

GO VA Region 1

Summary of IT Working Group #1

February 26, 2019

Agenda:

- A. Overview of Kickoff Meeting
- B. Data Review
- C. Rules of Engagement
- D. What's Working (Success Stories) in Region 1
- E. What's Not Working (New Direction Needed) in Region 1
- F. SOAR Processes for GO VA Region 1's 5 focus areas, which are:
  1. Infrastructure
  2. Education & Training
  3. Regional Labor Market
  4. Quality of Place
  5. Marketing & Perception

- A. Overview of the Kickoff Meeting included purpose, project design/theme of working group #1 (plow the field), and a mention of broadband capability.
- B. Data Review – participants had a one-page data summary that included:
  - Number of IT workers in Region 1 and their average annual wage
  - Top occupations in Region 1 by employment (1 – computer user support specialists; 2 – computer systems analysts; 3 – software developers, applications)
  - Average annual IT wages, with cost-of-living index (CoLI), and CoLI-adjusted wages for Regions 1-9
  - Top 8 IT industries in Region 1 (1 – computer systems design and related services; 2 – other information services; 3 – management of companies and enterprises)
  - Graphs included a year-over-year percent change of IT industry employment; year-over-year percent change of IT industry establishment; and IT industry average wages over the period of 2002-2018
- C. Rules of Engagement – working group #1 will allow for 15 minutes of brainstorming and 45 minutes of norming with a check-step-review after the first hour to stay on schedule. This “plow the field” mission for the meeting was a brand to center the conversation around the ‘status quo’ working group and the need for this session to stay on the ‘current state’ of the GO VA 1 Strategic Plan’s implementation. The Rules of Engagement helped manage the expectations of all the participants in the first working group.

SOAR Ecosystem: This total quality management and Lean Six Sigma term was presented as a way to contextualize the SOAR session conversation. With this as a backdrop, participants were encouraged to think in two, linked and linear outcomes as it related to their everyday mission in helping implement the GO VA 1 strategic plan.

Organizations, firms, entities, volunteers, etc. can be:

- Data-rich but information-poor
- Program-rich but systems-poor

Why did we choose this approach for managing expectations? It allows for each participant to hone in on universal system and data issues within their individual sphere of influence and speak from that lens.

D. What's Working (Success Stories) in Region 1

**CGI.** This company employs 350 workers. Most are considered traditional IT jobs. They have moved into sales with the development of a Safety Data Sheet. They have also started offering consulting services.

**Bristol Virginia Public Schools.** They now offer dual enrollment in cybersecurity, a hydroponics course, cybersecurity in agriculture, and testing for IT credentials.

**United Way.** They recently implemented a survey to determine what credentials are required for IT jobs.

E. What's Not Working (New Direction Needed) in Region 1

- Workforce/jobs
- IT and cybersecurity education
- Experience
- Regional collaboration (one voice)

F. SOAR Processes for the 5 focus areas

**STRENGTHS:**

**Infrastructure** - for IT businesses, the region's infrastructure as well as broadband capability is at an acceptable level for the current state of business needs. However, it was noted that not all workers hired in positions offering "remote" work would be able to take advantage of this option due to broadband last mile issues.

**Education & Training** - Community colleges continue to be a great choice for the area, either as a baseline education or a pathway to a 4-year university. Also, in-state tuition is available in many surrounding states which broadens the area's educational choices. K-12 leaders are willing to offer their support in developing IT education requirements.

**Regional labor market** – The current IT workforce is loyal and flexible. The area boasts several small, private companies.

**Quality of Place** – Southwest Virginia is a beautiful area in which to live and work. Revitalization efforts over the past several years have been extensive. Outdoor activities are abundant.

**Marketing & Perception** – The area caters to the IT demographic, and especially to their interest in outdoor tourism. There is an overall positive view of southwest Virginia's culture.

**OPPORTUNITIES:**

**Infrastructure** – The creation of 5G-connected towns/hotspots. The growth of 4G wireless networks. There is less "red tape" than in larger metro areas.

**Education & Training** – Seek out "last-mile" opportunities for individuals who have barriers to education and training.

**ASPIRATIONS:**

**Education & Training** – We want to be more responsive to educational requirements. We should consider pairing millennials with Baby Boomers or Gen Xers in mentoring situations.

**Regional Labor Market** – We want to import workers rather than export workers. It has been 12 years since the CGI success story, and it is past time for a new one. We should offer board positions for IT workers to keep them in regional leadership roles.

Marketing & Perception – We want more respect for the area regarding trash and problems related to drug addiction. We want to market southwest Virginia.

**RESULTS:**

Education & Training - MECC offers cybersecurity as a 2-year degree. There is some college-high school collaboration occurring, i.e., the Cyber Range and capture the flag events.

Wize Solutions – developing software programs that target southwest Virginia clients.

Marketing & Perception - Cost-of-living adjusted wages (buying power) is attractive to workers. Profitability to businesses is an excellent selling point to businesses considering southwest Virginia.

## Data Review

2,049 IT workers in GO VA Region 1, making an average of \$64,600 per year

GO VA 1	Current – Four Quarters Ending in 2018Q3			Past Five Years	10-Year Forecast	
	Employment	Average Annual Wage (2017)	Unemployment Rate	Employment	Total New Demand	Average Annual Growth Rate
<b>IT Occupations</b>	<b>2,049</b>	<b>\$64,600</b>	<b>2.7%</b>	<b>-0.8%</b>	<b>1,386</b>	<b>0.2%</b>
Total - All Occupations	139,888	\$38,300	n/a	-0.7%	142,566	-0.5%

Source: Chmura's JobsEQ

**Top occupations** include computer user support, system analysts, software developers, and systems administrators

Occupation	Employment Four Quarters Ending in 2018Q3		Average Annual Wage 2017		Employment Change Past Five Years	
	GO VA 1	Labor Shed	GO VA 1	Labor Shed	GO VA 1	Labor Shed
Computer User Support Specialists	385	1,690	\$40,600	\$43,800	0.1%	0.9%
Computer Systems Analysts	333	1,466	\$70,300	\$76,400	-1.2%	0.9%
Software Developers, Applications	267	1,471	\$76,300	\$81,200	-0.6%	1.5%
Network and Computer Systems Administrators	217	1,110	\$65,500	\$71,000	-1.1%	0.2%
Software Developers, Systems Software	168	765	\$84,400	\$90,700	-1.7%	0.5%
Computer Programmers	116	678	\$64,900	\$84,000	0.1%	1.7%
Computer Network Support Specialists	114	561	\$49,000	\$55,700	-1.7%	-0.4%
Computer Occupations, All Other	112	521	\$66,200	\$78,400	-1.1%	-0.1%
<b>IT Occupations</b>	<b>2,049</b>	<b>10,122</b>	<b>\$64,600</b>	<b>\$71,400</b>	<b>-0.8%</b>	<b>0.7%</b>
<b>Total - All Occupations</b>	<b>139,888</b>	<b>567,896</b>	<b>\$38,300</b>	<b>\$41,800</b>	<b>-0.7%</b>	<b>0.2%</b>

Source: Chmura's JobsEQ

**Low cost of living** in Region 1 is attractive to workers  
**Low average wage** is attractive to employers

GO VA Region	IT Average Annual Wage	Cost of Living (CoLI)	CoLI-Adjusted IT Avg Wage
<b>Region 1</b>	<b>\$64,600</b>	<b>85.1</b>	<b>\$75,911</b>
Region 2	\$77,100	88.0	\$87,614
Region 3	\$69,200	86.2	\$80,278
Region 4	\$86,900	95.3	\$91,186
Region 5	\$83,800	97.7	\$85,773
Region 6	\$87,500	126.7	\$69,061
Region 7	\$105,400	161.4	\$65,304
Region 8	\$74,100	108.1	\$68,548
Region 9	\$87,900	120.7	\$72,825
Virginia	\$99,200	116.0	\$85,517

Source: Chmura's JobsEQ

IT workers are **employed across many industries** in Region 1

Industry	Current Employment	Average Annual Wages
<b>Computer Systems Design and Related Services</b>	<b>429</b>	<b>\$69,700</b>
Other Information Services	188	\$77,900
Management of Companies and Enterprises	143	\$67,100
Business Support Services	111	\$46,500
Justice, Public Order, and Safety Activities	72	\$64,600
Depository Credit Intermediation	66	\$68,700
Wired and Wireless Telecommunications Carriers	62	\$65,800
Elementary and Secondary Schools	51	\$44,600

Source: Chmura's JobsEQ

## Discussion Topics

- IT-industry success stories in the region?
- IT initiatives in GO VA 1 needing new direction?
- IT leaders and innovators in the region?

**S**trengths  
**O**pportunities  
**A**spirations  
**R**esults

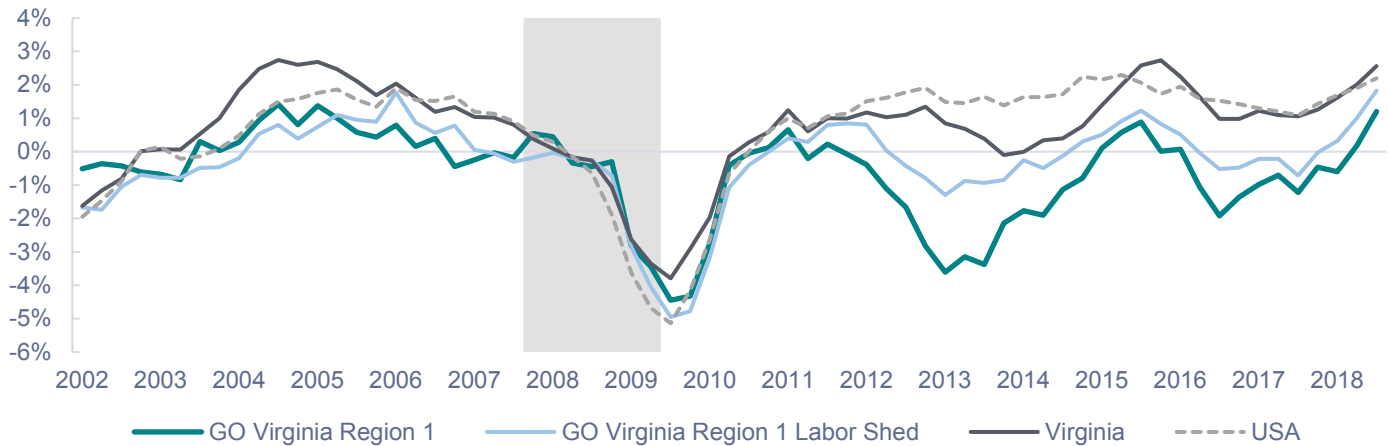


- Infrastructure
- Education & Training
- Regional Labor Market
- Quality of Place
- Marketing & Perception

## IT Industry Trends

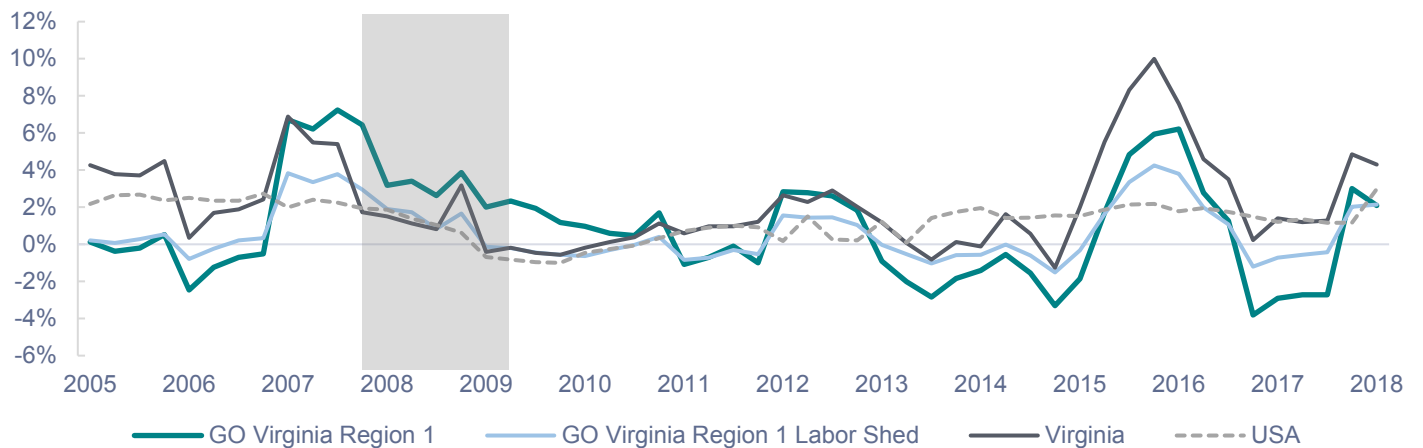
IT industry employment has recently been trending upwards: up to **847 employed workers** as of 2018Q3.

Figure 1: IT Industry Employment Percent Change, Year-Over-Year



IT establishments have expanded on an annual basis for the past two quarters: up to **64 establishments** as of 2018Q1.

Figure 2: IT Industry Establishment Percent Change, Year-Over-Year



Wage growth in the IT industry has been positive: up to **\$64,432** as of 2018Q3.

Figure 3: IT Industry Average Wage

