

**Annual Performance Report  
PY 2013 Workforce Information Core Products and Services  
Office of Employment and Population Statistics  
Arizona Department of Administration**

Arizona's annual performance report for the program year (PY) 2013, which began July 1, 2013 and ended June 30, 2014, is required by the Employment and Training Administration, U.S. Department of Labor, Training and Employment Guidance Letter (TEGL) No. 29-12. This report provides a concise summary of all grant activities in terms of accomplishments for each deliverable, results of customer consultations, and recommendations for improvements or changes to the deliverables.

**Core Deliverables and Activities:**

**I. Workforce Information Database (WIDb)**

For the PY 2013, Arizona's Office of Employment and Population Statistics (EPS) continued to populate, maintain, and improve the quality of core tables of the Workforce Information Database. Core tables that are maintained include the following: CES, EMPDB, INCOME, INDPRI, INDUSTRY, LABFORCE, LICAUTH, LICENSE, OCCPRI, OESWAGE, POPULATN, LICXOCC, MATXNAIC, MATXSOC, INDCODES, OCCCODES, ADDRESSY, ANNSLFLG, AREATYPE, BENMARK, CESCOCODE, CREDITCD, EMPSZFLG, EMPSZRNG, GEOCODE, GEOG, GROWCODE, INCOMTYP, INCSOURC, INDDIR, INDSUB, INDTYPES, LEVELTYP, LOCSTAT, OCCDIR, OCCSUB, OCCTYPES, OWNERSHP, PERIOD, PERIODID, PERIODTY, POPSOURC, RATETYPE, STATTYPE, STFIPSTB, URLTOPIC.

WIDb is housed in EPS within Arizona Department of Administration. The relational database product currently used for the WIDb is Microsoft SQL Server. During the last few months new servers running RedHat and the MySQL database were deployed. The internal databases including the WIDb are being migrated to this new platform. Arizona will continue to maintain its in-house version of the WID 2.5. This migration would enable the use of SAS and a powerful connection engine dedicated to MySQL. SAS has replaced IBM SPSS as the analytical software in this office. The in-house version allows EPS economists access to the entire database for analysis that includes confidential BLS data since the internal database has both archived data and confidential data. It is also used to extract data for the public database which forms the backend of the query tools on the website [azstats.gov](http://azstats.gov). The maintenance of this in-house database will improve research and analysis.

The office will now have two websites: [www.population.az.gov](http://www.population.az.gov) (now public) and [www.laborstats.az.gov](http://www.laborstats.az.gov) (going public in October 2014). These websites are hosted on a Drupal platform in the Amazon public cloud. These two website will replace [azstats.gov](http://azstats.gov), originally developed using funds from the AZ State Labor Market Information Improvement Grant # GJ -

19839-10-60-A-4. The website query tools on [www.azstats.gov](http://www.azstats.gov) will be gradually replaced by newer tools with better user interface design, and will expand to cover data sets not part of the core tables. The external or public database will be accessible at the new website. The new website will continue to update and post monthly labor market data and other relevant information.

The EPS website and the internal WID are now completely self-hosted. Arizona License data tables in the WIDb, LICENSE and LICAUTH, were updated and submitted by their due date to the National Crosswalk Service Center (NCSC).

**Deliverable and Conformance with Schedule:**

Most core tables and corresponding look-up and crosswalk tables were updated in a timely manner. The 2013-2015 short-term industry and occupational projections for Arizona and sub-state geographic areas were completed and posted before June 30, 2014 to the WID. The long term 2012-2022 industry and occupational projections for Arizona and sub-state geographic areas were also completed and posted before June 30, 2014 to the WID.

**II. Industry and Occupational Projections**

For the long-term (2012-2022), the industry and occupational projections for the State and sub-state areas were required for this program year. However, for the short-term (2013-2015), the industry and occupational projections were required at the State level.

**Short Term Industry and Occupations Projections:** Short term projections were prepared using 2013 as the base year and were developed for the years 2013-2015. Statewide, Phoenix metropolitan statistical area (MSA), Tucson MSA, and “Balance of State” industry projections were released and published on May 1<sup>st</sup>, 2014. Dissemination was through written publication, press conference with a presentation, and on the EPS website ([www.azstats.gov](http://www.azstats.gov)). As designated by the TEGP, Arizona produces high-level short-term industry projections twice a year, each spring and an update or revised projection each fall. For the PY 2013, an update of the 2012-2014 industry projections was released on November 1<sup>st</sup> 2013.

Statewide short-term industry projections were submitted to the Projections Managing Partnership’s designated contact in North Carolina in June 2014. The statewide and sub-state short-term occupation projections are available on the EPS website at <http://www.azstats.gov>. Statewide short-term industry and occupational projections are also available through the data analysis tools. Short-term occupational data (2013-2015) in Adobe Acrobat and MS Excel format were added to the EPS website.

The long term projections were prepared using 2012 as the base year and Projections were developed for the years 2012 to 2022. Arizona was able to participate in most of the webinar training made available by the LMI Training Institute in 2013 and the online training created by the Projections Management Partnership. The training provided a good background on the projection process and an update on the new projection software developed in the dot matrix platform. North American Industry Classification System (NAICS) based industry and standard occupational code (SOC) based occupational forecasts were produced at the state and sub state level for 2013-2015. New state level industry projections (2013-2015) and sub-state projections for two major metropolitan areas (Tucson and Phoenix) and “Balance of State” were completed

by June 30<sup>th</sup> 2014. The 2013-2015 state and sub-state short-term occupational projections were posted to the WID before June 30, 2013. Economists used the software developed by the Projections Managing Partnership Consortium along with additional tools and produced projection estimates. In order to come up with occupational projections from the industry projections, one needs the staffing pattern file across various industries. We used EDS to generate the staffing pattern files. Data products and information, once completed were posted to the EPS website and the WID.

### **Deliverable and Conformance with Schedule**

Arizona met the deliverable 2 and conformed to schedule for the short-term (2013-2015) and long term (2012-2022) industry and occupational projections.

### **III. Annual Economic Analysis and Other Reports**

A four page report covering various metrics on Arizona's Economic Environment was created in collaboration with the Arizona Governor's Council on Workforce Policy. The report is coordinated between Arizona Commerce Authority, EPS and the Arizona Department of Economic Security and will be available on the new EPS website ([www.laborstats.az.gov](http://www.laborstats.az.gov)).

The Economic Analysis Unit of the Office of Employment and Population statistics continued to write the economic portion of the Arizona Workforce Investment Act Title IB annual report as requested by the State Workforce Agency (SWA), the Arizona Department of Economic Security (AZ DES). The report is located at the AZDES website (<https://www.azdes.gov>).

The Economic Analysis Unit provides data and analysis for numerous reports requested by the offices, boards, commissions and task forces of the Governor. The Economic Analysis Unit produced various reports to educate the stakeholders and support the LMI outreach effort. The first report highlighted the status of the manufacturing industry in Arizona. There were two reports written on the firm and employment trends in Arizona. In addition to these reports, a report was written pertaining to the labor force participation rate in Arizona followed by a report on the status of economic recovery post-recession. These reports will be available on the new EPS website ([www.laborstats.az.gov](http://www.laborstats.az.gov)). In addition to these reports, specialized reports for each of the local workforce areas were created and shared with our local partners. They used this information in preparing the local area plans.

Special studies and economic analyses were undertaken to support the broader stakeholder community. The agencies that were supported and the frequency of support are given below.

Governor's Office of Strategic Planning and Budgeting -- Quarterly

Joint Legislative Budget Committee's Financial Advisory Committee -- Quarterly

Arizona Department of Transportation Risk Panel Committee – Yearly

Western Blue Chip Advisory Committee – Monthly

Economic Estimates Committee - Quarterly

Arizona Economic Roundtable Conference -- Monthly

Arizona Commerce Authority Research Advisory Committee – when scheduled

Economic analyses as requested to support economic development activities of the Arizona Commerce Authority.

Arizona Growing and Declining Industries Report -- Quarterly

Unemployment Insurance Statistics Graphs – Some weekly and others monthly

Arizona Department of Education Special Project Analysis  
Analysis on unemployment insurance claims  
Projections of Unemployment Insurance appeal volume  
Maricopa community college -- Analysis towards health care initiatives in Arizona.  
Provide analysis to determine Local Workforce Investment Areas (LWIA) funding allocation  
Provide statistical information for the WIA planning, performance negotiations with DOL and local areas

**Deliverable and Conformance with Schedule.**

Arizona met the deliverable and conformed to schedule for deliverable 3.

**IV. Customer Consultations**

EPS collaborated and consulted on a continuing basis with Workforce Investment Boards, economic development partners, and stakeholders to improve LMI-WI products, tools, and information services to meet evolving customer needs. EPS continued to provide customized LMI training and presentations for various users in Arizona.

- Presentations were provided upon requests from various organizations and workforce development groups in the state. A total of 14 presentations were made. Some of the users included labor market analysts, researchers, economists, public, and decision makers in education, business, & government; economic developers, and policy makers. Examples of groups where presentations were made include:
  - 1) Training to Local Workforce Development Boards and other key stakeholders
  - 2) Workforce Arizona Council within Arizona Commerce Authority.
  - 3) Department of Economic Security (DES) Rehabilitation Services Administration's counselors and staff;
  - 4) Arizona Association for Economic Development members;
  - 5) Tucson Planning Commission;
  - 6) Pima County Workforce Development meeting in Tucson;
  - 7) Chandler Chamber of Commerce;
  - 8) Small Business Information Exchange where the participant's included local businesses, developers and policy makers;
  - 9) Maricopa Workforce Connection
- EPS continues to make economic presentations and training on the use of LMI data and shares the LMI website and its contents with local workforce investment boards, community college audiences, career training counselors, rehabilitation counselors, and others.
- EPS continued to assist the State Workforce Board with allocation options for WIA Adult and Youth and Dislocated Workers programs. EPS continued to participate in the Governor's Council on Workforce Policy (the Arizona Workforce Investment Board).
- EPS continued to work closely with the SWA in developing the revised WIA state 5 Year strategic plan.
- EPS has regularly participated in meetings with the Workforce Arizona Council.
- The methods used for consulting with customers in PY 2013 were essentially the same as in PY 2012. Arizona used the customer survey form on EPS web site to collect comments, training evaluation forms, and web analytics tools (Web Trends). Arizona used the opportunity to request input whenever interacting with customers on the phone or in person. In response to customer requests, Arizona continues to make on-going

improvements to the website and training.

**Deliverable and Conformance with Schedule:**

EPS undertook customer consultations for deliverable 4.

**V. Activities undertaken to meet customer needs**

EPS provides detailed employment and unemployment data (in partnership with the Bureau of Labor Statistics) and strategic economic research, including industry and occupation projections. Leaders in business and all levels of government use this data to make informed decisions. Information is made available to the public. In order to meet the needs of a large number of customers EPS posts various products, information, and reports on the internet to disseminate information in a timely fashion. Nearly 291,412 visits to the website were made during the program year.

EPS website, ([www.azstats.gov](http://www.azstats.gov)) which was developed using funds from the AZ State Labor Market Information Improvement Grant GJ -19839-10-60-A-4 is now being migrated and will be hosted on a Drupal platform in the Amazon public cloud. As a result of this migration [www.azstats.gov](http://www.azstats.gov) will be replaced and the office will have two websites: [www.population.az.gov](http://www.population.az.gov) (now public) and [www.laborstats.az.gov](http://www.laborstats.az.gov) (going public in October 2014). The website query tools currently on [azstats.gov](http://azstats.gov) will be gradually replaced by newer tools with better user interface design, and will expand to cover data sets not part of the core tables. After the new tools are developed, the old tools to query the WID database will be eliminated.

Till the new website goes live, Core WID tables continue to be populated and updated in the database for the website for public use. Spreadsheet and portable document format of all of the core WID tables are provided on the EPS website. Many products were expanded and formatted for ease of use. Popular examples include a combined file that contains the latest Occupation Employment Statistics wages and employment with the short-term occupational projections. Another example is a report from the quarterly census of employment and wages that provides data by county, out-of-state, and unspecified areas. Arizona continues to make improvements to individual reports posted on the website. Arizona is in regular production with the Local Employment Dynamics program.

EPS continued to provide customized LMI training and presentations for various users in Arizona. Details of training activities and presentations are discussed in the customer consultations section.

EPS established partnerships with Workforce Arizona Council within Arizona Commerce Authority, LWIB's, and the Department of Economic Security's WIA staff and others within the workforce system to serve and promote labor market information.

**Deliverable and Conformance with Schedule:**

EPS describes the activities to meet customer needs under Deliverable 5.

**VI. New tools and resources**

The latter end of PY 2013 was spent migrating the current website to the new platform discussed

earlier. The query tools will be built subsequently. We provided a few reports as additional resource and they are: One report on the status of the manufacturing industry in Arizona; Two reports on the firm and employment trends in Arizona; Report on the labor force participation rate in Arizona; Report on the status of economic recovery post-recession; These reports will be available on the new EPS website ([www.laborstats.az.gov](http://www.laborstats.az.gov)). In addition to these reports, specialized reports for each of the local workforce areas were created and shared with our local partners. They used this information in preparing the local area plans.

**Deliverable and Conformance with Schedule:**

Arizona produced new tools and resources under Deliverable 6.

**VII. Efforts to create and support partnerships and collaborations**

Economic Analysis unit within EPS established cooperative working relationships with various partners in the Arizona workforce system, and served on various committees (listed earlier in deliverable 3) that provided input relating to industry and occupational employment trends, forecasts, and other labor market information relative to job training. We maintained liaison with the Governor's office, advised the AZ state legislature, Department of Revenue, Department of Economic Security, Department of Transportation, Department of Education, Workforce Investment Boards, and other workforce professionals.

In order to support LMI outreach Economic Analysis unit provided 14 presentations to our stakeholders. All email requests for LMI information to the email [labor.info@azstats.gov](mailto:labor.info@azstats.gov) were answered in a timely manner. All phone requests for LMI information were also answered in a timely fashion. The unit also supported the local areas with information and provided input to help develop and improve their strategic plans.

**Deliverable and Conformance with Schedule:**

Arizona established partnerships as expected under Deliverable 7.

**VIII. Activities to leverage LMI-WI funding**

Arizona's LMI shop does not reside in the state's workforce agency (Department of Economic Security). Instead, it resides as a separate unit (Office of Employment and Population Statistics) within the Arizona department of Administration. In addition to the WIG funding from ETA, the unit receives 50K from Department of Economic Security for services provided in the unemployment insurance arena. It also receives 40K of WIA money from Department of Economic Security for services provided to help support WIA effort. No General Fund money is currently available to supplement the funding stream. Arizona is continuing to look into ways to reduce expenditures or increase revenues. Additional or continued funding cuts for federal programs could put future services at risk.

**Deliverable and Conformance with Schedule:**

Arizona continues its effort to look for additional funding to satisfy Deliverable 8.

## **IX. Recommendations to ETA for changes and improvements to WIGS requirements**

Arizona plans to continue to populate the WID database, website and product reviews as noted in deliverables above. Given the state's unemployment situation, more is expected of the LMI shop but with no General Fund monies to supplement the funding. The State budget issues require a detailed review of products and services provided to ensure the most effective and efficient use of staff time. The webinars on various LMI topics have been a good source for sharing information. The staffs have taken advantage of the webinars in developing their knowledge.

***Recommendations for improvements*** include continued training and education of LMI staff on the new projections software and techniques; provide improved forecasting at the state and sub-state level by testing and incorporating additional data sources; conduct joint economic studies with other agencies and provide additional analytical products; continuously review forecasts completed by outside organizations and review of forecast products and procedures. The LMI staff will continue to require additional training given that the STIP (Short Term Industry Forecast) and LTIP (Long Term Industry Forecast) consortium products continue to undergo significant changes, both in terms of the new platform it is now operating on as well as changes to the software. While improved, the STIP and LTIP consortium products are still changing. The new projection software is certainly better and some of the issues with the older software have been remedied.

***Recommendations based on consultations with customer:*** Prior to developing the current website, customer opinions on how to best adapt or redesign the old Arizona Workforce Informer site were collected. Recommendations on feedback received from the Arizona Workforce Informer user web survey, focus group participants, interviews with the selected state Labor Market Information (LMI) contacts, and other research were compiled and provided to EPS by the Council for Community and Economic Research (C2ER) staff, the vendor who conducted the study. Some of their suggestions were incorporated in the present website. With the migration to the new Drupal platform, the customer experience is still untested. Over time we will be able to better understand the strengths and limitations of the new website.

On the data end, one primary request and recommendation of customers is to increase the availability of labor market information and projections for both more demographic detail (race and ethnicity) and geographic divisions (sub-state areas and Native American lands). Projections and labor market information for sub-state areas are subject to the availability and quality of BLS survey data.