



ENHANCED LABOR MARKET ANALYSIS

St. Louis Region

Executive Summary

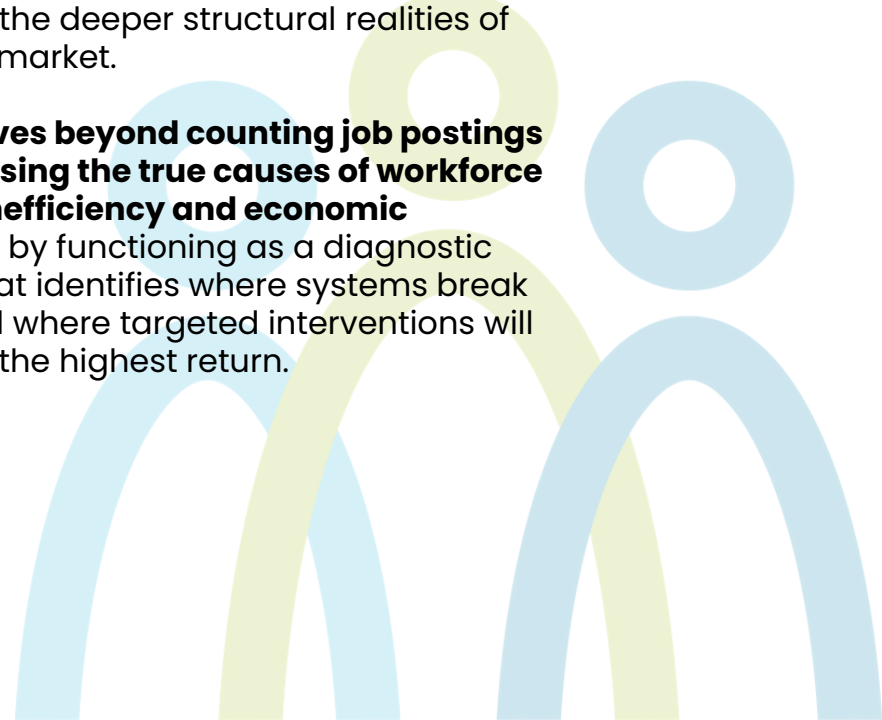
ELMA REPORT: REFRAMING THE WORKFORCE CHALLENGE

The Enhanced Labor Market Analysis (ELMA) introduces a **first-of-its-kind workforce intelligence framework** that integrates employer demand with the lived realities of the regional workforce.

The analysis points to a core challenge: not a lack of jobs, but persistent misalignment. This misalignment reflects a specific failure: current systems are not designed to prepare and connect a region's low- and moderate-income (LMI) population to the existing ecosystem of high-demand, living-wage career pathways. ELMA is a scalable, customizable platform that can be deployed across regions to diagnose and solve labor market inefficiencies in real time.

Unlike traditional labor market reports that provide static snapshots of employer demand, ELMA introduces an innovative, dynamic, and action-oriented model that uncovers the deeper structural realities of the labor market.

ELMA moves beyond counting job postings to diagnosing the true causes of workforce system inefficiency and economic exclusion by functioning as a diagnostic engine that identifies where systems break down and where targeted interventions will generate the highest return.



THE LABOR MARKET FRICTION GAP

In the St. Louis Metropolitan Statistical Area, employers generate more than 30,000 job postings each month, including approximately 474 occupations that meet a living-wage threshold and 247 occupations that offer median annual earnings above the living wage, do not require a bachelor's degree, and are in high demand in the region. The Federal Reserve Banks of Cleveland, Philadelphia, and Atlanta have identified these as "opportunity occupations." These in-demand occupations exist while more than 364,000 working-age residents in the St. Louis area remain underutilized, earning below a living wage, underemployed, or disconnected from stable work.

This disconnect exposes the true source of labor market friction: not a lack of opportunity or talent, but a systemic failure to align workforce systems, career pathways, and access points with the people who could benefit from them most. ELMA uncovers this hidden friction gap through enhanced analytics that combine demand, supply, job quality, and geography into a single, human-centered intelligence framework. This "labor market friction gap" is a core ELMA construct (which traditional workforce tools are not designed to detect).

ELMA represents a major innovation in the field of workforce development; it is a step-change in workforce intelligence by moving the field from descriptive reporting to precision system design.

ELMA introduces a fundamental reframing

of labor market reporting. Rather than viewing the labor market through a single lens of employer demand, ELMA applies a dual-lens approach that simultaneously analyzes where opportunities exist and who can access them. This dual-lens approach is absent in traditional labor-market tools, which analyze demand or supply in isolation. This integrated and nuanced perspective reveals that the region's primary challenge is not a shortage of jobs or workers, but what ELMA defines as the labor market friction gap: a structural disconnect between available jobs and available workers.

Multiple, reinforcing factors shape this friction gap: geographic misalignment, fragmented training systems, ineffective credentialing, transportation barriers, and systemic inequities tied to race, income,

and education. ELMA surfaces, measures, and defines this gap, turning a traditionally abstract challenge into a clearly defined system malfunction that stakeholders can address through intentional design.

ELMA draws on more than twenty data points across multiple sources, from job postings and wage records to census data, labor participation trends, and behavioral insights, each providing a cross-validated, continuously updatable picture of the regional labor market. This enhanced analytical model represents a significant advancement over traditional workforce reporting by creating a living intelligence platform rather than a static report. In doing so, ELMA shifts the conversation from “Where are the jobs?” to the far more important question: “How do we better connect people to the jobs that already exist?”

DEMAND-SIDE REALITY: A STRONG LABOR MARKET WITH HIDDEN OPPORTUNITY

The demand-side analysis within ELMA reveals a regional economy that is both robust and evolving. Healthcare alone employs more than 228,000 individuals and generates the highest volume of job postings, serving as a cornerstone of the regional economy. Other sectors, including construction, logistics, education, and business services, are experiencing sustained or emerging growth, reflecting broader shifts in infrastructure investment, supply chain dynamics, and care-based economies.

However, ELMA goes beyond traditional

labor market reports by redefining how demand is understood. Rather than focusing solely on job quantity, ELMA introduces a critical distinction between job availability and job quality. The analysis identifies roughly half of all jobs in the region meet or exceed a living-wage threshold of \$50,000 annually for an individual. Within this universe of quality jobs lies one of ELMA's most important insights: a substantial share of these roles do not require a bachelor's degree. Specifically, the 247 "opportunity occupations" mentioned earlier offer pathways to living wages for individuals who possess a high school diploma/GED or less. These occupations represent a significant and largely under-recognized ramp to economic mobility.

Further refining this insight, ELMA identifies

214 “Quality Middle-Skill” (QMS) occupations, jobs that pay a living wage and require some post-high school training but less than a bachelor’s degree. These occupations, including electricians, truck drivers, maintenance technicians, healthcare support roles, and skilled trades, represent the most immediate and scalable opportunity to connect workers to sustainable careers.

These findings challenge conventional workforce narratives. High-quality jobs exist, but systems do not clearly identify them, systematically organize them into pathways, or effectively connect them to the populations who could benefit.

ELMA brings visibility to these opportunities, not as isolated jobs, but as structured

career pathways that can be accessed and advanced through certifications, apprenticeships, and on-the-job training. This process reframes the labor market from a static set of job postings into a dynamic system of mobility.

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SUPPLY-SIDE REALITY: A LARGE, UNDERUTILIZED WORKFORCE

This is where ELMA introduces one of its most important and groundbreaking advancements.

Traditional labor market reports treat workers as a broad, undifferentiated labor supply. ELMA fundamentally changes that approach by introducing a sophisticated six-cluster framework that segments the workforce based on income, employment status, education, labor force participation, and geographic concentration. This enhanced segmentation creates a far more precise understanding of the low- and moderate-income workforce, why they are

stalled or disconnected from advancement, and what interventions are required to create mobility. Rather than asking simply “Who needs jobs?”, ELMA asks the far more strategic question: “Which populations face which barriers, and what pathways are most likely to create lasting economic advancement?”

ELMA highlights persistent disparities that shape this underutilization. Black workers experience unemployment rates two to three times higher than other groups, and individuals without postsecondary credentials face significantly lower wages and fewer advancement opportunities. These disparities are not simply the result of individual choices or capabilities; they reflect systemic barriers embedded in education systems, hiring practices,

geographic access, transportation limitations, and institutional design. To better understand how individuals interact with the labor market, ELMA introduces six distinct LMI workforce clusters.

THE SIX ELMA CLUSTERS

Residents of Low-Income Neighborhoods (LIN) often face compounded challenges related to geography, access, and systemic barriers. Their proximity to opportunity is limited not only by distance but by infrastructure, including transportation and local availability of training resources. For these individuals, workforce development must be place-based, bringing opportunity closer to where they live and addressing the structural barriers that inhibit participation.

Defined by United for ALICE—the Asset Limited, Income Constrained, Employed (ALICE) population—those who are employed but financially constrained pose a different challenge. These individuals are already engaged in the labor market but remain stuck in low-wage roles with limited upward mobility. Their primary need is not access to employment, but access to advancement. For them, the focus must shift to career progression, skill development, and pathways to higher wages.

The Prime Age Underutilized Labor force (PAUL) includes individuals who are not fully engaged in the labor force, whether due to discouragement, caregiving responsibilities, or other barriers. Re-engaging this population requires targeted outreach,

supportive services, and pathways that offer both immediate income and long-term potential.

Those classified as Low Education Employed (LEE) are working, often full-time, but lack the high-school diploma or equivalent often needed to advance beyond minimum-wage jobs. Their experience highlights the limitations of traditional education models and the importance of alternative credentialing systems that recognize and build upon existing skills.

Skilled Underpaid Earners (SUE) present a particularly compelling case. These individuals possess valued skills in the labor market, yet their compensation does not reflect that value. Their situation reflects inefficiencies in job matching and

credential recognition, suggesting a need for systems that better align skills with opportunities.

Finally, Degreed but Underemployed Earners (DUE) challenge the assumption that higher education guarantees economic success. Their underemployment reflects a mismatch between degrees and labor market demand, as well as a lack of pathways into relevant industries.

Across all six clusters, a common theme emerges: individuals are not disconnected from the labor market entirely, but from the right opportunities within it.

THE ELMA INNOVATION: CONNECTING OPPORTUNITY TO PEOPLE

The true value of ELMA lies not only in what it reveals, but in how it enables action. Its core innovation is the integration of demand and supply into a single, human-centered intelligence system that identifies both opportunity and access simultaneously.

At the center of this system is ELMA's focus on non-bachelor's, living-wage career pathways. These pathways represent a critical bridge between entry-level employment and long-term economic stability. They are particularly relevant for LMI population clusters, many of whom face barriers to attaining a traditional four-year degree, but possess the capacity to

succeed in middle-skill, high-demand roles.

ELMA demonstrates that these pathways already exist across key sectors:

- Healthcare: Entry-level roles progressing to licensed and specialized positions
- Construction: Apprenticeships leading to skilled trades careers
- Logistics: Entry-level positions advancing to certifications and supervisory roles
- Maintenance and technical fields: Skill-based progression tied to industry demand

However, these pathways are not self-executing. They require intentional design, coordination, and support. ELMA identifies the need to:

- Align training programs directly with employer demand

- Ensure credentials are relevant, recognized, and stackable
- Build clear, visible career pathways that individuals can navigate
- Ensure that education and training programs are accessible to LMI populations
- Provide supportive services (transportation, childcare, coaching) as core infrastructure
- Engage employers as active partners in pathway design and hiring

Crucially, ELMA also introduces a geographic dimension to this alignment. By mapping where LMI populations live against the locations of quality jobs, the analysis reveals a significant spatial mismatch. Employment corridors host a concentration of quality jobs that are not easily accessible

to residents in high-need neighborhoods. At the same time, training programs are often not located in the areas where these populations reside.

This insight transforms workforce strategy from programmatic design to place-based system design—where geography itself becomes a diagnostic tool, and access, proximity, and infrastructure become central to success.

FROM INSIGHT TO IMPACT: BUILDING A SYSTEM FOR ECONOMIC MOBILITY

The implications of ELMA extend far beyond analysis. They point toward a fundamentally different approach to workforce and economic development, one grounded in shared intelligence, resource alignment, and coordinated action. To convert opportunity into mobility and economic stability, the region must transition from fragmented efforts to a connected workforce system built around several core principles:

1. Sector-Based Alignment: Focus on industries and employers with a documented high-demand for non-bachelor “opportunity occupation”

pathways—healthcare, construction, logistics, and technical fields—where opportunity is both immediate and scalable.

2. Dynamic Data Infrastructure: Move beyond static reports to real-time, continuously updated data systems that inform decision-making and enable coordinated action across stakeholders.

3. Human-Centered Targeting: Use ELMA’s six-cluster framework to design tailored strategies that reflect the diverse needs and barriers of LMI populations.

4. Employer-Centered Design: Engage employers not as end users, but as co-designers of pathways, ensuring alignment between training and real-world demand.

5. Barrier Removal as Core Strategy: Treat transportation, childcare, and access to technology as essential workforce infrastructure, not supplemental services.

6. Progression Over Placement: Redefine success from job placement to career advancement, focusing on long-term wage growth, stability, and wealth-building potential.

The inaugural ELMA Report marks the launch of a new workforce intelligence platform designed to transform how the region understands, aligns, and activates economic opportunity. It converts fragmented labor market data into a powerful, shared decision-making system that enables leaders across workforce development, education, economic development, philanthropy, government,

and industry to operate from a common, real-time understanding of opportunity, talent, and need.

ELMA creates the connective infrastructure that has long been missing: a dynamic framework that not only identifies where quality jobs exist, but also reveals who can access them, where barriers persist, and how systems must be redesigned to create true economic mobility. Updating the full ELMA Report annually, quarterly demand and supply updates, publishing insights and interactive dashboards, and implementation toolkits will continuously deepen this intelligence tool, surfacing emerging demand trends, worker behavior patterns, technological disruptions, and sector shifts that require faster, smarter, and more coordinated responses.

In doing so, ELMA moves the region beyond traditional workforce planning and into a new era of precision workforce strategy, shifting St. Louis from labor-market friction to economic flow, from fragmented programs to aligned systems, and from static data to measurable, inclusive, and lasting economic prosperity.

THANK YOU TO OUR PARTNERS

ELMA was made possible thanks to our regional partners who contributed data, expertise, and insight.

Their partnership strengthened the analysis and ensured that ELMA reflects the lived realities of the St. Louis workforce and economy.



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