

Workforce

Workforce

The Southwest New Mexico Council of Governments hired Community Economics Laboratory Inc. (CELab) to conduct a Job Creation Assessment to help develop a regional workforce need to reach full employment along with program approaches to help produce the economic base jobs that are needed over the next 10 years.

CELab's Job Creation Assessment process is a new strategic planning algorithm designed to help community leaders achieve the clarity and consensus needed to plan, underwrite and manage economic development program efforts. The Job Creation Assessment process has five sections, that include:

1. Coherence
2. Needs
3. Potential
4. Factors of Production Gaps
5. Actions

The preliminary assessment covers coherence, needs, and potential in depth to give insight to the planning steps needed for the factors of production gaps and actions. This assessment included participation of leaders and stakeholders from the region's four counties to deliberate on 107 datapoints within CELab's proprietary planning and management process.

The preliminary assessment covered:

1. The number of economic base jobs needed for full employment in 10 years based on attrition, unemployment, and anticipated growth for each of the four counties.
2. What program theaters are best suited to deliver the jobs and the potential of each theater in each of the four counties.
3. The current status of existing programs in each theater and implications for program development in each of the four counties.
4. A regional dashboard that shows economic needs and potential for each county and aggregates for the region.
5. Identification of the major factors of production gaps that will prevent job creation in the region along with solution ideas.

Coherence

The coherence stage gets unanimous consensus to a series of questions on the framework, process, expectations, ambitions, mission and purpose of the group's work. This stage is essential in setting parameters around the deliberation to maintain focus without risk of ambiguity or deviation. This planning will focus on job creation and economic growth in Catron, Grant, Hidalgo, and Luna counties.

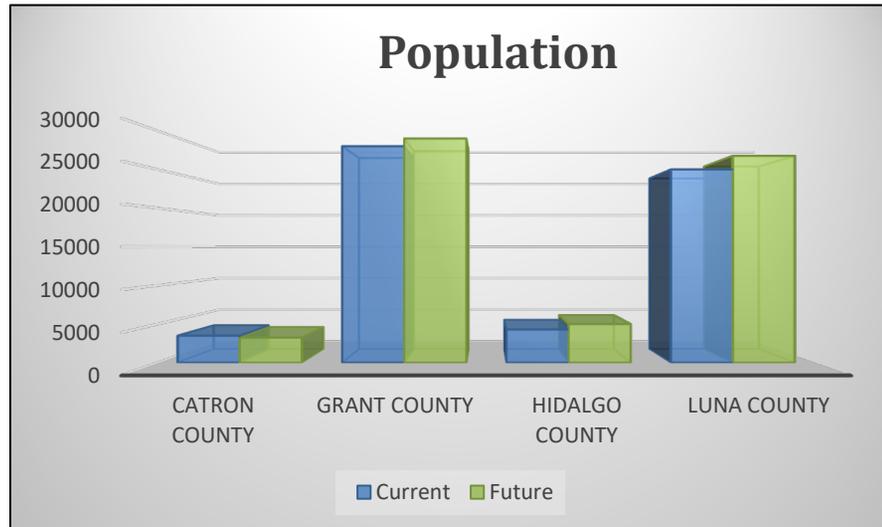
The group agreed to a pragmatic level of process ambition with the following goals:

- Reach full employment
 - Offset attrition
 - Stabilize population loss and support any new population
 - Job Parity
 - Promote regional collaboration on economic development efforts

Need

The need determines how many new jobs must be created to meet the defined goals of the community. CELab's process involves a series of datapoint estimations, both current and future, required to calculate how many jobs are needed to offset attrition.

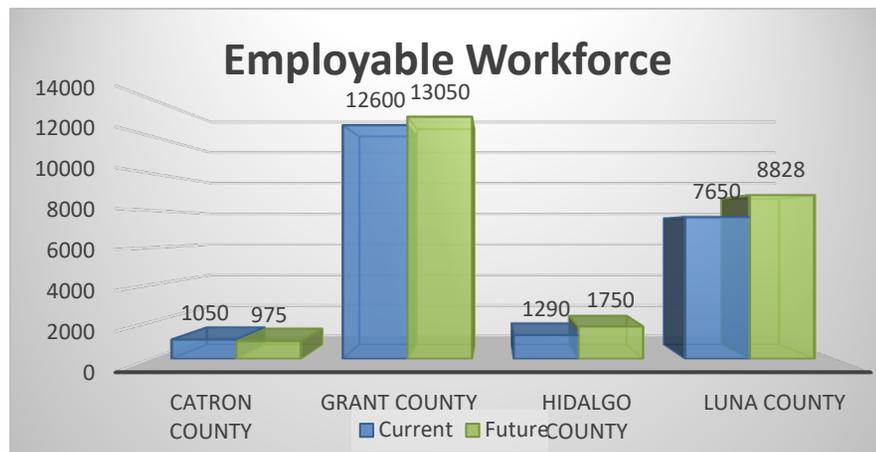
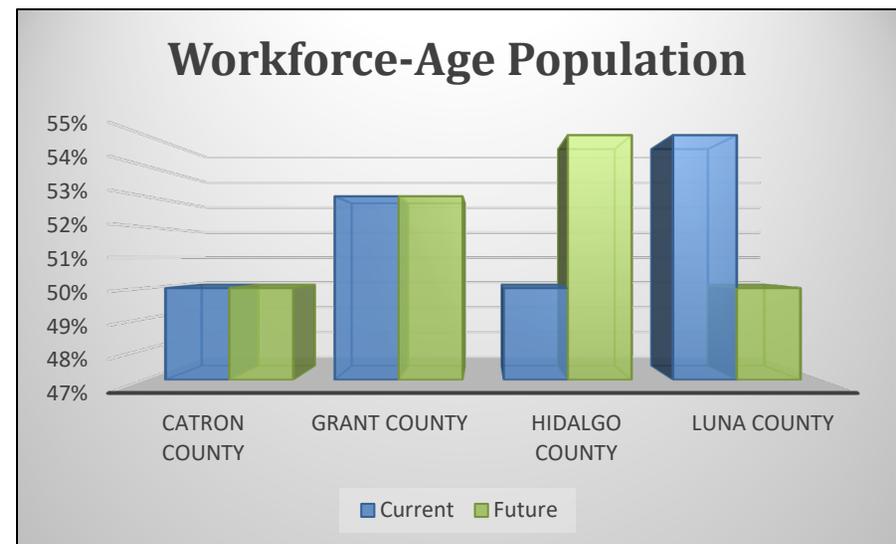
Population



The Job Creation Assessment participants were asked to estimate how many people live in the region today and what the expected the population would be at in 2030. The group estimated the total current population of southwest New Mexico at 61,300 residents and the population in 10 years will be 64,000 residents, allowing for 0.4% growth rate.

Workforce

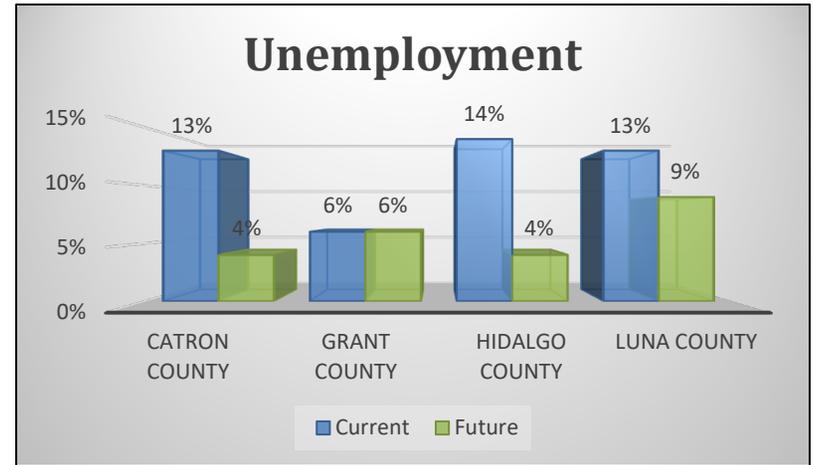
The group estimated the workforce aged population (18-65) at 34,725 residents. The group predicted slight growth, totaling to 34,988 residents of workforce age by 2030.



Employable workforce are those who are willing, able, and qualified to perform a full-time jobs suited to the economic base jobs throughout the region. The group estimated that 37% of the total regional population or 22,590 residents were willing, able, and qualified to work today. The group also predicted the number of employable workers would increase 2,013 by 2030.

Unemployment

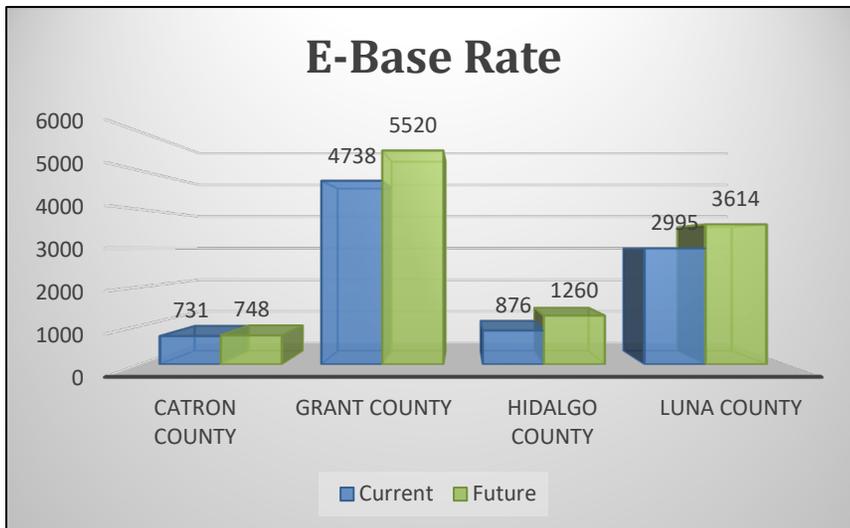
The group estimated that 9% or 2,068 employable workers are currently unemployed. The group also decided on a structural unemployment rate of 7% or 1,686 of the future employable workers. This means that 381 new jobs must be created to close the unemployment gap. These estimates indicate that there are 20,522 employable workers currently employed in the region and there is a need to increase total employment to 22,916 by 2030.



Economic Base Rate

This estimate is to determine how many economic base jobs are needed to support the service sector economy, this is known as economic base rate or e-base rate. To estimate e-base rate, the size of the service sector economy and how well it retains wealth before money is spent outside of the region. This typically depends on the availability of services locally versus services residents would need to procure from other areas. Higher e-base rates mean fewer service sector jobs are induced by creation of e-base jobs, making it harder to achieve employment goals.

Of all jobs in southwest New Mexico, the group estimated that 46% or 9,340 jobs are currently economic base and the rate would grow to 49% or 11,144 jobs by 2030.

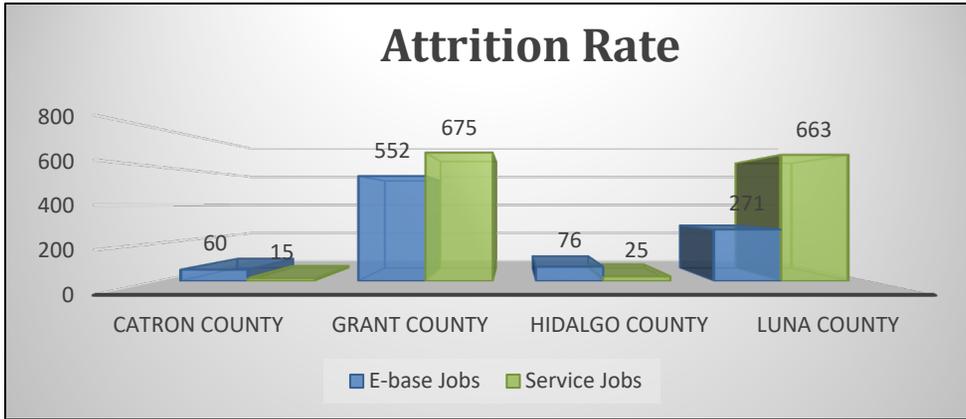


Attrition

The rate of attrition is primarily affected by what industries comprise the economic base. Industries can suffer attrition based on shortened life cycles, a high rate of automation, global market trends, or due to poor local business climate. This estimate is made as an aggregate job loss over the entire planning period.



**Total New E-Base Jobs over
10 Years
2,318**



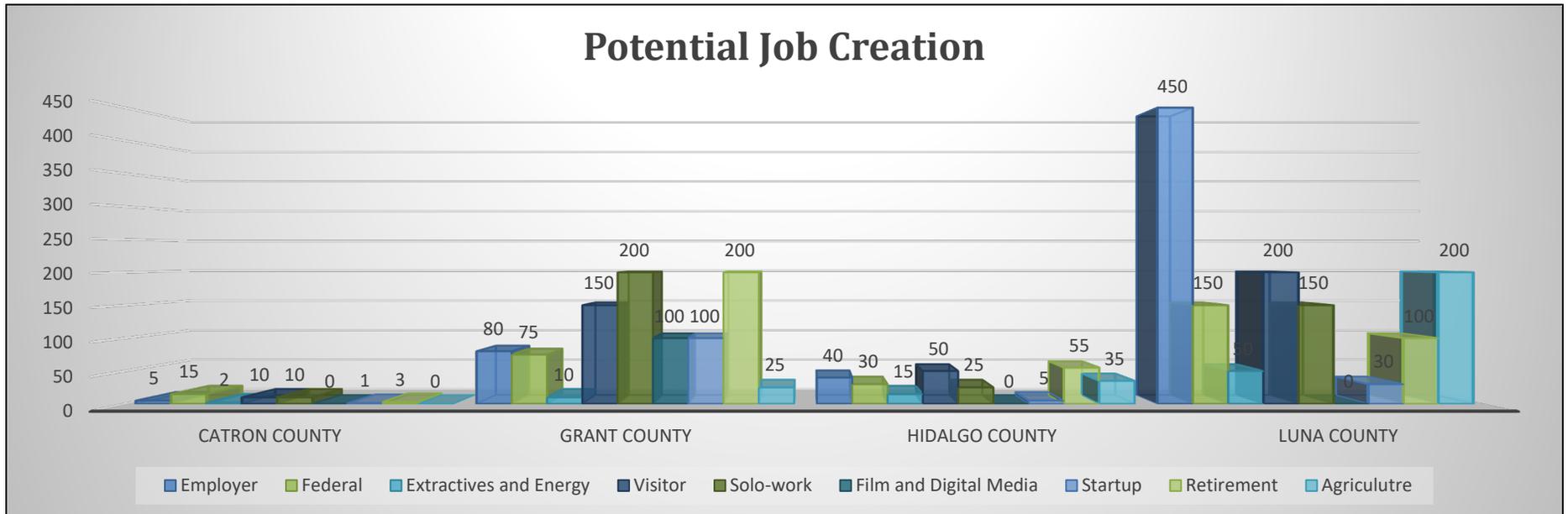
The group estimated that the regional economic base will suffer 9% economic base attrition and 12% service attrition over the next 10 years, resulting to 959 economic base jobs and 1,378 service jobs that will need to be replaced by 2030.

Based on the attrition estimates, the region will need 2,318 new economic base jobs over the next 10 years, 959 for attrition, 381 to close the unemployment gap, and 979 to support new population growth.

Potential

The potential process involves estimating how many jobs could be created in each program theater given a reasonable amount of support and a prescriptive plan. A program theater is a categorization of economic base or service sector jobs, professional expertise needed to staff the effort, the organization or business model, and metrics required to measure production. CELab estimates job creation potential using a new taxonomy of program theaters that have a distinct set of players, metrics, and methodologies. The program theaters are broken into the industry sectors for the purposes of CEDS identified under the strategies section. The program theaters are:

The group estimated how many “potential” jobs could be created in each theater for each county with a reasonable amount of support.



The program theaters are:

<u>Theater</u>	<u>Description</u>
Employer	Employer Recruiting, Retention & Expansion
Federal	Federal Agencies, Healthcare, Higher Education
Extractives & Energy	Mining, Oil & Gas, Power Plants, Renewable Energy
Visitor Driven	Tourism, Hospitality, Transit Services
Solo-work	Freelancers, 1099 Contractors, Independents
Film & Digital Media	Film, TV, Games
Start Up	Innovation to Enterprise, Start-ups, Tech Transfer
Retirement	Affluent Retiree Recruitment
Agriculture	Crop Development, Food Processing, Fishing, Forestry

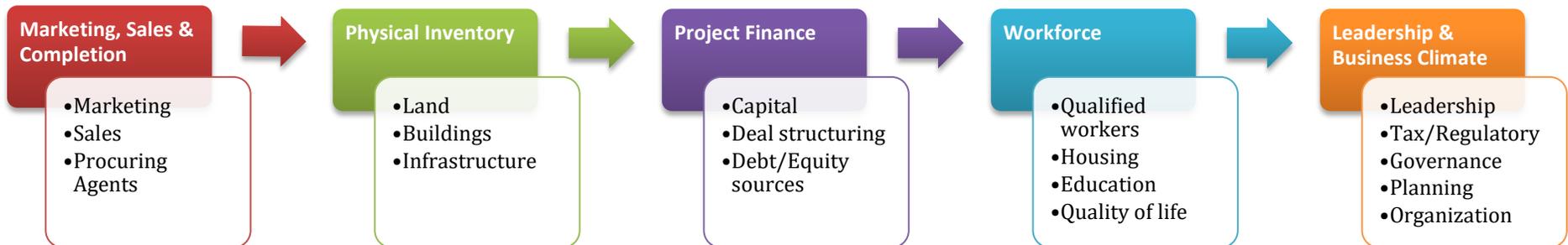
Each county estimated potential that either exceeded or was short of their job creation needs. Catron County was under 52 and Hidalgo County was 276 under jobs needed to be created while Grant County was 185 jobs over and Luna County was over 329 jobs needed in the next 10 years. The group estimated 2,571 total potential economic base jobs in the next 10 years or an average of ~250 per year, exceeding the job creation needs by 187 jobs. Southwest New Mexico could expect 201 jobs to be created without any increase in job creation program activity.

The following page shows the regional “Dashboard” comparing job creation needs to the estimated potential for the entire region and each of the four counties.

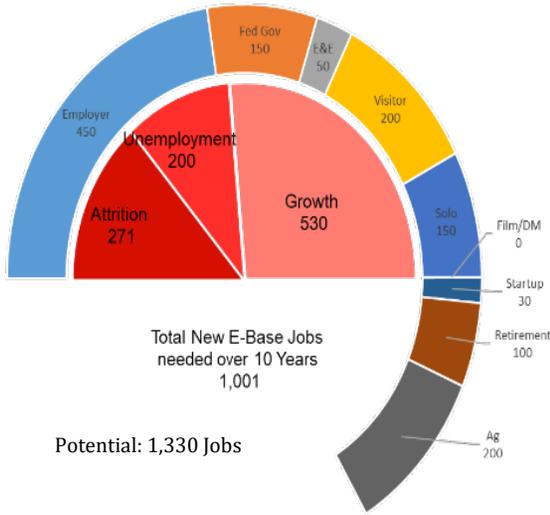
Factors of Production Gaps

The last step in the assessment is identifying factors of production gaps that will prevent job creation potential from being reached in each program theater. Factors of production gaps were identified in each theater for the entire region and it is assumed that all potential job creation for each theater would be at risk to any gap. Filling in the gaps are identified in the Strategy section of the CEDS.

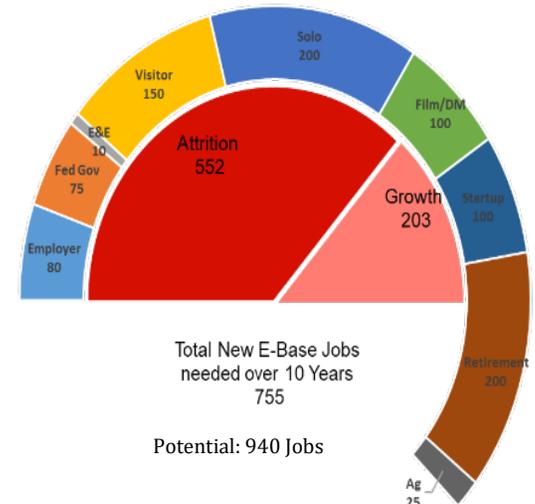
Factors of Production: General Areas



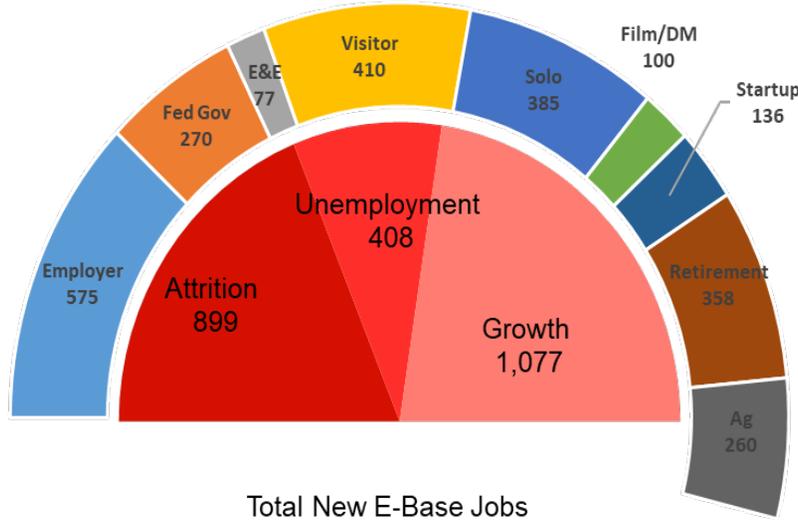
Luna County



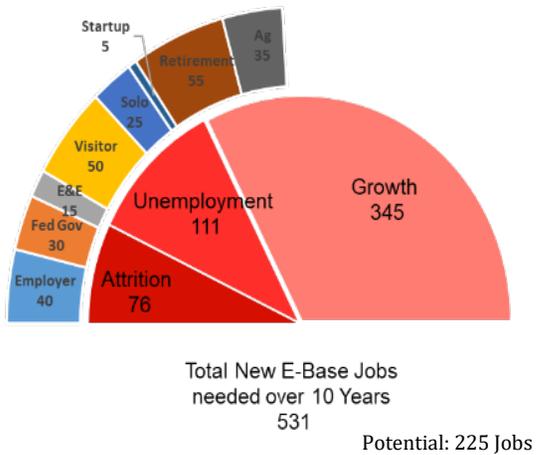
Grant County



Southwest New Mexico



Hidalgo County



Catron County

