How Site Selectors Can Utilize Work Keys Scores

Jack Allston, CEcD, FM, HLM
October, 2019
What is a Site Selector?

- Affiliated with real estate firms like CBRE, Jones Lang LaSalle, NKGF
- Affiliated with large accounting/financial firms: KPMG, Ernst & Young, BDO Seidman, Ryan Company
- Incentive drivers: lawyers, Parker Poe, BLS Strategies
- Independent boutique: Atlas Insight, Hickey & Associates, Global Location Strategies (trend)
- Located mostly in Chicago, New York/NJ/Philadelphia, Cleveland, Dallas, Greenville SC, Atlanta
Access to markets/freight costs

Skilled workforce availability & quality
  - Expanding workforce development programs (i.e. WorkReady with Work Keys)

Incentives
  - Training, tax credits, site related, closing funds fund

Wages/salaries

Sites/building
  - Certified/shovel ready sites/buildings

Utilities/Infrastructure
  - Electric power costs

Quality of Life
  - Education, recreation, culture
The least understood factor by the ED community; could be factor
Ask community to set up interviews with companies at place of business.

01

Ask questions on key factors including services in community: electric, gas, water, sewer, etc.

02

Attempt to interview mostly human resource managers in related industry. (or plant managers) HR normally has better feel of benefits as well as wages.

03
Labor Quality: Characteristics

- Turnover: higher or lower than industry norms
- Absenteeism: can be high for certain regions
- Attitudes: how employees feel about company
- Trainability: how easy are employees to train
- Communications: between employees and with management
- Basic Skills: reading, writing, arithmetic
- Alcohol and Drugs: (pre-screening) is it an issue/
- Labor Productivity: usually measured
- Accuracy: ISO may give high rating
Labor Supply (Availability)

• Highly dependent on quality of educational system
• Also factors are transportation and commuting as well as population.
• Other employers in the area as well as skills that are prevalent.
• Areas of supply:
  • Skilled
  • Semiskilled
  • Unskilled
  • Clerical
  • Technical
  • Management (and ability to recruit)
Wages

- Know your wages in your area (city)
- Conduct wage survey with human resource managers (*note: know all your human resource managers and try and know them on a personal basis*).
- Collect data from state and federal government.
- Calculate what a new employer should pay “wage threshold”
Education

- How many colleges in the area?
- Enrollment in each school, as well as enrollments by major
- Quality of each school (as well as physical appearance)
- Employers perception of schools
  - *how much IT and computers as well as other technologies*
- Secondary and elementary schools: quality-kids staying in school?
- Question: how many engineers can I hire from graduating classes
Training Programs

• Any reimbursable training programs?
  • State, federal and local

• Any customized job training programs
  • where training takes place by college or company and is set up by employer
  • training usually can take place at place of employment or college if college gets equipment - instructor can be from college or employer

• Almost standard in the states

• Important for cash flow purposes and is regarded as incentive.

• In New Mexico JTIP is regarded by site selectors as critical.
Fringe Benefits

• Understanding fringe system by your employers is important (because prospects and site selectors will want to know)
• Being able to calculate health care costs, dental, 401K, etc.
• Cooperation of unions is essential.
• Availability of day care can be issue.
• Tuition reimbursement can become big benefit as well.
“Availability in Las Cruces is generally good”
Labor Availability
Las Cruces vs. Roswell

<table>
<thead>
<tr>
<th>Category</th>
<th>Las Cruces</th>
<th>Roswell</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skilled</td>
<td>3.8</td>
<td>5.5</td>
</tr>
<tr>
<td>Semi-skilled</td>
<td>4.8</td>
<td>7</td>
</tr>
<tr>
<td>Unskilled</td>
<td>5.3</td>
<td>7.5</td>
</tr>
<tr>
<td>Management</td>
<td>5.3</td>
<td>8</td>
</tr>
<tr>
<td>Technical</td>
<td>5.6</td>
<td>8.4</td>
</tr>
<tr>
<td>Clerical</td>
<td>7</td>
<td>9.4</td>
</tr>
</tbody>
</table>

1 = very poor  5 = average  10 = excellent
Labor Characteristics

Las Cruces

Accuracy: 8.4
Labor Productivity: 8.4
Alcohol/Drugs: 8.9
Communication: 6.4
Basic Skills: 6.4
Trainability: 7.4
Attitudes: 9.0
Absenteeism: 7.6
Turnover: 7.5

1 = very poor, 5 = average, 10 = excellent
What is Labor Shed?

- Labor shed is defined as the **geographic area within which people will commute to a location for employment**

- The labor shed’s boundaries typically **differ from traditional defined geographic regions** such as a city, county and metropolitan areas

- Typical method of calculation is results from **public and private surveys** by phone, mail, online or face-to-face interviews

- Phone surveys can **estimate the actual size and characteristics of the real-time labor supply within 5%**

- **Additional characteristics of your workforce** can be obtained during the process
- On the Map can be used
Sample Project

Environmental Engineering

- Environmental engineering firm seeking office location to employ 25 in first few years and 50 after five.
- Prefer southeast location because of growth of clients locating in South.
- Looking for location with talent pool pipeline in civil and environmental engineering.
- Wanted to be ensured city keeps youth and has apprenticeship and internship programs with high schools and four-year institutions.
- Additional requirement: Very good Work Keys scores
Southeast US Competing Cities

- Greenville, SC: Environmental Technician $21.28, Environmental Engineer $31.13
- Greensboro, NC: Environmental Technician $21.74, Environmental Engineer $28.93
- Winston-Salem, NC: Environmental Technician $21.00, Environmental Engineer $28.88
- Danville, VA: Environmental Technician $21.32, Environmental Engineer $28.47
- Bristol, TN: Environmental Technician $20.74, Environmental Engineer $27.66
- US Ave.: Environmental Technician $23.36, Environmental Engineer $31.13

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Guilford County (Greensboro)

**Work Keys Scores**

Guilford County High School Students

- Bronze: 1813, 17%
- Silver: 445, 4%
- Gold: 2789, 27%
- Platinum: 5396, 52%

Guilford County NCRCs

- Bronze: 2395, 17%
- Silver: 486, 4%
- Gold: 3735, 27%
- Platinum: 7281, 52%
Forsyth County (Winston-Salem)

Work Keys Scores

Forsyth County High School Students

- 1187, 22%
- 1022, 19%
- 374, 7%
- 2785, 52%

Bronze: 1187, 22%
Silver: 1022, 19%
Gold: 374, 7%
Platinum: 2785, 52%

Forsyth County NCRCs

- 1842, 21%
- 4745, 54%
- 470, 5%
- 1797, 20%

Bronze: 1842, 21%
Silver: 4745, 54%
Gold: 470, 5%
Platinum: 1797, 20%
Sullivan County (Bristol)

Work Keys Scores

Sullivan County (Bristol) High School Students

Bronze: 220, 26%
Silver: 162, 19%
Gold: 200, 24%
Platinum: 260, 31%

Sullivan County NCRCs

Bronze: 990, 41%
Silver: 333, 30%
Gold: 464, 19%
Platinum: 252, 10%
Greenville (SC) County

Work Keys Scores

Greenville County High Schools

Greenville County NCRCs

Join the conversation using #ACTWorkforce @ACT
Helping Site Selectors Understand Your Workforce

Rob O’Brian
CEcD; IOM

October 2019
Who’s Involved on the Local Economic Development Team?
Everyone of You!
What Do Site Selectors Need for Their Clients?
NCRC Data Shows Your Community Workforce Strength

- Commitment to a Stronger Workforce
  - Companies
  - Employees
  - Education
- Validated Skill Levels
  - Education & Experience
- Comparable Across Communities
- Standardized Information
## NCRC Certifications is the First Step

<table>
<thead>
<tr>
<th>WORKFORCE</th>
<th>TOTAL NCRC</th>
<th>BRONZE NCRC</th>
<th>SILVER NCRC</th>
<th>GOLD NCRC</th>
<th>PLATINUM NCRC</th>
<th>NCRC PLUS</th>
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</thead>
<tbody>
<tr>
<td>Emerging</td>
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<tr>
<td>High School</td>
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<td>1099</td>
<td>433</td>
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<td>155</td>
<td>105</td>
<td>9</td>
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<td>Private</td>
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<td>117</td>
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<td>Transitioning</td>
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<tr>
<td>Adult Education</td>
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<td>9</td>
<td>20</td>
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<td>Unemployed</td>
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<td>450</td>
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<tr>
<td>Recent Veteran</td>
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<td>+</td>
<td>9</td>
<td>4</td>
<td>+</td>
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<tr>
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<td>1113</td>
<td>3149</td>
<td>1380</td>
<td>175</td>
<td>291</td>
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### But Relate Data to Company

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Locating Info</th>
<th>Reading Info</th>
<th>Applied Math</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Representatives, Wholesale &amp; Manufacturing</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>Gold</td>
</tr>
<tr>
<td>Team Assemblers</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>Silver</td>
</tr>
<tr>
<td>Shipping, Receiving, &amp; Traffic Clerks</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>Silver</td>
</tr>
<tr>
<td>Packers &amp; Packagers, Hand</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>Bronze</td>
</tr>
<tr>
<td>First-Line Supervisors of Production &amp; Operating Workers</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>Silver</td>
</tr>
<tr>
<td>Industrial Truck &amp; Tractor Operators</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>Bronze</td>
</tr>
<tr>
<td>First-Line Supervisors of Mechanics, Installers, &amp; Repair</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>Gold</td>
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</tbody>
</table>
### Full Profile Helps Show Other Skills

<table>
<thead>
<tr>
<th>Skill Area</th>
<th>Median Skill Level</th>
<th>Minimum Skill Level</th>
<th>Maximum Skill Level</th>
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<tbody>
<tr>
<td>Applied Math</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Workplace Documents</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Graphic Literacy</td>
<td>3</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Reading for Information</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Locating Information</td>
<td>3</td>
<td>3</td>
<td>5</td>
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<tr>
<td>Applied Technology</td>
<td>3</td>
<td>3</td>
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</tr>
<tr>
<td>Business Writing</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Workplace Observation</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
</tbody>
</table>
That’s Great Data!........
Add Labor Availability Data

CNC Machinist @ $18 hour  NCRC: Silver

- 49,444 Any Skillset
  - Workers wholly unrelated to your search. You can access 49,444 (about 62%) of the entire workforce for $18.00/hr.

- 10,983 General Skillset
  - Workers who are only loosely related to your search, but might be able to reskill. You can access 10,983 (about 48%) of them for $18.00/hr.

- 163 Similar Skillset
  - Workers with skills that are close enough to your search to be relevant. You can access 163 (about 55%) of them for $18.00/hr.

- 68 Exact Match
  - Workers who exactly match your search for CNC Machinists. You can access 68 (about 63%) of them for $18.00/hr.

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## Compatible Jobs Expand Labor Options

<table>
<thead>
<tr>
<th>Occupation</th>
<th>≤ $18.00/hr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy and Tractor-Trailer Truck Drivers</td>
<td>1,447</td>
</tr>
<tr>
<td>Food Batchmakers</td>
<td>873</td>
</tr>
<tr>
<td>Maintenance and Repair Workers, General</td>
<td>537</td>
</tr>
<tr>
<td>Assemblers and Fabricators, All Other, Including Team Assemblers</td>
<td>497</td>
</tr>
<tr>
<td>Industrial Truck and Tractor Operators</td>
<td>396</td>
</tr>
<tr>
<td>Packaging and Filling Machine Operators and Tenders</td>
<td>371</td>
</tr>
</tbody>
</table>
New Companies Are Great; But First

Dance With The Ones That Brung Ya!
Existing Companies Are Your Base

• Existing Employers Provide:
  • Most Jobs
  • Most Growth Opportunities

• Existing Employers Can Use NCRC:
  • Hire new employees who will be successful
  • Assess existing employees for continued training
  • Assess existing employees for new roles

• Existing Employers Will:
  • Help You Build the Community Talent Pipeline
  • Be Your Best Advocates to Site Selectors
NCRC Data Helps You Give Site Selectors What They Need

Your Efforts Help Bring Your Community
- New Jobs
- Better Jobs

Your Efforts Help Your People
- Validate the skills they have to get those jobs today
- Gain new skills to get those jobs of tomorrow

You Are Building Your Community For the Next Generation
What Could Be Better Than That?

YESSSSSSSSS!
Questions?

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