

2017  
West Michigan  
Talent Assessment  
and Outlook  
Key Highlights



# The Employment Picture

Talent 2025 recently published the fourth annual report on the overall employment picture in our region. Along with our colleagues in workforce development, education, and business, we are pleased to also provide this summary.

The current state of the West Michigan labor market and the needs of employers has changed dramatically since our inaugural report in 2014. Today, regional unemployment stands at well under 5 percent. This has created a challenging environment for employers to find talent at all levels - entry level, semi-skilled, and skilled.

Just within the past year, 25,359 new private payroll jobs were added in West Michigan, representing a growth rate of 4.1 percent, an increase from the 2015 rate of 3.4 percent. Of the jobs added 4,422 were in manufacturing, the largest sector in our region, representing 21.3 percent of all jobs. The second- and third-largest sectors are health care/social assistance (13.4 percent) and retail (10.3 percent).

The highlights here provide additional detail and insights about this snapshot of our regional talent and employment situation.

We hope this is helpful to you and your organization. Thank you to our partners for their help creating this report. It is unique in the country, and another manifestation of the collaborative nature of West Michigan.

Regards,

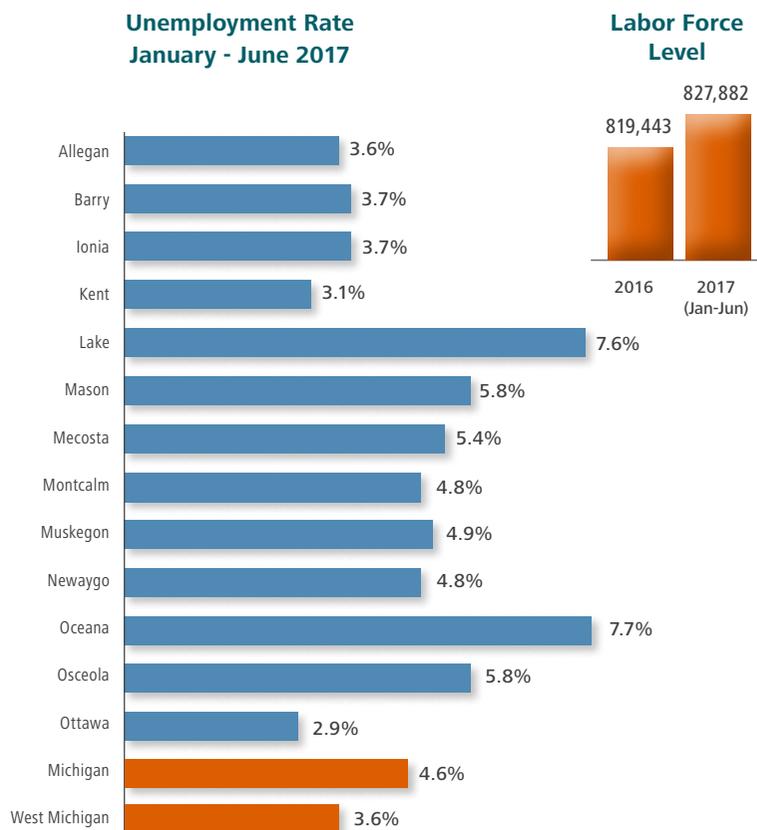


Kevin Stotts, President  
Talent 2025

## Our Labor Force

West Michigan has returned to pre-recession levels in several important employment indicators. In the first half of 2017, the West Michigan unemployment rate stands at 3.6 percent, one percentage point lower than both the overall Michigan as well as the national rate.

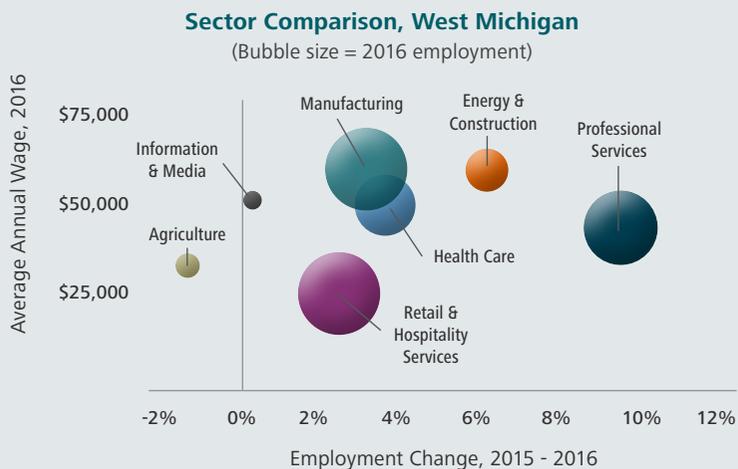
However, this recovery has been uneven throughout our state and region. Although the largest counties within our region, such as Kent, Ottawa, and Allegan Counties (3.1 percent, 2.9 percent, 3.6 percent) pull down the West Michigan average, areas large and small still see stubborn unemployment rates that are above the state and national average. Muskegon County, home to over 173,000 residents, has an unemployment rate of 4.9 percent, while the three smallest counties in West Michigan (Lake, Osceola, and Oceana counties) also have the three highest unemployment rates (7.6 percent, 5.8 percent, and 7.7 percent, respectively) in our region. There is clearly more work to be done.



## Sectors

Sector strategies are collaborative efforts between various community stakeholders around particular industry sectors, stakeholders such as employers, workforce development organizations, two- and four-year post-secondary institutions, community organizations, and other training institutions. This collaboration helps ensure an efficient talent pipeline and transparent, regular information exchange between the supply and demand side of the talent system.

This information helps inform the various sector strategy initiatives happening across the West Michigan region, such as the West Michigan Health Careers Council, Discover Manufacturing, the Construction Workforce Development Alliance of West Michigan, and West Michigan Tech Talent.



To create the datasets here, 19 private-sector industries were divided into nine industry sectors based on commonalities of occupations within the industries. We take a deeper look at seven of the nine industry sectors, and two of these – Professional Services and Retail and Hospitality Services – are being analyzed for the first time.

Included within each sector is:

- Employment and compensation information for the entire sector
- Output from the industry focus group(s)
- Competency data reflective of the competencies needed for top occupations, ordered by importance score
- Top occupations by several growth and wage measures



## Focus Group Insights

The nine sector focus groups spanned seven different industries, and four themes emerged that were common to many employers across those sectors.

### 1 Millennials

The discussion around younger workers, although the term “Millennials” was frequently used specifically, generally came up around discussions of career ladders, retention, and recruiting tactics.

### 2 Job Flexibility and Benefits

Although largely tied to the discussion of Millennials, job flexibility and job benefits that reflect this flexibility were an emerging topic among employers. Employees young and old have become somewhat easier to retain with flexible options, leading employers to experiment with various job setups.

### 3 Diversity and Inclusion

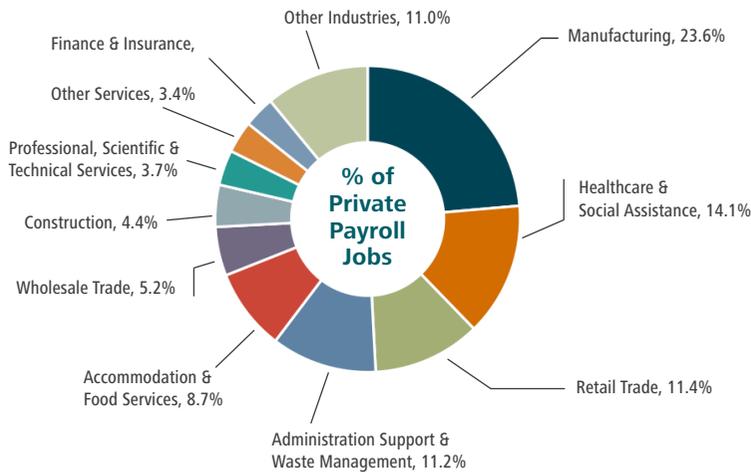
A third topic to emerge was diversity and inclusion, specifically the difficulty in finding diversity in employers’ talent pools, but also the necessity for employers now and in the future to cultivate a diverse workforce and an environment that’s welcoming to diversity.

### 4 Social Media in Hiring

Social media stood out for two reasons: first, sectors such as agriculture and food processing that previously had not used social media as a tool for finding talent are now experimenting or fully implementing recruitment tactics using social media. Secondly, many employers are using their existing channels to a much greater degree, and even rating them as more successful channels than some more traditional approaches like specific job boards.

## Industries

With over a fifth of private payroll jobs in West Michigan in 2016, manufacturing continues to be the largest industry for jobs in the region, accounting for 23.6 percent of jobs. The manufacturing industry has grown by 33.3 percent since 2009, adding nearly 38,000 jobs during that time. Following this is health care and social assistance with 14.1 percent of private jobs in the region, and finally retail trade with 11.4 percent. The fourth largest industry is administrative and support and waste management services, the only other private industry with more than a tenth of total payroll jobs.



## Population

According to the 2016 annual estimates, the population of West Michigan is 1,580,955. This is an increase from 2015 of 10,349 residents, a growth rate of 0.7 percent. This is the seventh straight year of population growth, during which the region has added nearly 64,000 residents.

### Population Change (Indexed to 2000)



## Occupational Forecast

Of the **72,815 added jobs expected in West Michigan**, over one in five are expected in just two occupational groups: health care practitioners and technical occupations, as well as production occupations. Much of this growth is driven by the occupation category's largest occupation, **registered nurses**, which is projected to **add 3,275 jobs**. The next highest occupation in this category is physical therapists.

**Production occupations** is projected to **add 7,470 jobs**, albeit by a slightly lower 7.5 percent growth. **Team assemblers**, already the largest occupation within the category, is projected to **add 2,020 jobs** during the forecasting period.

Other occupations that are perhaps not as large but are expecting the largest percentage growth in West Michigan are bus drivers, occupational therapist assistants, physical therapist assistants, and operations research analysts.

### Job Growth by Occupation Group

Occupation Group	Job Growth #	Job Growth %	Total Annual Openings
<b>Total, All Occupations</b>	<b>72,815</b>	<b>9.8%</b>	<b>25,351</b>
Health Care Practitioners & Technical	7,530	19.8%	1,589
Production	7,470	7.5%	3,164
Transportation & Material Moving	6,250	19.1%	2,052
Education, Training, & Library	5,440	11.4%	1,551
Office & Administrative Support	5,025	5.0%	2,754

## For More

If you and/or your organization would benefit from a more detailed presentation of this information and findings, the full report is available for download on the Talent 2025 web site.

In addition, contact our office if your organization would like further assistance from our staff.

 **TALENT 2025**

48 Logan Street SW Suite 124 | Grand Rapids MI 49503  
616.871.2450 | [talent2025.org](http://talent2025.org)

