## FINAL Advanced Business Services – May article v.4

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As companies and people move to the West Valley, there is an increase demand for employees with specific skills that align with high-wage jobs in a variety of advanced business industries — and the region is meeting the challenge to prepare a ready workforce for the future.

Advanced business services most often include finance, insurance, real estate and construction industries, as well as the fields of law, technology, design, marketing, architecture and engineering. There are many others, but in the West Valley, two areas in particular are booming.

The region's business and financial services sectors are rapidly growing, said Sintra Hoffman, president and CEO of WESTMARC, an economic development organization comprised of 15 West Valley cities.

Currently, 64% of the West Valley's 1.7 million-plus residents are of working age.

"The region's talent pool is growing, and with top-ranked universities and resources, that high-wage workforce in the West Valley is expected to continue to increase into in the future," she said.

According to Arizona Commerce Authority data, the state had the fastest-growing insurance sector employment in the nation, with insurance jobs increasing 38% from 2016 to 2020. Additionally, finance industry employment in Arizona grew 10% from 2016 to 2020, faster than four other states including neighbors Utah and Nevada.

Research has found that the top advanced business services jobs for Phoenix and West Valley cities are call center/customer service representatives, insurance sales agents, financial services sales agents and real estate agents/brokers.

WESTMARC data shows that 32% of finance and insurance workers in Maricopa County live in the West Valley.

"Glendale Community College has an excellent program focused on preparing students to enter insurance related careers," Hoffman said. "Additionally, Farmers Insurance expanded their operations by investing in a new facility in the northwest Valley/north Phoenix area. After evaluating residential information on their employees, they determined the location off I-17 would allow a large number of their employees to work closer to home."

When global and national companies are selecting sites, having an educated workforce in place is a high priority, business leaders say.

"There is a growing need for talent across all industries. The financial services industry is no different," said Latasha Causey, vice president, Community Development Officer, at Bell Bank. "Talent is out there and certainly in the West Valley, it is a matter of finding the right fit for both the employee and the employer, which means it at times takes a little more time. We look forward to continuing to grow in the West Valley and be a staple for the community."

WESTMARC regularly holds job-matching forums focusing on different industries, including advanced business services, where subject-matter experts share information about the West Valley's workforce landscape. The webinars are presented by the ASU West Campus.

At a recent convening, business and education leaders came together to talk about the demand for skilled employees in the advanced business sector and the educational opportunities available for job seekers. A significant focus is the variety of quality education options in the region from K–12 through postsecondary including public, private, charter, career and technical education, community colleges and universities.

"Deer Valley Unified School District serves the area where the Taiwan Semiconductor Manufacturing Co. is moving. The parents who are coming in from Taiwan, Europe and other parts of the country want to know what kind of education their children will get," said Christine Mackay, community and economic development director for the city of Phoenix, in a previous interview.

Arizona State University West, Grand Canyon University, University of Arizona, Northern Arizona University, the Maricopa Community College system, which includes Phoenix College, Estrella Mountain and Glendale, and Arizona's Joint Technical Education District offer business programs and degrees. Many of these higher education institutions work collaboratively with employers to develop new workforce opportunities.

Many educational institutions in the West Valley offer courses designed to facilitate stable foundations in STEM and are aligned with top industry needs, standards and evolving trends. Strong education and industry relationships have been developed to foster the necessary collaboration for the success of students and the future workforce.

Glendale Community College, for example, offers "stackable" degree programs that include business and information technology, computer information systems, programming and analysis, cybersecurity, web design and development, video game production, network and systems administration.

Rachelle Hall, department chair for business information and technology at Glendale Community College said CIS certificates also are available for a wide variety of software programs from Adobe Foundations to Amazon Web Services, to Cisco, Linux, Microsoft, Red Hat, VMware and more.

Additionally, West Valley community colleges partner with Discover Financial Services, Microsoft, Northern Arizona University, Arizona State University, West Valley IT and Advancing Technologies Institute.

Doug Small, assistant dean of strategic partnerships at NAU's West Valley's facility off Greenway and Interstate 17, pointed out that his university provides local student support with enrollment management coordinators on both Glendale and Estrella Mountain Community College campuses.

NAU degree programs specifically serving the West Valley are business administration, communications studies, strategic leadership cohort-based model, master's degree in organizational leadership or project management.

Small also said the university offers shorter courses in-person and online to help working professionals complete their degrees.

At the ASU West Campus, where 7,200 students are enrolled online and in-person, the focus is on blending a liberal arts education with 21<sup>st</sup>-Century workforce preparation.

"We are placing education at the interface of industry and workforce development," said Lara Ferry, associate dean for Research and Strategic Initiatives at ASU West. "We're offering relevant career and degree pathways for in-demand occupations; creating access for industry to work with students directly, and key here, is forming multiple entry points to education for learners at all stages of their careers, address skills gaps through industry, education and workforce partnerships, provide opportunities for 'non-traditional' and life-long learning."

ASU also offers the CommLabASU to create custom communication education and training programs for employers and employees. Through a public-private partnership with Trilogy Education Services, ASU provides accelerated — or industry-certified bootcamp — certificate programs in cybersecurity, financial technology and digital marketing.

Organizations, such as Arizona@Work, have developed an Advanced Business Services Sector Partnership, which is an industry-led, community-supported collaboration dedicated to increasing the competitiveness of service centers in the metro Phoenix area. Its goal is to provide innovative workforce solutions to employers and job seekers.

"We are seeing a change in workforce, and how the development is occurring. That is impacting how people are educated and the processes and technologies are being utilized," said Stephen Kramer with Newbridge Business Solutions, which focuses on recruiting for and filling contact centers across a wide range of advanced business service industries.

Kramer, who also sits on the Phoenix Workforce Board through Arizona@Work, said his company is working on how to support the advanced business services sector through development of individuals to help them better understand the industries.

"We provide a training program for students or adults who are retooling their careers," he said. "With virtual environments, the entire dynamic of that industry has changed."

Opportunities have expanded, Kramer said. "In a work-from-home environment, people have locational freedom because they aren't tied to the location where their employer is."

Research by Gartner Talent Neuron found that the essential skills desired by employers are communication, analysis, dedication and collaboration. "Most employers are looking for durable, or soft, skills like written communication, presentation stills, computer literacy and critical thinking skills," Kramer said.

Bell's Causey said the West Valley is a growing community, and the bank plans to continue operating in the West Valley. Currently, the bank has about 30 employees at its Peoria location (off Loop 101 and Bell Road).

"At this location, we have a full-service branch of individuals who primarily live in the West Valley, so not only are they familiar with the area, but they also live there and know it well. There is so much talent across all the Valley ...," she said.

Discover Financial Services in northwest Phoenix also has a plethora of positions available for those seeking new or a shift in careers.

"There are opportunities at Discover for folks no matter what your background and your discipline is," said Renea Harris, Discover's diversity events and engagement specialist, Employer Brand. "From technology and engineering to our very large banking and customer service teams — we have fraud protection, marketing, sales and human resources."

"Hot jobs" available at Discover include personal bankers, part-time customer service employees and senior mortgage underwriters, Harris added.

Bell Bank currently is looking to expand its commercial banking team by hiring candidates who have been servicing small, mid-level and large business across the Valley. Causey said ideal candidates would be able to engage in business development with new and existing business customers, bring in a portfolio of business and have a minimum of five years of experience.

Bell also is expanding its mortgage footprint in the West Valley by adding loan officers and community development loan officers. Both positions would be responsible for helping to guide clients through the mortgage process, through self-sourced referrals.

"The No. 1 skill we look for in our candidate is the ability to provide premier customer service to each person you encounter," she said.

The construction section is a whole different ballgame.

Despite the continued growth the industry continues to experience, the construction industry has a need for all skill levels – from minimally skilled laborers all the way up to highly skilled and trained technical professionals and even highly educated management roles," said Rebekah Morris, founder and president of Arizona Builder's Exchange, or AZBEX.

There are unfilled positions at most, if not all, construction companies right now regardless of where they are located, she added. "We see massive projects like TSMC and Intel taking up enormous capacity of the market in both labor and materials."

Liz Recchia, government affairs director for the WeSERV Association of Realtors, sees the growing residential and commercial sector in the West Valley and elsewhere as untapped opportunities.

"Anything you see or touch has a connection to real estate, and that's your opportunity," she said. "Some of the opportunities you can't even see yet. In construction, for example, there are 25,000-plus homes ready to be built in the West Valley."

According to the U.S. Bureau of Labor Statistics, as of March 2022, there are about 142,000 construction jobs in the metro Phoenix area (the most recent data available). That's nearly 3% higher than the 139,000 reported in November 2021. BLS doesn't break down by region.

Arizona's construction employment still is 24% below the peak level of 2006, and according to at least one Valley expert, that won't improve until there is a robust affordable housing market throughout the region.

"Construction has unmet demand in the market," Morris said. "We have need for newly built spaces, housing and industrial especially, and the market cannot meet the demand."

"What's really happening," she said, "is that in order to get construction laborers to the West Valley, there needs to be (more) affordable housing options for them to live." "The hard part is construction workers have to go where the job is — they don't just clock in at one place forever — they have to travel to the project site, wherever that may be," she said.

"The biggest constraints are labor, materials and plan review/permitting/NIMBYism," Morris added. "These really big issues are holding back the ability to deliver new spaces, and ultimately, grow."

Morris clarified that "labor" refers to all aspects of construction. From staffing at engineering and architecture firms to design projects, staffing at the city to review plans and process permits, to labor at manufacturing plants to create products and more.

"It's short at all levels," she said. "When we lost workers in the recession of 2009-2010 to 2011, they left the state or left the industry. They did not return, and workers who enter the industry have less skills so productivity has gone down."

Morris went on to say that construction in Arizona has been dominated by multifamily builds since 2016, and industrial projects since 2018. From 2017 through 2020, there has been a total market increase of 10% year-over-year growth in construction consistently.

"Demand for multifamily and industrial spaces has increased vacancy in both project types has decreased, and that is pushing new construction higher," she said. "The West Valley especially benefits from land that has become more attractive to developers as a result of the new freeways opening up – most notably, Loops 202 and 303."

"The nature of the industry forces workers to live where they live and drive to the project site," Morris said. "As West Valley construction projects pick up, more workers will likely see the West Valley as a good place to live because they're likely to have more project sites closer to their homes."

What is working to attract and retain workers to construction are the internal training programs offered by some businesses, Morris said.

"Arizona construction companies desperately need more trained workers, and one successful tactic is for construction companies to develop their own internal training programs to upskill their own workforce. Unfortunately, that is very

expensive and hard to dedicate time/energy to when there is so much demand in the market."