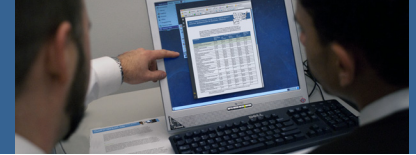


UNIT 2 UNDERSTANDING YOUR LOCAL LABOR MARKET

GLOSSARY OF LABOR MARKET TERMS



The following terms are commonly used in connection with labor market information and workforce development. Definitions were drawn from several sources, including the LMI offices of California, Massachusetts, Nebraska, Ohio, and Rhode Island; and the Web sites of ACTE (Association for Career and Technical Education), the Bureau of Labor Statistics, CareerOneStop, the International Economic Development Council, Jobs for the Future, NAHETS (National Association of Heavy Equipment Training Schools), National Council for Workforce Education, National Institute for Literacy, Ohio Stackable Certificates Initiative (Ohio Board of Regents' University System of Ohio), *Pennsylvania Career Guide 2008-2009* (PA Dept. of Labor & Industry), the U.S. Census Bureau, the U.S. Department of Labor (DOL), the U.S. Office of Management and Budget (OMB), and the Workforce Strategy Center.

A

apprenticeship

Trains an apprentice in a skilled profession (e.g., carpentry, auto mechanics, welding). Working under the direct supervision of an experienced worker, apprentices receive on-the-job training supplemented by classroom instruction. Their sponsors—including employers, employer associations, and joint labor-management organizations—provide apprentices with instruction that reflects industry needs. Apprenticeships generally last about four years but can range from one to six years. Apprenticeship training programs are usually registered with DOL or a State Apprenticeship Agency and provide training under conditions specified in a written apprenticeship agreement.

B

benefits

Nonwage compensation provided to employees. Benefits include paid leave (e.g., vacations, holidays, sick leave); supplemental pay (including premium pay for overtime and work on holidays and weekends, shift differentials, and non-production bonuses); insurance (life insurance, health benefits, short-term disability, and long-term disability insurance); retirement and savings plans (defined benefit and contribution plans); and legally required benefits (such as Social Security and Medicare, Workers' Compensation and Unemployment Insurance). Excluded from employee benefits are such items as payment-in-kind, free room and board, and tips.

bridge program

Helps adult students obtain the necessary academic, technical, and employability skills they need to enter and succeed in post-secondary education and training programs. They are often the first rung on the way to career-path employment in high-demand, middle- and high-skill occupations. Bridge programs are generally aimed at adults who have reading and mathematics skills at or below the ninth-grade level, who may or may not have a high school diploma or GED. Most will have been out of school for a significant amount of time. Those

who complete bridge programs typically move on to college-level education and training in the targeted field; however, sometimes they gain sufficient career-focused skills to obtain an entry-level skilled job. However, because bridge programs can provide both credentials and links to transparent education pathways, completers can return to education to advance to a higher-skilled position in the field. Bridges can be offered through many avenues, including adult basic skills/GED, English as a Second Language, developmental education, adult vocational/technical education, or WIA-supported programs.

Bureau of Labor Statistics (BLS)

The principal fact-finding agency for the federal government in the broad field of labor economics and statistics. BLS is an independent statistical agency that collects, processes, analyzes, and disseminates essential data to the American public, the U.S. Congress, other federal agencies, state and local governments, and business and labor leaders. It also serves as a statistical resource to DOL by collecting, processing, analyzing, and disseminating data relating to employment, unemployment, the labor force, productivity, prices, family expenditures, wages, industrial relations, and occupational safety and health.

C

career and technical education (CTE)

Highly specialized, technical training in a specific field, linked to academics. CTE schools offer training in health care, automotive, construction, horticulture, engineering, computer technology, business, and many other fields. CTE has a long and rich history in the United States. Today's CTE has evolved from a limited number of vocational programs available at the turn of the 20th century into a broad system that encompasses a variety of challenging fields in diverse subject areas which are constantly evolving due to the changing global economy. Today's CTE provides students with: academic subject matter taught with relevance to the real world; employability skills, from job-related skills to workplace ethics ; career pathways that link secondary and postsecondary education; second-chance education and training; and education for additional training and degrees, especially related to workplace training, skills upgrades and career advancement. Each state administers CTE in a different manner. In many cases, state and local CTE programs are "leading the way" with regard to important public policy issues such as high school reform and secondary-postsecondary transition.

career ladder/lattice

Shows how a worker can build a career by moving up into positions with more responsibility. By acquiring additional knowledge and skills through education, training, or work experience, a worker can follow a career ladder within one organization or across several organizations. One example of a career ladder would be the path on which one can rise from lawyer in a law firm to partner to managing partner.

career pathway

A series of connected education and training programs and support services that enable individuals to both secure employment within a specific industry or occupational sector, and to advance to higher levels of education and employment in that sector. Each step on a career pathway is designed to prepare workers for their next level of employment and education. Career pathways focus on easing and facilitating student transition from: high school to community college; developmental to credit postsecondary coursework; and community college to university or employment. Career pathways target jobs in industries of importance to local economies. Their purpose is to create avenues of advancement for current workers, jobseekers, and future labor market entrants, and to provide a supply of qualified workers for local employers. They help to strengthen the “supply chains” that produce and update a region’s knowledge workforce.

certification

Certification serves to document the competence of an individual on a set of predetermined qualifications or performance standards of an industry group, agency, or association. Its purpose is to confirm that a person is able to competently complete a job or set of tasks, usually by the passing of an examination. It is issued to an individual by an external organization. Certification is voluntary but may be required by some employers in some occupations (e.g., nursing assistants, financial advisors). Some kinds of professional certification are valid for a lifetime, once the exam is passed. In other cases, individuals have to be recertified after a certain period of time. Also, certifications can differ within a profession by the level or specific area of expertise. Certification does not refer to the state of legally being able to practice or work in a profession. That is licensure. Usually, licensure is administered by a governmental entity for public protection purposes and certification by a professional association (e.g., Licensed Practical Nurse). However, they are similar in that they both require the demonstration of a certain level of knowledge or ability.

U.S. Chamber of Commerce

The world's largest business federation, representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations. More than 96 percent of U.S. Chamber members are small businesses with 100 employees or fewer. Its principal activity is developing and implementing policy on major issues affecting business. Although all chambers can work with all levels of government, they tend to concentrate their efforts on specific levels: local chambers of commerce tend to focus on local issues; state chambers on state issues; and the U.S. Chamber of Commerce focuses on issues at the federal government level. The U.S. Chamber of Commerce is not a governing body, chartering agent, or a regulatory agency for chambers of commerce, and has no say in how chambers decide to run themselves. Any community can organize and support a chamber of commerce. Local chambers of commerce are membership organizations of the business community whose members can range from small businesses to large corporations, and can include education and health care institutions. These chambers deliver programs (e.g., business networking events) and provide support services to their members, while representing them through economic development initiatives and public policy advocacy.

criminal background check

Record requests made by some employers during pre-employment screening to discover any possible criminal history. For some jobs, employers request criminal background checks on job candidates, especially on those seeking positions of trust or those that require high security, such as within a hospital, airport, school, financial institution, or government entity. These checks are traditionally administered by a government agency for a fee, but can also be administered by private companies.

D

U.S. Department of Labor (DOL)

A cabinet-level U.S. agency that enforces laws protecting workers, promotes labor-management cooperation, sponsors employment and training placement services, oversees the unemployment insurance system, and produces statistics on the labor force and living conditions. DOL administers a variety of federal labor laws including those that guarantee workers' rights to safe and healthy working conditions, a minimum hourly wage and overtime pay, freedom from employment discrimination, unemployment insurance, and other income support.

E

economic development

The entire array of activities intended to expand the economy of a designated area to increase the number of jobs available to the population of that area. Some of these activities are conducted by government, and some by the private sector, often in partnership with government.

employment change (number)

The numerical change in employment measures the projected number of job gains or losses in a given period of time (e.g., the difference between a base year and a projected year in number of jobs). For example, if an occupation had 1,000 jobs in 2006, and it's projected to have 1,500 jobs in 2016, the employment change (number) is 500. In this case, the occupation is showing positive growth and is considered a growing occupation. However, if an occupation had 1,000 jobs in 2006, and it's projected to have 800 jobs in 2016, the employment change (number) is -200. This negative growth shows that employment is declining. Also referred to as "net change in employment." The formula for numerical employment change is:

employment change number = # of jobs in projected year - # of jobs in base year

employment change (percent)

The percent change in employment measures the projected rate of change of employment in an occupation. A rapidly growing occupation usually indicates favorable prospects for employment. However, even modest employment growth in a large occupation can result in many more job openings due to growth than rapid employment growth in a small occupation. In addition, an occupation with declining employment (one that shows a negative percent change) may still provide a sizable number of job openings due to replacement needs. This number is sometimes given for a 10-year period (e.g., 2008-2018). Also referred to as “percent change,” “growth rate,” or “growth percent.” For an occupation, percent change in employment is calculated using the following equation:

$$\text{employment change percent} = \text{employment change number} / \text{base year number of jobs} * 100$$

employment and training administration (ETA)

This agency of the U.S. Department of Labor administers federal government job training and worker dislocation programs, federal grants to states for public employment service programs, and unemployment insurance benefits. These services are primarily provided through state and local workforce development systems.

entry-level job

A non-managerial, non-supervisory job for which employers hire workers with little or no previous work experience or with relatively minimum training or education. May require job specific skills that can be learned while on the job. Occupations that require more education or training may have specific entry-level classifications such as apprenticeship or internship.

G

growth rate (projected for an occupation)

Occupational growth can be considered in two ways and it is important to differentiate between the two: by the rate of growth (i.e., "employment change percent") and by the number of new jobs created by growth. Some occupations both have a fast growth rate and create a large number of new jobs. However, an occupation that employs few workers may experience rapid growth, although the resulting number of new jobs may be small. For example, a small occupation that employs just 1,000 workers and is projected to grow 50 percent over a 10-year period will add only 500 jobs. By contrast, a large occupation that employs 1.5 million workers may experience only 10 percent growth, but will add 150,000 jobs. As a result, to get a complete picture of employment growth, both measures must be considered. Growth (or expected increase in jobs) can be driven by a number of factors, including changes in technology and business practices, trends in laws and government regulations, and increases in research and development expenditures. Declining occupational employment stems from falling industry employment, technological advances, changes in business practices, and other factors. The larger the negative percent change in employment, the faster employment is declining. Industry growth or decline will affect demand for occupations. At the same time, job growth can vary among major occupational groups.

H

Holland codes

A set of personality types described in a theory of career choice formulated by psychologist John L. Holland. Holland's six personality and work environment types are: Realistic, Investigative, Artistic, Social, Enterprising, and Conventional. The acronym for these personality types is RIASEC, which is why some use the terms "Holland codes" and "RIASEC codes" interchangeably. This model has been adopted by the DOL for categorizing jobs relative to interests.

I

industry

A group of establishments that produce similar products or provide similar services. For example, all establishments that manufacture automobiles are in the automotive industry. A given industry, or even a particular establishment in that industry, might have employees in dozens of occupations. The North American Industry Classification System (NAICS) is used to categorize industries.

industry sector

A group of firms that share some commonality, such as the product, the inputs, or the skill sets of employees.

internship

A structured program in which an individual gains supervised practical experience in an occupation. May be paid or unpaid.

J

job opening

According to BLS, a specific position of employment to be filled at an establishment. Conditions include the following: there is work available for that position; the hired employee could start within 30 days; and the employer is actively recruiting for the position. In reviewing projections for a 10-year period (e.g., 2008-2018), look to see if the job opening data represent this 10-year figure or an annual average.

job openings due to growth and replacement needs

The projected number of job openings for an occupation (generally for a 10-year period such as 2008-2018). The number of openings due to growth (i.e., “new jobs”) is the positive employment change from a base year to a projected year. If employment declines, then there are no job openings due to growth. The number of openings due to replacement needs (i.e., “replacements” or “replacement openings”) is the net number of workers leaving an occupation who will need to be replaced. According to BLS, replacement needs are projected to account for 67 percent of the approximately 50.9 million job openings between 2008 and 2018; therefore, even occupations that are projected to experience slower-than-average growth or to decline in employment still may offer many job openings.

job openings due to growth and replacement needs = new jobs + replacement openings

If employment change is negative, job openings due to growth (i.e., new jobs) equal zero and total job openings equal replacement openings.

NOTE: If you are researching in-demand occupations for your students, “total job openings” is generally the most useful statistic for projecting the number of openings in a given occupation. BLS focuses on this number rather than on “net job openings” because replacement openings have already been adjusted for projected employment declines.

job shadowing

Allows one to directly observe another person at work. One can observe firsthand the day-to-day activities he/she would be performing in a particular job and learn what skills are needed to obtain that job. Acting as a shadow also gives one a chance to ask any questions he/she might have about the job and how to prepare for it.

L

labor market

The market in which workers compete for jobs and employers compete for workers.

labor market analysis

The measurement and evaluation of economic forces as they relate to the employment process. There are many variables affecting labor, geography, and supply-demand relationships, including population growth and characteristics, industrial structure and development, technological developments, shifts in consumer demands, the volume and extent of unionization and trade disputes, recruitment practices, wage levels, and conditions of employment and training opportunities.

Labor Market Information (LMI)

Each state and territory in the U.S. has a Labor Market Information (LMI) office that produces statistical information in cooperation with BLS. State LMI offices collect, analyze, and provide the public with information on their states' respective labor market. Statistics include employment levels, unemployment rates, wage and earnings data, estimates of available labor, employment projections, business staffing patterns, career planning information, etc. These statistics are available for geographies such as the state, workforce development regions, metropolitan areas (MA), counties, select cities, and Workforce Innovation in Regional Economic Development (WIRED) areas. Employers, career counselors, educators, economic developers, job placement personnel, training program planners and policymakers use these data. LMI offices produce their statistics using the same procedures and methodologies. This allows for comparisons across different geographies, and for the collected statistics to be aggregated for use in national estimates. Each state's LMI office produces statistics for BLS, but they each operate independently, usually as a part of a state agency. (For example, in Nebraska, this office is a part of Nebraska Workforce Development—Department of Labor. In Alabama, it is a part of the Department of Industrial Relations.) Perhaps the most important reason for directly contacting LMI offices is that they often produce more detailed, local, and current information than what is required to support BLS in order to better serve local needs. LMI offices are also familiar with local conditions and can direct people to data for regions or metro areas within their state. In addition, they may conduct special studies, analyses of local conditions, and customized reports for local governments, state agencies, businesses or economic development entities. Some LMI offices serve as “test” or R&D sites to produce new statistical products and services. For example, Nebraska's LMI Center conducts surveys pertaining to job vacancy, job turnover, and employee benefits—surveys that are not yet conducted by all states.

labor supply

The number of persons employed and unemployed, plus those that would seek employment if they believed jobs were available. Generally, this term has been applied to those who are unemployed.

M

mean wage

An average occupational wage estimate calculated by summing the wages of all the employees in a given occupation, and then dividing that total by the number of employees.

median wage

The estimated 50th percentile of the distribution of wages based on data collected from employers in all industries. The “median” is the middle value of an ordered set of values wherein half of the numbers lie below and half lie above its value; 50 percent of workers in an occupation earn less than the median wage, and 50 percent earn more. The median wage is the same as the 50th-percentile wage. The Occupational Employment Statistics (OES) branch of BLS produces employment and wage estimates for more than 800 occupations.

metropolitan area or metropolitan statistical area (MSA)

A geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A metropolitan area contains a core urban area (a large population nucleus) of 50,000 or more population. Each metropolitan area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core. Often, workers can readily change jobs within a metropolitan area without changing their place of residence.

N

net change in employment

The net difference in jobs from one period of time to another. Also referred to as “employment change number.”

net change in employment = # of jobs in projected year - # of jobs in base year

net job openings

The net change in employment and replacements. This number is always less than or equal to total job openings. There is no comparable national statistic for “net job openings.”

net job openings = net change in employment + replacement job openings

new jobs

This number only represents positive employment change from a base year to a projected year (if employment change is negative, “new jobs” is zero). For example, if an occupation had 500 jobs in 2006, and it’s projected to have 700 jobs in 2016, the number of new jobs equals 200. However, if an occupation had 500 jobs in 2006, and it’s projected to have 400 jobs in 2016—a net change of -100—this is negative employment change, so the occupation’s “new jobs” value is zero. BLS does not publish “new jobs” numbers, but it refers to “new jobs” as “job openings due to growth.”

new jobs + replacement openings = total job openings

O

occupation

A set of activities or tasks that employees perform. Employees that perform the same tasks are in the same occupation, whether or not they are in the same industry. For example, “cafeteria worker” is a service occupation found in many different industry sectors, including

services (schools, hospitals, businesses), the trade sector (eating establishments, department stores), and manufacturing industries. Some occupations are concentrated in a few particular industries; other occupations are found in many industries. In some cases, people differentiate occupations from jobs by defining a job as paid work at a specific organization.

Occupational Employment Statistics (OES) Program

A federal/state cooperative program that produces employment and wage estimates for more than 800 occupations. The OES survey is a semi-annual mail survey of non-farm establishments. BLS produces the survey materials and selects the establishments to be surveyed. The sampling frame (the list from which establishments to be surveyed are selected) is derived from the list of establishments maintained by State Workforce Agencies (SWAs) for unemployment insurance purposes. Establishments to be surveyed are selected in order to obtain data from every metropolitan and non-metropolitan area in every state, across all surveyed industries, and from establishments of varying sizes. The SWAs mail the survey materials to the selected establishments and make follow-up calls to request data from non-respondents or to clarify data. The collected data are used to produce occupational estimates at the national, state, and sub-state levels.

Occupational Outlook Handbook (OOH)

The OOH is a nationally recognized source of career information designed to provide assistance to individuals making decisions about their future work lives. Revised every two years by BLS, the OOH provides information on job duties; working conditions; employment; training, advancement, and other qualifications; job outlook; earnings; related occupations; and sources of additional information for more than 250 different occupations covering 9 out of 10 jobs in the economy.

on-the-job training

Supervised real-life practice in a current job, usually conducted at the worksite.

One-Stop Career Center

One-Stop Career Centers provide jobseekers with a full range of assistance under one roof and work with employers to build a competitive workforce. Established under the Workforce Investment Act (WIA), One-Stops operate in all 50 states and Puerto Rico, offering training referrals, career counseling, job listings, and similar employment-related services (e.g., résumé writing classes). The typical One-Stop Career Center serves thousands of individuals who are seeking employment, changing jobs, reentering the workforce, or learning new skills. They also help businesses find the qualified workers they need. Depending on the capabilities and priorities of the local area, they can offer businesses electronic job orders and job fairs, use of private interview space, background checks and customized screening, and regular referrals of qualified candidates. Many businesses work with One-Stop Career Centers to find diverse candidates including youths, older workers, and individuals with disabilities. The One-Stop Career Center system is coordinated by DOL's Employment and Training Administration (ETA). To search for One-Stop Career Centers by city or zip code, visit <http://www.servicelocator.org/>.

Occupational Information Network (O*NET)

The nation's primary source of occupational information, replacing the Dictionary of Occupational Titles (DOT). It provides comprehensive occupational descriptions and data for use by jobseekers, workforce development offices, human resources professionals, students, researchers, and others. Central to O*NET is the O*NET database, containing information on hundreds of standardized and occupation-specific descriptors. The database, which is available to the public at no cost, is continually updated by surveying a broad range of workers from each occupation. Information from this database forms the heart of O*NET OnLine, an interactive application for searching occupations. The database also provides career exploration tools, a set of assessment instruments for workers and students looking to find or change careers. O*NET is sponsored by the U.S. Department of Labor/Employment and Training Administration (USDOL/ETA) through a grant to the North Carolina Employment Security Commission.

P

percentile wage

Shows the percentage of workers in an occupation that earn less than a given wage and the percentage that earn more. For example, a 25th-percentile wage of \$15.00 indicates that 25 percent of workers (in a given occupation in a given area) earn less than \$15/hr; therefore, the remaining 75 percent earn more than \$15/hr. Often shown as 10th, 25th, 50th (or median), 75th, and 90th-percentile wage estimates.

postsecondary awards

Awards signifying completion of an educational program beyond the high school level, including postsecondary vocational awards (e.g., an occupational certificate); Associate's degrees; Bachelor's degrees; bachelor's or higher degree, plus work experience; Master's degrees; Doctoral degrees; and first professional degrees. Postsecondary institutions such as community colleges, technical colleges, universities, colleges that offer baccalaureate degrees and higher, and private technical schools offer these awards. Students are often taught in traditional classrooms and/or via distance learning facilities.

NOTE: Each of the occupations for which BLS publishes projections data is assigned one of these seven education categories or one of its four training categories (see the categories under "work-related training"). Taken together, BLS uses these 11 education and training categories to describe the most significant education or training pathway to employment for each occupation. Occupational analysts assign a single category that best describes the education or training needed to become fully qualified in a given occupation. However, for any given occupation, it is important to ask employers if this education level accurately reflects what they require or prefer in a job applicant or employee.

projected need for employees

See “total job openings.”

projection

A prediction or estimate of an actual value in a future time period. They are based on information available at the time the projections were made, such as past industry employment trends, population trends, and anticipated industry developments. Economic conditions change in ways that cannot be predicted, so projections must be updated periodically. Because projections are estimates based on imperfect information and are updated frequently, they should be used only as a guide for evaluating training and education needs. Local information must be taken into account when thinking about national and state-level employment projections. Employment projections are less accurate for small areas because employment levels for small areas tend to fluctuate more than for large areas. For example, it is possible for industry employment to decrease nationally, but increase locally—and vice versa. Long-term projections are intended to anticipate major structural changes in employment patterns. The focus on structural changes makes long-term projections more appropriate than short-term projections for planning training and education programs. BLS updates long-term employment projections every two years (e.g., 2006-2016, 2008-2018, etc.). These 10-year projections of industry and occupational employment, labor force, and economic growth are widely used in career guidance, education and training program planning, and for studying long-range employment trends. The projections provide information to individuals who are making decisions regarding education and training, entering the job market, or changing careers. States make independent employment projections with the support of the national office.

public workforce system

A network of federal, state, and local offices that function to support economic expansion and develop the talent of our nation's workforce. To meet the challenge of the 21st century global economy the public workforce system works in partnership with employers, educators, and community leaders to foster economic development and high-growth opportunities in regional economies. This system exists to help businesses find qualified workers to meet their present and future workforce needs. Although the public workforce system is federally funded, most of the services for businesses are available at the state and local levels. Under the Workforce Investment Act (WIA) of 1998, each state establishes a state Workforce Investment Board (WIB), which determines strategic priorities, identifies high-growth industries, develops a workforce investment budget, and establishes local workforce investment areas across the state. Each state must also create a strategic plan, which is publicly available and can provide insight into business opportunities.

Q

quartile

The value of the boundary of the 25th, 50th, or 75th percentile of a frequency distribution divided into four parts, each containing a quarter of the population.

R

regional median wage

The median wage for a metropolitan area across all occupations in a given year (e.g., the median wage for the Boston-Cambridge-Quincy, MA NECTA Division was \$22.40/hr. in May 2010). Please note that this is different from a specific occupation's median wage in a selected metropolitan area in a given year (e.g., the median wage for a plumber in the Boston-Cambridge-Quincy, MA NECTA Division was \$28.70/hr. in May 2010).

replacement openings

The number of job openings expected to arise from the need to replace workers. These openings result from people leaving occupations and are created by retirements, promotions, transfers, disabilities, and other turnover. They are an important source of job opportunities. According to BLS, replacement needs are projected to account for 67 percent of the approximately 50.9 million job openings between 2008 and 2018; therefore, even occupations that are projected to experience slower-than-average growth or to decline in employment still may offer many job openings. In most occupations, replacement openings account for many more job openings than employment growth does. Replacement needs are calculated from monthly Current Population Survey (CPS) data. Also referred to as “replacements,” “number of openings due to replacement needs,” “replacement needs,” or “net replacement needs.”

NOTE: there is no comparable national statistic for “net job openings.”

new jobs + replacements openings = total job openings

net change in employment + replacement openings = net job openings

S

stackable certificates

Represent the continuum of credentials available to youths and adults, including but not limited to high school diplomas, GEDs, technical certificates, work readiness credentials, two- and four-year degrees, apprenticeship credentials, etc. These credentials are meant to serve as evidence of a student's academic competencies and or/college and work readiness for postsecondary institutions and employers. The system of stackable certificates serves to clearly connect pre-college academic work to credit-bearing career and technical coursework that leads ultimately to a college degree. Local programs may develop and award stackable certificates. For example, the Ohio ABLE program created the Basic and Advanced Skills Certificates and the Oral Communication Certificate, which are awarded through local ABLE programs to qualified adults.

soft skills

Soft skills refer to a cluster of personal qualities, habits, attitudes, and social graces that help an employee perform well on the job as an individual and as part of a team. Soft skills include: communication skills; problem solving skills; flexibility; strong work ethic; leadership qualities;

a positive attitude; the ability to handle criticism; time management; and teamwork. Employers from all industries value soft skills because research experience show that they can be just as important an indicator of job performance as hard skills.

T

total job openings

The projected number of job openings for an occupation (generally for a 10-year period such as 2008-2018). The number of openings due to growth (i.e., “new jobs”) is the positive employment change from a base year to a projected year. If employment declines, then there are no job openings due to growth. The number of openings due to replacement needs (i.e., “replacements”) is the net number of workers leaving an occupation who will need to be replaced. According to BLS, replacement needs are projected to account for 67 percent of the approximately 50.9 million job openings between 2008 and 2018. Thus, even occupations that are projected to experience slower-than-average growth or to decline in employment still may offer many job openings. Comparable to “job openings due to growth and replacement needs” or “projected need for employees.”

NOTE: If you are researching in-demand occupations for your students, “total job openings” is generally the most useful statistic for projecting the number of openings in a given occupation. The BLS focuses on this number rather than on “net job openings” because replacement openings have already been adjusted for projected employment declines.

total job openings = new jobs + replacements openings

transferable skills

Skills, personal qualities, and attributes that a worker can transfer to other occupations. A person acquires these skills through a range of life activities—jobs, classes, parenting, etc.

U

underemployed

Persons who are employed in positions that do not utilize their skill or educational level, or who desire a full-time job but are only working part-time because of economic conditions.

unemployed

Individuals, aged 16 years or older, who are not working but are able to work, available for work, and seeking either full-time or part-time work.

W

wage

Money paid to an employee. The Occupational Employment Statistics (OES) branch of BLS produces employment and wage estimates for more than 800 occupations. Wages for the OES survey are categorized as straight-time, gross pay, exclusive of premium pay. The collection of wage data includes: base rate; cost-of-living allowances; guaranteed pay; hazardous-duty pay; on-call pay; tips; and incentive pay, including commissions and production bonuses. Excluded from the wage data are: back pay; jury duty pay; overtime pay; severance pay; shift differentials; nonproduction bonuses; and tuition reimbursements. Wages can be reported on an hourly or annual basis. For example, in the Occupational Outlook Handbook compiled by BLS, jobs that are typically salaried show annual wages; jobs that are normally hourly show hourly wages.

NOTE: OES normally releases both annual and hourly wages for all occupations. However, check any notes on the data to find exceptions to this (e.g., occupations whose wages are adjusted for the lack of summer employment). In some cases, hourly wages can be converted to annual wages (and vice versa) using the following formulas (again, check any notes on the data to see if these formulas apply):

hourly wages = annual wages/2080

*annual wages = (hourly wages) * (2080)*

workforce development

All programs that prepare people for work, whether operated by public, private, and/or nonprofit entities. Workforce development and training refer to community efforts to train individuals for specific jobs or industries. Training may cover basic skills (e.g., literacy, numeracy), soft skills (e.g., work ethic, attitude, getting to work on time), and/or specific job skills (e.g., carpentry, Web site development). Community workforce efforts may also include job placement assistance, résumé writing, interview skills, and retention services such as legal advice and child care, all of which can help people stay in a job once placed there. The goal of workforce training programs is to improve individuals' skill sets, to place them in jobs, and help businesses find employees in line with their needs. A good workforce training program serves two types of customers: individuals and businesses. The U.S. public workforce system is a network of federal, state, and local offices that function to support economic expansion and develop the talent of our nation's workforce. In order to meet the challenge of the 21st-century global economy, the public workforce system works in partnership with employers, educators, and community leaders to foster economic development and high-growth opportunities in regional economies.

Workforce Investment Act (WIA)

Comprehensive reform legislation that supersedes the Job Training Partnership Act (JTPA) and amends the Wagner-Peyser Act, signed into law on August 7, 1998 by President Bill Clinton. This federally funded employment and training program provides the framework for a unique national workforce preparation and employment system, the most important aspect of which is its focus on meeting the needs of the nation's businesses for skilled workers and the training, education, and employment needs of individuals including career development

services for adults, youth and for individuals employed, underemployed, and unemployed. Key components of WIA enable customers to easily access information and services they need through One-Stop Career Centers; empower adults to obtain the training they find most appropriate through Individual Training Accounts; and ensure that all state and local programs meet customer expectations. WIA provides the framework for the publicly funded workforce development system. Title I of the legislation authorizes the Workforce Investment System; Title II reauthorizes adult education and family literacy programs; Title III amends the Wagner-Peyser and related acts; Title IV reauthorizes Rehabilitation Act programs; and Title V contains general provisions.

workforce investment board (WIB)

Public/private partnerships located in each state that have several important functions in the public workforce system, including determining how many One-Stop Career Centers are needed in their area, where they will be located, and how they will be operated. WIBs also analyze workforce information to identify targeted industries and plan for future growth. They include representatives from business, organized labor, economic development, community-based organizations, education, workforce program administrators, etc. Although the public workforce system is federally funded, most of the services for businesses are available at the state and local levels. Under the Workforce Investment Act of 1998, each state establishes a state workforce investment board that determines strategic priorities, identifies high-growth industries, develops a workforce investment budget, and establishes local workforce investment areas across the state to ensure that the workforce system is focusing on the regional economy. Each state is divided into one or more workforce areas, controlled by a local WIB. By law, more than 50 percent of each WIB must be made up of employer representatives from its community. While each state has a state WIB and local WIBs, the number of local WIBs can vary greatly from state to state. For example, California has almost 50 local WIBs, while Alabama only has 3. In addition, it is important to note that WIBs can also vary by name (e.g., the Philadelphia Workforce Investment Board, the Boston Private Industry Council, Nevadaworks in Reno). To search state and local workforce investment boards, visit www.servicelocator.org/wibcontacts/.

work readiness certificate

A certificate intended to serve as a signal to employers that a person has the basic skills needed to perform, at minimum, entry-level work across sectors. Employers generally use the term "work ready" to describe someone who possesses a baseline of hard skills (e.g., reading and math proficiency, computer literacy, using office equipment) and soft skills (e.g., customer service, problem solving, reliability, cultural competence, leadership, teamwork). In many cases, employers view this combination of skills as transferable from one position to another, across industries. Work readiness certificate programs come in many different forms, each with its own purposes, target populations, and competencies assessed. Some programs focus more on hard or soft skills, but the most prominent models incorporate both. Some target low-literate adults, who lack the kinds of credentials commonly accepted by employers as representative of a certain level of educational or professional preparation (e.g., high school or college diploma, steady work history, apprenticeship training). Others cover a range of people, from youths entering the job market to adults seeking to move up a career ladder. Some work readiness certificates are acquired by completing a training program

that culminates in certification testing. Others can be acquired solely by passing a test that measures a specified set of employability competencies. In some cases, work readiness certification programs are managed by state agencies and conducted only in that state, while others lead to credentials that are designed to be portable across state lines.

work-related training

Typically, a range of training that includes: work experience in a related occupation; long-term on-the-job training (12+ months of on-the-job training, or combined work experience and formal classroom instruction, including formal or informal apprenticeships that may last up to 5 years); moderate-term on-the-job training (1 to 12 months of combined on-the-job experience and informal training); and short-term on-the-job training (1 month or less of on-the-job experience or instruction). Individuals often receive this kind of work experience or training through apprenticeship programs and on-the-job training, mostly conducted at worksites.

NOTE: Each of the occupations for which BLS publishes projections data is assigned one of these four training categories or one of its seven education categories (see the categories under “postsecondary awards”). Taken together, BLS uses these 11 education and training categories to describe the most significant education or training pathways to employment for each occupation. Occupational analysts assign a single category that best describes the education or training needed to become fully qualified in a given occupation; however, for any given occupation, it is important to ask employers if this training level accurately reflects what they require or prefer in a job applicant or employee.