

Arapahoe/Douglas Works!

Labor Supply & Demand Report Third Quarter 2023

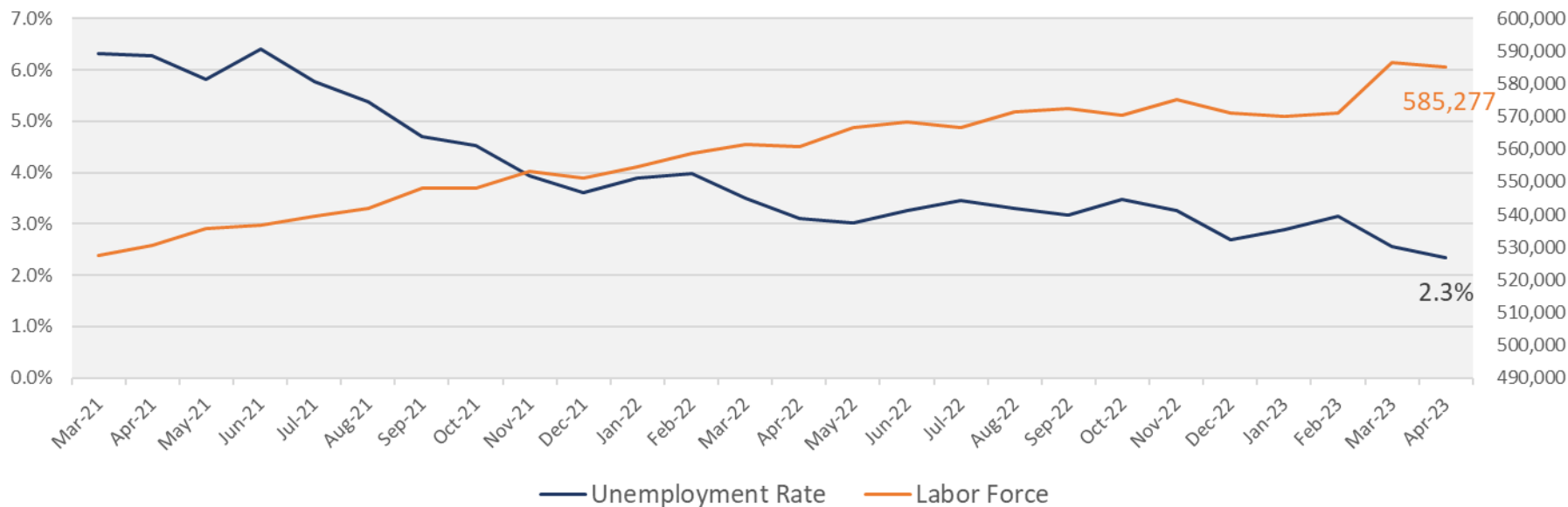
Labor Market Update

Local Unemployment Trending Slightly Up

The unemployment rate in Arapahoe and Douglas counties has trended down slightly while the labor force stayed nearly level from March 2023.

Unemployment & Labor Force, Combined Arapahoe & Douglas Counties

Source: US Bureau Labor Statistics, Local Area Unemployment



Employment Situation, Metro Denver

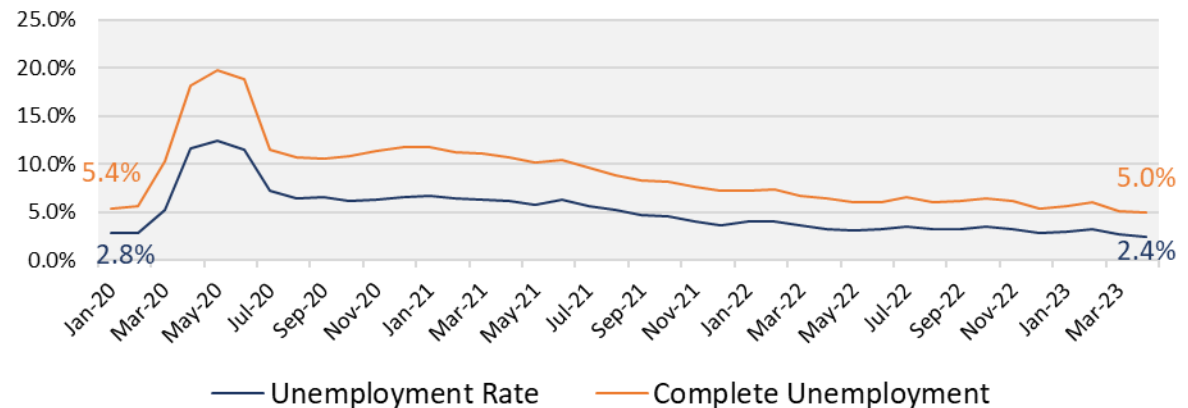
The orange 'complete unemployment' line in this graph shows unemployed, discouraged, marginally attached, and persons working part time for economic reasons. It is based on national Alternate Measures of Labor Underutilization published monthly by the Bureau of Labor Statistics.

Labor Force (Millions), Greater Metro Denver
(Not Seasonally Adjusted)

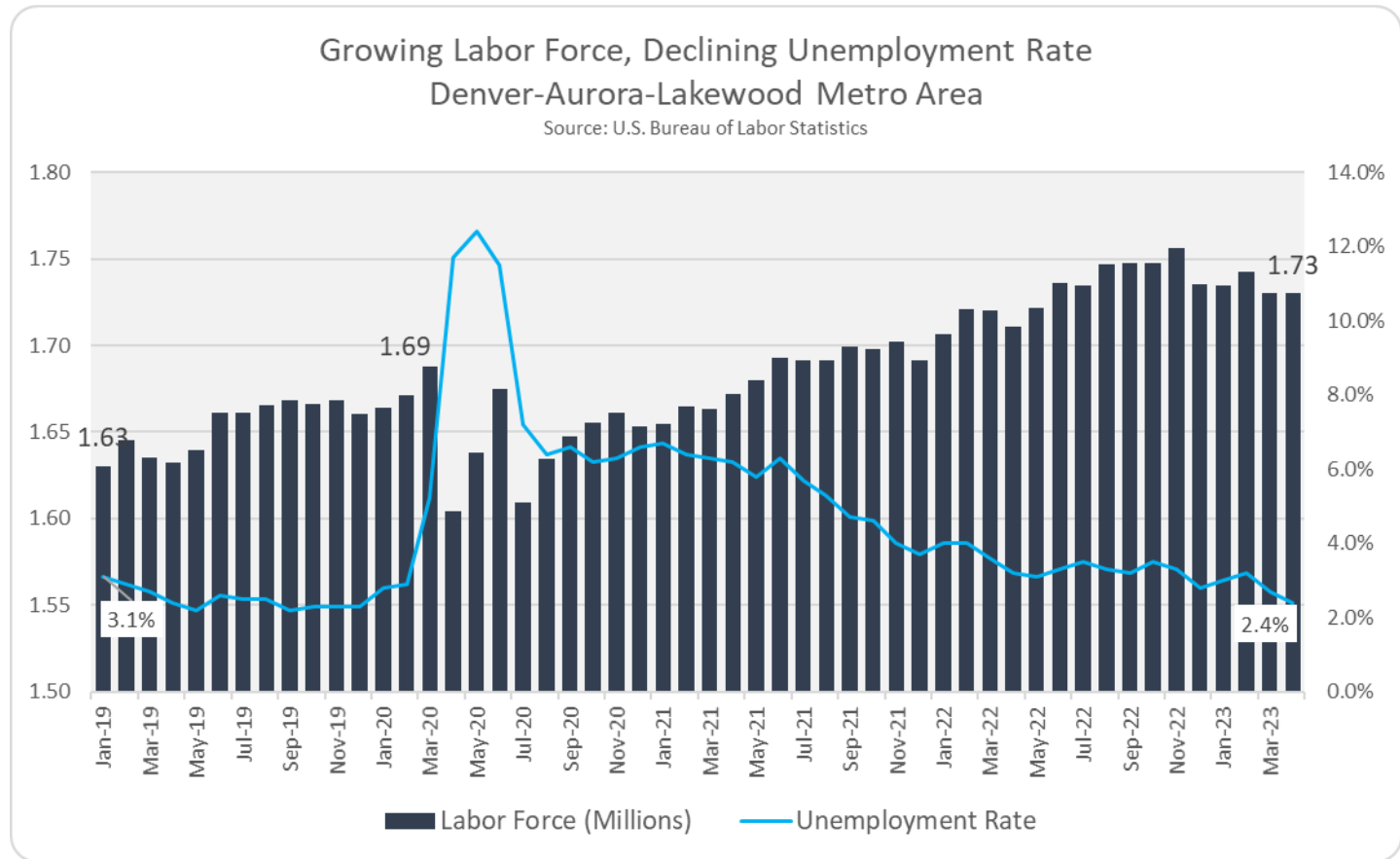
Source: U.S. Bureau of Labor Statistics



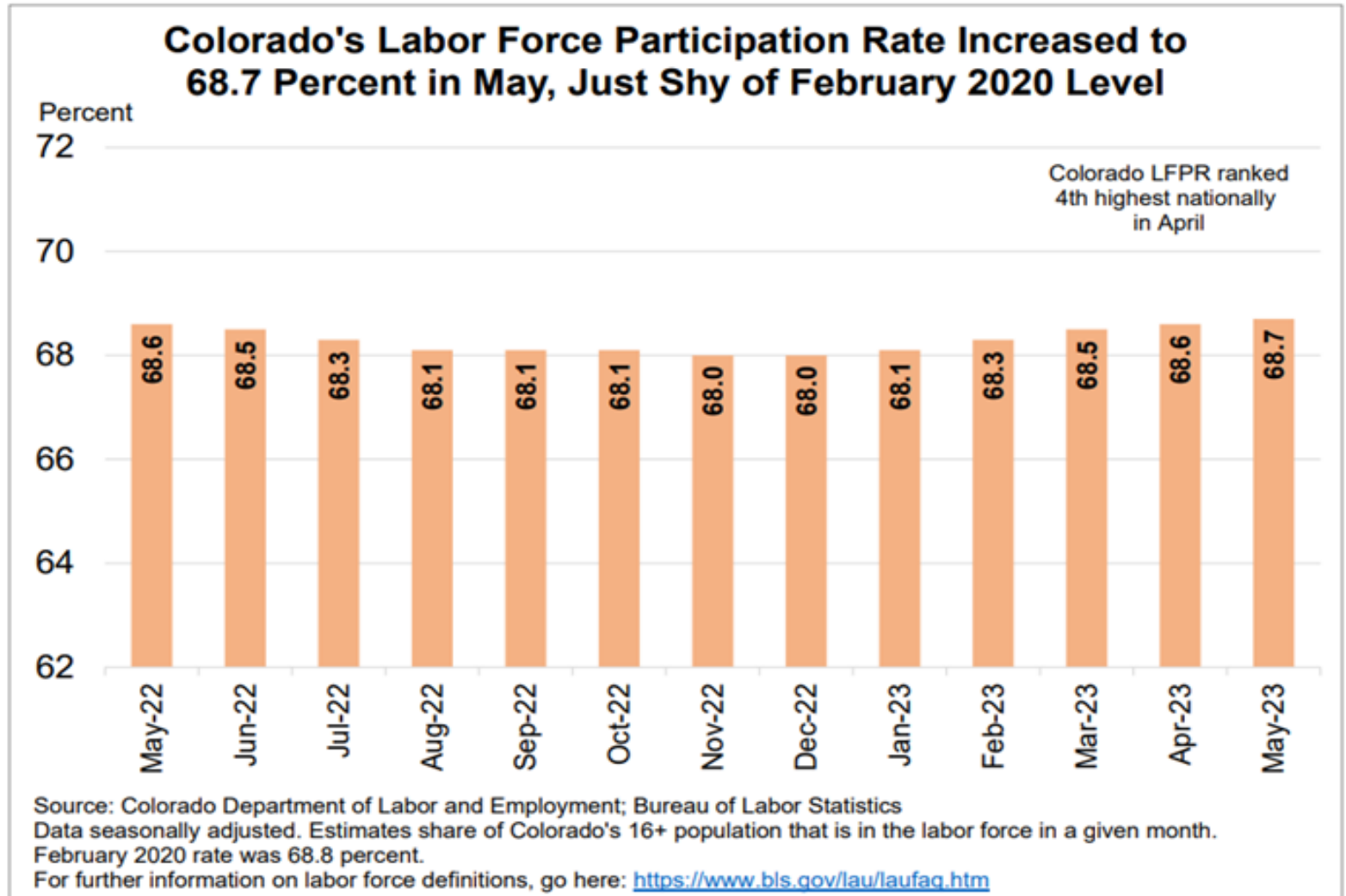
Employment Situation, Greater Metro Denver
(Not Seasonally Adjusted)



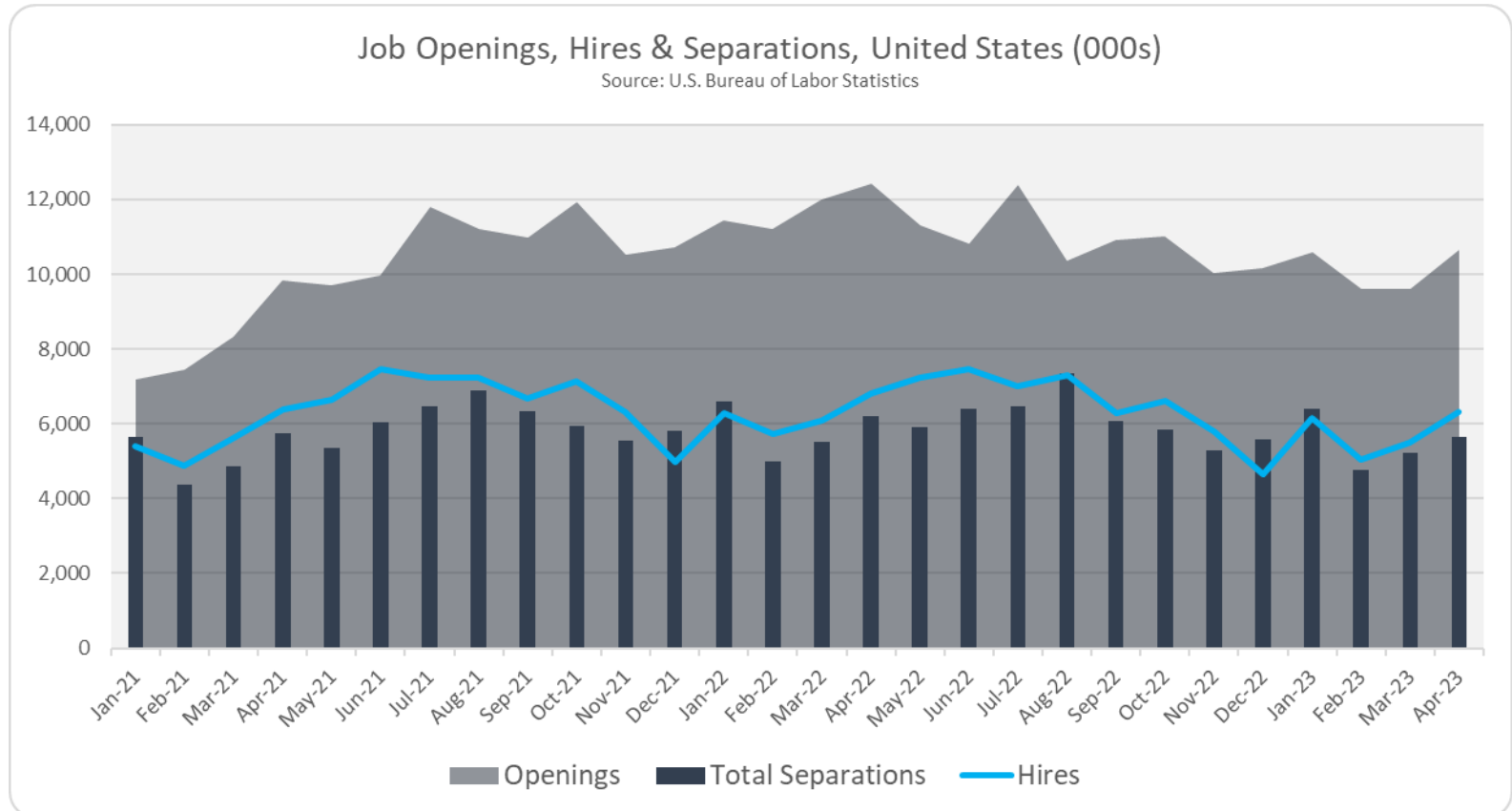
Unemployment and Labor Force Trends, Metro Denver



High Labor Force Participation Statewide

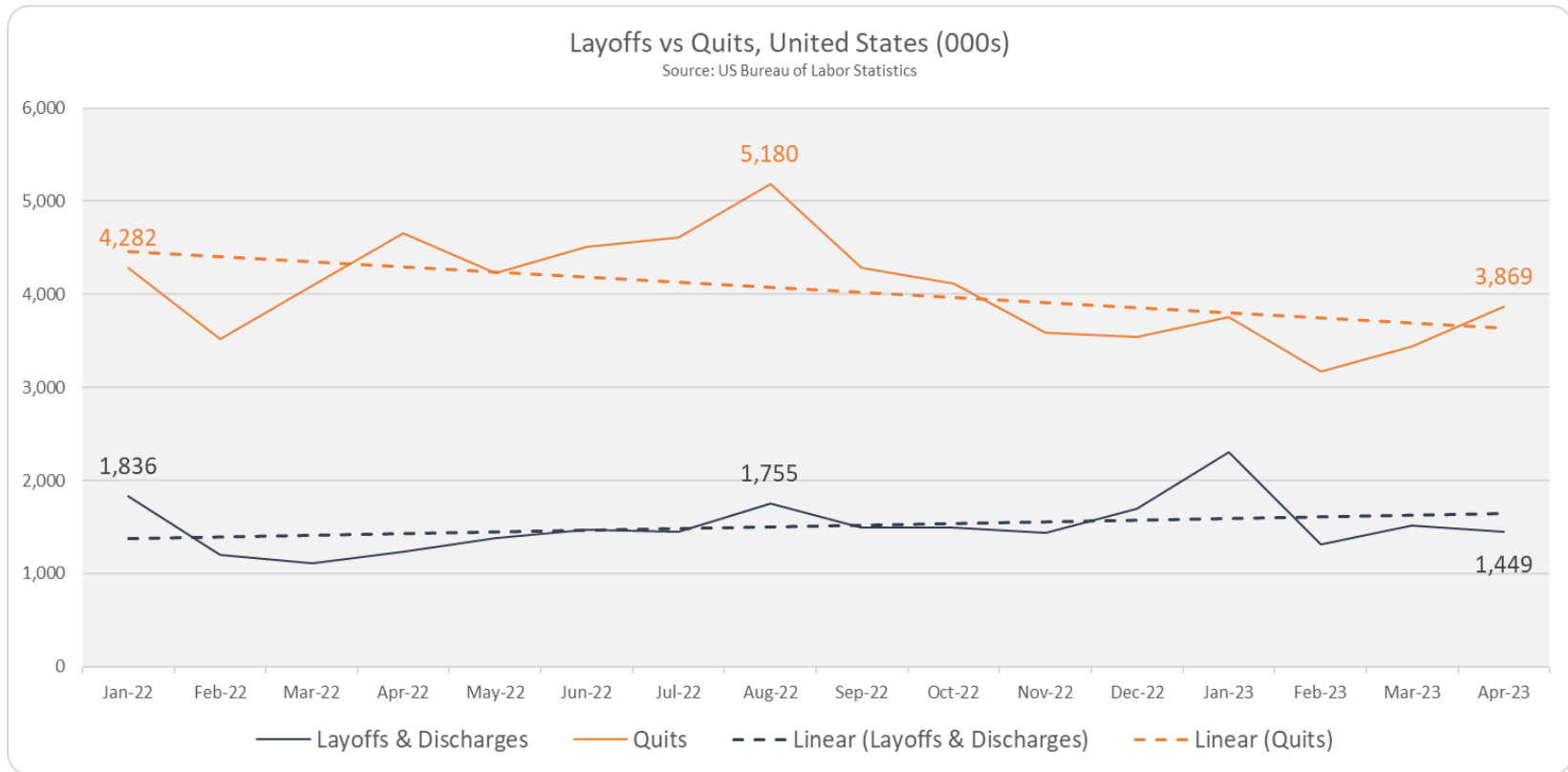


Jobs, Hires & Separations, United States



Net hires are determined by subtracting the number of separations from the number of hires. In April 2023, 272,000 more people were hired than left their jobs in the face of 10.6 million job openings.

Layoffs vs Quits, United States

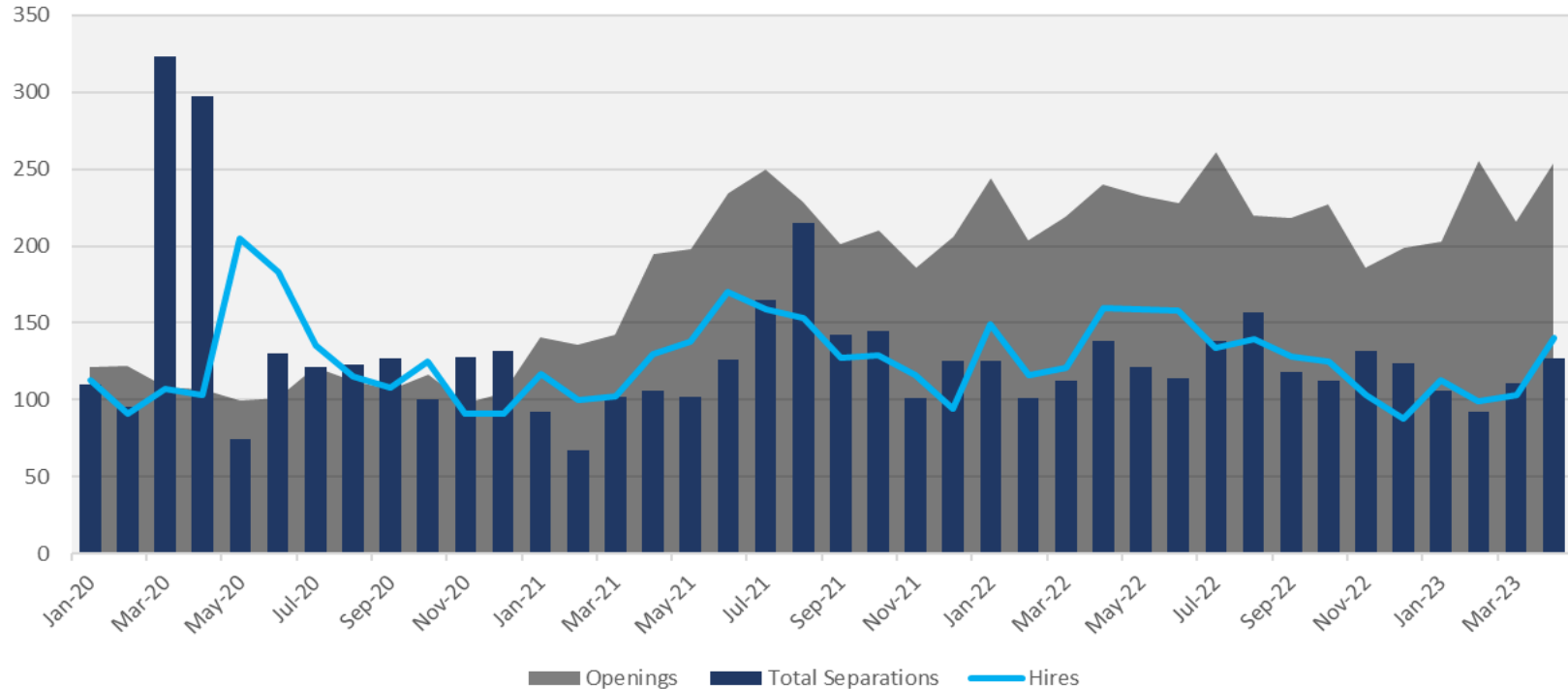


The Fed is raising interest rates, which cuts the money supply by making loans harder to get. The expected result of this is that demand for goods and services will go down, resulting in layoffs, which will then create a temporary labor surplus and serve to drive wages down. Due to structural scarcity in the labor force, this is only partially working. Demand for goods and services has gone down, while layoffs remain level, while the number of quits is trending up.

Jobs, Hires & Separations, Colorado

Job Openings, Hires & Separations, Colorado, (in Thousands)

Source: U.S. Bureau of Labor Statistics, Job Openings & Labor Turnover Survey

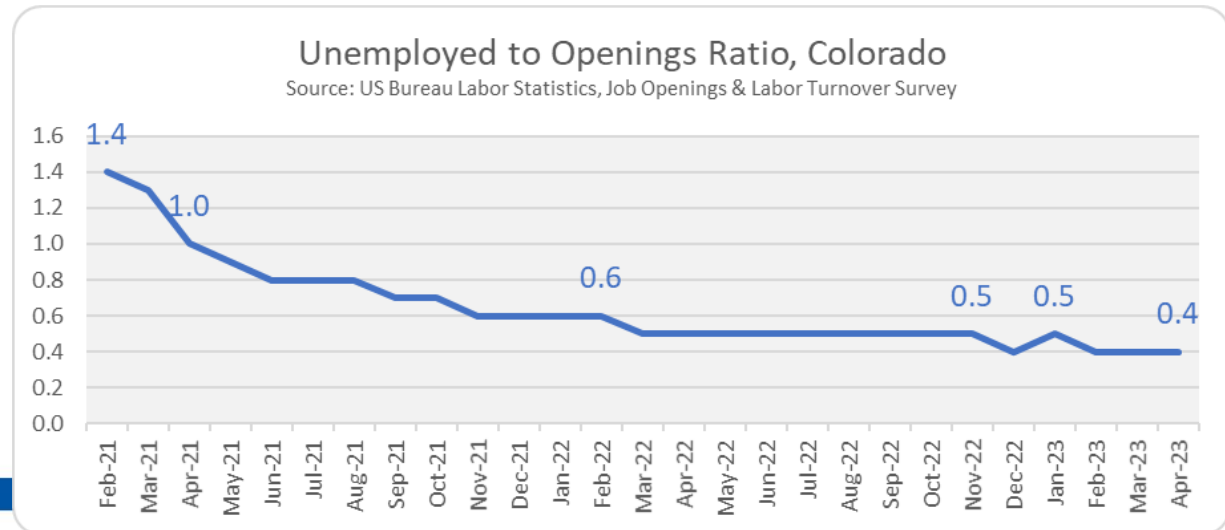
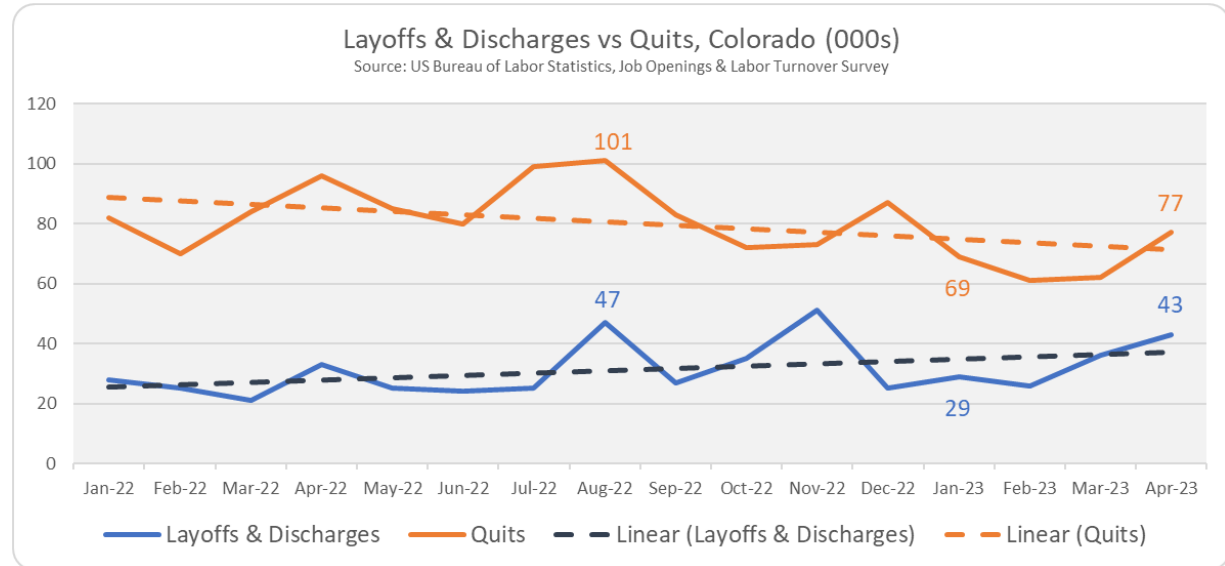


Net hires are determined by subtracting the number of separations from the number of hires. In April 2023, 13,000 more people were hired in Colorado than left their jobs in the face of 254,000 job openings.

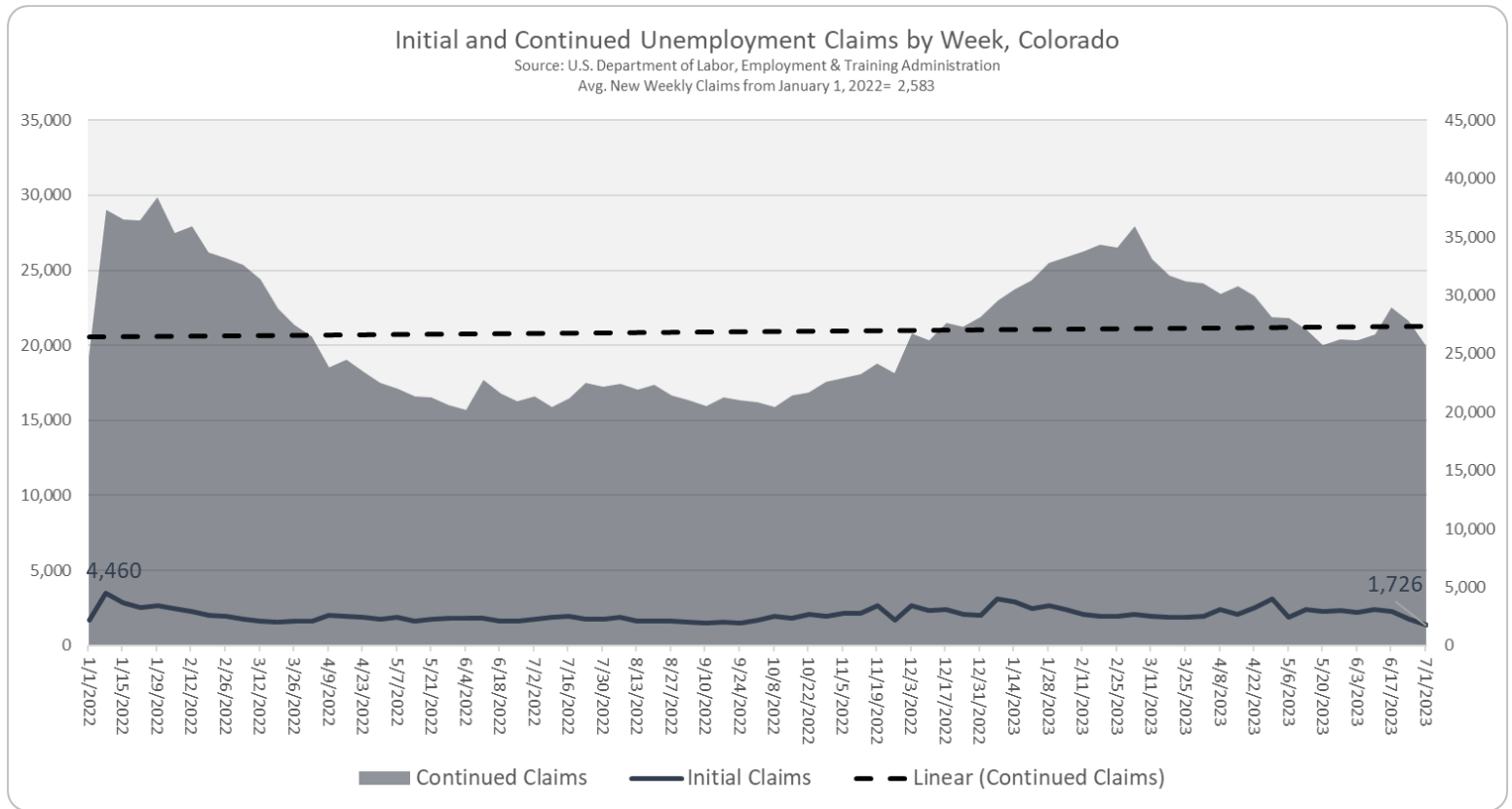
Quits vs Layoffs, Colorado

These graphs show a similar pattern to that of the United States. Note that layoffs are trending gradually upward, while quits are trending upwards at a slightly higher rate.

Scarcity is reflected by the bottom line graph, which shows only four applicants for every ten job openings.



New Unemployment Claims

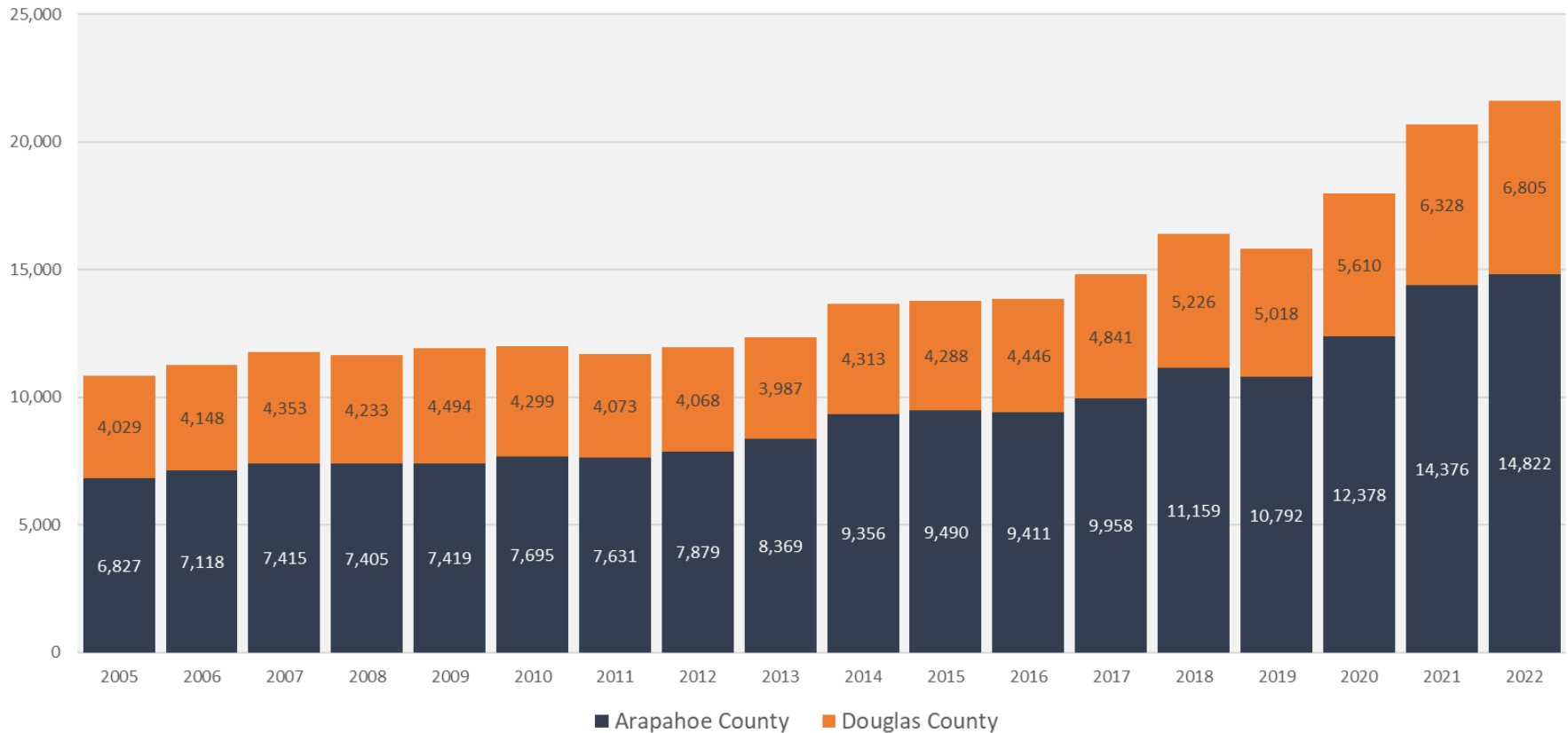


New unemployment claims and continued claims in Colorado are now lower than pre-pandemic levels. Businesses are generally slowing hiring, but are still working hard to retain existing staff in the face of persistent scarcity.

New Business Applications Arapahoe & Douglas Counties

New Business Applications, Arapahoe and Douglas Counties, by Year

Source: US Census Economic Indicators

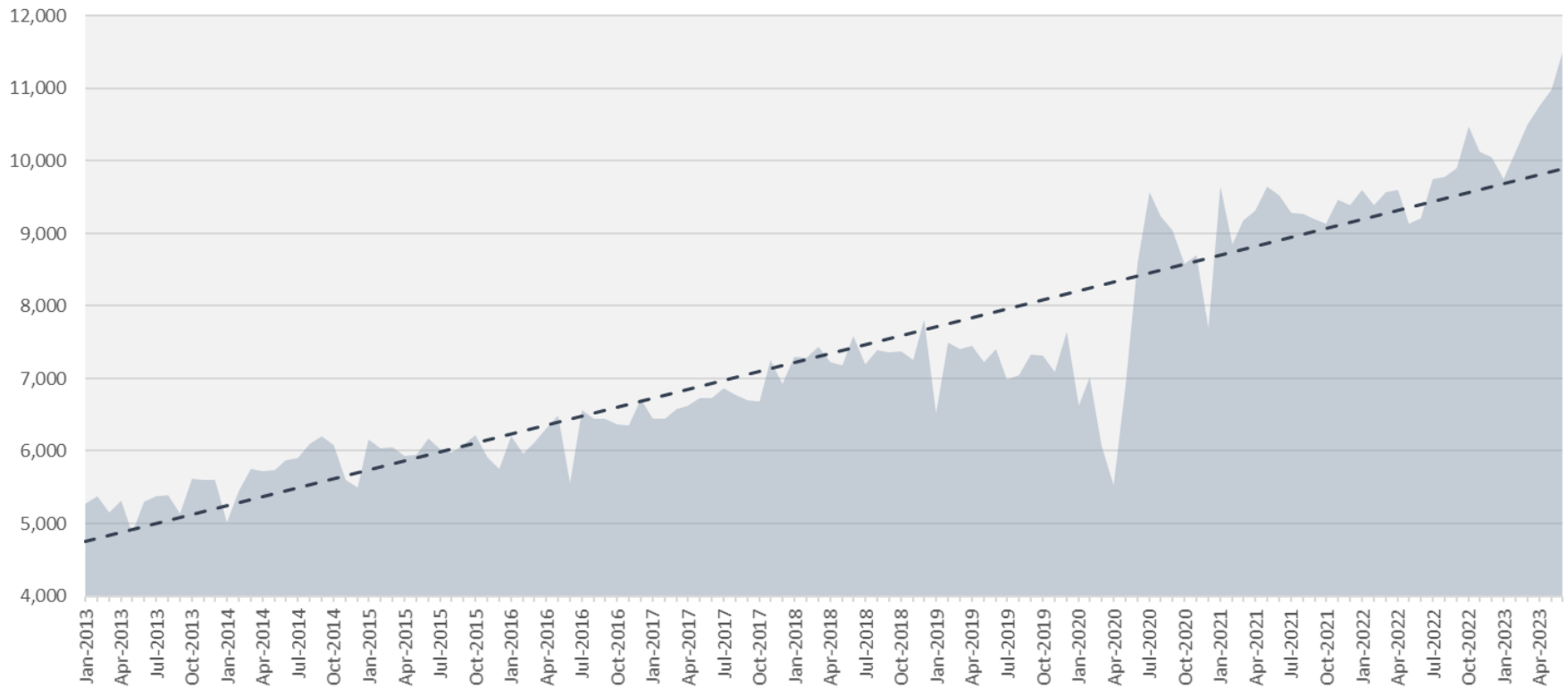


New Business Applications, Colorado

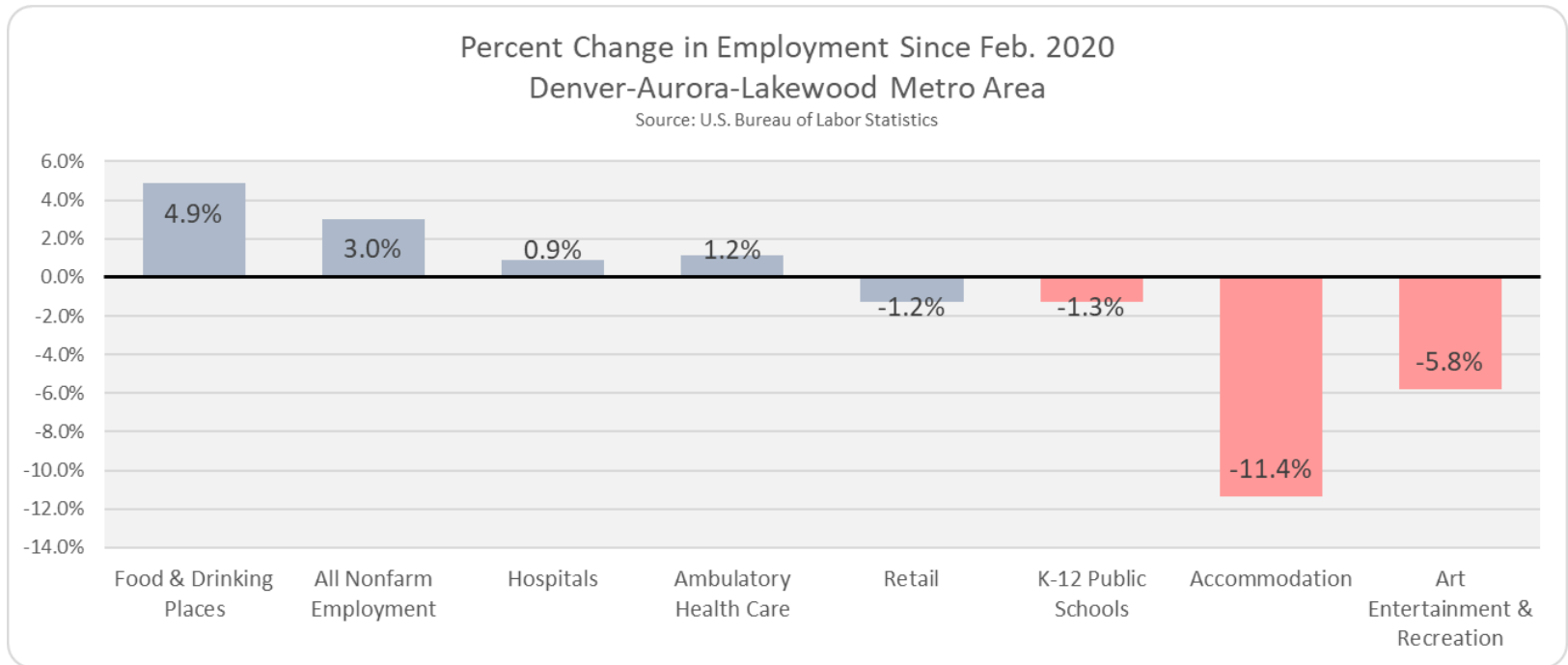
New Business Applications, Seasonally Adjusted, Colorado

Average 2013 - 2020 = 6,565 || Average 2021 - 2023 = 9,736

Source: US Census Economic Indicators



Percent Change in Employment by Sector

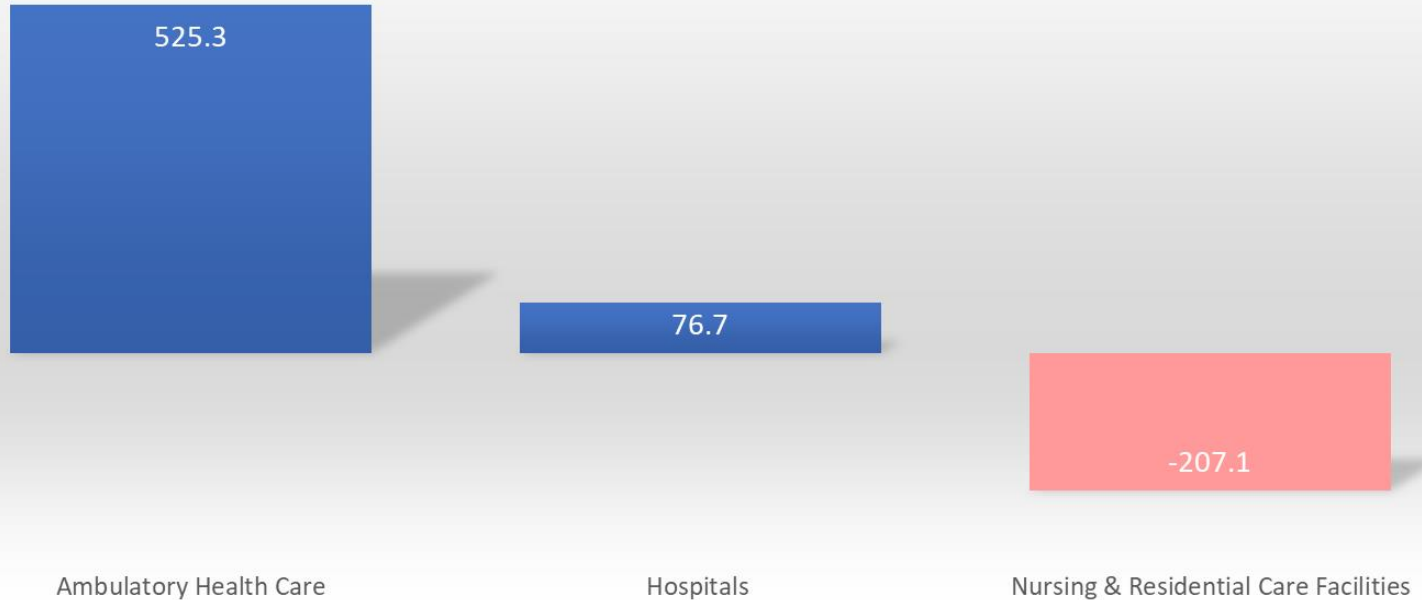


This bar graph shows job recovery from pre-pandemic levels for selected industries as of November 2022. Accommodation still lags over 11%, and employment in K-12 is still slightly down from pre-pandemic levels.

Spotlight on Healthcare (United States)

Employment in Healthcare, United States, June 2023 (in Thousands)

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics



Employment in the healthcare sector is above pre-pandemic levels. Generally, scarce healthcare professional and support staff have migrated to ambulatory care, which offers predictable hours in a lower stress settings. Employment in Nursing and Residential Care Facilities remains significantly below pre-pandemic levels.

Real Time Labor Force Trends

Fastest Growing Skills 2023

Fastest-Growing Digital Skills 2023

Rank	Skill name	Rank Change*
1	Scrum software development	+86
2	Data visualization	+75
3	Customer success tools	+67
4	E-commerce	+63
5	CRM software	+61
6	User experience design	+61
7	Agile software development	+60
8	Software framework development	+60
9	System software development	+55
10	Search engine optimization	+52

Fastest-Growing Human Skills 2023

Rank	Skill name	Rank Change*
1	Storytelling	+49
2	Change management	+45
3	Organizational development	+23
4	Influencing	+20
5	People management	+19
6	Culture	+18
7	Collaboration	+16
8	Decision-making	+16
9	Communication	+15
10	Planning	+12

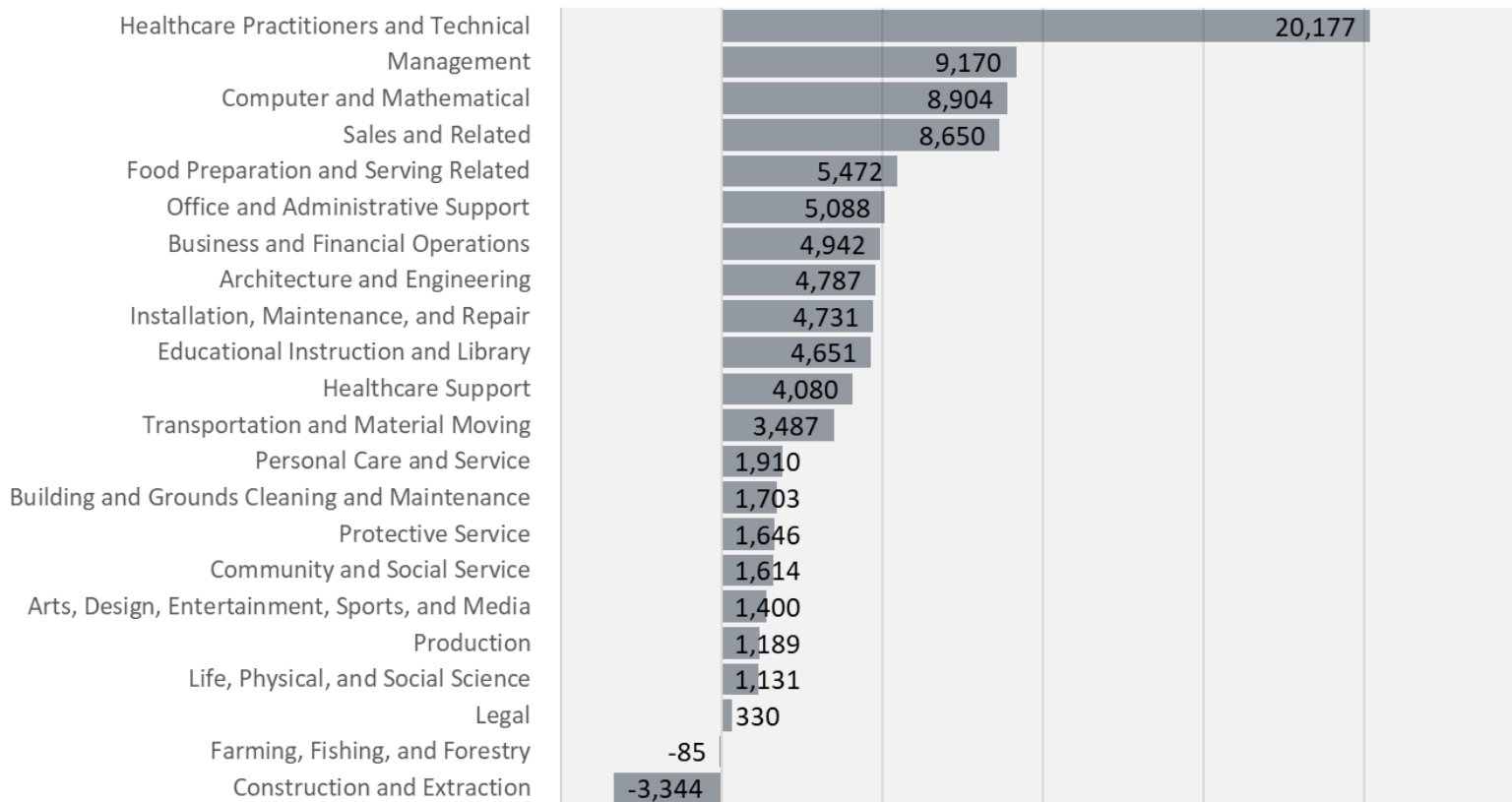
*Number of ranks this skill moved up from 2021 to 2022, based on the skill's share of enterprise learner enrollments

This is the latest data from a Coursera report titled, “The Job Skills of 2023.” It is interesting to see that data visualization, user experience design, customer success tools and storytelling have come to the forefront, with significant changes in rank from their 2021-2022 report.

Skill Gap, Metro Denver

Skill Gap by Occupation Family, March 2023, Greater Metro Denver
Shows Unique Job Postings in Excess of Estimated Number Unemployed

Source: Lightcast

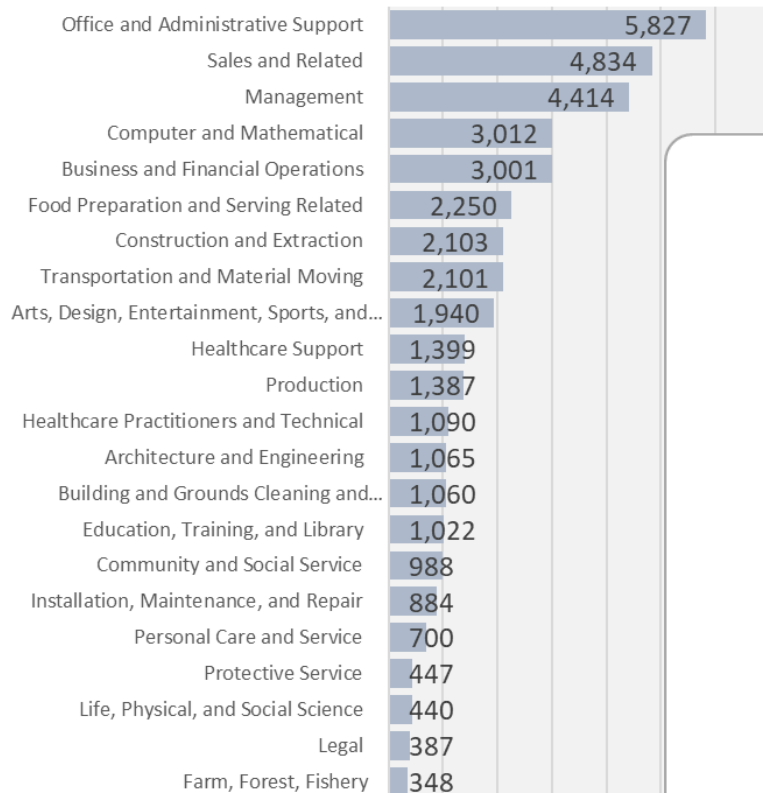


This bar graph illustrates the number of job posting versus people available to fill them. For example, there were 8,904 more jobs posted for Computer and Mathematical positions than there were available people.

Helping Make the Match

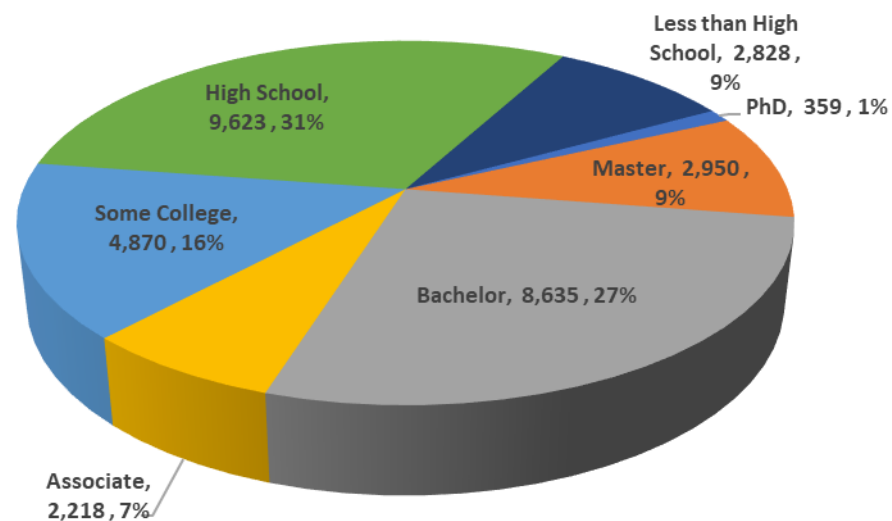
Labor Supply, Connecting Colorado Registrants Metro Denver, June 2023

Sources: Connecting Colorado, Applicant Search

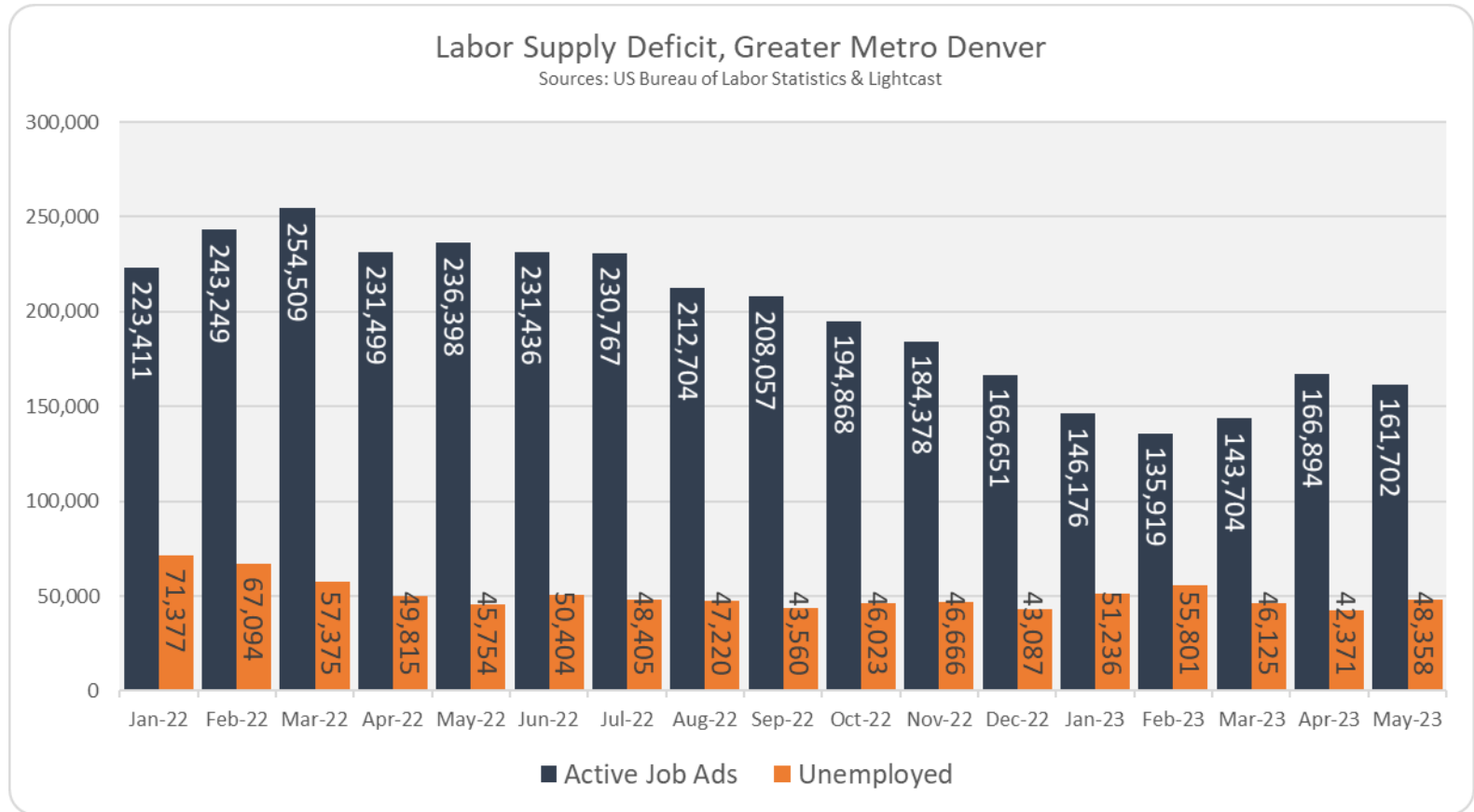


The graph and pie chart show workers immediately available through the workforce centers in greater metro Denver by occupational family and by educational attainment level.

Educational Attainment, Connecting Colorado Registrants, Metro Denver, June 2023



Labor Supply Deficit



This graph depicts the average monthly labor supply deficit for the period January 2022 through May 2023.

Job Postings Last Quarter

Top Occupations Posted Second Quarter 2023, Denver-Aurora-Lakewood Metro Area		
SOC	Occupation	Active Job Ads
29-1141.00	Registered Nurses	5,418
41-1011.00	First-Line Supervisors of Retail Sales Workers	4,745
41-2031.00	Retail Salespersons	3,958
11-3021.00	Computer and Information Systems Managers	3,936
53-7065.00	Stockers and Order Fillers	3,749
15-1252.00	Software Developers	3,461
35-1012.00	First-Line Supervisors of Food Preparation and Serving Workers	2,986
11-9111.00	Medical and Health Services Managers	2,941
41-3091.00	Sales Representatives of Services, Except Advertising, Finance & Insurance, and Travel	2,728
49-9071.00	Maintenance and Repair Workers, General	2,679
35-3023.00	Fast Food and Counter Workers	2,628
15-1244.00	Network and Computer Systems Administrators	2,478
15-1232.00	Computer User Support Specialists	2,445
11-9041.00	Architectural and Engineering Managers	2,413
21-1093.00	Social and Human Service Assistants	2,361
15-1299.08	Computer Systems Engineers/Architects	2,079
13-2011.00	Accountants and Auditors	1,827
41-3031.00	Securities, Commodities, and Financial Services Sales Agents	1,825
43-6014.00	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	1,785
43-4051.00	Customer Service Representatives	1,783

Source: Jobs EQ

Top Hard Skills in Demand

Top Hard Skills in Job Ads, Second Quarter 2023 Denver-Aurora-Lakewood Metropolitan Area	
Skill Name	Active Job Ads
Microsoft Excel	16,921
Microsoft Office	16,287
Ability to Lift 41-50 lbs.	7,905
Ability to Lift 51-100 lbs.	7,520
Microsoft Outlook	7,355
Microsoft Word	6,540
Microsoft PowerPoint	6,363
Agile	4,985
Sales	4,644
Spanish	4,318
Python	4,283
Ability to Lift 21-30 lbs.	4,084
Cash Handling (Cashier)	4,028
Presentation	3,946
Customer Relationship Management (CRM)	3,845
Structured Query Language (SQL)	3,814
Teaching/Training, School	3,750
Computer Programming/Coding	3,710
Retail Sales	3,589
Mathematics	3,529

Source: Jobs EQ

Top Certificates and Credentials

Top Certifications Mentioned in Job Ads, Second Quarter 2023 Denver-Aurora-Lakewood Metropolitan Area	
Certificate Name	Active Job Ads
Basic Life Support (BLS)	5,222
Driver's License	5,187
Certification in Cardiopulmonary Resuscitation (CPR)	5,093
Registered Nurse (RN)	3,702
Secret Clearance	2,103
First Aid Certification	1,432
Advanced Cardiac Life Support Certification (ACLS)	1,114
Commercial Driver's License (CDL)	938
Certified Public Accountant (CPA)	728
Licensed Practical Nurse (LPN)	723
Certified Nursing Assistant (CNA)	680
The American Registry of Radiologic Technologists (ARRT) Certification	588
Licensed Clinical Social Worker (LCSW)	570
Project Management Professional (PMP)	510
Licensed Professional Counselor (LPC)	501
Certified Information Systems Security Professional (CISSP)	374
Medical Assistant Certification (MA)	372
ServSafe Food Protection Manager Certification	359
Licensed Professional Engineer	348
Pediatric Advanced Life Support (PALS)	348

Source: Jobs EQ

Top Companies Posting

Top Companies Posting, Second Quarter 2023 Denver-Aurora-Lakewood Metro Area	
Employer Name	Active Job Ads
UCHealth	3,467
State of Colorado	3,174
University of Colorado	2,093
Centura Health	1,800
LOCKHEED MARTIN	1,549
Metropolitan State University of Denver	1,026
Robert Half	893
Diverse Lynx	820
Dish Network	704
City and County of Denver	697
ClientSolv Technologies	688
Starbucks	641
Spectrum	610
HCA HealthCare	580
Flynn	555
Amazon warehouse	521
University of Denver	520
Fusion Medical Staffing	506
LOWES	506
Allied universal	475

Source: Jobs EQ

This list reflects a number of industries, however note the high number of postings in healthcare.

Type of Jobs Posted

Job Types Posted during Second Quarter 2023 Denver-Aurora-Lakewood Metropolitan Area		
Type	Active Job Ads	Percent
Full-Time	94,771	62.1%
Part-Time	19,339	12.7%
Permanent	11,409	7.5%
Remote	9,636	6.3%
Temporary (unspecified)	6,975	4.6%
Temporary (short-term)	1,030	0.7%
Temp-to-Hire	924	0.6%
Temporary (long-term)	613	0.4%
Remote Not Indicated	142,889	93.7%

Source: Jobs EQ

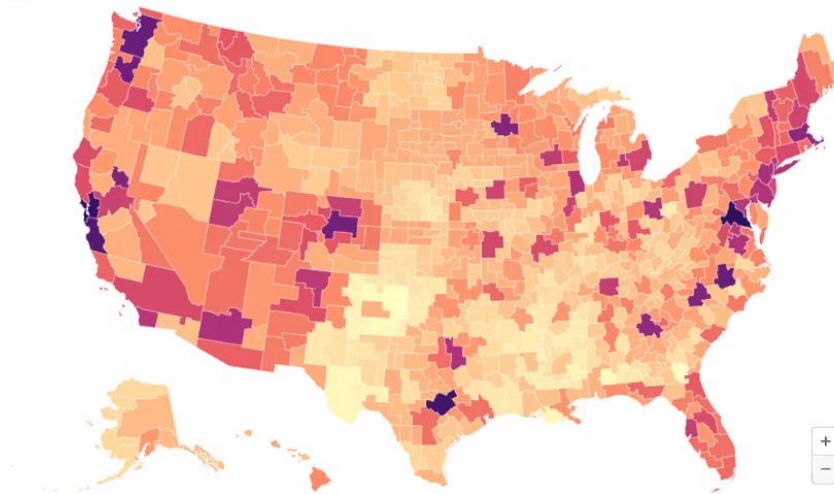
Note percentages do not add up due to overlap between type of posting. It is interesting to see the substantial number of part-time positions posted, as well as the various types of temporary positions.

Working from Home

Work from home - ACS

Share remote workers, by commuter zone, 2021

2.41 33.64



Map: EIG - Source: 2021 ACS 1-year estimates - Created with Datawrapper

Top commuting zones by telework share

Washington D.C.	34%
San Francisco	33%
Austin	32%
San Jose	30%
Seattle	29%
Raleigh	29%
Portland	28%
Denver	28%
Fort Collins	21%
Colorado Springs	18%
Grand Junction	16%
Pueblo	10%



COLORADO
Department of Local Affairs

Economic Innovation Group, 2021 ACS 1-year estimates,
<https://eig.org/the-uneven-geography-of-remote-work/>

This data actually comes from the 2021 US Census American Community Survey, courtesy of our friends in the Colorado Demography Office. The American Community Survey is an annual survey sent out to a sample of Americans nationwide. One of its questions is, “How did you get to work most of the time” during the reference week?

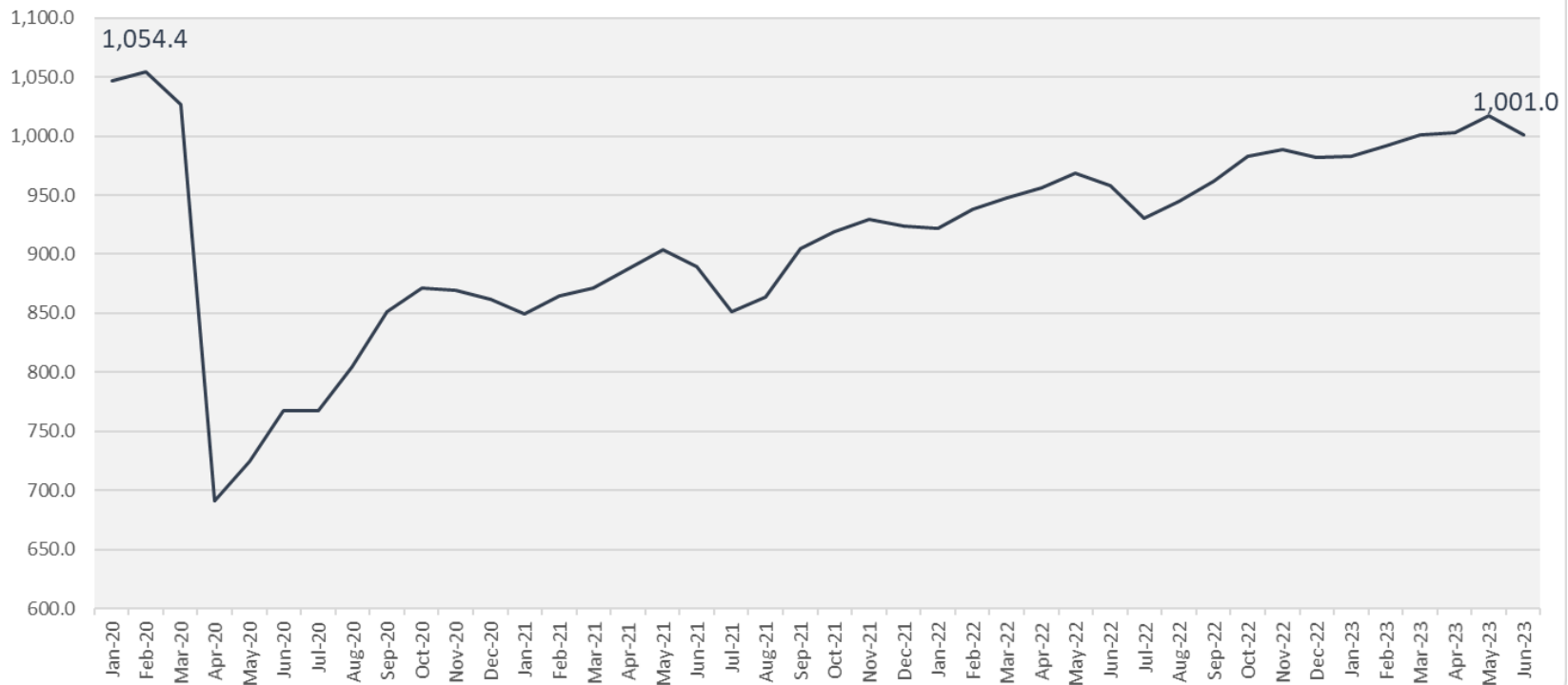
When we see that 28% of people working in Denver are working from home, what it actually means is that for 28% of the workforce, they worked at home ‘most of the time.’ We have no way of telling whether members of this group were telecommuting full-time or were on a hybrid schedule.

Spotlight on the Child Day Care Sector

National Spotlight in Child Day Care Services

Employment in Child Day Care Services, United States (Thousands)

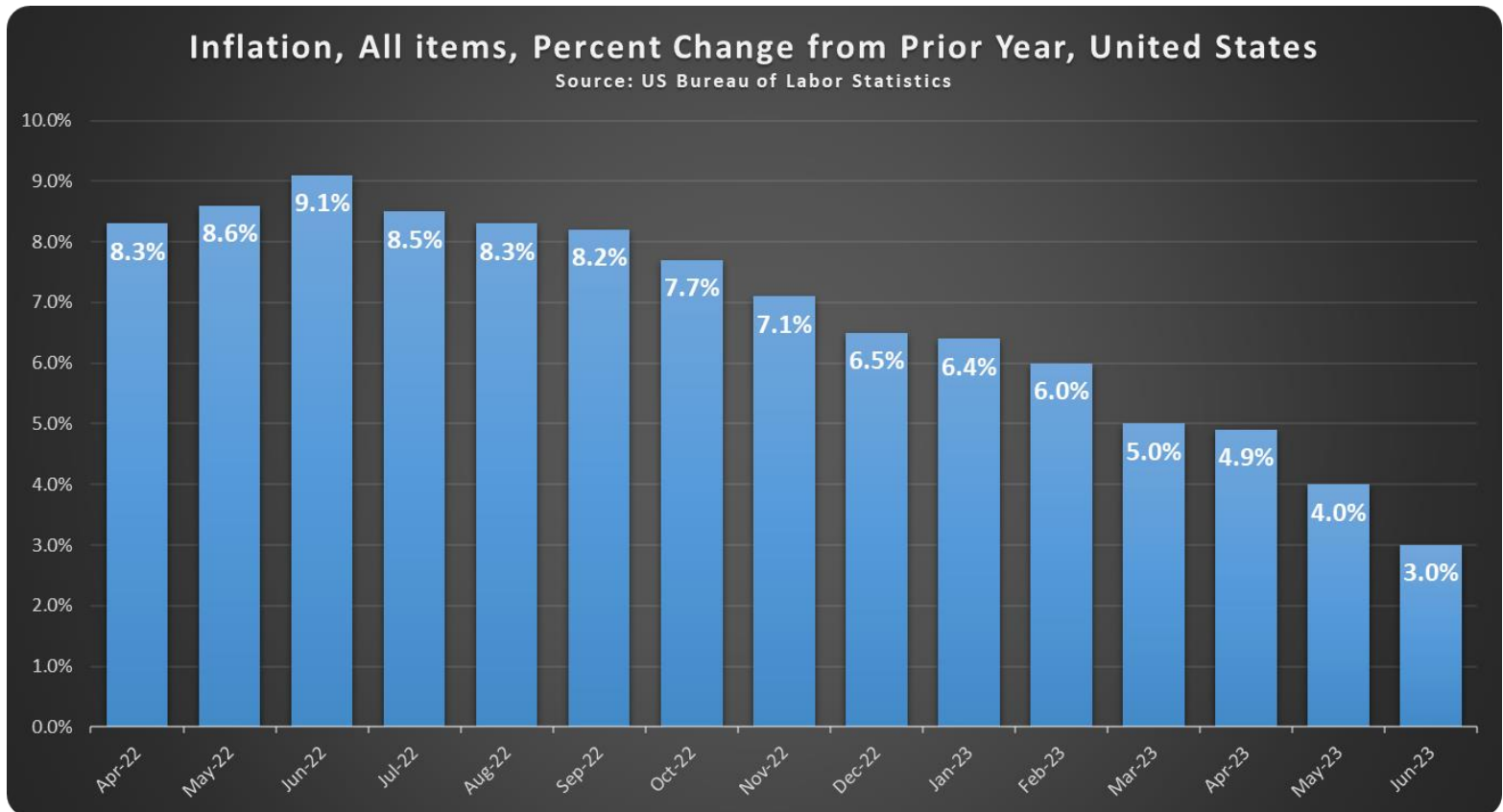
Source: U.S. Bureau of Labor Statistics



Employment in child day care services is still down by 53,400 people, which means it is still under its pre-pandemic capacity. Note this does not include licensed child day care homes, so the actual availability of childcare for workers in any geographic area is historically difficult to assess using traditional labor market data.

Trends in Inflation

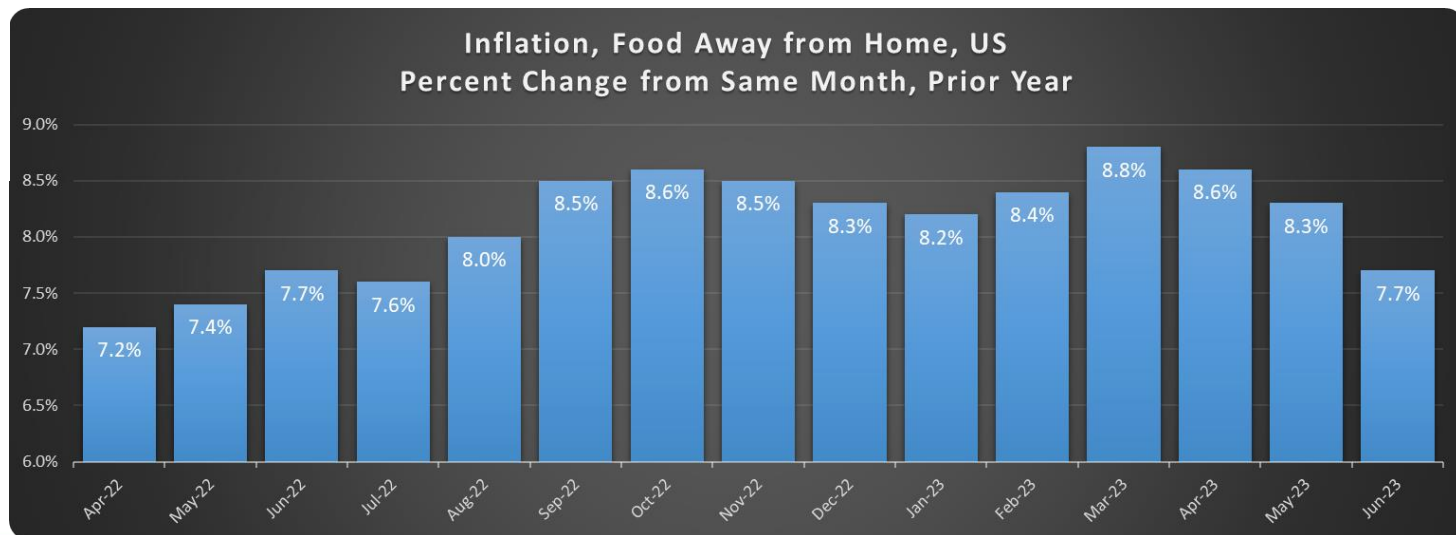
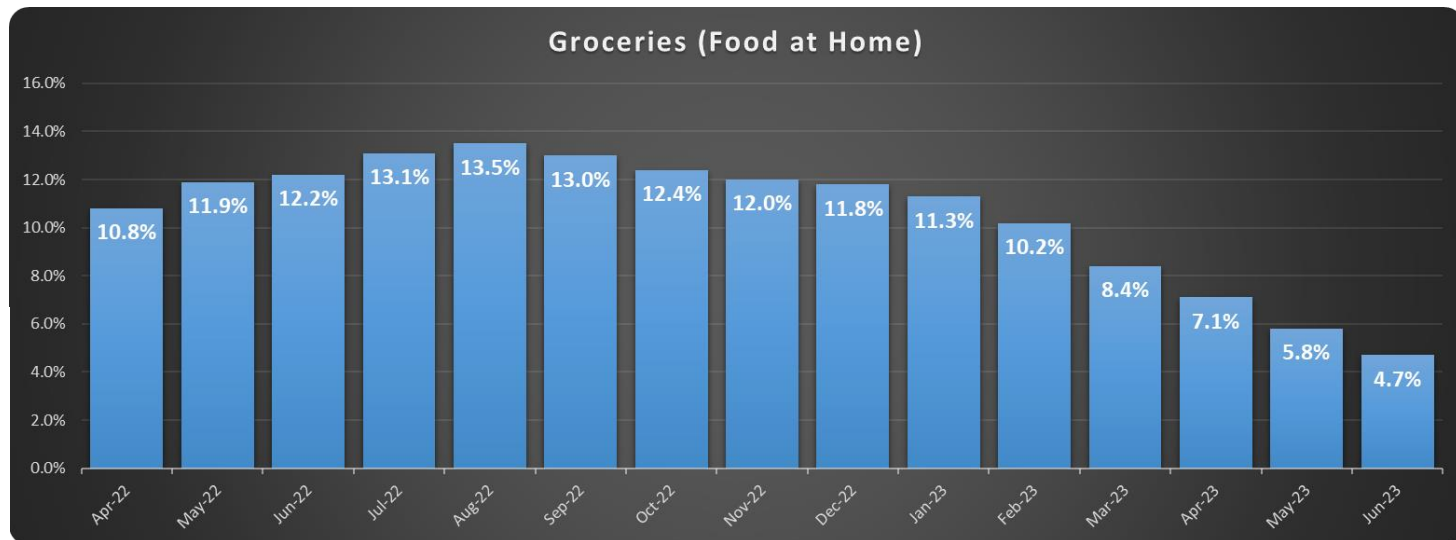
Selected Inflation Rates



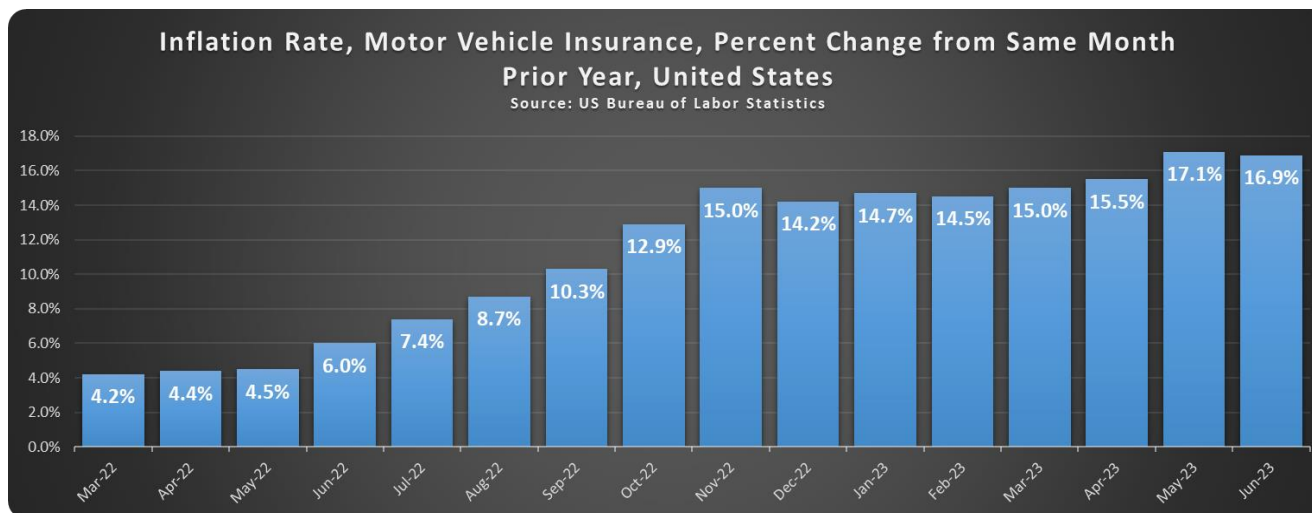
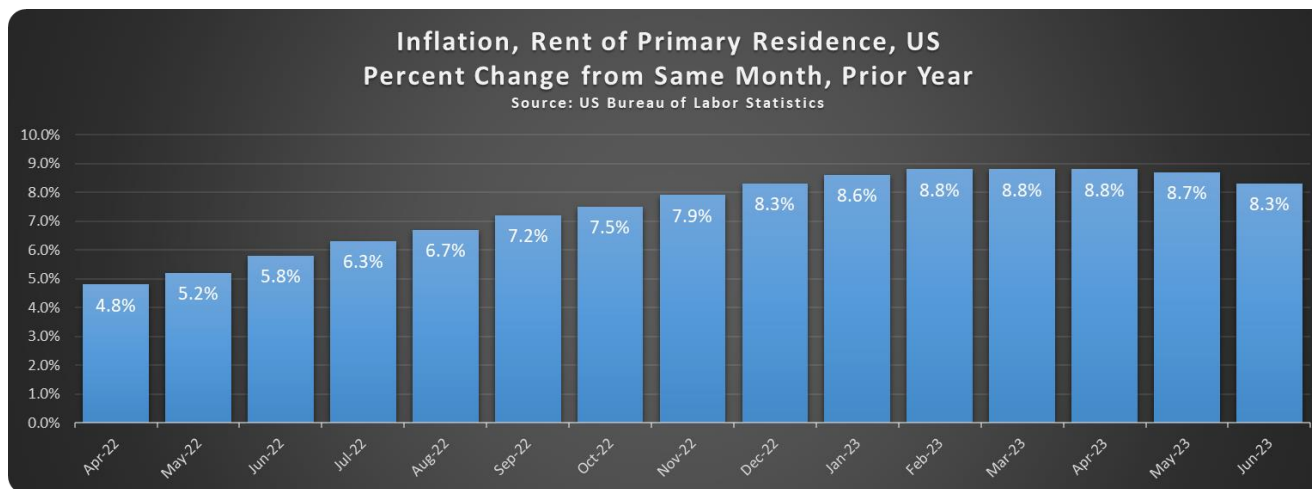
The Federal Reserve's target inflation rate is 2%. Recent trends show inflation moving towards that goal in a steady trend.

Selected Inflation Rates

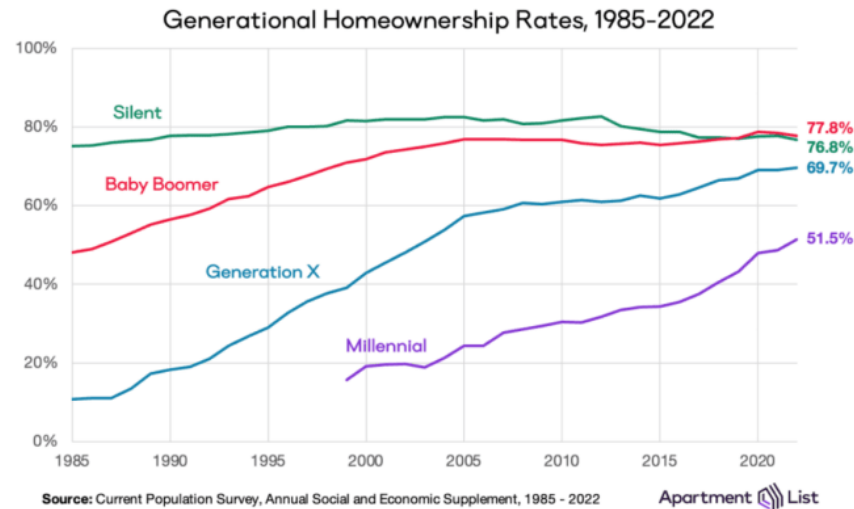
The inflation rate for groceries is still significantly lower than that of food away from home



Spotlight: Rent and Car Insurance

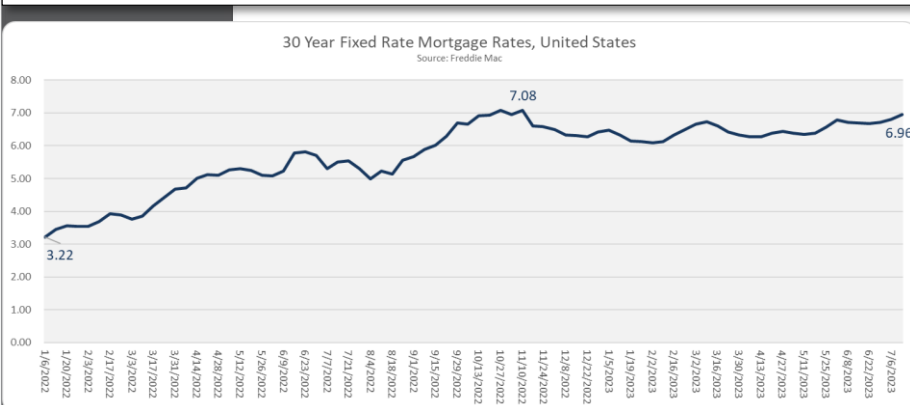


Spotlight: Younger Buyers Priced out of Housing Market



In order to fight inflation, the Federal Reserve has been raising interest rates to contract the money supply by making it harder for people to borrow money.

This is expected to lower demand for goods and services, which in turn will likely cause layoffs, creating a temporary surplus in labor supply, which is then expected to drive wages down.



Unfortunately, as the graph at the top shows, the Millennial generation has been adversely affected, first by high home values, and now by mortgage interest rates above 6% which are pricing many out of the market. The result is that the home ownership rate among Millennials is substantially lower than for prior generations of Americans.

Note the graph at the top is sourced from Mishtalk.com

<https://mishtalk.com/economics/a-huge-millennial-home-ownership-gap-in-pictures>

Strategies in a Scarce Labor Market

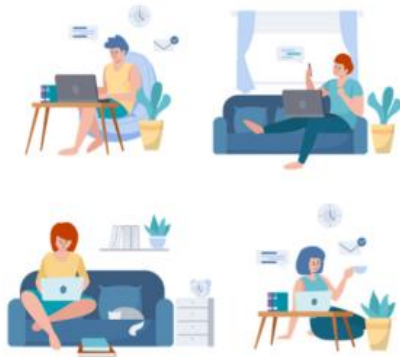
What to do in a Scarce Labor Market

There are a number of strategies you can employ if you are having a hard time filling positions.

The Arapahoe/Douglas Works! Business Services Team can help you strategize and get started.

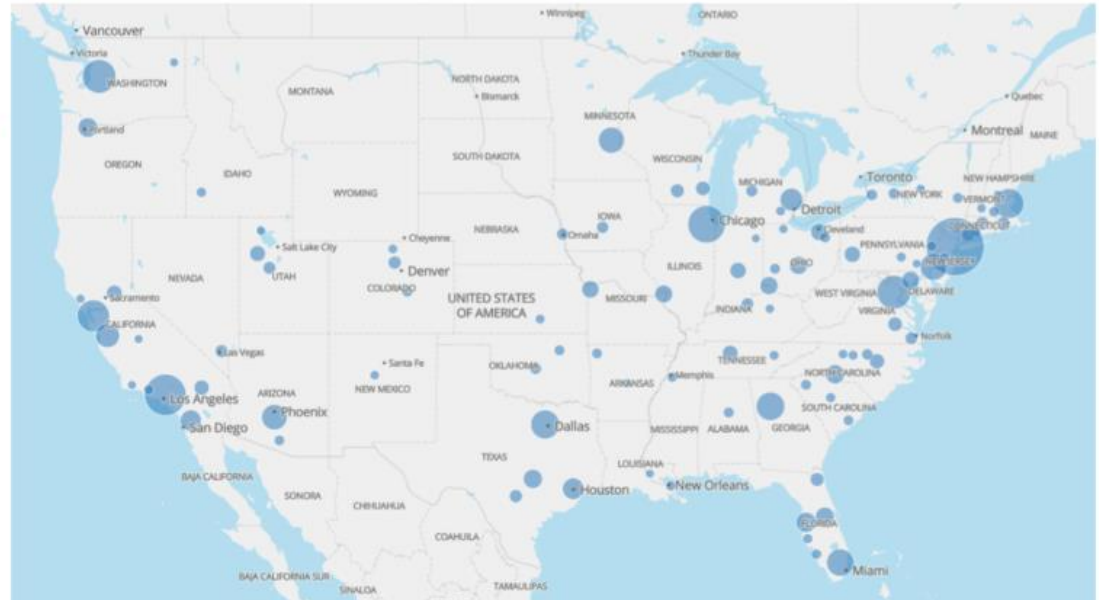


Remote Working or Telework



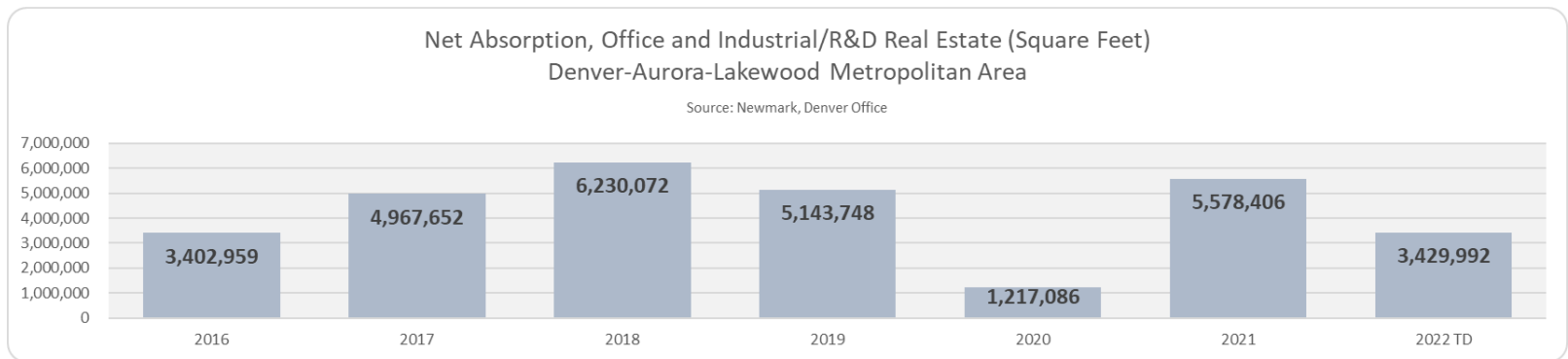
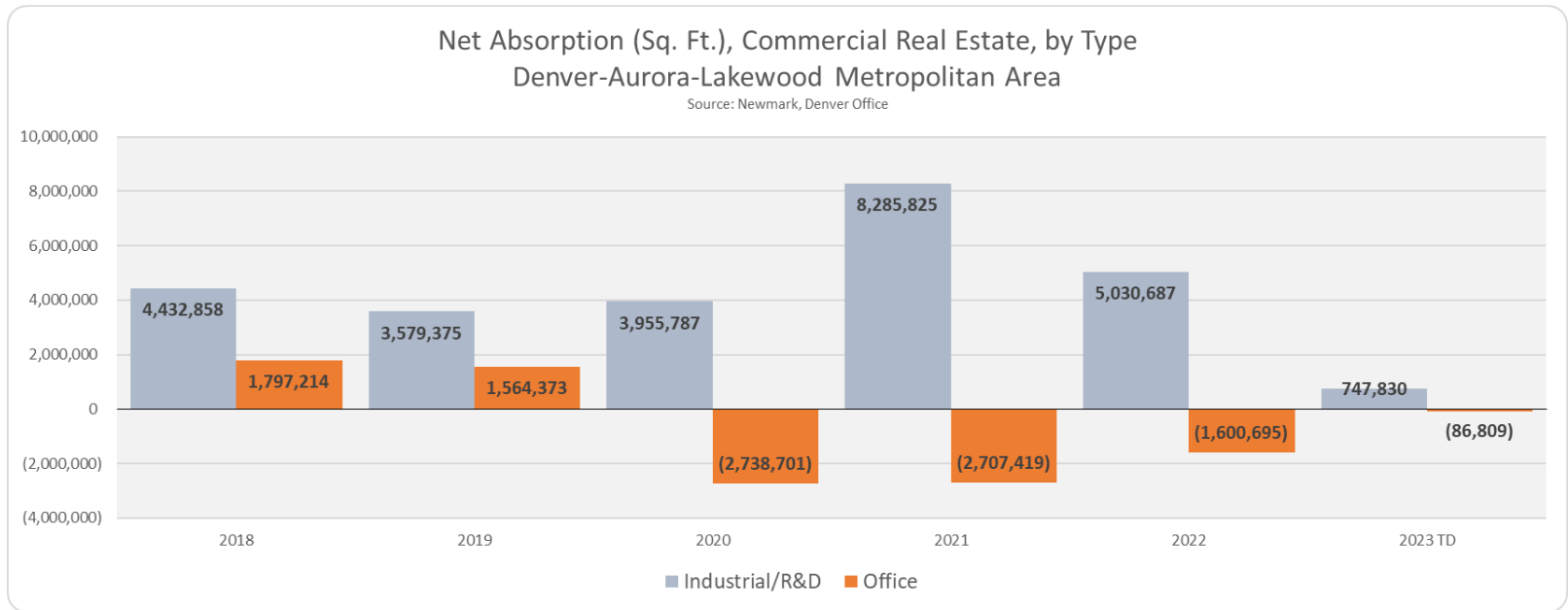
If an occupation can work remotely, and you cannot find anyone locally, why not increase the area of outreach and recruitment?

Implementing a Telework Strategy



Some companies recruit certain occupations from anywhere in the United States, and even in other countries.

Rethinking Real Estate Strategy



Organizations throughout the world are rethinking what work looks like. There are many benefits for your bottom line determining which of your positions could be remote or hybrid.

Remote Work Trends & Capacity

Arapahoe/Douglas Works! estimates the labor force along Colorado's Urban Front Range has around a 24% capacity for remote work. This estimate was derived from U.S. Bureau of Labor Statistics data compiled during the pandemic, and applied to greater metro Denver.

We see now that this capacity has gone up to 28% in greater metro Denver, and exceed 30% in some cities.

For the last quarter, according to Lightcast, around 7.5% of posted unique jobs are remote or hybrid. This may be misleading because many postings do not specify.

Teleworking Capacity, Colorado Central Planning Region				
SOC	Occupation Family	2022 Jobs	Percent Teleworking Successfully in January 2021	Potential Telework Capacity
13	Business and financial operations	157,577	53.8%	84,776
15	Computer and mathematical	92,897	67.6%	62,798
43	Office and administrative support	193,560	24.8%	48,003
25	Education, training, and library	82,229	44.5%	36,592
11	Management	93,591	36.6%	34,254
41	Sales and related	174,136	17.0%	29,603
17	Architecture and engineering	43,134	45.7%	19,712
27	Arts, design, entertainment, sports, and media	37,233	42.0%	15,638
21	Community and social services	27,751	44.9%	12,460
23	Legal	21,103	57.7%	12,176
29	Healthcare practitioners and technical	88,362	13.1%	11,575
19	Life, physical, and social science	18,644	45.6%	8,502
39	Personal care and service	54,908	7.7%	4,228
53	Transportation and material moving	139,389	2.1%	2,927
35	Food preparation and serving related	121,055	2.3%	2,784
33	Protective service	30,966	8.8%	2,725
31	Healthcare support	61,314	4.0%	2,453
47	Construction and extraction	87,482	2.8%	2,450
49	Installation, maintenance, and repair	61,078	3.5%	2,138
51	Production	53,462	3.4%	1,818
37	Building and grounds cleaning and maintenance	51,975	2.8%	1,455
45	Farming, fishing, and forestry	5,449	1.4%	76
Totals		1,697,295	23.5%	399,144

Source: EMSI Burning Glass

Automation



If customer expectations and behavior have changed, can automation help you meet those expectations?



If you sell tires, for example, can the customer to choose tires, purchase them, and schedule a service appointment on your website?

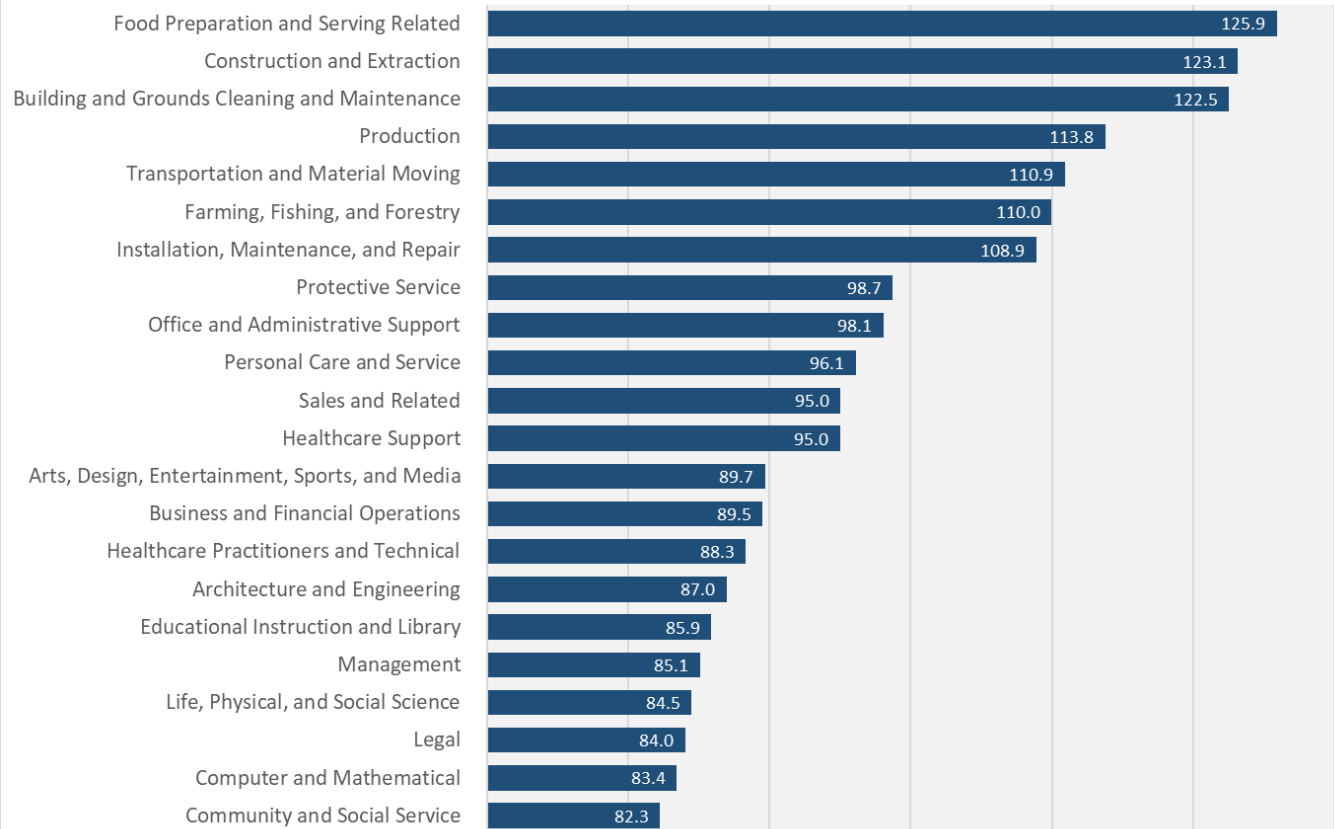


Automation Opportunities

Automation seldom replaces workers 1:1, but in the face of the labor shortage, an increasing number of companies are investing capital to automate various processes to leverage the productivity of the labor they have.

Automation Index by Occupation Family

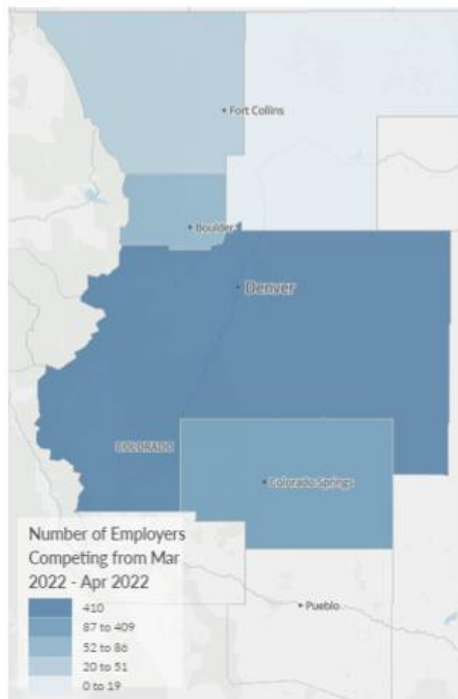
Source: EMSI Burning Glass



Sector Partnership

Sector Partnership

If your business is struggling to find people, you can bet other companies that do what you do are struggling also. Why not form a sector partnership?

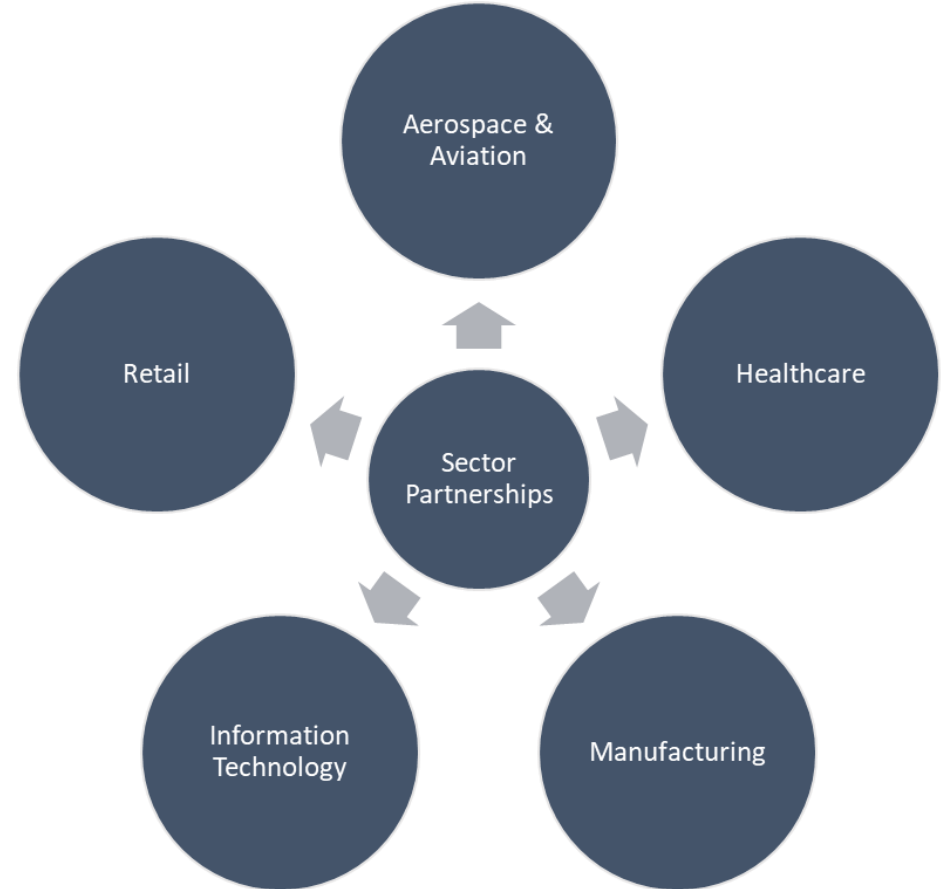


With help from public partners like workforce centers and community colleges, you can work together to make sure the training pipeline is putting out graduates with the skills you need.



Sector Partnerships

If you are interested in finding out more about one of these, check with our Arapahoe/Douglas Works! Business Services Representative.

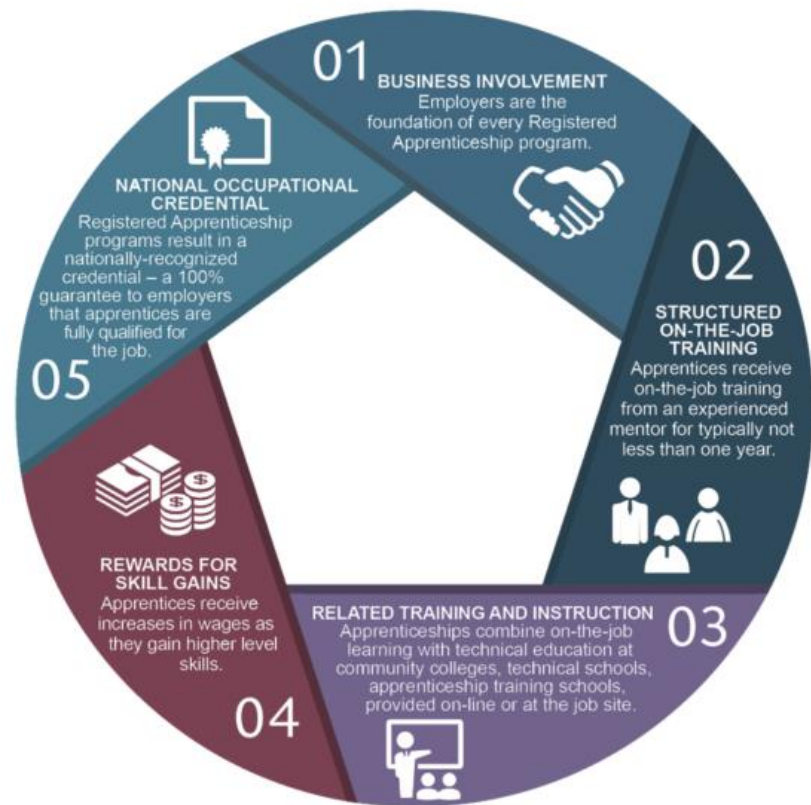


Apprenticeship

A registered apprenticeship is another option for businesses in a scarce labor market.

Industry associations or other intermediaries can recruit and train apprentices with the skills you need, and then place them with businesses like yours.

This can work very well for businesses that have high retirement risk among people with key skills. These skilled workers can train your apprentices so their institutional knowledge stays with you.



Arapahoe/Douglas Works! Responds to Businesses and Job Seekers

What Workforce Centers Do

- Helps people find jobs.
- Helps businesses find qualified people.
- Provides skill training assistance to job seekers when needed.
 - Traditional occupational training in postsecondary institutions.
 - Work-based learning opportunities, such as internships and on-the-job training.
- Helps people with career exploration, and in mapping out career pathways.
- Works with economic developers to identify and profile key industry sectors.
- Works with economic developers and site selectors to provide relevant data on labor availability.
- Provides relevant data and information to local businesses.
- Consults with local businesses to determine strategies to stay competitive in a scarce labor market.
- Works with partners and stakeholders to identify and fill gaps in workforce development.

Please send any feedback on this product to:

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