



Research Brief #2

Workforce Readiness Skills Training and Buffalo's Rebound

October 2021

This is the second in a series of research briefs produced by Goodwill of Western New York, in partnership with the University at Buffalo Regional Institute (UBRI). The research is intended to drive data-driven decision-making in workforce development that benefits underrepresented, underserved populations in the Buffalo Niagara region. This brief is part of a collaborative effort to expand access to higher-paying career pathways for all individuals, as part of Goodwill of WNY's Goodskills Career Builder program. This brief examines the demand for workforce readiness skills, the factors underlying this demand, and the opportunities for skills-based training, like Goodskills Career Builder, to meet this demand and provide transformative regional economic impacts.

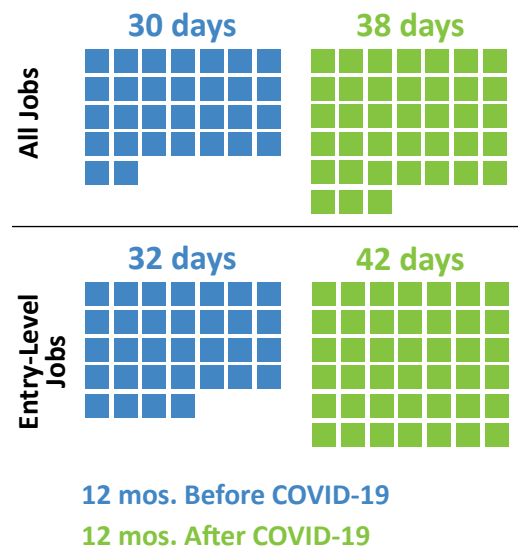
A Pressing Workforce Challenge in Our Economic Recovery

Since the pandemic began, it's become harder to fill jobs. Overall, it takes Buffalo Niagara employers more than a week longer to fill jobs than before COVID-19 (38 days vs. 30 days). It takes even longer to fill entry-level jobs that do not require work experience or a four-year degree (42 days now vs. 32 days before the pandemic).¹

One reason why hiring employers have a harder time filling jobs is that there are fewer people in the workforce. The region's workforce, or the number of people working or looking for work, was in decline well before COVID-19—decreasing every year since 2012. April 2020 was the steepest monthly drop in workforce numbers in the region's history, but based on annual averages, the workforce decline in 2020 was less severe than five of the past eight years.² Fewer workers means hiring shortages for employers, especially since the region added jobs every year from 2010 to 2019.³ There are 36,200 fewer people in the workforce now than in 2010, and that's greater than the current number of unemployed workers (28,500).⁴

The region's declining labor force is partly due to retirements. Retired persons make up over half (55%) of all people who are not in the labor force.⁵ COVID-19 pushed many into retirement further reducing the labor force. The number of retired people in the region increased by 13% from 2020 to 2021, six times more than the previous year (+2%).⁶ And more retirements are on the way. Over a quarter of workers are 55 years old or over (26%), a big jump since 2010 (21%).⁷

It takes employers ten days longer to fill entry-level jobs since the pandemic began.



Source: UBRI Analysis of Emsi, Buffalo Niagara, 2020-2021.

College Enrollment is Down and Demand for Skills-Based Training Programs is Up

Declining college enrollment may be another reason behind entry-level hiring gaps. Nationwide, college enrollment declined every year since 2012, and is not expected to return to those peak levels.⁸ Enrollment is declining in Buffalo Niagara too. Besides a slight increase in 2017, college enrollment in Buffalo Niagara declined every year since 2010, dropping by 12% from 2010 to 2019. Enrollment is now at its lowest point since 2005. While enrollment at four-year colleges only dropped slightly, the region's community colleges saw the sharpest declines in enrollment, falling by 33% since 2010.⁹

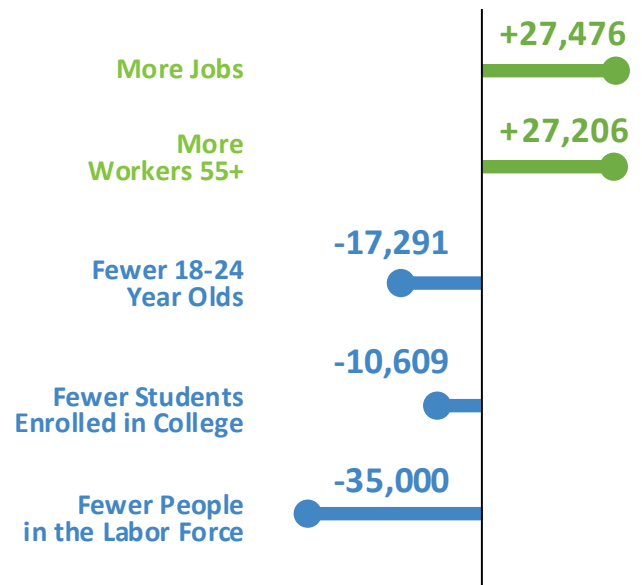
Meanwhile, job opportunities that do not necessarily require college degrees are growing. In the twelve months after COVID-19 hit, job postings that do not require college increased by 10% over the prior twelve months, while job postings that require a four-year degree or more grew by 1%.¹⁰ A recent study estimated 68% of non-college educated workers have the skills needed to qualify for higher-paying jobs.¹¹

Workers are increasingly looking to gain skills and credentials from non-college training options, like industry-driven skills based career training. A national survey showed that workers are more likely to pursue online training and trade programs to acquire skills or certificates, rather than college degrees.¹²

The region has thousands of working age residents who could potentially fill entry-level jobs if not for workforce barriers. Based on Census estimates, about 33,000 people are not in the labor force, but would work if they were offered a job, twice as many as before COVID-19. Nearly 5,600 individuals in Buffalo Niagara are not looking for work because they simply cannot find work, or believe no jobs are available that suit their experience. Almost 1,900 others do not work because they cannot arrange childcare or other family support.¹³

Many who might benefit from additional training are not able to pursue training for these same workforce barriers.¹⁴ This points to a need for industry-aligned, community-based training that provides supportive services, career coaching, and key workforce readiness skills. This comprehensive training model can help individuals overcome workforce barriers and grow higher-paying job opportunities for underserved communities. While intractable issues like retirement cliffs and waning college enrollment will continue to challenge the region, connecting currently underserved residents with career pathways can help stabilize and grow the region's workforce.

While jobs grew and workers aged since 2010, the college population declined. This leads to hiring shortages, especially for entry-level jobs.



Source: NYS DOL QCEW; US Census, QWI; ACS 1-year estimates; Emsi/IPUMS; NYS DOL LAUS; 2010 and 2019.

There are about 33,000 people out of the labor force who would take a job if offered—twice as many as before COVID-19.

Source: UBRI analysis of data from IPUMS, 2020-2021.

The High Demand for Workforce Readiness Skills Training

Workforce readiness skills training for current residents can fill in-demand jobs.

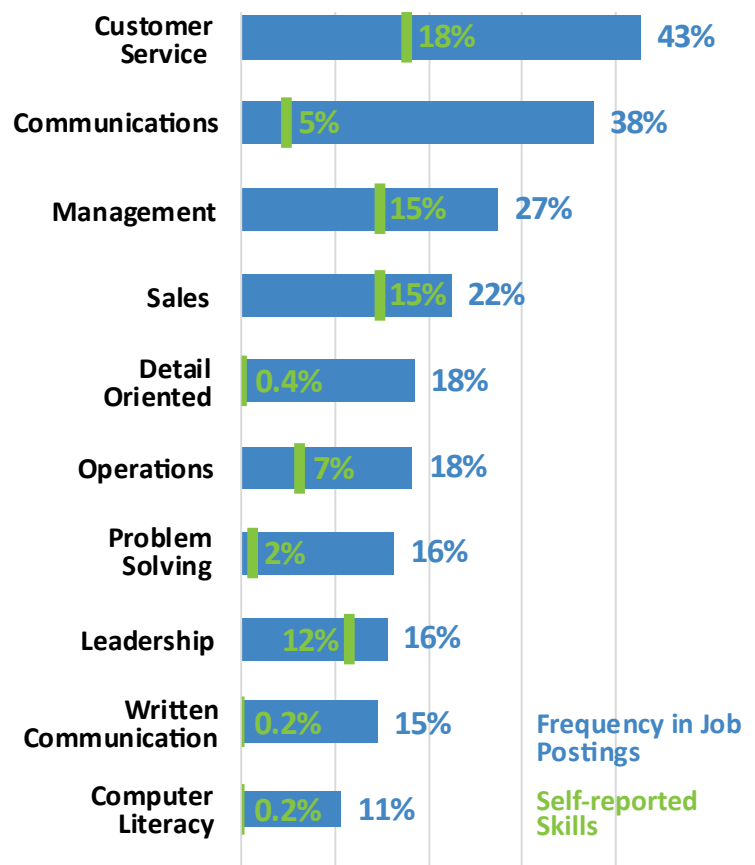
A shortage of workers with core workforce readiness skills is another reason behind hiring gaps for entry-level jobs. This shortage spans across industries, occupations, and skill levels. The top ten workforce readiness skills are listed in 22% of all entry-level job postings, but appear in only 12% of online worker profiles, on average. These top workforce readiness skills appear in job postings more than twice as often as the top technical skills.¹⁵ But in a 2021 survey, Western New York employers said job applicants were more likely to lack these core skills, like verbal communication, professionalism, and writing, than technical skills.¹⁶ A recent national survey found that most workers see core skills, like problem solving, teamwork, and adaptability, as more important to careers than technical skills.¹⁷

There is a mismatch between the skills people have, and those skills employers seek.

According to a recent survey, most WNY employers (64%) said they have the hardest time filling semi-skilled jobs, even more than those that have a hard time filling jobs for professional (28%) and skilled (43%) positions. Nearly three-quarters of WNY employers said the region’s workforce does not have the skills training their company will need in the next five years.¹⁸

Workforce readiness skills can provide more diverse economic opportunities to underserved communities and bridge the wage gaps for people of color. People of color are overrepresented in entry-level jobs, comprising 24% of all workers, but 26% of all entry-level workers in the region. Overall, entry-level jobs pay below the regional average, but some pay more and can lead to higher-paying careers. Among the fifty most common entry-level occupations in recent job postings, only eleven pay above the regional average wage. People of color are underrepresented in all but one of these higher-paying entry-level jobs. Workforce readiness skills are even more important for these higher-paying entry-level positions—they are found in 96% of higher-paying entry-level job postings, compared to 80% of lower-paying entry-level jobs.¹⁹

The top ten workforce readiness skills are more common in entry-level job postings than in self-reported skills by workers.



Source: UBRI analysis of online worker profile data from Emsi, April, 2020 to April, 2021.

People of color are underrepresented in all but one of the highest paying entry-level jobs.

Top Five Higher-Paying Entry Level Jobs in Recent Job Postings	Job Postings, 2020-21	Avg. Annual Wage
Computer Support Specialists	234	\$54,122
Office/Admin Supervisors	232	\$62,130
Wholesale/Mfg Sales Reps	123	\$69,971
Production Supervisors	120	\$70,096
Project Mgmt Specialists	97	\$78,686

Source: UBRI Analysis of Emsi, Buffalo Niagara, April, 2020 to April, 2021 and US BLS, Occupational Employment Statistics, 2020.

Training That Strengthens the Talent Pipeline Offers a Solution

With industry-aligned, community-based training, Goodskills Career Builder can fill the demand for durable skills and help Buffalo Niagara rebound stronger from the pandemic. Workforce readiness skills are a core component of Goodskills Career Builder. Goodskills Career Builder provides workforce readiness training to underserved workers along with career coaching to ensure job placement and career advancement. This model of skills-based training with supportive services like career coaching demonstrated improved training and employment outcomes for lower income participants across a range of training options, including workforce programs for veterans and youth, community colleges, and employer-sponsored career counseling.²⁰

Goodwill of WNY has strong ties with the community and a proven capability to reach underserved communities. Ninety percent of the low-income workers in Buffalo who lost jobs due to COVID-19 reside within 5 miles of Goodwill's William Street location.²¹ Goodwill of WNY has a proven ability to reach these populations through their existing programs. Goodwill is now partnering with major employers so they can connect underserved populations with career pathways. The focus is training for jobs in three key sectors—Tech, Manufacturing, and Sales and Services—that offer career pathways to higher-paying jobs where workers of color are underrepresented.²²

Goodskills Career Builder is powered by a sustainable program model where retail revenues can support long-term robust workforce programs for regionwide impact. So Goodskills Career Builder is not only an innovative model, it can grow into a transformative program that drives long-lasting regional economic revitalization.

Why Goodskills Career Builder?



Data Sources and Notes

1. Emsi. Job Posting Analytics, Buffalo Niagara, April 2019 - March 2020, April 2020-March 2021. Entry-level jobs are those that require no more than one-year of experience and less than a four-year degree; 2. New York State Department of Labor, Local Area Unemployment Estimates, Buffalo Niagara, 2021; 3. NYS DOL Quarterly Census of Employment and Wages, 2010-2020. 2019 and 2020 data are preliminary and subject to change; 4. NYS DOL, LAUS, 2021; 5. UBRI analysis of IPUMS- Current Population Survey data, IPUMS-CPS, University of Minnesota, www.ipums.org; January-April, 2020 and 2021; 6. Ibid.; 7. US Census, Quarterly Workforce Indicators, 2019; 8. Hussar and Bailey. (2020). Projections of Education Statistics to 2028 (abbrev.) (NCES 2020-024abbrev). National Center for Education Statistics, 2020; 9. NCES, Integrated Postsecondary Education Data System, 2010-2019, via Emsi, 2021; 10. Emsi, 2020-2021; 11. Blair, Castagnino, Groshen, Debroy, Auguste, Ahmed, Diaz, and Bonavida. "Searching for stars: Work experience as a job market signal for workers without bachelor's degrees," NBER Working Paper, 2021; 12. Strada Center for Education Consumer Insights, Public Viewpoint Data: COVID-19 Work and Education Survey, 2020. Retrieved June 2021 at cci.stradaeducation.org/explore-public-viewpoint-data/; 13. UBRI analysis of IPUMS Current Population Survey data, 2020 and 2021; 14. UB Regional Institute, Numbers in Need Regional Report, 2020; 15. Emsi. Job Posting Analytics, Buffalo Niagara, April 2020-March 2021; 16. Siena College Research Institute, Annual Upstate Business Leader Survey, Crosstabs, Jan. - March 2021. Findings in this report are for the five counties of Western New York; 17. Pricewaterhouse Coopers, Workforce Pulse Survey, March 2021; 18. Siena College Research Institute, 2021; 19. UBRI Analysis of Emsi, 2020-2021 and US Bureau of Labor Statistics, Occupational Employment Statistics, 2020; 20. Eyster and Nightingale. Workforce development and low-income adults and youth. 2017; Kathleen Marvin. The effectiveness of individual career coaching for low-wage workers, 2008; 21. Urban Institute, Where Low-Income Jobs are Being Lost to COVID-19, Census Tract data, October 2020. Numbers reflect estimates of net job loss; 22. Goodwill of Western New York and University at Buffalo Regional Institute, Goodskills Career Builder, Connecting People with Careers (PowerPoint), February 2021.

Learn More About Goodskills Career Builder

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