Kentucky is pleased to present the PY 2016 Annual Report on the Workforce Information Core Products and Services Grant. Continuing cooperation and consultation with both customers and partners enabled the Workforce Intelligence (WI) Branch within the Kentucky Education and Workforce Development Cabinet, to meet our objectives for PY 2016. The fulfillment of the deliverables outlined below provided the means for the Commonwealth to identify, develop, and maintain sustainable and competitive regional economies and support planning for long-term economic growth and stability.

In PY 2016, a wide range of products were generated through the Bureau of Labor Statistics cooperative programs. The Branch also partnered with the Kentucky Center for Education and Workforce Statistics (KCEWS). KCEWS is the state agency charged with developing education, workforce, and employment metrics to inform broad public policy initiatives so that policymakers, practitioners, and the general public can make informed decisions. KCEWS also maintains Kentucky’s Longitudinal Data System (KLDS), a statewide longitudinal data system that facilitates integration of data from multiple education and workforce data sources and creates reports for policymakers, practitioners, and the general public.

This strategic partnership has allowed the Branch to expand both the scope and quality of the services and products traditionally provided by the LMI shop, and reflects Kentucky’s commitment to provide quality information to all customers of the workforce information system.

1. **Populate the Workforce Information Database (WIDb) with state and local data.**

   The KYLMI website is the home for Kentucky’s labor market and workforce information. In PY 2016 Kentucky worked extensively to develop a new, more dynamic and user-friendly LMI website, based upon stakeholder feedback and integrated within the existing KCEWS website. This new site, located at [https://kcews.ky.gov/KYLMI](https://kcews.ky.gov/KYLMI), was launched in early PY 2017.

   An integral part of the new site development was the transition of Kentucky’s Workforce Information Database (WIDb) from a private vendor, Geographic Solutions, to KCEWS. Working in collaboration with the KCEWS development
team, the Branch worked on the WIDb transition throughout PY 2016. The task was completed in early PY 2017. Kentucky currently maintains WIDb version 2.6.1 with plans to upgrade to WIDb version 2.7 in PY 2017.

During PY 2016 Kentucky continued to populate and maintain all of the designated core tables in the Workforce Information Database (WIDb).

Some of the information housed in the WIDb includes: Local Area Unemployment Statistics (LAUS), Current Employment Statistics (CES), Quarterly Census of Employment and Wages (QCEW) data, Consumer Price Index (CPI), income data, occupational wages (OES), industry and occupational projections, licensing information, and population data.

Another key component in the WIDb is the Infogroup Employer Database. During PY 2016, Kentucky incorporated the 2017 First Edition of the database into the WIDb. As part of the transition to the new website, Kentucky developed a new interactive Find Employers module to allow users to access the Employer Database. This new Tableau based report is accessible at https://kcews.ky.gov/KYLMI and allows users to search for employers by keyword, county, industry, size range, and other select criteria.

2. Produce and disseminate industry and occupational employment projections.

During PY 2016, Kentucky produced sub-state, long-term industry and occupational projections for the period 2014-2024. In an effort to improve the quality of these estimates, Kentucky utilized alternate employment inputs and began development of a second set of sub-state area long-term projections at the end of the program year.

Kentucky used this second round of 2014-2024 projections to draft sub-state level Occupational Outlooks to 2024 for each of the state’s Local Workforce Areas. Finalized Occupational Outlooks were published on the new labor market information website early PY 2017.

In PY 2016, Kentucky also updated the NAICS employment time series to include 2016 as a base year. This updated 2016 monthly time series was used to develop statewide short-term industry and occupational projections for 2016-2018. These short-term projections were submitted to the Projections Consortium in February 2017 and incorporated into Kentucky’s WIDb in PY 2016.

Kentucky LMI staff also collaborated with KCEWS on the development of five-year occupational projections (at both the state and sub-state level) utilized in the Kentucky Future Skills Report (KFSR), Kentucky’s first supply/demand report. In
the future, the Branch will explore methods to produce five year projections using the Projections Suite (and alternate models).

3. **Conduct and publish relevant economic analyses, special workforce information, and/or economic studies determined to be of benefit to the governor and state and local WIBs.**

Kentucky continued to conduct special state, local, and regional studies to provide information to communities who are undergoing economic transition, implementing state and sub-state workforce development initiatives, or experiencing major layoffs or disasters and to support the implementation of, and reporting on, the Workforce Innovation and Opportunity Act (WIOA). In PY 2016, the Branch received numerous requests for information. In response, Kentucky utilized existing products and programs, and sought other avenues and sources of data in an effort to provide the best information to meet the needs of each customer.

A key piece of analysis was made available to customers through the Kentucky Future Skills Report (KFSR). The KFSR is an online, interactive report utilizing historic workforce supply, current employment outcomes, and future workforce demand to assist policymakers, practitioners, and the public in making education and workforce decisions. LMI and KCEWS partnered and visited eight of Kentucky’s ten LWAs, providing training on how to utilize the KFSR for local planning. Kentucky LMI staff will continue to collaborate with KCEWS to maintain and enhance the data and analysis provided through this report.

In addition, Kentucky has partnered with the University of Kentucky’s Center for Business and Economic Research (CBER) to enhance the economic analyses provided on the state’s workforce and labor market data. In PY 2016 CBER monitored employment trends across the state, and laid the groundwork for an upcoming analysis of the state’s labor force participation rates across demographic groups and geographic areas.

**Staff Training**
Staff training continued to be a priority in PY 2016. Branch personnel attended several U.S. Department of Labor and other state-sponsored statistical program trainings, and also participated in online trainings and webinars throughout the year. WIG staff also attended the Kentucky State Data Center (KSDC) affiliate meeting and participated in online trainings provided by the Projections Management Partnership. With the Branch’s focus shifting in PY 2016 to improving the state’s labor market information delivery platform, staff began receiving training in Tableau. This software, utilized in the new KYLMI website, allows for the development of online, interactive tools that customers can use to easily create reports, maps, and graphs based on user defined criteria.
All of these trainings afforded Kentucky’s staff the opportunity to learn about a variety of labor market projects and initiatives, new and changing program requirements, and software applications. The trainings also allowed participants the chance to interact with colleagues from other states and agencies who are employed in similar positions and work with comparable workforce information products and services.

Kentucky was also a key provider of training for Local Workforce Areas. KCEWS and LMI collaborated to provide training to the state’s LWAs on the data, analyses, and reports available to them, including the KFSR. Included with this training was guidance on how to utilize these tools for local planning purposes, enabling local communities to identify, develop and maintain sustainable regional economies.

Finally, with the alignment of LMI and KCEWS, cross training between the two agencies was a priority in PY 2016. KCEWS development staff received training from Kentucky’s WIDb administrator on maintenance and structure of the database. In turn, Branch LMI staff were trained in the available modules and tools utilized on the existing KCEWS’ website. WIG projections staff also consulted with KCEWS researchers on projections models and methodologies. Cross training will continue into PY 2017 as LMI and KCEWS explore ways to incorporate the data and analyses provided by each into new and dynamic products for customers.

Maintain and Cultivate Relationships with Local and Quasi-Government Agencies

Kentucky continued to foster its relationship with local and quasi-government entities in the state, i.e., local economic development agencies, schools, and chambers of commerce. The Branch provided analysis of local economic conditions, including local area projections and wage data, as requested by multiple agencies. Kentucky continued to work with school representatives, local economic developers, and others to provide detailed research on the current employment situation and the projected outlook for a given area, industry, or occupation.

The Branch participated in the Labor Market Information Advisory Group, designed to focus on user needs in terms of economic, career, labor market, and occupational information. The group is comprised of state and local government LMI data users, as well as those from higher education and the private sector. The Branch is collaborating to provide a systemic approach for identifying information needs, i.e., developing tools that communicate economic health by providing information to help people understand Kentucky's economy and labor market conditions, producing, analyzing, and delivering labor statistics to improve economic decision-making, and providing better information on current employment trends and career advice.

In PY 2016 the Branch continued to facilitate LMI technical training for Kentucky Office of Employment and Training (OET) Business Services and Job Seeker Services personnel. Branch personnel served as Subject Matter Experts (SMEs) for LMI courses designed to educate agency program trainers and facilitators on LMI data and concepts, and utilization of the KYLMI website.
Finally, the Branch continued LMI presentations to LWA boards, elected officials, government organizations, leadership classes, educational and training programs, business and community associations, and other organizations as requested regarding demographic, social, educational, workforce and economic trends. The Branch continued to provide information regarding education and training, employment and workforce realities, and the general economic health of our state, its regions, and its counties. The Branch staff also provided annual LMI training to college and career counselors.

4. Post products, information, and reports on the internet.

Informational products and services are delivered to customers primarily through Kentucky’s Labor Market Information (KYLMI) website. In PY 2016 significant work between the Branch and KCEWS was performed to overhaul Kentucky’s existing site and create a new, more user friendly platform.

In early PY 2016, work began on site transition and design, including migration of the WIDb to KCEWS. A functional development site was operational and available for testing in June 2017, with the official site being launched in July 2017.

From the initial stages of site design throughout the development process, Kentucky consulted with stakeholders and data users, including educators, economic developers, workforce professionals, and others, to identify data needs and guide the development of this new site.

This focus on customer-driven product design and development will continue in PY 2017. As Kentucky prepares new site content and tools, meetings with stakeholders and data users will continue in order to solicit feedback and refine the site to best meet customer needs.

The new KYLMI website, located at https://kcews.ky.gov/KYLMI, utilizes Tableau software to give customers the ability to define and generate reports based on user-selected data and geography. Users can create and view customized reports and maps, download files, and produce printable reports.

The LMI Area Profile, a dynamic report providing a snapshot of key economic measures by area and industry, can be found at https://kcewsreports.ky.gov/t/KCEWS/views/LMIAreaProfile/FullSize?:embed=y&:showShareOptions=true&:display_count=no&:showVizHome=no.

Another dynamic piece of analysis, the Kentucky Future Skills Report (KFSR) allows users to explore historic workforce supply, current employment outcomes,

The enhanced Find Employers Module, which utilizes the Employer Database, is located at https://kcewsreports.ky.gov/t/KCEWS/views/EMPDB/FinalDisp?:embed=y&:showShareOptions=true&:display_count=no&:showVizHome=no.

Static tables and maps are also available, and for researchers and others seeking to download large amounts of data, Excel tables for current and historical data sets are available. This format was strongly preferred by stakeholders and is simpler to maintain.

Annual and quarterly updates to the QCEW tables were added, as were 2016 annual OES wage estimate files for the state and sub-state areas. Tables with monthly CES employment estimates are available for download, and the historical and current LAUS data series available to the public has been expanded to include labor force participation rates.

Standard LMI publications, including state and sub-state Occupational Outlooks, maps, Kentucky Career Profiles, press releases, Unemployment Insurance Claims tables, and other economic analysis are also available.

A redesigned annual labor force and population demographic report (formerly the Total and Non-White Report) is being developed and will be published in PY 2017.

These tables and LMI publications are housed within the Kentucky Labor Market Information Library located at https://kcews.ky.gov/KYLMI. On this page, Kentucky also maintain links to the Kentucky Career Center, StatsAmerica, QWI Explorer, Census LED OnTheMap, U.S. Bureau of Labor Statistics, and the U.S. Census Bureau.

Visits and downloads to the new site will be tracked using Google Analytics.

5. **Partner and consult on a continuing basis with workforce innovation boards and other key workforce and economic development partners and stakeholders.**
The Branch continued consultation with state and local WIOA professionals and board members regarding workforce information issues. The Branch conferred with various state and local groups and other organizations involved in policy making regarding current and projected workforce information. Regular exchanges of ideas between users and suppliers of workforce information occurred through meetings, demonstrations, focus groups, and conferences. Because workforce information depicts complex conditions subject to interpretation, training was available to improve the technical skills of Local Workforce Board (LWB) staff.

The broad scope of KCEWS’ existing partnerships within the education and workforce community, including local Chambers of Commerce, state K-12 and postsecondary education organizations, and others, allowed the Branch to build upon current relationships and cultivate new ones, increasing the interaction between LMI and key customer groups. The communication and feedback from these customers became the driving force behind the economic analysis and products produced by the Branch.

The primary contact between the Branch and the WIOA community is the business liaison/services staff of the LWB. The Branch continued to support the staff and meet their data requirements for business prospects, along with other informational requests. The Branch provided these services to other organizations involved in moving Kentucky forward to ensure we have an educated and skilled workforce for the 21st century.

The Branch partnered with the Office of Employment and Training to provide data and support for the WIOA formula allotments for the agency, and provided data, and analysis for elements used in reporting metrics for the state WIOA Combined State Plan.

The Branch has collaborated extensively with the state’s Division of Unemployment Insurance in reviewing and expanding their database and analytical capabilities. This is a natural alliance since the Division of Unemployment Insurance relies on OES, CES, LAUS, and QCEW data in making their policy decisions. The Branch is also working with the Division to enhance the UI Claims data available for the public, which is produced by UI and published by Workforce Intelligence.

The Branch will continue to consult with state and Local Workforce Area professionals and board members regarding workforce information issues and customer needs. The Branch will also consult with other organizations at the state and local level providing education and/or training, as well as organizations involved in policy making regarding current and projected workforce information. Regular exchanges of ideas between users and suppliers of workforce information will also occur through meetings, demonstrations, focus groups, and conferences.
Finally, in an effort to become more proactive in its exchanges with Local Workforce Areas and other customer groups, Kentucky is garnering feedback from customers to develop standard recurring publications that will be of benefit to multiple groups. Once developed, these products will be pushed out routinely to supplement the information already provided by the Branch.

Consultation and Customer Satisfaction Assessment

The Branch recognizes the importance of assessing customer satisfaction and the role it plays in the improvement of products and services. Throughout PY 2016 a concerted effort to obtain customer input on new product design, as well as feedback on existing products, was made. Through meetings, presentations, conferences, and individuals consultations, Kentucky solicited feedback to improve the products and services offered to users of labor market information. Customer response has been overwhelmingly positive regarding this new emphasis on user-driven product development. This focus will continue in PY 2017.

Conclusion

Funding from the Workforce Labor Market Information Grant is used to provide essential workforce information to Kentuckians. The Program enables the Branch to publish a wide array of print and electronic products that benefit our numerous customers and customer groups. Assessing and responding to the changing needs of our clientele will continue in PY 2017.