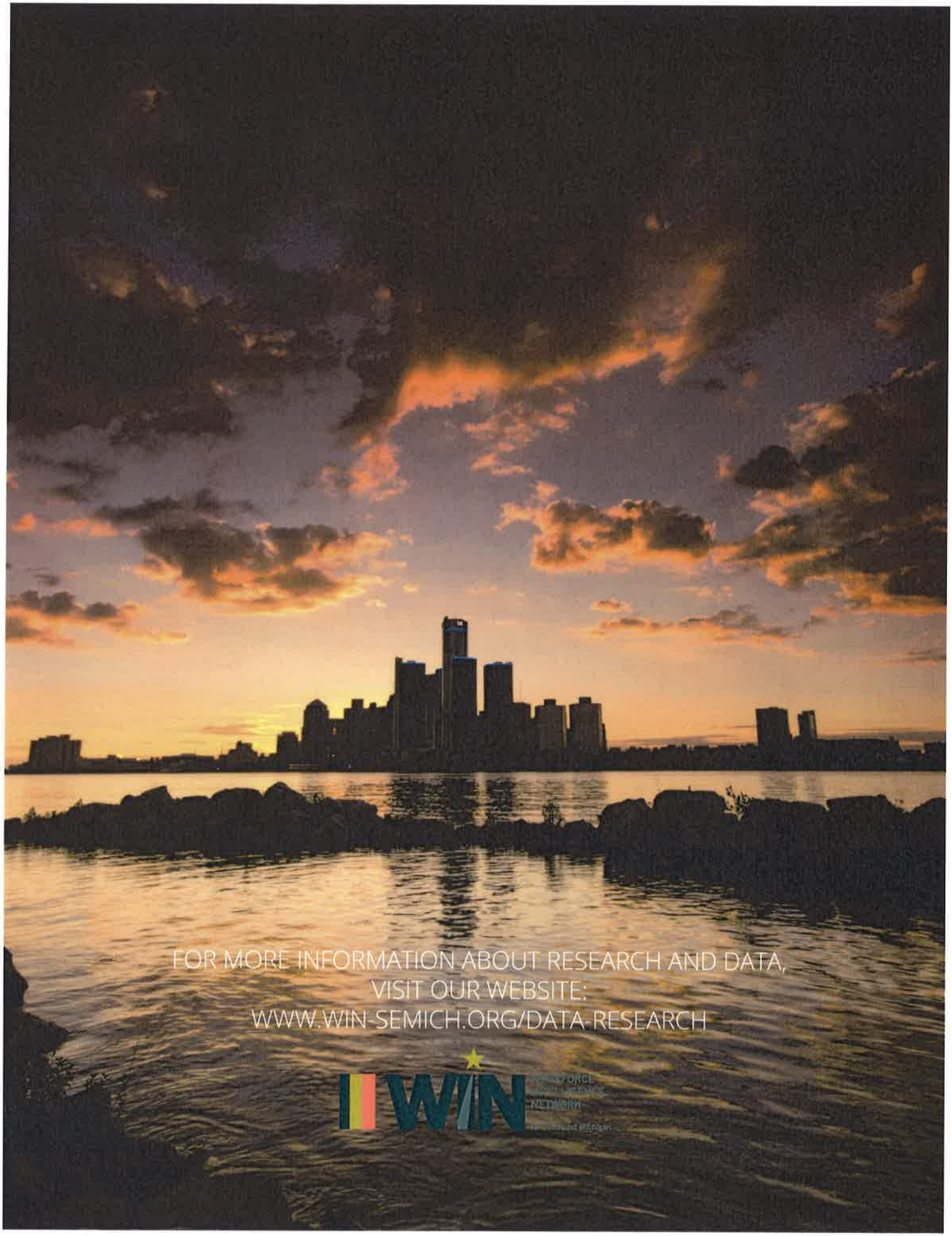
Q2 2014

	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Share of Regional Postings	Change Over Time	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
Total	7,263	15,691	12,140	12,835	11,637			60.2%	-9.3%
Genesee & Shiawassee	594	1,183	934	990	772	6.63%		30.0%	-22.0%
Livingston	118	260	198	140	133	1.14%		12.7%	-5.0%
Macomb	712	1,492	1,234	1,578	1,260	10.83%		77.0%	-20.2%
Monroe	131	207	122	140	133	1.14%		1.5%	-5.0%
Oakland	1,396	3,712	2,844	2,986	2,791	23.98%		99.9%	-6.5%
St. Clair	204	255	189	253	270	2.32%		32.4%	6.7%
Washtenaw	1,065	2,125	1,553	1,647	1,482	12.74%		39.2%	-10.0%
Wayne	3,043	6,457	5,066	5,101	4,680	40.22%		53.8%	-8.3%
Detroit	1,792	3,595	3,129	2,866	2,393	20.56%		33.5%	-16.5%
Outer Wayne	1,251	2,862	1,937	2,235	2,287	19.65%		82.8%	2.3%

RETAIL & HOSPITALITY POSTINGS

Q2 2014

	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Share of Regional Postings	Change Over Time	Annual Growth Q2 2013-Q2 2014	Quarter Growth Q1 2014-Q2 2014
Total	16,634	35,455	24,492	24,336	24,460			47.0%	0.5%
Genesee & Shiawassee	1,322	2,606	2,078	1,909	1,504	6.15%		13.8%	-21.2%
Livingston	400	813	524	416	497	2.03%		24.3%	19.5%
Macomb	1,665	4,255	2,719	3,092	2,771	11.33%		66.4%	-10.4%
Monroe	333	721	424	365	495	2.02%		48.6%	35.6%
Oakland	4,649	10,133	7,352	7,257	7,368	30.12%		58.5%	1.5%
St. Clair	404	724	437	428	507	2.07%		25.5%	18.5%
Washtenaw	1,710	3,499	2,311	2,721	3,036	12.41%		77.5%	11.6%
Wayne	6,151	12,704	10,173	10,059	8,179	33.44%		33.0%	-18.7%
Detroit	3,486	5,571	4,709	4,743	3,662	14.97%		5.0%	-22.8%
Outer Wayne	2,665	7,133	5,464	5,316	4,517	18.47%		[illegible]	-15.0%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