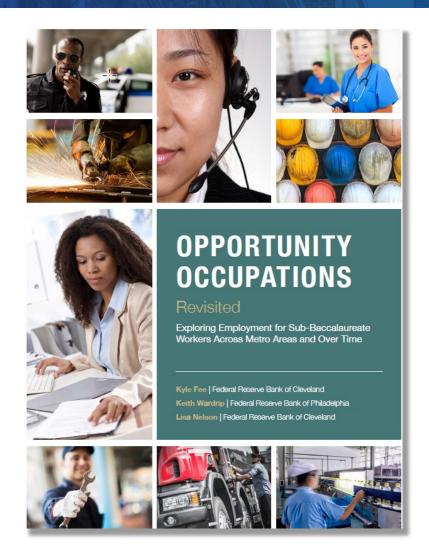


Exploring a Skills-Based Approach to Occupational Mobility

Keith Wardrip Community Development Research Manager Federal Reserve Bank of Philadelphia The views expressed here are those of the presenter and do not necessarily represent the views of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.



The labor market offers some economic opportunity for noncollege workers



- Opportunity employment defined as employment accessible to workers without a bachelor's degree and typically paying above the national annual median wage — accounts for 21.6 percent of total employment.
- Some of the largest opportunity occupations, including a number in healthcare and the skilled trades, are expected to experience above-average growth in the coming years.



Findings for the Kansas City metro area



TOP 10 OPPORTUNITY OCCUPATIONS IN 201

SECRETARIES AND ADMINISTRATIVE ASSISTANTS

Annual Median Wage: \$35,400 Opportunity Employment: 18,000

HEAVY AND TRACTOR-TRAILER TRUCK
DRIVERS

Annual Median Wage: \$45,700 Opportunity Employment: 16,000

MAINTENANCE AND REPAIR WORKERS

Annual Median Wage: \$37,500 Opportunity Employment: 9,400

- CONSTRUCTION LABORERS
 Annual Median Wage: \$38,600
- GENERAL AND OPERATIONS MANAGERS

 Annual Median Wage: \$105,200
 Opportunity Employment: 5,800

Opportunity Employment: 7,200

- REGISTERED NURSES
 Annual Median Wage: \$64,500
 Opportunity Employment: 16,300
- ASSEMBLERS AND FABRICATORS
 Annual Median Wage: \$38,300
 Opportunity Employment: 14,900
- BOOKKEEPING, ACCOUNTING, AND AUDITING
 CLERKS

Annual Median Wage: \$39,700
Opportunity Employment: 7,400

- 8 SUPERVISORS OF RETAIL SALES WORKERS
 Annual Median Wage: \$36,300
 Opportunity Employment: 5,900
- SALES REPRESENTATIVES, WHOLESALE
 AND MANUFACTURING
 Annual Median Wage: \$57,600
 Opportunity Employment: 5,200

- Kansas City's level of opportunity employment ranked 10th among the 121 metro areas we studied.
- While they do not typically require a bachelor's degree, many of these jobs require some type of postsecondary education, on-the-job training, or experience.
- Question: Can we create pathways into these and other higher-wage jobs by leveraging workers' existing skill sets?



Our guiding principles, data, and methods

Occupations Defined by Tasks and Skills

- An occupation can be thought of as a bundle of tasks, for which a worker needs a certain set of skills.
- Occupations differ in the types of skills they require and the frequency with which those skills are required.

Skills Described in Online Job Ads

- We analyzed nearly 60 million online job advertisements posted between 2014 and 2018.
- Our analysis covered the 33 metro areas with at least 1 million jobs.

Potential Transitions...

- Occur within and between lower-wage and opportunity occupations.
- Require at least a 10 percent pay increase but not a bachelor's degree.
- Involve destinations projected to remain stable or grow nationally between 2018 and 2028.

Top Transitions...

 Represent potential transitions with a similarity score greater than 0.75.

Skills can be viewed as a bridge rather than as a gap

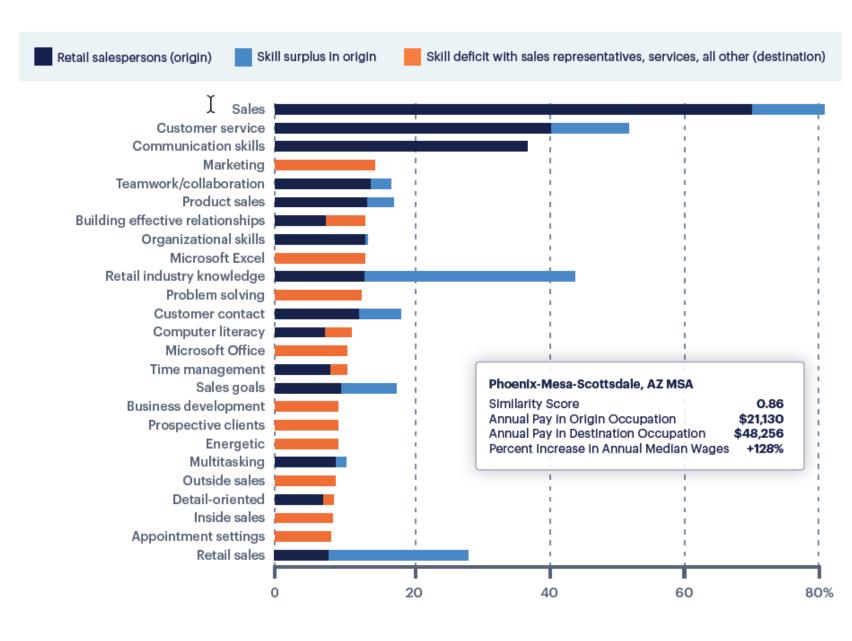
 Overall, we find a high degree of similarity between the skills required for lower-wage occupations and the skills required for opportunity occupations.

			Rank	
Skill	Overall intensity	Overall	Lower-wage occupations	Opportunity occupations
Communication skills	26.9%	1	1	1
Customer service	17.7%	2	2	3
Physical abilities	14.3%	3	3	8
Organizational skills	13.1%	4	4	4
Teamwork/collaboration	11.8%	5	9	10
Scheduling	10.9%	6	7	6
Detail-oriented	10.2%	7	8	13
Sales	9.9%	8	6	9
Microsoft Excel	9.4%	9	16	5
Computer literacy	9.3%	10	11	7
Problem solving	8.8%	11	18	11
Writing	8.7%	12	14	15
Repair	8.4%	13	13	2
English	8.0%	14	10	21
Microsoft Office	7.7%	15	23	12
Planning	7.7%	16	36	14
Cleaning	7.0%	17	5	54
Building effective relationships	6.7%	18	19	17
Teaching	6.4%	19	30	64
Research	6.1%	20	47	19

Rank

Top transitions exist in every metro area

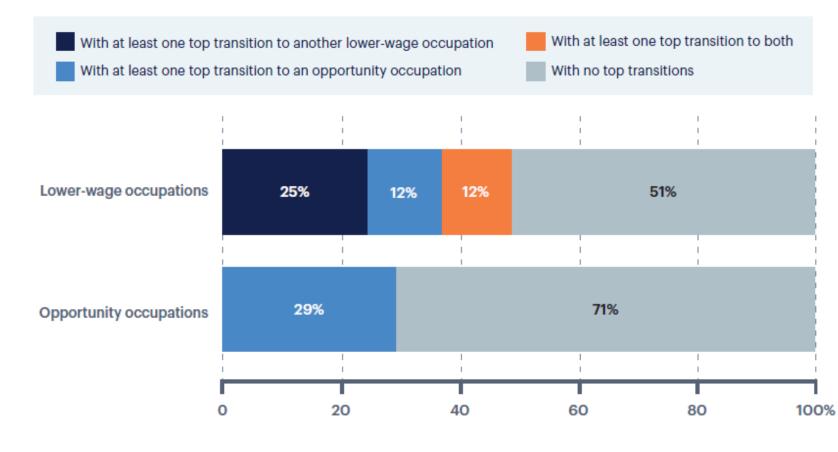
• In the 33 metro areas analyzed, we find 4,097 top transitions (similarity score > 0.75).



Nearly half of lower-wage employment can be paired with a top transition

The same is true for 29
 percent of the jobs
 classified as opportunity
 occupations.

Share of Employment by Type of Top Transition



Top transitions can represent substantial wage gains

• Overall, top transitions would represent an increase in average annual median wages of 49%, from around \$30,000 to just under \$45,000.

	AVERAGE ANNUAL MEDIAN WAGES					
Type of transition	Origin occupations	Destination occupations	Increase	Percent increase		
Lower-wage occupation to lower-wage occupation	\$21,508	\$28,367	\$6,859	32%		
Lower-wage occupation to opportunity occupation	\$28,547	\$50,672	\$22,125	78%		
Opportunity occupation to opportunity occupation	\$53,426	\$76,128	\$22,703	42%		
Overall	\$30,100	\$44,974	\$14,873	49%		



Kansas City's highest-scoring top transitions span the occupational landscape

Origin occupation	Origin annual median wages	Destination occupation	Destination annual median wages	Percent wage increase	Similarity score
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	\$59,509	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	\$72,446	22%	0.93
Installation, Maintenance, and Repair Workers, All Other	\$44,158	Industrial Machinery Mechanics	\$54,766	24%	0.91
Maintenance and Repair Workers, General	\$38,314	Installation, Maintenance, and Repair Workers, All Other	\$44,158	15%	0.91
Installation, Maintenance, and Repair Workers, All Other	\$44,158	Industrial Engineering Technicians	\$51,480	17%	0.90
Bill and Account Collectors	\$34,403	Credit Counselors	\$45,947	34%	0.89
HelpersInstallation, Maintenance, and Repair Workers	\$26,707	Maintenance and Repair Workers, General	\$38,314	43%	0.88
Sales Representatives, Services, All Other	\$59,093	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	\$72,446	23%	0.88
Electro-Mechanical Technicians	\$29,702	Electrical and Electronics Engineering Technicians	\$69,846	135%	0.87
Cooks, Short Order	\$17,436	Cooks, Restaurant	\$23,751	36%	0.87
Business Operations Specialists, All Other	\$76,170	Managers, All Other	\$109,699	44%	0.86

Source: Based on analysis conducted for DeMaria, Kyle, Kyle Fee, and Keith Wardrip. Exploring a Skills-Based Approach to Occupational Mobility. Federal Reserve Banks of Philadelphia and Cleveland, 2020.



Strategies to improve economic mobility and help meet the needs of employers

- Skills-based hiring practices could expand applicant pools to include workers who do not have a bachelor's degree but who do have many of the skills required to do the job.
- Targeted training could provide otherwise qualified workers with the skills necessary to make a successful transition.
- Collaboration between employers, education providers, and workforce development organizations can ensure training meets local demand.



Example: Community College Growth Engine Fund

- Six community colleges are participating in this pilot launched by Education Design Lab.
- Philadelphia and Cleveland Feds are providing labor market data and research support.
- The goal is to produce 18 employer-validated micro-pathways that can be implemented in other communities.
- For more information: https://eddesignlab.org/project/growthenginefund/.





Tool Demo: Occupational Mobility Explorer

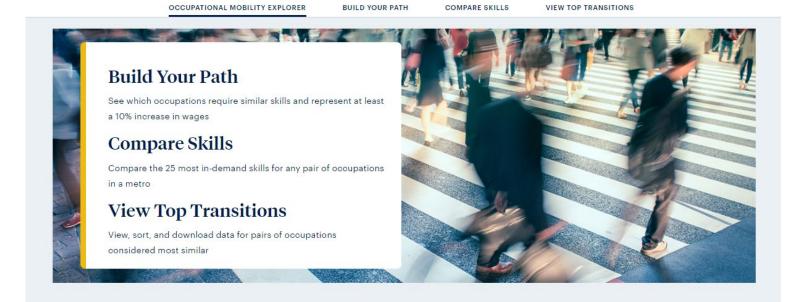
 To follow along, go to philadelphiafed.org and search for "Occupational Mobility Explorer."



Federal Reserve Bank of Philadelphia > Surveys & Data > Community Development Data > Occupational Mobility Explorer

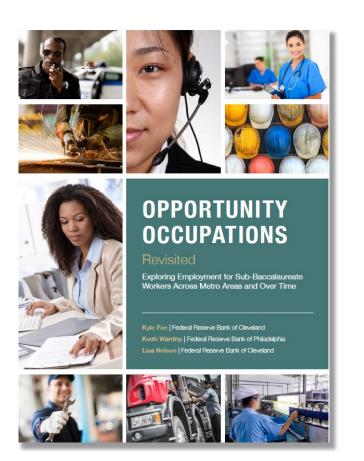
Occupational Mobility Explorer

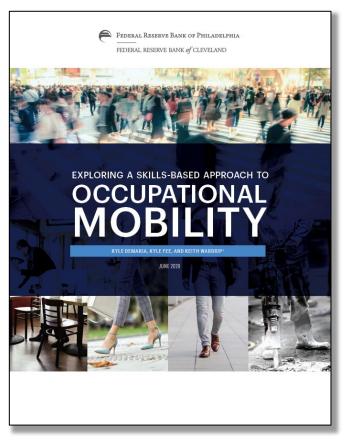
In Exploring a Skills-Based Approach to Occupational Mobility, researchers from the Philadelphia and Cleveland Feds analyze the skills that employers request in the 33 largest metro areas and look for opportunities for workers to transfer their skills from one occupation to a similar — but higher-paying — occupation in the same labor market. This application is designed to make the findings interactive and wholly accessible to those interested in economic mobility.





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https://www.philadelphiafed.org/community-development/workforce-and-economic-development





Digital Skills for the 21st-Century Workforce

Ashley Putnam

Director, Economic Growth & Mobility Project

Alvaro Sanchez

Analyst, Economic Growth & Mobility Project

Evening with the Fed: Career Exploration and Education Thursday, January 14, 2021



The views expressed here are those of the presenter and do not necessarily reflect those of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.





The Economic Growth & Mobility Project (EGMP) is a new initiative of the Federal Reserve Bank of Philadelphia dedicated to promoting equal access to economic opportunity for all.

Infrastructure Equity

Transportation
Affordable Housing
Broadband

Workforce Development

Education
Barriers to Employment
Skill Development

Job Creation

Equitable Development
Entrepreneurship
Creating Quality Jobs





Listening Sessions

Held during the summer of 2018

Hosted at the Federal Reserve Bank of Philadelphia Participants were
workforce development
and business leaders from
the Tech, Healthcare,
Manufacturing and
Finance sectors





Research Motivations

- Middle-skills jobs have increasingly required workers to cultivate a robust digital skillset.
- Research from Burning Glass Technologies has shown that about 8 in 10 middle-skills jobs now require a degree of digital proficiency.
- A need to think proactively about preparing incoming and incumbent workers for increasingly digitized occupations, especially in the face of automation

Challenges of a Changing Digital Skills Market



Digital Literacy and Industry Knowledge

- Employers need workers with both a robust digital skillset and sector-specific, contextualized knowledge around tech.
- Business acumen to execute tasks efficiently is as important as conceptual knowledge of a technology.



Lifelong Learners

- Develop learning agility to maintain a dynamic and relevant skillset.
- De-emphasize specific tools, like coding, that can change quickly.
- Understand how innovative tech can be implemented within a company.

"The half-life for digital skills is much shorter than it used to be."

Financial Limitations in Building Digital Skills

Flexible Funding

Nontraditional programs lack adequate financial support.

Regulations may prohibit funding (e.g. Pell Grants) programs that don't meet requirements.

· Impacts programs like coding boot camps that may be shortterm.

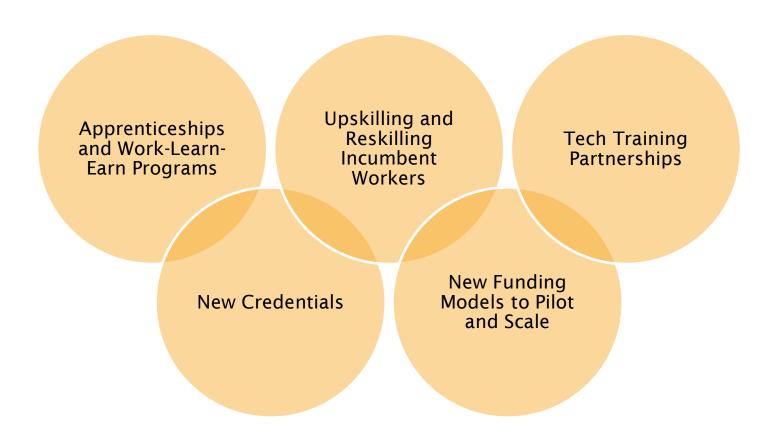
Lack of flexibility harmful to low- and moderate-income job-seekers.

Innovative Training

Employer-side perceived risk around alternative talent pipelines.

Certain firms are not ready to shift their hiring practices and embrace innovative training programs.

Opportunities to Invest in Digital Skills



Apprenticeships and Work-Learn-Earn Programs

- Promotes on-the-job learning without forgoing income.
- Experiential learning promotes a deeper understanding of a sector, while learning occupational tasks.
- Offsets financial barriers of training for lowand moderate-income workers.



New Credentials



- Identifying new credentials (e.g. CompTIA and Amazon Web Services) as viable options for upskilling and training.
- Shift hiring practices away from identifying "qualified" workers based on holding a four-year degree.
- Maintain feedback loops from employers to training providers on efficacy of emerging credentials.

Upskilling and Reskilling Incumbent Workers

- Employer-led solutions to develop workers within a company.
- Support workers financially to go back to school while working.
- Promote opportunities to learn new skills on the job.
- Develop career pathways that are individualized for each worker.



New Funding Models to Pilot and Scale

Consider collaborative funding models,

which pool capital from national and local philanthropy for like-minded firms.

Promote intentional program
 implementation that meets the shared
 priorities of regional businesses.



Tech Training Partnerships to Break Down Siloes

- Partnerships within industries and between regional training providers to develop talent pipelines.
- including leadership councils and streamlining information sharing of tech talent needs.

Collaboration can take several forms.



What can we do?

- Continue identifying workforce development models to invest in digital skills, through the economic crisis.
- Strengthen feedback loops between training providers and employers.
- Shift organizational focus toward advancing innovative workforce development solutions.
- Develop workforce development models that account for digital disruption.



Thank You

Alvaro.Sanchez@phil.frb.org





Career Education Resources

Presented by Gigi Wolf January 2021

Career Education Resources

- Lesson plan: Skilled Trade Pays
- Teaching Tips 2.0: Opportunity occupations
- Infographics: workforce development topics
- Videos:
 - Fed Opportunity Occupations at the Fed
 - 21st Century Career Leaders



Skilled Trade Pays Lesson

Overview: Students analyze charts and graphs detailing the scope of opportunity occupations within the United States and through video, meet real-life individuals working in these industries. Students then investigate a specific opportunity occupation and work collaboratively to construct a visual of what they learned to present to the class.

Concepts: Opportunity occupations, wages, labor market,

human capital

Grade: 9-12

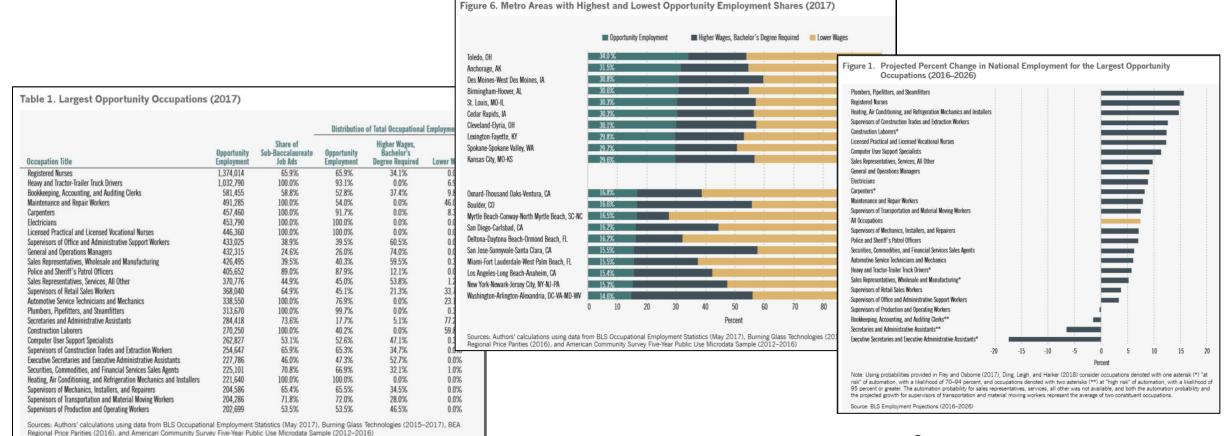
Time: Three class periods (55-60 minutes each)

with additional work outside of class



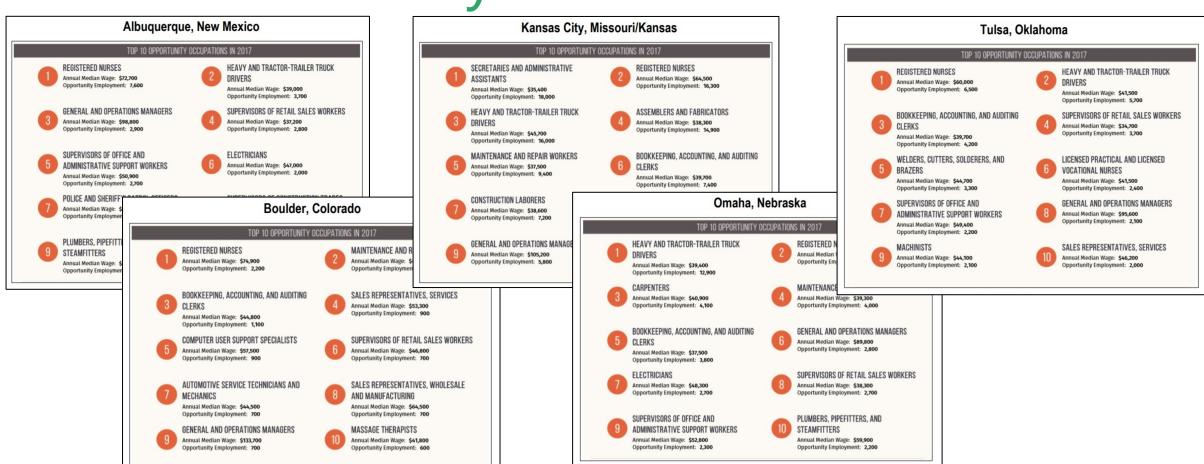






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Administrative Assistant	opportunity occupation card Plumber
Assembler/ Fabricator	opportunity occupation card Police Officer
Automotive Mechanic	opportunity occupation card Registered Nurse
Bookkeeper/ Accountant	Sales Representative (Wholesale/Manufacturing)
opportunity occupation card Electrician	Tractor-Trailer Truck Driver
opportunity occupation card Massage Therapist	opportunity occupation card Welder

HANDOUT 5: OPPORTUNITY OCCUPATION EXPLORATION

Section One

- My opportunity occupation is:
- Geographic location(s):
- Annual median wage(s):

Note: Use Handout 4: Opportunity Occupation Fact Sheets to complete this section. If your opportunity occupation can be found in more than one city, include the range from lowest to highest. (Example: \$45,000 in Tulsa, OK to \$62,500 in Boulder, CO)

Section Two (Use back as needed)

- Wage range:
- · Job outlook/projected growth:
- States where this job is common:
- Largest employers:
- Primary responsibilities:
- Similar occupations:
- Human capital (skills, training, education) needed:

Note: Go to U.S. Bureau of Labor Statistics website, https://www.bls.gov/ooh/, to complete this section.

Section Three (Use back as needed)

- How does this opportunity occupation benefit the labor market overall?
- What makes this opportunity occupation more appealing than other opportunity occupations?



PROJECT EVALUATION SHEET Opportunity Occupation: Group Score Fair (1-3) Good (4-6) Excellent (7-10) Notes Infographic content Infographic design Infographic clarity

Total (out of 40 possible pts.) x 2 = _	FINAL GROUP SCORE
,		

Presentation

	Individua	Score for	Handouts	Individual Score x 2	Final Group Score (from above)	
Student Name	Fair (1-3)	Good (4-6)	Excellent (7-10)			Total Individual Score

SCORING RUBRIC	Fair (1-3)	Good (4-6)	Excellent (7-10)
Completion of	Completed a portion of handout	Completed handout with some accuracy	Completed handout accurately with
Handouts	accurately or didn't turn it in	and grammar/punctuation errors	correct grammar and punctuation
Infographic content	Included a portion of requested content	Included most of requested content	Included all requested content
Infographic design	Layout included text, minimal images/charts and no color variation	Layout included images/charts and text with minimal color variation	Layout included images, text and several charts/graphs with effective use of various colors
Infographic clarity	Information was difficult to interpret	Information could be interpreted somewhat	Information could be easily interpreted
Presentation	Shared little information, involved one group member and/or not easy to understand	Shared some information, involved some group members and/or easy to understand	Shared all information, involved all group members and/or easy to understand

	Day Three – Opportunity Occupation Highlights	
	Administrative Assistant	Plumber
	Assembler/Fabricator	Police Officer
ANDOUT 2: STUDENT ASSESSMENT (PA	Automotive Mechanic	Registered Nurse
Student name		
ay One – Summary (Include terms – opportunity occupation and wages)	Bookkeeper/Accountant	Sales Representative
	Electrician	Tractor-Trailer Truck Driver
y Three – Human Capital Overview	Massage Therapist	Welder
•	Of all the opportunity occupations introduced within the lesso	n, which one would you choose to pursue and why?





Teaching Tips 2.0



A Federal Reserve System initiative called "opportunity occupations" examines the impact of jobs that don't require a fouryear college degree, yet typically pay above the national annual median wage. The research conducted shows that
opportunity occupations not only are an important part of the nation's economy, but many careers in that employment
sector are poised for solid growth. Access to more information about the initiative can be found at Investing In America's
Workforce: Opportunity Occupations.

Reading Synopsis

Video Synopses

Links and Resources

About Teaching Tips 2.0

This resource offers a range of interdisciplinary activities centered on nonfiction reading about career education. The activities align with the topic and include data for students to calculate and analyze, multimedia for students to view and respond to and questions at two levels of complexity for students to answer. Additionally, economic and personal finance vocabulary and extension activities are provided. After students have read the text, teachers can assign any of the stand-alone activities. Through these, students can build their cognitive and critical thinking skills while supporting their learning in English language arts, math, economics and personal finance.



Teaching Tips 2.0

Student Activities:

- Vital Vocabulary
- Reading and Reflection
- Video Views
- Facts and Figures
- Extension Exercises

Why do 30% of college freshmen drop out?

Create graph of employment figures and percentage differences



Federal Reserve Bank of Kansas City



Story by Debra Skodack; Photography by Gary Barber; Videography by Brett Smith and Kevin Wright

PRIL 15, 2020 | Spring 2020 | A Federal Reserve System initiative called "Opportunity Occupations"

Percentage change of median annual wage from 2017 to 2019. What will it be in 2021?



Infographics



Employability Skills:A Toolkit for Success



Employability, or 'soft' skills, are core qualities that are useful in any career path you choose. As your job grows or changes, developing these traits can help you be more successful and marketable in a competitive job market.

Opportunity Occupations in Select Tenth District Cities

Including annual median income and projected growth for each job between 2018-2028

Grand Rapids, WY

Registered Nurse
\$63,000 ● 12%
\$ales Representative,
Wholesale & Manufacturing
\$61,200 ● 2%
\$upervisor of Production &
Operating Workers
\$58,900 ● 1%

Kansas City,

Wichita, KS

Registered Nurse

\$55,100 • 12%

Maintenance & Repair Workers

\$34,900 • 6%

Industrial Machinery Mechanics

\$57,600 • 5%

Oklahoma City, Tulsa, OK

Registered Nurse
\$62,500 ● 12%
Supervisors of Retail Sales
Workers
\$34,600 ● 5%
Welders, Cutters, Solderers, &
Brazers

\$44,700 • 3%

Kansas City, MO Registered Nurse

S64,500 ● 12%

Heavy & Tractor-Trailer

Truck Drivers
S45,700 ● 12%

Construction Laborers
S38,600 ● 11%

Financial Service Sales Agents
S55,700 ● 4%

Electricians

Albuquerque, NM Registered Nurse

\$52,200 • 10%

S72,700 ● 12%
Police & Sheriff's Patrol Officers
S57,600 ● 5%
Supervisor of Construction Trades & Extraction
Workers

Omaha, NE-Council Bluffs, IA

Registered Nurse
\$61,700 ● 12%
General & Operations Manager
\$89,800 ● 6%
Plumbers, Pipefitters, & Steamfitters
\$59,900 ● 14%

\$55,100 • 10%

Boulder, Colorado Springs,

Denver, Aurora,

Organization

Ways to Build Organization:

- Set reminders to help you keep track of tasks and meetings
- Establish steps to complete a goal or a big assignment

Careers: Accountant, Administrative Assistant, Editor, Event Planner, Statistician

Reliability

Ways to Build Reliability:

- Be on time to class and appointments
- Follow through on a commitment or provide a solid reason why you can't

Careers: Court Reporter, Dental Hygienist, Electrician, Funeral Director, Truck Driver

Federal Reserve Bank of Kansas City



Fed Opportunity Occupations Videos

- Asset Management Specialist IT Technology Support
- Information Security Technician IT Application & Development
- Customer Support Specialist Financial Services
- Cash Operations Specialist Cash Services
- Facilities Technician Facilities Management
- Law Enforcement Officer Law Enforcement







21st Century Careers Videos

Student Webinar Series:

- A Portrait of Leadership
- Today's Leadership Landscape
- Skills for Success
- Opportunity Occupations

















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Upcoming Evening with the Fed events:

- February Climate Risks and the Economy
- March COVID Effects on Agricultural Economy
- April Energy and the Economy
- May COVID Impact and Economic Recovery

<u>KansasCityFed.org/Education</u> and <u>KansasCityFed.org/community/workforce</u>