

# Summary – Second Meeting April 7, 2022

- **Welcome**: Dan Ellzey, Executive Director, SC Department of Employment and Workforce ("SCDEW"), welcomed participants and thanked everyone for their time. He gave an update on the work done since the inaugural meeting, including the identification of three workstreams and pulling Unemployment Insurance data.
- Recap & Overarching Priorities; Clarifying Questions: Dr. Peggy Torrey, Director of TransformSC, SC Competes, echoed Director Ellzey in thanking everyone on the Task Force for their work and asked for any comments or concerns based on the summary that was distributed following the inaugural meeting. Dr. Torrey introduced clarifying questions for the group as follows:
  - Who is out of the workforce?
  - Why are they out of the workforce?
  - What can we do to re-engage them in the workforce?
  - What is the economic impact on South Carolina when they re-engage?
- Areas Warranting Further Research: Dr. Erica Von Nessen, Research Economist, SCDEW and Dr. Bryan Grady, Labor Market Information Director, SCDEW, presented areas of interest, including the crafting of a survey that would be conducted with those who worked in 2019, applied for benefits between March and May 2020 and were not working in the most recent quarter to begin to understand who is out of the workforce, why they are out of the workforce and how to help them re-engage. Drs. Von Nessen and Grady asked the Task Force whether they should also consider focus groups to provide additional insight. A second area of interest was possible outsourced research to further understand the state's labor force participation macro trends, including specific subpopulations (e.g., those with disabilities), as well as why South Carolina differs from other states, etc. Finally, SCDEW is interested in creating a real-time labor supply and demand tool.
  - Click here for a copy of presentation

Dr. Torrey asked the Task Force their thoughts about SCDEW's proposal and their own ideas for additional approaches to the following tasks:

• Preparing a request for quotes for completing the survey of those recently employed but not currently employed.

- Preparing and finalizing questions for the survey.
- Preparing and finalizing the scope of work for the outsourced research study.

Participants shared their ideas during discussion and also provided them to Susie Shannon via email (<u>sshannon@sccompetes.org</u>).

#### See "Task Force Discussion" below.

- **Next Steps:** Dr. Torrey informed the Task Force that the input provided will be compiled to influence the structuring of the survey and direct additional research. The third Task Force meeting will take place April 25, 2022, from 2:00 pm to 5:00 pm.
- Director Ellzey thanked the Task Force members for their continued participation and adjourned the meeting.

### Task Force Discussion

## 1. Survey of the Recently Employed but Not Currently Employed

## Survey Questions/Targets

- Potential Employment Barriers:
  - Child Care Issues
  - Incarceration History: Focus on questions related to criminal history rather than directly asking
  - Drug/Opioid Use
  - Job Licensing: Lack of reciprocity from state to state; specific industry requirements
  - Time Use/Prioritization
  - \* The Task Force recognized that some of the targets above are sensitive in nature and questions regarding these targets will need to be heavily finessed to obtain the desired information.
- Urban vs. Rural Labor Force Needs and Issues
- Get to *why* people are out of the workforce why did they leave the workforce and why do they and how long have they remained out of the workforce?
- Reservation Wage versus Wage Expectation
- Inquire about skills, both hard and soft skills, utilizing established career hiring/career transition lists.
- Discouraged workers who may be ready to jump back in the workforce.
- If not working, what is the source(s) of income, and how long would this income source be an impediment to entering/reentering the workforce?

• How are supply chain issues affecting the labor force? Permanent or temporary?

# Potential Approaches and Sample Factors

- Purchase Panel Survey targeted demographics and individuals
- "Real-time Population Survey" done by ASU and VCU Professors
- Oversampling of prime age population is critical to ensure the right data is obtained.
- Create a mapping of policy changes that have or could have affected the labor force participation rates at both state and federal levels (*e.g.*, policies related to education, unemployment insurance benefits, taxes, welfare reform).
- Utilize questions targeting behaviors that would be predictive of other behaviors that may keep someone from getting a job, especially those of a sensitive nature (e.g., drug use).

### 2. Research Study Scope of Work

Task Force members were asked to address topics to be included in outsourced research project/s.

## **Potential Scopes**

- Conduct a 2-phase decomposition exercise in SC to help highlight long run trends and target what parts of the LFP problem can be tackled − 1) Look at changes in and out of the labor force over time and what is causing decline; 2) Look at shared decomposition among different groups, comparing SC to national numbers and/or other states.
- Dive into and look at solutions to the concept of people not being employable because of non-skill barriers to work (personal/emotional).
- Focus on trauma seen in students and how it affects employability.
- Look at the number of qualified candidates doing the basic things to be employable, not the number of people who "want" a job.
- Following the current evidence that rural areas correlate with higher trauma levels in students and since SC is heavily rural are we seeing adverse effects?
- Non-Skill Barriers County-Specific data
  - Child Care
  - Transportation
  - Affordable Living/Housing

#### Potential Approaches

- Establish a panel or cross-sectional study by zip code, relative to employed versus unemployed, determining gender and race by zip code, and filling in gaps present in current data.
- Look at the scopes of work of other states (approximately 12) that are doing similar work.
- Address the issue in data and reporting that occurs when a resident has left the state or is working for a company outside of the state, they appear to be not working.

Combining labor records with neighboring states could aid in providing more accurate labor force participation numbers.

• Obtain and consider alumni surveys from schools in local labor markets to identify types of employment and whether graduates are leaving the state for employment, further identifying if remote work is a large issue for the local labor market.

# 3. Real-Time Labor Supply and Demand

Task Force members were asked to address the feasibility of creating such a tool and any design elements they would include.

- Data sharing among departments is key for workforce-specific data tools. The infrastructure for data sharing is in place in SC; however, there needs to be more departmental participation.
- Look to specific sectors or industries.
- Make connections with other states and organizations that are doing similar work.
- Determine if this approach will make a substantial difference in the labor force participation, realizing that this would be just one piece of the puzzle.
- Consider a referral network for connecting potential workers to social programs that could encourage reentry to the workforce.