Introduction

In the last few years, a range of online analytical tools have enabled a clear view of our dynamic and constantly changing labor market. For the first time, this data is available to workforce developers and job counselors not just as information for reflection, but as a real-time action tool to plan programs and services that meet our region's most pressing needs and direct jobseekers to the best available opportunities. Using data analytics on a regular basis creates stronger coordination between organizations and the best results for both jobseekers and employers.

These Sector Analysis Reports – the regional overview document and its one-page profiles of IT, manufacturing, construction, healthcare, business and financial services, and government – provide an analytical methodology to know and react to demand, supply, and training program outcomes. In other words, these tools can help us more efficiently close the worker gap. We hope that you see value in this data and decide to replicate this kind of analysis in your own sectors and communities.

Our Approach

To demonstrate our method for these sector reports, here's how we analyzed the best middle skill (Associate degree or less) and jobs that provide economic self-sufficiency for an average-sized household (over $35k annually) for each sector.

1) We ran a **sector overview** highlighting current employment, salaries, and job posting volumes for each sector, alongside vital statistics on job growth, unemployment, and the labor shortage. In addition, big picture summaries of education and experience requirements, top posting employers, top hard skills in demand provide general orientation to sector needs.

2) We then ran list of the **top occupations in demand** by number of online job postings advertised in Q2 2019, sorting first by employment volume and possible future talent shortage. We also considered the needs of different types of employers and industries, digging down into unique job titles used to understand the variety of positions included in each occupation group. Based on that list, we looked at the jobs in each sector requiring an Associate degree or less that also pay a living wage.

3) Analyzing the top occupations in demand, we lifted up the **top pathways** into each sector locally. We then reflected on whether we could advise someone in good faith to pursue these careers. Each pathway of opportunity was analyzed by some of the same key indicators as the sector overview, with particular attention to top job titles, skills, certifications, and employers associated with those pathways.

4) We then dug deep into the **postsecondary education and training opportunities** available in the sector, offering an overview of Associate and Certificate opportunities for the top pathways (and an estimated training shortage for each), completions by race, and the graduate employment outcomes of these programs.

5) Finally, we looked at several **training options** to obtain industry-recognized credentials (such as A+) outside of a 2 or 4-year program, and disaggregated this data by gender and race whenever possible.

There's also a whole range of training program outcome tools we highly recommend using to get a sense of how well training programs are working, and how likely it is that trained jobseekers are hired in the sector. The best approach will take into consideration multiple sources and types of data. Even after you are familiar with all of the information above, it is still wise to get out in the field and talk to employers, training program managers, and postsecondary directors to get their take on the accuracy of the data and your conclusions from it.

Each sector report addresses similar questions tailored to the unique nature of the sector, responding to the unique needs and leadership of partners across the region through input provided over the past two years. If you have thoughts about what other information should be included or think we are missing something, please let us know.

Contacts

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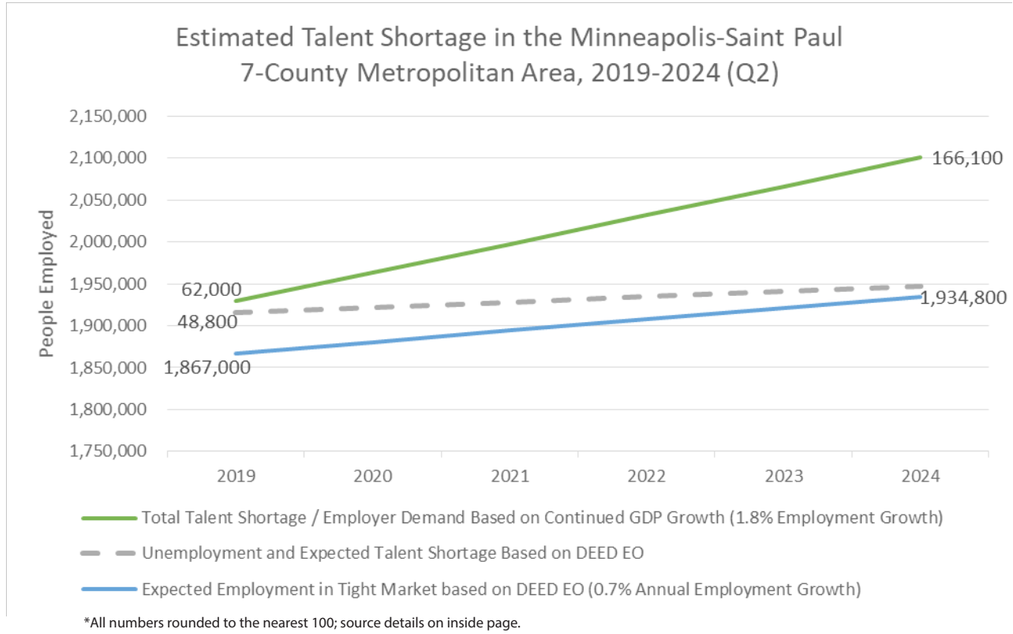
Additional industry contacts, career pathways fund investor information, and meeting dates coming soon.

MSP Sector Analysis
Regional Forecast Overview

October 2019



*All numbers rounded to the nearest 100; source details on inside page.

By the second quarter of 2019, the Minneapolis-Saint Paul Metro reached an estimated regional talent shortage of about 62,000 people. If we aim to see economic growth continue in our region, this shortage may grow to a total of just over 166,000 people as we approach 2025. The time is now to act strategically to maintain our region's growth and competitiveness.

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Research Strategist at RealTime Talent
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MSP Sector Analysis

Regional Forecast Overview

2019 Unemployment, Vacancies, & Shortage

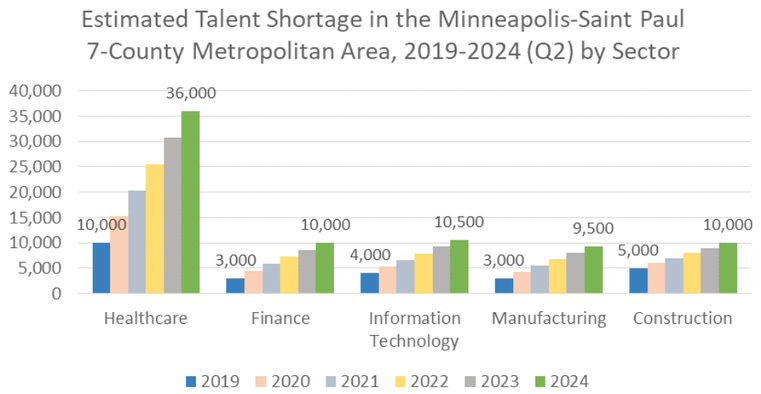
High-Demand Sector Pathways	2019Q2 Estimated Unemployment *	2019Q2 Vacancies **	Shortage in Perfect Alignment ***	Estimate of Actual 2019Q2 Talent Shortage ****
Healthcare	4,131	11,174	7,043	10,000
Finance	5,054	6,191	1,137	3,000
Information Technology	1,145	3,548	2,403	4,000
Manufacturing	5,977	5,541	*436 Surplus*	3,000
Construction	3,717	3,946	229	5,000
All Other Sectors	28,792	55,644	26,852	37,000
All Sectors	**48,816**	**86,044**	**37,228**	**62,000**

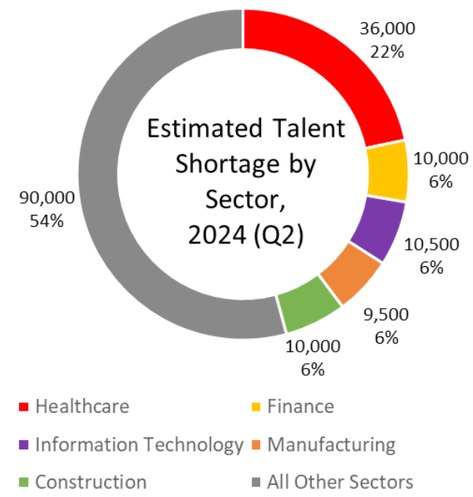
*JobsEQ Unemployment Estimates based on Bureau of Labor Statistics Occupational Employment Statistics, 2019Q2 by occupation cluster. **MN DEED Job Vacancy Survey, 2019Q2 by occupation cluster. ***Estimated shortage of talent assuming that every unemployed person is perfectly skilled matching the vacant jobs available in the region andis able/interested in taking the position. ****Modeled estimate of actual shortage based on talent flow analysis from educational providers aligned to sectors in demand; provded by RealTime Talent, rounded to the nearest 500.

Certificate & Assocate Educational Awards, 2018

High-Demand Sector Pathways	Certificates Awarded in 2018	% of Certificates to Students of Color	Associate's Degrees Awarded	% of Associate's Degrees to Students of Color	Awards at all Levels	% of All Awards Associate's Degree or Less
Healthcare	3,001	44%	1,914	28%	19,407	25%
Finance	756	38%	907	38%	11,448	15%
Information Technology	250	37%	595	34%	2,809	30%
Manufacturing	1,016	33%	845	30%	3,635	51%
Construction (& Transportation)	514	49%	114	18%	631	100%
All Other Sectors	813	30%	4,167	34%	29,929	17%
All Sectors	**6,350**	**40%**	**8,542**	**32%**	**67,859**	22%

7-County Labor Shortage Forecast by Sector



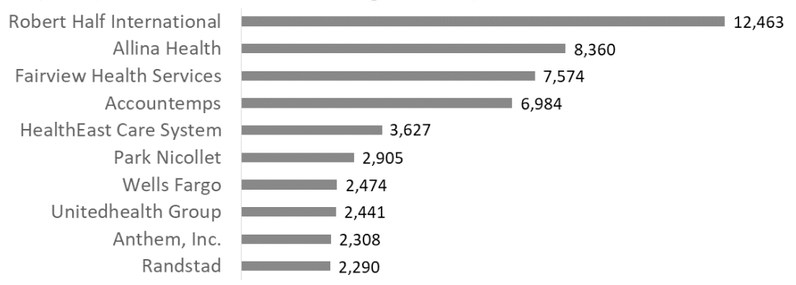


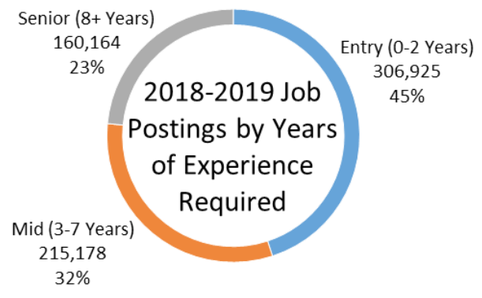
High-Demand Sector Pathways	Current: 2019Q2 Employment	Current: 2019Q2 Estimated Talent Shortage*	5-Year Outlook: 2024Q2 Total Shortage Based on Continued GDP Growth*
Healthcare	218,338	10,000	36,000
Finance	209,941	3,000	10,000
Information Technology	78,092	4,000	10,500
Manufacturing	194,687	3,000	9,500
Construction	92,189	5,000	10,000
All Other Sectors	1,073,755	37,000	90,000
All Sectors	**1,867,002**	**62,000**	**166,000**

*Modeled estimate of actual shortage, provded by RealTime Talent, rounded to the nearest 500.

High-Demand Sector Pathways	Average Year-Over-Year Change in Volume of Shortage	% of Future Jobs Unfilled Due to Shortage	% of Total 2024Q2 Regional Shortage
Healthcare	30%	14%	22%
Finance	28%	4%	6%
Information Technology	22%	12%	6%
Manufacturing	26%	5%	6%
Construction	15%	10%	6%
All Other Sectors	20%	8%	54%
All Sectors	**22%**	**8%**	**100%**

Top Employers Advertising Entry-Level Jobs, 2018-2019





NOTE: Replacement demand has been discontinued by the Bureau of Labor Statistics (BLS) because of "statistical and conceptual issues with the implementation of this method that compromised the accuracy and validity of the resulting estimates" (www.bls.gov/emp/ep_replacements.htm). BLS developed a new method that estimates this concept by measuring occupational separations, which include both replacements due to exits from the labor force and occupational transfers from a major occupation group (2-digit SOC). 5-Rounded estimates. Developed by Erin Olson (erin@realtimetalentmn.org). Published 10/18/2019 by RealTime Talent. Sources: TalentNeuron Recruit aggregate online job postings. www.wantedanalytics.com accessed October 17, 2019. Counts of job postings were available online between October 1, 2018-September 30, 2019 in the 7-County Minneapolis-Saint Paul Metro Area. Includes staffing agencies. Employment counts are modeled from Bureau of Labor Statistics Occupational Employment Statistics (OES) from 2002 to 2019 and the Employment Outlook 2026, by JobsEQ. Educational award data comes from the National Center for Education Statistics (NCES) IPEDS dataset for 2018 awards, students may have graduated with multiple awards and should not be considered counts of individuals. Counts for government jobs and talent shortage estimates were not able to be determined and were omitted from charts and tables. Full details on occupations included in each sector can be obtained from Erin Olson at erin@realtimetalentmn.org.

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