



# RAPID RECOVERY REPORT

IVY TECH COMMUNITY COLLEGE • NOVEMBER 16, 2020

## SUMMARY

### EMPLOYMENT AND WORKFORCE/EDUCATION DATA TRENDS

- The national unemployment rate declined in October from 7.9% to 6.9%. The Department of Labor's jobs report indicates that the U.S. added 638,000 jobs last month, with notable job gains in leisure and hospitality, professional and business services, retail trade, and construction industries.
- Indiana's unemployment rate for September 2020 (latest available) was 5.8%, down from 6.5% in August. At the end of October, the number of Hoosiers filing first-time unemployment was holding steady at around 13,500. Continued unemployment claims have declined to about 65,000.
- Strada surveys suggest half of adults would prefer short-term training or credentials to support advancing their work skills; concerns about cost, outcomes, and personal ability are bigger perceived challenges than technology and transportation needs; business and IT are most popular choices.
- The recently initiated Taking Hoosiers to the Next Level campaign responded to trends highlighted by Strada, using CARES Act first-dollar funding to support over 2,500 Ivy Tech enrollments in short-term certificates. Results of the campaign indicated strongest interest in business, IT, and healthcare.

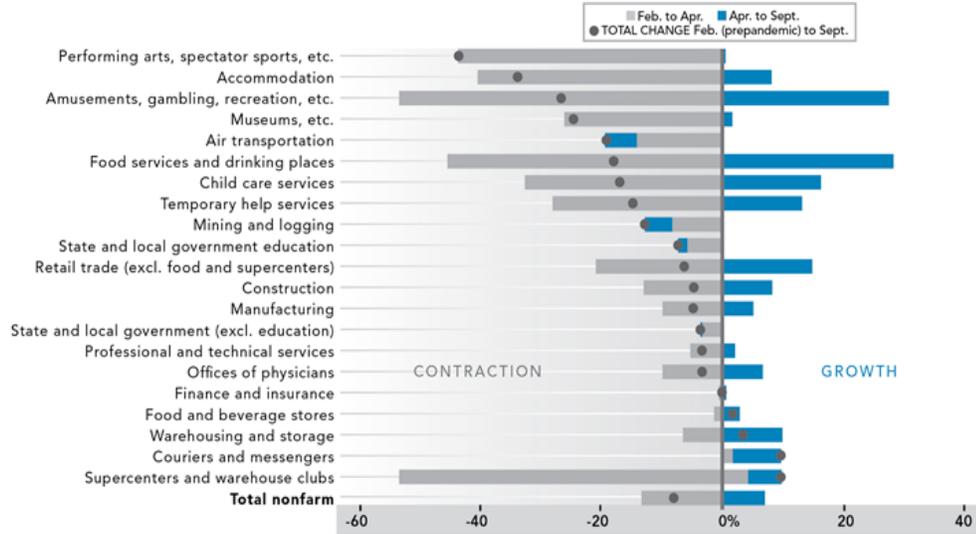
### SECTOR AND REGIONAL INSIGHTS

- **Advanced Manufacturing:** Majority (83%) of manufacturing companies now see 4.0 technology as extremely important, with need for adapting to new customer and talent expectations.
- **Supply Chain:** The current employment demand outlook is robust but continued labor shortages are increasing wages and spurring employers to be innovative in how they recruit, hire, and pay.
- **Healthcare:** Increasing COVID cases have caused some closures of long-term care clinical spots. education; faculty are finding alternatives for clinicals and conducting virtual education.
- **Campuses report growing demand for Next Level Jobs/Workforce Ready Grant-eligible programs and renewed employer partner interest in Ivy Tech's Achieve Your Degree (AYD) program support.**

# EMPLOYMENT DATA AND TRENDS

- The national unemployment rate declined in October from 7.9% to 6.9%. The Department of Labor’s October jobs report indicates that the U.S. added 638,000 jobs last month, with notable job gains in leisure and hospitality, professional and business services, retail trade, and construction industries.
- Although the pace of the labor market recovery is generally slowing, certain sectors are recovering faster than others, as depicted in the chart below from The Conference Board:

Percent change in employment by industry, seasonally adjusted, 2020

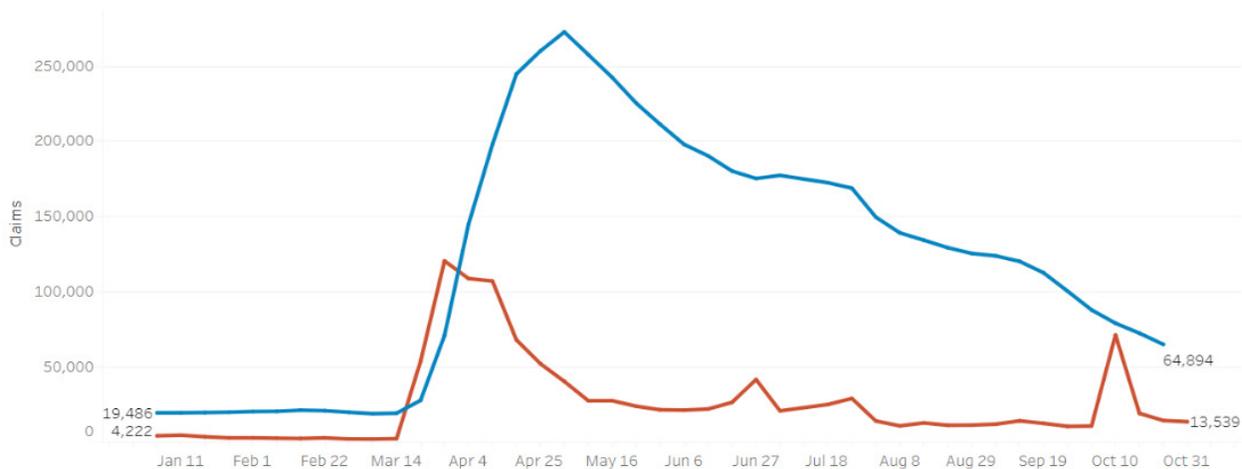


Source: The Conference Board  
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- Indiana’s unemployment rate for September 2020 (latest available) was 5.8%. At the end of October, the number of Hoosiers filing first-time unemployment was holding steady at around 13,500. Continued unemployment claims have declined to about 65,000, with the highest sector-specific claims in: manufacturing; administrative, support, waste management, and remediation services; accommodation and food service; and health care and social assistance. See graphs below.

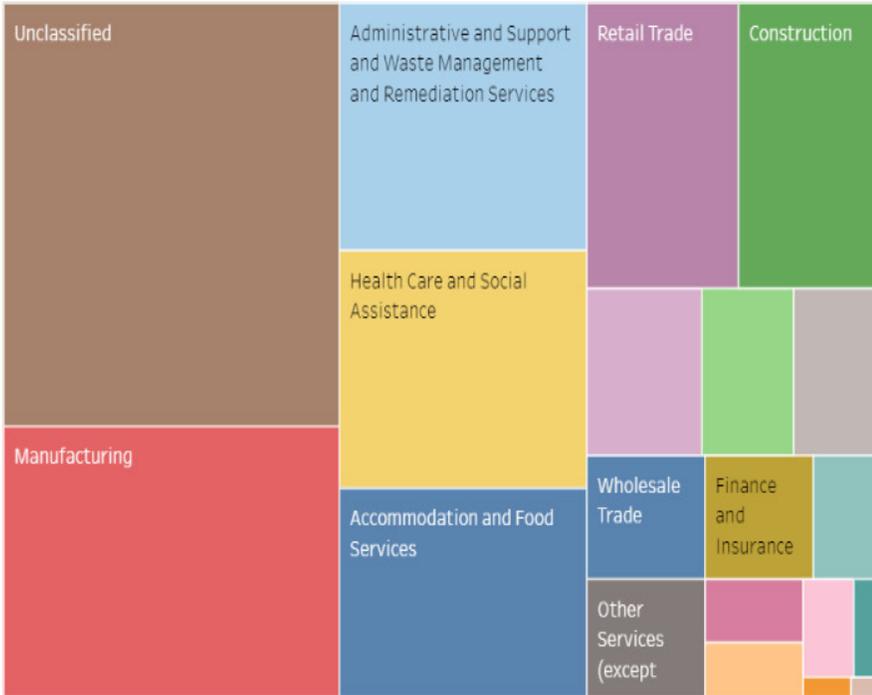
2020 claim trends for Indiana (Total, All Industries)



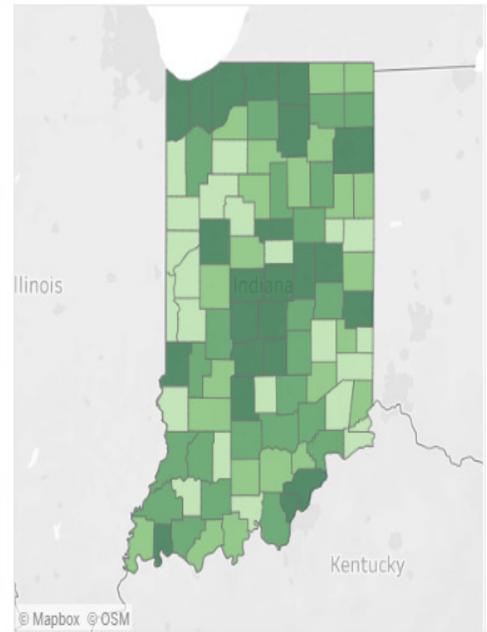
Note: Zeros indicate the data are suppressed because the total number of claims is less than 10. The Oct. 10, 2020, spike in initial claims is likely impacted by applications for...

Change map settings

Initial claims ▼ Weekend ▼ October 31, 2020 ▼



Total, All Industries Initial claims (Week ending October 31, 2020)



### Indiana unemployment claims by industry

Naics Title	10/31/20		10/24/20		10/17/20		10/10/20		10/3/20		9/26/20
	Initial	Continued	Initial	Continued	Initial	Continued	Initial	Continued	Initial	Continued	Continued
Total, All Industries	13,539	64,894	14,351	72,332	19,070	78,956	71,178	87,827	10,664	100,251	
Accommodation and Food Services	1,146	6,986	1,132	8,331	1,621	9,771	6,562	11,591	915	14,274	
Administrative and Support and Waste Manag..	1,362	8,031	1,360	9,076	2,011	10,016	7,367	11,052	994	12,435	
Agriculture, Forestry, Fishing and Hunting	21	95	28	101	31	107	100	125	24	137	
Arts, Entertainment, and Recreation	120	1,146	120	1,391	167	1,642	704	2,064	110	2,625	
Construction	900	4,223	810	4,355	871	4,662	1,845	5,082	777	5,688	
Educational Services	338	1,586	360	1,671	368	1,679	1,049	1,782	216	1,941	
Finance and Insurance	292	1,164	266	1,182	238	1,244	372	1,308	166	1,372	
Health Care and Social Assistance	1,304	6,556	1,395	7,046	1,503	7,469	3,287	8,024	1,083	8,933	
Information	58	578	74	657	94	709	265	777	68	903	
Management of Companies and Enterprises	185	615	168	683	212	728	311	821	144	864	
Manufacturing	2,019	12,235	1,955	13,371	1,961	14,178	4,260	16,013	1,645	17,685	
Mining, Quarrying, and Oil and Gas Extraction	0	78	10	80	0	92	26	95	10	106	
Other Services (except Public Administration)	313	1,773	357	1,999	441	2,247	1,240	2,695	353	3,277	
Professional, Scientific, and Technical Services	326	2,414	389	2,621	440	2,845	1,090	3,137	308	3,505	
Public Administration	139	560	107	582	140	599	299	625	93	680	
Real Estate and Rental and Leasing	111	840	122	941	180	1,021	519	1,156	118	1,378	
Retail Trade	962	5,518	1,000	6,315	1,304	7,088	4,429	8,130	764	9,403	
Transportation and Warehousing	431	2,935	445	3,320	648	3,652	2,634	3,982	471	4,452	
Unclassified	3,167	4,924	3,865	5,660	6,394	6,076	33,917	5,950	2,122	6,739	
Utilities	13	98	28	112	43	105	78	62	0	59	
Wholesale Trade	323	2,520	360	2,821	394	3,012	824	3,342	275	3,777	

# EDUCATION AND WORKFORCE POLLING

Strada Education Network's Public Viewpoint survey findings through October suggest:

- Nearly 50% of American adults would prefer short-term training or credentials to support advancing their work skills;
- Concerns about cost, outcomes, and personal ability to be successful in school are bigger perceived challenges to furthering an education than technology and transportation needs, and;
- Business and IT are the most popular cross-over sector choices for employment (see graph below).

## Industry Areas of Interest

Current sector and most interested sector if respondent were to lose their job. Rank 1 is highest, 12 is lowest.

Total Sample Size: 2,516

Interested Industry/Sector

	Business	Construction/ extraction	Education	Finance	Government	Healthcare	IT	Leisure hospitality	Manufacturing	Personal care/ services	Retail	Transportation/ energy
Business	1	9	5	3	8	6	2	4	12	10	11	7
Construction/ extraction	4	1	11	8	5	7	3	6	9	10	12	2
Education	2	11	1	7	4	6	3	5	12	9	8	10
Finance	2	5	10	1	4	9	3	8	12	7	11	6
Government	2	10	6	4	1	8	3	7	12	9	11	5
Healthcare	2	9	6	8	5	1	3	4	12	11	10	7
IT	2	4	10	5	3	8	1	7	11	9	12	6
Leisure/hospitality	2	8	11	7	9	10	3	1	12	5	4	6
Manufacturing	5	3	12	8	7	11	4	6	1	9	10	2

The recently initiated Taking Hoosiers to the Next Level (THNL) campaign responded to trends highlighted by Strada, using CARES Act first-dollar funding to support over 2,500 Ivy Tech enrollments in short-term certificates. Results of the campaign indicated strongest interest in business (38%), IT (24%), and healthcare (20%)-related credentials (see graph next page).

	<b>% THNL Enrollees by Sector, by Campus</b>					
<b>Primary Program Campus</b>	<b>Advanced Manufacturing</b>	<b>Building &amp; Construction</b>	<b>Health Sciences</b>	<b>Business</b>	<b>IT</b>	<b>Transportation &amp; Logistics</b>
Anderson	7%	0%	42%	23%	17%	11%
Bloomington	15%	0%	4%	43%	36%	2%
Columbus	22%	0%	3%	46%	26%	4%
Evansville	22%	0%	19%	28%	21%	10%
Fort Wayne	13%	0%	21%	45%	19%	3%
Indianapolis/Lawrence	8%	0%	7%	43%	37%	5%
Kokomo	13%	1%	19%	36%	20%	11%
Lafayette	8%	0%	19%	38%	19%	16%
Lake County(Gary/E Chic/Crown)	12%	2%	51%	20%	14%	2%
Lawrenceburg	20%	0%	35%	20%	18%	8%
Madison	15%	0%	30%	28%	28%	0%
Marion (Grant County)	9%	0%	53%	28%	9%	1%
Muncie	23%	0%	17%	20%	32%	8%
Richmond	10%	0%	0%	61%	23%	6%
Sellersburg	10%	0%	10%	49%	27%	5%
South Bend/Elkhart	6%	0%	30%	38%	25%	1%
Terre Haute	16%	0%	8%	50%	23%	3%
Valparaiso	18%	0%	22%	44%	14%	3%
<b>STATEWIDE</b>	<b>12%</b>	<b>0%</b>	<b>20%</b>	<b>38%</b>	<b>24%</b>	<b>5%</b>

- Additionally, a majority (66%) of the THNL enrollees are female, a pattern seen across most race/ethnicity categories and age groups. Statewide, a majority (58%) of THNL enrollees are white, followed by Black or African American (25%). The highest concentration of THNL enrollees are between the ages of 25-44 (52% combined), while a quarter are under the age of 25.
- The annual Indiana Chamber of Commerce survey (937 responses) indicates a growing emphasis among Indiana employers on training incumbent workers to meet workforce needs, as well as consideration of skills-based hiring practices and use of work-based learning opportunities such as internships.
- According to the World Economic Forum's Future of Jobs 2020 report, core skills such as critical thinking, analysis and problem-solving are consistently top of the reskilling and upskilling priorities for educators and businesses. Newly emerging in 2020 are skills in self-management such as resilience, stress tolerance and flexibility. The most competitive businesses will be those that choose to reskill and upskill current employees.

## SECTOR AND REGIONAL INSIGHTS

### ADVANCED MANUFACTURING

- New technologies will be affecting production for Indiana companies as Honda and GM partner on electric vehicle (EV) production. Two Honda vehicles will be produced using GM's global platform. Cadillac will be getting into the EV market and an EV truck said to rival Tesla's Cybertruck is being rolled out. New technologies will foster new skill training in 4.0 technologies like 3D printing and the addition of components manufacturing.

- Ford will capitalize on its popular F150 truck taking electric vehicles to the next level outfitting it with smart connected technology. They are investing \$700 million in the Rouge plant. The F series contributes \$50 million to the US economy annually.
- Cummins is introducing 4.0 concepts to 22,000 people on the shop floor in 120 companies around the world.
- A well-trained workforce is manufacturing's future. There are plenty of jobs – the shrinking of manufacturing jobs is a myth – as industry has been adapting and embracing automation for generations in industry 2.0 and 3.0. Now in 4.0, studies show new technologies actually create more jobs. COVID 19 has been the catalyst for change as 83% of manufacturing companies now see 4.0 technology as extremely important.
- Apprenticeship is seen as a tried and true method of upskilling the workforce to a mastery level and a way to provide necessary career-long continuous skills upgrades.
- New technologies require new skills and companies must invest in re-skilling and move away from the four-year degree expectation. Trends in manufacturing to implement growth for 2021 include adapting to new customer expectations and aligning talent compensation to growth. Manufacturing companies will need to pay more for talent.

## CONSTRUCTION/FOOD PRODUCTION/AGRICULTURE

- Smart construction implements autonomous heavy equipment in a platform, SafeAI. Autonomous construction sites are being piloted in the US through a joint venture with Japanese-based, Obayashi Corporation. The first pilot is in South San Francisco, with a Caterpillar 725 articulated truck and load-haul-dump cycles.
- Kentucky Fried Chicken is experimenting with the first 3D printed chicken nugget. Using technology developed for organ printing, KFC is participating in printing meat to support solutions to global food issues. The meat produced is healthier and more environmentally friendly than traditionally grown poultry. Printing the meat would consume half the energy needed in traditional farm-based production.

## BUSINESS LOGISTICS/SUPPLY CHAIN

- The current employment demand outlook for supply chain is robust but there is still a labor shortage that is increasing wages and causing employers to be innovative in how they recruit, hire, and pay. For example, FedEx is guaranteeing 20 hours a week for part-time workers with pay up to \$20 an hour to start to ensure employees are not lost due to inconsistent volume and demand. The hiring processes have been condensed to shorten the time from application to start date as they are ramping up for what should be a record peak on delivery of packages. These extra costs are being passed down to customers by the carriers in peak surcharges due to the added costs in maintaining labor and meeting business demands. There is continued disruption due to international trade disruption due to the pandemic and restrictions posed by certain countries.
- Many small businesses across sectors came into the COVID-19 crisis with low financial resilience. The unique nature of the COVID-19 crisis poses a new set of challenges for US small businesses as they struggle to survive. Most are experiencing low demand, increased customer expectations, and operational challenges because of health and safety restrictions. After the 2008 recession, larger companies recovered to their pre-crisis contribution to GDP in an average of four years, while smaller ones took an average of six. The forecast is not great currently as more sophisticated large companies are able to leverage their position in the market and resources to navigate inconsistent supply and demand, financing, support programs, and recovery funding aid.

The broad themes continue to be generally the same as with most large businesses: protecting the health and safety of employees and customers, adapting business models, investing in talent and technology, and adjusting staffing models and labor practices.

## HEALTHCARE

- **Mental Health.** In an already underfunded industry that was experiencing a shortage of providers pre-COVID, mental health services have deteriorated quickly in 2020. The COVID-19 pandemic has disrupted or halted critical mental health services in 93% of countries worldwide while the demand for mental health is increasing, according to a new World Health Organization survey.
- **Nursing and Health Sciences.** Ivy Tech continues to see students and faculty testing positive for COVID. Most cases, however, do not appear related to clinical and/or lab exposures. Processes are in place to allow for students to continue their education while quarantined. Our hospital affiliates are continuing clinical experiences. Our long-term care partners continue to see increase COVID cases which has caused some closures of clinical spots. Our faculty have done an outstanding job of finding alternatives for clinicals and conducting virtual education.
- Ivy Tech received approval from the Indiana Department of Health to allow for hybrid (virtual and face-to-face) CNA training throughout the state at all campuses. The ability to use any facility without performance “tags” without permission and an increase in lab hours and decrease in clinical hours will greatly facilitate our ability to deliver the CNA training in a more efficient manner.

## COMMUNITY ENGAGEMENT AND PARTNER PERSPECTIVES

**Expanded Next Level Jobs/Workforce Ready Grants attracting more attention.**

- Campuses have seen strong enrollments in noncredit training courses eligible for expanded Next Level Jobs/Workforce Ready Grant funding through the end of the calendar year. In particular, Lawrenceburg, Evansville, and Terre Haute note high interest in their CDL training offerings. Statewide, NLJ/WRG-funded noncredit enrollment at Ivy Tech has increased by nearly 50% since spring 2020, and 32% since fall 2019.
- Many campuses are leveraging NLJ/WRG funded training in creative partnerships with community-based organizations (CBOs). Indianapolis, for example, is working with Code Black to provide IT certification training along with wraparound services to participants.

**After months of pause, some campuses note uptick in Interest by employers in upskilling incumbent workers through Ivy Tech’s Achieve Your Degree (AYD) program, which helps employers leverage tuition assistance policies and provides high-touch support for employee-students, and for which the Indiana Chamber of Commerce is a partner.**

- For example, Madison, Muncie, and South Bend campuses highlight positive responses to outreach efforts through virtual and onsite information sessions, and sharing of additional training opportunities such as noncredit Six Sigma courses.

*(continued on next page)*

## Other campus notes

- **Evansville:** The DWD grant for Adult Education has brought a whole new constituency to serve and recruit into training or degree programs. On the employment front, there are several major layoffs taking place in the region. Much of the unemployment has been related to the service and hospitality industry, coal mining, and sales. The emerging workforce needs for the region have not changed, with high need in manufacturing and healthcare sectors.
- **Lawrenceburg:** The Indiana Economic Development Corporation, Franklin County Economic Development Corporation, and One Dearborn shared for the first time the Dearborn and Franklin Counties 2020 Regional Economic Development Strategic Plan. This new plan is the product of an IEDC pilot program.
- **Madison:** We have noticed that our local manufacturing companies are struggling to find entry-level employees whom they can retain. We spoke with one particular company, also an AYD partner, who wants to start an apprenticeship program, in part to increase employee morale in light of constant turnover during and post-pandemic.
- **Muncie:** Our area is looking to grow. Ivy Tech Muncie Henry is part of a consortia that helps provide input and guidance for cradle-to-career opportunities.
- **Richmond:** Employers are either extremely busy or still in a downturn based on sector and COVID economic impacts to supply chains and demand cycles. Those that are busy (pet food, plastics, funeral products) are so busy they do not have margin to train. Those that are down (automotive, small employers) have people furloughed and will not train. Finding employers who are active with margin to improve in the moment and take advantage of training is the challenge, but some are in that space and working with us actively. Many production facilities who are active are struggling to fill open floor positions due to continued fear to return to work, ongoing benefits, or the typical challenges of finding applicants who can meet their requirements. Production and maintenance continue to be leading needs for immediate hire. While NLJ expanded funding is a plus, completing training in the time frame required is creating more pressure on employers.
- **Sellersburg:** Staff observe that area employers appear to prefer that their employees take in-person or hybrid classes while student response to online courses remains positive.
- **South Bend/Elkhart:** A few employers have noted that there has been a hiring increase as of late, specifically in manufacturing. This has caused turnover rate to increase as well, due to employees getting an offer somewhere else a week after starting. We have had inquiries about leadership training and other employee development opportunities focused on making employees feel like their employer is invested in them for the long term.
- **Terre Haute:** The campus was recently awarded \$85,000 for a Department of Transportation grant to fund CDL-A student tuition. Examples of area employer needs include 1) Glas-Col (Glass Company) has been impacted heavily by COVID-19, as with many businesses locally and around the world. The business was impacted severely initially but as businesses, schools and universities begin to reopen Glas-Col is seeing their business start to return to pre-COVID numbers. The company is even working to open new product categories including safety shields. They are looking to hire machine and hand sewers, and 2) Novelis (Aluminum) is looking for people with the ability to operate highly technical production equipment or mechanical/electrical skills to repair equipment.