



VIRGINIA INITIATIVE FOR
**GROWTH &
OPPORTUNITY**
IN EACH REGION

Contributing to Talent and Workforce Production

2017 Quarter 4
Southwest Virginia
(WDA 1)
Quarterly Workforce Report

Quarterly Workforce Report

2017.4

Welcome to the 2017 fourth quarter workforce report produced by the Virginia Tech Office of Economic Development on behalf of the Southwest Virginia Workforce Development Board (WDB). This report covers Workforce Development Area I (WDA I), which covers the LENOWISCO and Cumberland Plateau Planning Districts, including the counties of Buchanan, Dickenson, Lee, Russell, Scott, Tazewell, Wise and the independent city of Norton. These quarterly reports analyze and present regional labor supply and labor demand data to inform the public of the evolving workforce landscape. Please note that the data presented in this report is the most up-to-date data available as of December 2017.

In this quarter's report, we explore some basic regional trends including population, employment, and workforce gaps. We then delve into four industries targeted by the region's GO Virginia Growth and Diversification Plan. This GOVA region is comprised of WDA I and the Mount Rogers Planning District—spanning from Lee County in the southwest, Carroll County in the southeast, Buchanan County in the northwest, and Bland County in the northeast.

GO Virginia is a recent initiative approved by Virginia's House of Delegates, which offers funding for suitable workforce and economic development projects. By improving collaboration across regions, this initiative is meant to leverage local capacity to encourage the development of targeted industry clusters that have predominantly higher wages and attract money from outside the state. GO Virginia regions across the state have identified four or more target industry clusters, and have developed strategies to grow and diversify these clusters. **Arguably one of the most prominent strategies identified by all GO Virginia regions was to growth, retain, and attract skilled workers. This report will provide some basic data on the target GOVA clusters in WDA I and highlight assets and areas where workforce stakeholders may play a role in GO Virginia.**

Regional Overview

Population Trends

LENOWISCO	Cumberland Plateau	WDA 1	VA	USA
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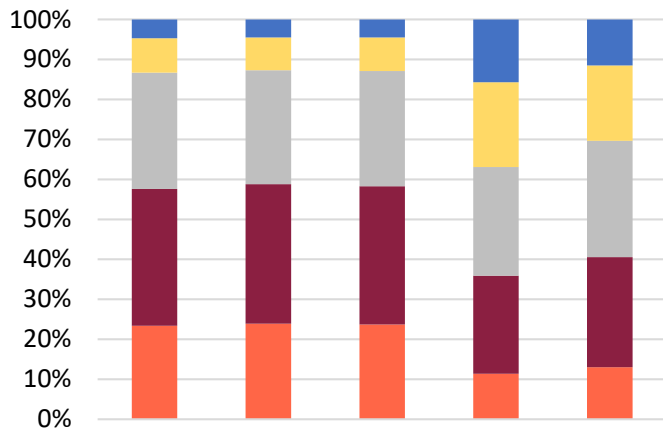
Annual Avg. Population Growth 2012-2017

-1.0%	-1.2%	-1.1%	0.7%	0.7%
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Median Age 2016

43.0	45.1	44.1	38.1	37.9
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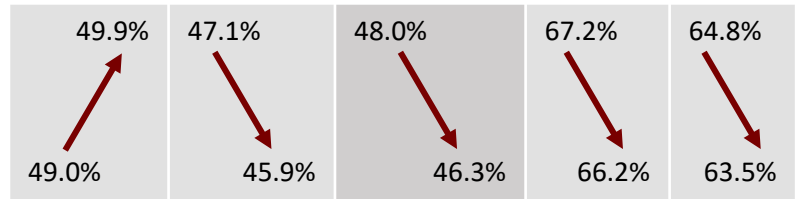
Educational Attainment 2016



Labor Force Trends

LENOWISCO	Cumberland Plateau	WDA 1	VA	USA
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Labor Force Participation Rate (2011-2016)



Per Capita Income in Dollars for 2016

\$20,000	\$21,409	\$20,771	\$34,967	\$29,829
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Population Below Poverty Line (2016)

22.5%	19.4%	20.8%	11.4%	15.1%
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Employment

LENOWISCO	Cumberland Plateau	WDA 1	VA	USA
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Labor Force Growth (2011-2016)

-2.6%	-2.5%	-2.5%	5.7%	5.0%
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Employment Growth (2011-2016)

-2.6%	0.5%	0.3%	0.6%	1.3%
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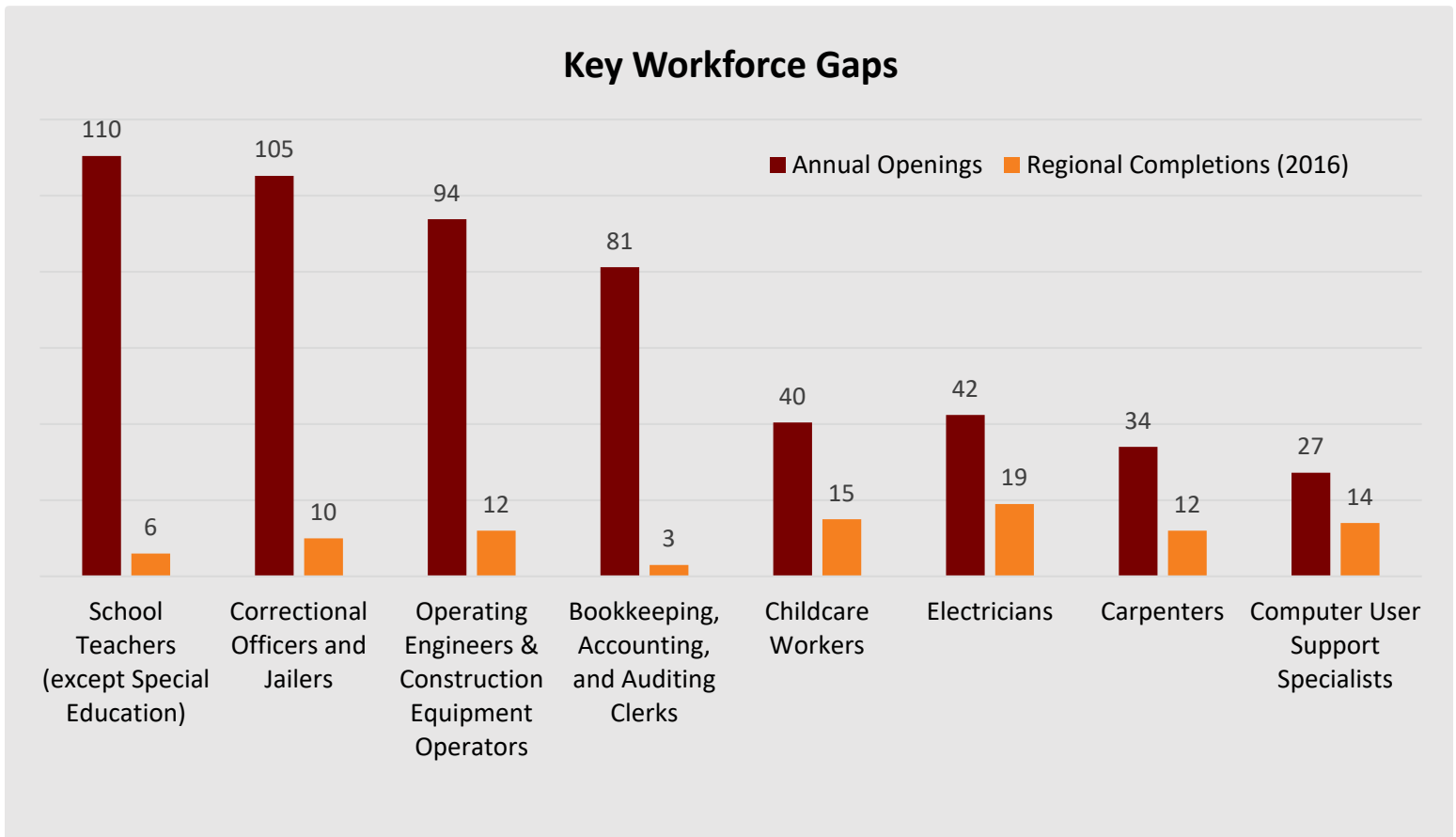
Unemployment Rate 2016

10.4%	8.0%	9.1%	5.9%	7.4%
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Underemployment Rate 2016

11.2%	11.2%	11.2%	10.9%	8.9%
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Key workforce gaps, based on job openings and educational completions, range from construction and extraction occupations to service occupations in health and educational fields.



+200 Jobs

Southwest Virginia WDA I is home to more than 5,000 establishments that are expected to add more than 200 jobs in the next five years.

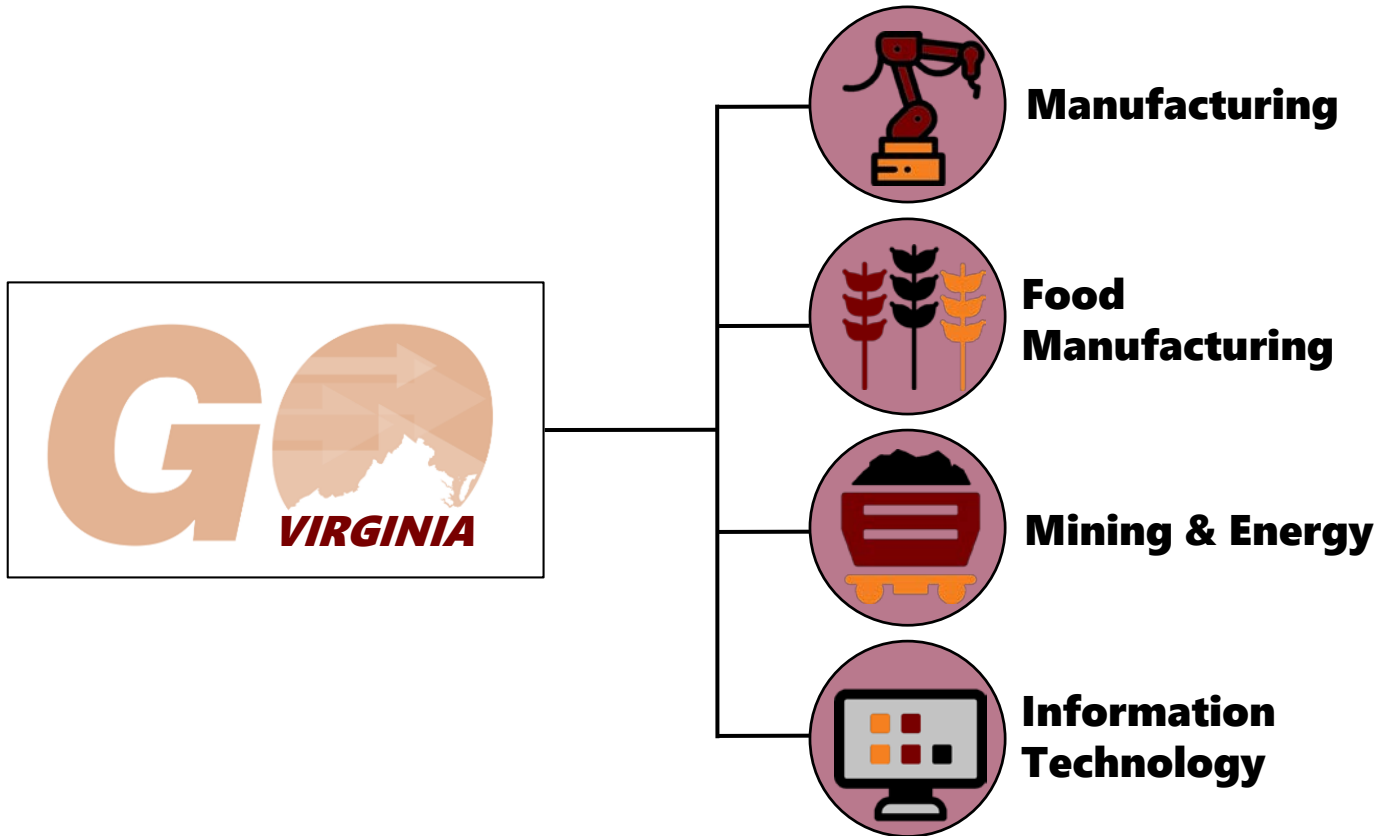
\$4.35B

The Southwest Virginia economy produces \$4.35 billion per year of value-added goods and services.



GO Virginia Industries

The four GO Virginia Region One industry clusters are existing and emerging driver industries in Southwest Virginia and offer occupations with higher than median wages. They represent about 32% of the regions gross regional product (GRP) and if focused on, can help promote higher paying jobs and attract new money to the region.



Location Quotient (LQ)

Is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region “unique” in comparison to the national average.

Gross Regional Product (GRP)

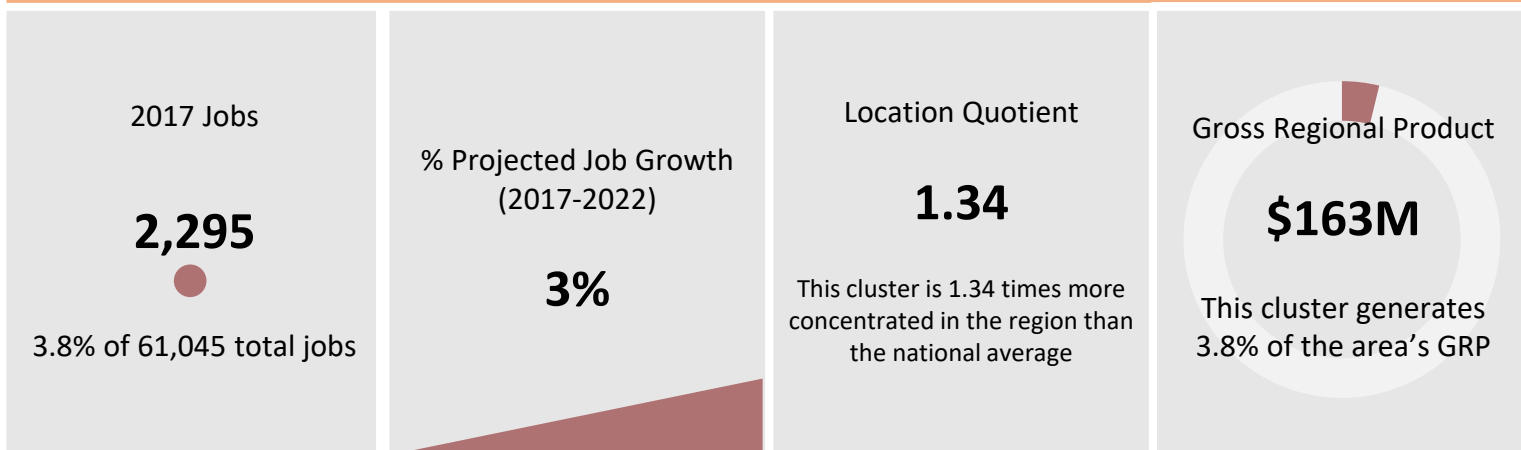
Measures the final market value of all goods and services produced in a region.

Advanced Manufacturing



This cluster is comprised of establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Advanced manufacturing goes beyond traditional manufacturing by harnessing emerging technologies and cutting edge materials to advance automation. **GOVA Region I industries identified in this cluster include: chemical, transportation equipment, plastics and rubber products, and electrical equipment and components manufacturing.** Some in-demand, middle-skilled occupations include industry machinery mechanics and maintenance repair workers as well as welders, cutters, solderers, and brazers.

GOVA Cluster Numbers for WDA I:



Food Manufacturing



Industries in the food manufacturing subsector transform livestock and agricultural products into products for intermediate or final consumption. The industry groups are distinguished by the raw materials (generally of animal or vegetable origin) processed into food products. While the median hourly earnings of jobs in this field is currently lower than the regional median overall, that could change as the industry becomes more technologically advanced in the region. This change would require more skilled employees with higher wages. Some in-demand, middle-skilled occupations include farmworkers and laborers who handle crops and tend to nurseries and greenhouses.

GOVA Cluster Numbers for WDA I:

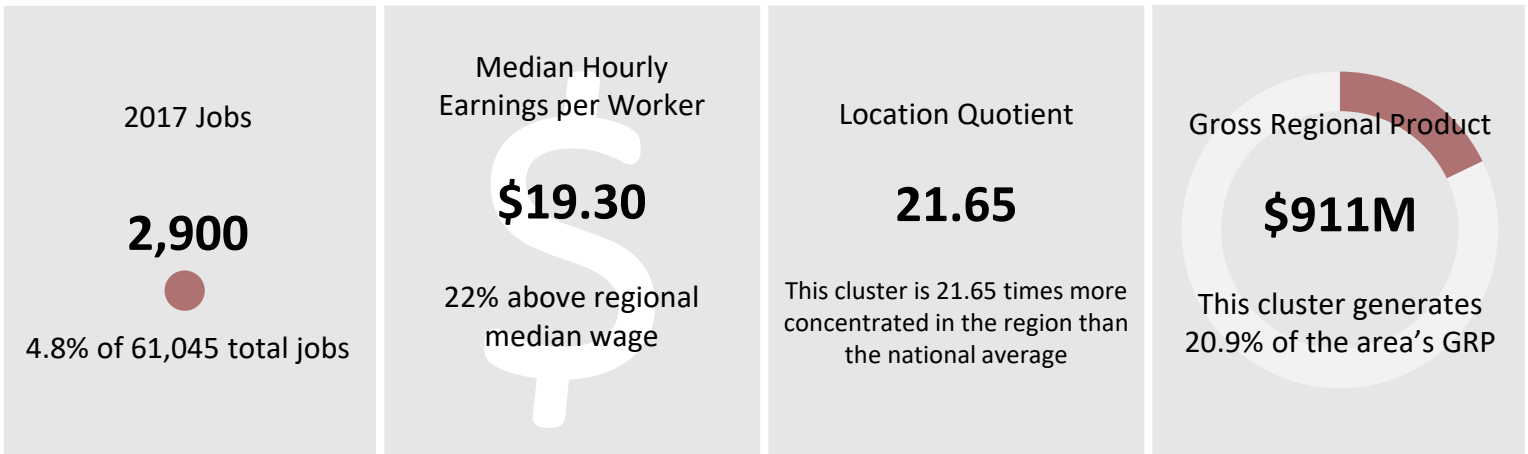


Energy and Minerals



Energy and minerals is included as part of the natural resources and mining cluster. Energy may come in the form of wind, solar, hydroelectric, etc. but are more commonly associated with mining fossil fuels in this region. The term mining includes quarrying, well operations, and other necessary operations performed at the mine site, or as a part of mining activity. The mining sector is comprised of establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. Some in-demand, middle-skilled occupation include welders, cutters, solderers, and brazers.

GOVA Cluster Numbers for WDA I:



Information Technology



Information technology is comprised of establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services. Some in-demand, middle-skilled occupation include telecommunications and electrical powerline installers and repairers.

GOVA Cluster Numbers for WDA I:

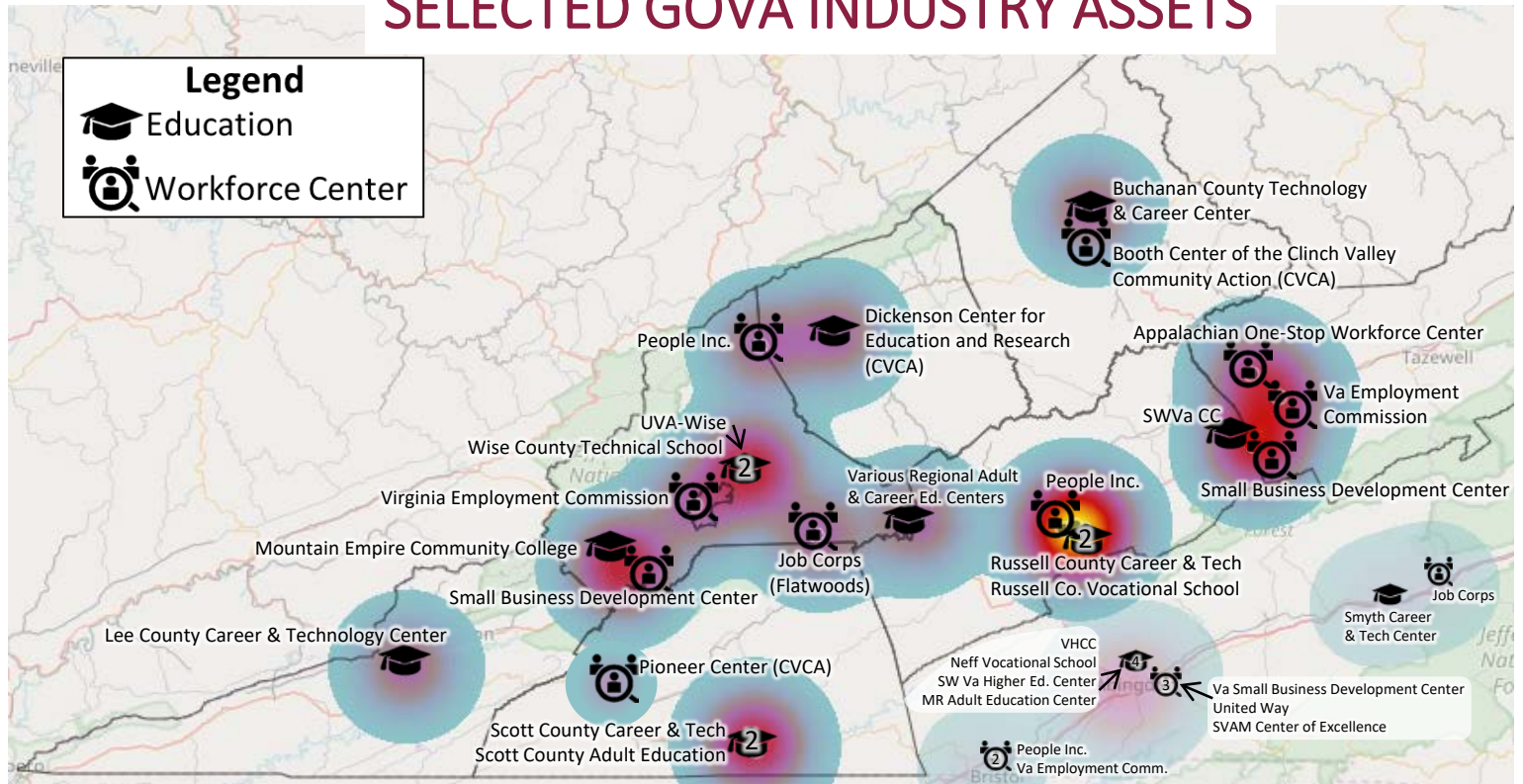




The Southwest Virginia Workforce Development Area is a part of GO Virginia region one. The GO Virginia Growth and Diversification plan highlights key goals and strategies pertaining to workforce and talent development. GO Virginia stakeholders—comprising business, economic development, education and workforce representatives—realize that creating a pipeline of workers is imperative to encouraging the growth and diversification of these regions’ economies. Below are some goals and strategies highlighted in the region one plan and ideas of how workforce stakeholders might participate.

GOVA Goals and Strategies	Possible Activities and Partnerships
<p>Align education and training programs with needs and expectations of target industries</p>	<p>Activities which strengthen relationships and communication channels between educational entities and each target industry</p> <p>Initiatives which facilitate easy access to various programs such as establishing primary points of contact for coordinating workforce and economic development projects and assist businesses in navigating different programs – a champion to advocate for continuous alignment of programs with expressed needs</p>
<p>Build a strong pipeline of participants for programs (all education levels) valued by the target market employers</p>	<p>Efforts which support innovative and flexible avenues for assisting existing training programs to recruit registrants helping to broaden mindsets to a variety of new employment cluster opportunities</p> <p>Activities which assist with designations as a Work Ready Community (WRC) to improve the region’s ratings as it relates to industry recognized credentials; build credentials and certifications that are transferable between industries and geographic areas</p> <p>Activities which create and promote meaningful internship and apprenticeship programs engaging youth from high school to college in target industries</p>
<p>Increase awareness of both occupational, educational, and workforce opportunities available in region</p>	<p>Initiatives which introduce the region’s youth to occupational career opportunities early – preferably in middle school</p> <p>Initiatives which educate career coaches, guidance counselors, parents and grandparents of occupational opportunities</p>
<p>Increase industry recognized certifications, credentials, and degrees related to the target industries</p>	<p>Activities to incentivize enrollment into programs identified as critical to the growth of existing businesses</p> <p>Efforts to ensure pathways from various levels of programming to careers are clearly outlined and promoted</p>
<p>Reverse population decline in creative ways</p>	<p>Initiatives which “control the story” of the region – highlight the many positive stories from the region to counteract the negatives told in various media outlets</p> <p>Efforts to target the “workforce in exile” -- the SWVA natives who have moved away but have opportunities to return and bring their own jobs with them</p>

SELECTED GOVA INDUSTRY ASSETS



Sampling of possible GOVA partners	Career & Technical Education	Certificate & Associates	Four-year & above	One-stop workforce center	Business resource	Other resource
Appalachian One-Stop Workforce Center				X	X	
Buchanan County Tech & Career Center	X					
Dickenson Center for Education & Research	X			X	X	
Flatwoods Job Corps	X	X			X	
Lee County Career & Technology Center	X	X				
Mountain Empire Community College	X	X				
People Inc.		X		X		
Project Lead the Way (various high schools)	X					
Russell County Career & Tech	X	X				
Scott County Adult Education						X
Scott County Career & Tech	X	X				
Southwest Virginia Community College		X		X		
UVA- College at Wise		X	X			
Virginia Employment Commission				X	X	
Wise County Technical Center	X	X				
VA Small Business Development Center					X	

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