



Northern Virginia Community College

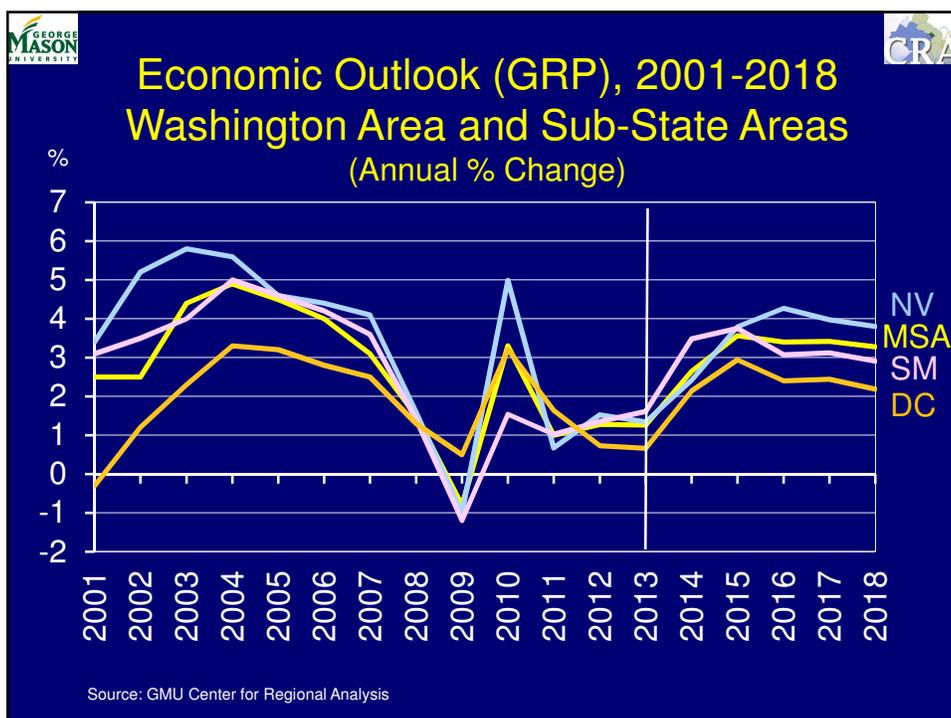
***Northern Virginia's Workforce
Outlook: Future Workforce
Development Challenges***

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**The Washington Economy:
Impacts of the Recession
and the Sequester**

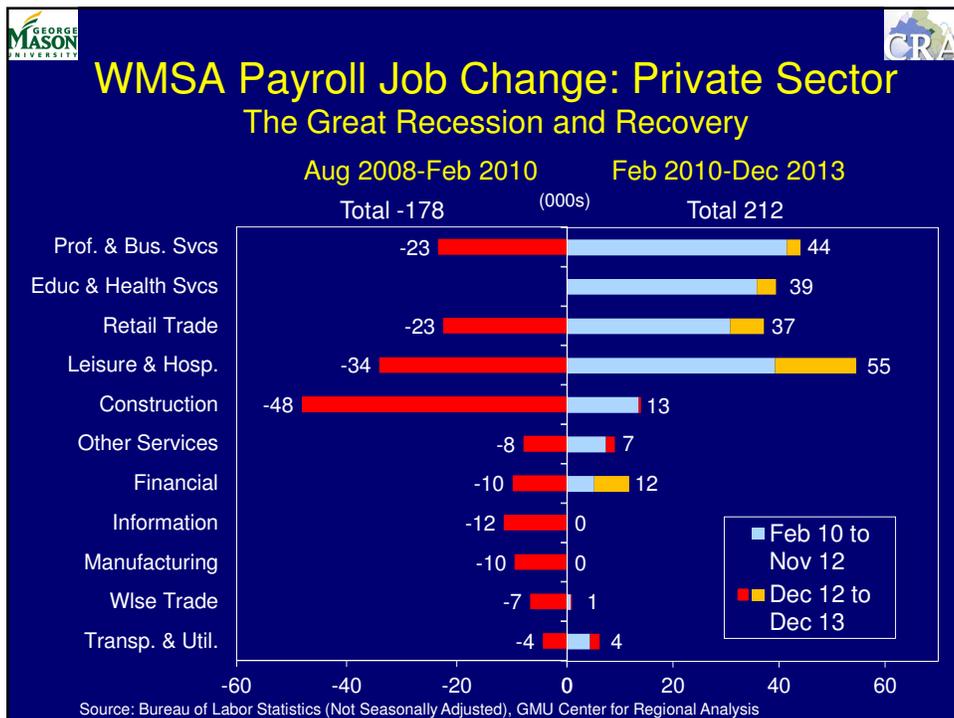
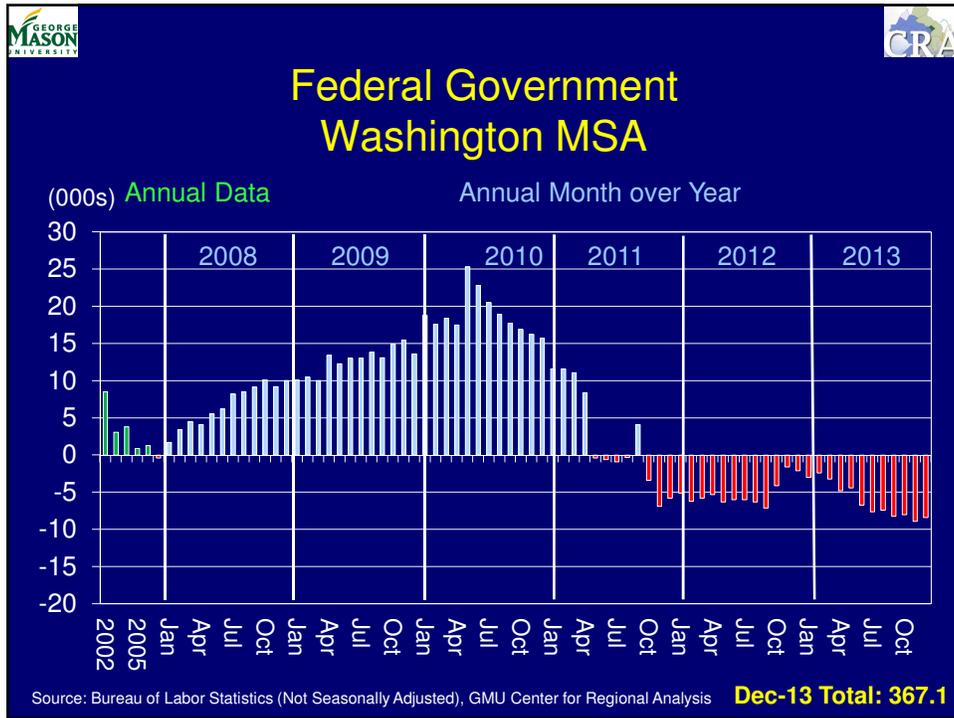


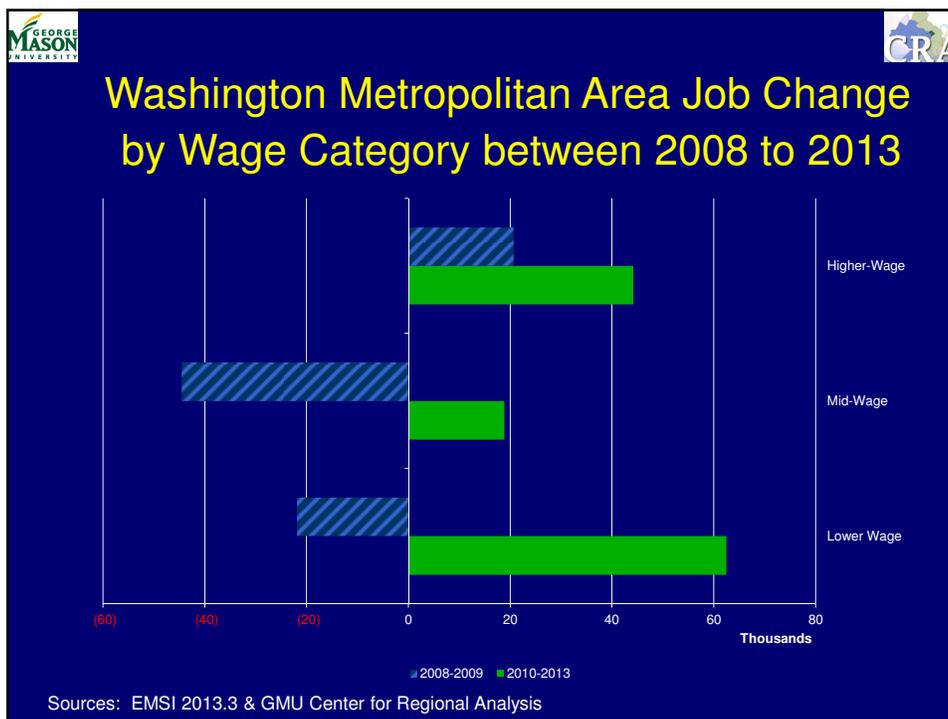
Recession Impacts

- GRP declined 0.8% in 2008
- The region's lost 178,100 jobs

Sequester+ Impacts

- Federal procurement \$s down by 14.0%
- There are 21,200 fewer federal jobs
- Federal payroll is down 4.8%
or by \$2 billion





Economic Outlook for the Washington Metropolitan Area

 Employment Change in the WMSA by Sub-State Area (000s) 								
	2011	2012	2013	2014	2015	2016	2017	2018
D.C.	14.1	5.6	1.9	9.7	11.3	9.3	6.5	4.6
Sub. MD	4.4	4.8	20.7	18.1	22.7	20.0	14.3	12.2
No. VA	26.4	23.5	14.6	32.2	31.8	36.8	35.0	30.3
REGION	42.6	32.2	37.5	60.2	66.1	66.4	56.2	47.5

Average Annual Change 1990-2010 = 36,000

Source: BLS, IHS Global Insight, GMU Center for Regional Analysis
NOTE: The regional totals include Jefferson, WV.

 Principal Sources of Job and GRP Growth in the Washington Area, 2013-2018 			
(in thousands)			
<u>Growth Sectors</u>	<u>Job Change</u>	<u>% of Total Job Change</u>	<u>Average Value Added per Job*</u>
Prof. & Bus. Ser.	144.5	48.8	\$158,211
Construction	51.9	17.5	\$91,482
Education/Health	35.2	11.9	\$59,938
Hospitality Services	27.1	9.1	\$43,036
State and Local	19.6	6.6	\$60,099
Retail Trade	13.6	4.6	\$60,981
Sub-Total	291.9	98.5	\$93,347
Overall Total	296.4	100.0	\$135,544

Sources: IHS Global Insight; GMU Center for Regional Analysis

* in 2005\$s




Principal Sources of Job and GRP Growth in the Washington Area, 2013-2018 (in thousands)

<u>Other Sectors</u>	<u>Job Change</u>	<u>% of Total Job Change</u>	<u>Average Value Added per Job*</u>
Federal Gov't	- 22.8	- 7.7	\$141,894
Other Services	2.1	0.7	\$102,734
Financial Services	- 1.3	- 0.4	\$591,253
Information Services	6.3	2.1	\$549,993
Manufacturing	1.5	0.5	\$103,723
Transportation	9.3	3.1	\$133,796
Wholesale Trade	7.3	2.5	\$193,924
Sub-Total	4.5	1.5	\$220,696
Overall Total	296.4	100.0	\$135,544

Sources: IHS Global Insight; GMU Center for Regional Analysis * in 2005\$s




Net New and Replacement Job Growth in the Northern Virginia: 2012-2017 and 2017-2022




Northern Virginia Change in Jobs, Summary 2012 - 2017 - 2022

Year	Total Jobs	Net New (% Change)	Replacement (% Change)	Openings (% Change)
2012	1,769,593			
2012 - 2017	1,974,697	205,086	213,309	418,395
		11.6%	12.1%	23.6%
2017 - 2022	2,144,716	170,037	202,183	372,220
		8.6%	10.2%	18.8%

Sources: EMSI Total Employment - 2013.2, GMU Center for Regional Analysis




Net New Jobs in Northern Virginia: 2012-2017

 Northern Virginia  All Net New Jobs, 2012 – 2017			
<u>2-Digit SOC</u>	<u>Net New</u>	<u>% Total</u>	<u>% Change</u>
Business & Financial	25,556	12.5	15.4
Sales & Related	21,146	10.3	10.0
Computer & Mathematical	20,734	10.1	14.6
Office & Admin Support	18,543	9.0	9.1
Educ., Training & Library	15,798	7.7	17.6
Healthcare (All)	14,559	7.1	16.8
Personal Care & Service	13,002	6.3	17.4
Management Occupations	12,886	6.3	9.8
Food Prep & Serving	11,971	5.8	11.3
Building & Grounds Maint.	10,143	4.9	14.2
All Others	40,748	19.9	7.8
Total	205,086	100.0	5.2

Sources: EMSI Total Employment - 2013.2. GMU Center for Regional Analysis

 Northern Virginia  Major Sources of Net New Jobs, 2012 – 2017			
<u>5-Digit SOC</u>	<u>Net New</u>	<u>% Total</u>	<u>% Change</u>
<u>Business & Financial</u>	25,556	12.5	15.4
Management Analysts	6,734	26.3	15.8
Personal Financial Advisors	3,883	15.2	35.4
Accountants & Auditors	2,764	10.8	11.7
Business Ops Specialists	2,193	8.6	11.3
<u>Sales & Related</u>	21,146	10.3	10.0
Real Estate Sales Agents	6,617	31.3	16.9
Retail Salespersons	3,512	16.6	7.3
Financial Servcs Agents	2,490	11.8	29.9
Cashiers	1,992	9.4	7.1
<u>All Others</u>	158,384	77.2	5.1
Total	205,086	100.0	11.6

Sources: EMSI Total Employment - 2013.2. GMU Center for Regional Analysis * % Total of All Net New Jobs

Northern Virginia			
Major Sources of Net New Jobs, 2012 – 2017			
<u>5-Digit SOC</u>	<u>Net New</u>	<u>% Total</u>	<u>% Change</u>
<u>Computer & Mathematical</u>	20,734	10.1	14.6
Sys Software Developers	4,795	23.1	19.3
App Software Developers	4,388	21.2	17.7
Computer Sys Analyst	2,838	13.7	12.3
Computer Supp. Specialist	2,129	10.3	14.1
<u>Office & Admin Support</u>	18,543	9.0	9.1
Office Clerks, General	3,540	19.1	10.8
Bookkeep&Audit Clerks	2,071	11.2	11.0
Customer Servc Reps	2,051	11.1	12.2
Secretaries&Admin Assists	1,757	9.5	13.7
<u>All Others</u>	165,809	80.8	11.2
<u>Total</u>	205,086	100.0	11.6

Sources: EMSI Total Employment - 2013.2, GMU Center for Regional Analysis * % Total of All Net New Jobs

Northern Virginia : Net New by Educational Requirements, 2012-2017		
<u>Education</u>	<u>Net New</u>	<u>% Total</u>
Short-Term OJT	61,498	30.0
Bachelors + Experience	69,355	33.8
Moderate-Term OJT	14,328	7.0
Postsecondary Non-Degree	15,497	7.6
Associate's Degree	8,475	4.1
Work Exp in Related Occp.	17,241	8.4
Long-Term OJT	9,770	4.8
Master's&Doctoral Degree	6,239	3.0
First Professional Degree	3,321	1.6
<u>*Total</u>	205,094	100.0

*Includes -630 Unclassified and Military Net New jobs
 ** Totals show underestimates due to suppressed data and may not add up
 Sources: EMSI Total Employment - 2013.2, GMU Center for Regional Analysis




Replacement Jobs in Northern Virginia: 2012-2017




Northern Virginia Replacement Jobs Summary 2012 - 2017 - 2022

Year	Total Jobs	Replacement Jobs (% Total Jobs)	% Change
2012	1,769,593		
2012 - 2017	1,974,697	213,309 10.8%	12.1%
2017 - 2022	2,144,716	202,183 9.4%	10.2%

Sources: EMSI Total Employment - 2013.2, GMU Center for Regional Analysis

Northern Virginia All Replacement Jobs, 2012 – 2017			
<u>2-Digit SOC</u>	<u>Replacement</u>	<u>% Total</u>	<u>% Change</u>
Sales & Related	32,366	15.2	15.3
Office & Admin Support	24,122	11.3	11.8
Food Prep & Serving	19,802	9.3	18.7
Business & Financial	16,372	7.7	9.8
Management Occupations	14,792	6.9	11.2
Computer & Mathematical	12,180	5.7	8.6
Construction & Extraction	10,464	4.9	13.6
Transport&Material Move	10,207	4.8	13.5
Educ., Training & Library	9,682	4.5	10.8
Personal Care & Service	8,964	4.2	12.0
All Others	54,358	25.5	11.1
Total	213,309	100.0	12.1

Sources: EMSI Total Employment - 2013.2, GMU Center for Regional Analysis

Northern Virginia: Replacement Jobs by Educational Requirements, 2012-2017		
<u>Education</u>	<u>Replacements</u>	<u>% Total</u>
Short-Term OJT	80,224	38.6
Bachelors + Experience	50,470	24.3
Moderate-Term OJT	19,451	9.3
Postsecondary Non-Degree	12,538	6.0
Associate's Degree	7,671	3.7
Work Exp in Related Occp.	17,784	8.5
Long-Term OJT	11,849	5.7
Master's&Doctoral Degree	5,061	2.4
First Professional Degree	2,910	1.4
*Total	208,056	100.0

*Included 98 Unclassified and Military Replacement jobs
 ** Totals show underestimates due to suppressed data and may not add up
 Sources: EMSI Total Employment - 2013.2, GMU Center for Regional Analysis




Population Change in the Washington Metropolitan Area , 2013-2018

(in thousands)

<u>Age Cohorts</u>	<u>2013</u>	<u>2018</u>	<u>Change</u>	<u>%</u>
Under 24 yrs	1,909.7	1,992.8	83.1	4.3
24-64 years	3,337.7	3,478.3	140.6	4.2
65 yrs & over	656.0	825.0	169.0	25.8
Totals	5,903.4	6,295.1	392.7	6.6

Source: IHS Global Insight, GMU Center for Regional Analysis




Summary of Economic Challenges Facing the Washington Area



- The Washington metropolitan area economy has undergone a significant structural shift as a result of the Great Recession; changing federal spending patterns have extended this structural shift and will shape the economy's future growth potential.
- Federal spending will no longer drive the region's economic growth; but, professional and business services will continue as the major source of growth.
- The region's economy is currently lagging the national growth rate and the rates of its peers.



- Demand for workers to fill new and replacement jobs will substantially exceed the supply of available workers in every major occupational category.
- In order to sustain a competitive economy, local jurisdictions will need to increase their investments in education and skills training at all levels.
- The next five years will be the a critical development period as the region's public and private investment decisions during this period will determine its competitive position going forward.



Thank You
Questions

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