

Occupational Demand in the New Hampshire Labor Market: Implications for the State's Community Colleges

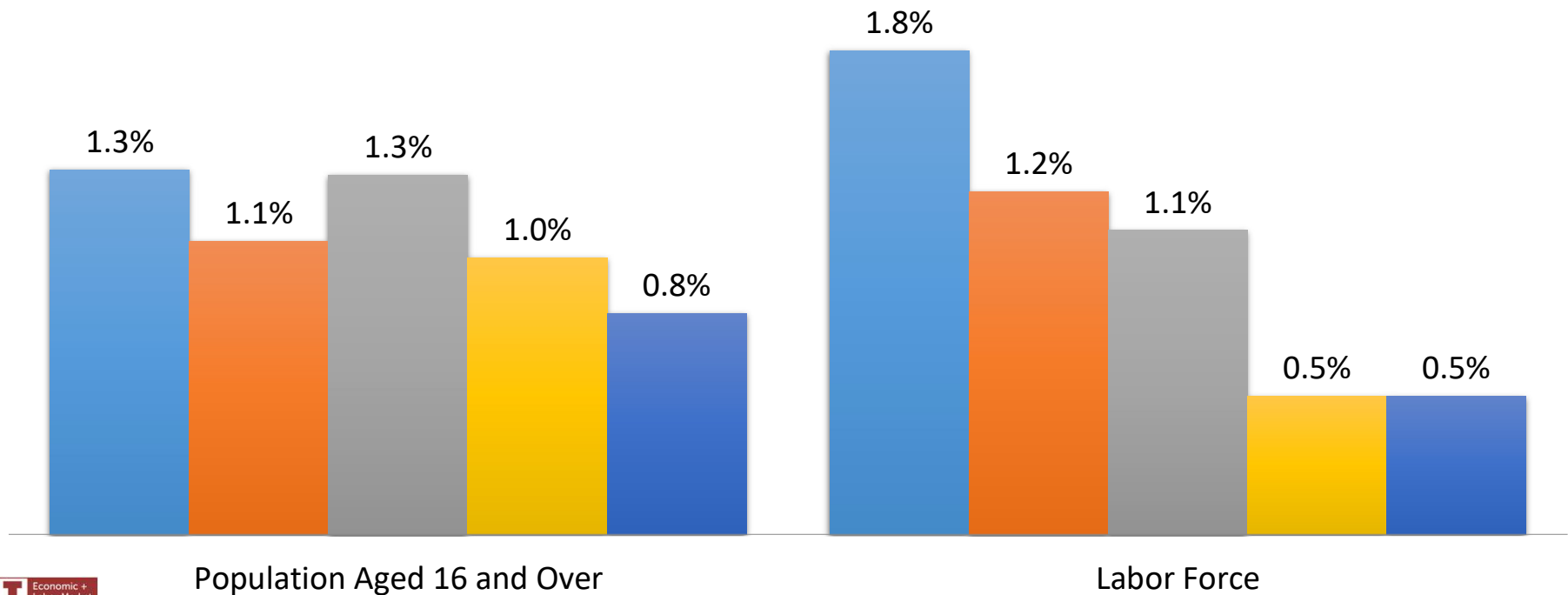
Presentation to:
Trustees of the Community College System of New Hampshire
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NH Economic and Labor Market Information Bureau

Slower Labor Force Growth is the Greatest Challenge to U.S. and New Hampshire Economic Growth. Better Job Matching is an Imperative for Robust Economic Growth

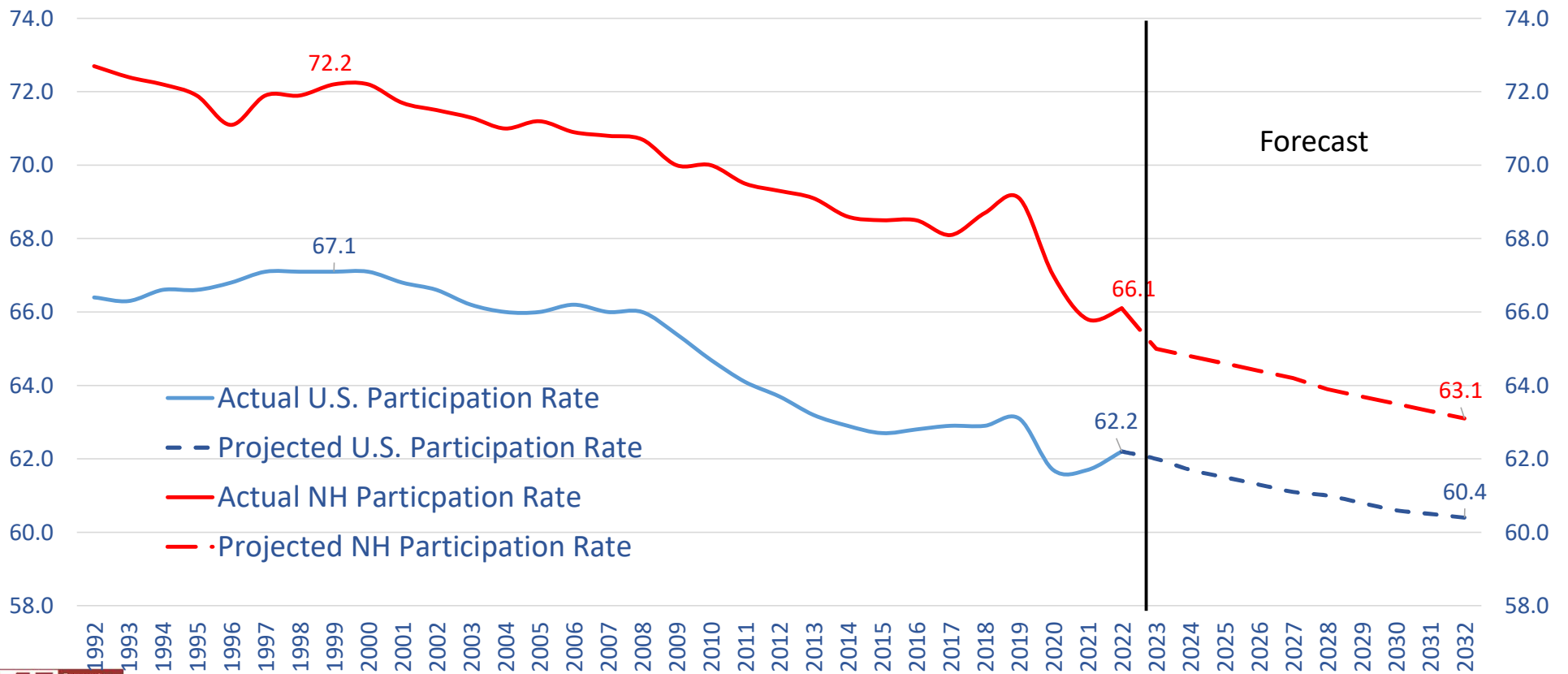
Annual Rate of U.S. Population and Labor Force Growth

- 1978-88
- 1988-98
- 1998-2008
- 2008-2020
- Projected 2018-30



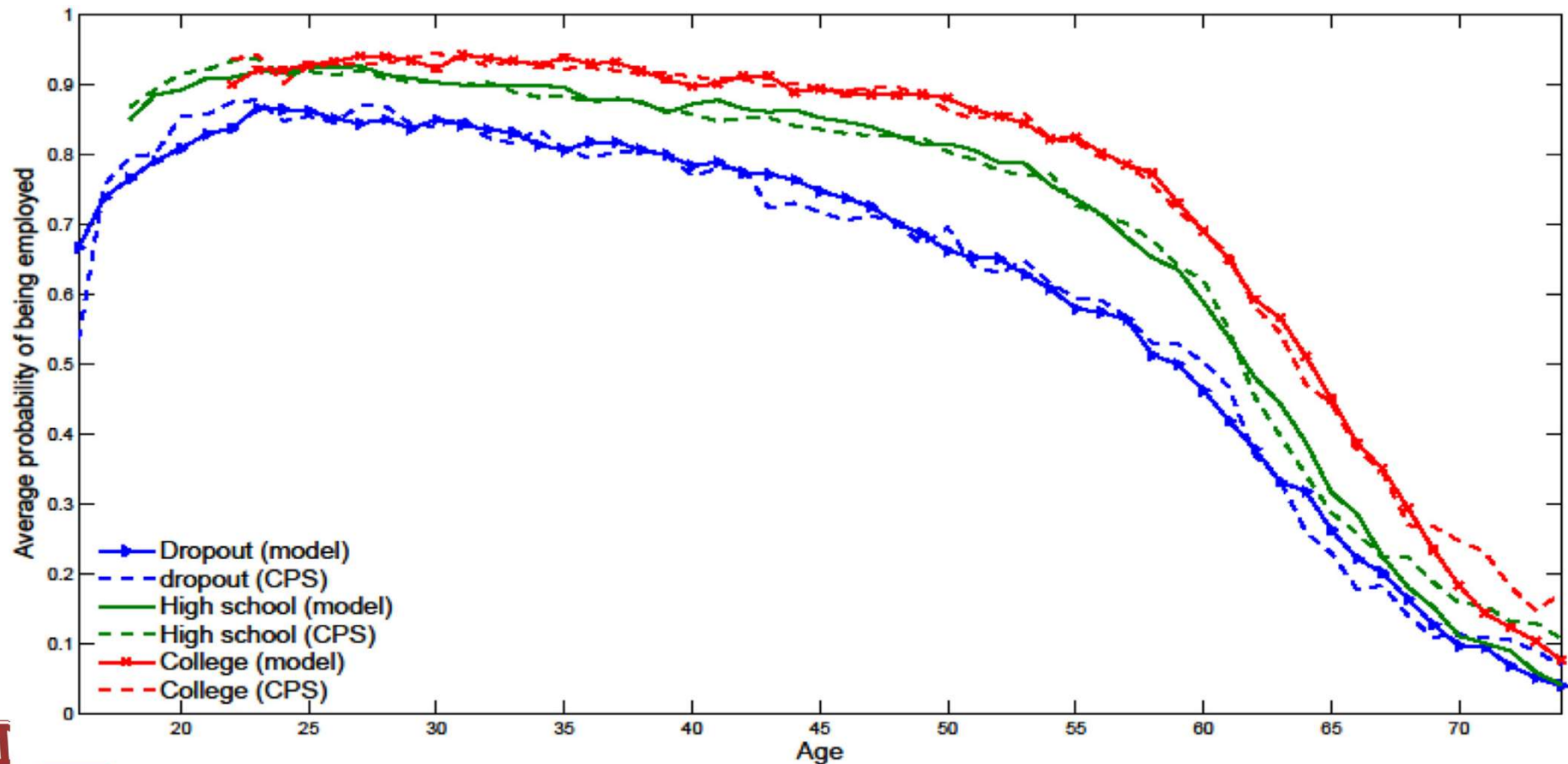
Demographic Trends Imply a Lower Labor Force Participation Rate, Slower Labor Force Growth, and Tighter Labor Markets (and The Need to Maximize Skills Matching)

National and New Hampshire Labor Force Participation Rates



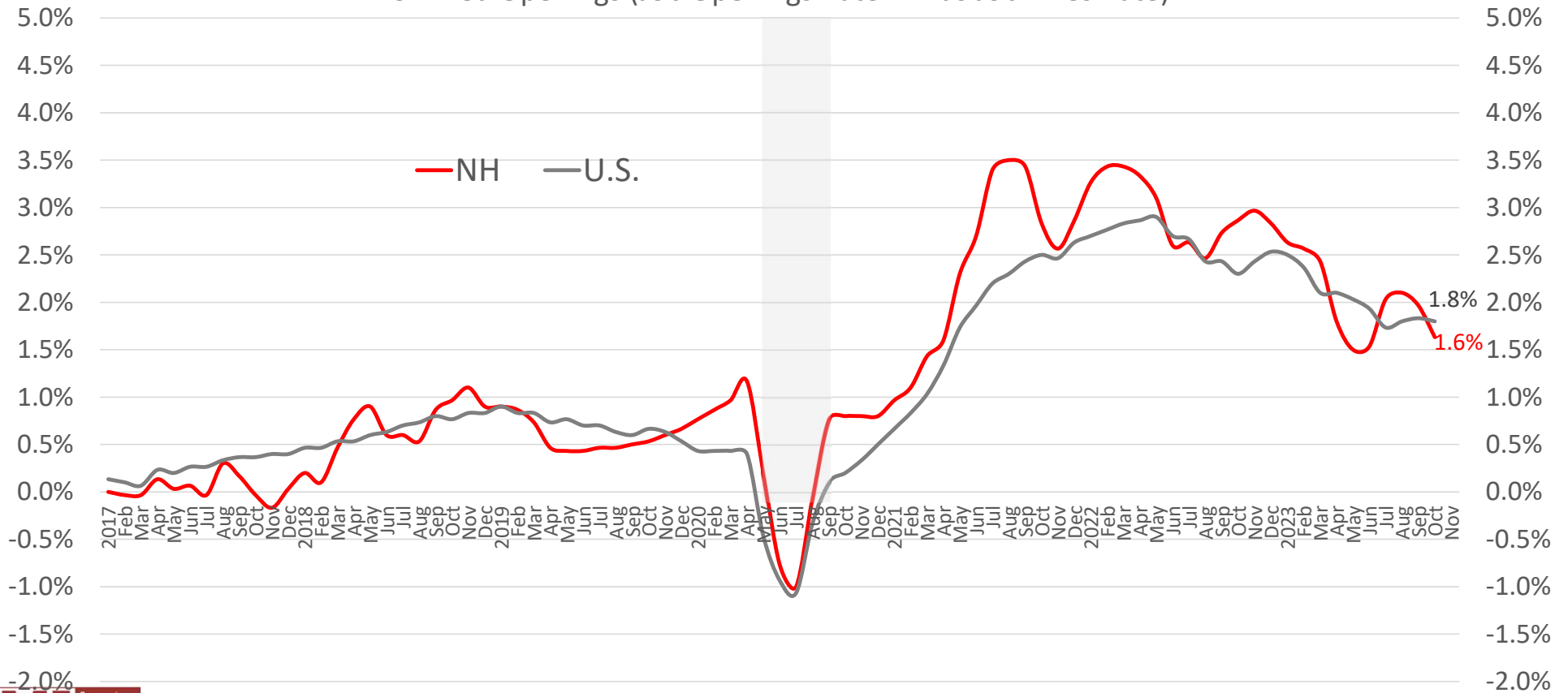
Labor Force Participation and Employment Decline With Age – Demographics is a Big Reason Participation is Declining and the Labor Force is Growing More Slowly

Probability of Being Employed by Age



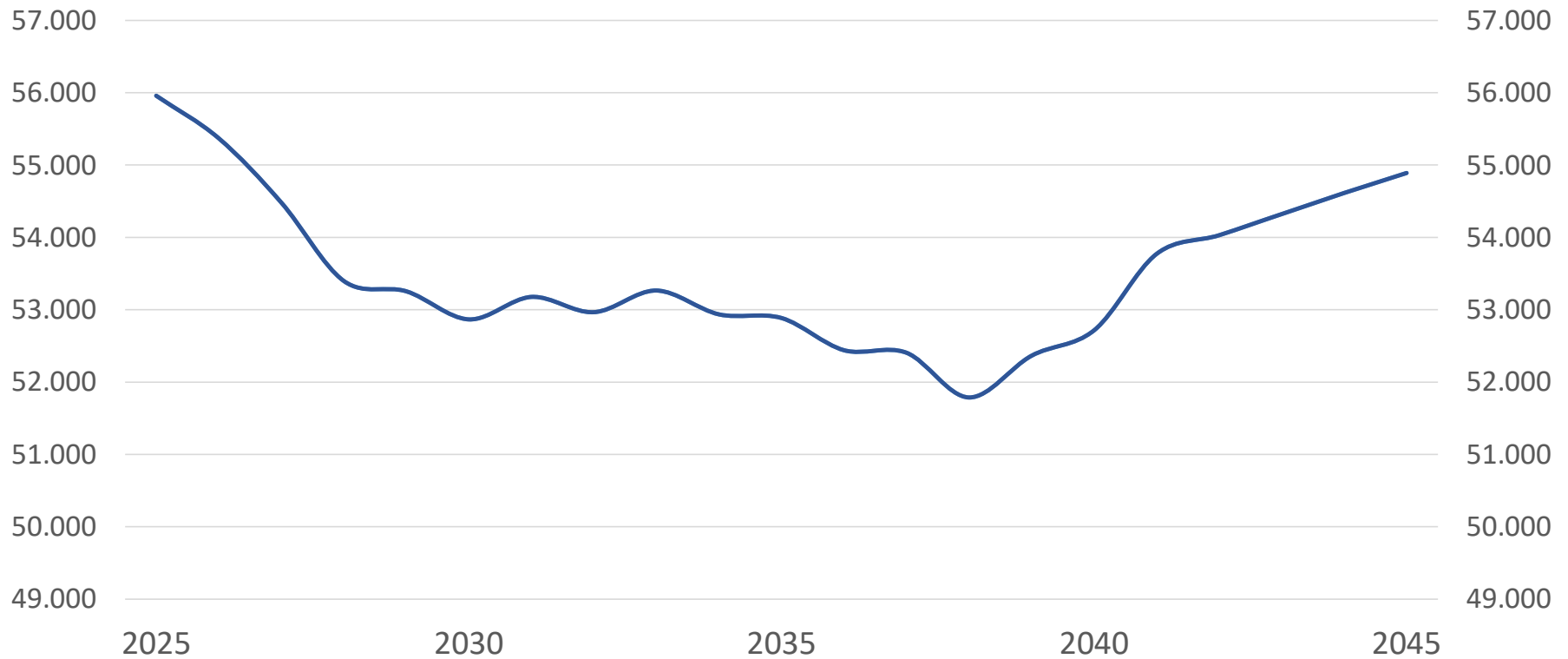
One Implication of Slow Labor Force Growth – More Severe Labor Shortages. New Hampshire’s “Unfilled Job Openings Rate” Has Been Generally Higher Than the U.S. Unfilled Jobs Rate (Even With a Higher Job “Hire” Rate) Post Pandemic

Unfilled Openings (Job Openings Rate Minus Job Hires Rate)



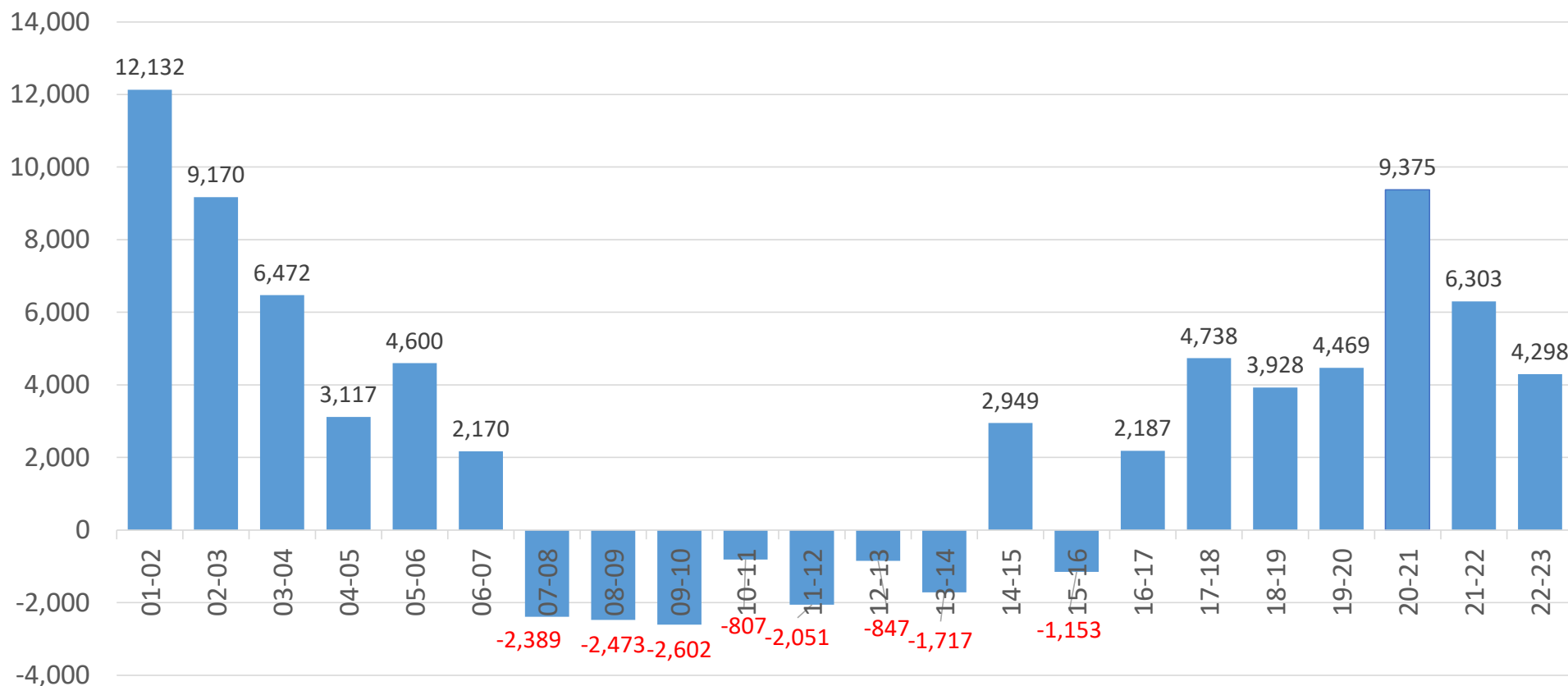
Help is Not on the Way Organically From Young People Entering the Labor Market - Based on Our Projections for the State's 17-19-Year-Old Resident Population, the Number of New Entrants Into the Labor Force Will Not Sustain Robust Growth in the State

Projected Number of NH Residents Ages 17-19 (000s)



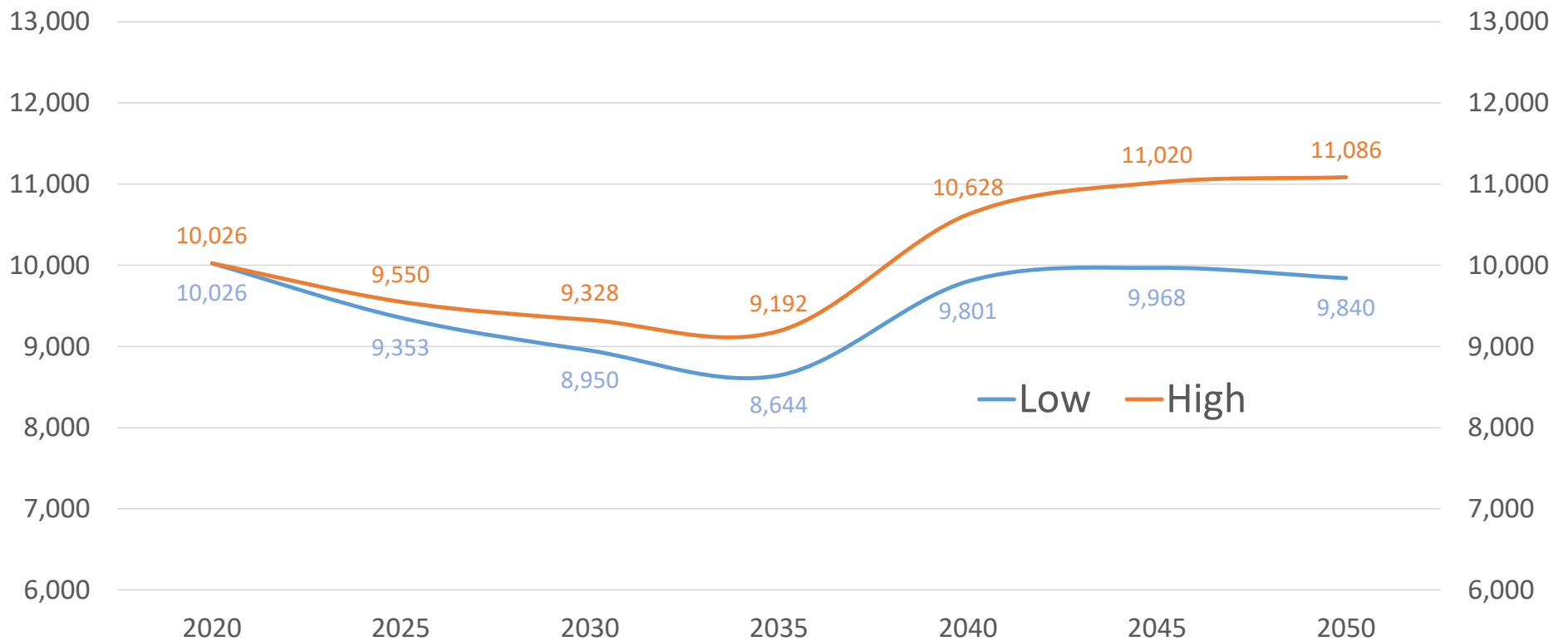
New Hampshire's Net State-to-State Migration Has Increased Post-Great Recession, Aiding the State's Demographics and Labor Force

Net Domestic (State-to-State) Migration to NH



Looking at NH Demographics, in Combination With National Enrollment Trends, the Number of New Hampshire High School Graduates Enrolling in Degree Granting Institutions Should Stabilize and May Grow in a Little Over a Decade

Projected # of NH High School Grads Enrolling in Degree Granting Institutions



The digital era has accelerated labor market polarization— the simultaneous growth of high-education high wage and low-education/low-wage jobs at the expense of middle-skill jobs.

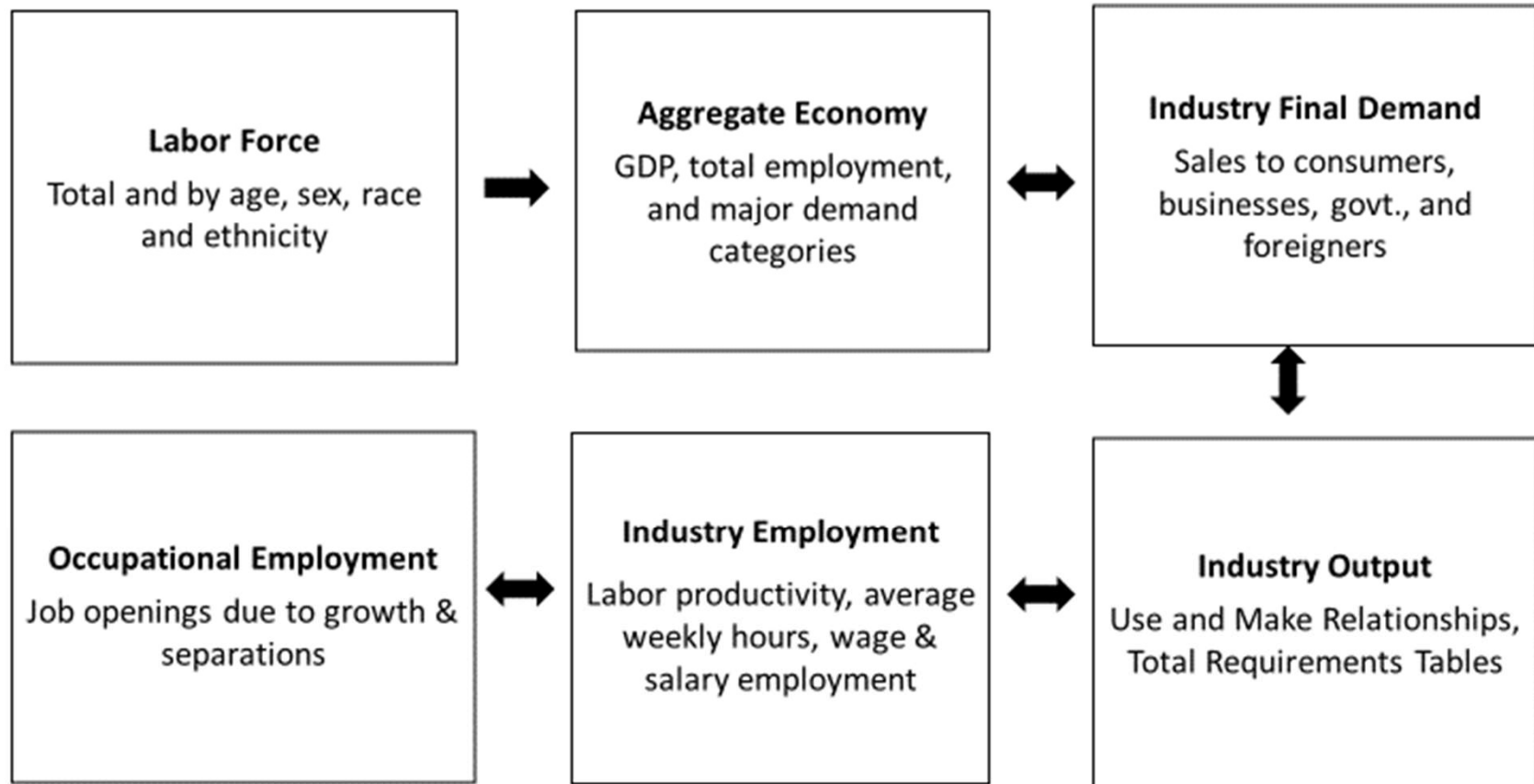
Community colleges are a primary resource for countering that.

Given their scale, their ability to adapt offerings to local market needs, and their ongoing engagement with non-baccalaureate adults at all career stages, community colleges could play an even more central role in providing skills and training to New Hampshire workers and in meeting the needs of business and the state's economy.

NH's Community Colleges are an Excellent Value, Showing a Solid Return on Investment Over Working-Lives, Ranking in the Top 20-30% Nationally

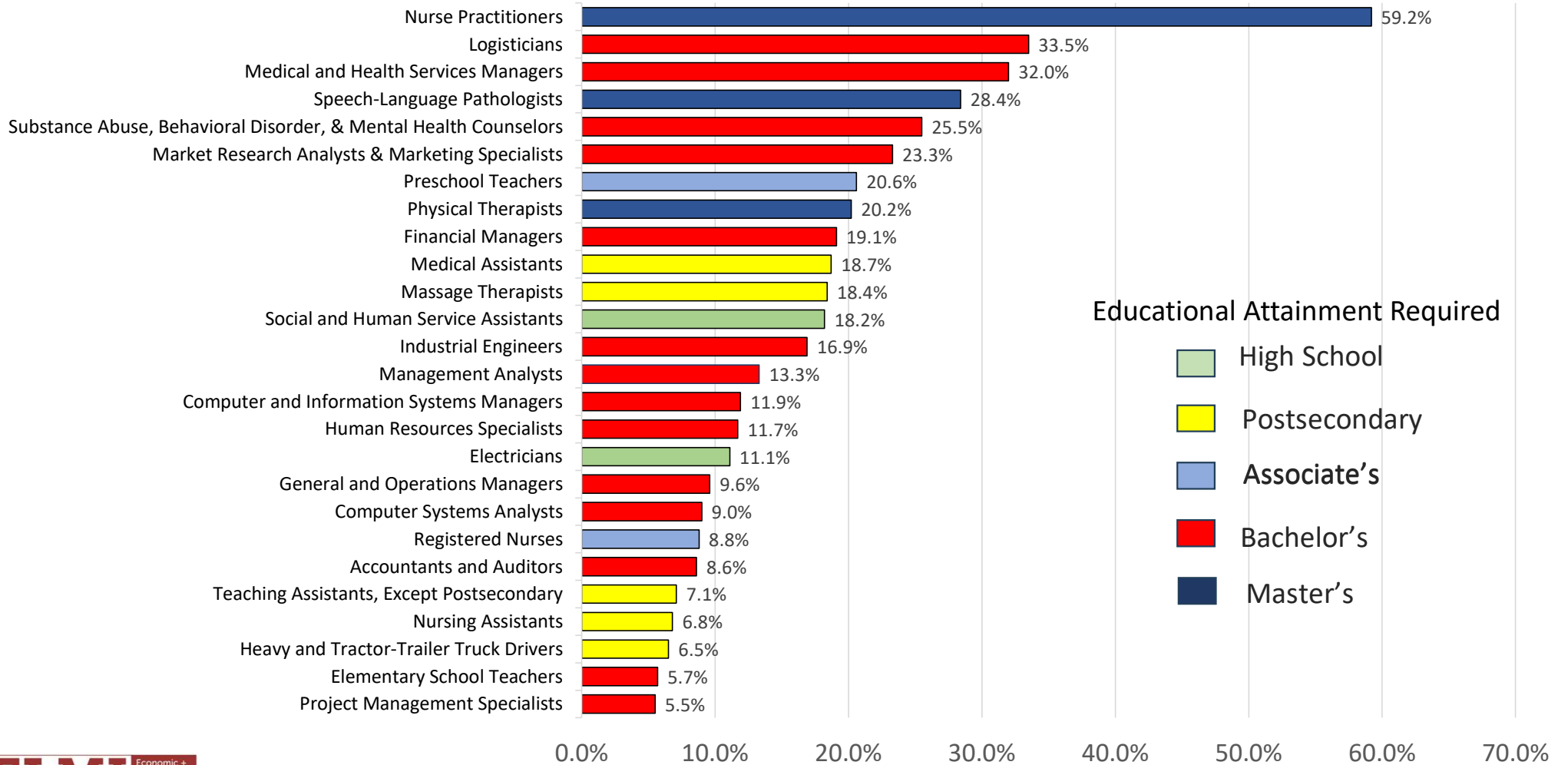
Institution	Predominant Degree	Average Age at Entry	40-year NPV Rank (of 4,500)	40-year NPV
Dartmouth College	Bachelor's	20	40	\$1,561,000
Saint Anselm College	Bachelor's	20	236	\$1,173,000
University of New Hampshire at Manchester	Bachelor's	20	346	\$1,084,000
University of New Hampshire-Main Campus	Bachelor's	20	414	\$1,050,000
Rivier University	Bachelor's	24	890	\$922,000
NHTI-Concord's Community College	Associate's	23	1,150	\$871,000
Keene State College	Bachelor's	20	1,178	\$866,000
Colby-Sawyer College	Bachelor's	20	1,220	\$859,000
Manchester Community College	Associate's	25	1,246	\$854,000
Nashua Community College	Associate's	24	1,337	\$844,000
Plymouth State University	Bachelor's	20	1,376	\$839,000
Southern New Hampshire University	Bachelor's	32	1,376	\$839,000
White Mountains Community College	Certificate	26	1,675	\$797,000
Franklin Pierce University	Bachelor's	22	1,727	\$789,000
Granite State College	Bachelor's	31	2,056	\$745,000
New England College	Bachelor's	27	2,232	\$726,000
New Hampshire Institute for Therapeutic Arts	Certificate	36	2,645	\$674,000
Salter School of Nursing and Allied Health	Certificate	29	2,719	\$665,000
Seacoast Career School-Manchester Campus	Certificate	29	2,756	\$661,000
Michaels School of Hair Design and Esthetics	Certificate	23	3,162	\$610,000
Continental Academie of Hair Design-Hudson	Certificate	24	3,315	\$586,000
Keene Beauty Academy	Certificate	24	3,404	\$572,000
New England School of Hair Design	Certificate	25	3,614	\$539,000
Empire Beauty School-Somersworth	Certificate	26	3,758	\$513,000
Empire Beauty School-Portsmouth	Certificate	26	3,758	\$513,000
Empire Beauty School-Hooksett	Certificate	25	3,778	\$508,000
Empire Beauty School-Laconia	Certificate	25	3,778	\$508,000
New Hampshire Institute of Art	Bachelor's	21	4,186	\$440,000

The Occupational Employment Projection Process



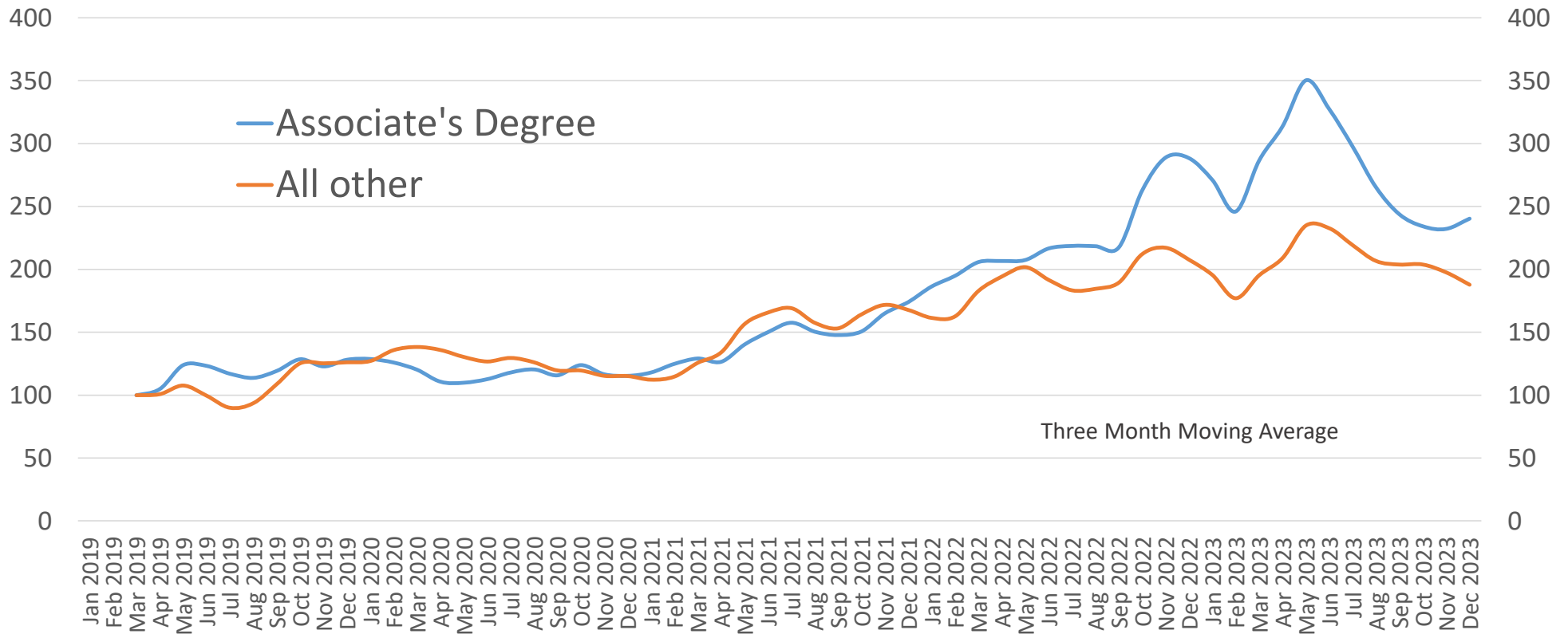
Most of the projected employment gains over the 2022–32 decade will occur in the health care and social assistance; professional, scientific, and technical services; and the transportation and warehousing sectors. An aging population and the growing prevalence of chronic conditions will drive rapid employment growth among occupations that provide healthcare or services related to healthcare.

Fastest Growing Detailed Occupations (Pct. Increase) in New Hampshire

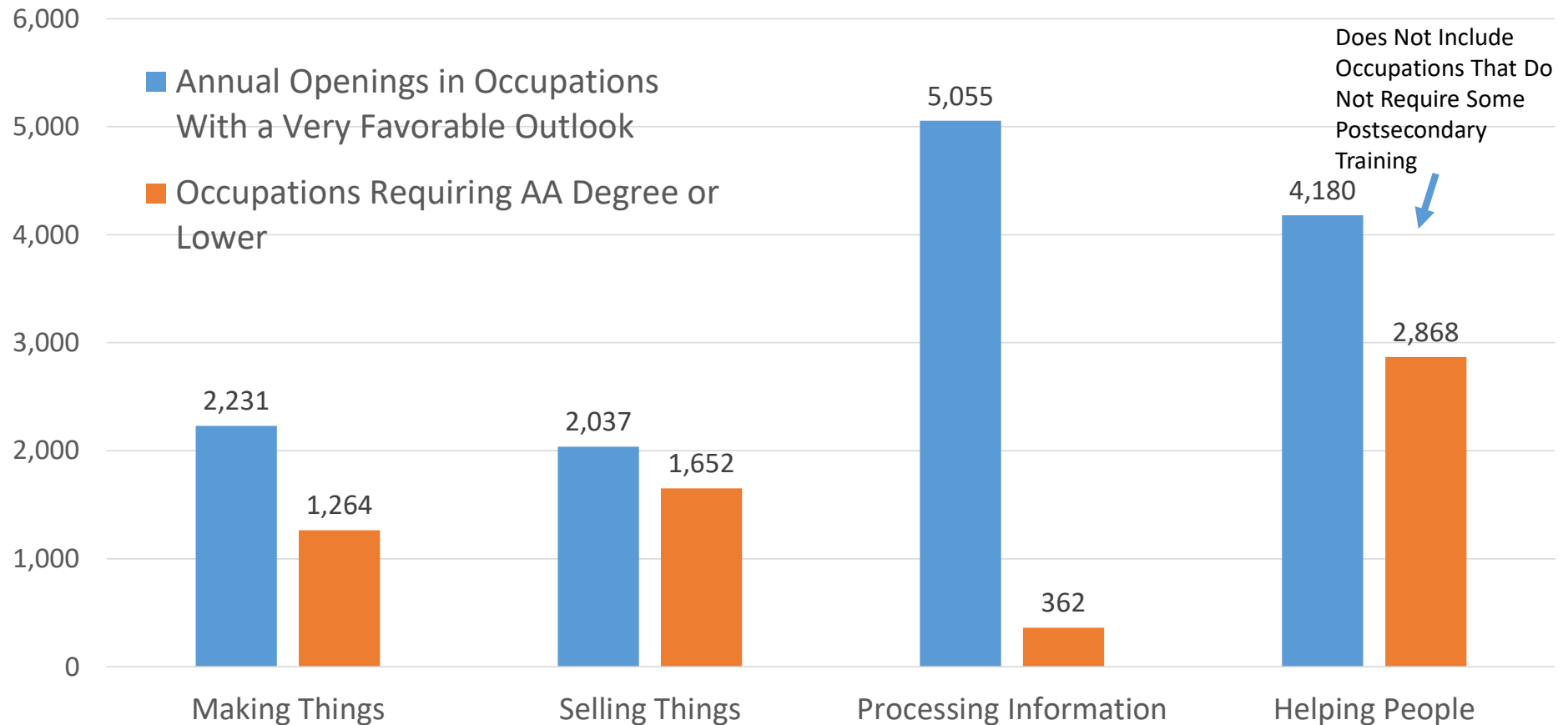


Demand for Occupations Requiring an Associate's Degree in New Hampshire Has Increased Faster Than Other Jobs in the Past Two Years

Growth in Job Postings (Index: Jan-March 2019 = 100)



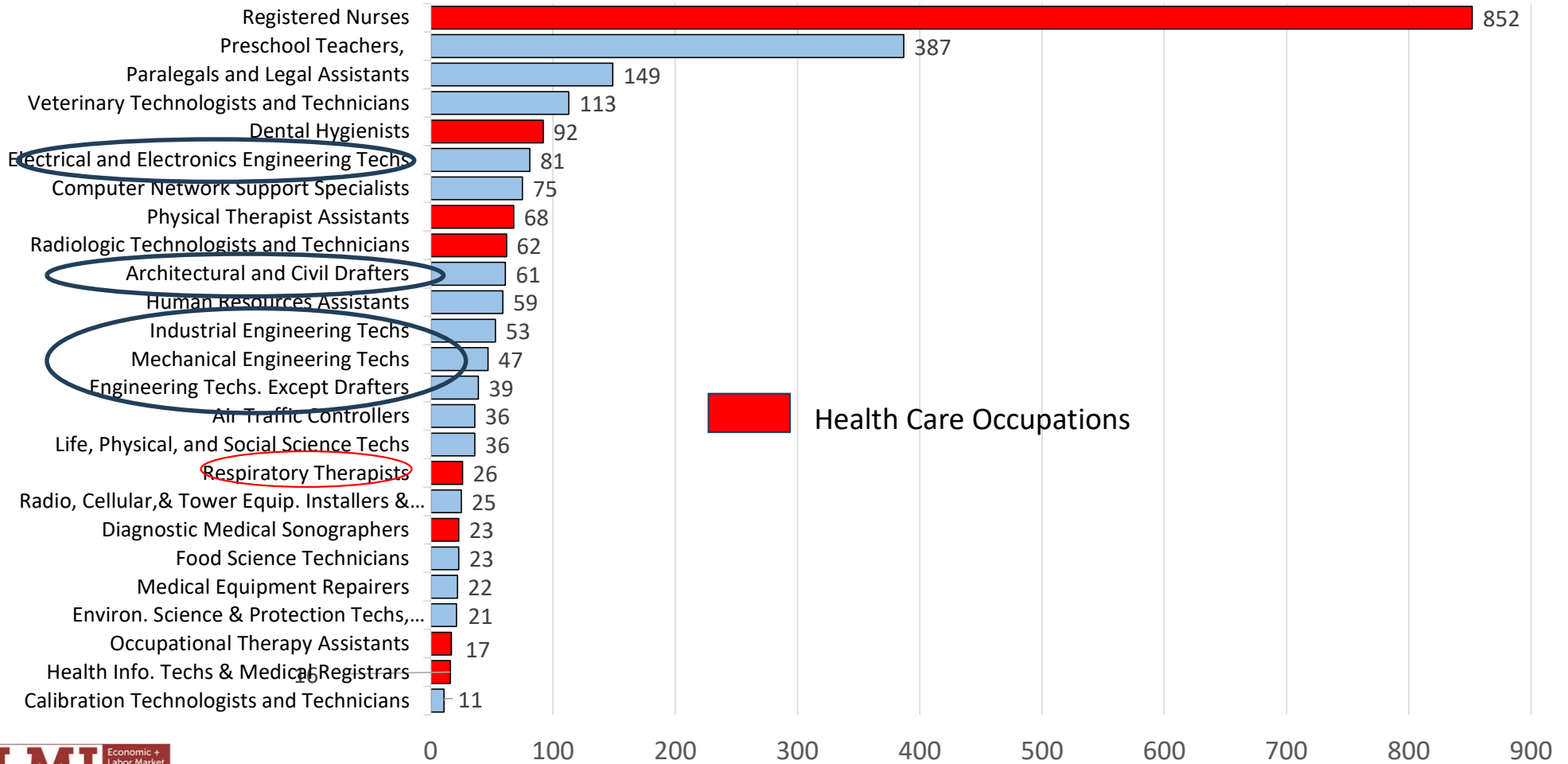
A Broad Taxonomy of Annual Job Openings in Occupations With a “Very Favorable” Outlook and the Number Requiring an AA Degree of Lower



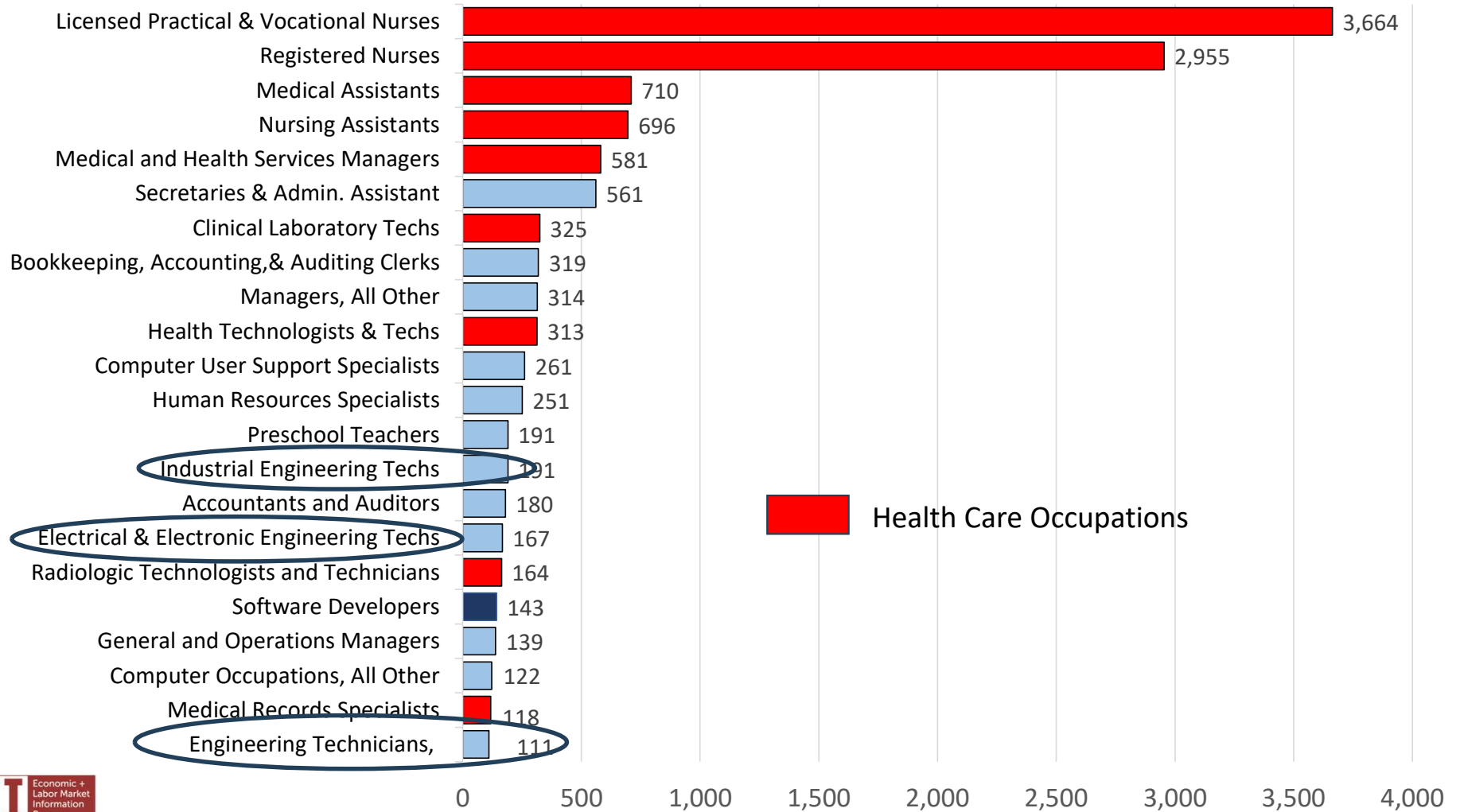
What Does a “Very Favorable” Occupational Outlook Mean?

- An ELMI not a BLS descriptor (not available at any other source)
- “Not Favorable,” “Less Favorable,” “Favorable,” “Very Favorable”
- 750 Occupations ranked on two criteria – job growth and Job openings
- The top 25% on a criterion receive a “4,” the next quartiles “3 – 1”
- “Very Favorable” occupations must have at least one “4” and no less than a “3”
- Descriptors are strictly “by the numbers” and do not reflect subjective assessments of individual occupations

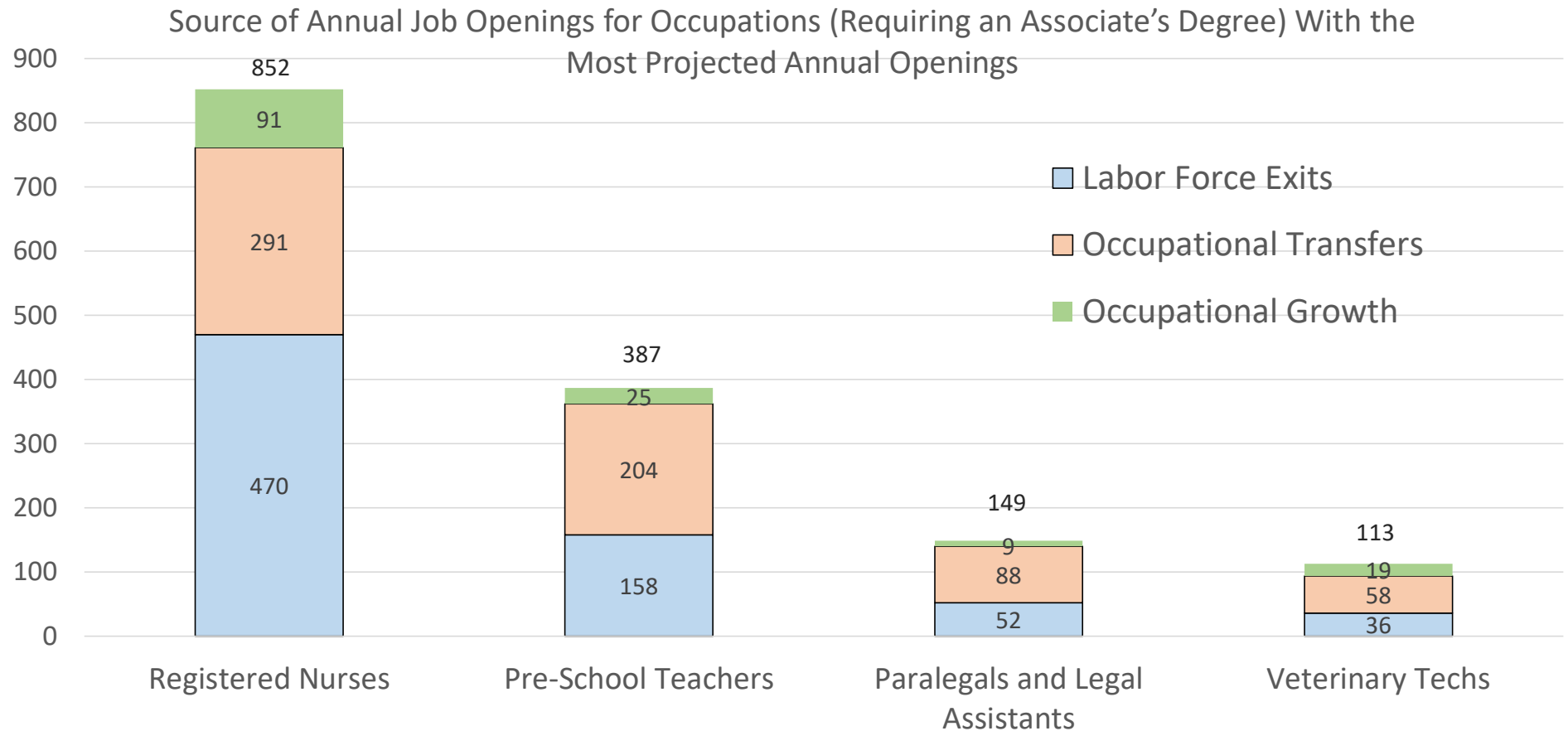
Occupations Requiring an Associate's Degree With the Largest Number of Projected Annual Job Openings in New Hampshire 2022-2032



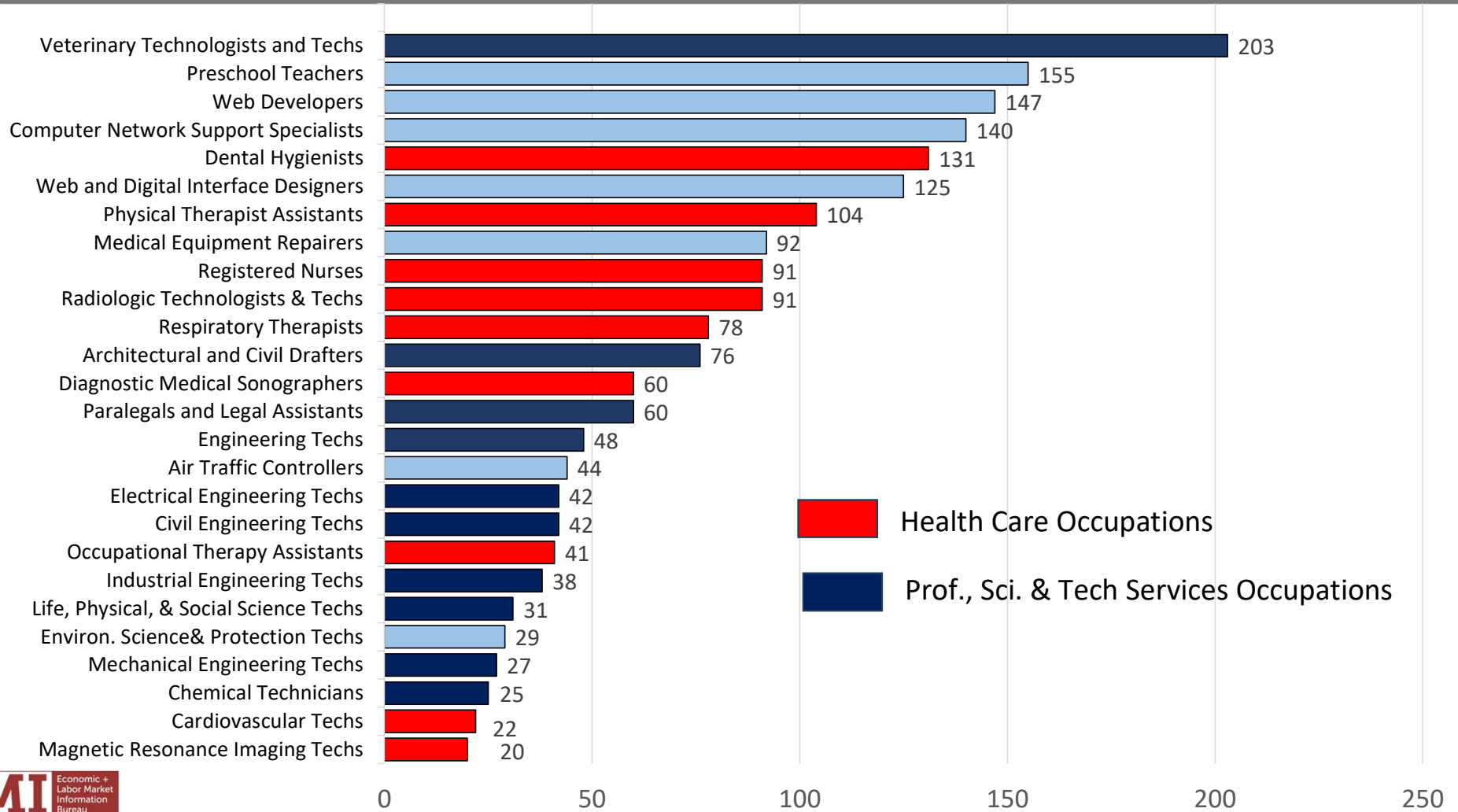
Job Posting Data Provide a “Real-Time” Check on Projections: Occupations Requiring an Associate’s Degree With the Most Job Postings in 2023



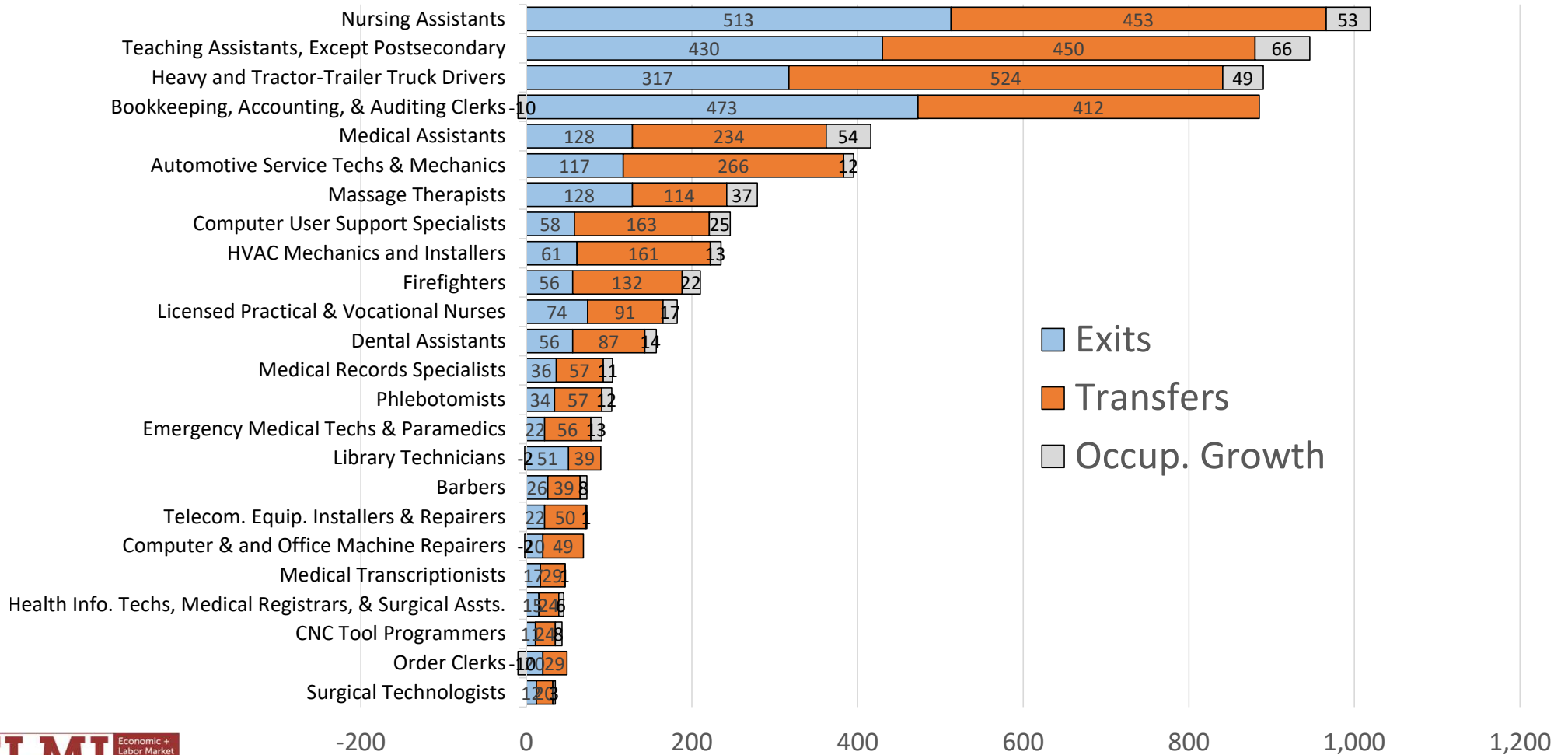
The Sources of Annual Openings Differ Among Occupations



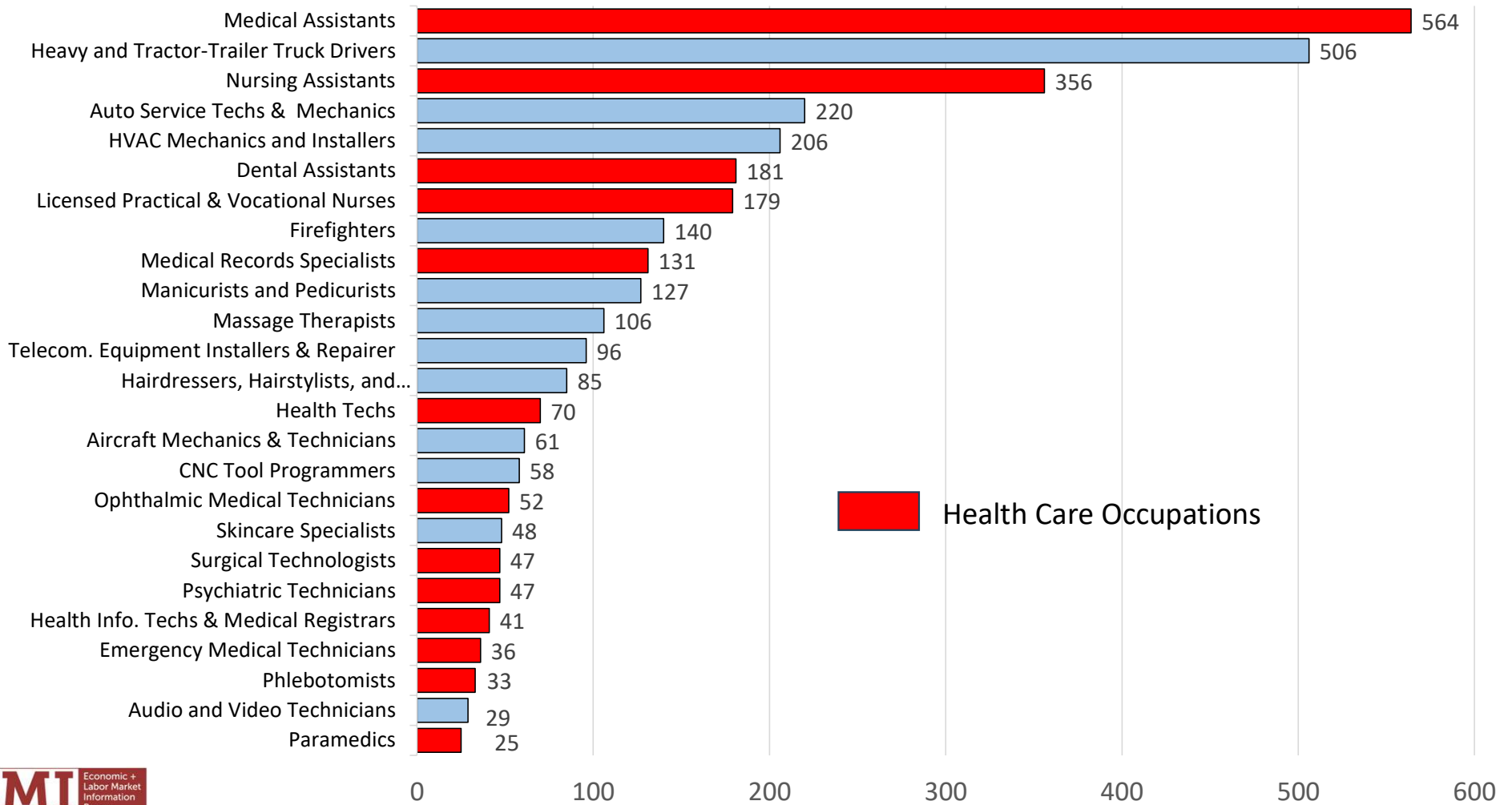
Occupations With the Greatest Net Projected Job Growth in NH 2022-2023 That Require an Associate's Degree



Occupations Requiring Some Postsecondary Education or Training, With the Largest Number of Projected Annual Job Openings in New Hampshire 2020-2030



Occupations With the Greatest Net Projected Job Growth in NH 2022-2023 That Require Postsecondary Training Below an Associate's Degree



What I Learned From Decades of Examining Occupational Data and Projections

- Projections don't arrive on stone tablets from "on high"
- Don't mistake industry growth for occupational growth (manufacturing is the prime example)
- "Job openings" are as important in determining occupational outlook and demand as is net "job growth"
- Occupational demographics, changes in technology (especially hard to forecast) and other factors play a major role in occupational outlook
- Every occupation with a large number of annual openings will face gaps because of slow labor force growth
- We (the U.S.) does a poor job of "job matching" to reduce skills gaps
- Short-term projections (2-year) have little value and long-term projections should be for no more than five years
- Students (of all ages) and individuals are very slow to recognize structural changes in occupational demand and to adjust accordingly – it is imperative we speed that process