State LMI Director Priorities for Investment in Labor Market Information

Data Quality, Mapping, and Data Bases
Priority 1 – Recurring funding

- **Increase data quality of federal/state BLS programs for state and local data needs**
  - Increase Current Employment Statistics (CES), Occupational Employment Statistics (OES), and Current Population Survey (CPS) sample sizes and response rates to lessen the need for modeling; larger sample sizes and higher response rates would increase the reliability of employment estimates for both industries and occupations at the state and local level which is needed to support workforce and economic development; more reliable data would enhance the ability to measure the economy and evaluate the workforce system.
  - Improve CES estimating tools to increase the ability of states to produce quality state and local estimates.
  - Redesign Local Area Unemployment Statistics (LAUS) models to reduce reliance on real-time benchmarking and lessen volatility.
  - Change funding formulas to be based more on workload.
  - Increase the frequency and detail of updates to national coding systems.
  - Increase funding for all BLS programs so states do not have to supplement programs with other state funds.
  - Make available industry and sub-state area Business Employment Dynamics data

- **Improve projections and EDS (Estimates Delivery System)**
  - EDS is used to produce custom substate estimates of employment and wages which are needed for rural areas and single counties. EDS updates wage data making the data more current and allows alternative regional configurations for customized requests.
  - Projections need to have continual investment in statistical software and methods to keep the system current for estimating jobs in demand.

- **Improve (add more detail) and update the skills information in O*Net**
  - A more frequent survey of skills covering more industries would provide job seekers and employers with a better measure of the job attributes for job matching.
  - A more detailed database on skills would help with skills matching and reemployment analysis.

- **Update the SOC/CIP crosswalks (Standard Occupational Classification/Classification of Instructional Programs)**
  - This crosswalk is used to match occupations with training codes and training providers.
  - An updated crosswalk would increase the functionality of linking demand occupations to available training providers to ensure training and talent development meets the needs of business.

- **Institute GIS mapping in all states**
  - Many types of data are best displayed using GIS, especially data relating to the concentration of job seekers, employers, and the unemployed.
  - Expanding GIS capabilities to all states would greatly enhance the ability of the LMI system in serving the needs of economic development and regional workforce boards.
  - Mapping is critical for business recruitment by showing available labor supply.
  - Mapping is an important data tool for disaster analysis.

- **Build capacity for economic and workforce research and analysis using administrative records**
  - UI wage records, employer records, client records are increasingly being used as a source for new information.
  - Employment and earnings are the most universal indicators of success for those receiving employment and training services, as well as for those receiving education, public assistance, vocational rehabilitation, youth training, inmate reentry and other services.
  - LMI offices, being statistics entities within state workforce agencies, are in prime position to obtain and house the resources to identify employment comprehensively through other states' wage records, federal employment records and self-employment records, and serve as a state center for evaluation of workforce outcomes.
  - The nationwide network of LMI offices provides the potential for synergies in advancing knowledge about the workforce system and the many sources of workforce supply.

Data Quality, Mapping, and Data Bases (continued)

- **Develop states' capacity to use real-time labor market information from state and national job banks**
  - During recessionary periods when most industries are declining, real-time job bank data are more critical than ever to locate jobs in demand for reemployment.
  - Most states' systems do not have the capacity to access and rank job openings by occupation by local area.

- **Improve the quality of employer data bases and accessibility (*Infogroup*)**
  - Job seekers, economic development, and regional workforce boards need a reliable and accurate database of employers.
  - Available databases suffer from a lack of current industry coding causing data quality problems.
  - Employer data are critical for GIS mapping, business recruitment, and disaster analysis.

- **Improve knowledge of dislocated workers and the unemployed**
  - Improved knowledge of the characteristics of dislocated and unemployed persons at the local level, as well as better understanding of conditions leading to dislocation and its persistence over the business cycle, is needed to inform workforce policy and program response.
  - Better understanding of firm behavior (including closure and ownership change) that precedes layoffs would help to direct more effective response to employers and workers.
  - Advanced analyses could lead to better identification of the reemployment potential of workers and to forecasting dislocation impacts by industry and area.

Data Dissemination and Web Enhancement
Priority 2 – One-time funding with some maintenance

- **Enhance LMI internet delivery systems in all states to be state-of-the-art**
  - Current systems do not exhibit the latest technology for on-line graphics and mapping.
  - An enhanced LMI internet delivery system available to all states would increase the use of labor market information for informed career and economic decision-making for workforce and economic development.
  - The internet systems need to both be more comprehensive but also easier to use.

- **Support development of a integrated on-line reemployment system using state and local labor market information**
  - Reemployment process that exist today using layoff data, O*Net, and several sources of labor market information is currently too cumbersome and time consuming to be used in a One-Stop Career Center environment.
  - An automated reemployment system is needed using the different data sources to increase ease of operation and timely response for job seekers.

- **Support a multi-state effort to design new LMI Web-based analysis and delivery tools (similar to the former ADAM system)**
  - Economic development officials need comparable labor market and economic data on-the-fly for business recruitment efforts; without a system with comparable state and local data business recruiters must go to individual state websites or LMI shops.
  - Having instant comparable data among states will increase outreach efforts to widen the customer base of data users.

Customized Survey Research and Analysis
Priority 3 – One-time funding with some maintenance

- **Increase capacity for states to conduct ad hoc employer surveys**
  - Technical support and training for sampling and estimation software is needed for ad hoc surveys such as green jobs, targeted industries, stimulus projects, etc.
  - States need knowledge on how to estimate survey costs and how to use vendors for telephone data collection.

- **Increase access to analytical tools**
  - States need access to analytical tools such as Help Wanted OnLine (HWOL), TORQ, Haver Analytics, Regional Economic Modeling, Inc. (REMI), Statistical Analysis System (SAS), Statistical Program for the Social Sciences (SPSS), Impact Modeling and Planning (IMPLAN), etc.
  - States need training on analytical tools and applications.

- **Increase state development of analytical products using LED**
  - LED needs enhanced analytical tools to encourage more use by LMI, employers, job seekers, and economic development.
  - A minimum of one staff person is needed per state to run the LED program.

- **Institute job vacancy surveys**
  - These surveys provide a near term measure of employer hiring needs. This information is not available in other surveys.
  - These surveys have the advantage of measuring current occupational demand given current business cycle conditions.
  - These surveys confirm or deny the near-term accuracy of occupational projections due to the business cycle and may reflect emerging occupations.

- **Institute benefit surveys**
  - Benefits data are needed along with wage data to determine total compensation to measure business costs.
  - Benefits are requested by employers so they may determine their competitiveness.
  - Instituting benefit surveys would enhance the ability of the labor market information system to serve employer needs by allowing businesses to measure benefit costs for location decisions.
  - Having comparable benefits costs by state is important for business recruitment.

Training and Development
Priority 4 – Recurring funding

- **Support the LMI Training Institute for nationwide staff development**
  - Fund the LMI Training Institute to support workforce and economic development for improved human capital.
  - The Institute is needed to share best practices to raise the bar in many states.

- **Improve staff development of LMI professionals and ETA staff**
  - The complexity and dynamic nature of the national LMI system requires constant staff development.
  - The viability of the national LMI system depends on well trained and skilled LMI and ETA professionals.

- **Increase LMI training capacities for the Regional Boards and One-Stops**
  - The LMI system needs the capability to train regional board staff in using LMI products and services in reemployment and employer services.
  - The dynamic nature of LMI systems and data requires constant training and retraining of workforce partners to ensure use of labor statistics at the local level.

****Note: This priority listing was developed by the National Association of State Workforce Agencies LMI Committee, the Workforce Information Council state representatives, and other state LMI Directors from a Planning Forum to support potential funding investments over the last two years (2009-2010).**