



BILL HASLAM
GOVERNOR
STATE OF TENNESSEE

September 30, 2011

Brad Sickles
United States Department of Labor
Employment and Training Administration
61 Forsyth Street, S.W.
Room 6M12
Atlanta, GA 30303

Dear Mr. Sickles:

Enclosed please find the Annual Performance Report for Tennessee for the Workforce Information/Labor Market Information core products and special information funding, in accordance with Training and Guidance Letter 3-10. Should you have any questions, please contact Michael Thomason, Assistant Administrator, at 615-253-4892, or Martha Wettemann, Statistical Analyst Supervisor, at 615-253-6884.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bill Haslam".

Bill Haslam
Enclosure

Tennessee Department of Labor and Workforce Development
Annual Performance Report to the Employment and Training
Administration
July 1, 2010 – June 30, 2011
September 2011

Introduction—Inclusion in this report of activities performed in partial fulfillment of requirements of the “Tennessee ARRA LMI Improvement Grant”

The Employment and Training Administration’s Training and Guidance Letter Number 30-08, June 12, 2009, refers to the American Recovery and Reinvestment Act of 2009. In section 4. Background, the letter states, “The Recovery Act provides more than an injection of workforce development resources into communities across the country. *It is also a significant monetary investment and represents an extraordinary opportunity for state workforce agencies to fund their employment and training programs in a manner that supports and accelerates the transformation of the public workforce system and increases its effectiveness.*” (Emphasis added.)

The section finishes with the following statement: “This guidance highlights opportunities state workforce and labor market information . . . entities (LMI entities) will have to demonstrate value-added information products and services to support Recovery Act investments.”

Because of the simultaneous availability of American Recovery and Reinvestment Act (ARRA) funding to increase the effectiveness of LMI efforts during portions of the grant year, **some reported activities relate jointly to the 2010 Workforce Information Grant and the ARRA LMI Improvement Grant, referred to as the “Green Jobs Grant” obtained by the Tennessee Department of Labor and Workforce Development in December 2009.**

Two of the collaborative activities of the LMI Improvement Grant are referenced in this report.

Impact study on the six groundbreaking green industry investments in Tennessee.

The impact study has provided estimates of the numbers of new construction and production jobs which are expected to be created by major new green industry investments. This Green Jobs Impact Study was performed by the Middle Tennessee State University’s Business and Economic Research Center. The primary researcher on this grant is expected to make a presentation on the results of this study to the State Workforce Investment Board in December, 2011.

The methodology for this study, developed in collaboration with LMI staff, was a unique application of IMPLAN software for exploring the multiplier effect of economic development on job creation across industries and within all the sub state LWIA’s. In addition to the outcomes of the study, which are important in themselves, this IMPLAN application should

prove to be useful in the future for determining the amount of job creation within and across sub state areas which is expected to result from specific economic investments.

An enhanced web-based Labor Exchange module: Two additional self-service modules for the Source were purchased: (a) A self-service module for job seekers that will allow individuals to post resumes and apply for jobs online; and (2) A self- service module for employers to post jobs to The Source and search resume postings for candidates, with appropriate safeguards. The Labor Exchange Module is in a final testing stage and is on track to be completed by September 30, 2011.

”In-context” LMI. Labor Market Information staff has been able to leverage those Improvement grant funds to provide an additional benefit to users. With programming funded under the 2010 annual Workforce Information grant, users of the new self-service modules on *The Source* are given immediate access to labor market information within the process of posting jobs and resumes on line. Not only is this a benefit to users of the Labor Exchange Module, but this usage of labor market information by job seekers and employers can be tracked by Job Service and LMI staff.

LMI Improvement Grant Strategic Partners also partnering in ongoing work under the LMI Workforce Information grant include:

TDLWD- Employment Security Division

TDWLD- Workforce Division and the Workforce Board

Middle Tennessee State University’s Business and Economic Research Center

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Requirements and Accomplishments for Attachment III, Work Deliverables

Deliverable 1. Populate the Workforce Information Database (WIDb) with state and local data in all tables designated as core tables.

Accomplishments: Tables populated and displayed in *The Source* (www.sourcetn.org) are listed at the end of this report.

The following files were updated in 2010 – 2011:

Dates activities accomplished PY 2010 - 2011	Data Tables Updated Displayed in Tennessee's WIDb, <i>The Source</i>
Monthly PY 2010 – 2011	<ul style="list-style-type: none"> • Updated Employment Security data for Applicants for employment, Job Openings and Unemployment Insurance (UI) Claimants • Updated labor force, employment, and unemployment data • Updated CES Data
Quarterly PY 2010 – 2011 as well as annually.	Employment and wage data submitted by employers (QCEW) updated
Every 6 months	Obtained employer database through multistate consortium from InfoGroup and updated WID tables
May 2011	2008-2018 Industry and occupational projections data tables for the 13 local WIAs
June 2011	2010 – 2012 Short term industry and occupation projections submitted to the Projections Managing Partnership

Deliverable 1, continued. Licenses Requirement: Populate the database with the following licensing files: license.dbf and licauth.dbf updated every 2 years and submitted to the National Crosswalk Service Center.

Accomplishment: Occupational licensing information was updated to the most recent date available (2008 for most licensing authorities but 2007 for some). The License.dbf and Licauth.dbf WIDb tables for *The Source* were updated and data were forwarded to the National Crosswalk Service Center. The crosswalk center has forwarded Tennessee's updates to the O*Net site ACInet.org where they are now displayed.

Deliverable 2. Produce and disseminate industry and occupational employment projections.

First primary activity for PY 2010: Statewide short-term occupational projections.

Requirement: Produce and disseminate projections for 2010 - 2012.

Accomplishment: Producing update. Completed processing of the short-term statewide projections for 2010 to 2012 and submitted the data to the Projections Managing Partnership by June 30, 2011.

Accomplishment: Web Dissemination. These data have been updated in The Source (www.sourcetn.org).

Second primary activity for PY 2010: Sub-state long-term industry and occupational projections.

Requirement: produce and disseminate updates for the 13 Local Workforce Investment Areas for 2008 - 2018.

Accomplishment:

Industry and occupation projections for the 13 Local Workforce Investment Areas have been updated to 2008-2018 and were published on the departmental web site in May.

Tables with these long-term projections are found at the following link:

<http://www.tn.gov/labor-wfd/publication.htm>

Under the title "Industrial and Occupational Outlook" and explanatory text are three dropdown boxes. (Do not click on the title "Industrial and Occupational Outlook" to find these tables as that link takes you to the Hot Jobs publications, which are in the process of being updated.)

The long-term projections for the Local Workforce Areas (LWIAs 1 – 13) for 2008 to 2018 are displayed in two of these boxes. The box titled "Growth of Industry"

displays projected industry growth data and the one titled “Growth of Occupations” displays the projected occupation growth data.

A third drop-down box displays the occupations with the highest growth rates expected over this period for these same local workforce areas.

All files can be printed or saved in pdf format.

- Both statewide and local area 2008 to 2018 data are also available in the Source (www.sourcetn.org).
- The statewide publication of “Hot Jobs to 2018” has been completed and will be available on the departmental web site.
- Updated Hot Jobs publications for the 13 Local Workforce Investment Areas are being produced and will be made available for viewing and printing and in downloadable pdf format at <http://www.state.tn.us/labor-wfd/publication.htm> .

Accomplishments: All tables populated and displayed in *The Source* (www.sourcetn.org) are listed at the end of this report.

Deliverable 3. Requirement: “Conduct and publish relevant economic analyses, special workforce information, and/or economic studies determined to be of benefit to the governor and state and local WIBs. . . . Studies may also support the LMI/WI . . . needs of other system stakeholders.”

One key stakeholder in the search for appropriate measurement and comparison of occupational supply and demand has been the Tennessee Department of Education’s Career and Technical Education section.

The LMI section has been publishing supply/demand analyses for many years based in part on collaboration with the state postsecondary educational institutions providing career and technical education. However, when public secondary schools were required to configure their career and technical educational training into 16 specified clusters, there was a mismatch between LMI’s clusters providing supply/demand analyses and the needs of educators concerned with linking their courses to the supply and demand into which students will be graduating and/or seeking further training and education. At that point, several years ago, an intensive period of collaboration began between Department of Education staff and LMI staff.

The result has been a retooling of the supply/demand cluster concept, measurement, and display in the search to best meet the needs of secondary educators, students, and parents as well as their post secondary education partners

The method of analyzing supply and demand resulting from these years of consultation and collaboration with Tennessee Department of Education's Career Education staff, has culminated in approximately 200 one-page printable analyses available since March 2011 from the home page of *The Source* <http://www.sourcetn.org/> and listed as "Supply and Demand Report". Although designed to accommodate one set of users' specific needs, it is available to all users of *The Source*, including job seekers, employers, and other members of the general public.

These reports include:

- Analyses based on breakouts of the occupations in the 16 national education clusters. Each analysis can be printed separately.
- Two or three tables in each analysis. The Demand table lists projected annual job openings for occupations education department staff specify for this cluster. The Supply table lists the most recent annual total of education/training completers the education department staff and LMI staff jointly determined to be the supply for these occupations. A third table represents an additional operational definition of supply: a month (date supplied on the table) of Unemployment Insurance Claimants for occupations related to this cluster.
- A bar graph with 3 bars in most analyses, providing immediate visualization of the relationships between supply and demand. Bars representing the Supply table totals can be compared with Demand table totals. A third bar represents a month's total Unemployment Insurance Claimants for occupations related to this cluster.
- An accompanying table clearly presenting the sums of the Supply and Demand tables and providing the supply/demand ratio for these sums. Additionally, the table provides a supply/demand ratio for a total of claimant data to the educational supply.

The complete 217 page set of analyses can be downloaded in pdf format.

These data tables and analyses will be updated annually.

Deliverable 4. Requirement: "Post products, information, and reports on the Internet."

- Data updates developed for the Workforce Information Database (WIDb) are available on the web in the interactive system *The Source* (www.sourcetn.org).
- A step-by-step guide to the 4 most popular types of information searches in *The Source* ("*The Source: How to do a Quick Search for Jobs, Training and More*") is accessible to users from the home page of *The Source* as well as from the Department of Labor and Workforce Development's publication page <http://www.state.tn.us/labor-wfd/publication.htm>.

- When finalized, the statewide and 13 local WIA “Hot Jobs to 2018” publications incorporating supply-demand analyses and wages will be available from the departmental web site <http://www.state.tn.us/labor-wfd/lmi.htm>. (“Future Trends in Occupations and Industries – Hot Jobs”).
- As they are processed, we upload much of our data updates and analyses to one of our two departmental data and publication websites, <http://www.state.tn.us/labor-wfd/lmi.htm> and <http://www.state.tn.us/labor-wfd/publication.htm>. In addition to the data and publications already cited, the following are also available on these sites: “Wages of Selected Occupations for State and Sub-State Regions” (2010 wages for all MSAs and Balance of State areas); and the Tennessee Department of Education’s 16 Career Cluster Guides resulting from LMI’s collaboration with that department. The most recent LMI report, “Tennessee’s Green Job Opportunities” is also available.

Deliverable 5. Requirement: “Partner and consult on a continuing basis with workforce investment boards and key economic development partners and stakeholders.”

Workforce Investment Boards and staff.

State Workforce Investment Board. Because the Green Jobs report was the most recent LMI product, it was the requested topic for the December statewide Workforce Investment Board meeting.

Local Workforce Investment Boards

- The Research and Statistics section’s six research analysts located across the state maintain ongoing relationships with a wide variety of data customers, including local workforce boards.
- Statewide Hot Jobs publications displaying high demand, high wage, and high skill occupations are distributed in the local workforce investment areas through our department’s Employment and Training division.
- We provide additional information, including special occupation and industry analyses, to the 13 local workforce investment board staff upon request. As an example, during this past program year we provided data for a grant application at the request of the director of one of the East Tennessee LWIA’s.

Additional key stakeholders

Career and Technical Education section of the Tennessee Department of Education.

We consult on a continuing basis with this section. We provide and update supply-demand analyses for incorporation into their department's 16 education Career Cluster booklets.

We also work collaboratively with the Career and Technical Education Section at their request annually in reviewing grant applications they receive for Carl Perkins Act funds. Our review focuses on the degree to which occupations proposed for funding are those in demand and can be termed high skill and high wage.

As detailed in Deliverable 3, at the request of this section of the Department of Education and working collaboratively with education staff, Labor Market Information staff developed detailed statewide supply-demand analyses for a total of 217 subsets of the 16 national education career clusters. These analyses were posted to the home page of *The Source* (www.sourcectn.org) and were updated to the most current data in March, 2011. Each analysis is downloadable in a one-page pdf document. Information, including Unemployment Insurance claimant data as a measure of supply, is presented in table and graph format.

Business and Economic Research Center of the University of Tennessee in Knoxville. We provided occupational demand information for 2008-2018 to the researchers working on analyzing supply and demand for higher education degrees for the Tennessee Higher Education Commission.

Tennessee Department of Economic and Community Development. On request, LMI staff have provided custom files with industry data needed by ECD research staff for their analyses.

Non-profits:

- **Bioworks, Memphis.** At their request, we provided supply and demand workforce data to this non-profit working with training providers for a grant application they were preparing.
- **Goodwill Industries.** At their request, held a training session on using *The Source* with their job counselors.

Internal (Department of Labor and Workforce Development) customers.

Our department has a fleet of several Career Coaches—vehicles similar to recreation vehicles—providing career services across the state. When the new Labor Exchange modules on *The Source* have been completed, LMI and Employment Security central office staff will hold a training session to introduce the staff of these coaches to the new modules developed under the Green Jobs Grant and the integrated “in context” access to labor market information.

Customer Consultations

Consultations with workforce investment boards, and other economic development partners and stakeholders, including the Department of Education and sections of our own department, have been described in the section **Deliverable 5, “Partner and consult on a continuing basis.”**

Economic and Community Development Department (ECD)

In March 2011 the LMI programmer analyst worked with ECD, providing information so ECD could locate new companies in specific industries and employment gains by industry for 2002 – 2010 by county.

We provided detailed historical industry data by development districts so ECD could identify industry growth clusters to target within each of the districts.

ECD also used the data to research the success of economic incentives relating to employers adding employment.

Recommendations for Improvement or Changes to Deliverables

Based on the interest in targeting state educational funding at all levels to be more in line with employer demand, we propose an annual consultation be held with representatives of public secondary and higher education institutions in the state to review available educational supply and demand data and examine the implications for state workforce planning.

Data Tables Populated by Tennessee

analysis	This table contains one record for each cluster or unit of analysis. The purpose of the table is to allow the ALMIS Database Administrator to enter text that analyzes the Supply/Demand situation for a state or area, and to display relevant information about placement rates for programs.
blding	Table of building permits awarded per area and time period.
cenlabor	One record for each Census occupation with the count of females or males in the labor force in the occupation.
ces	Employment estimates as reported by the Current Employment Survey.
commute	Commuting patterns. Each record of this table contains a geographic area of a worker's residence ('stfips', 'areatype', 'area') and the geographic area of a worker's place of work ('wkstfips', 'wkareaty', 'wkarea') and the number of workers that fall into this commuting pattern.
develop	Table of industrial development.
empdb	This table contains employer data obtained through the Employer Database Consortium. The use of the data in this format is subject to the state's terms and agreements reached in the contract signed with the ALMIS Employer Database supplier.
esapplic	Employment Service applicant characteristics.
esdata	Employment Service data.
income	This table contains income data.
indprj	This table contains employment projections for each of the identified industries and areas.
industry	This table contains covered employment by industry collected for the QCEW report. (This table includes historical data so that reports reflecting change can be produced.)
iomatrix	This table contains the industry-occupation employment matrix.
labforce	Employment and unemployment estimates are reported from Local Area Unemployment Statistics.
licauth	Table of licensing authorities for the state.
license	This table contains one record for each individual license authorized by the state.
lichist	Table containing the number of licenses awarded for a selected occupation.
occprj	This table contains occupational employment projections for each of the defined areas.
oeswage	This table contains one record for each OES occupation.
populatn	This table contains population estimates for a geographic area and time period.
progcomp	This table contains information about program completers.
programs	This table contains information about programs that are offered by education and training providers.

propval	Property Values. This table contains property value data for an entire geographic area for a specified time period and taxtype.
sales	Revenue from retail sales.
schools	This table contains one record for every training provider in the state. Each training provider will be identified by a code. The training provider will be coded by type - field 'insttype'.
stindprj	This table contains short term employment projections for each of the identified industries and areas.
stoccprj	This table contains short term occupational employment projections for each of the defined areas.
supply	Completer data for all occupational training providers in the state.
tax	Revenues from taxes
uiclaims	This table contains the numbers of Unemployment Insurance Claims for the selected area.

Tennessee Grant expenditures for all activities and deliverables:
June 30, 2011 end of year expenditures were \$502,879 (includes a \$23,862 encumbrance).