

Assessing Alexandria/Arlington's Regional Labor Market

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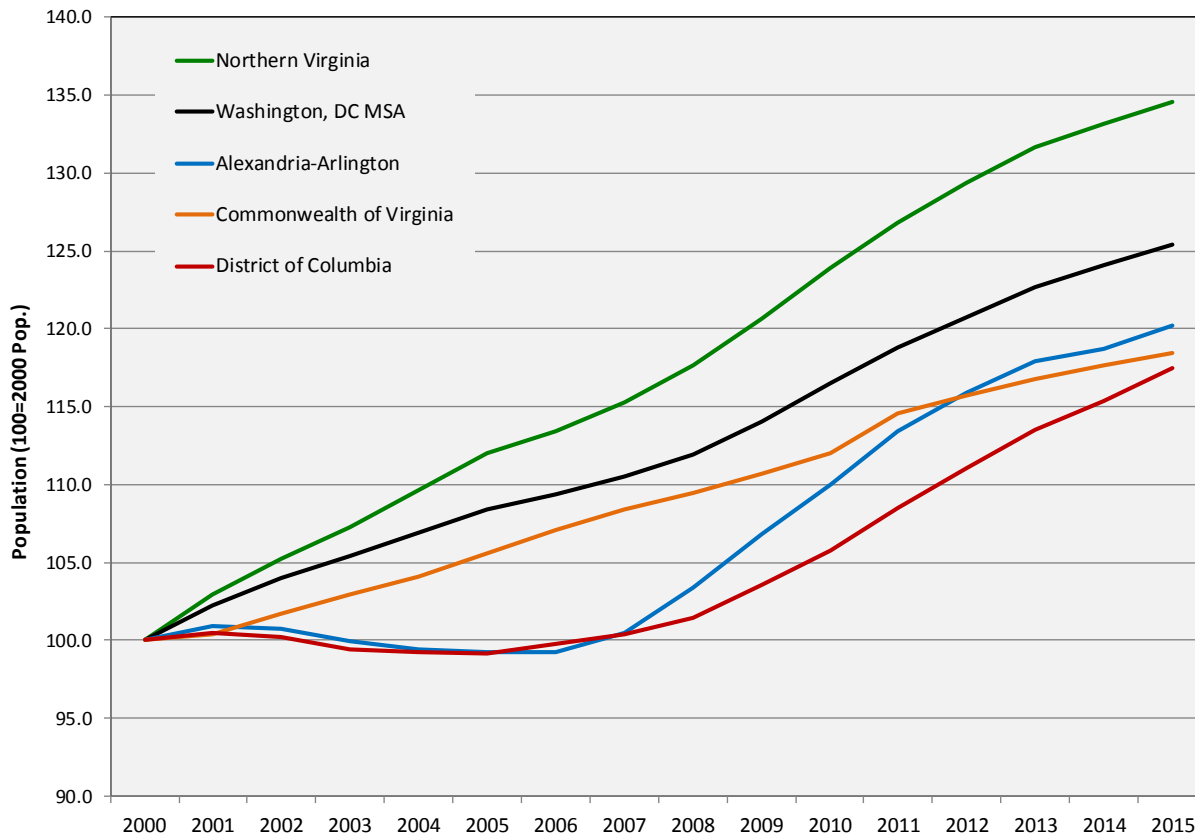
March 6, 2017

Agenda

- Key demographic trends
- The labor force
- Economic trends
- The federal government and the federal workforce
- Sources of workforce demand
- Ongoing regional challenges
- Conclusions and takeaways
- Questions, and hopefully answers

Key demographic trends

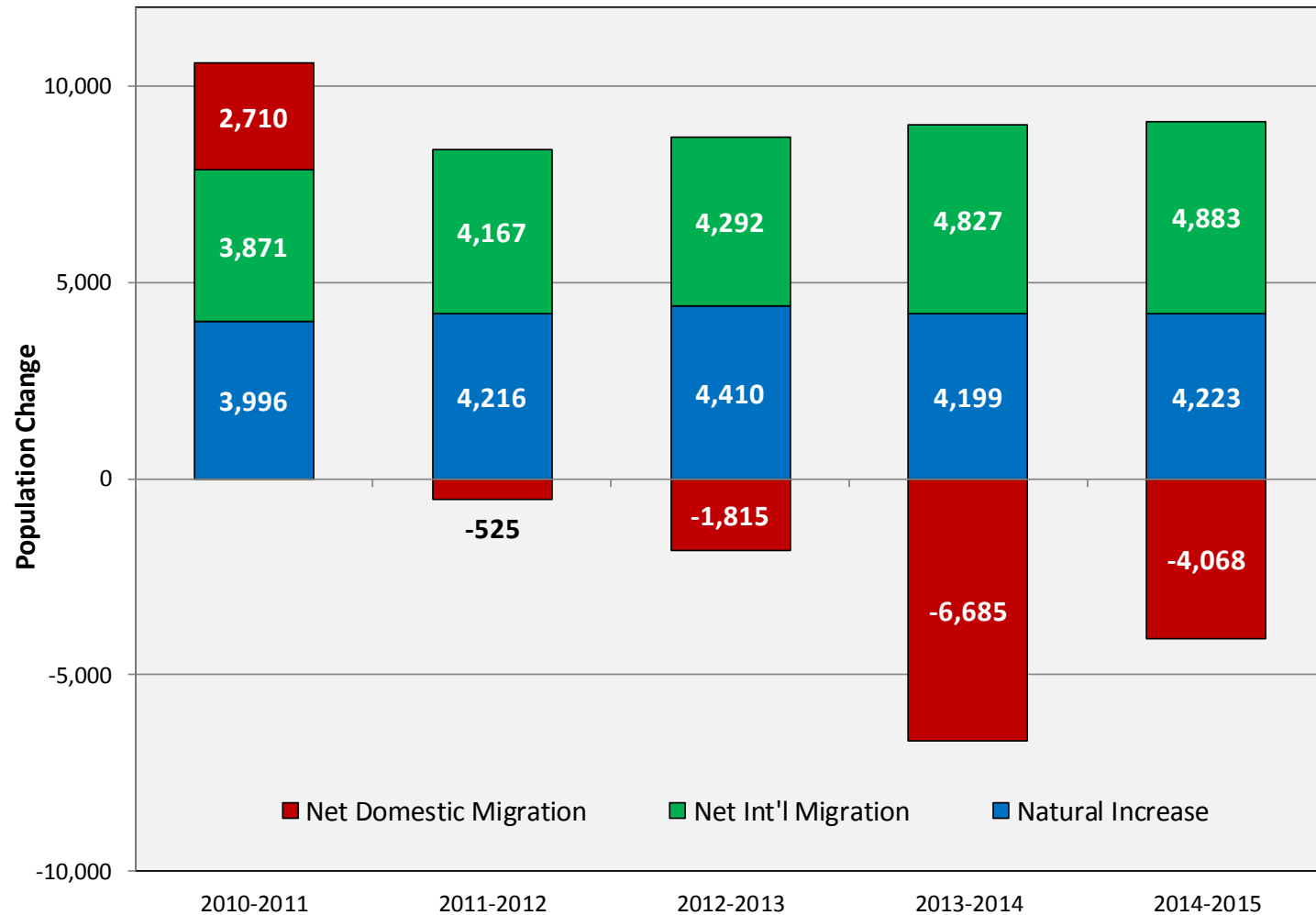
After a period of flat/negative growth, A-A grew significantly after the recession



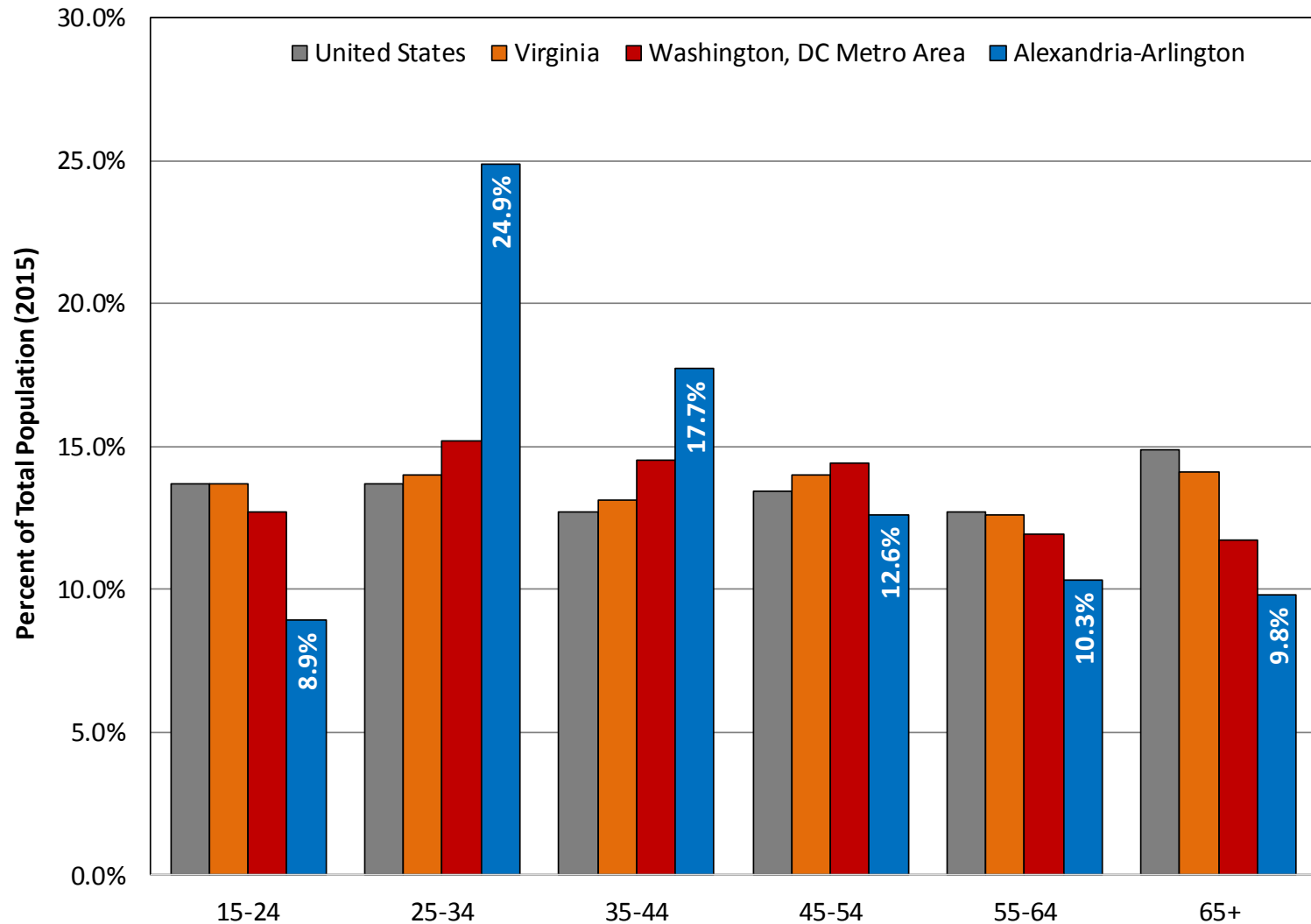
Source: US Census Bureau Population Estimates Program

- 382,000 residents
 - 60 percent in Arlington
 - 40 percent in Alexandria

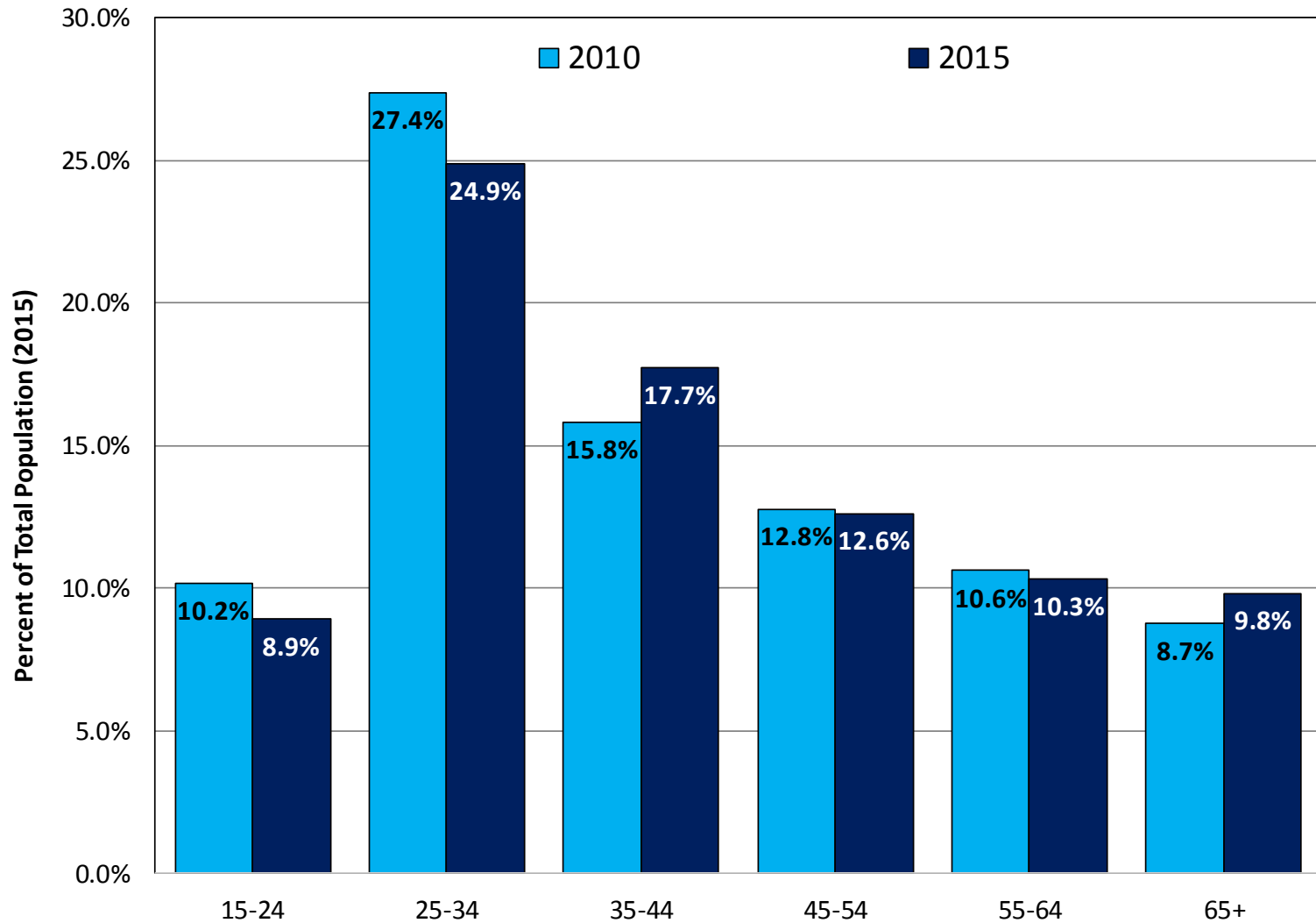
The region has experienced net domestic out-migration since 2011



1 out of 4 residents are aged 25-34

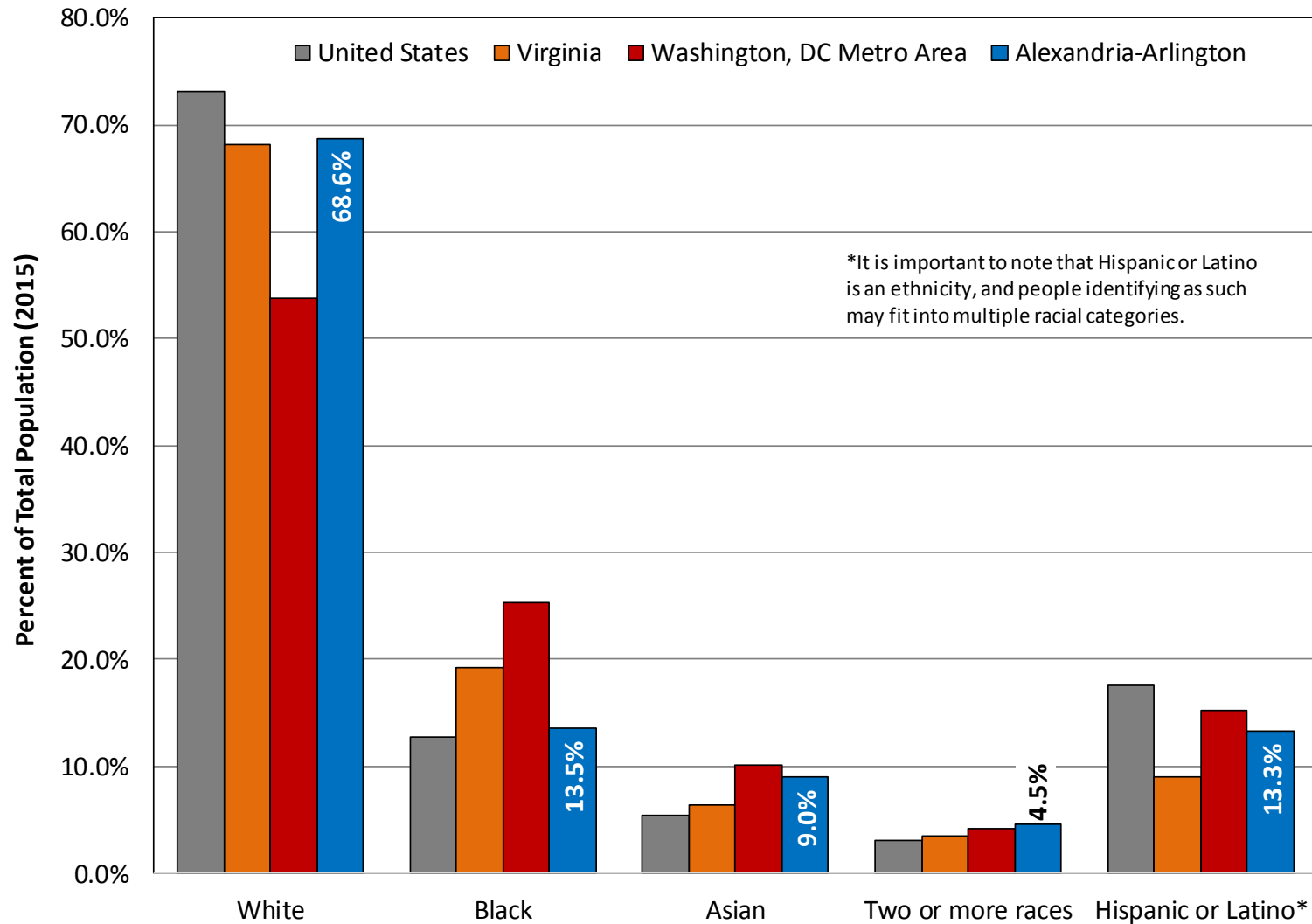


The region has gotten slightly older in the past five years



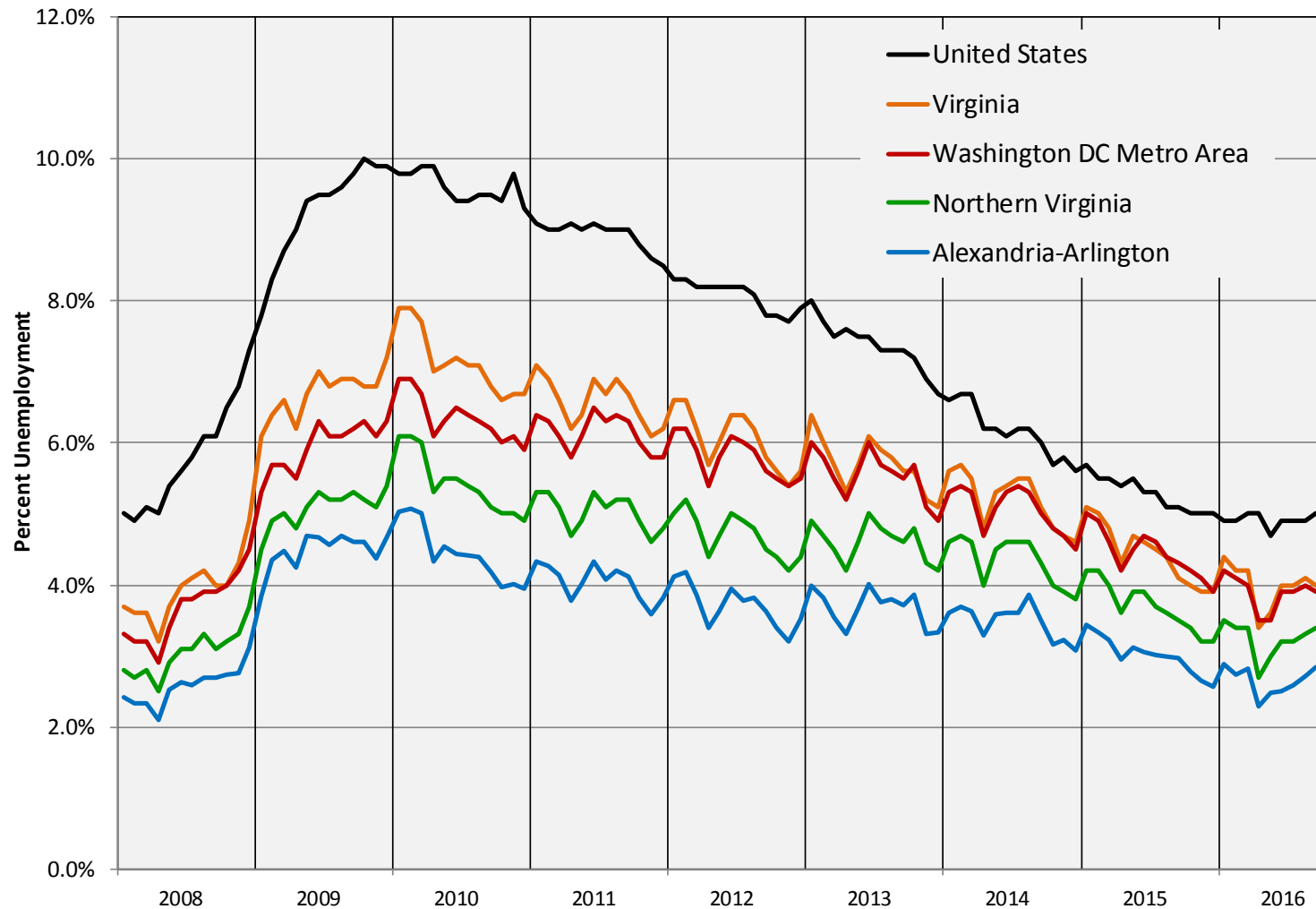
Source: US Census Bureau, 2015 American Community Survey

The region is less diverse than the DC metro area



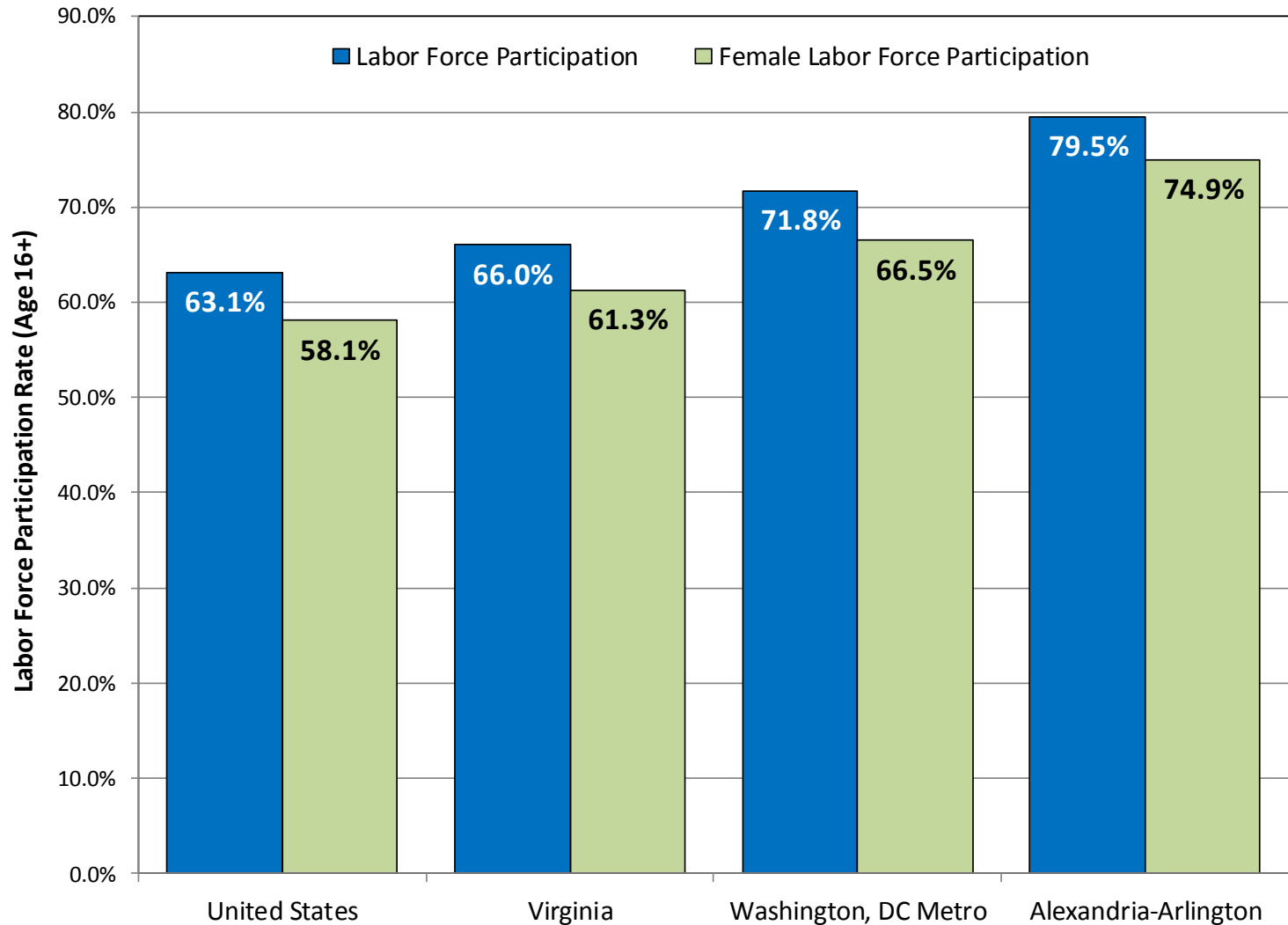
The labor force

Unemployment remains lower than the region, state & nation

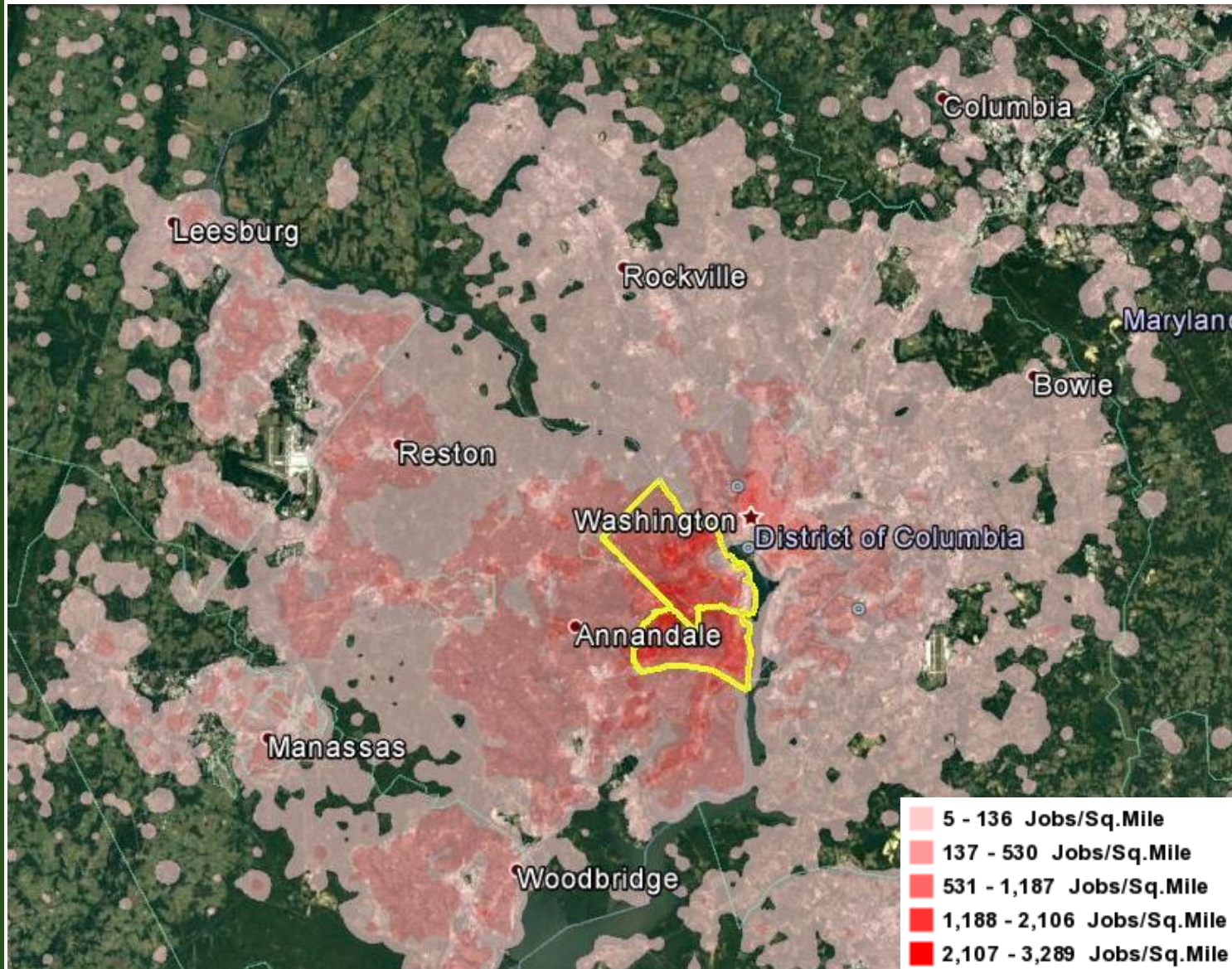


Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics

Reflecting demographic trends, LF participation remains very high

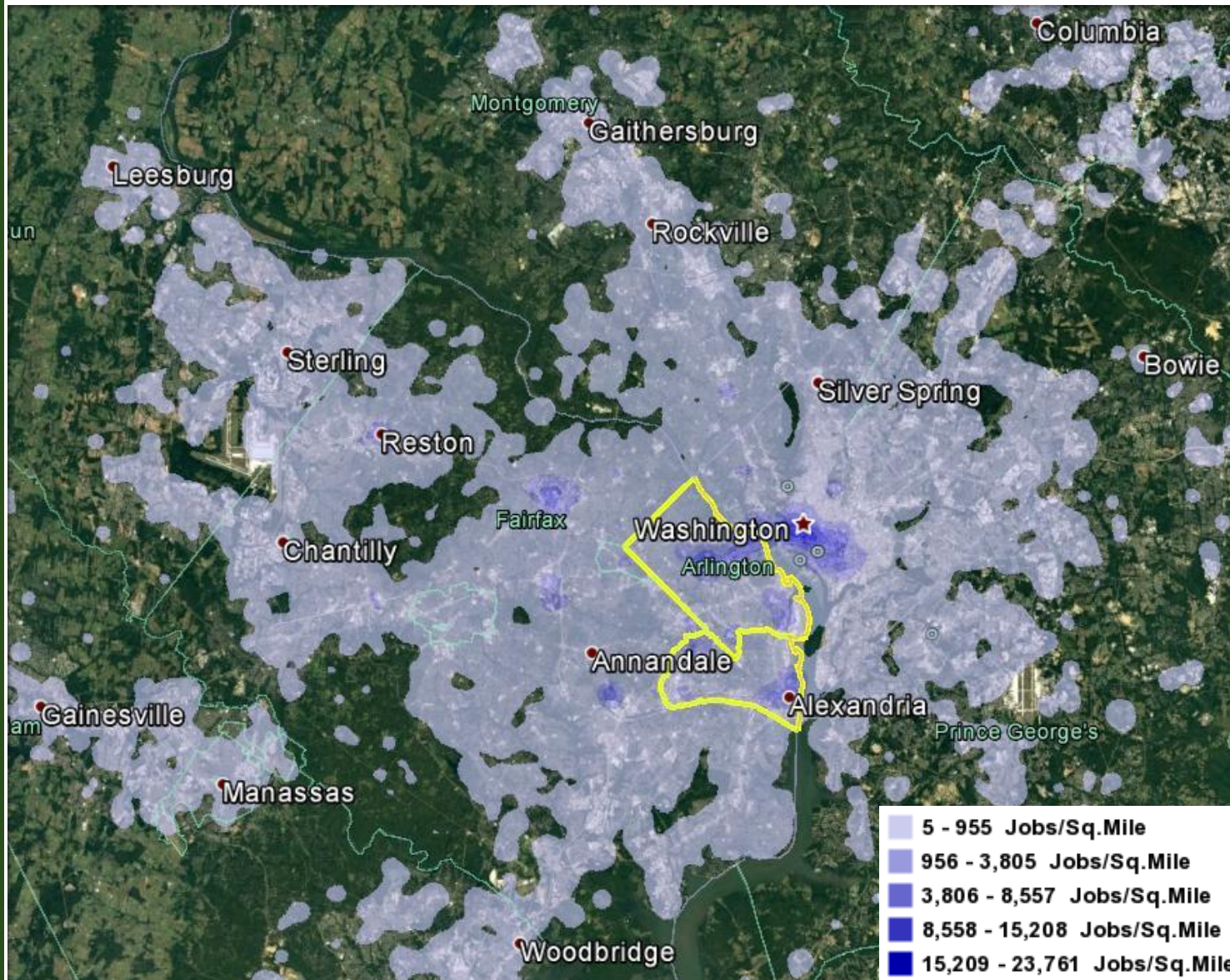


Where A-A's workers **LIVE**



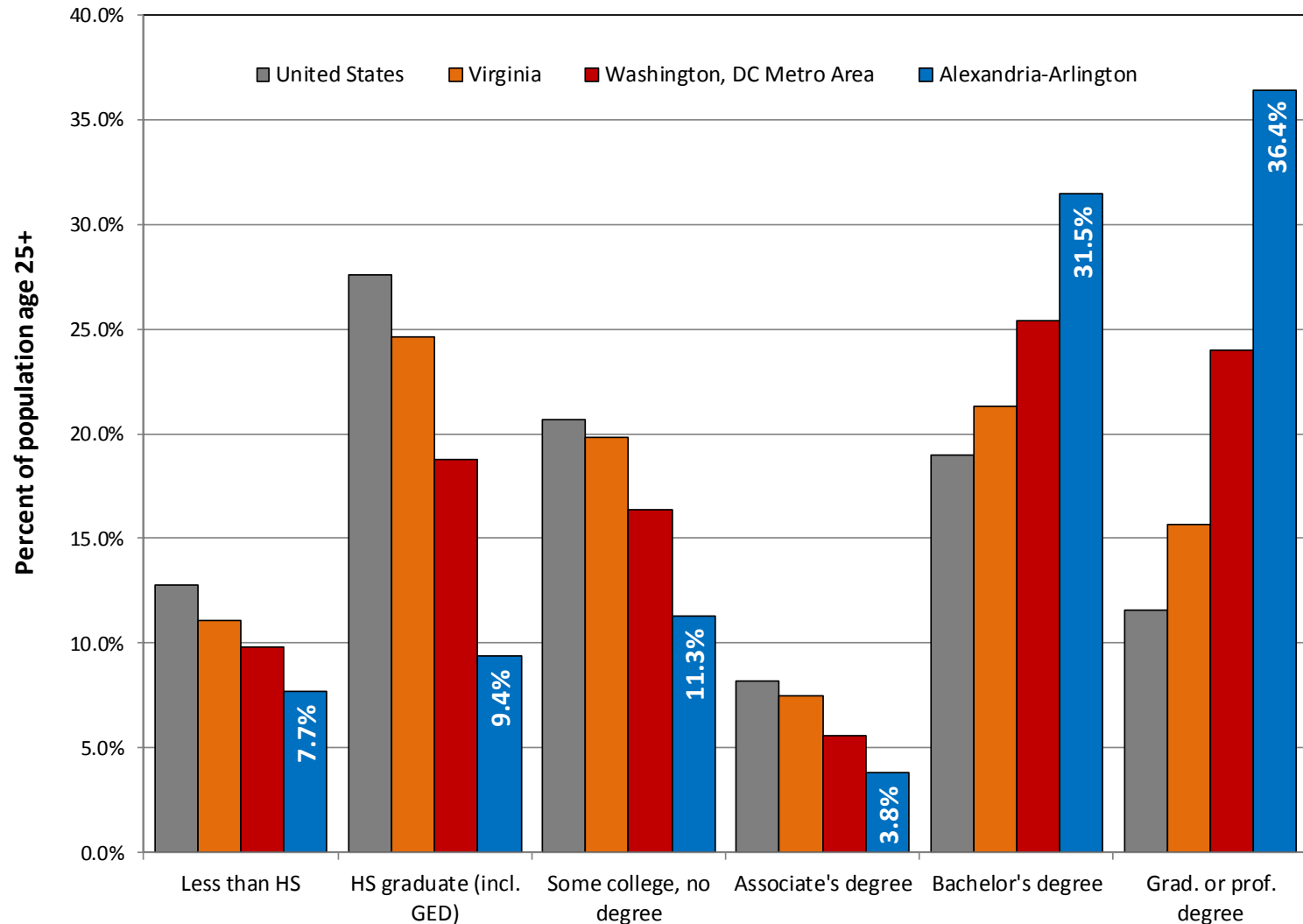
Source: US Census
Bureau, Local
Employment
Dynamics,
OnTheMap, 2014

Where A-A's residents **WORK**



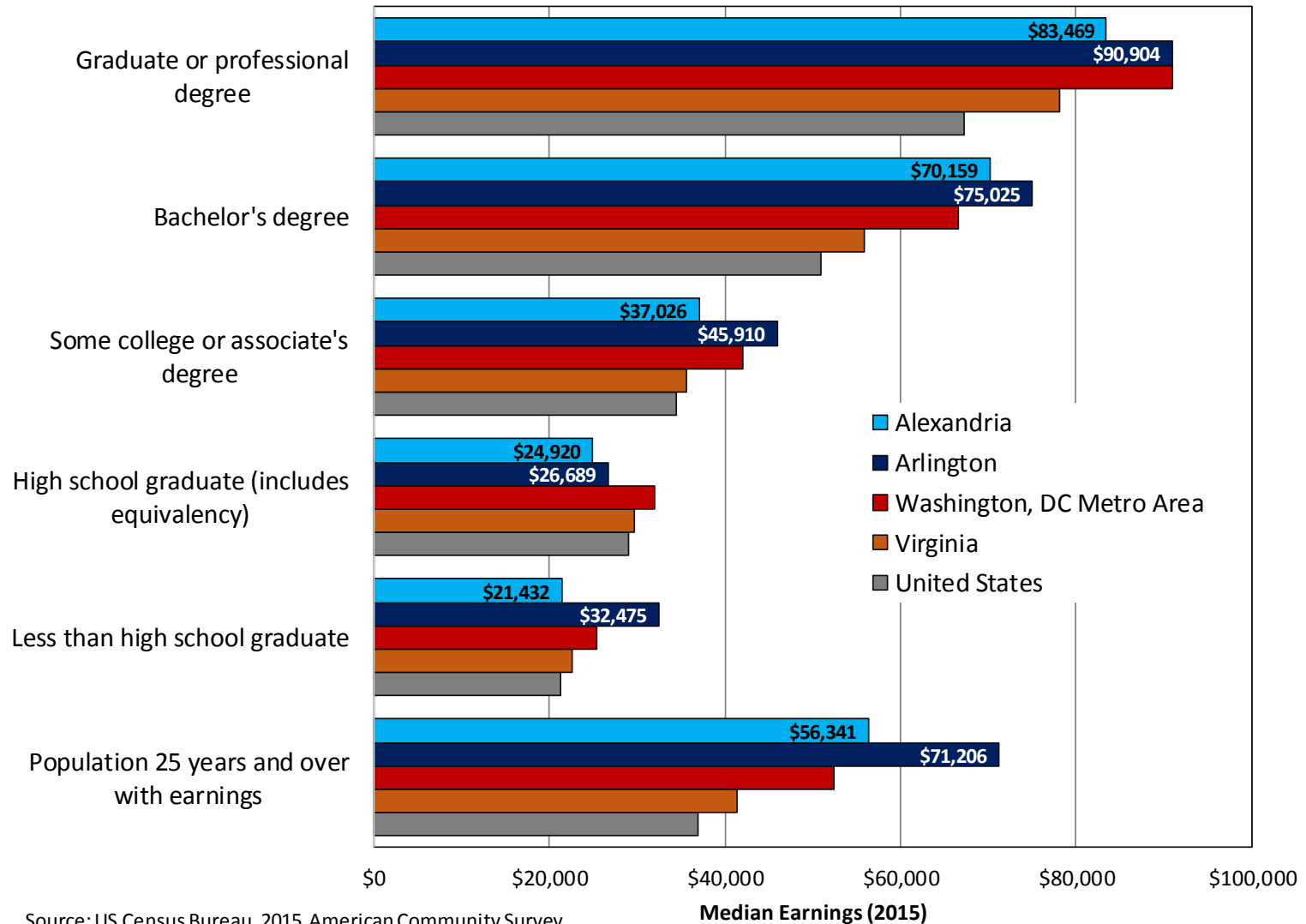
Source: US Census Bureau, Local Employment Dynamics, OnTheMap, 2014

2 out of 3 A-A residents (age 25+) have at least a 4-year degree



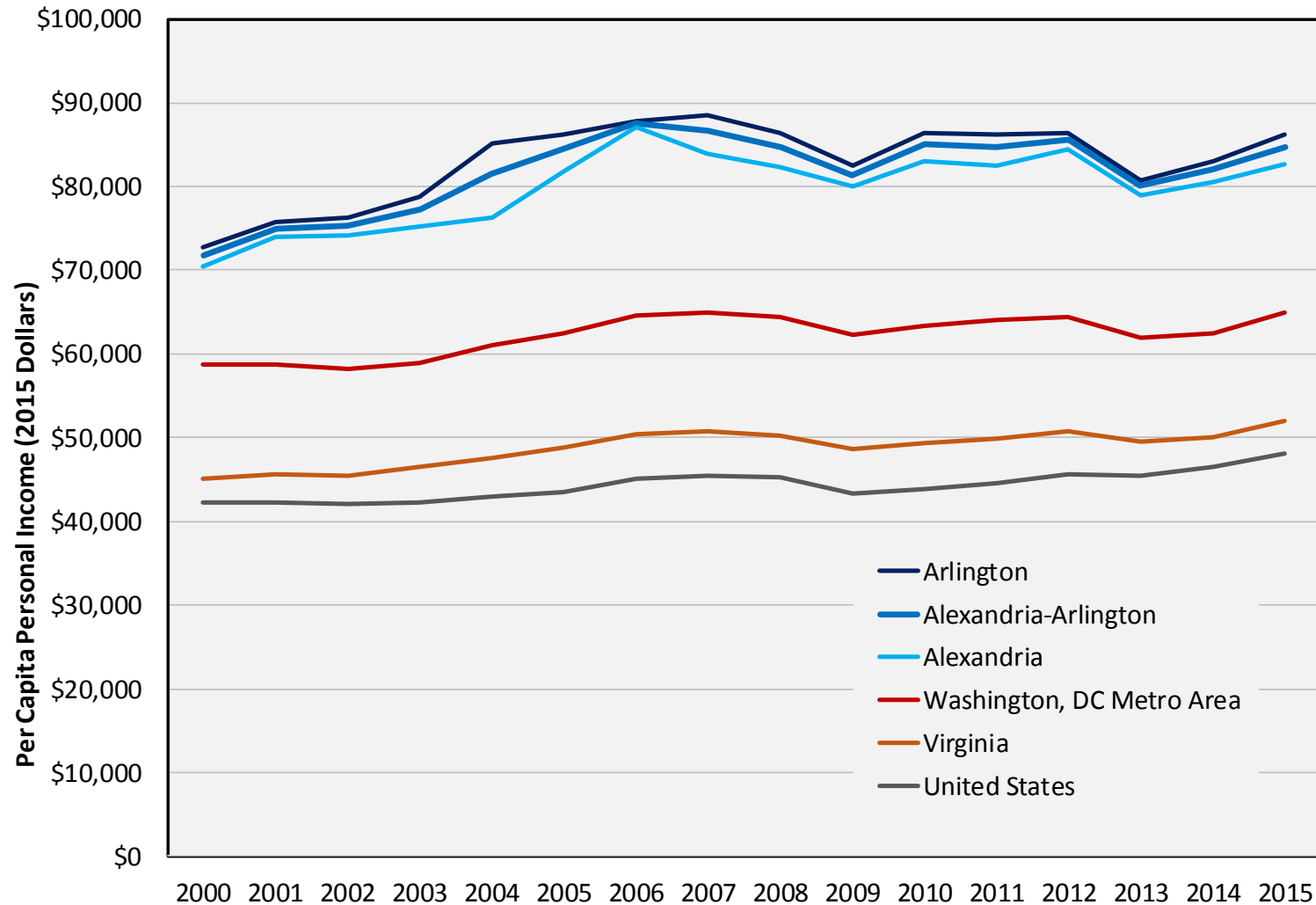
Source: US Census Bureau, 2015 American Community Survey

Earnings and education go hand in hand



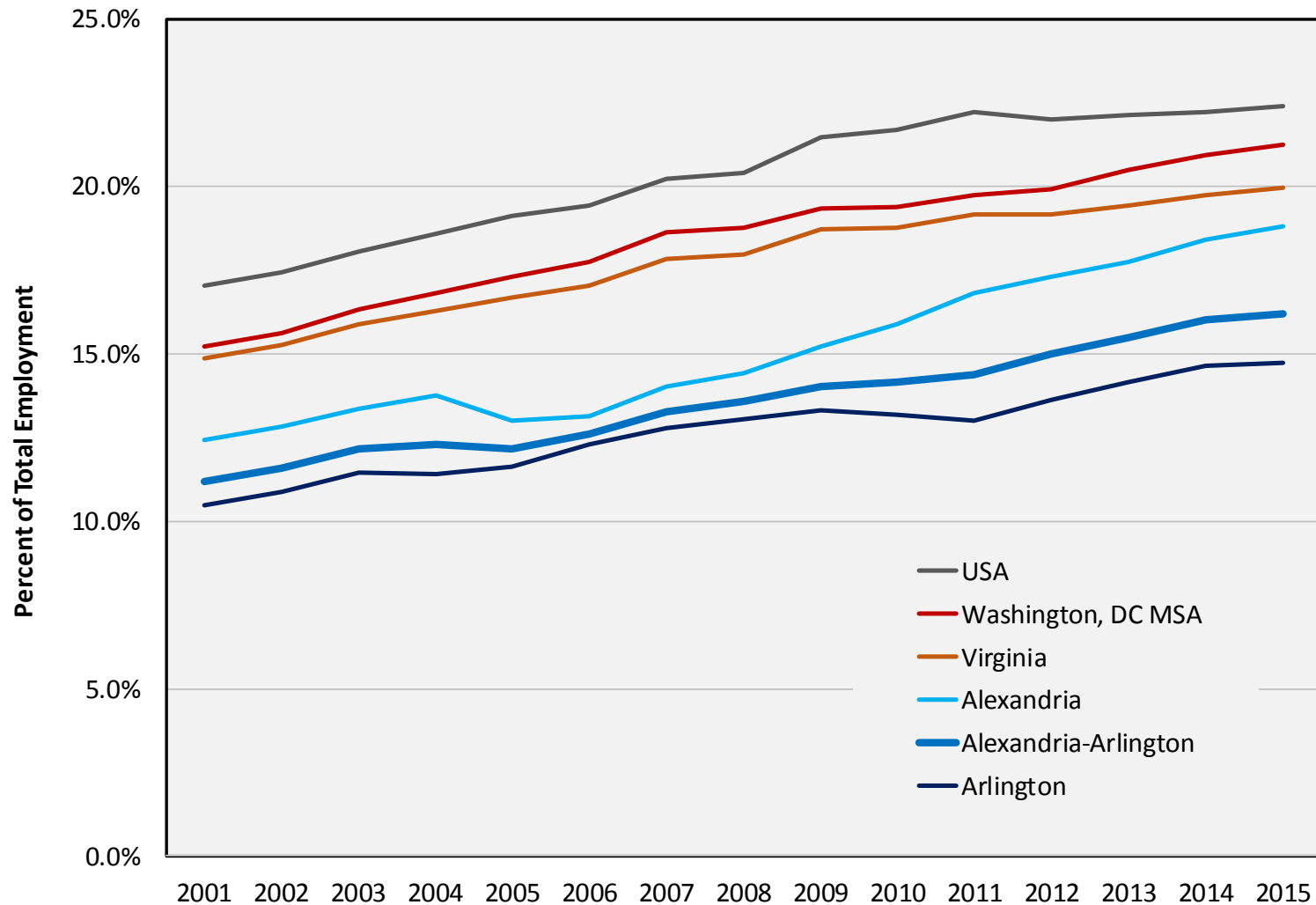
Economic trends

Arlington (#26) & Alexandria (#30) are two of America's wealthiest counties



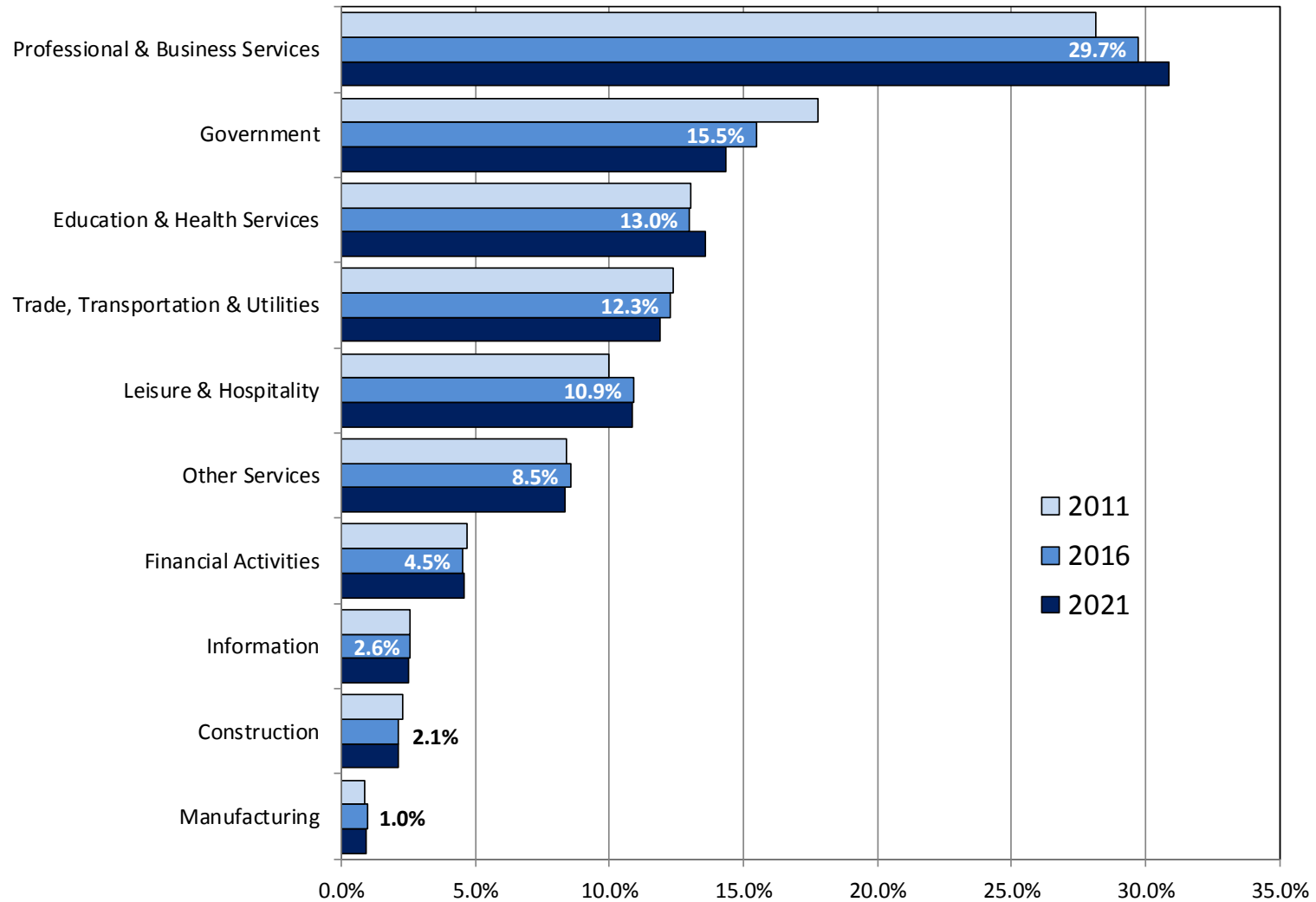
Source: US Bureau of Economic Analysis, Adjusted for inflation using Bureau of Labor Statistics (BLS) Consumer Price Index

In spite of steady growth, the region has relatively fewer sole proprietors



Source: US Bureau of Economic Analysis

Prof. and business services account for almost 30% of total employment

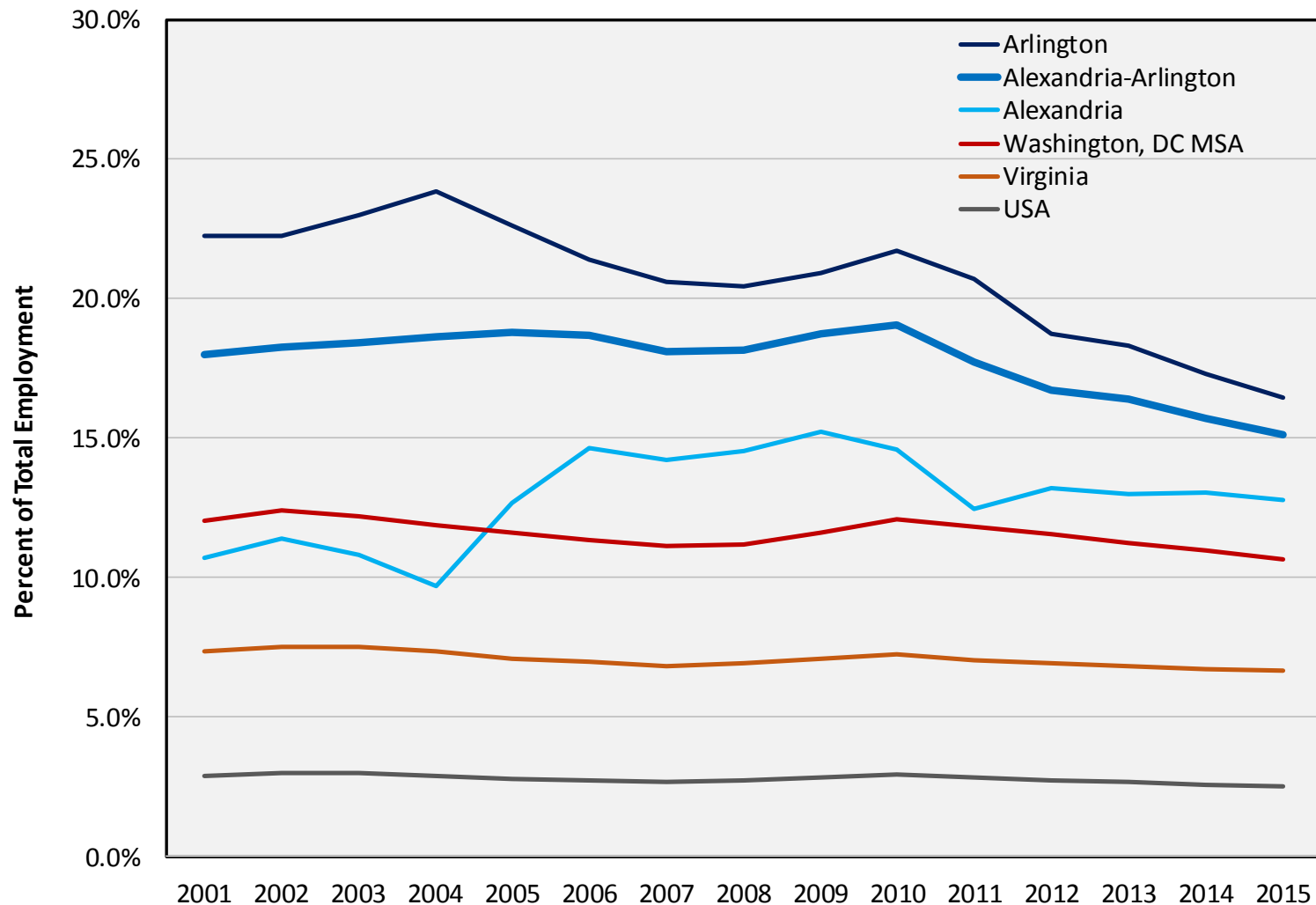


Source: Chmura Economics, Jobs EQ

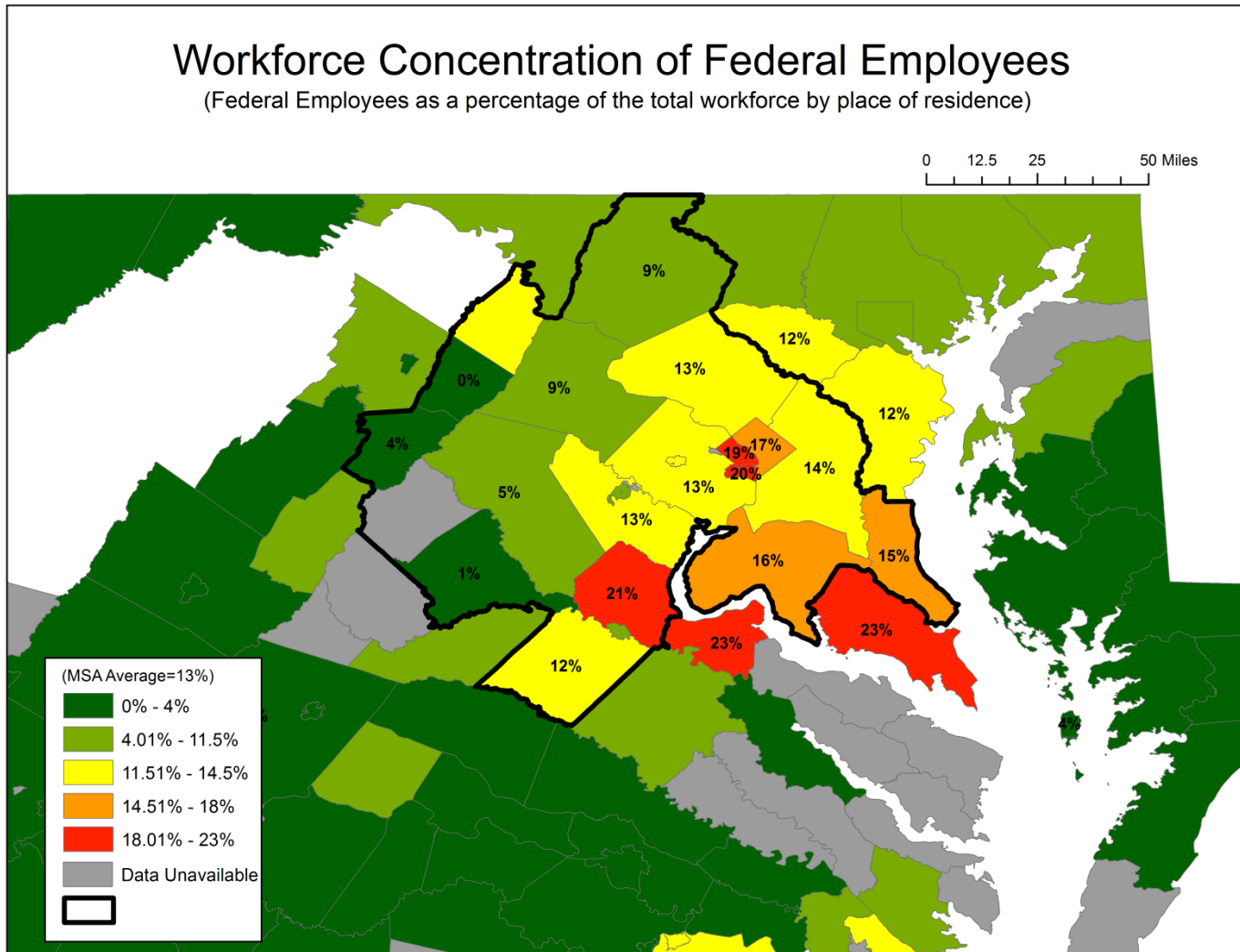
Percent of Total Employment

The federal government and the federal workforce

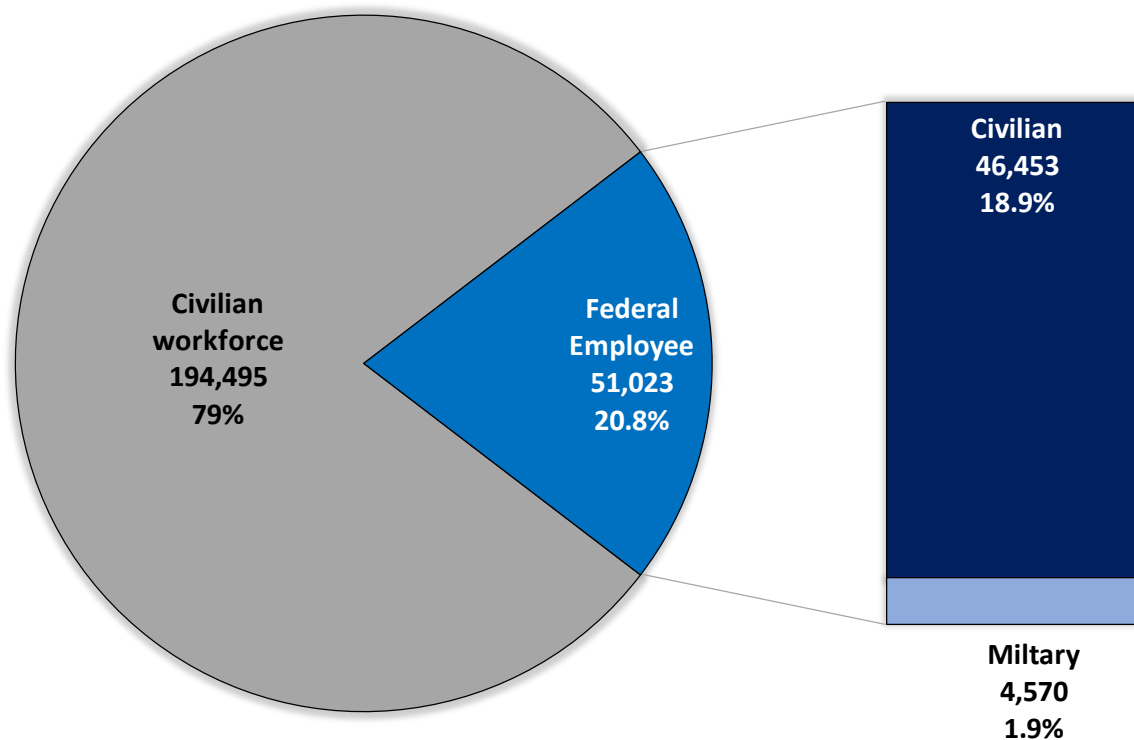
Federal employment (as a % of total) has declined in Arlington over the past 15 years



Federal workers represent a larger share of total residents, than in many surrounding jurisdictions



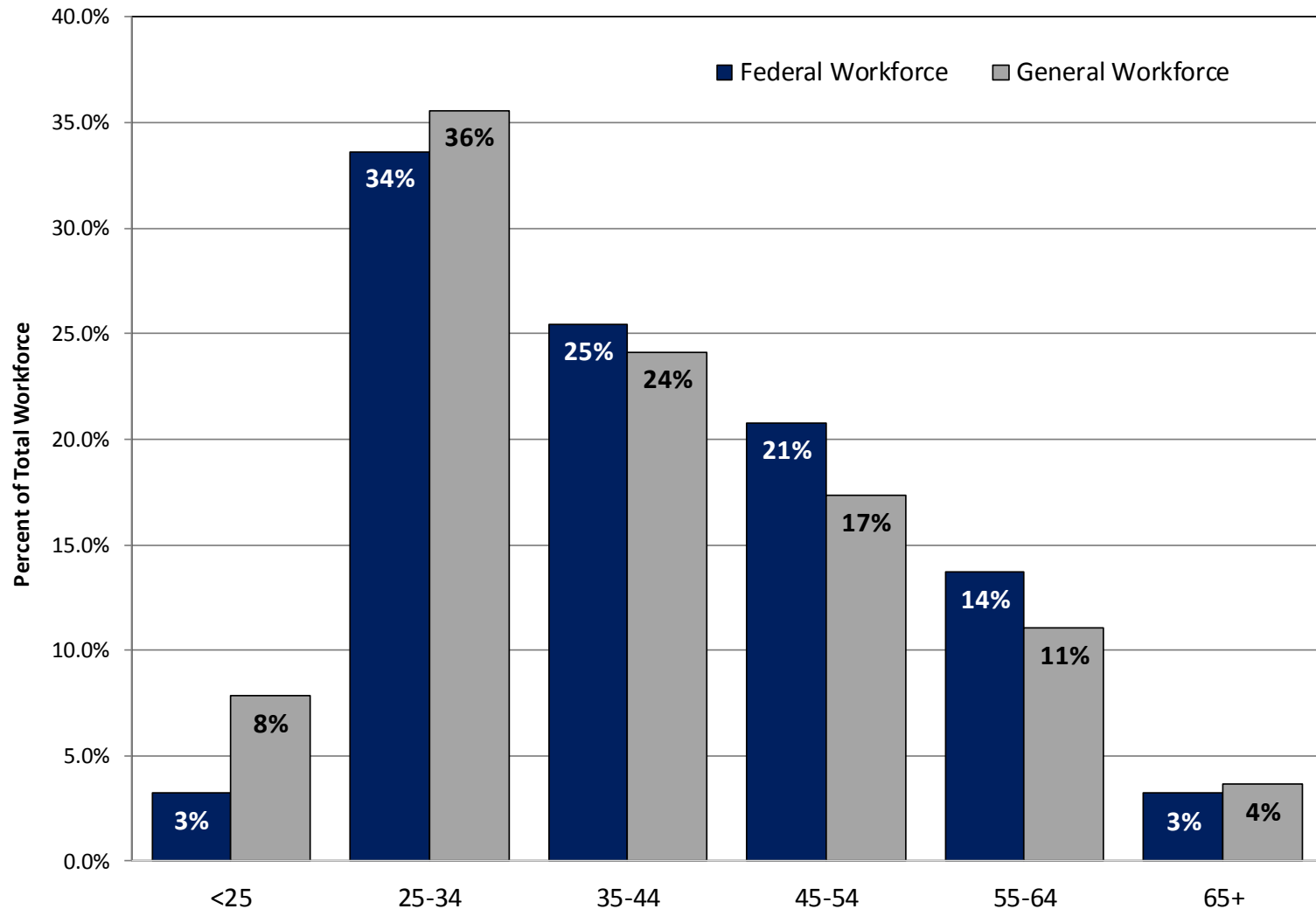
Roughly 1 in 5 workers living in Alexandria and Arlington work for the Federal Government



Source: US Census Bureau, 2015 ACS PUMS

- **Arlington:**
 - **30,000** workers (21%)
 - **25,700** households (25%)
- **Alexandria**
 - **21,000** workers (21%)
 - **17,900** households (26%)

Federal job opportunities likely attract many younger workers to the region

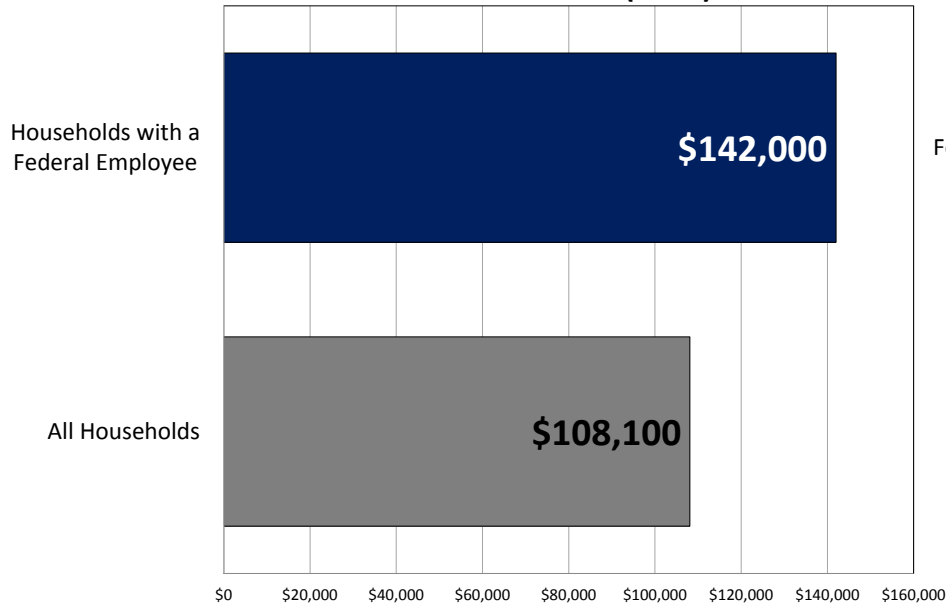


Source: US Census Bureau, 2015 ACS PUMS

Federal workers living in Alexandria-Arlington tend to earn higher wages

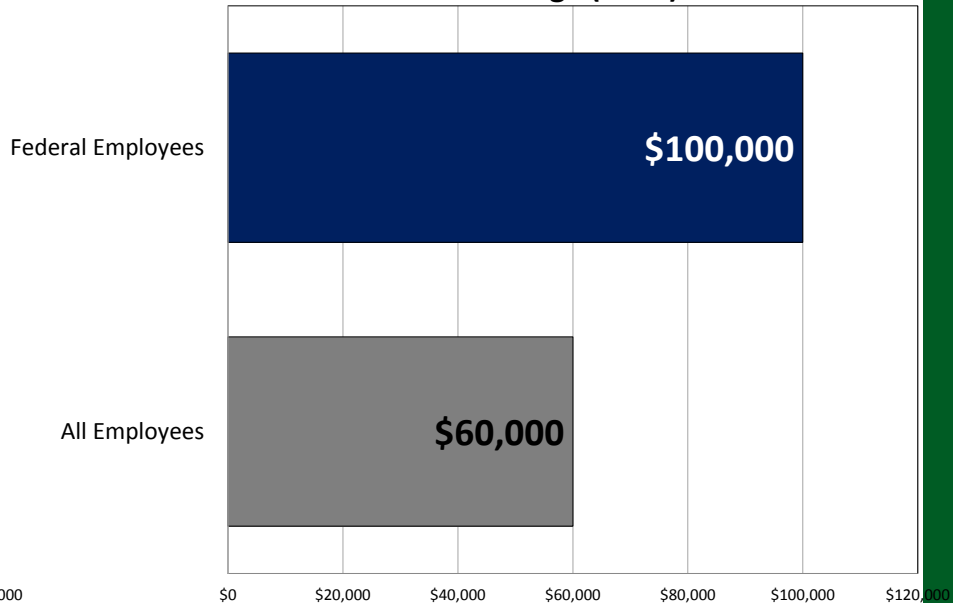


Median Household Income (2015)



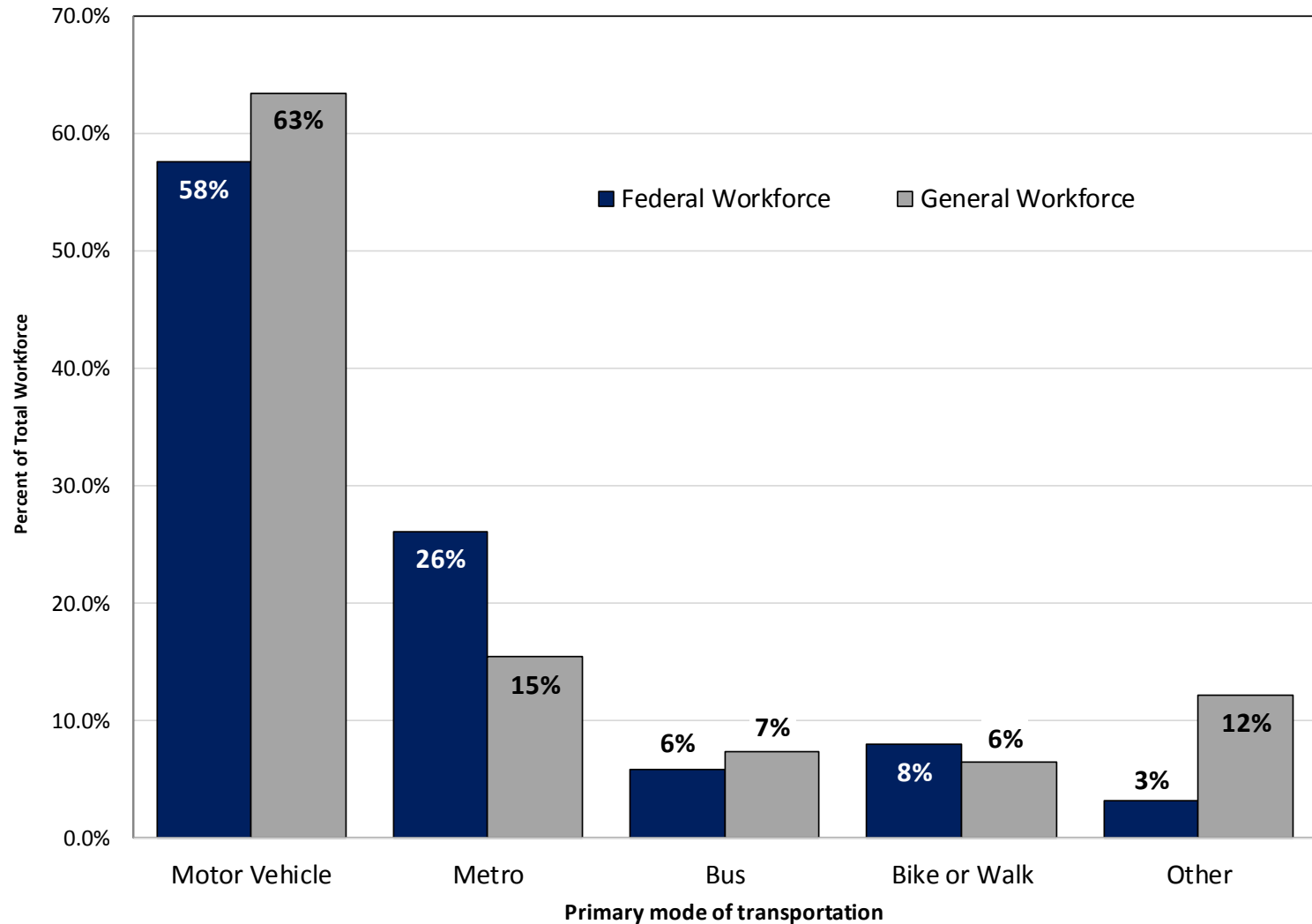
Source: US Census Bureau, 2015 ACS

Median Annual Wage (2015)



Source: US Census Bureau, 2015 ACS

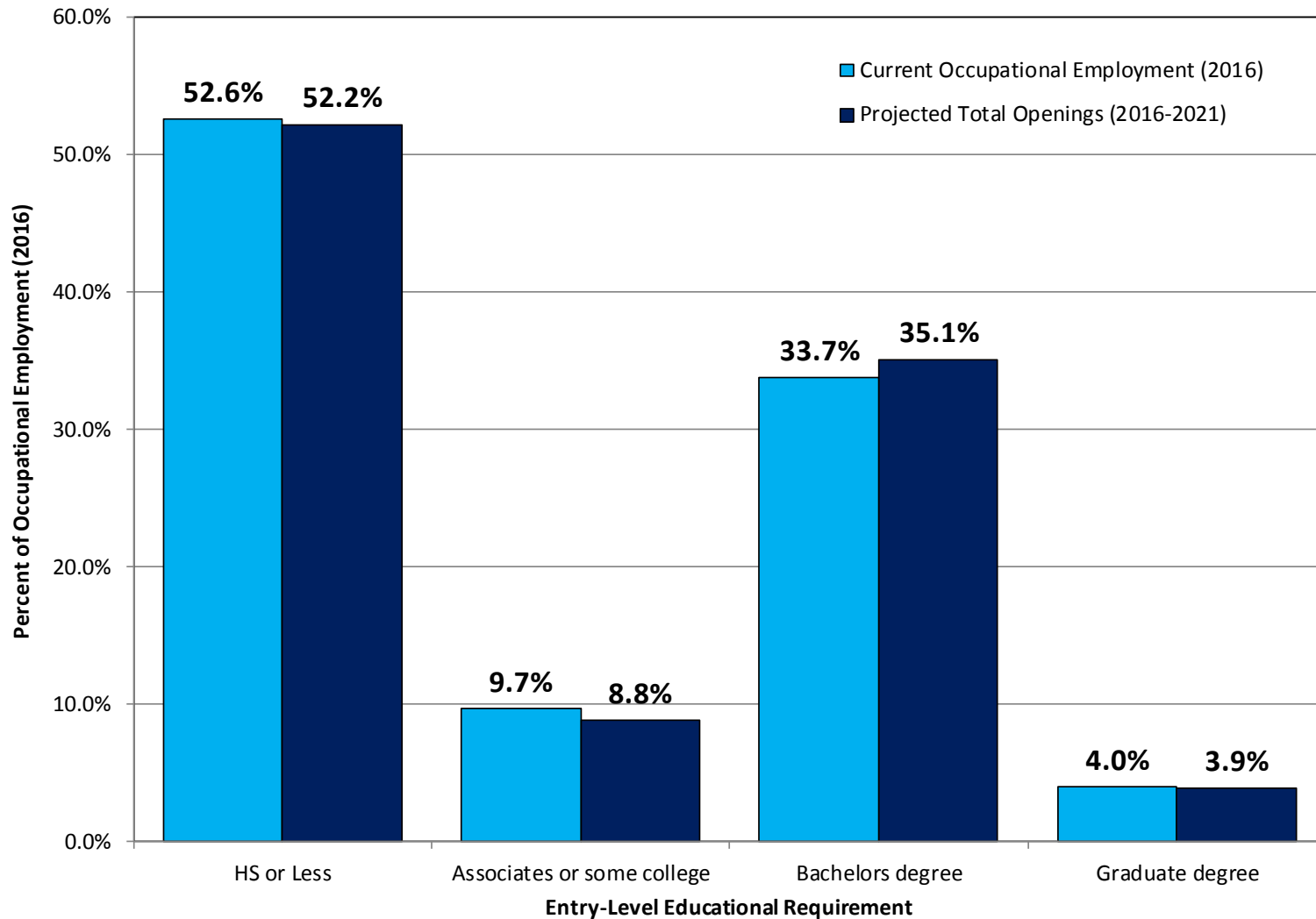
Federal workers that live in A-A are more likely to use Metro



Source: US Census Bureau, 2015 ACS PUMS

Sources of workforce demand

A-A has a polarized workforce with relatively few middle-skill jobs



Projected higher paying, growth industries and occupations



- Industries
 - Mgmt, Sci., & Tech consulting services
 - Computer systems design & related services
 - Arch, Eng, & related services
 - Business, Prof., Labor, Political, & Similar Orgs.
- Some gov't projected to create opportunity through replacement hiring.
 - Uncertainty remains
- Occupations
 - IT-related
 - Software developers, computer systems analysts and programmers, network and computers systems administrators
 - Analysts
 - Management, market research
 - Managers
 - General & operations, Comp & info systems

IT-related occupations are among the most advertised, high-skill occupations



Ed. Level	Ten Most Advertised Occupations by Education Level	Available Jobs (2016)	Employers w/ Job Advertisements by Education Level	Available Jobs (2016)
Bachelor's or Graduate Degree	Computer Occupations, All Other	5,959	ACCENTURE	3,126
	Computer Systems Analyst	4,491	Booz Allen Hamilton	2,618
	Management Analysts	4,488	Deloitte	2,173
	Information Security Analysts	4,386	CACI	1,696
	Software Developers, Applications	4,257	Anthem, Inc.	1,095
	Network & Computer Systems Admin.	3,886	Inova Health System	1,071
	Accountants & Auditors	2,599	General Dynamics	936
	Marketing Managers	2,139	Alion Science	901
	Managers, All Other	1,785	Engility Corporation	810
	Web Developers	1,667	CSRA RESA	781

Source: Help Wanted Online (1/1/16 to 11/28/16)

- Commonly required skills: Cyber Security, Java, SQL, Linux MS, MS Sharepoint
- Commonly demanded certifications: Security clearance

Healthcare and business services are more average paying industries



- Growing industries
 - Healthcare: Dentists offices, outpatient care centers, medical and diagnostic labs
 - Business services: Advertising, PR, and related services; Accounting, tax prep, bookkeeping and payroll services
 - Transport: Transit systems, air transportation
- Middle-skill occupations
 - IT-related
 - Computer-user support specialists, web developers
 - Healthcare
 - Nursing ass'ts, LPNs, medical and dental ass'ts
 - Office support
 - Paralegals and legal ass'ts, bookkeeping, accounting and auditing clerks
 - Maintenance
 - Auto service techs, aircraft mechs & techs,

IT and nursing occupations are among the most advertised middle-skill occupations



Ed. Level	Ten Most Advertised Occupations by Education Level	Available Jobs (2016)	Employers w/ Job Advertisements by Education Level	Available Jobs (2016)
Associate's Degree	Computer User Support Specialists	1,276	Inova Health System	323
	Web Developers	1,155	Forward Air, Inc.	205
	Heavy & Tractor-Trailer Truck Drivers	1,148	Virginia Hospital Center	192
	Registered Nurses	892	US Patent and Trade Office	151
	Hairdressers, Hairstylist & Cosmetologists	232	INOVA Geo	130
	LP/LV Nurses	219	Transportation Security Administration	106
	Network & Computer Systems Admin.	153	Pentagon Federal Credit Union	105
	Information Security Analysts	150	United States Army	101
	Exec. Secretaries & Exec. Assistants	136	Hair Cuttery	99
	General Maintenance & Repair Workers	119	US Department of State	95

Source: Help Wanted Online (1/1/16 to 11/28/16)

- Commonly required skills: Cyber Security, Java, SQL, Linux MS, MS Sharepoint
- Commonly demanded certifications: Security clearance, drivers license, CDL, HAZMAT, Nursing

Hospitality and personal services provide important opportunities for lower-wage workers



- Industries

- Restaurants
- Travel accommodation
- Continued care facilities
- Personal care services
- Grocery stores
- Services to buildings and dwellings
- Employment services

- Occupations

- Janitors & cleaners, maids and housekeepers
- Waiters & waitresses
- Restaurant cooks, food prep workers
- Cashiers, sales reps, customer service representatives

Retail and hospitality employers are prominent advertisers of lower-skill jobs



Ed. Level	Ten Most Advertised Occupations by Education Level	Available Jobs (2016)	Employers w/ Job Advertisements by Education Level	Available Jobs (2016)
GED/High School	Retail Salespersons	1,505	Marriott	495
	First-line Spvrs. of Retail Sales Workers	1,314	Hilton Worldwide	379
	First-line Spvrs. of Food Prep. Workers	1,002	Macy's	353
	First-line Spvrs. of Office & Admin. Workers	791	Inova Health System	347
	Customer Service Representatives	733	Harris Teeter	294
	Maids & Housekeeping Cleaners	707	Target Corporation	244
	General Maintenance & Repair Workers	568	Nordstrom	240
	Managers, All Other	547	Sunrise Senior Living	220
	Stock Clerks & Order Fillers	452	Ritz-Carlton	219
	Security Guards	451	United States Army	184

Source: Help Wanted Online (1/1/16 to 11/28/16)

- Commonly required skills: Food preparation, QC, Bilingual, Tech support, preventative maintenance
- Commonly demanded certifications: Drivers License, Clearance, OSHA, HAZMAT

Ongoing regional challenges

- Talent attraction and retention
- Secondary and postsecondary education
- Transportation and infrastructure
- Commercial and industrial development
- Entrepreneurship and innovation

A-A has a relatively larger proportion of working age veterans

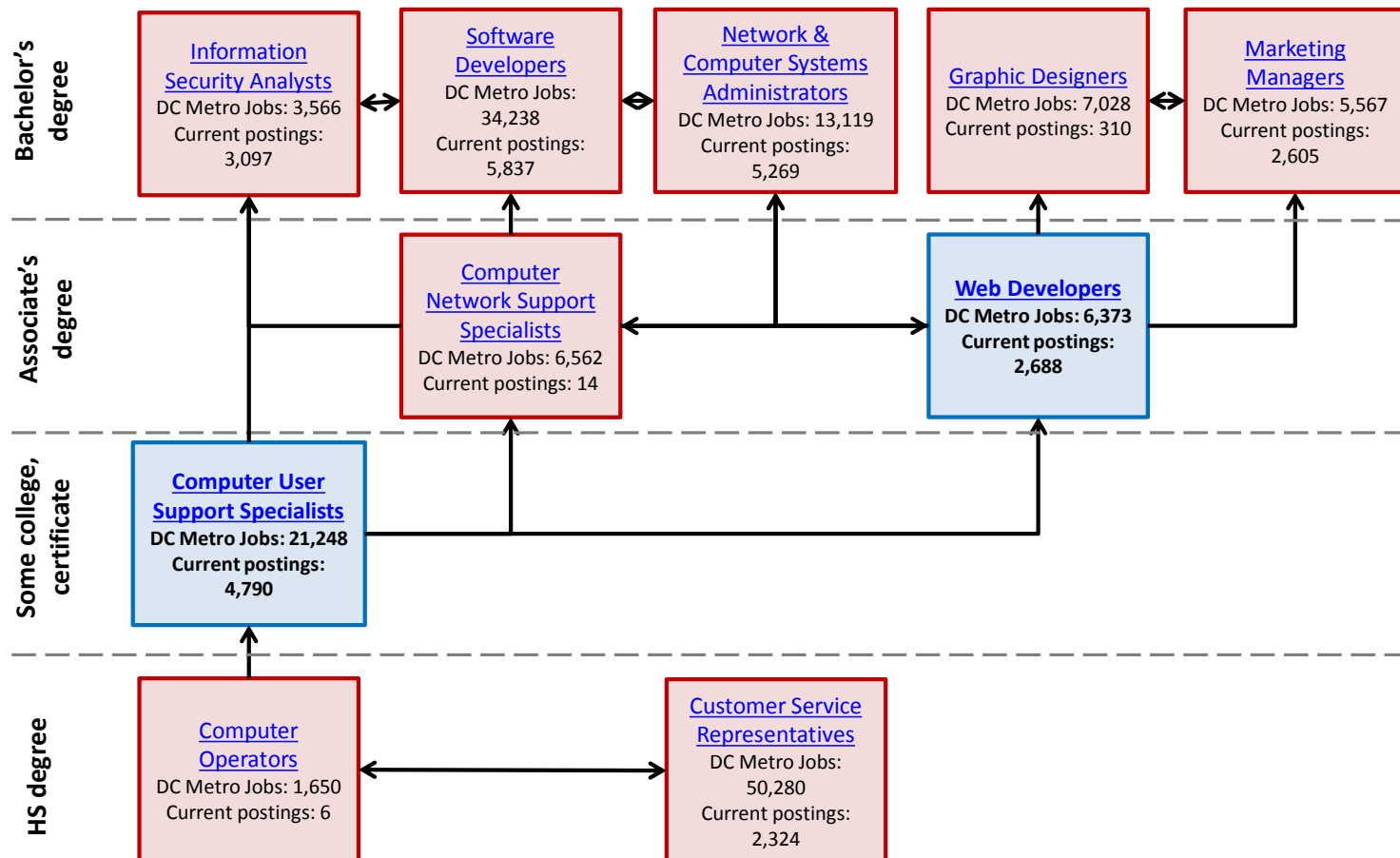


	Veterans as a % of civilian pop. (Age 18+)	% of veteran pop. aged 18-64
United States	7.6%	50.5%
Virginia	10.8%	62.5%
Washington, DC Metro Area	8.3%	64.6%
Alexandria-Arlington	7.5%	68.0%

Source: US Census Bureau, 2015 American Community Survey

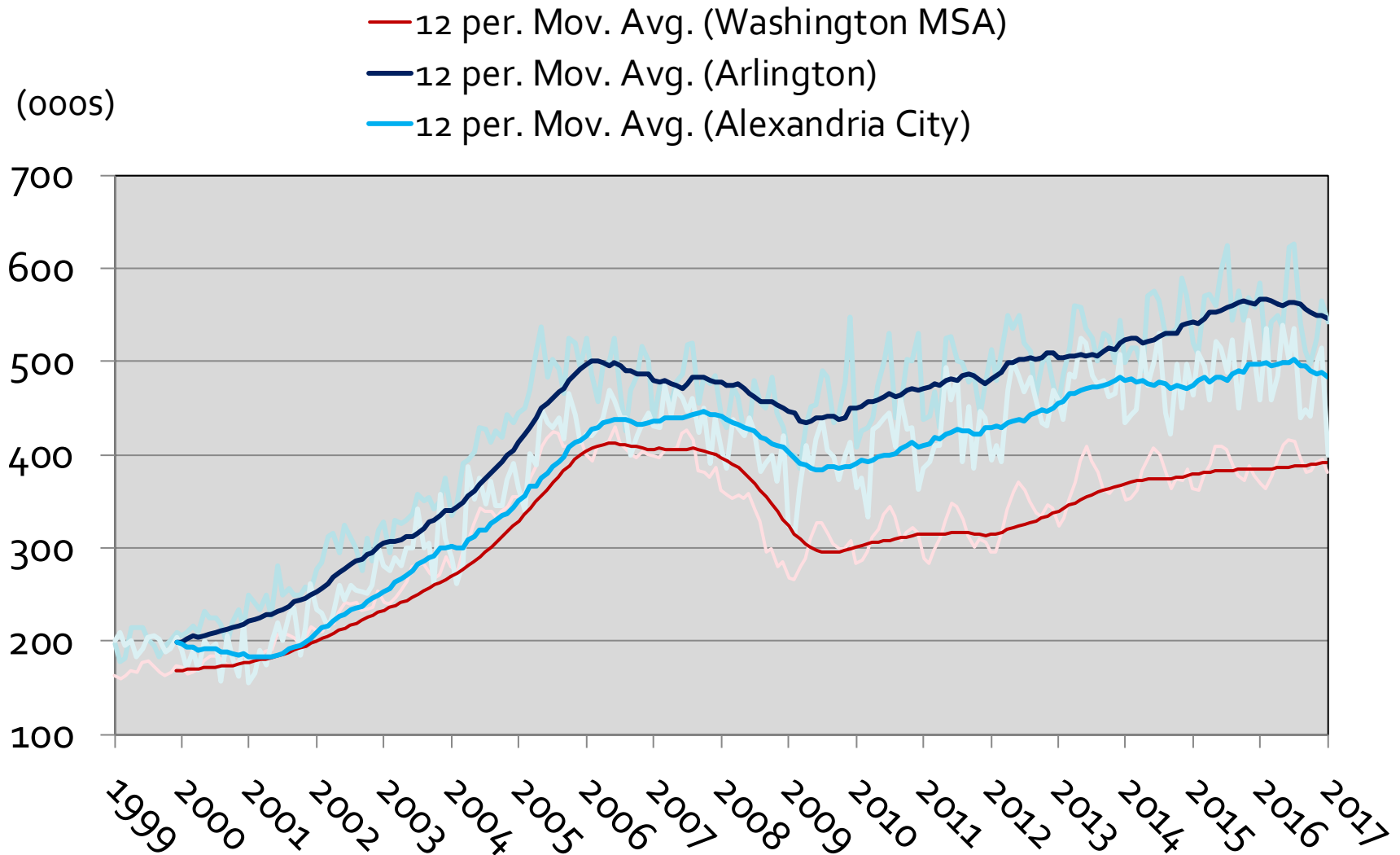
Creating opportunities for local talent through career pathways

Career Pathways for Computer User Support Specialists/Web Developers



Source: O*Net; Employment from Chmura Economics JobsEQ. Average of 4 quarters ending in Q4 2016, Current postings represent online ads in 30 Days between 1/17/2017 and 2/16/2017.

Median House Sales Price



On-time graduation vary, but tend to lag for Hispanic students



High School	All Students	White	African-American	Hispanic
Yorktown (APS)	97.0%	100.0%	91.3%	84.6%
Washington-Lee (APS)	94.8%	100.0%	98.4%	86.3%
Wakefield (APS)	88.1%	91.8%	93.4%	81.1%
T.C. Williams (ACPS)	82.1%	92.8%	84.6%	70.5%
Virginia	91.3%	93.9%	88.3%	82.8%

Source: Virginia Department of Education

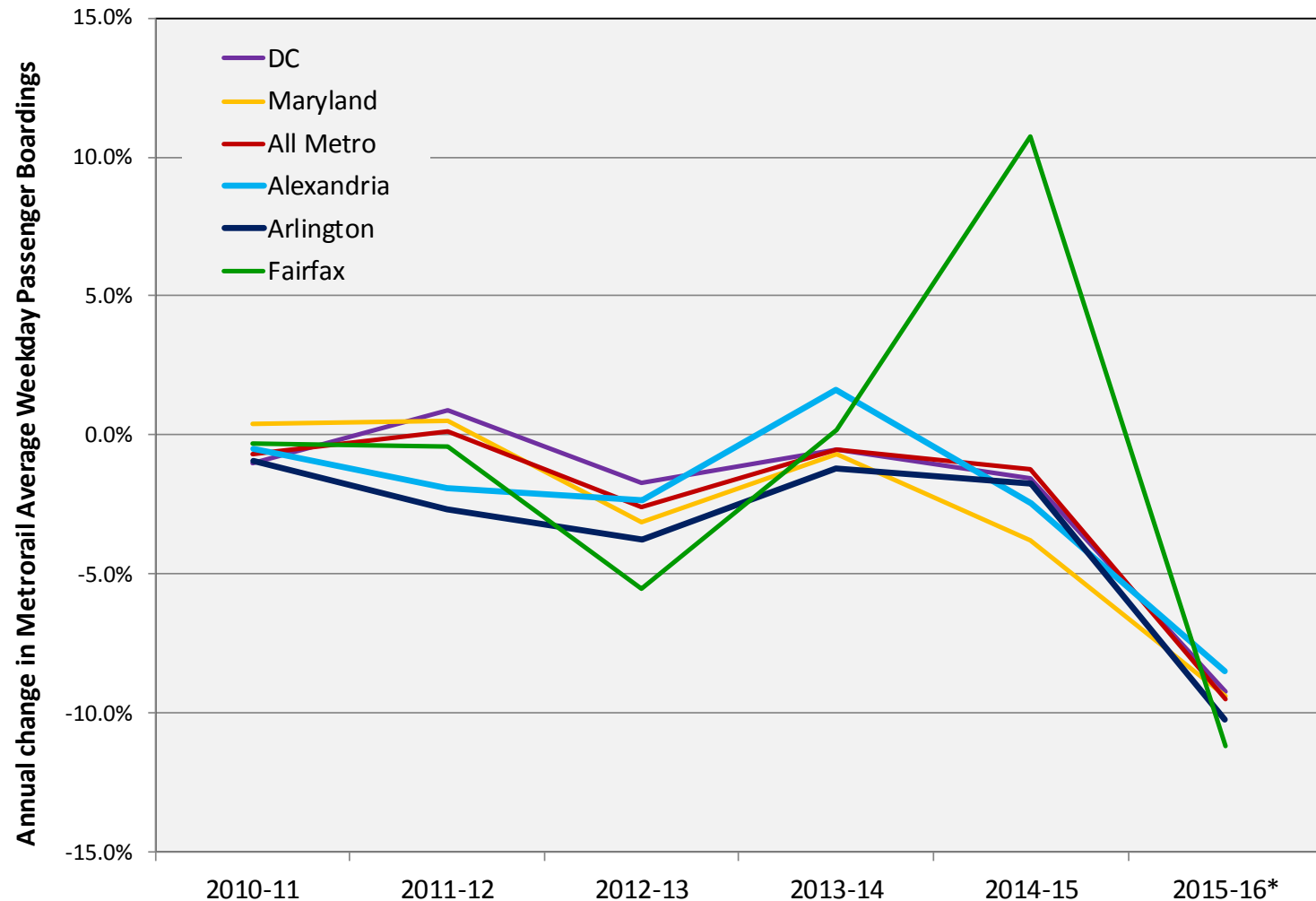
Less than two-thirds of A-A workers drive to work



Means of Transportation to Work	United States	Virginia	Washington metro area	Alexandria-Arlington
Car, truck or van	85.6%	86.6%	75.0%	63.6%
Public transportation	5.2%	4.7%	14.4%	24.0%
Walked	2.8%	2.3%	3.5%	4.7%
Bicycle	0.6%	0.4%	0.8%	1.6%
Other	1.2%	1.3%	1.2%	0.9%
Worked at home	4.6%	4.6%	5.1%	5.2%

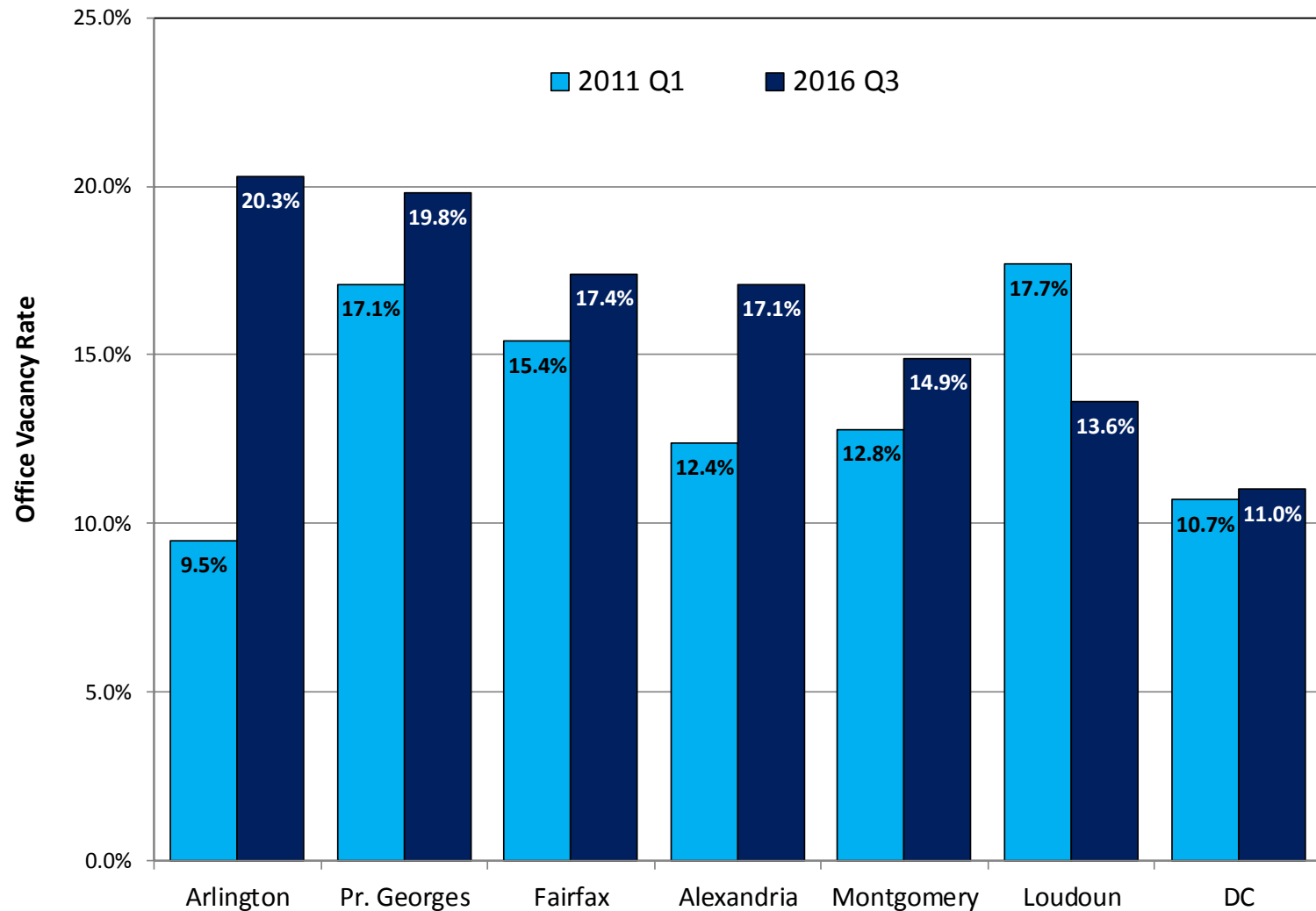
Source: US Census Bureau, 2015 American Community Survey

Metrorail ridership is in decline



Source: Washington Metropolitan Area Transit Authority (WMATA)

Several factors have led to significant increases in office vacancy rates



Source: CoStar and Arlington Economic Development

The region must develop more innovative companies to move beyond being a 'Federal City'



- The region possesses numerous innovation assets
 - Federal: DARPA, ONR, AFOSR, NSF
 - Campuses of 3 R1 Institutions
- Growing number of facilities (e.g. 1776, Eastern Foundry, Capitol Post, TechShop) and services (e.g., Mason Enterprise Center, Alexandria SBDC) to support entrepreneurs and growth companies
- Success will depend on the region's ability to keep emerging companies as they grow and develop

Key conclusions

- Uncertainty about the direction of the federal gov't creates uncertainty about the regional economic and workforce development issues.
- The region is very much part of the broader DC region.
- The region is very much a services-based economy at all levels
 - High-end professional and business services
 - Lower wages services but vital services like hospitality
 - Fewer opportunities in the middle.
- Economic diversification will requires multi-faceted, collaborative strategies

Questions?

Thank you



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