

Diversity, Equity & Inclusion (DEI) in the Workforce

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Overview

- **Background**
 - What does DEI mean in workforce development?
 - Why does DEI matter in economic and workforce development?
 - How do we evaluate DEI impacts in workforce development?
- **Why economic modeling?**
 - About us
 - REMI-DEI: a practical software solution
 - Examples of modeling uses
- **Model Demonstration**
- **Discussion**
- **Q&A**

What does DEI mean in workforce development?



- **Diversity**
 - Are all demographic and income groups fairly represented in a region's labor force?
- **Equity**
 - Are there equal opportunities for well-paying jobs?
- **Inclusion**
 - Who is being left out of the labor force, and what factors are barring their entry?

Why does DEI matter to your organization?



- Prepare workforce for 21st century demands
- Tap into the full potential of the region's workforce
- Ensure economic prosperity is broad-based
- Meet federal, state and local reporting requirements
- Address stakeholder concerns

Why economic modeling?

- Capture direct and indirect effects of policies
- Understand economic and demographic impacts across industries and over time periods up to 2060
- Articulate costs, benefits, and trade-offs of policies and projects
- Evaluate policy with standardized metrics before implementation
- Clarify complicated policy situations

About us

- Leading public policy analysis model since 1980
- Practical software solution to analyze dynamic economic and fiscal impacts of policy changes
- Models:
 - PI+
 - TranSight
 - Tax-PI
 - E3+
- **DEI extension** adds race/ethnicity, gender, education level, geography, income distribution dimensions to policy analysis

REMI-DEI: A practical software solution



Model any policy
(comprehensive
structure, thousands
of policy variables)



Produce accurate
results
(econometrics)



Show dynamic
responses to price and
wage changes
(general equilibrium)



Model up to
160 industries
(input/output)



Understand how
policy affects your
specific region
(customized)

REMI-DEI: A practical software solution



Jobs by
Race/Gender



Regional Disparities
By County



Labor Force by
Race/Gender



Jobs by
Education Level



Income
by Quintile



Inflation Impact
By Income

Workforce development example: apprenticeships



Federal Workload Data: Apprentices by Gender for Fiscal Year 2020*

Gender	Active Apprentices	New Apprentices	Completers
Female	25,367	10,408	4,204
Male	249,957	81,535	32,191
Total	275,324	91,943	36,395

Source: Registered Apprenticeship National Results Fiscal Year 2020, US Department of Labor

Workforce development example: apprenticeships



Federal Workload Data: Apprentices Race for Fiscal Year 2020*

Race	Active Apprentices	New Apprentices	Completers
Not Provided	13,973	619	3,948
American Indian or Alaska Native	6,052	1,518	782
Asian	4,351	1,541	713
Black or African American	26,767	10,661	3,567
Do not wish to answer	58,073	21,706	4,492
Multiple-Race Selected	1,952	858	146
Native Hawaiian or Other Pacific Islander	2,289	742	329
White	161,867	54,298	22,418
Total	275,324	91,943	36,395

Workforce development example: apprenticeships



Federal Workload Data: Apprentices by Ethnicity for Fiscal Year 2020*

Ethnicity	Active Apprentices	New Apprentices	Completers
Hispanic	69,537	24,126	7,278
Non-Hispanic	147,288	50,293	19,990
Not Provided	58,499	17,524	9,127
Total	275,324	91,943	36,395

Source: Registered Apprenticeship National Results Fiscal Year 2020, US Department of Labor

Example: Alabama SB 295

- 2019 workforce development bill
- Created Alabama Office of Apprenticeship
 - Alabama Registered and Industry Recognized Apprenticeship Program
- Bolstered state-level apprenticeship programs
- Provides variety of apprenticeship tax credits
 - Incentives for employers to hire apprentices
- Align career technical training with workforce needs

Example: Alabama SB 295

- Expanded the Apprenticeship Alabama Tax Credit
 - Additional \$500 for hiring in-school youth apprentices
- Modified the Apprenticeship Alabama Tax Credit
 - Increase the base tax credit from \$1,000 to \$1,250
- Increased the number of apprentices one employer may claim from 5 to 10
- Increased tax credit cap from \$3 million to \$7.5 million

State also received \$1.2 million federal grant increasing apprenticeship funding, budgeted an additional \$1 million for offsetting costs of courses and fees for apprentices in training

Model Demo

- **Scenario:**
 - Alabama workforce development program: SB 295
- **Model Inputs:**
 - Reduction in production costs for industries receiving tax credit
 - Increase in state government spending
 - Increase in labor productivity
 - Year 2021-2030

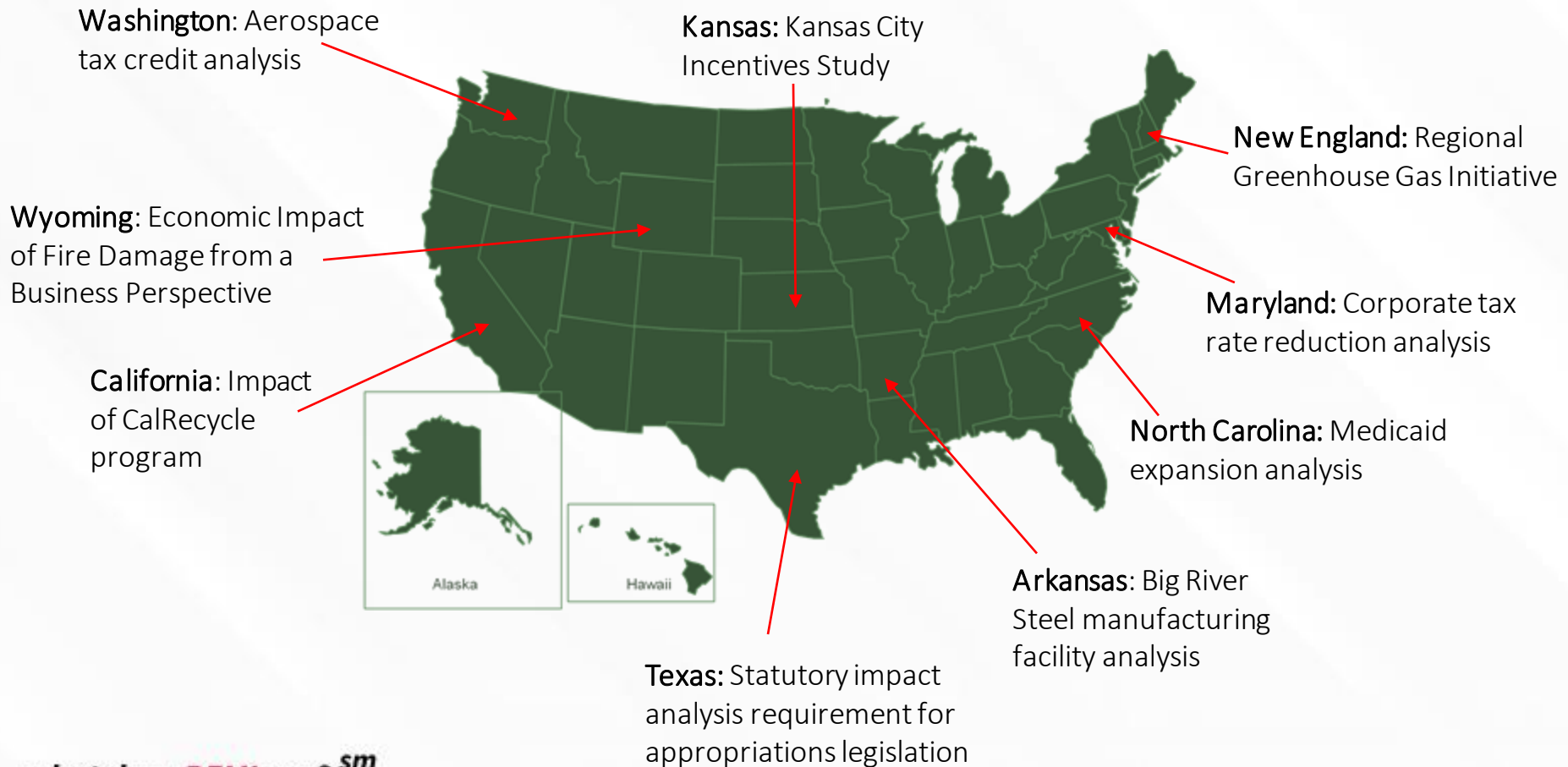
Discussion

- Decreases in compensation rate inequality for the state
- Increases in employment and compensation rates by industry for second-lowest income quintile
- Increases in employment, greatest for white non-Hispanic and male groups
 - Consider proportional demographic makeup of occupations in question
- Increases in labor force participation for women
- Reduction in unemployment
- Increase in per capita income

The REMI Model

- Only widely available economic model that accounts for these DEI issues in a workforce development context
 - Clients include Sandia National Labs, Ernst & Young, Texas Comptroller, University of Michigan, Tennessee Valley Authority, National Education Association, South Coast Air Quality Management District, North Carolina Department of Commerce, Wyoming Department of Administration & Information
- Authoritative: uses standard metrics to evaluate public policies
- Academic: peer-reviewed, publicly available equations

Model Applications



Economic Modeling: Why it matters



- Inform policy with standard metrics rather than ideology or intention
 - DEI reporting requirements at the federal, state, local levels
- Address stakeholders with evidence that communicates how policy benefits or disadvantages their communities broadly
 - DEI impact analysis needed to address stakeholder concerns
- Understand economic and demographic implications of policies before implementing them
 - Ensure that public policy serves the broad-based interests of the public

Q&A

Contact Us

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