



RAPID RECOVERY REPORT

IVY TECH COMMUNITY COLLEGE • JUNE 15, 2020

SUMMARY

EMPLOYMENT AND WORKFORCE/EDUCATION DATA TRENDS

- Nationwide, unemployment applications continue to decline; in Indiana, initial unemployment claims the first week in June were slightly higher than the previous week, although the total number of Hoosiers receiving unemployment benefits (approximately 227,000) is trending down.
- The U.S. economy officially entered a recession in February. The decrease in employment in the first three months of the COVID-19 recession is more than double the decrease effected by the Great Recession over two years (2008-2010), and the downturn has affected some Americans more than others, particularly Hispanic women, immigrants, young adults and those with less education.
- Strada's weekly COVID-19 Work and Education Survey suggests that compared to other racial and ethnic groups, black Americans and Latinos are more likely to have changed or canceled their education plans because of the pandemic and that black Americans rank advice about education and training from colleges and universities as less valuable than advice from other sources.

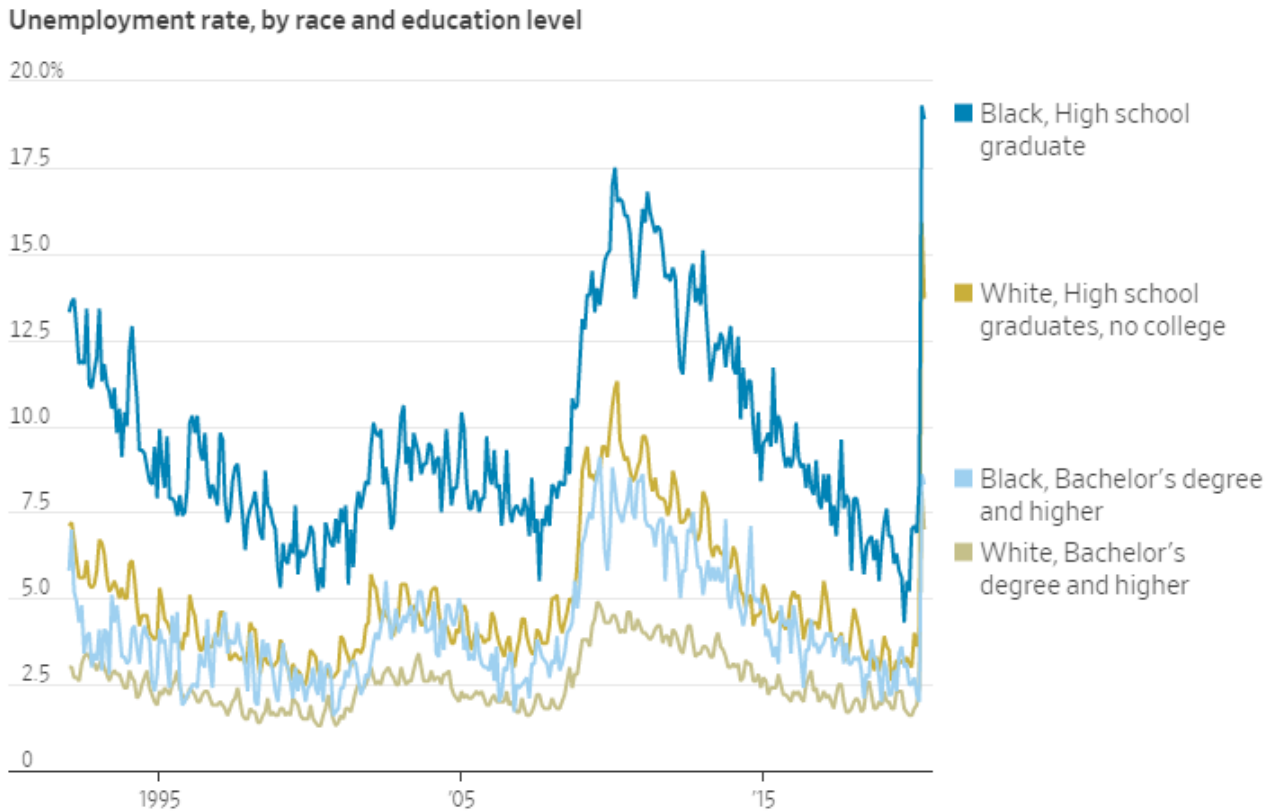
SECTOR AND REGIONAL INSIGHTS

- Advanced Manufacturing: Manufacturing added 225,000 jobs in May after losing 1.3 million in April, with the number of jobs added roughly evenly split between durable goods and nondurable goods.
- Business Supply Chain/Logistics: Supply chains are still seeing major disruptions for various reasons and there are also continuing labor shortages in many instances as businesses are not seeing the increase in applicant flow they expected with the high unemployment.
- Information Technology: Indianapolis tech company, hc1, has worked with a coalition of lab partners to launch the CV19 Lab Testing Dashboard to be offered at no charge as a public health service to individuals directly involved with policies and programs to mitigate the spread of COVID-19, as well as to healthcare providers who are delivering care to help those who are impacted.
- Campuses report an uptick in interest and requests for training from employer and community-based organization partners.

EMPLOYMENT DATA AND TRENDS

- The U.S. Labor Department marked the **10th straight weekly decline** in applications for jobless aid since a mid-March peak. The total number of unemployment claims fell slightly, showing signs that some who were laid off when restaurants, retail chains and small business suddenly shut down have been recalled. **In Indiana**, weekly initial unemployment claims also had been declining, but recorded a slight uptick the first week in June with 23,604 people filing for the first time. The total number of Hoosiers receiving unemployment benefits (approximately 227,000) is down from nearly 234,000 the previous week.
- The U.S. economy officially entered a recession in February, ending the longest American economic expansion on record (128-months) according to the National Bureau of Economic Research. Employment still remained down by nearly 20 million jobs since February. By comparison, the period that covered the recession of the financial crisis (Dec 2007 and Feb 2010), the U.S. shed about 9 million jobs. The committee doesn't comment on how long the recession may last, although many economists project a swift rebound this summer followed by a long, slow return to pre-pandemic status. The non-partisan Congressional Budget Office said the U.S. economy could take about a decade to fully recover.
- Additional perspectives regarding the scope of the pandemic recession are highlighted by Pew Research:
 - o The decrease in employment in the first three months of the COVID-19 recession is **more than double the decrease effected by the Great Recession over two years**.
 - o The downturn **has affected some Americans more than others**, particularly Hispanic women, immigrants, young adults, and those with less education.
 - o One difference between the COVID-19 recession and past recessions is in the **significance of teleworking in saving jobs at the moment**. Workers with a college degree or higher are much more likely to have the option to telework – 62% could in February compared to 22% of high school graduates who did not go to college, for example. While this helped limit job losses for college graduates from February to May, their experience in the Great Recession was different – their employment was virtually unchanged from 2007 to 2009.
- The Wall Street Journal reports on the **disproportionate economic impact of the pandemic on black American workers**. The black unemployment rate (at 5.8% in February was the lowest since records began in 1972) tripled to 16.8% in May per the U.S Department of Labor. Even with low unemployment, African Americans' overall economic situation was fragile with less job security and wealth than whites. Additionally, the COVID disease has hit blacks harder; some have been hit medically and financially in part because of longstanding inequities such as lack of access to medical care and disproportionate representation in less secure low-wage jobs.

- The Wall Street Journal graph below indicates disparities in unemployment rate by race and education level:



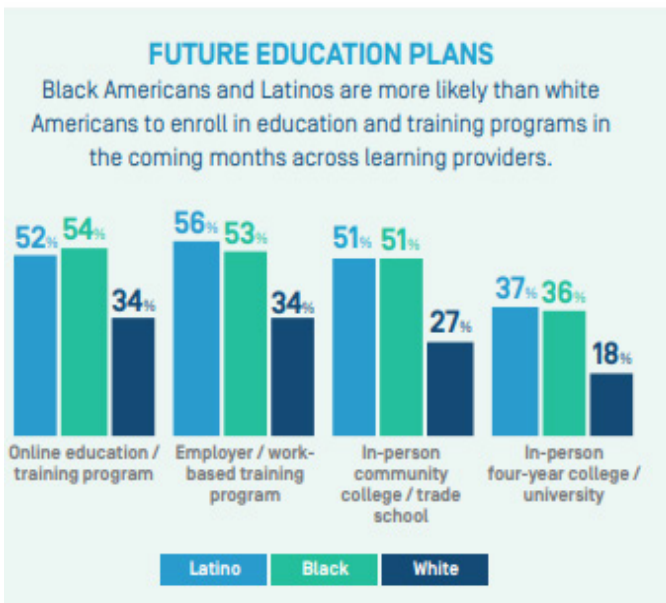
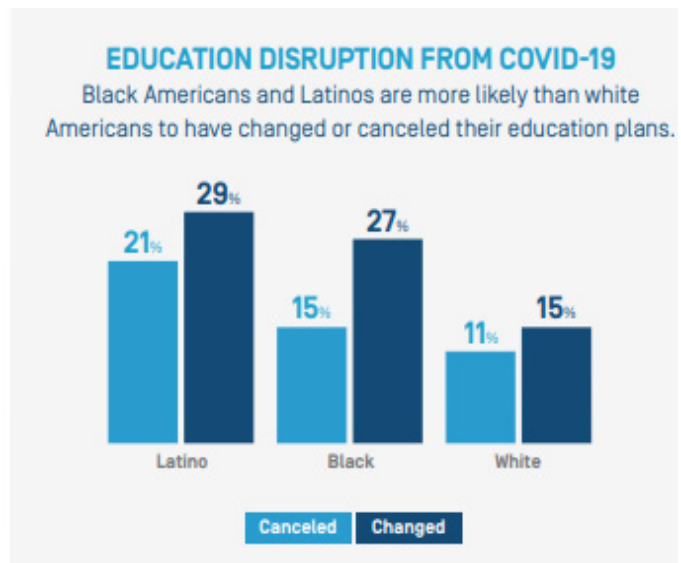
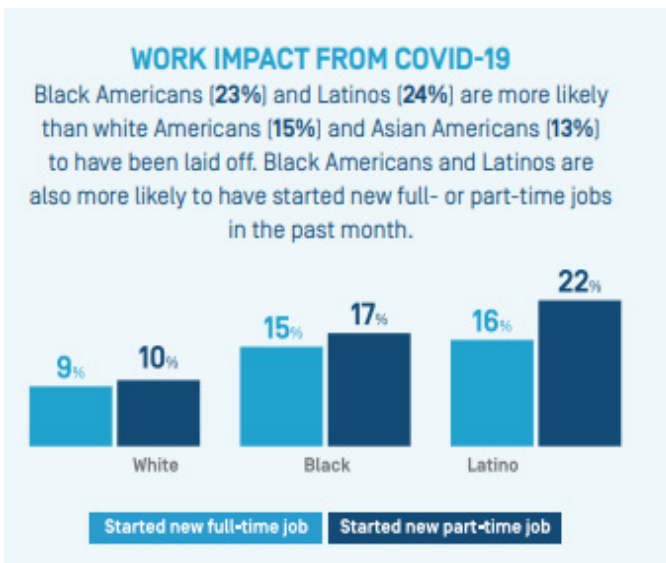
Note: 25 years and older
Source: Labor Department

- The Indiana Chamber of Commerce released a report that says **Indiana both leads and lags neighbors and other competitor states in key economic metrics**. The report rated talent, business climate, infrastructure and creative culture, as well as topics such as educational attainment, per-capita income, state and local government spending, health insurance premiums, smoking and obesity rates, electricity prices, internet connectivity, and entrepreneurship. There are 32 metrics on the report, and while Indiana made the top 10 of states nationwide six times, it ranked among the bottom group on 10 metrics. For example, the percentage of Hoosiers with a post-secondary credential or degree has increased about 10 percentage points since 2013 bringing it up to about 43% but the state still ranks 38th in the nation in this metric. Compared with neighboring states, Indiana is ranked 9 out of 10.
- **Childcare continues to be a major factor** in workers' ability to return full-time. Many childcare centers will not reopen, but a few never closed.

EDUCATION AND WORKFORCE POLLING

• **Strada Education Network's** weekly (now bi-weekly) nationally representative survey of 1,000 people is designed to track the impact of the COVID-19 pandemic on Americans' lives, work, and education. Based on more than 10,000 responses collected between March 25 and May 28, key findings include:

- o Compared to white and Asian Americans, black Americans and Latinos are more likely to have been laid off and to have changed or canceled their education plans.
- o Compared to other racial and ethnic groups, black Americans rank advice about education and training from colleges and universities as less valuable than advice from other sources.



VALUED SOURCES OF ADVICE

Compared to other racial and ethnic groups, black Americans rank advice about education and training from colleges and universities as less valuable than advice from other sources.

Source of advice	Rank by Race / Ethnicity		
	White	Black	Latino
Family	1	1	1
Colleges / universities	2	4	2
Employers	3	3	4
Internet	4	2	3

* Survey completed weekly March 25 through May 28 by Heart+Mind Strategies on behalf of the Center for Consumer Insights.

SECTOR AND REGIONAL INSIGHTS

ADVANCED MANUFACTURING

- Nationwide, manufacturing added 225,000 jobs in May after losing 1.3 million in April, with the number of jobs added roughly evenly split between durable goods and nondurable goods.

BUSINESS LOGISTICS/SUPPLY CHAIN

- Supply chains are still seeing major disruptions for various reasons including but not limited to: custom delays on incoming shipments from Asia, continued inconsistency in response time from other supply chain partners, productivity issues for a variety of reasons, and, high variability in cash flow projections. There are also continuing labor shortages in many instances as businesses are not seeing the increase in applicant flow they expected with the high unemployment.

INFORMATION TECHNOLOGY

- Indianapolis tech company, hc1, has worked with a coalition of lab partners to launch the CV19 Lab Testing Dashboard. The interactive dashboard shows everything from COVID-19 testing rates, de-identified test results (detected, not detected, or inconclusive), and key demographic filters for those tested (e.g., age, gender). It has been made available at no charge as a public health service to individuals directly involved with policies and programs to mitigate the spread of COVID-19, as well as to healthcare providers who are delivering care to help those who are impacted.

COMMUNITY ENGAGEMENT AND EDUCATION/TRAINING HIGHLIGHTS

- Campuses are sharing the new [Employer Resources page](#) and Start Up guide and are starting to hear from more employers and community-based organizations about needed training and hiring opportunities. Some examples highlighted by campuses include:
 - **Sellersburg:** Ford has reached out needing 800 workers. While Ivy Tech Sellersburg does not have that many local students ready to go to work for them, the campus is working with Amazon to train their employees and potentially establish a line leader talent pipeline for Ford.
 - **Lawrenceburg:** Several businesses that have opened this week are working with the campus to identify training opportunities for the fall and are pleased labs are scheduled to be open for face-to-face, hands-on instruction.
 - **Muncie:** Requests for customized training are starting to trickle in, Commercial Driver's License (CDL) training is underway, and at least one organization has expressed interest in starting an apprenticeship program.
 - **Valparaiso** is seeing a sizable uptick in CDL inquiries (about 1-2 per day versus 1-2 per week).
 - **Indianapolis** is working with a couple of community-based organizations to provide needed Child Development Associate (CDA) training as well as possibly ServSafe online training for the increased demand to meet hospitality industry safety requirements.
 - **Lake County** is working with the manufacturer's committee on a Job Readiness Certification (noncredit) that encompasses both technical and soft skills. The committee will guarantee interviews for participants who complete, and the initiative focuses on ALICE residents for enrollment (those with income above the Federal Poverty Level but below the basic cost of living).
 - **Lake County** also is working on a national agreement with steelworkers' union learning centers to offer online and virtual classes to their members; they have over 60 learning centers nationwide.