Levin College of Public Affairs and Education

Cleveland State University
EngagedScholarship@CSU

All Maxine Goodman Levin School of Urban Affairs Publications

Maxine Goodman Levin School of Urban Affairs

1-2022

Can Cleveland Be a Hub of Healthcare Worker Training?

Richey Piiparinen
Cleveland State University, r.piiparinen@csuohio.edu

Follow this and additional works at: https://engagedscholarship.csuohio.edu/urban_facpub

Part of the Urban Studies and Planning Commons

How does access to this work benefit you? Let us know!

Repository Citation

Piiparinen, Richey, "Can Cleveland Be a Hub of Healthcare Worker Training?" (2022). *All Maxine Goodman Levin School of Urban Affairs Publications*. 0 1 2 3 1754.
https://engagedscholarship.csuohio.edu/urban_facpub/1754

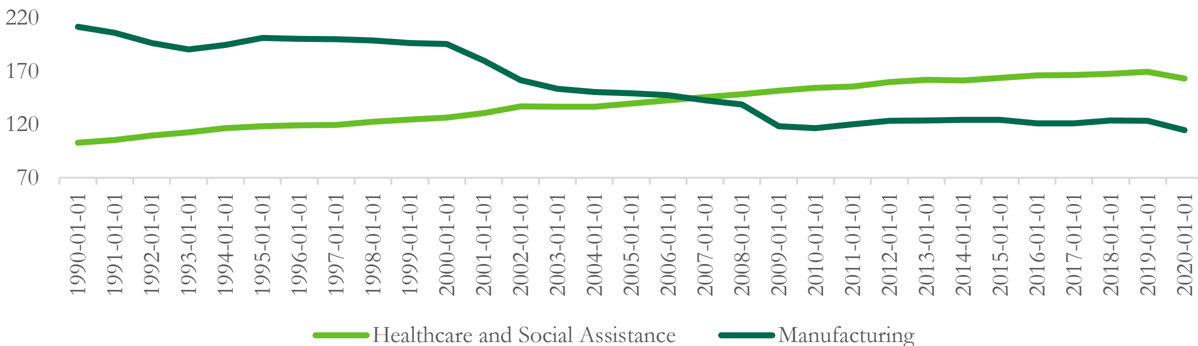
This Report is brought to you for free and open access by the Maxine Goodman Levin School of Urban Affairs at EngagedScholarship@CSU. It has been accepted for inclusion in All Maxine Goodman Levin School of Urban Affairs Publications by an authorized administrator of EngagedScholarship@CSU. For more information, please contact library.es@csuohio.edu.

Can Cleveland Be a Hub of Healthcare Worker Training? A Levin Policy Brief

By Richey Piiparinen, Director, Urban Theory & Analytics, Founding Director, Center for Population Dynamics Jan. 2022

It's nothing revelatory to say Cleveland's labor market has transitioned from manufacturing-intensive to knowledge-based services. For the purposes of this report brief, Figure 1 is illustrative enough. The Cleveland metropolitan statistical area (MSA) lost over 97,000 manufacturing jobs from Jan. 1990 to Jan. 2020. Meanwhile, the region gained over 60,00 jobs in healthcare and social assistance.

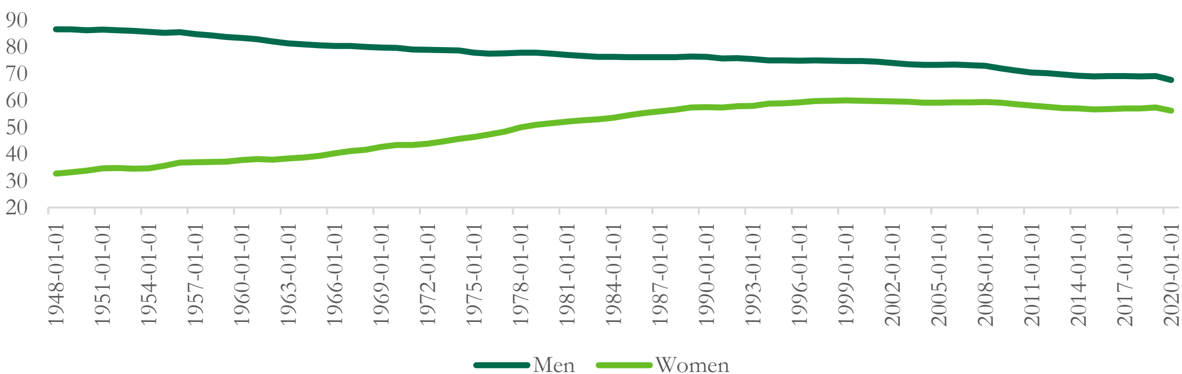
Figure 1: Manufacturing versus Healthcare Employment in Cleveland MSA. Source: BLS



This regional shift is part and parcel of a broader shift from blue-collar work to "pink-collar" work, described as "someone working in the care-oriented career field," including jobs in nursing, social work, and teaching.

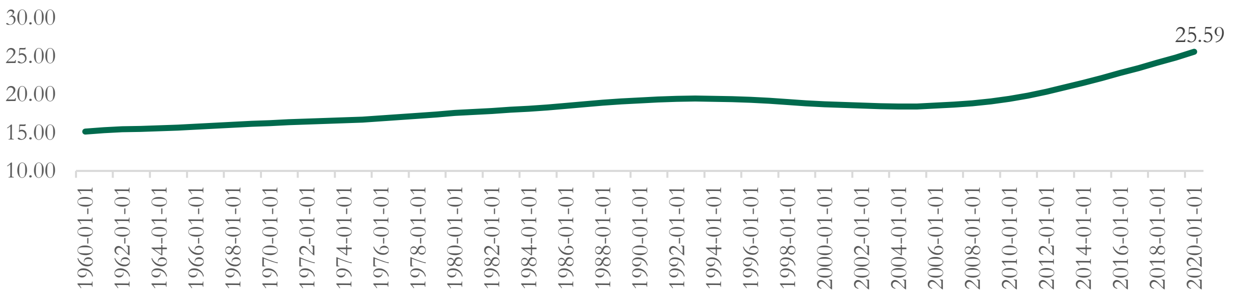
This shift toward care workers is represented by a female labor force participation rate going from 32.7% in 1948 to 56.2% in 2020, with a corresponding decline from 86.6% to 67.7% for men, as shown in Figure 2.

Figure 2: Male and Female Labor Force Participation Rate for the U.S 1948 to 2020. Source: BLS



Due to demographic trends—i.e., a longer-living aging population and a declining fertility rate—the age dependency ratio in the U.S., or the ratio of people older than 64 to the working-age population of 15-64), is as high as it has ever been (25.59) and growing. While there are oft-discussed fiscal concerns with these trends, the takeaway, here, relates to the significant growth in care work that's projected. This is not only because of high demand, but also the difficulty of automating care work due to the fact it is non-routine and highly emotive. The demand for, say, nurses and nursing aides isn't going away anytime soon. Rather, it'll grow.

Figure 3 Age Dependency Ratio: Older Dependents to Working-Age Population for the United States. Source: World Bank

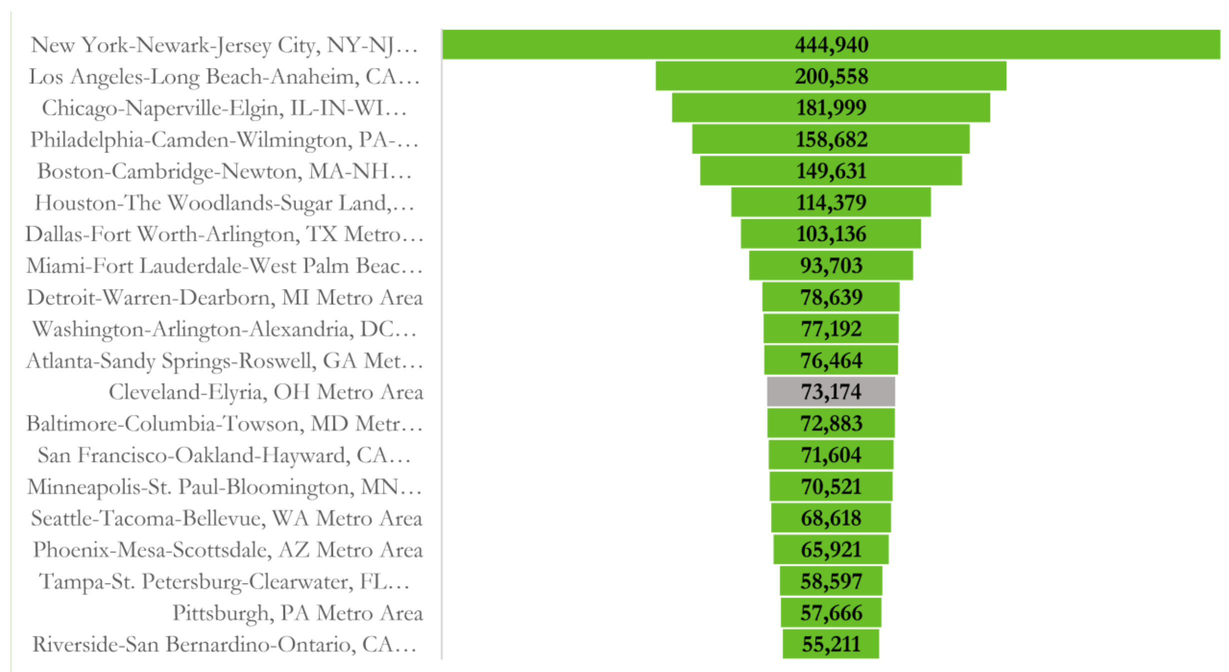


The most recent labor projections, for example, show employment in healthcare and social assistance is projected to add the most jobs of all industry sectors, or 3.3 million jobs from 2020–30. Unlike some industries, the worry isn't whether there will be enough work for the worker, but rather enough workers for the work. Regions that have a leg up in **training** care workers—especially in healthcare fields—could see a significant boost in their regional economies by becoming **hubs of healthcare worker training**. Simply, the region would be selling educational services to customers outside the local market while bringing outside money in, thus "juicing" the local economy re: consumer goods. Is Cleveland well-positioned in this regard?

To become a national hub of healthcare worker training, a few dynamics are helpful: (1) a thick local labor market for the trainee to land, and (2) a thick local labor market skilled at training healthcare workers. Think nursing instructors or professors employed at regional colleges or universities. Both dynamics collectively have been referred to as the "workforce pipeline".

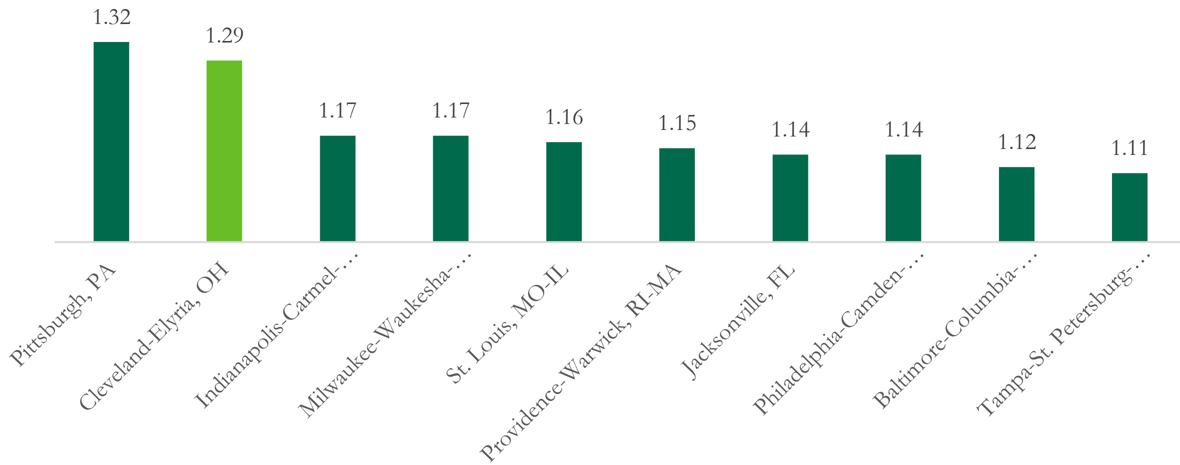
Cleveland has a dense healthcare service economy. It has, thus, the demand to absorb newly-licensed care workers. The Cleveland metropolitan statistical area (MSA) employs the 12th most hospital employees in the nation (73,174), just behind Atlanta and ahead of Baltimore (See Figure 4).

Figure 4: Top 20 Metros in the U.S. by Total Hospital Employment. Source: County Business Patterns, Census, 2020



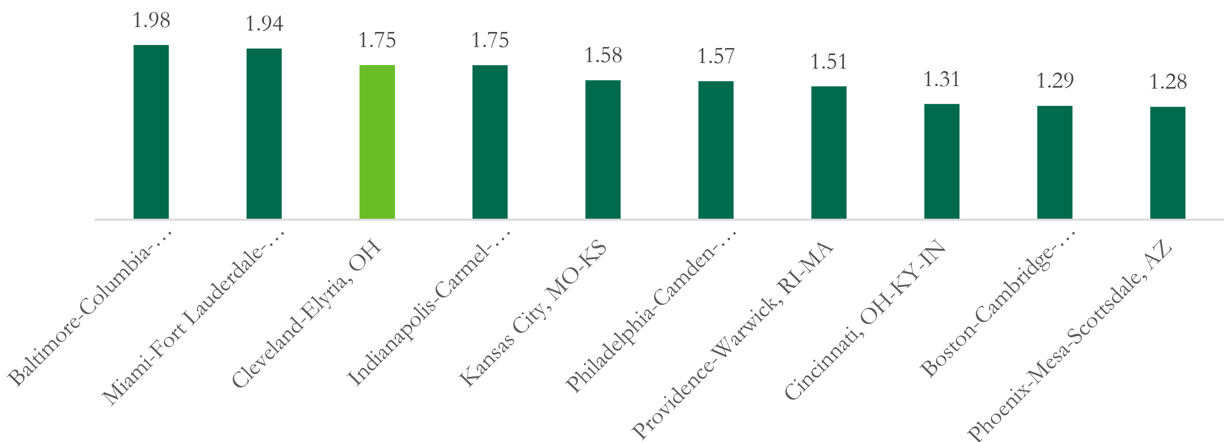
Given Cleveland is not the 12th largest metro by population size (it's 34th), this high hospital employment figure is happening because Cleveland's local healthcare economy serves patients outside its local market. It's a global industry. This has been extensively examined by this author, and the fact that Cleveland has a tradeable, or exportable, healthcare service economy needs no belaboring here. Figure 5, for instance, shows that Cleveland has the second largest Location Quotient (LQ) of skilled healthcare workers out of the nation's largest 40 metros, second only to Pittsburgh. (An LQ is a measure comparing how dense a given occupation is against the national average)

Figure 5: Top 10 Metros in Location Quotient of Skilled Healthcare Workers. Source: OES 2019



The fact that Cleveland has a thick labor market for healthcare workers is not just good for trainees' job prospects. After all, healthcare is an industry replete with on-the-job training, and the thicker a region's labor market the more opportunity for experiential learning. To that end, care worker trainees need in-class instruction which, in turn, requires a supply of higher ed instructors in relevant fields. Figure 6 shows that Cleveland has the 3rd highest LQ (1.75) for higher ed nursing instructors among the nation's largest 40 metros. The above stats make the case that Cleveland has at least some of the ingredients to be a world-class hub for care worker training.

Figure 6: Top 10 Metros in Location Quotient of Postsecondary Nursing Instructors. Source: OES 2019



Perhaps nothing speaks to *both* the quality of a region's workforce training and the demand within a given labor market than what graduates make once they graduate. A new, experimental dataset from the U.S. Dept. of Commerce and the Census called the Post-Secondary Employment Outcomes Explorer allows us to estimate earnings by occupational sector against where the care worker graduated. (Data is limited to participating institutions.)

Two data points are listed in Figures 7 and 8: (1) the median earnings for those with a bachelor's degree in Health Professions and Related Programs at 10-Years Postgrad, and (2) the average of the median earnings for those with a bachelor's degree in Health Professions and Related Programs at 1-, 5-, and 10-Years Postgrad. The schools included in this analysis were Division 1 schools that offered 4-year degrees in Health Professions and Related Programs and that were either located in Ohio or were part of the Big Ten Conference.

Figure 7 shows that the highest salaries for healthcare workers at 10 years postgrad were those graduating from the University of Toledo ($90,561), well above 2nd place Penn State ($76,307). This could be due to the fact Toledo is in proximity to two major U.S. labor markets, Cleveland and Detroit. It could also be due to the fact the University of Toledo nursing programs are hovering in the top 100 range in the nation, according to the U.S. News and World Reports. Cleveland State graduates who are at least 10-years postgrad also perform well, making a median salary of $75,107, higher than health professional graduates from University of Michigan ($74,806) and nearly equal to that of Ohio State ($75,442).

Figure 7: Median Earnings for Bachelor's Recipients in Health Professions 10 Years Postgrad Source: U.S. Census Bureau, Center for Economic Studies, LEHD

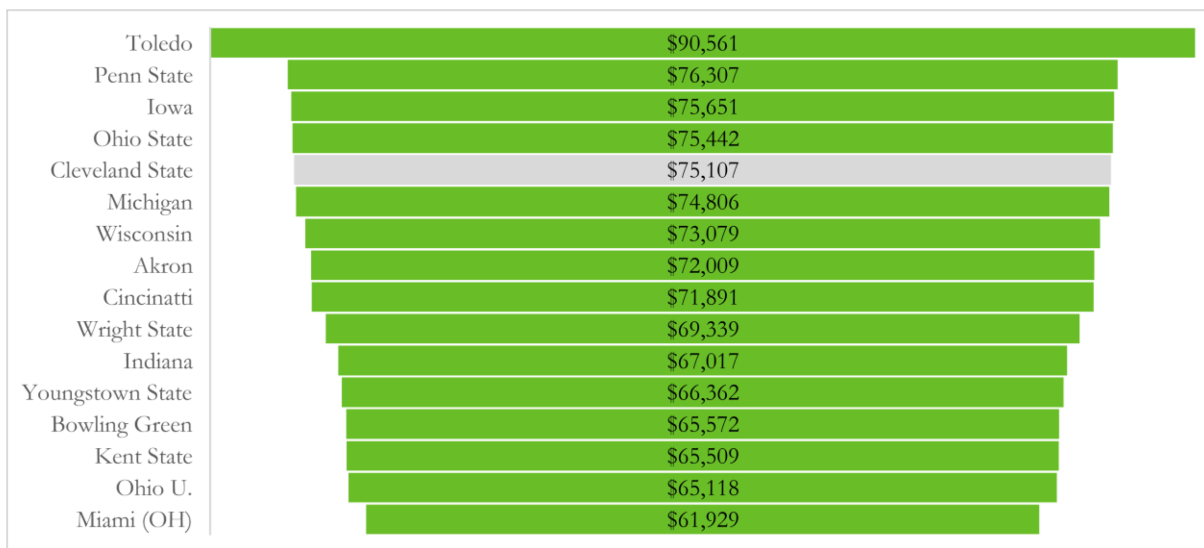


Figure 8 shows the average of the median salary across the career spectrum, or those 1-, 5-, and 10-years postgrad. Again, Toledo is the highest out of the cohort ($68,239), with Cleveland State healthcare professional graduates ($63,479) nearly equal to that of both Ohio State ($63,836) and Michigan (63,886).

Summary Findings

It's well established that Cleveland's healthcare industry has transformed its regional economy. This Levin Policy Brief goes beyond looking at how Cleveland's healthcare industry brings outside money into the region through the export of healthcare services and begins to sketch a picture of how Cleveland's higher education system can not only play a supportive role in supplying the local labor market pipeline to area hospital systems, it also examines how Cleveland's higher ed system itself can *scale its exportability* by investing

in care worker training infrastructure so as to serve labor markets outside the region. This analysis proves that the “ingredients” for this economic development “recipe” are there.

Figure 8 Median Earnings for Bachelor’s Recipients in Health Professions 1, 5, and 10 Years Postgrad Source: U.S. Census Bureau, Center for Economic Studies, LEHD