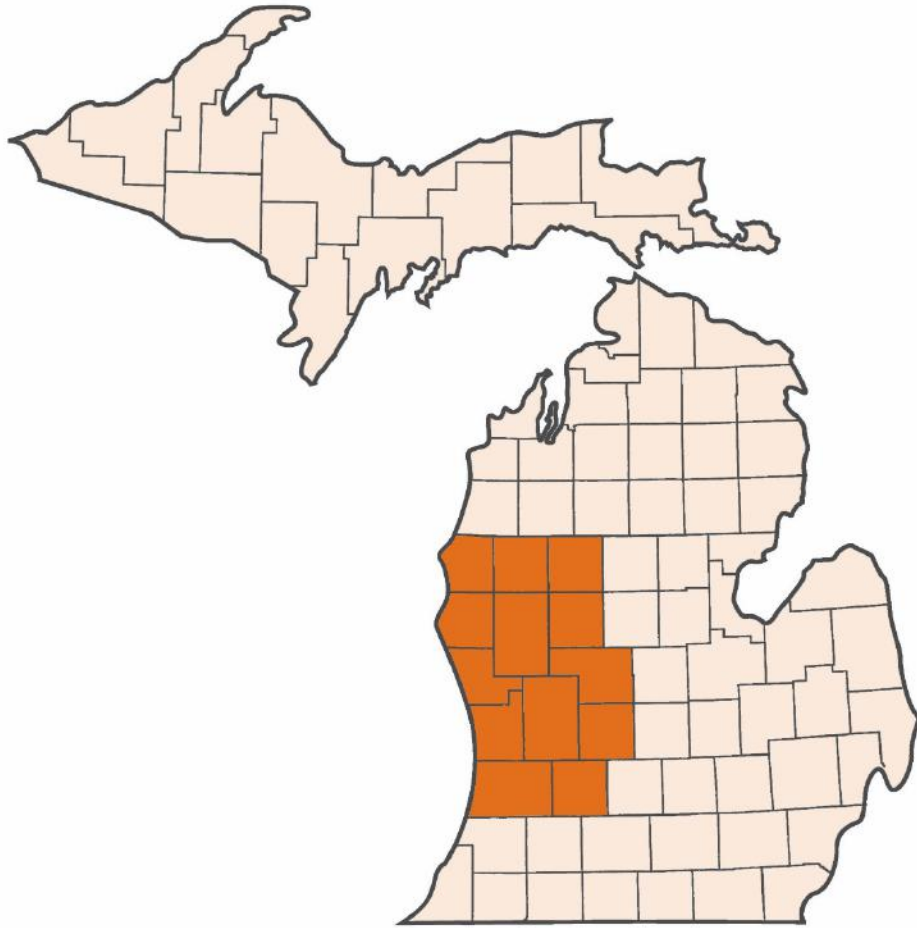
The background image shows two male workers in a factory or industrial setting. They are both wearing white hard hats and light-colored long-sleeved shirts. The worker in the foreground is looking down at a document or set of plans he is holding. The worker behind him is also looking at the same document. The scene is dimly lit, with a blue tint, suggesting an indoor industrial environment. The overall mood is one of focused, collaborative work.

Michigan Employment, Trends & Insights in the Season of COVID-19

October 15, 2020





Our Mission

Talent 2025 is a catalyst to ensure an ongoing supply of world-class talent in West Michigan



Our Vision

To make West Michigan a top 20 region for talent by the year 2025



Our KPIs

- Median Household Income
- Individuals in Poverty
- Percent of Adults with Education Beyond High School
- Management, Business, Science, and Arts Employment
- Labor Force Participation Rate (16+)
- Population Change (5-year)

Our Approach

Talent 2025's CEOs convene stakeholders and facilitate collaborative working groups to achieve the following:



Illuminate

performance gaps within
West Michigan's talent
system



Evaluate

leading practices

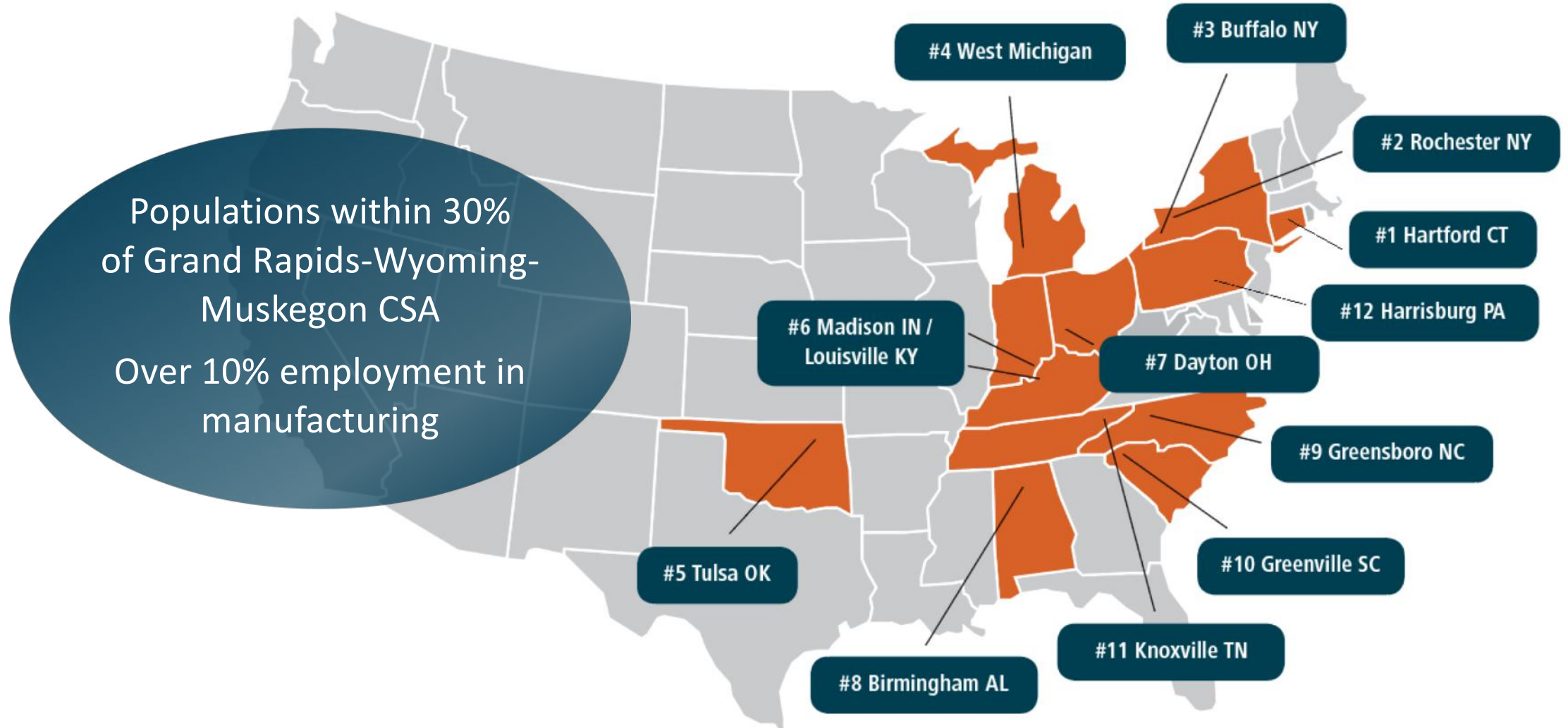


Advocate

for these leading practices
to be implemented across
the region

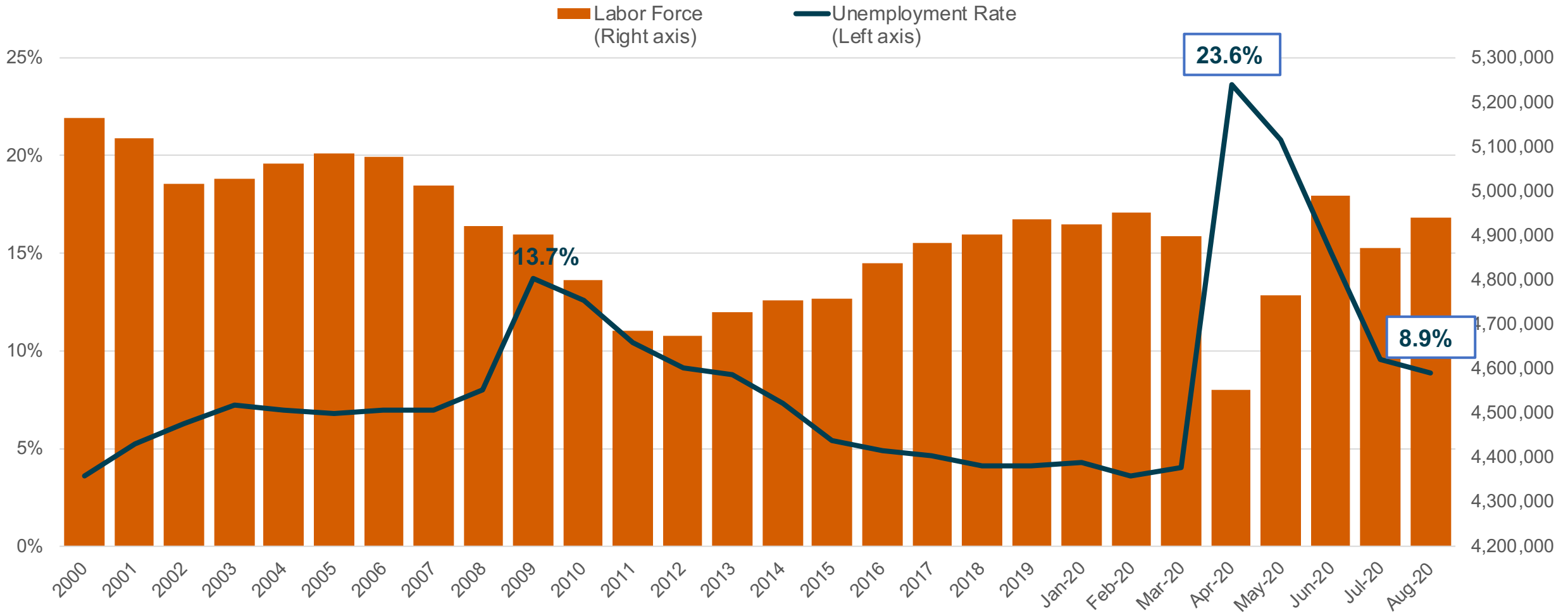


West Michigan's Peer Regions



Quick Recovery, But Not a Return to Normal

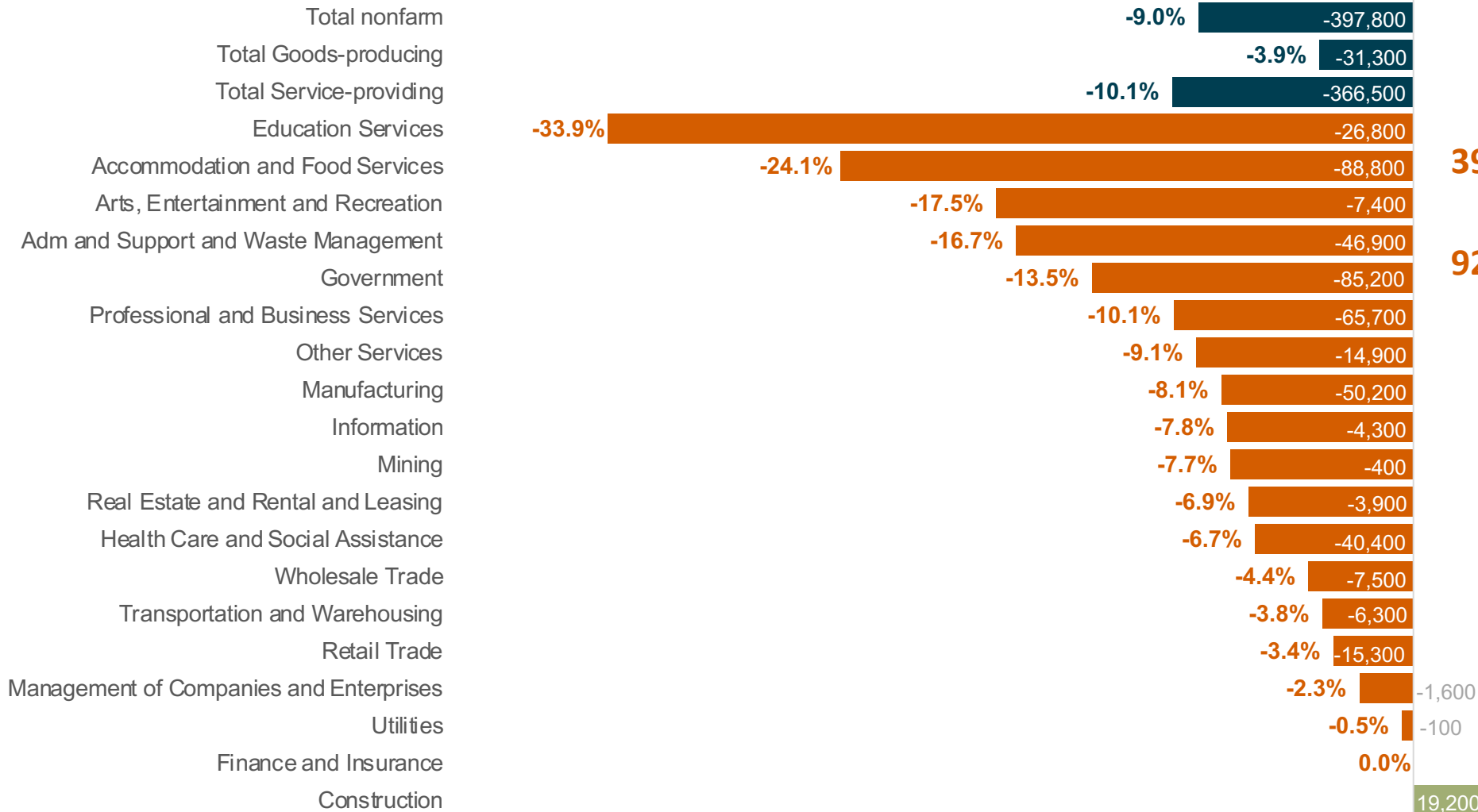
Labor Force and Unemployment, Michigan (2000-August 2020)



Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Local Area Unemployment Statistics

Number & Proportion of Jobs that have Disappeared since March

COVID-Related Job Loss by Industry, Michigan (Indexed to March 2020)

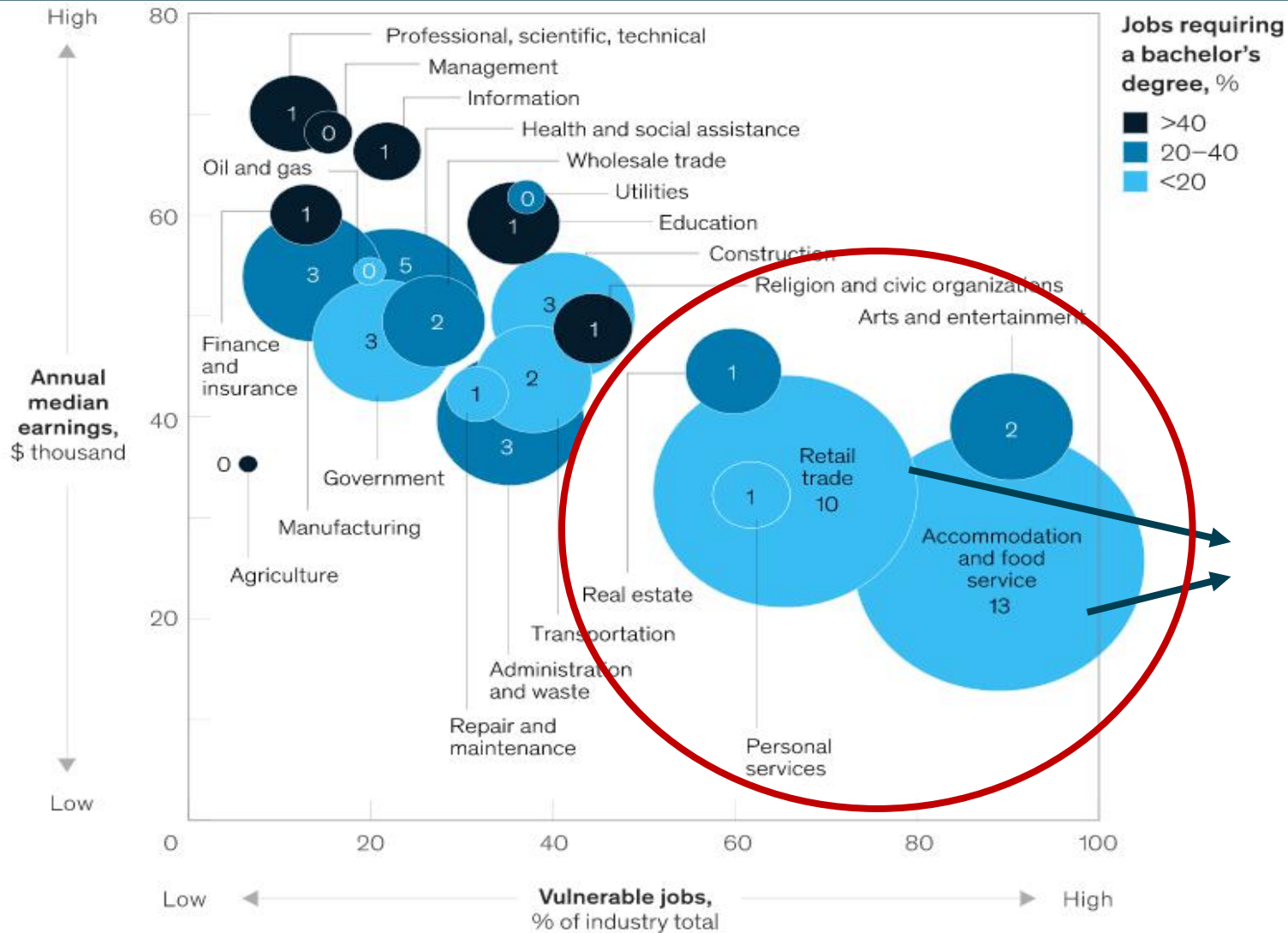


397,800 total jobs lost

92% of lost jobs are **Service-providing**



Job Loss Concentrated Among Low-Income, Low-Skill Sectors



Industries with the lowest wages and lowest educational attainment are being hit the hardest; they have reduced capacity for remote work.

Across the U.S. these 2 sectors account for:

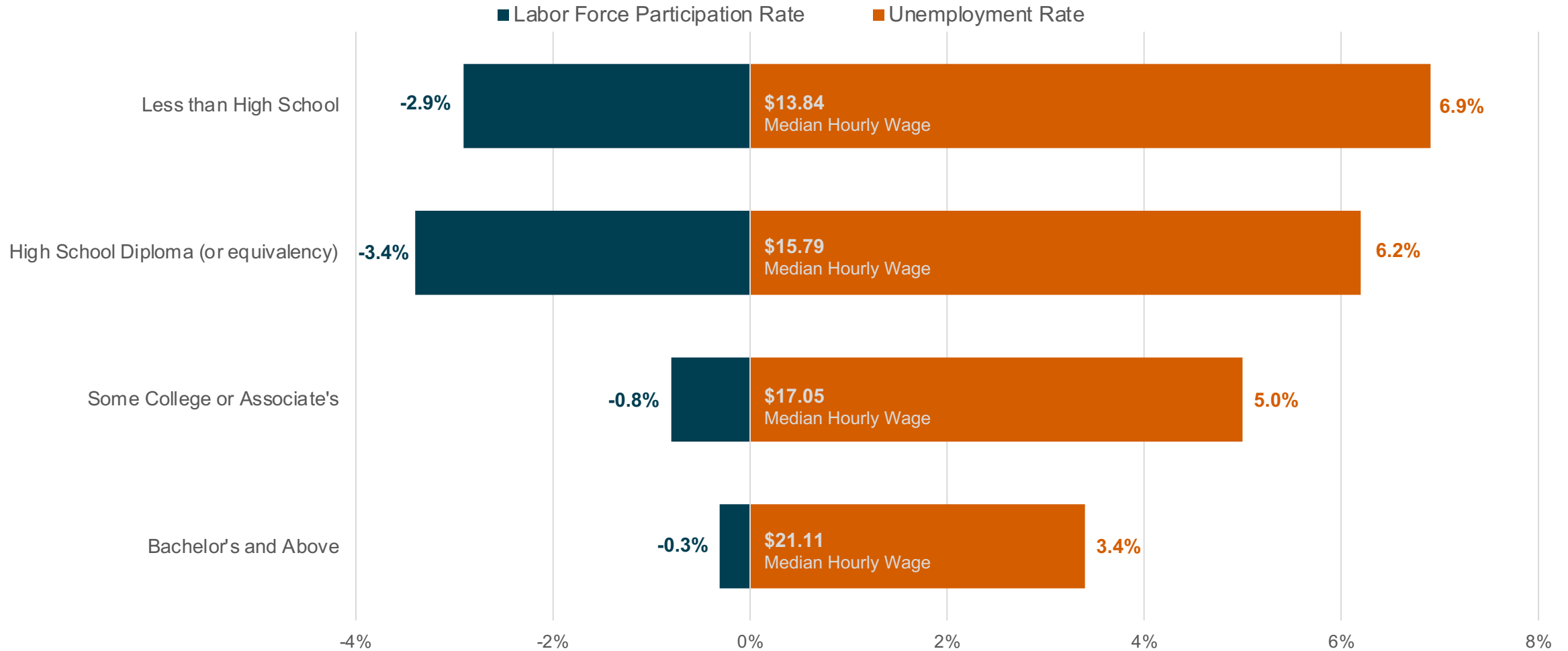
- **1 in 5 Black workers**
- **1 in 4 Hispanic or Latino workers**
- **1 in 5 female workers**
- **1 in 3 millennial workers**

*Vulnerable jobs are those which are subject to furloughs, layoffs, or being rendered unproductive during periods of high physical distancing

Source: McKinsey Global Institute LaborCube, Bureau of Labor Statistics, US Census Statistics of US Businesses, American Community Survey

Little Effect on Adults with Education Beyond High School

Change in Labor Force Participation & Unemployment by Education, U.S. (Feb-Aug 2020)



Source: U.S. Bureau of Labor Statistics, Current Population Survey (CPS)



What HR Leaders Told Us

- **3 in 4** report remote work was the most dramatic change since the pandemic
- **53%** report the pandemic increased the pace of adoption for automation/AI
- **85%** are considering a permanent shift to allow employees to work remotely
- **46%** anticipate long-term challenges to managing distributed teams and dual cultures (remote team vs on-site team)
- **2 in 3** reskilled or redeployed their current workforce to adapt to changing market conditions

‘Employer Trust, Job Satisfaction, and Job Meaning have new value since COVID’ - Payscale



What HR Leaders Told Us

- **2 in 3** reported that expanded unemployment benefits made it difficult to recall workers
 - **30%** offered bonuses and/or increased wages and benefits to recall workers
- **50%** report childcare availability has moderately/greatly impacted return to work
- **64%** cite that varying **K-12 reopening plans** has moderately/greatly impacted return to work
- **1 in 3** cite continued labor shortages and unexpected resignations
 - **36%** report increased demand for front-line workers; **47%** say these are hard-to-fill
- **All** reported ghosting was a significant problem in filling open positions
- **1 in 5** report increased demand for Diversity & Inclusion officers



Potential Strategies

1. Overhaul Adult Education & Skill Development

- Braid adult education and workforce development funds
- Address hidden barriers of many adult learners
- Emphasis upskilling, digital and social-emotional skills

2. Improve Access to Quality Childcare

- Need to stabilize it, then build capacity
- Streamline funding, oversight, quality

3. Improve Data Quality and Access that Informs Program Effectiveness & Funding

- Other states leverage education, employment, wage data much more effectively
- Michigan has the data – it just needs to be linked



Data and Research



www.talent2025.org

