

NCWORKS COMMISSION

February 8, 2023
Quarterly Business Meeting

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If you experience any technical difficulties, or would like to ask a question, please use the Q & A feature to report issues to “All Panelists” and we will assist you.

Meeting Instructions

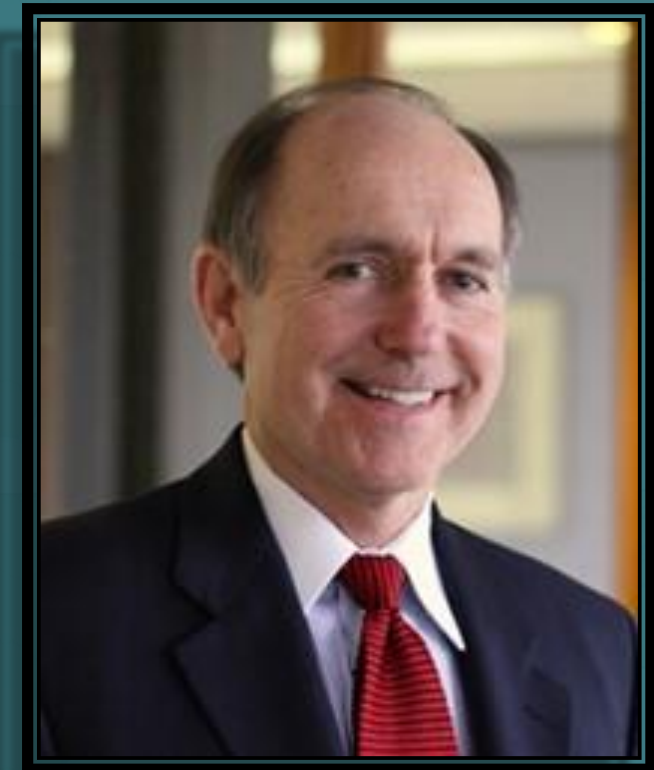
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Welcome

**NCWORKS
COMMISSION**

**Tom Rabon, Chair
NCWorks Commission**



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Annual Workforce Performance System Report

NCWORKS
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Dr. Oleksandr Movchan
**Director of Data Analytics and
Research**
**NC Department of Commerce
Labor & Economic Analysis
Division**



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Measuring the Performance of North Carolina's Workforce Development System



January 2023

NCWORKS Commission

Annual Workforce Performance Report

February 8, 2023



NORTH CAROLINA
**DEPARTMENT of
COMMERCE**

Performance Report Background

N.C. G.S. § 143B-438.10

Outlines the Creation and the Duties of the NCWorks Commission including the responsibility to:

- ❖ **Assess the effectiveness of North Carolina workforce training and employment programs**
- ❖ **Develop and continuously improve performance measures**
- ❖ **Report on performance of workforce development programs administered by:**
 - Department of Commerce,
 - Department of Health and Human Services,
 - Community Colleges System Office,
 - Department of Administration,
 - Department of Public Instruction.
- ❖ **Collaborate with the Department of Commerce on the common follow-up information management system.**

Performance Report Background

The NCWorks Commission:

- ❖ **Convened a Task Force and Advisory Committee**
- ❖ **Defined a Methodology**
 - Cohort Analysis of Former Program Participants
- ❖ **Defined a Set of Core Measures**
 - Percent of Former Program Participants Employed
 - Average Wage
 - Enrollment in NC Public Higher Education
 - Enrollment in Other Workforce Programs
- ❖ **Data Source**
 - North Carolina Common Follow-up System (CFS)

North Carolina Common Follow-up System (CFS)

Longitudinal Data System

❖ Education, Employment and Training Agencies

▪ Individual Participant Level Information

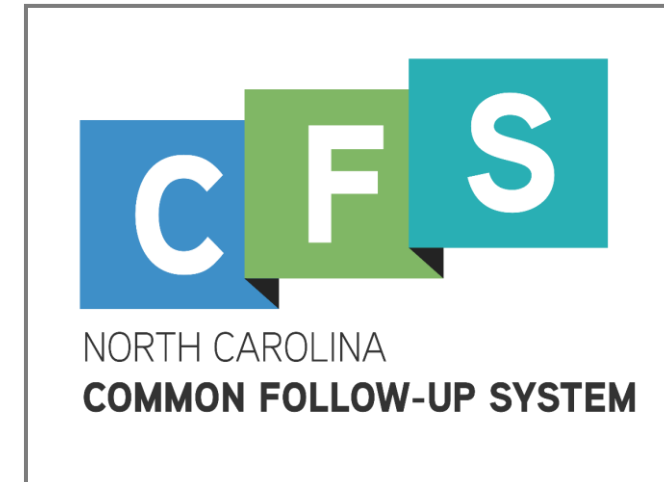
- Program Participation
- Services / Courses
- Institution
- Participation Dates
- Completions
- Demographics

❖ Division of Employment Security

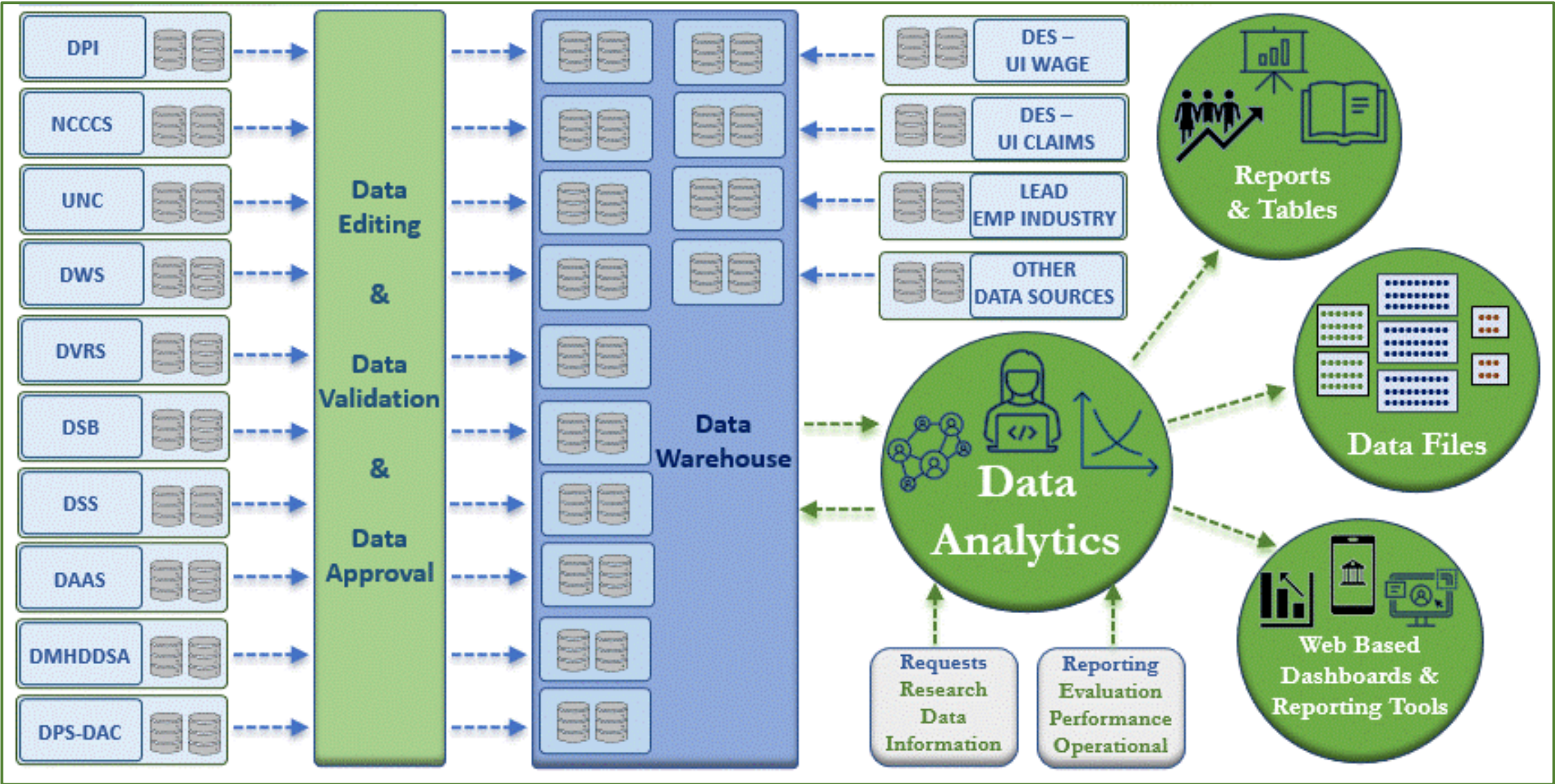
- Unemployment Insurance Wage
- Unemployment Insurance Claims
- Unemployment Insurance Benefit Payment

❖ Labor and Economic Analysis Division

- Employer Industry Information (Quarterly Census of Employment and Wages)



North Carolina Common Follow-up System (CFS)



Workforce Programs Included in the Report

❖ Department of Commerce

- Wagner Peyser
- Workforce Investment Act & Workforce Innovation and Opportunity Act – Adult
- Workforce Investment Act & Workforce Innovation and Opportunity Act – Dislocated Worker
- Workforce Investment Act & Workforce Innovation and Opportunity Act – Youth
- Veteran’s Employment

❖ Department of Health and Human Services

- Services for the Blind
- Vocational Rehabilitation
- Work First

❖ NC Community College System

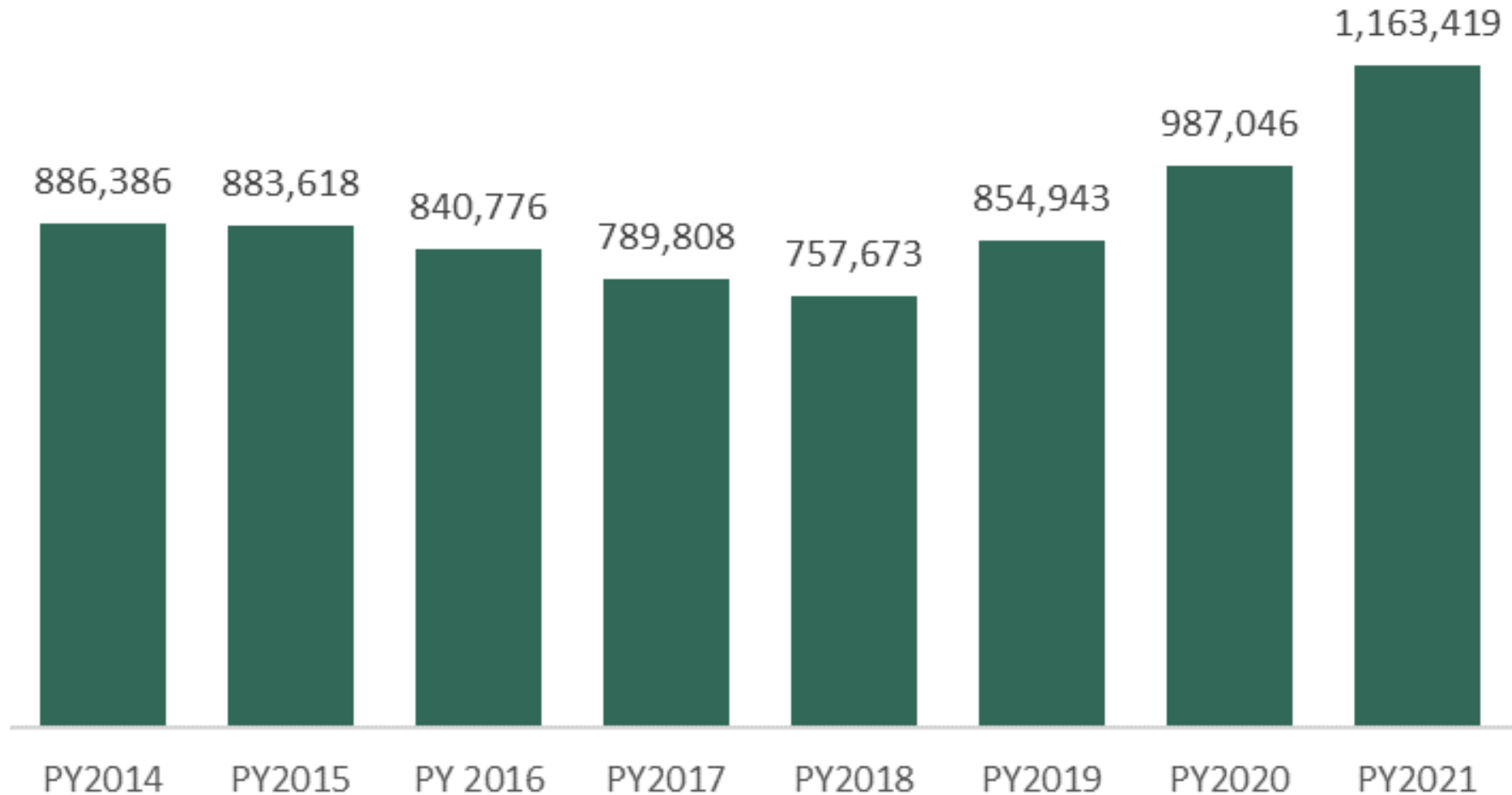
- Apprenticeship
- Basic Skills
- Customized Training
- Human Resources Development
- Workforce Continuing Education
- Postsecondary Career, Technical and Vocational Education

❖ Department of Public Instruction

- Secondary Career and Technical Education

Interpreting the Report: Participants

Workforce Development System Participants PY2014 to PY2021



Interpreting the Report: Outcomes

NC Community College System Customized Training

Cohort One: 2014-2015

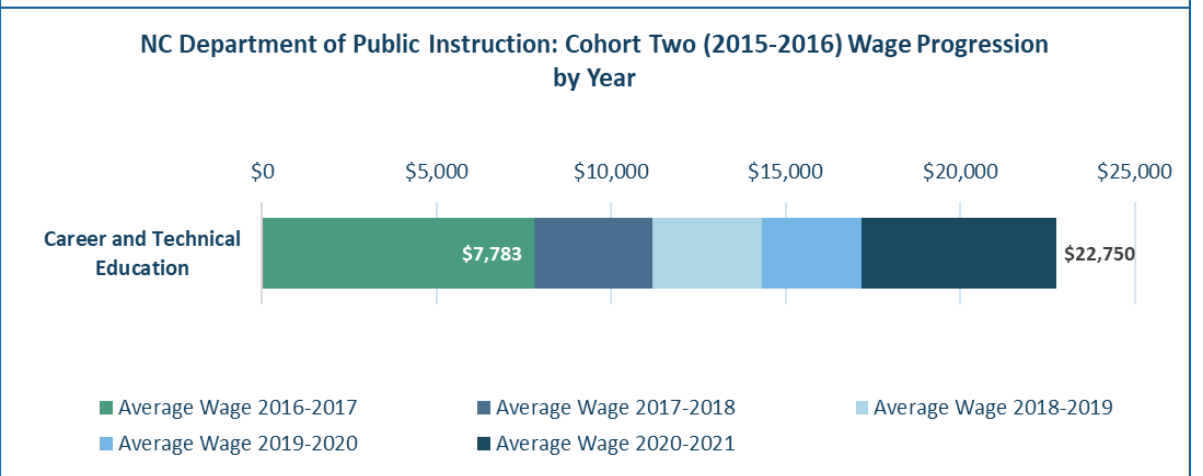
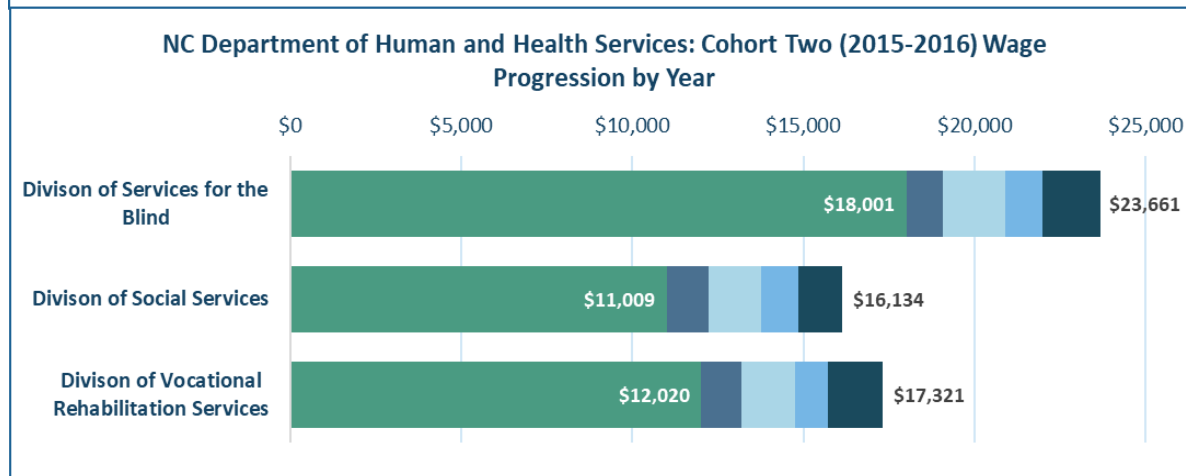
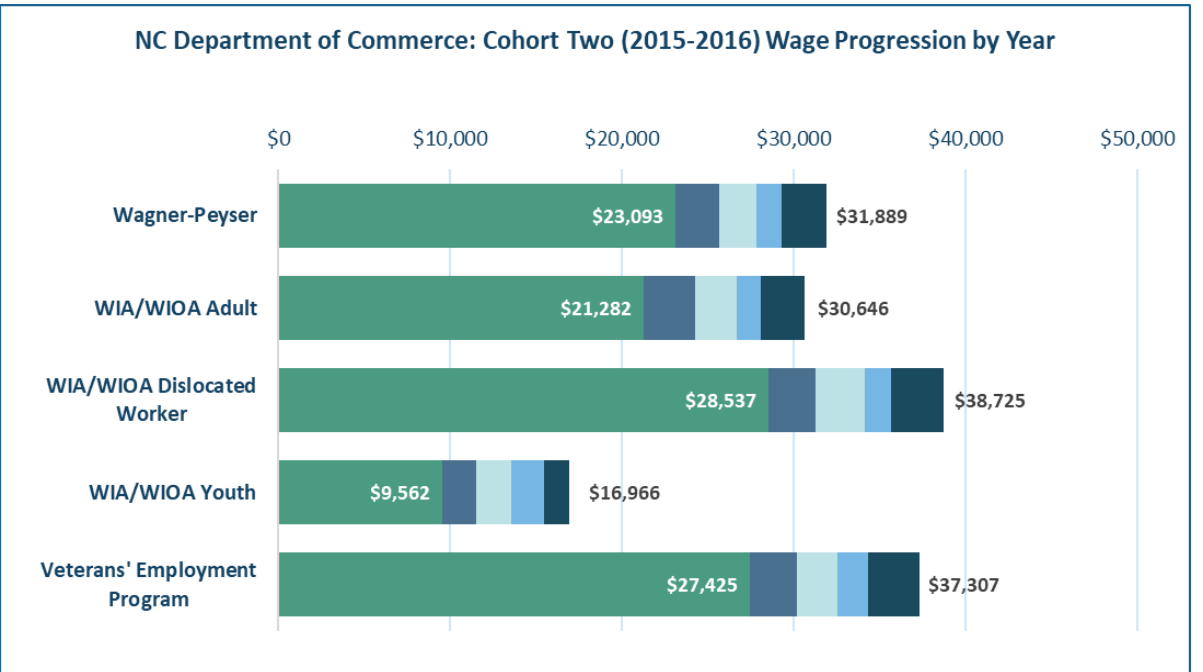
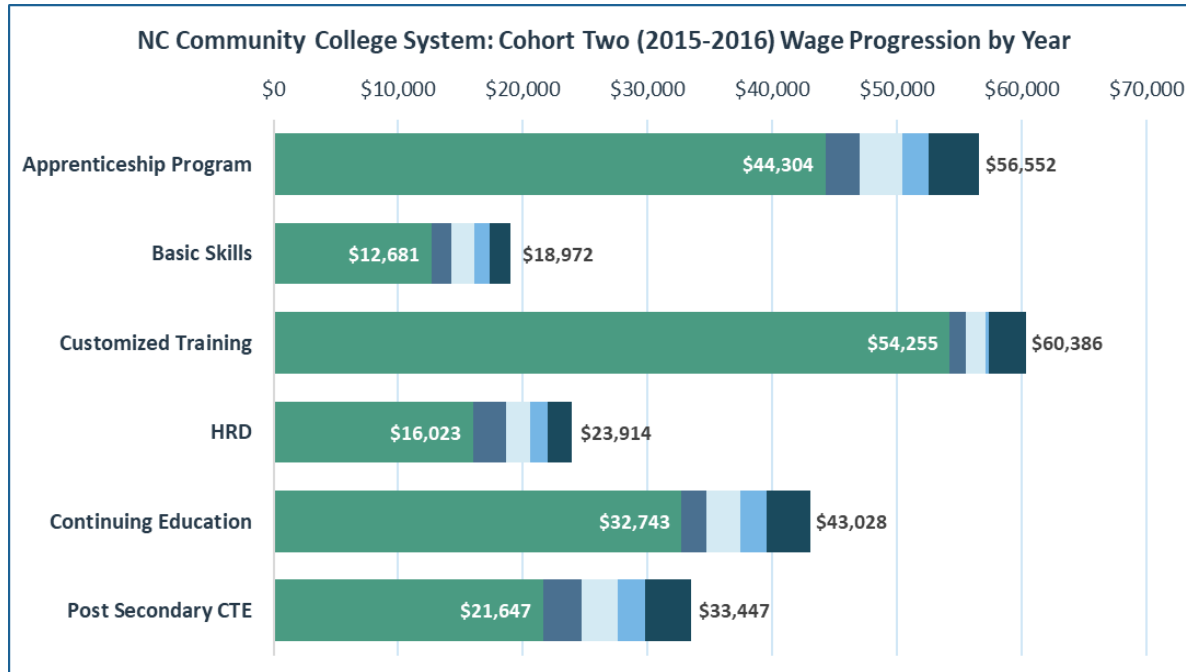
		Base Year 2014-2015	1 Year Later 2015-2016	2 Years Later 2016-2017	3 Years Later 2017-2018	4 Years Later 2018-2019	5 Years Later 2019-2020	6 Years Later 2020-2021
Number of Participants	N	23,556						
Number of Participants Enrolled in same program in the following year	N	6,823						
Number of Participants not Enrolled in same program in the following year	N	16,733						
Employed	%	90%	89%	85%	82%	79%	76%	72%
Average Wage		\$46,133	\$47,426	\$50,258	\$51,428	\$52,958	\$53,225	\$55,973
Enrolled in Public Higher Education and/or Workforce Development	%		18%	27%	23%	24%	21%	22%
Enrolled in UNC	%		<1%	<1%	<1%	<1%	<1%	<1%
Enrolled in NCCCS	%		10%	20%	16%	15%	10%	8%
Enrolled in Other Workforce Program	%		10%	9%	8%	10%	13%	16%
Not Found	%		10%	13%	17%	19%	21%	24%

Interpreting the Report: Outcomes

Workforce Investment Act, Workforce Innovation and Opportunity Act - Youth Cohort One: 2014-2015

		Base Year 2014-2015	1 Year Later 2015-2016	2 Years Later 2016-2017	3 Years Later 2017-2018	4 Years Later 2018-2019	5 Years Later 2019-2020	6 Years Later 2020-2021
Number of Participants	N	4,746						
Number of Participants Enrolled in same program in the following year	N	2,946						
Number of Participants not Enrolled in same program in the following year	N	1,800						
Employed	%	78%	75%	77%	77%	75%	73%	70%
Average Wage		\$5,594	\$8,713	\$10,549	\$12,481	\$14,625	\$16,247	\$17,768
Enrolled in Public Higher Education and/or Workforce Development	%		50%	40%	37%	39%	39%	42%
Enrolled in UNC	%		5%	4%	5%	4%	3%	2%
Enrolled in NCCCS	%		24%	20%	17%	14%	12%	11%
Enrolled in Other Workforce Program	%		32%	24%	23%	27%	30%	34%
Not Found	%		12%	15%	16%	16%	17%	17%

Interpreting the Report: Wage Progression



■ Average Wage 2016-2017
 ■ Average Wage 2017-2018
 ■ Average Wage 2018-2019
■ Average Wage 2019-2020
 ■ Average Wage 2020-2021

Reduction in Recidivism Report

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Andrew Berger-Gross
Senior Economist
NC Department of Commerce
Labor & Economic Analysis
Division



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A Paycheck Is a Pathway Out of Prison

Employment and Recidivism in North Carolina

Andrew Berger-Gross

Senior Economist

NC Department of Commerce

Labor & Economic Analysis Division (LEAD)

February 8, 2023

Common Follow-up System (CFS) research

Is a paycheck a pathway out of prison?

Mass incarceration: U.S. imprisons more of its population than any other nation

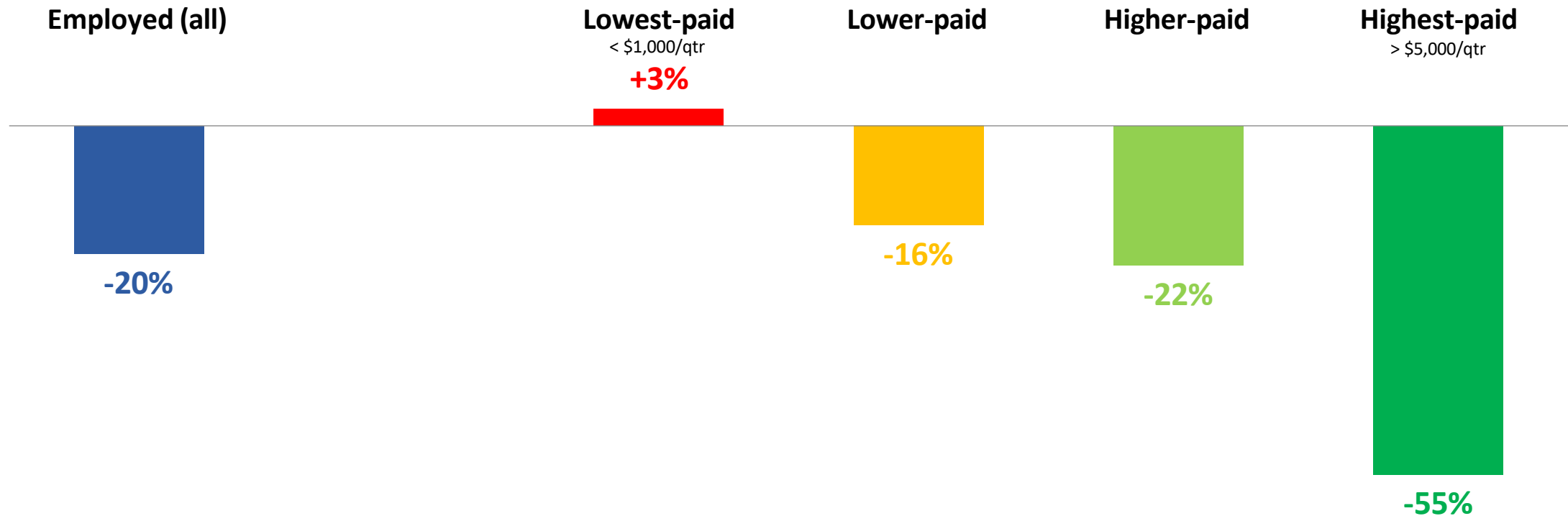
Recidivism is common: around 50% re-offend within two years after release

Formerly incarcerated individuals tend to have **very low wage earnings**

Question: can finding a **good job** prevent folks from **returning to prison?**

Impact of post-release employment

Relative likelihood of returning to prison within two years, compared to non-employed



Findings and implications

When compared to their non-employed counterparts:

- **Employed** former prisoners were **20% less likely** to return to prison within two years after release
- The **highest-paid** were only **half as likely** to return to prison
- The **lowest-paid** were **just as likely** to return to prison

High-quality employment after prison reduces the likelihood of recidivism

Finding “**the right job**” may be more important than finding “any job”

Opportunities and barriers

A **good job** can help keep folks **out of prison**. However...

- Finding a good job after prison is **rare**

We're in a "**jobseeker's market**", with plenty of jobs available. However...

- It's gotten harder to find a **good job**, especially without higher education

Former prisoners are **segregated** into lower-paying industry sectors.

- They often face **barriers** to gainful employment

Turning barriers into opportunities

Employers are **desperate** to find workers right now

- They may be more willing to give justice-involved individuals a “**second chance**”

Some of the barriers to higher-paying work are due to the attributes of **jobseekers**

- Many former prisoners need more **work experience**, more **skills**, and more **education**
- **We can help change this**

Some of the barriers are due to **regulations, liability concerns, and cultural norms**

- Former prisoners are often **excluded** from healthcare, information technology, finance, professional services, sales, and other higher-paying sectors
- **We can help change this**

Resources of interest

[NC Common Follow-up System \(CFS\)](#): data on post-release employment outcomes

- Research
- Analysis
- Data tools

A Paycheck is a Pathway Out of Prison: research on employment and recidivism

- [Blog article](#)
- [Executive summary](#)
- [Technical paper](#)

“Thank you!”

Andrew Berger-Gross

Senior Economist

NC Department of Commerce

Labor & Economic Analysis Division

(LEAD)

andrew.berger-gross@commerce.nc.gov

<http://www.nccommerce.com/lead>

**Joshua Levy
Policy Analyst
NC Department of Commerce
Labor & Economic Analysis
Division**



Military Economic Impact on North Carolina

NCWorks Commission

2/8/2023

Joshua Levy

Labor & Economic Analysis Division
North Carolina Department of Commerce

Introducing the 2022 Report

Military Economic Impact on North Carolina



2022 REPORT

PREPARED FOR

North Carolina Military Affairs
Commission
Raleigh, North Carolina



ourncmilitary.nc.gov

North Carolina Department of
Military & Veterans Affairs
Raleigh, North Carolina



milvets.nc.gov

PREPARED BY

Regional Economic Models, Inc.
Washington, District of Columbia



remi.com

Labor and Economic Analysis Division,
NC Department of Commerce
Raleigh, North Carolina



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ANALYSIS

Background

- Goal is to estimate impact of federal defense spending on NC economy
- Update to 2015 Report
 - Same methodology plus more complete VA expenditures
 - REMI model produces estimates for Employment, Gross State Product (GSP) and Personal Income
 - Employment by industry shows the impacts across the economy
 - Report also includes data on federal contracting in NC, active-duty personnel as well as National Guard and Reserves, Veterans and individuals projected to separate from the military



How does Military \$ impact NC?

- Puts money in people's pockets
 - Salaries to active-duty personnel
 - Pensions to retirees
 - These people go on to spend money in the regional economy leading to more jobs and spending
- Contracts to businesses
 - These businesses buy inputs from their suppliers and service providers “upstream”
 - Labor to supply this demand results in increased employment, wages, and spending, creating a virtuous spending cycle



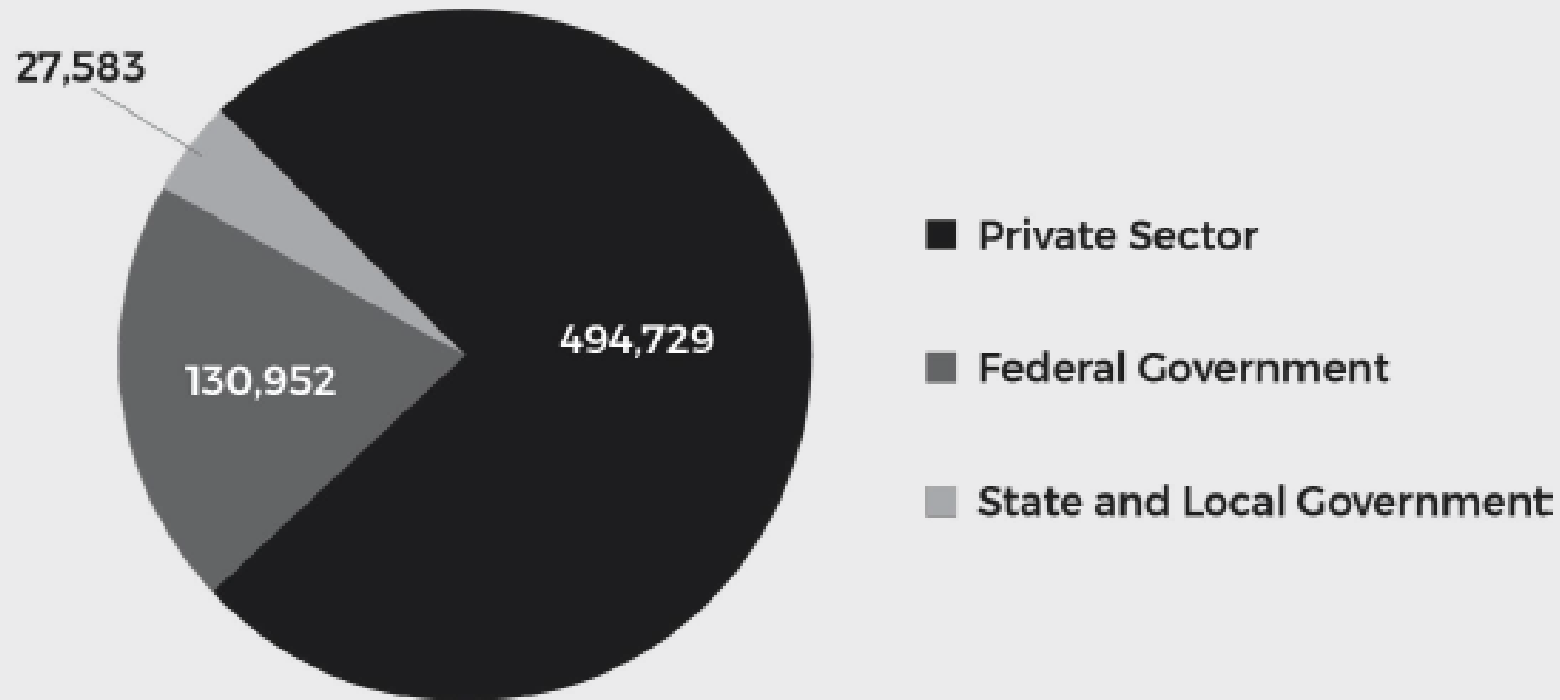
Key Findings from REMI model

- FY2020 Military spending supports
 - 653,000 jobs in North Carolina (11% of total NC jobs)
 - 495,000 in the private sector
 - \$49.1 billion in personal income (8.9% of NC total)
 - \$79.7 billion in gross state product (12.7% of NC total)



Key Findings—Jobs

Figure IV: The Composition of Military-Supported Employment in North Carolina



Private Industry Jobs



Private Industry Jobs

Table IX: Top 10 Sectors by Percentage of Military-Supported Economic Activity

SECTOR	PERCENTAGE OF TOTAL SECTOR JOBS IN NC SUPPORTED BY MILITARY
Construction	20.6%
Professional, Scientific, and Technical Services	13.1%
Health Care and Social Assistance	12.3%
Administrative and Waste Management Services	10.1%
Wholesale Trade	9.6%
Arts, Entertainment, and Recreation	9.6%
Mining	9.5%
Retail Trade	9.2%
Real Estate and Rental and Leasing	8.9%
Information	8.3%

Contracting Activity

- DOD prime contracting performed in NC in FY2020 was \$6.1 billion
 - 78% of total performed in Southeast and Sandhills
 - 83 of 100 counties
 - Additional subcontracting opportunities throughout the state



Top Counties for Contracting

Table II: Top 10 Counties for DoD Prime Military Contracting, FY20*

COUNTY	PROSPERITY ZONE	TOTAL DOLLARS
Onslow	Southeast	\$2,199,124,881
Cumberland	Sandhills	\$1,189,966,865
Craven	Southeast	\$847,149,105
Durham	North Central	\$377,616,838
Hoke	Sandhills	\$243,198,945
Guilford	Piedmont-Triad	\$200,569,654
Mecklenburg	Southwest	\$168,683,026
Wake	North Central	\$146,645,753
Rockingham	Piedmont-Triad	\$85,830,987
New Hanover	Southeast	\$79,133,096

*Data supplied by the NC Military Business Center (Source: FPDS)

Additional Findings

- 678,000 veterans living in state
- \$12 billion in pensions, medical care and more in FY2021
- Over 100,000 active-duty personnel plus over 11,000 National Guard and 12,000 Reserves
- 22,000+ civilian contractors
- 75,000 individuals projected to separate from NC bases over 4 years
 - Potential new labor pool for NC businesses + potential entrepreneurs



Many Individuals Projected to Separate from Active Duty

Table V: Projected Military Separations

BRANCH	2022	2023	2024	2025	TOTAL
Marine Corps	7,050	10,403	9,410	10,547	37,410
Army	4,600	8,700	9,530	6,113	28,943
Air Force	896	1,219	1,107	1,035	4,257
Navy	563	992	988	611	3,154
Coast Guard	216	341	309	226	1,092
Space Force	-	1	1	-	2
Total	13,325	21,656	21,345	18,532	74,858

Most Common Occupations in Military and Potential Civilian Occupations

Table IV: Most Common Military Occupational Specializations in NC

MILITARY OCCUPATIONAL CODE TITLE	STANDARD OCCUPATIONAL CLASSIFICATION TITLE
Motor Vehicle Operator	Installation and Repair Workers, Truck Drivers, Office Clerks, Supervisors of Material-Moving Machine and Vehicle Operators.
Hospital Corpsman	Medical Secretaries, Orderlies, Emergency Medical Technicians & Paramedics, Medical & Nursing Assistants, Paramedics, Licensed Practical & Licensed Vocational Nurses.
Health Care Specialist	Paramedics, Health Education Specialists, Registered Nurses, Health Informatics Specialists, Occupational Health & Safety Specialists.
Combat Engineer	Construction Workers, Operating Engineers & other Construction Equipment Operators, Administrative Services Managers, Facilities Managers.
Wheeled Vehicle Repairer	Supervisors of Mechanics, Bus & Truck Mechanics & Diesel Engine Specialists, Automotive Service Technicians and Mechanics, Supervisors of Material-Moving Machine and Vehicle Operators.
Field Radio Operator	Broadcast Technicians, Electrical and Electronics Repairers, Installation, Maintenance & Repair Workers, Radio, Cellular, & Tower Equipment Installers & Repairers.
Psychological Operations Specialist	Advertising & Promotions Managers, Clinical & Counseling Psychologists, Fundraising Managers, Intelligence Analysts, Market Research Analysts & Marketing Specialists.
Military Police	Correctional Officers & Jailers, Supervisors of Correctional Officers, Supervisors of Police and Detectives, Animal Control Workers, Transportation Security Screeners.

Based on analysis of Defense Manpower Data Center data and O*Net Military Crosswalk

Questions?

<https://ourncmilitary.nc.gov/media/678/open>

Joshua Levy

joshua.levy@commerce.nc.gov

Committee Updates

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Skills and Educational Attainment – Sherry Carpenter

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Employer Leadership – Jeff Frederick

Local Innovation – Cynthia Speight

2023 Local Innovation Grants

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Grant Timeline:

Announcement of Grant Opportunity - Press Release	February 13, 2023
Webinar on Grant Guidelines	March 1, 2023
Grant Applications Due Date	April 12, 2023
Grant Awards Announced	June 14, 2023
Kick-off Meeting for Grantees	Summer 2023
End-of-grant for Implementation Grants	Summer 2025

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Governance and System Alignment – Chris Egan

**NCWorks
Commission
2023 - 2025
Strategic Plan**

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- **Increasing Diversity, Equity, and Inclusion in the Workforce**
- **Increasing digital literacy for all North Carolinians**
- **Raising awareness of Workforce Credentials**
- **Updates to all four goals**

Action Items

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2023-2025 NCWorks Commission Strategic Plan

CPS 01-2023 Updates to LAWDB Annual Plan Guidance

CPS 02-2023 Local Innovation Grants

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Chet Mottershead
Assistant Secretary,
NC Department of Commerce,
Division of Workforce Solutions



Local Area County Transfers

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- Alamance County
- Davidson County
- Randolph County



- Piedmont Triad Regional WDB

- Orange County



- Capital Area WDB

- Montgomery County
- Moore County



- Mid-Carolina WDB

**NCWorks
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Certifications**

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**Tom Rabon, Chair
NCWorks Commission**

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- Capital Area
- Durham
- Gaston
- High Country
- Kerr-Tar
- Mid-Carolina



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Closing Remarks

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Secretary Machel Baker Sanders NC Department of Commerce



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- **May 10, 2023 – McKimmon Center (Raleigh, NC)**
- **August 9, 2023 – McKimmon Center (Raleigh, NC)**
- **November 8, 2023 – TBD**

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