Q4 2015 & 2015 year-in-review

WORKFORCE INTELLIGENCE NETWORK

QUARTERLY DATA SUMMARY

CONTENTS

JOB DEMAND SUMMARY:

4th QUARTER 2015 LABOR MARKET ANALYSIS FINDINGS

The Workforce Intelligence Network for Southeast Michigan (WIN) released 4th quarter (Q4 includes October, November, and December) 2015 labor market trends, including real-time employer demand determined through online job postings. The report covers nine Southeast Michigan counties (Genesee, Livingston, Macomb, Monroe, Oakland, Shiawassee, St. Clair, Washtenaw, and Wayne) and the City of Detroit.

This document is a summary of the county-by-county reports, which can be found in their entirety by using the link below:

www.win-semich.org/data-research/quarterly-reports/

OVERVIEW

Q4 2015

Throughout 2015 employment expanded in southeast Michigan. The region reached a milestone in 2015 as employment achieved pre-recession levels from 2008 after five years of growth -. The year closed with 32,514 more individuals in jobs than in 2014, 1.4 percent annual growth. Employment estimates for Q4 show 2,320,367 individuals working, a level similar to that seen in late 2008. Employment in the region continues to grow gradually but has yet to reach pre-recession highs experienced in the early 2000s. Employment gains are positive but the region has a long way to go before employment is as strong as it was fifteen years ago. Employers would need to add approximately 200,000 additional workers (about 9 percent growth from current levels), for employment to fully recover from over a decade of losses.

According to the typical business cycle, the fourth quarter of the year is often a time of slow labor market growth, and 2015 was no different. Employment increased but at a slower rate than earlier in the year. Employment growth in the region also may have been challenged because the labor force has plateaued over the past several years. The labor force declined between 2014 and 2015, losing 21,126 individuals, a 0.9 percent drop.

The labor force is the pool of workers from which companies can choose when hiring. Traditionally, economists would expect the labor force to track employment. As companies need more workers, more individuals join the labor force in hopes of employment. In southeast Michigan employer demand is strong, yet the labor force is not responding positively as theory would suggest; in fact, it is trending downward. The labor force has not recovered since the recession ended five years ago, making qualified, available talent a scarce resource in southeast Michigan.

As a result of increased employment and a modest drop in the labor force, the unemployment rate in the region fell over the year from an annual average of 8.0 percent in 2014 to 5.9 percent in 2015. The most recent estimate in November 2015 shows the region's unemployment rate at 4.9 percent, below the Michigan state average of 5.1 percent in the same month.

Throughout 2015 the labor force's lack of growth has been a consistent topic of conversation. Nationally, labor force participation is at its lowest levels since the 1970s.

An article from U.S. News & World Report sums up a few theories on the labor force changes well. "In a nutshell, the baby boomers have aged and are now finally retiring en masse. After bulging into the workplace in the 1970s, women are no longer the force in the labor market they once were. Younger people are opting to educate themselves rather than work. And a less-than-friendly tone toward immigrants is shrinking the supply for some high-skilled jobs." http://www.usnews.com/news/the-report/articles/2015/07/16/unemployment-is-low-but-more-workers-are-leaving-the-workforce

Data from the Bureau of Labor Statistics (BLS) highlighted by the Atlantic show than since the 1970s the workforce has grown faster than the population. This causes general economic expansion as more and more individuals are working. But, if the population does not catch up (and it has yet to) eventually there is a drop-off as workers retire and there are fewer people to take their places. Further evidence that this is the new normal for the labor force. http://www.theatlantic.com/business/archive/2015/07/october-1977-labor-force-participation/397595/

Typical of the fourth quarter, online job postings declined from Q3 to Q4 2015. During this time in 2015, online job ads declined by 8,770 postings, 6.4 percent, from 137,515 to 128,745. Yet, levels remained at record highs relative to previous years. Annual online job postings in 2015 also reached and retained record high levels with nearly a half million ads posted (494,997). Employer demand increased by 32.7 percent as employers placed 122,076 more job ads in 2015 than 2014 (2014 level was 372,921).

SECTION TWO

COUNTY-BY-COUNTY ANALYSIS

From Q3 2015 to Q4 2015, regional postings declined modestly by 6.4 percent, dropping from 137,515 to 128,745. Online job ads typically drop from Q3 to Q4 each year as businesses reduce hiring activities during the holidays and into the new year. Postings in Q4 2015 were 39% higher than Q4 2014, one year ago.

Across the board, postings declined between Q3 and Q4 2015 save for the City of Detroit and Wayne County, which experienced a 6.0 percent and 0.6 percent increase respectively.

TOTAL POSTINGS Q4 2015

The small increase in Wayne was driven by City of Detroit postings. Removing the city's postings from the analysis, outer Wayne County actually experienced a decline. Compared to Q4 2014, one year prior, postings in all but two southeast Michigan counties increased. Postings in Monroe were 6.4 percent lower in Q4 2015 than Q4 2014, and postings in St. Clair were 11.4 percent lower in Q4 2015 than in Q4 2014.

Overall, 2015 employer demand in southeast Michigan was driven by Oakland County, the City of Detroit, outer Wayne County, Oakland County, and Washtenaw County. These geographies represented 92.3 percent of online job ads in the region during Q4 2015.

	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Share of Total Postings Q2 2015	Change Over Time	Annual Change Q4 2014 - Q4 2015	Quarter Growth Q3 2015-Q4 2015
WIN-Region Total	92,653	106,476	122,261	137,515	128,745			39.0%	-6.4%
Genesee & Shiawassee	4,398	4,250	4,821	5,305	4,627	3.6%		5.2%	-12.8%
Livingston	1,519	1,905	2,102	2,318	2,100	1.6%		38.2%	-9.4%
Macomb	9,640	11,737	13,819	15,386	13,991	10.9%		45.1%	-9.1%
Monroe	1,834	1,557	1,688	1,792	1,717	1.3%		-6.4%	-4.2%
Oakland	26,397	33,829	40,337	46,513	41,023	31.9%		55.4%	-11.8%
St. Clair	1,612	1,513	1,647	1,716	1,429	1.1%		-11.4%	-16.7%
Washtenaw	8,870	10,617	11,380	12,519	11,581	9.0%		30.6%	-7.5%
Wayne	38,383	41,068	46,093	51,966	52,277	40.6%		36.2%	0.6%
Detroit	20,930	21,859	23,549	26,050	27,606	21.4%		31.9%	6.0%
Outer Wayne	17,453	19,209	22,544	25,916	24,671	19.2%		41.4%	-4.8%

SECTION THREE
OCCUPATIONAL CLUSTER ANALYSIS

HIGHEST POSTING OCCUPATIONS

WIN tracks four key occupational clusters regularly, including advanced manufacturing (broken down by engineering/design occupations and skilled trades/technician occupations), health care, information technology, and retail and hospitality. Together, these clusters accounted for 58.8 percent of all Q4 2015 online job ads in the region, and each cluster individually experienced annual posting gains of at least 42.1 percent compared to Q4 2014.

Clusters	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Change over time	Share of Total Postings Q4 2015	Annual Change Q4 2014-Q4 2015	Quarter Growth Q3 2015-Q4 2015
Total	92,653	106,476	122,261	137,515	128,745			39.0%	-6.4%
Skilled Trades & Technicians	2,693	3,778	4,020	4,490	3,882		3.0%	44.2%	-13.5%
Engineers & Designers	5,578	8,237	10,225	11,301	10,541		8.2%	89.0%	-6.7%
IT	10,626	16,905	17,893	20,553	18,223		14.2%	71.5%	-11.3%
Health Care	9,953	12,408	15,170	16,082	16,862		13.1%	69.4%	4.9%
Retail & Hospitality	18,382	19,816	22,037	27,672	26,130		20.3%	42.1%	-5.6%

Postings in the WIN-analyzed clusters grew considerably between 2014 and 2015. While postings fell from Q3 to Q4 2015, thee drop was typical of the business cycle and likely didnot indicate a declining trend. Employment increased, but growth did not accelere with the same vigor as postings.

Approximately 40 percent of postings were in clusters not analyzed by WIN. The most notable job postings outside of the WIN clusters occurred in the following areas during Q4 2015:

- Business management (general managers, business operations, human resources)
- Transportation, distribution, and logistics (truck drivers, materials movers)
- Financial management (auditors, finance specialists, bookkeepers)

See also the accompanying data tables for county-by-county analysis by occupational cluster.

SECTION FOUR

HIGHEST POSTING OCCUPATIONS

THE REGION'S TOP 20 JOB POSTINGS FOR THE 4th QUARTER 2015 WERE:

1. Software Developers, Applications (5,864 postings)
2. Registered Nurses (5,430 postings)
3. Heavy and Tractor-Trailer Truck Drivers (4,088 postings)
4. Retail Salespersons (3,601 postings)
5. Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products (3,401 postings)
6. Customer Service Representatives (2,655 postings)
7. First-Line Supervisors of Retail Sales Workers (2,264 postings)
8. Mechanical Engineers (2,259 postings)
9. Electrical Engineers (2,002 postings)
10. Computer Systems Analysts (1,756 postings)
11. Maintenance and Repair Workers, General (1,716 postings)
12. Managers, All Other (1,661 postings)
13. Human Resources Specialists (1,635 postings)
14. Business Intelligence Analysts (1,500 postings)
15. Secretaries and Administrative Assistants, Except Legal, Medical, and Executive (1,365 postings)
16. Combined Food Preparation and Serving Workers, Including Fast Food (1,357 postings)
17. Sales Managers (1,322 postings)
18. Commercial and Industrial Designers (1,227 postings)
19. Laborers and Freight, Stock, and Material Movers, Hand (1,181 postings)
20. Medical and Health Services Managers (1,158 postings)

The WIN region's top in-demand occupations have been relatively unchanged for over a year running, but the occupations that compose the list shift in rank-order depending on the point in the business cycle. Software developers, applications, and registered nurses were the top in-demand positions for a third consecutive quarter running.

During Q4 2015, the most notable trends included:

- Software developers is still the top in-demand job, but related postings dropped by 815, down 12.2 percent from 6,679 postings in quarter three 2015. Demand for software developers continues to grow dramatically: postings increased by 129 percent (3,204 new postings) since quarter four 2014.

- Postings for registered nurses increased by 338 (up 6.6 percent).

- Demand for retail sales persons declined by 597 postings, a 14.2 percent drop from 4,198 postings in quarter three 2015, moving the occupation from the third to fourth most in-demand.

- Compared to one year ago (quarter four 2014) the top jobs have shifted. New to the top twenty occupations since last year are business intelligence analysists, maintenance and repair workers, and sales managers.

- No longer in the top twenty compared to one year ago are childcare workers, civil engineers, and computer user support specialists.

SECTION FIVE
LABOR MARKET PARTICPATION AND EMPLOYMENT

- The current fourth quarter average estimate of 2,320,367 individuals employment and is 0.5 percent (10,468 individuals) higher than the third quarter average of 2,309,899. Employment grew but slowed between Q3 and Q4 2015. Regional employment has been increasing steadily since the trough reached during the 2010 recession. From 2014-15, it climbed 1.4 percent, adding 32,415 jobs during the year.

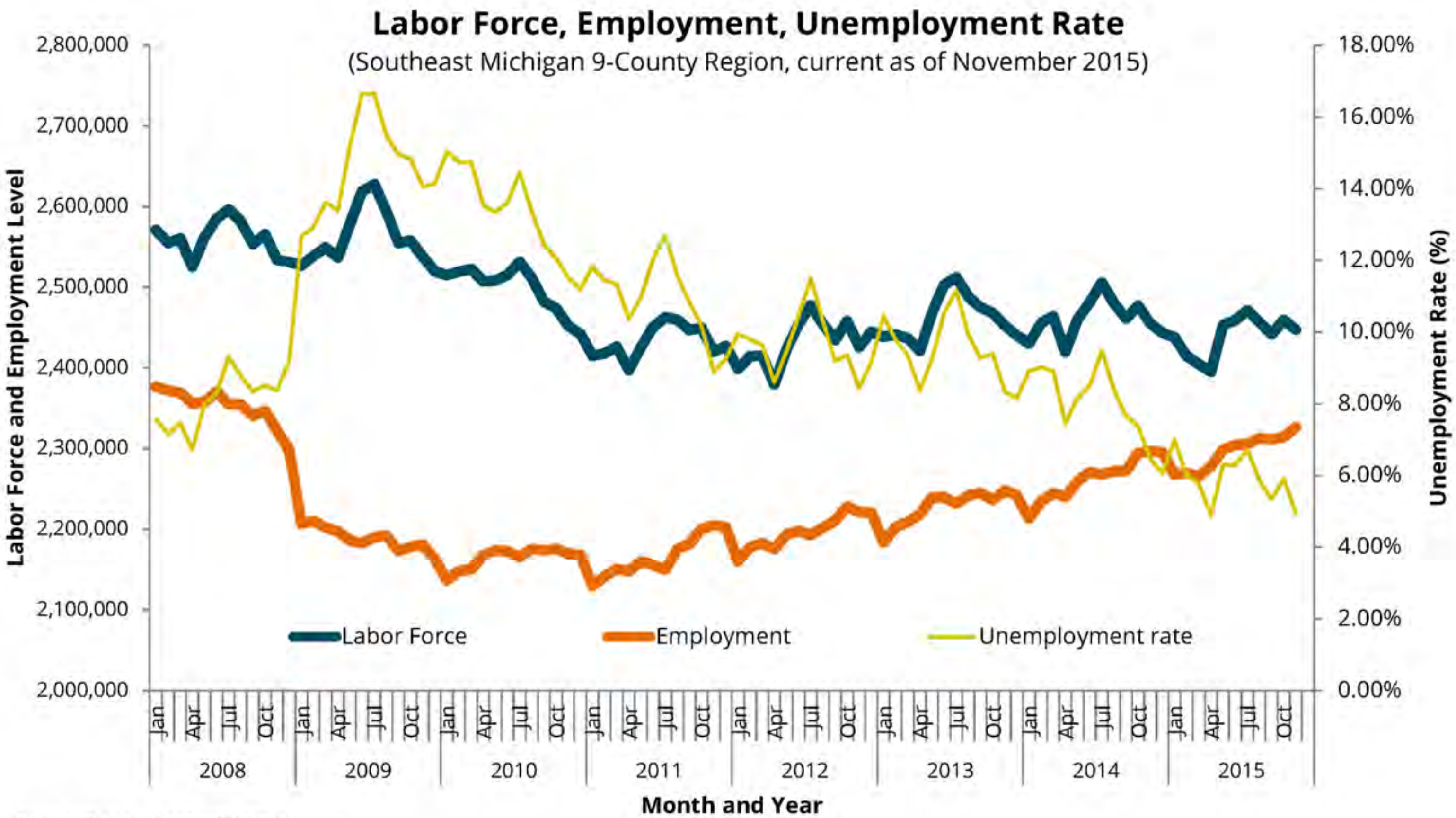
- The regional labor force, as of November 2015, comprised 2,447,472 individuals.

- The fourth quarter average estimate of 2,453,515 individuals in the labor force is 0.1 percent (3,191 individuals) lower than the Q3 2015 average of 2,456,705 individuals.

- Between 2014-15, labor force participation dropped by 21,126 individuals (0.9 percent), once again marking decline after some modest post-recession growth.

- As of November 2015, the regional unemployment rate was estimated at 4.9 percent, compared to statewide average rate of 5.1 percent. The regional unemployment rate declined during 2015 mostly as a result of jobs gained. It has been steadily falling since the recession high in 2010 of 13.4 percent, due to a combination of individuals gaining jobs and modest declines in the labor force.

**(NOTE: Employment data are from November 2015, the most recently available at the time of report writing.)*



Source: Bureau of Labor Statistics
Analysis: Workforce Intelligence Network

NOTES: Updated job posting and labor force data: Due to a data update in Burning Glass Technologies' Labor Insight tool, comparisons should not be made between the previously released Q4 2013 report and the Q1 2014 report. All numbers included in this report are the correct and updated data. Adjustments to the labor force information were also made to reflect and incorporate updated inputs, re-estimation, and controlling to new statewide totals. More information can be found here: www.bls.gov/lau/launews1.htm

Demand refers to statistics derived from employer job postings, which indicate the potential for employment but may or may not materialize into actual jobs.

Labor market demand data for this report was compiled using Burning Glass Technologies' Labor Insight Tool, and analyzed by the Workforce Intelligence Network. Check out our website www.win-semich.org for more data and detailed information about our sources.

WIN WORKFORCE INTELLIGENCE NETWORK for Southeast Michigan

ABOUT WIN

The Workforce Intelligence Network of Southeast Michigan (WIN) is a collaborative effort between nine community colleges and six Michigan Works! Agencies, in partnership with numerous other organizations, to create a comprehensive and cohesive workforce development system in Southeast Michigan that provides employers with the talent they need for success. WIN originally covered a 9-county area, including Genesee, Livingston, Macomb, Monroe, Oakland, Shiawassee, St. Clair, Washtenaw and Wayne when it was founded with the support of the New Economy Initiative for Southeast Michigan and publicly launched in November 2011. In late 2015, the WIN partnership expanded to include a 16-county area adding Hillsdale, Huron, Jackson, Lapeer, Lenawee, Livingston, Sanilac, and Tuscola counties.

WIN PARTNERS

Community Colleges

Henry Ford College
Macomb Community College
Monroe County Community College
Mott Community College
Oakland Community College
Schoolcraft College
St. Clair County Community College
Washtenaw Community College
Wayne County Community College District

Michigan Works! Agencies

Detroit Employment Solutions Corp.
GST Michigan Works!
Macomb/St. Clair Michigan Works!
Oakland County Michigan Works!
Southeast Michigan Community Alliance
Southeast Michigan Works! Consortium

SKILLED TRADES & TECHNICIANS POSTINGS

Q4 2015

	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Share of Total Postings Q4 2015	Change Over Time	Annual Change Q4 2014 - Q4 2015	Quarter Growth Q3 2015-Q4 2015
Total	2,693	3,778	4,020	4,490	3,882			44.2%	-13.5%
Genesee & Shiawassee	116	123	136	157	166	4.3%		43.1%	5.7%
Livingston	66	138	142	185	147	3.8%		122.7%	-20.5%
Macomb	527	836	836	860	698	18.0%		32.4%	-18.8%
Monroe	90	94	94	112	93	2.4%		3.3%	-17.0%
Oakland	761	1,096	1,092	1,396	1,133	29.2%		48.9%	-18.8%
St. Clair	77	94	101	92	47	1.2%		-39.0%	-48.9%
Washtenaw	225	291	337	335	329	8.5%		46.2%	-1.8%
Wayne	831	1,106	1,282	1,353	1,269	32.7%		52.7%	-6.2%
Detroit	293	373	391	474	492	12.7%		67.9%	3.8%
Outer Wayne	538	733	891	879	777	20.0%		44.4%	-11.6%

ENGINEERS & DESIGNERS POSTINGS

Q4 2015

	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Share of Total Postings Q4 2015	Change Over Time	Annual Change Q4 2014 - Q4 2015	Quarter Growth Q3 2015-Q4 2015
Total	5,578	8,237	10,225	11,301	10,541			89.0%	-6.7%
Genesee & Shiawassee	114	105	119	123	100	0.9%		-12.3%	-18.7%
Livingston	34	62	87	92	81	0.8%		138.2%	-12.0%
Macomb	817	1,422	1,743	1,417	1,480	14.0%		81.2%	4.4%
Monroe	49	106	106	95	85	0.8%		73.5%	-10.5%
Oakland	2,177	3,364	4,226	5,165	4,573	43.4%		110.1%	-11.5%
St. Clair	32	63	60	40	52	0.5%		62.5%	30.0%
Washtenaw	325	493	526	561	514	4.9%		58.2%	-8.4%
Wayne	2,031	2,622	3,358	3,808	3,656	34.7%		80.0%	-4.0%
Detroit	816	1,023	1,151	1,262	1,334	12.7%		63.5%	5.7%
Outer Wayne	1,215	1,599	2,207	2,546	2,322	22.0%		91.1%	-8.8%

WORKFORCE INTELLIGENCE NETWORK for Southeast Michigan

INFORMATION TECHNOLOGY POSTINGS

Q4 2015

	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Share of Total Postings Q4 2015	Change Over Time	Annual Change Q4 2014 - Q4 2015	Quarter Growth Q3 2015-Q4 2015
Total	10,626	16,905	17,893	20,553	18,223			71.5%	-11.3%
Genesee & Shiawassee	137	133	254	201	171	0.9%		24.8%	-14.9%
Livingston	40	58	57	68	75	0.4%		87.5%	10.3%
Macomb	786	1,174	1,545	1,427	1,370	7.5%		74.3%	-4.0%
Monroe	64	90	119	90	80	0.4%		25.0%	-11.1%
Oakland	3,505	6,012	6,741	7,906	6,519	35.8%		86.0%	-17.5%
St. Clair	28	46	36	34	25	0.1%		-10.7%	-26.5%
Washtenaw	1,067	1,718	1,697	1,919	1,633	9.0%		53.0%	-14.9%
Wayne	4,999	7,674	7,444	8,908	8,350	45.8%		67.0%	-6.3%
Detroit	3,033	4,831	4,351	5,275	4,747	26.0%		56.5%	-10.0%
Outer Wayne	1,966	2,843	3,093	3,633	3,603	19.8%		83.3%	-0.8%

HEALTH CARE POSTINGS

Q4 2015

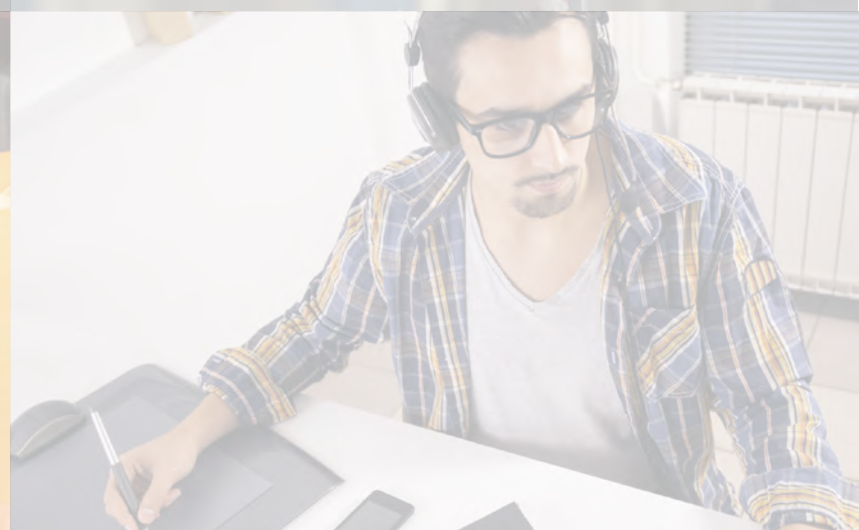
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Share of Total Postings Q4 2015	Change Over Time	Annual Change Q4 2014 - Q4 2015	Quarter Growth Q3 2015-Q4 2015
Total	9,953	12,408	15,170	16,082	16,862			69.4%	4.9%
Genesee & Shiawassee	642	640	790	828	815	4.8%		26.9%	-1.6%
Livingston	137	247	297	301	254	1.5%		85.4%	-15.6%
Macomb	981	1,399	1,807	2,041	2,015	11.9%		105.4%	-1.3%
Monroe	127	105	176	195	182	1.1%		43.3%	-6.7%
Oakland	2,112	3,067	4,047	4,143	3,959	23.5%		87.5%	-4.4%
St. Clair	200	266	282	281	300	1.8%		50.0%	6.8%
Washtenaw	1,356	1,595	1,646	1,790	1,828	10.8%		34.8%	2.1%
Wayne	4,398	5,089	6,125	6,503	7,509	44.5%		70.7%	15.5%
Detroit	2,753	3,367	3,773	4,081	4,869	28.9%		76.9%	19.3%
Outer Wayne	1,645	1,722	2,352	2,422	2,640	15.7%		60.5%	9.0%

RETAIL & HOSPITALITY POSTINGS

Q4 2015

	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Share of Total Postings Q4 2015	Change Over Time	Annual Change Q4 2014 - Q4 2015	Quarter Growth Q3 2015-Q4 2015
Total	18,382	19,816	22,037	27,672	26,130			42.1%	-5.6%
Genesee & Shiawassee	1,076	1,125	1,073	1,399	1,105	4.2%		2.7%	-21.0%
Livingston	437	541	547	685	672	2.6%		53.8%	-1.9%
Macomb	2,053	2,292	2,514	3,366	2,984	11.4%		45.3%	-11.3%
Monroe	504	352	344	417	363	1.4%		-28.0%	-12.9%
Oakland	5,457	6,425	7,763	9,660	9,604	36.8%		76.0%	-0.6%
St. Clair	508	384	398	531	390	1.5%		-23.2%	-26.6%
Washtenaw	1,385	1,973	2,031	2,499	2,230	8.5%		61.0%	-10.8%
Wayne	6,962	6,724	7,367	9,115	9,604	36.8%		37.9%	5.4%
Detroit	3,643	2,930	3,272	3,719	4,515	17.3%		23.9%	21.4%
Outer Wayne	3,319	3,794	4,095	5,396	5,089	19.5%		53.3%	-5.7%



WIN WORKFORCE INTELLIGENCE NETWORK for Southeast Michigan

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