

# 2022 STATE OF THE WORKFORCE

*The annual regional working summit*

## WORKFORCE CRISIS TASKFORCE SUMMIT



# Agenda

9:00 am	Breakfast and Check-In
9:30 am	Welcome
9:45 am	State of the Workforce
10:15 am	Panel
11:45 am	Small Group Discussion
1:15 pm	Closing

# Goals

Together, we will...

- Come to a shared and deep understanding of the workforce challenges facing our region—today and tomorrow;
- Work toward sharing best practices for addressing this crisis; and
- Co-create new approaches for ensuring a skilled and available workforce for our regional employers!

# State of the Workforce

# Strategic Plan Implementation

## Overview of the Workforce Crisis Task Force

2017 - 2018

- Complete strategic planning process and initial implementation planning
- Lay the groundwork for the Workforce Crisis Task Force
- Develop shared language and goals

2018 - 2019

- Outreach for Task Force participation
- Align Task Force activities with regional needs and strengths
- Partner with already-existing efforts in the region

2019 - 2020

- Expand efforts, ensuring representation across all 8 counties
- Increase alignment and mutually reinforcing activities between subcommittees
- Go big!

2020 - 2021

- Continue engagement and momentum of the WCTF
- Consider strategy revision based on changes from COVID
- Ensure continued progress on resolving workforce shortages, and develop a new strategic plan for the workforce board.

2021 - 2022

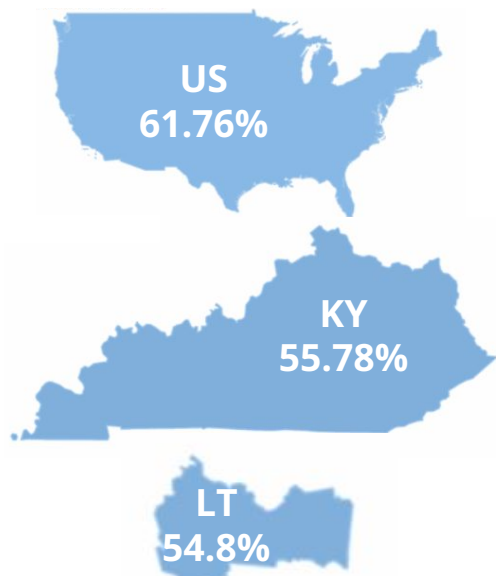
- In response to changing economic conditions, the Task Force has added a focus on increasing access to affordable housing and transportation options for the region's workers.

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# Findings

Low Labor Force Participation Rates AND We are Making Progress!

## 2021 Labor Force Participation Rates

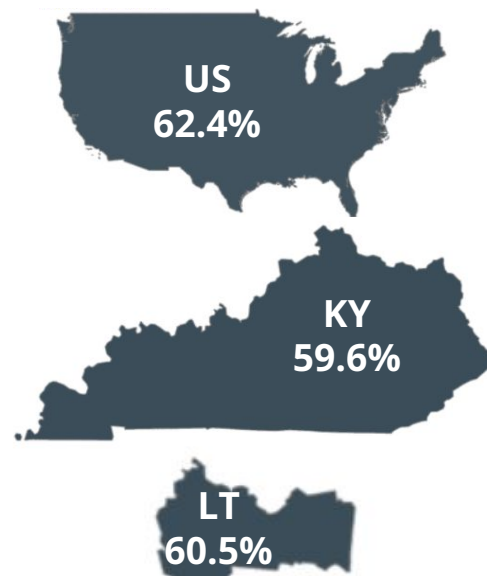


+ 0.64%

+3.82%

+5.7%

## 2022 Labor Force Participation Rates



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# Future Workforce Needs

- The occupations with the highest projected openings in Kentucky by 2028 are... (Labor Market Analysis)
  - Food preparation and service (340,000)
  - Office and administrative support (346,069)
  - Production (235,580)
  - Sales and related (275,893)
  - Transportation and material moving occupations (261,297)
- Businesses coming to Kentucky or broadening their footprint, increasing workforce demand. Some of these businesses include:
  - BlueOvalSK - \$5.8 billion investment in Hardin county
  - Heaven Hill Distillery - \$153 million investment in Nelson County
  - Nucor Steel - \$1.7 billion investment in Meade County
  - Kruger Packaging - \$117 million in Hardin County
  - There are a number of other large investments in KY such as the Amazon Air Hub with \$1.5 billion in Boone County in the north and in the south with multiple investments in the Bowling Green area:
    - Freuhauf North America - \$15 mill
    - Envision AESC - \$2 bill
    - Harbor Steel & Supply - \$8 mill

# Business Challenges

- **Automation** – Some employers are starting to believe that they will need to shift to automation, even though they would prefer to hire, because they simply cannot find qualified employees
- **Childcare** is a major obstacle for many people considering entering the workforce, but there is a shortage of childcare, and because most jobs pay low wages
  - People can't afford to work because child care would be a huge proportion of their income, and
  - Entrepreneurs are not opening childcare centers – tough business model
- **Housing**
  - Reduced supply
    - current economic uncertainty, last housing boom/bust has left a lot of developers hesitant about development
    - supply chain and labor shortage
  - Increased demand
    - houses in the LT area are inexpensive compared to houses elsewhere in the country
    - many retirees are moving in and increasing job availability attracting a workforce from across the country and globe



# Business Challenges

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- **No transportation** system and limited subsidies to support private transportation among low-income job seekers
- **Wages** – Despite the increases post-pandemic, wages are out of sync with what people need to live
  - Growing sectors are having difficulty keeping up with the wages necessary to match the cost of living (especially for single parents).
  - Of the identified sectors, production occupations offer both the largest number of jobs and the highest median wages
- **Substance abuse and mental health crises** continues to be a huge issue contributing to cycles of childhood trauma and generational challenges which impact our workforce and overwhelm our social service systems

# Additional Workforce Challenges Today

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- **Qualified Employees/Educational Attainment** – Many potential members of the workforce **lack rudimentary skills** related to job performance and basic life skills
- **Work Value** – Part of the low workforce participation rate is related to a culture developed over time that doesn't value work
  - **generations of unemployment** and families who have developed strategies for living without employment, and
  - not seeing employment as an essential part of life or as a contribution to their community or greater cause

# Regional Assets to Address Workforce Crisis

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- The desire to make a better workforce system is widespread and shared across multiple disciplines
- The culture of the communities in Lincoln Trail creates familiarity across the region; people know each other (and often like/trust each other)
- Employment preparation work in secondary and high schools is ongoing and effective
- ECTC has rapidly expanded its workforce development programs with state of the art offerings, and close coordination with employers
- The region is increasingly desirable for potential new workers—people are moving here

# State of the Workforce

Q + A

# Ensuring Our Region Can Support Today's and Tomorrow's Workforce

## Panel Discussion

# Creating the Future of Lincoln Trail

## Small Group Discussions

# Focus Areas

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- **Childcare:** How can we expand access to affordable childcare for workers in our region?
- **Transportation:** How might we expand options for people to get to work?
- **Expungement (and individual and social barriers):** This has proven very effective in helping people get back to work; how can we expand these efforts?
- **Housing:** Workers at lower ends of the wage spectrum are priced out of our region. How might we expand access to affordable housing for our workers?

# Small Group Discussion

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- Select an area of interest from one of the four focus areas:
  - **Childcare**
  - **Transportation**
  - **Expungement (and individual and social barriers)**
  - **Housing**
- Once in a group, designate a notetaker and reporter to share with the larger group when we reconvene.
- Independently, answer two questions:
  - How might we expand options in this area? (as above)
  - What is one promising practice that you see in our region that might support that change?
- Bring a few highlights to the report-out and bring your full notes to Liz or Khadijah from Strategy Matters for the Summit full report.



# Next Steps

- ❑ We want to hear from you!  
Give us your feedback:  
<https://www.surveymonkey.com/r/LT2022Summit>
- ❑ Stay up-to-date with the Task Force!
  - ❑ Visit us and sign-up for our newsletter:  
<https://ltcareercenter.org/taskforce/>
  - ❑ Facebook and Twitter: @ltcareercenter
  - ❑ YouTube:  
[https://www.youtube.com/channel/UC\\_r6hAetku07\\_lp\\_uwtt-ZA](https://www.youtube.com/channel/UC_r6hAetku07_lp_uwtt-ZA)



# Thank You!

A circular logo for the Lincoln Trail Workforce Development Board is visible in the background. It features a central emblem surrounded by the text "LINCOLN TRAIL" at the top and "WORKFORCE DEVELOPMENT BOARD" at the bottom.

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