Tips for Calculating Demand and Supply

The Strong Workforce Program aims to train students for high-demand, high-wage jobs, and requires that investments focus on occupations where there is a gap between labor market demand and high-quality training options. The Chancellor’s Office has created a suite of tools that will support colleges in conducting this gap analysis. In addition to a library of reports that address both regional and occupational needs, several tools can help colleges conduct their own exploration of labor market conditions. These resources can be helpful for college processes like program planning and program review, in addition to filling out the Strong Workforce Program funding templates.

This document provides tips on evaluating demand and supply, including:

- Exploring critical labor market needs in your region (page 2)
- Selecting occupational codes (page 5)
- Determining the target region (page 7)
- Selecting program codes (page 7)
- Documenting labor market information for target programs (page 8)

USE LABOR MARKET INFORMATION TO IDENTIFY:

- Programs that need expansion
- Programs that need revising to better align with regional skill needs
- New programs that need to be developed
- Interventions that would strengthen CTE delivery
Exploring critical labor market needs in your region

If colleges would like to gain a better understanding of the overall demand and supply profile for their region, the Chancellor’s Office has created two resources with related information.

1) Labor Market Information Library

http://doingwhatmatters.cccco.edu/StrongWorkforce/LMLibrary.aspx

The LMI Library is a searchable directory of labor market reports that were prepared by the Centers of Excellence, Sector Navigators, Deputy Sector Navigators, the Employment Development Department (EDD), Workforce Development Boards, and other experts. These reports include both qualitative and quantitative information, including gap analysis studies for priority sectors and information on emerging occupations.
2) Centers for Excellence Regional Labor Market Assessments

The LMI Library includes Regional Labor Market Assessments. Organized by occupational cluster, these reports provide regional labor market demand data for occupations that are relevant to community college-level education and training programs. The reports also provide regional supply data for community colleges and other education and training provider programs, for these occupations.
Questions to consider during your analysis

- What do you offer that meets the needs of your region?
- What are your most successful programs in terms of student outcomes?
- What needs are being fulfilled by other colleges?
- Which needs are not met and how do these needs relate to your program areas?
- Do your programs align with the skills that employers are seeking?
- How could you meet these needs through cross-program supports like work-based learning or career advising?

Result

After completing this review, your college will be able to create a list of priority programs and/or college-wide activities that the college for Strong Workforce Program funding.
Selecting occupational codes

Once you know which programs you want to focus on, you can start preparing your demand and supply analysis. Your next step is to identify the occupational codes for the jobs that align with your programs.

There are three ways to find occupational codes:

1) **Centers of Excellence Demand Table**

[http://www.coeccc.net/supply-demand/](http://www.coeccc.net/supply-demand/)

A crosswalk between 6-digit Taxonomy of Program (TOP) codes and Standard Occupational Codes (SOC) is accessible in two formats - embedded in the INSTRUCTIONS table of the Demand Table and as a separate Excel file you can download from the Supply-Demand webpage.
2) **O*NET**

Use the search feature on the federal O*NET directory located at: [www.onetonline.org](http://www.onetonline.org). O*NET can be particularly helpful for emerging occupations.

3) **Gainful Employment**

Your college may have already identified related SOC codes as part of federal Gainful Employment reporting. Check with your Institutional Research Office.

**Result**

After completing this review, your college will have a list of SOC codes that can be used in supply and demand calculations that are specific to your selected programs.
Determining the target region

It’s important to determine the geographic range in which students are likely to look for work related to the program. Advisory committees can be helpful in determining which counties and regions have clusters of related employers. The same geographic region must be used for both the demand and supply side of the Local Share Reporting Template.

Result

After completing this review, your college will have a list of relevant counties or broader regions that can be used in supply and demand calculations that are specific to your selected programs.

Selecting program codes

In order to conduct the demand and supply analysis, you will need to identify the specific codes that align with the certificates and degrees that are associated with your programs. Check with your Institutional Research Office to determine which codes have been assigned to the awards that are being reported to the Chancellor’s Office in the annual MIS upload.

Result

After completing this review, your college will have a list of relevant program codes that can be used in supply and demand calculations that are specific to your selected programs.
Documenting labor market information for target programs

You can now use your occupational codes, program codes, and target region to pull custom data from the Centers of Excellence Demand and Supply Tables. Detailed information on these tools, including instructional videos, is available at: www.coeccc.net/supply-demand

1) Demand Table

The Demand table, a spreadsheet allows users to filter information on projected job openings by region, sub-region, county, occupational code, occupational title, and educational level. This table is password protected. Contact your regional Centers of Excellence Director for the password.
2) **Supply Table**

The Supply Table allows users to see the number of graduates being produced by all post-secondary institutions with program below a bachelor’s degree, not just community colleges. The table can be filtered for numerous options including type of institution, region, sub-region, county, program title, and length of award.
3) **Local Share LMI Worksheet**

Once the college has established demand and supply figures for the appropriate region, this information can be entered into the Local Share LMI Worksheet to determine whether there is an oversupply of qualified workers. The worksheet is available at: [doingwhatmatters.cccco.edu/StrongWorkforce/LocalShareReportingInstructions.aspx](http://doingwhatmatters.cccco.edu/StrongWorkforce/LocalShareReportingInstructions.aspx)

![Local Share LMI Worksheet](image)

**Result**

After completing this review, your college will have documentation that validates the need for your investment, which you can upload to the Local Share Reporting Template.