

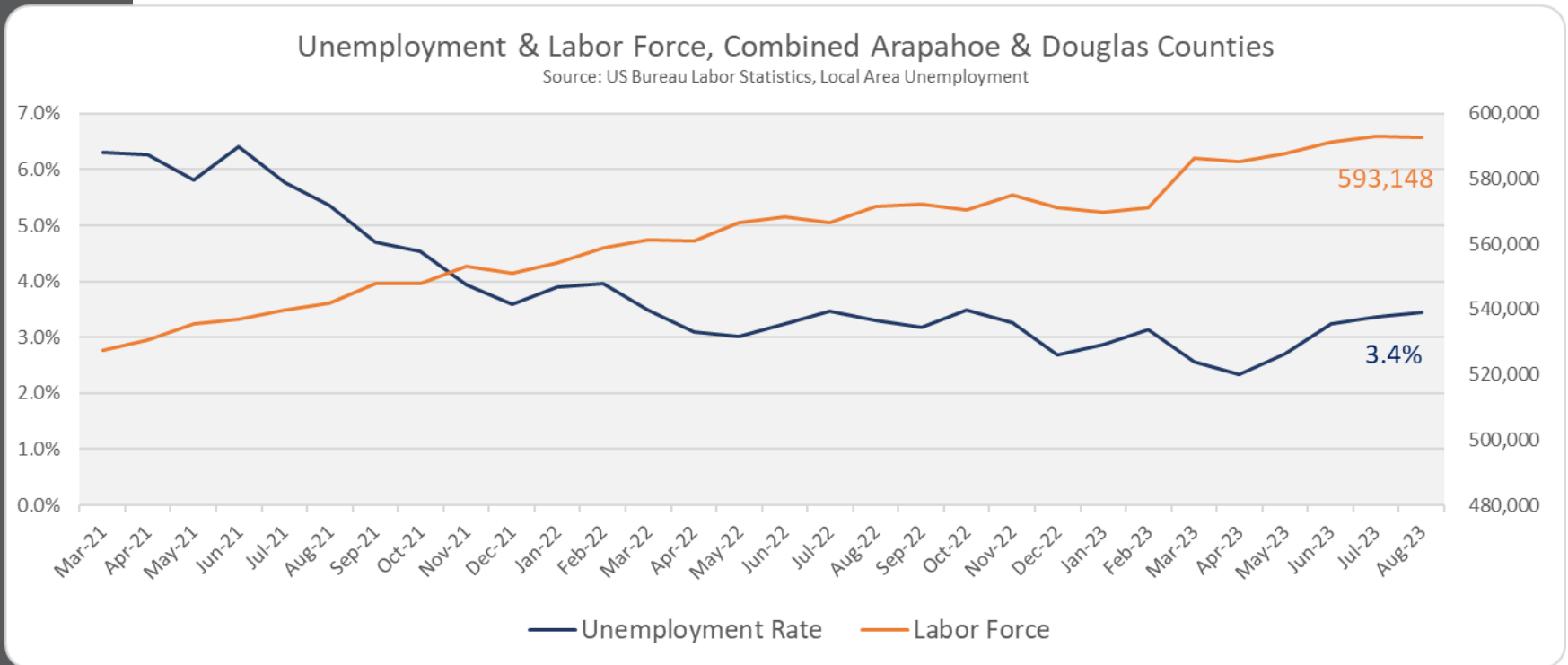
Arapahoe/Douglas Works!

Labor Supply & Demand Report Fourth Quarter 2023

Labor Market Update

Local Unemployment Trending Slightly Up

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

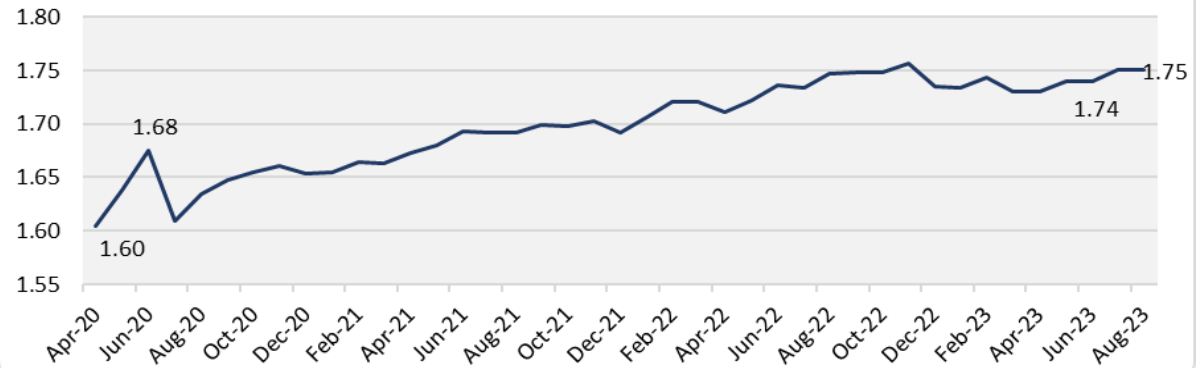


Employment Situation, Metro Denver

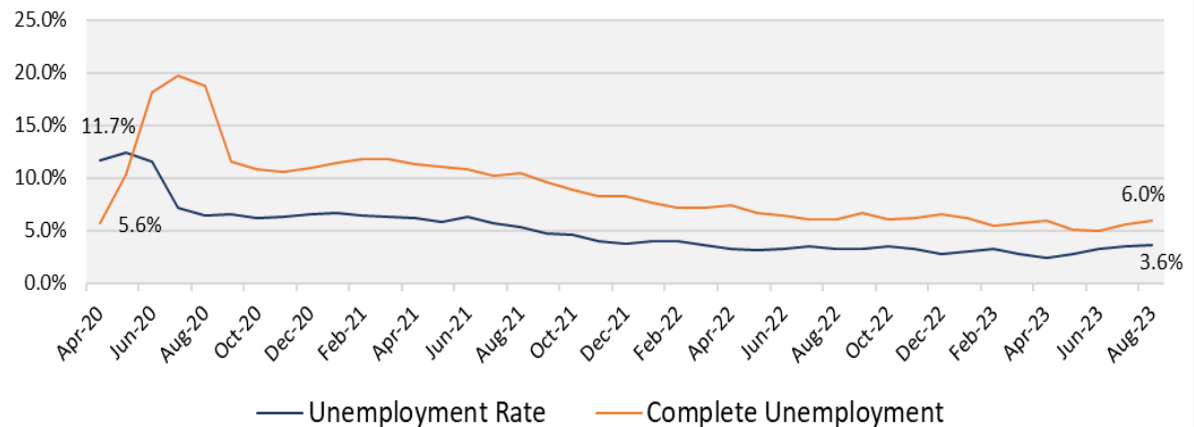
The orange 'complete unemployment' line in this graph shows unemployed, discouraged, marginally attached, and persons working part time for economic reasons. It is based on national Alternate Measures of Labor Underutilization published monthly by the Bureau of Labor Statistics.

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

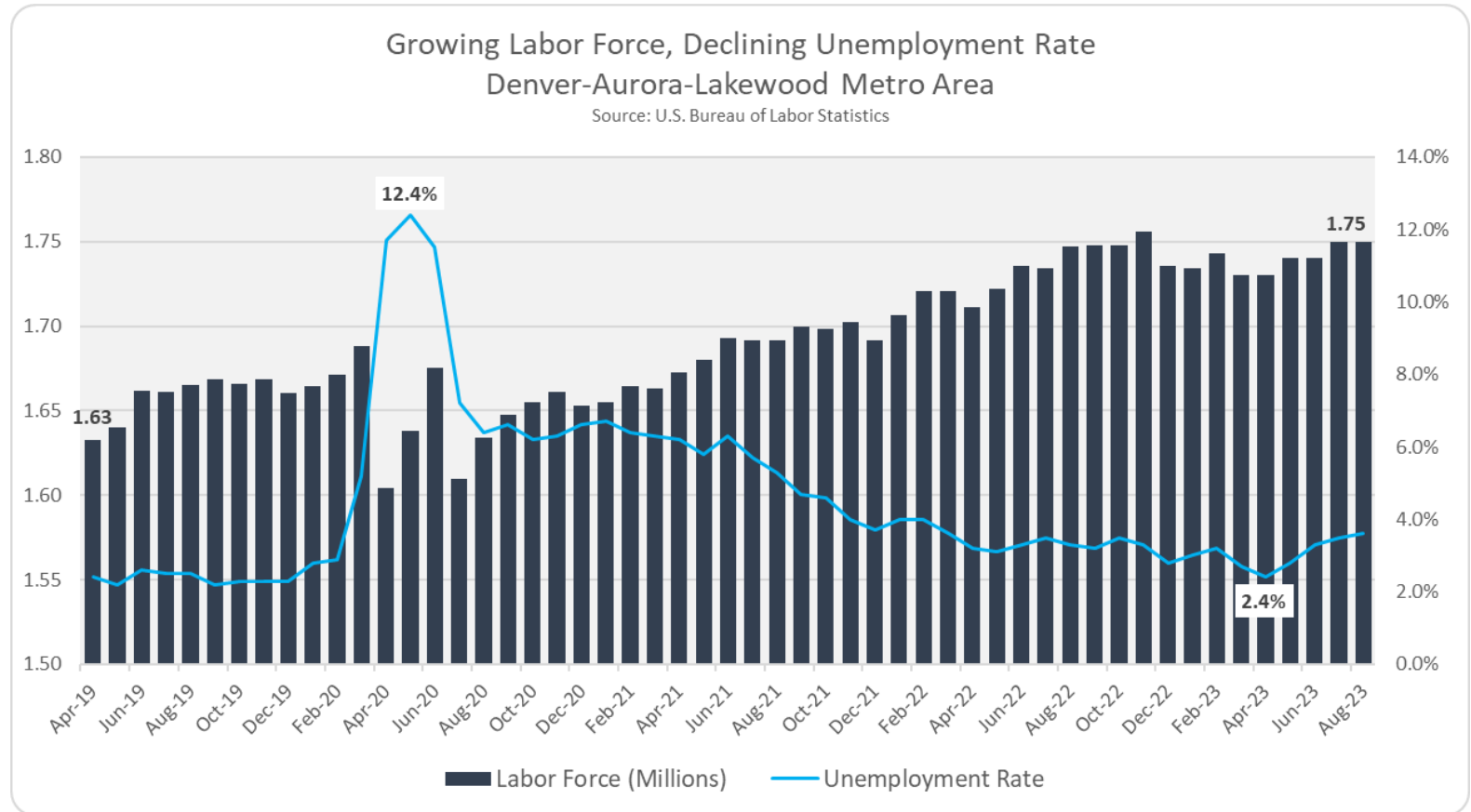
Source: U.S. Bureau of Labor Statistics



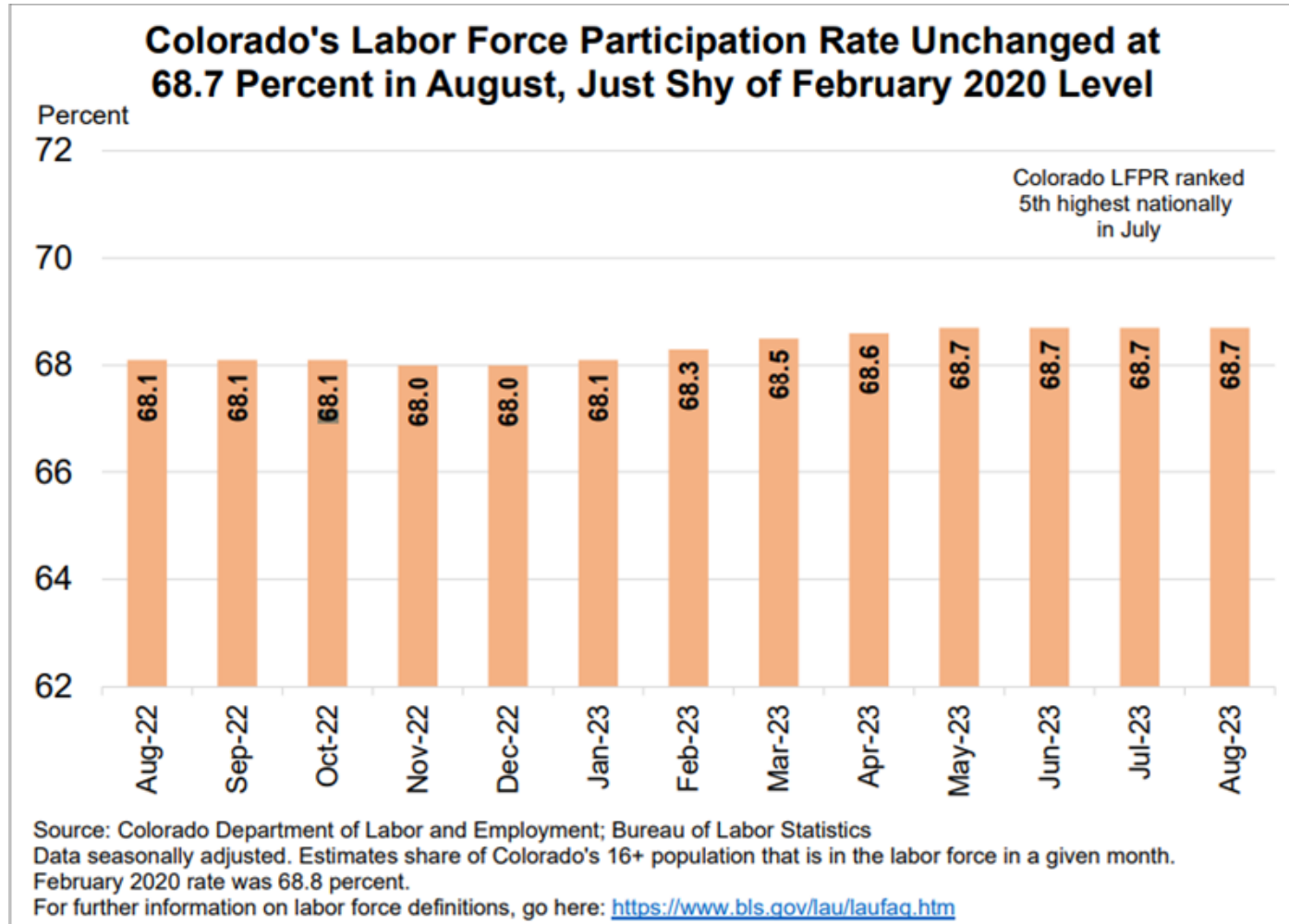
Employment Situation, Greater Metro Denver
(Not Seasonally Adjusted)



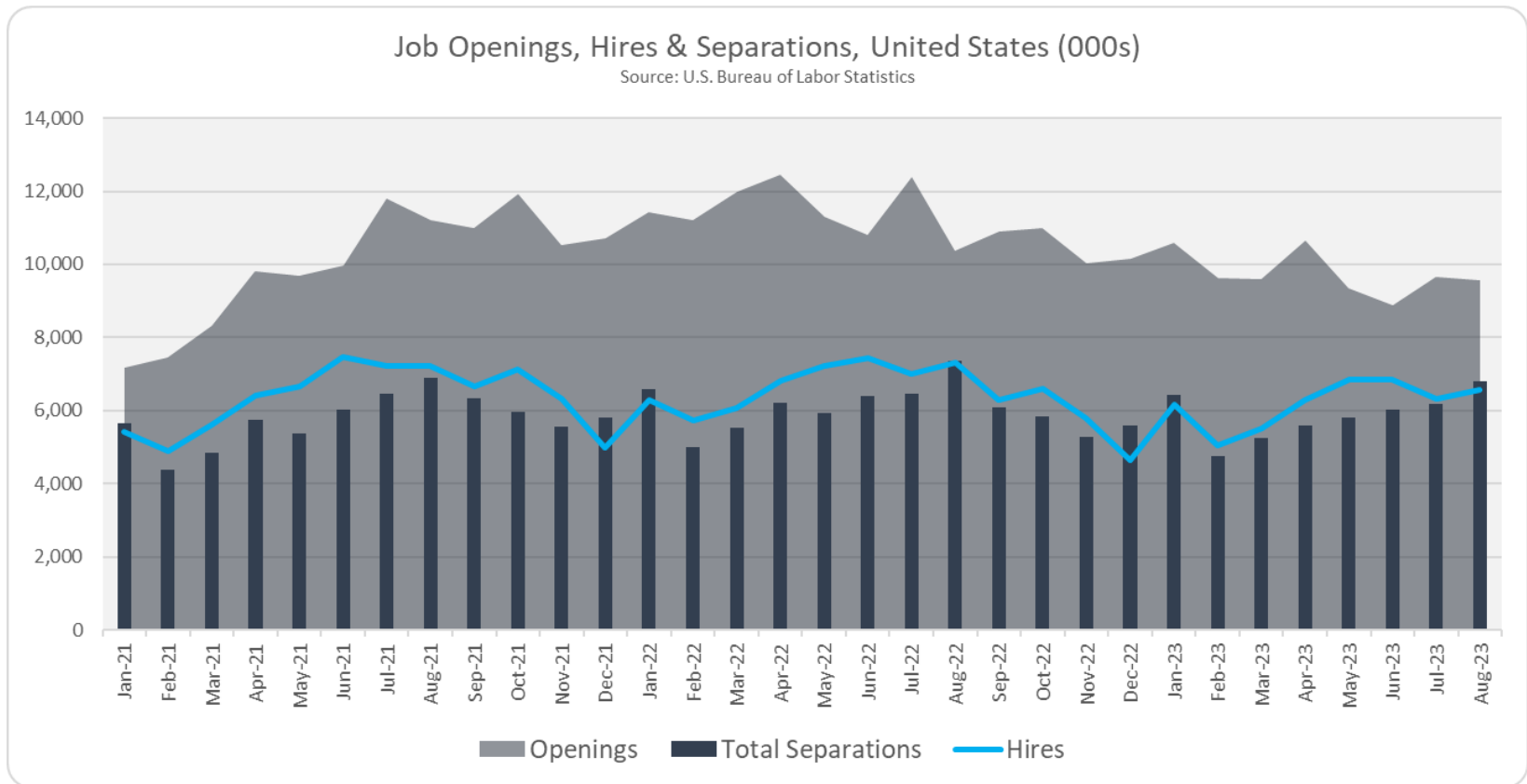
Unemployment and Labor Force Trends, Metro Denver



High Labor Force Participation Statewide

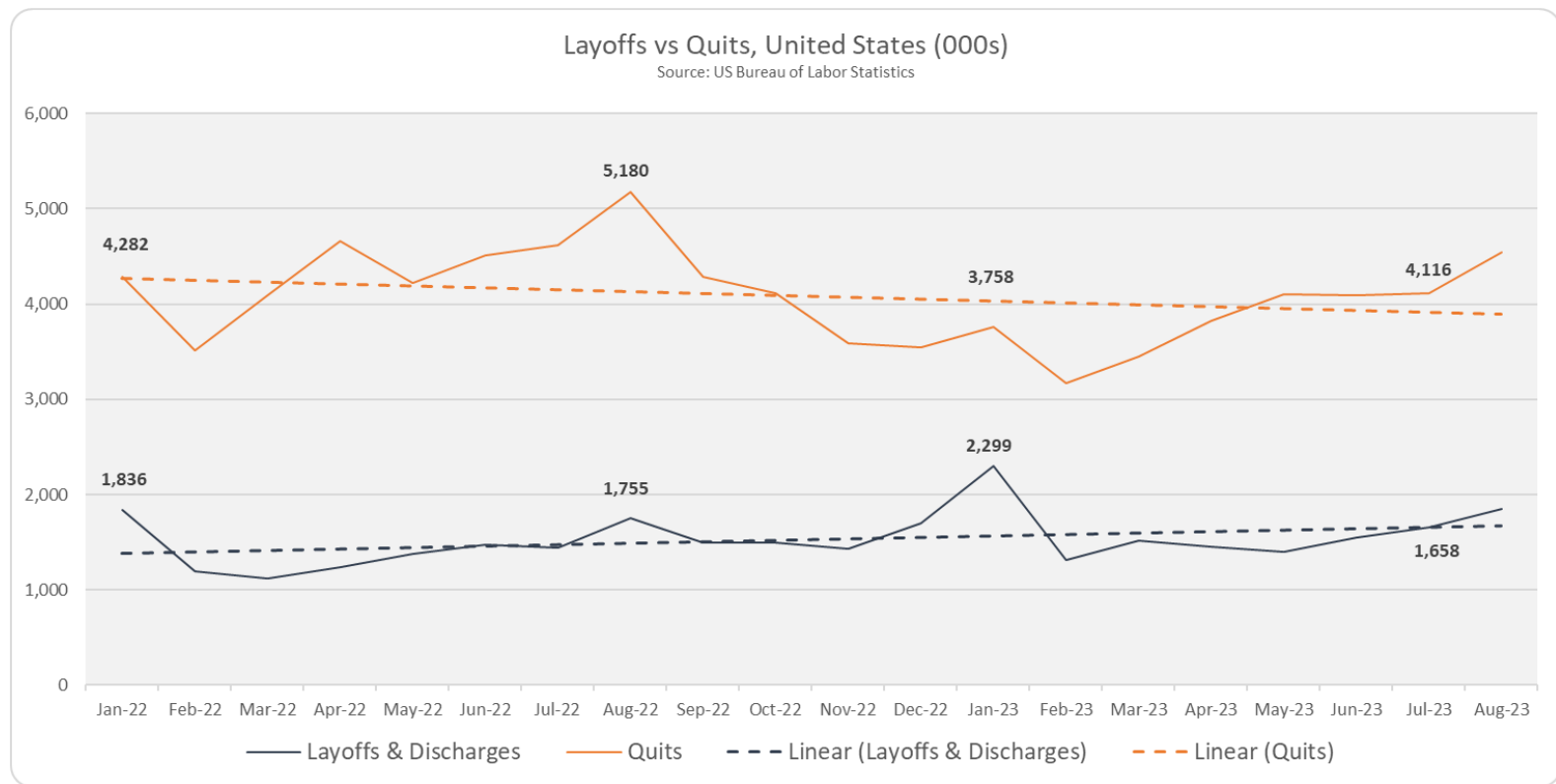


Jobs, Hires & Separations, United States



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

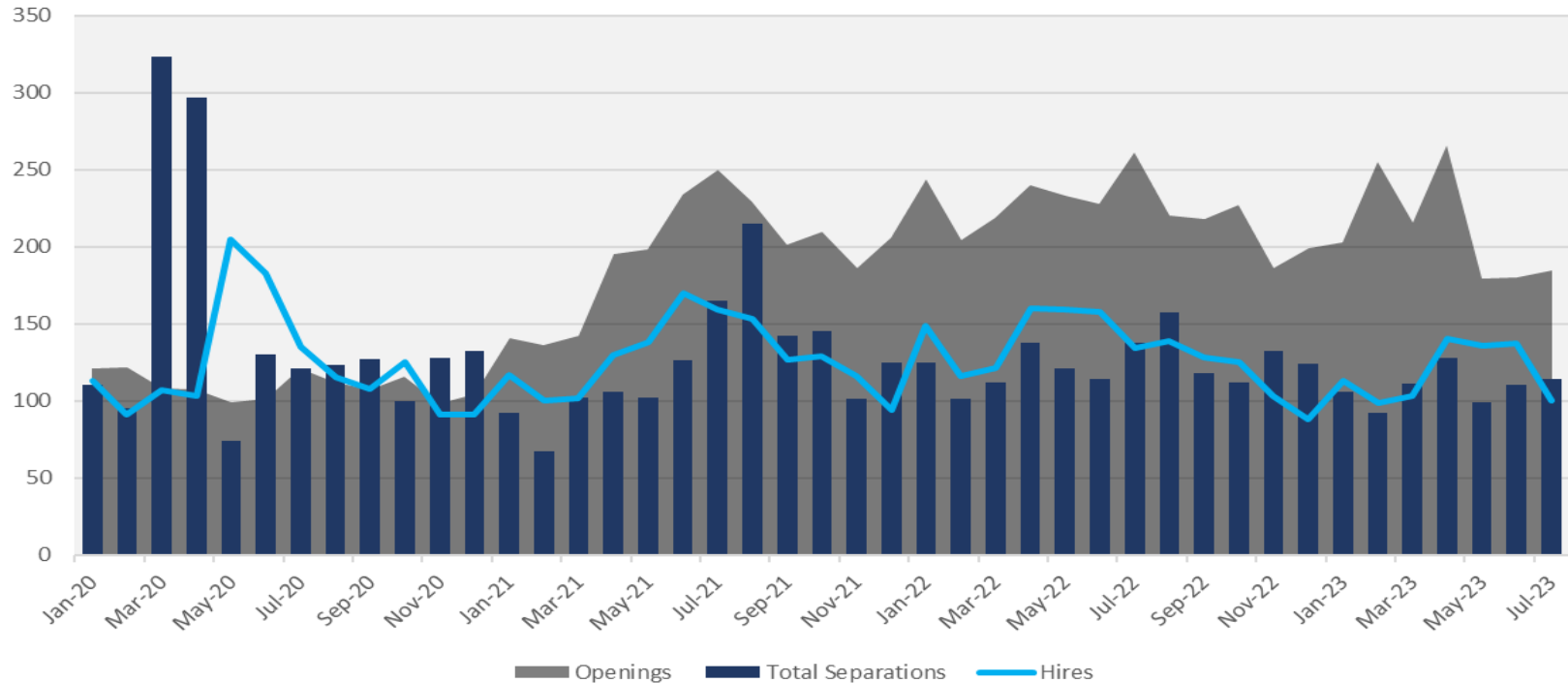


The Fed is raising interest rates, which cuts the money supply by making loans harder to get. The expected result of this is that demand for goods and services will go down, resulting in layoffs, which will then create a temporary labor surplus and serve to drive wages down. Due to structural scarcity 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

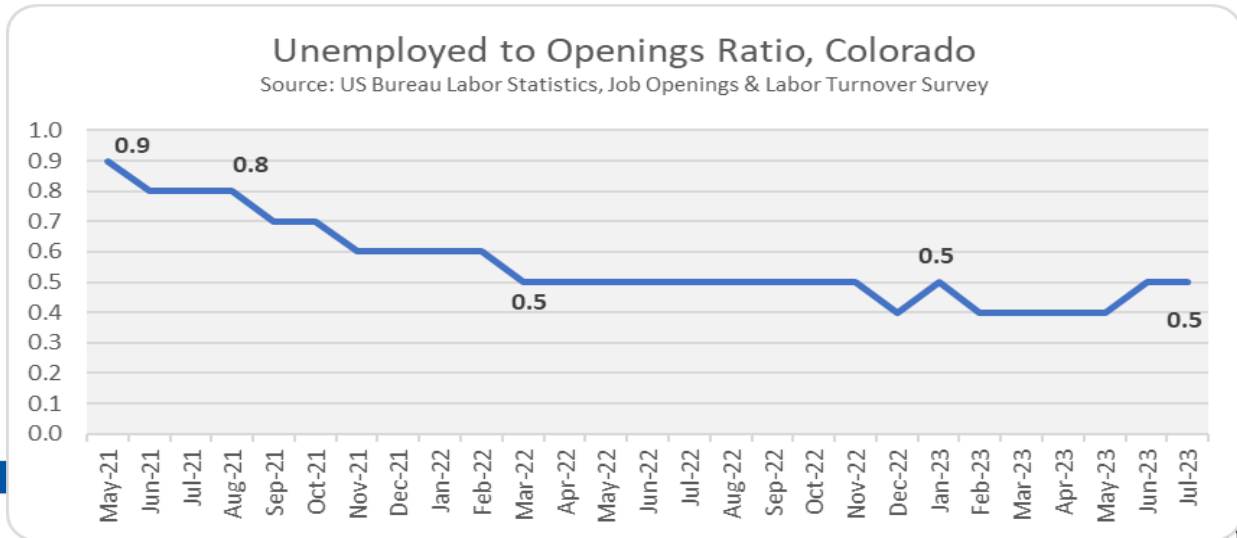
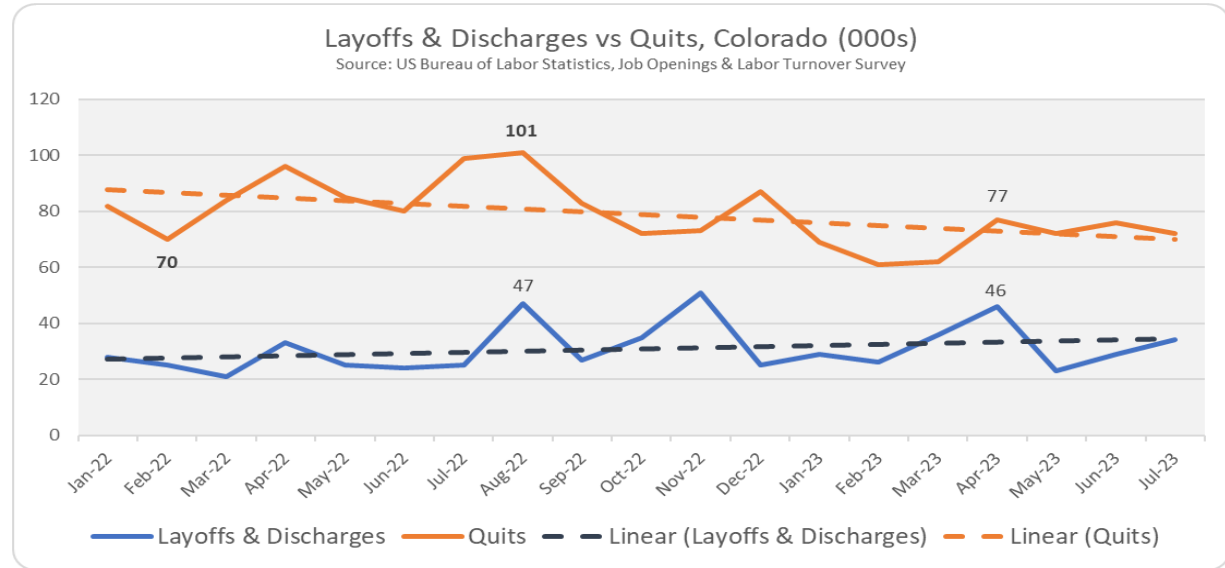


Net hires are determined by subtracting the number of separations from the number of hires. In April 2023, 13,000 more people were hired in Colorado than left their jobs in the face of 254,000 job openings.

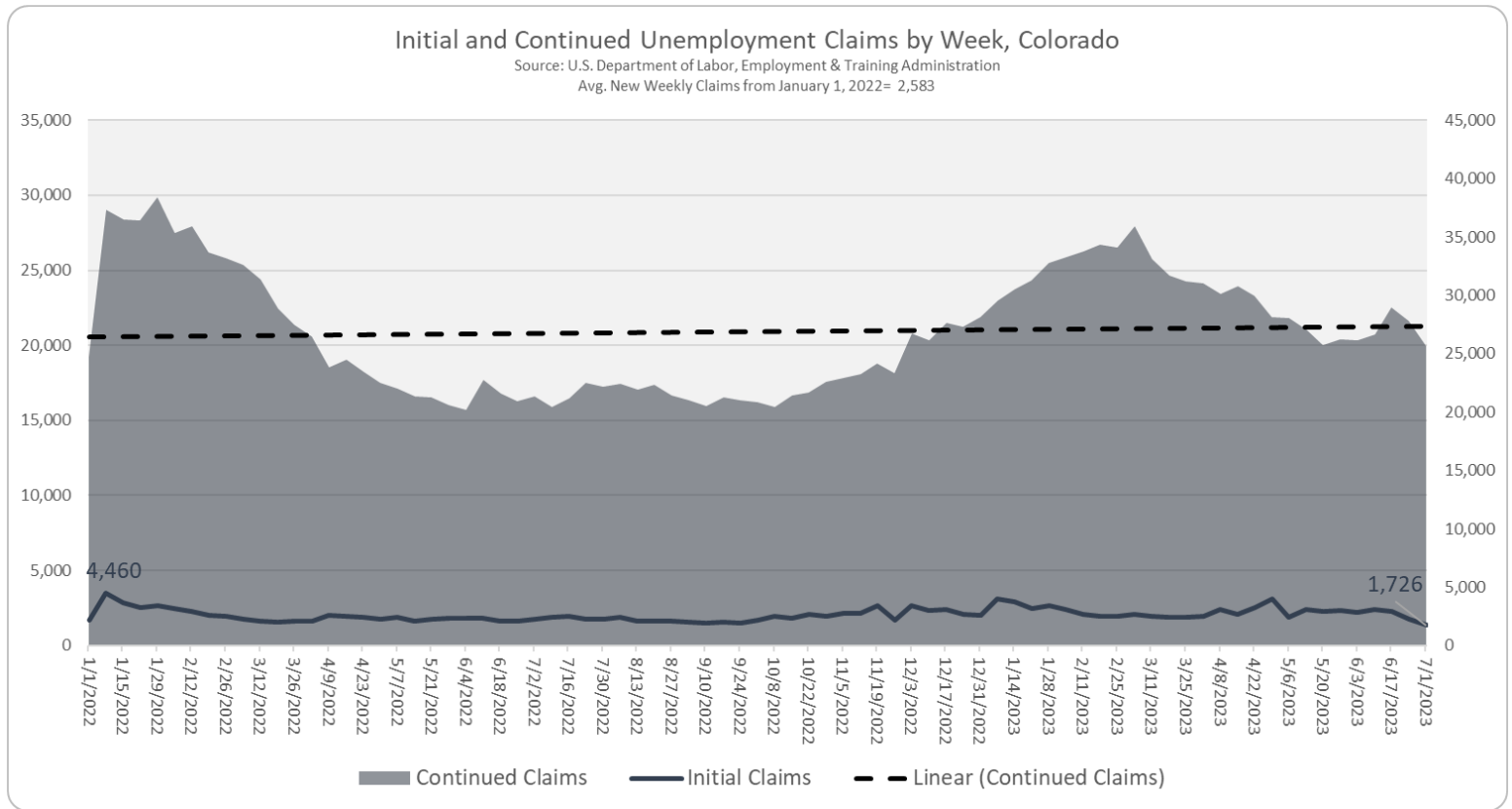
Quits vs Layoffs, Colorado

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

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



New Unemployment Claims

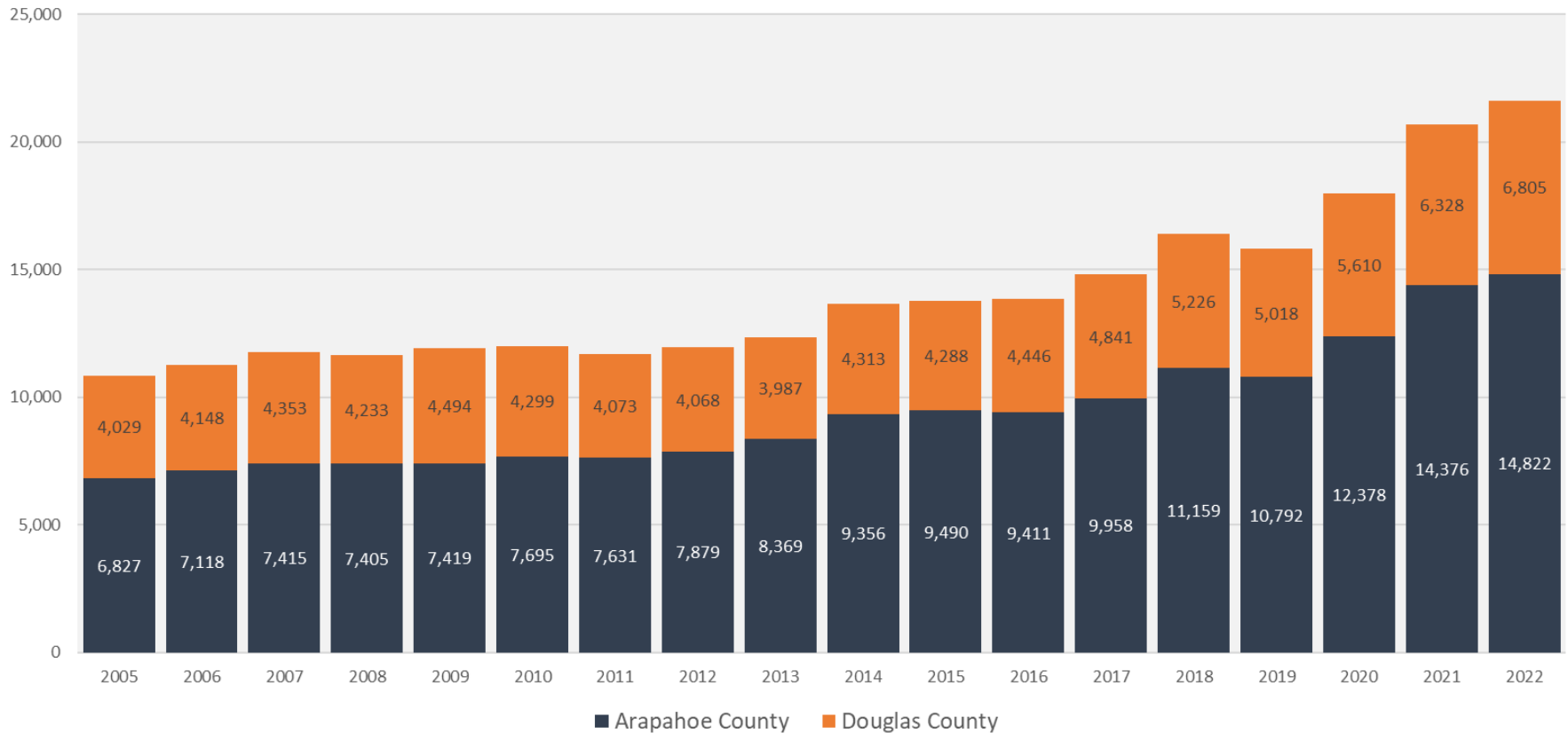


New unemployment claims and continued claims in Colorado are now lower than pre-pandemic levels. Businesses are generally slowing hiring, but are still working hard to retain existing staff in the face of persistent scarcity.

New Business Applications Arapahoe & Douglas Counties

New Business Applications, Arapahoe and Douglas Counties, by Year

Source: US Census Economic Indicators

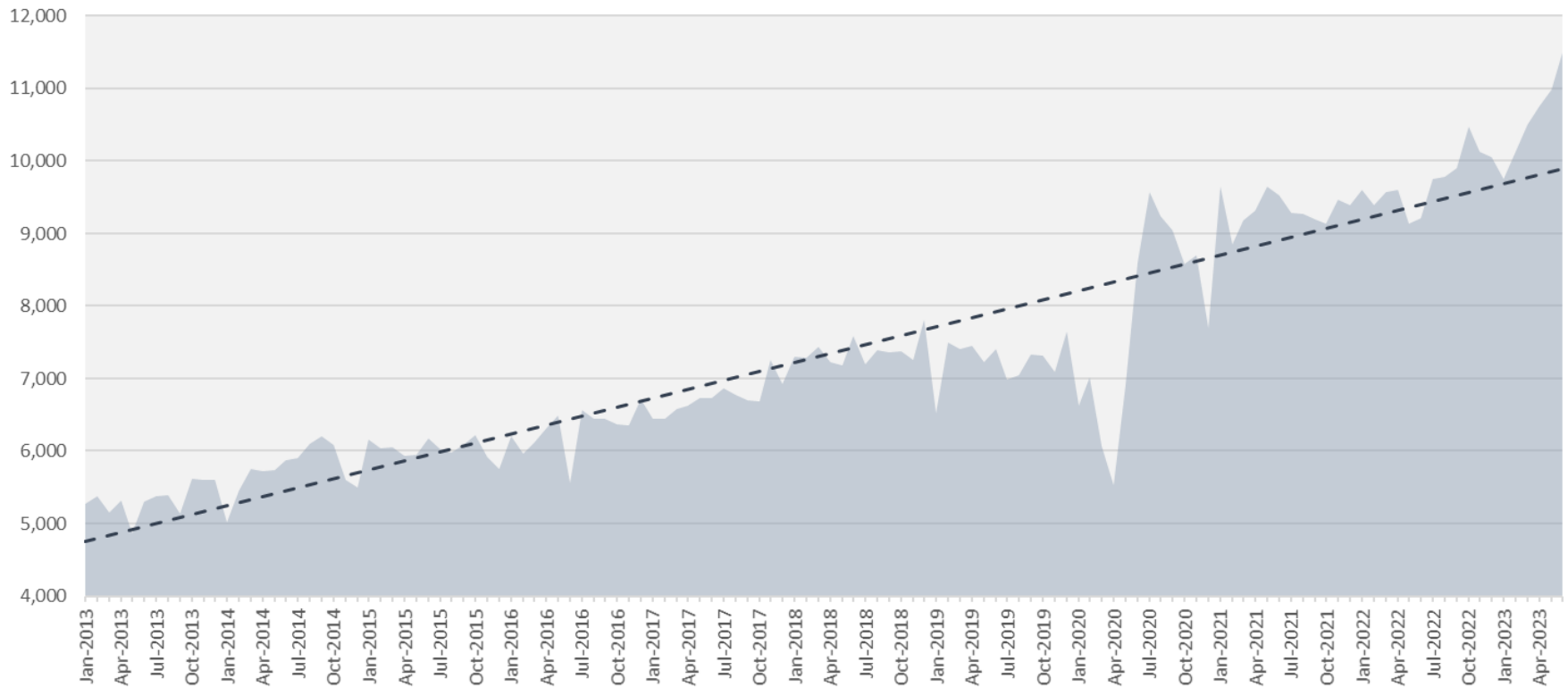


New Business Applications, Colorado

New Business Applications, Seasonally Adjusted, Colorado

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

Source: US Census Economic Indicators

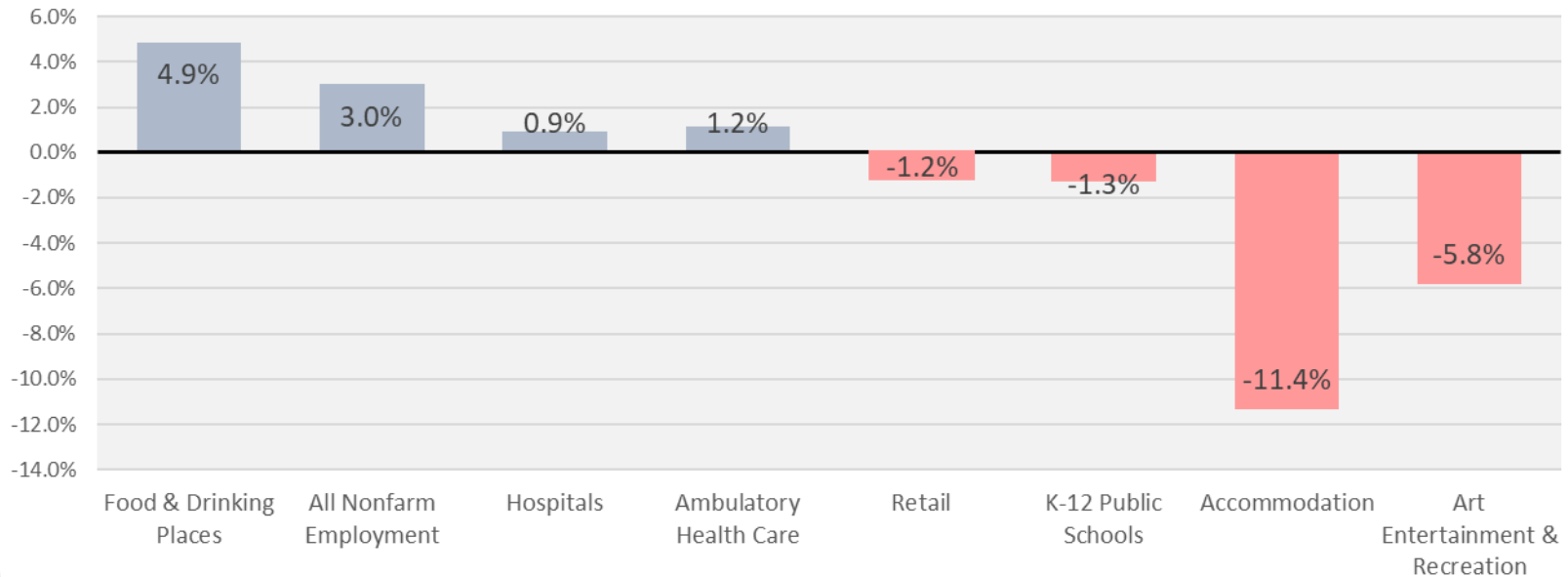


Percent Change in Employment by Sector

Percent Change in Employment Since Feb. 2020

Denver-Aurora-Lakewood Metro Area

Source: U.S. Bureau of Labor Statistics

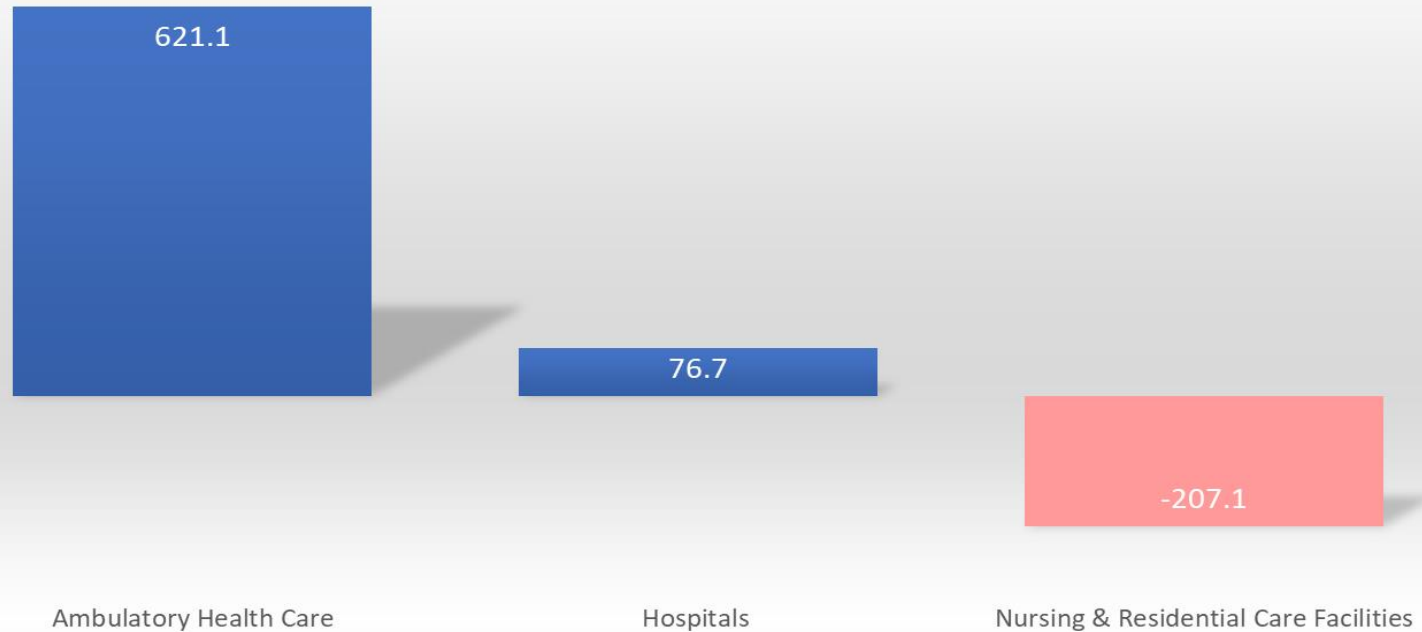


This bar graph shows job recovery from pre-pandemic levels for selected industries as of November 2022. Accommodation still lags over 11%, and employment in K-12 is still slightly down from pre-pandemic levels.

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. As the American population ages, the labor shortage in Nursing and Residential Care Facilities will become acute.

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

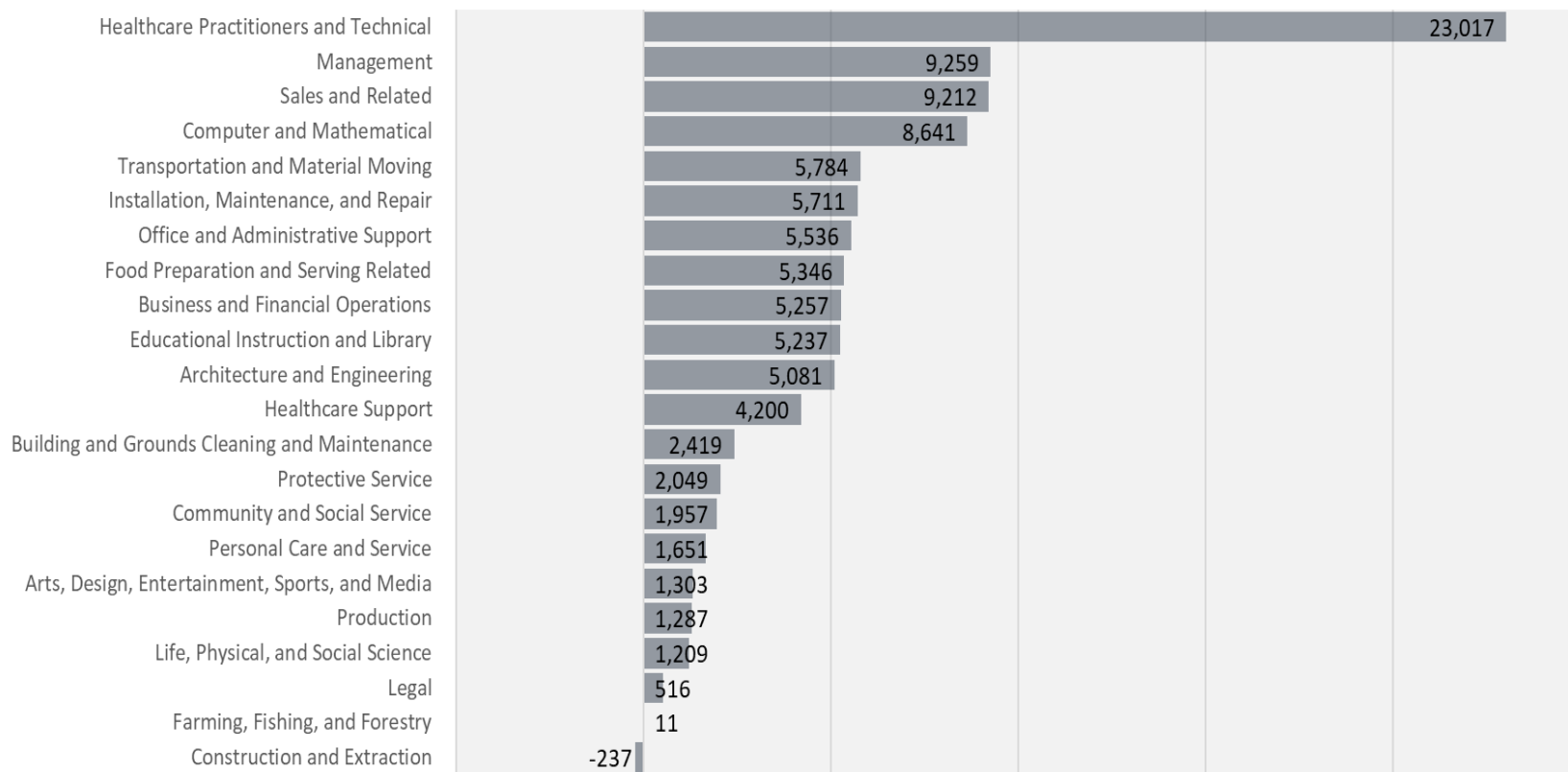
*Number of ranks this skill moved up from 2021 to 2022, based on the skill's share of enterprise learner enrollments

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, May 2023, Greater Metro Denver
Shows Unique Job Postings in Excess of Estimated Number Unemployed

Source: Lightcast

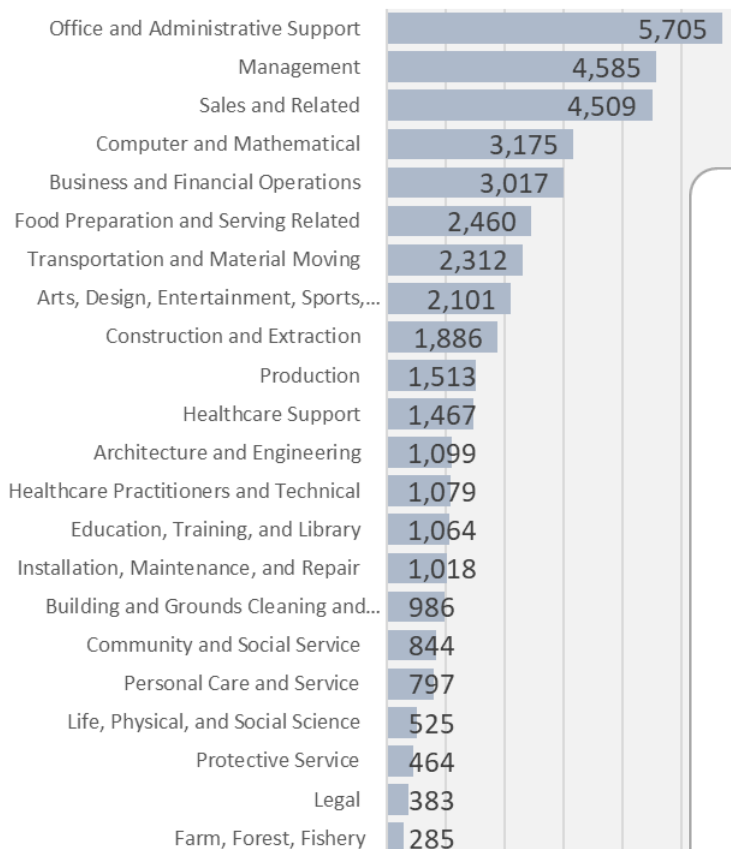


This bar graph illustrates the number of job posting versus people available to fill them. For example, there were 8,904 more jobs posted for Computer and Mathematical positions than there were available people.

Helping Make the Match

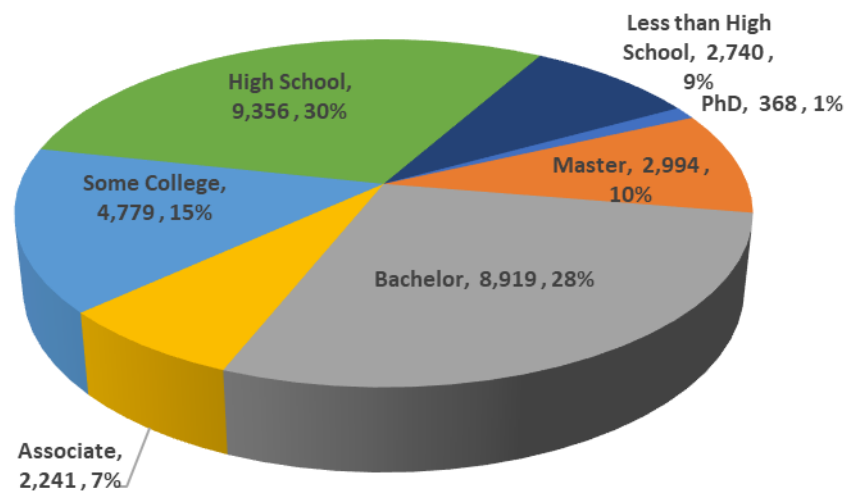
Labor Supply, Connecting Colorado Registrants Metro Denver, October 2023

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.

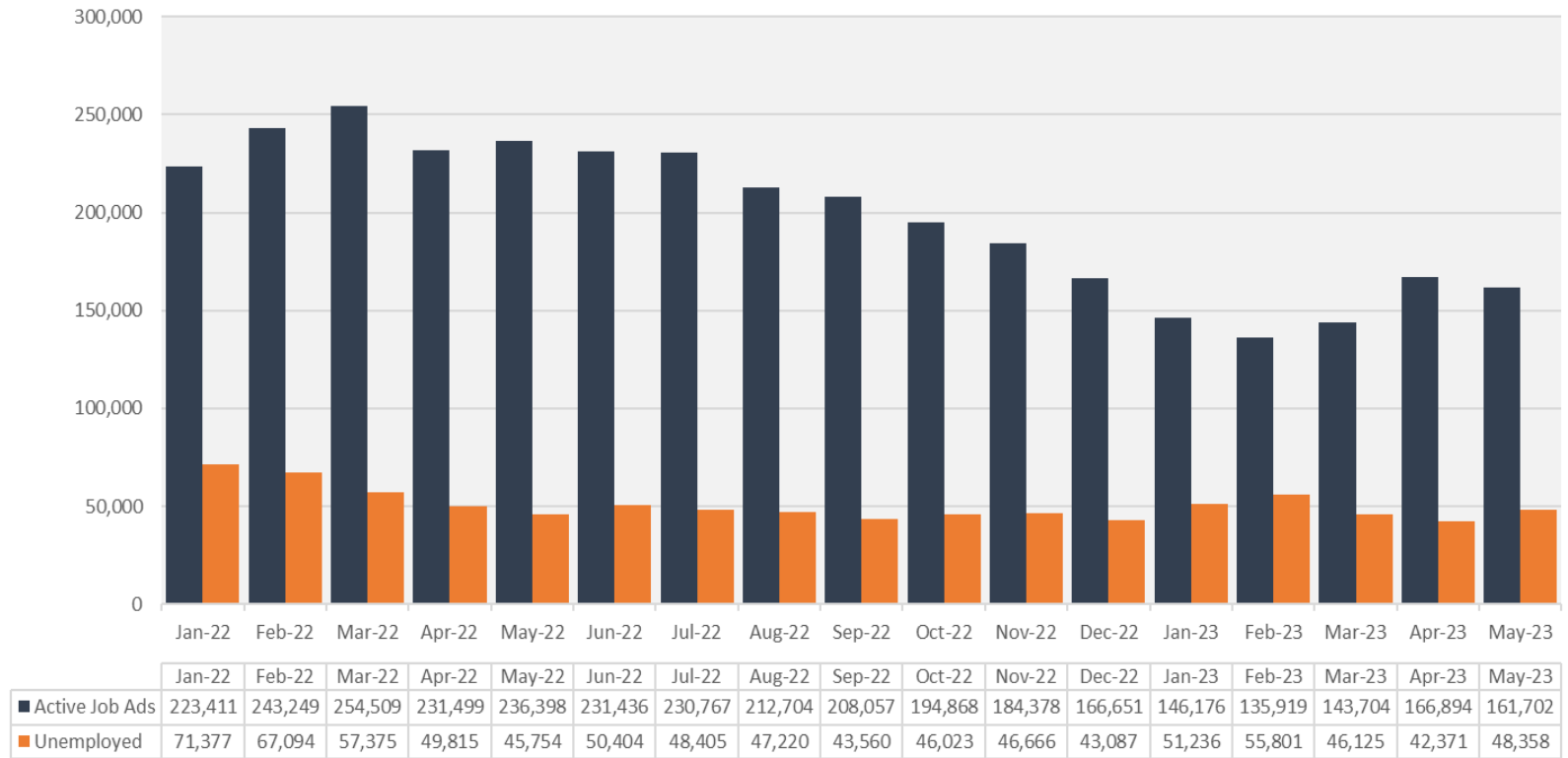
Educational Attainment, Connecting Colorado Registrants, Metro Denver, October 2023



Labor Supply Deficit

Labor Supply Deficit, Greater Metro Denver

Sources: US Bureau of Labor Statistics & Lightcast



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

Job Postings Last Quarter

Top Occupations Posted Third Quarter 2023, Denver-Aurora-Lakewood Metro Area		
SOC	Occupation	Active Job Ads
41-2031.00	Retail Salespersons	4,995
41-1011.00	First-Line Supervisors of Retail Sales Workers	4,954
29-1141.00	Registered Nurses	4,576
53-7065.00	Stockers and Order Fillers	3,802
11-3021.00	Computer and Information Systems Managers	3,056
35-1012.00	First-Line Supervisors of Food Preparation and Serving Workers	3,033
15-1252.00	Software Developers	2,777
41-3091.00	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	2,729
49-9071.00	Maintenance and Repair Workers, General	2,682
35-3023.00	Fast Food and Counter Workers	2,644
11-9111.00	Medical and Health Services Managers	2,523
21-1093.00	Social and Human Service Assistants	2,262
15-1232.00	Computer User Support Specialists	2,159
11-9041.00	Architectural and Engineering Managers	2,058
15-1244.00	Network and Computer Systems Administrators	2,046
41-3031.00	Securities, Commodities, and Financial Services Sales Agents	1,815
43-4051.00	Customer Service Representatives	1,793
43-6014.00	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	1,639
15-1299.08	Computer Systems Engineers/Architects	1,638
13-2011.00	Accountants and Auditors	1,522

Source: Jobs EQ

Top Hard Skills in Demand

Top Hard Skills in Job Ads, Third Quarter 2023 Denver-Aurora-Lakewood Metropolitan Area	
Skill Name	Active Job Ads
Microsoft Excel	15,580
Microsoft Office	15,012
Ability to Lift 41-50 lbs.	7,956
Ability to Lift 51-100 lbs.	7,454
Microsoft Outlook	6,897
Microsoft Word	6,153
Microsoft PowerPoint	5,637
Sales	4,691
Cash Handling (Cashier)	4,238
Spanish	4,161
Ability to Lift 21-30 lbs.	4,101
Agile	4,024
Retail Sales	3,687
Teaching/Training, School	3,399
Presentation	3,393
Python	3,335
Customer Relationship Management (CRM)	3,299
Mathematics	3,093
Teaching/Training, Job	3,075
Structured Query Language (SQL)	3,045

Source: Jobs EQ

Top Certifications and Credentials

Top Certifications Posted Third Quarter 2023, Denver-Aurora-Lakewood Metro Area	
Certificate Name	Active Job Ads
Driver's License	5,150
Certification in Cardiopulmonary Resuscitation (CPR)	4,236
Basic Life Support (BLS)	4,077
Registered Nurse (RN)	3,533
Secret Clearance	1,869
First Aid Certification	1,353
Commercial Driver's License (CDL)	929
Advanced Cardiac Life Support Certification (ACLS)	908
Certified Public Accountant (CPA)	716
Certified Nursing Assistant (CNA)	715
Licensed Practical Nurse (LPN)	713
Licensed Clinical Social Worker (LCSW)	555
The American Registry of Radiologic Technologists (ARRT) Certification	511
Licensed Professional Counselor (LPC)	483
Project Management Professional (PMP)	442
ServSafe Food Protection Manager Certification	428
Medical Assistant Certification (MA)	347
Certified Information Systems Security Professional (CISSP)	327
Licensed Professional Engineer	319
Class A Commercial Driver's License (CDL-A)	296

Source: Jobs EQ

Top Companies Posting

Top Employers Posted Third Quarter 2023, Denver-Aurora-Lakewood Metro	
Employer Name	Active Job Ads
State of Colorado	2,667
UCHealth	2,032
University of Colorado	1,996
LOCKHEED MARTIN	1,304
Centura Health	1,270
Adventist Health System	1,106
Metropolitan State University of Denver	993
Fusion Medical Staffing	739
Dish Network	674
ClientSolv Technologies	665
PIZZA HUT	535
Robert Half	534
Target	502
AutoZone	491
University of Denver	469
LOWES	462
Papa Murphy's	461
Express Employment Professionals	456
HCA HealthCare	448
Sprouts Farmers Market	446

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 Third Quarter 2023 Denver-Aurora-Lakewood Metropolitan Area		
Type	Active Job Ads	Percent
Full-Time	84,956	55.7%
Part-Time	20,445	13.4%
Permanent	10,707	7.0%
Remote	8,044	5.3%
Temporary (unspecified)	6,151	4.0%
Temporary (short-term)	746	0.5%
Temp-to-Hire	746	0.5%
Temporary (long-term)	549	0.4%
Remote Not Indicated	132,946	87.2%

Source: Jobs EQ

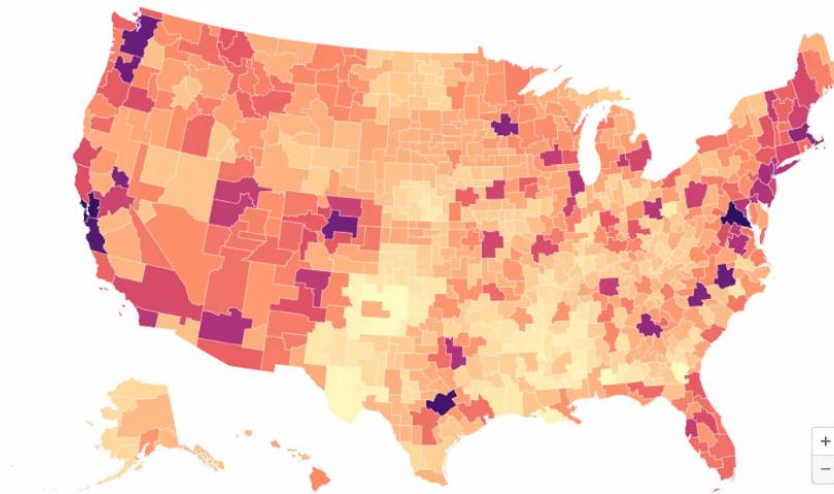
Note percentages do not add up due to overlap between type of posting. It is interesting to see the substantial number of part-time positions posted, as well as the various types of temporary positions.

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?

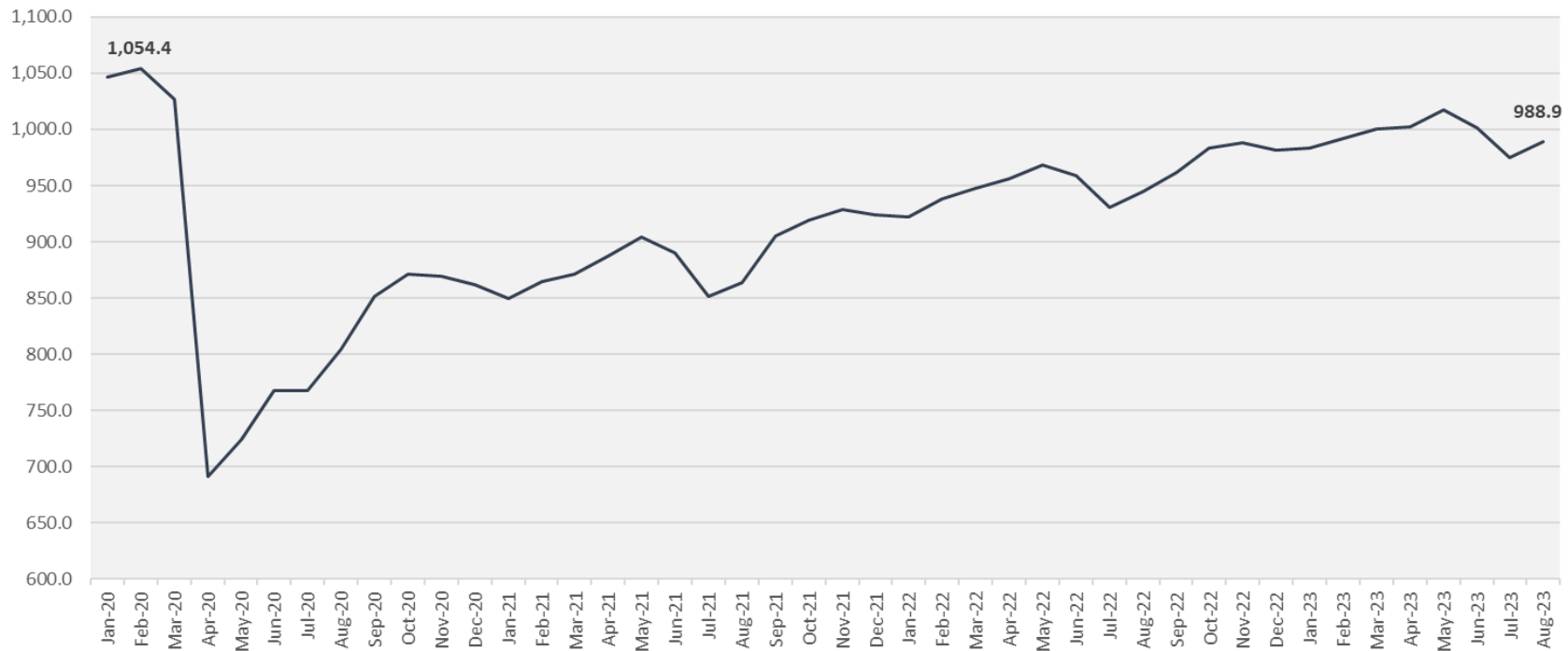
When we see that 28% of people working in Denver are working from home, what it actually means is that for 28% of the workforce, they worked at home ‘most of the time.’ We have no way of telling whether members of this group were telecommuting full-time or were on a hybrid schedule.

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 65,500 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.

Child Day Care Services, Colorado Urban Front Range

Childcare Costs as a Percent of Median Wage by Occupation Family, Colorado Urban Front Range

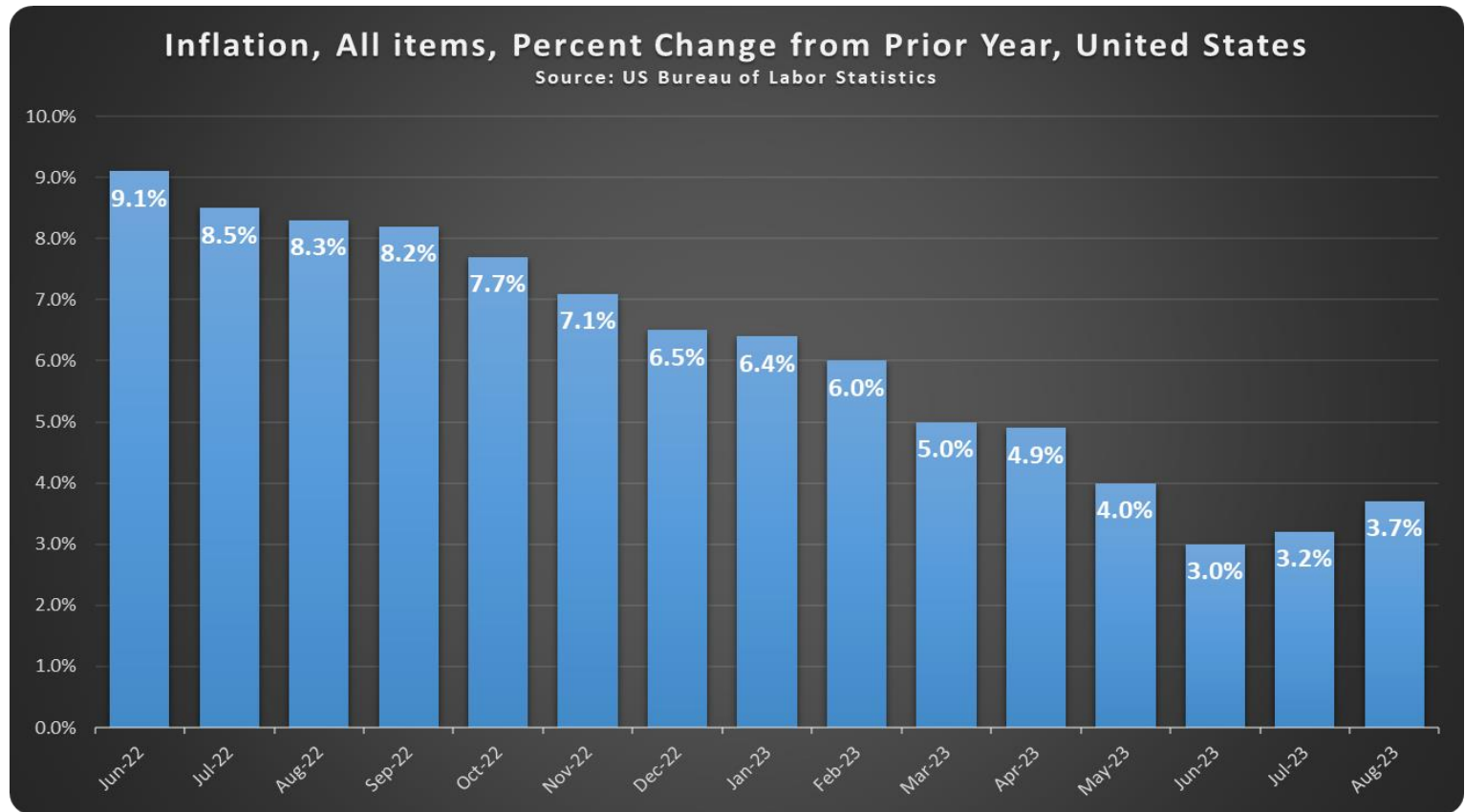
SOC	Description	2023 Jobs	Median Annual Earnings	Annual Cost as Percent of Median Earnings			
				Infant, Childcare Center	Toddler, Childcare Center	Infant, Child Care Home	Toddler, Child Care Home
11	Management	169,860	\$127,984	14.2%	11.8%	9.2%	8.7%
13	Business and Financial Operations	250,951	\$80,856	22.4%	18.7%	14.6%	13.7%
15	Computer and Mathematical	136,586	\$108,381	16.7%	13.9%	10.9%	10.2%
17	Architecture and Engineering	70,185	\$93,491	19.4%	16.2%	12.6%	11.9%
19	Life, Physical, and Social Science	35,855	\$79,800	22.7%	18.9%	14.8%	13.9%
21	Community and Social Service	53,133	\$53,992	33.6%	28.0%	21.9%	20.6%
23	Legal	27,529	\$101,221	17.9%	14.9%	11.7%	11.0%
25	Educational Instruction and Library	148,517	\$52,743	34.4%	28.7%	22.4%	21.0%
27	Arts, Design, Entertainment, Sports, and Media	56,162	\$56,633	32.0%	26.7%	20.9%	19.6%
29	Healthcare Practitioners and Technical	139,595	\$82,671	21.9%	18.3%	14.3%	13.4%
31	Healthcare Support	91,475	\$37,508	48.4%	40.3%	31.5%	29.6%
33	Protective Service	50,632	\$49,493	36.7%	30.5%	23.9%	22.4%
35	Food Preparation and Serving Related	221,207	\$33,234	54.6%	45.5%	35.6%	33.4%
37	Building and Grounds Cleaning and Maintenance	82,964	\$36,115	50.2%	41.9%	32.7%	30.7%
39	Personal Care and Service	76,849	\$34,377	52.8%	44.0%	34.4%	32.3%
41	Sales and Related	275,735	\$42,988	42.2%	35.2%	27.5%	25.8%
43	Office and Administrative Support	295,888	\$45,432	39.9%	33.3%	26.0%	24.4%
45	Farming, Fishing, and Forestry	10,489	\$31,335	57.9%	48.2%	37.7%	35.4%
47	Construction and Extraction	136,763	\$53,085	34.2%	28.5%	22.3%	20.9%
49	Installation, Maintenance, and Repair	99,238	\$55,195	32.9%	27.4%	21.4%	20.1%
51	Production	92,995	\$42,889	42.3%	35.2%	27.6%	25.9%
53	Transportation and Material Moving	196,760	\$41,502	43.7%	36.4%	28.5%	26.7%
Totals		2,719,368	\$60,275	30.1%	25.1%	19.6%	18.4%

Sources: Lightcast (Jobs & Earnings), Childcare Costs (Broderick Research & Consulting Childcare Market Rate Study Presented to Colorado Dept. Human Services, 2022)

Average number days childcare needed based on data showing average number of paid time off and holiday days taken in the US (Forbes, 2018)

Trends in Inflation

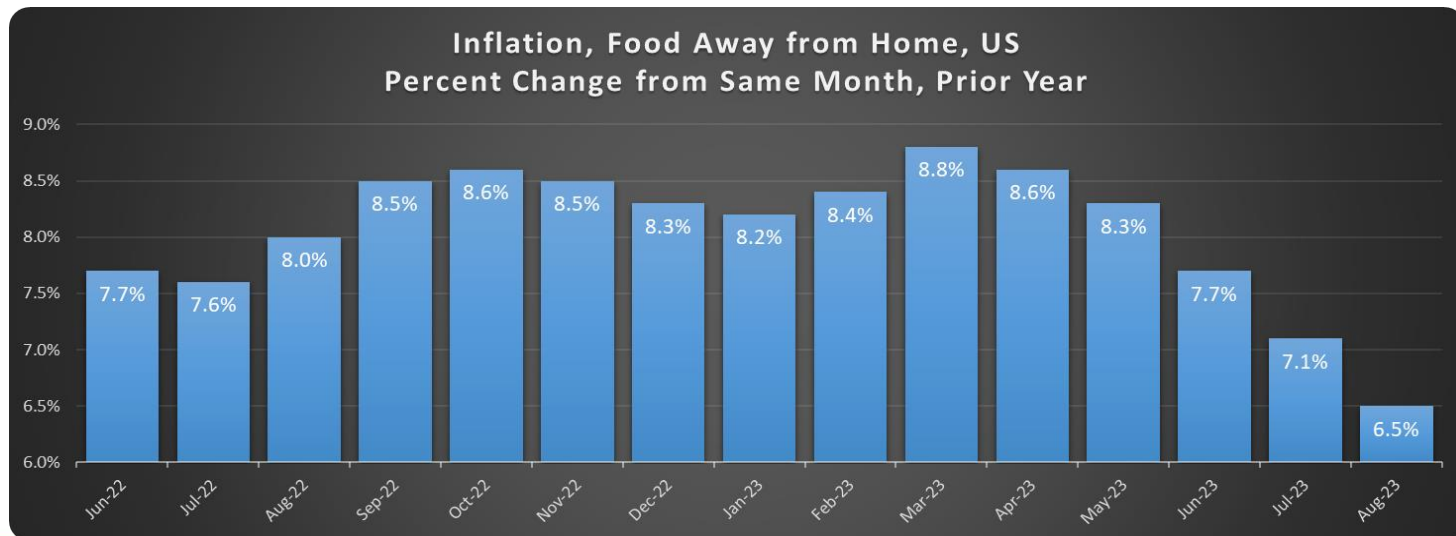
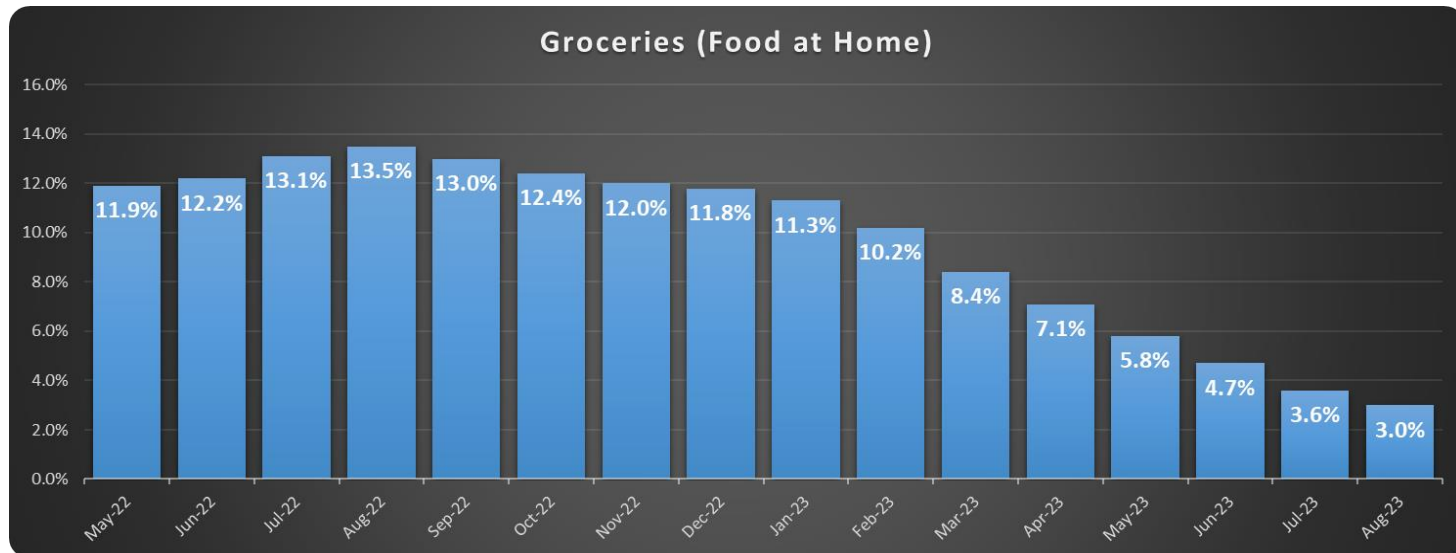
Selected Inflation Rates



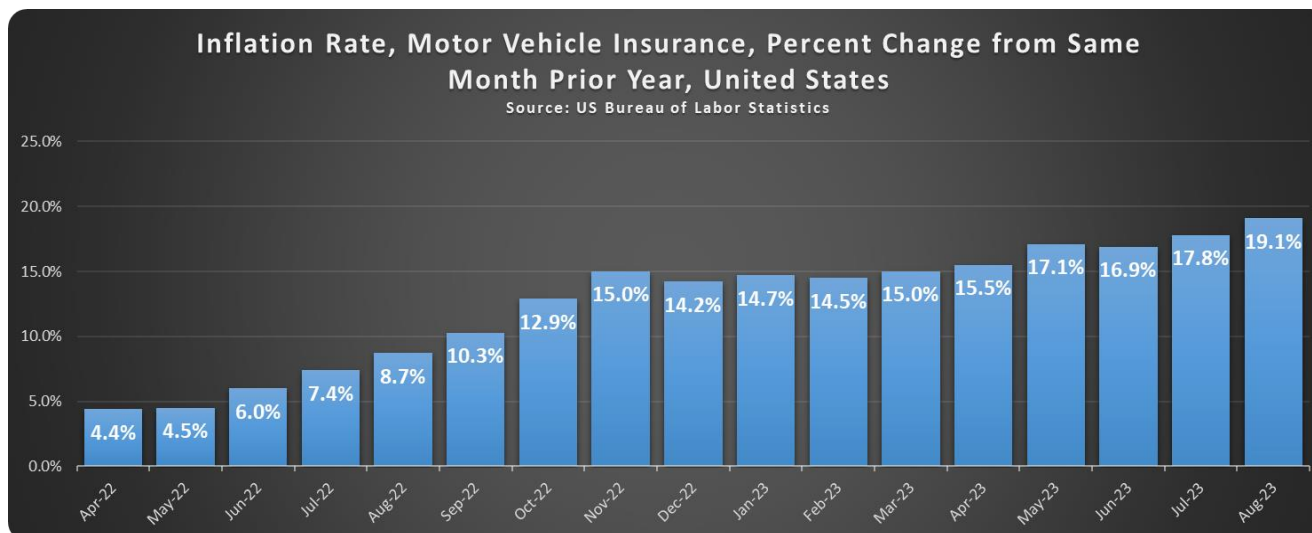
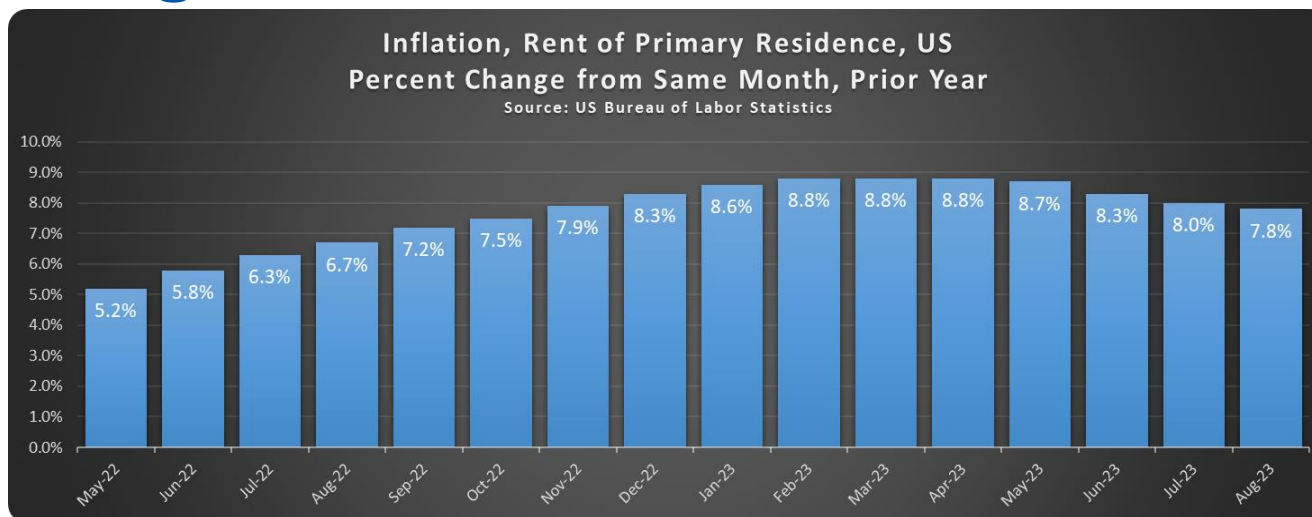
The Federal Reserve's target inflation rate is 2%. Recent trends show inflation moving up slightly.

Selected Inflation Rates

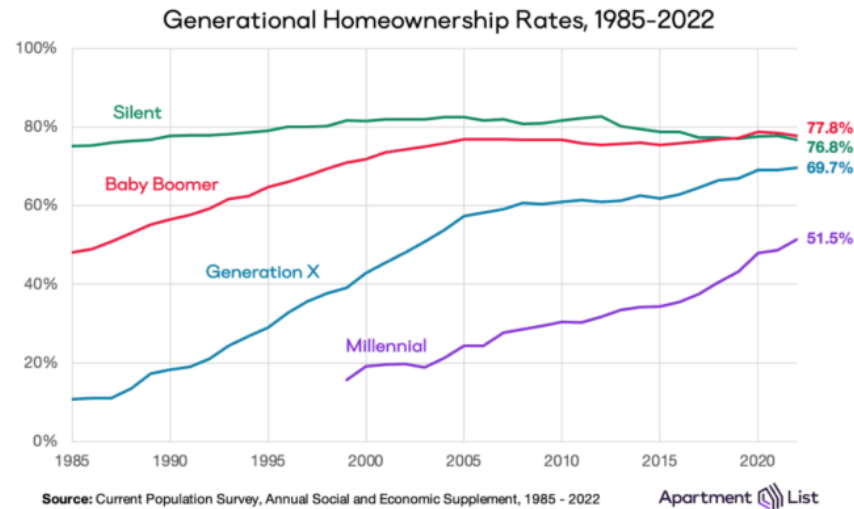
The inflation rate for groceries is still significantly lower than that of food away from home



Spotlight: Rent and Car Insurance

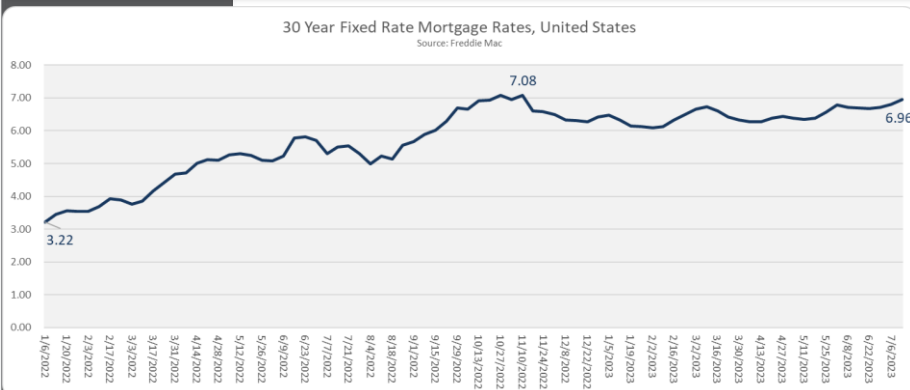


Spotlight: Younger Buyers Priced out of Housing Market



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.

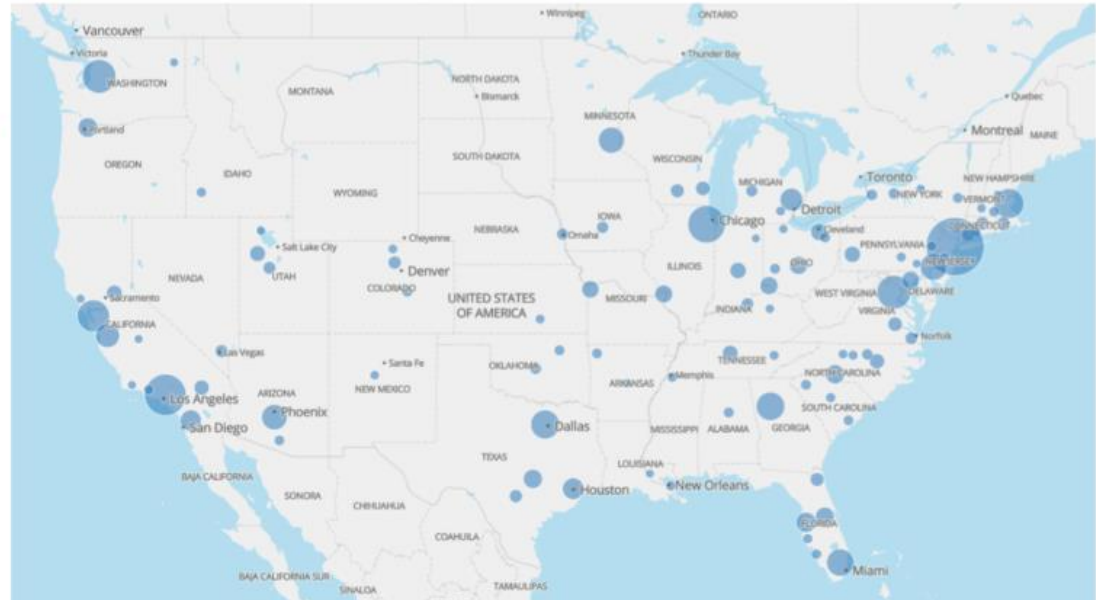


Remote Working or Telework



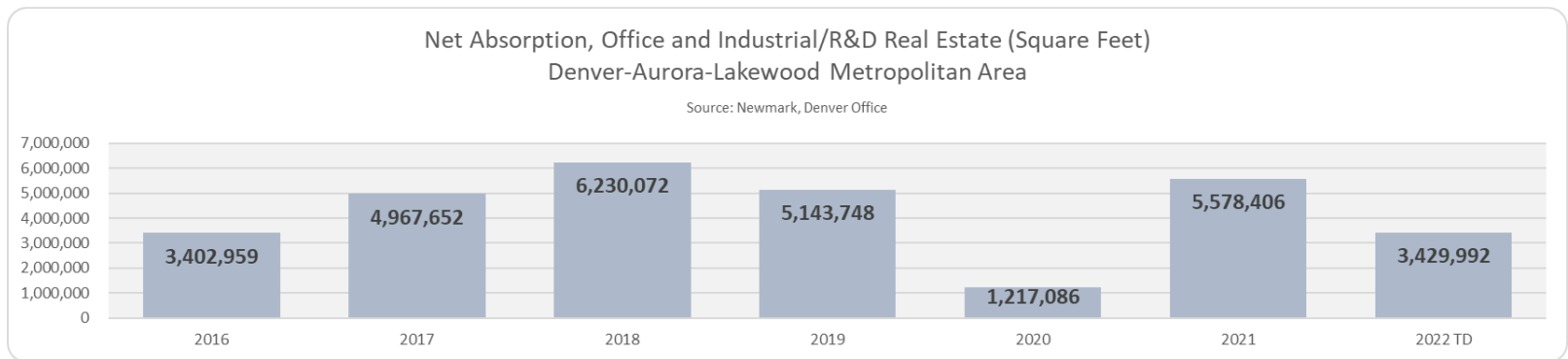
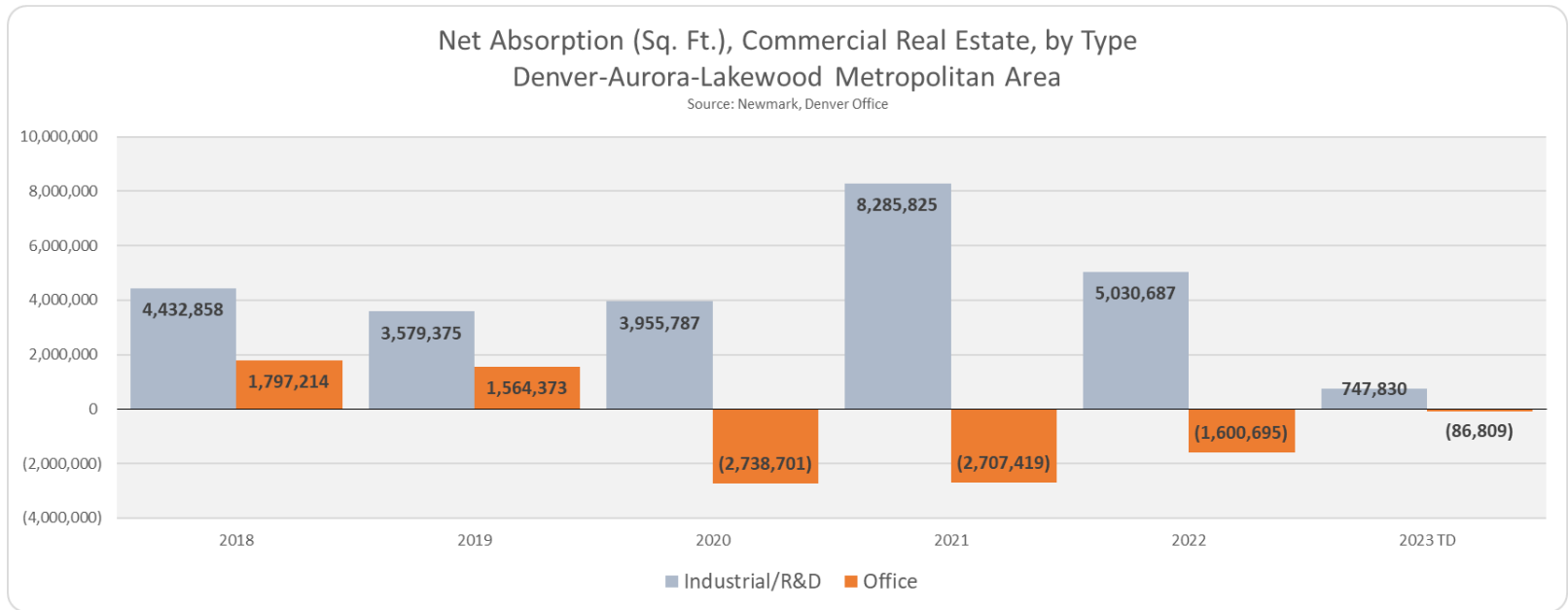
If an occupation can work remotely, and you cannot find anyone locally, why not increase the area of outreach and recruitment?

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?

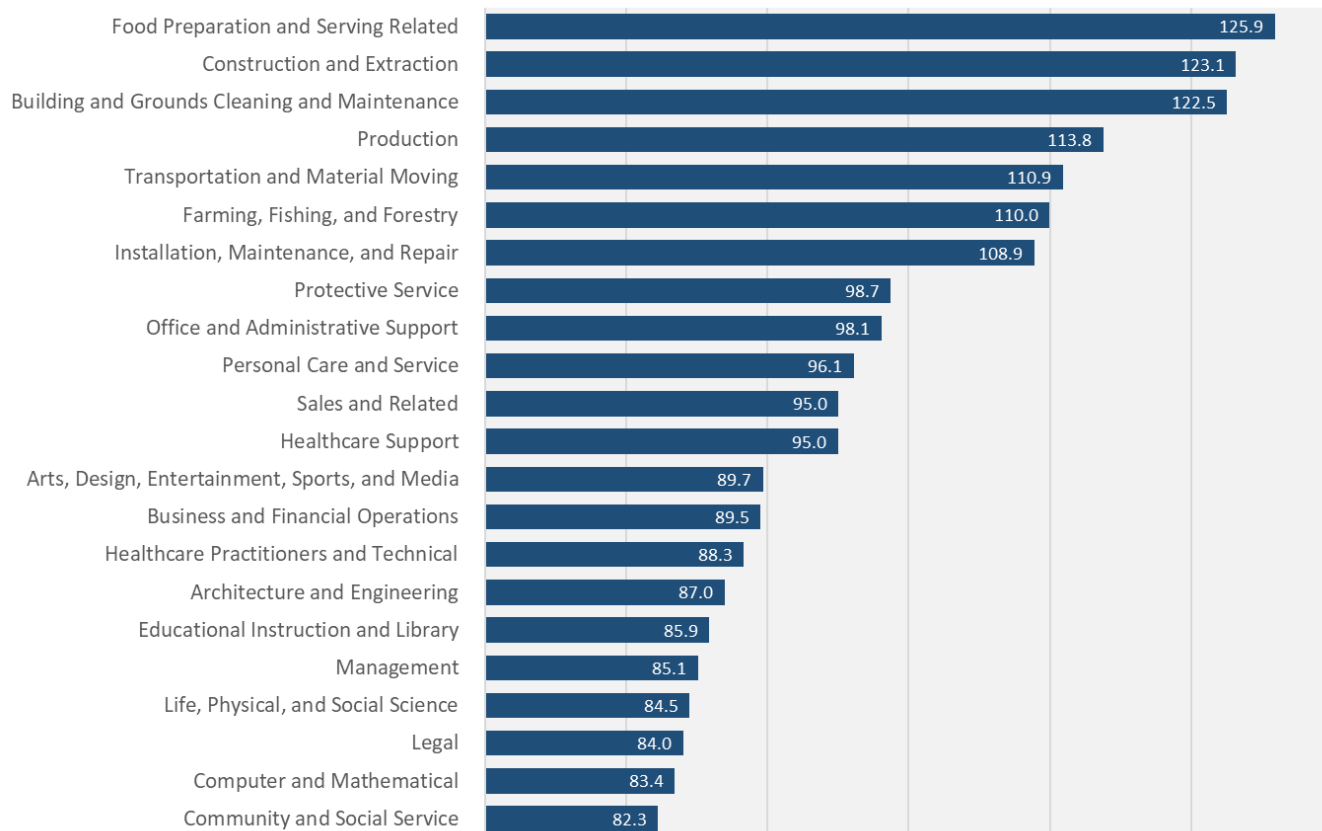


Automation Opportunities

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

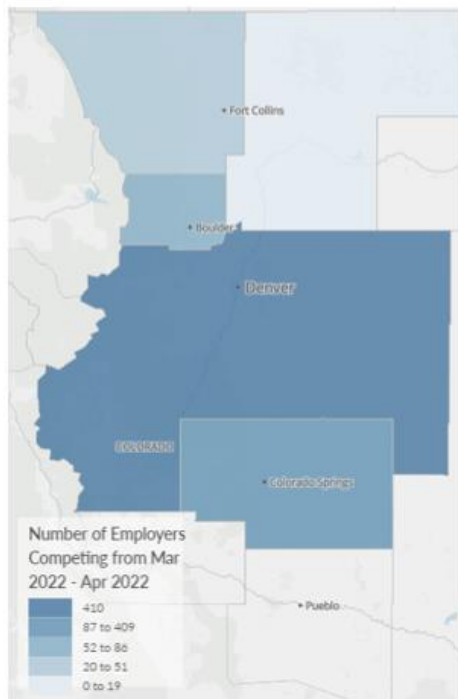
Source: EMSI Burning Glass



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?

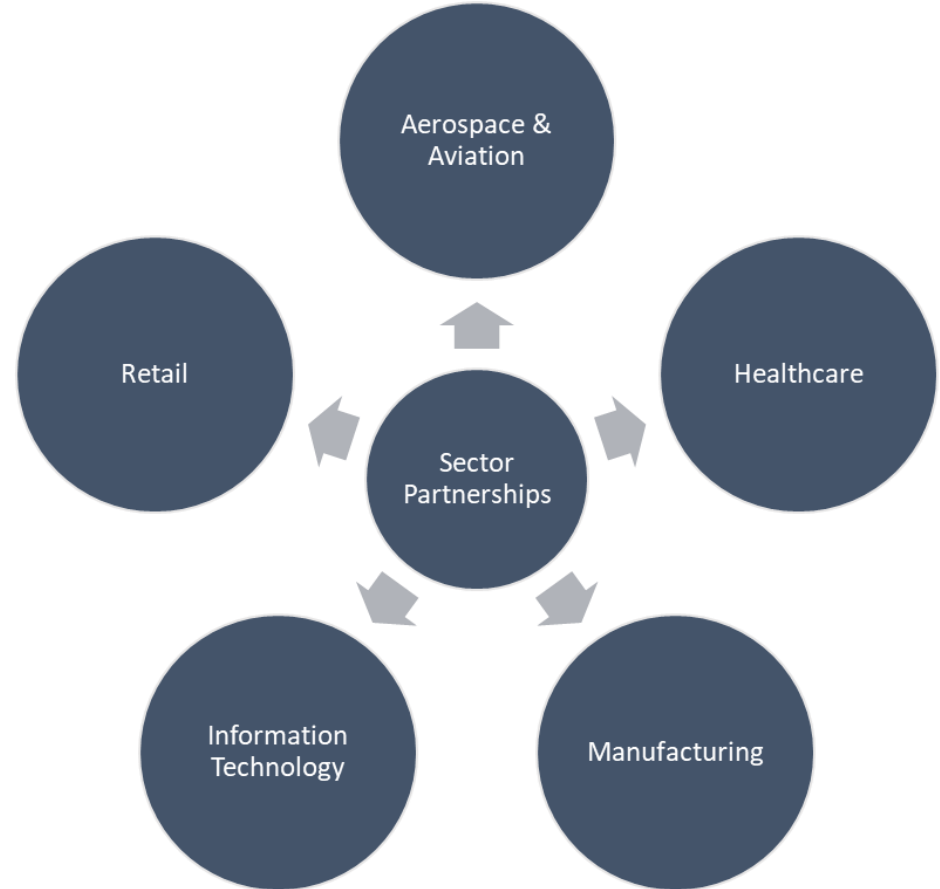


With help from public partners like workforce centers and community colleges, you can work together to make sure the training pipeline is putting out graduates with the skills you need.



Sector Partnerships

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

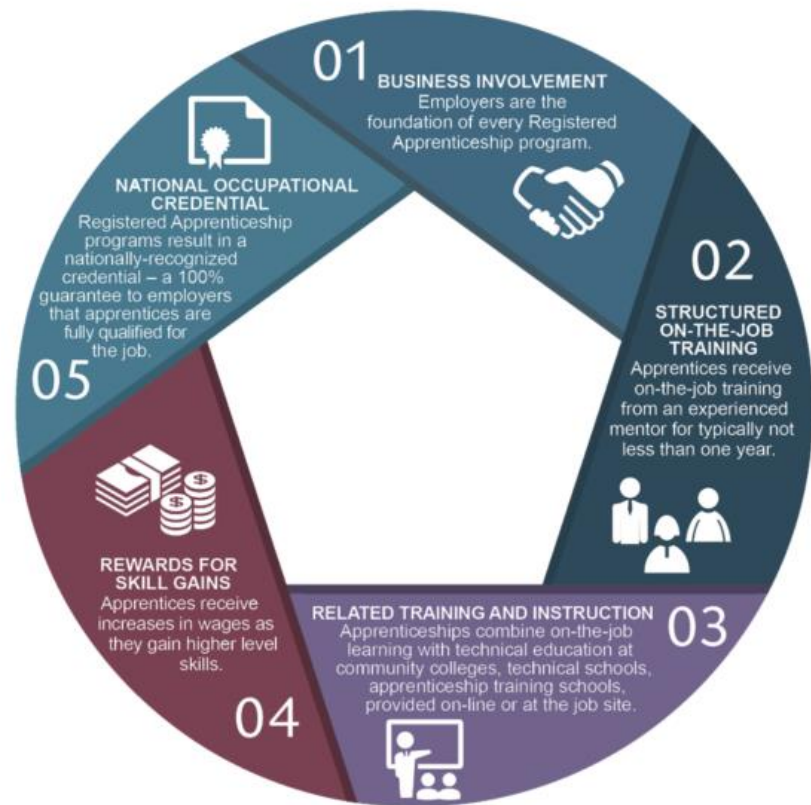


Apprenticeship

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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