



INDUSTRY RESEARCH EXCHANGE

Where Did My Job Go?

Unveiling the shifting landscape in Kansas

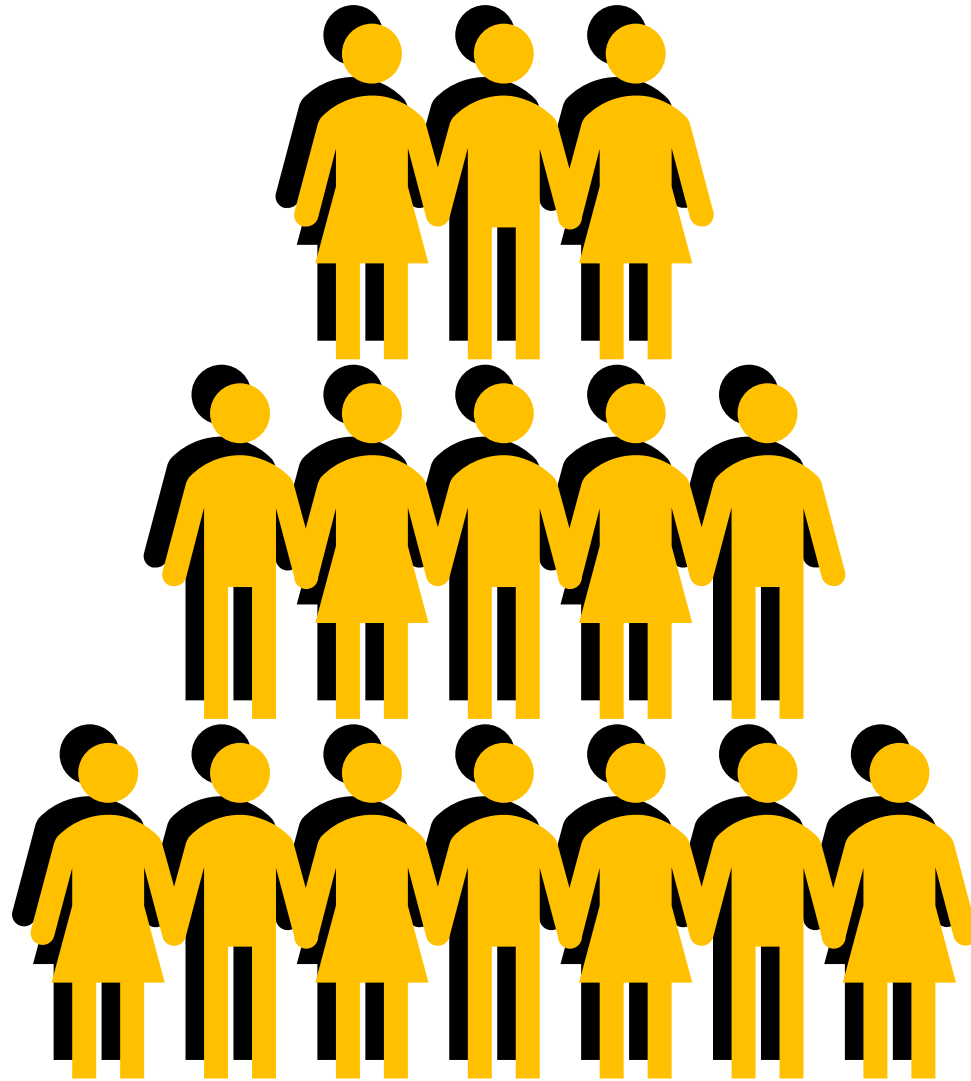
Agenda

Understanding the Kansas Landscape

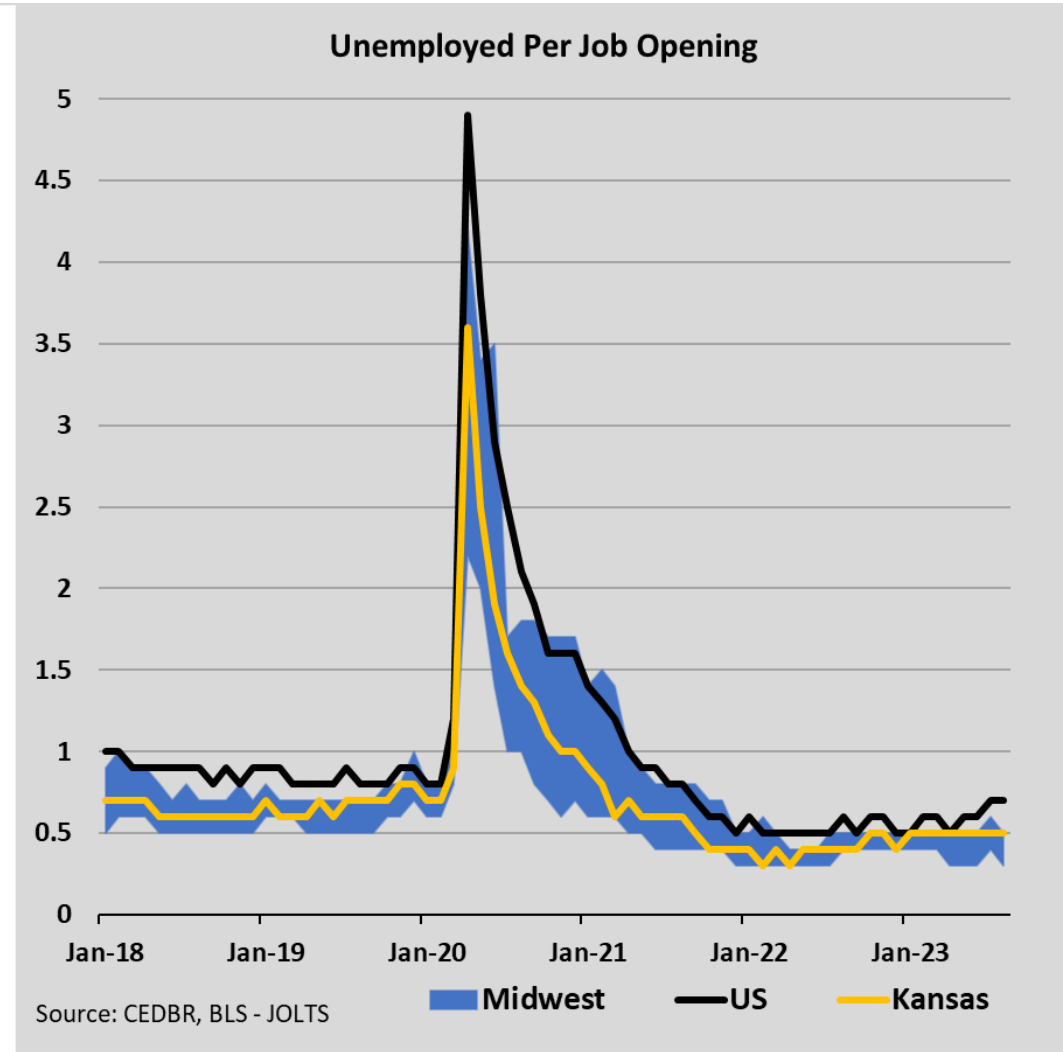
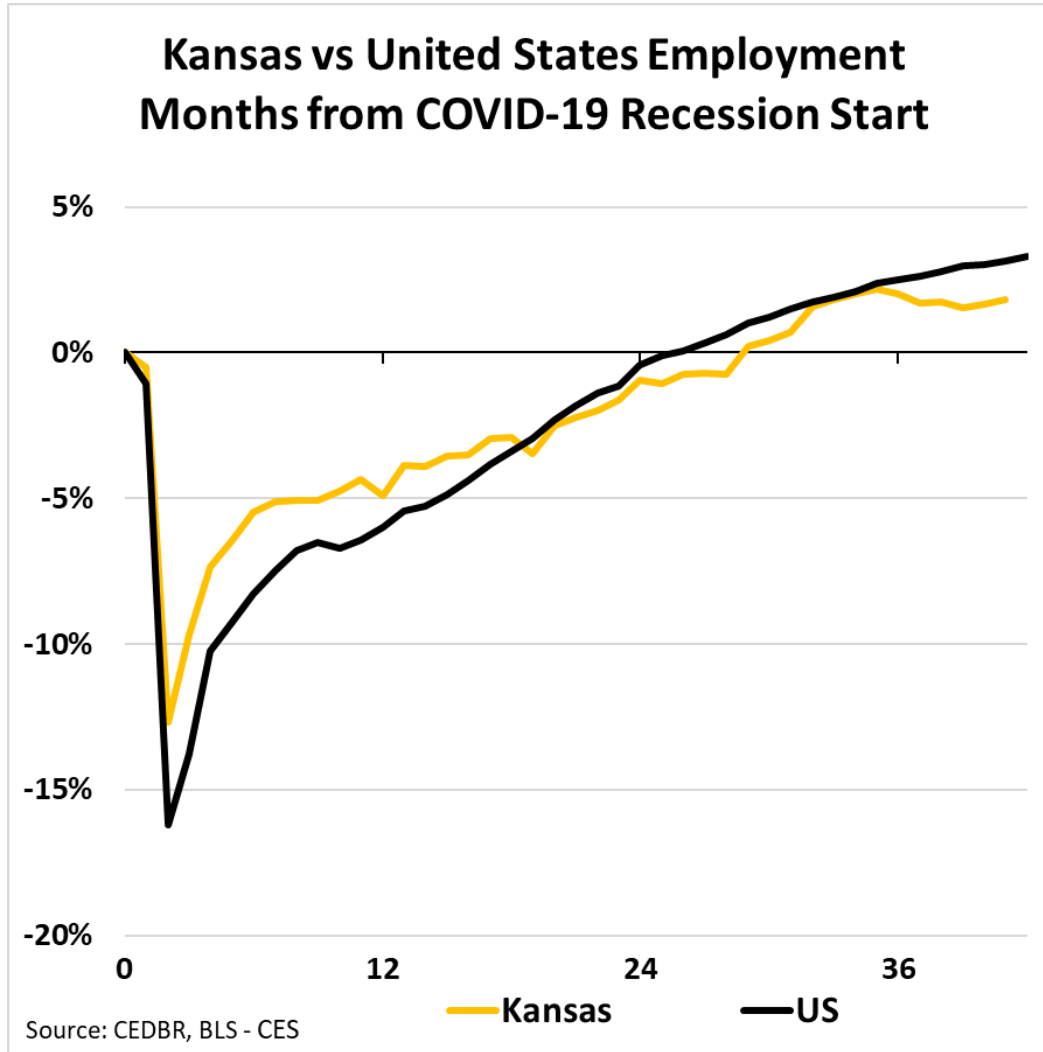
- **Labor churn**
 - Participation rates
 - Labor engagement
- **Occupational trends**
 - Competitiveness
 - Risk of automation
- **Job postings**
 - Changes in Educational mix
 - Skills gap

Labor Churn

- What is the labor force participation rate?
- Is the labor engagement similar across racial groups and genders?
- How does Kansas compare to its neighbors?

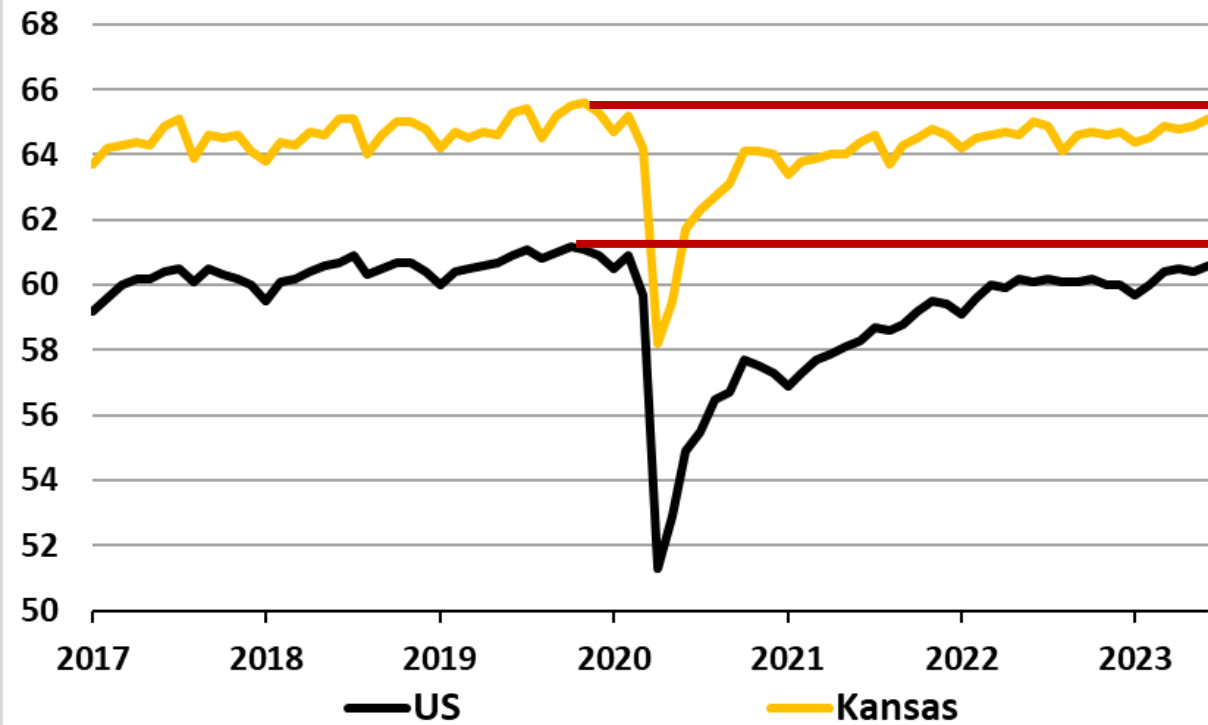


Kansas and Midwest employment **have recovered**, but **more slowly** than the national average



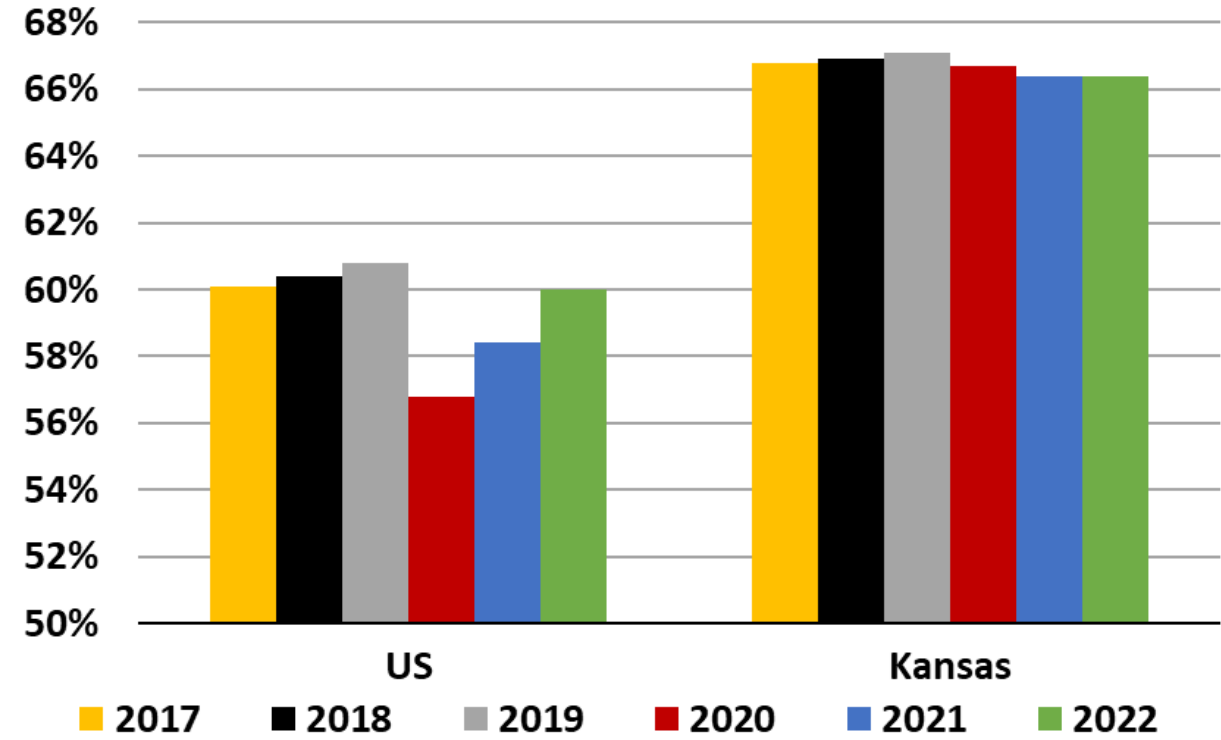
Labor Force Participation has recovered, but **not uniformly or completely**

Employment-Population Ratio



Source: CEDBR, BLS - CES and LAUS

Labor Force Participation Rate - Annual Averages



Source: CEDBR, BLS - CES and LAUS

- Kansas' population is more engaged than the nation
- Kansas recovery is slower than the national average

- US annual labor force participation has shown steady recovery
- Kansas remains lower than pre-pandemic

Labor force participation has become **more diverse**

Growing

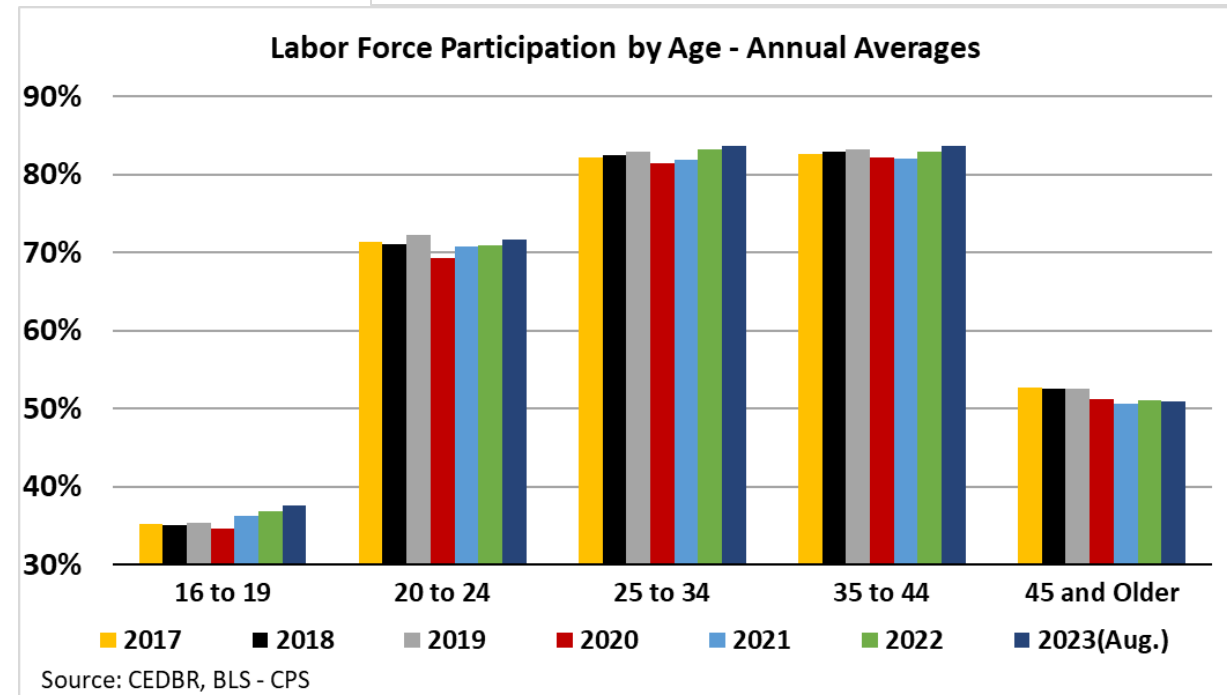
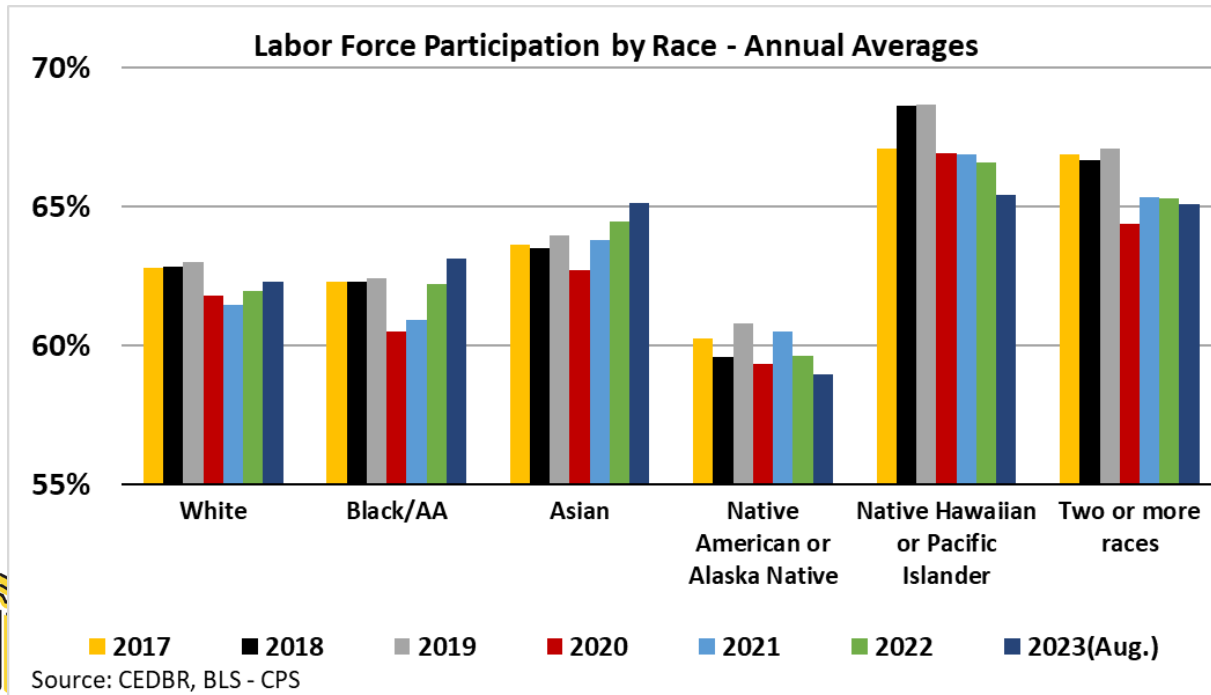
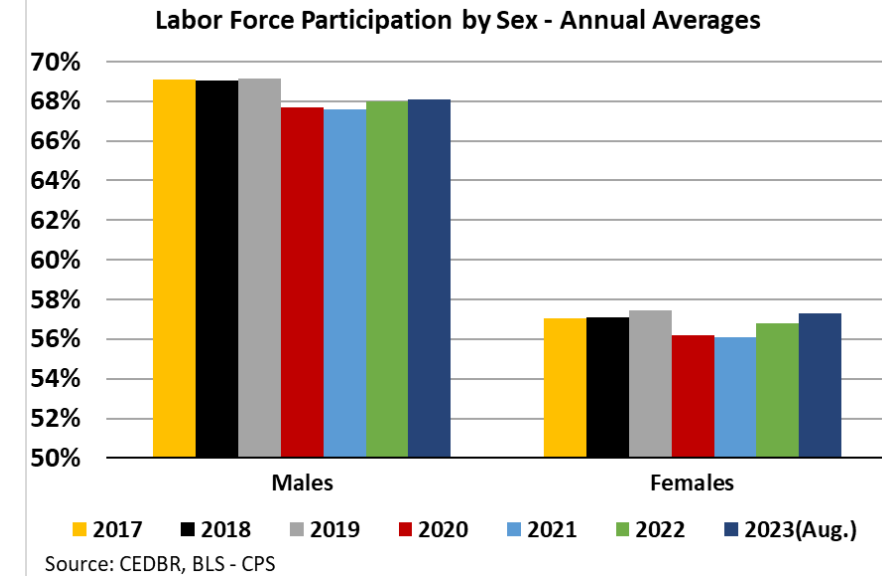
- Female
- Black/African American
- Asian
- 16-19
- 20-24
- 25-44
- White

Declining

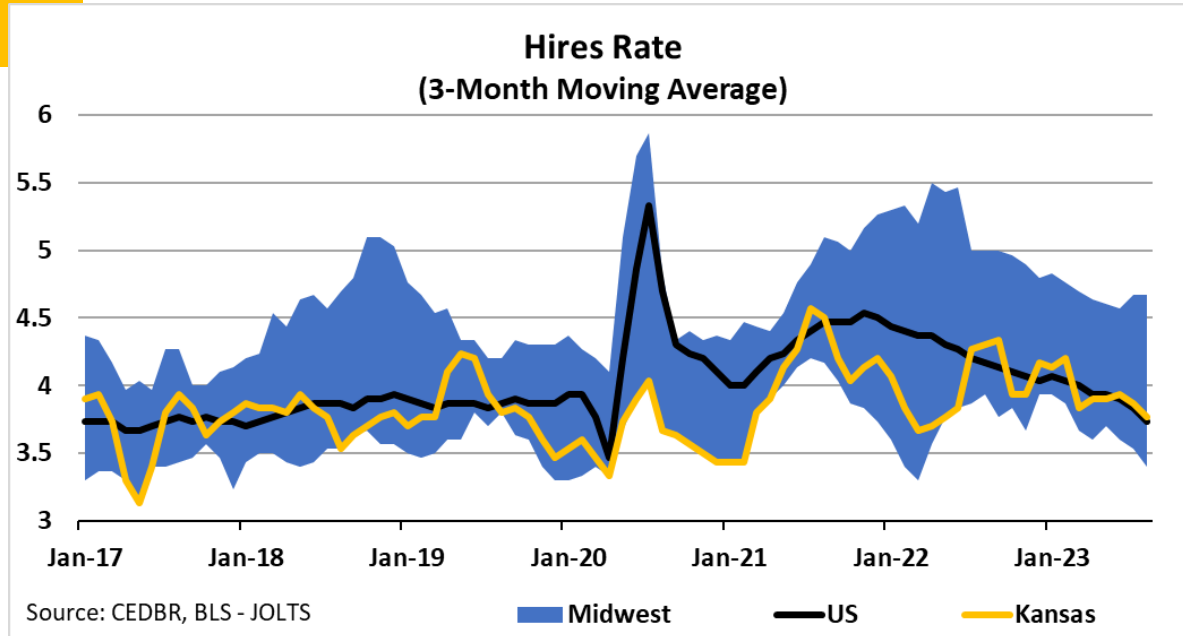
- Native American, Hawaiian, and Pacific Islander
- 45 and Older

Steady

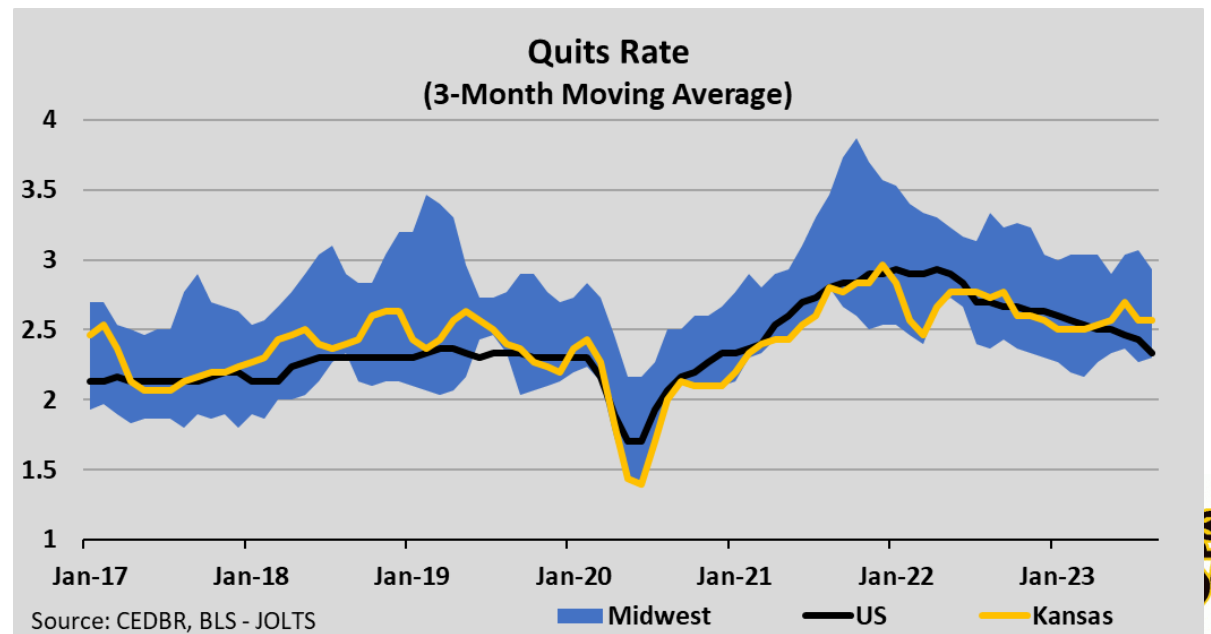
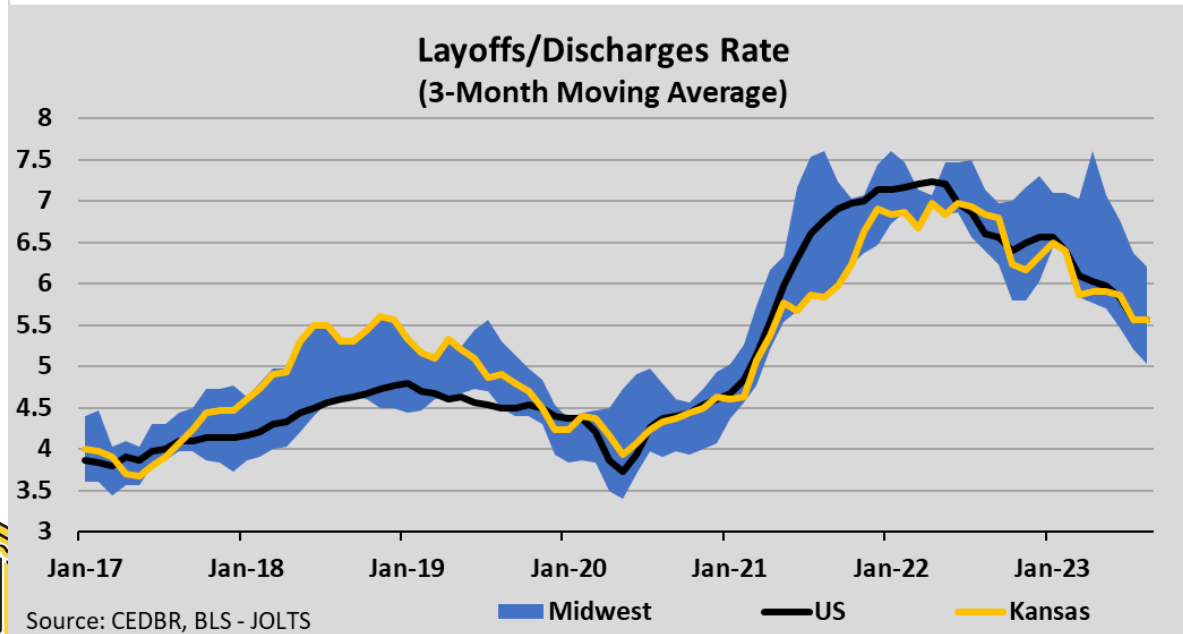
- Males
- Two or More Race



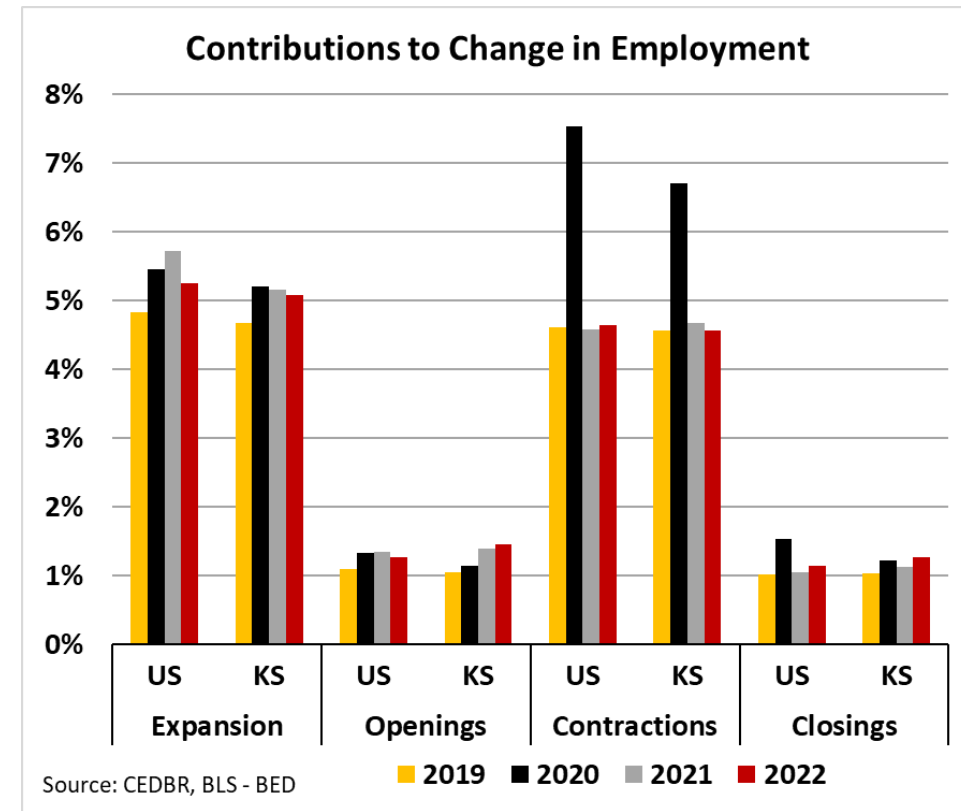
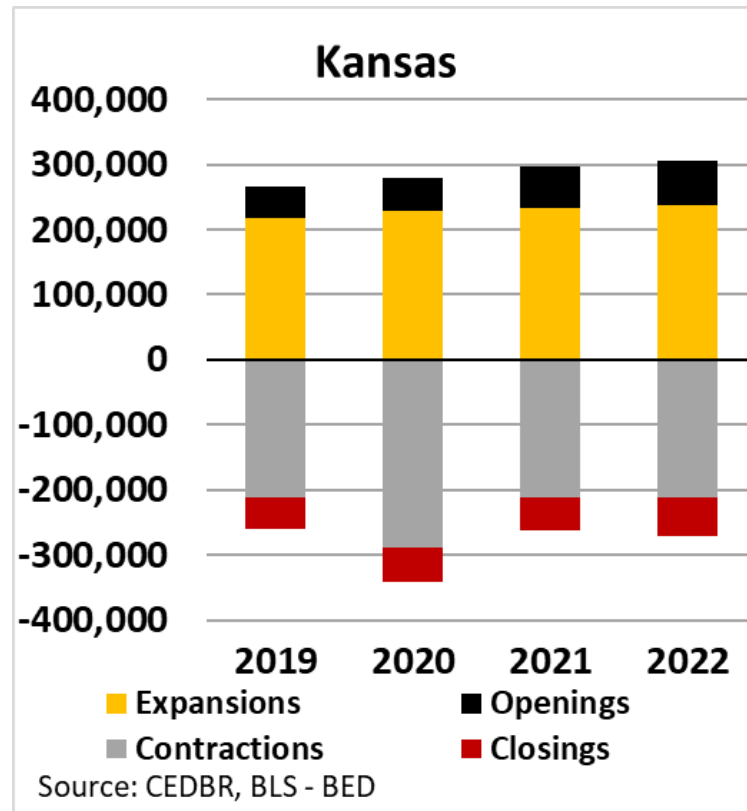
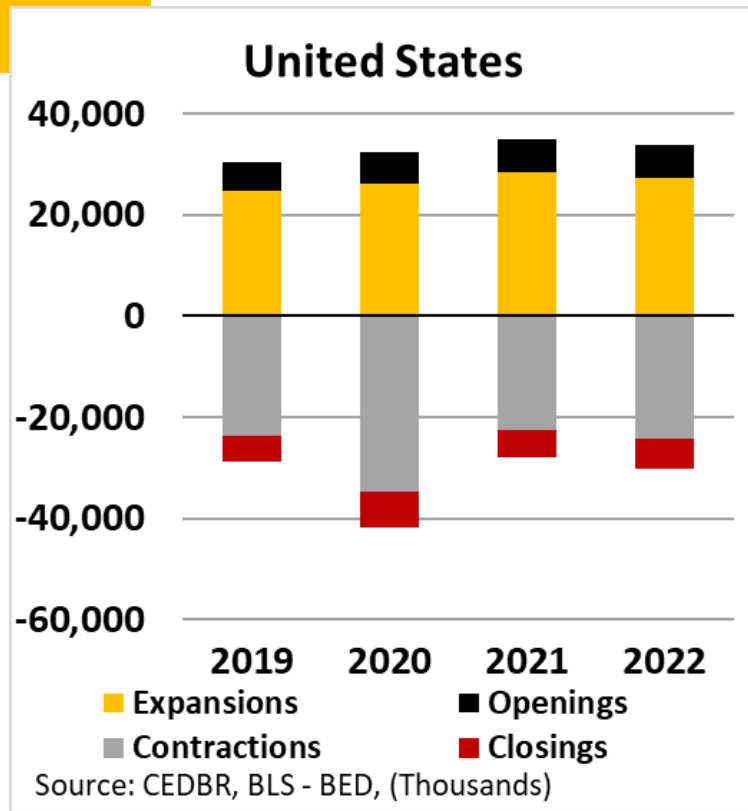
Post-2020 Kansas retains labor better, but that may be changing



- Hires rate has been generally lower, but now matches national average and is trending down
- Layoffs/discharges were higher in KS pre-2020 and have improved to generally match national average and is trending down.
 - Layoff/Discharge rates increased significantly during 2021
- Quits rate pre-2020 was higher, performed better from 2020-2021, but has been rising in 2022 and 2023



Contributions to Change in Employment



- Employment gains from expansions were steady even through 2020
 - Kansas grew in expansion hires
- Openings slowed in 2020, and the slowing was more significant in Kansas
- Contractions spiked in 2020 and have slowed to lower than 2019
- Closings increased in 2020 and have dropped nationally, but have remained elevated in Kansas

- Kansas expansion as a share of employment remains lower
- Kansas is growing in openings as a share of employment
- Contractions as share of employment declining in KS
- Closings growing as share of employment

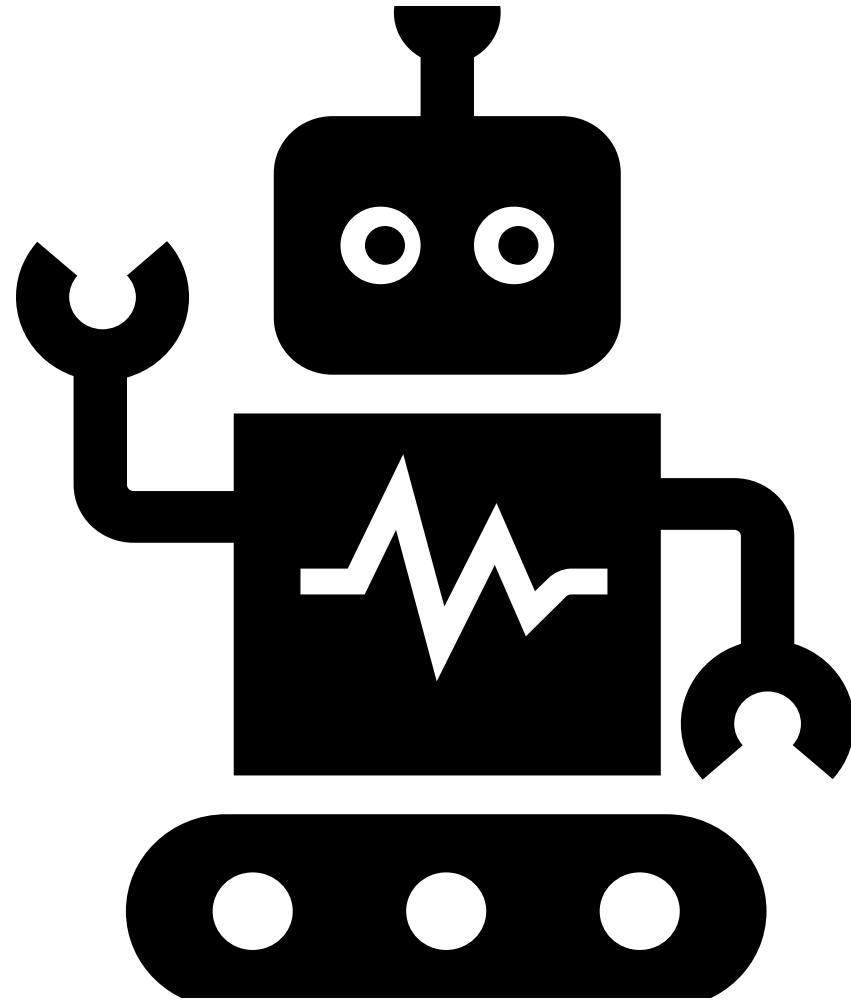
Summary - Labor Churn and Participation

- Kansas labor force **disruption was less severe** than nationally in 2020
- Post-2020 **employment recovery** trends in Kansas **lags behind the nation**
- Labor force **participation remains higher in Kansas**, but demographic composition is shifting
- Labor force diversifying into different demographics
 - **Females, Black/African American, and ages 16-19 and 25-44 becoming more engaged**
 - **Males, particularly White and aged 45+ are less engaged and declining**
- Kansas may be **losing** some of its **labor retention advantage**
 - Raising the need to **retain skilled labor** and **increase compensation to regain advantage**

Kansas is **highly** susceptible to **automation**

Occupation Landscape

- What occupations are prime to grow?
- Wage gaps for the skilled and unskilled positions.
- How will automation transform the Kansas labor market?

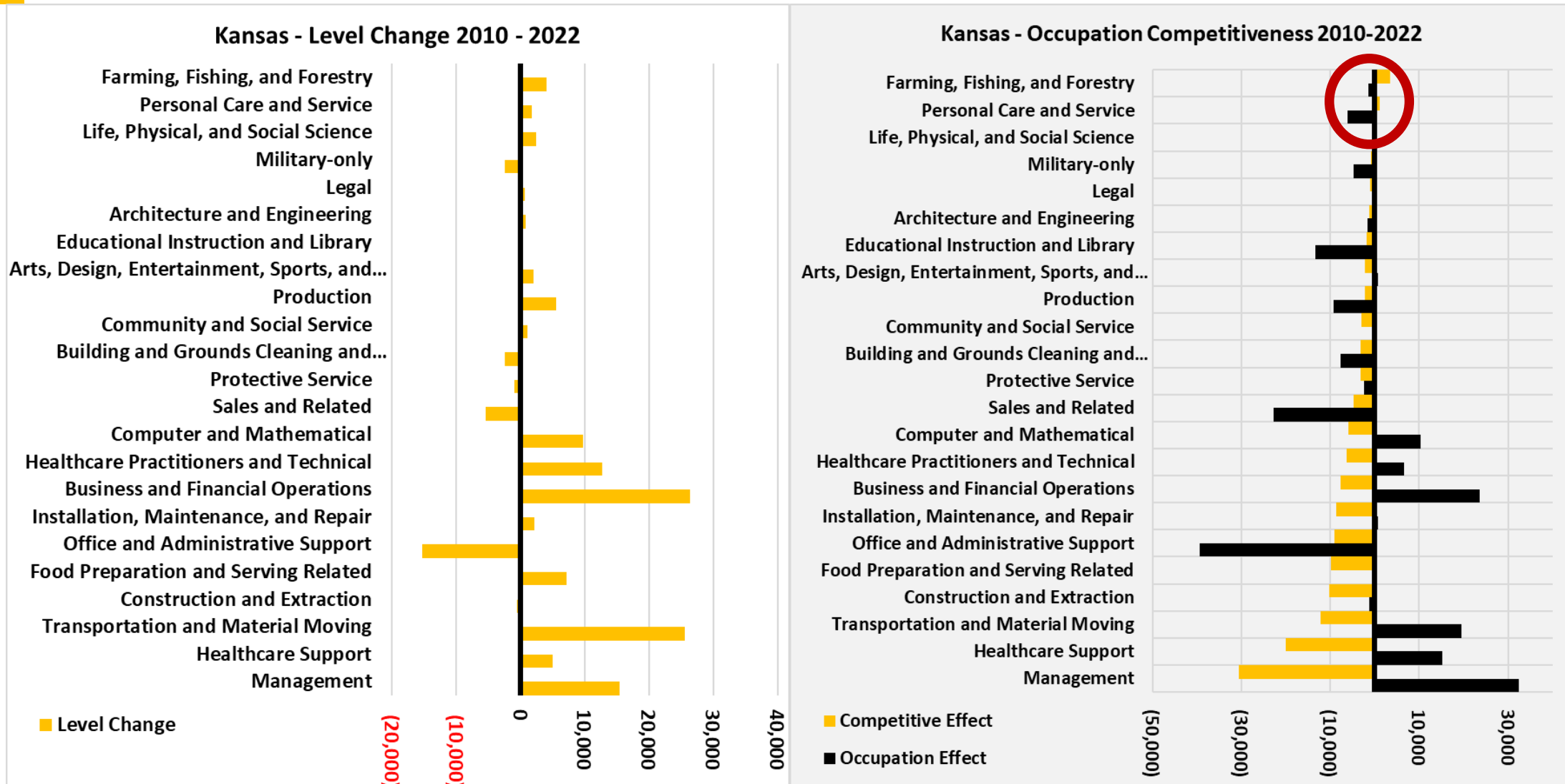


Only two Occupations Groups have comparable national wages

Description	2022 Jobs	2022 Median Annual Earnings		
		Kansas	United States	Difference
Management	102,222	\$ 83,899	\$102,379	-18%
Business and Financial Operations	93,197	\$ 67,131	\$75,665	-11%
Computer and Mathematical	43,675	\$ 80,684	\$99,370	-19%
Architecture and Engineering	25,143	\$ 77,006	\$86,912	-11%
Life, Physical, and Social Science	12,986	\$ 60,679	\$72,748	-17%
Community and Social Service	25,650	\$ 46,964	\$50,211	-6%
Legal	9,802	\$ 71,237	\$94,965	-25%
Educational Instruction and Library	98,679	\$ 47,383	\$53,847	-12%
Arts, Design, Entertainment, Sports, and Media	24,778	\$ 44,696	\$54,046	-17%
Healthcare Practitioners and Technical	92,516	\$ 64,958	\$75,510	-14%
Healthcare Support	68,042	\$ 29,458	\$33,176	-11%
Protective Service	29,466	\$ 42,666	\$44,020	-3%
Food Preparation and Serving Related	116,421	\$ 25,949	\$29,933	-13%
Building and Grounds Cleaning and Maintenance	50,858	\$ 29,920	\$32,603	-8%
Personal Care and Service	44,590	\$ 25,551	\$30,774	-17%
Sales and Related	136,027	\$ 33,560	\$35,686	-6%
Office and Administrative Support	197,345	\$ 37,736	\$41,176	-8%
Farming, Fishing, and Forestry	16,400	\$ 29,206	\$31,205	-6%
Construction and Extraction	69,907	\$ 46,608	\$49,950	-7%
Installation, Maintenance, and Repair	67,810	\$ 48,956	\$51,253	-4%
Production	114,337	\$ 40,845	\$40,438	1%
Transportation and Material Moving	141,041	\$ 38,959	\$38,452	1%
Military-only	17,141	\$ 32,197	\$37,077	-13%

- **Legal occupations** in Kansas show the **largest earnings gap** compared to the national median, at -25%.
- **Computer and Mathematical** roles, along with Management positions, have a **-19% earnings difference**, indicating significant disparities.
- **Healthcare Practitioners** and Technical jobs in Kansas are paid **14% less** than the U.S. median, highlighting a challenge in this critical sector.
- **Production and Transportation/Material Moving** sectors **buck the trend**, with Kansas medians slightly higher by 1% compared to the national figures.
- The **smallest pay discrepancy** is seen in **Protective Service** roles, with Kansas earnings trailing by only 3% from the national median.

Kansas grew, but it wasn't competitive.

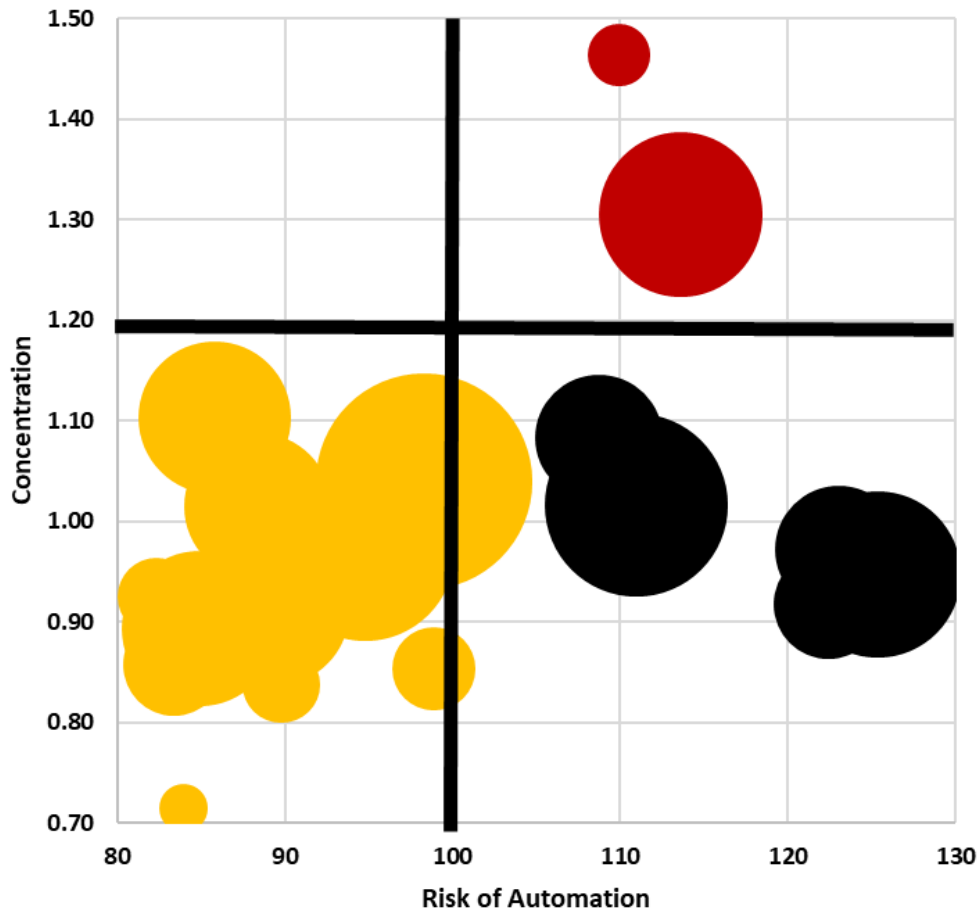


The **occupational effect** applies the national rate of increase locally.

The **competitive effect** measures the regional economy's performance relative to national overall and industry growth.

Automation Risk

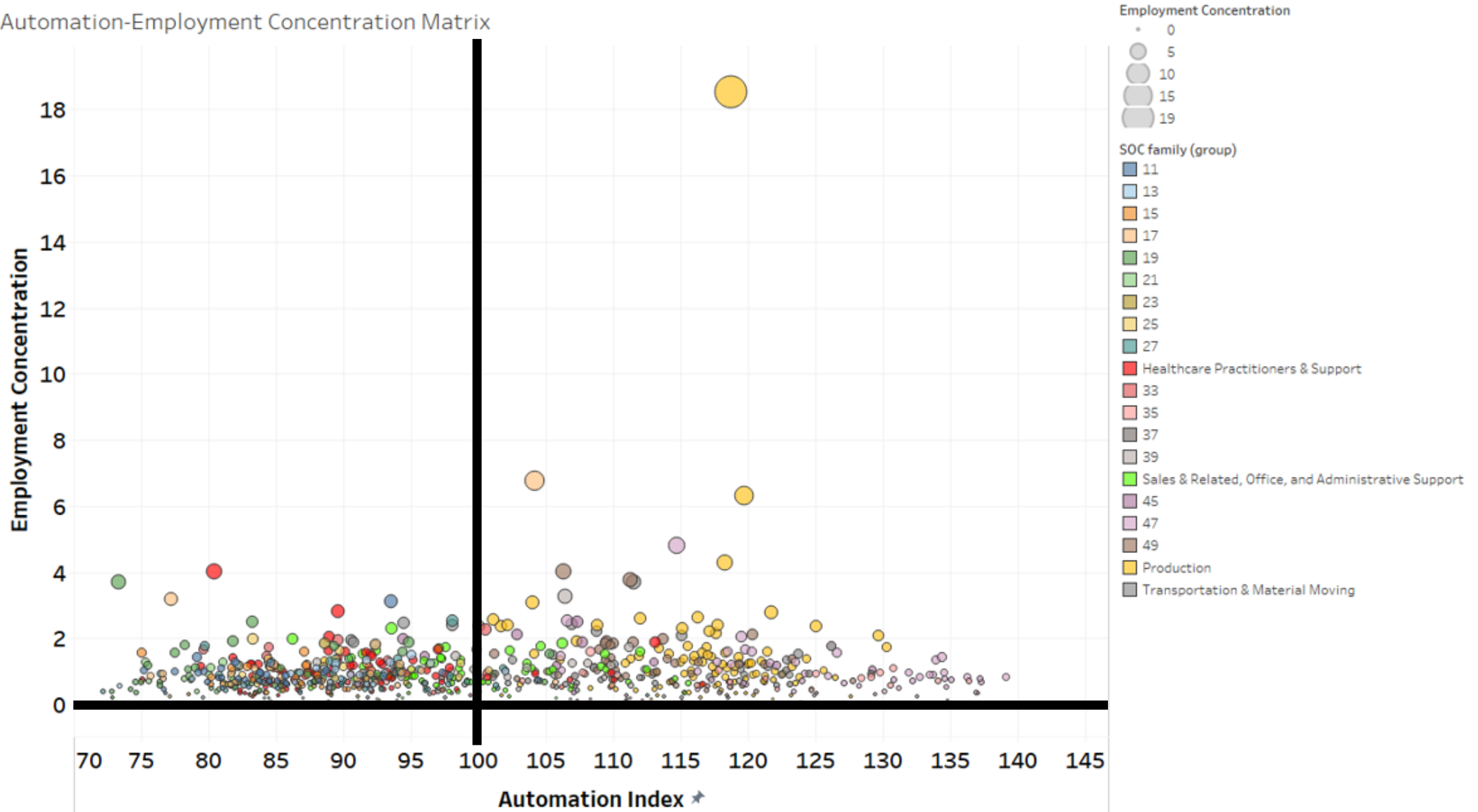
Automation Risk in Kansas



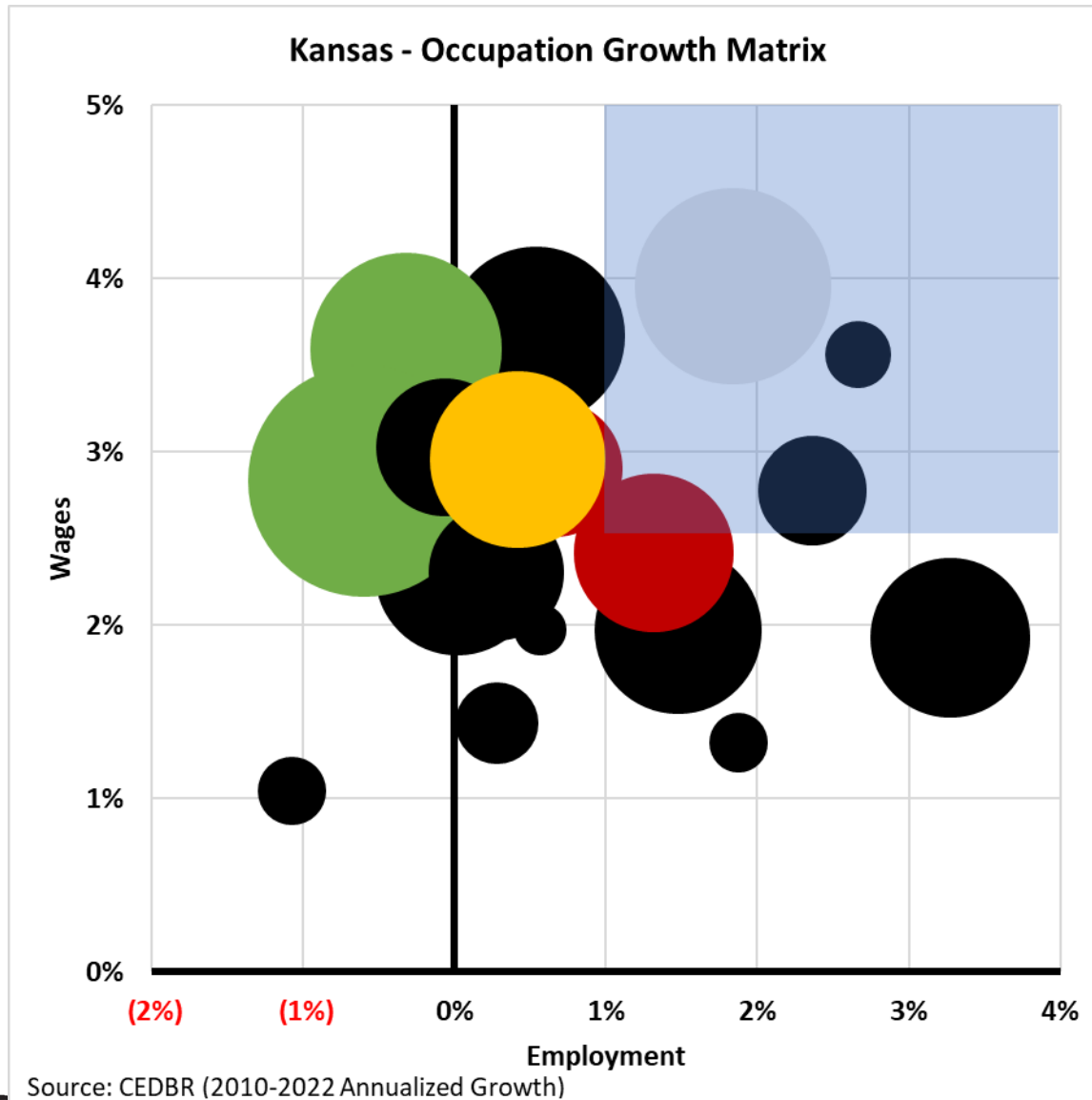
	Description	Automation Index	Concentration	Employment
High Risk - High Concentration	Production	113.6	1.30	114,337
High Risk - High Concentration	Farming, Fishing, and Forestry	109.9	1.46	16,400
High Risk - Low Concentration	Building and Grounds Cleaning and Maintenance	122.5	0.92	50,858
High Risk - Low Concentration	Food Preparation and Serving Related	125.4	0.95	116,421
High Risk - Low Concentration	Construction and Extraction	123.1	0.97	69,907
High Risk - Mod. Concentration	Transportation and Material Moving	111.0	1.02	141,041
High Risk - Mod. Concentration	Installation, Maintenance, and Repair	108.7	1.08	67,810
Low Risk - High Concentration	Military-only		1.78	17,141
Low Risk - Low Concentration	Legal	84.0	0.71	9,802
Low Risk - Low Concentration	Arts, Design, Entertainment, Sports, and Media	89.8	0.84	24,778
Low Risk - Low Concentration	Protective Service	98.9	0.85	29,466
Low Risk - Low Concentration	Computer and Mathematical	83.4	0.86	43,675
Low Risk - Low Concentration	Management	84.9	0.89	102,222
Low Risk - Low Concentration	Life, Physical, and Social Science	84.7	0.89	12,986
Low Risk - Low Concentration	Business and Financial Operations	89.4	0.91	93,197
Low Risk - Low Concentration	Community and Social Service	82.4	0.93	25,650
Low Risk - Low Concentration	Healthcare Support	95.0	0.95	68,042
Low Risk - Low Concentration	Sales and Related	94.8	0.97	136,027
Low Risk - Low Concentration	Architecture and Engineering	87.0	0.99	25,143
Low Risk - Mod. Concentration	Healthcare Practitioners and Technical	88.4	1.01	92,516
Low Risk - Mod. Concentration	Office and Administrative Support	98.3	1.04	197,345
Low Risk - Mod. Concentration	Personal Care and Service	96.7	1.05	44,590
Low Risk - Mod. Concentration	Educational Instruction and Library	85.8	1.10	98,679

Automation is unique to the occupation and not the industry

Automation-Employment Concentration Matrix



KS conditions are not optimal for workers



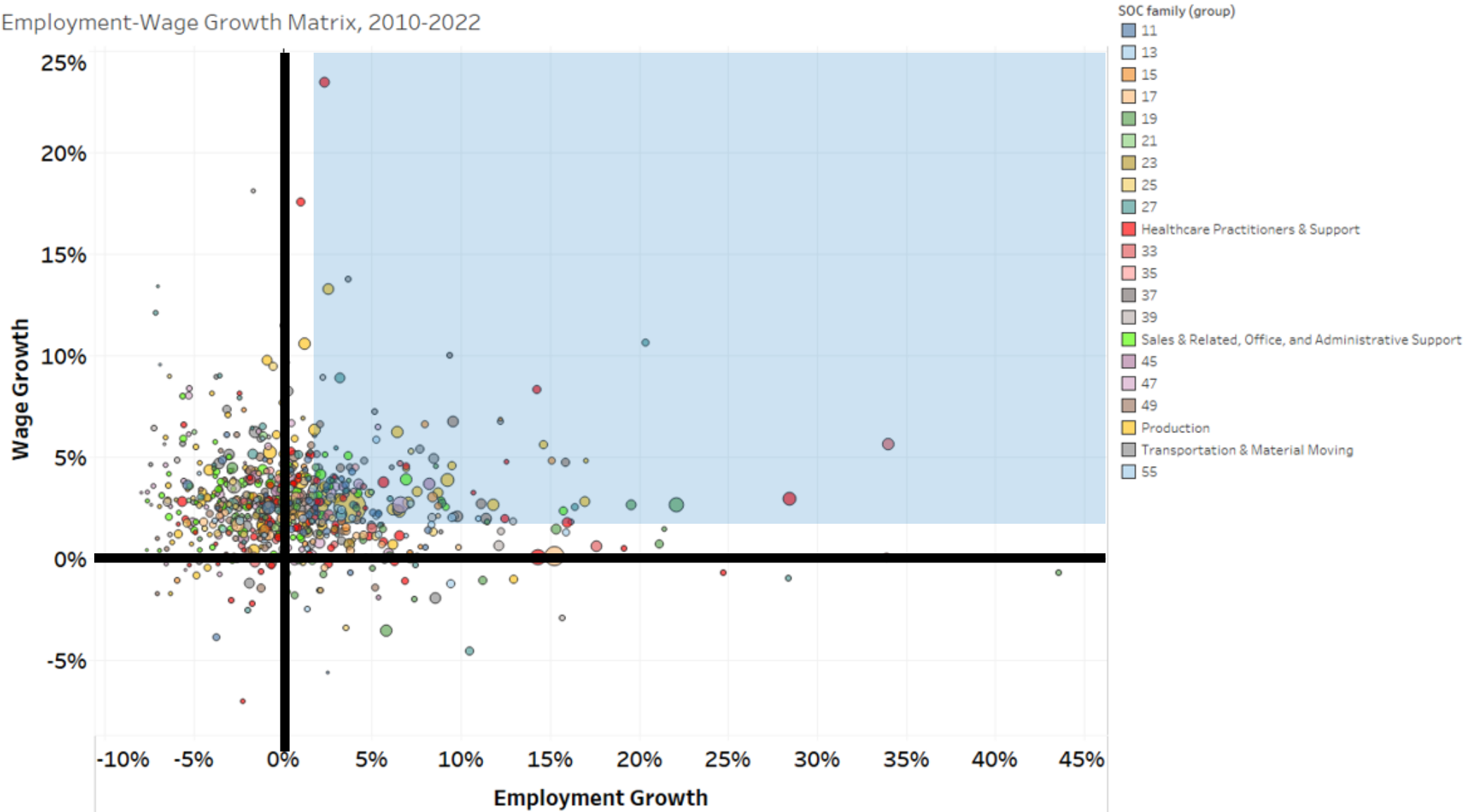
- Only three strong occupations: transportation, farming, and computers.

- Highlights

- Transportation – 141,000 jobs
- Healthcare – 205,000 jobs
- Sale and office – 333,000 jobs
- Production – 114,000

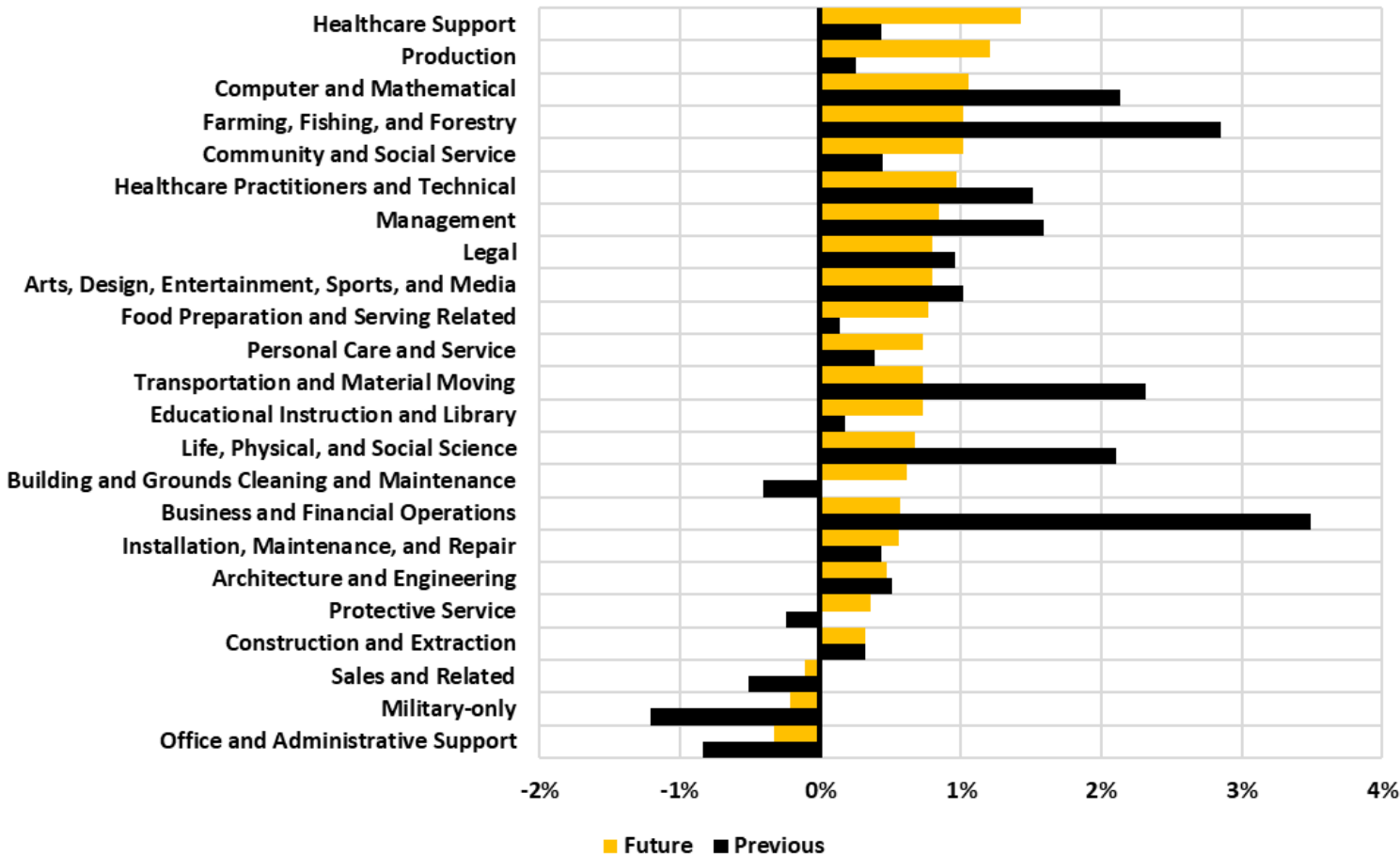
Growth occupations cross industries

Employment-Wage Growth Matrix, 2010-2022



Next 10 YRS - Healthcare, production, and computers occupations

Occupation Forecast - Annual Growth



- **Business and Financial Operations** occupations experienced robust previous growth (3%) and are projected to see continued growth, though at a slower pace (1%).
- **Computer and Mathematical**, along with **Healthcare Practitioners and Technical** roles, show consistent growth across both previous (2%) and future projections (1%).
- **Sales and Related**, along with **Office and Administrative Support** sectors, witnessed a decline (-1%) in the previous period and are expected to stagnate (0%) in the future.
- **Farming, Fishing, and Forestry** roles demonstrated the highest previous growth rate (3%), with expectations of modest growth (1%) moving forward.
- **Protective Service** and **Military-only** categories show no previous growth and are projected to remain stagnant, indicating potential areas of concern for workforce development.

Summary

- **Competition**

- Kansas doesn't have a labor problem; it has a wage problem.
- Although production and transportation occupations are in line with the nation, they may not be comparable when broken down based on skills.

- **Automation**

- Has a high share of occupations at risk of automation. Institutions should focus on transitional support.

- **Growth matrix**

- Transportation, farming, and computers were in growth mode.
- Production will likely shift over due to increased competition and investment.

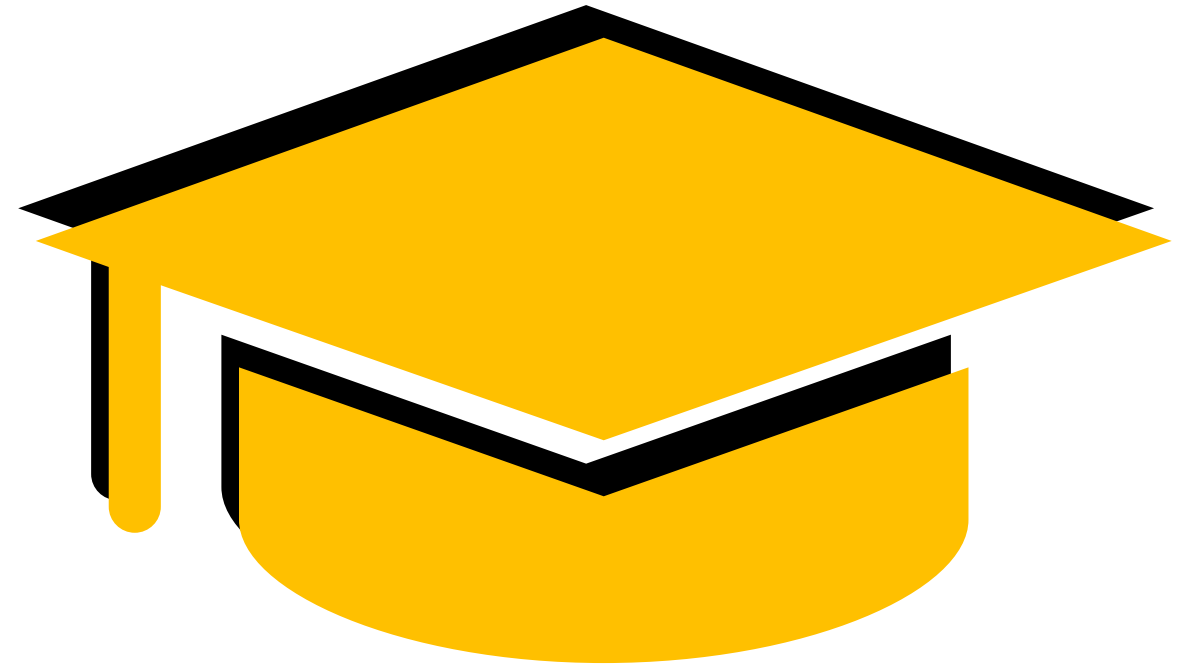
- **Forecasts**

- Although regional institutions likely have the capacity, resources will be needed.
- The supply and attraction of labor are hindering firm growth.

Education requirements may be unsustainable

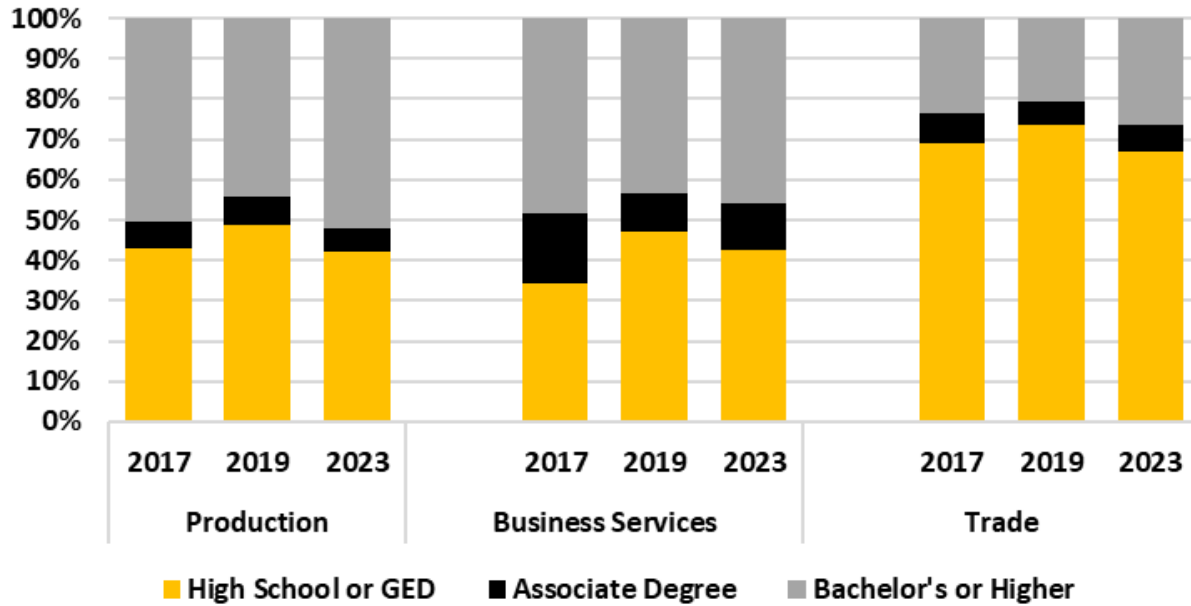
Job Posting Landscape

- Education and Health Services – 25%
- Business Services 22%

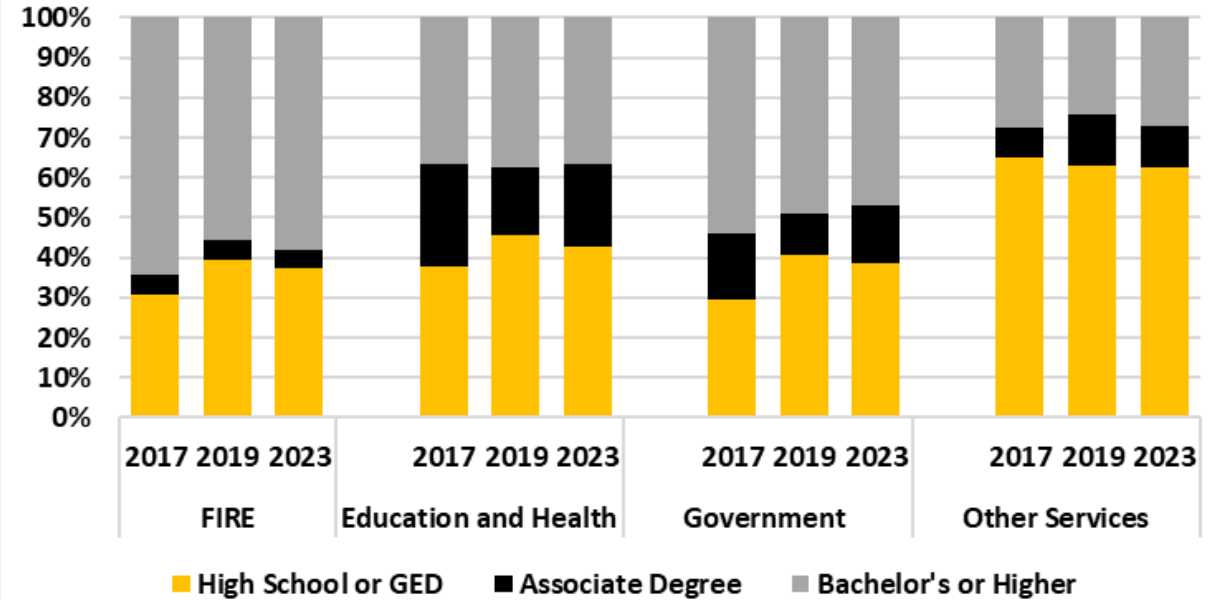


Job Postings

Education Demand by Sector



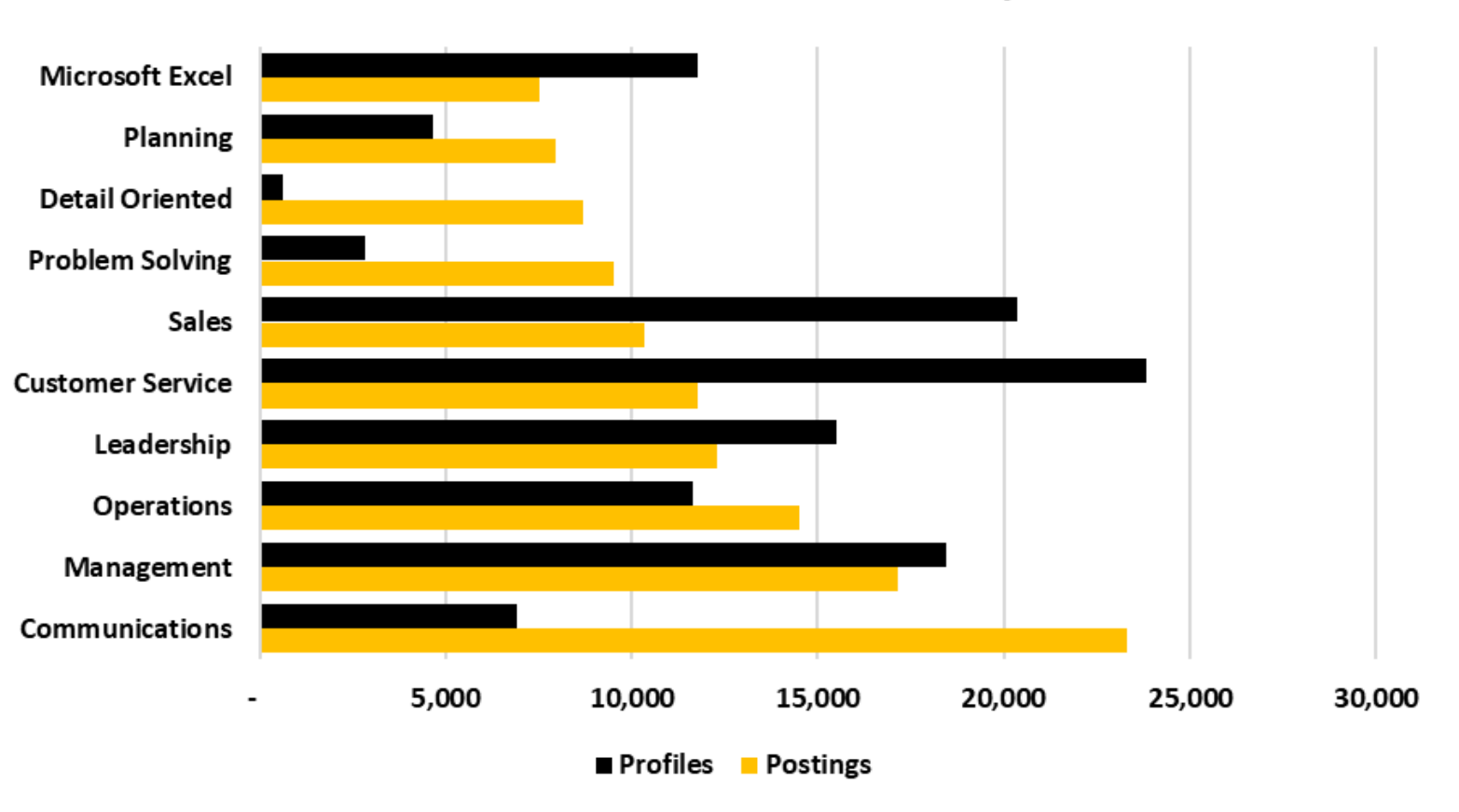
Education Demand by Sector (Cont.)



- More tolerance for High School/GED in 2019
- Reverting back to 2017 mix

Production

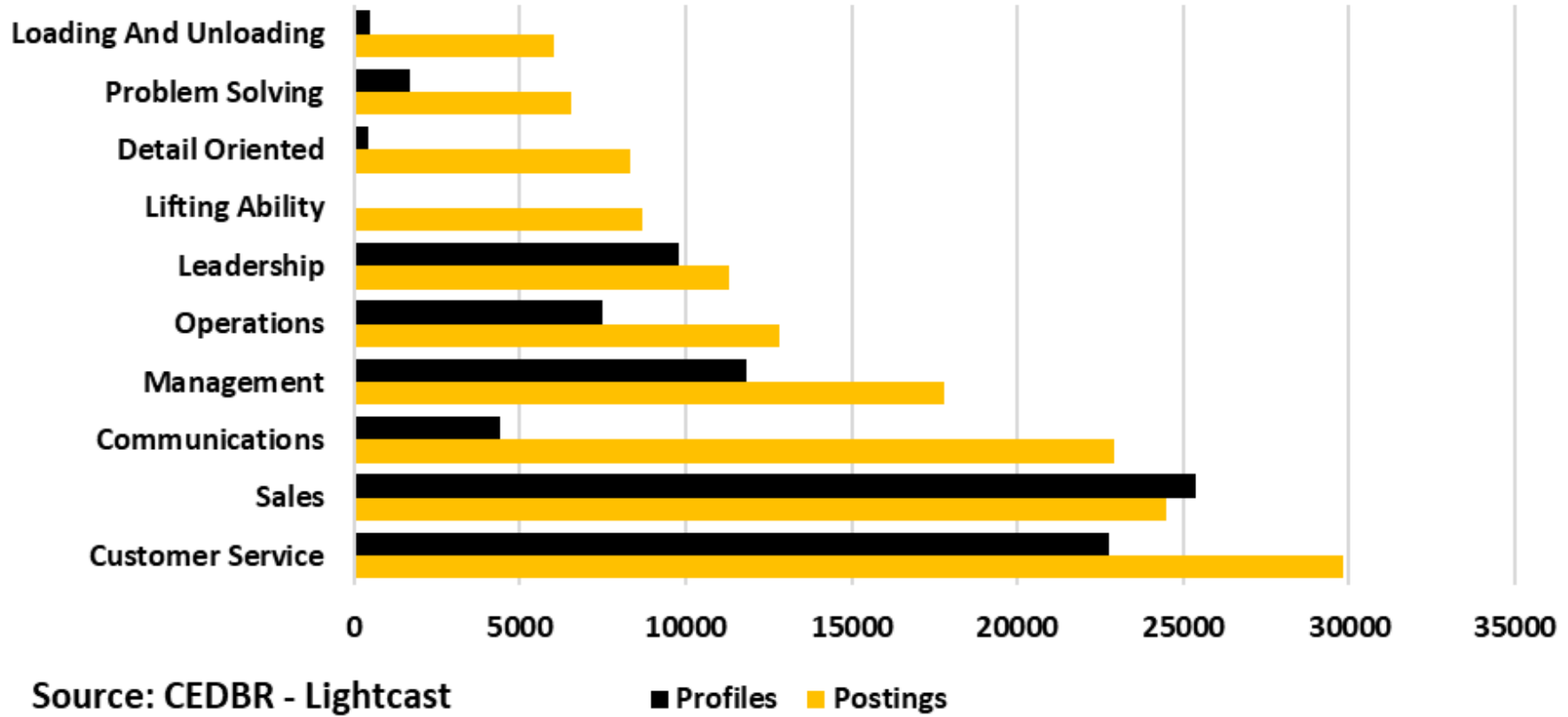
Production Common Skills Gap



- Largest gap – Communications
- High supply of Customer Service/Sales
- Other gaps – Detail Oriented, Problem Solving

Trade

Trade Common Skills Gap

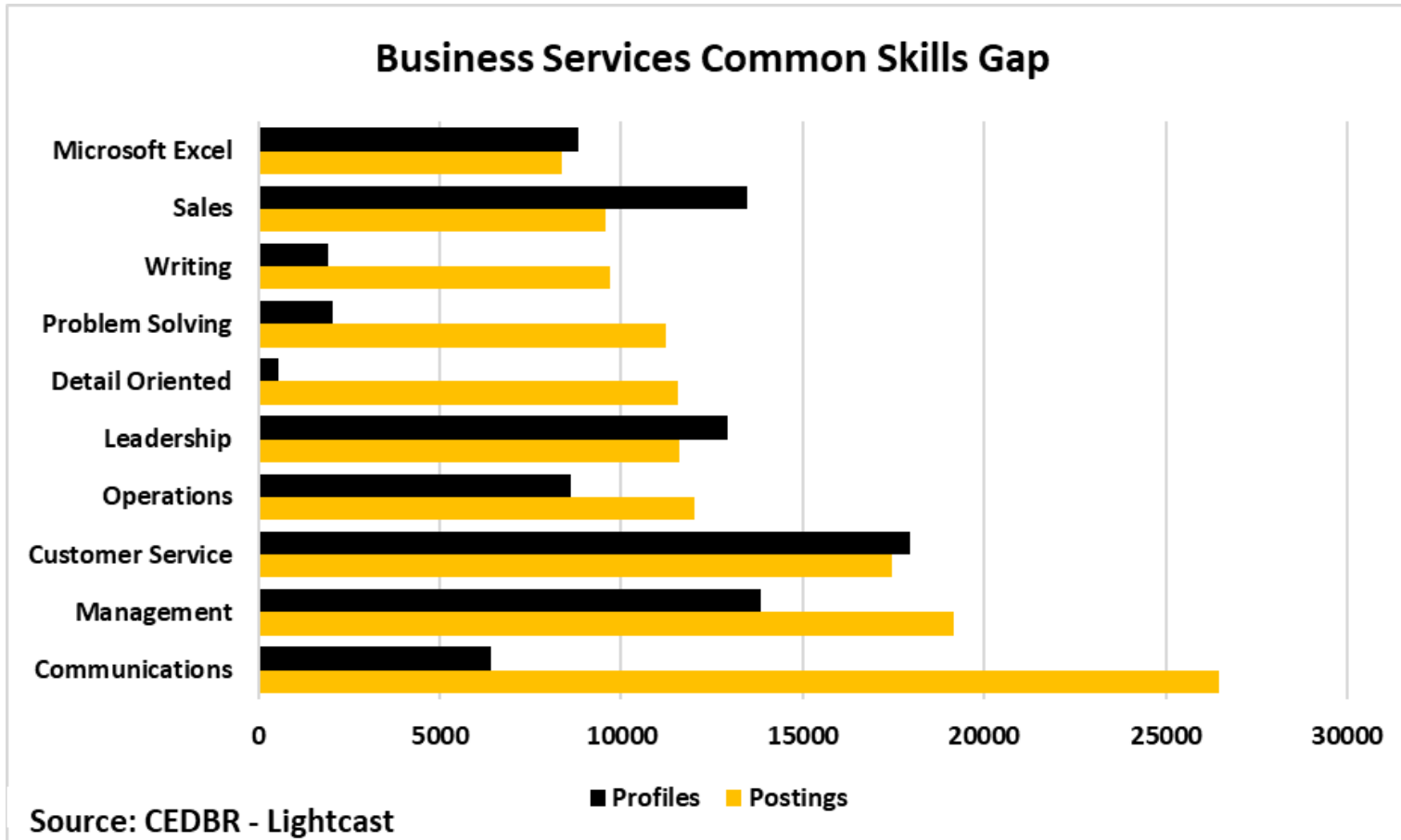


Source: CEDBR - Lightcast

■ Profiles ■ Postings

- Largest gap – Communications
- Skills gap in most categories
- Largest demand – Customer Service

Business Services



- Largest Gap – Communications
- High Supply - Excel, Sales, Leadership, Customer Service
- Other Gaps – Writing, Problem-Solving, Detail Oriented

Summary

- Education mix was affected across the board during the pandemic
- Communication skills gap is widespread
- Abundance of Sales, Customer Service labor

