



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF WORKFORCE DEVELOPMENT
DIVISION OF CAREER SERVICES

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LT. GOVERNOR

SUZANNE M. BUMP
SECRETARY

DAVID W. MACKLEY
DIRECTOR

December 11, 2007

Grace A. Kilbane
Regional Administrator
U.S. Department of Labor
Employment and Training Administration
John F. Kennedy Federal Building
Room E-350
Boston, MA 02203

Dear Ms. Kilbane:

Enclosed please find the annual report on *Massachusetts PY 2006 Workforce Information Grant Plan and Accomplishments*. This report was developed in accordance with instructions set forth in Training and Guidance Letter 03-06.

This report also will be provided to your office in .pdf format as instructed in TEGL 03-06.

If you require additional information or have questions, please contact Dawn McElaney, Director of Information and Performance Reporting of the Department of Workforce Development at (617) 626-5736.

Sincerely,

A handwritten signature in black ink that reads "David W. Mackley". The signature is written in a cursive style with a long, sweeping tail.

David W. Mackley

Enclosure
c: Dawn McElaney



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
MASSACHUSETTS WORKFORCE INVESTMENT BOARD

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LT. GOVERNOR

SUZANNE M. BUMP
SECRETARY

TAMIKA N. CORREIA
EXECUTIVE DIRECTOR

December 7, 2007

Grace A. Kilbane
Regional Administrator
U.S. Department of Labor
Employment and Training Administration
John F. Kennedy Federal Building
Room E-350
Boston, MA 02203

Dear Ms. Kilbane:

This letter confirms that I, in my capacity as the Executive Director of the Massachusetts Workforce Investment Board (MWIB), have reviewed and approved the enclosed Annual Report on the Workforce Information Grant for Program Year 2006.

If you require additional information or have questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Tamika N. Correia".

Tamika N. Correia
Executive Director
Massachusetts Workforce Investment Board

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A. Statewide Workforce Information System Overview

Massachusetts' Workforce Development system is overseen by the Executive Office of Labor and Workforce Development (EOLWD). Workforce information products and services are developed and disseminated primarily by EOLWD's Division of Career Services (DCS) and Division of Unemployment Assistance (DUA) in coordination with EOLWD. Commonwealth Corporation (an agency reporting to EOLWD) through its Center for Research and Evaluation also contributes through targeted studies examining the responsiveness of policies and programs to changes in economic conditions.

EOLWD has been legislatively elevated to a Cabinet level to assure direct alignment of workforce investment policy and planning with the Governor's Strategic Plan, and with the vision of the Massachusetts Workforce Investment Board (MWIB). LMI products and services are developed (utilizing the Workforce Information Grant as a primary funding source) in coordination with the EOLWD as well as the Executive Director of the MWIB, to ensure that our workforce information systems are consistent with the Commonwealth's workforce policy and customers' needs.

Our design and use of workforce information systems has always been guided by how effectively those systems support the state's strategic plan. The core products and services are designed to meet previously identified customer needs and offer the flexibility for adjustments with changes to the Commonwealth's strategic plan.

Additionally, the data and information produced through these systems in the form of labor market profiles, projected job vacancies and the identification of demand occupations provide the Governor and other state and local policy makers with valuable tools to assist them in planning and meeting the state's economic development goals.

The Economic Analysis Office within EOLWD's Division of Career Services has the responsibility of ensuring the appropriate development of and dissemination of labor market, career and economic information to all state and local workforce development partners. Its key focus is identifying and serving the needs of local workforce boards, One-Stop Career Centers and their partnering organizations, as well as educators and job seekers, employers, students and parents served by local workforce providers.

The strategies employed to ensure wide dissemination of labor market and workforce information include assuring availability via the Internet, developing specific targeted products, staff training (such as our LMI training component directed to counselors and employer service staff of the One-Stop Career

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Centers), providing technical assistance in the use and availability of information, and making presentations to inform and educate. Economists in the DCS's Economic Analysis Office are available to provide direct assistance to all individuals who contact them in person, by phone or through email.

All labor market (LMI) and workforce information (WI) including a comprehensive career information system (MASSCIS) and Mass Stats, a geography based LMI delivery system, are available online at the Executive Office of Labor and Workforce Development's web site at mass.gov/eolwd.

The Massachusetts Workforce Board Association representing the sixteen Workforce Investment Boards (WIBs) provides guidance for the development of state and local labor market information and workforce profiles and related research efforts to ensure that we address the needs and concerns of local boards. In addition, an LMI Advisory Group of stakeholders, including representatives from the workforce boards and the Executive Director of the MWIB, meets 2-3 times yearly to discuss customer needs and align products and services to identified needs.

B. Core Products and Services

The Executive Office of Labor and Workforce Development's Division of Career Services, Economic Analysis Office, and Division of Unemployment Assistance, Economic Research Department supplied workforce information products and services in the following core areas as defined in the Workforce Information Grant.

1. Populate the Workforce Information Database With State and Local Data

The Workforce Information database is current with all releases required of the Grant. All data and information are made available through the Executive Office of Labor and Workforce Development's web site at mass.gov/eolwd. New products from the Bureau of Labor Statistics' series have been integrated in the Workforce Information database formats.

All core LMI and required workforce information database tables are populated for public use on date of release. The database data and occupational and industry projections data are primary information sets for *Career InfoNet*, *CareerOneStop* and *Career Voyages*. These nationally developed tools supplement web-based tools that we have developed using these core tables. We acquaint customers with all these tools in our training sessions.

The Workforce Information database was used to develop applications and data formats for six special requests and studies on the Massachusetts economy. Additionally, customized formats were developed for those customers needing

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access to the entire six years of revised Local Area Unemployment Statistics files for the state and all sub-state areas. Responses to customized data queries were provided through special web links in standardized formats.

New data maps were developed in PY 2006 for the core employment, labor force and occupation series that allow customers access to the most recent data in formats requested by the workforce partners. The maps were one of the most popular products on the economic data portion of EOLWD's web site.

2. Produce and Disseminate Industry and Occupational Employment Projections

EOLWD's Division of Career Services developed and published the 2004-2014 statewide long-term industry and occupational projections in June 2006 using the methodology, software tools and guidelines developed by the Projections consortium and the Projections Managing Partnership.

Massachusetts' estimates of job growth and replacement needs are widely used by educators, career counselors, policy makers, government agencies and businesses. As the state's workforce ages and health industry shortages develop, the projections information will become even more widely used.

Two publications on 2004-2014 employment projections were issued in December 2006 and posted to the EOLWD's web site at mass.gov/eolwd. A Powerpoint also was developed presenting the projections data and interpretation for use with local users. Data were incorporated into the fall 2007 release of the Massachusetts Career Information system.

Short-term projections were not developed in PY 2006. DCS conducts a bi-annual job vacancy survey that covered 12,000 employers in PY 2006. We have found the job vacancy survey to be a better and timelier indicator of short-term demand. Additional resources have been put into this survey, which tracks business hiring demand by industry and occupation and education and training for each of the state's seven regions.

The Administration and the Governor's Transition Work Group placed high priority on expanding our ability to understand the "skill gaps" in the economy expressed by the number of job vacancies requiring skills not present in our supply of unemployed workers. The Job Vacancy Survey is the primary tool used to identify these skill gaps.

With response rates averaging 75 to 80 percent across the regions, the job vacancy survey provides a richer, more comprehensive picture of the shifts and turning points in the hiring demand for workers than any two year forecasts could

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ever present, particularly on an occupational basis in the rapidly changing industries of bio-tech and information technology. In the bio-tech industry, for example, hiring already has shifted over the past two years from biological scientists to clinical trial managers and sales and marketing staff.

Limitations of the projections' two year forecasting methodology (i.e. by using and applying the same change factor--20 percent of the expected 10 year change--to each and every industry) distort the hiring demand for workers in these industries by over estimating demand for biological scientists and underestimating the demand for clinical trial managers and marketing and sales workers. In short, the present two-year forecasting methodology cannot adequately capture shifts in the demand for workers and skills that Massachusetts policy makers require to align workforce training programs to meet employer needs.

3. Publish An Annual State Economic Analysis Report for the Governor and the State Workforce Investment Board

A statewide economic and labor market analysis was completed in May 2007 and incorporated into the *FY08 and FY09 Massachusetts' State Plan for Workforce Investment Act and Wagner-Peyser Funding*.

Regional Labor Market Information Profiles were published for each of the sixteen (16) workforce areas in March 2007. The regional profiles are developed yearly in response to demand from local workforce boards and issued to coincide with the annual planning cycle. The Profiles are posted on EOLWD's web site at mass.gov/eolwd.

Additionally, economists within the Economic Analysis Office delivered twenty-four workshops, seminars and special presentations during PY 2006 across the state at the request of local workforce boards and partner agencies.

4. Post Products, Information, and Reports on the Internet

All LMI and Workforce Information data, products and reports are posted to Internet for public access and delivery as required by the Grant. In August 2006, the economic data site was aligned to the style and formats of the state's web site (mass.gov) and featured prominently, through use of a distinctive icon, on the Executive Office of Labor and Workforce Development's home page at mass.gov/eolwd providing all users better access to economic data. All economic data pages meet accessibility standards defined by the federal government.

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The consolidation of information delivery through the improved site provides for immediate access at time of release for all workforce information and LMI data and products. The home pages for economic information have been redesigned to meet customer needs. Customers can see at a glance the latest information for jobs and the unemployment rate and get access to all information in newly developed formats. New query tools were developed for the enhanced and revised geographic areas and series. Customized state and sub-state cluster data series were developed for key customers for economic development and environmental management.

We continue to work with the LMI Advisory Group and other customers to improve Internet access to data. Additional new tools and data were provided on the web in response to customer requests. Special web links have been established for key customers who download large files during the annual benchmarking process for the Labor Area Unemployment Statistics (LAUS) and Current Employment Statistics (CES) and annual release of employment and wages (QCEW) data. Customized "at a glance" pages were developed for labor force and occupational information.

During PY 2006, total visits to the economic data web site increased by 51% with corresponding increases in total hits and data pages retrieved. Special queries have been provided using maps to draw data on different geographic configurations, including state, NECTAs, workforce areas, counties and cities and towns. Use of these simple, intuitive query tools experienced an over-the-year increase from 1370 to 147,700 hits. Additionally, the city/town data search also is linked directly from the mass.gov home page through the *Find resources in your community* search option.

The state disseminated customer-focused occupational and career information through the Massachusetts Career Information System (MASSCIS) managed by EOLWD's Division of Career Services. Massachusetts contracts annually with *intoCareers* out of the University of Oregon to use the national CIS program and to host the MASSCIS web site.

MASSCIS includes occupational skill requirements, user-friendly descriptions, wages, and current and forecast employment by occupation, plus links to web-based job sites and to educational and training venues. These include colleges and universities nationwide, as well as proprietary training schools in Massachusetts. DCS develops the information on proprietary schools through an annual survey.

The Massachusetts Career Information System (MASSCIS) continued to be available free online to all Massachusetts residents. There were approximately 79,000 visitor sessions recorded in 2006. Among the new information provided

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in the system were updated occupational employment and outlook data, wage data, and occupational licensing information.

5. Partner and Consult with Workforce Investment Boards

Twenty workshops, including eight *LMI 101* sessions and 12 customized presentations were delivered by the Economic Analysis Office during PY 2006 in response to specific requests from local workforce partners. These customized sessions provided information to support state and local workforce planning, economic development and employer needs. Additionally, the Economic Analysis Office in conjunction with Commonwealth Corporation provided four seminars in a joint series designed for local workforce boards entitled *Making Data Work for You*.

EOLWD's Economic Analysis Office produced an LMI Profile Series of reports for the 16 workforce regions. These reports provided economic analysis and pertinent labor market and economic data, including census data. The Profiles were issued to coincide with the annual planning process.

EOLWD will also continue to consult with key members of the MWIB and local boards to ascertain which key indicators of labor market demand and supply are needed to develop the capacity of regions to use current labor market and economic data for planning, analysis, and policy development purposes. By providing access to relevant and easy to understand labor market information, workforce development officials will be able to build the capacity of their regions to analyze, interpret, and use labor market data on an ongoing basis.

6. Conduct Special Studies and Economic Analyses

Staffing Patterns

Staffing pattern data was developed for the state and the local workforce areas based on May 2005 Occupational Employment Statistics (OES) estimates. The information provided the first distribution of jobs by occupation available using the new NAICS coding. New tools for arraying these data in combination with current OES wage estimates and statewide occupational projections were developed for use in fall 2007. Data retrieved from the Occupational Employment Statistics query web page tripled during PY 2006.

Job Vacancy Survey:

Two semi-annual surveys covering 12,000 employers were conducted in PY 2006 and two comprehensive reports published presenting the findings. Additional presentations and analyses have been prepared to help customers

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understand and address the issue of skill shortages in Massachusetts and much work along these lines has been done in conjunction with other workforce agencies, most notably Commonwealth Corporation. Reports are posted on the Internet at EOLWD's web site at mass.gov/eolwd.

Occupational Wage Statistics

An occupational wage statistics report with detailed and summary level tables for the state, workforce areas and NECTA areas was published in August 2006.

Occupational Employment and Wage Custom Products

A minimum wage data report for Massachusetts and the U.S. was published in January 2007. Additionally, special tabulations have been prepared to show users how to integrate occupational/industry matrix data into their job development activities.

Monthly LMI Fact Sheets

In response to demand from local data users and with their input, five Regional LMI Fact Sheets were developed and have been issued monthly on mass.gov/eolwd beginning in July 2006.

Industry Employment Structures within Massachusetts and Workforce Areas

A set of tables on the industry employment distributions and location quotients for the 16 workforce areas and an accompanying guide to interpreting and analyzing the data was published in September 2006.

Social and Economic Indicators from the American Community Survey

Population estimates for 2005 and historical trends for the state, counties, workforce areas, and cities and towns within the workforce areas were published in August 2006. The Indicators also included data showing rankings, the components of population change, and age/sex and race/Hispanic distributions.

C. Expenditures

	<u>Carry-in from PY 05</u>	<u>PY 06 Funds</u>	<u>Total Expenditures</u>
PS/PB	\$0.00	\$633,447.65	\$633,447.65
NPS	\$0.00	\$ 44,059.35	\$ 44,059.35
Total	\$0.00	\$678,507.00	\$678,507.00