



RAPID RECOVERY REPORT

IVY TECH COMMUNITY COLLEGE • JUNE 8, 2020

SUMMARY

EMPLOYMENT AND WORKFORCE/EDUCATION DATA TRENDS

- The national unemployment rate declined to 13.3% in May, and the number of unemployed persons fell to 21 million. Economists note it is too early to tell if the declines represent an ongoing positive trend or reflect the bare minimum of the labor force needed to reopen the economy.
- As of the last week of May, over 241,000 Hoosiers were actively filing unemployment claims and an additional 23,500 filed initial unemployment claims.
- Governor Holcomb has announced the launch of Indiana's "Rapid Recovery for a Better Future" initiative, which is centered on meeting individual needs by providing comprehensive support for Hoosiers to secure a job, assess and grow their skills, and get the support they need to get back on their feet. Federal funding through the CARES Act will support much of the initiative.

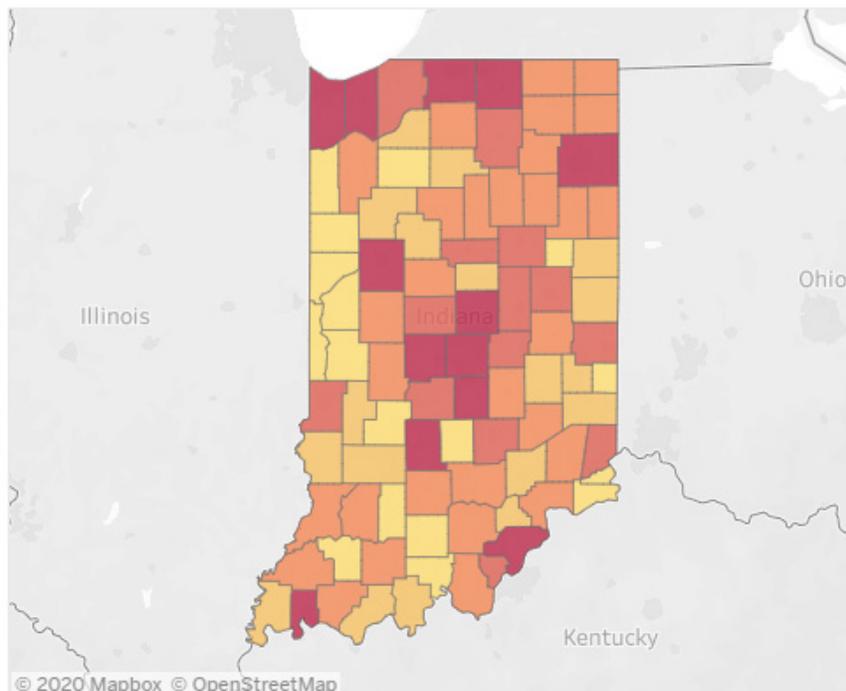
SECTOR AND REGIONAL INSIGHTS

- **Advanced Manufacturing:** An Indiana Manufacturing Association's survey indicates 85% of manufacturers responding to the survey continued working throughout the quarantine period and half (50%) were generally optimistic regarding the long-term health of their businesses.
- **Business Supply Chain/Logistics:** COVID-19 cases are still causing disruptions for large distribution facilities due to the inconsistency of recovery timelines of different states and supply chain partners, as well as additional safety measures taken as COVID-19 cases appear.
- **Construction/Building Trades:** As contractors and workers return, job sites will be cleaner, social distancing will be in place, and projects will take longer. Modular construction likely will increase.
- **Information Technology:** Indianapolis-based Hc1, a healthcare data software firm, and digital identity firm Airside are partnering on a product to help companies implement virus-related guidelines.
- **Businesses continue to slowly open;** most are prioritizing immediate organizational needs over training at this time, although campuses report they are seeing some new requests for online and in-person training, as well as interest in apprenticeships and the Achieve Your Degree program.

EMPLOYMENT DATA AND TRENDS

- The latest U.S. Department of Labor Jobs Report indicates the **national unemployment rate declined by 1.4 percentage points to 13.3% in May**, and the number of unemployed persons fell by 2.1 million to 21 million. Restaurants and bars added 1.4 million workers to accommodate business re-openings, accounting for more than half of the overall job gain. Other industries adding workers include construction, health care, and retailers, which were quickest to let go of workers in the spring. Among race/ethnicity groups, **Hispanics and Blacks have the highest unemployment rates (17.6% and 16.8% respectively)**, followed by Asians (15%) and Whites (12.4%).
- The Wall Street Journal notes it is **too early to tell if the declines represent an ongoing positive trend** or reflect the bare minimum of the labor force needed to reopen the economy. Economists still expect a slow and choppy recovery. Employment remains down by nearly 20 million jobs or 13% since February; nearly 43 million people have filed for unemployment since mid-March. Many challenges remain, including the prospect of a second virus outbreak, pandemic-related safety regulations, and widespread social unrest following the killing of George Floyd, a black man who died in police custody in Minneapolis last month.
- Indiana's May unemployment rate is not yet available; in April, it stood at 16.9% and was the second highest compared to regional neighboring states. **As of the last week in May, over 241,000 Hoosiers were actively filing unemployment claims** and an additional 23,500 Hoosiers filed initial unemployment claims, bringing the total of initial claims since mid-March to nearly 720,000. (Indiana Department of Workforce Development - Research and Analysis).
- Central and much of northern Indiana have experienced the highest concentrations of employment declines by county. See map below for employment change by county from April 2019 to April 2020.

Employment change



- **Governor Holcomb announced last week the launch of Indiana’s “Rapid Recovery for a Better Future” initiative.** The full press release is below and next page :

INDIANAPOLIS – Governor Eric J. Holcomb today announced a new initiative to help Hoosiers, communities and businesses get back to work and connected to the resources that can help people move forward during the COVID-19 pandemic.

Indiana’s Governor’s Workforce Cabinet (GWC) launched “Rapid Recovery for a Better Future,” which is centered on meeting individual needs by providing comprehensive support for Hoosiers to secure a job, assess and grow their skills, and get the support they need to get back on their feet.

“Rapid Recovery for a Better Future” combines the leadership of the GWC, Indiana employers, education and training providers, policymakers, and state and local partners with the goal of ensuring Indiana’s recovery from COVID-19 and providing a pathway to a better future for every Hoosier.

“People are our state’s most valuable resource and they are what define Indiana as a great place to live, work and grow. It is critical that our state is not only providing these services but actively helping people get connected so they take that next step to a better future,” Gov. Holcomb said.

The Rapid Recovery initiative focuses on helping Hoosiers:

- **Learn about options** and connect to relevant, simple and real-time job, career, skill and educational resources and funding for personal advancement. An online hub, YourNextStepIn.org, provides connection and one-on-one supports for Hoosiers at the touch of their fingertips. A comprehensive outreach network will share the state’s resources with Hoosiers from their own trusted sources: community leaders, pastors or other faith leaders and employers. For those thinking through their education and training options, INvestEd will provide free, one-on-one financial aid guidance.
- **Connect to opportunities** with the assistance of career coaches and navigators to empower Hoosiers to assess and develop their skills and gain better understanding of job needs and opportunities.
- **Take the next step** and advance their careers with convenient access to accelerated programs and credentials that value prior learning and experiences, such as the Workforce Ready Grant and Ivy Tech’s Rapid Recovery program—which will provide free courses and training for 10,000 Hoosiers.
- In addition, the Rapid Recovery initiative is providing enhanced, consolidated and simplified **resources for employers** with the partnership of the Indiana Chamber of Commerce.

Federal funding through the CARES Act injects \$50 million into the efforts, to scale up short-term education and training opportunities through the Workforce Ready Grant and the Employer Training Grant, as well as expanded career coaching and navigation for those who need help figuring out their next steps.

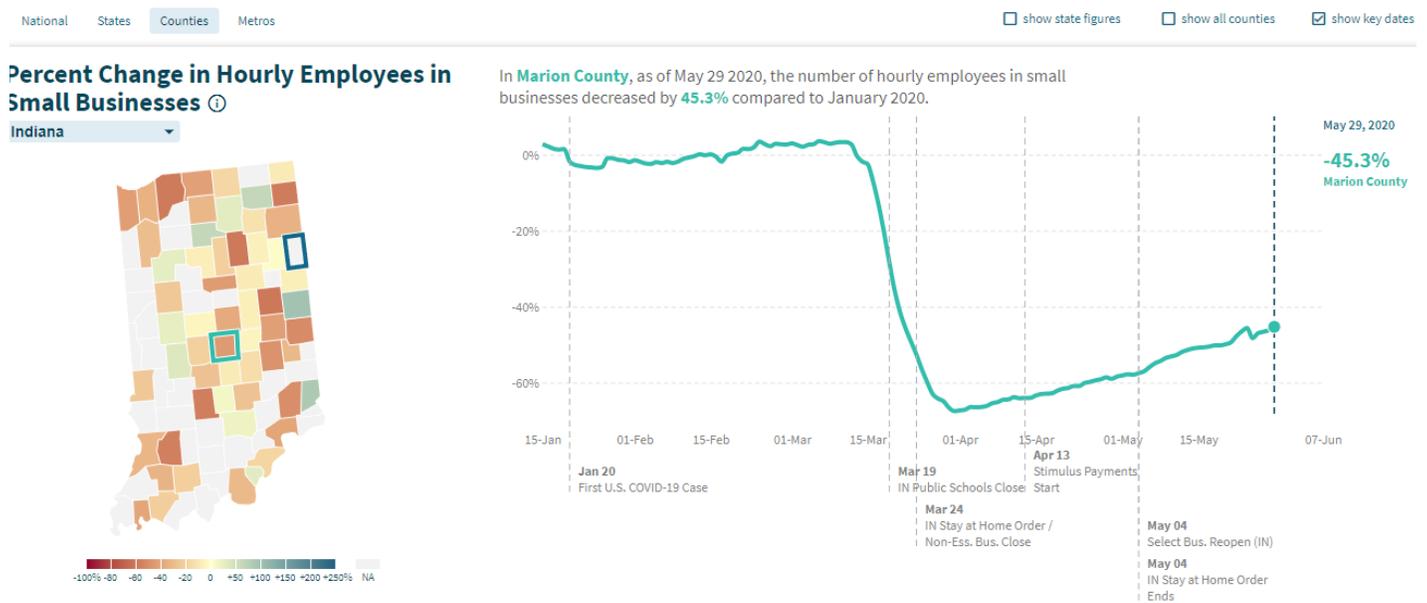
CARES Act funding enables Indiana to:

- **Grow short-term education and training** by enhancing the Workforce Ready Grant to provide support to at least 10,000 more Hoosiers in the following ways:
 - o Increasing the funding cap from \$5,500 to \$10,000 for eligible programs
 - o Allowing Hoosiers with two- and four-year degrees who have been impacted by COVID-19 to qualify for the grant, and adding new programs, such as the Certified Nursing Assistant (CNA) and Commercial Driver’s License (CDL)
 - o Support access to the 180 Skills library of online, non-credit courses for up to 100,000 Hoosiers
- **Expand the Employer Training Grant** to serve 25,000 more Hoosiers, specifically supporting women-, minority- and veteran-owned businesses; and doubling the amount of reimbursable funds to employers.

- Provide outreach and promotion to create a single online network to direct Hoosiers to career coaches; and ensure Hoosiers who are most impacted by COVID-19 – especially underrepresented populations and rural communities – are aware of the available opportunities

“The goal of Rapid Recovery for a Better Future is to streamline access to resources, help Hoosiers identify and pursue a path forward, and reach people through trusted and local outreach networks. Utilizing federal funding through the CARES Act will allow us to expand these efforts and reach even more Hoosiers,” said Teresa Lubbers, chair of the Governor’s Workforce Cabinet and Indiana’s Commissioner for Higher Education. “Taking the next step toward a better future is a manageable way for people to move toward economic and workforce recovery, whether that is reskilling for a different job, finishing a credential or finding a new career.”

- Inside Indiana Business notes that the Chief Executive magazine's annual "Best & Worst States for Business" survey once again found Indiana among the top five states, noting a diversifying economy with focus on innovation and technology.
- Opportunity Insights Economic Tracker provides a new data visualization tool to track the impacts of COVID-19 on people, businesses, and communities using private sector data at the state, county, and metropolitan level. The example graph below highlights changes in the number of Marion county small business employees, through key dates.



SECTOR AND REGIONAL INSIGHTS

ADVANCED MANUFACTURING

- The Indiana Manufacturers Association (IMA) is conducting periodic surveys regarding how COVID-19 is affecting all areas of manufacturing, Indiana’s largest economic sector. Most of the manufacturers responding to the survey (85%) continued working throughout the quarantine period because of their "essential" status and half (50%) were generally optimistic regarding the long-term health of their businesses.

BUSINESS LOGISTICS/SUPPLY CHAIN

- COVID-19 cases are still causing disruptions for large distribution facilities due to the inconsistency of timelines to recovery of different states and supply chain partners. Production and service levels also are negatively impacted by measures being taken in reaction to COVID-19 cases popping up in facilities, such as disinfecting, closing off sections, and calling off workers.
- Many businesses are giving feedback that they are trying to determine their ability to continue operations given available credit, remaining stimulus packages, and how quickly we return to 100 percent business levels. These considerations are in addition to the normal issues of labor availability and rising material costs.

CONSTRUCTION/BUILDING TRADES

- COVID 19 is affecting the construction industry. As contractors and workers are returning to the construction sites they will be doing many things differently: job sites will be cleaner, social distancing will be in place, and projects will take longer. It also is predicted that modular construction will increase.

INFORMATION TECHNOLOGY

- Indianapolis-based Hc1, a health care data software firm, has partnered with digital identity firm Airside on a product that helps companies that are bringing employees back to work implement and track virus-related guidelines, including testing, social distancing and more. It's Hc1's second COVID-related product.
- Apple CEO said his company "must do more" to fight racism and promote diversity. In a letter titled, "Speaking up on racism," published on Apple's website, The CEO said the company will push initiatives such as bringing more technology to underserved school systems and speeding up progress on inclusion and diversity from within.

COMMUNITY PARTNER PERSPECTIVES AND RESOURCES

- **Businesses in campus service areas continue to slowly open; most are prioritizing immediate organizational needs over additional training at this time**, although campuses report they are seeing some new requests for online and in-person training, as well as interest in apprenticeships and how to maximize employer tuition assistance dollars through the Ivy Tech Achieve Your Degree program.
- Ivy Tech campuses continue to hold virtual job fairs and collaborate with local high schools and community organizations to leverage employer partnerships create sustainable work-and-learn experiences for students.
- The Eastside Economic Recovery and Mobility District, a coalition between the John Boner Neighborhood Centers and 30 partner organization, is the sixth region to receive the designation. The 21st Century Talent Region initiative is designed to spur community collaboration to grow the population, increase educational fulfillment, and raise household income. As reported by Inside Indiana Business, 21% of Marion County residents who filed for unemployment live within the eastside community, while only 10% of the population of Marion County lives in the district.
- News sources report a mix of regional business re-openings, growth, and closures across the state. For example, Holiday World is the first amusement park in the nation to announce its re-opening, starting mid-June. Holiday World is a major tourism draw for the state with more than one million visitors annually.