

Texas DOL/ETA Workforce Information Grant PY2010 Performance Report

Overview of Texas LMI Programs and Performance

In our PY2009 grant application narrative, we noted many challenges facing the Texas economy and our labor market. The recession had just begun to take shape in our state – a full ten months after the onset of the national recession. While Texas was late to enter the recession, the downturn was particularly steep in 2009. Unlike the real estate boom and bust cycle that affected so many other states, the Texas residential real estate market remained relatively healthy, albeit far from robust. Similarly, Texas financial institutions remained comparatively healthy. The more conservative nature of the Texas banking community was a testament to lessons learned during the severe 1986-87 recession led by an overleveraged savings and loan sector. But the crash in oil prices, the dearth of new construction and the general malaise in global consumer markets forced Texas into recession.

But Texas’ downturn was relatively moderate compared with other parts of the country. By 2010 the Texas economy had turned upward and Texas led the nation in job creation. The recession and subsequent tepid recovery in the labor market put added pressure on the labor market information system. As unemployment rates moved from the low five percent range to the low eight percent range, the recession was responsible for adding nearly another

Largest Job Growth States
Non-ag Employment 2009-2011 (thousands)

State	Jul 2009	Jul 2010	Jul 2011	2-Year Change
Texas	10,255.9	10,350.3	10,619.8	363.9
California	13,937.0	13,885.1	14,074.7	137.7
Michigan	3,834.1	3,882.1	3,942.1	108.0
Pennsylvania	5,587.1	5,622.7	5,693.2	106.1
New York	8,553.9	8,550.1	8,656.7	102.8
Massachusetts	3,164.4	3,190.0	3,246.8	82.4
Ohio	5,032.9	5,039.3	5,113.4	80.5
Kentucky	1,762.1	1,770.4	1,798.3	36.2
Wisconsin	2,731.7	2,737.0	2,766.9	35.2
Utah	1,180.7	1,183.7	1,213.4	32.7

half million Texans to the ranks of the unemployed. Despite nation-leading job growth in Texas, concomitantly large increases in the Texas labor force left our unemployment rates unacceptably high. In addition to a weak national economy, the stubbornly high levels of unemployment are also a function of structural mismatch issues. Many of the unemployed simply do not have the necessary

skill sets to move into growth occupations. This has resulted in disproportionately high levels of long term unemployed persons, even as jobs in many fields are available for appropriately skilled workers.

With this many unemployed persons, many of whom have at least some marketable skills, the task of finding jobs – and being able to match existing skills to new jobs – has become

paramount. Over the past three years, LMCI, using largely DOL/ETA Workforce Information grant funds, developed a comprehensive library of skills that cover the 806 SOC occupations for which Texas provides occupational projections. This initiative, referred to as the *Texas DWA Common Language Project*, has built upon the detailed work activity domain in O*NET and represents a fundamental sea change in the way we think about understanding labor market and skill dynamics. We believe an extensive, robust and validated library of DWA statements, serving as a commonly recognized proxy for skills, is a means to assist smoother communication and provide better alignment of employer skill needs, worker capabilities and the public education and training system. Below is a list of the individual project milestones that have been a part of the larger DWA Common Language Project.

DWA Common Language Project Timeline

Issue Missing Link RFP	November 25, 2006
Begin Missing Link Project	March 12, 2007
Complete Missing Link Project	December 6, 2007
Issue Weak Link Phase I RFP	March 28, 2008
Begin Weak Link Phase I Project	May 23, 2008
Complete Weak Link Phase I Project	March 22, 2009
Begin Weak Link Phase II Project	June 3, 2009
Complete Weak link Phase II Project	December 16, 2009
Complete Industry Certifications data base	January 22, 2010
Begin Weak Link Phase III Project	February 5, 2010
Produce Initial NASA DWA Profiles	February 26, 2010
Issue DWA to TEKS Crosswalk RFP	March 17, 2010
Begin DWA to TEKS Project	April 8, 2010
Issue Performance Levels RFP	July 12, 2010
Complete Weak Link Phase III Project	August 23, 2010
Begin Performance Levels Project	September 10, 2010
Complete Performance Levels Project	February 9, 2011
Complete DWA to TEKS Project	May 29, 2011
Issue Workplace Basics development contract	October 28, 2011

The Texas investment has already created and validated an extensive library of detailed work activities (DWA) serving as a proxy for transferable workplace skills. By creating a more granular understanding of work performed, and using that understanding as a common language, we believe it is also possible to better align employer skill needs with the way curriculum is developed and education and training program investments are prioritized. During PY2010 we were able to demonstrate countless examples of how the DWA library can be used to organize worker capabilities, profile employer hiring requirements, and create a bridge between the two.

In addition to the development of the core DWA library, the Texas grantee extended the application of the DWA library into two new data realms during the program year: 1)

assigning Performance Levels to DWA statements within each SOC occupation, and 2) using Perkins funding from the Texas Education Agency (TEA), we conducted a research project to align the student learning objectives (TEKS) from Career and Technology (CTE) education programs to the DWA skill requirements validated by Texas employers.

The Performance Levels project was jointly funded between the LMCI Workforce Information grant and WIA workforce program dollars. This project, which relied extensively on the Blooms taxonomy and employer validation to attach Expert, Intermediate or Entry Level performance tags on each DWA, has been critical in the ability to rank DWAs in creating resume and job postings profiles.

The TEA contract began in April 2010 and was completed in May 2011. The final deliverable was a crosswalk between DWA skills statements and the CTE TEKS, plus a final report documenting experiences in working with local school districts integrating DWAs into the CTE curricula and recommendations for future actions. In addition to the lone pilot project required in the contract, the SkillsNet vendor conducted a total of 20 ISD pilot projects, including 10 postsecondary institutions and 2 Education Service Centers.

Another major activity relating to the DWA Common Language Project is the creation of a non-profit DWA Research Institute, affiliated with the Texas State Technical College – Waco (TSTC). The Institute is the focal point for DWA inquiries outside the workforce system and has been set up as a non-profit foundation to maintain the currency of the DWA library, expand the reach of the DWA effort and provide a non-government face to engaged employers. For PY2011 the Institute will be conducting research on the assignment of Workplace Basics a.k.a. workplace fundamental skills, to DWAs. The web page for the Institute is www.dwainstitute.org.

Annual Economic Analysis Report(s)

In August 2010 Texas published *Working Texas Style: Think Globally, Plan Regionally* as a special study that chronicles twenty demographic, technology, energy and structural changes that are likely to influence job creation and worker preparation in Texas. This publication represents the most complete perspective we offer on various aspects of the Texas labor market. The full color monograph has been posted in its entirety on the LMCI web page and can be viewed at: <http://www.lmci.state.tx.us/shared/workingtexasstyle/>

Outside of the *Working Texas Style* publication, 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. For PY2010-11, the Comptroller published a series of regional reports called "Texas in Focus" with seven regional highlights. The statewide analysis can be found at <http://www.window.state.tx.us/specialrpt/tif/96-1286.pdf> and the regional reports can be found at the same location. The report for the San Antonio region,

for example, is found at:

<http://www.window.state.tx.us/specialrpt/tif/alamo/pdf/AlamoFullReport.pdf>

For a narrative economic overview of the Texas economy see the website of the Texas Governor's Office at:

<http://www.texaswideopenforbusiness.com/assets/documents/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>

LMCI Web Metrics for PY2010

LMCI offers nine 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, pageviews and the number of visitors. Counts of information disseminated, numbers of inquiries addressed and type of inquiry help determine user interest and guide product development efforts. Web use data for all LMCI applications for PY2010 are provided below.

Some obvious patterns in the data emerge. Foremost, from the volume of activity it is evident that our user community expects to be able to access labor market and career information through the Internet. For PY2010 there were roughly 1.86 million user sessions, over 28.9 million page views, over 540 million hits and 2.32 terabytes of bandwidth used by our customers. For every application except TRACER2, these numbers exceeded overall use from the prior year. The number of daily sessions on Texas CARES Online increased by 340% from PY2009. Similarly, daily session activity increased by 39% on the LMCI Home Page, 49% for Texas Industry Profiles and 4.2% for Reality Check, which became our most visited website for PY2010.

The use metrics for TRACER2 dropped by roughly half for the program year. The explanation lies in the fact that, at one time, all Work In Texas (WIT) applicants looking for work were referred to the Occupational Details page in TRACER2 as part of their application process. We removed this requirement at the end of the last program year and inserted an optional link to Texas CARES Online instead, directing interested applicants

to the online assessments in CARES without requiring all applicants to go through TRACER2. We believe this administrative move represented improved navigation for our customers, but was also a major driver of both the increase in use of Texas CARES Online and the decrease in the use of TRACER2.

LMCI offers several applications geared toward regional workforce planning and analysis and economic development. Within these packages the most frequently visited pages involved employer contact information, occupational profiles and occupational projections data in that order. These results are not surprising as the more complex LMCI web applications, such as SWAP and Texas Industry Profiles, offer enormous analytical power but are targeted for a much smaller audience of workforce planning and economic development professionals.

Customer Use Metrics July 1, 2010 thru June 30, 2011				
Application	Sessions	Sessions per day	Page Views	Page Views per day
Texas CARES Online	359,886	986	7,172,529	19,651
LMCI Home Page	247,704	679	5,629,710	15,424
Industry Profiles	83,994	230	353,245	970
Reality Check	515,243	1,412	11,358,562	31,119
TRACER2	424,380	1,163	1,592,072	4,362
Texas Wages	19,856	54	23,592	65
iOSCAR	145,239	398	2,489,717	6,821
SOCRATES	40,965	112	281,754	772
Texas Work Prep	21,648	59	57,298	157
<i>Other LMCI websites</i>	<i>616</i>	<i>2</i>	<i>11,342</i>	<i>31</i>
Total All LMCI Sites	1,859,531	5,095	28,969,821	79,369

Section A: Detailed Project Accomplishments based on PY2010 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 2.4. All WID core data tables are appropriately populated per guidelines issued by the Analyst Resource Center. Texas has incorporated InfoGroup's 2010 Employer Contacts files into all LMCI online tools and distributed the free CDs to all Texas LWDBs. 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 group and telephone meetings.

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

Publish state and regional 2008-2018 long-term industry & occupational projections

Texas published our long-term 2008-2018 industry and occupational projections in October 2010. 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 from the 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. Staff are now in the process of building foundational data sets and testing the new Projections Managing Partnership (PMP) projections tool in anticipation of producing the 2010-2020 projections next year. Texas participated on the PMP workgroup that produced the new tool, providing input in the development of the training and Help modules and in field testing.

Our short term industry projections were released in August 2010, both online at www.tracer2.com in a special tab labeled *The Future*, and in a hardcopy publication titled *A Forecast of the Texas Economy and Labor Market: 2008-2012*. The publication provides annual forecasts for the state and each WIB region for 2010, 2011, and 2012.

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 conducted 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, the Texas older worker population, job creation and small business, education consumption vs. investment: analysis of higher education program graduates and earnings, feasibility of higher education funding around bundled skills, geo-coding UI claimant data for active filing UI claimants on REG benefits, active filing UI claimants on any EXT benefits, and active exhausted UI claimants, assessing recessionary impacts on job growth in Texas compared with other states, gender bias and the Texas recession, patterns in employment and payroll wages by size class distribution, veterans labor force status, quarterly employment patterns in the Biotechnology cluster, Texas employment in “green” jobs, post exit geographic employment location of Texas college graduates, supply/demand analysis of occupations requiring a postsecondary credential, job opening activity for medical coders in the Alamo LWDA, creation of a statewide list of targeted occupations in support of the Governors clusters, etc. Most of these research efforts were for internal consumption, legislative testimony or in response to a customer request. Staff completed the first draft of a new publication titled, *Atmosphere of Enterprise* that explores the role of small and young business in Texas job creation. A large part of this study was an independent research project that examined hiring activity across the past

20 years in Texas through the UI wage record files. This report will be published during PY2011.

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 during the quarter. A review of the new 5 year LED data sharing agreement was completed and put in place. Links to the LED web tools, including On The Map, were created off the Texas Industry Profiles application. LED data sets have also been integrated into the County Narrative Profiles application, but these sections have not yet been activated to the public. 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 the SWAP software system. A Performance Level metric was developed and populated for all the DWAs and a project to crosswalk DWAs to the Career and Technology Education (CTE) TEKS was also completed. 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. These offline analytical processes are being migrated to the web in two forms: 1) integration of the thread analysis process for Work In Texas job postings and applicants, and 2) online tools developed through the DWA Research Institute in the form of a program called SkillsPass. Although the SkillsPass application is only in elementary form, a user can upload their resume and the program will create a DWA Profile. Based on that Profile, the user can compare against any job posting text they wish to insert in free-form mode or match against the Conference Board Help Wanted Online job postings.

In addition to these applications, LMCI has partnered with the TWC Workforce Division to begin a project to supplant the current occupational title-based match algorithms in Work In Texas with a process that is DWA-centric. This work will take place throughout PY2011. Applications of the new DWA library for skill transferability continued for dislocated NASA personnel and DWA profiles were created for various teaching occupations to assist in the transition of teachers dislocated by state and local budget cuts.

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 download individually by quarter on the Data Search Page at: http://www.tracer2.com/admin/uploadedPublications/1994_QCEW_1Q2011.pdf

Draft and post on-line workforce automated follow-up reports -- 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 by program silo for DOL PY2010 (e.g. ES, WIA, Skills Development Fund) are posted on the LMCI website. For PY2010 staff also returned to a previous idea to create a regional, cross-program workforce follow-up report. This report combined completers from all the

workforce programs operated in a given region, rather than from program silos. The report documents labor market outcomes and compares results against regional labor market activity chronicled through the Local Employment Dynamics program. A draft was created for the Central Texas LWDA to serve as a prototype for additional efforts in PY2011.

IV. Posting Products, Information, Reports on the Internet

Strategic Workforce Assessment Program (SWAP) upgrades, including occupations-based menu option -- For PY2010, significant additions were made to the SWAP program. A Supply/Demand report for any occupational grouping was developed in 2009 and an individualized Supply/Demand feature was added this year, allowing a user to view the S/D balance by clicking on any single occupation within a group. Also new this year was the addition of an integrated Industry Evaluation Model and an Occupational Evaluation Model which allows a user to identify either industries or occupations that have high probabilities for job growth. An integrated Shift-share module was also built in to the industry side, allowing users to identify industries with greater job growth potential using that technique. All the data sets in SWAP were updated, including 2010 wages and 2018 projections, and the number of Conference Board HWOL job postings for the most recent quarter was inserted. The Industry Certifications data file was also integrated into SWAP so that the user can see which Certifications are generally tied to any given SOC occupation. The Certifications database was updated in PY2010 in association with SkillsNet. Finally, a newly designed splash page was fashioned that provides more information to help the user understand what analytical prowess SWAP offers.

Update and upgrade SOCRATES regional planning software – LMCI staff routinely updates and improves SOCRATES data currency and program functionality. For PY2010, within the County Narrative Profiles (CNP) module staff updated variables in that package. We also 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 PY2010, staff continued revisiting functionalities of the TRACER2 product and implemented many changes. Multiple internal working sessions were conducted and a streamlined “back-end” data upload process was created. Emphasis was placed on eliminating or redirecting links from dead or low value-added pages to the most current or most productive LMCI software packages. TRACER redesign efforts are being built around optimizing query and interface schemes. A new GUI interface and improved data reporting features will be the focus of PY2011 activities.

Upgrade and secure 508 compliance for Texas CARES On-line v. 1.0 – In August 2009 LMCI released Texas CARES online. During PY2010 staff updated the data sets to include O*NET version 14.0 release, 2011 Peterson’s College data, integrated the Wilson AutoCoder© tool to make it easier to look-up lay titles, integrated an inverse matrix function that allows the user to see the industries most likely to hire each occupation and

the relative percentages within that staffing pattern, and included a new “Hot Shots” occupational search list that shows specialized custom lists of occupations that meet certain criteria. Sample Hot Shot lists include STEM occupations, the Governors Statewide Target Occupations List, Top 50 Hot Jobs in Texas, etc. The biggest accomplishments for PY2010 were the integration of the DWA library within CARES and the addition of the Industry Certifications database. While improvements in accessibility have been made to CARES, there is still significant work to be done to bring that application in full compliance.

Develop person-based DWA transferability of skills software – In PY2009 we created a framework for a “*Worker Capabilities to Job Requirements DWA Placement Model*”. That model, several DWA profiles for sample resumes and job postings, and future program activities were presented at the DOL/ETA regional workforce conference in March 2011. During PY2010 LMCI staff created automated utilities through the use of a modified version of AutoCoder that can build a DWA Profile for any job posting or individual resume. Staff also created an algorithm that matches DWA Profiles for individuals and job postings to determine a “thread score” or strength of match between one or more job postings or any one or more work history profile. Testing of this tool has included the Texas SAO State Classification System and Work In Texas applicant history profiles, in addition to HWOL data feeds. A rudimentary Remediation Report was also designed that shows the DWAs not present in a given job match and which educational organizations (FICE) represent training possibilities to acquire the necessary skills. These report generation and match capabilities have been increasingly migrated to a web-enabled platform; however they are not yet ready for public viewing. The LMCI matching process is being developed in parallel with the SkillsPass system as a way to test alternate methods of profile development and skills ranking.

Upgrade of the Reality Check Budget Calculator software – This project is an excellent example of both online web tool development and delivery and collaboration with our partners in Career and Technology Education (CTE). The existing Reality Check budget calculator is the most popular program in the LMCI on-line repertoire of software. It has been copied by 20 other states and has been linked from scores of other online programs. In PY2010, LMCI staff issued an RFP, selected a contractor and began an upgrade of the program. The new version is slated to go online in December 2011. In addition to data updates and alignment with the WID data file structure, the new version includes added geographic regions, a page to deal with student loan debt, and access to occupational videos.

Access and design reports and analyses using The Conference Board online 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 PY2010 we also secured a trial live feed of online job postings through The Conference Board as part of the testing process of DWA-centric job matching. That testing will continue into PY2011 as part of a Work In Texas research project. 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. No progress was made on creating a HWOL-centric monthly press release but that activity will be explored for PY2011.

Update and upgrade State Training Inventory software – LMCI updated the State Training Inventory program to include three years of enrollments (2008, 2009, and 2010) and graduates by CIP program and by institution. Program functionalities were also improved. The program was also modified to accommodate the new CIP 2010 program directory.

Build an OES look-up tool from AutoCoder – The OES program staff are continually challenged to make consistent coding decisions as to which payroll titles provided by employers should be coded to which occupations. To assist in this process, LMCI staff developed a modified version of the AutoCoder application. This version includes an inverse staffing pattern to show the industries most likely to employ any given occupation and offers a “Notes:” section to remind OES analysts as to why a particular coding decision was made. Most importantly, for any payroll title, the AutoCoder shows the best SOC code match for that occupation so that each analyst can consistently pick the same SOC coded occupation for a given payroll title. This tool was developed in conjunction with OES staff and demonstrated during the spring 2011. We will move it into production during PY2011.

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

Staff training workshops and presentations – While increasing levels of our outreach activity are being pushed online, LMCI staff make significant efforts to be in the field making presentations on the state and regional economies and providing training in our various products and services. For PY2010, LMCI staff made 80 presentations and in-service workshops. Estimated total attendance at these events was roughly 6,020 conferees (see Appendix A workshop list attached for details). Note that among stakeholders receiving training were Society of Human Resources (SHRM) chapters throughout Texas, local Chambers of Commerce, Workforce Boards, Community and Technical College associations, and Independent School Districts through their Career and Technology Education teachers. In addition to this list of events, LMCI staff participated in a wide range of outreach and professional development events including:

1. Participated in TWC Workforce Forums as a vendor, showcasing LMCI products and services.
2. Participated in the TWC Annual Workforce Conference in Dallas, Texas as a vendor; displayed graphs, charts, and tables regarding Texas labor market statistics.
3. Provided a one and one-half day training session on LMCI products and services to front-line staff of the Alamo Workforce Development Board.
4. Presented on the interpretation and application of LAUS statistics for local community development efforts in Port Arthur, in cooperation with the BLS Dallas Regional Office.

5. Attended TWC Open Records Training on how to handle data requests, especially those sent through TWC's Open Records.
6. Presented on the current conditions of the Texas labor market in St. Louis, Missouri at the national UI Conference with agency director, Mr. Larry Temple.
7. Applications development staff attended Application 501 Visual Disability Training to improve accessibility of LMCI web products.

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 PY2010 our Dissemination staff addressed 1,634 calls and inquiries answering questions almost too diverse to classify. However, they range from creating customized data for the TWC Bond Package Offering, to certifying investment areas under the EB 5 program, to earnings distribution analyses for the Texas workforce.

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 purchased 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 2011 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 have also fully dissected the American Community Survey 2008-2010 PUMS files to help answer detailed demographic questions and requested and received a detailed Business Employment Dynamics (BED) data set that will be more fully analyzed in PY2011, especially relative to new business start-up job creation.

Section B: Customer Consultations

An inward-looking business operation is one that looks more 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. A former LMI Director once said that products that don't address a customer need are mere vanity to the producer—and we concur. Many private consultants have the luxury to focus on new data applications without regard to necessarily maintaining the rigors of the BLS Fed-State Cooperative data system and strict adherence to federal statistical taxonomies. While somewhat straight-jacketed by these constraints, we also have a responsibility as labor market professionals to help our users understand the more relevant questions they might ask regarding regional economic dynamics and provide data-oriented solutions.

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. In fact, as American economic hegemony is challenged by emerging nations and globalization and changing business practices shape the demand for occupational skills, those who do not constantly seek to understand evolving labor markets are destined to be jettisoned by customers. Tom Peters once remarked that if you don't like change, you'll like irrelevance even less. 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.

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 just looking for the best data sets and analytical tools they can find to achieve that goal. LMCI has nine 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 are 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 80 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. An excellent example of this in Texas is our active participation in the Texas Association of Institutional Research (TAIR), a group of largely community college institutional researchers. LMCI staff are

asked to present at their annual conference, at which we have the opportunity to learn about new challenges for which labor market information might be useful. Given this relationship with TAIR, it is no wonder that LMCI staff are being asked to participate in operationalizing the new “gainful employment” metrics for Pell grant eligibility. LMCI program managers participate in policy councils, as possible, and the LMCI Director sits on the national LED steering committee and NASWA LMI committee. Sharing ideas with various constituents in conference settings is an extremely useful approach for generating new ideas and creating relevant products and services.

5. Stay involved with other state constituencies – The Texas Department of Rehabilitative Service (DARS) 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. In another example, LMCI staff are in the process of adapting our DWA skills analysis process to improve the referral functions of the Texas Work In Texas labor exchange system. Our ability to participate and serve in a consultive capacity in this project is a result on frequent communications with TWC Workforce Division staff and staying attuned to how we can meet their data needs. The structure of the former Texas SOICC network offered seats at the table for public K-12 and higher education, the state workforce agency, the state economic development agency, the state rehabilitative serves agency and the state employment commission. In Texas, we try to maintain those same relationships, albeit through less formal channels.

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, as with the labor market outcomes report for the Texas Skills Development Fund, or end-user data tools, such as the Reality Check program to help students connect lifestyle aspirations and educational pursuits. However, to highlight a few projects that would not have been undertaken were it not for these external partnerships, we have identified four (4) projects that demonstrate our active collaboration for PY2010.

Operate a Toll-free Career Information Hotline - In service for twenty-four years as a cooperative service between TEA and TWC, the toll-free career information Hotline provides a telephone-based resource to answer student questions about colleges and careers. LMCI operated the Hotline function during PY2010, providing 2 voice grade telephone circuits answering 1-800-822-PLAN. The Hotline was staffed by a live,

Spanish-speaking operator during normal business hours and after-hours and overflow calls were answered by a digital answering machine. The service provided detailed information on careers and colleges and distributed job search, interview, financial aid and related materials. The Hotline responded to roughly 3,494 students and filled requests for 638 Counselor Packets. The Hotline staff also serves as the shipping and receiving function within LMCI, handling all materials distribution. There is also a significant marketing component of the Hotline operation that allows LMCI to leverage and cross-promote our entire product line. During the program year a new LMCI product brochure was developed and printed.

Conduct regional in-service Career Development Training (CDT) certification workshops – LMCI staff trainer Cindy Elliott completed work on a new CDT curriculum that mirrors changes in the new Texas Education Agency career portals and career connections courses and student learning objectives. She also conducted 27 in-service CDT workshops. The new 16 week, 400 plus page curriculum - complete with online handouts and resources - is available on the LMCI web page.

Create and roll-out an interactive, online CIP to SOC crosswalk relationship tool - LMCI staff created an interactive, online CIP to SOC relationship assessment tool in order to collect information from postsecondary faculty and deans on the occupations in which graduates from various programs are most likely to become employed. For PY2011 this crosswalk tool was updated to accommodate the new 2010 CIP code and 2010 SOC code taxonomies. The implementation of a local validation project was once again proposed for PY2010 but not funded as a Texas Higher Education Coordinating Board Perkins project so the online validation tool lies dormant but ready.

Development of a crosswalk between the new CTE TEKS and O*NET detailed work activities (DWA) – This is an excellent example of both data development and delivery and collaboration with our education partners. LMCI secured funding from the Texas Education Agency (TEA) to fund a project that examined the relationship between employer-validated DWAs and Career and Technology Education (CTE) student learning objectives (TEKS). A RFP was issued to secure a contractor for this effort and SkillsNet Corporation was selected. The contract began in April 2010 and was completed in May 2011. Although the RFP called for only one pilot school district, the initiative has drawn such enthusiasm that there are now 20 ISDs participating in one form or another. Interestingly, a comprehensive review of the CTE student learning expectations statements (TEKS) had never been done. In our research we discovered that there were roughly 3,670 duplicate TEKS among the total of 12,390. Of these, roughly 41% were Knowledge or Academic statements, another 45% were Skills that could be easily mapped to the DWA library, another 10% were essentially Tasks that could also be translated into DWAs and roughly 4% were incomplete. This alignment exercise between DWA skill statements and student learning expectations will allow our Texas educators to maintain relevant curricula more frequently than the current ten year rewrite cycle.

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. For example, Texas has engaged in an extensive effort to create a comprehensive skills map using the detailed work activity construct from O*NET. The rewrite and validation of the DWA library is a large project and could never have been accomplished in just one year with single year funding. However, with some austerity and the use of budget carryover provisions we were able to achieve project goals over the course of a three year period. We applaud ETA for reserving this kind of flexibility for the states.

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 would be willing to participate in additional discussions between state and federal staff regarding the deliverable requiring the development of an economic analysis for the state. There are so many complexities and such a wide array of stakeholders within each state surrounding this kind of product that perhaps an alternate or optional deliverable category could be identified for states that have partner agencies or entities with this same responsibility. To date, ETA has been flexible in recognizing these state level partnerships and we would encourage that continued perspective.

Texas is encouraged by the progress being made through the partnership between state LMI shops and the Census Bureau regarding the Local Employment Dynamics (LED) program. Once almost unimaginable, LED now has all 50 states participating and this treasure trove of labor market dynamics information is just starting to become mainstream. We applaud ETA's participation as a funding agent and we encourage ETA to continue their active participation as part of the partnership. We would also encourage ETA to investigate several related projects being undertaken by Census, especially the 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). While there are many companies engaged in web spidering for electronic job postings, 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.

Appendix A: LMCI Training and Presentation Schedule PY2010-11

LOCATION	PURPOSE	FOLKS
Dallas	Career Certification Training for CTE summer conferences	170
San Antonio	Changing Face for TAB/SHRM business conference	180
Richardson	COT training with CARES at Dallas CTE Summer Conferences (3 sessions)	185
Richardson	COT training with CARES at Region 10 Dallas ISD	25
Austin	Changing Face for Texas Cooperative Education conference	40
Richardson	COT training with CARES at Region 10 ESC-FCS Conference (sessions)	150
Houston	COT training with CARES Gulf Coast Tech Prep -- Lone Star College	60
Victoria	COT training with CARES at Region 3 in Victoria	25
Odessa	COT training and LMCI resources for Ector County ISD	25
Odessa	COT training and LMCI Resources for Odessa ISD professional development	25
El Paso	COT training with CARES Region 19 El Paso	55
Odessa	Changing Face and LMCI Resources for Odessa ISD professional development	50
Garland	COT training with CARES Garland ISD	25
Ft. Worth	COT training with CARES Region 11 Ft. Worth	53
Round Rock	Changing Face for Veterans with SHRM	65
Amarillo	COT training with CARES Region 16 Amarillo	25
San Antonio	COT training San Antonio Region 20	66
Austin	COT training with CARES Region 13 Austin	85
Austin	Changing Face for Texas Council of College Administrators keynote	180
Edinburg	COT training with CARES Region 1 Edinburg and Harlingen	60
Austin	Changing Face for Austin Business Network at UT Club	30
Lubbock	Working Texas Style presentation to Lubbock County Auditor conference	50
Washington	Using Data to Drive Improvement in Education and Training panel presentation	60
San Marcos	Changing face for DAR statewide conference at Embassy Suites	450
Houston	Texas CARES Online training for Gulf Coast Tech Prep conference	45
El Paso	Working Texas Style presentation to Upper Rio Workforce Solutions Job Expo	25
Dallas	Staff LMCI exhibit booth at TWC statewide conference	n/a
Dallas	Attend TWC statewide conference	n/a
Dallas	Staff LMCI exhibit booth at TWC statewide conference	n/a
Dallas	Staff LMCI exhibit booth at TWC statewide conference	n/a
Dallas	Make 2 presentations at the TWC statewide conference Changing Face & LED	175
San Antonio	LMI training to Alamo workforce board staff and stakeholders	30
San Antonio	LMI training to Alamo workforce board staff and stakeholders	30
San Antonio	LMI training to Alamo workforce board staff and stakeholders	30
Bryan	Working Texas Style presentation to Brazos Valley Workforce Board	35
Grapevine	Changing Face for Veterans Human Capital Forum with SkillsNet project meeting	40
San Antonio	COT training with CARES TIVA Conference	60
Denton	Changing Face to the Leadership North Texas group at LaGrone ATC	35
Dallas	Changing Face to DOL/ETA regional office staff	27
Austin	Changing Face to the SHRM Texas Statewide Leadership conference	90
Port Arthur	Presentation of the LAUS methodology to the Southeast Texas LWDA	40
Austin	Changing Face to the LBJ School students Chris King Human Capital Theory class	20
Austin	Changing Face (abbreviated version) for Pauken legislative orientation program	175
Austin	Changing Face for Education Open Source conference CTE educators	400
Austin	DWA to TEKS Crosswalk Project for Education Open Source conference	60

Austin	Provide COT certification training to the TEA CTE directors	15
Austin	Gainful Employment, Education Outcomes and Student Debt for TAIR 2011	70
Austin	Changing Face and Impacts on Education UT@ Austin TC3 Counselors	35
Dallas	Changing Face to DOL/ETA and UI regional office staff	25
Austin	Changing Face to Texas OAG Employer Committee at Bullock Museum	30
Dallas	Labor Market Issues and DWAs for Dallas County Manufacturing Association	50
Austin	SWAP and S/D Issues for Education to TWC/SITAC	30
Austin	Economic Development for Wharton County Legislative Day	60
Dallas	Rocky Road Back for DOL/ETA Regional Forum	300
Waco	DWAs for Education to TSTC Waco administrators	7
Austin	An LMI View of Layoff Aversion for TWC Workforce Forum	60
San Marcos	Working Texas Style for San Marcos Chamber of Commerce	30
Tyler	Changing Face for Tyler Youth Conference	175
Tyler	Changing Face for East Texas Workforce Board	35
Austin	Changing Face for TACE Conference	175
San Angelo	Changing Face for Concho Valley Board	150
San Antonio	Provide TX CARES Online Region 20 Career Day	500
Austin	Changing Face AHRMA Workforce Day	30
San Marcos	Changing Face for Veterans Patriotic Promise	45
Arlington	Changing Face for D/FW Workforce Solutions Board	40
Lubbock	Changing Face for Lubbock SHRM	35
San Marcos	LMCI Tools and Products for Rural Capital LWDA staff (with Dissemination staff)	12
Waco	Provide Career Development Course & TX CARES Region 12 Waco	28
Houston	Changing Face for Houston SHRM	50
San Angelo	Provide Career Development Course & TX CARES Region 13 San Angelo	10
Austin	Changing Face for Texas Pension Review Board	75
Mt. Pleasant	Provide Career Development Course & TX CARES Region 8 & 9 Mt Pleasant	40
Mt. Pleasant	Provide Career Development Course & TX CARES Region 8 & 9 Kilgore	20
San Marcos	Presentation on the Hays County economy to San Marcos Chamber of Commerce	200
Wichita Falls	Provide Career Development Course & TX CARES Region 9 Wichita Falls	30
Austin	Changing Face for DARS new counselors	25
El Campo	Changing Face for the Wharton County Chamber of Commerce	60
Beaumont	Provide Career Development Course & TX CARES training Region 3 & 4	37
San Antonio	Changing Face for TRA Rehabilitation conference	80
	Totals, All Presentations	6,020