Global Challenge, Local Solutions:
What the Looming Labor Shortage Means for Regional Economic Development & the Future of Work

Lightcast

Future-Ready Workforce Collection

The *Rising Storm* ahead is a global issue that requires both local and regional solutions. After all, the US is made up of hundreds of local labor markets, as the Georgetown Center on Education and the Workforce's [May 2024 report](#) clearly illustrates. Each one "is driven by the needs of the local area's mix of industries and the skills of its workers. When these needs and skills align, everyone can benefit."

In the same way that specific industries and occupations are more exposed to the risk of a shrinking labor force, some regions will be hit harder than others as well—a strong talent base is a community's first line of defense. Economic and workforce development leaders must ensure there are enough workers with the skills and abilities to fill high-demand roles. By 2032, the population age 65 and older is projected to grow more than the under 21 population in all 50 states.
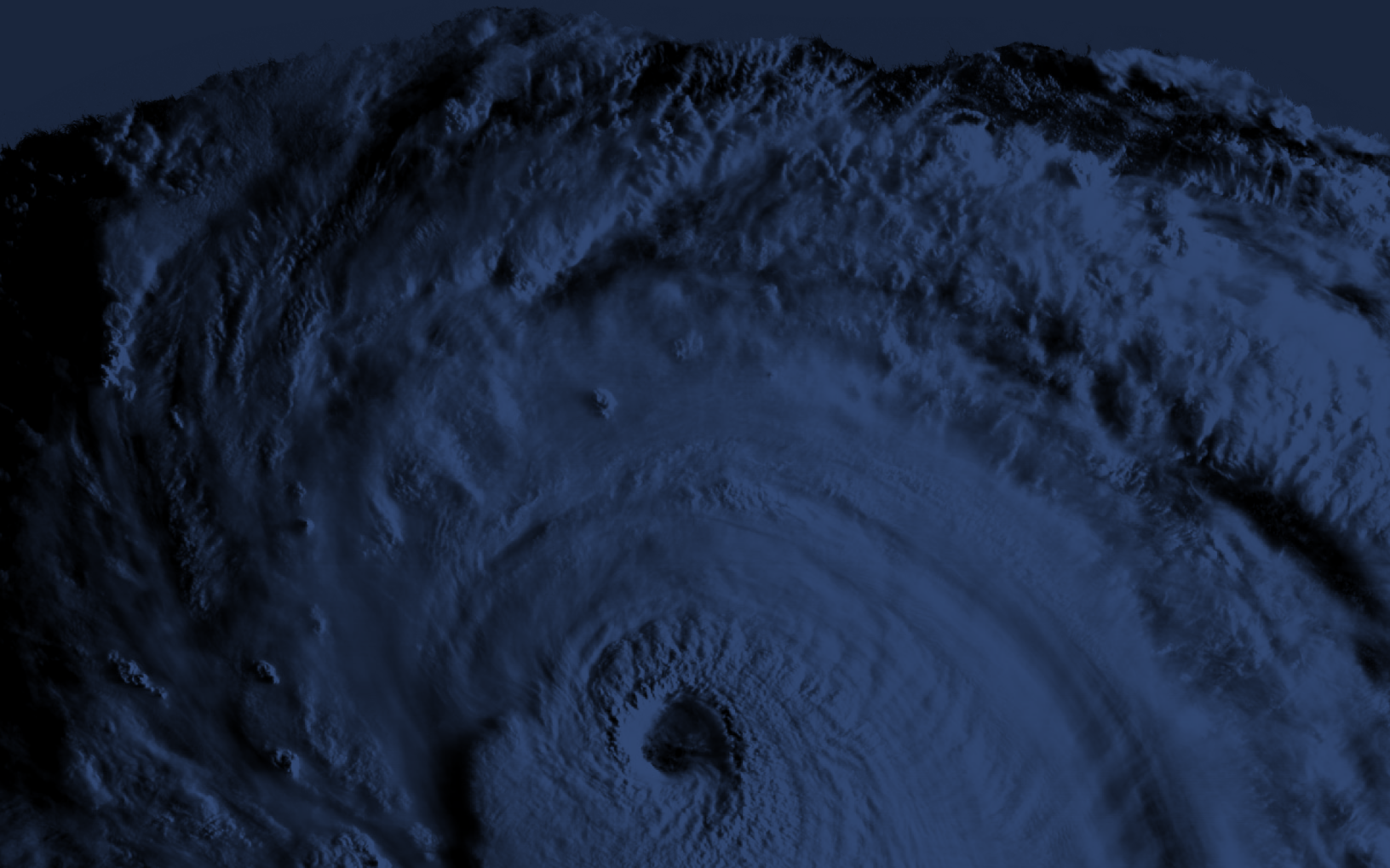
Because the greatest shortages will be in critically important sectors like community services, skilled trades, food production, and—above all—healthcare, (see chapter 4) economic and workforce development leaders need to spend their energy attracting, training, and retaining talent to fill these positions so their communities can grow and thrive.

Maintaining and growing this talent pipeline requires workers who contribute to the community and the labor force, which happens in four ways:

1. "Natural" Talent Growth: Home-grown workers—people born and raised in your region—are the bread and butter of local economies. But expanding this existing pool requires above-average birth rates to keep K–12 schools, colleges, and entry-level jobs filled with young people. Communities with declining populations due to falling birth rates can slow the trend and even bolster future growth by making the region more affordable and family-friendly.

How Lightcast Can Help

- **Developer** is a powerful data research tool for performing in-depth analyses of the local labor market's strengths and challenges.

- The custom data visualization tool **eIMPACT** makes it easier to tell the story of your community's workforce advantages through simple, compelling data.
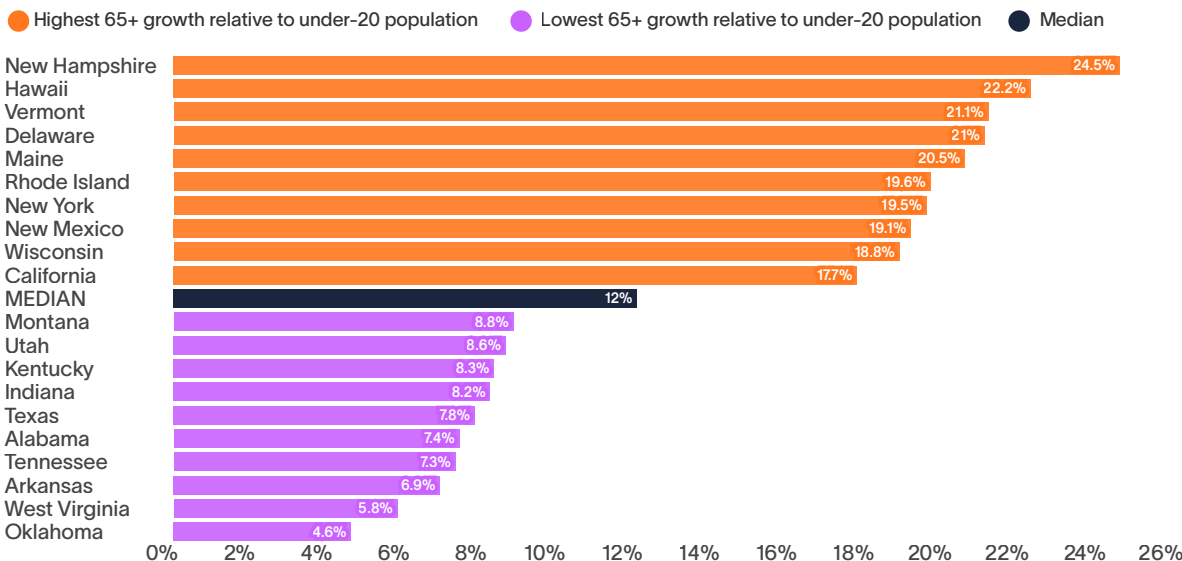
2. Attracting Talent: Local and regional economic developers work hard to draw workers—and employers—to their regions. Since 2016, Lightcast's annual **Talent Attraction Scorecard** has analyzed and ranked the regions doing this most effectively based on education attainment, job growth, skilled job growth, job openings per capita, competitive effect, and migration. Considered together, these metrics can create a cohesive talent attraction strategy for your region.

How Lightcast Can Help

- The **Talent Migration Dashboard** shows where people come from when they move to your region—and where they go when they leave.

Comparing The Over-65 Population to the Under-20 Population, the Northeast is at Greatest Risk of Labor Shortfalls Ahead

Projected Increase in 65+ Population Share compared to Population Share 20 and Younger, 2023-2032

● Highest 65+ growth relative to under-20 population   ● Lowest 65+ growth relative to under-20 population   ● Median

State	Value
New Hampshire	24.5%
Hawaii	22.2%
Vermont	21.1%
Delaware	21%
Maine	20.5%
Rhode Island	19.6%
New York	19.5%
New Mexico	19.1%
Wisconsin	18.8%
California	17.7%
MEDIAN	12%
Montana	8.8%
Utah	8.6%
Kentucky	8.3%
Indiana	8.2%
Texas	7.8%
Alabama	7.4%
Tennessee	7.3%
Arkansas	6.9%
West Virginia	5.8%
Oklahoma	4.6%

Source: Lightcast

3. Retaining Talent: It's just as crucial to hold onto the existing workforce in your region. Possible approaches to this include developing local training and education programs, attracting growing businesses that create good jobs for recent graduates, keeping housing and other living costs affordable, and ensuring a high quality of life for those who stay.

How Lightcast Can Help

- Gazelle identifies and connects economic developers to businesses whose expansion plans may make them a great fit for your region's talent pipeline.

4. Aligning Talent: Even with a strong workforce, the needs of local employers may not match the skills of the region's workers. Doing so requires a multi-faceted approach, including researching the supply and demand for skills and talent in your community;

forging strong partnerships between employers, learning providers, and policymakers; and helping regional talent develop the skills and credentials needed to fill current openings—and to prepare for the opportunities ahead. Workers and businesses benefit when the local workforce is well-equipped for the area's jobs, and community leaders can help both groups by identifying those gaps and developing solutions to bridge them.

How Lightcast Can Help

- Lightcast Career Coach leads jobseekers to local opportunities that match their interests and training programs that provide the skills to land the jobs they want.

- Lightcast's custom sector analysis or regional skills analysis can identify talent and skill gaps, align programs with regional jobs, and build strategies to match people to the roles your community needs most.

2023 State Rankings

As a result of its No. 1 position in the migration category, Vermont vaults into the No. 3 spot overall, joining Georgia as one of two new states in the top 10. News stories abound about Vermont being a top relocation destination during COVID-19, and the data backs it up.
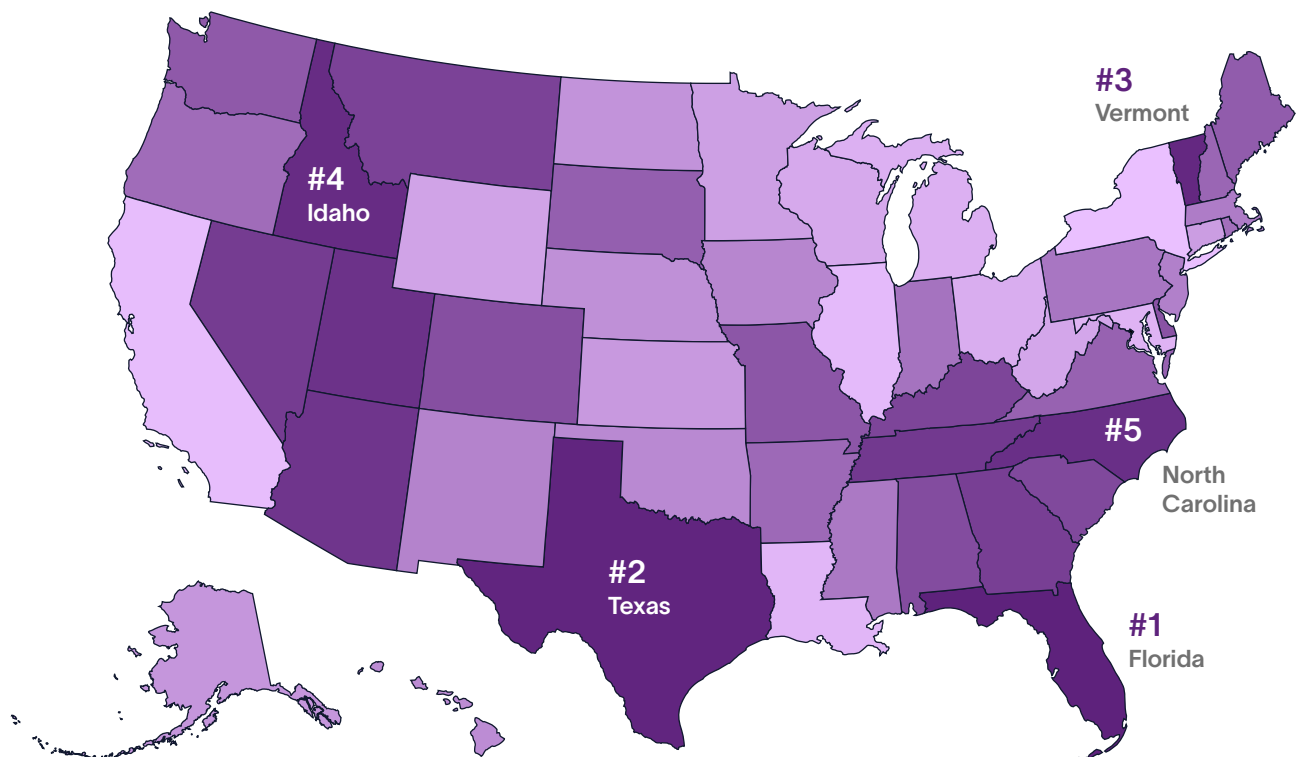

Source: Lightcast

These four components work together to create a cycle of regional success. Take a hypothetical young couple moving to a safer, more affordable area to start a family. They not only fill roles the community needs by finding jobs in the area, they also expand the talent pool by having children. Over time, that drives young people to seek out education and training programs, which helps to make the community more attractive for business expansion projects that, in turn, draw even more people.

Regional Talent Strategy Success: Southeastern Sunbelt, Mountain West rank high in Lightcast's Talent Attraction Scorecard

As the Talent Attraction Scorecard reveals, not all regions are equally equipped to win the battle for talent. The southeastern Sunbelt and Mountain West regions have had strong success both attracting and retaining workers in their communities. At the county level, we've found that drawing even one growing business to the area can make a world of difference by bringing in new people and giving them compelling reasons to stay.

Attracting a business that aligns well with local talent is easier said than done. Understanding the variety of factors that drive talent growth, attraction, and retention can go a long way toward developing a future-ready workforce. Lightcast is committed to helping regions streamline the process and prepare for the coming storm.

Scan to Read
The Rising Storm
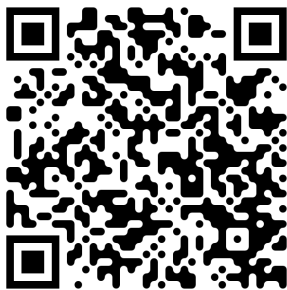
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More than 700 workforce and economic development organizations use Lightcast data to inform their talent strategies and navigate the fast-changing labor market. We help communities connect their residents to in-demand jobs, attract and support businesses, and align their workforce and educational institutions to meet the needs of their industries.

Explore Lightcast Labor Data Solutions for Economic & Workforce Development