

# Sector Strategies Workgroup Meeting

# Meeting Minutes April 16, 2024 1:00 pm – 2:30 pm EDT

**Committee Members Present:** Becky Gilpatrick, Beth Brinly, Callie Miracle, Carl Wilson, JC Gregory, Jon Sowards, Josh Zaczek, Justin Browning, Lisa Banner, Mike Yoder, Nicki Stewart, Sam Keathley, Sara Tracy, Steve Rudolf, Tim Ernst

Staff: Alisher Burikhanov, Elishah Taylor, LaChrista Ellis, Katy Lawrence

### Call to Order at 1:00

Alisher Burikhanov, Executive Director, Kentucky Workforce Innovation Board (KWIB), welcomed everyone and thanked them for their attendance. He outlined that the purpose of the workgroup meeting is to examine the methodology for identifying the top five career sectors by analyzing occupational and industry data provided by the Kentucky Center for Statistics (KYSTATS). Alisher emphasized the significance of this work, by highlighting its implications for initiatives such as work-ready scholarships, economic development, and workforce system funding for training programs. He stressed the importance of focusing on occupations with high growth, high demand, and family-sustaining wages, with the goal of making recommendations for further review and acceptance. Alisher then outlined the next steps, which involve engaging with state training and education leaders and ensuring alignment with employer engagement committee processes. Alisher handed over the floor to Sam Keathley, who had compiled data points based on previous discussions. He encouraged the group to ask questions.

### **Key Industries/Sectors/ Occupation Overview**

**Sam Keathley, Analyst at KYSTATS,** stated that it was good to see everyone again on the quantitative side to review the identification of identified key sectors. He carefully reviewed the data structure, explaining its inner workings, and then discussed how the information had been compiled that day.

Taking into account all occupations for which estimates were produced, occupations were ranked based on a composite score, with demand being the highest priority per the group's previous recommendation. Considering entry and median wages, he explained that occupations not meeting the living wage criteria were deemed ineligible.

Going over the spreadsheet and supplemental information included in the meeting packet, he explained that depending on the calculations performed, there would be some adjustments. He then outlined the 8 methods used to determine how to calculate the gathered data:

- 1. Method 1 uses entry-level wages in decile calculations and in the living wage filter.
- 2. Method 2 uses entry-level wages in decile calculations and in the living wage filter. Occupations with low education requirements are excluded from the calculations.
- 3. Method 3 uses entry-level wages in decile calculations and in the living wage filter. Occupations with high education requirements are excluded from the calculations.
- 4. Method 4 uses median wages in decile calculation, but entry-level wages in the living wage filter.
- 5. Method 5 uses median wages in decile calculations and in the living wage filter.

- 6. Method 6 uses entry-level wages in decile calculations and in the living wage filter. In the final step of the process, when we identify the industries accounting for the highest levels of occupational employment across favorable occupations, we weight the employment by Kentucky's employment location quotient for that industry.
- 7. Method 7 uses median wages in decile calculations but entry-level wages in the living wage filter. In the final step of the process, when we identify the industries accounting for the highest level of occupational employment across favorable occupations, we weight the employment by Kentucky's employment location quotient for that industry.
- 8. Method 8 uses median wages in decile calculations, and in the living wage filter. In the final step of the process, when we identify the industries accounting for the highest levels of occupational employment across favorable occupations, we weight the employment by Kentucky's employment location quotient for that industry.

Sam discussed each method, explaining how the tabs are set up and how the ranking works. In the sector\_outputs section, he went through the last tab, occupation inputs.He referred to a spreadsheet sent out beforehand, titled "2022\_titles\_descriptions," which provided the building blocks to be utilized to identify what kind of businesses are categorized by specific sectors.

### **Data Discussion**

Alisher Burikhanov thanked Sam for giving an overview of the current numbers to date. Discussion was had about the occupations\_input tab and what the numbers represent. Sam explained that they use two-digit NAICS codes to cover broad sectors for occupations, accounting for a larger portion of industry employment. He also mentioned that the median wage should ideally be higher than the entry-level wage. A question was raised about whether the supplemental information had been updated, to which Sam responded that he would update anything requested. Alisher then asked if there were any more questions and if there was a particular method that needed more feedback.

Steve Rudolf, Vice President, Human Resources Operations, for Baptist Health shared a heatmap in the chat (found in the post-meeting packet). There was discussion noting that the top three, and even the top five industries, do not fluctuate much.. It was noted that the an understanding is needed around the investments in specific pathways being made and where are opportunities for further support for high growth and high demand occupations. Additionally, it was brought forth that there is an opportunity for specific regional adjustments to incorporate additional sectors to the top five, as distributions and economic landscape differs across the state.

Alisher highlighted that regardless of how it is approached, the factors and methods that led the group to identify the top five sectors consistently indicates the same direction. Alisher then invited further discussion on the analysis and asked if there were any additional questions. It was brought for discussion an emphasis on the importance of education and training providers to give their feedback in order to move the process forward. While there was agreement on the top five sectors, it's highlighted that it is essential to delve into the positions beneath them, as they are still quite broad. An example of this was "professional scientific and technical." Filtering the data is also helpful in determining the educational requirements and necessary growth for each occupation.

Discussion continued with a focus on educational requirements. This would mean assessing whether focusing on jobs with lower educational barriers would change the landscape of job growth and availability, particularly when considering the demand for positions that require less education, like associate degrees or vocational training. Additionally, there was recognition that the allocation of resources, such as work-ready scholarships, depends heavily on this information. The group acknowledged that while there's a clear understanding of what's available for college students pursuing bachelor's degrees, it's crucial to also consider options for those pursuing associate degrees or vocational training to ensure long-term affordability and accessibility. Alisher suggested breaking down sectors into various forms and aligning them with college programs to ensure that the education provided matches the requirements of specific occupations within key sectors. Sam highlighted that some occupations might not have met wage standards initially but could have been valuable with the right support programs in place.

Steve Rudolf shared several documents in the chat during the discussion listing the top 10 occupations within key sectors. These documents will be available for review as part of the post-meeting materials. They are titled: "Top 10 for Construction," "Top 10 for Finance and Insurance," "Top 10 for Healthcare," and "Top 10 for Professional Science."

### **Next Steps**

The end of the discussion focused on how to identify and address developmental needs. Alisher suggested honing in on specific occupations and engaging in qualitative discussions to explore pathways available to students. He sought agreement from everyone and invited those with specific occupational questions to raise them. The group agreed to reconvene on May 21st, at 10 AM EDT to delve deeper into the occupations, leveraging Sam's insights. Alisher emphasized the importance of keeping the group engaged and expressed gratitude for the valuable input driving the discussion forward.

## **Adjournment 2:08 PM EDT**