

STATE OF THE WORKFORCE REPORT



Northwest
Indiana
2014



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ABOUT YOUR NORTHWEST INDIANA WORKFORCE BOARD

The Vision: *Having a workforce that is highly skilled, motivated and diverse, earning sustainable or higher wages and actively engaged in skill advancement and life-long learning.*

The Northwest Indiana Workforce Board is comprised of business, education, labor, community, faith-based and economic development leaders responsible for the strategic vision of workforce development and governance of the one-stop system in Northwest Indiana. They are also responsible for managing connections to key resources in the workforce and education arena as well as supporting efforts on programming that plant and nurture the seed of entrepreneurship. The board works to determine current and future skill needs together with economic developers, employers, and economists.

The goals of the board are to develop a comprehensive career and employment system, which is user friendly, accessible, and customer-focused; align service and training providers with the demand-side needs identified by the region's employers; actively pursue youth engagement strategies, particularly emphasizing educational attainment and productive employment; use research to focus attention on in-demand industry clusters and create regional awareness of issues; and use knowledge of workforce needs to influence public policy at local, state, and federal levels.

Counties the Board Represents: Jasper, Lake, La Porte, Newton, Porter, Pulaski, and Starke

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INTRODUCTION

Northwest Indiana (NWI), a region that encompasses the seven counties of Lake, LaPorte, Newton, Porter, Pulaski, Starke, and Jasper, has always enjoyed geographical advantages. LaPorte, for example, means “the door” in French, a name given to the county by the French fur traders who formed it in 1832. Located at the southernmost point of Lake Michigan, they used the region as a doorway to the rest of the growing nation. This tradition continues today, with easy-access transportation by water, road, and rail routes; natural attractions like the sand dunes and beaches; and proximity to Chicago making Northwest Indiana a locus of transport, manufacturing, and recreation.

However, these advantages couldn't shield Northwest Indiana from the effects of the Great Recession of 2007-2009. At the time of the release of the 2012 State of the Workforce Report, employers, workers, and economic developers were still trying to rebuild the economy following the recession. The narrative at that time discussed the damage done to the labor force, local businesses, and how to rebuild the region's economy to better weather future economic turmoil. Since then, the story has changed.

“As this report describes, the current economy is one on the mend.”

As this report describes, the current economy is one on the mend. Industries hurt deeply by the recession, such as manufacturing and construction, are now seeing sales growth and so they are increasing their workforce. Thanks to this, some of the folks who left the labor force when the economy contracted have rejoined and have started looking for new opportunities. Together, these elements create a region in which both employers and workers are cautiously optimistic, allowing business to rebound and economic growth to transpire.

While no one knows when the next economic calamity will occur, we have learned one thing: in a world changed by the recession, job seekers now, more than ever, must reinvent themselves to stay relevant to the employers in the area in which they live. A workforce exhibiting continual skill improvement will ensure a future where unemployment is lower, wages are higher, and businesses come knocking, wanting to locate in the area. With determined, focused leadership and a job-ready workforce, this future is realistic and attainable. The Northwest Indiana Workforce Board (NWIWB), Center of Workforce Innovations (CWI), and our partners continue to collaborate with that goal before us.

UNDERSTANDING NORTHWEST INDIANA'S ECONOMIC DRIVERS AND MORE

Industry sectors that contribute greatly to an economy are called economic drivers. Characteristics of economic drivers include employing a significant number of people, contributing greatly to the surrounding communities, and enriching the local economy through additional spending. In Northwest Indiana, the major economic drivers are Primary Metal Manufacturing; Petroleum and Coal Products Manufacturing; Rail Transportation; Pipeline Transportation; Truck Transportation; Amusement, Gambling, and Recreation Industries; and Utilities. To anyone familiar with the region, none of these sectors are surprising. But there is value in knowing more than just what drives the economy, and we can find out all of this information using the concept of clusters.

Due to the size and complexity of any economy, we will break it down into smaller parts called clusters for analysis. Clusters, for the purposes of this report, come in two variations, industry and occupation, and these are identified using location quotients. Location quotients (LQs) measure relative industry concentration by comparing the percent of people employed in the region in the given industry or occupation to the percent employed in the nation.

- An LQ greater than 1.0 means the employment percentage in the region exceeds the nation and potentially indicates a high-growth economic driver.
- An LQ approximately 1.0 means the employment percentage in the region matches the nation. These industries may be important to the region, but may not necessarily be lynchpins of the economy.
- An LQ less than 1.0 means there is a lesser percentage of people employed in the region relative to the nation. Low location quotients usually mean the industry is not a driving force of the regional economy and is usually not a high-growth industry cluster.

Industry clusters are groups of companies in a similar industry that are located within a given region. For example, Primary Metal Manufacturing, an industry cluster typified by steel mills, “smelt and/or refine ferrous and nonferrous metals from ore... using electrometallurgical and other process metallurgical techniques. Establishments in this subsector also manufacture metal alloys and superalloys by introducing other chemical elements to pure metals.”¹

Occupation clusters are closely related to industry clusters. After all, when you have a specialized industry, there are usually specialized workers there too. As Northwest Indiana is known for its world-class steel mills, a natural occupational cluster would be Metal Workers and Plastic Workers.

THE INDUSTRY CLUSTERS OF NORTHWEST INDIANA

A region can identify its industry clusters by looking at past major industries, current occupation clusters (covered in the next section) and, most importantly, national location quotients. To get an idea of these industries, we pulled data using NAICS codes up to three digits, a level of detail that offers a good balance between specificity and usefulness.

The following five industries have an LQ greater than 1.0; this means there is a greater percentage of people employed in the region relative to the nation. Especially high location quotients, usually 2.0 or above, indicate the industry cluster is a major driver of the regional economy and can be considered a competitive advantage.

- Primary Metal Manufacturing; LQ: 20.97
- Petroleum and Coal Products Manufacturing; LQ: 7.49
- Rail Transportation; LQ: 5.35
- Pipeline Transportation; LQ: 2.15
- Truck Transportation; LQ: 2.10
- Amusement, Gambling, and Recreation Industries; LQ: 2.07
- Utilities; LQ: 2.04

To those who are familiar with Northwest Indiana, there are no surprises with this list – the steel mills, BP Whiting, railroad companies, trucking companies, casinos, and NIPSCO are well-known staples of the economy, employing thousands of workers across the seven county region.

The next five industries have an LQ of approximately 1.0. These clusters are important to the Northwest Indiana economy but are also representative of the density in the nation.

- Ambulatory Health Care Services; LQ: 1.05
- Clothing and Clothing Accessories Stores; LQ: 1.04
- Couriers and Messengers; LQ: 1.04
- Chemical Manufacturing; LQ: 1.03
- Transportation Equipment Manufacturing; LQ: 1.02

¹Source: U.S. Department of Labor, Bureau of Labor Statistics
<http://www.bls.gov/iag/tgs/iag331.htm>

In business terms, these areas would not be considered a regional competitive advantage due to their commonality throughout the United States.

Lastly, the industries listed below have an LQ lower than 1.0, which indicates that there are a smaller percentage of people employed in the region relative to the nation. Low location quotients usually indicate a particular industry is likely not a high-growth cluster in the regional economy.

- Oil and Gas Extraction; LQ: 0.02
- Air Transportation; LQ: 0.04
- Water Transportation; LQ: 0.07
- Fishing, Hunting, and Trapping; LQ: 0.10
- Forestry and Logging; LQ: 0.11

While Northwest Indiana sees much air and water transportation, many of these workers are not employed by a company in Northwest Indiana, which explains the relatively shallow presence of these industries in the region.

THE OCCUPATION CLUSTERS OF NORTHWEST INDIANA

Another way to identify important trends in a region is through occupation clusters. Much like industry clusters, occupation clusters are usually identified by national location quotients. These groups, disaggregated to the third digit O*Net code for the purposes of this report, show occupations clustered in the region. While the occupation cluster names are descriptive, the industries in which these jobs are located may not be so straightforward. Food and Beverage Serving Workers, for example, are likely to be employed in the restaurant industry, but many places such as hotels and colleges also employ large numbers from this occupation cluster too.

Top occupation groups with an LQ around 2.0 and greater:

- Rail Transportation Workers; LQ: 4.73
- Metal Workers and Plastic Workers; LQ: 2.59
- Plant and System Operators; LQ: 2.27
- Entertainment Attendants and Related Workers; LQ: 1.85

These occupation groups have a strong presence in the region and are unlikely to erode in the near future.

Top occupation groups with an LQ around 1.0:

- Librarians, Curators, and Archivists; LQ: 1.02
- Building, Cleaning, and Pest Control Workers; LQ: 1.02
- Animal Care and Service Workers; LQ: 1.02
- Preschool, Primary, Secondary, and Special Education School Teachers; LQ: 1.02
- Communications Equipment Operators; LQ: 0.97

These are important occupation groups whose concentration is similar to the nation's employment percentage.

Occupation clusters with an LQ much less than 1.0 include (list is not all inclusive):

- Extraction Workers; LQ: 0.11
- Fishing and Hunting Workers; LQ: 0.15
- Air Transportation Workers; LQ: 0.19
- Forest, Conservation, and Logging Workers; LQ: 0.27
- Mathematical Science Occupations; LQ: 0.34

These occupations are not highly concentrated in Northwest Indiana relative to the nation, but still may be important to support stronger industry clusters.

EDUCATION IS KEY ACROSS CLUSTERS

Knowing local industry and occupation clusters is important because it allows economic developers to concentrate retention, expansion, and attraction efforts, business owners to know if there is enough human capital to allow an expansion, and workforce developers to coordinate skills training and career education offerings to the needs of their area.

“Whether the education results in a bachelor’s degree, an industry-recognized certification, or simply a certificate of completion after attending a skill workshop, all education makes a worker more productive and valuable to the employer and economy.”

One unifying theme for nearly all occupational clusters, regardless of LQ, is the need for education. Rail workers, metal workers, and animal care workers all benefit from skills training and education just as much as mathematical occupations and librarians. Whether the education results in a bachelor’s degree, an industry-recognized certification, or simply a certificate of completion after attending a skill workshop, all education makes a worker more productive and valuable to the employer and economy.

Now that we know what drives the regional economy, which industry and occupational clusters are strengths—and which ones aren’t—let’s consider the regional population before examining the workforce more closely.

DEMOGRAPHICS

THE IMPORTANCE OF DEMOGRAPHICS

Understanding a whole workforce is not an easy task, so disaggregating it into its constituent groups can help isolate trends and form the basis for predictions about the future. For economic groups, it can mean better understanding the effects of another recession. For a company, it can mean the difference between capitalizing on a rush of new graduates or losing half their staff to retirement with no idea that replacements are present, ready, and able to work.

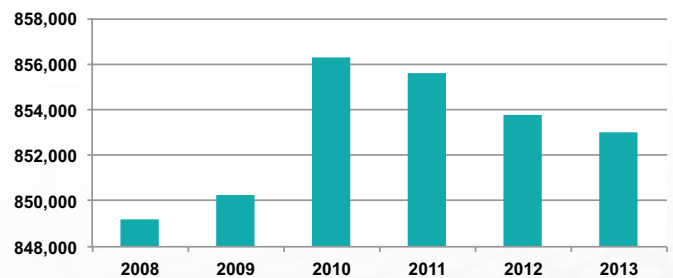
The demographic section will be reviewed in two pieces: population and labor force. The first section, population, investigates the growth or decay of selected demographic categories while the labor force piece will examine the activity of Northwest Indiana’s workforce.

POPULATION DEMOGRAPHICS

The 2012 State of the Workforce report covered population growth in Northwest Indiana from 1900 to 2010. The trend showed continuous, sometimes exponential growth in the seven counties composing the region. This iteration of the State of the Workforce report will cover trends from 2008 to 2013, the most recent information available through various economic databases, and will mirror the classifications used in the data.

POPULATION GROWTH IS NEGLIGIBLE

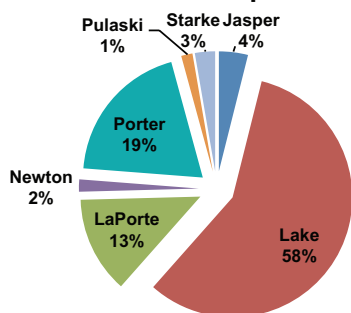
**Population of Northwest Indiana
2008 to 2013**



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 1

Northwest Indiana Population by County



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 2

Of the seven counties in Northwest Indiana, only two have seen notable growth from 2008 to 2013: Jasper and Porter counties. Over that six year period, Jasper grew 2.1 percent, while Porter saw an expansion of 2.7 percent. Both Pulaski and Starke counties have seen year-over-year shrinkage since 2008. Pulaski County has shrunk 4.1 percent, and Starke County managed to keep losses small at 1.0 percent. The remaining three counties in the region - Lake, LaPorte, and Newton - have all experienced relatively flat growth.

Northwest Indiana’s overall population growth rate from 2008 to 2013, 0.4 percent, is quite negligible. As Figure 1 illustrates, the region’s population spiked in 2010 with 856,302 then proceeded to decline each year since. Given the volatility in short term data, an estimate for 2014 population figures would be unreliable, but any growth or shrinkage is likely to be minimal.

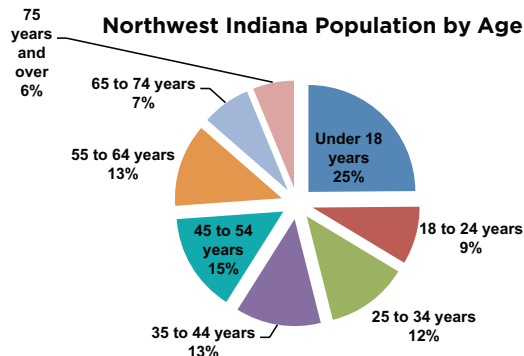
From 2008 to 2013, the population of Indiana grew 3.0 percent while the United States saw 4.0 percent growth. If we compare the growth rates for Northwest Indiana and its seven counties, it becomes apparent that the region is growing much slower relative to the state and nation. For benchmarking purposes, the region is growing at about seven times slower than Indiana and ten times slower than the United States. Porter County, with a population growth of 2.7 percent, is the closest any part of Northwest Indiana comes to matching the state’s rate, but nothing in the region comes close to matching the nation’s solid growth

AGE AND RACE CONTRIBUTE TO LACK OF GROWTH

Two reasons may account for Northwest Indiana’s lack of growth. The first potentially contributing factor is the aging population. About 41 percent of Northwest Indiana residents are age 45 or over; this age group is not likely to produce any more children than they have already. Another

factor is race: the region is 75 percent White and this is the second slowest growing racial group. The fastest growing group, Two or More Races, currently comprises only 2 percent of the regional population. For more information, see the “Demographics” section in the appendix.

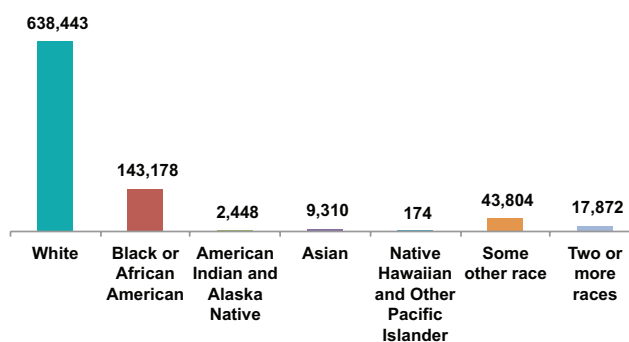
Northwest Indiana Population by Age



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 3

Northwest Indiana Population by Race



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 4

NORTHWEST INDIANA MATCHES STATE IN BLEND OF GROWING DIVERSITY

The region is seeing high growth in three of its smaller racial groups—Asian Alone, American Indian or Alaskan Native Alone, and Two or More Races. Lake, Porter, and LaPorte counties have all seen a notable increase in their populations of these racial groups over the last decade, with the southern counties receiving little of this growth.

According to a 2008 issue of *InContext*², a publication of the Indiana Business Research Center, expansion in these aforementioned racial groups is a statewide trend.

The overall result of this growth will be a more diverse population by 2030.

Juxtaposing trends from the age and race data, it seems the population of Northwest Indiana is growing slowly for one big, non-inclusive reason: the region consists of primarily older, white adults who are less likely to have children than others. This leads to a slower growth rate, while the state and nation enjoy a higher rate for being both more youthful and more diverse in comparison.

LABOR FORCE DEMOGRAPHICS

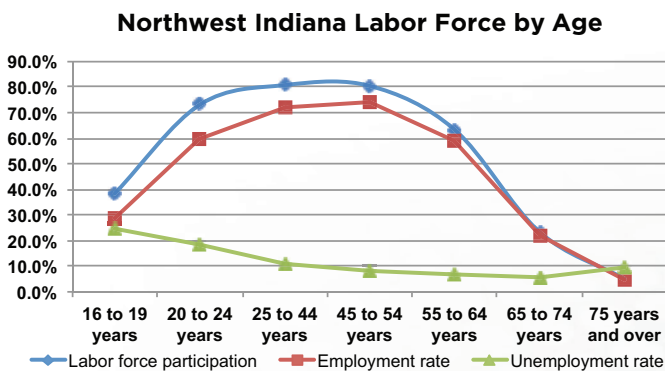
When businesses look to build in or relocate to a community, one of the most important items they consider is the labor force. While labor force behavior will be discussed more closely in the “Labor Force” section, this area will be devoted to the demographics of the workers in the region, both employed and unemployed.

Researcher’s note: To get data with the necessary level of granularity, we used data from the 2008-2012 American Community Survey dataset from the U.S. Census Bureau. Occasionally, this differs from the labor force section, which uses a different dataset for a different set of variables. Though the American Community Survey is not real-time, it is a snapshot of where the region was recently.

² <http://newsinfo.iu.edu/news/page/normal/8919.html>

LOCAL PARTICIPATION RATE SIMILAR TO STATE

As with population demographics, labor force demographics have their own behavior. Figure 5 (see below) shows the labor force participation rate, the employment rate, and the unemployment rate by age bracket.



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 5

The overall level of labor force participation in Northwest Indiana is 62.8 percent. This means that 62.8 percent of the population age 16 years and older participates in the labor force. This rate matches the Indiana labor force participation rate but falls slightly below the nation at 63.0 percent³. The highest rates in recent history, around 67 percent, occurred in the late 1990s into the year 2000. While only a few percentage points higher than what we are currently experiencing, the difference represents over a million workers nationally. Lowered labor force participation is not a good sign, as it often denotes a lack of economic strength and a shortage of confidence in the economy.

LABOR FORCE REFLECTS MATURITY OF POPULATION

The labor force participation resembles a bell curve in its distribution; this reflects the population allocation to a large extent – there are simply more people age 25 to 64 years than there are at either end of the spectrum. The employment and unemployment lines on Figure 7 illustrate an interesting story: as a worker ages, his or her likelihood of being employed rises and, in response, his or her chance of being unemployed falls. This behavior is true for all of the age brackets except the last – workers age 75 years and over – as many choose to leave the labor force to retire.

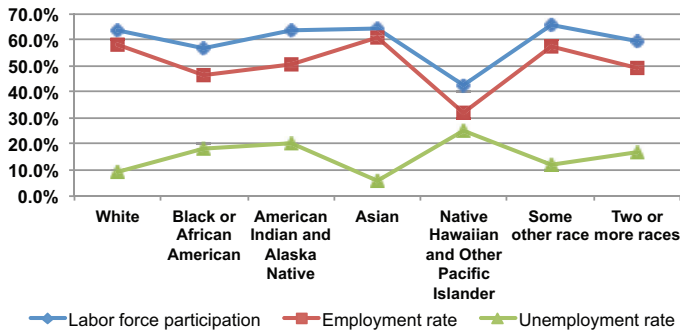
Workers in the eldest age bracket see an expected drop in participation, as many are retired and thus not part of the labor force, but there are some who choose to continue working. Most of the folks age 75 and over in the labor force are employed (around 91 percent), meaning their skills and experience are useful to employers in Northwest Indiana, but there are some – the remaining 9 percent – who struggle to find work. These job seekers bring a great deal of valuable experience to the table but may have an outmoded skill set in need of refreshing. For comparison’s sake, the second eldest age bracket, 65 to 74 years, has a 5.7 percent unemployment rate. The increase in unemployment rates between these two cohorts illustrates the variability of labor demand as a worker gets older.

³ Bureau of Labor Statistics, February 2014; Seasonally adjusted

PARTICIPATION BY RACIAL GROUPS

Race is also a factor in labor force participation. Generally speaking, workers who are Black or African American; Native Hawaiian and Other Pacific Islander; or Two or More Races participate less in the labor force than the average Northwest Indiana worker. Workers who are White; American Indian and Alaskan Native; Asian Alone; and Some Other Race have an average or better labor force participation rate.

Northwest Indiana Labor Force by Race



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 6

Participation is only half the battle – the other half is securing gainful employment. The racial groups abstaining from the labor force (see previous paragraph) also have a higher than average unemployment rate and are joined by workers who are American Indian and Alaska Native and Some Other Race. The other remaining racial cohorts – White and Asian Alone – have a less than average unemployment rate, with Asian Alone seeing the lowest incidence of unemployment at 5.9 percent. All Northwest Indiana residents who struggle to find work may benefit from career counseling to identify opportunities in the region and then participate in skills training to ensure work readiness.

For the full data table, see the “Labor Force” section in the appendix.

Having looked broadly at the demographics of the entire population as well as of the labor force, let’s now consider the trends and behaviors that characterize Northwest Indiana’s current regional workers.

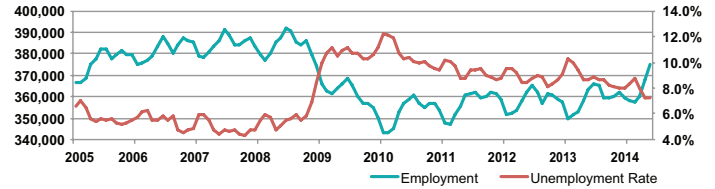
LABOR FORCE CHARACTERISTICS

UNEMPLOYMENT HIGH BUT TRENDING DOWNWARD

The heart of any economy is its workforce. An effective, competitive, and productive economy is composed of educated, diverse, and efficient workers who are engaged in gainful employment and lifelong learning.

As of May 2014, there were 404,284 people in the labor force with 375,056 being employed and 29,228 jobless. Figure 7 is a line chart illustrating a picture of the employment numbers and unemployment rate since 2005.

Northwest Indiana Employment Level and Unemployment Rate
January 2005 to May 2014



Source: STATS Indiana — Local Area Unemployment Statistics (Not Seasonally Adjusted)

Figure 7

The big plunge in employment and the large uptick in unemployment in 2009 was the effect of the economic recession. While the picture was roughly the same on the state and national levels, Northwest Indiana felt a stronger blow because the region’s largest industry in earnings—Primary Metal Manufacturing—is highly cyclical and very sensitive to economic activity.

According to the National Bureau of Economic Research (NBER)⁴, the nation remains in a recovery stage from the Great Recession. Economies in this phase are normally identified by rising productivity and employment levels. As Figure 7 shows, employment levels have not yet returned to the 2007 high of 384,513, and unemployment remains much higher than the 2007 low of 4.9 percent.

U-6 UNEMPLOYMENT RATE SHOWS ROOM TO UPSKILL

Another measure of unemployment, called the U-6 rate, approaches the issue more broadly. It counts the total unemployed, all marginally attached workers (also known as discouraged workers – those who want work but quit looking after an unsuccessful pursuit), and those employed part time for economic reasons (individuals seeking full time work but unable to secure it), creating a very full picture of the unemployment scene⁵.

“The heart of any economy is its workforce. An effective, competitive, and productive economy is composed of educated, diverse, and efficient workers who are engaged in gainful employment and lifelong learning.”

As of May 2014, Northwest Indiana had an unemployment rate of 7.2 percent, or 29,228 people. This metric is attained by dividing the civilian labor force by the number of unemployed workers. The estimated U-6 rate for Northwest

Indiana is 12.6 percent, or 50,940 people. The difference between the two measures is 21,712 people, and each one of them represents an upskilling opportunity. Discouraged workers and full-time job seekers can receive skills training or education in an in-demand occupation to improve their place in the job market.

THE LABOR FORCE IS GROWING AGAIN

Labor force shrinkage was an ongoing issue in the years following the recession. This phenomenon might be partially attributable to the discouraged worker effect, the term used when a job seeker is unsuccessful in finding work and gives up entirely on his or her search. In this instance, he or she is no longer considered unemployed and is removed from the labor force. In the 2012 State of the Workforce Report, it was noted that the 2011 labor force for Northwest Indiana was 397,163. By 2012, the annual average labor force was 392,984 (a 1.1 percent reduction). Two years later, things look better: as of May 2014, the labor force increased 2.9 percent to 404,284. This figure exceeds the 2011 statistic indicating that, five years after the official end of the recession, the labor force is now trending in the right direction.

FEARS OF A JOBLESS RECOVERY ARE FADING

Over the last few years, there has been much talk over the idea of a “jobless recovery.” In a jobless recovery, economic output grows but employment stagnates or grows at a much slower pace. In essence, a firm may have fewer staff after a recession, but each worker is more productive than before. To test the accuracy of this notion in Northwest Indiana, we will look at economic output in the form of gross regional product (GRP) and annual average employment levels.

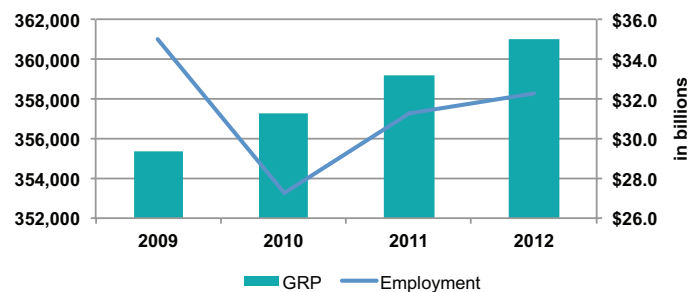
Using data from the Minnesota IMPLAN Group, Inc., the effect on Northwest Indiana’s output, or gross regional product (GRP), can be measured. GRP is the sum of the values of all the goods and services produced within a region and it is the best measure of regional economic productivity available. In 2009, the trough of the recession, the GRP of Northwest Indiana was \$29.4 billion, and in 2011, just two years after the recession officially ended, that number grew 12.9 percent to \$33.2 billion. The employment side of the equation looks a little different. In 2009, employment in Northwest Indiana was 358,411; by 2011, employment fell 0.8 percent to 355,439.

Judging by the 2009 and 2011 data points, one could effectively argue the region was undergoing a jobless recovery – employment was stagnant while output increased, meaning each employee became more

productive over the course of two years. In output terms, Northwest Indiana was recovering with the state and nation; in terms of employment, the region was struggling to grow.

Let’s look at some newer data to see if the recovery added jobs. Using GRP figures from 2012, the most recent data currently available, Northwest Indiana’s gross regional product grew to \$35.0 billion, a 5.4 percent increase over 2011. On the employment side, we see a little growth – in 2012, there were an average of 358,277 people employed (a 0.8 percent increase over 2011 but still short of 2009 employment). While it still looks like a jobless recovery in 2012, we have seen employment rebound in 2014 with an employment force of 375,056 in May.

Northwest Indiana Employment Level and Gross Regional Product 2009 to 2012



Sources: GRP (2009, 2011): Minnesota IMPLAN Group. GRP (2012): EMSI Analyst – 2014.2 Complete Employment. GRP (2010): Estimate using existing data. Employment: STATS Indiana – Local Area Unemployment Statistics (Not Seasonally Adjusted)

Figure 8

The jobless recovery of 2011 may be transitioning into an actual recovery in 2014. As with all economic data, there is a time lag associated with the collection and computation of such important statistics. Based on these trends though, it is likely we will see employment growth keeping better pace with economic growth going forward.

NORTHWEST INDIANA REMAINS A NET EXPORTER OF WORKERS

No report on Northwest Indiana would be complete without a report on commuting patterns through the region. In large part thanks to the proximity of Chicago, which offers high paying jobs but which also bears a high cost of living,

⁴ <http://www.nber.org/cycles.html>

⁵ Source: U.S. Department of Labor, Bureau of Labor Statistics. <http://www.bls.gov/news.release/empsit.t15.htm>

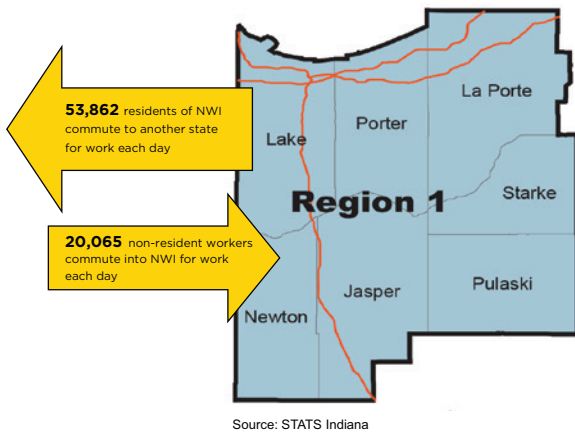


Figure 9

Northwest Indiana has always been a net exporter of workers. Figure 10 shows both the relative movement of commuters through Northwest Indiana as well as the trends in commuting since the official end of the recession.

Commuting Patterns to and from Illinois and All Other States, 2009-2012

Source: STATS Indiana

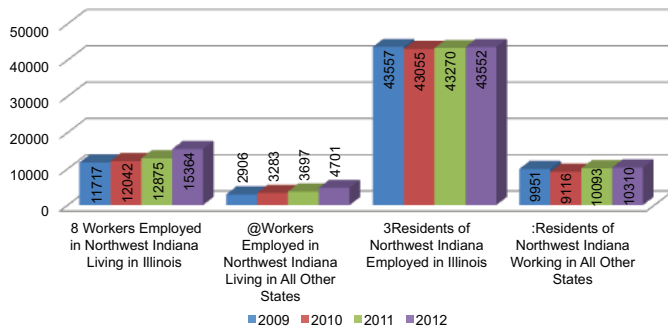


Figure 10

Roughly four times as many workers head to Illinois for work as come to Northwest Indiana. Even as this long-standing trend continues to grow back after a drop-off of about 500 jobs in 2010, it is also worth noting the growing number of workers commuting to Northwest Indiana in recent years both from Illinois and from other states. A more than 30% increase from 2009-2012 may reflect Indiana's growing success in attracting advanced companies that require a certain level of employee which in turn cause those workers to seek jobs within the region.

“The jobless recovery of 2011 may be transitioning into an actual recovery in 2014”

DON'T THROW THE BABY BOOMERS OUT WITH THE BATHWATER

Amidst the flood of positive trends in the labor force, one consideration that should not be overlooked is the oncoming retirement of the Baby Boomer generation within the next ten years. Though this generation has been able to work longer thanks to its strong work ethic as well as advances in medical care, it can't go on forever. In the coming years a growing number of currently entrenched positions will suddenly become available to a younger generation of workers, and employers would do well to anticipate the shifting workplace that will accompany that transition.

Now that we have examined the characteristics of the labor force in the region, let's focus next on educational attainment of the labor force.

EDUCATION

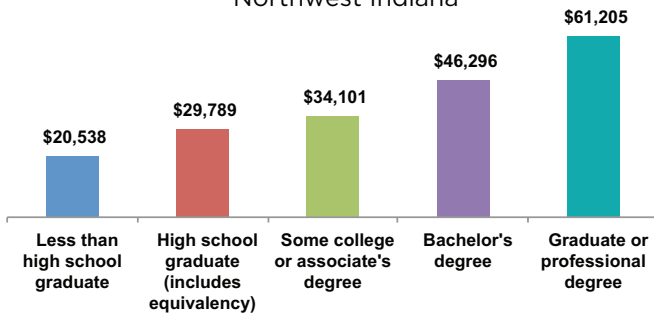
When discussing the productivity of a workforce, the quality of life a region enjoys, and the potential for economic growth, few things matter more than educational attainment, a measure of the highest level of education a person has received.

Unemployed and less educated individuals lower average wages and increase the demand of unemployment insurance claims. This in turn lowers the regional per capita income and puts upward pressure on income taxes to support the greater flow of government assistance offered to unemployed workers.

REGIONALLY, GREATER EDUCATIONAL ATTAINMENT RESULTS IN BETTER INDIVIDUAL ECONOMIC OUTCOMES

The basic relationship is simple: by and large, the more educated and skilled a worker is, the more he/she earns. Generally speaking, as the average income in a given area rises, so does the quality of the schools, businesses, and overall economy. This leads to a higher quality of life and, more important to economic development, a greater quality of place. In addition, the more educated a worker is, the less likely he/she is to be unemployed. Of course there are anecdotal exceptions to both of these trends, but the regional economy supports both claims.

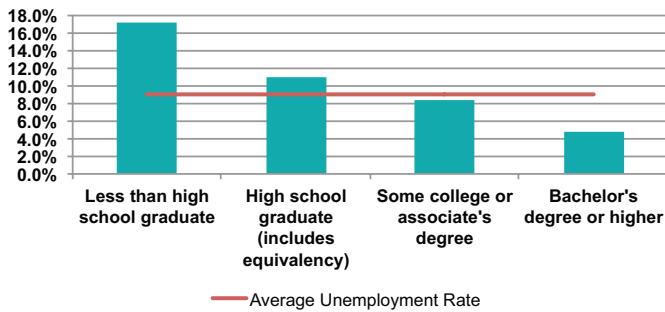
Median Earnings by Education Level
Northwest Indiana



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 11

Unemployment Rate by Education Level
Northwest Indiana



Source: U.S. Census Bureau — 2008-2012 American Community Survey

Figure 12

Figures 11 and 12 illustrate the unemployment rate and median salaries for four levels of educational attainment in Northwest Indiana. Two trends merit discussion: workers with less than a high school diploma earn the least and have the highest rate of unemployment, and; people with a bachelor's degree or higher have the highest earning potential and lowest rate of unemployment. With that in mind, here is an educational attainment breakdown of the regional workforce age 25 and older:

- Less than 9th grade: 4 percent
- Less than high school diploma: 8 percent
- High school diploma/high school equivalency diploma: 38 percent
- Some college, no degree: 22 percent
- Associate degree: 8 percent
- Bachelor's degree: 13 percent
- Graduate or professional degree: 7 percent

OPPORTUNITY FOR GAINS FROM ADULT EDUCATION

While it's encouraging that regionally a full 50 percent of workers age 25 and older have at least some college,

the fact that 12 percent of the workforce has less than a high school diploma remains troubling. In terms of people, that's 68,000 adults out of the 567,900 in this age group. Looking at these statistics, there is a large opportunity for adult basic education programs that remediate adults who would like to earn their high school equivalency diploma (HSE, formerly known as GED). Doing so would offer the individuals a better chance at success in the competitive job market while decreasing the likelihood that they will rely on social assistance programs.

WE MUST BE READY

While boosting working age adults out of the lowest category would bring significant gains in the present, it is just as important to consider the demands of the future. As the economy grows, the need for educated and skilled workers will rise. Currently, Indiana is not on track to meet the projected demand as described by Lumina Foundation.

Projected versus Target Degree Attainment for Indiana
Source: U.S. Census Bureau, 2000 Census, 2010, 2011, and 2012 American Community Survey

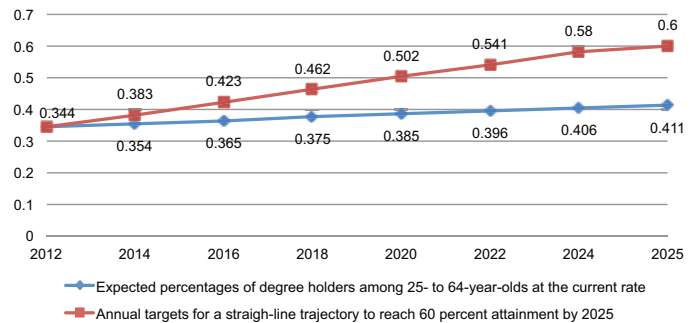


Figure 13

“The READY NWI plan is designed to close the expected gap between Northwest Indiana’s current rate of postsecondary educational attainment and the need for those degrees and certificates by the year 2025”

READY NWI is a regional partnership between schools, employers, economic development groups, and the community aimed at ensuring prosperity by meeting the skill and education needs of employers. The READY NWI plan is designed to close the expected gap between Northwest Indiana's current rate of postsecondary educational attainment and the need for those degrees

Northwest Indiana High School Graduation Rates, 2012-2013

Figure 14

School Corp Name	2013 HS Enrollment	2013 Cohort Size	2013 Graduates	2013 Dropouts	2012 Graduation Rate	2013 Graduation Rate
Kankakee Valley	1,054	247	216	31	89.3%	87.4%
Rensselaer Central	536	114	107	7	90.4%	93.9%
Hanover Community	636	152	140	12	93.1%	92.1%
River Forest Community	420	123	88	35	77.2%	71.5%
Merrillville Community	2,339	587	549	38	89.0%	93.5%
Lake Central	3,271	782	745	37	93.2%	95.3%
Tri-Creek	1,220	299	286	13	95.6%	95.7%
Lake Ridge	599	140	129	11	90.3%	92.1%
Crown Point Community	2,621	599	576	23	97.4%	96.2%
School City of East Chicago	1,240	263	216	47	79.3%	82.1%
Lake Station Community	394	86	66	20	67.9%	76.7%
Gary Community	2,128	488	336	152	60.3%	68.9%
Griffith	898	203	178	25	87.4%	87.7%
School City of Hammond	3,696	915	679	236	74.0%	74.2%
School Town of Highland	1,147	279	266	13	91.3%	95.3%
School City of Hobart	1,278	294	268	26	93.2%	91.2%
School Town of Munster	1,560	389	376	13	98.0%	96.7%
Whiting School City	408	107	100	7	81.7%	93.5%
New Prairie United	865	189	175	14	97.6%	92.6%
M S D of New Durham Township	285	66	60	6	95.2%	90.9%
Tri-Township Consolidated	102	34	30	4	95.8%	88.2%
Michigan City Area	1,802	374	295	79	83.7%	78.9%
South Central Community	304	68	58	10	88.2%	85.3%
LaPorte Community	1,892	357	295	62	88.1%	82.6%
North Newton	464	112	103	9	85.6%	92.0%
South Newton	259	54	44	10	74.5%	81.5%
M S D Boone Township	340	79	78	1	97.5%	98.7%
Duneland	2,019	461	428	33	91.0%	92.8%
East Porter County	779	192	182	10	94.3%	94.8%
Porter Township	536	142	127	15	89.8%	89.4%
Union Township	555	141	134	7	95.4%	95.0%
Portage Township	2,640	612	562	50	90.7%	91.8%
Valparaiso Community	2,178	531	489	42	91.8%	92.1%
Eastern Pulaski Community	395	91	84	7	91.9%	92.3%
West Central	263	52	48	4	83.6%	92.3%
Oregon-Davis	200	51	44	7	84.2%	86.3%
North Judson-San Pierre	426	131	111	20	80.7%	84.7%
Knox Community	577	141	124	17	85.5%	87.9%
Totals	42,326	9,945	8,792	1,153	87.1%	88.4%

Source: Indiana Department of Education

and certificates by the year 2025. Following Lumina Foundation's Goal 2025 mission, READY NWI seeks to "increase the proportion of Americans with high-quality college degrees, certificates or other credentials to 60 percent by 2025"⁶. Locally, reaching that goal requires an additional 95,300 degrees and certificates in Northwest Indiana. READY NWI intends to meet this goal by encouraging greater college attendance and enrollment at the high school and adult levels by promoting whole school models; connecting employers, businesses, and educational institutions; strengthening the assessment system to better align students with business expectations of graduates; and engaging employers to inform students of opportunities and required skills.

GRADUATION RATES TRENDING UPWARD

To ensure an educated, prosperous workforce, one must first graduate high school. In the 2011-2012 school year, the Indiana Department of Education reported 1,300 dropouts in Northwest Indiana schools; at the end of the 2012-2013 school year, there were 1,153 dropouts – an 11.3 percent decrease. Over the same time, the graduation rate of the schools in the region grew to 88.4 percent in 2013 from 87.1 percent in 2012. For an expanded version of Figure 14, see the "Education" section in the appendix.

The goal, then, is to continue to decrease the rate of high school dropouts and increase postsecondary enrollment, and that is the ethos of the READY NWI initiative. By establishing a whole school model that remediates students who fall behind, accelerates those who are rising above, and encourages dual credit courses and postsecondary enrollment, READY NWI is supporting that goal whether it results in a technical certification or bachelor's degree.

⁶ Source: Lumina Foundation www.luminafoundation.org

CTE CONTRIBUTES TO GAINS IN EDUCATION

Career and Technical Education (CTE) programs should be an important aspect to reaching the goals described above since students that complete CTE courses in high school have higher completion rates at both the high school and postsecondary levels, as well as tend to receive higher wages than their peers.⁷

"Students that complete CTE courses in high school have higher completion rates at both the high school and postsecondary levels, as well as tend to receive higher wages than their peers."

Top 15 Career Pathways by Enrollment and Concentrators, All NWI Districts, 2013

Source: Indiana Department of Workforce Development
 *Chart does not include 'Unspecified Pathway' enrollments

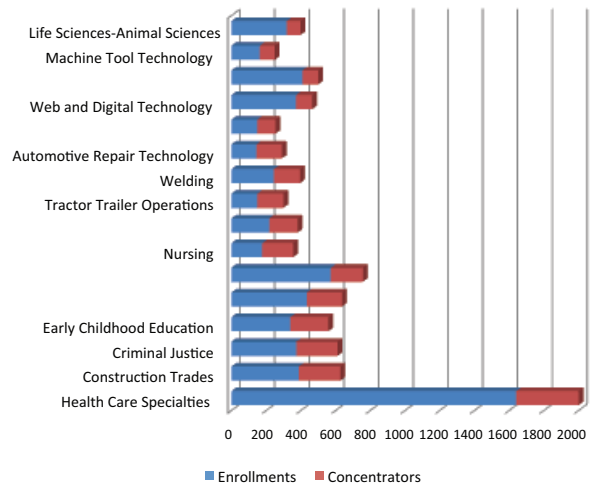


Figure 15

Northwest Indiana is served by 8 CTE districts through which students may enroll. A "CTE pathway" is an approved group of courses related to a technology or occupational field. Any student who takes a CTE course is an enrollment, but only once a student has completed at least six credits in a single CTE pathway are they counted as a CTE concentrator. In 2014, district-wide enrollments numbered 29,429 but concentrators totaled only 3,868. Some lag between these numbers should be expected since, if nothing else, students must gather credits to become concentrators. Likewise, career exploration is one benefit of CTE, preventing students from investing too much in a career they eventually abandon. However, encouraging students to stay focused on following a single pathway may ultimately yield the best result in terms of raising the number of students who achieve a certificate or degree.

UPSKILLING OPPORTUNITIES EXIST

Though there is a chance that experienced but unemployed adults can find employment with their current skill set, as time goes on struggling job seekers may have to entertain a disturbing notion: the skills learned years ago may need sharpening to be competitive; the individual needs upskilling. Upskilling, or skills training, calls for educated individuals to return to college and earn a new credential or degree in order to improve skills and learn new ones, ultimately making them stronger professionals.

As discussed earlier in relation to the U-6 unemployment rate, which includes not only the unemployed but also the marginally employed and more, there are 21,712 people un- or underemployed, indicating fairly strong demand for upskilling services in Northwest Indiana. Locating and enrolling these people would allow good workers to learn a more competitive skill set and re-enter the workforce with a new level of engagement and determination.

⁷ Source: Association for Career and Technical Education
www.acteonline.org/factsheets

LEARN MORE, EARN MORE

Description	Median Hourly Earnings	Starting Education Level
Registered Nurses	\$29.26	Associate's degree
Heavy and Tractor-Trailer Truck Drivers	\$20.27	Postsecondary non-degree award
Real Estate Sales Agents	\$11.55	High school diploma or equivalent
Nursing Assistants	\$10.54	Postsecondary non-degree award
Electricians	\$30.19	High school diploma or equivalent

Source: EMSI Analyst — 2014.2 Complete Employment

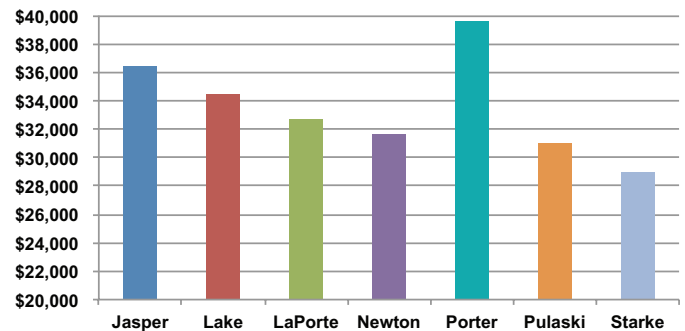
Figure 16

Figure 16 is a list of the five fastest growing careers requiring a certification or credential. Some trades occupations, such as electricians, often must progress through ranks in a union, require additional training. Others, such as registered nurses, require an associate's degree in addition to a credential. All of these jobs, however, require some type of postsecondary education.

Education pays, too. As a worker increases his or her educational attainment level, he or she, on average, generates more annual income. Median income for each county is represented in Figure 17.

“In all of these counties, workers without some postsecondary education do not make more than the median income.”

Median Earnings of Northwest Indiana Counties
(in 2012 inflation-adjusted dollars)



Source: U.S. Census Bureau 2008-2012 American Community Survey

Figure 17

In all of the above counties, workers without some postsecondary education do not make more than the median income. See the “Education” section in the appendix for a more detailed breakdown. Education also dramatically affects a worker’s risk of poverty. The more education a worker has, his or her chance of living at or below the poverty line decreases.

Now that we’ve established the importance of education to the region as well as its workforce, let’s next examine whether or not we’re putting those skills to work effectively by matching up what the region offers with employer needs.

UTILIZING EDUCATION

When defining what composes a workforce, economists, economic developers, site selectors, and business owners usually have a common list of measures that includes things like age composition, racial composition, education level, and level of unemployment. For this report, we will be focusing on why educational attainment is important, and how well this asset is being utilized. To this end, we will look at the educational attainment of current job seekers and compare that to the needs of current, in-demand occupations.

COMPARING UNEMPLOYED WORKERS TO IN-DEMAND JOB NEEDS

Many economic databases provide excellent education information over current workers, but falter when asked to provide educational attainment for the unemployed. In Indiana, there is an online job posting board called Indiana Career Connect (ICC). This system is used extensively by the WorkOne offices and by WorkOne customers, so it is a great way to get data about those currently seeking employment.

We looked into individuals registered from May 2013 to May 2014 to cast as wide a net as possible while keeping the timeframe small enough to maximize accuracy. We discovered that over half (59.5 percent) of the Northwest Indiana residents on ICC that registered over the last year have a high school diploma as their highest level of educational attainment.

To see how this matches up against employers' needs, we consulted an economic database created by Economic Modeling Specialists, Inc. (EMSI); the EMSI Analyst tool pulls data from the Bureau of Labor Statistics, Bureau of Economic Analysis, and other government sources, and runs them through their modeling algorithms to produce their results. Using the Analyst tool, we looked at over 1,000 occupation groups with positive anticipated growth from 2014 to 2023. From there, we generated a list of job groups that have at least 100 estimated annual openings over the next decade and have a median hourly wage of at least \$10 to create a "high demand" pool of occupations for Northwest Indiana, effectively whittling a list of over 1,000 job groups down to a manageable listing of 90.

Of the 90 jobs⁸ fitting the aforementioned guideline, the most common skills were⁹:

- Active learningPersuasion
- Active listening.....Public speaking
- Critical thinking.....Reading comprehension
- Judgment and decision making.....Service orientation
- Mathematics.....Social perceptiveness
- Monitoring.....Time management
- Negotiation.....Troubleshooting
- Operation and control.....Writing

⁸ For a full list, please see the Education section of the appendix.
⁹ Skills were pulled from www.onetonline.org.

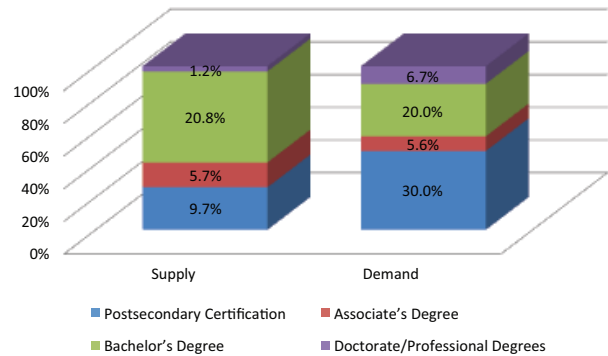
Figure 18 illustrates the education needs of these jobs.

MORE CERTIFICATES AND DOCTORATE/PROFESSIONAL DEGREES NEEDED TO MEET DEMAND

“The good news is that, in percentage terms, we are satisfying the need for associate and bachelor’s degrees. However, there are deficiencies in producing both above and below that level; Northwest Indiana is not creating nearly enough postsecondary certifications and doctorate/professional degrees.”

Comparison of Current Educational Supply and Demand

Source: EMSI Analyst - 2014.2 Complete Employment



Award/Degree	Output	Needs
Associate's degree	5.7%	5.6%
Bachelor's degree	20.8%	20.0%
Doctorate/professional degree	1.2%	6.7%
High school diploma	57.4%	37.8%
Postsecondary certification	9.7%	30.0%
Master's degree	5.2%	0.0%

Source: EMSI Analyst — 2014.2 Complete Employment

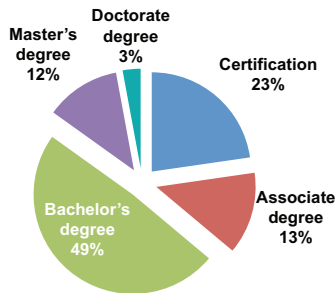
Figure 18

Figure 18 compares the educational needs of today's in-demand jobs with the most current completion data to see where the education gaps lie. The good news is that, in percentage terms, we are satisfying the need for associate and bachelor's degrees. However, there are deficiencies in producing both above and below that level; Northwest Indiana is not creating nearly enough postsecondary certifications and doctorate/professional degrees. And while it may appear as though more than enough high school diplomas are being awarded since only 37.8 percent of in-demand jobs list a high school diploma as the entry level education, that does not mean a diploma is all an employer is looking for. Job seekers equipped with an industry-recognized certification or postsecondary degree fare better in the job market due to their higher level of education. In addition, education and/or skills training impart a greater degree of skills transferability on the job seeker that allows him or her to adapt better in difficult economic conditions.

The accessibility of many high growth occupations should encourage unemployed workers to assess the transferability of their skills and find jobs that fit their

talents. This is also an occasion for educators to continue adapting K-12 education in a way that roots it in the needs of today's high demand occupations.

Composition of Postsecondary Credentials Awarded by NWI Colleges and Universities (2012)



Source: National Center for Education Statistics, U.S. Department of Education

Figure 19

According to the National Center for Education Statistics IPEDS database, roughly 36 percent of 2012 postsecondary graduates earned a credential in health professions, 22 percent of graduates were in business, 7 percent earned a certificate or degree in education, and 7 percent graduated in personal and culinary services. The remaining 28 percent earned their degrees in law enforcement, engineering, engineering technology, law, social sciences, liberal arts, and other categories.

On the surface, this compares reasonably well to the in-demand occupation groups: the top occupation group, Construction Trades Workers, utilizes engineers and engineering technicians which comprise roughly 8 percent of 2012 completers. The second fastest growing occupational group is Health Diagnosing and Treating Practitioners, a field in which approximately 29 percent of graduates earned a credential. Business, management, marketing, and related protective services, the second most popular degree program, is represented by many financial and business operations occupational groups, making it a practical educational foundation to have as a worker trying to gain traction in the job market.

Within each of these seemingly incongruent categories lies opportunity – a business degree is a great background for a Sales Manager, for instance, much like an Associate degree in Engineering Technology makes for a good Operating Engineer. Not every opportunity will be clear cut though, and graduates should never underestimate the transferability of strong technical skills.

Figure 20 shows demand for workers of various fields in the area compared to the number of related credentials awarded the year before. The significant disparity in

a large number of these fields makes the necessity for encouraging connections between employers and educational institutions to ensure businesses get the workers they need and students enter careers with positive outcomes.

Taken all together, local economic developers have a great opportunity to attract more advanced manufacturers, engineering firms, and information technology groups to the region. Indiana has a favorable business climate with government on all levels willing to make deals. Northwest Indiana's proximity to Chicago, extensive rail infrastructure, and cooperative primary and secondary educators mean that if a firm can bring a product to market, they have a large economy to which they may sell it, a viable way to transport it, and a education system to keep them primed with great workers if we can communicate to current students which fields are and will continue to be in-demand.

Putting all the pieces together, we can see Northwest Indiana is well situated to enjoy future growth. This is apparent when considering the skilled and educated labor force, a ready to work population, and a healthy pipeline of graduates coming from the region's colleges and universities. Many of these assets would go unused and unneeded, however, without regional employers. The final section looks at the approach adopted by economic developers and workforce development when attracting businesses and preparing the workforce.

REGIONAL ECONOMIC AND WORKFORCE DEVELOPMENT APPROACH

The Northwest Indiana Workforce Board (NWIWB) and the Northwest Indiana Forum (NWI Forum) coordinate efforts to develop the region to support key industry sectors that combine the aforementioned industry and occupation clusters. These industries that leverage regional assets and provide the best base for growth are:

- **Advanced Manufacturing** – a sector that bundles manufacturers that utilize cutting-edge technology to enhance production.
- **Transportation, Distribution, and Logistics** – a sector that combines firms that plan, manage, and move people, materials, and goods by road, pipeline, air, rail, and water. This includes related professional and technical support services such as transportation infrastructure planning and management, logistics services, mobile equipment, and facility maintenance.¹⁰
- **Healthcare and Social Support** – this cluster includes establishments who provide medical services and/or social assistance, such as hospitals and assisted living centers.

Summary Chart of Alignment

Figure 20

		Demand (2013)	Credentials Awarded (2012)
IT	Computer and IT Workers	11,204	1,301
Manufacturing and Construction	Metal and Plastic Workers	1,888	587
	Installation, Maintenance and Repair Workers	2350	593
	Skilled Production Workers	2739	1270
	Construction Trade Workers	1031	203
Health	Health Diagnosing and Treating Practitioners	8517	4188
	Health Technologists and Technicians	3527	2763
	Health Therapist Aides and Support Workers	474	1597
	Nursing and Home Health Aides	2069	510
Life Sciences/ Engineering	Engineers	3048	1259
	Architects and Engineering Technicians	904	847
	Life Science Workers	1304	5006
Finance and Business Services	Financial Specialists	3792	2439
	Financial Clerks	2559	2571
	Secretaries and Administrative Assistants	2708	419
	Information and Record Clerks	4616	859
Management	Front-line Supervisors of Skilled Workers	1862	3201
	Managers, Professional and Health	5412	15238

Source: FutureWorks, developed for Region 1 Works Council
www.futureworksworld.com

	Purple: more demand for credentials than supply
	Blue: demand and supply in balance
	Orange: more supply of credentials than demand

“Taken all together, local economic developers have a great opportunity to attract more advanced manufacturers, engineering firms, and information technology groups to the region.”

- Professional Services - this cluster includes firms from a wide array of backgrounds, such as banking services, insurance sales, architects, engineers, lawyers, and accountants.
- Hospitality, Entertainment, Amusement, Recreation, and Tourism - this encompasses industries such as restaurant, casinos, movie theaters, and accommodation services.

NWIWB through Center of Workforce Innovations and the WorkOne offices, develops job seekers to learn new skills and develop old ones to fit the needs of today's competitive labor market.

The NWI Forum is a private, non-profit membership organization with a mission of increasing wealth in Northwest Indiana through business attraction, retention, and development.

Using an industry cluster-based approach, economic development and workforce development work together to grow Northwest Indiana by bringing new employers to the region, helping current businesses grow, and ensuring there is a pipeline of job-ready, skilled workers available to facilitate growth.

¹⁰ Source: O*NET Online, <http://www.onetonline.org/find/career?c=16>

REGION

- Gross regional product (GRP) is growing and is now in excess of \$35 billion.
- Following the damage from the Great Recession of 2007-2009, Northwest Indiana is now recovering and solidly on the mend.

DRIVERS AND CLUSTERS

- Using clusters based on location quotients (LQs), we can analyze an area's economic drivers as well as industries that are not key to the local economy.
- Northwest Indiana's most important industry clusters are Primary Metal Manufacturing; Petroleum and Coal Products Manufacturing; Rail Transportation; Pipeline Transportation; Truck Transportation; Amusement, Gambling, and Recreation Industries; and Utilities.
- Northwest Indiana's most important occupation clusters are Rail Transportation Workers; Metal Workers and Plastic Workers; Plant and System Operators; and Entertainment Attendants and Related Workers.

DEMOGRAPHICS - POPULATION

- From 2008-2013, population growth has been stagnant across Northwest Indiana with only Porter and Jasper counties experiencing any growth.
- Northwest Indiana is growing approximately seven times slower than the rest of Indiana and approximately ten times slower than the rest of the nation.
- Stagnant growth can be attributed to the relatively older, White makeup of the majority of the population.
- Three racial groups—Asian Alone, American Indian or Alaskan Native Alone, and Two or More Races are experiencing high growth though they still constitute only a small portion of the population.

DEMOGRAPHICS - LABOR FORCE

- The labor force participation rate for Northwest Indiana is 62.8 percent, matching Indiana's overall participation rate in spite of Northwest Indiana's relatively older population.
- Older workers have high rates of employment in Northwest Indiana.
- White; American Indian and Alaskan Native Alone; Asian Alone; and Some Other Race all have average or better labor force participation rate, while African American; Native Hawaiian and Other Pacific Islander; and Two or More Races participate less than average.

LABOR FORCE CHARACTERISTICS

- Following the peak of 10.7% in 2009, Northwest Indiana's unemployment rate is trending downwards and stands at 7.2% as of May 2014.
- The labor force is growing again and is now above 404,000 people, but has not reached the most recent high reached in 2007.
- The U-6 unemployment rate, which offers a better picture of total un- and underemployment, is 12.6%.
- Though rising production has outpaced hiring, hiring is now beginning to catch up, indicating the period of jobless recovery that immediately followed the recession is coming to an end.
- Northwest Indiana remains a net exporter of workers, primarily into Chicago. However, even as the number commuting out continues to rise, an increasing number of workers are now commuting to the region for work as well, indicating success on Indiana's part of attracting more businesses.
- The baby boomer generation is still a consideration as they continue retiring within the next ten years, paving the way for a younger generation of workers to enter currently entrenched positions.

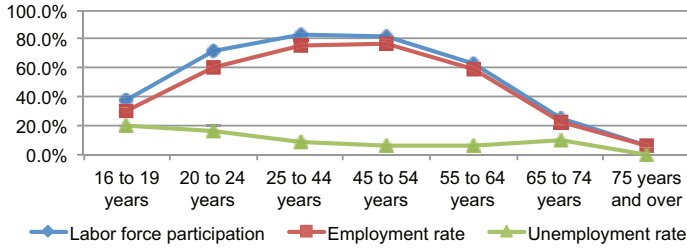
EDUCATION

- Northwest Indiana matches common trends in education; namely, the more educated a worker is the more he or she earns, and higher average income positively impacts the local economy as well as quality of life and quality of place.
- A full 50% of workers age 25 and older have at least some college, but 12% of the same age group has less than a high school diploma, representing 68,000 adults who could greatly benefit from adult education.
- Employers are increasingly seeking more than a high school education, so regional partnership READY NWI is working to increase enrollment and completion of postsecondary credentials according to Lumina Foundation's goal of 60% of the population holding degrees or certificates by 2025.
- High school graduation rates are trending upwards, most recently with an 11.3% decrease in the number of dropouts.
- Career and technical education presents an important aspect to reaching the above goals by better preparing students for postsecondary opportunities or work.
- Looking at the fastest growing careers in Northwest Indiana, completing some sort of postsecondary education continues to result in higher incomes for workers while those without greater education do not make more than the median income.

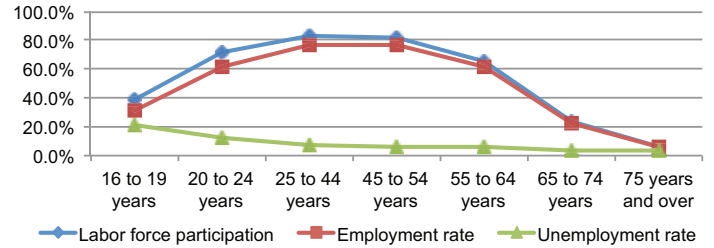
UTILIZING EDUCATION

- Creating a "high demand" occupation list demonstrates where Northwest Indiana is filling or failing the education gap.
- Though associate and bachelor's degrees are decently supplied, more certificates and doctorate/professional degrees are needed to meet the demands of the growing economy.
- The availability of quality educational institutions and the number of graduates creates the opportunity for more advanced businesses to enter the area and enjoy a supply of high-quality workers. Lacking employment opportunities described above, educated workers will continue seeking employment outside of the area.
- Pursuing greater communication between educational institutions and employers will be key to improving the growth of the region.
- With the availability of education and the coming need for workers to replace retirees in a stagnant population, the area is well poised for growth so long as organizations continue to focus on promoting and facilitating education and employment to attract and retain workers.

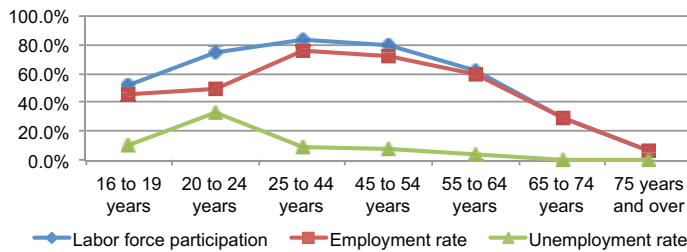
Labor Force - Jasper County Age



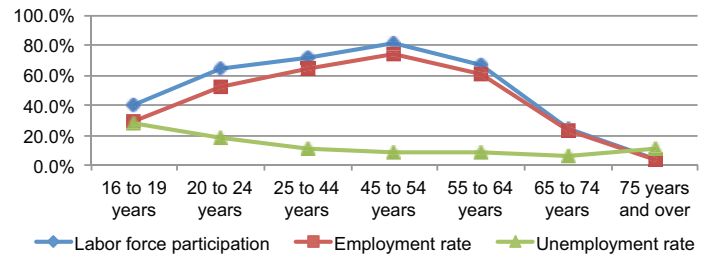
Labor Force - Porter County Age



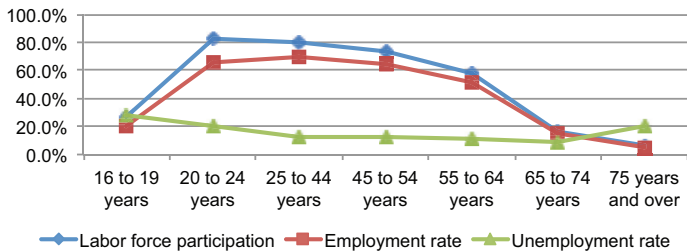
Labor Force - Newton County Age



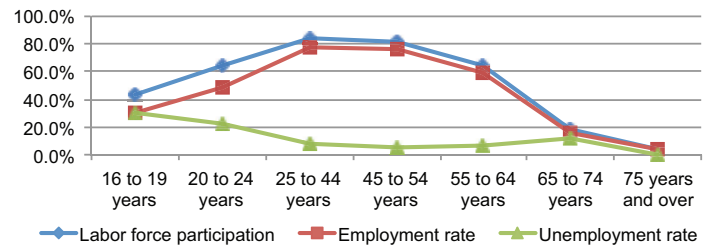
Labor Force - LaPorte County Age



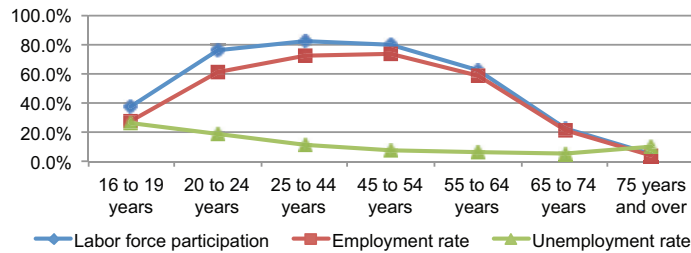
Labor Force - Starke County Age



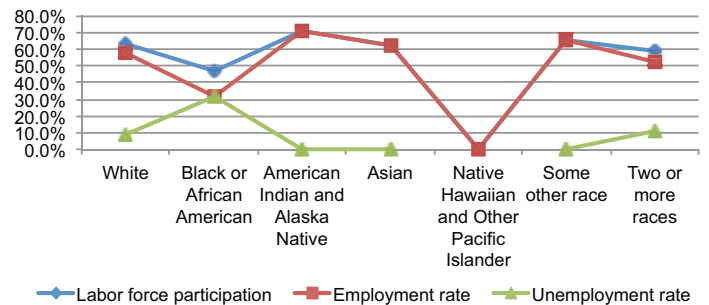
Labor Force - Pulaski County Age



Labor Force - Lake County Age

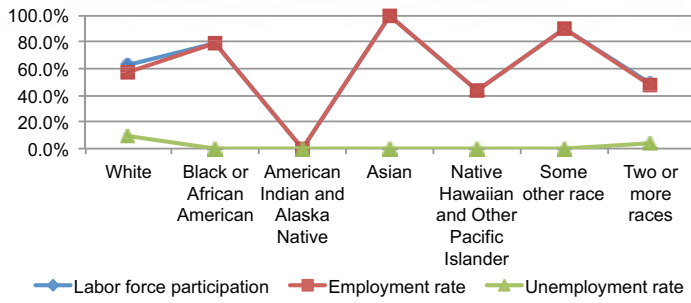


Labor Force - Jasper County Race

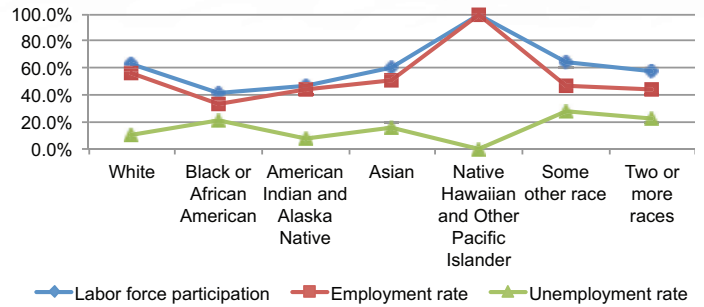


Source: U.S. Census Bureau -2008-2012 American Community Survey

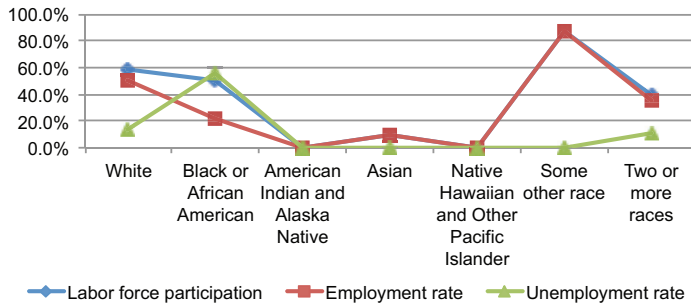
**Labor Force - Newton County
Race**



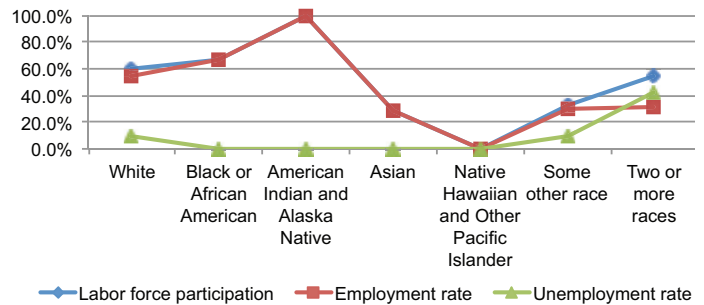
**Labor Force - LaPorte County
Race**



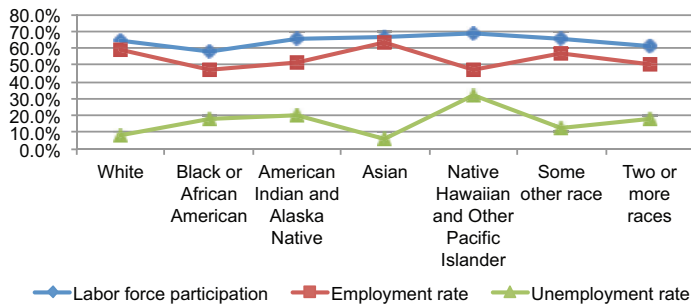
**Labor Force - Starke County
Race**



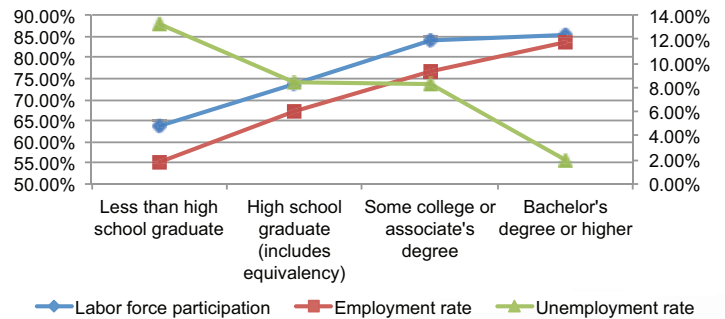
**Labor Force - Pulaski County
Race**



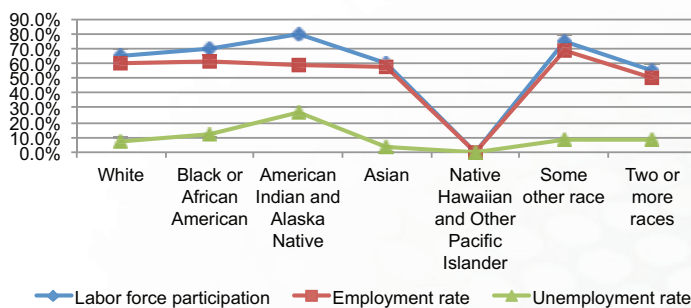
**Labor Force - Lake County
Race**



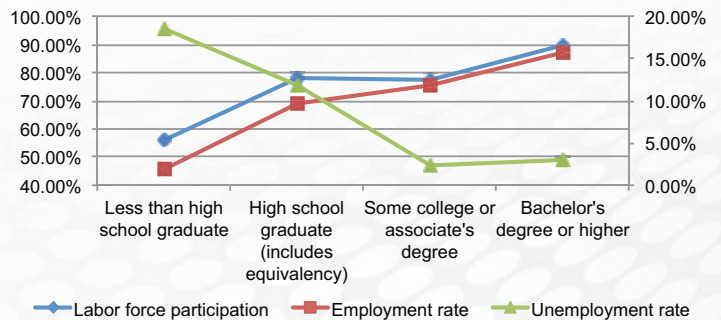
**Labor Force - Jasper County
Educational Attainment**



**Labor Force - Porter County
Race**

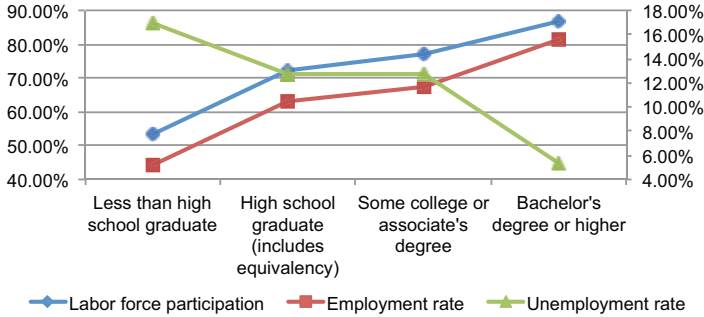


**Labor Force - Newton County
Educational Attainment**

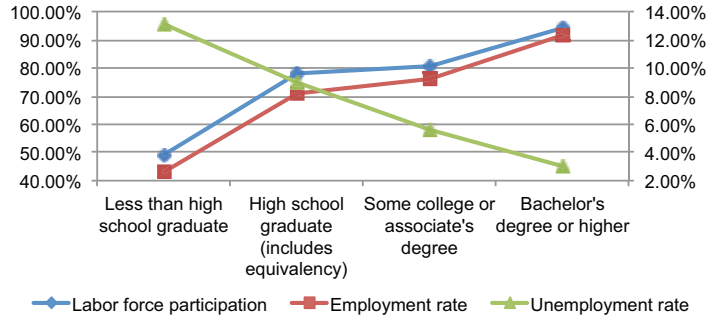


Source: U.S. Census Bureau -2008-2012 American Community Survey

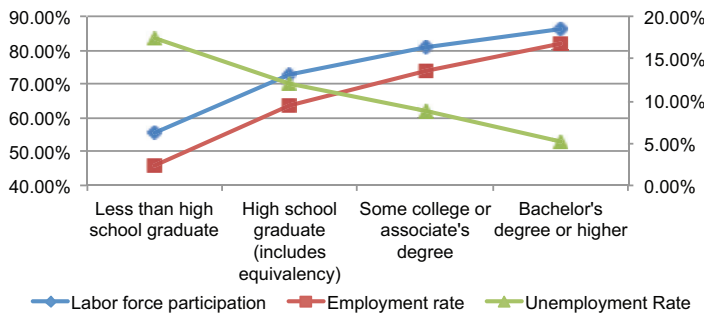
Labor Force - Starke County Educational Attainment



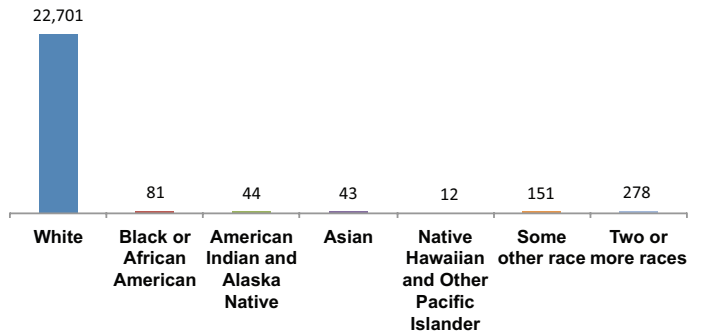
Labor Force - Pulaski County Educational Attainment



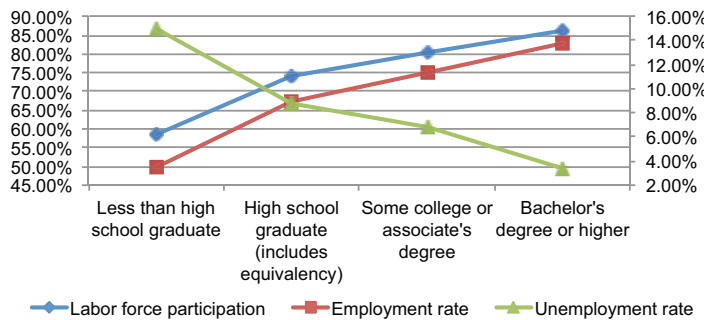
Labor Force - Lake County Educational Attainment



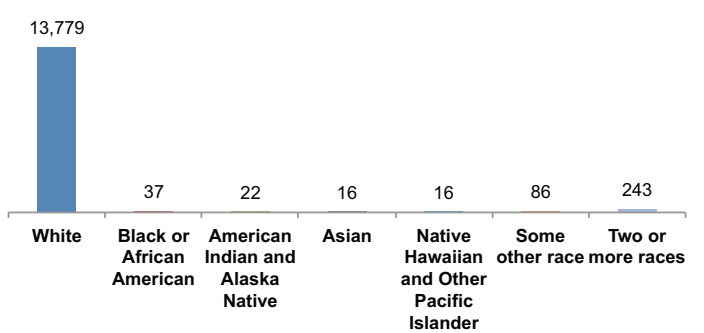
Demographics - Race Jasper County, Indiana



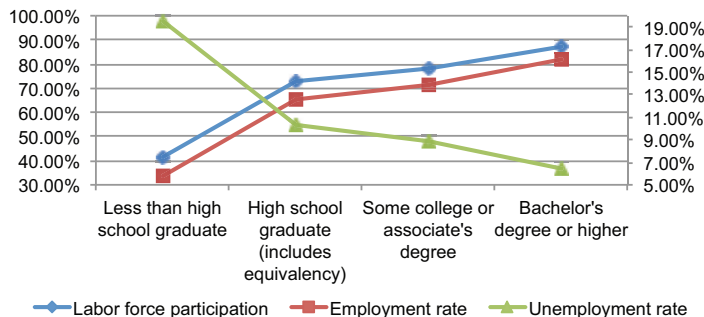
Labor Force - Porter County Educational Attainment



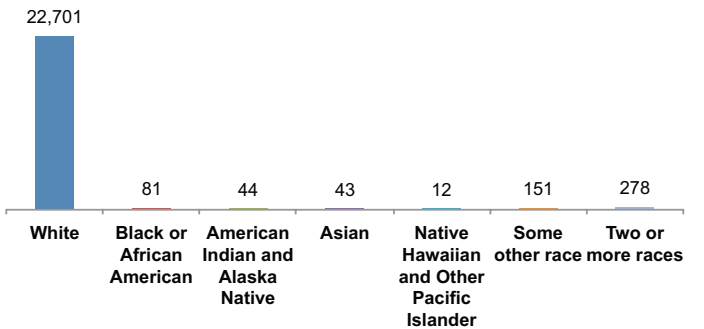
Demographics - Race Newton County, Indiana



Labor Force - LaPorte County Educational Attainment

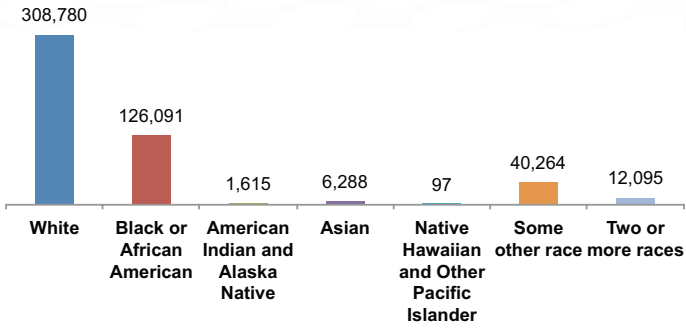


Demographics - Race Starke County, Indiana

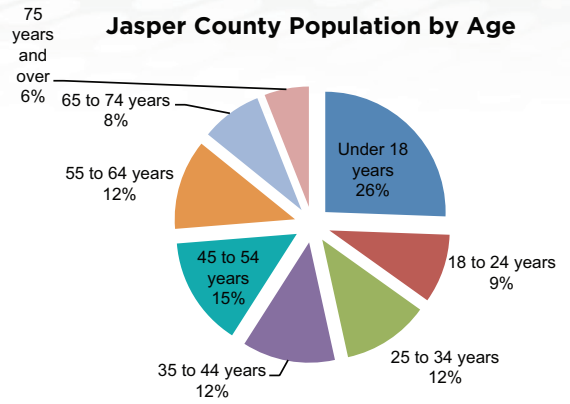


Source: U.S. Census Bureau - 2008-2012 American Community Survey

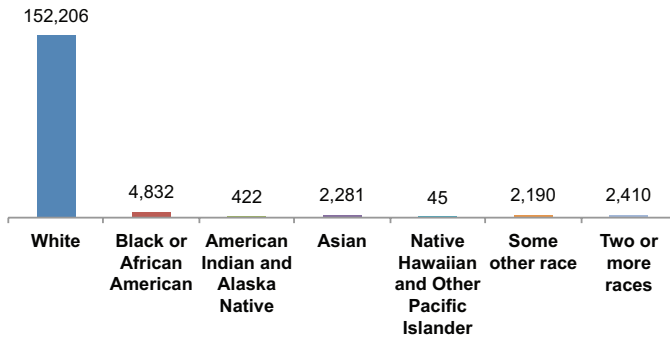
Demographics - Race Lake County, Indiana



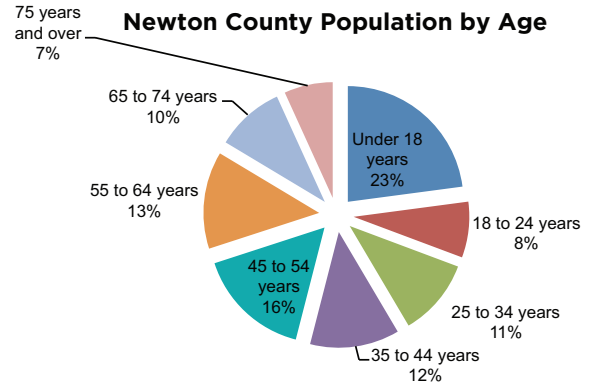
Jasper County Population by Age



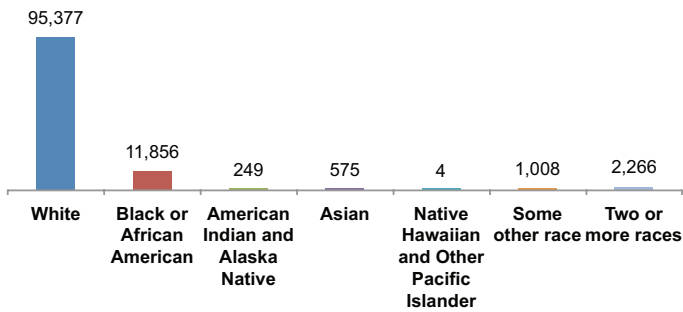
Demographics - Race Porter County, Indiana



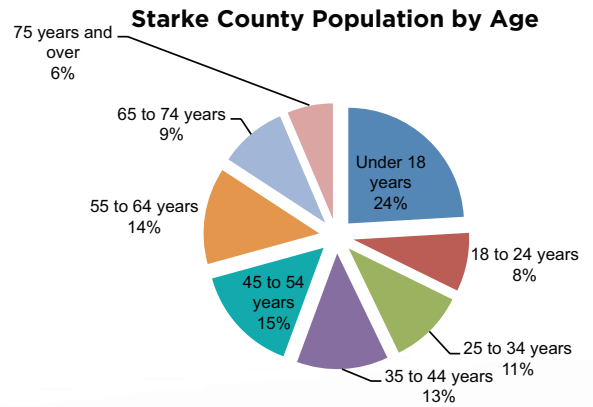
Newton County Population by Age



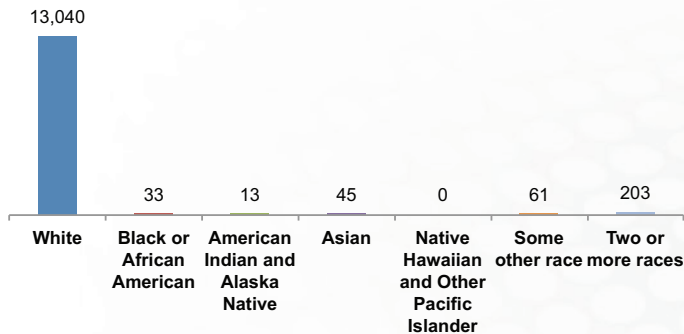
Demographics - Race LaPorte County, Indiana



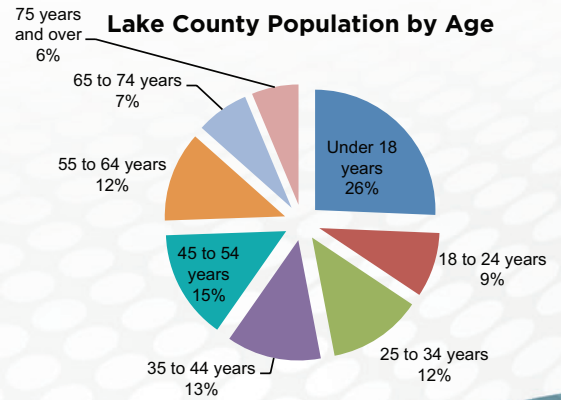
Starke County Population by Age

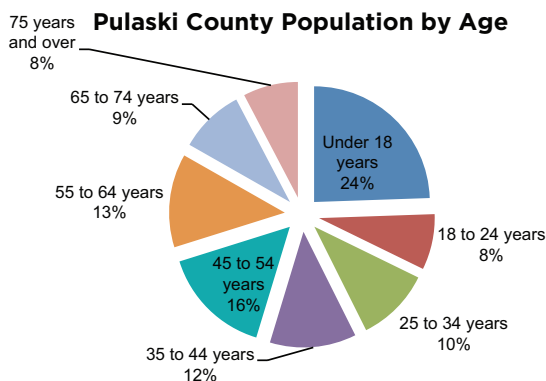
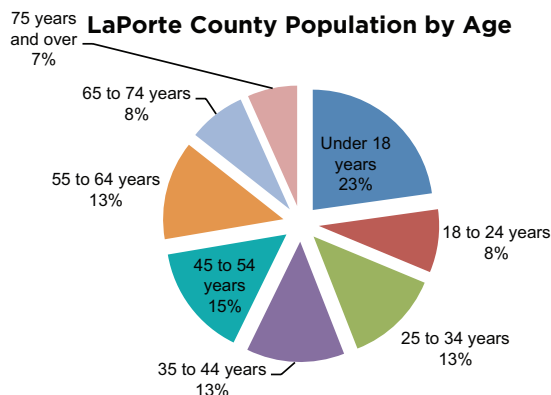
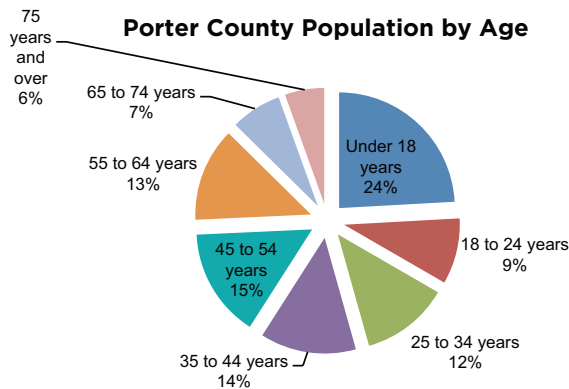


Demographics - Race Pulaski County, Indiana

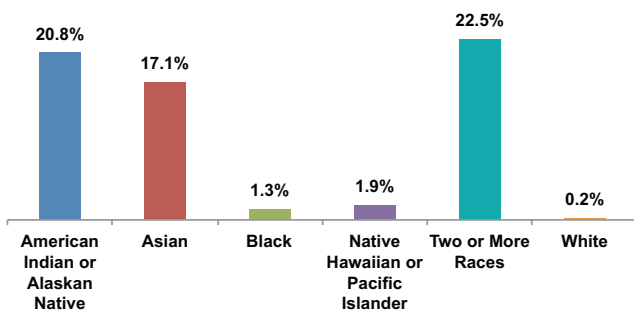


Lake County Population by Age

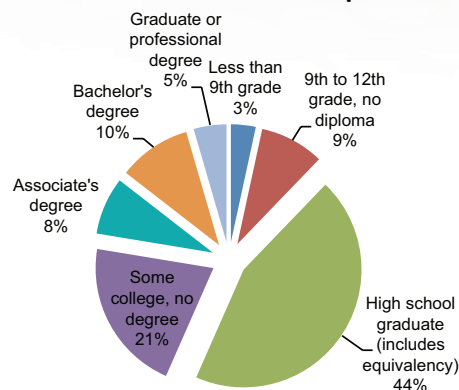




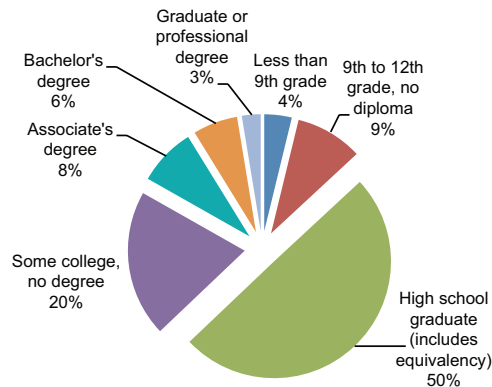
Racial Growth (percentage) 2008 to 2013



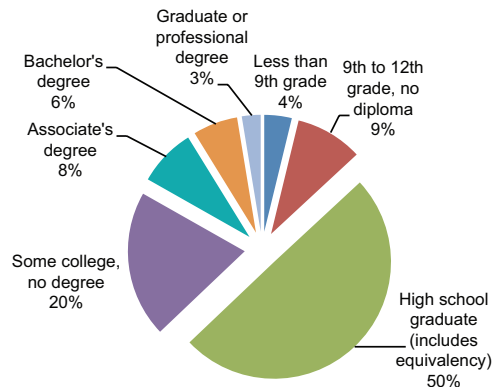
Educational Attainment of Jasper County



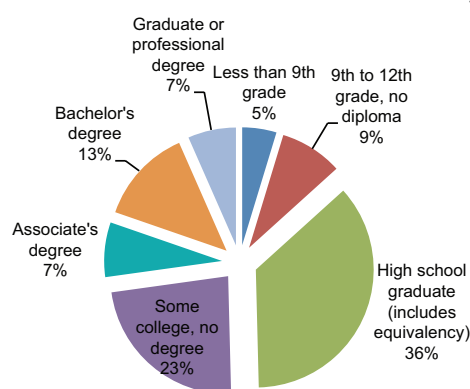
Educational Attainment of Newton County



Educational Attainment of Newton County

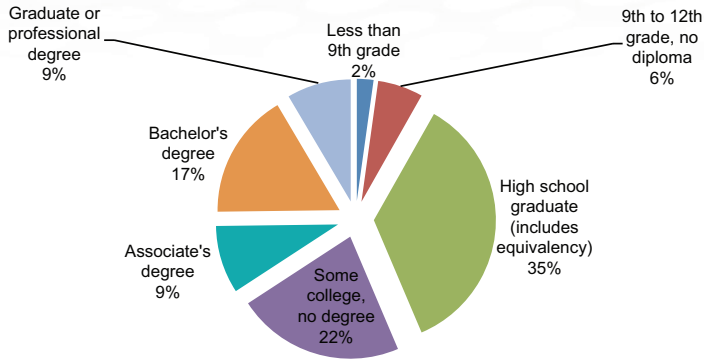


Educational Attainment of Lake County

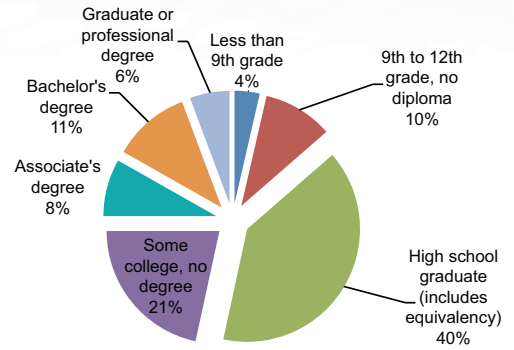


Sources: U.S. Census Bureau - 2008-2012 American Community Survey; National Center for Education Statistics - Integrated Postsecondary Education Data System (IPEDS) via EMSI Analyst, 2014.2 Complete Employment

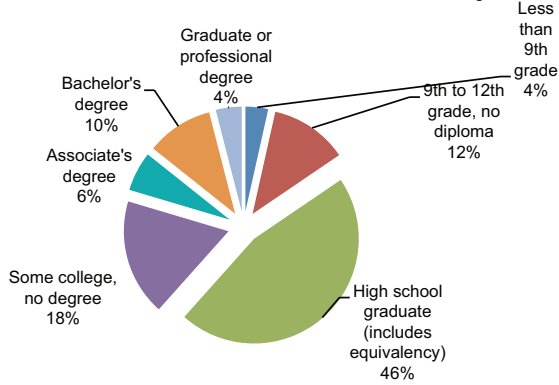
Educational Attainment of Porter County



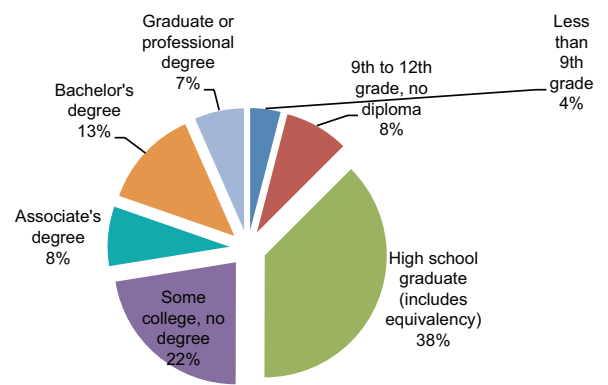
Educational Attainment of LaPorte County



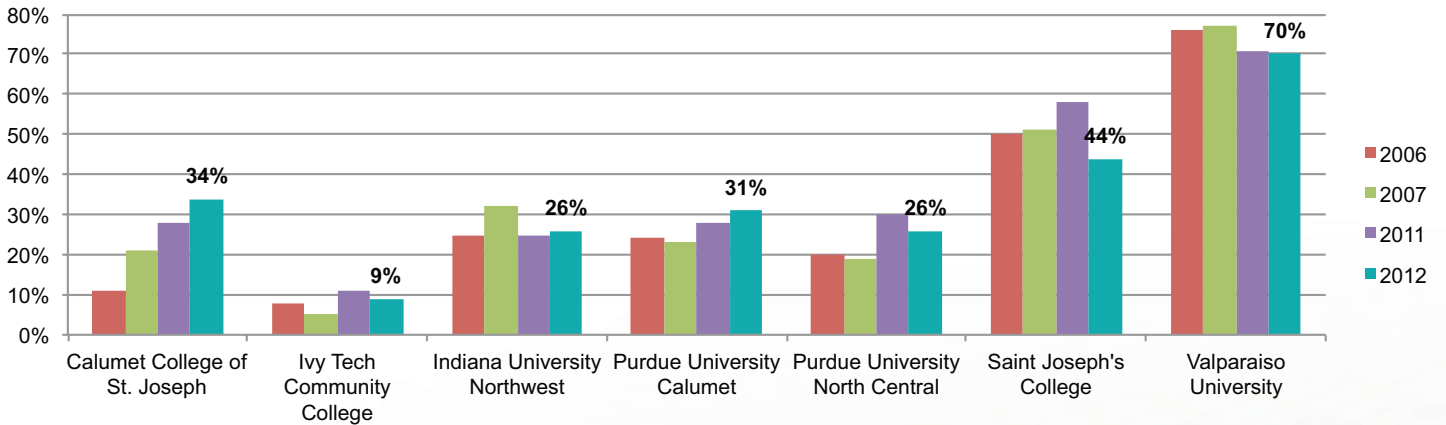
Educational Attainment of Pulaski County



Educational Attainment of Northwest Indiana

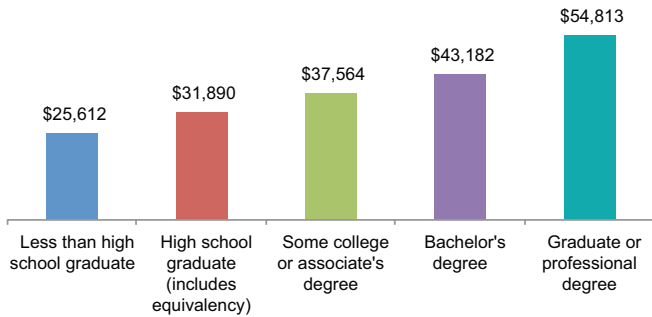


Overall Postsecondary Graduation Rates 2006-07, 2011-12

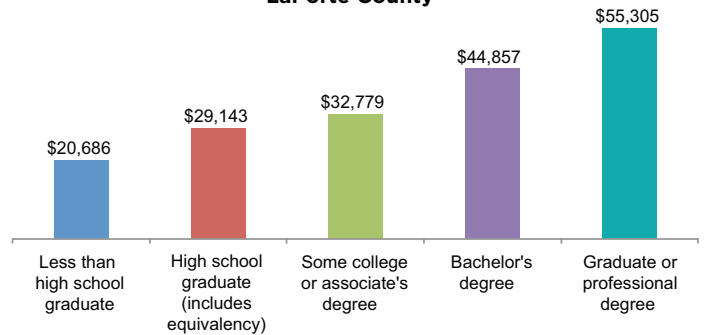


Sources: U.S. Census Bureau – 2008-2012 American Community Survey; National Center for Education Statistics – Integrated Postsecondary Education Data System (IPEDS) via EMSI Analyst, 2014.2 Complete Employment

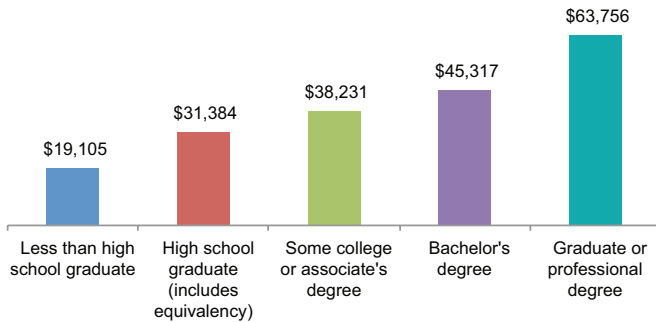
**Median Earnings by Education Level
Jasper County**



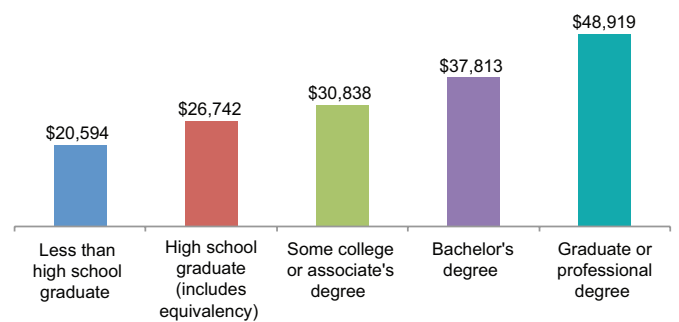
**Median Earnings by Education Level
LaPorte County**



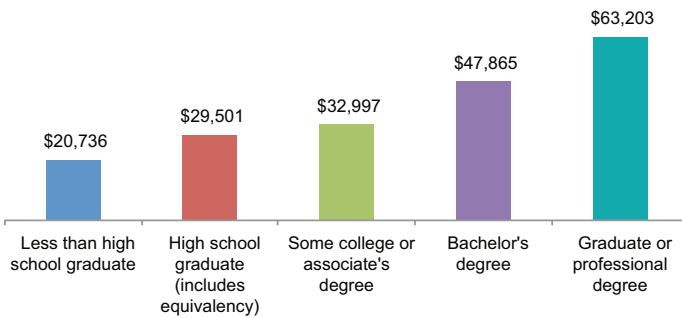
**Median Earnings by Education Level
Porter County**



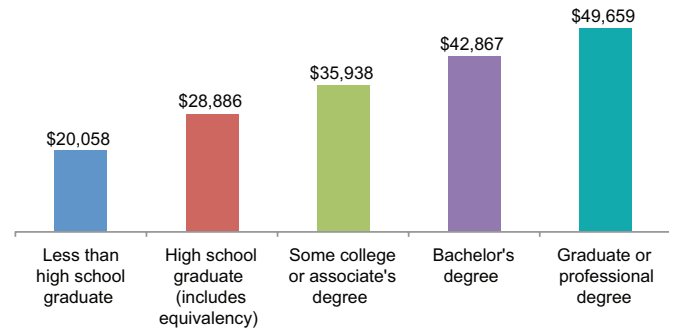
**Median Earnings by Education Level
Starke County**



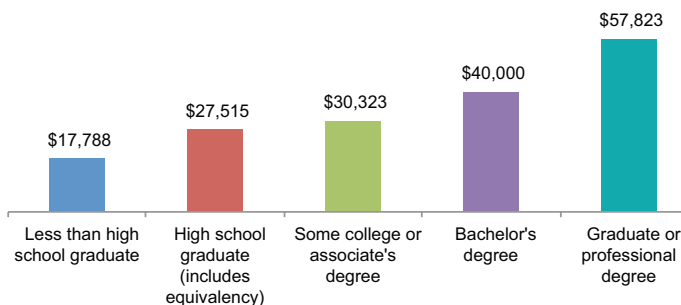
**Median Earnings by Education Level
Lake County**



**Median Earnings by Education Level
Newton County**



**Median Earnings by Education Level
Pulaski County**



Source: U.S. Census Bureau - 2008-2012
American Community Survey

Projected Job Openings, Northwest Indiana, 2014-2023

SOC	Description	2014 Jobs	2023 Jobs	Change	Annual Openings	Median Hourly Earnings
11-1000	Top Executives	3,701	4,274	573	143	\$38.88
Nov-00	Operations Specialties Managers	3,279	3,605	326	106	\$38.96
Nov-00	Other Management Occupations	13,789	14,960	1,171	501	\$20.13
13-1000	Business Operations Specialists	7,236	8,132	896	249	\$25.44
13-2000	Financial Specialists	6,538	7,350	812	259	\$26.76
15-1100	Computer Occupations	3,262	3,678	416	111	\$25.94
17-2000	Engineers	2,773	2,975	202	107	\$36.33
21-1000	Counselors, Social Workers, and Other Community and Social Service Specialists	4,129	5,020	891	208	\$17.97
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	9,193	10,321	1,128	362	\$23.20
25-3000	Other Teachers and Instructors	4,397	4,993	596	148	\$11.86
25-9000	Other Education, Training, and Library Occupations	3,826	4,230	404	133	\$11.25
27-2000	Entertainers and Performers, Sports and Related Workers	2,446	2,853	407	120	\$13.28
29-1000	Health Diagnosing and Treating Practitioners	13,351	15,909	2,558	603	\$42.59
29-2000	Health Technologists and Technicians	8,280	10,221	1,941	417	\$19.39
31-1000	Nursing, Psychiatric, and Home Health Aides	6,520	8,088	1,568	327	\$10.32
31-9000	Other Healthcare Support Occupations	4,675	5,904	1,229	237	\$13.68
33-3000	Law Enforcement Workers	3,771	3,934	163	131	\$19.99
33-9000	Other Protective Service Workers	4,017	4,384	367	130	\$11.27
35-1000	Supervisors of Food Preparation and Serving Workers	3,165	3,517	352	132	\$12.25
37-2000	Building Cleaning and Pest Control Workers	12,041	13,953	1,912	470	\$10.38
39-3000	Entertainment Attendants and Related Workers	2,496	2,796	300	117	\$11.58
41-1000	Supervisors of Sales Workers	7,148	7,435	287	199	\$16.13
41-3000	Sales Representatives, Services	5,292	5,902	610	223	\$20.84
41-4000	Sales Representatives, Wholesale and Manufacturing	3,659	3,928	269	109	\$26.23
41-9000	Other Sales and Related Workers	11,292	11,745	453	260	\$11.57
43-1000	Supervisors of Office and Administrative Support Workers	2,807	3,087	280	103	\$21.86
43-3000	Financial Clerks	8,765	9,525	760	281	\$14.64
43-4000	Information and Record Clerks	9,197	9,959	762	369	\$12.89
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	10,049	10,171	122	328	\$13.53
43-6000	Secretaries and Administrative Assistants	8,223	9,413	1,190	243	\$15.92
43-9000	Other Office and Administrative Support Workers	9,456	10,117	661	288	\$11.98
47-2000	Construction Trades Workers	16,363	19,152	2,789	748	\$25.10
49-3000	Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	5,065	5,718	653	219	\$16.64
49-9000	Other Installation, Maintenance, and Repair Occupations	9,862	10,805	943	369	\$21.32
51-2000	Assemblers and Fabricators	4,156	4,520	364	127	\$11.98
51-4000	Metal Workers and Plastic Workers	11,276	11,319	43	274	\$21.60
51-9000	Other Production Occupations	6,615	6,940	325	219	\$17.44
53-3000	Motor Vehicle Operators	13,604	15,153	1,549	434	\$18.09
53-7000	Material Moving Workers	12,483	13,212	729	463	\$14.27

Source: EMSI Analyst — 2014.2 Class of Worker

Northwest Indiana Postsecondary Institution Awards by Level, 2013

Institution	City	Type of institution	Certifications	Associate degree	Bachelor's degree	Master's degree	Doctorate degree	Total
Ancilla College	Donaldson	Private, two-year	0	100	0	0	0	100
Brown Mackie College	Merrillville	Private, four-year	110	159	14	0	0	283
	Michigan City	Private, four-year	16	149	16	0	0	181
Calumet College of St. Joseph	Whiting	Private, four-year	2	23	243	64	0	332
College of Court Reporting, Inc.	Hobart	Private, two-year	8	7	0	0	0	15
Don Roberts Beauty School	Valparaiso	Private, less than two-year	31	0	0	0	0	31
Don Roberts School of Hair Design	Schererville	Private, less than two-year	38	0	0	0	0	38
Everest College	Merrillville	Private, less than two-year	441	0	0	0	0	441
Indiana University Northwest	Gary	Public, four-year	85	115	452	108	0	760
ITT Technical Institute	Merrillville	Private, four-year	0	47	0	0	0	47
Ivy Tech Community College Northwest	East Chicago, Gary, Michigan City, Valparaiso	Public, two-year	888	779	0	0	0	1,667
Kaplan College	Hammond	Private, two-year	274	98	0	0	0	372
	Merrillville	Private, two-year	65	6	0	0	0	71
Knox Beauty College	Knox	Private, less than two-year	18	0	0	0	0	18
Merrillville Beauty College	Merrillville	Private, less than two-year	44	0	0	0	0	44
Purdue University Calumet	Hammond	Public, four-year	69	116	1,004	342	0	1,531
Purdue University North Central	Westville, Valparaiso	Public, four-year	44	152	407	26	0	629
Regency Beauty Institute	Merrillville	Private, less than two-year	79	0	0	0	0	79
Saint Joseph's College	Rensselaer	Private, four-year	0	3	194	8	0	205
Success Schools	Merrillville	Private, less than two-year	76	0	0	0	0	76
Tricoci University of Beauty Culture	Highland	Private, less than two-year	73	0	0	0	0	73
Valparaiso University	Valparaiso	Private, four-year	20	1	633	252	190	1,096
Total			2,381	1,755	2,963	800	190	8,089
			29.4%	21.7%	36.6%	9.9%	2.3%	

Source for all data: National Center for Education Statistics - Integrated Postsecondary Education Data System (IPEDS) via EMSI Analyst - 2014.1 Complete Employment

Northwest Indiana High School Graduation Data, 2012-2013

School Corp Name	2013 HS Enrollment	2013 Cohort Size	2013 Graduates	2013 Dropouts	2013 Graduation Rate	2012 HS Enrollment	2012 Cohort Size	2012 Graduates	2012 Dropouts	2012 Graduation Rate
Kankakee Valley	1,054	247	216	31	87.4%	1,058	234	209	25	89.3%
Rensselaer Central	536	114	107	7	93.9%	538	125	113	12	90.4%
Hanover Community	636	152	140	12	92.1%	607	144	134	10	93.1%
River Forest Community	420	123	88	35	71.5%	432	101	78	23	77.2%
Merrillville Community	2,339	587	549	38	93.5%	2,423	544	484	60	89.0%
Lake Central	3,271	782	745	37	95.3%	3,237	794	740	54	93.2%
Tri-Creek	1,220	299	286	13	95.7%	1,280	298	285	13	95.6%
Lake Ridge	599	140	129	11	92.1%	591	134	121	13	90.3%
Crown Point Community	2,621	599	576	23	96.2%	2,569	625	609	16	97.4%
School City of East Chicago	1,240	263	216	47	82.1%	1,372	271	215	56	79.3%
Lake Station Community	394	86	66	20	76.7%	446	84	57	27	67.9%
Gary Community	2,128	488	336	152	68.9%	2,865	645	383	262	60.3%
Griffith	898	203	178	25	87.7%	916	223	195	28	87.4%
School City of Hammond	3,696	915	679	236	74.2%	3,760	912	675	237	74.0%
School Town of Highland	1,147	279	266	13	95.3%	1,165	300	274	26	91.3%
School City of Hobart	1,278	294	268	26	91.2%	1,239	308	287	21	93.2%
School Town of Munster	1,560	389	376	13	96.7%	1,605	394	386	8	98.0%
Whiting School City	408	107	100	7	93.5%	393	93	76	17	81.7%
New Prairie United	865	189	175	14	92.6%	883	206	201	5	97.6%
M S D of New Durham Township	285	66	60	6	90.9%	270	63	60	3	95.2%
Tri-Township Consolidated	102	34	30	4	88.2%	102	24	23	1	95.8%
Michigan City Area	1,802	374	295	79	78.9%	1,891	392	328	64	83.7%
South Central Community	304	68	58	10	85.3%	297	68	60	8	88.2%
LaPorte Community	1,892	357	295	62	82.6%	1,880	404	356	48	88.1%
North Newton	464	112	103	9	92.0%	478	118	101	17	85.6%
South Newton	259	54	44	10	81.5%	255	55	41	14	74.5%
M S D Boone Township	340	79	78	1	98.7%	337	81	79	2	97.5%
Duneland	2,019	461	428	33	92.8%	1,968	420	384	36	91.0%
East Porter County	779	192	182	10	94.8%	740	176	166	10	94.3%
Porter Township	536	142	127	15	89.4%	534	128	115	13	89.8%
Union Township	555	141	134	7	95.0%	558	152	145	7	95.4%
Portage Township	2,640	612	562	50	91.8%	2,616	602	546	56	90.7%
Valparaiso Community	2,178	531	489	42	92.1%	2,159	502	461	41	91.8%
Eastern Pulaski Community	395	91	84	7	92.3%	399	99	91	8	91.9%
West Central	263	52	48	4	92.3%	266	67	56	11	83.6%
Oregon-Davis	200	51	44	7	86.3%	212	57	48	9	84.2%
North Judson-San Pierre	426	131	111	20	84.7%	446	109	88	21	80.7%
Knox Community	577	141	124	17	87.9%	606	124	106	18	85.5%
Totals	42,326	9,945	8,792	1,153	88.4%	43,393	10,076	8,776	1,300	87.1%

Project Openings by Occupation Group, 2014-2019

Occupation Group	2014 Jobs	2019 Jobs	Change	Annual Openings
Management	21,846	23,066	1,220	799
Business and Financial Operations	13,775	14,756	981	508
Computer and Mathematical	3,367	3,582	215	111
Architecture and Engineering	4,665	4,744	79	150
Life, Physical, and Social Science	2,224	2,409	185	106
Community and Social Service	5,344	5,946	602	258
Legal	2,731	2,867	136	83
Education, Training, and Library	20,761	22,266	1,505	767
Arts, Design, Entertainment, Sports, and Media	8,297	8,693	396	304
Healthcare Practitioners and Technical	22,046	24,868	2,822	1,081
Healthcare Support	11,603	13,390	1,787	614
Protective Service	9,704	9,969	265	312
Food Preparation and Serving Related	34,640	36,489	1,849	1,712
Building and Grounds Cleaning and Maintenance	16,252	17,619	1,367	635
Personal Care and Service	22,886	25,898	3,012	1,189
Sales and Related	51,943	53,299	1,356	1,887
Office and Administrative Support	48,789	50,500	1,711	1,571
Farming, Fishing, and Forestry	1,924	1,917	(7)	64
Construction and Extraction	19,701	21,860	2,159	964
Installation, Maintenance, and Repair	17,834	18,747	913	668
Production	30,012	29,966	(46)	818
Transportation and Material Moving	29,637	30,838	1,201	1,013
Military	2,648	2,643	(5)	1
Total	402,629	426,332	23,703	15,615

Source: EMSI Analyst — 2014.2 Complete Employment

Northwest Indiana Postsecondary Total Program Completions by Focus, 2013

Program	Completions (2012)	% total
Health professions and related programs	1,872	28.8%
Business, management, marketing, and related support services	1,131	17.4%
Education	366	5.6%
Personal and culinary services	364	4.9%
Homeland security, law enforcement, firefighting and related protective services	319	4.6%
Engineering technologies and engineering-related fields	301	3.5%
Engineering	229	3.5%
Legal professions and studies	228	3.5%
Social sciences	227	3.5%
Liberal arts and sciences, general studies and humanities	205	3.2%

Source for all data: National Center for Education Statistics - Integrated Postsecondary Education Data System (IPEDS) via EMSI Analyst - 2014.1 Complete Employment

Northwest Indiana Composition of Postsecondary Program Completions by Level, 2013

Program	Certification	Associate degree	Bachelor's degree	Master's degree	Doctorate degree
Health professions and related programs	869	418	516	47	16
Business, management, marketing, and related support services	82	166	663	215	0
Education	0	5	219	134	0
Personal and culinary services	364	0	0	0	0
Homeland security, law enforcement, firefighting and related protective services	2	74	194	49	0
Engineering technologies and engineering-related fields	30	90	137	43	0
Engineering	0	0	145	80	0
Legal professions and studies	14	27	10	2	174
Social sciences	0	1	195	31	0
Liberal arts and sciences, general studies and humanities	1	45	159	0	0

Source for all data: National Center for Education Statistics - Integrated Postsecondary Education Data System (IPEDS) via EMSI Analyst - 2014.1 Complete Employment



Prepared by:

Center of Workforce Innovations

2804 Boilermaker Court, Suite E

Valparaiso, IN 46383

219.462.2940

www.innovativeworkforce.com

