



Arapahoe/Douglas
WORKFORCE BOARD

White Paper
STRATEGIC PLANNING CYCLE
2015-2017

Arapahoe/Douglas
WORKS
Workforce Center 
A proud partner of the [americanjobcenter](#) network

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OUR VISION

Our vision is a best-in-class workforce development organization that is responsive to the dynamic needs of job seekers and business/industry.

OUR MISSION

Our mission is to strategically invest in Human Capital which contributes to regional economic vitality.

WORKFORCE DEVELOPMENT AND A VITAL ECONOMY

Workforce development is a vital part of the infrastructure in the south Metro Denver region. This infrastructure includes the Arapahoe/Douglas Workforce Development Board, Arapahoe/Douglas Works!, education (P-20), economic developers, chambers of commerce, local governments, public transportation, and utilities.

This public-private partnership has made the Denver Metro area one of the most diversified economies in the United States; a magnet for educated, skilled workers with world class business parks, public transportation infrastructure, international passenger and commercial air transportation, ample recreational opportunities, clean air and water, and a vibrant, expanding economy that grows jobs.

BACKGROUND

This planning paper provides a background for the Arapahoe/Douglas WDB (WDB) to develop its 2015-2017 strategic work plan moving forward into the Workforce Innovation & Opportunity Act (WIOA) implementation. Data is also provided to contribute to planning for the greater WIOA Colorado Central Planning Region, of which the Arapahoe/Douglas Workforce Development Area is a part.

ARAPAHOE/DOUGLAS WORKFORCE

The Arapahoe/Douglas WDB and Arapahoe/Douglas Works! Workforce Center serve workforce development needs in the two-county Arapahoe/Douglas region, which makes up the southeast part of greater metro Denver.

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DRIVER INDUSTRIES

Employment by Economic Group, Arapahoe/Douglas Area								
NAICS	Description	2015 Jobs	2020 Jobs	Change	Projected Annual Growth	Current Total Earnings	2015 Location Quotient	2014 Payrolled Business Locations
51	Information	22,848	22,419	(429)	-0.4%	\$124,569	2.57	592
52	Finance and Insurance	35,981	39,510	3,529	2.0%	\$100,650	1.90	2,387
55	Management of Companies and Enterprises	11,215	14,680	3,465	6.2%	\$169,855	1.69	484
54	Professional, Scientific, and Technical Services	47,428	55,896	8,268	3.5%	\$ 98,600	1.58	6,008
28	Construction	33,867	34,609	742	0.4%	\$ 61,911	1.33	2,352
56	Administrative and Support and Waste Management and Remediation Services	37,407	45,221	7,814	4.2%	\$ 48,518	1.25	1,991
53	Real Estate and Rental and Leasing	9,599	9,519	(80)	-0.2%	\$ 60,833	1.23	1,602
71	Arts, Entertainment, and Recreation	9,420	10,576	1,156	2.5%	\$ 45,883	1.20	341
44	Retail Trade	52,222	56,437	4,215	1.6%	\$ 35,674	1.06	2,557
42	Wholesale Trade	18,434	19,483	1,049	1.1%	\$105,912	1.00	2,773
81	Other Services (except Public Administration)	21,811	23,438	1,627	1.5%	\$ 32,629	0.96	2,254
62	Health Care and Social Assistance	55,490	66,243	10,753	3.9%	\$ 60,987	0.94	2,629
72	Accommodation and Food Services	37,261	41,150	3,889	2.1%	\$ 21,207	0.93	1,737
90	Government	54,017	58,121	4,104	1.5%	\$ 57,312	0.74	207
61	Educational Services	8,200	9,674	1,474	3.6%	\$ 44,608	0.69	510
21	Mining, Quarrying, and Oil and Gas Extraction	1,705	2,168	463	5.4%	\$171,328	0.65	165
48	Transportation and Warehousing	5,419	5,909	490	1.8%	\$ 53,687	0.35	403
31	Manufacturing	11,138	11,586	448	0.8%	\$ 71,190	0.29	564
22	Utilities	384	392	8	0.4%	\$115,173	0.23	17
11	Crop and Animal Production	487	558	61	2.5%	\$ 38,295	0.09	55
	Totals	474,342	527,389	53,046	2.2%	\$ 66,180		29,516

Source: EMSI QCEW, Non-QCEW and Self-Employed 2015.2

Top driver industries identified by the Arapahoe/Douglas WDB are encased in the information, finance & insurance, professional, scientific & technical, health care & social assistance, transportation & warehousing and manufacturing groups. For a more detailed look at projected growth for these key sectors, as well as construction/oil & gas extraction and hospitality we show the following table.

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Projected Growth, Key Industry Sectors, Arapahoe/Douglas Area						
Description	2015 Jobs	2020 Jobs	Change	Projected Annual Growth	Current Total Earnings	2014 Payrolled Business Locations
Information Technology	55,260	63,738	8,478	3.1%	\$103,501	6,337
Hospitality (Youth)	46,681	51,726	5,045	2.2%	\$ 26,182	2,078
Health Care	45,335	54,638	9,303	4.1%	\$ 69,398	2,268
Finance & Insurance	35,981	39,510	3,529	2.0%	\$100,650	2,387
Construction	33,867	34,609	742	0.4%	\$ 61,911	2,352
Broadband	13,202	12,435	(767)	-1.2%	\$130,123	178
Engineering Services	10,945	12,640	1,695	3.1%	\$127,233	520
Aerospace	4,004	4,836	832	4.2%	\$102,159	316
Bioscience	3,125	3,795	670	4.3%	\$102,629	259
Oil & Gas	1,516	1,946	430	5.7%	\$152,876	153
Aviation	1,174	1,150	(24)	-0.4%	\$85,311	79

Source: EMSI QCEW, Non-QCEW and Self-Employed 2015.2

Considering there are currently nearly 475,000 people employed in the Arapahoe/Douglas area, the bottom four sectors on this table seem to have insignificant employment. However, each is significant as a key sector in greater metro Denver, and within the new WIOA Colorado Central Planning Region.

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OCCUPATIONAL MIX

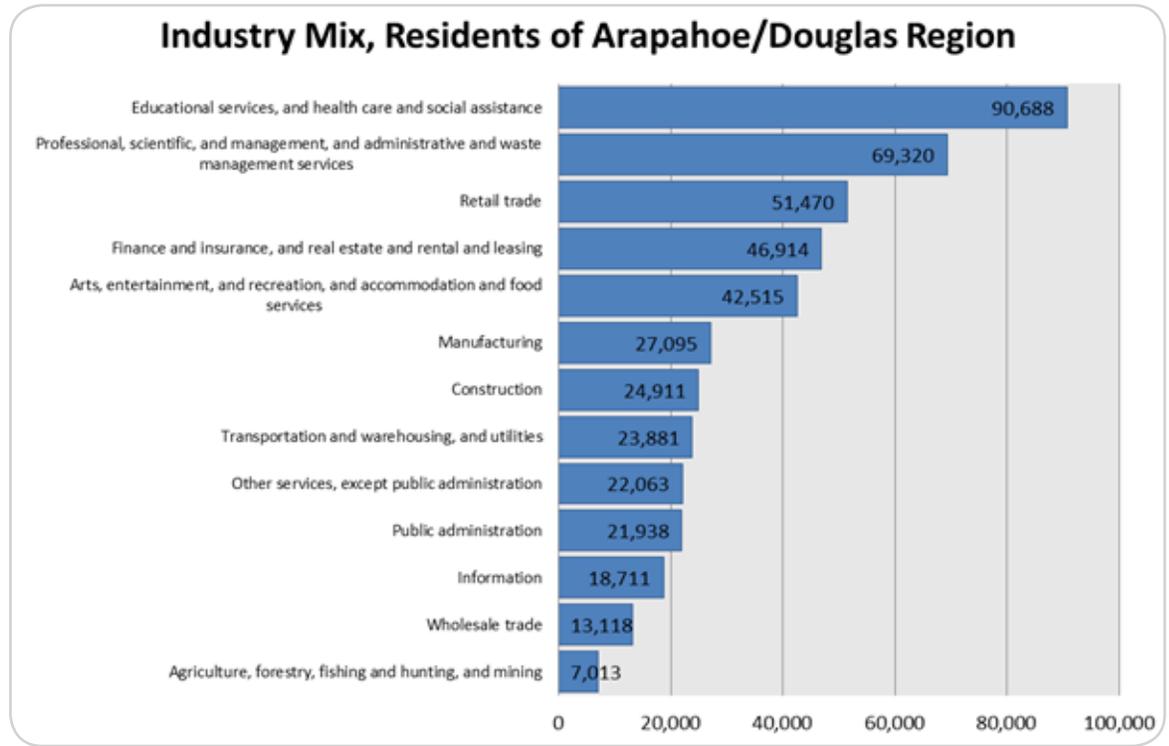
According to the US Census American Community Survey 2013-1 Year Estimates residents of the two-county Arapahoe/Douglas region work in the following occupational groups:

 <p>Arapahoe/Douglas WORKFORCE BOARD</p>	 <p>Office & Administrative Support 62,559</p>	 <p>Management 61,065</p>	 <p>Sales & Related 57,668</p>
 <p>Business & Financial 33,012</p>	 <p>Education/ Training & Library 25,470</p>	 <p>Food Preparation & Serving 22,843</p>	 <p>Computer & Mathematical 22,619</p>
 <p>Transportation 15,697</p>	 <p>Healthcare Diagnosing/Treating 15,166</p>	 <p>Building & Grounds 13,150</p>	 <p>Production 12,010</p>
 <p>Arts, Design, Entertainment & Media 11,773</p>	 <p>Architecture/ Engineering 11,330</p>	 <p>Installation, Maintenance & Repair 10,863</p>	 <p>Healthcare Support 8,670</p>
 <p>Community/Social Services 7,237</p>	 <p>Material Moving 7,232</p>	 <p>Health Technologists/ Technician 6,996</p>	 <p>Fire Fighting/ Prevention 6,004</p>
 <p>Legal 5,631</p>	 <p>Sciences 3,387</p>	 <p>Law Enforcement 3,353</p>	 <p>Arapahoe/Douglas WORKS Workforce Center A proud partner of the americanjobcenter network</p>

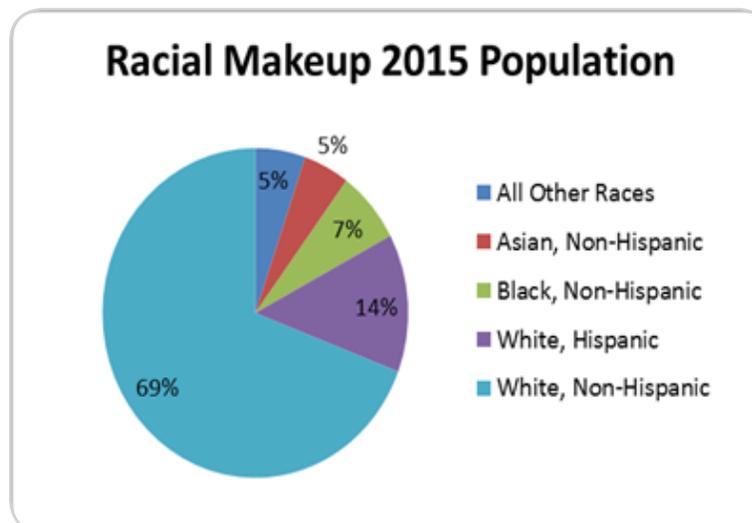
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INDUSTRY MIX

According to the US Census American Community Survey 2013-1 Year Estimates residents of the two-county Arapahoe/Douglas region work in the following occupational groups:



RACE & ETHNICITY



According to the Colorado Demography Office, Colorado's Hispanic population is expected to grow to 32.7% by 2040.

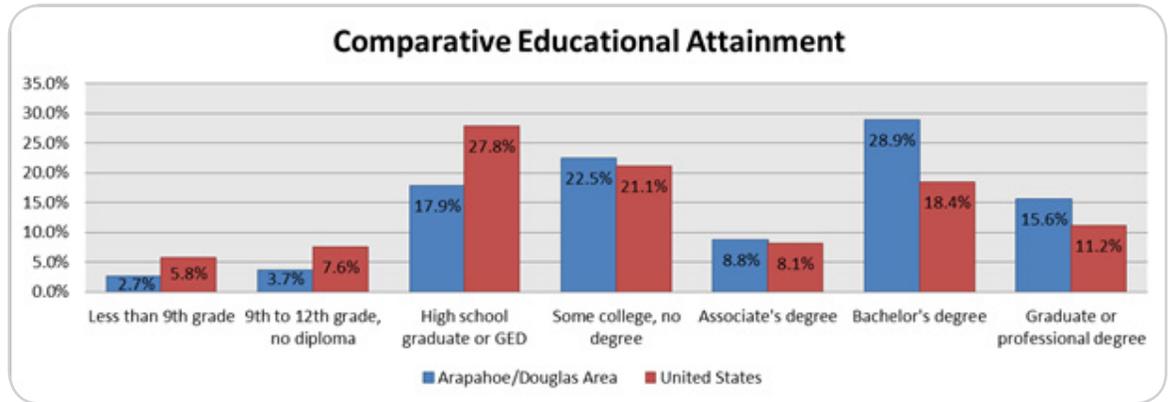
Colorado's minority population is projected to grow from 31.1% in 2015 to 44.8% by 2040

The pie chart shows that the two-county Arapahoe/ Douglas area has 31% minority population in 2015.

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Educational attainment levels for the Arapahoe/Douglas area are significantly higher than the national average, with 93.6% having at least a high school diploma and 44.5% a bachelor's degree or higher.

EDUCATIONAL ATTAINMENT



Educational attainment levels for the Arapahoe/Douglas area are significantly higher than the national average, with 93.6% having at least a high school diploma and 44.5% a bachelor's degree or higher.

In addition, the Arapahoe/Douglas work-force boasts nearly 100,000 people with science and engineering related degrees, and nearly 64,000 with degrees in business.

Attainment Level	Total
25 to 39 years:	82,915
Science and Engineering	30,137
Science and Engineering Related	5,309
Business	22,108
Education	5,358
Arts, Humanities and Other	20,003
40 to 64 years:	148,597
Science and Engineering	52,983
Science and Engineering Related	10,407
Business	41,603
Education	13,381
Arts, Humanities and Other	30,223

Source: U.S. Census Bureau

The tables below show the relative affluence of the two-county Arapahoe/Douglas region. The median household and median family income levels for Arapahoe and Douglas counties may be compared to the U.S. income quintiles in the table to the right.

Measure	Arapahoe County	Douglas County
Median Household Income	\$ 60,956	\$ 102,961
Median Family Income	\$ 72,867	\$ 114,000
Per Capita Income	\$ 31,644	\$ 44,419
Average Commute Time (Minutes)	27.5	27.9

US Census Bureau

Rank	Household	Family
Highest	\$ 185,206	\$ 206,687
Fourth	\$ 83,519	\$ 97,207
Middle	\$ 52,322	\$ 63,916
Second	\$ 30,509	\$ 39,514
Lowest	\$ 11,651	\$ 16,109

Source: U.S. Census Bureau

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STRENGTHS

DIVERSE ECONOMY

The Arapahoe/Douglas area has many strengths, beginning with a diverse economic base. Healthcare and social assistance employs the most people, followed by government, retail trade, and a robust professional, scientific & technical group in which employment is 1.58 times as concentrated as the national average. Other highly concentrated industry groups include information, which includes telecommunications and data hosting services, finance & insurance, management of companies & enterprises and construction. Employment in administration and support services for businesses, real estate & leasing and arts, entertainment and recreation is also more heavily concentrated than the national average.

Regions with diverse economies tend to better weather economic downturns, and recover more quickly. The Arapahoe/Douglas WDB has additional business intelligence indicating that the projections for continued declines in the information industry group may prove false, as the broadband sector is now experiencing significant change in both manpower and new technology. As a national hub for telecommunications, the Arapahoe/Douglas area is uniquely poised to benefit from 'internet in everything' technologies and growth.

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71	Arts, Entertainment, and Recreation	9,420	10,576	1,156	2.5%	\$ 45,863	1.20	341
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Source: BMS, QCEW, Non-QCEW and Self-Employed 2015.2

STRONG LABOR FORCE

As shown by the tables in the WORKFORCE section, Arapahoe/Douglas residents are both better educated and more diversely skilled than the national average. A quality labor force is one of the primary motivators for business to choose this region to locate or expand.

This area attracts skilled workers from all over the United States and abroad. According to Joel Kotkin, author, lecturer and journalist, greater metro Denver is still very much an 'opportunity' city, in which a young person can find employment, advance and grow socioeconomically.

The Denver Business Journal, in a July 15, 2015 article, notes that the Denver-Aurora-Broomfield metro area was rated (by Area Development Magazine) as first among the 375 metros for economic strength indicators; seventh for year-over-year growth, and eighth for both workforce and recession-busting attributes. Communities in metro Denver have "diverse economies, including advanced manufacturing

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Metro Denver is the seventh best city for young adults 25-34, who are projected to make up 40% of Colorado's workforce by 2020. (Forbes)

and other high-tech industries like aerospace, telecommunications, biotechnology, and clean energy," the report said. It also said the northern Front Range ranked sixth in the nation for clean-energy development, and that greater metro Denver is emerging as a financial services center.

The Denver Business Journal reported in August 2015 that Forbes now ranks greater metro Denver 'America's best place for business and careers out of 200 cities.' Other rankings supplied courtesy of Metro Denver Economic Development Corporation, include number 7 on the Forbes list of 'coolest cities,' a blue ribbon from Business Insider, which ranked Colorado number 1 on its list for its highly diversified economy. Metro Denver also ranked number 10 on the Inc. Magazine list of top cities for fast growing companies.

BOOMING ECONOMY

Between 2001 and 2014, a time span encompassing two severe recessions in the area, employment grew an average of 1.3% per year. Between 2015 and 2020, employment is projected to grow 2.2% annually. Projections calling for the information group to shed 429 jobs between 2015 and 2020 (see both 'Employment by Economic Group' and 'Projected Growth, Key Sectors' tables above) may be excessively pessimistic, as the broadband sector, which is a subset of the information economic group, is experiencing a sea change in new technology, and is aggressively expanding into new broadband markets such as increased regional Wi-Fi access and 'internet in everything.' Key sectors are all showing strong growth, and this should continue over the next several years.

REGIONAL INVESTMENT IN INFRASTRUCTURE

A solid infrastructure is vital for continued business growth, and Colorado has invested heavily, particularly in its transportation infrastructure. In the Arapahoe/Douglas area, light rail is being expanded south from the Lincoln station to Sky Ridge and will have a new terminus at Ridge Gate Parkway, in what will become the Lone Tree City Center.

I-225 has been widened and light rail is being extended north from Nine Mile Station along the Interstate past Colfax where it will intersect with the new commuter rail line being built from Union Station in downtown Denver to Denver International Airport (DIA). DIA is now, according to a Skytrax global airport survey, ranked 8th in the world in customer satisfaction. DIA is the fifth busiest airport in the United States, recording 25.95 million enplaned passengers in 2014, and a total of 53.47 million passengers passing through on both inbound and outbound flights (Denver Business Journal).

BUSINESS FRIENDLY LOCAL GOVERNMENTS

Arapahoe County Public Works and Development Department's Planning and Land Development Division is currently considering proposals to perform a process assessment/audit of the County's Land Development Code. The purpose of this audit is to eliminate unnecessary regulatory barriers that may discourage economic development in Arapahoe County; streamline development procedures; and make the code more efficient and user friendly. Both Arapahoe and Douglas county governments are known among economic developers and site selectors as being business friendly.

STRONG WDB AND COLORADO WORKFORCE CENTER

The Arapahoe/Douglas WDB was recognized for excellence in 2015 by the National Association of Workforce Boards (NAWB), and is engaged, dynamic and influential at the state, regional and national levels. The chair of the Arapahoe/Douglas WDB currently serves on the NAWB Board of Directors, providing the Arapahoe/Douglas WDB the opportunity for policy input in workforce development at the national level. The staff of Arapahoe/Douglas Works! is dedicated and highly skilled in serving all populations. Individual members of the staff have won awards at the state, regional and national level for their contributions to workforce development. In addition all Arapahoe/Douglas Works! staff that have interaction with customers are required to complete an 120 hour NCDA approved Career Development Facilitator Course.

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In the most recent program year (PY14), which began July 1, 2014 and ended June 30, 2015, Arapahoe/Douglas Works! had \$15.3 million available from 49 different funding streams. The pie chart shows that nearly 75% of funding originated with the U.S. Department of Labor, while slightly over a quarter came from Arapahoe and Douglas County Departments of Human Services.

RECOGNIZED STRENGTH IN LABOR FORCE AND ECONOMIC ANALYSIS

- Developed a 'Paths to Success' model to help job seekers navigate career pathways in key industry sectors which includes
 - Description of occupation
 - Current job listings
 - Educational opportunities
 - Credentials/certificates obtainable
 - Links to apprenticeship opportunities
- Fielded 486 labor force data inquiries from a variety of customers including economic developers, chambers of commerce, other business groups, local governments and postsecondary educators

STRONG PARTNERSHIPS

Arapahoe/Douglas Works! plays a role in many statewide groups that influence workforce development in the greater Metro Denver area and Colorado.

- Rocky Mountain Workforce Development Association (RMWDA)
- Founding member of the Colorado Urban Workforce Alliance (CUWA) which now includes Larimer, Boulder, Adams, Denver, Jefferson, Arapahoe/Douglas, El Paso/Teller and Mesa workforce regions
- Member of Colorado's WIOA Central Planning Region, which includes approximately 83% of Colorado's employment
- Member Representation on the Governor Appointed Colorado Workforce Development Council (CWDC)
- Statewide Workforce Development Directors
- Statewide MIS group
- Statewide Business Development Representative group
- Colorado Workforce Development Council Career Pathways group
- Participant in Greater Metro Denver Healthcare Partnership, H1B and TEC-P sector partnerships which serve healthcare, information technology, aerospace and manufacturing sectors

MORE LOCATIONS

Arapahoe/Douglas Works! presently has five locations within the Local Area serving the Arapahoe/Douglas region:

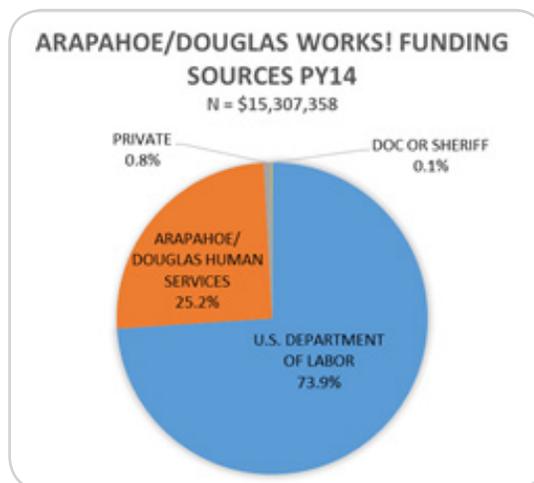
- Regional Workforce Center in Centennial
- Two Workforce Centers serving Aurora
- One Workforce Center in Littleton
- One Workforce Center serving Castle Rock

FUNDING AND OUTCOMES

Funding for investment in the area workforce was robust for the last program year (PY14), and preliminary indications suggest total funding will increase in the current program year with increased emphasis on the importance of workforce development.

Arapahoe/Douglas Works! continues to be strong in achieving workforce development outcomes. Selected outcomes from PY14:

- As of June 2015, Arapahoe/Douglas Works! is exceeding all 12 WIA Common Measures outcomes
- Average wage for all placements rose from \$18.67/hr. in July 2014 to \$21.41/hr. as of June 2015



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WEAKNESSES

PRIVATE FUNDING

Currently, only 0.8% of Arapahoe/Douglas WDB workforce development funding (\$120,432) is private.

As businesses increasingly face skill shortages, corporate training expenditures are rising. In the United States, companies spent over \$70 billion to provide a variety of training to their employees. However, the disadvantage to this approach is that it only addresses current employees and does nothing to address growing shortages of skilled workers.

It would be to the advantage of area businesses, particularly those in key sectors to address those critical needs cooperatively through efforts coordinated by the Arapahoe/Douglas WDB particularly since the current full employment environment, and aging demographic will necessitate reaching further into the surplus labor pool to capture vulnerable populations (see Opportunities and Threats sections for more detail).

OPPORTUNITIES

NEW SECTORS

At the recent Arapahoe/Douglas WDB meeting, the Board added Hospitality, Construction and Manufacturing to key industry sectors.

Construction

The construction sector currently employs over 133,000 people in the Arapahoe/Douglas area. Construction employment in the area is 1.33 times more concentrated than the national average. Leaders from the sector have approached both the Arapahoe/Douglas WDB and Arapahoe/Douglas Works! Workforce Center over the last year, and have expressed a strong need for help in workforce development.

Manufacturing

There are 11,898 people employed in manufacturing in the Arapahoe/Douglas workforce development area. This makes up just over 16.2% of total manufacturing employment in the greater Denver metro region. Manufacturing subsectors with the highest employment concentrations in the two-county Arapahoe/Douglas region include machinery, medical device, medical instrument and aerospace manufacturing.

Hospitality

The hospitality sector as a whole, which includes eating and drinking establishments and hotels, as well as arts, entertainment and recreation, has long been a central aspect in youth programming at Arapahoe/Douglas Works! The sector offers many 'on-ramps' and opportunities for advancement along a variety of career pathways.

CHANGING POLICY

The Workforce Innovation and Opportunity Act (WIOA) calls for a significant increase in services to vulnerable populations using an expanded training model. In addition, the U.S. Congress is considering reauthorization of Temporary Aid to Needy Families (TANF) to provide more opportunity for training.

Funding just became available for Disability Navigators in Colorado's workforce development system. These navigators will help persons with disabilities find work and better access more intensive programming, as well as training.

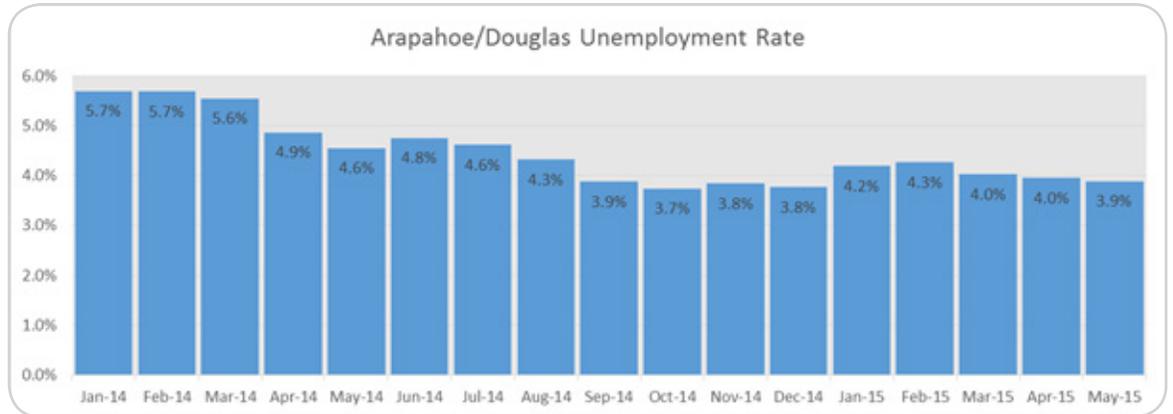
Vulnerable populations now being served through Arapahoe/Douglas Works! include:

- Veterans and their families
- Ex-offenders
- TANF participants
- SNAP (food stamp) recipients
- Non-custodial parents in arrears with child support
- Persons with various disabilities
- Long-term unemployed
- Youth in foster care
- Mature workers
- Persons with multiple barriers

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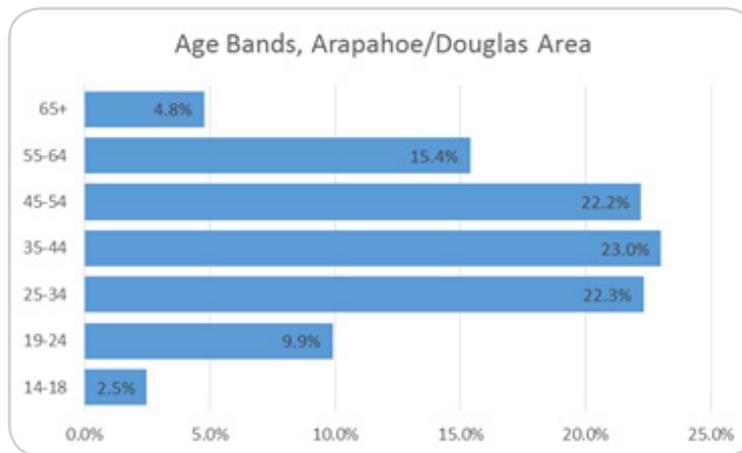
THREATS

The greatest threat facing the Arapahoe/Douglas WDB over the next several years is a shrinking supply of workers in general, and particularly highly skilled workers.



FULL EMPLOYMENT

Economists generally believe full employment happens when the unemployment rate goes below 5%. The preliminary May 2015 unemployment rate for the two-county Arapahoe/Douglas area is 3.9%.



Full employment creates friction in the labor market such that businesses find it increasingly difficult to fill positions, particularly skilled positions critical to their core business function.

This has the effect of driving wages up in these critical positions, and if provision is not made to supply adequate numbers of new workers through the region's training pipeline, businesses will have to resort to poaching them from each other.

AGING LABOR FORCE

The aging labor force will exacerbate this problem over the next decade. This bar chart shows the current age bands of the Arapahoe/Douglas labor force. An analysis of the chart shows a significant (-7.7%) age gap between workers under age 35 versus workers 45 years or older.

What this means is that when those 45 and older begin leaving the labor force, there will be a 7.7% structural shortfall in labor supply.

While these two issues seem threatening enough, a third factor suggests a growing shortage in skilled workers that will not be mitigated merely by in-migration.

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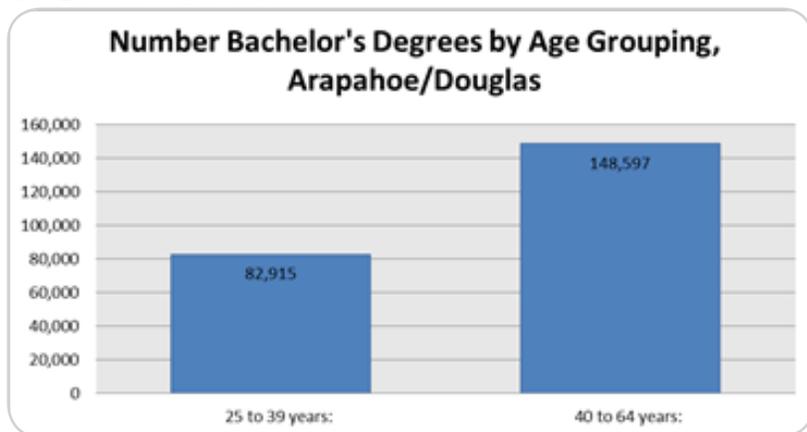
While only a portion of the labor force must have bachelor's degrees, this age gap in educational attainment extends to all levels of postsecondary training, including less traditional venues, such as apprenticeships.

Successful sector partnerships throughout the nation have shown business leaders that it is more efficient to cooperate to ensure a steady supply of critically skilled workers than to try and address these needs individually.

HIGH COST OF POSTSECONDARY TRAINING

This table, courtesy of the U.S. Census Bureau American Community Survey 2013 1-Year Estimates, shows a significant gap in the number of bachelor's degrees by age grouping.

Data on rapidly rising student loan debt loads over time strongly suggests that the cost of postsecondary education, which has risen much more rapidly than inflation, is a causal factor in the decreasing number of younger workers who have bachelor's degrees. What this means is that for each older worker with a degree leaving the workplace, there are only 0.55 degreed younger workers to take their place.



With a diverse economy that depends on advanced technology, this is a very serious gap.

ACUTE SHORTAGES

These three factors all contribute to a pending and increasingly severe shortage in skilled labor to fill jobs in key industry sectors within the Arapahoe/Douglas area and the greater metro Denver region at large.

TRENDS AND SOLUTIONS

SECTOR PARTNERSHIPS

The sector partnerships model as developed by the region under the auspices of the Colorado Urban Workforce Alliance (CUWA), and other forward thinking entities, such as Denver South Economic Development Partnership, calls for business leaders in key industry sectors to act cooperatively around ensuring an ongoing supply of skilled workers for critical positions.

The Greater Metro Denver Healthcare Partnership has proven sustainable precisely because leaders in hospital and ambulatory care systems have come to see tremendous value in this cooperative effort. At this point, the lack of private funding supporting the partnership is being addressed by leaders in these healthcare systems.

BADGING

Badging arises from cooperative efforts around critical occupations made through sector partnerships. In a nutshell, it means that a person might learn a certain set of skills internally with one firm in an industry, but by agreement among local leaders in that industry sector, this 'badge' is recognized across the sector.

In the dot com bust early this century, we saw many laid off from telecommunications who had high level training and credentials internal to the company from which they were laid off, but which was NOT recognized in any other company. The new trend of 'badging' addresses this problem so that highly skilled workers do not fall through the cracks.

REACHING DEEPER

For various reasons, a significant number of people have not been able to find work and have either become 'long-term unemployed' (27 weeks or longer) or have been forced to work part-time for economic reasons. It is estimated that there are over 14,000 long-term unemployed and persons working part-time for economic reasons in Arapahoe county alone.

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On June 29, 2015, Tuliva Academy and the Arapahoe/Douglas Youth in the Works program partnered to offer 34 youth between 16 and 24 the opportunity to attend a 12-week training program which will prepare and 'badge' them to qualify for entry-level software development and IT technical support positions. Software development is a critical skill throughout greater metro Denver.

The full employment environment, workforce and training age gaps necessitate a more efficient use of potential labor supply. For example, the trend to provide more training options for TANF and other social assistance recipients reflects the necessity of tapping into this significant underutilized labor supply.

There are also trends to provide more pre-release services to offenders, coupled with better connections to the workforce development system on release. Arapahoe/Douglas Works! is currently working with both the Arapahoe and Douglas county sheriff's departments, as well as the state Department of Corrections to tap into this potential supply of labor.

Colorado recently earned a grant to provide workforce centers, including Arapahoe/Douglas Works! with Disability Navigators. This will allow persons with disabilities to better access all workforce development resources and programming, and will increase employment outcomes for this population.

INNOVATIVE TRAINING MODELS

Tapping underutilized labor supply requires innovative training methods, and Arapahoe/Douglas Works! has developed several 'best-practice' training models. The Arapahoe/Douglas Youth in the Works program offers 'academies' whereby youth participants undergo a combination of formal (classroom) training, experiential (hands-on) training and earn an industry recognized credential or 'badge.'

In addition, due to a new agreement with Kelly Services, Arapahoe/Douglas Works! is offering work experience, which is short term subsidized employment for the purpose of rapidly preparing participants for employability. Work experience is most often done in conjunction with classroom training.

Arapahoe/Douglas Works! is currently experiencing success in expanding On-the-Job Training (OJT) across all its programs. In an OJT, a participant is placed in a job for which they lack a certain set of skills but are otherwise qualified. Wages are subsidized by Arapahoe/Douglas Works! for a finite period of time in order to help the business who hired the participant offset the cost of the training. A successful OJT results in a permanent hire.

Incumbent worker training is now possible through WIOA. Its purpose is to a) train existing workers in critical skills to prevent layoff, or b) to upskill existing workers to fill a critical need in the organization. When training incumbent workers, Arapahoe/Douglas Works! generally finds it good practice to negotiate to backfill the vacant positions the incumbent workers will leave upon successful completion of the training.

REDUCTIONS IN NON-MILITARY DISCRETIONARY SPENDING

Federal workforce development funding is considered to be in the 'non-military discretionary' spending category, and as such is subject to various reductions and rescissions.

Regional sector partnerships will indirectly mitigate this as business leaders in key sectors see that cooperation to achieve a steady supply of qualified workers has tremendous value, and as federal grant funding has expired, forward thinking sector leaders will supplant this funding, at least in part, with private funds already earmarked for corporate training.

MAKING NEW PARTNERSHIPS EFFICIENT AND EFFECTIVE

WIOA requires additional partnerships, including Adult Basic Education and the Division of Vocational Rehabilitation. The Arapahoe/Douglas WDB has been quite effective with Arapahoe/Douglas Works! in creating effective working relationships with:

- Sister workforce regions
- A member of CUWA
- Economic developers and chambers of commerce
- Postsecondary educators, particularly community colleges and state universities
- Workforce development related programming in Human Services departments

New partnerships will have to be fleshed out, beginning at the 2015 Rocky Mountain Workforce Development Association (RMWDA) Summit. Cross referral and internal programming issues should prove relatively easy to address; the more critical issue will prove to be cooperative business outreach. Specifically, Memorandums of Understanding (MOUs) will have to spell out business relationships so that multiple partners aren't independently calling the same potential employer.

White Paper

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CONTINUED ATTRACTION OF SKILLED WORKERS IN 25-44 AGE GROUP

Not only must we as a workforce development area within the greater metro Denver region and the more extended WIOA Colorado Central Planning Region reach more deeply into underutilized labor supply, we must also help economic developers reach out and continue to support the high quality of life offered by the region in order to promote in-migration of skilled workers in the critical 25-44 age group.

Quality of life encompasses many things. Those things which are in our control locally:

- Transportation infrastructure
- Parks and open space
- Recreational and cultural opportunities
- Employment opportunities
- Affordable housing
- Affordable postsecondary training and education

REGENERATIVE ECONOMIC EXPANSION

The Arapahoe/Douglas WDB's Opportunity Works group, Arapahoe/Douglas Works! and Denver South Economic Development Partnership have been exploring ways to create meaningful economic expansion within the region that supports key industry sectors and strengthens the local economy as a whole.

- In order to operate, businesses in key sectors in the Arapahoe/Douglas area must purchase goods and services from other businesses in other industry groups. Most of these goods and services are purchased in the region, but many are purchased from firms outside the region.
- To promote meaningful economic expansion, the formation of new business in the region that provides these goods and services can help the local economy expand and become stronger.

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Industry Purchases, Key Sectors, Arapahoe/Douglas Area		
NAICS	Industry	Amount Purchased Out of Region
511210	Software Publishers	\$ 114,816,380
561320	Temporary Help Services	\$ 36,913,604
561110	Office Administrative Services	\$ 31,807,434
481111	Scheduled Passenger Air Transportation	\$ 28,280,704
522110	Commercial Banking	\$ 25,456,620
541110	Offices of Lawyers	\$ 24,209,109
533110	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	\$ 23,493,192
551114	Corporate, Subsidiary, and Regional Managing Offices	\$ 21,404,437
541611	Administrative Management and General Management Consulting Services	\$ 20,735,243
721110	Hotels (except Casino Hotels) and Motels	\$ 15,978,377

Source: EMSI QCEW, Non-QCEW and Self-Employed 2015.2

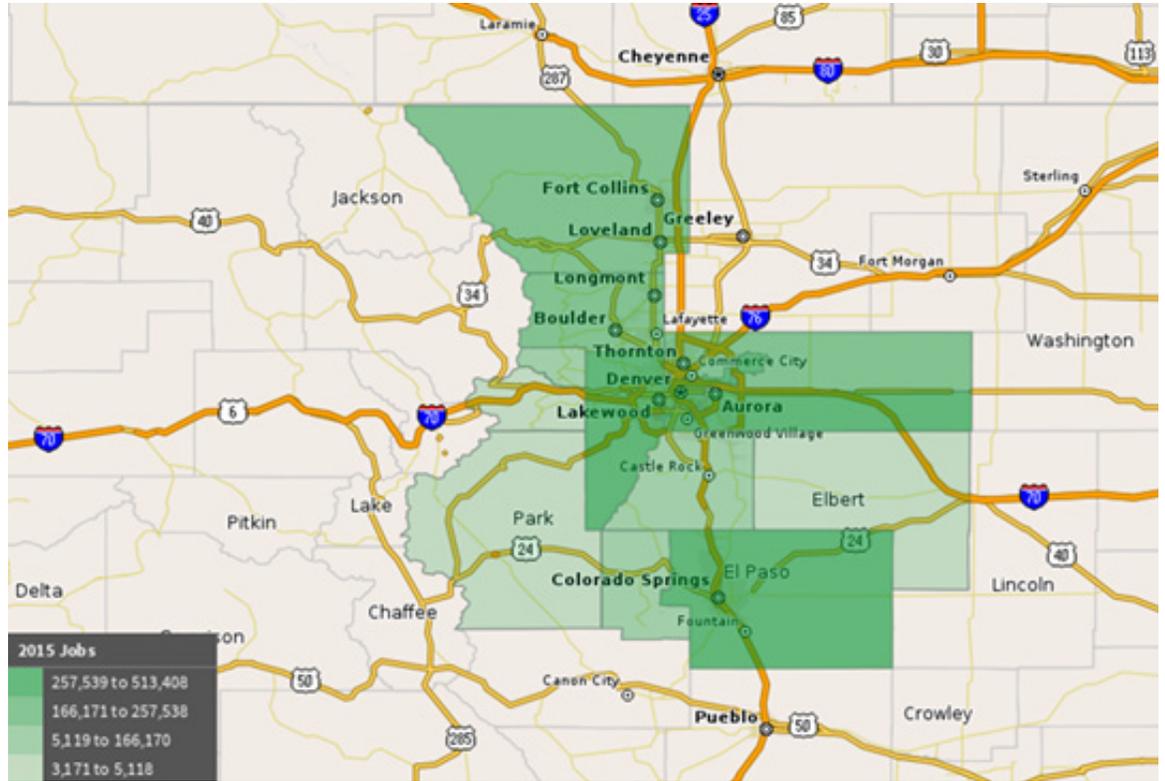
The table above shows the top ten out-of-region purchases made by businesses in key industry sectors in the two-county Arapahoe/Douglas area. Using this data to create regenerative economic expansion in the area will require a strong partnership between the Arapahoe/Douglas WDB and Denver South EDP.

- Denver South can work with leaders in key sectors to capitalize new firms that produce needed services
- Arapahoe/Douglas Works! can work with its educational partners to train underutilized labor supply, such as TANF participants, in the occupations necessary to provide needed services
- Newly trained workers will staff the new companies and perform work supplied by the key sector firms; this economic activity will then be retained inside the area
- As the new companies pay back the initial capital to the key sector firms that supplied it, the workers themselves could take ownership of the new companies and use net profits to provide self-sufficient wages and even fulfill specific needs such as subsidizing child care; this approach would particularly work in the office administrative sector.

White Paper

APPENDIX

The WIOA Colorado Central Planning Region runs from the Wyoming border to greater Colorado Springs and includes the Larimer, Weld, Boulder, Broomfield, Adams, Denver, Arapahoe/Douglas, Jefferson and ElPaso/Teller workforce regions. It also includes Elbert County, as it is part of the official Bureau of Labor Statistics definition of the Denver-Aurora-Lakewood MSA.



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Jobs by Industry: 2015							
NAICS	Industry	Arapahoe/ Douglas Region	WIOA Colorado Central Planning Region	Colorado	Percent (AR vs. WIOA CPR)	Percent (WIOA CPR vs. Colorado)	
51	Information	22,848	63,412	71,162	36%	89%	
52	Finance and Insurance	35,981	101,277	113,152	36%	90%	
55	Management of Companies and Enterprises	11,215	34,046	36,001	33%	95%	
56	Administrative and Support and Waste Management and Remediation Services	37,407	148,710	174,171	25%	85%	
44	Retail Trade	52,222	215,428	267,095	24%	81%	
54	Professional, Scientific, and Technical Services	47,428	206,138	227,729	23%	91%	
62	Health Care and Social Assistance	55,490	241,782	293,024	23%	83%	
71	Arts, Entertainment, and Recreation	9,420	43,930	61,392	21%	72%	
23	Construction	33,867	158,837	196,118	21%	81%	
53	Real Estate and Rental and Leasing	9,599	45,590	58,468	21%	78%	
42	Wholesale Trade	18,434	89,958	104,389	20%	86%	
81	Other Services (except Public Administration)	21,811	107,576	127,116	20%	85%	
72	Accommodation and Food Services	37,261	205,314	266,838	18%	77%	
61	Educational Services	8,200	48,162	52,685	17%	91%	
90	Government	54,017	379,379	467,800	14%	81%	
31	Manufacturing	11,138	125,431	144,617	9%	87%	
48	Transportation and Warehousing	5,419	64,078	76,068	8%	84%	
22	Utilities	384	5,118	8,303	8%	62%	
21	Mining, Quarrying, and Oil and Gas Extraction	1,705	24,564	36,464	7%	67%	
11	Crop and Animal Production	497	13,097	27,179	4%	48%	
	Totals	474,343	2,321,827	2,809,771	20%	83%	

Source: EMSI QCEW, Non-QCEW and Self-Employed 2015.2

White Paper

The map and table on the preceding page show employment patterns by county and by industry group within Colorado WIOA Colorado Central Planning Region. Some key points:

- The Arapahoe/Douglas workforce development area has 20% of total employment in the region
- The region itself has 82% of the employment in Colorado
- Industry groups where employment is relatively concentrated in the two-county Arapahoe/Douglas region include:
 - Information
 - Finance and insurance
 - Management of companies and enterprises

The WIOA Colorado Central Planning Region at large basically reflects the same strengths, weaknesses, opportunities, threats and trends as the Arapahoe/Douglas workforce development area. Some key differences:

- The WIOA Colorado Central Planning Region has 48% of Colorado's agricultural production
- El Paso/Teller and Arapahoe/Douglas are most vulnerable to military base closures
- El Paso/Teller, Jefferson and Arapahoe/Douglas are most vulnerable to cuts in aerospace and other defense spending
- Should Front Range Airport earn 'spaceport' designation, vulnerability in civilian aerospace employment may be partly mitigated in greater metro Denver
- Commute patterns generally reflect MSA boundaries with little cross commuting between; residents of Weld, Larimer and Boulder have the most extensive cross commuting patterns
- Agriculture is less significant in the region than in more rural areas of Colorado, but remains vital to the statewide economy

Generally, the workforce development partnership, policy and operating decisions made at the upcoming Rocky Mountain Workforce Development Association summit will affect Colorado's entire economy moving forward.

COMMUTE PATTERNS FOR CENTRAL PLANNING REGION

Inflow/Outflow Pattern		
County	Percent Commuting Into County	Percent Commuting Out of County
Adams	66.3%	71.8%
Arapahoe	65.6%	63.5%
Boulder	50.2%	41.5%
Broomfield	87.9%	86.2%
Clear Creek	79.1%	87.2%
Denver	70.5%	52.3%
Douglas	64.2%	75.4%
El Paso	21.8%	23.1%
Elbert	55.4%	88.8%
Gilpin	89.2%	75.1%
Jefferson	58.2%	65.5%
Larimer	32.6%	36.3%
Park	62.0%	90.2%
Teller	45.0%	65.5%
Weld	42.7%	60.6%

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics

The U.S. Census Bureau has detailed data on commute patterns. The 'Percent Commuting Into County' column shows the percent of total jobs within each county that are filled by people who commute in from other counties.

The 'Percent Commuting Out of County' column shows the percent of workforce living in the county who commute out to other counties to work.

Counties that have a relatively small percentage commuting in and out are more self-contained than counties with larger percentages.

Counties such as Elbert, Park, Gilpin, and Teller have lower percentages commuting into the county to work than residents leaving the county to work elsewhere. What this means is that these counties are more residential in nature, and supply a significant portion of the Central Planning Region's labor force.



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