Workforce Development and the Coronavirus

Webinar
March 30, 2020
Meet Our Speaker

Chris Chmura, Ph.D.
CEO & Chief Economist
Who is Chmura?

Nationally renowned economic consultant and provider of software and data solutions

Offices in Richmond, Cleveland, and Spokane

We are driven by client satisfaction and success

Founded in 1998 by Christine Chmura, PhD.

We are economists, data scientists, statisticians, and business professionals

We focus on quality, innovation, and customer service
The COVID-19 Crisis

- National Economic Outlook
  - How bad will this get?
  - When will the rebound start?
- Regional Issues Will Vary Depending on
  - Spread of COVID-19
  - Type of industries in the region
- What Can We Do as Workforce Practitioners
  - How can I be prepared?
  - Online information
National Economy
We Entered the Crisis with a Strong Economy

**Employment Growth**

Monthly Change in Thousands

**Real Gross Domestic Product**

Quarterly Annualized Percent Change
Fed Speeches

Federal Reserve Chairman Jerome Powell was interviewed by NBC’s “TODAY” last Thursday, the day after the U.S. Senate passed a $2 trillion pandemic relief bill. During the interview, Chairman Powell was asked if there was a limit to what the central bank is willing to do to support the U.S. economy.

"There is nothing fundamentally wrong with our economy."

Federal Reserve Chairman Jerome Powell

...we, in certain circumstances like the present, we do have the ability to essentially use our emergency lending authorities and the only limit on that will be how much backstop we get from the Treasury Department. But essentially, the answer to your question though is no. We can continue to make loans and really the point of all that is to support the flow of credit in the economy to households and businesses.

Chairman Powell also said that while the economy may already be in a recession, it is different from a typical downturn.

Financial Markets

The three major U.S. stock indexes ended last sharply higher with the Dow Jones Industrial Average jumping 12.8%, the S&P 500 climbing 10.3%, and the NASDAQ advancing 9.1%. Treasury yields fell across the curve with the 10-year yield dropping 26 basis points (bps) to 0.72% and the 30-year yield decreasing 26 bps to 1.29%. Oil prices declined 2.6% and ended the week at $21.84 per barrel. The U.S. dollar decreased 2.7% against the Japanese yen and the euro was up 4.2% against the greenback last week.
How Will Economy Be Affected?
3 Scenarios

- Scenario 1
  - COVID-19 lasts 3 months through May

- Scenario 2
  - COVID-19 lasts 6 months through August

- Scenario 3
  - COVID-19 last 3 months through May but includes shelter in place or temporary shutdown of some businesses. This will vary by state and metropolitan area.
Outcome of Scenarios 1 and 2

Scenario 1
Real GDP Q2 = annualized -13.8%
Real GDP Q3 = annualized -5.1%
Real GDP Q4 = annualized +4.0%
Unemployment rates peaks at 13.3% in Q3 2020

Scenario 2
Real GDP Q2 = annualized -13.8%
Real GDP Q3 = annualized -9.1%
Real GDP Q4 = annualized -3.9%
Real GDP Q1 2021 = annualized +3.9%
Unemployment rates peaks at 14.0% in Q4 2020
Initial Unemployment Claims Are a Leading Indicator
Another Leading Indicator: Online Job Ads
5-Week Span

39.3%

22.5%
Another Leading Indicator: Online Job Ads
5-Week Span
Federal Aid Package Will Help

- **Workforce Response p. 127**
  - Up to 20% (current limit is 10%) of total amount allocated to a local area for program year 2019 under WIOA can be used for administrative costs.
  - PY 2019 statewide funds that are unobligated may be used for statewide rapid response to an emergency.
  - Within 30 days of enactment, unobligated funds for local boards may be released to those local boards most impacted by COVID-19 as determined by the governor.

- **DOL p. 273**
  - $345 million through September 30, 2022 to assist dislocated workers.
  - May replace grant funds previously obligated to impacted areas.

Workforce provisions in H.R. 748
https://www.congress.gov/116/bills/hr748/BILLS-116hr748enr.pdf
COVID-19 Economic Impact: Sharp and Short; Not Sustained (Real GDP)

Forecast: Scenario 1
Not a Depression

(a) The Unemployment Rate

(b) Aggregate Output

27% fall in real GDP from 1929 to 1933
Great Variation by Region
Confirmed cases of Covid-19 in the US

Confirmed cases: 164,458
(Today: +2,851)

Deaths: 3,167
(Today: +189)

Last updated 31 Mar 8:25am EST
Source: Johns Hopkins CSSE
*Note: The CSSE states that its numbers rely upon publicly available data from multiple sources.
University of Washington (Available By State)

https://covid19.healthdata.org/projections
How Vulnerable Is My Region to COVID-19?

(Sectors with the largest expected job losses at the top; those with smallest projected losses at the bottom.)

- Arts, Entertainment, and Recreation
- Accommodation and Food Services
- Wholesale Trade
- Transportation and Warehousing
- Other Services (except Public Administration)
- Retail Trade
- Manufacturing
- Health Care and Social Assistance
- Educational Services
- Administrative and Support and Waste Management and Remediation Services
- Finance and Insurance
- Agriculture, Forestry, Fishing and Hunting
- Mining, Quarrying, and Oil and Gas Extraction
- Information
- Construction
- Professional, Scientific, and Technical Services
- Utilities
- Management of Companies and Enterprises
- Public Administration
- Real Estate and Rental and Leasing

Source: Chmura Economics & Analytics, JobsEQ

What Can I Do As a Workforce Practitioner?
How Can I be Prepared?

- Which occupations and industries are most vulnerable?
- What types of workers do we need most as an industry expands?
- How can changes in one industry impact other industries in my region?
- How is hiring activity changing as the coronavirus affects our region?
- How can I help people find jobs without coming to our One Stop?
  - Job postings API
  - Career Concourse
Which Occupations Are Most at Risk?

Occupations with Large Declines in Job Ads
2nd Week of March 2020, Washington State

- Customer Service Representatives: -13%
- Secretaries and Administrative Assistants, Except Legal, Medical, and Executive: -19%
- Retail Salespersons: -20%
- Maids and Housekeeping Cleaners: -32%
- Cashiers: -43%
- Combined Food Preparation and Serving Workers, Including Fast Food: -46%
- First-Line Supervisors of Food Preparation and Serving Workers: -69%

Source: JobEQ
Which Occupations Are Most at Risk within Vulnerable Industries?

Food Service Occupations: Change in Jobs Ads
2nd Week of March 2020, Washington State

Cooks, Institution and Cafeteria
Dishwashers
Cooks, Restaurant
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop
Combined Food Preparation and Serving Workers, Including Fast Food
Food Preparation Workers
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop
Dining Room and Cafeteria Attendants and Bartender Helpers
Chefs and Head Cooks
Bartenders
First-Line Supervisors of Food Preparation and Serving Workers
Baristas

Source: JobsEQ

© 2020 Chmura Economics & Analytics
# Which Occupations Are Most at Risk?

## Industry/Occupation Mix for Hotels

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Emp</th>
<th>Avg Ann Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maids and Housekeeping Cleaners</td>
<td>456,778</td>
<td>$27,100</td>
</tr>
<tr>
<td>Hotel, Motel, and Resort Desk Clerks</td>
<td>299,121</td>
<td>$25,500</td>
</tr>
<tr>
<td>Waiters and Waitresses</td>
<td>129,737</td>
<td>$25,000</td>
</tr>
<tr>
<td>Maintenance and Repair Workers, General</td>
<td>82,634</td>
<td>$45,500</td>
</tr>
<tr>
<td>Cooks, Restaurant</td>
<td>65,196</td>
<td>$33,400</td>
</tr>
<tr>
<td>Dining Room and Cafeteria Attendants and Bartender Helpers</td>
<td>47,603</td>
<td>$25,400</td>
</tr>
<tr>
<td>Lodging Managers</td>
<td>41,272</td>
<td>$62,200</td>
</tr>
<tr>
<td>Laundry and Dry-Cleaning Workers</td>
<td>34,532</td>
<td>$26,800</td>
</tr>
<tr>
<td>Bartenders</td>
<td>32,417</td>
<td>$29,900</td>
</tr>
<tr>
<td>First-Line Supervisors of Housekeeping and Janitorial Workers</td>
<td>31,686</td>
<td>$37,000</td>
</tr>
<tr>
<td>First-Line Supervisors of Office and Administrative Support Workers</td>
<td>29,599</td>
<td>$46,400</td>
</tr>
<tr>
<td>Janitors and Cleaners, Except Maids and Housekeeping Cleaners</td>
<td>28,251</td>
<td>$34,400</td>
</tr>
<tr>
<td>Food Servers, Nonrestaurant</td>
<td>26,056</td>
<td>$24,800</td>
</tr>
<tr>
<td>Dishwashers</td>
<td>24,212</td>
<td>$28,900</td>
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<tr>
<td>First-Line Supervisors of Food Preparation and Serving Workers</td>
<td>24,008</td>
<td>$30,600</td>
</tr>
<tr>
<td>Sales Representatives, Services, All Other</td>
<td>22,908</td>
<td>$44,500</td>
</tr>
<tr>
<td>Baggage Porters and Bellhops</td>
<td>20,073</td>
<td>$28,000</td>
</tr>
<tr>
<td>Bookkeeping, Accounting, and Auditing Clerks</td>
<td>18,604</td>
<td>$33,000</td>
</tr>
<tr>
<td>Security Guards</td>
<td>14,207</td>
<td>$21,500</td>
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</tr>
<tr>
<td>Bartenders</td>
<td>32,417</td>
<td>$29,000</td>
</tr>
<tr>
<td>First Line Supervisors of Housekeeping and Janitorial Workers</td>
<td>31,668</td>
<td>$37,000</td>
</tr>
<tr>
<td>First Line Supervisors of Office and Administrative Support Workers</td>
<td>20,399</td>
<td>$40,000</td>
</tr>
<tr>
<td>Janitors and Cleaners, Except Maids and Housekeeping Cleaners</td>
<td>28,251</td>
<td>$34,400</td>
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<tr>
<td>Food Servers, Nonrestaurant</td>
<td>29,405</td>
<td>$24,800</td>
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<tr>
<td>Dishwashers</td>
<td>19,412</td>
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<tr>
<td>First Line Supervisors of Food Preparation and Serving Workers</td>
<td>24,003</td>
<td>$38,600</td>
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<tr>
<td>Sales Representatives, Services, All Other</td>
<td>22,908</td>
<td>$44,500</td>
</tr>
<tr>
<td>Baggage Porters and Bellhops</td>
<td>20,073</td>
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<td>18,604</td>
<td>$33,000</td>
</tr>
<tr>
<td>Security Guards</td>
<td>15,207</td>
<td>$21,500</td>
</tr>
</tbody>
</table>
## Which Occupations Are Most at Risk?
### What If for Hotels

Cleveland-Akron-Canton, OH CSA, NAICS 72111 - Hotels (except Casino Hotels) and Motels (7439 Workers)

<table>
<thead>
<tr>
<th>SOC</th>
<th>Title</th>
<th>Lost Emp</th>
<th>Empl (Place of Residence)</th>
<th>Unempl</th>
<th>Regional Avg Wage</th>
<th>National Avg Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>37-2012</td>
<td>Maids and Housekeeping Cleaners</td>
<td>1,082</td>
<td>11,484</td>
<td>748</td>
<td>$22,800</td>
<td>$25,600</td>
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<tr>
<td>43-4011</td>
<td>Hotel, Motel, and Resort Desk Clerks</td>
<td>1,108</td>
<td>2,109</td>
<td>150</td>
<td>$22,700</td>
<td>$25,100</td>
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<tr>
<td>35-2031</td>
<td>Waiters and Waitresses</td>
<td>563</td>
<td>29,560</td>
<td>1,746</td>
<td>$23,600</td>
<td>$25,800</td>
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<tr>
<td>46-0071</td>
<td>Maintenance and Repair Workers, General</td>
<td>414</td>
<td>17,538</td>
<td>497</td>
<td>$41,000</td>
<td>$41,000</td>
</tr>
<tr>
<td>35-2014</td>
<td>Cooks, Restaurant</td>
<td>234</td>
<td>12,557</td>
<td>1,089</td>
<td>$26,000</td>
<td>$27,600</td>
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<tr>
<td>11-9081</td>
<td>Lodging Managers</td>
<td>216</td>
<td>486</td>
<td>9</td>
<td>$49,600</td>
<td>$62,300</td>
</tr>
<tr>
<td>55-5011</td>
<td>Dining Room and Cafeteria Attendants and Bartender Helpers</td>
<td>179</td>
<td>4,547</td>
<td>451</td>
<td>$30,800</td>
<td>$34,000</td>
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<tr>
<td>51-0011</td>
<td>Laundry and Dry-Cleaning Workers</td>
<td>154</td>
<td>2,385</td>
<td>158</td>
<td>$22,900</td>
<td>$24,500</td>
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<tr>
<td>27-1011</td>
<td>First-Line Supervisors of Housekeeping and Janitorial Workers</td>
<td>144</td>
<td>2,290</td>
<td>85</td>
<td>$44,000</td>
<td>$43,200</td>
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<tr>
<td>35-3511</td>
<td>Bartenders</td>
<td>143</td>
<td>7,800</td>
<td>270</td>
<td>$22,300</td>
<td>$26,800</td>
</tr>
<tr>
<td>37-2011</td>
<td>Janitors and Cleaners, Except Maids and Housekeeping Cleaners</td>
<td>142</td>
<td>25,343</td>
<td>1,040</td>
<td>$27,900</td>
<td>$29,000</td>
</tr>
<tr>
<td>35-3041</td>
<td>Food Servers, Nonrestaurant</td>
<td>137</td>
<td>4,218</td>
<td>248</td>
<td>$21,900</td>
<td>$25,000</td>
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<tr>
<td>45-1011</td>
<td>First-Line Supervisors of Office and Administrative Support Workers</td>
<td>121</td>
<td>15,105</td>
<td>348</td>
<td>$57,500</td>
<td>$59,300</td>
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<tr>
<td>35-1012</td>
<td>First-Line Supervisors of Food Preparation and Serving Workers</td>
<td>112</td>
<td>11,873</td>
<td>349</td>
<td>$32,000</td>
<td>$36,200</td>
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<tr>
<td>41-3099</td>
<td>Sales Representatives, Services, All Other</td>
<td>102</td>
<td>16,709</td>
<td>522</td>
<td>$63,900</td>
<td>$64,900</td>
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<tr>
<td>35-5021</td>
<td>Dishwashers</td>
<td>66</td>
<td>5,237</td>
<td>861</td>
<td>$21,800</td>
<td>$23,200</td>
</tr>
<tr>
<td>42-2021</td>
<td>Bookkeeping, Accounting, and Auditing Clerks</td>
<td>83</td>
<td>18,950</td>
<td>400</td>
<td>$39,700</td>
<td>$42,100</td>
</tr>
<tr>
<td>33-4032</td>
<td>Security Guards</td>
<td>79</td>
<td>16,545</td>
<td>541</td>
<td>$33,600</td>
<td>$32,100</td>
</tr>
</tbody>
</table>
## Which Occupations Are Most in Demand Based on Industry Growth?

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Empl</th>
<th>Avg Ann Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Nurses</td>
<td>1,843,222</td>
<td>$75,500</td>
</tr>
<tr>
<td>Nursing Assistants</td>
<td>403,754</td>
<td>$29,600</td>
</tr>
<tr>
<td>Medical Secretaries</td>
<td>157,858</td>
<td>$37,100</td>
</tr>
<tr>
<td>Medical and Health Services Managers</td>
<td>131,645</td>
<td>$113,700</td>
</tr>
<tr>
<td>Radiologic Technologists</td>
<td>130,279</td>
<td>$61,500</td>
</tr>
<tr>
<td>Physicians and Surgeons, All Other</td>
<td>127,170</td>
<td>$203,900</td>
</tr>
<tr>
<td>Medical Assistants</td>
<td>108,319</td>
<td>$34,500</td>
</tr>
<tr>
<td>Respiratory Therapists</td>
<td>106,906</td>
<td>$62,500</td>
</tr>
<tr>
<td>Maids and Housekeeping Cleaners</td>
<td>104,146</td>
<td>$25,600</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technologists</td>
<td>97,172</td>
<td>$38,900</td>
</tr>
<tr>
<td>Licensed Practical and Licensed Vocational Nurses</td>
<td>95,033</td>
<td>$47,100</td>
</tr>
<tr>
<td>Pharmacists</td>
<td>83,175</td>
<td>$123,700</td>
</tr>
<tr>
<td>Surgical Technologists</td>
<td>83,157</td>
<td>$49,000</td>
</tr>
<tr>
<td>Interviewers, Except Eligibility and Loan</td>
<td>76,110</td>
<td>$35,500</td>
</tr>
<tr>
<td>Janitors and Cleaners, Except Maids and Housekeeping Cleaners</td>
<td>74,217</td>
<td>$29,000</td>
</tr>
<tr>
<td>Medical Records and Health Information Technicians</td>
<td>73,086</td>
<td>$44,000</td>
</tr>
<tr>
<td>Pharmacy Technicians</td>
<td>72,318</td>
<td>$34,000</td>
</tr>
<tr>
<td>Medical and Clinical Laboratory Technicians</td>
<td>71,707</td>
<td>$53,900</td>
</tr>
<tr>
<td>Office Clerks, General</td>
<td>70,832</td>
<td>$35,200</td>
</tr>
</tbody>
</table>
Changes in One Industry Ripple Through the Economy

Cleveland-Akron-Canton, OH CSA Annual Impact of Hotels (except Casino Hotels) and Motels (Event Size = 7439)

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>7,439</td>
<td>1,510</td>
<td>1,200</td>
<td>10,149</td>
</tr>
<tr>
<td>Sales/Output</td>
<td>$602,861,152</td>
<td>$268,819,059</td>
<td>$213,048,407</td>
<td>$1,164,728,618</td>
</tr>
<tr>
<td>Compensation</td>
<td>$236,710,730</td>
<td>$101,237,547</td>
<td>$67,731,374</td>
<td>$405,679,651</td>
</tr>
</tbody>
</table>

Source: JobsEQ®
Date as of 2019Q4
Note: Figures may not sum due to rounding.
Grocers, Pharmacies, and Delivery Businesses Are Hiring

- Instacart: +300,000
- Lowe's: +30,000
- Walmart: +150,000
- Albertsons Companies: +30,000
- Domino's Pizza: +10,000
- Walgreens: +9,500
- Amazon: +100,000
- Pizza Hut: +30,000
- Aldi: +7,500
- CVS Pharmacy: +50,000
- Dollar Tree: +25,000
- PepsiCo: +6,000
- Dollar General: +50,000
- Kroger: +20,000
- Lidl: +1,000
- Papa John's: +20,000
Retail Starting to Hire MORE
Accommodation Occupation Hiring LESS
Food Service Occupations: Hiring LESS
How Can I Help Dislocated Workers When One Stop is Closed?  API Job Feed
How Can I Help Dislocated Workers When One Stop is Closed? Career Concourse

Career Concourse

Find careers that best fit your background. Explore job requirements, earnings, and opportunities. Log in to get started.

Have a career in mind? Search for it here:

Search Occupations

Find careers related to your degrees
Browse career clusters
Find careers that fit your interests
Explore careers consistent with your values
Find careers linked to your military background
How Can I Help Dislocated Workers When One Stop is Closed? Career Concourse
How Can I Help Dislocated Workers When One Stop is Closed? Career Concourse

Regional Employers
Here are the employers in this region that recently have posted the most ads for this occupation:

- Ernst & Young Global Limited
- Medical Mutual of Ohio
- Aon
- Action Management Services
- Atrium Financial Services, Inc.
- CBIZ
- Fidley
- Ohio Farmers Insurance Co.
- Willis Towers Watson

FIND CURRENT JOB OPENINGS

Programs

The following degrees are associated with this occupation:

- Actuarial Science
  A program that focuses on the mathematical and statistical analysis of risk, and their applications to insurance and other business management problems. Includes instruction in forecasting theory, quantitative and non-quantitative risk measurement methodologies, development of risk tables, secondary data analysis, and computer-assisted research methods.

- Applied Mathematics, General
  A program that focuses on the application of mathematics and

- Mathematical Statistics and Probability
  A program that focuses on the mathematical theory underlying statistical methods and their use. Includes instruction in probability theory, parametric and non-parametric inference, sequential analysis, multivariate analysis, Bayesian analysis, experimental design, time series analysis, resampling, robust statistics, limit theory, infinite particle systems, stochastic processes, martingales, Markov processes, and Banach spaces.

- Mathematics, General
  A general program that focuses on the analysis of quantities, magnitudes, forms, and their relationships, using symbolic logic and language. Includes instruction in algebra, calculus, functional analysis, geometry, number theory, logic, topology and other mathematical specializations.

- Mathematics, Other
  Any program in mathematics not listed above.

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The COVID-19 Crisis

- National Economic Outlook
  - Sharp and short; not sustained
- Regional Issues Will Vary Depending on
  - Spread of COVID-19
  - Type of industries in the region
- How Can I Be Prepared?
  - Identify occupations employed in affected industries
  - Use online tools