Labor Market Information (LMI) & Analysis

Pursuant to Education Code section 78015, labor market information (LMI) data are specifically required for new Career Technical Education (CTE) program proposals, where available. Current LMI and analysis, or other comparable information, must show that jobs are available for program completers within the local service area of the individual college and/or that job enhancement or promotion justifies the proposed curriculum. Statewide or national labor market evidence may be included as supplementary support but evidence of need in the specific college service area or region is also necessary.

The proposal must include projections from LMI for the most applicable Standard Occupational Classification (SOC) codes and geographical regions to be served by the program. If these projections do not suggest adequate job openings in the college service area to provide employment for all program completers, then the proposal must explain what other factors may justify the program and make the LMI figures misleading.

Program proposals will be evaluated in light of the data regarding expected job openings within the next five years and the number of students that will complete the program per year – taking into account the number of completers in similar programs at other institutions within the geographical region. Chancellor’s Office staff refers to the Data Mart, available on the Chancellor’s Office website (www.cccco.datamart.edu), to confirm the number of completers in a particular discipline.

An analysis of labor market needs and trends is required; data sources may include:

- Recent employer surveys
- Industry studies
- Regional economic studies
- Letters from employers attesting to the service area need
- Minutes of industry advisory committee meetings (beyond required advisory committee meeting minutes)
- Job advertisements for positions in the individual college’s service area
- Newspaper or magazine articles on industry or employment trends
- Applicable studies or data from licensing agencies or professional associations

A commonly referenced data source is the Employment Development Department’s Labor Market Information system (http://www.labormarketinfo.edd.ca.gov) which provides statistical projections of growth in specific jobs by county (or labor market area) from. To use the LMI system website to search for labor market projections, choose the “Educators/Schools” link on the LMI home page. This page provides statewide and county job projections by Standard Occupational Classification (SOC) with cross-listing to CCC TOP codes. The instructions for accessing the data are subject to change.

Highlight the applicable lines for the program being proposed with a marker, or another easily visible method, on the printout of data from the LMI. (Note: It is insufficient to merely provide a link to the applicable LMI source.) Target the search for specific data and avoid including unneeded or
irrelevant statistical printouts with the proposal. Title 5, section 55130, requires the college seeking approval of a new program to show "the relation of the proposed program to a job market analysis." The job market analysis must present evidence that there is a viable job market that will preferentially hire those graduating with the proposed degree or certificate.

When a proposed program is in an emerging occupation, finding relevant regional or local data can be challenging. One source of data for emerging occupations is available from the Centers of Excellence, an initiative of the California Community Colleges Economic and Workforce Development Division. The Initiate website (www.coeccc.org) includes comprehensive reports on emerging occupations, called “Environmental Scans,” as well as information about requesting customized reports if no scan has been published. For Chancellor's Office proposals, please do not attach the complete report to the Narrative submission. Rather summarize the significance of the report’s findings to the college service area and use an appropriate format for citing the source so that Chancellor’s Office staff can refer to the entire report, if necessary.

Additional suggested areas of discussion for LMI include but are not limited to those provided in Table Eight (not all are required for every proposal – use those that contribute materially to the analysis):

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<th>LMI Area</th>
<th>Discussion Points for Labor Market Analysis</th>
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| Net Job Market               | • Given the number of enrollments that are projected for the program and that are necessary to support the program, are there enough openings locally to permit placement of the expected number of graduates?  
• Has the job market been declining slowly? Holding steady? Growing slowly? Growing rapidly? Recently emerging? |
| Earning Potential            | • What is the average initial salary?  
• What is the average percentage of salary increase in two years? Five years? |
| Program Credibility / Career Potential | • If advanced degrees are typically needed for career advancement, will the courses required for this program count toward completion of the requirements for those degrees?  
• Will this preparation permit students to remain current in their field? Does the program teach basic principles and theory, as well as application? Is it current and of sufficient rigor? Does it allow for later shifts in career?  
• Does this preparation meet the needs of those already employed for upward mobility, entrepreneurship, or a career upgrade?  
• Does the program prepare students to work in an ethnically diverse workforce and in an ethnically diverse, global market? |
| Emerging Occupations         | When job market data are not available or are not appropriate for a new CTE program in an area of emerging social need or technology, it becomes important to provide a careful analysis and explication of the specific demands of this new occupation. A carefully designed employer survey can elicit documentation demonstrating that employers:
Competitive Fields

Colleges are often called upon to provide training that students greatly desire, even where the job prospects are limited and the field is highly competitive. In such occupations—often in the arts and entertainment—it is talent rather than education that drives hiring. While no community college certificate can substitute for talent, a program that is exceptionally well designed to identify and develop talent can still be justified when few programs of similar quality exist in the college service area.

Career Technical Education Skills

Many kinds of certificates are of occupational benefit to students already employed. In such circumstances, the program objectives and design, including the sequencing of courses, must fit the needs of students likely to be already employed. The course sequence must build on students’ prior experience, and courses must be scheduled to accommodate working students. A program must not establish provisions that exclude students who are not already employed in a particular industry, unless the college makes available to such students a practicable entry-level pathway that would qualify them, upon completion, for the advanced training.

Small Businesses or Cottage Industries

Entrepreneurial opportunities and the market for cottage industries yield few statistics. Yet entrepreneurial opportunities are of value to an increasingly large proportion of the workforce, especially in rural areas. A proposal for approval of a program designed to meet the needs of students interested in pursuing entrepreneurial activities must include a careful analysis of needs and of the market within which they must compete.

**Employer Survey:** When strong data (current labor market information and analysis) is not available to demonstrate adequate local employment opportunities for program completers, an employer survey may be submitted. Provide a copy of the survey, including the number of those surveyed, number of responses, and a summary of the results.

The survey must address the extent to which the proposed degree or certificate, with its stated objectives and proposed courses, will be valued by prospective employers. The survey must convey as much information as possible regarding the intended program design, proposed equipment, facilities, work experience included, and/or faculty qualifications. The survey can then be used to determine whether the employer would preferentially hire someone with such a degree or certificate over someone without it, other things being equal. When reporting survey results, it is important to address the following:

- Methodology: when the survey was administered and how (email, mail, telephone)
- Response Rate: How many employers were surveyed and how many responded
- Scope: The specific title(s) of the jobs covered by the survey
• Projections:
  o How many openings the employer anticipates, due to separations and new jobs (growth), in the next full year and over the next five years
  o Whether the employer believes the program as described would qualify students for the specific positions
  o Whether the employer would preferentially hire students who have completed the program