

Leveraging EWD Data to Understand Emerging Labor Market Needs

- **Patrick Kelly**, Assistant Director of Workforce Alignment, Alabama Commission on Higher Education

Higher Education and Regional Economic Renewal

The Role of SHEEO Agencies in Optimizing Regional Prosperity

Patrick Kelly

Alabama Commission on Higher Education



An Example that Works



The Context and Application in Alabama



How many workers in a household to sustain a middle-class Income?



MoneyWatch

A typical U.S. family needs annual income of \$145,000 to thrive, study finds. About half fall short.

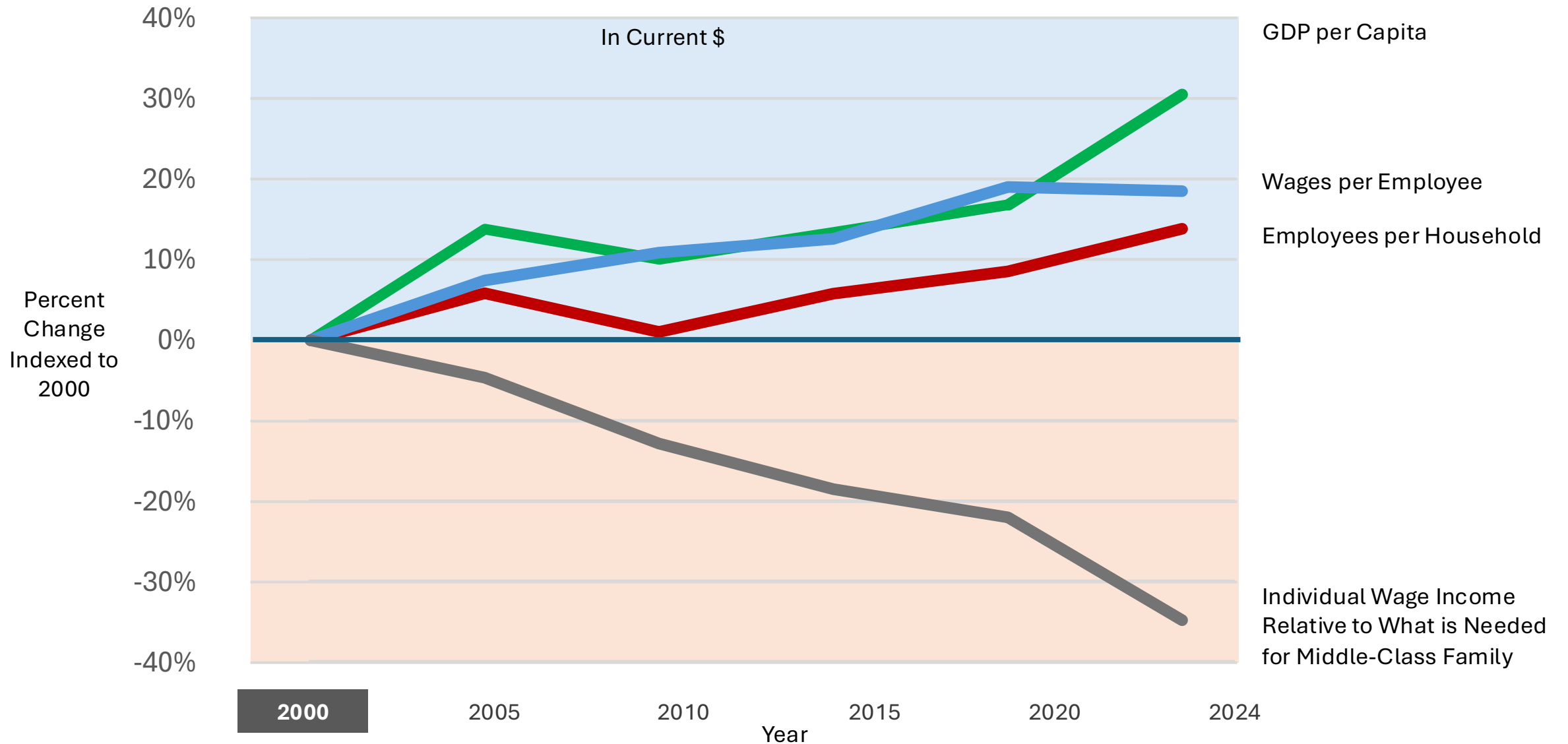
By Aimee Picchi

Updated on: March 18, 2026 / 1:42 PM EDT / CBS News

Percentage Change in Gross Domestic Product, Wages, and Employment: Since 2000

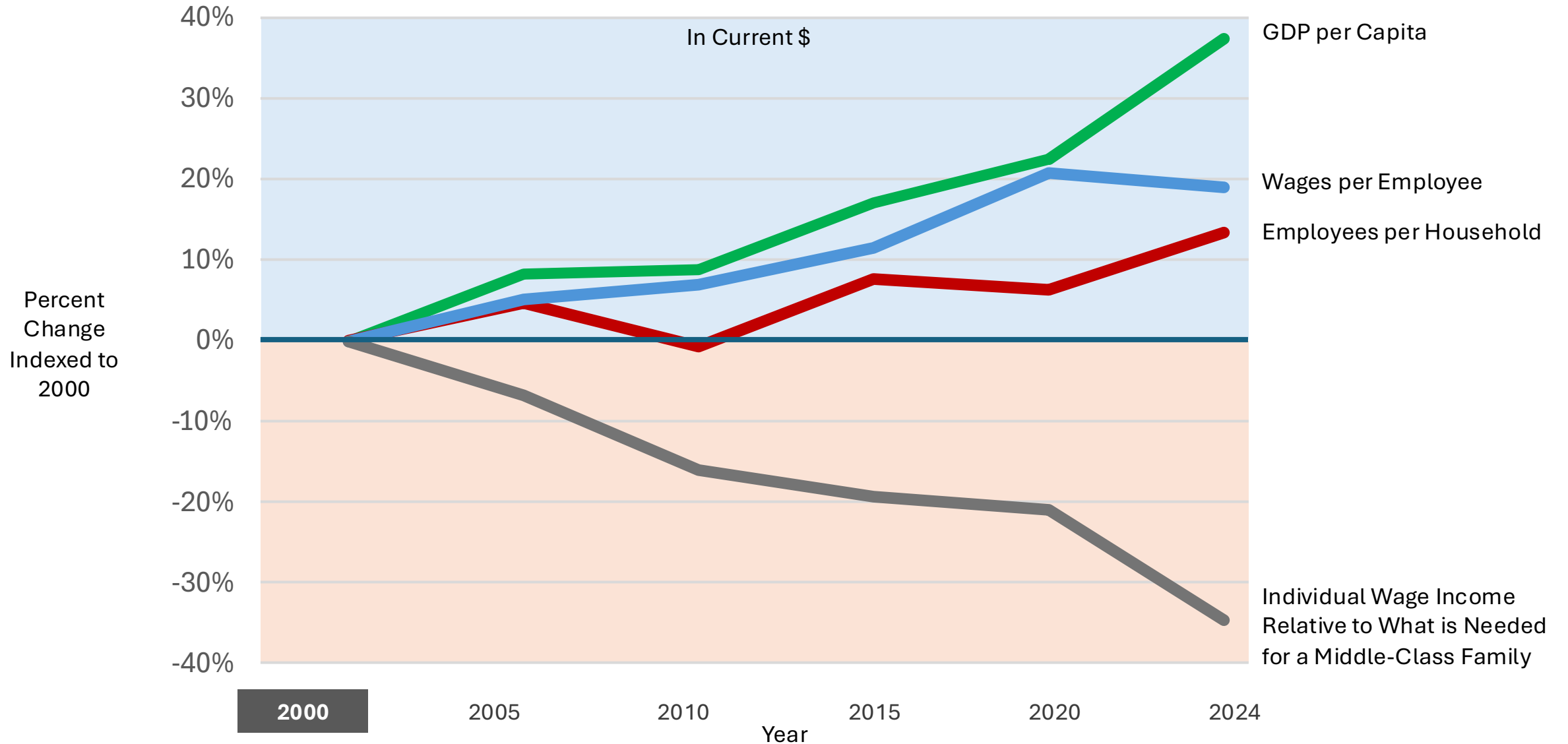
Alabama

In Current \$

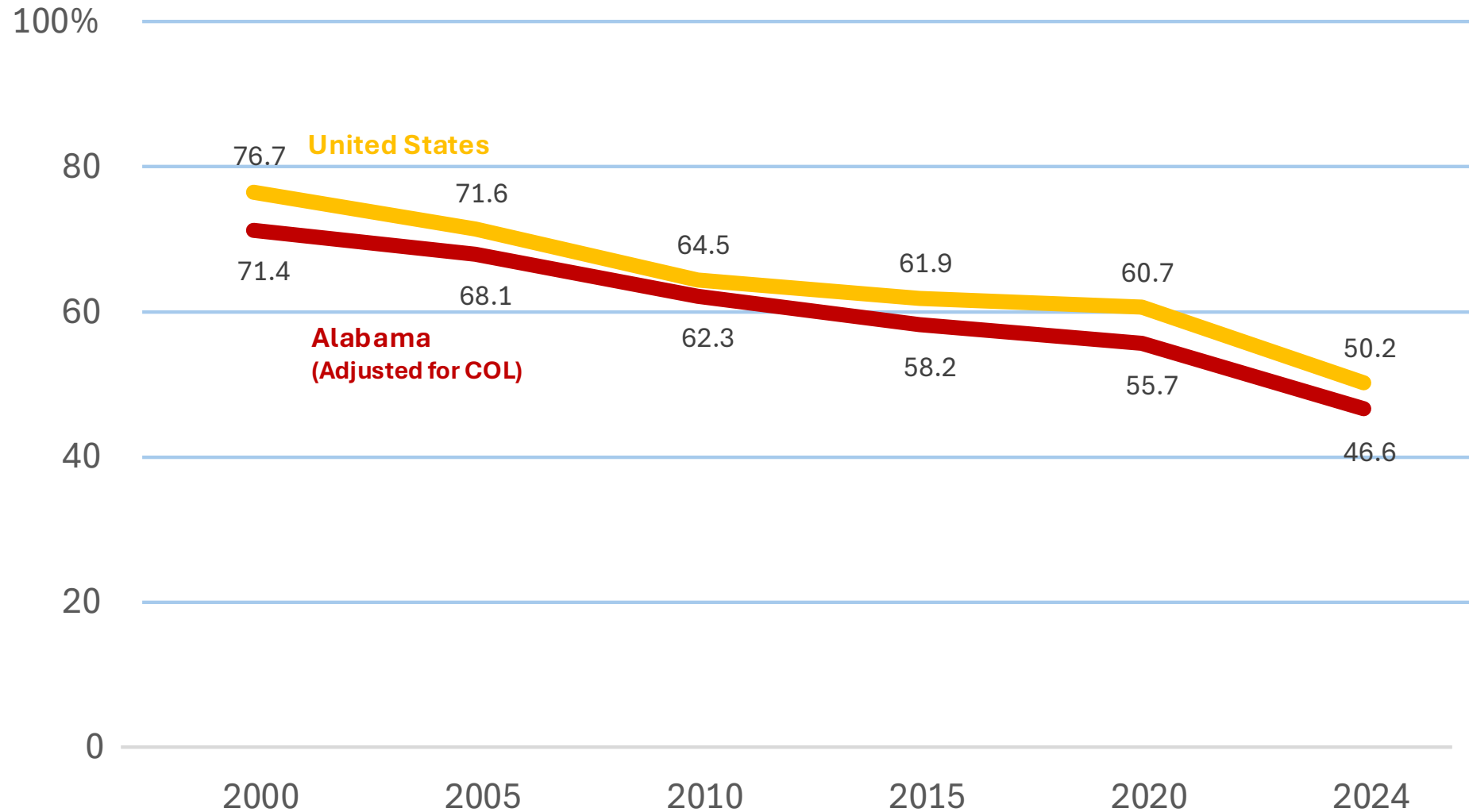


Percentage Change Since 2000 in Gross Domestic Product, Wages, and Employment

United States



Individual Wage Income as a Percentage of What is Needed for Thriving Middle-Class Family From 2000 to 2024






First Airbus Aircraft Proudly
Made in the U.S.A.









A photograph of the entrance to the Honda Manufacturing of Alabama, LLC building. The building is a modern, multi-story structure with light-colored horizontal siding and a prominent overhanging entrance canopy supported by several thick, cylindrical columns. The entrance features large glass windows and doors. In the foreground, a large, flowering cherry tree with white blossoms is partially obscuring the view of the building. The sky is clear and blue.

Honda Manufacturing of Alabama, LLC



**Toyota Motor Manufacturing, Alabama
(TMMAL)**



FIRST ALERT

MAZDA TOYOTA MANUFACTURING PLANT

HUNTSVILLE

6:05 | 69°

WAFF 48

waff.com

CURRENTS MOULTON PARTLY CLOUDY 69°



Innovation that excites

US News voted Huntsville the best place to live in the United States in 2022-2023.

US News analyzed 150 large metropolitan areas in the U.S., paying attention to the quality of job markets, housing affordability, quality of life, desirability and net migration.



**BEST
PLACES**

U.S. News

RANKINGS

Strong Start, Strong Finish: An Education-to-Workforce Vision for Alabama



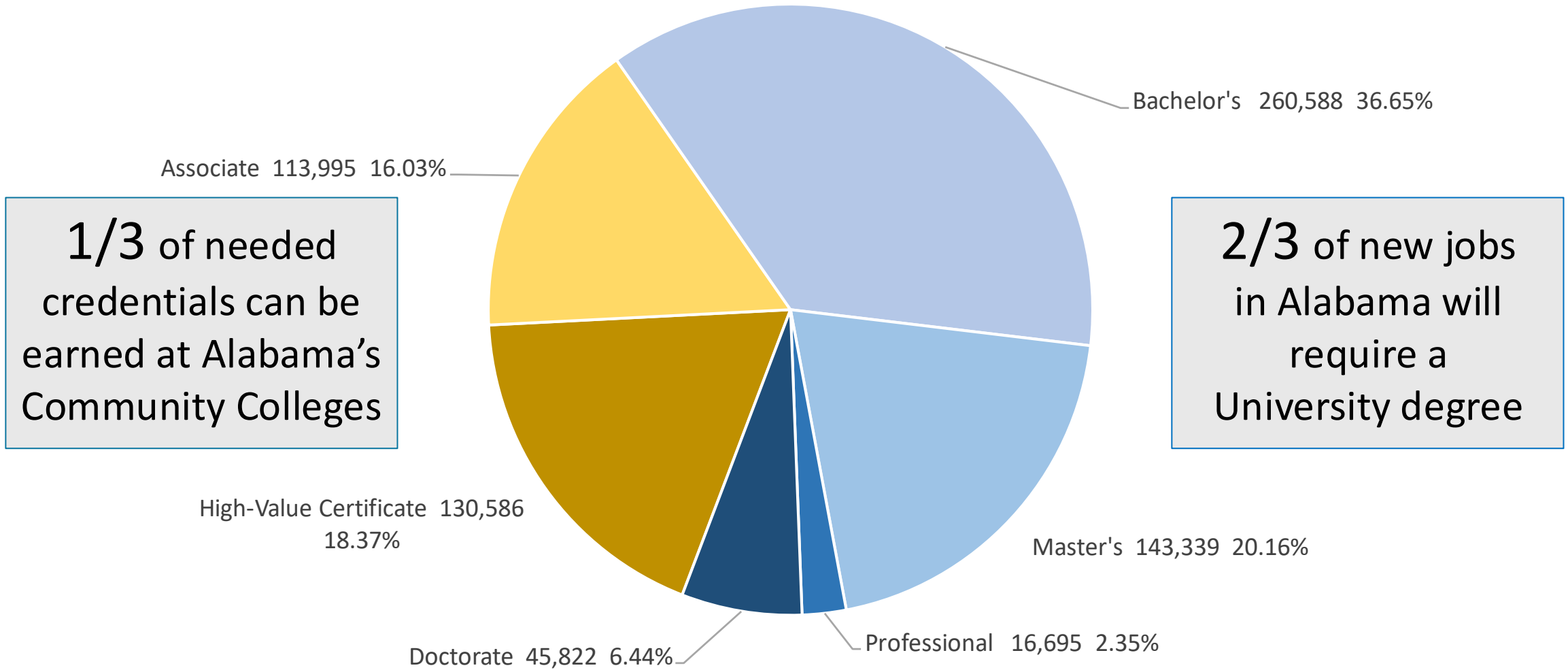
Strong Start, Strong Finish

Governor Kay Ivey



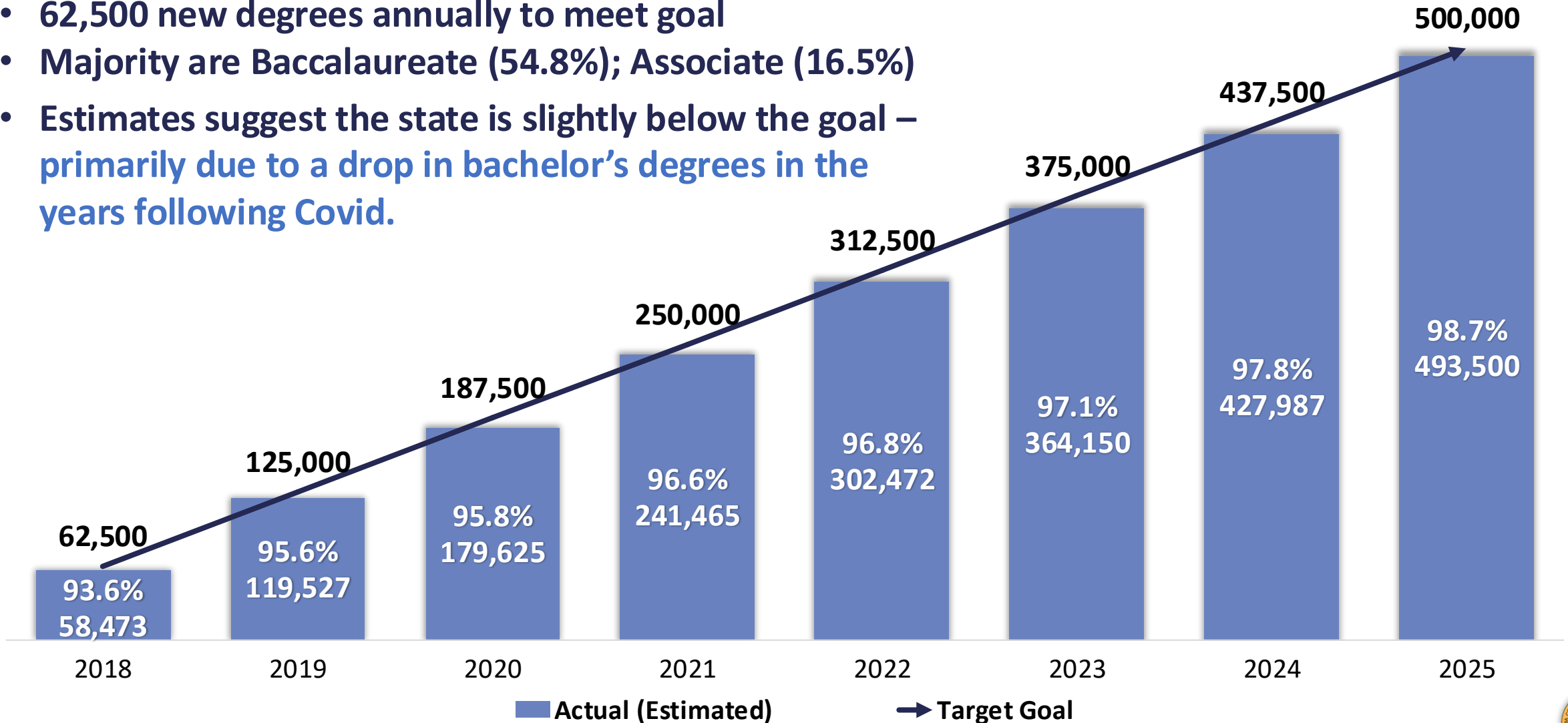
- Governor Ivey has established a strategic vision for aligning Alabama’s education and workforce programs from pre-k to the workforce to provide for a seamless education-to-workforce continuum for all Alabamians.
- Governor Ivey has set a postsecondary education attainment goal of adding 500,000 credential holders to Alabama’s workforce by 2025
- and a goal to increase Alabama’s labor force participation rate of 57.6 percent to the national average by 2025.

500 Credentials Needed by 2025



Success Plus: 500K New Degree Earners by 2025

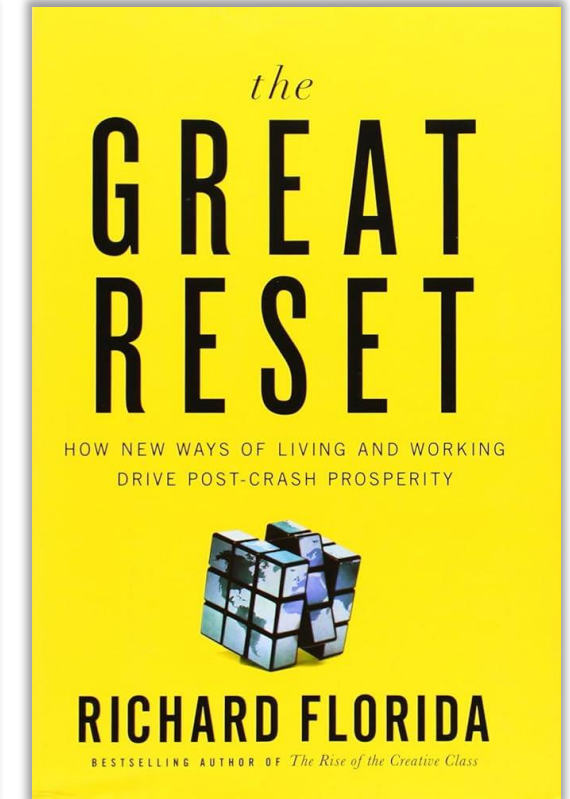
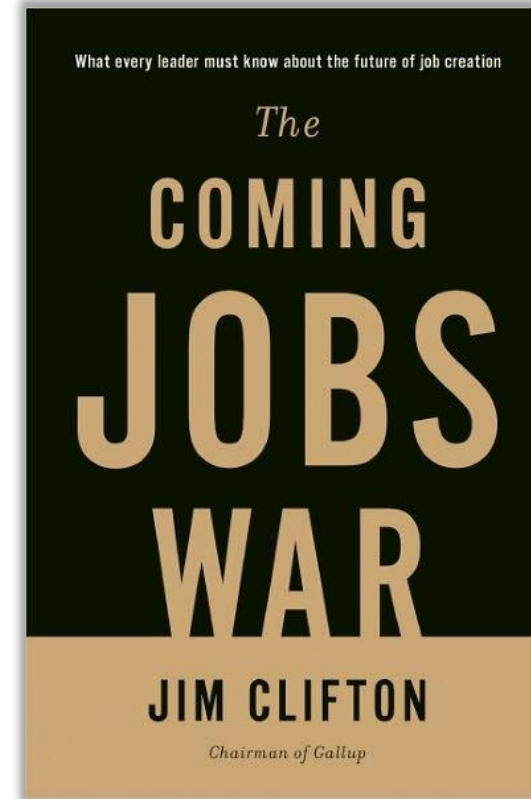
- Success Plus: 500K New Degrees from 2018 to 2025
- 62,500 new degrees annually to meet goal
- Majority are Baccalaureate (54.8%); Associate (16.5%)
- Estimates suggest the state is slightly below the goal – primarily due to a drop in bachelor’s degrees in the years following Covid.



Developing a Story and Messaging

Success in the Modern Age

- Density of educated/ skilled workers
- Access to good schools, colleges, and universities
- Local leadership
- Regional economic development strategies rather than state-wide strategies
- Return to city-states
 - *Sparta and Athens*
- Work-ready communities



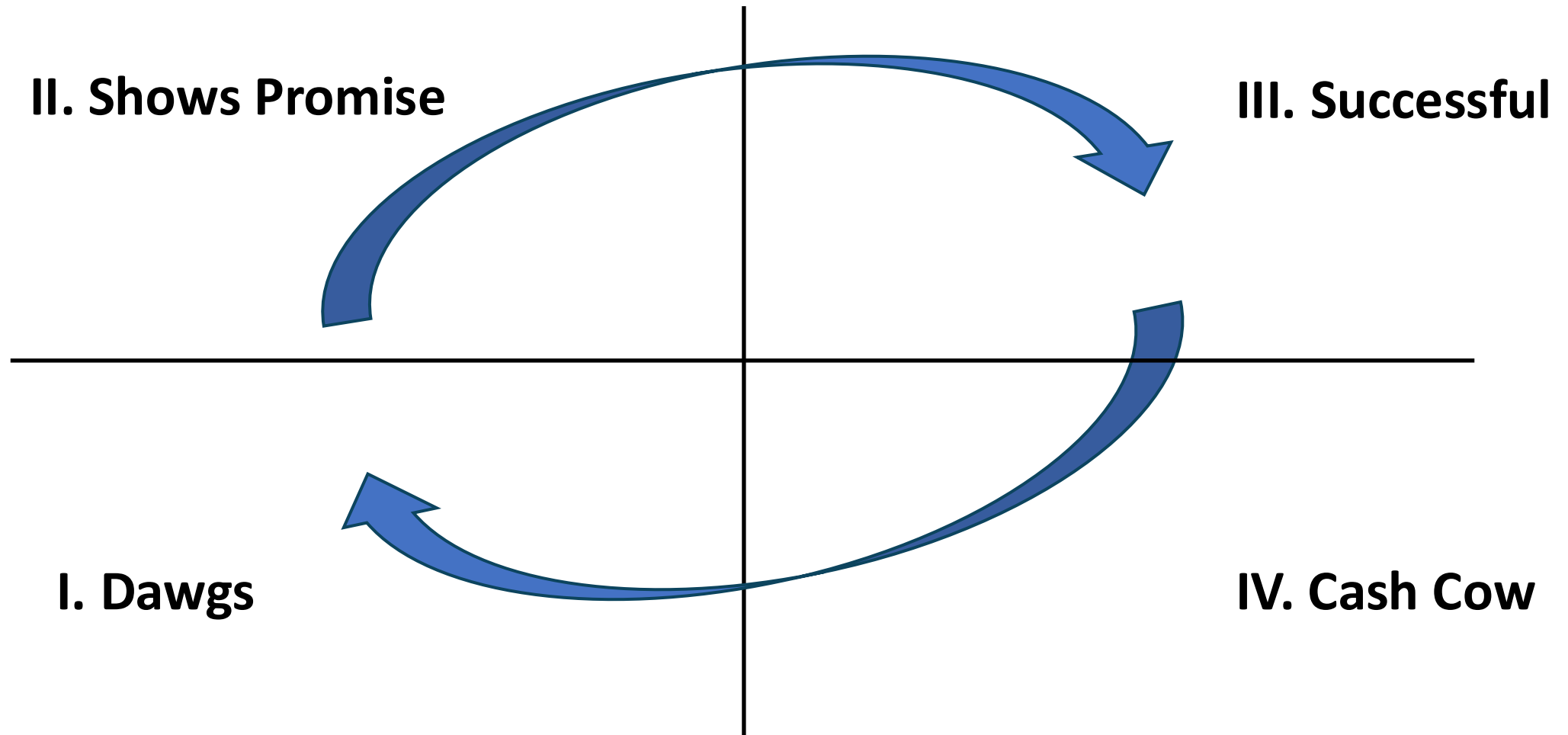
Entering Philosophy, Assumptions, and Mindset

- Politics are local - state-wide economic and social success starts with local success.
- **Most conversations about a community's future direction are not fruitful because they often shift to competing statistics, personal anecdotes, and hidden agendas.**
- Strategic investment can make a big impact.



Life Cycle of an Economy

Modified Boston Consulting Group Matrix



Life Cycle of an Economy

Modified Boston Consulting Group Matrix

II. Shows Promise

- Has some ingredients of a great economy but not yet there
- Shows great potential for success
- Yet to be financially self-sustaining
- Needs nuanced revisions to become fully successful

III. Successful

- Financially self-sustaining
- Has potential for even greater success
- Recognized for quality and value
- Popular with the public
- Needs modest adjustments to optimize growth

I. Dawgs

- Startups that expend extensive resources with little return on investment
- Poor performers, often older initiatives that have lost effectiveness
- Niche companies that are not self-sustaining
- Needs systemic revision to be self-sustaining
- Drag on public services

IV. Cash Cow

- Older projects
- No investment is required to sustain positive revenue stream
- Sustained by legacy reputation
- Will need modernization

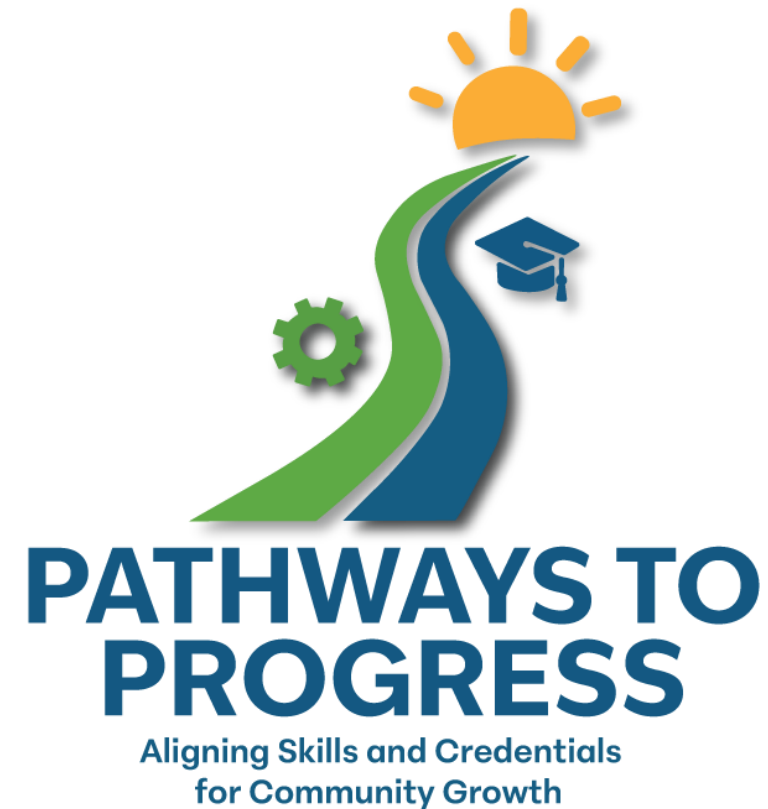
Pathways to Progress

- Various factors impacting different communities
- **Factors of the Life Cycle of an Economy**
 - Philosophy, assumptions, and mindset
 - Beginning with measures from EWNl and drilling down further in work with community leaders.
- Focused interventions
- **Legislative ask**
- **Engaging local community in the effort**



Pathways to Progress

- ***Pathways to Progress*** is an economic and workforce development initiative led by the ACHE to help strategically align educational attainment with workforce demands in regions poised for growth.
- Grounded in key education and workforce data and the conceptual framework of the Economic Life Cycle Matrix, this initiative supports communities where increasing postsecondary credentials will directly improve economic vitality.



Pathway To Progress

- Life Cycle of an Economy
 - The philosophy, assumptions and mindset
 - The measures –Life Cycle/ EWNII
 - Based on PUMAs
- Identifying factors impacting different communities
- Focused interventions
- **Legislative ask**
- **Engaging local community in the effort**

Dilemma(s) of Planning for the Future

- Once upon a time, economic data was sparse. Leaders tend to lead more on personal observation and applied random data to justify their efforts.
- Then information became more common. Data was everywhere, but people tended to focus on information that validated their efforts.
- But not all data is created equal. What data is in fact essential to effective and onward decision-making? What data is irrelevant or loosely related? What data can keep a leadership team focused on what is mission critical?



Education Workforce Needs

Factors and Measures

Education

- Ages 18 to 64 with a High School Diploma Only
- Ages 25 to 64 with an Associates Degree
- Ages 25 to 64 with a Bachelor's Degree
- Difference in College Attainment between Young and Older Adults
- Ages 18 to 29 with No College Credential, Not Enrolled

Workforce

- Working-Age Participation in the Labor Force
- Unemployment
- Employment in Manufacturing and Extraction
- Median Personal Income (total personal income)
- Median Annual Wage Income (full-time workers)
- Adults with SSI or Welfare Income

Other Considerations

- Age (Young vs. Older)
- Population Growth
- Gender
- Race/Ethnicity
- Poverty

Alabama Workforce Regions

1 NORTH

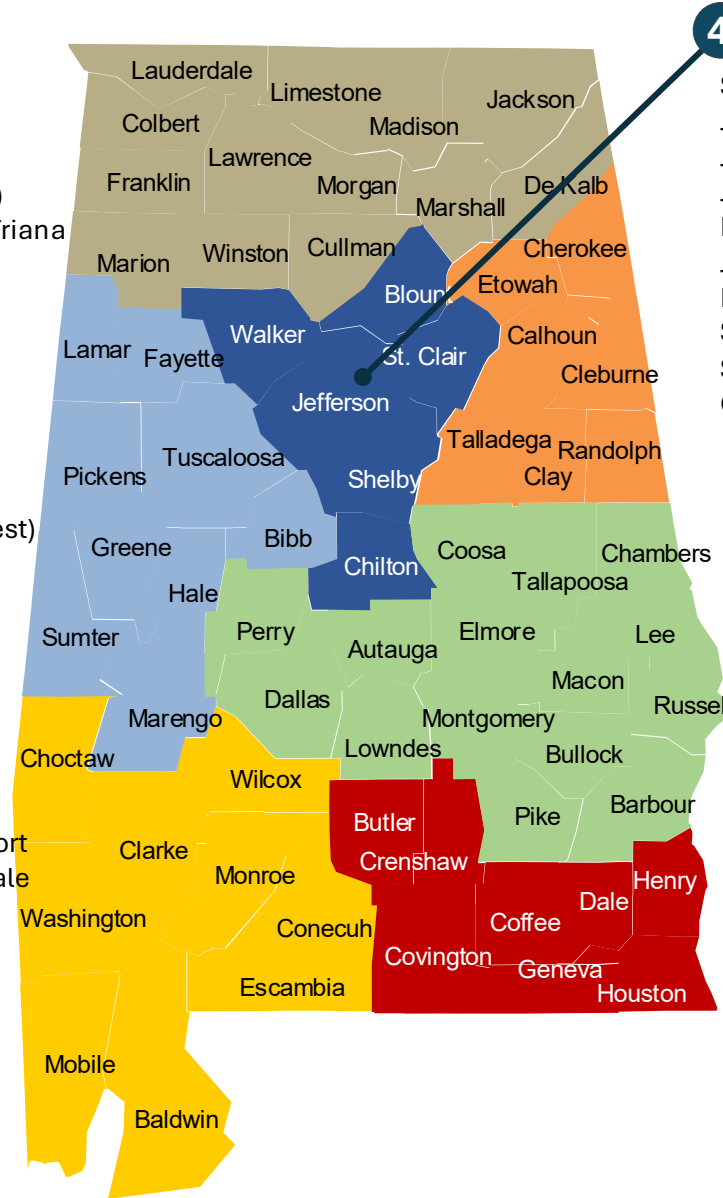
Lauderdale, Colbert & Franklin Counties
 Limestone County
 Morgan & Lawrence Counties--Decatur City
 Madison County (North & East)--Huntsville (East)
 Huntsville (North & Far West), Madison (East) & Triana
 Huntsville City (Central & South)
 Marshall & Madison (Far Southeast) Counties
 DeKalb & Jackson Counties
 Cullman, Marion & Winston Counties

3 WEST

Tuscaloosa County (Outer)--Northport (North & West)
 Tuscaloosa & Northport (Southeast)
 West Alabama

7 SOUTHWEST

Baldwin County (North)--Daphne, Fairhope & Spanish Fort
 Baldwin County (South)--Foley, Gulf Shores & Robertsdale
 Mobile County (Outer)--Prichard & Saraland
 Mobile City (West) & Tillmans Corner CDP
 Mobile City (East)
 Southwest Alabama



4 CENTRAL SIX

St. Clair & Blount Counties
 Jefferson (Northwest) & Walker Counties
 Jefferson County (West)--Bessemer, Hueytown & Pleasant Grove Cities
 Jefferson County (Northeast)--Trussville, Center Point & Gardendale
 Birmingham City
 Jefferson County (Southeast)--Hoover (North), Vestavia Hills & Homewood
 Shelby County (North)--Hoover (South), Alabaster (North) & Pelham
 Shelby (South and East) and Chilton Counties--Alabaster (South) & Chelsea

2 EAST

Etowah & Cherokee Counties
 Calhoun County
 Talladega, Randolph, Cleburne & Clay Counties

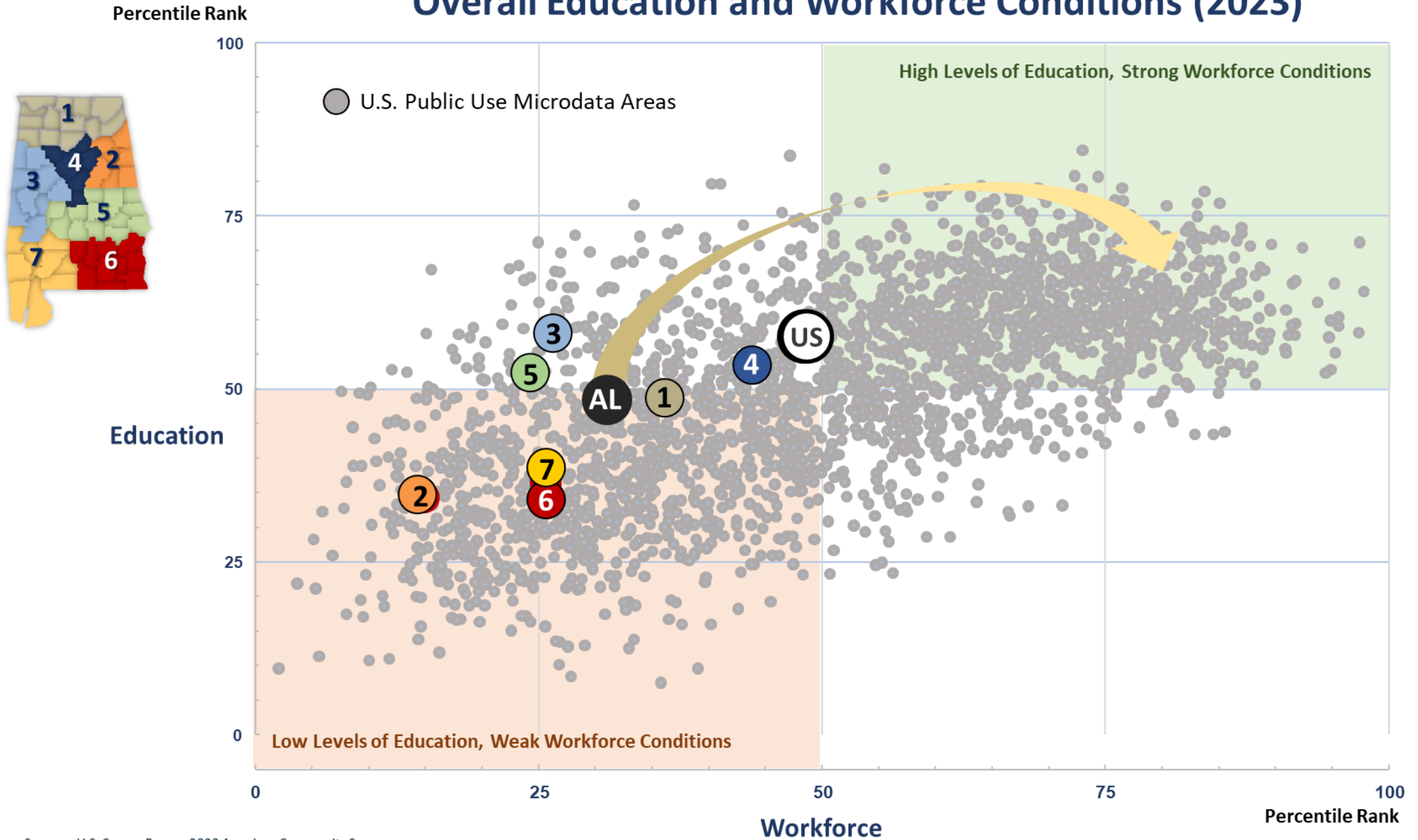
5 CENTRAL

Autauga, Dallas, Lowndes & Perry Counties
 Montgomery City (West)
 Montgomery City (East) & Pike Road Town (Northwest)
 Elmore & Montgomery (South & Far East) Counties
 Tallapoosa, Chambers, Macon, Coosa & Bullock Counties
 Lee County (West)--Auburn & Opelika Cities
 Lee (East) & Russell Counties--Phenix City & Smiths Station Cities

6 SOUTHWEST

Houston, Geneva & Henry Counties--Dothan City
 Coffee & Dale Counties
 Covington, Pike, Barbour, Butler & Crenshaw Counties

Overall Education and Workforce Conditions (2023)



Need or Challenge

Lowest

U.S. Median

Highest

Overall Education and Workforce Need

Education Need

High School Completion Only

Associate Degree Completion

Completion of a Bachelor's Degree or Higher

College Attainment of Young vs Older Adults

Enrollment of Young Adults without a College Degree

Workforce Need

Labor Force Participation

Unemployment

Employment in Volatile Industries

Median Annual Wage Earnings for Full-Time Workers

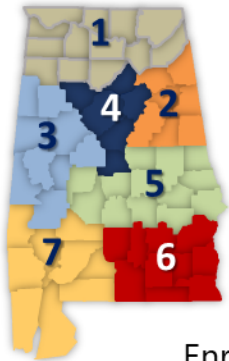
Median Family Income

Working-Age Adults with SSI or Welfare Income

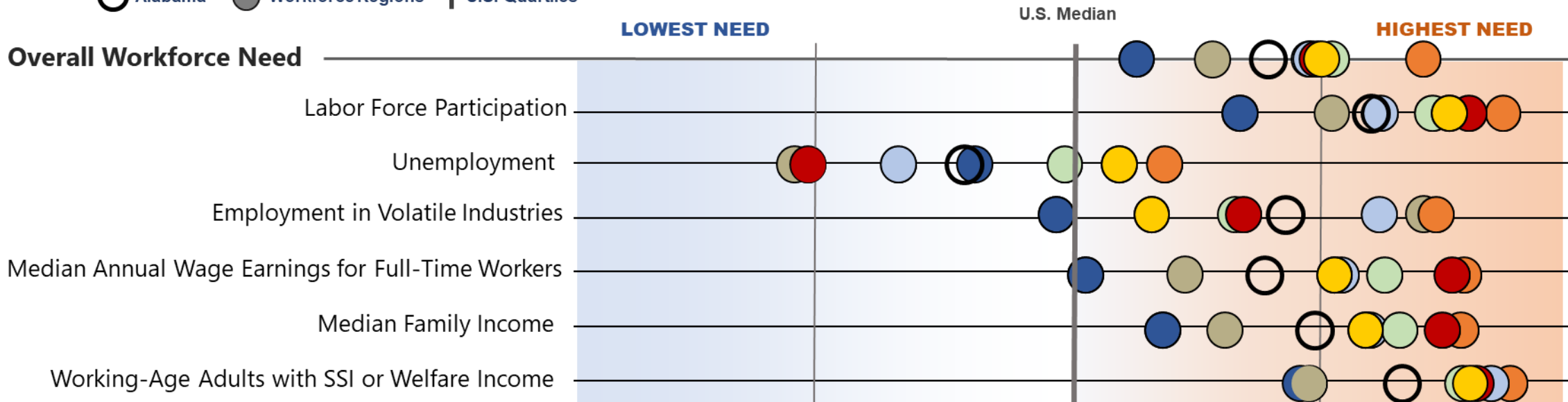
Target Strategy and Policy



○ Alabama ● Workforce Regions | U.S. Quartiles



○ Alabama ● Workforce Regions | U.S. Quartiles



Sources: U.S. Census Bureau 2023 American Community Survey; IPUMS USA, University of Minnesota, www.ipums.org

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Education and Workforce Needs

Alabama East

U.S. Quartiles

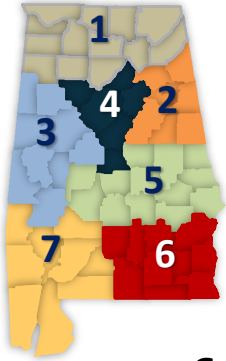
Need or Challenge

Alabama

Lowest

Highest

Workforce Regions



Overall Education and Workforce Need

Education Need

High School Completion Only

Associate Degree Completion

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Workforce Need

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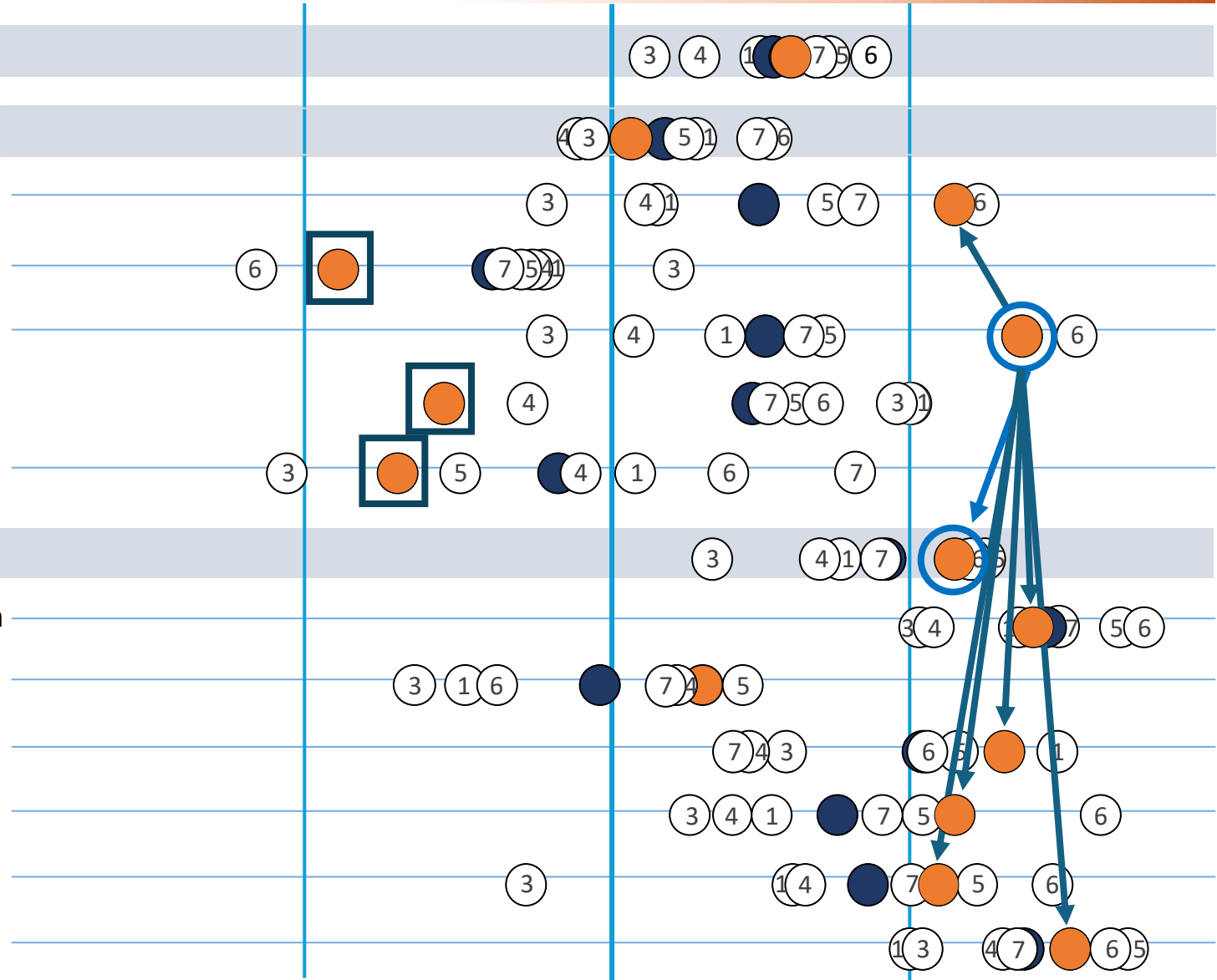
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Education and Workforce Needs

● Alabama

● Southeast

U.S. Quartiles

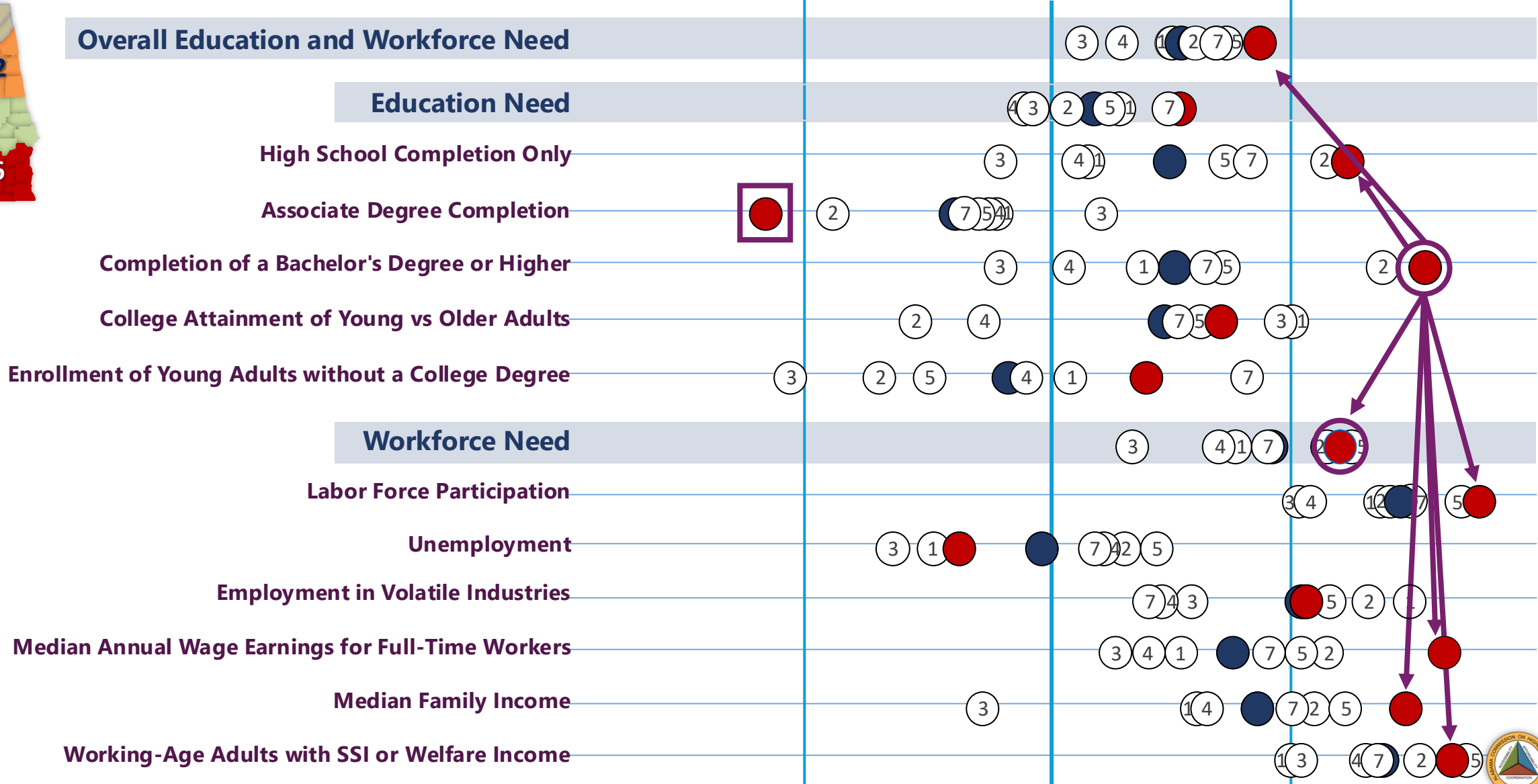
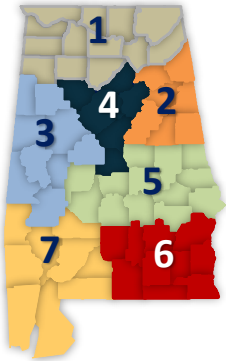
Need or Challenge

Alabama

Lowest

Highest

Workforce Regions



Aligning programs, creating pathways, etc. that address LOCAL workforce needs.

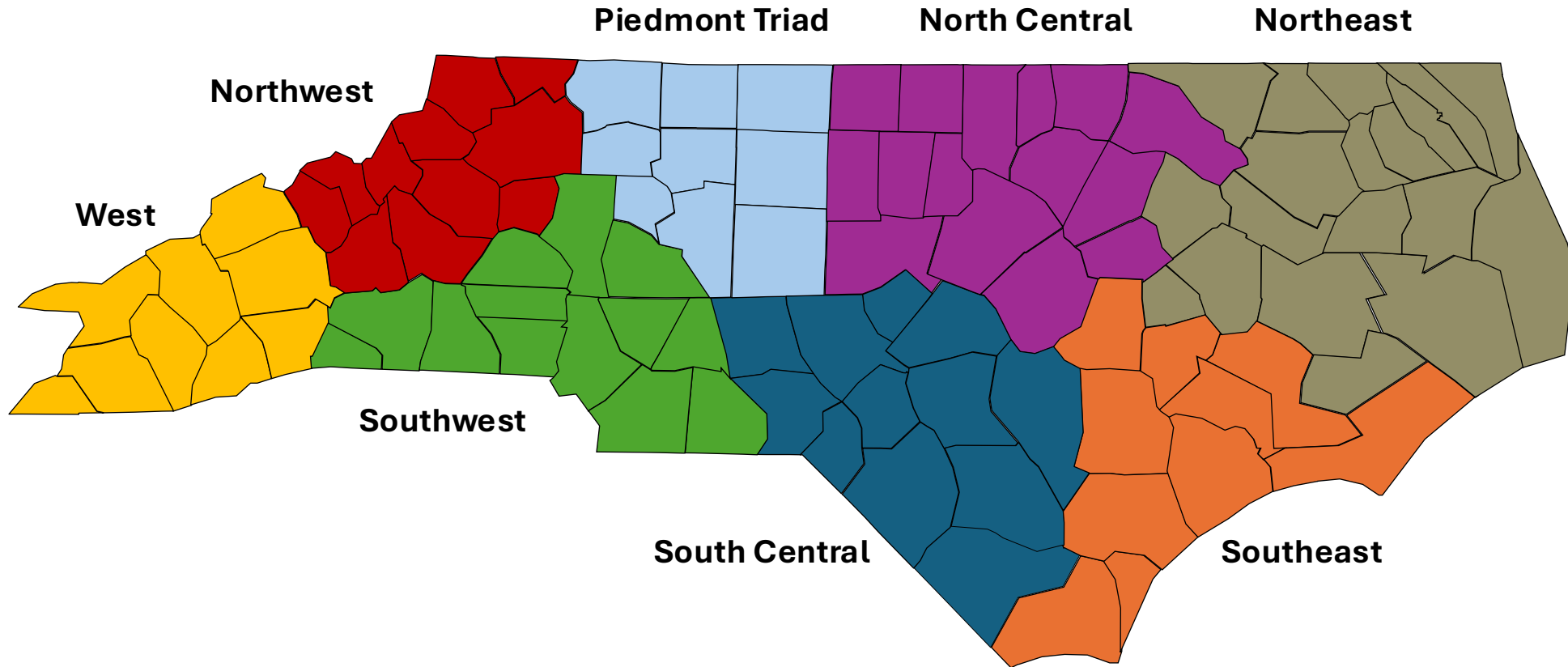


North Carolina Example



North Carolina Regions

(Regions Identified by Counties Included in Public Use Microdata Areas)

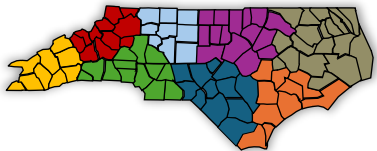


2024

Education and Workforce Needs – North Carolina

Regions

-  North Carolina
-  West
-  Northwest
-  Piedmont Triad
-  North Central
-  Northeast
-  Southeast
-  South Central
-  Southwest



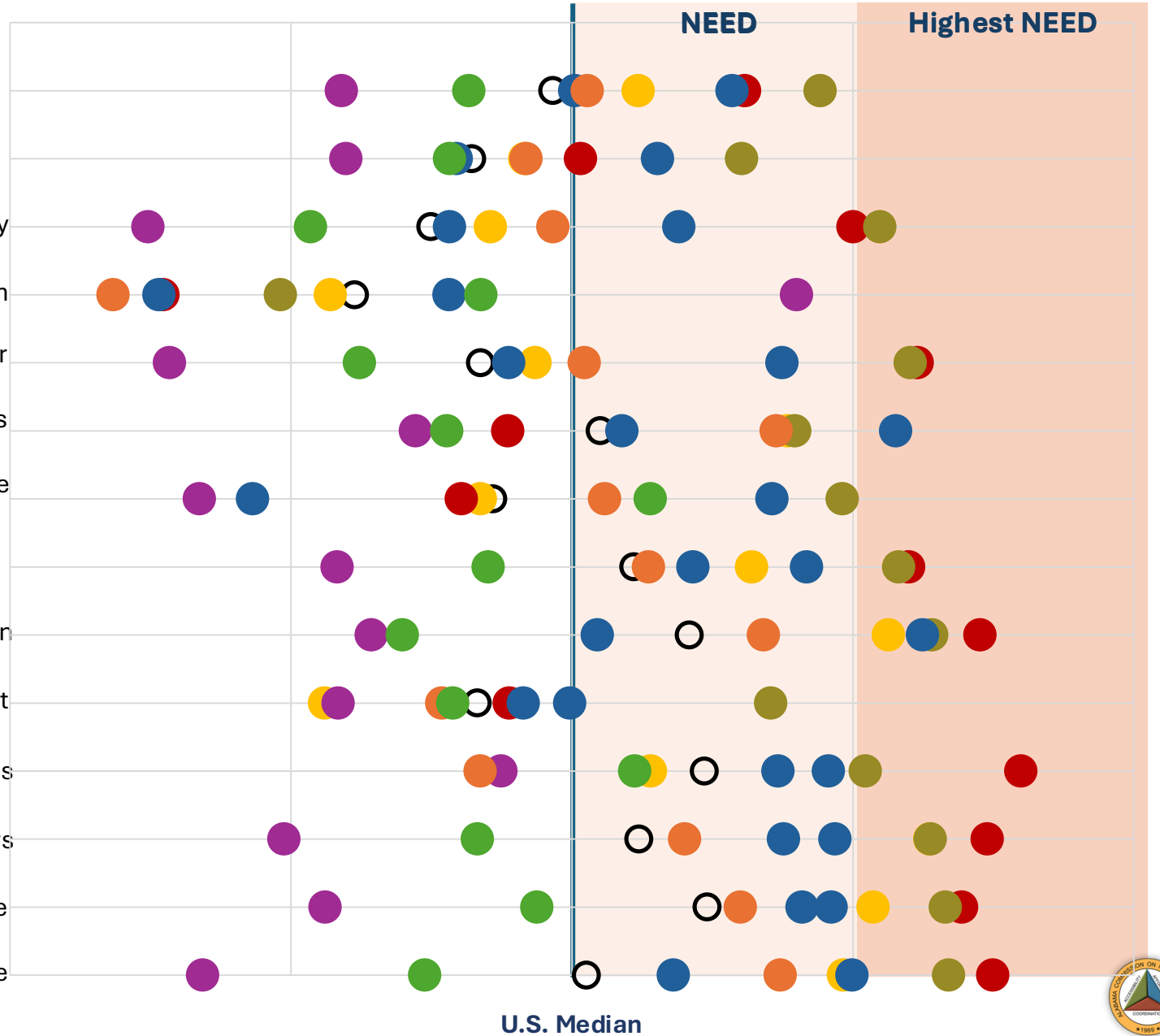
Overall Education and Workforce Need

Education Need

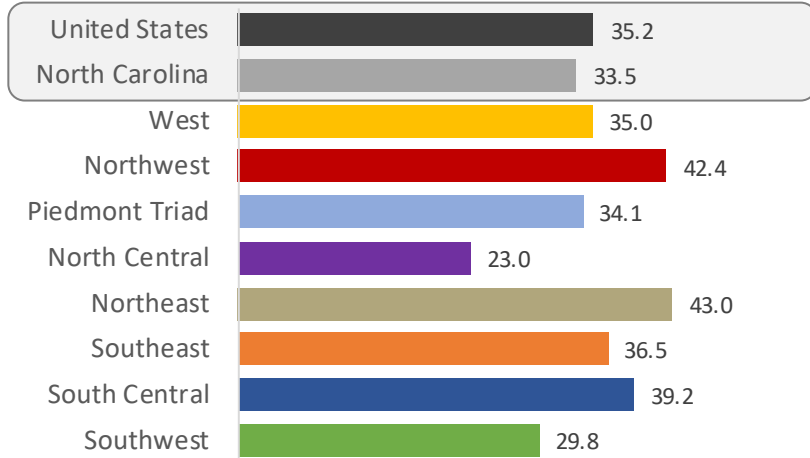
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Workforce Need

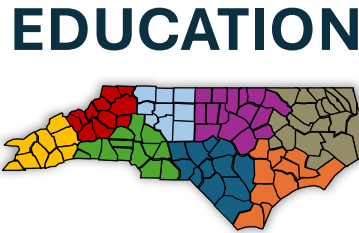
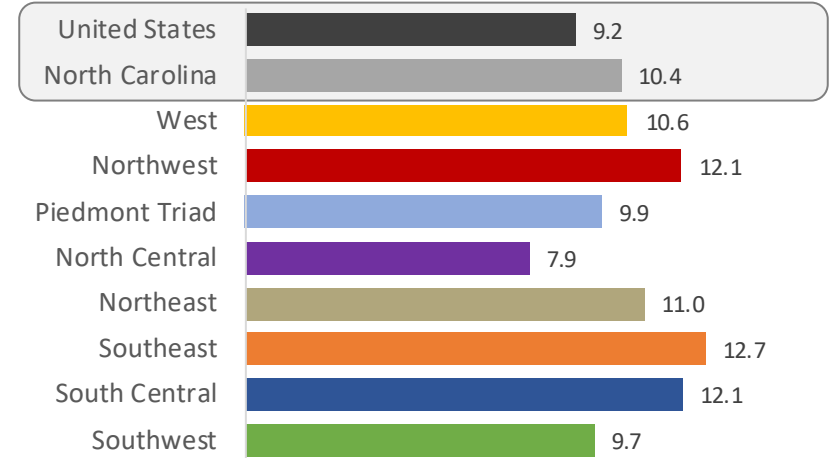
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- Unemployment
- Employment in Volatile Industries
- Median Annual Wage Earnings for Full-Time Workers
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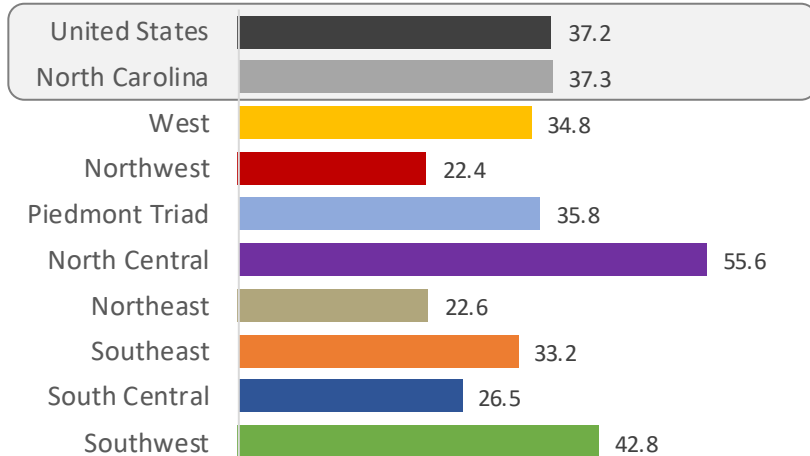
Percentage of Adults 18 to 64 Years Old with Only a High School Diploma Only (2024)



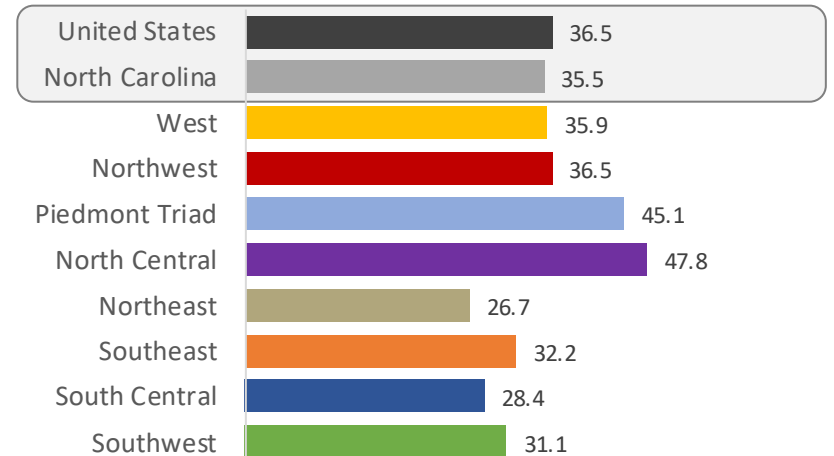
Percentage of Adults Ages 25 to 64 with an Associate Degree (2024)



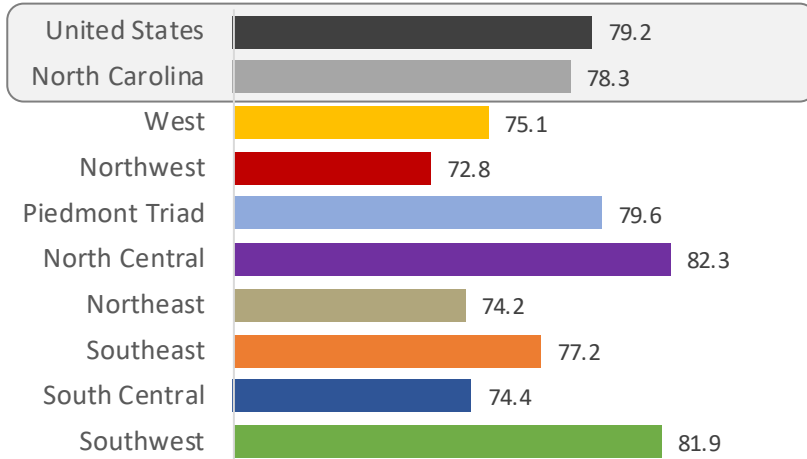
Percentage of Adults Ages 25 to 64 with a Bachelor's Degree or Higher (2024)



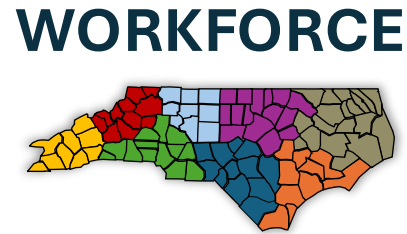
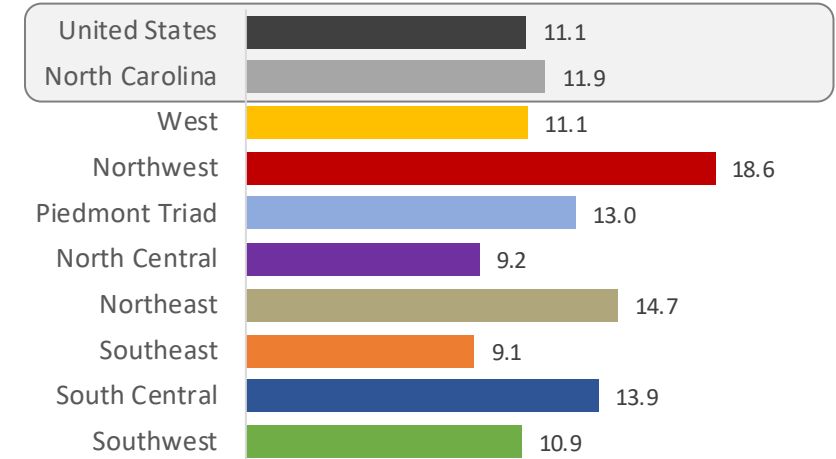
Percentage of Adults Ages 18 to 29 without College Degrees and Enrolled (2024)



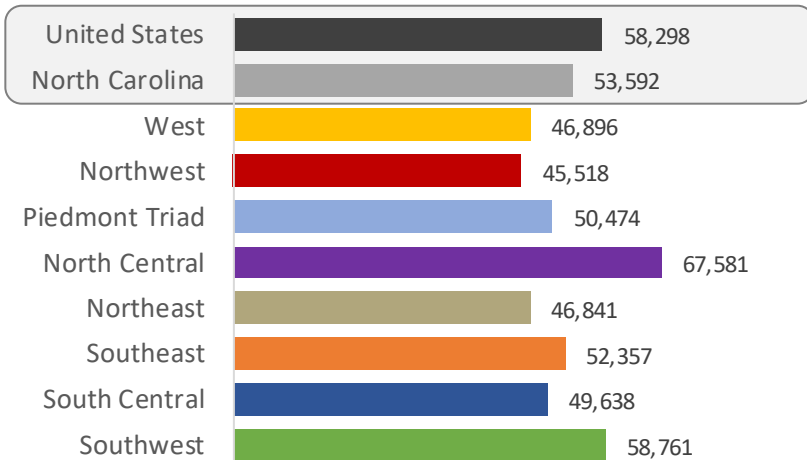
Percent of Adults Ages 25 to 64 Participating in the Labor Force (2024)



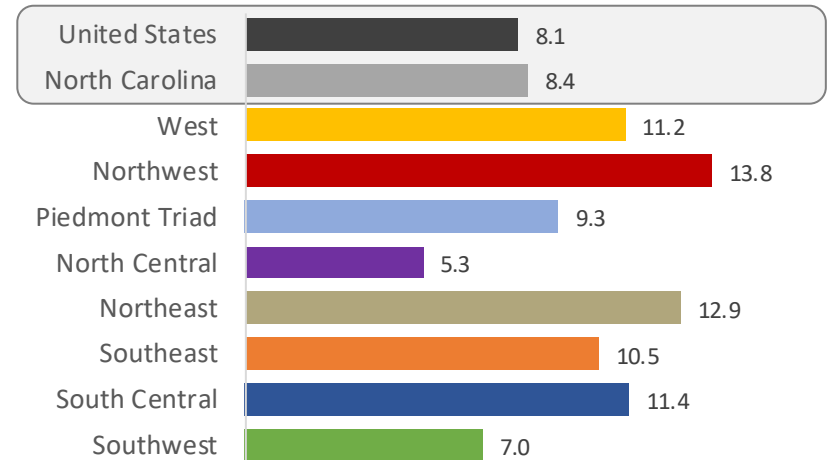
Percent Employment in Volatile Industries (2024)



Median Annual Wages for Full-Time Workers (2024)

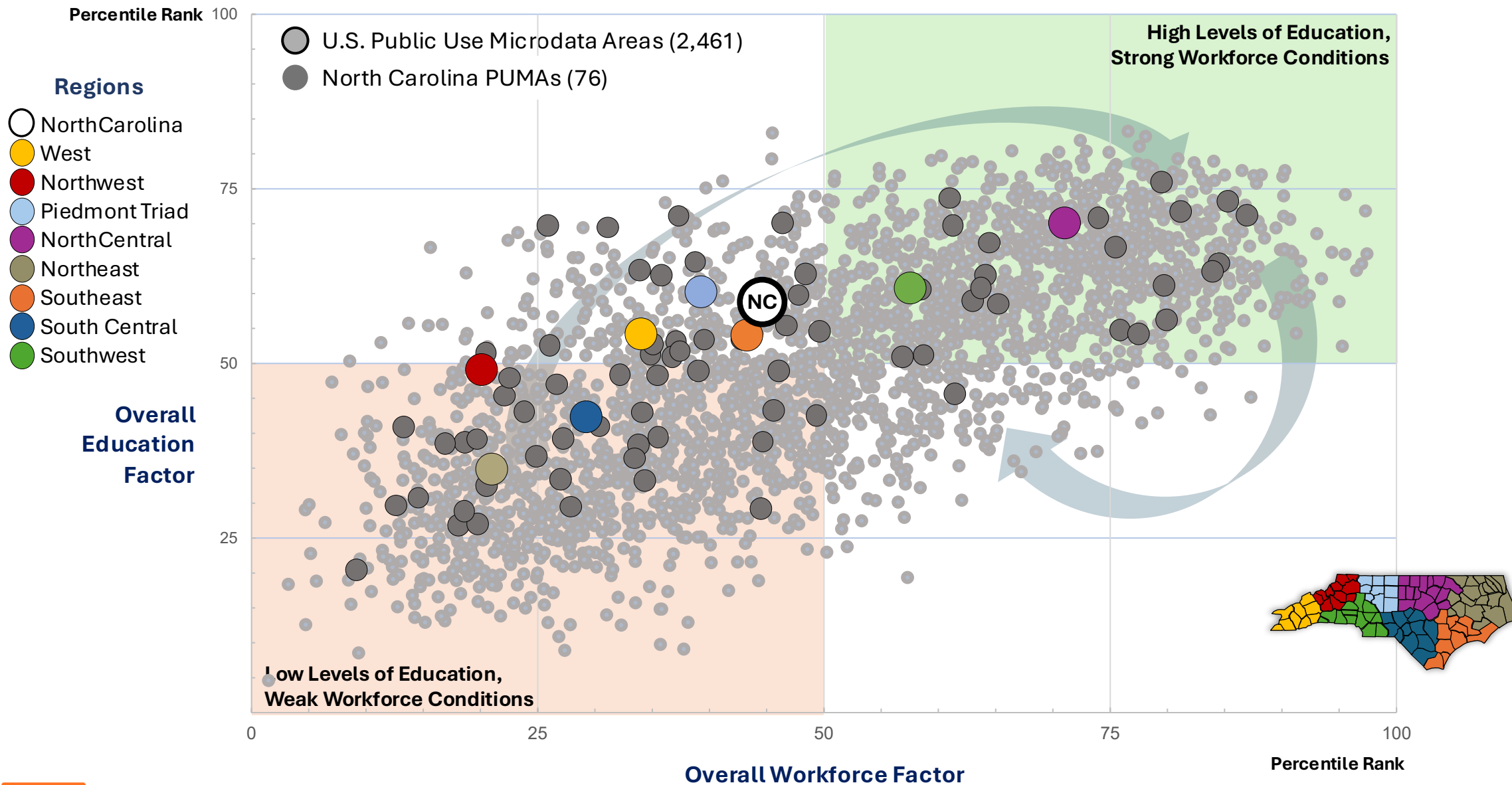


Percentage of Adults Receiving Welfare or Disability Payments (2024)



2024

Education and Workforce Needs – North Carolina



More of What?



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