



Kentucky's Top Five In-Demand Sectors

Recently, the Kentucky Workforce Innovation Board (KWIB) voted to adopt Kentucky's top five in-demand sectors. The two-phase, data-informed identification and verification process is described below with sample occupations provided. Additionally, the KWIB voted to incorporate a five-year review process utilizing the two-phase approach of quantitative and qualitative analysis.

Kentucky's Top Five In-Demand Sectors:

1. Healthcare
2. Manufacturing and Logistics
3. Construction
4. Education
5. Professional, Scientific and Technical Services (PS&TS)

Background

The process of identifying the top five in-demand sectors in Kentucky took place through a two-phase approach, through a quantitative and qualitative review process. The data gathering and analysis was provided by the Kentucky Center for Statistics (KYSTATS).

The quantitative review process initiated in the Sector Strategies Workgroup with membership

consisting of KWIB members, business and industry representatives, education partners, government representatives and workforce development practitioners. The workgroup settled on the key quantitative data approach of reviewing occupations that are in-demand, experiencing growth, and have living wages. Specifically, the formula set by the quantitative group:

1. Entry Annual Wages OR Median Wages (25%)
2. Occupational Demand (50%)
3. Growth Rate (25%)

Importantly, the business members of the workgroup emphasized the importance of occupational demand and giving it more percentage weight above the other elements. The list of key occupations was then connected to their respective industry sectors. The quantitative workgroup reviewed various ranking methods in the review process (i.e. incorporating location quotient) and ultimately settled on the fact that all methods lead to similar sector output.

Once the quantitative workgroup agreed on the formula and the data derived, the work of the qualitative workgroup began. The qualitative workgroup consisted of statewide



education and training organizations that not only administer various training dollars, but also understand industries that may be experiencing growth in the future not yet reflected in data.

Example Occupations

1. Healthcare

- a. Registered Nurse
- b. Medical and Health Services Managers
- c. Nurse Practitioner
- d. Substance Abuse, Behavioral Disorder and Mental Health Counselors
- e. Clinical Laboratory Techs

2. Manufacturing and Logistics

- a. Assemblers and Fabricators
- b. Inspectors, Testers, Sorters, Samplers and Weighers
- c. Machinist
- d. Industrial Production Managers
- e. Heavy and Tractor-Trailer Truck Drivers

3. Construction

- a. Construction Laborers
- b. Carpenters
- c. Electricians
- d. Plumbers, Pipefitters and Steamfitters
- e. Project Management Specialists

4. Education

- a. Elementary School Teachers
- b. Secondary School Teachers
- c. Middle School Teachers
- d. Educational, Guidance and Career Counselors and Advisors
- e. Postsecondary Teachers

5. Professional, Scientific and Technical Services

- a. Software Developers
- b. Management Analysts
- c. Paralegals and Legal Assistants
- d. Computer User Support Specialists
- e. Market Research Analysts and Marketing Specialists

Impact and Future Review

Identifying these sectors allows Kentucky to focus time and investment into growing the opportunities in industries and occupations that are in high demand, are experiencing growth and pay living wages. Investment in these sectors and occupations go beyond the Workforce Innovation and Opportunity Act (WIOA) as the Kentucky workforce development ecosystem operates in a collaborative and strategic direction.

The five in-demand sectors provide a statewide lens, while local workforce development boards can incorporate an additional two sectors that are reflective of their local economies.

In addition to adopting the top five in-demand sectors, the KWIB voted to incorporate a review process every five years utilizing the two-phase approach of quantitative and qualitative review.

Kentucky Workforce Innovation Board

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