

# TALENT STACK PROCESS

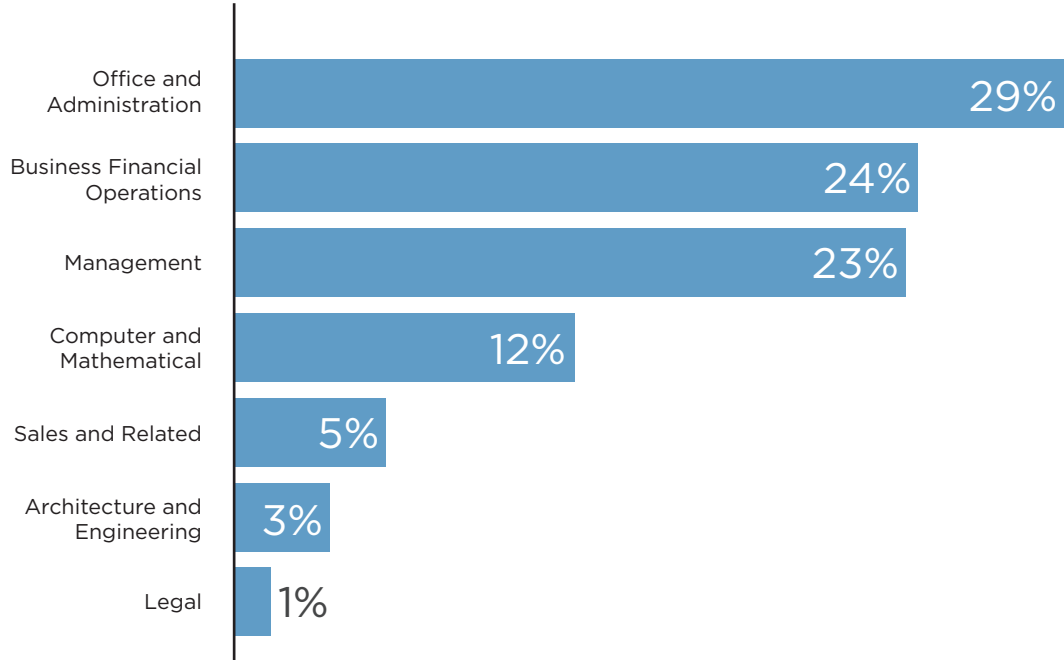
It can be challenging for a company to know whether a given community has the talent to fit their needs. The Talent Stack empowers better labor analysis as companies look to solve their number one issue, labor. The Talent Stack is a tool designed primarily for large projects in relation to a community's existing labor pool. This document outlines how to build a Talent Stack using a headquarters operation as an example.

## 1 IDENTIFY THE COMPANY'S INDUSTRY

Obtain the company's North American Industry Classification System (NAICS) code or look up the company's code if you know the general industry for which they work. Go to [naics.com](http://naics.com) and search their industry using industry keywords such as software development, financial services, etc., and select which code best matches the work for which their company is engaged.

## 2 IDENTIFY THE OCCUPATIONAL MIX OF THE INDUSTRY

Once you have the company's NAICS code, you can identify which occupations, and how many of each occupations they will need. Visit the Occupational Employment Statistics (OES) page at [bls.gov](http://bls.gov) and select OES Data. Select the NAICS code, scroll down to the table, and click the header titled "Percent of total employment" to sort by highest percentage. If an occupation makes up 60% of the industry, an individual company within that industry should need a similar percentage. Capture as many occupations as needed to reach about 95% of total employment. These five-to-ten occupations will be used for your analysis. For a headquarters facility, the occupational mix is as follows:



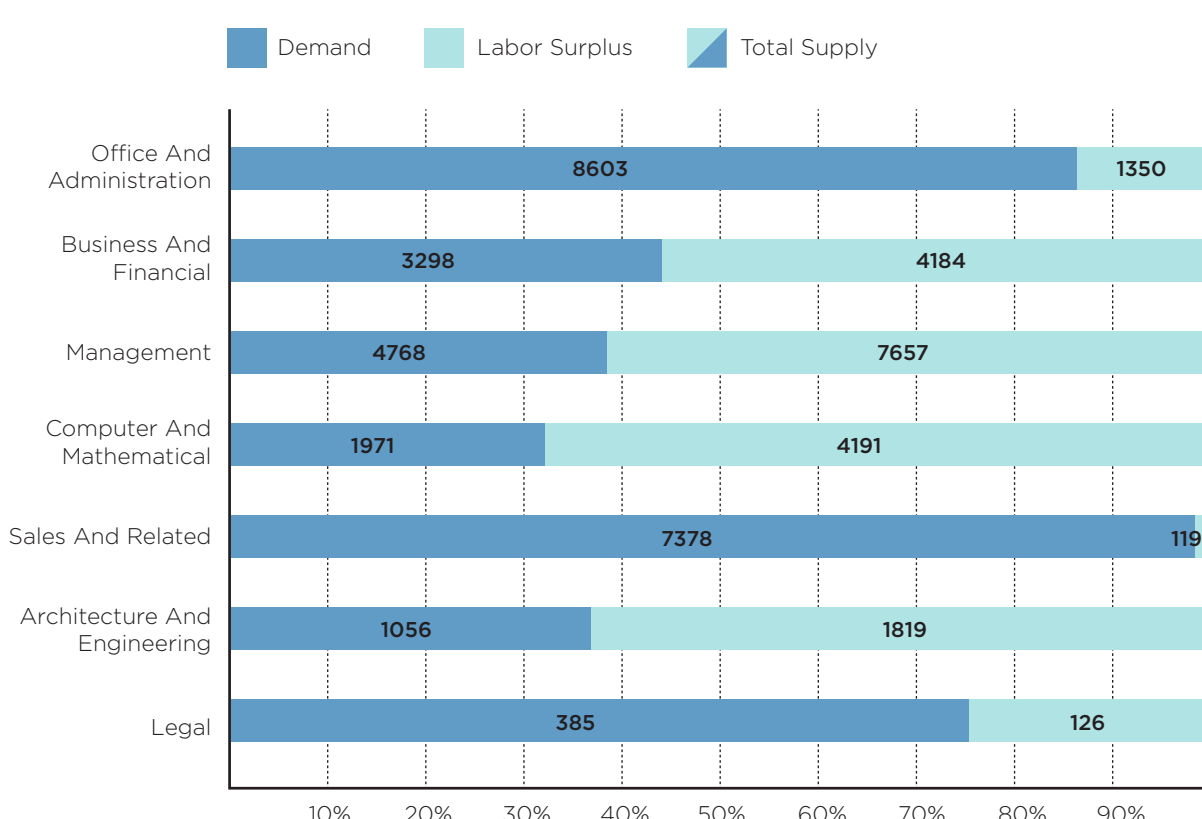
## 3 IDENTIFY THE SUPPLY OF LABOR IN YOUR COMMUNITY

Using a tool such as JobsEQ, EMSI, or public data, build the labor makeup of the community for each occupation by first identifying how many individuals are currently employed in that occupation within the community. Next, look at categories of potential future employees: graduates each year in degrees that feed into each occupation, occupational in- or out-migration, and total occupational unemployment.

Occupation	In-Market Employment	Recent Graduates	Total Occupational In-Migration <sup>1</sup>	Total Unemployment
Office and Administrative Support <sup>2</sup>	246,824	625	877	8,451
Business and Financial Operations	80,108	5,157	284	2,041
Management	100,836	10,764	358	1,303
Computer and Mathematical	49,233	4,888	175	1,100
Sales and Related <sup>2</sup>	156,921	371	557	6,569
Architecture and Engineering	28,095	2,100	100	675
Legal	10,955	386	39	86
<b>TOTAL</b>	<b>672,972</b>	<b>24,291</b>	<b>2,390</b>	<b>20,225</b>

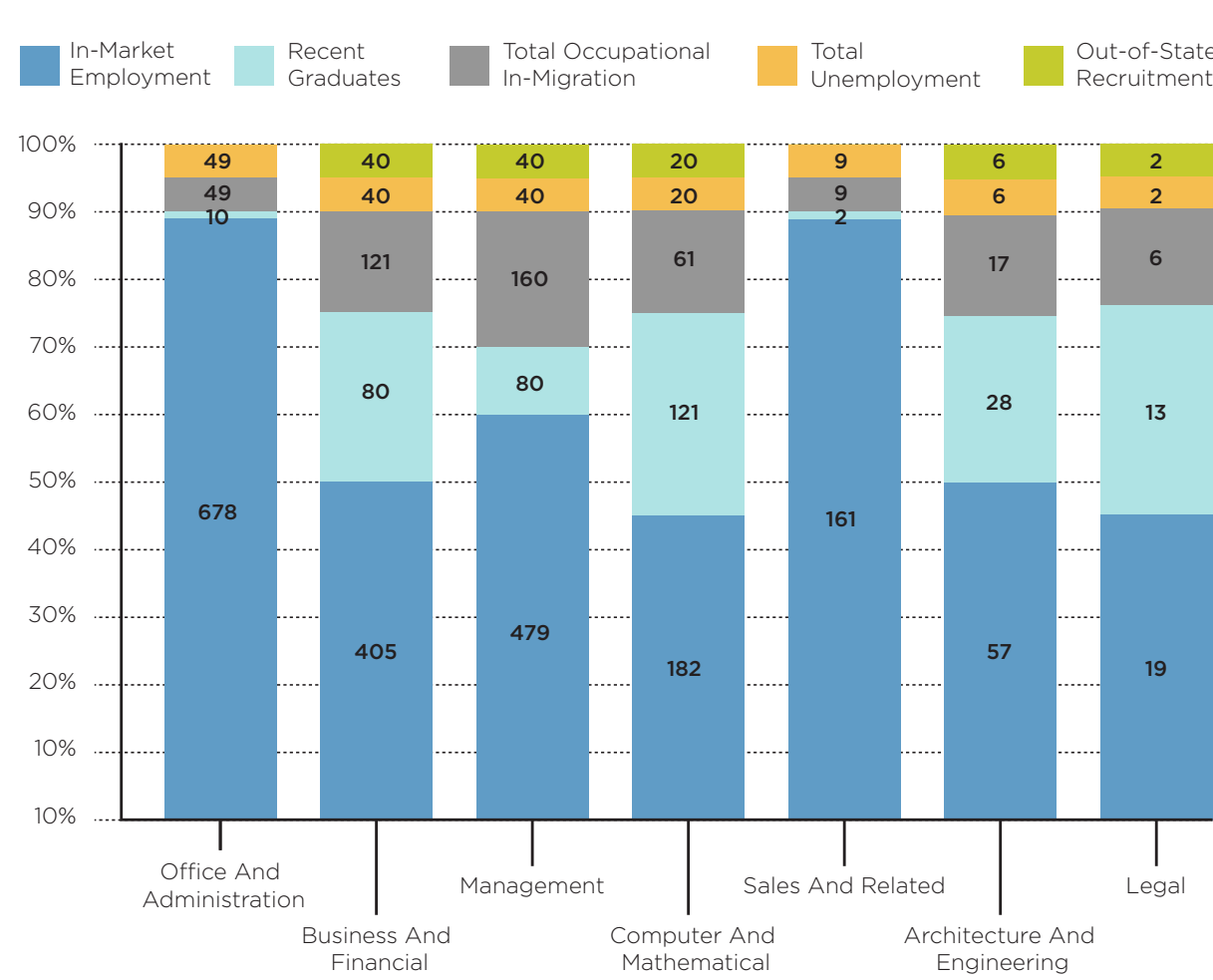
## 4 IDENTIFY THE LABOR DEMAND IN THE COMMUNITY

Using the Bureau of Labor Statistics, or a tool such as Jobs EQ or EMSI, identify the demand for each occupation in your community, then subtract that demand from the supply calculated in step 3. The remaining amount will ideally be a surplus and may be available for the company in question.



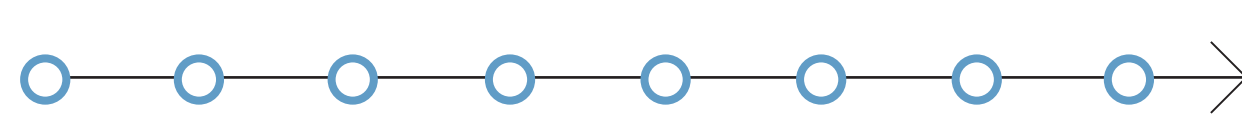
## 5 CREATE THE COMPANY-SPECIFIC LABOR STACK

You will need to determine how much of a particular occupation that specific company can reasonably expect to obtain from each occupational pool. In particular, the ability to recruit from the categories "in-market employment" and "recent graduates" may differ depending on how well known a company is. If the total company need for any occupation exceeds the surplus, the company will need to recruit out-of-state labor. Using this data you can create the Talent Stack with a 100% stacked column (or bar) graph.



## 6 PROJECT THE EMPLOYMENT NEEDS OVER THE PROJECT

If relevant, and if you are aware of the timeframe of the project, you can project the amount of employees that will need to be hired each year. For example, if you are working on an eight year project to hire 8,000 employees, you will need 1,000 employees per year unless there is a ramp up period. Use the percent of employees needed per occupation from step 2 to identify how many employees from each occupation the company will need to hire each year to reach 8,000 in eight years.



<sup>1</sup> If you cannot obtain this data from the local workforce services department, one approach to an estimate is to take the occupational mix of the country as a whole and apply those percentages to the number of in-migrants. This will result in a likely estimate of occupational mix of in-migrants.

<sup>2</sup> Office & Administrative Support and Sales and Related occupations require limited education, therefore the supply is much greater than the stated amount.