

# **Texas DOL/ETA Workforce Information Grant PY2013 Performance Report**

## **Overview of Texas LMI Programs and Performance**

PY2013 was another excellent and productive year for the Texas LMI grantee. New products were brought to the marketplace, innovative processes continued to permeate our operations, our outreach and training efforts reached all-time highs for sessions conducted and customers reached, our collaboration with other stakeholders - especially our education partners - at both the state partner and local level has never been more solid, and we managed to maintain and keep current an already dizzying array of labor market products and services.

Staff addressed innumerable questions on Texas and regional labor market dynamics. We balanced maintenance of existing software products with an eye toward continued innovation. The past program year saw our first public facing application of the DWA profiling process with the release of [www.texasskillstowork.com](http://www.texasskillstowork.com). This application, with a focus on assisting transitioning soldiers better understand and market their skills, incorporates a sophisticated set of tools and processes to match online job postings with customer resumes.

Among the greatest achievements during PY2013 was the introduction and development of a new Workplace Basics (WBS) library tied to our DWA initiative. In this project, jointly funded by the TWC and the Texas Education Agency, we created a universe of Workplace Basic or “soft skill” statements and then assigned a primary, secondary, and tertiary WBS to each DWA. The result is the ability to create a soft skill profile of the most critical Workplace Basics for any occupation or job. Moreover, the addition of the WBS assignments now allows us to create both a work activity and soft skill profile for any online job posting from the Conference Board’s Help Wanted Online data set. In PY2014 we will begin work on public facing tools that will allow customers to view real time critical soft skill profiles

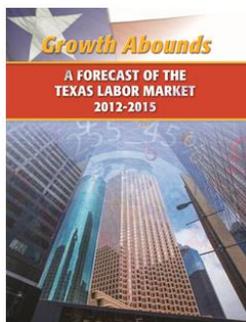
In addition to the new Workplace Basics database, Texas has created a new educational consumer report application called Texas CREWS. Texas CREWS was a joint effort between the Texas Higher Education Coordinating Board (THECB) and the TWC using funding from the Texas WDQI grant. This application is currently available online at the THECB website but full rollout will not occur until a few additional modifications can be made.

## **Annual Economic Analysis Report(s)**

LMCI contributes to, but is not exclusively responsible for, several external analyses of the Texas economy. The state Comptroller of Public Accounts and the Texas Governor’s Office, serving as the state Economic Development Office, offer such analyses against which the TWC opts not to compete or duplicate analyses. The Comptroller publishes a monthly economic outlook briefing at <http://www.texasahead.org/economy/outlook.php> and a series of charted economic indicators on a monthly/quarterly basis at <http://www.texasahead.org/economy/tracking/>

For a narrative economic overview of the Texas economy see the website of the Texas Governor's Office at: <http://www.texaswideopenforbusiness.com/media/snapshots.php>. This web page include overviews for the several industry clusters approved by the Texas legislature, as well as an overview of the Texas economy at <http://www.governor.state.tx.us/files/ecodev/texas-economic-overview.pdf>

LMCI does play a significant role in providing useful regional information that forms the basis of workforce, economic development and labor market planning for regional intermediaries. Most of these data are made available electronically to facilitate more interactive, regionally customized labor market analysis that often must transcend traditional politically-designed regions. Such interactivity becomes important in a state the size of Texas. With 254 counties and 28 local workforce development areas, it is impossible to produce hardcopy reports for each area. Chief among the automated tools available to get local economic profiles is the County Narrative Profiles (CNP) application, which can be found both in Texas Industry Profiles and SOCRATES. CNP allows the user to create county and multi-county economic profiles on-the-fly that include almost 400 economic demographic, income, employment and social variables in a pre-written narrative report. CNP can be found at <http://socrates.cdr.state.tx.us/CNP/index.asp>



In PY 2012 we added a new publication to our repertoire that built on the foundation provided by short term industry employment forecasts. We contracted with IHS Global Insights to create annual employment forecasts for the four year period of 2012 through 2015 for Texas and all 28 Local Workforce Boards. In addition, we interviewed ten (10) Texas economists to get their take on the short term prospects for the state and regional economy. The result is an engaging and balanced discussion of the economic and demographic phenomena most likely to influence Texas job growth through 2015. That publication still serves as our current short term industry analysis and can be found on the Internet at [www.lmci.state.tx.us/shared/GrowthAbounds.asp](http://www.lmci.state.tx.us/shared/GrowthAbounds.asp)

### **LMCI Web Metrics for PY2013**

LMCI offers ten (10) different end user applications to address the information needs of our constituency. All LMCI web based applications are monitored for user activity, assessing metrics such as sessions, bytes transferred, page views, duration and the number of users. Counts of information disseminated, numbers of inquiries addressed and type of inquiry help determine user interest and guide product development efforts.

For many years we used the Urchin web analytics software tool with varying degrees of success. This year we migrated all web application metrics to Google Analytics. Urchin was acquired by Google in 2005 to form the basis for Google Analytics but they are no longer supporting the older Urchin software. This migration has been positive and will provide a much improved basis for measuring software use in the future. The downside has been the loss of consistent time series use metrics for most of the current PY.

LMCI offers several applications geared both toward students, regional workforce planning and analysis for local Boards and economic development. Use of LMCI's career information tools far surpasses those intended for other audiences. Three applications in particular, Texas CARES Online, Reality Check and Texas Work Prep were responsible for over 77 percent of all sessions, 78 percent of all users, and 95 percent of all page views. Because these figures reflect a time period when students are generally not in school, it is quite possible that the numbers understate the importance of the student population. It is important to note that even though the primary audience for these applications is students, a wide array of job seekers and workforce system clients avail themselves of these software packages. Texas CARES in particular has a large crossover audience and multiple links exist between the Texas labor exchange software, Work In Texas, and Texas CARES. None-the-less, these metrics point to a significant student audience for the Texas grantee.

Among applications designed for regional planning, three data items appear to dominate user interest; employer contact information, occupational wage data and occupational projections. In many ways, these results are not surprising. The more complex LMCI web applications, such as SOCRATES, SWAP and Texas Industry Profiles offer enormous analytical power but are targeted for a much smaller audience of workforce planning and economic development professionals. We also introduced a new application in March 2014, Texas Skills To Work that has been operating without promotion in beta mode. We have included use metrics for that application but we know they are not reflective of the level of interest that we will see once the application can be promoted.

The use metrics below are for the first quarter of PY2014 and, as a result of the changeover to Google Analytics in the middle of the program year, represent the only consistent and uniform use metrics available. Assuming uniform use patterns throughout a four quarter calendar year, we can expect to have almost 40 million page views for the coming PY.

<b>Customer Use Metrics July 1, 2014 thru September 30, 2014</b>				
<b>Application</b>	<b>Sessions</b>	<b>Users</b>	<b>Page Views</b>	<b>Duration</b>
Texas CARES Online	98,617	68,568	3,374,764	10:14
Texas Work Prep	7,535	5,781	32,882	3:24
Reality Check	95,164	69,352	2,346,243	12:59
LMCI Home Page	20,486	12,910	37,142	2:17
Industry Profiles	8,391	6,826	29,828	2:29
TRACER2	21,438	13,890	132,384	4:05
Texas Wages	2,565	1,903	18,411	4:06
SOCRATES	4,864	3,341	27,152	4:08
Texas Skills To Work	637	365	5,652	5:15
Texas AutoCoder	918	308	7,884	13:00
<b>All LMCI Sites</b>	260,615	183,244	6,012,342	
<b>Education Sites Only</b>	201,316	143,701	5,753,889	

## **Section A: Detailed Project Accomplishments based on PY2013 Statement of Work**

### **I. Populate & Maintain the Workforce Information Database**

**Maintenance of Workforce Information Database (WIDb) v. 2.4** -- The Texas WIDb is fully converted to version 2.5. All WID core data tables are appropriately populated per guidelines issued by the Analyst Resource Center. Texas has incorporated InfoGroup's 2014 Employer Contacts files into all LMCI online tools. LMCI employed a full-time staff person dedicated to keeping the Texas WIDb core data tables current and interconnected with our TRACER2 workforce information delivery software and our data warehouse. That same staff member continued to serve as a permanent member of the ARC (Analyst Resource Center), attending all conference call meetings. During PY2013, the state of Texas invested in a commercial site location application called Sites On Texas. Although it is a limited subscription only service, site licenses were provided to each LWDB. LMCI provides quarterly extracts from the WIDb to the Texas Engineering Extension Service (TEEX) so our data can be made available from that package.

### **II. Produce and Disseminate Industry and Occupational Employment Projections (long and short term)**

#### **Publish state and regional 2012-2022 long-term industry & occupational projections**

Texas completed our 2012-2022 statewide and LWDA projections in early October 2014 and sent the required electronic files to North Carolina for inclusion in ETA online tools. Unlike some states, Texas prefers not to produce and publish statewide projections first and then generate LWDA projections on a subsequent schedule. We believe it is important to maintain "region-up" additivity between our Workforce Board regions to the state and vice-versa. Thus, we work to reconcile the state and regional industry numbers simultaneously. While this may delay slightly the release of state level projections, we are thus gifted by projections that are internally consistent within and across the state and regional boundaries.

The projections have been subsequently parsed into 29 different spreadsheets (28 Board regions plus a statewide file) that were uploaded on "The Future" page of our TRACER2 delivery tool the last week of September 2014. These projections files are available to local WIB staff that use the data to develop their WIA strategic plan Target Occupations lists. The integration of the detailed industry and occupational projections into SOCRATES, Texas Industry Profiles and other LMCI online analysis tools will continue throughout the remainder of calendar 2014. We have also developed a tri-fold brochure reflecting various sortings of the new projections such as occupations with the most projected job openings, highest paying occupations, etc. That tri-fold will be released in the fall 2014.

For our short term industry projections, Texas continued to rely on the IHS Global Insights forecasts for the State and all Board regions for the period 2011 through 2015.

We will update that forecast during the current PY consistent with the new TEGL guidelines. The narrative report, *Growth Abounds: A Forecast of the Texas Labor Market 2012-2015*, was released in August 2013 and can be downloaded from the LMCI web page.

### **III. Economic Analyses, Special Workforce Information, and Economic and Workforce Studies**

**Conduct research and draft reports on various labor market topics, including a journalistic approach to assessing market conditions and business interaction –** LMCI staff are routinely asked to conduct scores of minor analyses on behalf of a variety of internal and external customers. Such analyses include studies on the state of the Texas manufacturing sector, health care sector, the age of Texas workers by occupation, analysis of higher education program graduates and earnings, assessing recessionary impacts on job growth in Texas compared with other states, patterns in employment and payroll wages by size class distribution, veterans labor force status, quarterly employment patterns in the various Governor’s clusters, supply/demand analysis of occupations requiring a postsecondary credential, job creation and small business estimates, etc. Most of these research efforts were for internal consumption, legislative testimony or in response to a customer request.

**Participate in the Local Employment Dynamics and Business Employment Dynamics programs –** The LMCI Director served as an LED steering committee member. Texas provided Census LED staff with the necessary files on-time and appropriately formatted for each of four quarters during the program year. LED data sets have now been fully integrated into our production version of County Narrative Profiles application. The new version was rolled into publication in March 2013. PowerPoint slides highlighting LED outputs have been integrated into almost every external presentation.

**Continuation and extension of DWA validation project –**The completed DWA library has been integrated into every LMCI online product, including the SWAP software system. Considerable work continued on processes to match applicant capabilities and job posting vectors through the DWA library, using the Performance Levels as one of the ordering variables. Thread analysis tools were constructed and formal output reports have been created. Two major areas of emphasis for PY2013 were:

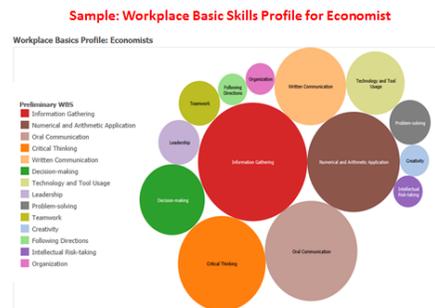
- 1) Development of online tools to match resumes against various output vectors, including job postings.** In PY2013 LMCI staff worked with the TWC Workforce Division under a federal DOL grant designed to assist transitioning veterans into civilian jobs, thereby reducing future unemployment insurance payments (UCX). LMCI staff created a new user application that took advantage of the DWA skill library as the medium to link veteran



resumes and online job postings from The Conference Board. Dubbed, Texas Skills To Work, this application has two primary processing functionalities; 1) a parsing engine that reads resume text and translates that text into a stack ranked DWA skill profile, and 2) a process that takes daily job posting feeds from The Conference Board and creates similar DWA profiles. The application uses these two processes to link job seeker resumes and job postings at the DWA skill level and allows the user to find and apply online for job postings that are most closely aligned with their skill set. Although the application is available online, it has been in beta test mode and it has not yet been widely promoted across the workforce system.

**2) Enhancement of the DWA database by the addition of Workplace Basics.**

Employers who are interviewed as to their primary skill needs most frequently refer to workplace basic or soft skills as those most in demand. However, there are limited empirical data to quantify soft skills, nor is there a common definition. In 2009 Texas developed a compendium of 30 workplace basic skills that we use to help define this concept. In PY2011 we did a research project with SkillsNet and funds from the Texas Education Agency to determine the feasibility of assigning workplace basic skills to each DWA. That research demonstrated not only the possibility but the value of a wider scale data development project (see sample visualization of WBS profile for Economist). In PY2013, a joint project between the Texas Education Agency and the Texas Workforce Commission was initiated to assign, and employer validate, a primary, secondary and tertiary workplace basic skill to each DWA. A subcontract agreement was issued to Texas State Technical College (TSTC) in Waco to create a model and populate the DWA library with Workplace Basics assignments. That work was completed in August 2014. The new beta assignments will undergo external validation during PY2014, while tools for analyzing and visually displaying the data will also be developed.



**Quarterly QCEW reports (4)** – LMCI staff produced four quarterly QCEW reports during the PY, as scheduled. These reports are posted in TRACER2 and are available for viewing on the Internet and downloading individually by quarter on the Data Search Page. The most recent version can be found at:

[http://www.tracer2.com/admin/uploadedPublications/2094\\_QCEW\\_1Q2014.pdf](http://www.tracer2.com/admin/uploadedPublications/2094_QCEW_1Q2014.pdf)

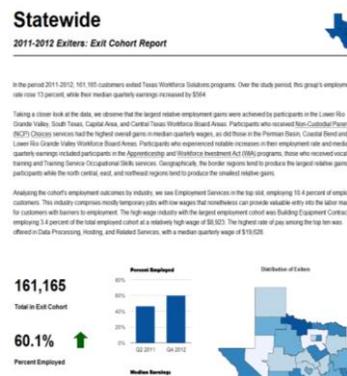
In addition to the quarterly QCEW reports, LMCI staff make a significant investment each month in the creation of a newsletter called the Texas Monthly Labor Review (TLMR). The TLMR includes detailed tables and analyses of not only the monthly release of labor force and payroll jobs statistics but articles and observations designed to

help readers better interpret those statistics. The TLMR is published electronically through TRACER2.



LMCI staff annually **produce automated follow-up reports** that document the labor market and continuing education outcomes of customers of the Texas workforce system. These reports are required by Texas SB 281 but also provide snapshots of one year, three year and five year program outcomes. These reports by program silo for DOL PY2013 (e.g. ES, WIA, Skills Development Fund) are posted on the LMCI website. For PY2012 staff were finally able to consummate the long-considered online interactive dashboard for automated follow-up (see embedded dashboard reports). This new dashboard

format allows us to create reports for all of the various education and training programs and for any of the local workforce board regions. The new reports have been fully vetted with Texas Workforce staff and have become the primary means for communicating post-program labor market outcomes. In PY2013 we continued to improve and refine the reports, employ improved coding practices and reformat the outputs to make them more visually effective. We also added higher education reports and took on the task of creating Adult Basic Education (ABE) and GED reports. Finally, The LMCI web page was modified to include links to new postsecondary institution profiles and ISD profiles created through TPEIR.



For PY2013 we also added a new online product as a joint effort with the Texas Higher Education Coordinating Board. The Texas Consumer Reporting for Employment and Wages System (CREWS) is a higher education consumer reporting software that allows users to view short and long term labor market and continuing education outcomes of graduating students by major and institution. CREWS allows students to consider the labor market outcomes of

previous graduating cohorts as part of their informed education decision-making process. CREWS is currently online in beta mode pending some addition code refinement. The system was developed using funds from the Texas WDQI grant.

#### IV. Posting Products, Information, Reports on the Internet

LMCI makes a concerted effort to put as many data sets, and analytical tools, on the web as possible – and has been doing so for many years. This PY we continued to upgrade and refine existing products with an emphasis on improving accessibility (508

compliance), enforcing common agency branding standards, and making the necessary upgrades to migrate LMCI applications from the old quarantined server environment into the newer, more robust TWC server environment. Considerable progress was made on this front in PY2013. LMCI migrated the upgraded Reality Check application to the new server environment and the new Texas Skills To Work application also resides in that space. In addition, we instituted centralized backup procedures for the LMCI data warehouse and acquired our own sequel server instance as a precursor to migrating additional applications to the TWC server environment while maintaining data update controls.

**Strategic Workforce Assessment Program (SWAP) upgrades --** For PY2013 staff continued to update data sets in SWAP and make minor code changes. No significant rewrites or new features were added during the PY. Among the many data updates were 2013 occupational wages, the number of Conference Board HWOL job postings for the most recent quarter, and the most recent QCEW industry employment data

**Update and upgrade SOCRATES regional planning software –** LMCI staff routinely updates and improves SOCRATES data currency and program functionality. For PY2013 staff updated all data items in that package to assist regional WIA planners develop their lists of Targeted Occupations. Specifically, we updated all the QCEW industry employment data sets, the occupational wage data sets and the InfoGroup employer contacts database.

**Update and upgrade TRACER2 LMI inquiry software –** During PY2013, staff continued revisiting functionalities of the TRACER2 product and implemented many public facing changes. Wholesale TRACER redesign efforts continued during PY2013, however major modifications to the public facing application were delayed in order to address higher priority applications.

**Texas CARES On-line –** Texas CARES online continues to be our flagship career information product. During PY2013 staff updated the data sets to include 2014 Peterson’s College data, 2013 occupational wage data, 2013 labor supply data from Texas colleges and many other data items. Texas CARES Online, while it is a very robust data application, has an outdated look and feel which has become noticeable relative to new application designs. Starting in PY2012 we began an entire rewrite of Texas CARES Online with a special emphasis on a cleaner look and feel to the application, continuity with TWC branding standards and full accessibility. Texas CARES is a very extensive application and has scores of features and functionalities that are being revisited. Upgrade programming work continued throughout PY2013 and we have set a tentative target date for beta completion in December 2014.



**Real time job posting access and analyses using The Conference Board help wanted job posting data (HWOL)** -- Texas continued our investment in the HWOL data set, giving access to the Wanted Analytics data tool to all Texas LWDBs, while retaining five



seats for LMCI staff. In PY2012 we also continued a live feed of online job postings through The Conference Board as part of the testing process of DWA-centric job matching. We also included HWOL job posting counts in our SWAP occupational profile and they are a staple in staff presentations that show the occupations most in demand and comparisons of HWOL job

posting activity with estimates of unemployed workers. The costs for procuring HWOL data was spread across multiple funding streams within the TWC. During PY2013 work continued on a public facing, HWOL centric online application. Application development has not been a high priority project, but a draft version was completed in PY2013 and we expect to introduce that version to the public in the fall 2014. For PY2014 the Texas Education Agency will contribute to the development of this application with the intent to integrate related Career and Technology Education courses with the various high demand occupations based on job postings.

**Update and upgrade State Training Inventory software** – LMCI updated the State Training Inventory program to include three years of enrollments (2011, 2012, and 2013) and graduates by CIP program and by institution. Program functionalities were also improved.

## **V. Partner & Consulting on a Continuing Basis with WIBS & other Key Workforce/Economic Development Partners and Stakeholders**

**Staff training workshops and presentations** – While much of the Texas grantee’s outreach activity is being pushed online, staff make significant efforts to be in the field making presentations on the state and regional economies and providing training on our various products and services. For PY2013, LMCI staff made 95 presentations at conferences, meetings and in-service workshops. Estimated total attendance at these events was roughly 6,648 conferees (see Appendix A workshop list attached for details). Audiences varied widely, ranging from workforce board staff to regional Society of Human Resources (SHRM) chapters throughout Texas, local Chambers of Commerce, economic development entities, high schools and other Association events. Due to funding priority reallocations in PY2012, the Texas Education Agency ceased to provide funding for career orientation training among Texas school districts. This lost staff position negatively influenced the number of presentations made at high schools and regional education service centers (ESC) for PY2013. However, the TWC has funded a new position within LMCI to assist school counselors, administrators and students navigate the career information components of the new Texas HB 5 endorsement process. We expect the number of presentations across ISDs to increase significantly for PY2014.

**LMCI staff customer service and technical assistance** -- Whether our customers touch one of our web sites or make contact through one of our staff, LMCI dissemination staff analysts answer questions from the public. Inquiries and responses provided are entered into an MS Access database from which frequently requested data items can be identified and, ultimately, given sufficient multiplicity of requests, web-enabled. For PY2013 our Dissemination staff addressed hundreds of calls and inquiries answering questions almost too diverse to classify. However, they range from creating customized data for ISD tax abatement programs, to certifying investment areas under the EB 5 program, to earnings distribution analyses for the Texas workforce.

New for PY2014 the TWC has purchased an e-mail distribution service intended to increase and enhance direct contact with customers. The GovDelivery service uses various social media features to increase customer outreach. LMCI will endeavor to expand significantly the number of customer e-mail contacts we collect as part of the agency-wide GovDelivery initiative.

**Explore alternate data sources to expand labor market analytical capacity** -- Texas has long been interested in non-BLS data sources that potentially open up new insights into labor market dynamics. One of these data sets is sales volume. LMCI continued to purchase Global Insights industry value of output (\$) data, as a proxy for dollar-denominated sales value and as a means to assess industrial labor productivity and as an alternate measure of growth. The purchase of 2014 data extends the time series back to 2003 and covers every Texas county at the four digit NAICS level. These data have been integrated in the Industry Evaluation Model software in SOCRATES and SWAP as an additional explanatory variable. Staff also continue to dissect the American Community Survey PUMS micro file to help answer detailed demographic questions. Starting in 2009 the ACS PUMS records contain information on the earnings and occupational employment of Texans who hold a Bachelor's degree or higher. Among other things, these data give us a sense of earnings and occupational attachment for persons whose major has limited direct association with the labor market, such as Liberal Arts, Political Science, etc. In PY2013 we created EEO tables from the ACS PUMS and various reports showing earnings, age and education by occupation.

## **Section B: Customer Consultations**

Our strategy regarding customer interface and consultation has not changed from prior years. We strive to be an outward looking organization, operating under the premise that an inward-looking business operation will find themselves in the unsatisfactory situation of spending more time looking at themselves than they do at their customers. LMCI seeks to create a balanced LMI operation, one which serves as the standard bearer of data quality while also expanding the application of data to a wider audience. Critical to that process are regular customer consultations.

The Texas customer consultation strategy has five major components to achieve this balance, modeled after the underlying principles of the old NOICC/SOICC network. That network was responsible for creating and supporting uniform use of federal data

taxonomies, while also customizing the use of LMI to address constituent-specific needs. These five major strategies are:

**1. Stay engaged in external applied labor market research** – If the recession has taught us nothing else, the labor market does not always behave in strict accordance to the Keynesian principles of macroeconomics so many of us were taught in school. The best way for an LMI shop to stay relevant is to understand how regional labor markets are functioning and try to provide insights into those dynamics. We try to do this by relying not only on established core data sets such as those collected under the BLS Fed-State Cooperative programs but also by integrating new sources of information.

**2. Have a strong Internet presence** – Like it or not, most of our customers find us via the Internet. And increasingly those customers want to conduct their own research and analysis. They're looking for the best data sets and analytical tools they can find to achieve that goal. LMCI has ten different web tools, each built to address a specific customer need. For example, economic development professionals tend to be more sophisticated data users and need data tools that allow them to conduct occupational supply/demand analysis, create regional and comparative wage profiles and generate small area e.g. county-level, community profiles. Students, on the other hand, are more likely to need career guidance information customized around a decision-making process to help them determine their interests and work values, find out which occupations might be of particular interest and how the world of learning is connected to getting those jobs, i.e. what does one have to study, where can I go to get that instruction. Each of these diverse web tools is monitored so that we know where our customers are going and which data tools are generating the most interest. We maintain online feedback loops and customer support feeds to help us stay connected to customer concerns.

**3. Maintain a presence in the field** – If your customers don't know what you offer, they're likely to complain that you don't help them. Having a passive Internet presence is important, but it is equally critical for our customers to see and interact with LMCI staff. The most pivotal aspect of maintaining a field presence is the conduct of training and various presentations. This is one reason the Director makes so many presentations in local venues; to let customers know the data and data tools that are available, how those tools can be used to tell the labor market story, and to assess the most salient customer concerns. As detailed in Appendix A below, LMCI staff conducted 95 presentations and workshops during the program year. Each of these events not only allowed us to communicate value, but also to learn about customer data needs and challenges.

**4. Attend conferences and share ideas** – If you spend all of your time at your desk you never develop the personal relationships or participate in the brainstorming sessions that are so critical to innovation and addressing customer data needs. In PY2013 we continued a new direction by conducting personal interviews with Texas business to get a sense of their skill needs. These anecdotal data give us additional context for our statistical data and also provide us opportunities to collaborate and to form hypotheses that can be empirically tested. Also in PY2013 we wrapped up the execution of the Texas WDQI

grant by introducing Texas CREWS; an integrated student outcomes database and application to help guide future student career decision-making.

LMCI program managers also participate in national policy councils, as time allows. The LMCI Director sits on the national LED steering committee and NASWA LMI committee. Our BLS program manager sits on the OES and CES policy councils. We find this external engagement to be extremely useful for generating new ideas and creating relevant products and services.

**5. Stay involved with other state constituencies** – The Texas Department of Rehabilitative Service Blind Services (DARS/VBS) is becoming an increasingly data driven operation. They routinely collect data on their job placements by occupation using Standard Occupational Classification codes. Their migration to SOC codes has allowed LMCI staff to provide detailed analysis on the labor market for those occupations where high placement volume occurs. Moreover, we can show them occupational areas in which there is high demand and yet DARS staff have limited penetration. This kind of analysis is only possible when you understand how other constituencies use labor market data. LMCI staff are routinely invited to statewide DARS conferences and new counselor training events to share our expertise in the context of serving the disabled.

LMCI staff are at the table for public K-12 and higher education activities. We try to maintain staff relationships with these other education and workforce system partners, albeit through informal channels. As an annual recipient of Perkins grant funding through the Texas Education Agency, we are able to pursue data projects that are of joint and mutual interest to both the education and workforce communities. TEA has funded a toll-free career information Hotline for 28 years as a low-tech means to distribute college and career information. The grantee worked with the TEA to fund the Workplace Basics research project, LMCI staff continued to participate in the Education Research Center (ERC) joint advisory board, and continued sharing of UI wage records with the Texas Higher Education Coordinating Board to maintain college report cards and related post-graduate outcomes analysis.

### **Section C: Partnership and Collaborations (new partnerships, activities & linkages and highlights of tools & resources created through or supported by these partnerships)**

This section is asking for itemized collaborative efforts to highlight partnership activities and our contributions to those partnerships. Texas will argue that almost everything we do involves a partnership of some type, and that in each case we are bringing something of value to the table in the form of a customized analysis or end-user data tools. Some of these collaborations are highlighted in Section B. Our strongest outside collaboration in PY2013 was with the Texas Education Agency. Among the deliverables we produced under a Perkins grant from that agency were:

1. The execution of a data collection project for “Workplace Basics” or social competence data by detailed work activity for every SOC coded occupation. This

- project is an excellent example of a three-way collaboration between TEA Career and Technology Education, Higher Education in the form of TSTC Waco, and TWC/LMCI.
2. Provided Toll-free Career Information services, including materials, Spanish speaking Hotline operator, materials packing and dissemination. The Toll-free Hotline continued operations in PY2013 for the 28<sup>th</sup> consecutive year, filling 1,285 requests for counselor packets and answering 5,683 student calls from September 1, 2013 through August 31, 2014. As part of the Hotline contract LMCI continued their commitment to update and maintain Texas CARES at no cost to the Perkins contract or the Texas Education Agency. TEA's lone contribution to Texas CARES is funding for a third-party video hosting service that serves up the over 400 occupational and college videos provided within Texas CARES.

There are several other efforts that TWC/LMCI contributes indirectly to the support of Perkins goals and CTE program support. Among these is the production of occupational supply and demand reports, analysis of post exit labor market outcomes and a variety of presentations at which the importance of CTE programs is emphasized.

## **Section D: Recommendations for Improvements**

Texas encourages the continuation of the entire body of ETA core products. We believe the emphasis is pertinent to the role of an LMI grant recipient and yet flexible enough to allow each state to address their respective customer needs and engage in unique product development. We highly encourage the continuation of the three year funding cycle, which allows states to accomplish annual objectives but also to plan and budget more strategically to attempt bigger things. Texas has been able to undertake larger, more meaningful projects by executing some operational budget austerity and the use of budget carryover provisions to achieve project goals over the course of a three year period. We applaud ETA for reserving this kind of flexibility for the states to think and act on a larger scale and longer horizon than an annual grant cycle. From this perspective, it is disappointing to find that ETA is moving in the opposite direction by mandating larger percentages of annual grant funds be expended in the grant year. Most states will do this anyway. But those states that choose to be more assertive and develop a more diverse funding base, or undertake larger projects in a phased or piecemeal manner, should be encouraged to do so within the Workforce Information Grant.

Texas also appreciates the flexibility allowed by ETA to provide the kinds of specific deliverables deemed necessary at the state level within broad categories identified by ETA. Texas appreciates the efforts of ETA regional office staff to keep us informed of federal initiatives that may have a bearing on state policies and approaches. We encourage ETA to retain this policy direction.

Texas continues to support the partnership between state LMI shops and the Census Bureau regarding the Local Employment Dynamics (LED) program. LED now has all 50 states participating and this treasure trove of labor market dynamics information is just

starting to become main stream. We applaud ETA's prior participation as a funding agent and we highly encourage ETA to continue their active participation as part of the partnership; both financially and through challenges to the LED partnership to create products and reports that specifically contribute to federal and state workforce program operations. There is no richer data base with more potential for the workforce system than LED. Given ETA's early support of the fledgling system, we encourage continued engagement -- if for no other reason than to optimize early development investments. We would also encourage ETA to investigate several related projects being undertaken by Census, especially the job to job flows research, as they have exceptional potential to assist planning and placement for dislocated and transitioning workers.

Texas also would like to encourage ETA to participate in the Conference Board's initiative relating to on-line help wanted job postings (HWOL). Otherwise referred to as "real-time LMI" the availability of online job postings data has been an exceptional addition to the LMI toolkit. We recognize that there are many companies engaged in web spidering for electronic job postings; however The Conference Board has made a concerted effort to understand help wanted advertising as a leading economic indicator within the larger macroeconomic environment. This allows HWOL job postings to be seamlessly integrated into various LMI tools and the underlying micro data and analytical tools should prove extraordinarily helpful in direct job placement under TANF/CHOICES and WIA.

Texas also continues to believe that the states should be allowed to produce short term employment forecasts by whatever means they believe most useful; including contracting for those forecasts through commercial vendors. Texas has a very successful history of contracting for short term projections rather than developing them in house. The reasons are varied but we believe important. First, it is more cost effective to contract for employment projections than to support an internal staff person to perform the task. With a bevy of available consultancies, securing high quality projections from highly qualified national consultants in a competitive bid process both decreases our costs and increases the brainpower applied to the projections process. Second, the PMP approach relies on linear methods applied to QCEW time series data to create, essentially, extensions of recent trends. This method makes no concessions to the impact of business cycles, cannot explain forecasted changes in the context of actual or forecasted economic, demographic or political phenomena and indeed performed poorly in the face of the recent recession. In essence, the PMP short term forecasts are merely the front end of the long term projections, an incestuous approach relying on the same trend data - some of which is frequently disclosed. Texas prefers to engage an economic consulting firm with the requirement to use an econometric model of the state of Texas. This gives us a different view of the Texas economy because it incorporates global, national and relevant state and local economic trends into the employment forecast.

As those econometric assumptions are reviewed during the forecast period, this method allows our customers and us to assess the ongoing veracity of the numbers in the context of real economic events and movements in the business cycle. Indeed, we ask our consultants to provide detailed explanations for their forecasts, providing us with

empirical numbers but also written explanations as to why the numbers are forecast to change as predicted. We refer to this approach as a cross-pollination. It is invaluable for reconciling our long term industry employment projections and it is only possible when we have forecasts created under competing methods. We would like to continue this conversation with ETA regional and national program staff to arrive at a mutually beneficial outcome.

As far as short term occupational projections are concerned, we believe they also suffer from fatal methodological flaws. Using an industry-occupation matrix approach to long term projections makes good sense because, over a ten year horizon, industries achieve staffing pattern equilibrium that can serve as a foundation for likely occupational needs. In the short term however, macroeconomic conditions, changing business practices or regulatory issues, core labor and skill imbalances etc. can cause wide variations in short term occupational demand. Until the availability of real time job postings data retrieved from the Internet, it was difficult to assess the true impact - especially at the state or regional level - of these business cycle phenomena. A recent Texas example makes this point. Texas has a growing aerospace cluster in the Dallas-Fort Worth region that includes such companies as Lockheed Martin. At equilibrium, and reflected in the staffing pattern, growth in this cluster should point to increases in various assembly, industrial technician and engineering occupations. In fact, while there was some demand in these occupations, the largest demand was in information technology jobs - reflecting a new line of business and changes in company priorities. The real time data captured this movement, but the short term occupational projections, using the PMP matrix based approach, missed the mark entirely. For these and other related reasons, Texas would prefer to emphasize our work in using real time job postings data instead of creating and publishing short term occupational forecasts using the PMP software and we encourage ETA to revisit this decision in future TEGs.

Lastly, we encourage ETA to fully support the Projections Managing Partnership. The micro-matrix product is critical to long term projections and the various related tools and expertise that allows that system to be useful are highly valued by states. In addition, the EDS OES wage data processing tool is critical to providing occupational wage data to our local workforce boards. The BLS supports wage data for MSAs but in states like Texas that have 28 local workforce boards that are not coterminous with MSAs, the ability to support WIA and those Boards with wage data and customized regional staffing patterns is dependent on the EDS processing engine. We hope ETA recognizes the importance of the EDS processing engine and the valuable support role previously provided by the state of North Carolina and finds a way to retain this capability, whether it be through the PMP or the Analyst Research Center (ARC).

Appendix A: LMCI Presentation Schedule PY2013

LOCATION	PURPOSE	FOLKS	TYPE
Houston	Aligning Education & the Economy for CTAT TCEC statewide conference	120	Teachers
Austin	Introduction to the DWA project for Curriculum Alignment to State Board of Education	35	Administrators
Houston	<i>Do You Have the Skills to Pay the Bills</i> talk for Houston EEOC conference	80	Employers
Kilgore	Aligning Education & the Economy for Region 7 ESC Leadership Academy	65	Administrators
San Antonio	<i>Do you Have the Skills to Pay the Bills</i> talk to TAVAC counselors	35	Counselors
Corpus Christi	<i>Do You Have the Skills to Pay the Bills</i> talk for Del Mar College employment conference	25	Administrators
Austin	<i>Do You Have the Skills to Pay the Bills</i> talk for Austin ISD CTE in-service	105	Teachers
Dallas	Changing Face of the Texas Labor Market for Dallas EEOC conference	200	Employers
Wylie	<i>Do You Have the Skills to Pay the Bills</i> talk for Wylie ISD CTE in-service	35	Teachers
Dallas	Using LMCI products for Regional Labor Market Planning for Dallas LWDB	8	Workforce
Dallas	Aligning Will & Skill for Strategic Planning for Dallas LWDB board meeting	50	Workforce
Austin	Aligning Will & Skill for Texas One board luncheon event	70	Employers
Austin	Aligning Will & Skill for DARS/VBS placement counselors at Criss Cole	15	Counselors
Bastrop	Working Texas Style: Bastrop Regional Job Growth for Bastrop Rotary Club	45	Employers
Denver	Panel presentation on use of follow-up data for program improvement at NASWA	50	Administrators
Dallas	Working Texas Style for Texas Veterans Association	60	Administrators
Denver	DWA Common Language project for NASWA Innovations workshop	45	Administrators
Corsicana	Working Texas Style talk for regional employment conference with NCT LWDB	90	Workforce
Austin	DWA Common Language project briefing for TWC Leadership	15	Administrators
Corpus Christi	<i>Do You Have the Skills to Pay the Bills</i> talk for DARS regional conference	140	Counselors
Houston	Changing Face for Houston to Lone Star Cy Fair education event	90	Administrators
Houston	Nuts and Bolts of Labor Market Analysis for Education Lonestar Cy Fair	35	Administrators
Austin	<i>Do You Have the Skills to Pay the Bills</i> for TX CTE Leadership Academy conference	150	Teachers
Austin	Aligning Education through DWAs: A TETN webcast for TEA CTE	50	Teachers
Longview	<i>Do You Have the Skills to Pay the Bills</i> talk for Working Poor Conference at LeTourneau	75	Administrators
San Antonio	Changing Face of the Texas Labor Market for TX Economic Development Conference	280	Workforce
McAllen	Working Texas Style for South Texas Manufacturing Industrial Association	80	Employers
Houston	<i>Do You Have the Skills to Pay the Bills</i> talk for Parents of Grady ISD students	90	Parents
Fort Worth	Balancing Will & Skill for Tarrant County Workforce Conference	120	Teachers
Corpus Christi	<i>State of the Texas Economy</i> for Eagle Ford Consortium run by Workforce Solutions	90	Workforce
Austin	<i>State of the Texas Economy</i> for Quarterly PAR Performance Briefing	25	Administrators
Austin	Aligning Education and the Economy for Capital Area Board strategic planning session	25	Workforce
Austin	Changing Face of the Texas Labor Market for new DARS counselors	30	Counselors
Round Rock	<i>Do You Have the Skills to Pay the Bills</i> talk for SHRM workforce readiness luncheon	40	Employers
Houston	<i>Do You Have the Skills to Pay the Bills</i> talk for Cypress Creek ISD (2 presentations)	140	Students
Belton	Working Texas Style: Do You Have The Skills To Pay The Bills Central Texas SHRM	30	Employers
Austin	Using LMI to Create and Employer Contact Strategy for TWC SDF staff	25	Workforce
Houston	Aligning Education and the Economy for San Jacinto College & Gulf Coast WFS	100	Administrators
San Antonio	Changing Face of the Texas Labor Market for Austin Strategic Planning session	20	Workforce
San Antonio	Aligning Education and the Economy for TWC Statewide Conference	200	Workforce
Austin	Changing Face of the Texas Labor Market for Austin LWDB strateic planning session	30	Workforce
Belton	Working Texas Style: Do You Have The Skills To Pay The Bills for Belton EDC	100	Employers
Grand Praire	Aligning Will & Skill for Alcantar regional planning sessions in Grand Praire	32	Workforce
Bryan	Working Texas Style for Brazos Valley LWDB strategic planning session	50	Workforce
Laredo	Working Texas Style for Middle Rio Grande strategic planning session	60	Workforce
Odessa	Aligning Will & Skill for Alcantar regional planning sessions in Midland	25	Workforce
Cedar Park	Aligning Education & the Economy for Vista Ridge HS in-service conference	200	Teachers
Austin	Changing Face of Texas economy for CTC presidents etc. for Educate Texas	30	Workforce
Austin	Aligning Will & Skill for CTE administrators at TCEC/CTAT conference	150	Administrators
Tyler	Working Texas Style for Workforce Solutions and Region VII ESC Voc Adjustment	65	Workforce
Bryan	Aligning Will & Skill for Alcantar regional planning sessions in Bryan/College Station	23	Workforce
Austin	Executive briefing on Texas CREWS education consumer reporting system	20	Administrators
Austin	Changing Face of Texas Economy PAR performance briefing	50	Administrators
Houston	Aligning Will & Skill for Alcantar regional planning sessions in Houston	30	Workforce
Houston	Automated follow-up services and Texas CREWS demonstration	50	Administrators
Lufkin	LMCI Products and Services Training for Deep East Texas WDA w/M. Guzman	25	Workforce
Austin	Aligning Will & Skill for Chris King UT Human Capital class	25	Students
Houston	Education and the Economy for Lone Star college Workfroce Conference	75	Administrators
Baytown	Working Texas Style: Do You Have The Skills To Pay The Bills for Goose Creek ISD CTE (2)	70	Counselors
Kingsville	Working Texas Style: Do You Have The Skills To Pay The Bills for Kingsville ISD CTE	80	Counselors
El Paso	Aligning Will & Skill for Alcantar regional planning sessions in El Paso	50	Workforce
Austin	Working Texas Style for Central Texas Benefits Association	30	Counselors
Austin	Panel presentation with TSTC on a Skills Based Funding Formula @ SXSWedu	75	Employers
San Antonio	Will & Skill for San Antonio for Commissioner Andrade TWC Explorer series	50	Counselors
Laredo	Changing Face for MAFO conference	20	Administrators
Dallas	Working Texas Style: for College & Workforce Readiness Summit	40	Counselors
San Antonio	Working Texas Style: Do You Have The Skills To Pay The Bills for DARS	60	Counselors
Corpus Christi	Aligning Will & Skill for Alcantar regional planning sessions in Corpus Christi	35	Workforce
Beaumont	Working Texas Style: Do You Have The Skills To Pay The Bills	60	Workforce
Houston	Aligning Will & Skill for GPASS conference on HB5 at UH	160	Administrators
San Antonio	Will & Skill for San Antonio for Commissioner Andrade TWC Explorer series	50	Counselors
San Antonio	Aligning Will & Skill for Andrade TWC Explorer Series	120	Administrators
Dallas	Working Texas Style for Texas Association of Staffing	160	Employers
Austin	Working Texas Style for TX Assoc. for Continuing Education conference	180	Administrators
Austin	Provided training on LMCI resources to Capital Area LWDB staff	2	Workforce
Denver	Texas DWA Labor Exchange through the Texas DWA Project	35	Workforce
Austin	Changing Dynamics of Austin Metro Labor Market for Austin Rotary Club	25	Employers
Austin	Working Texas Style for DARS Blind Services counselors	20	Counselors
Austin	Working Texas Style for St. Edwards career counselors	45	Counselors
Dallas	Aligning Education & Economy for Dallas Chamber Educational Conference	130	Employers
Garland	Working Texas Style for Garland Chamber of Commerce and NORTEX Manufacturers	65	Employers
Austin	Aligning Education and the Texas Economy for Texas Career Development Association	120	Administrators
Dallas	DWA Common Language for BLS Directors Conference	65	Workforce
Dallas	BLS and Beyond for BLS Directors Conference	125	Workforce
Orlando	TexasCREWS presentation at National Association of Institutional Researchers	60	Administrators
Austin	Labor Market Targeting for VETS	30	Counselors
Abilene	Working Texas Style for West Texas Energy Consortium	45	Workforce
Austin	LMCI product training Sulphur Springs Economic Development	4	Workforce
Austin	Working Texas Style for Austin University Rotary Club	13	Private
Dallas	Introduction to Texas CREWS for Southern Regional Datatel researchers	17	Administrators
San Angelo	Aligning Education and the Texas Economy for San Angelo Chamber of Commerce	149	Employers
Austin	LMCI products for Capital Area LWDB staff	30	Workforce
Austin	Webinar on Texas WDQI products with G. Borcomon of the THECB	30	Administrators
San Antonio	Aligning Education and the Texas Economy for Texas Association of School Boards	250	Administrators
San Marcos	Working Texas Style for San Marcos Chamber of Commerce	45	Employers
Ft. Worth	Working Texas Style for TASB Summer Training Conference	80	Administrators